

CITY OF DURAND, MICHIGAN

**BALANCE SHEET/STATEMENT OF NET POSITION
DOWNTOWN DEVELOPMENT AUTHORITY
JUNE 30, 2021**

	Operating Fund	GASB No. 34 Adjustments	Statement of Net Position
Assets:			
Cash and cash equivalents	\$ 69,595	\$ -	\$ 69,595
Capital assets (net of accumulated depreciation) -			
Assets not being depreciated	-	60,000	60,000
Assets being depreciated	-	215,629	215,629
Total Assets	\$ 69,595	275,629	345,224
Liabilities:			
Accrued interest	\$ -	3,456	3,456
Non-current liabilities -			
Due within one year	-	65,000	65,000
Due in more than one year	-	420,000	420,000
Total Liabilities	-	488,456	488,456
Fund Balance:			
Restricted - Wednesday Night Live	10,240	(10,240)	-
Assigned	14,908	(14,908)	-
Unassigned	44,447	(44,447)	-
Total Fund Balance	69,595	(69,595)	-
Total Liabilities and Fund Balance	\$ 69,595		
Net Position:			
Net investment in capital assets		215,629	215,629
Restricted		10,240	10,240
Unrestricted (deficit)		(369,101)	(369,101)
Total Net Position		\$(143,232)	\$(143,232)

CITY OF DURAND, MICHIGAN

RECONCILIATION OF THE BALANCE SHEET FOR
GOVERNMENTAL (OPERATING) FUND TO THE STATEMENT OF NET POSITION
DOWNTOWN DEVELOPMENT AUTHORITY
JUNE 30, 2021

Fund Balances - total governmental funds	\$	69,595
Amounts reported for Component Unit activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.		
Capital assets		567,037
Accumulated depreciation	(291,408)
Long-term liabilities, including installments payable, are not due and payable in the current period, and therefore, are not reported in the funds.		
Installment loans and land purchase payable	(485,000)
Accrued interest payable	(<u>3,456</u>)
Net Position of Downtown Development Authority	\$	<u><u>(143,232)</u></u>

CITY OF DURAND, MICHIGAN

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE/
STATEMENT OF ACTIVITIES
DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Operating Fund</u>	<u>GASB No. 34 Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Taxes	\$ 72,587	\$ -	\$ 72,587
Intergovernmental - State	<u>5,637</u>	<u>-</u>	<u>5,637</u>
	<u>78,224</u>	<u>-</u>	<u>78,224</u>
Expenditures/Expenses:			
Community and Economic Development	5,605	19,561	25,166
Debt Service -			
Principal	60,000	(60,000)	-
Interest	<u>22,148</u>	<u>(404)</u>	<u>21,744</u>
	<u>87,753</u>	<u>(40,843)</u>	<u>46,910</u>
Net change in Fund Balance/Net Position	(9,529)	40,843	31,314
Fund Balance/Net Position at beginning of year	<u>79,124</u>	<u>(253,670)</u>	<u>(174,546)</u>
Fund Balance/Net Position at end of year	<u>\$ 69,595</u>	<u>\$(212,827)</u>	<u>\$(143,232)</u>

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGE IN FUND BALANCES OF GOVERNMENTAL (OPERATING)
FUND TO THE STATEMENT OF ACTIVITIES - DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED JUNE 30, 2021**

Net change in fund balances - governmental funds	\$ (9,529)
<p>Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Depreciation expense	(17,961)
Net book value of assets sold/disposed	(1,600)
<p>The issuance of long-term debt provides current financial resources to the operating fund, while the repayment of the principal of long-term debt consumes the current resources of the operating fund. Neither transaction, however, has any effect on net position.</p>	
Principal payments on long-term liabilities	60,000
Decrease in accrued interest	<u>404</u>
Change in net position of Downtown Development Authority activities	<u>\$ 31,314</u>

CITY OF DURAND, MICHIGAN

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

DOWNTOWN DEVELOPMENT AUTHORITY

FOR THE YEAR ENDED JUNE 30, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 73,000	\$ 72,590	\$ 72,587	\$(3)
Intergovernmental - State	-	5,640	5,637	(3)
Total Revenues	<u>73,000</u>	<u>78,230</u>	<u>78,224</u>	<u>(6)</u>
Expenditures:				
Current -				
Community and Economic Development	5,000	5,605	5,605	-
Debt Service -				
Principal	60,000	60,000	60,000	-
Interest	22,150	22,148	22,148	-
Total Expenditures	<u>87,150</u>	<u>87,753</u>	<u>87,753</u>	<u>-</u>
Net Change in Fund Balance	(14,150)	(9,523)	(9,529)	(6)
Fund Balance at beginning of year	<u>79,124</u>	<u>79,124</u>	<u>79,124</u>	<u>-</u>
Fund Balance at end of year	<u>\$ 64,974</u>	<u>\$ 69,601</u>	<u>\$ 69,595</u>	<u>\$(6)</u>