

**DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT**

**FINANCIAL STATEMENTS**

**ONE MONTH AND TWELVE MONTHS ENDED  
SEPTEMBER 30, 2021**



GERDING, KORTE & CHITWOOD CPAS

Professional Corporation

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Certified Public Accountants

## ACCOUNTANT'S COMPILATION REPORT



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

20 South Fifth Street  
Columbia, MO 65201  
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Management is responsible for the accompanying financial statements of the governmental activities and the major fund of Downtown Community Improvement District as of and for the twelve months ended September 30, 2021, which comprise the governmental fund balances sheet/statement of net position-modified cash basis, and the related governmental fund revenues, expenditures, and changes in fund balances/statement of activities-modified cash basis, 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.

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 selected 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 financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

#### PARTNERS

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

The supplementary information contained in Schedules I-II is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement, however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such supplementary information.

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

#### PARTNER EMERITUS

*Robert A. Gerding*

*Gerding, Korte & Chitwood*

Gerding, Korte & Chitwood, PC, CPA's

October 26, 2021

**DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT  
STATEMENT OF NET POSITION  
AND GOVERNMENTAL FUNDS BALANCE SHEET  
MODIFIED CASH BASIS  
SEPTEMBER 30, 2021**

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
<b>ASSETS:</b>			
Cash	\$ 1,021,988.78	\$ -	\$ 1,021,988.78
Utility Certificate of Deposit	-	1,369.24	1,369.24
Capital assets, net of accumulated depreciation	-	960,869.72	960,869.72
<b>Total Assets</b>	<u>1,021,988.78</u>	<u>962,238.96</u>	<u>1,984,227.74</u>
<b>LIABILITIES:</b>			
Deferred revenue	-	572,230.36	572,230.36
Line of Credit	-	202,115.76	202,115.76
<b>Total Liabilities</b>	<u>-</u>	<u>774,346.12</u>	<u>774,346.12</u>
<b>FUND BALANCES / NET POSITION:</b>			
<b>Fund Balances</b>			
Unassigned	771,801.96	(771,801.96)	-
Assigned	203,897.66	(203,897.66)	-
Committed	46,289.16	(46,289.16)	-
<b>Total Fund Balances</b>	<u>1,021,988.78</u>	<u>(1,021,988.78)</u>	<u>-</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 1,021,988.78</u>		
<b>Net Position</b>			
Net investments in capital assets		758,753.96	758,753.96
Unrestricted		449,758.42	449,758.42
Restricted		1,369.24	1,369.24
<b>Total Net Position</b>		<u>\$ 1,209,881.62</u>	<u>\$ 1,209,881.62</u>

See Accountant's Compilation Report

**DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT  
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS  
EXPENDITURES, REVENUES, AND CHANGES IN FUND BALANCES  
MODIFIED CASH BASIS  
FOR THE MONTH ENDED SEPTEMBER 30, 2021**

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>EXPENDITURES:</b>			
Program management	\$ 28,579.10	\$ 19.68	\$ 28,598.78
Environmental	22,180.90	(958,685.20)	(936,504.30)
Economy	15,883.08	-	15,883.08
<b>Total Expenditures</b>	<u>66,643.08</u>	<u>(958,665.52)</u>	<u>(892,022.44)</u>
<b>REVENUES:</b>			
Property assessment	-	-	-
Sales tax	76,110.00	(76,110.00)	-
Interest income	196.07	-	196.07
<b>Total Revenues</b>	<u>76,306.07</u>	<u>(76,110.00)</u>	<u>196.07</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	9,662.99	882,555.52	892,218.51
<b>FUND BALANCE/NET POSITION:</b>			
Beginning balance	1,012,325.79	(694,662.68)	317,663.11
Ending balance	<u>\$ 1,021,988.78</u>	<u>\$ 187,892.84</u>	<u>\$ 1,209,881.62</u>

**DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT  
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS  
EXPENDITURES, REVENUES, AND CHANGES IN FUND BALANCES  
MODIFIED CASH BASIS  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2021**

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
<b>EXPENDITURES:</b>			
Program management	\$ 308,620.25	\$ (530.44)	\$ 308,089.81
Environmental	1,087,986.74	(756,569.44)	331,417.30
Economy	81,210.83	-	81,210.83
<b>Total Expenditures</b>	<u>1,477,817.82</u>	<u>(757,099.88)</u>	<u>720,717.94</u>
<b>REVENUES:</b>			
Property assessment	287,732.94	3,435.56	291,168.50
Sales tax	591,147.20	(83,831.71)	507,315.49
Miscellaneous Income	39.59	-	39.59
Interest income	7,950.08	-	7,950.08
<b>Total Revenues</b>	<u>886,869.81</u>	<u>(80,396.15)</u>	<u>806,473.66</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(590,948.01)	676,703.73	85,755.72
<b>FUND BALANCE/NET POSITION:</b>			
Beginning balance - Restated	1,612,936.79	(488,810.89)	1,124,125.90
Ending balance	<u>\$ 1,021,988.78</u>	<u>\$ 187,892.84</u>	<u>\$ 1,209,881.62</u>

**DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT  
SELECTED INFORMATION - SUBSTANTIALLY ALL DISCLOSURES REQUIRED  
BY THE MODIFIED CASH BASIS OF ACCOUNTING ARE NOT INCLUDED  
SEPTEMBER 30, 2021**

**NOTE 1: RECONCILIATION OF FUND ACTIVITIES**

Governmental accounting standards require very specific methods for reporting assets, liabilities, revenues and expenses in the government's general fund. Accordingly, certain adjustments are required to reconcile this fund reporting to the modified cash basis of accounting used by management in the presentation of these financial statements.

Amounts reported for general fund activities differ from amounts reported in the statement of net position because:

- Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore, are not reported in funds.
- Credit cards payable represent a deferred outflow of resources and, therefore, are not reported in funds.
- Line of credit payable represents a deferred outflow of resources and, therefore, are not reported in funds
- Required classifications of governmental fund balances as unassigned and assigned are inherently different from the presentation of net investment and restriction detail included in the net position.

Amounts reported for general fund activities differ from amounts reported in the statement of activities because:

- Governmental funds report capital outlays as expenditures. However, in the Statement of Activities capital costs are allocated over their estimated useful lives through depreciation expense.
- Repayment of credit card liabilities consumes the current financial resources but has no effect on the net position of governmental funds.
- Repayment and use of line of credit liabilities consumes the current financial resources, but has no effect on the net position of government funds.
- Recognition of previously deferred revenues, which primarily consist of deferred sales and property tax receipts, increases current financial resources but has no effect on the net position of governmental funds.

SUPPLEMENTARY  
INFORMATION

DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT  
SCHEDULE I - STATEMENTS OF ASSETS, LIABILITIES AND  
NET POSITION - MODIFIED CASH BASIS

	<u>September 30, 2021</u>	<u>September 30, 2020</u>
<b><u>ASSETS</u></b>		
CURRENT ASSETS:		
1030 - FMB - Operating	\$ 248,409.16	\$ 301,930.05
1035 - FMB - Future FY Sales Tax Funds	285,339.68	202,172.39
1040 - FMB - Future FY Property Tax Funds	289,297.36	293,547.59
1130 - FMB - Gateway Funds	38,295.76	662,150.79
1135 - FMB - 6 Month Operating Funds	154,022.66	153,135.97
1160 - COMMERCE GATEWAY	6,624.16	0.00
1900 - FSCB Utility Certificate of Deposit	<u>1,369.24</u>	<u>1,369.24</u>
Total Current Assets	<u>1,023,358.02</u>	<u>1,614,306.03</u>
PROPERTY AND EQUIPMENT:		
1520 - Furniture & Equipment	43,360.83	43,360.83
1530 - Leasehold Improvements	3,542.44	3,542.44
1540 - Construction in Progress	958,685.20	0.00
1620 - Accumulated Depreciation	<u>(44,718.75)</u>	<u>(44,482.59)</u>
Net Property and Equipment	<u>960,869.72</u>	<u>2,420.68</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 1,984,227.74</u></b>	<b><u>\$ 1,616,726.71</u></b>
<b><u>LIABILITIES AND NET POSITION</u></b>		
LIABILITIES:		
CURRENT LIABILITIES:		
2250 - FSCB MC Credit Card	\$ 0.00	\$ 766.60
2300 - Deferred Revenue - Sales Tax	284,497.42	200,665.71
2310 - Deferred Revenue - Property Tax	287,732.94	291,168.50
2501 - Line of Credit-Commerce Bank	<u>202,115.76</u>	<u>0.00</u>
Total Current Liabilities	<u>\$ 774,346.12</u>	<u>\$ 492,600.81</u>
NET POSITION:		
3000 - Undesignated	873,939.08	84,890.19
3010 - Designated 6 Month Operating	154,022.66	153,135.97
3020 - Designated - Gateway Funds	44,919.92	662,150.79
3030 - Designated - Grease Storage Tank Grants	19,875.00	19,875.00
3035 - Designated - Enhanced Street Lighting	30,000.00	30,000.00
3040 - Restricted - City of Columbia Utility Deposit	1,369.24	1,369.24
Revenues Over/(Under) Expenditures	<u>85,755.72</u>	<u>172,704.71</u>
Total Net Position	<u>1,209,881.62</u>	<u>1,124,125.90</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b><u>\$ 1,984,227.74</u></b>	<b><u>\$ 1,616,726.71</u></b>



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

	<b>1 Month Ended</b>	<b>12 Months Ended</b>	<b>Total</b>	<b>% of</b>	<b>Remaining</b>
	<b>Sep. 30, 2021</b>	<b>Sep. 30, 2021</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
<b>RECURRING REVENUES:</b>					
4000 - Property Assessment	\$ 0.00	\$ 291,168.50	\$ 292,182.00	99.65	\$ 1,013.50
4008 - Sales Tax	0.00	507,315.49	478,127.00	106.10	(29,188.49)
4500 - Miscellaneous Income	0.00	39.59	0.00	0.00	(39.59)
4900 - Interest Income	196.07	7,950.08	9,000.00	88.33	1,049.92
4950 - Investment Income	0.00	0.00	450.00	0.00	450.00
<b>Total Recurring Revenues</b>	<b>196.07</b>	<b>806,473.66</b>	<b>779,759.00</b>	<b>103.43</b>	<b>(26,714.66)</b>
<b>RECURRING EXPENDITURES:</b>					
<b>Program Management</b>					
7080 - Insurance	0.00	8,770.00	7,065.00	124.13	(1,705.00)
7120 - Meals and Entertainment	50.00	533.73	900.00	59.30	366.27
7320 - Office Equipment Repair	0.00	0.00	300.00	0.00	300.00
7360 - Office Repairs & Maintenance	4.77	2,664.68	2,100.00	126.89	(564.68)
7370 - Office Cleaning	544.00	2,125.00	3,900.00	54.49	1,775.00
7400 - Office Supplies	3,002.56	9,985.08	10,000.00	99.85	14.92
7440 - Parking	3,540.00	3,540.00	2,400.00	147.50	(1,140.00)
7480 - Payroll Taxes - Admin.	1,113.04	15,219.37	20,101.00	75.71	4,881.63
7600 - Professional Services	2,530.50	27,858.90	26,500.00	105.13	(1,358.90)
7640 - Rent	2,469.22	29,630.64	29,631.00	100.00	0.36
7680 - Salary - Administrative	14,549.15	198,945.61	204,000.00	97.52	5,054.39
7720 - Seminars/Conferences	0.00	937.20	5,500.00	17.04	4,562.80
7840 - Telephone	284.00	2,249.96	2,200.00	102.27	(49.96)
7920 - Travel	0.00	270.08	0.00	0.00	(270.08)
7960 - Utilities	491.86	5,123.40	7,900.00	64.85	2,776.60
<b>Total Program Management</b>	<b>28,579.10</b>	<b>307,853.65</b>	<b>322,497.00</b>	<b>95.46</b>	<b>14,643.35</b>
<b>Programs &amp; Services</b>					
<b>Environmental</b>					
<b>Beautification/Streetscape</b>					
8010 - Banner Installation	4,363.08	16,165.62	21,000.00	76.98	4,834.38
8020 - City Horticulture	118.48	3,453.72	7,500.00	46.05	4,046.28
8035 - Holiday Decor	0.00	39,954.85	49,000.00	81.54	9,045.15
8040 - Public Art Program	0.00	500.00	500.00	100.00	0.00
8041 - Public Art - Alley Door	0.00	0.00	2,000.00	0.00	2,000.00
8060 - Interest Expense (Gateway)	487.13	839.44	6,375.00	13.17	5,535.56
<b>Total Beautification/Streetscape</b>	<b>4,968.69</b>	<b>60,913.63</b>	<b>86,375.00</b>	<b>70.52</b>	<b>25,461.37</b>
<b>Cleaning and Maintenance</b>					
8280 - Cleaning & Maintenance Labor	15,353.70	183,387.87	176,804.00	103.72	(6,583.87)
8290 - Cleaning & Maintenance Equipment	(3,602.19)	294.51	500.00	58.90	205.49
8291 - Cleaning & Maintenance - Gateway	390.07	537.13	2,000.00	26.86	1,462.87
<b>Total Cleaning and Maintenance</b>	<b>12,141.58</b>	<b>184,219.51</b>	<b>179,304.00</b>	<b>102.74</b>	<b>(4,915.51)</b>
<b>Public Safety</b>					

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

	<b>1 Month Ended</b>	<b>12 Months Ended</b>	<b>Total</b>	<b>% of</b>	<b>Remaining</b>
	<b>Sep. 30, 2021</b>	<b>Sep. 30, 2021</b>	<b>Budget</b>	<b>Budget</b>	<b>Budget</b>
9548 - CPD Substation - Rent,Utilities	430.78	5,169.36	5,169.00	100.01	(0.36)
9549 - Public Safety Labor	<u>2,715.00</u>	<u>26,114.80</u>	<u>20,000.00</u>	<u>130.57</u>	<u>(6,114.80)</u>
Total Public Safety	3,145.78	31,284.16	25,169.00	124.30	(6,115.16)
Economy					
Economic Development					
7160 - Industry Memberships	426.25	2,745.00	2,100.00	130.71	(645.00)
7850 - TIF Expenditures	1,806.82	8,638.37	12,000.00	71.99	3,361.63
8310 - Economic Devel. Business Mktg	0.00	0.00	1,000.00	0.00	1,000.00
8311 - Economic Benchmarking	2,000.00	2,000.00	4,000.00	50.00	2,000.00
8315 - Economic Devel. Programs	<u>0.00</u>	<u>0.00</u>	<u>500.00</u>	<u>0.00</u>	<u>500.00</u>
Total Economic Development	4,233.07	13,383.37	19,600.00	68.28	6,216.63
Marketing					
7800 - Marketing Subscription	231.96	1,747.05	3,500.00	49.92	1,752.95
8300 - Image Marketing	830.00	24,227.00	32,400.00	74.77	8,173.00
8305 - Promotions & Events	700.00	6,171.09	11,000.00	56.10	4,828.91
8307 - Online Marketing	93.13	16,319.33	20,000.00	81.60	3,680.67
8308 - Postage	0.00	323.18	800.00	40.40	476.82
8309 - Printing	5,733.67	9,113.56	14,000.00	65.10	4,886.44
8316 - Graphic Designer	<u>4,061.25</u>	<u>9,926.25</u>	<u>10,000.00</u>	<u>99.26</u>	<u>73.75</u>
Total Marketing	11,650.01	67,827.46	91,700.00	73.97	23,872.54
Total Programs & Services	<u>36,139.13</u>	<u>357,628.13</u>	<u>402,148.00</u>	<u>88.93</u>	<u>44,519.87</u>
Total Recurring Expenditures	<u>64,718.23</u>	<u>665,481.78</u>	<u>724,645.00</u>	<u>91.84</u>	<u>59,163.22</u>
RECURRING SURPLUS/(DEFICIT)	<u>(64,522.16)</u>	<u>140,991.88</u>	<u>55,114.00</u>	<u>255.82</u>	<u>(85,877.88)</u>
NON-RECURRING EXPENDITURES:					
Environmental					
Beautification/Streetscape					
9030 - Broadway Gateway	1,424.85	958,685.20	1,043,547.00	91.87	84,861.80
9034 - Infrastructure Programs	<u>0.00</u>	<u>30,000.00</u>	<u>30,000.00</u>	<u>100.00</u>	<u>0.00</u>
Total Beautification/Streetscape	1,424.85	988,685.20	1,073,547.00	92.10	84,861.80
Contingency					
9671 - Contingency	<u>500.00</u>	<u>25,000.00</u>	<u>25,000.00</u>	<u>100.00</u>	<u>0.00</u>
Total Contingency	500.00	25,000.00	25,000.00	100.00	0.00
Total Non-Recurring Expenditures	<u>1,924.85</u>	<u>1,013,685.20</u>	<u>1,098,547.00</u>	<u>92.28</u>	<u>84,861.80</u>
NON-CASH TRANSACTIONS:					
9600 - Depreciation	19.68	236.16	0.00	0.00	(236.16)
9625 - Less: Capital Expenditures	(958,685.20)	(958,685.20)	0.00	0.00	958,685.20
9650 - Unrealized (Gain)/Loss	<u>0.00</u>	<u>0.00</u>	<u>300.00</u>	<u>0.00</u>	<u>300.00</u>
Total Non-Cash Transactions	<u>(958,665.52)</u>	<u>(958,449.04)</u>	<u>300.00</u>	<u>(319,483.01)</u>	<u>958,749.04</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 892,218.51</u>	<u>\$ 85,755.72</u>	<u>\$ (1,043,733.00)</u>	<u>(8.22)</u>	<u>\$ (1,129,488.72)</u>

See Accountant's Compilation Report