

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

**Tuesday, November 4, 2014 – 10:00 AM  
Staff Conference Room – Second Floor  
Flagstaff City Hall – 211 West Aspen, Flagstaff, Arizona**

1. Call to Order
2. Roll Call
3. Approval of Minutes of the Board meeting of October 7, 2014.
4. Review/approval of September 2014 financial report.
5. Review of DBA Executive Director recruitment efforts.
6. Review/update on contract deliverables.
7. 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.*

8. Report of Board of Directors.
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.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Elizabeth A. Burke, MMC, District Clerk

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

**Tuesday, October 7, 2014 – 10:00 AM  
Staff Conference Room – Second Floor  
Flagstaff City Hall – 211 West Aspen, Flagstaff, Arizona**

**MINUTES**

1. Call to Order

Chairman VanLandingham called the meeting to order at 10:07 a.m.

2. Roll Call

Present

Absent

Chairman John VanLandingham  
Member Dave Stilley

Member Antoinette Beiser

Others present: District Attorney Dana Kjellgren; District Clerk Elizabeth Burke; Mark Lamberson.

3. Approval of Minutes of the Board meetings of September 2, 2014; September 10, 2014; and September 22, 2014.

**Member Stilley moved to approve the minutes of September 2, 2014; September 10, 2014; and September 22, 2014; passed unanimously.**

4. Approval of reimbursement to the Flagstaff Downtown Business Alliance for District expenses paid in 2014.

Mr. Lamberson, President of the Flagstaff Downtown Business Alliance, stated they were excited to be moving forward with management of the District; they are currently recruiting for a Director. Today he was at the meeting to ask that the District reimburse the FDBA for the expenses associated with the formation and operation of the District to date.

**Member Stilley moved to approve reimbursement to the Flagstaff Downtown Business Alliance for District expenses paid in 2014, as indicated on the attached Exhibit A, attached hereto and made a part hereof; passed unanimously.**

5. 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.*

Mr. Lamberson noted that the advertisement for a director is open until October 20, 2014. It has been posted on local, regional, state, and national job site boards. Depending on the outcome of applicants, they hope to have made a job offer before Thanksgiving. He said that it has been open ten days and they have received six to date, one local and five national.

6. Report of Board of Directors.

Chairman VanLandingham reported that the July and August financial reports have been prepared, Exhibits B and C attached hereto and made a part hereof.

Chairman VanLandingham reported that he had received a letter from the IRS regarding their EIN assignment. He said that it was not a legal determination of their tax classification. Ms. Kjellgren said that they are deemed to be a municipality, and thus tax-exempt, but she recommended they clarify the letter with their tax consultant.

Brief discussion was held on whether monthly meetings were required. Ms. Kjellgren recommended that with the current deadlines before them they should continue. She said that she would prepare a calendar with deadlines which are still outstanding.

7. Adjournment

The Regular Meeting of the Flagstaff Downtown Improvement and Revitalization District Board of October 7, 2014, adjourned at 10:16 a.m.

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John VanLandingham, Chairman

ATTEST:

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Elizabeth A. Burke, District Clerk

# Johanna Klomann, CPA, PLLC

419 W Aspen Ave, Flagstaff, AZ 86001

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[johannak.klomanncpa@gmail.com](mailto: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 September 30, 2014, and the related budget to actual income statement on the accrual basis of accounting, 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 September 30, 2014, because I performed certain accounting services that impaired my independence.

Johanna Klomann, CPA  
October 18, 2014

## FDBIRD Profit & Loss Budget vs. Actual July through September 2014

	Jul - Sep 14	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
BID Prop. Tax Assess. May	0.00	63,749.00	-63,749.00
BID Prop. Tax Assess. Nov.	0.00	63,749.00	-63,749.00
Carry Forwards	0.00	0.00	0.00
City of Flagstaff	12,373.00	11,870.00	503.00
Coconino County	28,888.00	29,132.00	-244.00
Interest Earned	142.51		
<b>Other Contributions</b>			
City of Flagstaff IGA	127,000.00	127,000.00	0.00
One Time Infrastructure Project	0.00	0.00	0.00
<b>Total Other Contributions</b>	<u>127,000.00</u>	<u>127,000.00</u>	<u>0.00</u>
<b>Total Income</b>	168,403.51	295,500.00	-127,096.49
<b>Expense</b>			
Accounting (Audit & Tax)	0.00	9,000.00	-9,000.00
Bookkeeping	0.00	1,800.00	-1,800.00
Legal Fees	7,037.62	18,700.00	-11,662.38
Management Expenses	1,575.00	218,900.00	-217,325.00
Website	0.00	9,300.00	-9,300.00
<b>Total Expense</b>	<u>8,612.62</u>	<u>257,700.00</u>	<u>-249,087.38</u>
<b>Net Ordinary Income</b>	159,790.89	37,800.00	121,990.89
<b>Net Income</b>	<u><u>159,790.89</u></u>	<u><u>37,800.00</u></u>	<u><u>121,990.89</u></u>

10:48 AM  
10/18/14  
Accrual Basis

**FDBIRD**  
**Balance Sheet**  
As of September 30, 2014

	<u>Sep 30, 14</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
BBVA Checking	30,760.38
BBVA Money Mkt	<u>129,030.51</u>
Total Checking/Savings	<u>159,790.89</u>
Total Current Assets	<u>159,790.89</u>
<b>TOTAL ASSETS</b>	<b><u>159,790.89</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
Net Income	<u>159,790.89</u>
Total Equity	<u>159,790.89</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>159,790.89</u></b>

**FDBIRD**  
**General Ledger**  
**As of September 30, 2014**

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>BBVA Checking</b>									34,871.12
Check	09/15/2014	902		Philadelphia Insurance	Director's and ...	Management E...		1,575.00	33,296.12
Check	09/19/2014	904		Kjellgren & Speed		Legal Fees		2,535.74	30,760.38
Total BBVA Checking							0.00	4,110.74	30,760.38
<b>BBVA Money Mkt</b>									100,057.53
Deposit	09/02/2014				Interest	Interest Earned	84.98		100,142.51
Deposit	09/25/2014				Deposit	Coconino County	28,888.00		129,030.51
Total BBVA Money Mkt							28,972.98	0.00	129,030.51
<b>Furniture and Equipment</b>									0.00
Total Furniture and Equipment									0.00
<b>Marketable Securities</b>									0.00
Total Marketable Securities									0.00
<b>Other Assets</b>									0.00
Total Other Assets									0.00
<b>Security Deposits Asset</b>									0.00
Total Security Deposits Asset									0.00
<b>Payroll Liabilities</b>									0.00
Total Payroll Liabilities									0.00
<b>Other Liabilities</b>									0.00
Total Other Liabilities									0.00
<b>Opening Balance Equity</b>									0.00
Total Opening Balance Equity									0.00
<b>Perm. Restricted Net Assets</b>									0.00
Total Perm. Restricted Net Assets									0.00
<b>Temp. Restricted Net Assets</b>									0.00
Total Temp. Restricted Net Assets									0.00
<b>Unrestricted Net Assets</b>									0.00
Total Unrestricted Net Assets									0.00
<b>BID Prop. Tax Assess. May</b>									0.00
Total BID Prop. Tax Assess. May									0.00
<b>BID Prop. Tax Assess. Nov.</b>									0.00
Total BID Prop. Tax Assess. Nov.									0.00
<b>Carry Forwards</b>									0.00
Total Carry Forwards									0.00
<b>City of Flagstaff</b>									-12,373.00
Total City of Flagstaff									-12,373.00
<b>Coconino County</b>									0.00
Deposit	09/25/2014			Coconino County	Payment in lie...	BBVA Money Mkt		28,888.00	-28,888.00
Total Coconino County							0.00	28,888.00	-28,888.00
<b>Events</b>									0.00
Total Events									0.00
<b>Grants</b>									0.00
Total Grants									0.00
<b>Interest Earned</b>									-57.53
Deposit	09/02/2014				Interest	BBVA Money Mkt		84.98	-142.51
Total Interest Earned							0.00	84.98	-142.51
<b>Other Contributions</b>									-127,000.00
<b>City of Flagstaff IGA</b>									-127,000.00
Total City of Flagstaff IGA									-127,000.00
<b>One Time Infrastructure Project</b>									0.00
Total One Time Infrastructure Project									0.00
<b>Other Contributions - Other</b>									0.00
Total Other Contributions - Other									0.00
Total Other Contributions									-127,000.00
<b>Sponsorships</b>									0.00
Total Sponsorships									0.00
<b>Accounting (Audit &amp; Tax)</b>									0.00
Total Accounting (Audit & Tax)									0.00
<b>Bookkeeping</b>									0.00
Total Bookkeeping									0.00

10:50 AM

10/18/14

Accrual Basis

**FDBIRD**  
**General Ledger**  
**As of September 30, 2014**

Type	Date	Num	Adj	Name	Memo	Split	Debit	Credit	Balance
<b>Legal Fees</b>									
Check	09/19/2014	904		Kjellgren & Speed		BBVA Checking	2,535.74		4,501.88
Total Legal Fees							2,535.74	0.00	7,037.62
<b>Management Expenses</b>									
Check	09/15/2014	902		Philadelphia Insurance	Director's and ...	BBVA Checking	1,575.00		0.00
Total Management Expenses							1,575.00	0.00	1,575.00
<b>Payroll Expenses</b>									
Total Payroll Expenses									0.00
<b>Website</b>									
Total Website									0.00
<b>Ask My Accountant</b>									
Total Ask My Accountant									0.00
<b>No acct</b>									
Total no acct									0.00
<b>TOTAL</b>							<b>33,083.72</b>	<b>33,083.72</b>	<b>0.00</b>