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HB Downtown Business Improvement District
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Management is responsible for the accompanying financial statements of Huntington Beach Downtown Business Improvement District (a non profit corporation), which comprise the statement of financial position - modified cash basis as of February 28, 2023 and the related statements of activities - modified cash basis, budget vs. actual - modified cash basis, and statement of activity by class - modified cash basis for the 1 month and the 5 months then ended in accordance with the modified cash basis of accounting, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the modified cash basis of accounting. If the omitted disclosures and statement were included in the financial statements, they might influence the user's conclusions about the organization's financial position, changes in net assets, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

McGinty Knudtson & Associates, LLP

McGinty, Knudtson & Associates, LLP
Huntington Beach, CA
March 08, 2023

Huntington Beach Downtown Business Improvement District

Statement of Financial Position

As of February 28, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1020 First Bank - Main Acct	8,821.50
1030 First Bank - MM	160,773.97
1040 First Bank - Maintenance	16,406.33
Total Bank Accounts	\$186,001.80
Other Current Assets	
1330 Prepaid Rent	500.00
Undeposited Funds	730.50
Total Other Current Assets	\$1,230.50
Total Current Assets	\$187,232.30
Fixed Assets	
1640 Machinery & Equipment	11,651.68
1660 Office Equipment	538.74
1670 Computers	2,931.66
1700 Accumulated Depreciation	-13,496.73
Total Fixed Assets	\$1,625.35
TOTAL ASSETS	\$188,857.65
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2080 Payroll Clearing	-185.08
2100 Payroll Tax Payable	-888.39
Total Other Current Liabilities	\$ -1,073.47
Total Current Liabilities	\$ -1,073.47
Long-Term Liabilities	
2400 Notes Payable - SBA EIDL	150,000.00
Total Long-Term Liabilities	\$150,000.00
Total Liabilities	\$148,926.53
Equity	
3100 Unrestricted Net Assets	101,885.99
Retained Earnings	0.00
Net Revenue	-61,954.87
Total Equity	\$39,931.12
TOTAL LIABILITIES AND EQUITY	\$188,857.65

Huntington Beach Downtown Business Improvement District

Statement of Activity

February 2023

	TOTAL	
	FEB 2023	OCT 2022 - FEB 2023 (YTD)
Revenue		
4050 BID Assessments	9,650.00	54,766.00
4200 Event Revenue	55,697.91	143,176.91
4300 Surf City Nights	2,611.00	56,655.41
4800 City of HB Maintenance		33,040.00
Unapplied Cash Payment Revenue	-154.00	-33,000.00
Total Revenue	\$67,804.91	\$254,638.32
Cost of Goods Sold		
5100 Rental & Setup	2,398.50	19,568.67
5150 Parking	600.00	1,441.00
5200 Street Cleaning		14,318.00
5300 Event Expenses	464.00	9,149.07
5330 Entertainment		3,800.00
5380 Printing & Production	1,896.25	10,316.96
Total 5300 Event Expenses	2,360.25	23,266.03
5600 Holiday Beautification		19,750.00
5800 Maintenance	16,500.00	99,000.00
Total Cost of Goods Sold	\$21,858.75	\$177,343.70
GROSS PROFIT	\$45,946.16	\$77,294.62
Expenditures		
7010 Advertising & Marketing		67.77
7050 Bank Charges & Fees	28.19	141.67
7070 Consultants	18,963.80	88,005.71
7100 Dues & subscriptions	152.71	1,178.55
7150 Insurance		890.00
7170 Legal & Accounting Services	450.00	5,159.00
7190 Meeting & Training	788.75	1,548.67
7200 Miscellaneous Expense		181.19
7210 Office Supplies	584.80	1,566.49
7290 Rent & Lease	900.00	4,500.00
7300 Repairs & Maintenance	100.00	300.00
7310 Security	1,500.00	6,100.00
7315 Ambassador Program	-7,808.40	13,201.20
Total 7310 Security	-6,308.40	19,301.20
7320 Taxes & Licenses	100.00	11,362.08
7330 Telephone	197.95	989.75
QuickBooks Payments Fees	821.49	4,067.39
Total Expenditures	\$16,779.29	\$139,259.47
NET OPERATING REVENUE	\$29,166.87	\$ -61,964.85

Huntington Beach Downtown Business Improvement District

Statement of Activity

February 2023

	TOTAL	
	FEB 2023	OCT 2022 - FEB 2023 (YTD)
Other Revenue		
8000 Interest Earned	1.85	9.98
Total Other Revenue	\$1.85	\$9.98
NET OTHER REVENUE	\$1.85	\$9.98
NET REVENUE	\$29,168.72	\$ -61,954.87

Huntington Beach Downtown Business Improvement District

Statement of Activity

October 2022 - February 2023

	OCT 2022	NOV 2022	DEC 2022	JAN 2023	FEB 2023	TOTAL
Revenue						
4050 BID Assessments	20,052.00		25,064.00		9,650.00	\$54,766.00
4200 Event Revenue	50.00	14,250.00	81,099.25	23,055.00	58,154.91	\$176,609.16
4300 Surf City Nights	30,442.30	15,323.41	-27,574.75	5,072.20	0.00	\$23,263.16
4800 City of HB Maintenance	30.00	10.00	-40.00			\$0.00
Unapplied Cash Payment Revenue	0.00	0.00	46.00	-46.00	0.00	\$0.00
Total Revenue	\$50,574.30	\$29,583.41	\$78,594.50	\$28,081.20	\$67,804.91	\$254,638.32
Cost of Goods Sold						
5100 Rental & Setup	5,117.19	5,194.70		6,858.28	2,398.50	\$19,568.67
5150 Parking	400.00	-159.00	600.00		600.00	\$1,441.00
5200 Street Cleaning	6,272.00	6,996.00		1,050.00		\$14,318.00
5300 Event Expenses	7,103.99	1,581.08			464.00	\$9,149.07
5330 Entertainment		1,025.00		2,775.00		\$3,800.00
5380 Printing & Production	498.45	7,487.26	435.00		1,896.25	\$10,316.96
Total 5300 Event Expenses	7,602.44	10,093.34	435.00	2,775.00	2,360.25	\$23,266.03
5600 Holiday Beautification		9,875.00		9,875.00		\$19,750.00
5800 Maintenance		33,000.00		49,500.00	16,500.00	\$99,000.00
Total Cost of Goods Sold	\$19,391.63	\$65,000.04	\$1,035.00	\$70,058.28	\$21,858.75	\$177,343.70
GROSS PROFIT	\$31,182.67	\$ -35,416.63	\$77,559.50	\$ -41,977.08	\$45,946.16	\$77,294.62
Expenditures						
7010 Advertising & Marketing	36.78	30.99				\$67.77
7050 Bank Charges & Fees	29.32	29.70	27.94	26.52	28.19	\$141.67
7070 Consultants	18,560.09	13,739.85	17,990.36	18,751.61	18,963.80	\$88,005.71
7100 Dues & subscriptions	277.71	277.71	277.71	192.71	152.71	\$1,178.55
7150 Insurance			890.00			\$890.00
7170 Legal & Accounting Services			2,240.00	2,469.00	450.00	\$5,159.00
7190 Meeting & Training	373.74	137.95		248.23	788.75	\$1,548.67
7200 Miscellaneous Expense	83.92		97.27			\$181.19
7210 Office Supplies	470.93	31.54	62.93	416.29	584.80	\$1,566.49
7290 Rent & Lease	900.00	900.00	900.00	900.00	900.00	\$4,500.00
7300 Repairs & Maintenance	50.00			150.00	100.00	\$300.00
7310 Security	1,750.00	2,850.00			1,500.00	\$6,100.00
7315 Ambassador Program	5,916.00	7,149.60	3,177.60	4,766.40	-7,808.40	\$13,201.20
Total 7310 Security	7,666.00	9,999.60	3,177.60	4,766.40	-6,308.40	\$19,301.20
7320 Taxes & Licenses	1,145.00			10,117.08	100.00	\$11,362.08
7330 Telephone	197.95	197.95	197.95	197.95	197.95	\$989.75
QuickBooks Payments Fees	832.17	895.63	617.78	900.32	821.49	\$4,067.39
Total Expenditures	\$30,623.61	\$26,240.92	\$26,479.54	\$39,136.11	\$16,779.29	\$139,259.47
NET OPERATING REVENUE	\$559.06	\$ -61,657.55	\$51,079.96	\$ -81,113.19	\$29,166.87	\$ -61,964.85
Other Revenue						
8000 Interest Earned	2.05	1.98	1.98	2.12	1.85	\$9.98
Total Other Revenue	\$2.05	\$1.98	\$1.98	\$2.12	\$1.85	\$9.98
NET OTHER REVENUE	\$2.05	\$1.98	\$1.98	\$2.12	\$1.85	\$9.98
NET REVENUE	\$561.11	\$ -61,655.57	\$51,081.94	\$ -81,111.07	\$29,168.72	\$ -61,954.87

Huntington Beach Downtown Business Improvement District

Budget vs. Actuals: 2022-2023 Budget - FY23 P&L

October 2022 - February 2023

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Revenue				
4050 BID Assessments	54,766.00	41,000.00	13,766.00	133.58 %
4100 Chili at the Beach		0.00	0.00	
4200 Event Revenue	176,609.16	122,250.00	54,359.16	144.47 %
4300 Surf City Nights	23,263.16	63,000.00	-39,736.84	36.93 %
4400 Surf City Days		0.00	0.00	
4500 Miracle on Main		3,000.00	-3,000.00	
4800 City of HB Maintenance	0.00	82,500.00	-82,500.00	0.00 %
Unapplied Cash Payment Revenue	0.00		0.00	
Total Revenue	\$254,638.32	\$311,750.00	\$ -57,111.68	81.68 %
Cost of Goods Sold				
5100 Rental & Setup	19,568.67	27,230.00	-7,661.33	71.86 %
5150 Parking	1,441.00	1,000.00	441.00	144.10 %
5200 Street Cleaning	14,318.00	6,500.00	7,818.00	220.28 %
5300 Event Expenses	9,149.07	99,427.00	-90,277.93	9.20 %
5330 Entertainment	3,800.00		3,800.00	
5380 Printing & Production	10,316.96		10,316.96	
Total 5300 Event Expenses	23,266.03	99,427.00	-76,160.97	23.40 %
5500 Miscellaneous		1,000.00	-1,000.00	
5600 Holiday Beautification	19,750.00	20,000.00	-250.00	98.75 %
5800 Maintenance	99,000.00	82,500.00	16,500.00	120.00 %
Total Cost of Goods Sold	\$177,343.70	\$237,657.00	\$ -60,313.30	74.62 %
GROSS PROFIT	\$77,294.62	\$74,093.00	\$3,201.62	104.32 %
Expenditures				
7010 Advertising & Marketing	67.77	3,500.00	-3,432.23	1.94 %
7050 Bank Charges & Fees	141.67	500.00	-358.33	28.33 %
7070 Consultants	88,005.71	63,000.00	25,005.71	139.69 %
7100 Dues & subscriptions	1,178.55	3,550.00	-2,371.45	33.20 %
7150 Insurance	890.00	1,140.00	-250.00	78.07 %
7170 Legal & Accounting Services	5,159.00	2,705.00	2,454.00	190.72 %
7190 Meeting & Training	1,548.67	450.00	1,098.67	344.15 %
7191 Election		0.00	0.00	
7200 Miscellaneous Expense	181.19	500.00	-318.81	36.24 %
7210 Office Supplies	1,566.49	3,750.00	-2,183.51	41.77 %
7290 Rent & Lease	4,500.00	4,500.00	0.00	100.00 %
7300 Repairs & Maintenance	300.00	400.00	-100.00	75.00 %
7310 Security	6,100.00		6,100.00	
7315 Ambassador Program	13,201.20	13,110.00	91.20	100.70 %
Total 7310 Security	19,301.20	13,110.00	6,191.20	147.23 %
7320 Taxes & Licenses	11,362.08	1,250.00	10,112.08	908.97 %
7330 Telephone	989.75	1,000.00	-10.25	98.98 %
QuickBooks Payments Fees	4,067.39	2,016.00	2,051.39	201.76 %

Huntington Beach Downtown Business Improvement District

Budget vs. Actuals: 2022-2023 Budget - FY23 P&L

October 2022 - February 2023

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Total Expenditures	\$139,259.47	\$101,371.00	\$37,888.47	137.38 %
NET OPERATING REVENUE	\$ -61,964.85	\$ -27,278.00	\$ -34,686.85	227.16 %
Other Revenue				
8000 Interest Earned	9.98		9.98	
Total Other Revenue	\$9.98	\$0.00	\$9.98	0.00%
NET OTHER REVENUE	\$9.98	\$0.00	\$9.98	0.00%
NET REVENUE	\$ -61,954.87	\$ -27,278.00	\$ -34,676.87	227.12 %

Huntington Beach Downtown Business Improvement District

Statement of Activity by Class

February 2023

	ADMIN	MAINTENANCE	SURF CITY ARTISAN FAIR	SURF CITY DAYS	SURF CITY NIGHTS	NOT SPECIFIED	TOTAL
Revenue							
4050 BID Assessments	9,650.00						\$9,650.00
4200 Event Revenue		33,000.00	17,972.50	716.00	6,466.41		\$58,154.91
4300 Surf City Nights			0.00	0.00	0.00	0.00	\$0.00
Unapplied Cash Payment Revenue						0.00	\$0.00
Total Revenue	\$9,650.00	\$33,000.00	\$17,972.50	\$716.00	\$6,466.41	\$0.00	\$67,804.91
Cost of Goods Sold							
5100 Rental & Setup			2,398.50				\$2,398.50
5150 Parking					600.00		\$600.00
5300 Event Expenses					464.00		\$464.00
5380 Printing & Production					1,896.25		\$1,896.25
Total 5300 Event Expenses					2,360.25		\$2,360.25
5800 Maintenance		16,500.00					\$16,500.00
Total Cost of Goods Sold	\$0.00	\$16,500.00	\$2,398.50	\$0.00	\$2,960.25	\$0.00	\$21,858.75
GROSS PROFIT	\$9,650.00	\$16,500.00	\$15,574.00	\$716.00	\$3,506.16	\$0.00	\$45,946.16
Expenditures							
7050 Bank Charges & Fees	8.19	20.00					\$28.19
7070 Consultants	14,677.35		4,211.45		75.00		\$18,963.80
7100 Dues & subscriptions	152.71						\$152.71
7170 Legal & Accounting Services	450.00						\$450.00
7190 Meeting & Training	788.75						\$788.75
7210 Office Supplies	584.80						\$584.80
7290 Rent & Lease	900.00						\$900.00
7300 Repairs & Maintenance	100.00						\$100.00
7310 Security			1,500.00				\$1,500.00
7315 Ambassador Program	-7,808.40						\$-7,808.40
Total 7310 Security	-7,808.40		1,500.00				\$-6,308.40
7320 Taxes & Licenses	100.00						\$100.00
7330 Telephone	197.95						\$197.95

Huntington Beach Downtown Business Improvement District

Statement of Activity by Class

February 2023

	ADMIN	MAINTENANCE	SURF CITY ARTISAN FAIR	SURF CITY DAYS	SURF CITY NIGHTS	NOT SPECIFIED	TOTAL
QuickBooks Payments Fees	85.00		522.91	22.09	191.49	0.00	\$821.49
Total Expenditures	\$10,236.35	\$20.00	\$6,234.36	\$22.09	\$266.49	\$0.00	\$16,779.29
NET OPERATING REVENUE	\$ -586.35	\$16,480.00	\$9,339.64	\$693.91	\$3,239.67	\$0.00	\$29,166.87
Other Revenue							
8000 Interest Earned	1.85						\$1.85
Total Other Revenue	\$1.85	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.85
NET OTHER REVENUE	\$1.85	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.85
NET REVENUE	\$ -584.50	\$16,480.00	\$9,339.64	\$693.91	\$3,239.67	\$0.00	\$29,168.72

Huntington Beach Downtown Business Improvement District

Statement of Activity by Class
October 2022 - February 2023

	4TH OF JULY	ADMIN	HALLOWEEN	MAINTENANCE	MIRACLE ON MAIN	SURF CITY ARTISAN FAIR	SURF CITY DAYS	SURF CITY NIGHTS	NOT SPECIFIED	TOTAL
Revenue										
4050 BID Assessments		54,766.00				83,633.75	1,266.00	21,984.41		\$54,766.00
4200 Event Revenue	125.00			69,600.00		0.00	0.00	23,263.16		\$176,609.16
4300 Surf City Nights	0.00			0.00		0.00				\$23,263.16
4800 City of HB Maintenance				0.00		0.00				\$0.00
Unapplied Cash Payment Revenue					\$0.00	\$83,633.75	\$1,266.00	\$45,247.57	\$0.00	\$254,638.32
Total Revenue	\$125.00	\$54,766.00	\$0.00	\$69,600.00	\$0.00	\$83,633.75	\$1,266.00	\$45,247.57	\$0.00	\$254,638.32
Cost of Goods Sold										
5100 Rental & Setup						6,062.88	2,320.99	11,184.80		\$19,568.67
5150 Parking						400.00		1,041.00		\$1,441.00
5200 Street Cleaning		13,268.00	450.00		786.75	5,200.00	600.00	464.00		\$14,318.00
5300 Event Expenses		77.85	2,383.99		1,950.00	1,525.00	236.48			\$9,149.07
5330 Entertainment		325.00			2,465.02	1,142.62	952.25	1,896.25		\$3,800.00
5380 Printing & Production		1,068.38	2,792.44		5,201.77	7,867.62	1,188.73	2,360.25		\$10,316.96
Total 5300 Event Expenses		1,471.23	5,176.43		19,750.00					\$23,266.03
5600 Holiday Beautification				99,000.00						\$99,000.00
5800 Maintenance					\$24,951.77	\$14,330.50	\$4,109.72	\$14,586.05	\$0.00	\$177,343.70
Total Cost of Goods Sold	\$0.00	\$14,739.23	\$5,626.43	\$99,000.00	\$24,951.77	\$69,303.25	\$-2,843.72	\$30,661.52	\$0.00	\$77,294.62
GROSS PROFIT	\$125.00	\$40,026.77	\$-5,626.43	\$-29,400.00	\$-24,951.77					
Expenditures										
7010 Advertising & Marketing		41.67		100.00				67.77		\$67.77
7050 Bank Charges & Fees										\$141.67
7070 Consultants		62,661.75				25,268.96		75.00		\$88,005.71
7100 Dues & subscriptions		1,178.55								\$1,178.55
7150 Insurance		890.00								\$890.00
7170 Legal & Accounting Services		5,159.00					310.50			\$5,159.00
7190 Meeting & Training		1,178.72	59.45							\$1,548.67
7200 Miscellaneous Expense		181.19								\$181.19
7210 Office Supplies		1,566.49								\$1,566.49
7290 Rent & Lease		4,500.00								\$4,500.00
7300 Repairs & Maintenance		300.00								\$300.00
7310 Security						6,100.00				\$6,100.00
7315 Ambassador Program		13,201.20								\$13,201.20
Total 7310 Security		13,201.20				6,100.00		2,046.00		\$19,301.20
7320 Taxes & Licenses		216.08				9,100.00				\$11,362.08
7330 Telephone		989.75				2,401.09	40.00	1,356.44	0.00	\$4,067.39
QuickBooks Payments Fees		170.00		99.86		\$42,870.05	\$350.50	\$3,545.21	\$0.00	\$139,259.47
Total Expenditures	\$0.00	\$92,234.40	\$59.45	\$199.86	\$0.00	\$26,433.20	\$-3,194.22	\$27,116.31	\$0.00	\$-61,964.85
NET OPERATING REVENUE	\$125.00	\$-52,207.63	\$-5,685.88	\$-29,599.86	\$-24,951.77					

Huntington Beach Downtown Business Improvement District

Statement of Activity by Class
October 2022 - February 2023

	4TH OF JULY	ADMIN	HALLOWEEN	MAINTENANCE	MIRACLE ON MAIN	SURF CITY ARTISAN FAIR	SURF CITY DAYS	SURF CITY NIGHTS	NOT SPECIFIED	TOTAL
Other Revenue										
8000 Interest Earned		9.98								\$9.98
Total Other Revenue	\$0.00	\$9.98	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9.98
NET OTHER REVENUE	\$0.00	\$9.98	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9.98
NET REVENUE	\$125.00	\$ -52,197.65	\$ -5,685.88	\$ -29,599.86	\$ -24,951.77	\$26,433.20	\$ -3,194.22	\$27,116.31	\$0.00	\$ -61,954.87