

Treasurer's ReportTo: **Downtown Development Authority Board of Directors**From: **Paul Hanebuth**Date: **6/9/19**Re: **May 2019 Financial Reports**

Primary Operating Account: Rent payments were the primary source of revenue during April, totaling \$10,698 from the North Avondale properties; the \$190,324 DJJ rent that was mistakenly deposited into the primary operating account rather than the dedicated DJJ account in April was corrected at the beginning of May, and June's payment was received May 31. Interest income totaled \$2,174, of which \$2,060 was earned in the Georgia Fund 1 investment account. May expenses included \$1,975 in contracted property services related to the North Avondale properties, \$450 for a training event in Decatur, and \$2,059 in advertising and marketing materials. \$250,000 was transferred from the primary operating account to the new account at Piedmont Bank to satisfy one of the terms of the loan; the June 1 interest payment will be automatically debited from this account instead of being paid in advance, so no interest expense appears on the income statement for May.

Department of Juvenile Justice (DJJ) Building Operating Account: May expenses included the pass-through payment to MARTA for parking lot rent and the monthly management expenses for the DJJ building. DJJ rent revenue was booked, and the cash deposit, shown as a transfer to the DDA account, is reversed here. Management expenses for May of \$36,533 will be booked in June.

Cash balances as of 4/30/2019 and 5/31/2019:

| <i>Account</i> | <i>Balance, 4/30/19</i> | <i>Balance, 5/31/19</i> | |
|---------------------------|-------------------------|-------------------------|--|
| Primary Operating | \$615,065.12 | \$178,991.27 | |
| DJJ Operating | \$731,247.79 | \$1,059,100.36 | |
| Piedmont Debt Service | N/A | \$250,075.46 | |
| DJJ Capital Reserve | \$117,436.55 | \$116,151.41 | |
| Georgia Fund 1 Investment | <u>\$1,003,148.60</u> | <u>\$1,005,208.27</u> | |
| Total cash | \$2,466,898.06 | \$2,609,526.77 | |

Tentative financial statements follow; please note that these are unaudited and are presented here merely to keep management – the DDA Board of Directors – apprised of the general financial health of the organization.

Downtown Development Authority Primary Operating Account

Income Statement

For the Five Months Ending May 31, 2019

| | | Current Month | Year to Date |
|-----------------|-------------------------------------|----------------------------|----------------------------|
| Revenues | | | |
| 5-405-100 | Rent Revenue | \$ 10,697.74 | \$ 42,790.96 |
| 5-461-000 | Interest Earned | 2,174.32 | 5,509.62 |
| 5-465-000 | Miscellaneous Revenue | 0.00 | 421.54 |
| 5-470-000 | Administrative Fee | 0.00 | 350,000.00 |
| 5-497-045 | Transfer from DJJ Account | (190,324.28) | 1,000,000.00 |
| | Total Revenues and Transfers | (177,452.22) | 1,398,722.12 |
| | | | |
| Expenses | | | |
| 5-506-000 | Property Expenses | 1,150.00 | 4,997.00 |
| 5-506-132 | Legal Services | 0.00 | 2,288.00 |
| 5-506-134 | Professional Services | 825.00 | 13,657.71 |
| 5-506-136 | Earnest Money | 0.00 | 20,000.00 |
| 5-506-380 | Meeting Expenses | 0.00 | 146.56 |
| 5-506-230 | Training and Education | 450.00 | 450.00 |
| 5-506-240 | Advertising | 559.00 | 559.00 |
| 5-506-380 | Meeting Expenses | 0.00 | 146.56 |
| 5-506-390 | General Supplies | 35.20 | 161.97 |
| 5-510-516 | Co-Work | 99.00 | 198.00 |
| 5-510-530 | Avondale Estates Farmers Mkt | 0.00 | 6,000.00 |
| 5-510-540 | Avondale May Ham Fest | 0.00 | 6,000.00 |
| 5-550-500 | Interest Payment | 0.00 | 13,114.32 |
| 5-550-521 | Art Walk | 0.00 | 8,948.66 |
| 5-550-522 | Marketing & Branding | 1,500.00 | 1,767.55 |
| 5-550-580 | Miscellaneous Expense | 0.00 | 30.00 |
| | Total Expenses | 4,618.20 | 78,318.77 |
| | Net Income | \$ (182,070.42) | \$ 1,320,403.35 |

DJJ Building Operating Account

Income Statement

For the Five Months Ending May 31, 2019

| | Current Month | Year to Date |
|------------------------------|---------------|-----------------|
| Revenues | | |
| Rent Revenue | \$ 190,324.28 | \$ 951,621.40 |
| Interest Earned | 129.88 | 742.02 |
| Miscellaneous Revenue | 2,600.00 | 7,800.00 |
| Insurance Reimbursement | 0.00 | (814.32) |
| | <hr/> | <hr/> |
| Total Revenues | 193,054.16 | 959,349.10 |
| | <hr/> | <hr/> |
| Expenses | | |
| Administrative Services | 55,511.01 | 155,212.08 |
| Parking Lot Rent | 1,300.00 | 7,800.00 |
| Transfer to DDA | (190,324.28) | 1,000,000.00 |
| | <hr/> | <hr/> |
| Total Expenses and Transfers | (133,513.27) | 1,163,012.08 |
| | <hr/> | <hr/> |
| Net Income | \$ 326,567.43 | (\$ 203,662.98) |

Downtown Development Authority Primary Operating Account

Balance Sheet

May 31, 2019

ASSETS

| | | |
|--------------------------|----|----------------------------|
| Current Assets | | |
| Cash | \$ | 178,991.27 |
| Georgia Fund 1 | | 1,005,208.27 |
| Piedmont Debt Service MM | | <u>250,075.46</u> |
| Total Current Assets | | <u>1,434,275.00</u> |
| Total Assets | \$ | <u><u>1,434,275.00</u></u> |

LIABILITIES AND CAPITAL

| | | |
|-----------------------------|----|----------------------------|
| Current Liabilities | | |
| Accounts Payable | \$ | <u>35.20</u> |
| Total Current Liabilities | | <u>35.20</u> |
| Total Liabilities | | 35.20 |
| Capital | | |
| Beginning Balance Equity | | 74,482.88 |
| Fund Balance | | 39,353.57 |
| Net Income | | <u>1,320,403.35</u> |
| Total Capital | | <u>1,434,239.80</u> |
| Total Liabilities & Capital | \$ | <u><u>1,434,275.00</u></u> |

DJJ Building Operating Account

Balance Sheet

May 31, 2019

| ASSETS | | |
|------------------------------|---------------------|--------------------------------|
| Current Assets | | |
| Cash | \$ 1,059,100.36 | |
| Capital Reserve Fund | 116,151.41 | |
| Total Current Assets | | 1,175,251.77 |
| Property and Equipment | | |
| Land | 600,000.00 | |
| Building | 14,057,508.11 | |
| Accumulated Depreciation | (233,275.49) | |
| Accumulated Depreciation | (4,378,468.39) | |
| Total Property and Equipment | | 10,045,764.23 |
| Other Assets | | |
| Rent Deposit | <u>500.00</u> | |
| Total Other Assets | | <u>500.00</u> |
| Total Assets | | <u><u>\$ 11,221,516.00</u></u> |
| LIABILITIES AND CAPITAL | | |
| Current Liabilities | | |
| Accounts Payable | \$ 1,300.00 | |
| Deferred Rental Income | 190,324.28 | |
| Total Current Liabilities | | 191,624.28 |
| Long-Term Liabilities | | |
| Total Long-Term Liabilities | | <u>0.00</u> |
| Total Liabilities | | 191,624.28 |
| Capital | | |
| Fund Balance | 11,233,554.70 | |
| Net Income | <u>(203,662.98)</u> | |
| Total Capital | | <u>11,029,891.72</u> |
| Total Liabilities & Capital | | <u><u>\$ 11,221,516.00</u></u> |

