

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

Tuesday, October 13, 2026 – 10:00 AM

**The public and the board members may access the online meeting
via Microsoft Teams Video Conference at:**

[Click Here to Join the Meeting](#)

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 from the Regular Meeting of May 26, 2026
4. Discussion and Possible Action Regarding the Resignation of Member Jerry McLaughlin
5. Consideration and Approval of Monthly Financial Reports
 - January 2026
 - February 2026
 - March 2026
 - April 2026
 - May 2026
6. Consideration and Approval of Payment of the Semi-Annual Payment to the FDBA in the amount of \$95,000
7. Consideration and Approval of Amendment Two of the Agreement for Review Services with Squire & Company, PC
8. Consideration and Approval of FY 2025-26 budget amendment
9. Discussion and Possible Action Regarding 2027 Board of Director Election
 - a. **Consideration and Adoption of Resolution No. 2026-04:** A resolution of the District Board of the Flagstaff Downtown Business Improvement and Revitalization District of Flagstaff calling a special election for February 23, 2027, for the purpose of submitting to the property owners of the District the election of Board of Directors

10. FDBA Director Report (if needed)

11. 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. 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.

_____ Stacy Saltzburg, MMC, District Clerk

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

Tuesday, June 23, 2026 – 10:00 AM

M I N U T E S

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 John VanLandingham called the Regular Meeting of June 23, 2026 to order at 10:01 a.m..

2. Roll Call

Chair John VanLandingham
Vice Chair Steve Chatinsky
Member Patricia Ginsberg
Member Jerry McLaughlin - Absent
Member Kelly Tullos - Absent

Others present: District Attorney Rose Winkler, District Clerk Stacy Saltzburg, District Treasurer Brandi Suda, and DBA Executive Director Hunter Herbert.

3. Approval of Minutes from the Regular Meeting of June 9, 2026

Member Patty Ginsberg moved to approve the minutes of the meeting of June 9, 2026; seconded by Vice Chair Steve Chatinsky; passed unanimously.

4. **Consideration and Adoption of Resolution No. 2026-03:** A resolution of the District Board of the Flagstaff Downtown Business Improvement and Revitalization District of Flagstaff, adopting the property tax assessments for fiscal year 2026-2027.

Ms. Suda stated that the resolution was the last step in budget process. The property tax is a flat rate using same rate as last year and will generate \$165,350 for District along with the City and County payment-in-lieu of taxes of \$41,353.

Chair John VanLandingham moved to adopt Resolution No. 2026-03; seconded by Vice Chair Steve Chatinsky; passed unanimously.

5. FDBA Director Report (if needed)

Mr. Herbert reported that the Downtown Matters conference had been finalized and they were getting good traction with local media outlooks.

6. 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.

No public was in attendance

7. Adjournment

The Regular Meeting of the Flagstaff Downtown Business Improvement District of June 23, 2026 adjourned at 10:03 a.m.

Chairman

ATTEST:

Stacy Saltzburg, District Clerk



Klomann Accounting LLC

2218 E Cedar Ave Flagstaff, AZ 86004

(Office) 928-774-8995

(Fax) 866-706-1017

johannaklomann.com

Flagstaff Downtown Business Improvement
120 N. Leroux St.
Flagstaff, AZ 86001

Dear Board of Directors:

I have prepared the accompanying Balance Sheet of Flagstaff Downtown Business Improvement as of January 31, 2026, and the related Profit & Loss on accrual basis of accounting, including a comparison Profit & Loss with Previous Year Comparison in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I have not audited, reviewed or compiled 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.

Management has elected to omit substantially all 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.

Johanna Klomann, CPA
June 23, 2026

FDBIRD
Balance Sheet
As of January 31, 2026

	Jan 31, 26	Jan 31, 25	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
BBVA Checking	5,614.82	43,749.91	-38,135.09
BBVA Money Mkt	90,672.82	155,875.03	-65,202.21
Total Checking/Savings	96,287.64	199,624.94	-103,337.30
Total Current Assets	96,287.64	199,624.94	-103,337.30
TOTAL ASSETS	96,287.64	199,624.94	-103,337.30
LIABILITIES & EQUITY			
Equity			
Unrestricted Net Assets	94,710.86	92,700.16	2,010.70
Net Income	1,576.78	106,924.78	-105,348.00
Total Equity	96,287.64	199,624.94	-103,337.30
TOTAL LIABILITIES & EQUITY	96,287.64	199,624.94	-103,337.30

FDBIRD
Profit & Loss
January 2026

	Jan 26	Jan 25	\$ Change
Ordinary Income/Expense			
Income			
BID Prop. Tax Assess. May	6,664.00	17,905.00	-11,241.00
Interest Earned	110.79	248.36	-137.57
Total Income	6,774.79	18,153.36	-11,378.57
Expense			
Overhead			
Bank Service Fees	6.22	6.22	0.00
Total Overhead	6.22	6.22	0.00
Total Expense	6.22	6.22	0.00
Net Ordinary Income	6,768.57	18,147.14	-11,378.57
Net Income	6,768.57	18,147.14	-11,378.57



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Flagstaff Downtown Business Improvement
120 N. Leroux St.
Flagstaff, AZ 86001

Dear Board of Directors:

I have prepared the accompanying Balance Sheet of Flagstaff Downtown Business Improvement as of February 28, 2026, and the related Profit & Loss on accrual basis of accounting, including a comparison Profit & Loss with Previous Year Comparison in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I have not audited, reviewed or compiled 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.

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Johanna Klomann, CPA
June 23, 2026

12:55 PM

06/23/26

Accrual Basis

FDBIRD
Balance Sheet
As of February 28, 2026

	Feb 28, 26	Feb 28, 25	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
BBVA Checking	5,611.82	43,746.91	-38,135.09
BBVA Money Mkt	104,905.97	159,955.44	-55,049.47
Total Checking/Savings	110,517.79	203,702.35	-93,184.56
Total Current Assets	110,517.79	203,702.35	-93,184.56
TOTAL ASSETS	110,517.79	203,702.35	-93,184.56
LIABILITIES & EQUITY			
Equity			
Unrestricted Net Assets	94,710.86	92,700.16	2,010.70
Net Income	15,806.93	111,002.19	-95,195.26
Total Equity	110,517.79	203,702.35	-93,184.56
TOTAL LIABILITIES & EQUITY	110,517.79	203,702.35	-93,184.56

FDBIRD
Profit & Loss
January through February 2026

	Jan - Feb 26	Jan - Feb 25	\$ Change
Ordinary Income/Expense			
Income			
BID Prop. Tax Assess. May	20,787.50	21,748.50	-961.00
Interest Earned	223.66	488.49	-264.83
Total Income	21,011.16	22,236.99	-1,225.83
Expense			
Overhead			
Bank Service Fees	12.44	12.44	0.00
Total Overhead	12.44	12.44	0.00
Total Expense	12.44	12.44	0.00
Net Ordinary Income	20,998.72	22,224.55	-1,225.83
Net Income	20,998.72	22,224.55	-1,225.83



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Flagstaff Downtown Business Improvement
120 N. Leroux St.
Flagstaff, AZ 86001

Dear Board of Directors:

I have prepared the accompanying Balance Sheet of Flagstaff Downtown Business Improvement as of March 31, 2026, and the related Profit & Loss on accrual basis of accounting, including a comparison Profit & Loss with Previous Year Comparison in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I have not audited, reviewed or compiled 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.

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Johanna Klomann, CPA
June 23, 2026

FDBIRD
Balance Sheet
As of March 31, 2026

	Mar 31, 26	Mar 31, 25	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
BBVA Checking	5,608.82	5,317.91	290.91
BBVA Money Mkt	114,048.82	112,930.32	1,118.50
Total Checking/Savings	119,657.64	118,248.23	1,409.41
Total Current Assets	119,657.64	118,248.23	1,409.41
TOTAL ASSETS	119,657.64	118,248.23	1,409.41
LIABILITIES & EQUITY			
Equity			
Unrestricted Net Assets	94,710.86	92,700.16	2,010.70
Net Income	24,946.78	25,548.07	-601.29
Total Equity	119,657.64	118,248.23	1,409.41
TOTAL LIABILITIES & EQUITY	119,657.64	118,248.23	1,409.41

FDBIRD
Profit & Loss
January through March 2026

	Jan - Mar 26	Jan - Mar 25	\$ Change
Ordinary Income/Expense			
Income			
BID Prop. Tax Assess. May	29,793.84	24,511.66	5,282.18
Interest Earned	363.39	703.43	-340.04
Total Income	30,157.23	25,215.09	4,942.14
Expense			
Management	0.00	88,250.00	-88,250.00
Overhead			
Bank Service Fees	18.66	18.66	0.00
Total Overhead	18.66	18.66	0.00
Professional Services			
Legal Counsel	0.00	176.00	-176.00
Total Professional Services	0.00	176.00	-176.00
Total Expense	18.66	88,444.66	-88,426.00
Net Ordinary Income	30,138.57	-63,229.57	93,368.14
Net Income	<u>30,138.57</u>	<u>-63,229.57</u>	<u>93,368.14</u>



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Flagstaff Downtown Business Improvement
120 N. Leroux St.
Flagstaff, AZ 86001

Dear Board of Directors:

I have prepared the accompanying Balance Sheet of Flagstaff Downtown Business Improvement as of April 30, 2026, and the related Profit & Loss on accrual basis of accounting, including a comparison Profit & Loss with Previous Year Comparison in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I have not audited, reviewed or compiled 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.

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Johanna Klomann, CPA
June 23, 2026

FDBIRD
Balance Sheet
As of April 30, 2026

	Apr 30, 26	Apr 30, 25	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
BBVA Checking	4,743.32	5,314.91	-571.59
BBVA Money Mkt	125,009.87	118,954.13	6,055.74
Total Checking/Savings	129,753.19	124,269.04	5,484.15
Total Current Assets	129,753.19	124,269.04	5,484.15
TOTAL ASSETS	129,753.19	124,269.04	5,484.15
LIABILITIES & EQUITY			
Equity			
Unrestricted Net Assets	94,710.86	92,700.16	2,010.70
Net Income	35,042.33	31,568.88	3,473.45
Total Equity	129,753.19	124,269.04	5,484.15
TOTAL LIABILITIES & EQUITY	129,753.19	124,269.04	5,484.15

FDBIRD
Profit & Loss
January through April 2026

	Jan - Apr 26	Jan - Apr 25	\$ Change
Ordinary Income/Expense			
Income			
BID Prop. Tax Assess. May	40,611.37	30,349.66	10,261.71
Interest Earned	510.13	892.46	-382.33
Total Income	41,121.50	31,242.12	9,879.38
Expense			
Management	0.00	88,250.00	-88,250.00
Overhead			
Bank Service Fees	24.88	24.88	0.00
Total Overhead	24.88	24.88	0.00
Professional Services			
Legal Counsel	0.00	176.00	-176.00
Total Professional Services	0.00	176.00	-176.00
Total Expense	24.88	88,450.88	-88,426.00
Net Ordinary Income	41,096.62	-57,208.76	98,305.38
Other Income/Expense			
Other Expense			
Ask My Accountant	862.50	0.00	862.50
Total Other Expense	862.50	0.00	862.50
Net Other Income	-862.50	0.00	-862.50
Net Income	<u>40,234.12</u>	<u>-57,208.76</u>	<u>97,442.88</u>



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Flagstaff Downtown Business Improvement
120 N. Leroux St.
Flagstaff, AZ 86001

Dear Board of Directors:

I have prepared the accompanying Balance Sheet of Flagstaff Downtown Business Improvement as of May 31, 2026, and the related Profit & Loss on accrual basis of accounting, including a comparison Profit & Loss with Previous Year Comparison in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I have not audited, reviewed or compiled 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.

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Johanna Klomann, CPA
June 23, 2026

12:53 PM

06/23/26

Accrual Basis

FDBIRD
Balance Sheet
As of May 31, 2026

	May 31, 26	May 31, 25	\$ Change
ASSETS			
Current Assets			
Checking/Savings			
BBVA Checking	4,740.32	5,255.79	-515.47
BBVA Money Mkt	149,889.88	48,239.66	101,650.22
Total Checking/Savings	154,630.20	53,495.45	101,134.75
Total Current Assets	154,630.20	53,495.45	101,134.75
TOTAL ASSETS	154,630.20	53,495.45	101,134.75
LIABILITIES & EQUITY			
Equity			
Unrestricted Net Assets	94,710.86	92,700.16	2,010.70
Net Income	59,919.34	-39,204.71	99,124.05
Total Equity	154,630.20	53,495.45	101,134.75
TOTAL LIABILITIES & EQUITY	154,630.20	53,495.45	101,134.75

FDBIRD
Profit & Loss
 January through May 2026

	Jan - May 26	Jan - May 25	\$ Change
Ordinary Income/Expense			
Income			
BID Prop. Tax Assess. May	65,319.26	49,479.16	15,840.10
Interest Earned	685.47	1,051.71	-366.24
Total Income	66,004.73	50,530.87	15,473.86
Expense			
Management Overhead	0.00	176,500.00	-176,500.00
Advertising	0.00	286.91	-286.91
Bank Service Fees	31.10	31.10	0.00
Total Overhead	31.10	318.01	-286.91
Professional Services			
Accounting (Audit & Tax)	0.00	356.71	-356.71
Contract Clerk & Treasurer	0.00	1,162.50	-1,162.50
Legal Counsel	0.00	176.00	-176.00
Total Professional Services	0.00	1,695.21	-1,695.21
Total Expense	31.10	178,513.22	-178,482.12
Net Ordinary Income	65,973.63	-127,982.35	193,955.98
Other Income/Expense			
Other Expense			
Ask My Accountant	862.50	0.00	862.50
Total Other Expense	862.50	0.00	862.50
Net Other Income	-862.50	0.00	-862.50
Net Income	65,111.13	-127,982.35	193,093.48

INVOICE

Flagstaff Downtown Business
Alliance
216 W Phoenix Ave Ste 102
Flagstaff, AZ 86001-5534

hunter@downtownflagstaff.org
+1 (928) 421-1096
www.downtownflagstaff.org



Bill to
FDBIRD Customer

Invoice details

Invoice no.: 04-1540
Terms: Net 30
Invoice date: 10/08/2026
Due date: 11/07/2026

#	Date	Product or service	Description	Qty	Rate	Amount
1.		Management Fee	Semi-annual payment for services delivered as set forth in the Agreement for Management Services between the Flagstaff Downtown Business Improvement and Revitalization District and the Flagstaff Downtown Business Alliance signed 6/25/2019.	1	\$95,000.00	\$95,000.00

Ways to pay

BANK

Total \$95,000.00

View and pay



October 9, 2026

Board of Directors and Management
Flagstaff Downtown Business Improvement
and Revitalization District
P.O. Box 1546
Flagstaff, AZ 86002

We are pleased to confirm our understanding of the services we are to provide Flagstaff Downtown Business Improvement and Revitalization District for the year ended June 30, 2026. We will prepare the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Flagstaff Downtown Business Improvement and Revitalization District as of and for the year ended June 30, 2026, and perform a review engagement with respect to those financial statements.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A) and budget to actual statements, to supplement Flagstaff Downtown Business Improvement and Revitalization District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We will not audit or review the required supplementary information.

Our Responsibilities

The objective of our engagement is to—

- 1) prepare financial statements in accordance with accounting principles generally accepted in the United States of America based on information provided by you, and
- 2) obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

We will conduct our review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA and comply with applicable professional standards, including the AICPA's *Code of Professional Conduct*, and its ethical principles of integrity, objectivity, professional competence, and due care, when preparing the financial statements and performing the review engagement.

A review engagement includes primarily applying analytical procedures to your financial data and making inquiries of management. A review engagement is substantially less in scope than an audit engagement, the objective of which is the expression of an opinion regarding the financial statements as a whole. A review engagement does not contemplate obtaining an understanding of the Flagstaff Downtown Business Improvement and Revitalization District's internal control; assessing fraud risk; testing accounting records by obtaining sufficient appropriate audit evidence through inspection, observation, confirmation, or other examination of source documents; or other procedures ordinarily performed in an audit engagement. Accordingly, we will not express an opinion regarding the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the Flagstaff Downtown Business Improvement and Revitalization District or noncompliance with laws and regulations. However, we will inform the appropriate level of management of any material errors and any evidence or information that comes to our attention during the performance of our review procedures that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our review procedures regarding noncompliance with laws and regulations that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies or material weaknesses in your internal control as part of this engagement.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Your Responsibilities

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America and to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements in order for the statements to be in accordance with accounting principles generally accepted in the United States of America. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

- 1) The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements.
- 2) The preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America and the inclusion of all informative disclosures that are appropriate for accounting principles generally accepted in the United States of America.
- 3) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements.
- 4) The prevention and detection of fraud.
- 5) To ensure that the Flagstaff Downtown Business Improvement and Revitalization District complies with the laws and regulations applicable to its activities.
- 6) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
- 7) To provide us with—
 - access to all information of which you are aware is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - additional information that we may request from you for the purpose of the review engagement.
 - unrestricted access to persons within the Flagstaff Downtown Business Improvement and Revitalization District of whom we determine it necessary to make inquiries.
- 8) To provide us, at the conclusion of the engagement, with a letter that confirms certain representations made during the review.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee our preparation of your financial statements. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

Our Report

We will issue a written report upon completion of our review of Flagstaff Downtown Business Improvement and Revitalization District's financial statements. Our report will be addressed to the Board of Directors of Flagstaff Downtown Business Improvement and Revitalization District. We cannot provide assurance that an unmodified accountant's review report will be issued. Circumstances may arise in which it is necessary for us to report known departures from accounting principles generally accepted in the United States of America, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement. If, for any reason, we are unable to complete the review of your financial statements, we will not issue a report on such statements as a result of this engagement.

You agree to include our accountant's review report in any document containing financial statements that indicates that such financial statements have been reviewed by us and, prior to inclusion of the report, to ask our permission to do so.

Other Relevant Information

Jennifer Frank, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fees for these services will be \$3,655 for the financial statement preparation and review. You will also be billed for out-of-pocket costs such as report production, word processing, postage, travel, etc. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the work performed. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

You agree to hold us harmless and to release, indemnify, and defend us from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us.

It is our policy to keep work papers related to this engagement for seven (7) years. Upon the expiration of the seven (7) year period, the client agrees that we shall be free to destroy our work papers. When records are returned to you, it is your responsibility to retain and protect your records for possible future uses, including potential examination by any government or regulatory agencies.

Payment for service is due when rendered and interim billings may be submitted as work progresses and expenses are incurred.

Billings become delinquent if not paid within thirty (30) days of the invoice date. If billings are not paid within thirty (30) days of the invoice date, at our election, we may stop all work until your account is brought current or we may withdraw from this engagement. Flagstaff Downtown Business Improvement and Revitalization District acknowledges and agrees that we are not required to continue work in the event of Flagstaff Downtown Business Improvement and Revitalization District's failure to pay on a timely basis for services rendered as required by this engagement letter. Flagstaff Downtown Business Improvement and Revitalization District further acknowledges and agrees that in the event we stop work or withdraw from this engagement as a result of Flagstaff Downtown Business Improvement and Revitalization District's failure to pay on a timely basis for services rendered as required by this engagement letter, we shall not be liable to Flagstaff Downtown Business Improvement and Revitalization District for any damages that occur as a result of our ceasing to render services.

In the event any statement or invoice rendered by us to Flagstaff Downtown Business Improvement and Revitalization District is not paid within thirty (30) days of the date of the invoice then a late charge shall be accrued on the unpaid amount at the rate of 1.5 percent per month until paid.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you acknowledge

and agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

Squire & Company, PC

Acknowledged:

Management Signature: _____

Title: _____

Date: _____

AMENDMENT TWO
AGREEMENT FOR REVIEW SERVICES
FLAGSTAFF DOWNTOWN BUSINESS
IMPROVEMENT AND REVITALIZATION DISTRICT
and
SQUIRE & COMPANY, PC

This Amendment Two is made as of October 13, 2026 to the Agreement for Review Services (the "Agreement") made December 20, 2021 by and between the Flagstaff Downtown Business Improvement and Revitalization District ("District") and Squire & Company, PC ("Provider"), collectively referred to as the "Parties."

RECITALS

- A. The Parties wish to extend the duration of the Agreement pursuant to Section 9 of the Agreement and provide for compensation to Provider for one additional year of the Agreement.
- B. Pursuant to Section 9 of the Agreement, the Parties may modify the terms of the Agreement through a written amendment signed by duly authorized representatives of the Parties.

For the reasons recited above, the District and Provider agree to amend the Agreement as follows, with deleted text stricken and new text in uppercase and underlined:

2. COMPENSATION OF PROVIDER

Provider agrees to provide all of the Services for prices not to exceed the amounts set forth below:

JUNE 30, 2026

Financial Statement & District Report Preparation	\$1,230
Financial Review	\$2,425
Total	\$3,655

9. DURATION

This Agreement shall become effective on and from the Effective Date OF THIS AMENDMENT, and shall continue in force until ~~four (4)~~ ONE (1) years from the Effective Date OF THIS AMENDMENT, unless sooner terminated as provided above. The District reserves the right to unilaterally extend the period of the Agreement for ninety (90) days beyond the stated termination date. In addition, by written amendments, the Agreement may be renewed for up to ~~three (3)~~ ONE (1) additional one (1) year terms.

Attached to this Amendment Two as Exhibit 1 is an engagement letter from Provider which sets forth terms specific to government auditing standards and other matters not addressed directly in the Agreement or this Amendment Two. In the event of an inconsistency or conflict between

the Agreement or this Amendment Two and the attached Exhibit 1, the terms of the Agreement shall prevail, as stated in Section 3.5 of the Agreement.

Signed as of the date first written above by the duly authorized representatives of the Parties.

**Flagstaff Downtown Business
Improvement and Revitalization
District**

Squire & Company, PC

John Vanlandingham, Chair

By: Jennifer Frank
Title: Partner

Attest:

District Clerk

Approved as to form:

Attorney for the District

Election Calendar for February 23, 2027 FDBIRD Directors' Election

10/13/2026	Board of Directors' meeting Adoption of Res. 2026-04 calling the election • for February 23, 2027 • District to pay ballots' postage and return postage
NOVEMBER TBD	County Board of Supervisors Approval of Mail Ballot Election
11/30/2026	Publish/Post Notice Calling Election: • Mailing • Post in 3 public places Deadline to file is 30 days after notice is published/posted.
11/30/2026	Packets will be available for candidates, per Res. 2026-04, Section 4
12/29/2026	Packets due to District Clerk by 5 PM, per Res. 2026-04, Section 4
No Later Than 02/01/2027	ARS 48-6818(A): 20 days before election, post notice of election in 3 public places within the District and publish in newspaper unless the election notice is mailed to all property owners. The notice shall contain: 1. The place of holding the election (mail ballot); 2. Hours during which ballots may be returned (if not mailed before the election date) – not less than 6 hours; 3. That a general plan is on file with the Clerk.
01/13/2027 – 01/25/2027	Mail ballots to property owners
02/23/2027	Election – ballots due to Clerk by 5 PM
03/02/2027	SPECIAL Board meeting to canvass election results (deadline is 14 days after election or March 9, 2027, next Regular meeting is April 13, 2027)

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

RESOLUTION NO. 2026-04

A RESOLUTION OF THE DISTRICT BOARD OF THE FLAGSTAFF
DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT
OF FLAGSTAFF CALLING A SPECIAL ELECTION FOR FEBRUARY 23, 2027,
FOR THE PURPOSE OF SUBMITTING TO THE PROPERTY OWNERS OF THE
DISTRICT THE ELECTION OF BOARD OF DIRECTORS

WHEREAS, on February 4, 2014, the City Council of the City of Flagstaff, Arizona (the "City"), adopted a Resolution ordering and declaring the formation of the Flagstaff Downtown Business Improvement and Revitalization District (the "District") in the City of Flagstaff, Arizona which included the selection of the initial Board of Directors to serve a term of one year; and

WHEREAS, in compliance with A.R.S. 48-6802(D), subsequent members of the board of directors shall be real property owners in the district who shall be elected at large by the real property owners in the district who shall serve a term of four (4) years; and

WHEREAS, Section 4.2 of the Rules of Operation, adopted by Resolution No. 2014-10 on September 2, 2014, states that subsequent members of the board of directors shall be increased from three (3) members to five (5) members, who shall serve a four-year term; and

WHEREAS, in compliance with A.R.S. 48-6818, the Board of Directors have selected to hold an election on February 23, 2027.

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

Section 1. THAT a special election of the qualified electors of the District is hereby called to be held on February 23, 2027, (hereinafter referred to as the "Election"), at which there shall be submitted to the qualified electors of the District the names of candidates to serve as members of the Board of Directors for a term of four (4) years, commencing on March 5, 2027.

Section 2. THAT the Board of Directors has elected to hold a mail-ballot election and pursuant to A.R.S. 16-558 shall request from the Coconino County Board of Supervisors approval to hold said mail-ballot election and ballots will be received up until 5:00 p.m. on February 23, 2027, at the Office of the Flagstaff City Clerk (District Clerk), 211 West Aspen, Flagstaff, Arizona, 86001.

Section 3. THAT in the event that no more than five candidates for each vacancy file the appropriate documents, the election is to be cancelled.

Section 4. THAT packets to become a candidate will be available beginning November 30, 2026, and must be filed in the office of the Flagstaff City Clerk (District Clerk), 211 West Aspen, Flagstaff, Arizona, 86001, by 5:00 p.m. on December 29, 2026. Documents required to be filed include:

1. Nonpartisan Nomination Paper, Affidavit of Qualification and Campaign Finance Laws Statement (one form)

2. Nonpartisan Nomination Petitions signed by at least five (5) qualified voters of the District

Section 4. THAT

- (A) notice of the Election shall be given by posting notices in three public places within the boundaries of the district not less than twenty days before the election; and
- (B) the Clerk of the District shall mail to the property owners of the district notice of said election in substantially the form attached hereto and marked Exhibit 'A'; and
- (C) the Clerk of the District shall publish in a newspaper of general circulation in the district once a week for two consecutive weeks before the election.
- (D) the District shall pay return postage for said mail ballots.

Section 5. THAT each elector shall sign the Affidavit of Prospective Elector as to Ownership of Land in substantially the form hereto attached and marked Exhibit 'B'; and

Section 6. THAT

- (A) the Election shall be held, conducted and canvassed in conformity with the provisions of the general election laws of the State of Arizona, except as otherwise provided by law, and only such persons shall be permitted to vote at the Election who are property owners of the District.
- (B) all expenditures as may be necessary to order, notice, hold and administer the Election are hereby authorized, which expenditures shall be paid from current operating funds of the District.
- (C) the Clerk of the District is hereby further authorized to take all other necessary action to facilitate the Election.

PASSED by the District Board of the Flagstaff Downtown Business Improvement and Revitalization District this 13th day of October, 2026.

Chairman

ATTEST:

District Clerk

APPROVED AS TO FORM:

Attorney for the District

EXHIBIT 'A'

**NOTICE OF ELECTION
OF THE BOARD OF DIRECTORS OF THE
FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT
AND REVITALIZATION DISTRICT**

NOTICE IS HEREBY GIVEN that an election to select members of the Board of Directors of the Flagstaff Downtown Business Improvement and Revitalization District will be held on February 23, 2027. This will be a mail-ballot election and ballots will be received until 7:00 p.m. on election day.

At a Regular Meeting of the Board of Directors ("Board") of the District held May 6, 2014, the Board voted unanimously to adopt an acreage system of voting for District Elections beginning in 2014. In accordance with Title 48, Chapter 19, Article 5 of the Arizona Revised Statutes, all bona fide owners of land in the District are entitled to vote under the acreage system of voting for each office and question in District elections. Each qualified elector of the District is entitled to the number of votes or fractional votes equal to the number of acres or fractional acres, rounded to the next one-seventh acre, owned by that owner in the Voting Division for the Director being elected, but not more than 1,280 votes as provided by A.R.S. 48-3043.

The District has created an Election Register. The name of a landowner must appear on the Election Register in order for the landowner to be qualified to vote in District Elections. Individual or sole proprietorship landowners must be residents of Arizona. All landowners must have owned their property for at least 90 days before the District Election. Joint owners may cast votes in the proportion to their ownership in the acreage. Acreage held by a corporation may be voted by an officer of the corporation if designated by resolution of the corporation's board of directors and if the District receives the corporation's resolution by 7:00 p.m. on February 23, 2027. Partnerships, executors, guardians, limited liability companies, and trusts may designate an individual, authorized by statute, to cast the votes for the entity; however, they must also submit a resolution to the District on or before Election Day authorizing their Designated Voter.

Questions regarding the District mail-ballot election process may be directed to the District Clerk at 928.266.5182.

Dated this 30th day of November, 2027.

FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT
AND REVITALIZATION DISTRICT

Stacy Saltzburg, District Clerk

EXHIBIT 'B'

**AFFIDAVIT OF PROSPECTIVE ELECTOR
AS TO OWNERSHIP OF LAND
PURSUANT TO SECTIONS §16-121 AND/OR §48-3043,
ARIZONA REVISED STATUTES**

State of Arizona)
 County of Coconino)
 City of Flagstaff) ss.
 Flagstaff Downtown Business Improvement)
 and Revitalization District)

COMES NOW the undersigned and deposes and says: I am an owner of land in the Flagstaff Downtown Business Improvement and Revitalization District, qualified to vote pursuant to Section §48-3043 of the Arizona Revised Statutes (being a bona fide owner of land within the district holding title or evidence of title of record, including: an entrymen upon public lands under the public land laws of the United States or a certificate of purchase from the State of Arizona, who has held such title for ninety (90) days and who is a resident of the State of Arizona; when the holder of record title is a married person, the spouse in whose name the title stands; if record title is held in more than one name, each owner otherwise possessing the qualifications of an elector voting the number or fractions of acres represented by my legal interest or proportionate share of and in the lands; the administrator or executor of a deceased person or the guardian of a minor or an incompetent person, appointed and qualified under the laws of the State of Arizona, representing such person or estate; an officer of a corporation designated and authorized by a resolution of the board of directors of the corporation representing the corporation; the general partner of a partnership in whose name title to property within the district is vested as a holder of title or evidence of title, who is designated and authorized in writing by all of the general partners; or the trustee of a trust in which there are more than one trustee, in whose name title to property within such district is vested as a holder of title or evidence of title)."

My vote represents _____ acres

 Printed Name of Affiant

 Printed Name of Entity Represented by Affiant, if any

I, THE UNDERSIGNED, DO SOLEMNLY SWEAR (OR AFFIRM) THAT THE ABOVE STATEMENTS ARE TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

 Signature of Affiant