

**Oakland Ave.
Business Improvement District #13
OPERATING PLAN FOR YEAR 26: 2018**

SUBMITTED BY:

**THE OAKLAND AVENUE BUSINESS IMPROVEMENT DISTRICT
BOARD OF DIRECTORS**

PREPARED BY: Michael D'Amato, BID Director

**OPERATING PLAN
BID #13**

2018: Year 26

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I. INTRODUCTION

In 1984, the Wisconsin legislature created s. 66.608 of the Statutes enabling cities to establish Business Improvement Districts (BIDs) upon the petition of at least one property owner within the proposed district. The purpose of the law is "... to allow businesses within those districts to develop, to manage and promote the districts and to establish an assessment method to fund these activities." (1983 Wis. Act 184, Section 1, legislative declaration.) On November 9, 1993, the Common Council of the City of Milwaukee, by Resolution File Number 931058, created BID #13 (Oakland Avenue: University Square) and adopted its initial operating plan. Section 66.608(3) (b), Wis. Stats., requires that a BID Board "shall annually consider and make changes to the operating plan... The board shall then submit the operating plan to the local legislative body for its approval." The Board of BID #13 submits this 2015 Operating Plan in fulfillment of the statutory requirement.

This plan proposes a continuation of activities described in the initial (November, 1993) BID Operating Plan and subsequent years' University Square Operating Plans. Therefore, it incorporates by reference the all earlier plans as adopted by the Common Council. This plan emphasizes the elements that are required by Sec. 66.608 Wis. Stats and the changes for 2014. It does not repeat the background information which is contained in the previous plans nor include the Business Improvement District Statute, original petitions from property owners or BID #13 By-Laws. The link to the State Statute is here: <https://docs.legis.wisconsin.gov/statutes/statutes/66/XI/1109>

II. DISTRICT BOUNDARIES

Boundaries of the proposed district are North Oakland Avenue, between East Linwood on the north and East Newberry Blvd, on the south and along East Locust Street a half-block to each alleyway both east and west of North Oakland Ave. A listing of the properties included in the district is provided in the attached Excel Spreadsheet entitled BID #13 2017 Assessments.

III. PROPOSED OPERATING PLAN

A. Plan Objective

The Plan Objectives of Business Improvement District #13 involve utilizing available funds to continue to improve the business climate for existing and new district merchants. The available funds will be utilized for continued existence of critical projects such as the graffiti removal, street Maintenance, flower planting, holiday lights and streetscaping.

Additional funds are utilized for general operating expenses of the BID, Other improvements may be made as decided by the BID members.

The priorities of the BID Board for 2018 are as stated:

1. Act as a catalyst for private investment by owners and tenants in their properties through continuation of the street re-building process.
2. Continue our landscaping program initiated in 2003 using planter baskets. In 2018 the BID is expected to reinvest in in landscaping through the purchase of new pole attached flower baskets. The BID will also look to professionalize the service of these plantings.

3. Continue existing programs including, the Graffiti Removal Program, the Street Maintenance program along with ongoing assessment of critical general safety and cleanliness matters for improvement of the overall appearance of the district.
4. Revive exploration of possible streetscape improvements, utilizing existing funds, that will help create an identity for the district, keep customers on the street 18 hours/day and bolster pedestrian safety.
5. Invest in new Holiday decorations to be mounted on existing harp lights.
6. Work with Milwaukee Police Department, Milwaukee City Attorney's office and the Milwaukee County District Attorney's office to enhance safety in the area, combat the sale of illegal substances and improve the health, safety and welfare of citizens on the street to improve the shopping and dining experience.

Meeting these objectives will enhance the business area's competitiveness relative to other shopping areas that are also currently undergoing rehabilitation, while enhancing the surrounding neighborhood. The BID will continue to work with DCD, DPW, the City Council and area merchants to achieve stated objectives.

B. Highlights of Activity from Year 25- 2017

- The BID participated in the regular annual activity of keeping the street in a clean and maintained condition through our cleaning service with Riverworks Cleans and planting service with area youth.
- The BID worked with Milwaukee Police, The Milwaukee City Attorney, the Milwaukee District Attorney's offices Community Prosecutor from District One and the building owner at 1815 E. Locust Street to close down Atomic Glass which was engaged in the illegal sale of K-2 "synthetic marijuana". Customers from Atomic Glass had been loitering in the area for the past year engaging in aggressive panhandling, sleeping in stoops and sometimes violently attacking citizens. The BID took the initiative to contact the landlord and gather all the necessary parties to help organize a sting and legal action against the owner/operator of the store. The store is currently vacant and the search is underway to identify a new tenant who will help add to the vitality of the street
- The BID Board heard from the Milwaukee Assessors office regarding the most recent assessment cases and decisions that are negatively effecting local small business owners on the street. Due to some recent court decisions and the reaction of the Assessor to threatened legal action small business owners on the street feel as if they are now carrying a larger portion of the burden The Board is investigating whether additional action may be taken.
- The BID has lent our enthusiastic support to a new catalytic mixed use development at the northeast corner of Oakland and Locust replacing a run-down Cousin's Subs location. The new development, which includes 55 new apartments along with 10,000 sq. ft of new retail space represents the first major new construction on Oakland Avenue over the past 10 years. The BID Director weighed in at the request of the Board with the local Alderman and testified at a community meeting expressing support.

C. Proposed Activities — Year 26

The principal activities to be undertaken by the district during its 26th year of operation to achieve stated objectives will include:

1. Continue work on business recruitment and retention initiatives. Fortunately, the district has had nearly 100% retail occupancy in recent years. Efforts will be made to work with new owners to improve properties and fill storefronts. Staff will continue to provide technical assistance to new and existing businesses regarding location, improvements or expansion. Cooperative efforts of the BID Members, merchants, City officials and staff will be necessary to achieve desired outcomes. It is expected that a catalytic mixed-use development project will be constructed on the Northeast corner of Oakland and Locust that will help rejuvenate the district. Staff will work with developer to help coordinate their effort with area businesses and complete the necessary approvals and construction.
2. Coordination and monitoring of the Graffiti Removal and Street Maintenance Program for area merchants.
3. Continued communication of BID Board Activities to members of the BID.
4. Coordinate holiday display on city street lights.
5. Identify and execute projects that will enhance the physical environment in order to attract and retain customers in the district such as the introduction of "parklets" to the street to encourage outdoor dining in areas that do not have the public space to do so now.
6. Reinvest in the limited infra-structure owned by the BID; namely planter baskets and Holiday decorations.

D. Proposed Expenditures - Year Twenty Six

Program Expenses

Purchase new planter baskets for poles	\$ 5,000
Purchase new Holiday lighting	\$ 15,000
Streetscape Maintenance Program:	\$ 7,000
Planter landscaping:	\$ 6,000
Graffiti Removal Expenses:	\$ 2,000
Marketing:	\$ 1,000
Professional Services:	\$ 3,600
Holiday Lighting installation	\$ 4,500
Utilities	\$ 600

Total expenditures: \$ 44,700

Operating Revenues:

Adopted Year 26 Special Assessments (City Milw.):	\$ 25,000
Carry Over, 2017 funds:	\$ 87,575 (est.)

Total available revenues:	\$ 112,575 (est)

E. Financing Method

It is estimated that the district will carry forward approximately \$88,000 from 2017. On October 1, 2013, the Board voted to collect \$25,000 from district property owners. This reflects 50% of the traditional annual amount of \$50,000 collected from the BID's inception to 1994. The BID will collect \$25,000 from property owners through the special assessment and use approximately \$21,000 in reserves to pay for the services and projects that they have determined to be essential to the health of the district and endeavor on new projects that will move the street forward and improve the health and vitality of the district.

F. Organization of BID Board

The Board's primary responsibility will be implementation of this Operating Plan. This will require the Board to negotiate with providers of services and materials to carry out the Plan; to enter into various contracts; to monitor development activity; to periodically revise the Operating Plan; to ensure district compliance with the provisions of applicable statutes and regulations; and to make reimbursements for any overpayment of BID assessments.

IV. METHOD OF ASSESSMENT

A. Assessment Rate and Method

The principle behind the assessment methodology is that each property should contribute to the BID in proportion to the benefit derived from the BID. The method of assessment is a 50% split between assessed value and linear front footage. Property owners believe this to be a method that takes into account all characteristics of a property in relation to benefits derived. The formula is identical to the formula adopted by the board for 2017.

B. Excluded/Exempt Property and Residential Hotel Assessment

The BID law requires explicit consideration of certain classes of property. In compliance with the law the following statements are provided.

1. State Statute 66.608(1)(f)im: The district will contain property used exclusively for manufacturing purposes, as well as properties used in part for manufacturing. These properties will be assessed according to the method set forth in this plan because it is assumed that they will benefit from development in the district.
2. State Statute 66.608(5)(a): Property known to be used exclusively for residential purposes will not be assessed; such properties will be identified as BID Exempt Properties in Appendix A, as revised each year.
3. In accordance with the interpretation of the City Attorney regarding State Statute 66.608(1)(b), property exempt from general real estate taxes has been excluded from the district. Privately owned tax-exempt property adjoining the district and which is expected to benefit from district activities may be asked to make a financial contribution to the district on a voluntary basis.
4. Property determined to be a residential hotel will be assessed at half the rate of normal assessment per BID By-laws.

V. RELATIONSHIP TO MILWAUKEE PLANS COMPREHENSIVE PLAN AND ORDERLY DEVELOPMENT OF THE CITY

A. City Plans

BID #13 was actively involved in the development of the adopted Northeast Side plan and will pursue improvements to the area that are consistent with that plan.

B. City Role in District Operations

The City of Milwaukee has committed to helping private property owners in the district. To this end, the City expected to play a significant role in the creation of the Business Improvement District and in the implementation of the Operation Plan. In particular, the City will:

- Provide technical assistance to the proponents of the district through adoption of the Plan, and provide assistance as appropriate thereafter.

- Monitor and, when appropriate, apply for outside funds that could be used in support of the district. Work with the BID to identify a city contribution to assist with a major streetscape project.
- Collect assessments, maintain in a segregated account, and disburse the monies of the district.
- Receive annual audits as required per sec. 66.08(3)(c) of the BID law.
- Provide the Board, through the Tax Commissioner's Office on or before June 1st of each Plan year, with the official city records on the assessed value of each tax key number with the district, as of January 1st each Plan year, for purposes of calculating the BID assessments.
- Encourage the State of Wisconsin, Milwaukee County and other units of government to support the activities of the district.
- Prepare, with the participation of the BID Board, the development agreement described in section III.B. and section III.D of this plan and submit the draft agreement to the BID Board and the appropriate city officials for their consideration.

VI. FUTURE YEAR OPERATING PLANS

A. Phased Development

It is anticipated that the BID will continue to revise and develop the Operating Plan annually, in response to changing development needs and opportunities in the district, in accordance with the purposes and objectives defined in the initial Operating Plan.

Section 66.608(3)(a) of the BID law requires the Board and the City to annually review and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms the complete development program, it focuses upon Year 26 activities, and information on specific assessed values, budget amounts and assessment amounts are based on Year 25 condition. Greater detail about subsequent year's activities will be provided in the required annual Plan updates, and approval by the Common Council of such Plan updates shall be conclusive evidence of compliance with this Plan and the BID law.

In later years, the BID Operating Plan will continue to apply the assessment formula, as adjusted, to raise funds to meet the next annual budget. However, the method of assessing shall not be materially altered, except with the consent of the City of Milwaukee.

B. Amendment, Severability and Expansion

This BID has been created under authority of Section 66.608 of the Statutes of the State of Wisconsin. Should any court find any portion of this Statute invalid or unconstitutional its decision will not invalidate or terminate the BID and this BID Plan shall be amended to conform to the law without need of re-establishment. Should the legislature amend the Statute to narrow or broaden the process of a BID so as to exclude or include as assessable properties a certain class or classes of properties, then this BID Plan may be amended by the Common Council of the City of Milwaukee as and when it conducts its annual Operating Plan approval and without necessity to undertake any other act. This is specifically authorized under Section 66.608(3)(4)

2017 BOARD OF DIRECTORS BID #13 – Oakland and Locust

Clark Kaufmann, President/Treasurer –

Owner of Clark Graphics, 2915 N. Oakland Avenue

Sal Lococo, Secretary –

Owner of Sal's on Oakland, 2919 N. Oakland Avenue

William Stace, Member –

Owner of The Mirimar Theater, 2844 N. Oakland Avenue

Michael Harris, Member –

Principal of Riverside University High School, 1615 E. Locust Street

Jesse Vanderlinden, Member –

Manager of Goodwill, 2830 N. Oakland Avenue

Tom Aldridge, Member –

Owner of George Webb's, 2935 N. Oakland Avenue

Michael Vitucci, Member

Owner of property at 2847 – 2851 N. Oakland Avenue

Oakland Avenue BID #13 - Final Assessments for 2018

tax key no.	house_street	owner_name_1	adjstmt factor	c_a_total	adjusted total	front ft.	adj. front ft	assmt.per value	assmt.per front_ft	assmt.per value & front_ft
3150002000	12977	OAKLAND	1	\$295,000	\$295,000	31	31	\$538.17	\$429.13	\$483.65
3150003000	12975	OAKLAND	1	\$234,000	\$234,000	30	30	\$426.89	\$415.28	\$421.08
3150004000	12967	OAKLAND	0.5	\$1,222,000	\$611,000	60	30	\$1,114.65	\$415.28	\$764.96
3150005000	12961	OAKLAND	1	\$397,000	\$397,000	30	30	\$724.25	\$415.28	\$569.76
3150006000	12957	OAKLAND	0	\$159,200	\$0	0	0	\$0.00	\$0.00	\$0.00
3150007000	12955	OAKLAND	1	\$207,000	\$207,000	30	30	\$377.63	\$415.28	\$396.46
3161871000	12950	OAKLAND	1	\$2,469,000	\$2,469,000	361	361	\$4,504.19	\$4,997.23	\$4,750.71
3150008000	12949	OAKLAND	1	\$195,000	\$195,000	30	30	\$355.74	\$415.28	\$385.51
3150009000	12945	OAKLAND	1	\$262,000	\$262,000	30	30	\$477.97	\$415.28	\$446.62
3150010000	12943	OAKLAND	1	\$260,000	\$260,000	30	30	\$474.32	\$415.28	\$444.80
3150301000	12937	OAKLAND	0	\$204,500	\$0	0	0	\$0.00	\$0.00	\$0.00
3150302000	12935	OAKLAND	1	\$343,000	\$399,000	30	30	\$727.89	\$415.28	\$571.59
3150303000	12929	OAKLAND	1	\$277,000	\$277,000	30	30	\$505.33	\$415.28	\$460.31
3150304000	12927	OAKLAND	1	\$266,000	\$266,000	30	30	\$485.26	\$415.28	\$450.27
3150305000	12921	OAKLAND	1	\$364,000	\$324,000	45	45	\$591.07	\$622.92	\$607.00
3161872000	12914	OAKLAND	1	\$45,900	\$269,000	30	30	\$83.74	\$415.28	\$249.51
3150306100	12915	OAKLAND	1	\$269,000	\$269,000	45	45	\$490.74	\$622.92	\$556.83
3150307110	12907	OAKLAND	1	\$985,000	\$985,000	91	91	\$1,796.93	\$1,259.69	\$1,528.31
3151201000	11719	LOCUST	1	\$287,000	\$287,000	60	60	\$523.57	\$830.56	\$677.07
3151202000	12857	OAKLAND	1	\$672,000	\$672,000	91	91	\$1,225.93	\$1,259.69	\$1,242.81
3151203000	12855	OAKLAND	1	\$482,000	\$482,000	30	30	\$879.31	\$415.28	\$647.30
3151204000	12845	OAKLAND	1	\$699,000	\$699,000	60	60	\$1,275.18	\$830.56	\$1,052.87
3151301000	12831	OAKLAND	1	\$151,000	\$151,000	120	120	\$275.47	\$1,661.13	\$968.30
3160078000	1814	NEWBERRY	0	\$279,100	\$0	0	0	\$0.00	\$0.00	\$0.00
3160079000	1808	NEWBERRY	0	\$302,600	\$0	0	0	\$0.00	\$0.00	\$0.00
3160080000	1804	NEWBERRY	0	\$289,000	\$0	0	0	\$0.00	\$0.00	\$0.00
3160081000	1812	OAKLAND	0	\$196,300	\$0	0	0	\$0.00	\$0.00	\$0.00
3160753111	1830	OAKLAND	1	\$1,020,000	\$1,020,000	184	184	\$1,860.78	\$2,547.07	\$2,203.92
3160754000	1840	OAKLAND	1	\$563,000	\$563,000	60	60	\$1,027.08	\$830.56	\$928.82
3160755000	1862	OAKLAND	1	\$948,000	\$948,000	116	116	\$1,729.43	\$1,605.76	\$1,667.60
3160756000	1866	OAKLAND	1	\$665,000	\$665,000	31	31	\$1,213.16	\$429.13	\$821.14
3160808100	12900	OAKLAND	1	\$321,000	\$321,000	91	91	\$585.60	\$1,259.69	\$922.64
3161119100	12974	OAKLAND	1	\$400,000	\$400,000	60	60	\$729.72	\$830.56	\$780.14
3161120000	12968	OAKLAND	0	\$951,000	\$0	0	0	\$0.00	\$0.00	\$0.00
TOTAL:				\$16,680,600	\$13,703,900	1836	1806	\$25,000.00	\$25,000.00	\$25,000.00
annual cost:										\$25,000.00

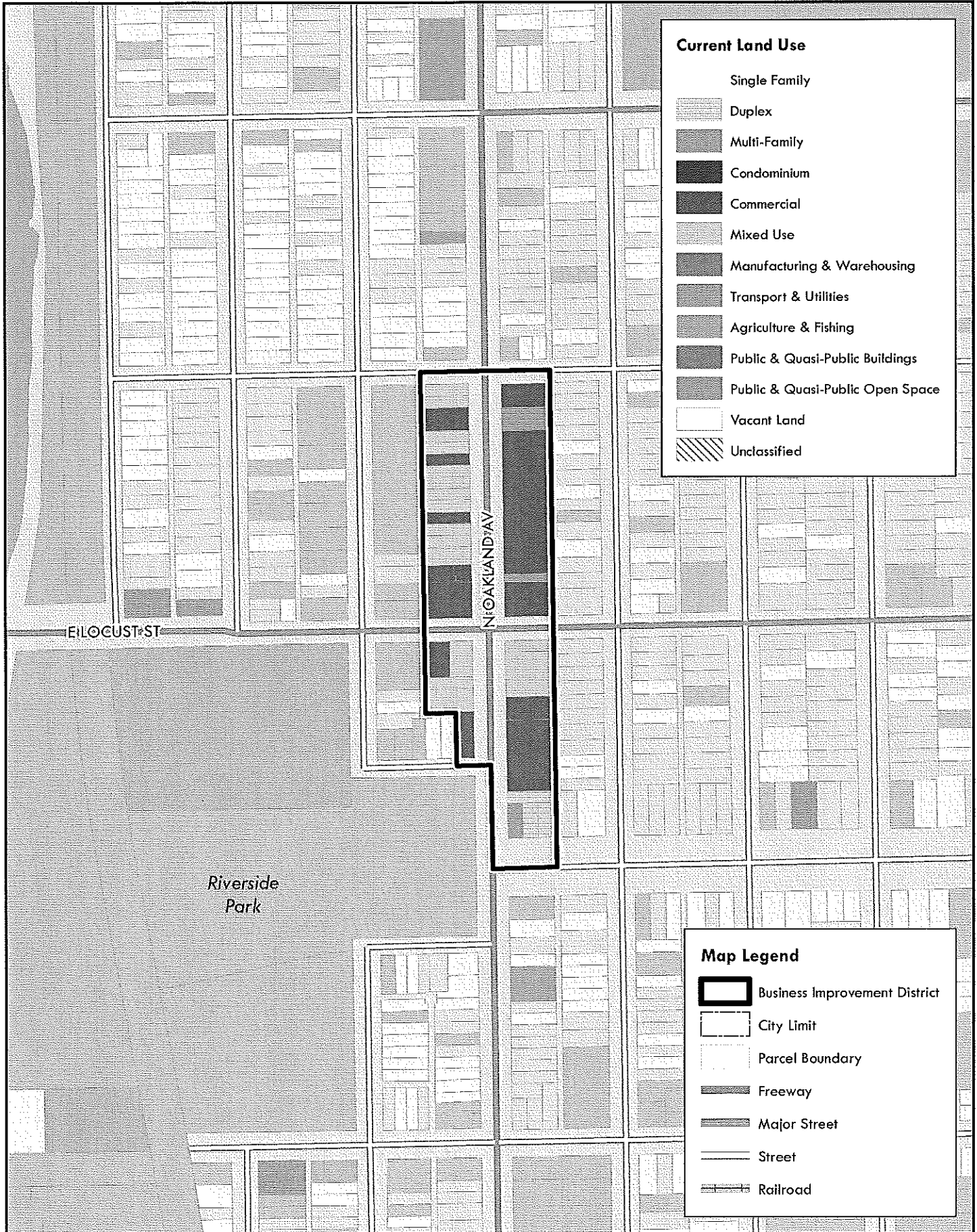
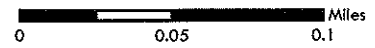
ADJUSTMENT FACTOR = 0: EXCLUSIVELY RESIDENTIAL PARCELS NOT ASSESSED

Exempt Property
Final Assessments

BID NO. 13: OAKLAND AVENUE

CITY OF MILWAUKEE

Prepared by the Dept. of City Development Planning Division, 7/6/2017
 Source: City of Milwaukee Information Technology Management Division;
 Dept. of City Development Commercial Corridors Team



Current Land Use

- Single Family
- Duplex
- Multi-Family
- Condominium
- Commercial
- Mixed Use
- Manufacturing & Warehousing
- Transport & Utilities
- Agriculture & Fishing
- Public & Quasi-Public Buildings
- Public & Quasi-Public Open Space
- Vacant Land
- Unclassified

Map Legend

- Business Improvement District
- City Limit
- Parcel Boundary
- Freeway
- Major Street
- Street
- Railroad

EILOCUST ST

N OAKLAND AV

Riverside Park

**BUSINESS IMPROVEMENT DISTRICT #13
MILWAUKEE, WISCONSIN**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2016 AND 2015**

BUSINESS IMPROVEMENT DISTRICT #13
MILWAUKEE, WISCONSIN

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KRAUSE & ASSOCIATES, S.C.
CERTIFIED PUBLIC ACCOUNTANTS

1214 BRIDGE STREET
P.O. BOX 368
GRAFTON, WISCONSIN 53024

TELEPHONE: (262) 377-9988
FAX: (262) 377-9617

Independent Auditor's Report

Board of Directors
Business Improvement District #13
Milwaukee, Wisconsin

We have audited the accompanying financial statements of Business Improvement District #13, which comprise the statements of financial position as of December 31, 2016 and 2015, and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

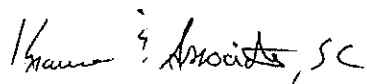
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, financial statements referred to above present fairly, in all material respects, the financial position of the Business Improvement District #13 as of December 31, 2016 and 2015 and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Krause & Associates, SC". The signature is written in a cursive style with a small mark above the 'i' in "Associates".

Krause & Associates, SC
Grafton, Wisconsin
June 15, 2017

BUSINESS IMPROVEMENT DISTRICT #13
 STATEMENTS OF FINANCIAL POSITION
 DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 80,161	\$ 73,556
Prepaid expenses	<u>-</u>	<u>300</u>
TOTAL ASSETS	<u>\$ 80,161</u>	<u>\$ 73,856</u>

LIABILITIES AND NET ASSETS

LIABILITIES		
Accounts payable	\$ <u>689</u>	\$ <u>643</u>
TOTAL LIABILITIES	689	643
NET ASSETS		
Unrestricted	<u>79,472</u>	<u>73,213</u>
TOTAL NET ASSETS	<u>79,472</u>	<u>73,213</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 80,161</u>	<u>\$ 73,856</u>

The accompanying notes are an integral part of these financial statements.

BUSINESS IMPROVEMENT DISTRICT #13
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
REVENUE		
BID assessments	<u>\$ 25,000</u>	<u>\$ 25,000</u>
 EXPENSES		
Program:		
Graffiti and trash maintenance	8,356	7,528
Holiday lighting	1,350	4,710
Plantings	4,500	5,546
Utilities	268	267
Contributions	<u>100</u>	<u>100</u>
Total program	14,574	18,151
Administrative expenses:		
Executive director	3,600	3,600
Advertising and promotion	180	180
Professional fees	-	1,845
Office	<u>387</u>	<u>1,807</u>
Total administrative	<u>4,167</u>	<u>7,432</u>
Total expenses	<u>18,741</u>	<u>25,583</u>
Changes in net assets	6,259	(583)
Net assets, beginning of year	<u>73,213</u>	<u>73,796</u>
Net assets, at end of year	<u>\$ 79,472</u>	<u>\$ 73,213</u>

The accompanying notes are an integral part of these financial statements.

BUSINESS IMPROVEMENT DISTRICT #13
 STATEMENTS OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 6,259	\$ (583)
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
(Increase) decrease in prepaid expenses	300	-
Increase (decrease) in accounts payable	<u>46</u>	<u>391</u>
Net cash provided by (used in) operating activities	<u>6,605</u>	<u>(192)</u>
Net increase (decrease) in cash and cash equivalents	6,605	(192)
Cash and cash equivalents, beginning of year	<u>73,556</u>	<u>73,748</u>
Cash and cash equivalents, end of year	<u>\$ 80,161</u>	<u>\$ 73,556</u>
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

BUSINESS IMPROVEMENT DISTRICT #13
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016 AND 2015

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Organization and business activity

The Business Improvement District #13 (BID) represents the commercial crossroad neighborhood of North Oakland Avenue and East Locust Street on Milwaukee's East Side. Specifically, all commercial properties on the 2800 and 2900 blocks of North Oakland Avenue and the 1700 and 1800 blocks of East Locust Street are included in the BID.

The BID was formed to commence streetscaping for key streets as well as promotion and management of the district. Programs include weekly litter maintenance, graffiti removal, façade improvement grants, landscaping and marketing.

The Mayor and the Common Council created the BID in October 1994 under the authority granted by Wisconsin Statutes Section 66.1109. Operating and improvement funds are provided from special assessment taxes paid by commercial property owners in the district.

The BID is an association of property owners governed by nine board members. Members are appointed to three-year terms by the Mayor and confirmed by the Common Council. The BID is managed by a contracted executive director.

2. Income taxes

The BID is a quasi-public entity which is exempt from Federal and Wisconsin income taxes.

The BID evaluates its tax positions and assesses their uncertainty, if any, through review and application of various sources of tax authority including statutes, regulations, rulings, court cases and widely held administrative practices.

BUSINESS IMPROVEMENT DISTRICT #13
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2016 AND 2015

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3. Accounting method

The BID follows the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America, wherein revenues and expenses are recorded in the period earned or incurred. Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the BID are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed restrictions.

Temporarily Restricted net assets - Net assets subject to donor-imposed restrictions that may or may not be met, either by actions of the BID and/or the passage of time. When a restriction is met, restricted net assets are transferred to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. As of December 31, 2016 and 2015, the BID has no temporarily restricted net assets.

Permanently Restricted net assets – Net assets subject to a donor imposed restriction that they be maintained permanently by the BID. As of December 31, 2016 and 2015, the BID has no permanently restricted net assets.

4. Cash and cash equivalents

The BID considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

5. Streetscape improvements

Streetscape improvements are not capitalized; rather they are expensed as incurred as they are considered part of the City of Milwaukee's public infrastructure.

6. Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

BUSINESS IMPROVEMENT DISTRICT #13
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2016 AND 2015

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

7. Subsequent Events

Management has evaluated subsequent events for recognition and disclosure in the financial statements through June 15, 2017, which is the date that the financial statements were available to be issued.

B – MANAGEMENT SERVICES

The BID contracts for management services with a part-time administrator on a year-to-year basis at \$300 per month. The total paid in 2016 and 2015 under this contract was \$3,600 each year.

BID #13 (Oakland Avenue) Board Member Sheet

<u>Board Member</u>	<u>Title</u>	<u>Start Date</u>	<u>End Date</u>
Clark Kaufmann	Chairperson	04/11/2014	04/11/2017*
Michael Harris	Member	04/11/2014	04/11/2017*
Michael Vitucci	Member	04/11/2014	04/11/2017*
Salvador LoCoco	Member	04/11/2014	04/11/2017*
William Stace	Member	04/30/2014	04/30/2017*
Jesse Vanderlinden	Member	02/17/2017	02/17/2020
Thomas Aldridge	Member	02/21/2017	02/21/2020

