

**Southfield Downtown Development Authority**  
**(a component unit of the City of Southfield, Michigan)**

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**Financial Report**  
**with Supplemental Information**  
**June 30, 2014**

# **Southfield Downtown Development Authority**

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## **Contents**

<b>Report Letter</b>	1-2
<b>Management's Discussion and Analysis</b>	3-5
<b>Basic Financial Statements</b>	
Statement of Net Position/Governmental Funds Balance Sheet	6
Statement of Activities/Governmental Fund Revenues, Expenditures, and Changes in Fund Balance	7
Notes to Financial Statements	8-15
<b>Required Supplemental Information</b>	16
Budgetary Comparison Schedule - General Fund	17
<b>Other Supplemental Information</b>	18
Functional Revenue and Expenditure Allocation - General Fund	19

## Independent Auditor's Report

To the Board of Directors  
Southfield Downtown Development Authority

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Southfield (the "City") as of and for the year ended June 30, 2014, which collectively comprise the City of Southfield's basic financial statements, and have issued our report thereon dated December 30, 2014, which contained unmodified opinions on the financial statements of the governmental activities, business-type activities, discretely presented component units, each major fund, and the aggregate remaining fund information. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to December 30, 2014.

### ***In Relation to Opinion on Accompanying Financial Statements***

The Southfield Downtown Development Authority's financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

### ***Other Matters***

#### ***Required Supplemental Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the General Fund budgetary comparison schedule be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

To the Board of Directors  
Southfield Downtown Development Authority

***Other Supplemental Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The functional revenue and expenditure allocation is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The functional revenue and expenditure allocation has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*Plante & Morse, PLLC*

January 20, 2015

# Southfield Downtown Development Authority

## Management's Discussion and Analysis

The following discussion and analysis of the financial performance of the Southfield Downtown Development Authority (the "Authority") provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2014. Please read it in conjunction with the Authority's financial statements.

### Using this Annual Report

This annual report consists of a series of financial statements. The statement of net position and the statement of activities provide information about the activities of the Authority as a whole and present a longer-term view of the Authority's finances. This longer-term view uses the accrual basis of accounting so that it can measure the cost of providing services during the current year and whether the taxpayers have funded the full cost of providing government services.

The fund financial statements present a short-term view; they tell us how the taxpayers' resources were spent during the year as well as how much is available for future spending. Fund financial statements also report the Authority's operations in more detail than the government-wide financial statements.

### The Authority as a Whole

The following table shows, in a condensed format, the current year's net position compared to the two prior years:

#### Summary Condensed Statement of Net Position

	2012	2013	2014	Changes from 2013-2014	
				in Dollars	Percent
<b>Assets</b>					
Current assets	\$ 2,423,397	\$ 1,811,619	\$ 1,710,576	\$ (101,043)	(6%)
Capital assets	<u>258,440</u>	<u>245,184</u>	<u>231,933</u>	<u>(13,251)</u>	(5%)
Total assets	2,681,837	2,056,803	1,942,509	(114,294)	(6%)
<b>Liabilities</b>					
Current liabilities	112,931	12,105	210,939	198,834	1,643%
Long-term liabilities	<u>180,696</u>	<u>45,502</u>	<u>67,116</u>	<u>21,614</u>	48%
Total liabilities	<u>293,627</u>	<u>57,607</u>	<u>278,055</u>	<u>220,448</u>	383%
<b>Net Position</b>					
Net investment in capital					
assets	258,440	245,184	231,933	(13,251)	(5%)
Unrestricted	<u>2,129,770</u>	<u>1,754,012</u>	<u>1,432,521</u>	<u>(321,491)</u>	(18%)
Total net position	<u>\$ 2,388,210</u>	<u>\$ 1,999,196</u>	<u>\$ 1,664,454</u>	<u>\$ (334,742)</u>	(17%)

# Southfield Downtown Development Authority

## Management's Discussion and Analysis (Continued)

The Authority's net position continued its decline. As discussed below, this is the result of several years of taxable value decline that have eliminated the property tax capture, and reduced the Authority's operating levy.

The following table shows the changes in net position during the current year in comparison with the two prior years:

### Summary Condensed Statement of Activities

	2012	2013	2014	Changes from 2013-2014	
				in Dollars	Percent
<b>Revenue</b>					
Captured taxes	\$ 239,920	\$ -	\$ -	\$ -	- %
Operating levy	296,139	280,126	249,182	(30,944)	(11%)
Grants	12,623	-	-	-	- %
Interest and unrealized gains (losses)	28,776	(4,674)	39,691	44,365	(949%)
Other	61,100	21,969	120,206	98,237	447%
Total revenue	638,558	297,421	409,079	111,658	38%
<b>Expenditures/Expenses</b>					
Salaries and benefits	149,998	138,633	147,092	8,459	6%
Professional fees	254,261	146,303	128,612	(17,691)	(12%)
Land improvements	100,681	108,762	75,342	(33,420)	(31%)
Support to City	-	-	188,700	188,700	n/a
Other	753,785	292,737	204,075	(88,662)	(30%)
Total expenditures/ expenses	1,258,725	686,435	743,821	57,386	8%
<b>Net Change in Net Position</b>	<b>\$ (620,167)</b>	<b>\$ (389,014)</b>	<b>\$ (334,742)</b>	<b>\$ 54,272</b>	<b>(14%)</b>

The 2014 revenue increase is primarily attributable to Providence Hospital paying two years of its theater lease cancellation fee in 2014 (the 2013 fee was received in 2014). Property taxes ceased being captured after 2012, when the current taxable value fell below the base year value. The Authority's operating levy fell primarily because of decreasing taxable values.

During 2014, the Authority provided resources to the City of Southfield's Water and Sewer Fund (\$100,000) and to the Major Streets Fund (\$88,700) to support the Greenfield Road and 9 Mile streetscape projects. The remaining expenses decreased as a result of overall budget cuts intended to eventually bring the structural recurring costs in line with anticipated recurring revenues.

# **Southfield Downtown Development Authority**

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## **Management's Discussion and Analysis (Continued)**

### **The Authority's Fund**

The Authority maintains one fund, the General Fund. The General Fund provides detailed information about the Authority as a whole. The use of this fund helps to manage money for specific purposes as well as to show accountability for certain activities.

### **General Fund Budgetary Highlights**

The General Fund accounts for all programming, maintenance, construction, and administrative functions of the Authority within the Authority's boundaries. The budget is monitored closely and amended as needed. There were no expenditures in excess of amounts budgeted.

### **Capital Asset and Debt Administration**

At the end of 2014, the Authority had approximately \$232,000 invested in capital assets. Long-term liabilities consist of estimated tax refunds from pending Michigan Tax Tribunal appeals as well as amounts due to employees.

### **Economic Factors and Next Year's Budgets and Rates**

The Authority is operating under a strategic plan that recognizes the need for a financial restructuring due to the reduced taxable value of the TIF district.

### **Contacting the Authority's Management**

This financial report is intended to provide our citizens, taxpayers, customers, and investors with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have questions about this report or need additional information, we welcome you to contact the Southfield Downtown Development Authority's office at 18000 West 9 Mile Road, Suite 320, Southfield, Michigan 48075 or [www.SouthfieldDDA.com](http://www.SouthfieldDDA.com).

# Southfield Downtown Development Authority

## Statement of Net Position/Governmental Funds Balance Sheet June 30, 2014

	Modified Accrual Basis		
	General Fund	Adjustments (Note 2)	Statement of Net Position
<b>Assets</b>			
Cash and cash equivalents	\$ 1,615,896	\$ -	\$ 1,615,896
Receivables:			
Property taxes receivable	90,866	-	90,866
Accrued interest receivable	721	-	721
Due from primary government	2,249	-	2,249
Prepaid expenses and other assets	844	-	844
Capital assets - Assets subject to depreciation	-	231,933	231,933
Total assets	<u>\$ 1,710,576</u>	231,933	1,942,509
<b>Liabilities</b>			
Accounts payable	\$ 14,193	-	14,193
Due to primary government	188,700	-	188,700
Accrued liabilities and other	8,046	-	8,046
Long-term debt - Due in more than one year:			
Employee compensated absences	-	10,989	10,989
Provision for property tax refunds	-	56,127	56,127
Total liabilities	210,939	67,116	278,055
<b>Deferred Inflows of Resources - Unavailable</b> revenue	90,866	(90,866)	-
<b>Equity</b>			
Fund balance:			
Nonspendable	844	(844)	-
Unassigned	1,407,927	(1,407,927)	-
Total fund balance	<u>1,408,771</u>	<u>(1,408,771)</u>	-
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 1,710,576</u>		
Net position:			
Net investment in capital assets (Note 4)		231,933	231,933
Unrestricted		1,432,521	1,432,521
Total net position		<u>\$ 1,664,454</u>	<u>\$ 1,664,454</u>

# Southfield Downtown Development Authority

## Statement of Activities/Governmental Fund Revenues, Expenditures, and Changes in Fund Balance Year Ended June 30, 2014

	Modified Accrual Basis		
	General Fund	Adjustments (Note 2)	Statement of Activities
<b>Revenue</b>			
Operating levy	\$ 255,614	\$ (6,432)	\$ 249,182
Interest earned	26,100	-	26,100
Change in fair value of investments	13,591	-	13,591
Providence lease cancellation fee	120,206	-	120,206
Total revenue	415,511	(6,432)	409,079
<b>Expenditures/Expenses</b>			
Salaries and benefits	144,956	2,136	147,092
Supplies	3,882	-	3,882
Professional fees	128,612	-	128,612
Utilities	2,323	-	2,323
Insurance	1,000	-	1,000
Community promotion, printing, and advertising	10,935	-	10,935
Travel	7,068	-	7,068
Membership dues	1,360	-	1,360
Rent	10,127	-	10,127
MTT refunds of prior year taxes	154,127	-	154,127
District maintenance (WH Cannon, DTE)	75,342	-	75,342
Intergovernmental support to City	188,700	-	188,700
Depreciation	-	13,253	13,253
Total expenditures/expenses	728,432	15,389	743,821
<b>Net Change in Fund Balance/Net Position</b>	(312,921)	(21,821)	(334,742)
<b>Fund Balance/Net Position - Beginning of year</b>	1,721,692	277,504	1,999,196
<b>Fund Balance/Net Position - End of year</b>	<b>\$ 1,408,771</b>	<b>\$ 255,683</b>	<b>\$ 1,664,454</b>

# **Southfield Downtown Development Authority**

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## **Notes to Financial Statements June 30, 2014**

### **Note I - Summary of Significant Accounting Policies**

The Southfield Downtown Development Authority (the "Authority") is committed to the economic development of the designated downtown district in and around Northland Center in Southfield, Michigan. The Authority was formed under Public Act 197 of 1975, and is funded through a 1.8978 mill tax levy on all real and personal property within the district and a tax increment financing plan.

The accounting policies of the Southfield Downtown Development Authority conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Southfield Downtown Development Authority:

#### **Reporting Entity**

The Southfield Downtown Development Authority has a 13-member board that is appointed by and includes the mayor. The accompanying financial statements pertain to the financial activities of the Authority; there are no component units. The Authority itself, however, is a component unit of the City of Southfield (the "City").

#### **Accounting and Reporting Principles**

The Authority follows accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board.

#### **Report Presentation**

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. The individual fund column presents the Fund's activities on the modified accrual basis of accounting, as discussed above, which demonstrates accountability for how the current resources have been spent. The government-wide column is presented on the economic resources measurement focus and the full accrual basis of accounting, in order to measure the cost of providing government services and the extent to which constituents have paid the full cost of government services.

On the full accrual basis of accounting, revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

#### **Fund Accounting**

The Authority accounts for its various activities in a single fund, the General Fund.

# Southfield Downtown Development Authority

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## Notes to Financial Statements June 30, 2014

### Note I - Summary of Significant Accounting Policies (Continued)

#### Basis of Accounting

The General Fund uses the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the government has spent its resources.

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree healthcare-related costs or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

Revenues are not recognized until they are collected, or collected soon enough after the end of the year that they are available to pay for obligations outstanding at the end of the year. For this purpose, the Southfield Downtown Development Authority considers amounts collected within 60 days of year end to be available for recognition. A portion of the delinquent personal property tax receivable meets the availability criterion. For all other receivables not expected to be collected within the period of availability, the receivables are offset by an "unavailable revenue" account.

#### Specific Balances and Transactions

**Cash, Cash Equivalents, and Investments** - Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

**Property Investments** - Property investments represent land held for resale and are valued at the lower of cost or market.

**Capital Assets** - Capital assets, which currently include buildings and building improvements, are reported in the governmental activities column. Capital assets are defined by the Authority as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. All capital assets (which consist currently of building and building improvements) are depreciated over an estimated useful life of 40 years, using the straight-line method.

# **Southfield Downtown Development Authority**

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## **Notes to Financial Statements June 30, 2014**

### **Note I - Summary of Significant Accounting Policies (Continued)**

#### **Deferred Outflows/Inflows of Resources**

In addition to liabilities, the statement of net position/balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental fund balance sheet. This represents delinquent property taxes that we expect to collect in the future, but that were not collected within 60 days of year end and so are not available to finance current operations. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The Authority has no activity that qualifies as deferred outflows of resources.

#### **Net Position Flow Assumption**

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

#### **Fund Balance Flow Assumption**

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

# Southfield Downtown Development Authority

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## Notes to Financial Statements June 30, 2014

### Note 1 - Summary of Significant Accounting Policies (Continued)

**Property Tax Revenue** - The Authority levies a 2 mill property tax levy (rolled back to 1.8978 mills by the Headlee amendment) for all properties located within its boundaries. The taxes are levied each July 1 on the taxable valuation of property as of the preceding December 31. Taxes are considered delinquent on March 1 of the following year, at which time penalties and interest are assessed.

The Authority's 2014 tax is levied and collectible on July 1, 2013 and is recognized as revenue in the year ended June 30, 2014, when the proceeds of the levy are budgeted and available for the financing of operations. The Authority also recognizes an allowance for estimated uncollectible and refundable taxes. An estimate of the future refunds that will be ordered by the Michigan Tax tribunal are included in long-term debt.

The Authority also has a tax increment financing plan in place that would normally allow it to capture taxes on the growth in values. However, the taxable values are currently below the base year values, and as a result there is currently no capture.

**Compensated Absences (Vacation and Sick Leave)** - It is the Authority's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. There is no liability for unpaid accumulated sick leave since the Authority does not have a policy to pay any amounts when employees separate from service with the Authority. All vacation pay is accrued when incurred in the government-wide and governmental fund financial statements. A liability for these amounts is reported in the governmental fund only for employee terminations as of year end.

**Use of Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

# Southfield Downtown Development Authority

## Notes to Financial Statements June 30, 2014

### Note 2 - Reconciliation of Individual Fund Columns of the Statement of Net Position/Statement of Activities

Net position reported in the statement of net position column is different than the fund balance reported in the individual fund column because of the different measurement focus and basis of accounting, as discussed in Note 1. Below is a reconciliation of the differences:

<b>Fund Balance Reported in Governmental Funds</b>	<b>\$ 1,408,771</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds	231,933
Delinquent property tax receivables that are collected within 60 days are reported as revenue in the government-wide statements, but as deferred inflows at the fund level	90,866
Employee compensated absences are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities	(10,989)
Other long-term liabilities, such as claims and judgments, landfill closure and postclosure costs, and net pension obligations, do not present a claim on current financial resources and are not reported as fund liabilities	<u>(56,127)</u>
<b>Net Position of Governmental Activities</b>	<b><u>\$ 1,664,454</u></b>

# Southfield Downtown Development Authority

## Notes to Financial Statements June 30, 2014

### Note 2 - Reconciliation of Individual Fund Columns of the Statement of Net Position/Statement of Activities (Continued)

The change in net position reported in the statement of activities column is different than the change in fund balance reported in the individual fund column because of the different measurement focus and basis of accounting, as discussed in Note 1. Below is a reconciliation of the differences:

<b>Net Change in Fund Balance - Governmental Fund</b>	<b>\$ (312,921)</b>
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures; however, in the statement of activities, these costs are allocated over their estimated useful lives as depreciation expense	(13,253)
Revenues are recorded in the statement of activities when earned; they are not reported in the fund until collected or collectible within 60 days of year end	13,044
Change in estimated losses from Michigan Tax Tribunal appeals	(19,478)
Change in accrued employee compensated absences	<u>(2,134)</u>
<b>Change in Net Position of Governmental Activities</b>	<b><u>\$ (334,742)</u></b>

### Note 3 - Deposits and Investments

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Authority has designated 16 banks for the deposit of its funds. The investment policy adopted by the board in accordance with Public Act 196 of 1997 is in accordance with statutory authority; however, the City employs a more conservative investment policy and invests only in the highest rated commercial paper. The City participates only

# Southfield Downtown Development Authority

## Notes to Financial Statements June 30, 2014

### Note 3 - Deposits and Investments (Continued)

with qualified banks and primary investment firms that adhere to the specific guidelines established by industry practice for repurchase agreements.

The Authority's cash and investments are subject to several types of risk. At year end, the carrying amount of the Authority's cash and investments is held by the City's cash and investments pool. For the purpose of risk disclosure, it is not practical to allocate risk to each entity in the investment fund. The full disclosures related to the overall risk for the cash and investment totals are presented in the City's financial statements.

### Note 4 - Capital Assets

Capital asset activity of the Authority's governmental and business-type activities was as follows:

<b>Governmental Activities</b>	<u>Balance July 1, 2013</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2014</u>
Capital assets being depreciated - Buildings and improvements	\$ 265,066	\$ -	\$ -	\$ 265,066
Accumulated depreciation - Buildings and improvements	<u>19,880</u>	<u>13,253</u>	<u>-</u>	<u>33,133</u>
Net capital assets	<u>\$ 245,186</u>	<u>\$ (13,253)</u>	<u>\$ -</u>	<u>\$ 231,933</u>

### Note 5 - Long-term Debt

Long-term debt activity can be summarized as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Accumulated compensated absences	\$ 8,854	\$ 2,135	\$ -	\$ 10,989	\$ -
Provision for MTT property tax refunds	<u>36,648</u>	<u>19,479</u>	<u>-</u>	<u>56,127</u>	<u>-</u>
Total governmental activities	<u>\$ 45,502</u>	<u>\$ 21,614</u>	<u>\$ -</u>	<u>\$ 67,116</u>	<u>\$ -</u>

# **Southfield Downtown Development Authority**

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## **Notes to Financial Statements June 30, 2014**

### **Note 6 - Defined Contribution Pension Plan**

The City of Southfield, Michigan sponsors the defined contribution pension plan on behalf of the Southfield Downtown Development Authority. The employer of record for the Authority is the City of Southfield, Michigan. Accordingly, the employees of the Authority participate in the City's employee benefit programs and policies and are pooled with City employees for benefits administration. The City charges the Authority for its pro-rata share of employee fringe benefit costs in the same manner as City departments are charged for fringe benefits. Current employees are eligible for health benefits while actively employed. Postemployment healthcare benefits are not provided.

The Authority reimbursed the City approximately \$33,000 for fringe benefits, including insurance and defined contribution pension plan payments, during the year ended June 30, 2014.

## **Required Supplemental Information**

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# Southfield Downtown Development Authority

## Required Supplemental Information Budgetary Comparison Schedule - General Fund Year Ended June 30, 2014

	Original and Amended Budget	Actual	Budget Variance
<b>Revenues</b>			
Operating levy	\$ 227,732	\$ 255,614	\$ 27,882
Interest earned	3,376	26,100	22,724
Change in fair value of investments	-	13,591	13,591
Providence lease cancellation fee	-	120,206	120,206
Total revenues	231,108	415,511	184,403
<b>Expenditures/Expenses</b>			
Salaries and benefits	147,184	144,956	2,228
Supplies	4,300	3,882	418
Professional fees	140,627	128,612	12,015
Utilities	2,323	2,323	-
Insurance	1,000	1,000	-
Community promotion, printing, and advertising	12,000	10,935	1,065
Travel	8,000	7,068	932
Membership dues	2,500	1,360	1,140
Rent	13,000	10,127	2,873
MTT refunds of prior year taxes	209,500	154,127	55,373
District maintenance (WH Cannon, DTE)	83,000	75,342	7,658
Repairs and maintenance	500	-	500
Intergovernmental support to City	200,500	188,700	11,800
Total expenditures/expenses	824,434	728,432	96,002
<b>Net Change in Fund Balance</b>	(593,326)	(312,921)	280,405
<b>Fund Balance - Beginning of year</b>	1,721,692	1,721,692	-
<b>Fund Balance - End of year</b>	<b>\$ 1,128,366</b>	<b>\$ 1,408,771</b>	<b>\$ 280,405</b>

## **Other Supplemental Information**

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# Southfield Downtown Development Authority

## Other Supplemental Information Functional Revenue and Expenditure Allocation - General Fund Year Ended June 30, 2014

	<u>Administration</u>	<u>TIFA</u>	<u>Total</u>
<b>Revenue</b>			
Operating levy	\$ 255,614	\$ -	\$ 255,614
Interest	12,547	13,553	26,100
Change in market value of investments	-	13,591	13,591
Providence reimbursement	120,206	-	120,206
	<u>388,367</u>	<u>27,144</u>	<u>415,511</u>
<b>Expenditures</b>			
Salaries and benefits	104,764	-	104,764
Car allowance	2,430	-	2,430
Social Security	7,642	-	7,642
Hospitalization	22,127	-	22,127
Dental	2,836	-	2,836
Optical	654	-	654
Life insurance	496	-	496
Pension	3,250	-	3,250
Workers' compensation	310	-	310
Unemployment compensation	447	-	447
Office supplies	1,844	-	1,844
Magazines	46	-	46
Operating supplies	1,992	-	1,992
Legal fees	41,774	-	41,774
Audit fes	4,627	-	4,627
Planning and consulting	-	22,650	22,650
Consulting	2,000	-	2,000
Contractual/Professional	51,561	-	51,561
Financial accounting	6,000	-	6,000
Telephone	2,323	-	2,323
Travel	7,068	-	7,068
Community promotion	10,874	-	10,874
Printing and advertising	61	-	61
Insurance and bonds	1,000	-	1,000
Rental	10,127	-	10,127
Membership dues	1,360	-	1,360
MTT refunds of prior years' taxes	30,104	124,023	154,127
District maintenance (WH Cannon, DTE)	-	75,342	75,342
Intergovernmental support to City	-	188,700	188,700
	<u>317,717</u>	<u>410,715</u>	<u>728,432</u>
<b>Surplus of Revenue Over (Under)</b>			
<b>Expenditures</b>	<u><b>\$ 70,650</b></u>	<u><b>\$ (383,571)</b></u>	<u><b>\$ (312,921)</b></u>