Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt from Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2004

Open to Public Inspection

A For the 2004 calendar year, or tax year beginning 7/01 , 2004, and ending 6/30 , 2005

B Check if applicable:
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Final return
- ☐ Amended return
- ☐ Application pending

Please use IRS label or print or type. See specific instructions.

DOWNTOWN CHICO BUSINESS ASSOCIATION
330 SALEM STREET
CHICO, CA 95928

D Employer Identification Number: 94-2310798

E Telephone number: (530) 345-6500

F Accounting method: ☒ Cash ☐ Accrual ☐ Other (specify) ►

- **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

G Web site: ► N/A

H and **I** are not applicable to section 527 organizations.

H (a) Is this a group return for affiliates? ☐ Yes ☒ No

H (b) If 'Yes,' enter number of affiliates ►

H (c) Are all affiliates included? ☐ Yes ☐ No (If 'No,' attach a list. See instructions.)

H (d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

J Organization type (check only one) ► ☒ 501(c) 6 ◄ (insert no.) ☐ 4947(a)(1) or ☐ 527

K Check here ► ☐ if the organization's gross receipts are normally not more than $25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return.**

I Group Exemption Number ►

M Check ► ☒ if the organization is **not** required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ► 267,400.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

REVENUE	1	Contributions, gifts, grants, and similar amounts received:		
	a	Direct public support	1a	
	b	Indirect public support	1b	
	c	Government contributions (grants)	1c	
	d	Total (add lines 1a through 1c) (cash $ ____ noncash $ ____)	1d	0.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	204,996.
	3	Membership dues and assessments	3	31,144.
	4	Interest on savings and temporary cash investments	4	84.
	5	Dividends and interest from securities	5	
	6a	Gross rents	6a	
	b	Less: rental expenses	6b	
	c	Net rental income or (loss) (subtract line 6b from line 6a)	6c	
	7	Other investment income (describe ►)	7	
	8a	Gross amount from sales of assets other than inventory — (A) Securities	8a	(B) Other
	b	Less: cost or other basis and sales expenses	8b	
	c	Gain or (loss) (attach schedule)	8c	
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8d	
	9	Special events and activities (attach schedule). If any amount is from **gaming**, check here ► ☐		
	a	Gross revenue (not including $ ____ of contributions reported on line 1a)	9a	
	b	Less: direct expenses other than fundraising expenses	9b	
	c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c	
	10a	Gross sales of inventory, less returns and allowances	10a	
	b	Less: cost of goods sold	10b	
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c	
	11	Other revenue (from Part VII, line 103)	11	31,176.
	12	**Total revenue** (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	267,400.
EXPENSES	13	Program services (from line 44, column (B))	13	198,350.
	14	Management and general (from line 44, column (C))	14	88,467.
	15	Fundraising (from line 44, column (D))	15	
	16	Payments to affiliates (attach schedule)	16	
	17	**Total expenses** (add lines 16 and 44, column (A))	17	286,817.
NET ASSETS	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	-19,417.
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	37,613.
	20	Other changes in net assets or fund balances (attach explanation)	20	
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	18,196.

SCANNED SEP 29 2005

RECEIVED SEP 06 2005 OGDEN, UT

BAA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. TEEA0107L 01/07/05 Form **990** (2004)

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (att sch) (cash $ ____ non-cash $ ____)	22				
23 Specific assistance to individuals (att sch)	23				
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc.	25	45,294.		45,294.	
26 Other salaries and wages	26	91,824.	91,824.		
27 Pension plan contributions	27				
28 Other employee benefits	28				
29 Payroll taxes	29	12,171.		12,171.	
30 Professional fundraising fees	30				
31 Accounting fees	31	6,601.	6,601.		
32 Legal fees	32				
33 Supplies	33	22,225.	22,225.		
34 Telephone	34				
35 Postage and shipping	35	2,549.	2,549.		
36 Occupancy	36	15,930.		15,930.	
37 Equipment rental and maintenance	37				
38 Printing and publications	38	4,816.	4,816.		
39 Travel	39				
40 Conferences, conventions, and meetings	40				
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42				
43 Other expenses not covered above (itemize):					
a See Statement 1	43a	85,407.	70,335.	15,072.	
b	43b				
c	43c				
d	43d				
e	43e				
44 Total functional expenses (add lines 22 - 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	286,817.	198,350.	88,467.	0.

Joint Costs. Check. ► ☐ if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in **(B)** Program services? ► ☐ **Yes** ☒ **No**

If 'Yes,' enter **(i)** the aggregate amount of these joint costs $ ____; **(ii)** the amount allocated to Program services $ ____; **(iii)** the amount allocated to Management and general $ ____; and **(iv)** the amount allocated to Fundraising $ ____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? ► ____

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) & (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants & allocations to others.)

Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)

a PROMOTE INTEREST AND TRADE AND BEAUTIFY THE DOWNTOWN BUSINESS DISTRICT.

(Grants and allocations $) 198,350.

b (Grants and allocations $)

c (Grants and allocations $)

d (Grants and allocations $)

e Other program services (Grants and allocations $)

f **Total of Program Service Expenses** (should equal line 44, column (B), Program services) ► 198,350.

Part IV Balance Sheets (See Instructions)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.			(A) Beginning of year		(B) End of year
ASSETS	45 Cash – non-interest-bearing		25,815.	45	7,511.
	46 Savings and temporary cash investments			46	
	47a Accounts receivable	47a 5,223.			
	b Less: allowance for doubtful accounts	47b	9,407.	47c	5,223.
	48a Pledges receivable	48a			
	b Less: allowance for doubtful accounts	48b		48c	
	49 Grants receivable			49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)			50	
	51a Other notes & loans receivable (attach sch)	51a			
	b Less: allowance for doubtful accounts	51b		51c	
	52 Inventories for sale or use			52	
	53 Prepaid expenses and deferred charges		4,291.	53	6,445.
	54 Investments – securities (attach schedule) ► ☐ Cost ☐ FMV			54	
	55a Investments – land, buildings, & equipment: basis	55a 6,856.			
	b Less: accumulated depreciation (attach schedule) Statement 2	55b 2,162.	4,694.	55c	4,694.
	56 Investments – other (attach schedule)			56	
	57a Land, buildings, and equipment: basis	57a			
	b Less: accumulated depreciation (attach schedule)	57b		57c	
	58 Other assets (describe ► See Statement 3)		1,201.	58	1,200.
	59 **Total assets** (add lines 45 through 58) (must equal line 74)		45,408.	59	25,073.
LIABILITIES	60 Accounts payable and accrued expenses			60	
	61 Grants payable			61	
	62 Deferred revenue		7,765.	62	6,877.
	63 Loans from officers, directors, trustees, and key employees (attach schedule)			63	
	64a Tax-exempt bond liabilities (attach schedule)			64a	
	b Mortgages and other notes payable (attach schedule)			64b	
	65 Other liabilities (describe ►)		30.	65	
	66 **Total liabilities** (add lines 60 through 65)		7,795.	66	6,877.
NET ASSETS OR FUND BALANCES	**Organizations that follow SFAS 117, check here** ► ☒ and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted		37,613.	67	18,196.
	68 Temporarily restricted			68	
	69 Permanently restricted			69	
	Organizations that do not follow SFAS 117, check here ► ☐ and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds			70	
	71 Paid-in or capital surplus, or land, building, and equipment fund			71	
	72 Retained earnings, endowment, accumulated income, or other funds			72	
	73 **Total net assets or fund balances** (add lines 67 through 69 **or** lines 70 through 72; column (A) **must** equal line 19; column (B) **must** equal line 21)		37,613.	73	18,196.
	74 **Total liabilities and net assets/fund balances** (add lines 66 and 73)		45,408.	74	25,073.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See instructions.)

a	Total revenue, gains, and other support per audited financial statements	a	267,400.
b	Amounts included on line a but not on line 12, Form 990:		
	(1) Net unrealized gains on investments $		
	(2) Donated services and use of facilities $		
	(3) Recoveries of prior year grants $		
	(4) Other (specify): $		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	267,400.
d	Amounts included on line 12, Form 990 but not on line a:		
	(1) Investment expenses not included on line 6b, Form 990 $		
	(2) Other (specify): $		
	Add amounts on lines (1) and (2)	d	
e	Total revenue per line 12, Form 990 (line c plus line d)	e	267,400.

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total expenses and losses per audited financial statements	a	286,817.
b	Amounts included on line a but not on line 17, Form 990:		
	(1) Donated services and use of facilities $		
	(2) Prior year adjustments reported on line 20, Form 990 $		
	(3) Losses reported on line 20, Form 990 $		
	(4) Other (specify): $		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	286,817.
d	Amounts included on line 17, Form 990 but not on line a:		
	(1) Investment expenses not included on line 6b, Form 990 $		
	(2) Other (specify): $		
	Add amounts on lines (1) and (2)	d	
e	Total expenses per line 17, Form 990 (line c plus line d)	e	286,817.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
See Statement 4		45,294.	0.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than $100,000 from your organization and all related organizations, of which more than $10,000 was provided by the related organizations? ► ☐ Yes ☒ No

If 'Yes,' attach schedule – see instructions.

Part VI Other Information (See instructions.)

			Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes.	77		X
78a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a		X
b	If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	78b	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement	79		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc, to any other exempt or nonexempt organization?	80a		X
b	If 'Yes,' enter the name of the organization ► N/A and check whether it is ☐ exempt or ☐ nonexempt.			
81a	Enter direct and indirect political expenditures. See line 81 instructions — 81a: 0.			
b	Did the organization file **Form 1120-POL** for this year?	81b		X
82a	*Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?*	82a		X
b	If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) — 82b: N/A			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A	
85	*501(c)(4), (5), or (6) organizations.* **a** Were substantially all dues nondeductible by members?	85a		X
b	Did the organization make only in-house lobbying expenditures of $2,000 or less?	85b		X
	If 'Yes' was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members — 85c: 0.			
d	Section 162(e) lobbying and political expenditures — 85d: 0.			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices — 85e: 0.			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) — 85f: 0.			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A	
86	*501(c)(7) organizations.* Enter: **a** Initiation fees and capital contributions included on line 12 — 86a: N/A			
b	Gross receipts, included on line 12, for public use of club facilities — 86b: N/A			
87	*501(c)(12) organizations.* Enter: **a** Gross income from members or shareholders — 87a: N/A			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) — 87b: N/A			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX	88		X
89a	*501(c)(3) organizations.* Enter: Amount of tax imposed on the organization during the year under: section 4911 ► N/A ; section 4912 ► N/A ; section 4955 ► N/A			
b	*501(c)(3) and 501(c)(4) organizations.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction	89b	N/A	
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ► N/A			
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ► N/A			
90a	List the states with which a copy of this return is filed ► None			
b	Number of employees employed in the pay period that includes March 12, 2004 (See instructions.)	90b	0	
91	The books are in care of ► SEE ABOVE Telephone number ►			
	Located at ► ZIP + 4 ►			
92	*Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of **Form 1041*** – Check here ► ☐ N/A			
	and enter the amount of tax-exempt interest received or accrued during the tax year ►	92	N/A	

Part VII Analysis of Income-Producing Activities (See instructions.)

Note: Enter gross amounts unless otherwise indicated.	Unrelated business income (A) Business code	Unrelated business income (B) Amount	Excluded by section 512, 513, or 514 (C) Exclusion code	Excluded by section 512, 513, or 514 (D) Amount	(E) Related or exempt function income
93 Program service revenue:					
a DOWNTOWN EVENTS					204,996.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments				31,144.	
95 Interest on savings & temporary cash invmnts		84.			
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a					
b CITY & MISCELLANEOUS					31,176.
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		84.		31,144.	236,172.
105 Total (add line 104, columns (B), (D), and (E)) ►					267,400.

Note: *Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.*

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See instructions.)

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
01	PROMOTE INTEREST, TRADE AND BEAUTIFY THE DOWNTOWN BUSINESS DISTRICT.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See instructions.)

a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

Note: *If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).*

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

► Pat Davis — Signature of officer — Date

► Executive Director — Type or print name and title. — 8/22/05

Paid Preparer's Use Only

Preparer's signature ► Jerrald L. Roster — Date 8-15-05 — Check if self-employed ► X — Preparer's SSN or PTIN (See General Instruction W) N/A

Firm's name (or yours if self-employed), address, and ZIP + 4 ► Jerrald L. Roster, CPA; 555 Main St, Suite 250; Chico, CA 95928

EIN ► N/A

Phone no. ► (530) 895-3111

Statement 1
Form 990, Part II, Line 43
Other Expenses

	(A) Total	(B) Program Services	(C) Management & General	(D) Fundraising
ADVERTISING	5,889.	5,889.		
CASUAL LABOR	233.	233.		
ENTERTAINMENT AT EVENTS	5,085.	5,085.		
INSURANCE	15,072.		15,072.	
MISCELLANEOUS	3,679.	3,679.		
PERMITS/FEES	7,724.	7,724.		
RESTAURANT REIMBURSEMENT	2,078.	2,078.		
SERVICE CONTRACTS/PROVIDERS	38,530.	38,530.		
UTILITIES	7,117.	7,117.		
Total	$ 85,407.	$ 70,335.	$ 15,072.	$ 0.

Statement 2
Form 990, Part IV, Line 55b
Investments - Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value
Furniture and Fixtures	$ 6,856.	$ 2,162.	$ 4,694.
Total	$ 6,856.	$ 2,162.	$ 4,694.

Statement 3
Form 990, Part IV, Line 58
Other Assets

DEPOSITS	$ 1,200.
Total	$ 1,200.

Statement 4
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compensation	Contribution to EBP & DC	Expense Account/ Other
Thad Winzenz 320 Broadway Chico, CA 95928	President 5	$ 0.	$ 0.	$ 0.
Don Kidd 119 Main Street Chico, CA 95928	Zone A Rep. 5	0.	0.	0.

Statement 4 (continued)
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compensation	Contribution to EBP & DC	Expense Account/ Other
Fred Davis 341 Broadway Chico, CA 95928	Secretary 5	$ 0.	$ 0.	$ 0.
Earl Jessee 120 W, 2nd St. Chico, CA 95928	Vice President 5	0.	0.	0.
TJ Glenn Chico, CA 95928	Zone B, Rep. 5	0.	0.	0.
Mike Peavy 222 W. 2nd Chico, CA 95928	Treasurer 5	0.	0.	0.
Katrina Davis 330 Salem Street Chico, CA 95928	Executive Dir. 40	45,294.	0.	0.
	Total	$ 45,294.	$ 0.	$ 0.