



2014/15 Annual Report

INTRODUCTION

The fiscal year for the Handle District Business Improvement District ends on June 30th. The following Annual Report is the fourth Annual Report (2011/12 reported on nine months of operations and assessment collections) produced by the organization for the City of Sacramento and HBID businesses. It is a year-end summary of the HBIDs' activities and finances. In addition to the financial overview, this report highlights ongoing programs and projects.

FINANCIAL OVERVIEW

Management District Plan (MDP) - the MDP is the governing plan for the Handle District. It outlines the assessment methodology and collection details. Originally approved by Sacramento City Council in the Summer 2011, it was updated in 2012 to provide additional clarification. There were no changes to the plan in 2014/15.

Assessment - there are two categories of assessments collected in the Handle District. The food and beverage establishments collect 1.5% of each food purchase (excluding alcohol) and the retailers in the district pay a set amount each quarter (\$25 or \$50 per month, based on total annual gross sales). The organization sends assessment information to each new business operator, and also circulates a general overview to every business at least once per year.

Accounting Practices - the HBID board contracts with a bookkeeping service for daily monitoring and oversight of assessment funds, a process that also includes the preparation of an annual tax return for the organization. Two signatures are required on each check.

Outstanding Loans - the organization is currently re-paying city fees (no interest) for the district's formation in 2011. The repayment plan will continue through 2016.

2014/15 Budget - the Board of Directors approved the FY 2015/16 budget at the June 2015 meeting. Original estimates of assessment revenues were adjusted to reflect actual collected amounts. This resulted in a reduction of the total budget from \$200,000/year, as estimated in the Management District Plan, to approximately \$175,000/year based on year two and three collections.

Revenues	Sub-Totals
Assessment Revenues	\$175,000.00
City Fees	\$7,500.00
Estimated Delinquency/Fees	\$7,500.00
Total Revenues (projected)	\$160,000.00
Expenses (Budgeted and Actual)	Sub-Totals
Program - Clean and Safe (up to 45% of Budget)	\$72,000.00
Program - Marketing, Advertising and Events (up to 35% of Budget)	\$56,000.00
Assessment Collection and BID renewal (up to 10% of Budget)	\$16,000.00
General Administration and Operations (up to 10% of Budget)	\$16,000.00
Total Expenses	\$160,000.00

PROGRAMS

The organization continues to develop new programs to benefit HBID businesses.

Maintenance - the maintenance crew is consistently visible in the District and is one of the most popular services for businesses (trash pickup, special event support, graffiti abatement, sidewalk power washing and other maintenance services). The HBID contracts for this additional service with the Midtown Business Association's maintenance team.

Advocacy - the organization continues to advocate and promote a number of local efforts, including the downtown streetcar project, lighting projects, pedestrian safety projects, parking enhancements, community events and other projects that positively impact Midtown and the HBID.

EVENTS

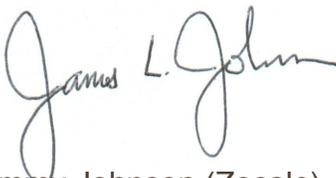
Our annual farm-to-fork food event is our largest event of the year, drawing in excess of 2,500 participants. The Bastille Day event was attended by more than 1,500 people in July. The organization also sponsored the Second Annual Dress Up, Wine Down fashion show to benefit WEAVE on Second Saturday in May 2015. The three events helped raise \$15,000 for local charities. The organization also continues to sponsor holiday projects including the lighting of the Luminarias, holiday lighting on the buildings and special retail events.

PROJECTS

The HBID authorized the purchase of 19 new streetlights in early 2015, in partnership with the City of Sacramento and Midtown Business Association. New district signs were installed in the past year, as were a number of roadway signs (safety improvements). The organization recently launched an updated website and the social media program continues to flourish, quickly approaching 5,000 supporters. The popular Bait Bike program continues, with more than reported 100 arrests to date.

Our Board of Directors meets on the third Wednesday of each month. You may contact Seann Rooney our Executive Director at (916) 447-1960 or by email at seann@rooneytategroup.com for more information on programs and projects.

Sincerely,

A handwritten signature in cursive script that reads "Jimmy Johnson".

Jimmy Johnson (Zocalo)
HBID President