

Downtown St. Louis Community Improvement District, Inc
Executive Summary
For the Month and Seven-Month Period Ended January 31, 2020

Statement of Activities and Changes in Net Assets

Revenues

Revenues for the one-month period ending January 31, 2020 totaled \$289K as compared to a budget of \$241K, reflecting a favorable variance of \$48K for the month. Revenues for the first seven months of FY2020 were \$2.1M, \$107K more than budgeted revenues of \$1.993M.

CID Assessments are received in advance of the services provided and recorded as “Deferred CID Revenue” on the Statement of Financial Position. CID Assessment Revenue is recognized as CID expenses are incurred, offset by Carryforward Usage, Fees and Interest. CID Assessment Revenue was higher than budget by \$53K for the month of January, and lower than budget by \$15K for the year-to-date period.

Carryforward Usage revenues are related to prior years’ CID assessments. For the month of December \$125K was incurred for 7th Street Streetscape project (\$100K) and LightMySTL (\$25K). Another \$13K was incurred earlier in the year for Laclede’s Landing projects. No additional amounts were incurred in January, resulting in an unfavorable variance of \$8K for the month. These December charges resulted in a favorable variance of \$81K year-to-date.

Payment in Lieu of CID was \$1K for the month of January, and \$9K year-to-date, representing an unfavorable variance to budget of \$2K and \$16K, respectively. The amount received through January 2020 funds received from St Louis Custom House regarding the Old Post Office. The budget mistakenly over budgeted the payments from the Old Post Office, therefore revenue is anticipated to be below budget for the remainder of the year.

Other Income, Net is \$500 for January, and \$53K year-to-date. This amount primarily represents income for work performed at 600 Washington.

Expenses

Total Expenses for January totaled \$288K and \$2.1 million for the year-to-date period as compared to budgeted expenses of \$241K and \$2 million, respectively. See below for detailed explanation of the expense categories.

Security expenses were \$63K and \$494K for the month and year-to-date January, respectively, representing an unfavorable variance of \$13K for the month, and a favorable variance of \$19K for the year, as compared to budget. In December, the CID contributed \$100K for the LightMySTL project. Of this amount, \$75K was allocated to the security budget. The security budget had anticipated this contribution, but later in the year. The year-to-date variance is due to lower than anticipated supplemental security with The City’s Finest, partially offset by the LightMySTL contribution. While supplemental security spending has been behind budget, there are higher costs anticipated for later in the year as the weather warms.

Maintenance expenses were \$20K higher than the budget of \$75K for the month of January. Year-to-date costs were \$10K lower than the budget of \$557K. The unfavorable variance for the month is due to costs associated with the SFP contract. The year-to-date positive variance is due deferral of costs associated with tree planting and SFP Landscaping contract until the Spring. Expenses are anticipated to be on budget for the year.

Economic Development expense of \$32K for the month of January is unfavorable to budget for the month by \$3K. This variance is primarily reflected from the addition of Economic Development staff. Alternatively, Economic Development expense of \$289K year-to-date was favorable to budget by \$4K for the year-to-date. The year to date variance primarily reflects the loss of staff earlier in the year that was budgeted to Economic Development.

Marketing and Special Events expenses were \$13K lower than the budgeted amount of \$68K in January. Year-to-date costs were \$4K lower than the budget of \$331K. The favorable variance for the month was due to the payment of \$25K for the Hockey All-Star game made in December rather than January as was budgeted.

Administrative expenses were \$24K for the month of January, which was \$6K higher than the budgeted amount of \$18K. Year-to-date January expenses were \$172K, which is \$37K higher than budgeted. Expenses year-to-date were mainly higher due to audit related costs, legal fees, and consulting expenses paid to the former Director of Economic Development.

CID 2022 expenses were \$19K for the month and \$100K year-to-date January, which represents spending for the new CID in 2022. This was not included in the budget, and funds are being used from the prior years' unused assessment revenue.

Opportunity fund expenses were \$400 for the month and \$139K year-to-date. The December spending relates to a contribution for the 7th Street Streetscape project (\$100K) and LightMySTL project (\$25K of the \$100K contribution noted above). The remaining costs incurred to date relate to Laclede Landing projects. There is \$25K in remaining unearmarked opportunity costs.

Change in Net Assets

Since CID activity is a breakeven even (revenue is recognized as expenses occur), the change in net assets for the month represents Non-CID activity of interest income and the three percent charge to Riverside/Laclede's Landing for the supplemental security agreement with the CID.

Statement of Financial Position

CID Assessment Receivable represents assessments not yet received by the City's Collector of Revenue office and therefore not distributed to the CID. The current balance is \$553K, primarily representing the assessments due the CID for calendar year 2020.

Deferred CID Assessment Revenue represents CID assessments assessed (includes money received and still receivable) but not yet recognized as revenue. The balance as of January 31, 2020 for all prior years' Deferred CID Assessment Revenue is \$.5M, with remaining Deferred CID Assessment for 2019 at \$.1M. Deferred CID Assessment Revenue for 2020 is \$3 M.

**Downtown St. Louis Community Improvement District
Statement of Financial Position**

	1/31/2020	6/30/2019
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 3,524,394.61	\$ 2,309,446.98
CID Assessment Receivable	552,813.66	256,425.46
Other Receivables	47,518.67	11,210.00
Prepaid Expense	5,134.60	5,691.89
Total Current Assets	4,129,861.54	2,582,774.33
Equipment, net	29,578.45	37,136.14
Total Assets	\$ 4,159,439.99	\$ 2,619,910.47
 Liabilities		
Accounts Payable	\$ 176,328.54	\$ 200,721.91
Due to Downtown STL, Inc.	155,389.26	25,303.48
Other Current Liabilities	23,502.44	3,175.00
Deferred CID Revenue - Prior Years	455,007.52	459,114.66
Deferred CID Revenue - 2019	93,369.96	1,780,577.27
Deferred CID Revenue - Current Year	3,071,096.16	-
Other Deferred Revenue	2,500.00	-
Total Current Liabilities	3,977,193.88	2,468,892.32
Other Long-Term Liabilities	685.00	550.00
 Net Assets		
Equity	150,468.15	148,837.02
Change in Net Assets	31,092.96	1,631.13
Total Net Assets	181,561.11	150,468.15
 Total Liabilities and Net Assets	\$ 4,159,439.99	\$ 2,619,910.47

These financial statements have not been subjected to an audit, review, or compilation engagement, and no assurance is provided on them. All Disclosures Required by GAAP Omitted.

Downtown St. Louis Community Improvement District, Inc.
Statement of Activities and Changes in Net Assets
For the Month Ended January 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Revenues:			
CID Assessment	\$ 281,152.28	\$ 228,581.74	\$ 52,570.54
Carryforward Usage	400.00	8,333.33	(7,933.33)
Payment in lieu of CID	1,250.00	3,494.08	(2,244.08)
Interest Income	5,313.74	625.00	4,688.74
Other, net	508.10	-	508.10
	<u>288,624.12</u>	<u>241,034.15</u>	<u>47,589.97</u>
Expenses:			
Security	63,001.96	50,489.93	(12,512.03)
Maintenance	95,179.86	74,914.86	(20,265.00)
Economic Development	31,725.65	29,070.71	(2,654.94)
Marketing and Special Events	54,663.59	67,941.62	13,278.03
Administrative	23,938.87	18,217.03	(5,721.84)
CID 2022	19,186.33	-	(19,186.33)
Opportunity Fund	400.00	400.00	-
	<u>288,096.26</u>	<u>241,034.15</u>	<u>(47,062.11)</u>
Change in Net Assets	527.86	0.00	527.86
Net Assets, Beginning of Period	181,033.25	161,156.02	19,877.23
	<u>181,033.25</u>	<u>161,156.02</u>	<u>19,877.23</u>
Net Assets, End of Period	<u>\$ 181,561.11</u>	<u>\$ 161,156.02</u>	<u>\$ 20,405.09</u>
CID Contracted Expenses with Downtown STL, Inc.			
Security Personnel	\$ 18,328.02	\$ 17,121.36	\$ (1,206.66)
Maintenance Personnel	57,059.63	11,068.18	(45,991.45)
Economic Development Personnel	30,643.75	18,654.05	(11,989.69)
Marketing and Special Events Personnel	12,621.86	13,311.63	689.77
Administration	53,256.36	12,617.03	(40,639.33)
	<u>\$ 171,909.61</u>	<u>\$ 72,772.25</u>	<u>\$ (99,137.36)</u>

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Downtown St. Louis Community Improvement District, Inc.
Statement of Activities and Changes in Net Assets
For the Seven Months Ending January 31, 2020

	<u>YTD January</u>	<u>YTD Budget</u>	<u>YTD Variance</u>	<u>Annual Budget</u>
Revenues:				
CID Assessment	\$ 1,890,734.09	\$ 1,905,660.26	\$ (14,926.17)	\$ 3,371,500.93
Carryforward Usage	139,274.50	58,333.33	80,941.17	100,000.00
Payment in lieu of CID	8,750.00	24,458.58	(15,708.58)	41,929.00
Interest Income	8,268.82	4,375.00	3,893.82	7,500.00
Other, net	<u>52,779.65</u>	<u>-</u>	<u>52,779.65</u>	<u>-</u>
Total Revenue	2,099,807.06	1,992,827.17	106,979.89	3,520,929.93
Expenses:				
Security	493,646.20	512,338.57	18,692.37	1,144,884.22
Maintenance	547,765.36	557,100.02	9,334.66	974,316.32
Economic Development	289,450.14	293,427.98	3,977.84	464,448.55
Marketing and Special Events	327,358.22	331,341.35	3,983.13	538,376.48
Administrative	172,098.23	134,619.22	(37,479.01)	226,904.36
CID 2022	99,121.45	-	(99,121.45)	-
Opportunity Fund	<u>139,274.50</u>	<u>164,000.00</u>	<u>24,725.50</u>	<u>172,000.00</u>
Total Expenses	<u>2,068,714.10</u>	<u>1,992,827.14</u>	<u>(75,886.96)</u>	<u>3,520,929.93</u>
Change in Net Assets	31,092.96	0.03	31,092.93	(0.00)
Net Assets, Beginning of Period	150,468.15	161,156.02	(10,687.87)	161,156.02
Net Assets, End of Period	<u>\$ 181,561.11</u>	<u>\$ 161,156.05</u>	<u>\$ 20,405.06</u>	<u>\$ 161,156.02</u>
CID Contracted Expenses with Downtown STL, Inc.				
Security Personnel	\$ 123,265.31	\$ 119,849.50	\$ (3,415.81)	\$ 205,456.29
Maintenance Personnel	362,828.35	77,477.29	(285,351.06)	132,818.22
Economic Development Personnel	134,232.65	130,578.36	(3,654.29)	223,848.62
Marketing and Special Events Personnel	90,483.62	93,181.39	2,697.77	159,739.53
Non-personnel Shared Expenses	<u>183,132.56</u>	<u>88,319.20</u>	<u>(94,813.36)</u>	<u>151,404.35</u>
	<u>\$ 893,942.49</u>	<u>\$ 509,405.75</u>	<u>\$ (384,536.74)</u>	<u>\$ 873,267.00</u>

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Downtown St. Louis Community Improvement District
Statement of Cash Flows
For the Month and Seven Months Ending January 31, 2020

	<u>For the Month Ending 1/31/2020</u>	<u>For the Seven Months Ending 1/31/2020</u>
Cash Flows from Operating Activities		
Change in Unrestricted Net Assets	\$ 527.86	\$ 31,092.96
Adjustments to reconcile the Change in Unrestricted Net Assets to Net Cash used by operations:		
Noncash charges and credits:		
Depreciation and Amortization	1,079.67	7,557.69
Change in Operating Assets:		
(Increase)/Decrease in Accounts Receivable	9,580.94	(36,308.67)
(Increase)/Decrease in CID Assessment Receivable	2,283,596.70	(296,388.20)
Decrease in Due to/from Community Improvement District	82,661.86	130,085.78
Decrease in Prepaid Expense	238.33	557.29
Change in Operating Liabilities:		
(Decrease) in Accounts Payable	(137,261.75)	(24,393.37)
Increase in Deferred Non-CID Assessment Revenue	2,500.00	2,500.00
Increase/(Decrease) in Deferred CID Assessment Revenue	(85,307.31)	1,379,781.71
Increase in Accrued Expenses	4,905.00	20,462.44
Total Net Cash used by operations	<u>2,162,521.30</u>	<u>1,214,947.63</u>
Cash at beginning of period	<u>1,361,873.31</u>	<u>2,309,446.98</u>
Cash at end of period	<u><u>\$ 3,524,394.61</u></u>	<u><u>\$ 3,524,394.61</u></u>

Downtown Community Improvement District, Inc
Analysis of Budgeted Expenses
For the Month Ended January 31, 2020
(in thousands)

Budgeted Expenses	\$ 241
2022 CID Expenses	19
Acceleration of Maintenance agreement Installment with SFP for supplies	20
Additional Unbudgeted Economic Development Salaries	12
Net Difference of marketing Agreement amounts budgeted vs expensed due to new Vendor	15
Special Event Marketing Budgeted in current month, but expensed earlier in the year	(25)
Other, net	6
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Actual Expenses	<u><u>\$ 288</u></u>

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Downtown Community Improvement District, Inc.
Analysis of Budgeted Expenses
For the Seven Months Ending January 31, 2020
(in thousands)

Budgeted Expenses	\$ 1,993
Acceleration of payment for LightMySTL contribution that was budgeted for later in the year	100
Acceleration of payment for 7th Street Streetscape contribution that was budgeted for later in the year	100
CID 2022 costs	99
Lower supplemental security deferred until later in the year	(116)
Lower maintenance costs due to deferral of tree planting and costs associated with SFP contract until Spring	(10)
Deferred unearmarked opportunity costs	(25)
Other, net	(72)
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Actual Expenses	\$ <u>2,069</u>