

BANNING REDEVELOPMENT AGENCY

FINANCIAL STATEMENTS

JUNE 30, 2002

BANNING REDEVELOPMENT AGENCY

JUNE 30, 2002

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203 North Brea Boulevard  
Suite 203  
Brea, CA 92821-4056  
(714) 672-0022  
Fax (714) 672-0331  
[www.lslcpas.com](http://www.lslcpas.com)



Brandon W. Burrows  
Donald L. Parker  
Michael K. Chu  
David E. Hale  
*A Professional Corporation*  
Donald G. Slater  
Richard K. Kikuchi

*Retired*  
Robert C. Lance  
1914-1994  
Richard C. Soll  
Fred J. Lunghard, Jr.  
1928-1999

#### INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
The Banning Redevelopment Agency  
Banning, California

We have audited the general purpose financial statements of the Banning Redevelopment Agency (the "Agency"), a component unit of the City of Banning, as of and for the fiscal year ended June 30, 2002, as listed in the table of contents. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Banning Redevelopment Agency at June 30, 2002 and the results of its operations for the fiscal year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2002 on our consideration of the Banning Redevelopment Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund financial statements listed in the foregoing table of contents are presented for purposes of additional analysis and are not a required part of the general



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**AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
The Banning Redevelopment Agency  
Banning, California

We have audited the general purpose financial statements of the Banning Redevelopment Agency (the "Agency") as of and for the fiscal year ended June 30, 2002 and have issued our report thereon dated November 5, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Compliance**

As part of obtaining reasonable assurance about whether the Banning Redevelopment Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Such provisions include those provisions of laws and regulations identified in the Guidelines for Compliance Audits of California Redevelopment Agencies issued by the State Controller. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Agency's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by

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**Exhibit A**

<b>ACCOUNT GROUPS</b>		<b>Total (Memorandum Only)</b>	
<b>General Fixed Assets</b>	<b>General Long-Term Debt</b>	<b>June 30,</b>	
		<b>2002</b>	<b>2001</b>
\$ -	\$ -	\$ 1,526,321	\$ 1,463,018
-	-	905,343	911,016
-	-	6,690,205	7,008,114
632,925	-	632,925	643,372
-	1,264,839	1,264,839	1,235,195
-	8,500,470	8,500,470	8,972,598
<b>\$ 632,925</b>	<b>\$ 9,765,309</b>	<b>\$ 19,520,103</b>	<b>\$ 20,233,313</b>
\$ -	\$ -	\$ 13,041	\$ 15,496
-	-	45,256	45,256
-	-	1,868	-
-	-	6,100,000	6,295,000
-	2,750,000	2,750,000	2,945,000
-	6,100,000	6,100,000	6,295,000
-	894,096	894,096	950,564
-	21,213	21,213	17,229
<b>-</b>	<b>9,765,309</b>	<b>15,925,474</b>	<b>16,563,545</b>
632,925	-	632,925	643,372
-	-	1,068,050	1,191,402
-	-	1,893,654	1,834,994
<b>632,925</b>	<b>-</b>	<b>3,594,629</b>	<b>3,669,768</b>
<b>\$ 632,925</b>	<b>\$ 9,765,309</b>	<b>\$ 19,520,103</b>	<b>\$ 20,233,313</b>

Banning Redevelopment Agency

Exhibit B

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
For the Fiscal Year Ended June 30, 2002

	GOVERNMENTAL FUND TYPES			Total (Memorandum Only)	
	Debt Service	Capital Projects	Special Revenue	Year Ended June 30,	
				2002	2001
<b>Revenues:</b>					
Taxes and assessments	\$ 884,191	\$ -	\$ -	\$ 884,191	\$ 788,380
Use of money and property	551,376	25,692	14,706	591,774	631,340
Miscellaneous Revenue	-	3,910	1,447	5,357	5,034
<b>Total Revenues</b>	<b>1,435,567</b>	<b>29,602</b>	<b>16,153</b>	<b>1,481,322</b>	<b>1,424,754</b>
<b>Expenditures:</b>					
Current:					
General government	9,500	234,600	158,336	402,436	349,807
Capital outlay	-	37,035	-	37,035	53,140
Debt service	1,001,124	-	-	1,001,124	983,963
<b>Total Expenditures</b>	<b>1,010,624</b>	<b>271,635</b>	<b>158,336</b>	<b>1,440,595</b>	<b>1,386,910</b>
Excess of Revenues over (under) Expenditures	424,943	(242,033)	(142,183)	40,727	37,844
<b>Other Financing Sources (Uses):</b>					
Operating transfer in (out)	(390,542)	281,049	109,493	-	-
Pass through agreement payments	(77,802)	-	-	(77,802)	(68,639)
Developer participation	33,541	-	-	33,541	41,589
<b>Total Other Financing Sources (Uses)</b>	<b>(434,803)</b>	<b>281,049</b>	<b>109,493</b>	<b>(44,261)</b>	<b>(27,050)</b>
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	\$ (9,860)	\$ 39,016	\$ (32,690)	\$ (3,534)	\$ 10,794
<b>Fund Balances:</b>					
Beginning of Year, as previously reported	\$ 1,910,959	\$ 599,799	\$ 515,638	\$ 3,026,396	\$ 3,135,680
Restatements (Note 11)	(61,158)	-	-	(61,158)	(120,078)
Beginning of Year, as restated	1,849,801	599,799	515,638	2,965,238	3,015,602
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses	(9,860)	39,016	(32,690)	(3,534)	10,794
<b>End of Year (Exhibit A)</b>	<b>\$ 1,839,941</b>	<b>\$ 638,815</b>	<b>\$ 482,948</b>	<b>\$ 2,961,704</b>	<b>\$ 3,026,396</b>

See Notes to Financial Statements

**Exhibit C**

<b>GOVERNMENTAL FUND TYPES</b>			<b>TOTAL (Memorandum Only)</b>		
<b>Special Revenue Funds</b>		<b>Variance Favorable (Unfavorable)</b>	<b>TOTAL (Memorandum Only)</b>		<b>Variance Favorable (Unfavorable)</b>
<b>Budget</b>	<b>Actual</b>		<b>Budget</b>	<b>Actual</b>	
\$ - 11,000 1,300	\$ - 14,706 1,447	\$ - 3,706 147	\$ 880,207 572,200 4,396	\$ 884,191 591,774 5,357	\$ 3,984 19,574 961
<u>12,300</u>	<u>16,153</u>	<u>3,853</u>	<u>1,456,803</u>	<u>1,481,322</u>	<u>24,519</u>
360,214 - -	158,336 - -	201,878 - -	689,087 139,866 1,027,273	402,436 37,035 1,001,124	286,651 102,831 26,149
<u>360,214</u>	<u>158,336</u>	<u>201,878</u>	<u>1,856,226</u>	<u>1,440,595</u>	<u>415,631</u>
(347,914)	(142,183)	205,731	(399,423)	40,727	440,150
108,906 - -	109,493 - -	587 - -	(78,025) 73,046	(77,802) 33,541	223 (39,505)
<u>108,906</u>	<u>109,493</u>	<u>587</u>	<u>(4,979)</u>	<u>(44,261)</u>	<u>(39,282)</u>
<u>\$ (239,008)</u>	<u>\$ (32,690)</u>	<u>\$ 206,318</u>	<u>\$ (404,402)</u>	<u>\$ (3,534)</u>	<u>\$ 400,868</u>
\$ 515,638 - 515,638	\$ 515,638 - 515,638	\$ - - -	\$ 3,026,396 - 3,026,396	\$ 3,026,396 (61,158) 2,965,238	\$ - (61,158) (61,158)
<u>(239,008)</u>	<u>(32,690)</u>	<u>206,318</u>	<u>(404,402)</u>	<u>(3,534)</u>	<u>400,868</u>
<u>\$ 276,630</u>	<u>\$ 482,948</u>	<u>\$ 206,318</u>	<u>\$ 2,621,994</u>	<u>\$ 2,961,704</u>	<u>\$ 339,710</u>

**Banning Redevelopment Agency  
Notes to Financial Statements (Continued)**

**Note 1: Summary of Significant Accounting Policies (Continued)**

**Fixed Assets and Long-Term Debt**

The accounting and reporting treatment applied to the fixed assets and long-term debt associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or financial flow measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balances (net current assets) are considered a measurement of available spendable resources.

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

General fixed assets are recorded as expenditures in the various governmental funds at the time of purchase. Such assets include land, improvements, machinery and equipment, and are capitalized at cost in the General Fixed Assets Account Group.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

Long-term debt expected to be financed from governmental funds is accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not funds. They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources", since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables is deferred until they become current receivables. Noncurrent portions of long-term loans receivable are offset by fund balance reserve accounts.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

**Banning Redevelopment Agency  
Notes to Financial Statements (Continued)**

**Note 1: Summary of Significant Accounting Policies (Continued)**

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the agencies based on complex formulas prescribed by the State Statutes.

**g. Total Columns on Combined Statements**

Total columns on the Combined Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. This data is not comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**Note 2: Composition of Cash and Investments**

The Agency pools all of its cash and investments with the City except those funds required to be held by outside fiscal agents under the provisions of bond indentures.

Cash and investments at June 30, 2002 consisted of the following:

Pooled cash and investments	\$ 1,526,321
Cash and investments with fiscal agents	<u>905,343</u>
	<u>\$ 2,431,664</u>

Interest income earned on pooled cash and investments is allocated quarterly to the various funds based on a monthly weighted average of cash and investment balances. Interest income from cash and investments held with fiscal agents is credited directly to the related funds.

**Authorized Investments**

Under provisions of the Agency's investment policy, and in accordance with State Statutes, the Agency may invest in the following types of investments:

- Guaranteed Securities of the U.S. Government, or its agencies
- Certificates of Deposit (or Time Deposits) placed with commercial banks and/or savings and loan companies
- Local Agency Investment Fund (State Pool) Deposits
- Passbook Savings Account Demand Deposits
- Money Market Funds which invest solely in U.S. Treasury Investments with an average maturity of less than two years
- Government Mutual Funds
- Investment Agreements

Other Investments allowed by the Government Code must be authorized by City Council. Fiscal agent investments are governed by the trust indenture for each issue.

**Banning Redevelopment Agency  
Notes to Financial Statements (Continued)**

**Note 2: Composition of Cash and Investments (Continued)**

**Collateral for Deposits**

Under the provisions of the California Government Code, California banks and savings and loan associations are required to secure an Agency's deposits by pledging government securities as collateral. The market value of the pledged securities must equal at least 110% of an Agency's deposits. California law also allows financial institutions to secure Agency deposits by pledging first trust deed mortgage notes having a value of 150% of the Agency's total deposits.

The collateral for certificates of deposit is generally held in safekeeping by the Federal Home Loan Bank in San Francisco as the third-party trustee. The securities are physically held in an undivided pool for all California public agency depositors. The State Public Administrative Office for public agencies and the Federal Home Loan Bank maintain detailed records of the security pool which are coordinated and updated weekly.

The Agency Treasurer, at his discretion, may waive the 110% collateral requirement for deposits which are insured up to \$100,000 by the FDIC.

**Note 3: Receivables**

At June 30 the receivable accounts consisted of the following:

	<b>Debt Service Funds</b>	<b>Capital Projects Funds</b>	<b>Special Revenue Funds</b>
<b>Receivables:</b>			
Tax Increment	\$ 717	\$ -	\$ -
Interest	2,104	4,202	2,964
Loans	575,102	-	5,116
Lease Payments	<u>6,100,000</u>	<u>-</u>	<u>-</u>
<b>Total Receivables</b>	<b><u>\$ 6,677,923</u></b>	<b><u>\$ 4,202</u></b>	<b><u>\$ 8,080</u></b>

**Note 4: Loan Receivable - Sunset Auto Plaza**

On October 1, 1999 the Redevelopment Agency (Seller) entered into an agreement whereby the Agency sold a parcel of land held for investment purposes to Sunset Chevrolet/Oldsmobile, Inc. (Buyer). The purchase price was \$900,000 and the Buyer has issued a promissory note secured by a deed of trust for that amount. Interest on the note is 5.265% and is computed quarterly. Repayment of the note is through quarterly installments of \$18,261.37. The note is due October 1, 2017. Additionally, the note is reduced each quarter by 80% of the sales tax, exceeding \$40,000, generated by the Buyer. This amount does not reduce the minimum quarterly payment but actually reduces the repayment period.

\$575,102

**Banning Redevelopment Agency  
Notes to Financial Statements (Continued)**

**Note 7: 1992 Tax Allocation Bonds Payable (Continued)**

The annual requirements to amortize the tax allocation bonds included in the General Long-Term Debt Account Group are as follows:

<b>Fiscal Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2003	\$ 205,000	\$ 161,500	\$ 366,500
2004	220,000	148,750	368,750
2005	235,000	134,983	369,983
2006	245,000	120,343	365,343
2007	265,000	104,788	369,788
Thereafter	<u>1,580,000</u>	<u>253,540</u>	<u>1,833,540</u>
	<u><u>\$ 2,750,000</u></u>	<u><u>\$ 923,904</u></u>	<u><u>\$ 3,673,904</u></u>

**Note 8: Certificates of Participation**

On February 21, 1997, the Agency issued \$6,810,000 in Refunding Certificates of Participation with an average interest rate of 4.9% to advance refund \$6,150,000 of outstanding 1990 Certificates of Participation with an average interest rate of 7.01%, the proceeds of which were used to construct the City administration building and certain capital improvements, and acquire related equipment. The net proceeds of \$6,431,045 (after payment of \$378,955 in issuance costs) plus an additional \$242,642 of 1990 Certificates sinking fund monies were used to purchase U.S. Government Securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1990 Certificates. As a result, the 1990 Certificates of Participation are considered to be defeased and the liability for those Certificates has been removed from the General Long-Term Debt Account Group.

The Agency advance refunded the 1990 Certificates to reduce its total debt service payments over the next 24 years by almost \$857,000 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$261,150.

The 1997 Certificates of Participation represent proportionate undivided interests of the registered owners thereof in lease payments to be made by the City to the Agency under a lease agreement. The City will lease certain real property and improvements located in the City to the Agency pursuant to a Site Lease dated as of March 1, 1997. The Agency will lease the leased property to the City pursuant to a Lease Agreement dated as of March 1, 1997 by and between the City and the Agency.

Pursuant to an Assignment Agreement dated as of March 1, 1997, between the Agency and the Trustee, the Agency will assign to the Trustee, for the benefit of the owners of the Certificates, all of its right, title and interest in and to the Site Lease and the Lease Agreement. Pursuant to the Trust Agreement, the Trustee is to distribute lease payments received from the City as principal and interest represented by the Certificates. A reserve fund is established in the amount of \$522,615 from the Certificate proceeds for the benefit of the City and as security for the Certificate owners. The long-term lease receivable has been recorded as deferred revenue in the Downtown Project Area Debt Service Fund.

**Banning Redevelopment Agency  
Notes to Financial Statements (Continued)**

**Note 11: Fund Equity**

**a. Reserved**

The following amounts have been reserved by the Agency, as they are not available spendable resources even though they are part of current assets:

Special Revenue Funds	
Combined Low and Moderate Housing Fund	
Low and Moderate Housing	\$ 482,948
Debt Service Funds	
Midway Project Area - Tax Increment Fund	
Long-Term Loan Receivable	575,102
Capital Projects Funds	
Downtown Project Area	
Grant Program	<u>10,000</u>
Total Reserved Fund Balance	<u>\$ 1,068,050</u>

**b. Unreserved - Designations**

The following amounts have been designated by the Agency:

Available for Debt Service:	
Debt Service Fund	
Downtown Project Area - Tax Increment Fund	\$ 1,221,395
Midway Project Area - Tax Increment Fund	<u>43,444</u>
Total Available for Debt Service	<u>\$ 1,264,839</u>
Available for Continuing Projects:	
Capital Projects Funds	
Downtown Project Area	\$ 510,624
Midway Project Area	<u>118,191</u>
Total Available for Continuing Projects	<u>\$ 628,815</u>
Total Unreserved - Designations	<u>\$ 1,893,654</u>

**c. Restatements**

Debt Service Funds	
Tax Increment Fund	\$ (61,158)

Adjustment related to sales tax forgiveness on loan receivable.

**Banning Redevelopment Agency  
Notes to Financial Statements (Continued)**

**Note 17: New Pronouncement**

In June 1999 the Governmental Accounting Standards Board adopted Statement No. 34. This statement provides for substantial changes in the financial reporting model. Significant areas of change are:

Governmental funds will be reported on the full accrual basis of accounting in the government-wide statements.

General governmental infrastructure, which was not reported in the past, will be presented as part of capital assets. All capital assets will be depreciated unless an allowed alternate method of reporting the maintenance and replacement costs is selected. The assets and related depreciation expense will be reported with governmental activities in the government-wide financial statements.

Management's discussion and analysis of the financial statements will be presented.

The statement of activities will show the net expense or revenue of the government's individual functions. Revenues, which relate to particular activities, will be grouped with those functions, arriving at a net expense or revenue for each function. General revenues will be reported after the net (expense)/revenue for the various functions.

The fund level statements will be reported on the modified accrual basis of accounting for governmental funds and the full accrual basis for proprietary funds. The statements will have a column for each major fund, with a single column for the aggregated totals of the nonmajor funds.

The implementation date for this pronouncement is based on the government's revenues for fiscal year 1998-99. The dates are as follows:

Entities with revenues of \$100,000,000 or more	Fiscal year 2001-2002
Entities with revenues from \$10,000,000 to \$99,999,999	Fiscal year 2002-2003
Entities with revenues less than \$10,000,000	Fiscal year 2003-2004

Schedule 1

Midway Project					
Debt Service		Capital Projects		TOTALS	
Tax Increment		Project		Debt Service Funds	Capital Projects Funds
					Special Revenue Funds
\$ 42,833		\$ 117,963		\$ 356,675 905,343	\$ 686,105
280		-		717	-
332		650		2,104	4,202
575,102		-		575,102	-
-		-		6,100,000	-
<b>\$ 618,547</b>		<b>\$ 118,613</b>		<b>\$ 7,939,941</b>	<b>\$ 690,307</b>
					<b>\$ 491,621</b>
\$ -		\$ 240		\$ -	\$ 4,837
-		-		45,256	-
-		-		6,100,000	-
-		182		-	1,399
-		-		-	469
-		422		6,100,000	51,492
					<b>8,673</b>
575,102		-		575,102	10,000
-		-		-	-
-		-		-	482,948
43,445		-		1,264,839	-
-		118,191		-	-
<b>618,547</b>		<b>118,191</b>		<b>1,839,941</b>	<b>638,815</b>
<b>\$ 618,547</b>		<b>\$ 118,613</b>		<b>\$ 7,939,941</b>	<b>\$ 690,307</b>
					<b>\$ 491,621</b>

Schedule 2

**Midway Project**

Debt Service		Capital Projects		TOTALS		
Tax Increment	Project	Debt Service Funds	Capital Projects Funds	Special Revenue Funds		
\$ 183,779	\$ -	\$ 884,191	\$ -	\$ -	\$ -	
1,114	2,469	49,376	25,692	14,706		
-	-	502,000	-	-	-	
-	487	-	3,910	1,447		
<u>184,893</u>	<u>2,956</u>	<u>1,435,567</u>	<u>29,602</u>	<u>16,153</u>		
-	13,549	-	121,202	44,486		
-	7,861	9,500	113,398	113,850		
-	-	-	36,365	-		
-	-	-	670	-		
-	-	14,063	-	-		
43,625	-	540,593	-	-		
<u>56,468</u>	<u>-</u>	<u>446,468</u>	<u>-</u>	<u>-</u>		
<u>100,093</u>	<u>21,410</u>	<u>1,010,624</u>	<u>271,635</u>	<u>158,336</u>		
84,800	(18,454)	424,943	(242,033)	(142,183)		
(112,392)	75,333	69,102	281,049	178,595		
(18,928)	-	(459,644)	-	(69,102)		
<u>33,541</u>	<u>-</u>	<u>(77,802)</u>	<u>-</u>	<u>-</u>		
<u>(97,779)</u>	<u>75,333</u>	<u>(434,803)</u>	<u>281,049</u>	<u>109,493</u>		
<u>\$ (12,979)</u>	<u>\$ 56,879</u>	<u>\$ (9,860)</u>	<u>\$ 39,016</u>	<u>\$ (32,690)</u>		
\$ 692,684	\$ 61,312	\$ 1,910,959	\$ 599,799	\$ 515,638		
(61,158)	-	(61,158)	-	-		
<u>631,526</u>	<u>61,312</u>	<u>1,849,801</u>	<u>599,799</u>	<u>515,638</u>		
<u>(12,979)</u>	<u>56,879</u>	<u>(9,860)</u>	<u>39,016</u>	<u>(32,690)</u>		
<u>\$ 618,547</u>	<u>\$ 118,191</u>	<u>\$ 1,839,941</u>	<u>\$ 638,815</u>	<u>\$ 482,948</u>		

**Schedule 3**

**Downtown**

Debt Service Funds			Capital Projects Funds		
Tax Increment		Variance Favorable (Unfavorable)	Project		Variance Favorable (Unfavorable)
Budget	Actual		Budget	Actual	
\$ 697,485	\$ 700,412	\$ 2,927	\$ -	\$ -	\$ -
46,000	48,262	2,262	12,000	23,223	11,223
502,000	502,000	-	-	-	-
			2,596	3,423	827
<u>1,245,485</u>	<u>1,250,674</u>	<u>5,189</u>	<u>14,596</u>	<u>26,646</u>	<u>12,050</u>
7,400	9,500	(2,100)	153,567	107,653	45,914
			124,975	105,537	19,438
-	-	-	138,866	36,365	102,501
-	-	-	1,000	670	330
15,532	14,063	1,469	-	-	-
496,968	496,968	-	-	-	-
390,000	390,000	-	-	-	-
<u>909,900</u>	<u>910,531</u>	<u>(631)</u>	<u>418,408</u>	<u>250,225</u>	<u>168,183</u>
<u>335,585</u>	<u>340,143</u>	<u>4,558</u>	<u>(403,812)</u>	<u>(223,579)</u>	<u>180,233</u>
69,102	69,102	-	205,716	205,716	-
(346,797)	(347,252)	(455)	-	-	-
(59,090)	(58,874)	216	-	-	-
		-	-	-	-
<u>(336,785)</u>	<u>(337,024)</u>	<u>(239)</u>	<u>205,716</u>	<u>205,716</u>	<u>-</u>
<u>\$ (1,200)</u>	<u>\$ 3,119</u>	<u>\$ 4,319</u>	<u>\$ (198,096)</u>	<u>\$ (17,863)</u>	<u>\$ 180,233</u>
\$ 1,218,275	\$ 1,218,275	\$ -	\$ 538,487	\$ 538,487	\$ -
		-	-	-	-
<u>1,218,275</u>	<u>1,218,275</u>	<u>-</u>	<u>538,487</u>	<u>538,487</u>	<u>-</u>
<u>(1,200)</u>	<u>3,119</u>	<u>4,319</u>	<u>(198,096)</u>	<u>(17,863)</u>	<u>180,233</u>
<u>\$ 1,217,075</u>	<u>\$ 1,221,394</u>	<u>\$ 4,319</u>	<u>\$ 340,391</u>	<u>\$ 520,624</u>	<u>\$ 180,233</u>

**Schedule 3  
(Continued)**

**T O T A L S**

Debt Service Funds			Capital Projects Funds			Special Revenue Funds		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 880,207	\$ 884,191	\$ 3,984	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
46,200	49,376	3,176	13,000	25,692	12,692	11,000	14,706	3,706
502,000	502,000	-	-	-	-	-	-	-
-	-	-	3,096	3,910	814	1,300	1,447	147
<u>1,428,407</u>	<u>1,435,567</u>	<u>7,160</u>	<u>16,096</u>	<u>29,602</u>	<u>13,506</u>	<u>12,300</u>	<u>16,153</u>	<u>3,853</u>
7,400	9,500	(2,100)	168,643	121,202	47,441	45,249	44,486	763
			152,830	113,398	39,432	314,965	113,850	201,115
-	-	-	138,866	36,365	102,501	-	-	-
-	-	-	1,000	670	330	-	-	-
15,532	14,063	1,469	-	-	-	-	-	-
540,193	540,593	(400)	-	-	-	-	-	-
471,548	446,468	25,080	-	-	-	-	-	-
<u>1,034,673</u>	<u>1,010,624</u>	<u>24,049</u>	<u>461,339</u>	<u>271,635</u>	<u>189,704</u>	<u>360,214</u>	<u>158,336</u>	<u>201,878</u>
393,734	424,943	31,209	(445,243)	(242,033)	203,210	(347,914)	(142,183)	205,731
69,102	69,102	-	281,049	281,049	-	178,008	178,595	587
(459,057)	(459,644)	(587)	-	-	-	(69,102)	(69,102)	-
(78,025)	(77,802)	223	-	-	-	-	-	-
73,046	33,541	(39,505)	-	-	-	-	-	-
<u>(394,934)</u>	<u>(434,803)</u>	<u>(39,869)</u>	<u>281,049</u>	<u>281,049</u>	<u>-</u>	<u>108,906</u>	<u>109,493</u>	<u>587</u>
<u>\$ (1,200)</u>	<u>\$ (9,860)</u>	<u>\$ (8,660)</u>	<u>\$ (164,194)</u>	<u>\$ 39,016</u>	<u>\$ 203,210</u>	<u>\$ (239,008)</u>	<u>\$ (32,690)</u>	<u>\$ 206,318</u>
\$ 1,910,959	\$ 1,910,959	\$ -	\$ 599,799	\$ 599,799	\$ -	\$ 515,638	\$ 515,638	\$ -
-	(61,158)	(61,158)	-	-	-	-	-	-
1,910,959	1,849,801	(61,158)	599,799	599,799	-	515,638	515,638	-
<u>(1,200)</u>	<u>(9,860)</u>	<u>(8,660)</u>	<u>(164,194)</u>	<u>39,016</u>	<u>203,210</u>	<u>(239,008)</u>	<u>(32,690)</u>	<u>206,318</u>
<u>\$ 1,909,759</u>	<u>\$ 1,839,941</u>	<u>\$ (69,818)</u>	<u>\$ 435,605</u>	<u>\$ 638,815</u>	<u>\$ 203,210</u>	<u>\$ 276,630</u>	<u>\$ 482,948</u>	<u>\$ 206,318</u>