

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 - 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 - 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 - 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, 2019

	DDA Operations Special Revenue Fund	DDA TIF Debt Service Fund	DDA Capital Improvements Capital Project Fund	Total Governmental Funds
ASSETS				
Cash and investments	\$ 1,550,253	\$ 2,068,861	\$ 1,029,597	\$ 4,648,711
Property taxes receivable	263,329	939,326	-	1,202,655
Accounts receivable	215	-	-	215
Total assets	<u>1,813,797</u>	<u>3,008,187</u>	<u>1,029,597</u>	<u>5,851,581</u>
LIABILITIES				
Accounts payable	67,732	-	-	67,732
Accrued liabilities	7,693	-	460	8,153
Compensated absences payable	1,120	-	36	1,156
Total liabilities	<u>76,545</u>	<u>-</u>	<u>496</u>	<u>77,041</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes	250,692	939,326	-	1,190,018
Total deferred inflows of resources	<u>250,692</u>	<u>939,326</u>	<u>-</u>	<u>1,190,018</u>
FUND BALANCES				
Restricted for:				
Debt service	-	2,068,861	-	2,068,861
Legends historical sculptures project	5,060	-	-	5,060
Urban development and housing	1,481,500	-	1,029,101	2,510,601
Total fund balances	<u>1,486,560</u>	<u>2,068,861</u>	<u>1,029,101</u>	<u>4,584,522</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,813,797</u>	<u>\$ 3,008,187</u>	<u>\$ 1,029,597</u>	<u>\$ 5,851,581</u>

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

Total fund balances - total governmental funds (above) 4,584,522

Capital assets used in governmental activities are not financial resources; therefore, are not reported in the funds. 4,382,702

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

Bonds payable	\$ (17,201,500)	
Accrued interest payable	(24,483)	
Compensated absences	(14,532)	(17,240,515)

Net position - Component Unit - Downtown Development Authority (page 30) \$ (8,273,291)

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, 2019

	DDA Operations Special Revenue Fund	DDA TIF Debt Service Fund	DDA Capital Improvements Capital Project Fund	Total Governmental Funds
REVENUES				
Taxes	\$ 268,104	\$ 1,398,693	\$ -	\$ 1,666,797
Intergovernmental	20,000	363,001	-	383,001
Charges for services	2,103	-	200,000	202,103
Miscellaneous	54,550	-	-	54,550
Investment earnings	28,325	53,439	10,871	92,635
Operating contributions	954,921	-	-	954,921
Total revenues	<u>1,328,003</u>	<u>1,815,133</u>	<u>210,871</u>	<u>3,354,007</u>
EXPENDITURES				
Current:				
Urban development and housing	1,300,215	-	10,026,050	11,326,265
Debt service:				
Principal retirement	-	1,039,500	-	1,039,500
Interest and fiscal charges	-	612,605	-	612,605
Total expenditures	<u>1,300,215</u>	<u>1,652,105</u>	<u>10,026,050</u>	<u>12,978,370</u>
Excess (deficiency) of revenues over (under) expenditures	27,788	163,028	(9,815,179)	(9,624,363)
OTHER FINANCING SOURCES				
Transfers in	60,154	-	1,255,139	1,315,293
Transfer out	-	(1,315,293)	-	(1,315,293)
Total other financing sources	<u>60,154</u>	<u>(1,315,293)</u>	<u>1,255,139</u>	<u>-</u>
Net change in fund balances	<u>87,942</u>	<u>(1,152,265)</u>	<u>(8,560,040)</u>	<u>(9,624,363)</u>
Fund balances - beginning	1,398,618	3,221,126	9,589,141	14,208,885
Fund balances - ending	<u>\$ 1,486,560</u>	<u>\$ 2,068,861</u>	<u>\$ 1,029,101</u>	<u>\$ 4,584,522</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) \$ (9,624,363)

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 (\$232,048) exceeded capital outlays of \$0 in the current period. (232,048)

The net effect of transactions involving the sale, trade, and disposal of capital assets. (3,170)

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:

Debt principal payments	\$ 1,039,500	
Decrease in accrued interest	<u>1,338</u>	1,040,838

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. (930)

Change in net position of the Component Unit - Downtown Development Authority (page 31) \$ (8,819,673)

DOWNTOWN DEVELOPMENT AUTHORITY
A Component Unit of the City of Grand Junction, Colorado
DDA OPERATIONS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual GAAP Basis Amounts	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final				
REVENUES						
Taxes	\$ 283,763	\$ 283,763	\$ 268,104	\$ -	\$ 268,104	\$ (15,659)
Intergovernmental	20,000	20,000	20,000	-	20,000	-
Charges for services	-	-	2,103	-	2,103	2,103
Miscellaneous	29,300	59,300	54,550	-	54,550	(4,750)
Investment earnings	57,458	15,519	28,325	(5,095)	23,230	7,711
Operating contributions	954,921	954,921	954,921	-	954,921	-
Total revenues	<u>1,345,442</u>	<u>1,333,503</u>	<u>1,328,003</u>	<u>(5,095)</u>	<u>1,322,908</u>	<u>(10,595)</u>
EXPENDITURES						
Current:						
Urban development and housing	998,362	1,485,529	1,300,215	-	1,300,215	185,314
Total expenditures	<u>998,362</u>	<u>1,485,529</u>	<u>1,300,215</u>	<u>-</u>	<u>1,300,215</u>	<u>185,314</u>
Excess (deficiency) of revenues over (under) expenditures	347,080	(152,026)	27,788	(5,095)	22,693	174,719
OTHER FINANCING SOURCES						
Transfers in	-	60,154	60,154	-	60,154	-
Total other financing sources	<u>-</u>	<u>60,154</u>	<u>60,154</u>	<u>-</u>	<u>60,154</u>	<u>-</u>
Net change in fund balance	347,080	(91,872)	87,942	(5,095)	82,847	174,719
Fund balances - beginning	1,399,389	1,399,389	1,398,618	771	1,399,389	-
Fund balances - ending	<u>\$ 1,746,469</u>	<u>\$ 1,307,517</u>	<u>\$ 1,486,560</u>	<u>\$ (4,324)</u>	<u>\$ 1,482,236</u>	<u>\$ 174,719</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, 2019

	Budgeted Amounts		Actual GAAP Basis Amounts	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final				
REVENUES						
Taxes	\$ 1,333,882	\$ 1,333,882	\$ 1,398,693	\$ -	\$ 1,398,693	\$ 64,811
Intergovernmental	440,450	346,910	363,001	-	363,001	16,091
Investment earnings	71,086	40,247	53,439	(12,083)	41,356	1,109
Total revenues	<u>1,845,418</u>	<u>1,721,039</u>	<u>1,815,133</u>	<u>(12,083)</u>	<u>1,803,050</u>	<u>82,011</u>
EXPENDITURES						
Debt service:						
Principal retirement	1,039,500	1,039,500	1,039,500	-	1,039,500	-
Interest and fiscal charges	604,237	612,606	612,605	-	612,605	1
Total expenditures	<u>1,643,737</u>	<u>1,652,106</u>	<u>1,652,105</u>	<u>-</u>	<u>1,652,105</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	201,681	68,933	163,028	(12,083)	150,945	82,012
OTHER FINANCING SOURCES						
Transfers out	(1,255,139)	(1,315,293)	(1,315,293)	-	(1,315,293)	-
Total other financing sources	<u>(1,255,139)</u>	<u>(1,315,293)</u>	<u>(1,315,293)</u>	<u>-</u>	<u>(1,315,293)</u>	<u>-</u>
Net change in fund balance	(1,053,458)	(1,246,360)	(1,152,265)	(12,083)	(1,164,348)	82,012
Fund balances - beginning	3,223,851	3,223,851	3,221,126	2,725	3,223,851	-
Fund balances - ending	<u>\$ 2,170,393</u>	<u>\$ 1,977,491</u>	<u>\$ 2,068,861</u>	<u>\$ (9,358)</u>	<u>\$ 2,059,503</u>	<u>\$ 82,012</u>

DOWNTOWN DEVELOPMENT AUTHORITY
A Component Unit of the City of Grand Junction, Colorado
DDA CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
For the year ended December 31, 2019

	Budgeted Amounts		Actual GAAP Basis Amounts	Adjustment to Budgetary Basis	Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final				
REVENUES						
Charges for service	\$ -	\$ -	\$ 200,000	\$ -	\$ 200,000	\$ 200,000
Miscellaneous	30,000	-	-	-	-	-
Investment earnings	113,561	239,340	10,871	(4,278)	6,593	(232,747)
Total revenues	<u>143,561</u>	<u>239,340</u>	<u>210,871</u>	<u>(4,278)</u>	<u>206,593</u>	<u>(32,747)</u>
EXPENDITURES						
Current:						
Capital outlay	6,062,598	10,594,974	10,026,050	-	10,026,050	568,924
Total expenditures	<u>6,062,598</u>	<u>10,594,974</u>	<u>10,026,050</u>	<u>-</u>	<u>10,026,050</u>	<u>568,924</u>
Excess (deficiency) of revenues over (under) expenditures	(5,919,037)	(10,355,634)	(9,815,179)	(4,278)	(9,819,457)	536,177
OTHER FINANCING SOURCES						
Transfer In	1,255,139	1,255,139	1,255,139	-	1,255,139	-
Total other financing sources	<u>1,255,139</u>	<u>1,255,139</u>	<u>1,255,139</u>	<u>-</u>	<u>1,255,139</u>	<u>-</u>
Net change in fund balance	(4,663,898)	(9,100,495)	(8,560,040)	(4,278)	(8,564,318)	536,177
Fund balances - beginning	9,587,813	9,587,813	9,589,141	(1,328)	9,587,813	-
Fund balances - ending	<u>\$ 4,923,915</u>	<u>\$ 487,318</u>	<u>\$ 1,029,101</u>	<u>\$ (5,606)</u>	<u>\$ 1,023,495</u>	<u>\$ 536,177</u>