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HB Downtown Business Improvement District
315 3rd St
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Huntington Beach, CA 92648
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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 January 31, 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 4 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
February 13, 2023

Huntington Beach Downtown Business Improvement District

Statement of Financial Position

As of January 31, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1020 First Bank - Main Acct	-4,865.37
1030 First Bank - MM	160,772.12
1040 First Bank - Maintenance	-32,073.67
Total Bank Accounts	\$123,833.08
Other Current Assets	
1330 Prepaid Rent	500.00
Undeposited Funds	730.50
Total Other Current Assets	\$1,230.50
Total Current Assets	\$125,063.58
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	\$126,688.93
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	68,885.99
Retained Earnings	0.00
Net Revenue	-91,123.59
Total Equity	\$ -22,237.60
TOTAL LIABILITIES AND EQUITY	\$126,688.93

Huntington Beach Downtown Business Improvement District

Statement of Activity

January 2023

	TOTAL	
	JAN 2023	OCT 2022 - JAN 2023 (YTD)
Revenue		
4050 BID Assessments		45,116.00
4200 Event Revenue	23,055.00	87,479.00
4300 Surf City Nights	5,072.20	54,044.41
4800 City of HB Maintenance		40.00
Unapplied Cash Payment Revenue	-46.00	154.00
Total Revenue	\$28,081.20	\$186,833.41
Cost of Goods Sold		
5100 Rental & Setup	6,858.28	17,170.17
5150 Parking		841.00
5200 Street Cleaning	1,050.00	14,318.00
5300 Event Expenses		8,685.07
5330 Entertainment	2,775.00	3,800.00
5380 Printing & Production		8,420.71
Total 5300 Event Expenses	2,775.00	20,905.78
5600 Holiday Beautification	9,875.00	19,750.00
5800 Maintenance	49,500.00	82,500.00
Total Cost of Goods Sold	\$70,058.28	\$155,484.95
GROSS PROFIT	\$ -41,977.08	\$31,348.46
Expenditures		
7010 Advertising & Marketing		67.77
7050 Bank Charges & Fees	26.52	113.48
7070 Consultants	18,751.61	69,041.91
7100 Dues & subscriptions	192.71	1,025.84
7150 Insurance		890.00
7170 Legal & Accounting Services	2,469.00	4,709.00
7190 Meeting & Training	248.23	759.92
7200 Miscellaneous Expense		181.19
7210 Office Supplies	416.29	981.69
7290 Rent & Lease	900.00	3,600.00
7300 Repairs & Maintenance	150.00	200.00
7310 Security		4,600.00
7315 Ambassador Program	4,766.40	21,009.60
Total 7310 Security	4,766.40	25,609.60
7320 Taxes & Licenses	10,117.08	11,262.08
7330 Telephone	197.95	791.80
QuickBooks Payments Fees	900.32	3,245.90
Total Expenditures	\$39,136.11	\$122,480.18
NET OPERATING REVENUE	\$ -81,113.19	\$ -91,131.72

Huntington Beach Downtown Business Improvement District

Statement of Activity

January 2023

	TOTAL	
	JAN 2023	OCT 2022 - JAN 2023 (YTD)
Other Revenue		
8000 Interest Earned	2.12	8.13
Total Other Revenue	\$2.12	\$8.13
NET OTHER REVENUE	\$2.12	\$8.13
NET REVENUE	\$ -81,111.07	\$ -91,123.59

Huntington Beach Downtown Business Improvement District

Statement of Activity by Class
January 2023

	ADMIN	HALLOWEEN	MAINTENANCE	MIRACLE ON MAIN	SURF CITY ARTISAN FAIR	SURF CITY DAYS	SURF CITY NIGHTS	NOT SPECIFIED	TOTAL
Revenue									
4200 Event Revenue					13,190.00		9,865.00		\$23,055.00
4300 Surf City Nights					275.00		4,797.20		\$5,072.20
Unapplied Cash Payment Revenue						\$0.00	-46.00	0.00	\$ -46.00
Total Revenue	\$0.00	\$0.00	\$0.00	\$0.00	\$13,465.00	\$0.00	\$14,616.20	\$0.00	\$28,081.20
Cost of Goods Sold									
5100 Rental & Setup					1,265.88		5,592.40		\$6,858.28
5200 Street Cleaning		450.00				600.00			\$1,050.00
5300 Event Expenses				1,450.00					\$0.00
5330 Entertainment				1,450.00					\$2,775.00
5600 Holiday Beautification			49,500.00	9,875.00					\$9,875.00
Total 5300 Event Expenses			\$49,500.00	\$11,325.00	\$2,590.88	\$600.00	\$5,592.40	\$0.00	\$49,500.00
5900 Maintenance	\$0.00	\$450.00	\$49,500.00	\$11,325.00	\$2,590.88	\$600.00	\$5,592.40	\$0.00	\$70,058.28
Total Cost of Goods Sold	\$0.00	\$ -450.00	\$ -49,500.00	\$ -11,325.00	\$10,874.12	\$ -600.00	\$9,023.80	\$0.00	\$ -41,977.08
GROSS PROFIT									\$26.52
Expenditures									
7050 Bank Charges & Fees	6.52		20.00						\$18,751.61
7070 Consultants	14,089.85				4,661.76				\$192.71
7100 Dues & subscriptions	192.71								\$2,469.00
7170 Legal & Accounting Services	2,469.00								\$248.23
7190 Meeting & Training	248.23								\$416.29
7210 Office Supplies	416.29								\$900.00
7290 Rent & Lease	900.00								\$150.00
7300 Repairs & Maintenance	150.00								\$0.00
7310 Security	4,766.40								\$4,766.40
7315 Ambassador Program	4,766.40								\$4,766.40
Total 7310 Security					9,100.00		976.00		\$10,117.08
7320 Taxes & Licenses	41.08								\$197.95
7330 Telephone	197.95				384.46		430.86	0.00	\$900.32
QuickBooks Payments Fees	85.00					\$0.00	\$1,406.86	\$0.00	\$39,136.11
Total Expenditures	\$23,563.03	\$0.00	\$20.00	\$0.00	\$14,146.22	\$0.00	\$7,616.94	\$0.00	\$81,113.19
NET OPERATING REVENUE	\$ -23,563.03	\$ -450.00	\$ -49,520.00	\$ -11,325.00	\$ -3,272.10	\$ -600.00	\$0.00	\$0.00	\$ -81,113.19
Other Revenue									\$2.12
8000 Interest Earned	2.12				\$0.00	\$0.00	\$0.00	\$0.00	\$2.12
Total Other Revenue	\$2.12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2.12
NET OTHER REVENUE	\$2.12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2.12
NET REVENUE	\$ -23,560.91	\$ -450.00	\$ -49,520.00	\$ -11,325.00	\$ -3,272.10	\$ -600.00	\$7,616.94	\$0.00	\$ -81,111.07

Huntington Beach Downtown Business Improvement District

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

October 2022 - January 2023

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Revenue				
4050 BID Assessments	45,116.00	31,000.00	14,116.00	145.54 %
4100 Chili at the Beach		0.00	0.00	
4200 Event Revenue	87,479.00	103,125.00	-15,646.00	84.83 %
4300 Surf City Nights	54,044.41	51,500.00	2,544.41	104.94 %
4400 Surf City Days		0.00	0.00	
4500 Miracle on Main		3,000.00	-3,000.00	
4800 City of HB Maintenance	40.00	66,000.00	-65,960.00	0.06 %
Unapplied Cash Payment Revenue	154.00		154.00	
Total Revenue	\$186,833.41	\$254,625.00	\$ -67,791.59	73.38 %
Cost of Goods Sold				
5100 Rental & Setup	17,170.17	21,910.00	-4,739.83	78.37 %
5150 Parking	841.00	800.00	41.00	105.13 %
5200 Street Cleaning	14,318.00	5,750.00	8,568.00	249.01 %
5300 Event Expenses	8,685.07	84,934.50	-76,249.43	10.23 %
5330 Entertainment	3,800.00		3,800.00	
5380 Printing & Production	8,420.71		8,420.71	
Total 5300 Event Expenses	20,905.78	84,934.50	-64,028.72	24.61 %
5500 Miscellaneous		800.00	-800.00	
5600 Holiday Beautification	19,750.00	20,000.00	-250.00	98.75 %
5800 Maintenance	82,500.00	66,000.00	16,500.00	125.00 %
Total Cost of Goods Sold	\$155,484.95	\$200,194.50	\$ -44,709.55	77.67 %
GROSS PROFIT	\$31,348.46	\$54,430.50	\$ -23,082.04	57.59 %
Expenditures				
7010 Advertising & Marketing	67.77	2,800.00	-2,732.23	2.42 %
7050 Bank Charges & Fees	113.48	400.00	-286.52	28.37 %
7070 Consultants	69,041.91	50,400.00	18,641.91	136.99 %
7100 Dues & subscriptions	1,025.84	2,950.00	-1,924.16	34.77 %
7150 Insurance	890.00	1,140.00	-250.00	78.07 %
7170 Legal & Accounting Services	4,709.00	2,250.00	2,459.00	209.29 %
7190 Meeting & Training	759.92	350.00	409.92	217.12 %
7191 Election		0.00	0.00	
7200 Miscellaneous Expense	181.19	400.00	-218.81	45.30 %
7210 Office Supplies	981.69	3,000.00	-2,018.31	32.72 %
7290 Rent & Lease	3,600.00	3,600.00	0.00	100.00 %
7300 Repairs & Maintenance	200.00	320.00	-120.00	62.50 %
7310 Security	4,600.00		4,600.00	
7315 Ambassador Program	21,009.60	11,584.00	9,425.60	181.37 %
Total 7310 Security	25,609.60	11,584.00	14,025.60	221.08 %
7320 Taxes & Licenses	11,262.08	1,000.00	10,262.08	1,126.21 %
7330 Telephone	791.80	800.00	-8.20	98.98 %
QuickBooks Payments Fees	3,245.90	1,648.00	1,597.90	196.96 %

Huntington Beach Downtown Business Improvement District

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

October 2022 - January 2023

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
Total Expenditures	\$122,480.18	\$82,642.00	\$39,838.18	148.21 %
NET OPERATING REVENUE	\$ -91,131.72	\$ -28,211.50	\$ -62,920.22	323.03 %
Other Revenue				
8000 Interest Earned	8.13		8.13	
Total Other Revenue	\$8.13	\$0.00	\$8.13	0.00%
NET OTHER REVENUE	\$8.13	\$0.00	\$8.13	0.00%
NET REVENUE	\$ -91,123.59	\$ -28,211.50	\$ -62,912.09	323.00 %

Huntington Beach Downtown Business Improvement District

Statement of Activity October 2022 - January 2023

	OCT 2022	NOV 2022	DEC 2022	JAN 2023	TOTAL
Revenue					
4050 BID Assessments	20,052.00		25,064.00		\$45,116.00
4200 Event Revenue	50.00	14,250.00	50,124.00	23,055.00	\$87,479.00
4300 Surf City Nights	30,442.30	15,323.41	3,206.50	5,072.20	\$54,044.41
4800 City of HB Maintenance	30.00	10.00			\$40.00
Unapplied Cash Payment Revenue	0.00	0.00	200.00	-46.00	\$154.00
Total Revenue	\$50,574.30	\$29,583.41	\$78,594.50	\$28,081.20	\$186,833.41
Cost of Goods Sold					
5100 Rental & Setup	5,117.19	5,194.70		6,858.28	\$17,170.17
5150 Parking	400.00	-159.00	600.00		\$841.00
5200 Street Cleaning	6,272.00	6,996.00		1,050.00	\$14,318.00
5300 Event Expenses	7,103.99	1,581.08			\$8,685.07
5330 Entertainment		1,025.00		2,775.00	\$3,800.00
5380 Printing & Production	498.45	7,487.26	435.00		\$8,420.71
Total 5300 Event Expenses	7,602.44	10,093.34	435.00	2,775.00	\$20,905.78
5600 Holiday Beautification		9,875.00		9,875.00	\$19,750.00
5800 Maintenance		33,000.00		49,500.00	\$82,500.00
Total Cost of Goods Sold	\$19,391.63	\$65,000.04	\$1,035.00	\$70,058.28	\$155,484.95
GROSS PROFIT	\$31,182.67	\$ -35,416.63	\$77,559.50	\$ -41,977.08	\$31,348.46
Expenditures					
7010 Advertising & Marketing	36.78	30.99			\$67.77
7050 Bank Charges & Fees	29.32	29.70	27.94	26.52	\$113.48
7070 Consultants	18,560.09	13,739.85	17,990.36	18,751.61	\$69,041.91
7100 Dues & subscriptions	277.71	277.71	277.71	192.71	\$1,025.84
7150 Insurance			890.00		\$890.00
7170 Legal & Accounting Services			2,240.00	2,469.00	\$4,709.00
7190 Meeting & Training	373.74	137.95		248.23	\$759.92
7200 Miscellaneous Expense	83.92		97.27		\$181.19
7210 Office Supplies	470.93	31.54	62.93	416.29	\$981.69
7290 Rent & Lease	900.00	900.00	900.00	900.00	\$3,600.00
7300 Repairs & Maintenance	50.00			150.00	\$200.00
7310 Security	1,750.00	2,850.00			\$4,600.00
7315 Ambassador Program	5,916.00	7,149.60	3,177.60	4,766.40	\$21,009.60
Total 7310 Security	7,666.00	9,999.60	3,177.60	4,766.40	\$25,609.60
7320 Taxes & Licenses	1,145.00			10,117.08	\$11,262.08
7330 Telephone	197.95	197.95	197.95	197.95	\$791.80
QuickBooks Payments Fees	832.17	895.63	617.78	900.32	\$3,245.90
Total Expenditures	\$30,623.61	\$26,240.92	\$26,479.54	\$39,136.11	\$122,480.18
NET OPERATING REVENUE	\$559.06	\$ -61,657.55	\$51,079.96	\$ -81,113.19	\$ -91,131.72

Huntington Beach Downtown Business Improvement District

Statement of Activity

October 2022 - January 2023

	OCT 2022	NOV 2022	DEC 2022	JAN 2023	TOTAL
Other Revenue					
8000 Interest Earned	2.05	1.98	1.98	2.12	\$8.13
Total Other Revenue	\$2.05	\$1.98	\$1.98	\$2.12	\$8.13
NET OTHER REVENUE	\$2.05	\$1.98	\$1.98	\$2.12	\$8.13
NET REVENUE	\$561.11	\$ -61,655.57	\$51,081.94	\$ -81,111.07	\$ -91,123.59

Huntington Beach Downtown Business Improvement District

Statement of Activity by Class

October 2022 - January 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		45,116.00				38,765.00	150.00	15,564.00		\$45,116.00
4200 Event Revenue				33,000.00		26,656.25	400.00	23,263.16		\$87,479.00
4300 Surf City Nights	125.00			3,600.00		40.00				\$54,044.41
4800 City of HB Maintenance						200.00		-46.00	0.00	\$40.00
Unapplied Cash Payment Revenue					\$0.00	\$65,661.25	\$550.00	\$38,781.16	\$0.00	\$154.00
Total Revenue	\$125.00	\$45,116.00	\$0.00	\$36,600.00	\$0.00	\$65,661.25	\$550.00	\$38,781.16	\$0.00	\$186,833.41
Cost of Goods Sold										
5100 Rental & Setup						3,664.38	2,320.99	11,184.80		\$17,170.17
5150 Parking						400.00		441.00		\$841.00
5200 Street Cleaning		13,268.00	450.00		786.75	5,200.00	600.00			\$14,318.00
5300 Event Expenses		77.85	2,383.99		1,950.00	1,525.00	236.48			\$8,685.07
5330 Entertainment		325.00			2,465.02	1,142.62	952.25			\$3,800.00
5380 Printing & Production		1,068.38	2,792.44		5,201.77	7,867.62	1,188.73			\$8,420.71
Total 5300 Event Expenses		1,471.23	5,176.43		19,750.00					\$20,905.78
5600 Holiday Beautification				82,500.00						\$82,500.00
5800 Maintenance				\$82,500.00	\$24,951.77	\$11,932.00	\$4,109.72	\$11,625.80	\$0.00	\$155,484.95
Total Cost of Goods Sold	\$0.00	\$14,739.23	\$5,626.43	\$82,500.00	\$24,951.77	\$53,729.25	\$-3,559.72	\$27,155.36	\$0.00	\$31,348.46
GROSS PROFIT	\$125.00	\$30,376.77	\$-5,626.43	\$-45,900.00	\$-24,951.77					
Expenditures										
7010 Advertising & Marketing		33.48		80.00				67.77		\$67.77
7050 Bank Charges & Fees		47,984.40				21,057.51				\$113.48
7070 Consultants		1,025.84								\$69,041.91
7100 Dues & subscriptions		890.00								\$1,025.84
7150 Insurance		4,709.00					310.50			\$890.00
7170 Legal & Accounting Services		389.97	59.45							\$4,709.00
7190 Meeting & Training		181.19								\$759.92
7200 Miscellaneous Expense		981.69								\$181.19
7210 Office Supplies		3,600.00								\$981.69
7290 Rent & Lease		200.00								\$3,600.00
7300 Repairs & Maintenance						4,600.00				\$200.00
7310 Security										\$4,600.00
7315 Ambassador Program		21,009.60								\$21,009.60
Total 7310 Security		21,009.60				4,600.00		2,046.00		\$25,609.60
7320 Taxes & Licenses		116.08				9,100.00				\$11,262.08
7330 Telephone		791.80								\$791.80
QuickBooks Payments Fees		85.00		99.86		1,878.18	17.91	1,164.95	0.00	\$3,245.90
Total Expenditures	\$0.00	\$81,998.05	\$59.45	\$179.86	\$0.00	\$36,635.69	\$328.41	\$3,278.72	\$0.00	\$122,480.18
NET OPERATING REVENUE	\$125.00	\$-51,621.28	\$-5,685.88	\$-46,079.86	\$-24,951.77	\$17,093.56	\$-3,888.13	\$23,876.64	\$0.00	\$-91,131.72

Huntington Beach Downtown Business Improvement District

Statement of Activity by Class

October 2022 - January 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		8.13								\$8.13
Total Other Revenue	\$0.00	\$8.13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8.13
NET OTHER REVENUE	\$0.00	\$8.13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8.13
NET REVENUE	\$125.00	\$ -51,613.15	\$ -5,685.88	\$ -46,079.86	\$ -24,951.77	\$ 17,093.56	\$ -3,888.13	\$ 23,876.64	\$ 0.00	\$ -91,123.59