

Downtown St. Louis Community Improvement District, Inc
Executive Summary
For the One Month Period Ended July 31, 2020

Statement of Activities and Changes in Net Assets

Revenues

Revenues for the one-month period ending July 31, 2020 totaled \$364K as compared to a budget of \$446K, reflecting an unfavorable variance of \$83K for the month.

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 lower than budget by \$77K for the month of July.

Carryforward Usage revenues are related to prior years’ CID assessments and is recognized when CID expenses unrelated to FY2021 are incurred. \$63K was incurred in July, which is \$8k lower than budget. The Carryforward Usage revenue is related to CID FY2022 projects.

Payment in Lieu of CID was \$1K for the month of July, which agrees to the budget. The amount received for July relates to funds received from St Louis Custom House regarding the Old Post Office.

Interest for the month was \$2K; which results in a \$1K favorable variance for July. This interest income is made up of interest received by Bank of America and on past due assessment received from the City.

Other Income, Net is \$600 for July. This amount primarily represents income from administrative fees related to managing the security agreement between the CID and Laclede Landing and Riverside CIDs.

Expenses

Total Expenses for July totaled \$363K, as compared to budgeted expenses of \$464K. See below for detailed explanation of the expense categories.

Security expenses were \$183K for July, as compared to budgeted amounts of \$238K, which represents a favorable July variance of \$56K. This is mainly due to the deferral of a \$25K contribution to LightMySTL, which was budgeted for July, but expected to be donated later in the year. The month’s variance is also due to lower than anticipated supplemental security with The City’s Finest due to reimbursed costs, lower than budgeted costs incurred by the Laclede Landing Community Improvement District for security expenses, and unused funds budgeted for the Police Agreement, expected to be used later in the year.

Maintenance expenses were \$11K higher than the budget of \$81K for the month of July. The unfavorable variance for the month is due to higher costs associated with SFP related to the purchase of landscaping materials, partially offset by lower than budgeted costs incurred by the Laclede Landing Community Improvement District for maintenance expenses in July.

Economic Development expense of \$23K for the month of July is favorable to budget for the month by \$14K. This variance is due to unused funds budgeted for resident recruitment and retention expenses, lower than budgeted costs related to the Kindness Meal Program, and lower than budgeted costs incurred by the to Laclede Landing Community Improvement District for economic development expenses in July.

Marketing and Special Events expenses were \$15K lower than the budgeted amount of \$47K in July. The favorable variance is attributed to lower than budgeted costs associated with the marketing agreement, the

cancelation of Special Events due to COVID 19, unused funds budgeted for Paid Media Expenses, and lower than budgeted costs incurred by the Laclede Landing Community Improvement District for marketing and special events expenses in July.

Administrative expenses were \$19K for the month of July, which was \$1K lower than the budgeted amount of \$20K. The favorable variance is due to lower than anticipated accounting fees, partially offset by higher than budgeted legal fees.

CID 2022 expenses were \$13K for the month, which is \$8K lower than the budgeted amount of \$21K. These expenses represent spending for the new CID in 2022. Funds are being used from the prior years' unused assessment revenue.

There were no opportunity fund expenses for the month, representing a \$2K favorable variance to budget for July. This variance is due to lower than budgeted costs incurred by the Laclede Landing Community Improvement District related to opportunity fund expenses in July.

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 and year represent 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 \$367K, 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 July 31, 2020 for all prior years' Deferred CID Assessment Revenue is \$404K, with remaining Deferred CID Assessment for 2020 at \$1.357 M.

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

	7/31/2020	6/30/2020
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 1,727,863	\$ 1,992,187
CID Assessment Receivable	366,823	364,462
Other Receivables	50,371	29,726
Prepaid Expense	8,417	2,112
Total Current Assets	2,153,474	2,388,487
Long-term Assets		
Equipment, net	23,100	24,180
Other Assets - Security Deposits	3,308	3,308
Total Long-term Assets	26,408	27,488
Total Assets	\$ 2,179,882	\$ 2,415,975
 Liabilities		
Accounts Payable	\$ 80,028	\$ 87,780
Due to Downtown STL, Inc.	160,051	33,978
Other Current Liabilities	17,360	22,360
Deferred CID Revenue - Prior Years	404,443	467,772
Deferred CID Revenue - Current Year	1,356,716	1,645,919
Other Deferred Revenue	2,500	-
Total Current Liabilities	2,021,098	2,257,809
Other Long-Term Liabilities	715	710
Net Assets		
Unrestricted Net Assets	158,069	157,456
Total Net Assets	158,069	157,456
Total Liabilities and Net Assets	\$ 2,179,882	\$ 2,415,975

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 July 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Revenues:			
CID Assessment	\$ 296,615	\$ 373,529	\$ (76,914)
Carryforward Usage	63,349	71,000	(7,651)
Payment in lieu of CID	1,250	1,250	-
Interest Income	1,771	625	1,146
Other, net	601	-	601
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Total Revenue	363,586	446,404	(82,818)
Expenses:			
Security	182,646	238,313	55,667
Maintenance	91,910	80,739	(11,171)
Economic Development	23,295	37,006	13,711
Marketing and Special Events	32,469	47,213	14,744
Administrative	19,304	20,233	929
CID 2022	13,349	21,000	7,651
Opportunity Fund	-	1,900	1,900
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Total Expenses	362,973	446,404	83,431
Change in Net Assets	613	-	613
Net Assets, Beginning of Period	157,456	157,456	-
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Net Assets, End of Period	<u>\$ 158,069</u>	<u>\$ 157,456</u>	<u>\$ 613</u>
 CID Contracted Expenses with Downtown STL, Inc.			
Security Personnel	\$ 15,410	\$ 54,410	\$ 39,000
Economic Development Personnel	18,176	19,323	1,147
Maintenance Personnel	49,832	9,984	(39,848)
Image & Comm Personnel	8,247	7,365	(882)
Special Events Personnel	3,211	4,514	1,303
Non-personnel Shared Expenses	40,916	12,900	(28,016)
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Total Contracted Expenses	<u>\$ 135,792</u>	<u>\$ 108,496</u>	<u>\$ (27,296)</u>

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

	<u>YTD July</u>	<u>YTD Budget</u>	<u>YTD Variance</u>	<u>Annual Budget</u>
Revenues:				
CID Assessment	\$ 296,615	\$ 373,529	\$ (76,914)	\$ 3,349,178
Carryforward Usage	63,349	71,000	(7,651)	326,000
Payment in lieu of CID	1,250	1,250	-	15,000
Interest Income	1,771	625	1,146	7,500
Other, net	601	-	601	-
Total Revenue	363,586	446,404	(82,818)	3,697,678
Expenses:				
Security	182,646	238,313	55,667	1,141,352
Maintenance	91,910	80,739	(11,171)	962,922
Economic Development	23,295	37,006	13,711	479,473
Marketing and Special Events	32,469	47,213	14,744	555,631
Administrative	19,304	20,233	929	260,300
CID 2022	13,349	21,000	7,651	126,000
Opportunity Fund	-	1,900	1,900	172,000
Total Expenses	362,973	446,404	83,431	3,697,678
Change in Net Assets	613	-	613	-
Net Assets, Beginning of Period	157,456	157,456	-	157,456
Net Assets, End of Period	<u>\$ 158,069</u>	<u>\$ 157,456</u>	<u>\$ 613</u>	<u>\$ 157,456</u>
CID Contracted Expenses with Downtown STL, Inc.				
Security Personnel	\$ 15,410	\$ 54,410	\$ 39,000	\$ 326,457
Economic Development Personnel	18,176	19,323	1,148	115,936
Maintenance Personnel	49,832	9,984	(39,848)	59,906
Image & Comm Personnel	8,247	7,365	(882)	44,192
Special Events Personnel	3,211	4,514	1,303	27,085
Non-personnel Shared Expenses	40,916	12,900	(28,016)	77,400
Total Contracted Expenses	<u>\$ 135,792</u>	<u>\$ 108,496</u>	<u>\$ (27,297)</u>	<u>\$ 650,976</u>

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Downtown St. Louis Community Improvement District
Statement of Cash Flows
For the One Month Ending July 31, 2020

	For the One Month Ending 7/31/2020
Cash Flows from Operating Activities	
Change in Unrestricted Net Assets	\$ 613
Adjustments to reconcile the Change in Unrestricted Net Assets to Net Cash used by operations:	
Noncash charges and credits:	
Depreciation and Amortization	1,080
Change in Operating Assets:	
Increase in Accounts Receivable	(20,645)
Increase in CID Assessment Receivable	(2,361)
Decrease in Due to/from Community Improvement District	126,072
Decrease in Prepaid Expense	(6,304)
Change in Operating Liabilities:	
Decrease in Accounts Payable	(7,752)
Increase in Deferred Non-CID Assessment Revenue	2,500
Decrease in Deferred CID Assessment Revenue	(352,531)
Increase in Accrued Expenses	(4,995)
Total Net Cash used by operations	(264,323)
Cash at beginning of period	1,992,186
Cash at end of period	\$ 1,727,863

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

Budgeted Expenses	\$ 446
Deferral of LightMySTL donation budgeted in July, but expected to be used later in the year	(25)
Lower Laclede Landing Expenses than budgeted for the month	(25)
Lower Supplemental Security expense than budgeted	(21)
Lower CID 2022 costs than budgeted for the month	(8)
Unused Economic Development funds budgeted for Resident Recruitment & Retention expenses	(5)
Lower Marketing expenses than budgeted for the month, related to agreement with Fleishman Hillard	(5)
Lower Special Events costs as a result of event cancelations due to COVID 19	(3)
Unused funds budgeted for Paid Media expenses	(3)
Unused funds budgeted for Police Agreement expenses, expected to be used later in the year	(2)
Lower Economic Development costs related to the Kindness Meal Program than budgeted	(2)
Lower Accounting Fees than budgeted for the month	(1)
Higher Legal Fees than budgeted for the month	1
Higher SFP Landscaping fees than budgeted, related to landscaping materials	20
Other, net	(4)
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Actual Expenses	<u><u>\$ 363</u></u>

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