

**REGULAR MEETING OF THE
FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT
AND REVITALIZATION DISTRICT**

**Tuesday, June 27, 2017 – 10:00 AM
Staff Conference Room - Second Floor
Flagstaff City Hall – 211 West Aspen, Flagstaff, Arizona**

A G E N D A

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the FDBIRD Board of Directors and to the general public that, at this meeting, the Board may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the District's attorney on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A) (3).

1. Call to Order
2. Roll Call
3. Approval of Minutes of the Board Meeting of June 6, 2017.
4. Public Hearing for 2017-2018 Final Budget and Property Tax Levy of Flagstaff Downtown Business Improvement and Revitalization District.
5. Consideration of Resolution No. 2017-02: A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT (DISTRICT) ADOPTING THE BUDGET FOR FISCAL YEAR 2017-2018.
6. Authorization to reschedule the regularly-scheduled Board meeting of July 4, 2017, to July 18, 2017.
7. Report by FDBA Director Terry Madekzsa.
8. PUBLIC PARTICIPATION

Public Participation enables the public to address the Board about an item that is not on the agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed.
9. Report of Board of Directors.
10. Adjournment

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____ a.m./p.m. in accordance with the statement filed by the Board with the District Clerk.

Elizabeth A. Burke, MMC, District Clerk

**REGULAR MEETING OF THE
FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT
AND REVITALIZATION DISTRICT**

**Tuesday, June 6, 2017 – 10:00 AM
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Flagstaff City Hall – 211 West Aspen, Flagstaff, Arizona**

MINUTES

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the FDBIRD Board of Directors and to the general public that, at this meeting, the Board may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the District's attorney on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A) (3).

1. Call to Order

Vice Chairman Kinne-Herman called the meeting to order at 10:05 a.m.

2. Roll Call

MEMBERS PRESENT:

Vice Chairman Karen Kinne-Herman
Member Antoinette Beiser
Member John VanLandingham

MEMBERS ABSENT:

Chairman David Stilley
Member Tim Kinney

Others present: District Attorney Dana Kjellgren; District Treasurer Brandi Suda; District Clerk Elizabeth Burke and DBA Executive Director Terry Madeksza.

3. Approval of Minutes of the Board Meeting of April 4, 2017.

Member Beiser moved to approve the minutes of the Board Meeting of April 4, 2017; seconded; passed unanimously.

4. Consideration of Resolution No. 2017-01: A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT (DISTRICT) ADOPTING THE TENTATIVE ESTIMATES OF THE AMOUNTS REQUIRED FOR THE PUBLIC EXPENSE FOR THE DISTRICT FOR THE FISCAL YEAR 2017-2018; ADOPTING A TENTATIVE BUDGET; SETTING FORTH THE RECEIPTS AND EXPENDITURES; THE AMOUNT PROPOSED TO BE RAISED BY DIRECT PROPERTY TAXATION; AND GIVING NOTICE OF THE TIME FOR HEARING TAXPAYERS

Ms. Suda reviewed the legal schedules and also provided a detailed legal schedule, attached hereto and made a part hereof as Exhibit A.

Ms. Suda said that their minimum fund balance is at 25% of ongoing revenues, which is high for a percentage as most management policies are more between 10 and 25%, but she was recommending to keep it higher since they are so small.

Ms. Suda noted that the Tax Rate on Schedule B is going down slightly and that was because they have had an increase in assessed valuation. Member VanLandingham said that it was worth noting that they made an intentional direction to keep the \$168,500 at a static level, which was a promise to the voters.

Ms. Suda noted that the Public Hearing was scheduled for June 27, 2017, and then they would hold another meeting in July to adopt the tax levy.

Member Beiser moved to change the regularly-scheduled meeting of July 4, 2017, to July 18, 2017; seconded; passed unanimously.

Member Beiser moved to adopt Resolution No. 2017-01; seconded; passed unanimously.

5. PUBLIC PARTICIPATION

Public Participation enables the public to address the Board about an item that is not on the agenda. Comments relating to items that are on the agenda will be taken at the time that the item is discussed.

Ms. Madeksza gave an update on a few of the programs/activities within the District, as indicated in Exhibit B, attached hereto and made a part hereof.

PARKING - She distributed some outreach products they have been using for the new Parking Plan which will start on August 1. They are spending a majority of their efforts in outreach and their goal is to talk to every downtown stakeholder prior to mid-July, including business owners, managers, staff, etc. on both the north and south sides.

She said that the downtown community is aware and accepting; they are not hearing opposition. There are some questions, mostly related to employee parking and validation. The opposition is mostly on social media coming from the Country Club and University Heights area, saying they will not go downtown now.

Vice Chairman Kinne-Herman asked if the kiosks took cash, and if not the reasoning for that decision. Ms. Madeksza said that the cost of the kiosks would have increased significantly as well as increased maintenance and operation. She said that the majority of people coming downtown will be able to put it on their phone or credit card. Those with cash will be able to visit those businesses with the window clings showing they accept cash for parking, and those businesses will have the app on their POS system.

Member VanLandingham said that they track the percentage of tender versus credit card and 85-90% are tendered on credit cards. He said that was a decision early on. Ms. Madeksza said that they are trying to educate the businesses about this first, then they will focus on educating the public. Member Beiser referenced the older people that may not have cell phones.

Ms. Madeksza said that from the chatter she has heard, the north side residents are going to be okay; the concern is the townsite area. They have not been as engaged in this conversation and they are going to see a lot of managed parking and overflow. She said that they will be doing a lot of outreach in that area and communicating with as many as they can. They are also talking about having some additional open houses in July.

Discussion was held on whether the app would require a fee and if the posted \$1 would actually be \$1.05. Ms. Madeksza said that she would find out and let the members know. All agreed that there should not be an additional fee.

MOVIES ON THE SQUARE - Ms. Madeksza handed out a flier that shows the different movies being shown in the square over the summer and another flier which explained the sponsorship opportunities. She said that last year they raised \$48,000; this year they have raised \$68,000. She added that the majority of the trash being picked up are from the downtown businesses rather than people bringing food from home.

Brief discussion was held on the people sometimes gathering in the square that have become aggressive. Ms. Madeksza said that she will be requesting the assistance of the Police Department and she was sure they would get positive support from them.

Ms. Madeksza said that they received \$60,000 from the City of Flagstaff for the Clean Team and the County is contributing as well. Currently they have two employees on board and they are doing a great job.

6. Report of Board of Directors.

None

7. Adjournment

The Special Meeting of the Flagstaff Downtown Business Improvement and Revitalization District Board held June 6, 2017, adjourned at 11:10 a.m.

David Stilley, Chairman

ATTEST:

Elizabeth A. Burke, District Clerk

**FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT
AND REVITALIZATION DISTRICT OF FLAGSTAFF, ARIZONA**

RESOLUTION NO. 2017-02

A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF
DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION
DISTRICT OF FLAGSTAFF ADOPTING THE BUDGET FOR FISCAL
YEAR 2017-2018

WHEREAS, in accordance with the provisions of A.R.S. Title 42, Chapter 17, Articles 1 – 5, the District Board did on June 6, 2017, make an estimate of the different amounts required to meet the public expenditures for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real property within the Flagstaff Downtown Business Improvement and Revitalization District (the “District”); and

WHEREAS, in accordance with said sections of said Title, and following due public notice, the District met on June 27, 2017, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures or tax levies; and

WHEREAS, it appears that publication has been duly made as required by law, of said estimates together with a notice that the District Board would meet on June 27, 2017, in the Staff Conference Room at Flagstaff City Hall, for the purpose of hearing taxpayers and making tax levies as set forth in said estimates;

**NOW, THEREFORE, BE IT RESOLVED BY THE DISTRICT BOARD OF THE
FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION
DISTRICT OF FLAGSTAFF, ARIZONA AS FOLLOWS:**

That said estimates of revenues and expenditures shown on the accompanying schedules as now increased, reduced, or changed, are hereby adopted as the budget of the Flagstaff Downtown Business Improvement and Revitalization District for Fiscal Year 2017-2018.

PASSED by the District Board of the Flagstaff Downtown Business Improvement and Revitalization District this 27th day of June, 2017.

Chairman

ATTEST:

District Clerk

APPROVED AS TO FORM:

Kjellgren & Speed, PLC

District Attorney

SCHEDULE A
SCHEDULE B
SCHEDULE C
SCHEDULE D
SCHEDULE E
SCHEDULE F
SCHEDULE G

OFFICIAL BUDGET FORMS

Flagstaff Downtown Business Improvement and Revitalization District

Fiscal Year 2018

Flagstaff Downtown Business Improvement and Revitalization District

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Fiscal Year 2018

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Schedule F—Expenditures/Expenses by Department (as applicable)

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**Flagstaff Downtown Business Improvement and Revitalization District
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2018**

THE FINAL OPPORTUNITY FOR PUBLIC INPUT ON THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT BUDGET WILL OCCUR ON JUNE 27, 2017 AT 10:00 A.M. IN THE CITY OF FLAGSTAFF CITY HALL, STAFF CONFERENCE ROOM, 211 W. ASPEN AVENUE, FLAGSTAFF, AZ

The budget may be reviewed at the City of Flagstaff in the City Clerk's Office, 211 W. Aspen Avenue, Flagstaff AZ 86001
or at the website: <http://downtownflagstaff.org>

Fiscal Year	S c h	FUNDS								
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds	
2017	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	0	214,650	0	0	0	0	0	214,650
2017	Actual Expenditures/Expenses**	E	0	182,824	0	0	0	0	0	182,824
2018	Fund Balance/Net Position at July 1***			93,591						93,591
2018	Primary Property Tax Levy	B	0							0
2018	Secondary Property Tax Levy	B		132,006						132,006
2018	Estimated Revenues Other than Property Taxes	C	0	36,616	0	0	0	0	0	36,616
2018	Other Financing Sources	D	0	0	0	0	0	0	0	0
2018	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2018	Interfund Transfers In	D	0	0	0	0	0	0	0	0
2018	Interfund Transfers (Out)	D	0	0	0	0	0	0	0	0
2018	Reduction for Amounts Not Available:									
LESS:	Amounts for Future Debt Retirement:									0
										0
										0
2018	Total Financial Resources Available		0	262,213	0	0	0	0	0	262,213
2018	Budgeted Expenditures/Expenses	E	0	204,915	0	0	0	0	0	204,915

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses
2. Add/subtract: estimated net reconciling items
3. Budgeted expenditures/expenses adjusted for reconciling items
4. Less: estimated exclusions
5. Amount subject to the expenditure limitation
6. EEC expenditure limitation

	2017	2018
1.	\$ 214,650	\$ 204,915
2.		
3.	214,650	204,915
4.		
5.	\$ 214,650	\$ 204,915
6.	\$	\$

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

**Flagstaff Downtown Business Improvement and Revitalization District
Tax Levy and Tax Rate Information
Fiscal Year 2018**

	2017	2018
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ _____	\$ _____
B. Secondary property taxes	131,900	132,006
C. Total property tax levy amounts	\$ <u>131,900</u>	\$ <u>132,006</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total primary property taxes	\$ _____	
B. Secondary property taxes		
(1) Current year's levy	\$ 128,900	
(2) Prior years' levies	3,000	
(3) Total secondary property taxes	\$ 131,900	
C. Total property taxes collected	\$ <u>131,900</u>	
5. Property tax rates		
A. District tax rate		
(1) Primary property tax rate	_____	_____
(2) Secondary property tax rate	1.6862	1.6637
(3) Total District tax rate	<u>1.6862</u>	<u>1.6637</u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating _____ special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**Flagstaff Downtown Business Improvement and Revitalization District
Revenues Other Than Property Taxes
Fiscal Year 2018**

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
SPECIAL REVENUE FUNDS			
Intergovernmental			
Payment in Lieu of Taxes	\$ 36,599	\$ 36,599	\$ 36,496
Municipal contribution			
Interest Income	500	120	120
	\$ 37,099	\$ 36,719	\$ 36,616
Total Special Revenue Funds	\$ 37,099	\$ 36,719	\$ 36,616

**Flagstaff Downtown Business Improvement and Revitalization District
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2018**

FUND	OTHER FINANCING 2018		INTERFUND TRANSFERS 2018	
	SOURCES	<USES>	IN	<OUT>
SPECIAL REVENUE FUNDS				
None	\$ _____	\$ _____	\$ _____	\$ _____
	_____	_____	_____	_____
Total Special Revenue Funds	\$ _____	\$ _____	\$ _____	\$ _____
	_____	_____	_____	_____
TOTAL ALL FUNDS	\$ _____	\$ _____	\$ _____	\$ _____

**Flagstaff Downtown Business Improvement and Revitalization District
Expenditures/Expenses by Fund
Fiscal Year 2018**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
SPECIAL REVENUE FUNDS				
Revitalization District	\$ 214,650	\$	\$ 182,824	\$ 204,915
Total Special Revenue Funds	\$ 214,650	\$	\$ 182,824	\$ 204,915

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

**Flagstaff Downtown Business Improvement and Revitalization District
Expenditures/Expenses by Department
Fiscal Year 2018**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
Revitalization District				
Special Revenue Funds	\$ 214,650	\$	\$ 182,824	\$ 204,915
Department Total	\$ 214,650	\$	\$ 182,824	\$ 204,915

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

**Flagstaff Downtown Business Improvement and Revitalization District
Full-Time Employees and Personnel Compensation
Fiscal Year 2018**

FUND	Full-Time Equivalent (FTE) 2018	Employee Salaries and Hourly Costs 2018	Retirement Costs 2018	Healthcare Costs 2018	Other Benefit Costs 2018	Total Estimated Personnel Compensation 2018
SPECIAL REVENUE FUNDS						
Downtown Revitalization	None	\$	\$	\$	\$	\$
Total Special Revenue Funds		\$	\$	\$	\$	\$
TOTAL ALL FUNDS		\$	\$	\$	\$	\$