

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

**Tuesday, July 7, 2015 – 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 May 26, 2015.
4. Approval of Financial Statements for April 2015.
5. Discussion and possible action on selection of a new Board Chairman.
6. Update on Public Infrastructure Project.
7. Update on Parking Program.
8. PUBLIC PARTICIATION

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.

Dated this ____ day of _____, 2015.

Elizabeth A. Burke, MMC, District Clerk

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

**Tuesday, May 26, 2015 – 10:00 AM
Staff Conference Room – Second Floor
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

Chairman VanLandingham called the meeting of May 26, 2015, to order at 10:04 a.m.

2. Roll Call

PRESENT

ABSENT

Chairman John VanLandingham
Vice Chairman David Stilley
Director Antoinette Beiser
Director Tim Kinney
Director Karen Kinne-Herman

None

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

3. Approval of Minutes of the Board meeting of May 12, 2015.

Director Kinne-Herman noted that Director Kinney's name had been spelled wrong.

Director Kinne-Herman moved to approve the minutes of May 12, 2015, as amended; seconded; passed unanimously.

4. Consideration of Public Infrastructure Project.

Ms. Madeksza reported that this issue was on the agenda of the FDBA's meeting last week. There was strong consensus from that group that it is too premature to do anything related to parking. They did really like the idea of bike infrastructure, such as bike racks, and reaching out and doing a Call for Artists to provide public art. They felt that the community would buy into such a project and it would be a huge win for the FDBIRD to be associated with something so positive. She said that they could probably get some additional funds applied to such a project.

She said that they could do an RFP and Call for Artists where they could have different bike racks designed by different artists that told a story, with each artist doing something that would be accompanied by a plaque, press release, etc.

She said that they are considering such bike racks would run between \$2,000 and \$3,000 each. Chairman VanLandingham said that the thought was that they would replace those that are there. Ms. Madeksza said that they could work with businesses to generate additional funding.

Director Kinne-Herman said that most of those she has seen on the south side were on City property and she questioned whether they could be located on private property or if they would be in the City right-of-way. She said that she would love to see more community buy-in on the designs.

Ms. Suda added that they may be able to find sponsors for additional bike racks as well.

Chairman VanLandingham said that first and foremost they need to clear the infrastructure hurdle, and this would satisfy that requirement. Ms. Kjellgren said that she checked with Anja Wendel with the City as to whether allocated funds of the District to a project would satisfy the project requirement, and she felt that they would.

Director Beiser asked what happened with the idea of parking directional signs. Ms. Madeksza said that the FDBA members felt that it was premature because there is a lot happening. She said that their second suggestion was some type of way-finding signage.

Chairman VanLandingham said that what he has heard is they believe the solution to parking is comprehensive. He agrees with the logic that this project would be public, visible, and they could rally the downtown businesses. He said that it would meet a lot of the requirements that are before them.

Vice Chairman Stilley said that he agreed, but he was concerned that there may be some property owners that felt they needed to move immediately toward parking. Ms. Madeksza said that there were some at the FDBA meeting and they agreed with this project. Mr. Lamberson said that they all agree that parking is their top priority and it will be, but \$15,000 in signage is not going to solve that problem. He said that they have encouraged Ms. Madeksza to get, and she has obtained, a seat at the table to address parking in the future.

Ms. Kjellgren suggested that they also contact the Flagstaff Metropolitan Planning Organization (FMPO) to see if they may have additional funding available.

Ms. Madeksza said that in speaking with the rest of the community, parking is the main issue, but it goes hand in hand with overall transportation. There is a strong message of biking being a part of transportation as well.

Director Kinney said that NAIPTA may also have an interest in such a project.

Discussion was held on the creation of an advisory board that would include property owners, business owners, City representatives, etc. that would come up with parameters

and decide where their locations would make the most sense. Director Kinne-Herman said that she would also like to see a member of the FDBIRD Board serve on the advisory board.

Vice Chairman Stilley moved to adopt the recommendation as set forth by Ms. Madeksza on behalf of the FDBA for the installation of artistic bike racks in downtown Flagstaff as the public infrastructure project that they are required to submit by September 2015, not to exceed \$17,000; seconded; passed unanimously.

Chairman VanLandingham recommended that language be included that the racks should be accessible to various types and numbers of bikes.

5. Public Hearing for 2015-2016 Final Budget and Property Tax Levy of Flagstaff Downtown Business Improvement and Revitalization District.

Chairman VanLandingham opened the public hearing. There being no public input, Chairman VanLandingham closed the public hearing.

6. Recess Meeting

The meeting of May 26, 2015, recessed at 10:32 a.m. and a special meeting was convened.

7. SPECIAL MEETING:

- A. Consideration of Resolution No. 2015-05 - A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT (DISTRICT) ADOPTING THE BUDGET AND FIXING THE TAX LEVY, ADOPTING THE TENTATIVE ESTIMATES OF THE AMOUNTS REQUIRED FOR THE PUBLIC EXPENSE FOR THE DISTRICT FOR THE FISCAL YEAR 2015-2016; 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

Director Kinne-Herman asked if there was any estimate on the amount of funds that would be available to the District with the new hotel coming in downtown. Ms. Suda noted that they would need to figure out their assessed value for the first two floors once that project is established, and it would not impact this coming year's revenue.

Director Kinne-Herman moved to adopt Resolution No. 2015-05; seconded; passed unanimously.

8. Adjourn Special Meeting

The Special Meeting of May 26, 2015, adjourned at 10:36 a.m.

9. Reconvene Meeting

The original meeting reconvened at 10:36 a.m.

10. Consideration of Resolution No. 2015-06 - A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT OF FLAGSTAFF ADOPTING THE PROPERTY TAX ASSESSMENTS FOR FY2015-2016

Brief discussion was held on changes to the assessments. Ms. Suda noted that each assessment changed slightly. They saw some go up and some go down. She said that another change was the State passed a bill that changed the valuation from using Full Cash Value to Limited Cash Value, which impacted the assessed values somewhat, but the overall amount collected would remain the same.

Ms. Suda noted that the highlighted assessments are those that are adjusted for just the first two floors of the building.

Vice Chairman Stilley moved to adopt Resolution No. 2015-06; seconded; passed unanimously.

11. Presentation on Parking Program.

Ms. Madeksza said that a lot has happened since the agenda went out last week. She said that there are two conversations occurring at this time. The first is with regard to the parking garage associated with the Marriott project. She said that there are meetings set with the City management and some property owners later this week.

The other conversation is that last week direction was given by City management to begin enforcing the Phoenix lot, and implement the two-hour parking limit. She said that City staff will be presenting to the Council within the next few months regarding downtown parking.

She said that the FDBIRD is very close to being able to do something comprehensive in the way of parking downtown and there is concern that there may be some unintended consequences with that direction at this time. Additionally, there is a concern that more public outreach and communication needs to be taken with regard to parking overall.

After further discussion, Ms. Madeksza said that she has put together some information which she would distribute to the board and asked for input prior to the Thursday meeting. It was suggested that information be provided to City management to show that they are working on the issue and ask that they hold off on such action. She said that she could share with them the communication that is happening between NAU, the neighborhoods, the southside, the northside, etc.

12. 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.

13. Report of Board of Directors.

None

14. Adjournment

The meeting of the Flagstaff Downtown Business Improvement and Revitalization District held May 26, 2015, adjourned at 11:00 a.m.

John VanLandingham, Chairman

ATTEST:

Elizabeth A. Burke, District Clerk

Johanna Klomann, CPA, PLLC

ITEM 4

419 W Aspen Ave, Flagstaff, AZ 86001

Phone: (928) 774-8995

Fax (866) 706-1017

johannak.klomanncpa@gmail.com

Flagstaff Downtown Business Improvement
Flagstaff, AZ

Dear Board of Directors:

ACCOUNTANTS COMPILATION REPORT

I have compiled the accompanying balance sheet for Flagstaff Downtown Business Improvement (a not for profit organization) as of April 30, 2015, the related budget to actual income statement on the accrual basis of accounting, and the related general ledger in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with U.S. generally accepted accounting principles.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with U.S. generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the organization's assets, liabilities, net assets, revenue, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to Flagstaff Downtown Business Improvement as of and for the month ended April 30, 2015, because I performed certain accounting services that impaired my independence.



Johanna Klomann, CPA

May 21, 2014

FDBIRD
Budget to Actual Income Statement
 July 2014 through April 2015

	Jul '14 - Apr 15	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
BID Prop. Tax Assess. May	0.00	63,749.00	-63,749.00
BID Prop. Tax Assess. Nov.	81,455.96	63,749.00	17,706.96
Carry Forwards	0.00	0.00	0.00
City of Flagstaff	12,373.00	11,870.00	503.00
Coconino County	29,803.00	29,132.00	671.00
Interest Earned	733.30		
Other Contributions			
City of Flagstaff IGA	127,000.00	127,000.00	0.00
One Time Infrastructure Project	0.00	0.00	0.00
Total Other Contributions	<u>127,000.00</u>	<u>127,000.00</u>	<u>0.00</u>
Total Income	251,365.26	295,500.00	-44,134.74
Expense			
Accounting (Audit & Tax)	0.00	9,000.00	-9,000.00
Bookkeeping	688.88	1,800.00	-1,111.12
Legal Fees	20,031.45	18,700.00	1,331.45
Management Expenses	161,758.64	218,900.00	-57,141.36
Website	0.00	9,300.00	-9,300.00
Total Expense	<u>182,478.97</u>	<u>257,700.00</u>	<u>-75,221.03</u>
Net Ordinary Income	<u>68,886.29</u>	<u>37,800.00</u>	<u>31,086.29</u>
Net Income	<u><u>68,886.29</u></u>	<u><u>37,800.00</u></u>	<u><u>31,086.29</u></u>

3:45 PM
05/27/15
Accrual Basis

FDBIRD
Balance Sheet
As of April 30, 2015

	<u>Apr 30, 15</u>
ASSETS	
Current Assets	
Checking/Savings	
BBVA Checking	29,264.99
BBVA Money Mkt	39,621.30
Total Checking/Savings	<u>68,886.29</u>
Total Current Assets	<u>68,886.29</u>
TOTAL ASSETS	<u>68,886.29</u>
LIABILITIES & EQUITY	
Equity	
Net Income	68,886.29
Total Equity	<u>68,886.29</u>
TOTAL LIABILITIES & EQUITY	<u>68,886.29</u>

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05/27/15

Accrual Basis

FDBIRD
General Ledger
As of April 30, 2015

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
BBVA Checking									23,643.24
Deposit	04/15/2015				Deposit				29,340.74
Check	04/24/2015	1018		Johanna Klomann C...		BID Prop. Tax ... Bookkeeping	5,697.50	75.75	29,264.99
Total BBVA Checking							5,697.50	75.75	29,264.99
BBVA Money Mkt									39,587.68
Deposit	04/01/2015				Interest	Interest Earned	33.62		39,621.30
Total BBVA Money Mkt							33.62	0.00	39,621.30
Furniture and Equipment									0.00
Total Furniture and Equipment									0.00
Marketable Securities									0.00
Total Marketable Securities									0.00
Other Assets									0.00
Total Other Assets									0.00
Security Deposits Asset									0.00
Total Security Deposits Asset									0.00
Payroll Liabilities									0.00
Total Payroll Liabilities									0.00
Other Liabilities									0.00
Total Other Liabilities									0.00
Opening Balance Equity									0.00
Total Opening Balance Equity									0.00
Perm. Restricted Net Assets									0.00
Total Perm. Restricted Net Assets									0.00
Temp. Restricted Net Assets									0.00
Total Temp. Restricted Net Assets									0.00
Unrestricted Net Assets									0.00
Total Unrestricted Net Assets									0.00
BID Prop. Tax Assess. May									0.00
Total BID Prop. Tax Assess. May									0.00
BID Prop. Tax Assess. Nov.									-75,758.46
Deposit	04/15/2015				March	BBVA Checking		5,697.50	-81,455.96
Total BID Prop. Tax Assess. Nov.							0.00	5,697.50	-81,455.96
Carry Forwards									0.00
Total Carry Forwards									0.00
City of Flagstaff									-12,373.00
Total City of Flagstaff									-12,373.00
Coconino County									-29,803.00
Total Coconino County									-29,803.00
Events									0.00
Total Events									0.00
Grants									0.00
Total Grants									0.00
Interest Earned									-699.68
Deposit	04/01/2015				Interest	BBVA Money Mkt		33.62	-733.30
Total Interest Earned							0.00	33.62	-733.30
Other Contributions									-127,000.00
City of Flagstaff IGA									-127,000.00
Total City of Flagstaff IGA									-127,000.00
One Time Infrastructure Project									0.00
Total One Time Infrastructure Project									0.00
Other Contributions - Other									0.00
Total Other Contributions - Other									0.00
Total Other Contributions									-127,000.00
Sponsorships									0.00
Total Sponsorships									0.00
Accounting (Audit & Tax)									0.00
Total Accounting (Audit & Tax)									0.00
Bookkeeping									613.13
Check	04/24/2015	1018		Johanna Klomann C...		BBVA Checking	75.75		688.88
Total Bookkeeping							75.75	0.00	688.88

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05/27/15

Accrual Basis

FDBIRD
General Ledger
As of April 30, 2015

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
Legal Fees									20,031.45
Total Legal Fees									20,031.45
Management Expenses									161,758.64
Total Management Expenses									161,758.64
Payroll Expenses									0.00
Total Payroll Expenses									0.00
Website									0.00
Total Website									0.00
Ask My Accountant									0.00
Total Ask My Accountant									0.00
No acct									0.00
Total no acct									0.00
TOTAL							<u>5,806.87</u>	<u>5,806.87</u>	<u>0.00</u>