

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

**Tuesday, June 7, 2016 – 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 24, 2016.
4. Approval of Financial Statements for April 2016.
5. Consideration of Resolution No. 2016-02: 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 2016-2017; 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
6. Discussion and Consideration of Authorization for Semi-annual Payment to the FDDBA for the Management Contract.
7. 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.*
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.

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Elizabeth A. Burke, MMC, District Clerk

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

**Tuesday, May 24, 2016 – 10:00 AM  
Staff Conference Room – Second Floor  
Flagstaff City Hall – 211 West Aspen, Flagstaff, Arizona**

**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 Stilley called the meeting to order at 10:09 a.m.

**2. Roll Call**

**BOARD MEMBERS PRESENT:**

Chairman David Stilley  
Vice Chairman Karen Kinne-Herman (via telephone)  
Member John VanLandingham

**BOARD MEMBERS ABSENT:**

Member Tim Kinney  
Member Antoinette Beiser

Others present: District Attorney Dana Kjellgren; District Treasurer Brandi Suda; Stacy Saltzburg; Terry Madeksza, DBA Director.

**3. Approval of Minutes of the Board meeting of April 5, 2016.**

**Member Kinne-Herman moved to approve the minutes of the Board meeting of April 5, 2016; seconded; passed unanimously.**

**4. Approval of Financial Statements for March 2016.**

Ms. Suda stated that there was nothing unusual in the March financials; there was very little activity and everything looks fine.

Member Kinne-Herman asked if the receipts from November were low. Ms. Suda stated that the Board should consider making the receipt information one line in the financials because information is not received monthly from the Assessor which can lead to misleading information with a monthly breakdown. The assessments are on schedule and the prior year assessments have been fully received.

**Member VanLandingham moved to approve the Financial Statements for March 2016; seconded; passed unanimously.**

5. **Consideration of Resolution No. 2016-02:** 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 2016-2017; 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 stated that the legally-required schedules are in the packet and they will be posted in the newspaper this coming week and the next week as required. Final budget adoption will happen on June 7, 2016. Since the last meeting there were a few changes; the first is with municipal payments in lieu of taxes and the other is moving the one-time infrastructure project of \$17,000 out of the FY16 estimate into the FY17 budget as the payment will likely occur after June 30, 2016.

Ms. Suda reported that she got updated values from the Assessor's Office and pointed out that while they are collecting the same amount the rate is going down dramatically. The assessed value on one property went up dramatically because the Arizona Department of Revenue (ADOR) has changed how they do an assessment for some public utilities but everyone else's rate has gone down.

Member VanLandingham stated that the total collection was previously \$168,500 but the property taxes is only \$127,498 and the municipalities in lieu of taxes amount went down so the overall collection is below the \$168,500. He asked how the municipality number went down and why the private rate did not increase to compensate. Ms. Suda explained that the Assessor's Office determines the assessed property value and setting the \$127,498 as the flat revenue determines the rate. Member VanLandingham indicated that he believed that the flat revenue was always meant to be the \$168,500; he is concerned that they are losing \$6,000 out of an already modest budget.

Ms. Suda stated that the Board can choose to increase the rate of the private property tax but the payment in lieu of taxes is based on what the rate is; it is possible that a conversation could be had with the City and County to see if they are willing to pay the old rate. Ms. Kjellgren asked how the rate can be increased when the voters approved a specific rate. Ms. Suda stated that the voters approved a maximum rate and the current rate is far below that; as a secondary property tax they are not held to the truth in taxation requirements and therefore the rate can be changed so long as it stays at or below the approved rate.

Member VanLandingham asked if the calculations could be redone with the flat revenue set at \$168,500. Ms. Suda stated that she could do those calculations. Chairman Stilley suggested that they postpone action today until the new calculations could be done. Ms. Suda explained that there is plenty of time to make the corrections; the budget does require two meetings, one to approve the tentative budget and the other to hold a public hearing and adopt the final budget. Chairman Stilley suggested taking no action on the tentative budget today and bring forward a new tentative budget on June 7, 2016, for approval with the public hearing and final approval occurring on June 21, 2016.

Member VanLandingham asked for clarification on how to respond to the question why the private property rate went up when the municipality rate decreased. Ms. Suda stated that the response can be that the Board has no control over the underlying valuation that is set by the Assessor's Office.

**6. Approval of Audit Contract between FDBIRD and Hinton Burdick.**

Ms. Suda stated that she is still working through issues with the contract and that this item will need to be pulled. Chairman Stilley asked what the issue is to which Ms. Kjellgren explained that the vendor did not take exception to the samples given in the RFP and now they are trying to negotiate the terms of the contract.

**7. Monthly Update by FDDB Executive Director Terry Madeksza.**

Ms. Madeksza passed out an activity report. She highlighted the following items:

**Parking:** Parking continues to be a priority for the organization. The process continues to move forward on three different fronts; purchasing the equipment, determining how the program is going to be implemented in terms of location of kiosks, hours of operation and cost, and lastly the rollout and messaging of the program. The DBA is working with the City on a proposal to have the DBA manage and rollout the system. The DBA can help provide information that is consumer based, friendly, educational, etc. in the greatest way possible. That plan will be presented to the DBA board in June.

**Fee for Service:** The DBA has been selected to manage a contract on behalf of the City; the DBA will receive \$25,000 to manage the contract with CertaPro Painters. CertaPro will be painting all the downtown assets green, this includes street lights, signal poles and other items. Work has begun and things look great; the work should be completed by June.

**Movies on the Square:** Movies begin this coming weekend. So far \$32,500 has been raised so they are about \$12,000 ahead of last year and the fundraising is not yet concluded. All expenses will be covered this year. It is going to be a great season with new partners involved such as FUSD, Second Chance, and Purina.

Leroux St.: The construction is complete and the City and DBA board received zero complaints. With the amount of work that was done having no complaints is a great success. She applauded Eagle Mountain Construction and the DBA for coordinating efforts to make the construction and outreach a smooth process.

Heritage Square: DBA is working with the City on how to make the programming easier and less expensive in Heritage Square. They are working to find ways to create more activity on Heritage Square.

Ms. Madeksza reported that the infrastructure project has been designed and she handed out a copy of the design. It was a comprehensive process with an advisory panel made up of five members of the community who settled on the design. They were able to negotiate a lower price so there will be ten bike racks instead of five. The fabrication is being done by Artisan Metalworks, a local metal fabricator. The City has formally requested that installation be delayed so as to coordinate the placement of the bike racks in conjunction with the new parking kiosks. This delay will prevent having to remove the bike racks to accommodate the parking kiosks.

Member Kinne-Herman asked if the DBA has a seat at the table to discuss where the kiosks will go. Ms. Madeksza stated that she has been, and will continue, working with Karl Eberhard at the City to discuss the kiosk locations. Since people will have to put in their credit card information the areas will become part of the protected areas designated in the aggressive panhandling ordinance. They want to really evaluate where panhandling is already occurring to try and avoid issues.

Member VanLandingham stated that he had requested a statement in writing about the request to delay installation of the bike racks because the delay will put them beyond the deadline in the contract. Ms. Kjellgren stated that she will be discussing the letter and the request with the City Attorney's office to make sure everyone is on board with a mutual delay.

## **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.*

None

## **9. Report of Board of Directors.**

None.

**10. Adjournment**

The Regular Meeting of the Flagstaff Downtown Business Improvement and Revitalization District held May 24, 2016, adjourned at 10:45 a.m.

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David Stilley, Chairman

ATTEST:

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Elizabeth A. Burke, District Clerk

DRAFT

**Johanna Klomann, CPA, PLLC**

419 W Aspen Ave, Flagstaff, AZ 86001

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(Office) 928-774-8995 (Fax) 866-706-1017 KlomannCPA.com

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## Flagstaff Downtown Business Improvement

Dear Board of Directors:

I have prepared the accompanying balance sheet of Flagstaff Downtown Business Improvement (a not for profit organization) as of April 30, 2016, and the related Budget to Actual Income Statement on the accrual basis of accounting, as well as a 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, 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 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.

Johanna Klomann, CPA

May 16, 2016

4:02 PM  
05/16/16  
Accrual Basis

**FDBIRD**  
**Balance Sheet**  
As of April 30, 2016

	<u>Apr 30, 16</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
BBVA Checking	35,867.52
BBVA Money Mkt	106,435.89
<b>Total Checking/Savings</b>	<u>142,303.41</u>
<b>Total Current Assets</b>	<u>142,303.41</u>
<b>TOTAL ASSETS</b>	<u><b>142,303.41</b></u>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
Unrestricted Net Assets	107,567.94
Net Income	34,735.47
<b>Total Equity</b>	<u>142,303.41</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>142,303.41</b></u>



**FDBIRD**  
**Budget to Actual Income Statement**  
 July 2015 through January 2016

	Jul '15 - Jan 16	Budget	\$ Over Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
<b>BID Prop. Tax Assess. May</b>	44,856.00	63,749.00	-18,893.00
<b>BID Prop. Tax Assess. Nov.</b>	33,245.50	63,749.00	-30,503.50
<b>Carry Forwards</b>	0.00	112,163.00	-112,163.00
<b>City of Flagstaff</b>	12,201.00	12,373.00	-172.00
<b>Coconino County</b>	28,730.00	28,888.00	-158.00
<b>Interest Earned</b>	474.84		
<b>Other Contributions</b>			
<b>City of Flagstaff IGA</b>	0.00	0.00	0.00
<b>One Time Infrastructure Project</b>	0.00	25,000.00	-25,000.00
<b>Total Other Contributions</b>	0.00	25,000.00	-25,000.00
<b>Total Income</b>	119,507.34	305,922.00	-186,414.66
<b>Expense</b>			
<b>District Formation Expenses</b>			
<b>Election Expenses</b>	564.30		
<b>One Time Infrastructure Project</b>	0.00	25,000.00	-25,000.00
<b>Total District Formation Expenses</b>	564.30	25,000.00	-24,435.70
<b>Management Overhead</b>	0.00	158,500.00	-158,500.00
<b>Dues &amp; Subscriptions</b>	0.00	450.00	-450.00
<b>Insurance</b>	1,664.00	5,700.00	-4,036.00
<b>Total Overhead</b>	1,664.00	6,150.00	-4,486.00
<b>Professional Services</b>			
<b>Accounting (Audit &amp; Tax)</b>	0.00	9,000.00	-9,000.00
<b>Bookkeeping</b>	669.16	1,200.00	-530.84
<b>Contract Clerk &amp; Treasurer</b>	600.00	2,400.00	-1,800.00
<b>Legal Counsel</b>	1,032.50	3,000.00	-1,967.50
<b>Parking Development</b>	0.00	25,000.00	-25,000.00
<b>Total Professional Services</b>	2,301.66	40,600.00	-38,298.34
<b>Website</b>	0.00	0.00	0.00
<b>Total Expense</b>	4,529.96	230,250.00	-225,720.04
<b>Net Ordinary Income</b>	114,977.38	75,672.00	39,305.38
<b>Net Income</b>	114,977.38	75,672.00	39,305.38

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Accrual Basis

**FDBIRD**  
**General Ledger**  
As of April 30, 2016

Type	Date	Num	Name	Memo	Split	Amount	Balance
<b>BBVA Checking</b>							120,199.43
Check	01/20/2016	1038	Johanna Klomann CPA		Bookkeeping	-101.00	120,098.43
Check	02/02/2016	1040	Elizabeth Burke		Contract Clerk ...	-337.50	119,760.93
Check	02/03/2016	1042	Flagstaff DBA		Management	-79,250.00	40,510.93
Check	02/05/2016	1039	Kjellgren & Speed		Legal Counsel	-507.50	40,003.43
Check	03/25/2016	1044	Sage Brush Traders		Management	-71.88	39,931.55
Check	04/05/2016	1041	Johanna Klomann CPA		Bookkeeping	-38.26	39,893.29
Check	04/05/2016	1043	Johanna Klomann CPA		Bookkeeping	-102.02	39,791.27
Check	04/07/2016	1048	Brandi Suda		Contract Clerk ...	-318.75	39,472.52
Check	04/07/2016	1046	Kjellgren & Speed		Legal Counsel	-1,452.50	38,020.02
Check	04/29/2016	1047	Elizabeth Burke		Contract Clerk ...	-2,152.50	35,867.52
Total BBVA Checking						-84,331.91	35,867.52
<b>BBVA Money Mkt</b>							90,085.88
Deposit	01/01/2016			Interest	Interest Earned	76.51	90,162.39
Deposit	01/15/2016			Deposit	BID Prop. Tax ...	12,284.50	102,446.89
Deposit	02/12/2016			Deposit	BID Prop. Tax ...	1,668.00	104,114.89
Deposit	03/15/2016			Deposit	BID Prop. Tax ...	699.50	104,814.39
Deposit	04/29/2016			Deposit	BID Prop. Tax ...	1,621.50	106,435.89
Total BBVA Money Mkt						16,350.01	106,435.89
<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>Accounts Payable</b>							0.00
Total Accounts Payable							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>							-107,567.94
Total Unrestricted Net Assets							-107,567.94
<b>BID Prop. Tax Assess. May</b>							-44,856.00
Total BID Prop. Tax Assess. May							-44,856.00
<b>BID Prop. Tax Assess. Nov.</b>							-20,961.00
Deposit	01/15/2016			Deposit	BBVA Money Mkt	-12,284.50	-33,245.50
Deposit	02/12/2016			Deposit	BBVA Money Mkt	-1,668.00	-34,913.50
Deposit	03/15/2016			Deposit	BBVA Money Mkt	-699.50	-35,613.00
Deposit	04/29/2016			Deposit	BBVA Money Mkt	-1,621.50	-37,234.50
Total BID Prop. Tax Assess. Nov.						-16,273.50	-37,234.50
<b>Carry Forwards</b>							0.00
Total Carry Forwards							0.00
<b>City of Flagstaff</b>							-12,201.00
Total City of Flagstaff							-12,201.00
<b>Coconino County</b>							-28,730.00
Total Coconino County							-28,730.00
<b>Events</b>							0.00
Total Events							0.00

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Accrual Basis

**FDBIRD**  
**General Ledger**  
As of April 30, 2016

Type	Date	Num	Name	Memo	Split	Amount	Balance
<b>Grants</b>							0.00
Total Grants							0.00
<b>Interest Earned</b>							-398.33
Deposit	01/01/2016			Interest	BBVA Money Mkt	-76.51	-474.84
Total Interest Earned						-76.51	-474.84
<b>Other Contributions</b>							0.00
<b>City of Flagstaff IGA</b>							0.00
Total City of Flagstaff IGA							0.00
<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							0.00
<b>Sponsorships</b>							0.00
Total Sponsorships							0.00
<b>District Formation Expenses</b>							564.30
<b>Election Expenses</b>							564.30
Total Election Expenses							564.30
<b>One Time Infrastructure Project</b>							0.00
Total One Time Infrastructure Project							0.00
<b>District Formation Expenses - Other</b>							0.00
Total District Formation Expenses - Other							0.00
Total District Formation Expenses							564.30
<b>Management</b>							0.00
Check	02/03/2016	1042	Flagstaff DBA		BBVA Checking	79,250.00	79,250.00
Check	03/25/2016	1044	Sage Brush Traders	Web hosting s...	BBVA Checking	71.88	79,321.88
Total Management						79,321.88	79,321.88
<b>Overhead</b>							1,664.00
<b>Dues &amp; Subscriptions</b>							0.00
Total Dues & Subscriptions							0.00
<b>Insurance</b>							1,664.00
Total Insurance							1,664.00
<b>Overhead - Other</b>							0.00
Total Overhead - Other							0.00
Total Overhead							1,664.00
<b>Payroll Expenses</b>							0.00
Total Payroll Expenses							0.00
<b>Professional Services</b>							2,200.66
<b>Accounting (Audit &amp; Tax)</b>							0.00
Total Accounting (Audit & Tax)							0.00
<b>Bookkeeping</b>							568.16
Check	01/20/2016	1038	Johanna Klomann CPA		BBVA Checking	101.00	669.16
Check	04/05/2016	1041	Johanna Klomann CPA		BBVA Checking	38.26	707.42
Check	04/05/2016	1043	Johanna Klomann CPA		BBVA Checking	102.02	809.44
Total Bookkeeping						241.28	809.44
<b>Contract Clerk &amp; Treasurer</b>							600.00
Check	02/02/2016	1040	Elizabeth Burke		BBVA Checking	337.50	937.50
Check	04/07/2016	1048	Brandi Suda		BBVA Checking	318.75	1,256.25
Check	04/29/2016	1047	Elizabeth Burke		BBVA Checking	2,152.50	3,408.75
Total Contract Clerk & Treasurer						2,808.75	3,408.75
<b>Legal Counsel</b>							1,032.50
Check	02/05/2016	1039	Kjellgren & Speed		BBVA Checking	507.50	1,540.00
Check	04/07/2016	1046	Kjellgren & Speed		BBVA Checking	1,452.50	2,992.50
Total Legal Counsel						1,960.00	2,992.50

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05/24/16

Accrual Basis

**FDBIRD**  
**General Ledger**  
As of April 30, 2016

Type	Date	Num	Name	Memo	Split	Amount	Balance
<b>Parking Development</b>							0.00
Total Parking Development							0.00
<b>Professional Services - Other</b>							0.00
Total Professional Services - Other							0.00
Total Professional Services						5,010.03	7,210.69
<b>Website</b>							0.00
Total Website							0.00
<b>Ask My Accountant</b>							0.00
Total Ask My Accountant							0.00
<b>No acct</b>							0.00
Total no acct							0.00
<b>TOTAL</b>						<b>0.00</b>	<b>0.00</b>

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05/16/16

**FDBIRD**  
**Reconciliation Summary**  
**BBVA Checking, Period Ending 04/30/2016**

	<u>Apr 30, 16</u>
<b>Beginning Balance</b>	39,931.55
<b>Cleared Transactions</b>	
<b>Checks and Payments - 5 items</b>	<u>-4,064.03</u>
<b>Total Cleared Transactions</b>	<u>-4,064.03</u>
<b>Cleared Balance</b>	<b><u>35,867.52</u></b>
<b>Register Balance as of 04/30/2016</b>	<u>35,867.52</u>
<b>Ending Balance</b>	35,867.52

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05/16/16

**FDBIRD**  
**Reconciliation Detail**  
**BBVA Checking, Period Ending 04/30/2016**

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Clr</u>	<u>Amount</u>	<u>Balance</u>
<b>Beginning Balance</b>						39,931.55
<b>Cleared Transactions</b>						
<b>Checks and Payments - 5 items</b>						
Check	04/05/2016	1043	Johanna Klomann ...	X	-102.02	-102.02
Check	04/05/2016	1041	Johanna Klomann ...	X	-38.26	-140.28
Check	04/07/2016	1046	Kjellgren & Speed	X	-1,452.50	-1,592.78
Check	04/07/2016	1048	Brandi Suda	X	-318.75	-1,911.53
Check	04/29/2016	1047	Elizabeth Burke	X	-2,152.50	-4,064.03
Total Checks and Payments					-4,064.03	-4,064.03
Total Cleared Transactions					-4,064.03	-4,064.03
Cleared Balance					-4,064.03	35,867.52
Register Balance as of 04/30/2016					-4,064.03	35,867.52
<b>Ending Balance</b>					<b>-4,064.03</b>	<b>35,867.52</b>

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05/16/16

**FDBIRD**  
**Reconciliation Summary**  
**BBVA Money Mkt, Period Ending 04/30/2016**

	<u>Apr 30, 16</u>
<b>Beginning Balance</b>	104,978.52
<b>Cleared Transactions</b>	
<b>Deposits and Credits - 2 items</b>	<u>1,710.15</u>
<b>Total Cleared Transactions</b>	<u>1,710.15</u>
<b>Cleared Balance</b>	<b><u>106,688.67</u></b>
<b>Register Balance as of 04/30/2016</b>	106,688.67
<b>Ending Balance</b>	106,688.67

4:02 PM

05/16/16

**FDBIRD**  
**Reconciliation Detail**  
**BBVA Money Mkt, Period Ending 04/30/2016**

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Clr</u>	<u>Amount</u>	<u>Balance</u>
<b>Beginning Balance</b>						104,978.52
<b>Cleared Transactions</b>						
<b>Deposits and Credits - 2 items</b>						
Deposit	04/29/2016			X	1,621.50	1,621.50
Deposit	04/01/2019			X	88.65	1,710.15
Total Deposits and Credits					<u>1,710.15</u>	<u>1,710.15</u>
Total Cleared Transactions					<u>1,710.15</u>	<u>1,710.15</u>
Cleared Balance					<u>1,710.15</u>	<u>106,688.67</u>
Register Balance as of 04/30/2016					<u>1,710.15</u>	<u>106,688.67</u>
<b>Ending Balance</b>					<u><b>1,710.15</b></u>	<u><b>106,688.67</b></u>



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

RESOLUTION NO. 2016-02

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 2016-2017; 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

**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; and

**WHEREAS**, the District is a special purpose tax levying revitalization district as provided in Section 48-6807 of the Arizona Revised Statutes, and is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the City; and

**WHEREAS**, a tentative budget must be adopted by the District.

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

SECTION 1. That the accompanying statements and exhibits attached to this Resolution as Schedules A, B, C, D, E, F, and G are incorporated herein by this reference, and are hereby adopted as the tentative budget for the Flagstaff Downtown Business Improvement and Revitalization District for the fiscal year 2016-2017.

SECTION 2. That the District Clerk be, and she hereby is, authorized and directed to publish in the manner prescribed by law the estimates of expenditures as set forth in Schedules A, B, C, D, E, F, and G together with a notice that the District will meet on June 21, 2016, for the purpose of a final hearing of taxpayers and for the adoption of the 2016-2017 Annual Budget for the Flagstaff Downtown Business Improvement and Revitalization District and related tax levy.

PASSED by the District Board of the Flagstaff Downtown Business Improvement and Revitalization District this 7th day of June, 2016.

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Chairman

ATTEST:

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District Clerk

APPROVED AS TO FORM:

| Kjellgren & Speed, PLC

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Attorney for the District

ATTACHMENTS:

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 2017**

**Flagstaff Downtown Business Improvement and Revitalization District**

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Schedule G—Full-Time Employees and Personnel Compensation

**Flagstaff Downtown Business Improvement and Revitalization District  
Summary Schedule of Estimated Revenues and Expenditures/Expenses  
Fiscal Year 2017**

THE FINAL OPPORTUNITY FOR PUBLIC INPUT ON THE FLAGSTAFF DOWNTOWN BUSINESS IMPROVEMENT AND REVITALIZATION DISTRICT BUDGET WILL OCCUR ON JUNE 21, 2016 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	
2016	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	0	227,850	0	0	0	0	0	227,850
2016	Actual Expenditures/Expenses**	E	0	191,178	0	0	0	0	0	191,178
2017	Fund Balance/Net Position at July 1***			102,162						102,162
2017	Primary Property Tax Levy	B	0							0
2017	Secondary Property Tax Levy	B		131,900						131,900
2017	Estimated Revenues Other than Property Taxes	C	0	37,099	0	0	0	0	0	37,099
2017	Other Financing Sources	D	0	0	0	0	0	0	0	0
2017	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2017	Interfund Transfers In	D	0	0	0	0	0	0	0	0
2017	Interfund Transfers (Out)	D	0	0	0	0	0	0	0	0
2017	Reduction for Amounts Not Available:									
LESS:	Amounts for Future Debt Retirement:									0
										0
										0
2017	Total Financial Resources Available		0	271,161	0	0	0	0	0	271,161
2017	Budgeted Expenditures/Expenses	E	0	214,650	0	0	0	0	0	214,650

**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

	2016	2017
1.	\$ 227,850	\$ 214,650
2.		
3.	227,850	214,650
4.		
5.	\$ 227,850	\$ 214,650
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 2017**

	<b>2016</b>	<b>2017</b>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the <b>current year</b> 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	127,498	131,900
C. Total property tax levy amounts	\$ <u>127,498</u>	\$ <u>131,900</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) <b>Current</b> year's levy	\$ _____	
(2) Prior years' levies	\$ _____	
(3) Total primary property taxes	\$ _____	
B. Secondary property taxes		
(1) <b>Current</b> year's levy	\$ 123,384	
(2) Prior years' levies	3,982	
(3) Total secondary property taxes	\$ <u>127,366</u>	
C. Total property taxes collected	\$ <u>127,366</u>	
5. Property tax rates		
A. District tax rate		
(1) Primary property tax rate	_____	_____
(2) Secondary property tax rate	1.7896	1.6862
(3) Total District tax rate	<u>1.7896</u>	<u>1.6862</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 2017**

<b>SOURCE OF REVENUES</b>	<b>ESTIMATED REVENUES 2016</b>	<b>ACTUAL REVENUES* 2016</b>	<b>ESTIMATED REVENUES 2017</b>
<b>SPECIAL REVENUE FUNDS</b>			
Intergovernmental			
Payment in Lieu of Taxes	\$ 41,261	\$ 40,931	\$ 36,599
Municipal contribution	25,000		
Interest Income		475	500
	\$ 66,261	\$ 41,406	\$ 37,099
<b>Total Special Revenue Funds</b>	<b>\$ 66,261</b>	<b>\$ 41,406</b>	<b>\$ 37,099</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 66,261</b>	<b>\$ 41,406</b>	<b>\$ 37,099</b>

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

**Flagstaff Downtown Business Improvement and Revitalization District  
Other Financing Sources/<Uses> and Interfund Transfers  
Fiscal Year 2017**

<b>FUND</b>	<b>OTHER FINANCING 2017</b>		<b>INTERFUND TRANSFERS 2017</b>	
	<b>SOURCES</b>	<b>&lt;USES&gt;</b>	<b>IN</b>	<b>&lt;OUT&gt;</b>
<b>SPECIAL REVENUE FUNDS</b>				
None	\$ _____	\$ _____	\$ _____	\$ _____
	_____	_____	_____	_____
<b>Total Special Revenue Funds</b>	\$ _____	\$ _____	\$ _____	\$ _____
	_____	_____	_____	_____
<b>TOTAL ALL FUNDS</b>	\$ _____	\$ _____	\$ _____	\$ _____



**Flagstaff Downtown Business Improvement and Revitalization District  
Expenditures/Expenses by Fund  
Fiscal Year 2017**

<b>FUND/DEPARTMENT</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2016</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2016</b>	<b>ACTUAL EXPENDITURES/ EXPENSES* 2016</b>	<b>BUDGETED EXPENDITURES/ EXPENSES 2017</b>
<b>SPECIAL REVENUE FUNDS</b>				
Revitalization District	\$ 227,850	\$	\$ 174,178	\$ 214,650
<b>Total Special Revenue Funds</b>	\$ 227,850	\$	\$ 174,178	\$ 214,650

\* 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 2017**

<b>DEPARTMENT/FUND</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2016</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2016</b>	<b>ACTUAL EXPENDITURES/ EXPENSES* 2016</b>	<b>BUDGETED EXPENDITURES/ EXPENSES 2017</b>
Revitalization District				
Special Revenue Funds	\$ 227,850	\$	\$ 174,178	\$ 214,650
<b>Department Total</b>	<b>\$ 227,850</b>	<b>\$</b>	<b>\$ 174,178</b>	<b>\$ 214,650</b>

\* 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 2017**

<b>FUND</b>	<b>Full-Time Equivalent (FTE) 2017</b>	<b>Employee Salaries and Hourly Costs 2017</b>	<b>Retirement Costs 2017</b>	<b>Healthcare Costs 2017</b>	<b>Other Benefit Costs 2017</b>	<b>Total Estimated Personnel Compensation 2017</b>
<b>SPECIAL REVENUE FUNDS</b>						
Downtown Revitalization	None	\$	\$	\$	\$	\$
<b>Total Special Revenue Funds</b>		\$	\$	\$	\$	\$
<b>TOTAL ALL FUNDS</b>		\$	\$	\$	\$	\$