



DOWNTOWN DEVELOPMENT AUTHORITY

A Component Unit of the City of Grand Junction, Colorado

The Downtown Development Authority (DDA) was formed to improve the downtown area of the City of Grand Junction. Since this is the only component unit of the City, it is reported on the Government-wide Financial Statements. However, since it does not issue its own financial report, the following fund information for the DDA is provided:

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are restricted or committed to expenditures for specified purposes.

DDA Operations Special Revenue Fund ~ to account for all revenues and expenditures associated with operating the DDA.

Debt Service Funds

Debt service funds are used to account for all resources being accumulated for general long-term debt principal and interest payments maturing in future years, other than long-term debt accounted for in enterprise and internal service funds.

DDA TIF Debt Service Fund ~ to account for those resources which are being accumulated for long-term debt, principal and interest payments on DDA Tax Increment Bonds maturing in future years.

Capital Project Funds

Capital projects funds are used to account for financial resources to be used for the acquisition of construction of major capital facilities, other than those financed by proprietary funds and trust funds.

DDA Capital Improvements Fund ~ to account for capital improvements within the boundaries of the DDA.

DOWNTOWN DEVELOPMENT AUTHORITY
A Component Unit of the City of Grand Junction, Colorado
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2017

	DDA Operations Special Revenue Fund	DDA TIF Debt Service Fund	Capital Improvements Capital Project Fund	Total Governmental Funds
ASSETS				
Cash and investments	\$ 674,930	\$ 2,188,141	\$ 4,826,103	\$ 7,689,174
Property taxes receivable	241,346	1,249,945	-	1,491,291
Accounts receivable	440	-	-	440
Total assets	<u>916,716</u>	<u>3,438,086</u>	<u>4,826,103</u>	<u>9,180,905</u>
LIABILITIES				
Accounts payable	2,104	-	10,081	12,185
Compensated absences payable	750	-	20	770
Total liabilities	<u>2,854</u>	<u>-</u>	<u>10,101</u>	<u>12,955</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	241,346	1,249,945	-	1,491,291
Total deferred inflows of resources	<u>241,346</u>	<u>1,249,945</u>	<u>-</u>	<u>1,491,291</u>
FUND BALANCES				
Restricted for:				
Debt service	-	2,188,141	-	2,188,141
Legends historical sculptures project	5,719	-	-	5,719
Urban development and housing	666,797	-	4,816,002	5,482,799
Total fund balances	<u>672,516</u>	<u>2,188,141</u>	<u>4,816,002</u>	<u>7,676,659</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 916,716</u>	<u>\$ 3,438,086</u>	<u>\$ 4,826,103</u>	

Amounts reported for the Component Unit - Downtown Development Authority on the statement of net position (page 30) are different because:

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.

4,855,828

Long-term liabilities such as bonds and notes payable, compensated absences and accrued interest are not due and payable in the current period, and therefore, are not reported in the funds.

Bonds payable	\$ (9,120,000)	
Accrued interest payable	(12,342)	
Compensated absences	<u>(12,034)</u>	(9,144,376)

Net position - Component Unit - Downtown Development Authority (page 30)

\$ 3,388,111

DOWNTOWN DEVELOPMENT AUTHORITY
A Component Unit of the City of Grand Junction, Colorado
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended December 31, 2017

	DDA Operations Special Revenue Fund	DDA TIF Debt Service Fund	Capital Improvements Capital Project Fund	Total Governmental Funds
REVENUES				
Taxes	\$ 295,390	\$ 1,266,032	\$ -	\$ 1,561,422
Intergovernmental	12,697	170,308	-	183,005
Charges for services	590	-	-	590
Miscellaneous	31,637	-	16,200	47,837
Investment income	6,364	16,316	5,720	28,400
Total revenues	<u>346,678</u>	<u>1,452,656</u>	<u>21,920</u>	<u>1,821,254</u>
EXPENDITURES				
Current:				
Urban development and housing	334,919	22,372	-	357,291
Debt service:				
Principal retirement	-	5,620,000	-	5,620,000
Interest and fiscal charges	-	226,655	-	226,655
Bond issuance costs	-	52,500	-	52,500
Capital outlay	-	-	658,184	658,184
Total expenditures	<u>334,919</u>	<u>5,921,527</u>	<u>658,184</u>	<u>6,914,630</u>
Excess (deficiency) of revenues over (under) expenditures	11,759	(4,468,871)	(636,264)	(5,093,376)
OTHER FINANCING SOURCES				
Note proceeds	-	4,710,226	5,409,774	10,120,000
Sale of capital assets	2,569	-	117,650	120,219
Total other financing sources	<u>2,569</u>	<u>4,710,226</u>	<u>5,527,424</u>	<u>10,240,219</u>
Net change in fund balances	14,328	241,355	4,891,160	5,146,843
Fund balances - beginning	658,188	1,946,786	(75,158)	2,529,816
Fund balances - ending	<u>\$ 672,516</u>	<u>\$ 2,188,141</u>	<u>\$ 4,816,002</u>	<u>\$ 7,676,659</u>

Amounts reported for Component Unit - Downtown Development Authority on the statement of activities (page 31) are different because:

Net change in fund balances - total governmental funds (above) \$ 5,146,843

Governmental funds report capital outlays as expenditures. However, on the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation of (\$243,282) exceeded capital outlays of \$28,462 in the current period. (214,820)

The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, these transactions have no effect on net position. Governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Issuance of long-term debt	\$ (10,120,000)
Loan payable paid	1,000,000
Debt principal payments	4,620,000
Increase in accrued interest	<u>(2,861)</u>
	(4,502,861)

Expenditures for compensated absences and longevity are measured by the amount of financial resources used (essentially, the amounts actually paid to employees), whereas in the statement of activities, they are measured as the benefits are earned by employees during the year. (3,953)

Change in net position of the Component Unit - Downtown Development Authority (page 31) \$ 425,209

DOWNTOWN DEVELOPMENT AUTHORITY
A Component Unit of the City of Grand Junction, Colorado
DDA SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 292,863	\$ 292,863	\$ 295,390	\$ 2,527
Intergovernmental	-	-	12,697	12,697
Charges for services	5,000	5,000	590	(4,410)
Miscellaneous	29,300	29,300	31,637	2,337
Investment income	6,800	6,800	6,364	(436)
Total revenues	<u>333,963</u>	<u>333,963</u>	<u>346,678</u>	<u>12,715</u>
EXPENDITURES				
Current:				
Urban development and housing	<u>338,404</u>	<u>357,904</u>	<u>334,919</u>	<u>22,985</u>
Excess (deficiency) of revenues over (under) expenditures	(4,441)	(23,941)	11,759	35,700
OTHER FINANCING SOURCES				
Sale of capital assets	-	-	2,569	2,569
Total other financing sources	<u>-</u>	<u>-</u>	<u>2,569</u>	<u>2,569</u>
Net change in fund balance	(4,441)	(23,941)	14,328	38,269
Fund balances - beginning	658,188	658,188	658,188	-
Fund balances - ending	<u>\$ 653,747</u>	<u>\$ 634,247</u>	<u>\$ 672,516</u>	<u>\$ 38,269</u>

DOWNTOWN DEVELOPMENT AUTHORITY
A Component Unit of the City of Grand Junction, Colorado
DDA TIF DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,301,977	\$ 1,301,977	\$ 1,266,032	\$ (35,945)
Intergovernmental	-	-	170,308	170,308
Investment income	18,000	18,000	16,316	(1,684)
Total revenues	<u>1,319,977</u>	<u>1,319,977</u>	<u>1,452,656</u>	<u>132,679</u>
EXPENDITURES				
Current:				
Urban development and housing	25,500	25,500	22,372	3,128
Debt service:				
Principal retirement	1,185,200	5,620,200	5,620,000	200
Interest and fiscal charges	223,010	223,010	226,655	(3,645)
Bond issuance costs	-	60,000	52,500	7,500
Total expenditures	<u>1,433,710</u>	<u>5,928,710</u>	<u>5,921,527</u>	<u>7,183</u>
Excess (deficiency) of revenues over (under) expenditures	(113,733)	(4,608,733)	(4,468,871)	139,862
OTHER FINANCING SOURCES				
Transfers in	169,859	169,859	-	(169,859)
Tax increment bond proceeds	-	3,995,000	4,710,226	715,226
Total other financing sources	<u>169,859</u>	<u>4,164,859</u>	<u>4,710,226</u>	<u>545,367</u>
Net change in fund balance	56,126	(443,874)	241,355	685,229
Fund balances - beginning	1,946,786	1,946,786	1,946,786	-
Fund balances - ending	<u>\$ 2,002,912</u>	<u>\$ 1,502,912</u>	<u>\$ 2,188,141</u>	<u>\$ 685,229</u>

DOWNTOWN DEVELOPMENT AUTHORITY
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DDA CAPITAL IMPROVEMENTS CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	-	-	16,200	16,200
Investment income	-	8,300	5,720	(2,580)
Total revenues	<u>-</u>	<u>8,300</u>	<u>21,920</u>	<u>13,620</u>
EXPENDITURES				
Current:				
Capital outlay	<u>643,738</u>	<u>693,738</u>	<u>658,184</u>	<u>35,554</u>
Excess (deficiency) of revenues over (under) expenditures	(643,738)	(685,438)	(636,264)	49,174
OTHER FINANCING SOURCES				
Tax increment bond proceeds	500,000	7,005,000	5,409,774	(1,595,226)
Sale of capital assets	-	-	117,650	117,650
Total other financing sources	<u>500,000</u>	<u>7,005,000</u>	<u>5,527,424</u>	<u>(1,477,576)</u>
Net change in fund balance	(143,738)	6,319,562	4,891,160	(1,428,402)
Fund balances - beginning	(75,158)	(75,158)	(75,158)	-
Fund balances - ending	<u>\$ (218,896)</u>	<u>\$ 6,244,404</u>	<u>\$ 4,816,002</u>	<u>\$ (1,428,402)</u>