

DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT

FINANCIAL STATEMENTS

**ONE MONTH AND TEN MONTHS ENDED
JULY 31, 2018 AND 2017**

GKC

GERDING, KORTE & CHITWOOD CPAS

Professional Corporation

Certified Public Accountants

ACCOUNTANTS' COMPILATION REPORT

GKC

GERDING, KORTE & CHITWOOD CPAS

Professional Corporation

Certified Public Accountants

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

20 South Fifth Street
Columbia, MO 65201
(573) 449-1599
Fax: (573) 443-8603
www.gkccpas.com

Management is responsible for the accompanying financial statements of Downtown Community Improvement District, (a quasi-governmental agency), which comprise the statements of assets, liabilities, and net assets - modified cash basis as of July 31, 2018 and 2017, and the related statements of revenues and expenses budget to actual - modified cash basis for the one month and ten months ended July 31, 2018, and for determining that the modified 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.

PARTNERS

Fred W. Korte, Jr.
Joseph E. Chitwood
Travis W. Hundley
Jeffrey A. Chitwood
Amy L. Watson
Heidi N. Ross

The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the modified 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.

PARTNER EMERITUS

Robert A. Gerding

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

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

August 02, 2018

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

July 31, 2018

July 31, 2017

ASSETS

CURRENT ASSETS:

1005 - Commerce Future FY Sales Tax Funds	\$	169,541.98	\$	136,270.39
1010 - Commerce Future FY Property Tax Funds		246,235.79		219,042.61
1020 - Commerce Sales Tax - Current FY		205,284.84		206,408.57
1140 - Gateway Funds		453,108.29		351,485.65
1145 - 6 Month Operating Funds		<u>150,871.04</u>		<u>150,605.57</u>
Total Current Assets		<u>1,225,041.94</u>		<u>1,063,812.79</u>

PROPERTY AND EQUIPMENT:

1520 - Furniture & Equipment		43,360.83		43,360.83
1530 - Leasehold Improvements		3,542.44		3,542.44
1620 - Accumulated Depreciation		<u>(43,870.45)</u>		<u>(42,901.53)</u>
Net Property and Equipment		<u>3,032.82</u>		<u>4,001.74</u>

TOTAL ASSETS	\$	<u>1,228,074.76</u>	\$	<u>1,067,814.53</u>
---------------------	----	---------------------	----	---------------------

LIABILITIES AND NET ASSETS

LIABILITIES:

CURRENT LIABILITIES:

2300 - Deferred Revenue - Sales Tax	\$	169,223.35	\$	161,585.36
2310 - Deferred Revenue - Property Tax		<u>242,375.20</u>		<u>218,878.11</u>
Total Current Liabilities		<u>411,598.55</u>		<u>380,463.47</u>
Total Liabilities	\$	<u>411,598.55</u>	\$	<u>380,463.47</u>

NET ASSETS:

3000 - Undesignated		421,861.85		407,177.24
3010 - Designated 6 Month Operating		150,871.04		150,605.57
Revenues Over/(Under) Expenses		<u>243,743.32</u>		<u>129,568.25</u>
Total Net Assets		<u>816,476.21</u>		<u>687,351.06</u>

TOTAL LIABILITIES AND NET ASSETS	\$	<u>1,228,074.76</u>	\$	<u>1,067,814.53</u>
---	----	---------------------	----	---------------------

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

	1 Month Ended Jul. 31, 2018	10 Months Ended Jul. 31, 2018	Total Budget	% of Budget	Remaining Budget
RECURRING REVENUES:					
4000 - Property Assessment	\$ 0.00	\$ 219,154.43	\$ 217,680.00	100.68	\$ (1,474.43)
4008 - Sales Tax	0.00	607,533.83	594,107.00	102.26	(13,426.83)
4900 - Interest Income	105.89	910.03	300.00	303.34	(610.03)
Total Recurring Revenues	<u>105.89</u>	<u>827,598.29</u>	<u>812,087.00</u>	<u>101.91</u>	<u>(15,511.29)</u>
RECURRING EXPENSES:					
Program Management					
7060 - Health Insurance	0.00	2,543.17	4,200.00	60.55	1,656.83
7080 - Insurance	0.00	2,388.00	1,750.00	136.46	(638.00)
7120 - Meals and Entertainment	15.67	335.57	900.00	37.29	564.43
7280 - Office Equipment Rental	237.13	1,778.05	1,600.00	111.13	(178.05)
7320 - Office Equipment Repair	0.00	0.00	500.00	0.00	500.00
7360 - Office Repairs & Maintenance	3,166.36	7,358.29	5,000.00	147.17	(2,358.29)
7400 - Office Supplies	138.72	2,786.55	1,500.00	185.77	(1,286.55)
7440 - Parking	0.00	1,635.00	2,400.00	68.13	765.00
7480 - Payroll Taxes - Admin.	916.56	11,317.89	16,460.00	68.76	5,142.11
7600 - Professional Services	8,290.65	38,686.00	25,000.00	154.74	(13,686.00)
7640 - Rent	2,214.66	22,529.16	26,200.00	85.99	3,670.84
7680 - Salary - Administrative	11,107.48	137,781.46	173,107.00	79.59	35,325.54
7720 - Seminars/Conferences	1,010.10	3,395.14	5,500.00	61.73	2,104.86
7840 - Telephone	87.04	864.64	4,000.00	21.62	3,135.36
7960 - Utilities	548.04	6,164.26	7,500.00	82.19	1,335.74
Total Program Management	<u>27,732.41</u>	<u>239,563.18</u>	<u>275,617.00</u>	<u>86.92</u>	<u>36,053.82</u>
Programs & Services					
Environmental					
Beautification/Streetscape					
8010 - Banner Installation	735.00	39,840.00	15,000.00	265.60	(24,840.00)
8020 - City Horticulture	625.00	6,250.00	8,000.00	78.13	1,750.00
8035 - Holiday Decor	0.00	27,358.00	40,000.00	68.40	12,642.00
8040 - Public Art Program	0.00	500.00	1,000.00	50.00	500.00
Total Beautification/Streetscape	<u>1,360.00</u>	<u>73,948.00</u>	<u>64,000.00</u>	<u>115.54</u>	<u>(9,948.00)</u>
Cleaning and Maintenance					
8280 - Cleaning & Maintenance Labor	13,829.65	139,525.72	165,000.00	84.56	25,474.28
8281 - Capital Janitorial Improvements	0.00	856.67	2,500.00	34.27	1,643.33
Total Cleaning and Maintenance	<u>13,829.65</u>	<u>140,382.39</u>	<u>167,500.00</u>	<u>83.81</u>	<u>27,117.61</u>
Public Safety					
9548 - CPD Substation - Rent,Utilities	422.24	4,172.18	5,000.00	83.44	827.82
9549 - Public Safety Labor	2,913.75	24,695.49	25,000.00	98.78	304.51
9552 - Public Safety Equipment and Lighting	0.00	0.00	2,500.00	0.00	2,500.00
Total Public Safety	<u>3,335.99</u>	<u>28,867.67</u>	<u>32,500.00</u>	<u>88.82</u>	<u>3,632.33</u>

See Accountants' Compilation Report

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

	1 Month Ended Jul. 31, 2018	10 Months Ended Jul. 31, 2018	Total Budget	% of Budget	Remaining Budget
Economy					
Economic Development					
7160 - Industry Memberships	0.00	1,201.25	2,000.00	60.06	798.75
7850 - TIF Expenditures	0.00	1,725.72	20,000.00	8.63	18,274.28
8310 - Economic Devel. Business Mktg	696.36	2,538.29	2,000.00	126.91	(538.29)
8311 - Economic Benchmarking	0.00	0.00	500.00	0.00	500.00
Total Economic Development	<u>696.36</u>	<u>5,465.26</u>	<u>24,500.00</u>	<u>22.31</u>	<u>19,034.74</u>
Marketing					
7800 - Marketing Subscription	139.99	2,345.28	3,500.00	67.01	1,154.72
8300 - Image Marketing	0.00	45,360.71	58,000.00	78.21	12,639.29
8301 - Media Buys	4,895.00	9,640.00	0.00	0.00	(9,640.00)
8305 - Promotions & Events	0.00	3,287.92	4,000.00	82.20	712.08
8307 - Online Marketing	0.00	1,113.50	2,500.00	44.54	1,386.50
8308 - Postage	505.95	1,876.04	5,000.00	37.52	3,123.96
8309 - Printing	1,168.38	15,221.57	5,000.00	304.43	(10,221.57)
Total Marketing	<u>6,709.32</u>	<u>78,845.02</u>	<u>78,000.00</u>	<u>101.08</u>	<u>(845.02)</u>
Total Programs & Services	<u>25,931.32</u>	<u>327,508.34</u>	<u>366,500.00</u>	<u>89.36</u>	<u>38,991.66</u>
Total Recurring Expenses	<u>53,663.73</u>	<u>567,071.52</u>	<u>642,117.00</u>	<u>88.31</u>	<u>75,045.48</u>
RECURRING SURPLUS/(DEFICIT)	<u>(53,557.84)</u>	<u>260,526.77</u>	<u>169,970.00</u>	<u>153.28</u>	<u>(90,556.77)</u>
NON-RECURRING EXPENSES:					
Environmental					
Beautification/Streetscape					
8303 - Design Guidelines Booklet	0.00	50.25	0.00	0.00	(50.25)
9030 - Broadway Gateway	1,020.00	12,691.18	100,000.00	12.69	87,308.82
9034 - Infrastructure Programs	0.00	3,342.92	35,000.00	9.55	31,657.08
Total Beautification/Streetscape	<u>1,020.00</u>	<u>16,084.35</u>	<u>135,000.00</u>	<u>11.91</u>	<u>118,915.65</u>
Contingency					
9671 - Contingency	0.00	0.00	35,000.00	0.00	35,000.00
Total Contingency	<u>0.00</u>	<u>0.00</u>	<u>35,000.00</u>	<u>0.00</u>	<u>35,000.00</u>
Total Non-Recurring Expenses	<u>1,020.00</u>	<u>16,084.35</u>	<u>170,000.00</u>	<u>9.46</u>	<u>153,915.65</u>
NON-CASH TRANSACTIONS:					
9600 - Depreciation	69.91	699.10	0.00	0.00	(699.10)
Total Non-Cash Transactions	<u>69.91</u>	<u>699.10</u>	<u>0.00</u>	<u>0.00</u>	<u>(699.10)</u>
REVENUES OVER (UNDER) EXPENSES	<u>\$ (54,647.75)</u>	<u>\$ 243,743.32</u>	<u>\$ (30.00)</u>	<u>(812,477.73)</u>	<u>\$ (243,773.32)</u>

See Accountants' Compilation Report