FINANCE COMMITTEE MEETING MINUTES
Friday, July 31, 2020
10:00 a.m.

Voting Present: Kena Fuller, Bob Kelton, Jill Harris, Hilda Sanchez
Voting Absent: Debra Fixen
DLBA Staff: Kraig Kojian, Monica Morrill
Guests: Kevin Dickson, Dickson & Vanzant

I. CALL TO ORDER – Kraig Kojian – DLBA CEO & President
   Meeting Presentation. Meeting called to order at 10:02 AM.

II. ACTION: Approve Minutes from May 29, 2020 Meeting
   1st: Sanchez. 2nd: Kelton. None opposed, no abstentions. Motion carries.

III. ACCOUNTANTS REPORT: Kevin Dickson - Dickson & Vanzant, LLP
   a. Year-to-Date (DRAFT) Financial Report through June 30, 2020
      • Dickson referred to page 9 of the financial report where it is noted that
        DLBA received a partial repayment ($20,000) of a $45,000 loan made to
        the Downtown Development Corporation (DDC) for. Upon receipt,
        the funds were equally reallocated to DPIA and PBID reserves.
   b. Cash Flow Report
      • This report has an added column changing from cash to an accrual basis
        to better track cash flow during the year.

IV. STAFF UPDATE – Kraig Kojian, President & CEO (Slides 11-17 presented)
   a. Review Draft Budget FY 2020-21
      • DLBA recently received a report from the City that the parking meter
        collections for the period February 2020-March 2020 were only
        $40,645. From this there is no net revenue as costs related to City
        personnel were greater than the revenue: February-March personnel
        costs = $38,000 and April-May= $68,000. To date this totals a deficit
        of $8,700, which will be deducted from the next collection. In the
        emergency budget (April – September 2020), our expected parking
        meter revenue was reduced by 75%. Kojian is taking a closer look
        at the variances to gain a better understanding of why the
        personnel expenditures went up by $30,000 in a short period
        of time and will have more answers for the next meeting.
      • Kojian explained that the City recently received CARES Act funding
        from the state and federal government (approximately $53 million). Of
        that, $1 million is being allocated to the nine Business Improvement
        Districts (BIDS) city-wide. DLBA manages two BIDS and will receive its
        distribution based on the number of stakeholders in the two districts.
        The CARES Act funds need to be spent by the end of the year, but as
        an indirect recipient, are requesting a longer period to spend this
        money, knowing that the effects of COVID will continue into next year.
• Approximately $224,000 DLBA has in place from the Prop A contract with the City to maintain the transit corridors expires at the end of September 2020. Currently, a 90-day extension is being negotiated which would last until the end of the calendar year. Ideally DLBA would like to have this contract renewed through December 2022, to align with the timing of our upcoming PBID renewal. For this draft budget, only the October-December 2020 funds from this contract have been factored in. For the remainder of the fiscal year, this funding has been eliminated from the draft budget and services reduced as needed.
• There are no events planned for next year, therefore no expected events revenue. If there is an opportunity to host events, there is $95,000 from the parking meter revenue in the budget reserved for events expenses.
• Personnel has been added into the Advocacy department, due to the amount of work the staff puts into this department as a percentage of their overall time.
• Kojian explained the timeline for the draft budget: Executive Committee will review and approve (with or without amendments) at its August 6 meeting. Next, based on the Executive Committee’s recommendations, the Board will review and approve (with or without amendments) at its August 19 Directors meeting. From there the approved budget will be presented to the City for its ratification this Fall. The committee members were encouraged to attend the Executive Committee and Board meetings.
• Fuller asked if there has been a significant COVID impact on business license renewals. **Kojian explained that based on reports we received on the City’s collections, there has not been much of an impact, but will do a comparison last year versus this year to gain a better understanding.** Also, the City is reviewing some of its business-related fees and determining if it is possible to reduce or waive any for business owners.
• Harris asked if the addition of parklets used to expand their operations to outdoors, effects the parking meter revenue. Kojian explained that parking has been reduced due to COVID already and the amount of parking spaces lost is minimal.
• Sanchez asked if there were results available from the Pine Avenue closure survey recently conducted. Kojian answered that the results can be viewed in different ways but on average 85% are in favor some level of closures. The results will be broken down on a block by block basis to understand how to best roll out this plan.

V. OLD BUSINESS
VI. NEW BUSINESS
Fuller reported that approximately 80% of the small businesses she works with are profitable and working towards their stretch goals.

VII. PUBLIC COMMENTS
VIII. ADJOURNMENT
Meeting adjourned at 10:56 AM.

**NEXT FINANCE COMMITTEE MEETING:**
Friday, September 25, 2020
10:00 am.
Location: Zoom Meeting

**DLBA Mission:** Cultivate, preserve, and promote a healthy, safe, and prosperous Downtown