

DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT

FINANCIAL STATEMENTS

**ONE MONTH AND TWELVE MONTHS ENDED
SEPTEMBER 30, 2023**



GERDING, KORTE & CHITWOOD CPAS

Professional Corporation

Certified Public Accountants

ACCOUNTANT'S COMPILATION REPORT

GKC

GERDING, KORTE & CHITWOOD CPAS

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 the governmental activities and the major fund of Downtown Community Improvement District as of and for the twelve months ended September 30, 2023, which comprise the governmental fund balance 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.

PARTNERS

Joseph E. Chitwood
Travis W. Hundley
Jeffrey A. Chitwood
Amy L. Watson
Benjamin E. Carrier

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.

PARTNERS EMERITI

Robert A. Gerding
Fred W. Korte, Jr.

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

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.

Gerding, Korte & Chitwood

Gerding, Korte & Chitwood, PC, CPA's
Columbia, Missouri
November 10, 2023

**DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT
STATEMENT OF NET POSITION
AND GOVERNMENTAL FUNDS BALANCE SHEET
MODIFIED CASH BASIS
SEPTEMBER 30, 2023**

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS:			
Cash	\$ 1,382,930.08	\$ -	\$ 1,382,930.08
Utility Certificate of Deposit	-	1,369.24	1,369.24
Capital assets, net of accumulated depreciation	-	667,366.44	667,366.44
Total Assets	<u>1,382,930.08</u>	<u>668,735.68</u>	<u>2,051,665.76</u>
LIABILITIES:			
Deferred revenue	-	639,715.38	639,715.38
Total Liabilities	<u>-</u>	<u>639,715.38</u>	<u>639,715.38</u>
FUND BALANCES / NET POSITION:			
Fund Balances			
Unassigned	978,038.75	(978,038.75)	-
Assigned	300,187.75	(300,187.75)	-
Committed	104,703.58	(104,703.58)	-
Total Fund Balances	<u>1,382,930.08</u>	<u>(1,382,930.08)</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 1,382,930.08</u>		
Net Position			
Net investments in capital assets		667,366.44	667,366.44
Unrestricted		743,214.70	743,214.70
Restricted		1,369.24	1,369.24
Total Net Position		<u>\$ 1,411,950.38</u>	<u>\$ 1,411,950.38</u>

**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, 2023**

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
EXPENDITURES:			
Program management	\$ 46,298.91	\$ 17,863.46	\$ 64,162.37
Environmental	40,668.81	-	40,668.81
Economy	23,244.58	-	23,244.58
Total Expenditures	<u>110,212.30</u>	<u>17,863.46</u>	<u>128,075.76</u>
REVENUES:			
Property assessment	-	-	-
Sales tax	63,299.19	(63,299.19)	-
Interest income	8,634.84	-	8,634.84
Total Revenues	<u>71,934.03</u>	<u>(63,299.19)</u>	<u>8,634.84</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(38,278.27)	(81,162.65)	(119,440.92)
FUND BALANCE/NET POSITION:			
Beginning balance	1,421,208.35	110,182.95	1,531,391.30
Ending balance	<u>\$ 1,382,930.08</u>	<u>\$ 29,020.30</u>	<u>\$ 1,411,950.38</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, 2023**

	General Fund	Adjustments	Statement of Activities
EXPENDITURES:			
Program management	\$ 374,987.62	\$ 213,805.06	\$ 588,792.68
Environmental	444,485.38	(61,700.00)	382,785.38
Economy	224,613.73	-	224,613.73
Total Expenditures	1,044,086.73	152,105.06	1,196,191.79
REVENUES:			
Property assessment	292,125.97	2,876.65	295,002.62
Sales tax	824,456.44	(13,457.42)	810,999.02
Gateway Transfers	25,000.00	-	25,000.00
Miscellaneous Income	65.70	-	65.70
Interest income	20,385.52	-	20,385.52
Total Revenues	1,162,033.63	(10,580.77)	1,151,452.86
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	117,946.90	(162,685.83)	(44,738.93)
FUND BALANCE/NET POSITION:			
Beginning balance - Restated	1,264,983.18	191,706.13	1,456,689.31
Ending balance	\$ 1,382,930.08	\$ 29,020.30	\$ 1,411,950.38

**DOWNTOWN COMMUNITY IMPROVEMENT DISTRICT
SELECTED INFORMATION - SUBSTANTIALLY ALL DISCLOSURES REQUIRED
BY THE MODIFIED CASH BASIS OF ACCOUNTING ARE NOT INCLUDED
SEPTEMBER 30, 2023**

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, 2023</u>	<u>September 30, 2022</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
1030 - FMB - Operating	\$ 355,711.43	\$ 439,093.33
1035 - FMB - Future FY Sales Tax Funds	349,155.52	335,496.10
1040 - FMB - Future FY Property Tax Funds	295,359.55	303,049.12
1160 - COMMERCE GATEWAY	104,703.58	15,344.63
1161 - COMMERCE CD	178,000.00	172,000.00
1900 - FSCB Utility Certificate of Deposit	1,369.24	1,369.24
1901 - FMB CD 51508	<u>100,000.00</u>	<u>0.00</u>
Total Current Assets	<u>1,384,299.32</u>	<u>1,266,352.42</u>
PROPERTY AND EQUIPMENT:		
1520 - Furniture & Equipment	55,060.83	43,360.83
1530 - Leasehold Improvements	3,542.44	3,542.44
1550 - Sculpture	1,062,273.30	1,062,273.30
1620 - Accumulated Depreciation	<u>(453,510.13)</u>	<u>(239,705.07)</u>
Net Property and Equipment	<u>667,366.44</u>	<u>869,471.50</u>
TOTAL ASSETS	<u>\$ 2,051,665.76</u>	<u>\$ 2,135,823.92</u>
<u>LIABILITIES AND NET POSITION</u>		
LIABILITIES:		
CURRENT LIABILITIES:		
2300 - Deferred Revenue - Sales Tax	\$ 347,589.41	\$ 334,131.99
2310 - Deferred Revenue - Property Tax	292,125.97	295,002.62
2501 - Line of Credit-Commerce Bank	<u>0.00</u>	<u>50,000.00</u>
Total Current Liabilities	<u>\$ 639,715.38</u>	<u>\$ 679,134.61</u>
NET POSITION:		
3000 - Undesignated	1,050,428.74	1,021,167.75
3010 - Designated 6 Month Operating	178,000.00	172,000.00
3020 - Designated - Gateway Funds	104,703.58	15,344.63
3031 - Designated- Public Art	16,000.00	0.00
3032 - Designated - Minority Business Grant	5,000.00	0.00
3033 - Designated - Banners	21,798.78	0.00
3034 - Designated - One-Card District Gift Card	18,500.00	0.00
3035 - Designated - Signage - Wayfinding	30,000.00	0.00
3036 - Designated - FUSUS Camera with CPD	20,000.00	0.00
3037 - Designated - Shops at Sharp End	10,888.97	0.00
3040 - Restricted - City of Columbia Utility Deposit	1,369.24	1,369.24
Revenues Over/(Under) Expenditures	<u>(44,738.93)</u>	<u>246,807.69</u>
Total Net Position	<u>1,411,950.38</u>	<u>1,456,689.31</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 2,051,665.76</u>	<u>\$ 2,135,823.92</u>

See Accountant's Compilation Report

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

	1 Month Ended	12 Months Ended	Total	% of	Remaining
	Sep. 30, 2023	Sep. 30, 2023	Budget	Budget	Budget
RECURRING REVENUES:					
4000 - Property Assessment	\$ 0.00	\$ 295,002.62	\$ 294,000.00	100.34	\$ (1,002.62)
4008 - Sales Tax	0.00	810,999.02	775,000.00	104.65	(35,999.02)
4500 - Miscellaneous Income	0.00	65.70	0.00	0.00	(65.70)
4900 - Interest Income	8,634.84	20,385.52	8,800.00	231.65	(11,585.52)
4960 - Gateway Transfers	0.00	25,000.00	50,000.00	50.00	25,000.00
Total Recurring Revenues	<u>8,634.84</u>	<u>1,151,452.86</u>	<u>1,127,800.00</u>	<u>102.10</u>	<u>(23,652.86)</u>
RECURRING EXPENDITURES:					
Program Management					
7050 - Fees	0.00	40.00	0.00	0.00	(40.00)
7060 - Insurance- Health	1,012.10	12,113.42	14,000.00	86.52	1,886.58
7080 - Insurance- Property, D&O	0.00	9,482.00	9,200.00	103.07	(282.00)
7120 - Meals and Entertainment	385.99	992.35	2,378.00	41.73	1,385.65
7160 - Industry Memberships	1,150.00	2,555.90	3,200.00	79.87	644.10
7320 - Office Equipment-Repair	453.73	453.73	300.00	151.24	(153.73)
7360 - Office Repairs & Maintenance	0.00	3,312.10	2,100.00	157.72	(1,212.10)
7370 - Office Cleaning	600.00	3,510.00	3,900.00	90.00	390.00
7400 - Office Supplies	445.49	9,052.30	9,000.00	100.58	(52.30)
7440 - Parking- Staff	3,616.45	3,616.45	3,750.00	96.44	133.55
7480 - Payroll Taxes	2,013.74	17,887.45	19,000.00	94.14	1,112.55
7600 - Professional Services	3,957.25	19,325.45	20,670.00	93.50	1,344.55
7640 - Rent- Office	2,969.22	35,780.64	34,800.00	102.82	(980.64)
7680 - Payroll	26,123.52	215,017.18	224,500.00	95.78	9,482.82
7720 - Seminars & Conferences	936.70	17,437.93	11,000.00	158.53	(6,437.93)
7840 - Telephone/Internet	405.53	3,833.54	5,000.00	76.67	1,166.46
7850 - TIF Reimbursement	1,511.02	12,234.36	10,000.00	122.34	(2,234.36)
7960 - Utilities	718.17	7,241.33	9,000.00	80.46	1,758.67
Total Program Management	<u>46,298.91</u>	<u>373,886.13</u>	<u>381,798.00</u>	<u>97.93</u>	<u>7,911.87</u>
Programs & Services					
Environmental					
Beautification/Streetscape					
8010 - Banners (Installation & Repair)	1,755.00	20,609.73	15,000.00	137.40	(5,609.73)
8020 - City Horticulture	15,480.00	28,905.00	28,000.00	103.23	(905.00)
8060 - Interest Expense (Gateway)	0.00	1,039.16	1,000.00	103.92	(39.16)
Total Beautification/Streetscape	<u>17,235.00</u>	<u>50,553.89</u>	<u>44,000.00</u>	<u>114.90</u>	<u>(6,553.89)</u>
Cleaning and Maintenance					
8280 - Cleaning & Maintenance	11,818.00	256,452.24	255,352.00	100.43	(1,100.24)
8290 - Cleaning & Maint Equipment	0.00	896.51	1,000.00	89.65	103.49
8291 - Maintenance (Gateway)	0.00	2,459.79	3,000.00	81.99	540.21
Total Cleaning and Maintenance	<u>11,818.00</u>	<u>259,808.54</u>	<u>259,352.00</u>	<u>100.18</u>	<u>(456.54)</u>
Public Safety					
9548 - CPD Substation - Rent	430.78	5,169.36	6,600.00	78.32	1,430.64
9549 - Contract Labor	2,074.00	23,876.54	30,000.00	79.59	6,123.46
Total Public Safety	<u>2,504.78</u>	<u>29,045.90</u>	<u>36,600.00</u>	<u>79.36</u>	<u>7,554.10</u>
Economy					
Economic Development					
8040 - Public Art- Art Boxes	0.00	500.00	500.00	100.00	0.00

See Accountant's Compilation Report

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

	1 Month Ended	12 Months Ended	Total	% of	Remaining
	Sep. 30, 2023	Sep. 30, 2023	Budget	Budget	Budget
8041 - Public Art - Alley Door	0.00	2,000.00	18,000.00	11.11	16,000.00
8310 - Business Marketing	0.00	2,751.94	7,000.00	39.31	4,248.06
8311 - Economic Benchmarking	0.00	10,000.00	10,000.00	100.00	0.00
8317 - Minority Business Grants	0.00	25,000.00	30,000.00	83.33	5,000.00
8318 - Gift Card Grant Program	0.00	20,000.00	20,000.00	100.00	0.00
8322 - One Card- District Gift Card Program	0.00	0.00	18,950.00	0.00	18,950.00
Total Economic Development	<u>0.00</u>	<u>60,251.94</u>	<u>104,450.00</u>	<u>57.68</u>	<u>44,198.06</u>
Marketing					
7800 - Marketing Subscription	101.99	3,897.09	3,500.00	111.35	(397.09)
8035 - Holiday Decor	11,025.00	34,200.40	40,000.00	85.50	5,799.60
8036 - Christmas Events	1,335.03	9,713.61	10,000.00	97.14	286.39
8300 - Image Marketing/ Media Buy	4,969.30	40,837.13	42,000.00	97.23	1,162.87
8305 - Promotions & Events	1,028.11	11,567.03	22,000.00	52.58	10,432.97
8307 - Online Marketing	766.35	8,142.32	13,000.00	62.63	4,857.68
8308 - Postage	0.00	319.08	800.00	39.89	480.92
8309 - Printing	2,403.80	9,624.47	13,800.00	69.74	4,175.53
8316 - Graphic Designer	<u>1,615.00</u>	<u>28,204.35</u>	<u>28,000.00</u>	<u>100.73</u>	<u>(204.35)</u>
Total Marketing	<u>23,244.58</u>	<u>146,505.48</u>	<u>173,100.00</u>	<u>84.64</u>	<u>26,594.52</u>
Total Programs & Services	<u>54,802.36</u>	<u>546,165.75</u>	<u>617,502.00</u>	<u>88.45</u>	<u>71,336.25</u>
Total Recurring Expenditures	<u>101,101.27</u>	<u>920,051.88</u>	<u>999,300.00</u>	<u>92.07</u>	<u>79,248.12</u>
RECURRING SURPLUS/(DEFICIT)	<u>(92,466.43)</u>	<u>231,400.98</u>	<u>128,500.00</u>	<u>180.08</u>	<u>(102,900.98)</u>
NON-RECURRING EXPENDITURES:					
Environmental					
Beautification/Streetscape					
9021 - Convention Center Study	0.00	11,375.00	0.00	0.00	(11,375.00)
9022 - Camera Grants to Businesses	2,000.00	12,000.00	0.00	0.00	(12,000.00)
9030 - Broadway Gateway- expenses	0.00	11,889.80	100,000.00	11.89	88,110.20
9031 - Special Projects	0.00	0.00	100,000.00	0.00	100,000.00
9035 - Banner Purchases	0.00	3,201.22	25,000.00	12.80	21,798.78
9036 - FUSUS Camera with CPD	0.00	0.00	20,000.00	0.00	20,000.00
9037 - District Cameras New	0.00	4,000.00	4,000.00	100.00	0.00
9670 - Signage	<u>0.00</u>	<u>0.00</u>	<u>30,000.00</u>	<u>0.00</u>	<u>30,000.00</u>
Total Beautification/Streetscape	<u>2,000.00</u>	<u>42,466.02</u>	<u>279,000.00</u>	<u>15.22</u>	<u>236,533.98</u>
Contingency					
9671 - Contingency	<u>7,111.03</u>	<u>12,611.03</u>	<u>25,000.00</u>	<u>50.44</u>	<u>12,388.97</u>
Total Contingency	<u>7,111.03</u>	<u>12,611.03</u>	<u>25,000.00</u>	<u>50.44</u>	<u>12,388.97</u>
Total Non-Recurring Expenditures	<u>9,111.03</u>	<u>55,077.05</u>	<u>304,000.00</u>	<u>18.12</u>	<u>248,922.95</u>
NON-CASH TRANSACTIONS:					
9600 - Depreciation/ Unrealized G/L	17,863.46	213,805.06	0.00	0.00	(213,805.06)
9620 - Prior Year Project Expense	0.00	17,856.31	0.00	0.00	(17,856.31)
9625 - Less: Capital Expenditures	0.00	(11,700.00)	0.00	0.00	11,700.00
9650 - Unrealized (Gain)/Loss	<u>0.00</u>	<u>1,101.49</u>	<u>0.00</u>	<u>0.00</u>	<u>(1,101.49)</u>
Total Non-Cash Transactions	<u>17,863.46</u>	<u>221,062.86</u>	<u>0.00</u>	<u>0.00</u>	<u>(221,062.86)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (119,440.92)</u>	<u>\$ (44,738.93)</u>	<u>\$ (175,500.00)</u>	<u>25.49</u>	<u>\$ (130,761.07)</u>

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