

**BONK, CUSHMAN, EAGLE & GARCIA**  
CERTIFIED PUBLIC ACCOUNTANTS

ANDRES D. GARCIA, C.P.A.  
AN ACCOUNTANCY CORPORATION

5440 MOREHOUSE DRIVE, SUITE 3500  
SAN DIEGO, CA 92121

RYAN R. EAGLE, C.P.A., E.A.  
AN ACCOUNTANCY CORPORATION

(619) 297-8080 (619) 297-8087 FAX

**CITY HEIGHTS BUSINESS ASSOCIATION**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR YEARS ENDED JUNE 30, 2023 and 2022**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
**City Heights Business Association, Inc.**

### ***Opinion***

We have audited the accompanying financial statements of City Heights Business Association, Inc., (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of City Heights Business Association, Inc., as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City Heights Business Association, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City Heights Business Association, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



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## *Auditor's Responsibilities for the Audit of the Financial Statements, continued*

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City Heights Business Association, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City Heights Business Association, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

## *Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Budget vs Actual City of San Diego Contracts on page 12 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Bonk, Cushman, Eagle & Garcia*

November 2, 2023

**CITY HEIGHTS BUSINESS ASSOCIATION**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2023 and 2022**

	<u>2023</u>	<u>2022</u>
<b>ASSETS:</b>		
Cash and Cash Equivalents	\$ 163,982	\$ 203,932
Accounts Receivable - Business Improvement District	2,886	-
Accounts Receivable - Small Business Enhancement Program	7,500	-
Accounts Receivable - Maintenance Assessment District	132,254	75,422
Accounts Receivable - Other	21,553	500
Total Current Assets	<u>328,175</u>	<u>279,854</u>
ROU Operating Lease Asset	43,510	-
ROU Accumulated Amortization	(5,773)	-
Security Deposit	1,000	1,000
Total Other Assets	<u>38,737</u>	<u>1,000</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 366,912</u></u>	<u><u>\$ 280,854</u></u>
<b>LIABILITIES:</b>		
Deferred Revenue	\$ 44,083	\$ 10,478
Calsavers Payable	414	-
Accrued Vacation	26,821	19,659
ROU Operating Lease Current Liability	15,057	-
Total Current Liabilities	<u>86,375</u>	<u>30,137</u>
MAD Advance	84,824	84,824
ROU Operating Lease Long Term Liability	22,868	-
Total Other Liabilities	<u>107,692</u>	<u>84,824</u>
<b>TOTAL LIABILITIES</b>	<u>194,067</u>	<u>114,961</u>
<b>NET ASSETS:</b>		
Without Donor Restrictions	<u>172,845</u>	<u>165,893</u>
<b>TOTAL NET ASSETS</b>	<u>172,845</u>	<u>165,893</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 366,912</u></u>	<u><u>\$ 280,854</u></u>

The Accompanying Notes are an Integral Part of the Financial Statements

**CITY HEIGHTS BUSINESS ASSOCIATION**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED JUNE 30, 2023 and 2022**

<b>Revenue and Support:</b>	2023	2022
City of San Diego - Maintenance Assessment District	\$ 427,036	\$ 368,042
City of San Diego - Business Improvement District	39,113	37,908
City of San Diego - Small Business Enhancement Program	28,131	22,313
Grants	144,475	111,536
Other Income	6,259	1,932
<b>Total Revenue and Support</b>	<u>645,014</u>	<u>541,731</u>
<b>Expenses:</b>		
Program Services		
Maintenance Services	93,677	89,064
Marketing / Special Events	1,000	-
Community Sign	5,723	-
<b>Total Program Services</b>	<u>100,400</u>	<u>89,064</u>
Supporting Services:		
Personnel		
Salaries	369,611	308,653
Payroll Taxes	29,372	25,436
<b>Total Personnel</b>	<u>398,983</u>	<u>334,089</u>
Operating		
Accounting and Audit	19,442	18,419
Conferences, Meetings, Training	2,795	5,854
Contingency	-	625
Insurance	55,164	38,266
Legal	1,000	846
Outreach and Promotion	36,007	15,579
Miscellaneous	-	264
Postage and Printing	113	211
Occupancy	19,347	17,395
Supplies	2,691	3,007
Telephone and Internet	578	7,191
Travel	188	26
Utilities	1,354	-
Website	-	2,485
<b>Total Operating</b>	<u>138,679</u>	<u>110,168</u>
<b>Total Supporting Services</b>	<u>537,662</u>	<u>444,257</u>
<b>Total Expenses</b>	<u>638,062</u>	<u>533,321</u>
<b>Change in Net Assets</b>	6,952	8,410
<b>Net Assets, Beginning of Year</b>	<u>165,893</u>	<u>157,483</u>
<b>Net Assets, End of Year</b>	<u>\$ 172,845</u>	<u>\$ 165,893</u>

The Accompanying Notes are an Integral Part of the Financial Statements

**CITY HEIGHTS BUSINESS ASSOCIATION**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2023 and 2022**

CASH FLOWS FROM OPERATING ACTIVITIES	<u>2023</u>	<u>2022</u>
Change in Net Assets	\$ 6,952	\$ 8,410
Adjustments to Reconcile Change in Net Assets to Net Cash (Used) Provided by Operating Activities:		
(Increase) Decrease in:		
Accounts Receivable - BID	(2,886)	-
Accounts Receivable - SBEP	(7,500)	-
Accounts Receivable - MAD	(56,832)	30,546
Accounts Receivable - Other	(21,053)	3,569
Increase (Decrease) in:		
Calsavers Payable	414	-
Accrued Vacation	7,162	(3,949)
Deferred Revenue	33,605	(1,222)
CASH FLOWS (USED) PROVIDED BY OPERATING ACTIVITIES	<u>(40,138)</u>	<u>37,354</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Amortization of ROU Operating Lease Asset	<u>5,773</u>	<u>-</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES	<u>5,773</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on ROU Operating Lease Liability	<u>(5,585)</u>	<u>-</u>
CASH FLOWS (USED) BY FINANCING ACTIVITIES	<u>(5,585)</u>	<u>-</u>
(Decrease) Increase in Cash and Cash Equivalents	(39,950)	37,354
Cash and Cash Equivalents, Beginning of Period	<u>203,932</u>	<u>166,578</u>
Cash and Cash Equivalents, End of Period	<u>\$ 163,982</u>	<u>\$ 203,932</u>

The Accompanying Notes are an Integral Part of the Financial Statements

**CITY HEIGHTS BUSINESS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR YEARS ENDED JUNE 30, 2023 and 2022**

**Note 1.      Nature of Organization**

The City Heights Business Association (CHBA) was formed in June 2003 as a non-profit mutual benefit corporation. Its purpose is to enhance the growth and improvement of the City Heights area, located in the City of San Diego, through partnerships created with the community's business and property owners. These partnerships provide the means to promote economic growth while preventing deterioration of the community.

Currently, CHBA administers the City Heights Business Improvement District and the City Heights Maintenance Assessment District funds, in partnership with the City of San Diego. These Districts include over 700 businesses and property owners and serve the most ethnically diverse population in San Diego. CHBA's Board of Directors includes owners of businesses or property located within the Improvement or Maintenance Assessment Districts as well as Associate members.

CHBA's activities include promotion, economic restructuring, organization via newsletter and directory, design, Small Business Enhancement Program Funds, and promotional materials. In addition, CHBA is responsible for ensuring maintenance including litter control, illegal dump removal, graffiti control, sidewalk safety hazard monitoring, lighting service, tree maintenance, and security. Many of these services are provided by CHBA.

**Note 2.      Summary of Significant Accounting Policies**

Basis of Accounting: The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), whereby unconditional support is recognized when received, revenue is recognized when earned and expenses are recognized when incurred.

Basis of Presentation: The financial statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) and with the provisions of the FASB Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*.

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net assets without donor restrictions:* net assets without donor restrictions are the net assets that are neither invested in perpetuity, nor purpose or time restricted by donor-imposed stipulations.

*Net assets with donor restrictions:* net assets with donor-imposed restrictions are the net assets that are contributions subject to donor-imposed stipulations. Some donor-imposed restrictions are temporary in nature that either expire by the passage of time or can be fulfilled and removed by action of CHBA pursuant to these stipulations. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**CITY HEIGHTS BUSINESS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR YEARS ENDED JUNE 30, 2023 and 2022**

**Note 2.      Summary of Significant Accounting Policies, continued**

*Basis of Presentation, continued:*

CHBA reports unconditional contributions restricted by donors as increases in net assets with donor restrictions in the reporting period in which the revenue is recognized. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. CHBA reports conditional contributions with restrictions by donors as increases in net assets without donor restrictions in the reporting period in which the condition has been satisfied and revenue has been recognized, and when the time restriction ends, or purpose restriction is accomplished.

*Cash and Cash Equivalents:* CHBA has defined cash and cash equivalents as cash in banks and business checking accounts.

*Accounts Receivable:* Accounts receivables are receivables primarily from governmental agencies. An allowance for doubtful accounts is based on an analysis of expected collection rates from past history. No allowance for doubtful accounts was considered necessary as of June 30, 2023 and 2022.

*Property and Equipment:* Property and equipment are recorded at cost if purchased or at fair value at the date of donation if donated. Maintenance and repair costs are charged to expense as incurred. Property and equipment are capitalized if the cost of an asset is greater than or equal to \$1,000 and the useful life is greater than one year. CHBA has no capitalized assets as of June 30, 2023 and 2022 and therefore no depreciation expense for the years ended June 30, 2023 and 2022. All property and equipment purchased by CHBA with funds received from the City of San Diego are considered property of the City. If the agreement with the City of San Diego is terminated for any reason, CHBA is required to deliver such assets to the City of San Diego.

*Donated Materials and Services:* Donated materials and services are recognized as contributions if the materials or services (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the CHBA. Volunteers provide services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

*Use of Estimates:* The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Concentration of Credit Risks:* The primary receivable balance outstanding on June 30, 2023 and 2022 consists of governmental contract receivables due from the City of San Diego. Concentration of credit risks with respect to trade receivables are limited, as the majority of CHBA's receivables consist of earned fees from reimbursement-contracts granted by the City of San Diego. Management has determined that all balances are collectible.

*Revenues:* CHBA is funded principally by the City of San Diego through the Business Improvement District (BID), Maintenance Assessment District (MAD), Small Business Enhancement Program Management Grant (SBEP), and grants.



**CITY HEIGHTS BUSINESS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR YEARS ENDED JUNE 30, 2023 and 2022**

**Note 2.      Summary of Significant Accounting Policies, continued**

Income Tax Status: CHBA is a California Not-For-Profit corporation exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(6) and California State Tax Code 23701(e), respectively, whereby only unrelated business income, as defined by Section 509(a)(1) of the Internal Revenue Code is subject to federal income tax. CHBA currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded.

The FASB Interpretation No.48, *Accounting for Uncertainty in Income Taxes*, (FIN 48) which was subsequently included in the FASB Codification as ASC 740, prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Management of CHBA has evaluated its uncertain tax positions and related income tax contingencies. Management does not believe that any material uncertain tax positions exist. CHBA's tax returns are subject to examination by Federal taxing authorities for a period of three years from the date they are filed and a period of four years for California taxing authorities.

**Note 3.      Operating Lease**

CHBA adopted FASB ASC 842 due to the Organization entering into a new long-term lease during the year ended June 30, 2023. This new lease is required to be included on our statement of financial position under FASB ASC 842. As a result, adopting FASB ASC 842 had no impact to prior year statement of financial position information, and because this lease is an operating lease, the adoption of this standard has no impact on our results of operations.

As of June 30, 2023, the right-of-use (ROU) asset had a balance of \$43,510 net of accumulated amortization of \$5,773, for a net balance of \$37,737, as shown in other assets on the statements of financial position; the lease liability is included in current liabilities (\$15,057) and other liabilities (\$22,868). The lease asset and liability were calculated utilizing the risk-free discount rate (3.55%), according to CHBA's elected policy.

Additional information about CHBA's operating lease is as follows:

On July 29, 2019 CHBA extended its lease agreement for office space located at 4305 University Avenue, extending the term of the lease from February 1, 2020 through January 31, 2023, with a monthly base rent of \$1,134. Base rent is increased annually by 3%. On September 6, 2022 CHBA extended its lease agreement for office space located at 4305 University Avenue, extending the term of the lease from February 1, 2023 through January 31, 2026, with a monthly base rent of \$1,239.24. Base rent is increased annually by 3%.

Additionally, monthly utilities are calculated on a pro-rata share, approximately 6%.

Total lease payments under this lease were \$19,347 and \$17,395, respectively, for the years ended June 30, 2023 and 2022.

**CITY HEIGHTS BUSINESS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR YEARS ENDED JUNE 30, 2023 and 2022**

**Note 3.      Operating Lease, continued**

Maturities of the operating lease liability as of June 30, 2023:

<u>Year Ending June 30;</u>	
2024	\$ 15,057
2025	15,508
2026	<u>9,203</u>
Total lease payments	39,768
Less: interest	<u>(1,843)</u>
Present value of lease liability	<u>\$ 37,925</u>

**Note 4.      Prepaid Advance – MAD**

The three contracts that CHBA maintains with the City of San Diego are all reimbursement contracts. To allow CHBA to operate efficiently, the City of San Diego provides a prepayment that must be repaid by CHBA in 60 months. CHBA received \$79,000 on December 30, 2016. The MAD Advance balance on June 30, 2023 and 2022 is \$84,824.

**Note 5.      Functional Expenses**

The statements of activities disclose expenses by natural classification. The classification of expenses by function is as follows for the years ending June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Program Services	\$ 100,400	\$ 89,064
Support Services		
Personnel	398,983	334,089
Operating	<u>138,679</u>	<u>110,168</u>
Total	<u>\$ 638,062</u>	<u>\$ 533,321</u>

**Note 6.      Commitments and Contingencies**

Contracts: CHBA's contracts are subject to inspection and audit by the appropriate governmental funding agency. The purpose is to determine whether program funds were used in accordance with their respective guidelines and regulations. The potential exists for disallowance of previously funded program costs. The ultimate liability, if any, which may result from these governmental audits cannot be reasonably estimated and, accordingly, CHBA has no provisions for the possible disallowance of program costs on its financial statements. Management has submitted all reports required by funding agencies and is not aware of the existence of any potential disallowances.

**CITY HEIGHTS BUSINESS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR YEARS ENDED JUNE 30, 2023 and 2022**

**Note 7.      Related Organization**

During the year ended June 30, 2009, the City Heights Foundation (the Foundation) was formed and incorporated as a nonprofit public benefit corporation {501(c)(3)}. The Foundation's exempt purpose is to combat the deterioration of the City Heights community, provide educational programs and opportunities for the self-development and betterment of the general public.

The Foundation maintains office space located at 4305 University Avenue, Suite 520, the office location of CHBA. The Foundation has some members of its Board of Directors that are also on the CHBA Board of Directors. The organizations maintain separate accounting records. For the years ending June 30, 2023 and 2022, the Foundation did not pay CHBA for administrative overhead.

CHBA does not maintain control over the Foundation. Therefore, CHBA statements of financial position, activities and changes in net assets, and cash flows do not include the transactions of the Foundation for the years ended June 30, 2023 and 2022.

**Note 8.      Liquidity and Availability of Financial Assets**

CHBA's working capital and cash flows are relatively consistent throughout the year due to monthly assessments from BID, MAD and SBEP programs. To manage liquidity CHBA maintains adequate cash balances.

The following reflects CHBA's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	<u>06/30/2023</u>	<u>06/30/2022</u>
Financial assets at year-end	\$ 328,175	\$ 279,854
Less those unavailable for general expenditures within one year due to:	<u>none</u>	<u>none</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 328,175</u>	<u>\$ 279,854</u>

**Note 9.      Subsequent Events**

The management of CHBA have reviewed the results of operations and evaluated subsequent events for the period of time from its year end June 30, 2023 through November 2, 2023, the date the financial statements were available to be issued, and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

**CITY HEIGHTS BUSINESS ASSOCIATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR YEARS ENDED JUNE 30, 2023 and 2022**

**Note 10.      Accounting Pronouncements Adopted**

In February 2016, FASB issued ASU 2016-02, *Leases (Topic 842)*, which supersedes existing guidance in *Topic 840, Leases*. The FASB subsequently issued the following additional ASUs, which amend and clarify Topic 842: ASU 2018-01, *Land Easement Practical Expedient for Transition to Topic 842*; ASU 2018-10, *Codification Improvements to Topic 842, Leases*; ASU 2018-11, *Leases (Topic 842): Targeted Improvements*; ASU 2018-20, *Narrow-scope Improvements for Lessors*; ASU 2019-01, *Leases (Topic 842): Codification Improvements*; ASU 2020-05, *Leases (Topic 842): Discount Rate for Lessees That Are Not Public Business Entities*. Topic 842 amends both lessor and lessee accounting with the most significant change being the requirement to lessees to recognize right-of-use (ROU) assets and liabilities on the statement of financial position for operating leases.

CHBA adopted the leasing standards effective July 1, 2022, using the modified retrospective approach with September 6, 2022 as the initial date of application to align with the extension of its office lease as disclosed on Note 3. CHBA elected to use all available practical expedients provided in the transition guidance. These allowed CHBA to not reassess the identification, classification and initial direct costs of lessor agreements and to use hindsight in lessee and lessor agreements for determining lease term and right-of-use asset impairment. As of July 1, 2022, adoption of Topic 842 did not result in any material adjustments to statement of financial position accounts related to lessor accounting. During the year ended June 30, 2023, CHBA did record an increase in ROU operating lease assets of \$43,510 and an increase in ROU operating lease liability of \$43,510, related to lessee accounting. Please refer to Note 3 – Operating Lease, for further information related to CHBA’s leasing activities.

In September 2020, the FASB issued ASU No. 2020-07, *Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958)*. ASU 2020-07 improves transparency in the reporting of contributed nonfinancial assets, also known as gifts in-kind, for not-for-profit entities. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets, along with expanded disclosure requirements. This standard is applied on a retrospective basis. The adoption had no effect on the 2023 or 2022 financial statements.

## **SUPPLEMENTARY INFORMATION**

**City Heights Business Association**  
**Schedule of Budget vs Actual City of San Diego Contracts**  
**SBEP, BID, MAD**  
**July 2022 through June 2023**

	110 SBEP			200 BID			400 MAD		
	Actual	Budget	Over (Under) Budget	Actual	Budget	Over (Under) Budget	Actual	Budget	Over (Under) Budget
<b>Revenues</b>									
40060 • Grants	-	10,000	(10,000)	-	-	-	-	-	-
41000 • SBEP Contract	19,331	17,331	2,000	-	-	-	-	-	-
41010 • Technical Assistance/Acctng.	3,000	5,000	(2,000)	-	-	-	-	-	-
41015 • City Fees & Services	5,800	-	5,800						
40020 • BID Contract	-	-	-	39,112	45,885	(6,773)	-	-	-
42000 • MAD Contract	-	-	-	-	-	-	386,060	384,610	1,450
<b>Total Revenues</b>	<b>28,131</b>	<b>32,331</b>	<b>(4,200)</b>	<b>39,112</b>	<b>45,885</b>	<b>(6,773)</b>	<b>386,060</b>	<b>384,610</b>	<b>1,450</b>
<b>50020 • Personnel</b>									
50027 • Executive Director	16,046	16,000	46	15,042	15,000	42	59,896	55,000	4,896
50028 • Community Advocate	-	-	-	835	-	835	64,485	63,099	1,386
50030 • Clean & Safe Ambassadors	-	-	-	-	-	-	82,553	90,000	(7,447)
50031 • Fica/R Expense	1,227	1,195	32	1,215	1,224	(9)	15,830	15,912	(82)
50032 • Sui Expense	47	136	(89)	10	51	(41)	603	1,680	(1,077)
50033 • Futa Tax Expense	11	-	11	2	-	2	271	96	175
50035 • Health Insurance	-	-	-	-	-	-	-	-	-
<b>Total Personnel</b>	<b>17,331</b>	<b>17,331</b>	<b>-</b>	<b>17,104</b>	<b>16,275</b>	<b>829</b>	<b>223,638</b>	<b>225,787</b>	<b>(2,149)</b>
<b>General Operating</b>									
50045 • Rent - Office	-	-	-	1,581	-	1,581	16,683	16,400	283
50050 • Telephone/Fax/Cell/Internet	-	-	-	-	-	-	578	-	578
50060 • Mtngs/Conf/Dues/Subs/Trng	-	-	-	1,216	1,000	216	315	500	(185)
50071 • Insurance-Workers Comp	-	-	-	-	-	-	30,038	18,000	12,038
50072 • Insurance - Liability	-	-	-	1,270	1,000	270	2,939	2,500	439
50074 • Insurance - Auto	-	-	-	-	-	-	13,281	6,000	7,281
50075 • Postage/Printing	-	-	-	-	600	(600)	110	-	110
50082 • Accounting & Audit	3,000	3,000	-	-	-	-	13,662	11,000	2,662
50095 • Travel/Mileage/Auto Expense	-	-	-	99	100	(1)	5	-	5
50150 • Office Supplies/Equipment	-	-	-	333	200	133	1,538	500	1,038
50160 • Utilities/Electricity	-	-	-	-	-	-	1,354	-	1,354
50165 • Contingency	-	-	-	-	2,000	(2,000)	-	10,000	(10,000)
<b>Total General Operating</b>	<b>3,000</b>	<b>3,000</b>	<b>-</b>	<b>4,499</b>	<b>4,900</b>	<b>(401)</b>	<b>80,503</b>	<b>64,900</b>	<b>15,603</b>
<b>Outreach &amp; Promotion</b>									
51535 • Mktg/Social Media/Business Prom	-	-	-	10,788	14,400	(3,612)	-	-	-
51540 • Special Events	-	-	-	409	8,310	(7,901)	-	-	-
51545 • City Permit Fees	5,800	-	-	-	-	-	-	-	-
51560 • Website/Communications	2,000	2,000	-	6,311	2,000	-	2,190	2,500	(310)
52015 • Street Banners	-	-	-	-	-	-	755	-	755
<b>Total Outreach &amp; Promotion</b>	<b>7,800</b>	<b>2,000</b>	<b>5,800</b>	<b>17,509</b>	<b>24,710</b>	<b>(7,201)</b>	<b>2,945</b>	<b>2,500</b>	<b>445</b>
<b>Clean &amp; Safe Program</b>									
52105 • Maintenance Services	-	-	-	-	-	-	75,200	91,423	(16,223)
52150 • Community Sign	-	10,000	(10,000)	-	-	-	3,774	-	3,774
<b>Total Clean &amp; Safe Program</b>	<b>-</b>	<b>10,000</b>	<b>(10,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>78,974</b>	<b>91,423</b>	<b>(12,449)</b>
<b>Total Expenses</b>	<b>28,131</b>	<b>32,331</b>	<b>(4,200)</b>	<b>39,112</b>	<b>45,885</b>	<b>(6,773)</b>	<b>386,060</b>	<b>384,610</b>	<b>1,450</b>
<b>Net Revenue over Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

See Independent Auditor's Report