

Downtown Development Authority Fund

The Downtown Development Authority Fund is a Capital Projects Fund, that is, it is used to account for the acquisition or construction of major capital facilities (other than those financed by enterprise funds). The Downtown Development Authority Fund accounts for revenues received from a 1.5 mill tax levy in the district, and donations from private sources, and accounts for the capital expenditures in the downtown area.

Revenues: Projected revenues for the Downtown Development Authority Fund (DDA Fund) are \$38,000,000, \$673 lower than the current year's estimated actual.

Property Taxes – Tax revenue is estimated at \$36,227, lower than the current year's budget and estimated actual of \$36,400, and is due to a lower DDA district taxable value.

Interest Earnings are budgeted at \$800, the same as the current year's budget, but \$300 less than the current year's estimated actual. While interest rates have increased, the average fund balance to invest is likely to be lower during the 2006-07 fiscal year.

Other Revenues - Contributions-Private Sources - are budgeted at \$1,000, the same as the current year's budget. Other revenues include donations and other miscellaneous monies received.

State Grants is budgeted at \$0, as no grants are expected to be received at this time.

Expenditures: Capital Improvements are budgeted at \$52,800, \$41,534 (369%) higher than the current year's estimated actual. Some of the projects proposed include implementation of the Anderson Economic Group's marketing analysis, trees, lights, and bricks for the downtown area. Other expenditures are budgeted at \$2,200 for education and training purposes and any tax refunds that need to be made.

Fund Balance: The estimated fund balance at the end of fiscal 2005-06 is \$29,300 and \$12,327 at the end of fiscal 2006-07, a decrease of \$16,973.

Future Fund Outlook: The DDA Board, though conservative in its spending during the current fiscal year, plans to be active with the use of its funds in promoting and beautifying the downtown area. The DDA board is selective in choosing which projects it will undertake for the downtown area as revenues become available. The DDA will cease to exist the same year as TIFA.

DOWNTOWN DEVELOPMENT AUTHORITY
Fiscal Year 2006-07 Budget
City of Iron Mountain

	F.Y. 2004-05 Actual	F.Y. 2005-06 Appr. Bud.	F.Y. 2005-06 Est. Actual	F.Y. 2006-07 Prop. Bud.	FY 2007-08 Proposed Budget
<u>Revenues</u>					
Property Taxes	36,184	36,400	36,400	36,227	37,000
Interest and Rents	704	800	1,100	800	800
Other Revenues	1,500	1,000	1,200	1,000	1,000
State Grants	<u>15,000</u>	0	0	0	0
Cont.-T.I.F.A.	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	53,385	38,200	38,700	38,027	38,800
<u>Expenditures</u>					
Capital Improvements	56,694	36,500	11,266	52,800	48,327
Other	<u>34,097</u>	<u>0</u>	<u>400</u>	<u>2,200</u>	<u>2,000</u>
Total Expenditures	90,791	36,500	11,666	55,000	50,327
<u>Fund Balance at Year End</u>					
Excess (Deficiency) of Revenues Over Expenses	(37,406)	1,700	27,034	(16,973)	(11,527)
Fund Balance-Prior Years	<u>39,672</u>	<u>2,266</u>	<u>2,266</u>	<u>29,300</u>	<u>12,327</u>
Fund Balance at Year End	<u>2,266</u>	<u>3,966</u>	<u>29,300</u>	<u>12,327</u>	<u>800</u>