

DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT

FINANCIAL STATEMENTS

**ONE MONTH AND THREE MONTHS ENDED
DECEMBER 31, 2016 AND 2015**

GKC

GERDING, KORTE & CHITWOOD CPAS

Professional Corporation

Certified Public Accountants

ACCOUNTANTS' COMPILATION REPORT

GKC

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Professional Corporation

Certified Public Accountants

To the Board of Directors
Downtown Community Improvement District
Columbia, Missouri

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Management is responsible for the accompanying financial statements of Downtown Community Improvement District, (a quasi-governmental agency), which comprise the statement of assets, liabilities, and net assets - cash basis as of December 31, 2016 and 2015, and the related statements of revenues and expenses - cash basis for the one month and three months then ended, and for determining that the 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 statements 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 cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The cash basis of accounting does not record deferred revenues. Management has informed us that the organization has deferred revenues on the accompanying financial statements. The effects of these departures on the financial statements have not been determined.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about Downtown Community Improvement District's assets, liabilities, net assets, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Downtown Community Improvement District.

Gerding, Korte & Chitwood
Gerding, Korte & Chitwood, PC, CPA's

January 04, 2017

**DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT
STATEMENTS OF ASSETS, LIABILITIES AND
NET ASSETS - CASH BASIS**

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Commerce Future FY Sales Tax Funds	\$ 84,051.31	\$ 100.00
Commerce Future FY Property Tax Funds	26,451.02	204,659.57
Commerce Sales Tax - Current FY	387,076.29	399,441.40
Gateway Funds	351,096.68	275,654.96
6 Month Operating Funds	<u>150,450.90</u>	<u>150,151.14</u>
Total Current Assets	<u>999,126.20</u>	<u>1,030,007.07</u>
PROPERTY AND EQUIPMENT:		
Furniture & Equipment	43,360.83	43,360.83
Leasehold Improvements	3,542.44	3,542.44
Less: Accumulated Depreciation	<u>(41,957.16)</u>	<u>(40,258.45)</u>
Net Property and Equipment	<u>4,946.11</u>	<u>6,644.82</u>
TOTAL ASSETS	<u>\$ 1,004,072.31</u>	<u>\$ 1,036,651.89</u>
<u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES:		
CURRENT LIABILITIES:		
Deferred Revenue - Property Tax	\$ 26,616.02	\$ 21,824.75
Total Current Liabilities	<u>26,616.02</u>	<u>21,824.75</u>
Total Liabilities	<u>\$ 26,616.02</u>	<u>\$ 21,824.75</u>
NET ASSETS:		
Undesignated	407,331.91	245,010.33
Designated 6 Month Operating	150,450.90	150,000.00
Designated - Gateways	0.00	150,000.00
Revenues Over/(Under) Expenses	<u>419,673.48</u>	<u>469,816.81</u>
Total Net Assets	<u>977,456.29</u>	<u>1,014,827.14</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,004,072.31</u>	<u>\$ 1,036,651.89</u>

See Accountants' Compilation Report

**DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT
STATEMENTS OF REVENUES AND EXPENSES
BUDGET TO ACTUAL - CASH BASIS**

	<u>1 Month Ended</u> <u>Dec. 31, 2016</u>	<u>3 Months Ended</u> <u>Dec. 31, 2016</u>	<u>Total</u> <u>Budget</u>	<u>% of</u> <u>Budget</u>	<u>Remaining</u> <u>Budget</u>
RECURRING REVENUES:					
Property Assessment	\$ 0.00	\$ 200,793.03	\$ 200,671.00	100.06	\$ (122.03)
Sales Tax	84,099.75	421,294.55	633,945.00	66.46	212,650.45
Interest Income	<u>82.21</u>	<u>243.32</u>	<u>300.00</u>	<u>81.11</u>	<u>56.68</u>
Total Recurring Revenues	<u>84,181.96</u>	<u>622,330.90</u>	<u>834,916.00</u>	<u>74.54</u>	<u>212,585.10</u>
RECURRING EXPENSES:					
Program Management					
Health Insurance	7.33	21.99	4,080.00	0.54	4,058.01
Insurance	122.00	218.00	1,750.00	12.46	1,532.00
Meals and Entertainment	0.00	121.57	900.00	13.51	778.43
Office Equipment Rental	155.71	488.77	1,600.00	30.55	1,111.23
Office Equipment Repair	0.00	0.00	500.00	0.00	500.00
Office Repairs & Maintenance	3,745.02	3,860.02	7,000.00	55.14	3,139.98
Office Supplies	380.58	1,419.31	1,500.00	94.62	80.69
Parking	0.00	0.00	2,400.00	0.00	2,400.00
Payroll Taxes - Admin.	1,118.89	2,563.13	16,378.00	15.65	13,814.87
Professional Services	577.80	1,635.60	25,000.00	6.54	23,364.40
Rent	2,334.88	7,039.13	25,300.00	27.82	18,260.87
Retirement Plan	0.00	0.00	1,063.00	0.00	1,063.00
Salary - Administrative	13,061.27	29,992.75	163,776.00	18.31	133,783.25
Seminars/Conferences	0.00	14.58	5,500.00	0.27	5,485.42
Telephone	88.75	258.82	4,000.00	6.47	3,741.18
Utilities	<u>504.04</u>	<u>1,421.96</u>	<u>7,500.00</u>	<u>18.96</u>	<u>6,078.04</u>
Total Program Management	<u>22,096.27</u>	<u>49,055.63</u>	<u>268,247.00</u>	<u>18.29</u>	<u>219,191.37</u>
Programs & Services					
Environmental					
Beautification/Streetscape					
Banner Installation	0.00	1,730.00	25,000.00	6.92	23,270.00
City Horticulture	625.00	1,250.00	8,000.00	15.63	6,750.00
Holiday Decor	0.00	8,398.00	40,000.00	21.00	31,602.00
Public Art Program	<u>0.00</u>	<u>0.00</u>	<u>1,000.00</u>	<u>0.00</u>	<u>1,000.00</u>
Total Beautification/Streetscape	625.00	11,378.00	74,000.00	15.38	62,622.00
Cleaning and Maintenance					
Cleaning & Maintenance Payroll Taxes	137.93	225.26	0.00	0.00	(225.26)
Cleaning & Maintenance Labor	12,012.52	38,607.52	165,000.00	23.40	126,392.48
Capital Janitorial Improvements	<u>0.00</u>	<u>0.00</u>	<u>10,000.00</u>	<u>0.00</u>	<u>10,000.00</u>
Total Cleaning and Maintenance	12,150.45	38,832.78	175,000.00	22.19	136,167.22
Public Safety					

**DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT
STATEMENTS OF REVENUES AND EXPENSES
BUDGET TO ACTUAL - CASH BASIS**

	<u>1 Month Ended</u> <u>Dec. 31, 2016</u>	<u>3 Months Ended</u> <u>Dec. 31, 2016</u>	<u>Total</u> <u>Budget</u>	<u>% of</u> <u>Budget</u>	<u>Remaining</u> <u>Budget</u>
CPD Substation - Rent, Utilities	0.00	0.00	5,000.00	0.00	5,000.00
Public Safety Labor	0.00	0.00	30,000.00	0.00	30,000.00
Public Safety Programming/Educ Mat'l	3,096.50	3,096.50	0.00	0.00	(3,096.50)
Public Safety Equipment and Lighting	<u>0.00</u>	<u>0.00</u>	<u>5,000.00</u>	<u>0.00</u>	<u>5,000.00</u>
Total Public Safety	3,096.50	3,096.50	40,000.00	7.74	36,903.50
Economy					
Economic Development					
Industry Memberships	0.00	890.00	2,000.00	44.50	1,110.00
TIF Expenditures	0.00	0.00	20,000.00	0.00	20,000.00
Economic Devel. Business Mktg	0.00	0.00	2,000.00	0.00	2,000.00
Economic Benchmarking	<u>0.00</u>	<u>0.00</u>	<u>500.00</u>	<u>0.00</u>	<u>500.00</u>
Total Economic Development	0.00	890.00	24,500.00	3.63	23,610.00
Marketing					
Marketing Subscription	0.00	542.21	5,000.00	10.84	4,457.79
Image Marketing	0.00	6,982.50	62,500.00	11.17	55,517.50
Media Buys	5,500.00	10,848.43	0.00	0.00	(10,848.43)
Promotions & Events	0.00	200.00	4,000.00	5.00	3,800.00
Online Marketing	0.00	0.00	2,500.00	0.00	2,500.00
Postage	0.00	0.00	5,000.00	0.00	5,000.00
Printing	<u>3,270.05</u>	<u>6,098.95</u>	<u>5,000.00</u>	<u>121.98</u>	<u>(1,098.95)</u>
Total Marketing	8,770.05	24,672.09	84,000.00	29.37	59,327.91
Total Programs & Services	<u>24,642.00</u>	<u>78,869.37</u>	<u>397,500.00</u>	<u>19.84</u>	<u>318,630.63</u>
Total Recurring Expenses	<u>46,738.27</u>	<u>127,925.00</u>	<u>665,747.00</u>	<u>19.22</u>	<u>537,822.00</u>
RECURRING SURPLUS/(DEFICIT)	<u>37,443.69</u>	<u>494,405.90</u>	<u>169,169.00</u>	<u>292.26</u>	<u>(325,236.90)</u>
NON-RECURRING EXPENSES:					
Environmental					
Beautification/Streetscape					
Broadway Gateway	0.00	74,327.73	100,000.00	74.33	25,672.27
Infrastructure Programs	<u>0.00</u>	<u>0.00</u>	<u>35,000.00</u>	<u>0.00</u>	<u>35,000.00</u>
Total Beautification/Streetscape	0.00	74,327.73	135,000.00	55.06	60,672.27
Contingency					
Contingency	<u>0.00</u>	<u>0.00</u>	<u>35,000.00</u>	<u>0.00</u>	<u>35,000.00</u>
Total Contingency	0.00	0.00	35,000.00	0.00	35,000.00
Total Non-Recurring Expenses	<u>0.00</u>	<u>74,327.73</u>	<u>170,000.00</u>	<u>43.72</u>	<u>95,672.27</u>

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**DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT
STATEMENTS OF REVENUES AND EXPENSES
BUDGET TO ACTUAL - CASH BASIS**

	<u>1 Month Ended</u> <u>Dec. 31, 2016</u>	<u>3 Months Ended</u> <u>Dec. 31, 2016</u>	<u>Total</u> <u>Budget</u>	<u>% of</u> <u>Budget</u>	<u>Remaining</u> <u>Budget</u>
NON-CASH TRANSACTIONS:					
Depreciation	134.91	404.69	0.00	0.00	(404.69)
Total Non-Cash Transactions	<u>134.91</u>	<u>404.69</u>	<u>0.00</u>	<u>0.00</u>	<u>(404.69)</u>
REVENUES OVER (UNDER) EXPENSES	<u>\$ 37,308.78</u>	<u>\$ 419,673.48</u>	<u>\$ (831.00)</u>	<u>(50,502.22)</u>	<u>\$ (420,504.48)</u>