

**Downtown St. Louis Community Improvement District, Inc**  
**Executive Summary**  
**For the Two Month Period Ended August 31, 2020**

**Statement of Activities and Changes in Net Assets**

***Revenues***

Revenues for the one-month period ending August 31, 2020 totaled \$274K as compared to a budget of \$368K, reflecting an unfavorable variance of \$93K for the month. Revenues for the FYTD 2021 were \$638K, \$176K less than budgeted revenues of \$814K.

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 \$92K for the month of August and \$169K for the FYTD 2021.

Carryforward Usage revenues are related to prior years’ CID assessments and is recognized when CID expenses unrelated to FY2021 are incurred. \$14K was incurred in August, which is \$7k lower than budget; while FYTD 2021 carryforward usage totaled \$77K, which is \$15K lower than budgeted amounts of \$92K. The Carryforward Usage revenue is related to CID FY2022 projects.

Payment in Lieu of CID was \$1K for the month of August, and \$2.5K year-to-date, both of which agree to the budget. These amounts received relate to funds received from St Louis Custom House regarding the Old Post Office.

Interest for the month and year was \$6K and \$7K; which results in a \$5K favorable variance for August and a \$6K variance for the year to date. 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 August, and \$1K for the year to date. 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 August totaled \$274K and \$637K for the year-to-date, as compared to budgeted expenses of \$368K and \$814K, respectively. See below for detailed explanation of the expense categories.

Security expenses were \$56K for August, as compared to budgeted amounts of \$108K, which represents a favorable August variance of \$52K. This is mainly due to the deferral of \$25K contingency budgeted for security expenses in August, which are expected to be used 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 general security projects, expected to be used later in the year. Additionally, the FYTD 2021 expenses of \$239K were \$108K under the budgeted expenses of \$347K. The year-to-date variance can be attributed to the deferral of \$50K contingency budgeted for security expenses that are expected to be used later in the year. The year-to-date’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 and general security projects, expected to be used later in the year.

Maintenance expenses were \$9K lower than the budget of \$82K for the month of August, while year-to-date costs were \$2K higher than the budget of \$163K. The favorable variance for the month is due to lower than budgeted personnel costs associated with the Clean Team, lower than budgeted costs incurred by the Laclede Landing Community Improvement District for maintenance expenses and unused funds budgeted for maintenance supplies, expected to be used later in the year; partially offset by higher than budgeted SFP expenses related to the replacement of pots. While the year-to-date's unfavorable variance is due to higher costs associated with SFP related to replacement pots and landscaping materials, partially offset by the aforementioned items from August.

Economic Development expense of \$72K for the month of August is favorable to budget for the month by \$10K. This variance is due to lower than budgeted costs related to the Kindness Meal Program and lower than budgeted costs incurred by the Laclede Landing Community Improvement District for economic development expenses in August. Additionally, Economic Development expense of \$95K year-to-date was favorable to budget by \$24K. In addition to the aforementioned items for the month, the year to date favorable variance is also attributed to unused funds budgeted for resident recruitment and retention expenses.

Marketing and Special Events expenses were \$9K lower than the budgeted amount of \$47K in August. While FYTD 2021 costs were \$24K lower than the budget of \$94K. The favorable August and FYTD 2021 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.

Administrative expenses were \$20K for the month of August, which was \$3K lower than the budgeted amount. The year to date expenses were \$40K, which is \$4K lower than budgeted. The favorable variance for the month and year to date is due to lower than anticipated audit and accounting fees, partially offset by higher than budgeted legal fees.

CID 2022 expenses were \$14K for the month and \$27K for the year to date, which is \$7K and \$15K lower than budget, respectively. 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 or year to date, representing a \$4K and \$6K favorable variance to budget for the month and year to date, respectively. This variance is due to lower than budgeted costs incurred by the Laclede Landing Community Improvement District related to opportunity fund expenses.

### **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 \$336K, 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 August 31, 2020 for all prior years' Deferred CID Assessment Revenue is \$391K, with remaining Deferred CID Assessment for 2020 at \$1.104M.

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

	<b>8/31/2020</b>	<b>6/30/2020</b>
<b>Assets</b>		
Current Assets		
Cash and Cash Equivalents	\$ 1,449,019	\$ 1,992,187
CID Assessment Receivable	335,565	364,462
Other Receivables	72,335	29,726
Prepaid Expense	7,771	2,112
Total Current Assets	1,864,690	2,388,487
Long-term Assets		
Equipment, net	22,021	24,180
Other Assets - Security Deposits	3,308	3,308
Total Long-term Assets	25,329	27,488
<b>Total Assets</b>	<b>\$ 1,890,019</b>	<b>\$ 2,415,975</b>
<b>Liabilities</b>		
Accounts Payable	\$ 137,333	\$ 87,780
Due to Downtown STL, Inc.	76,666	33,978
Other Current Liabilities	20,760	22,360
Deferred CID Revenue - Prior Years	390,614	467,772
Deferred CID Revenue - Current Year	1,103,958	1,645,919
Other Deferred Revenue	1,250	-
<b>Total Current Liabilities</b>	1,730,581	2,257,809
<b>Other Long-Term Liabilities</b>	720	710
<b>Net Assets</b>		
Unrestricted Net Assets	158,718	157,456
<b>Total Net Assets</b>	158,718	157,456
<b>Total Liabilities and Net Assets</b>	<b>\$ 1,890,019</b>	<b>\$ 2,415,975</b>

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 August 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>Revenues:</b>			
CID Assessment	\$ 252,759	\$ 344,696	\$ (91,937)
Carryforward Usage	13,849	21,000	(7,151)
Payment in lieu of CID	1,250	1,250	-
Interest Income	5,695	625	5,070
Other, net	640	-	640
	<hr/>	<hr/>	<hr/>
Total Revenue	274,193	367,571	(93,378)
<b>Expenses:</b>			
Security	56,484	108,313	51,829
Maintenance	72,983	81,739	8,756
Economic Development	71,584	81,573	9,989
Marketing and Special Events	38,341	47,213	8,872
Administrative	20,303	23,733	3,430
CID 2022	13,849	21,000	7,151
Opportunity Fund	-	4,000	4,000
	<hr/>	<hr/>	<hr/>
Total Expenses	273,544	367,571	94,027
Change in Net Assets	649	-	649
Net Assets, Beginning of Period	158,069	157,456	-
	<hr/>	<hr/>	<hr/>
Net Assets, End of Period	<u>\$ 158,718</u>	<u>\$ 157,456</u>	<u>\$ 649</u>
 CID Contracted Expenses with Downtown STL, Inc.			
Security Personnel	\$ 15,583	\$ 16,327	\$ 744
Economic Development Personnel	18,409	19,323	914
Maintenance Personnel	40,505	48,067	7,562
Image & Comm Personnel	8,337	7,365	(972)
Special Events Personnel	3,219	4,514	1,295
Non-personnel Shared Expenses	46,640	12,900	(33,740)
	<hr/>	<hr/>	<hr/>
Total Contracted Expenses	<u>\$ 132,693</u>	<u>\$ 108,496</u>	<u>\$ (24,197)</u>

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 Two Months Ended August 31, 2020**

	<u>YTD August</u>	<u>YTD Budget</u>	<u>YTD Variance</u>	<u>Annual Budget</u>
<b>Revenues:</b>				
CID Assessment	\$ 549,374	\$ 718,226	\$ (168,852)	\$ 3,349,178
Carryforward Usage	77,198	92,000	(14,802)	326,000
Payment in lieu of CID	2,500	2,500	-	15,000
Interest Income	7,466	1,250	6,216	7,500
Other, net	1,241	-	1,241	-
<b>Total Revenue</b>	<b>637,779</b>	<b>813,976</b>	<b>(176,197)</b>	<b>3,697,678</b>
<b>Expenses:</b>				
Security	239,130	346,626	107,496	1,141,352
Maintenance	164,892	162,479	(2,413)	962,922
Economic Development	94,879	118,578	23,699	479,473
Marketing and Special Events	70,810	94,426	23,616	555,631
Administrative	39,607	43,967	4,360	260,300
CID 2022	27,199	42,000	14,801	126,000
Opportunity Fund	-	5,900	5,900	172,000
<b>Total Expenses</b>	<b>636,517</b>	<b>813,976</b>	<b>177,459</b>	<b>3,697,678</b>
Change in Net Assets	1,262	-	1,262	-
Net Assets, Beginning of Period	157,456	157,456	-	157,456
Net Assets, End of Period	<u>\$ 158,718</u>	<u>\$ 157,456</u>	<u>\$ 1,262</u>	<u>\$ 157,456</u>
CID Contracted Expenses with Downtown STL, Inc.				
Security Personnel	\$ 30,992	\$ 32,654	\$ 1,662	\$ 97,962
Economic Development Personnel	36,585	38,645	2,060	115,936
Maintenance Personnel	90,337	96,134	5,797	288,401
Image & Comm Personnel	16,585	14,731	(1,854)	44,192
Special Events Personnel	6,430	9,028	2,598	27,085
Non-personnel Shared Expenses	87,556	25,800	(61,756)	77,400
<b>Total Contracted Expenses</b>	<b>\$ 268,485</b>	<b>\$ 216,992</b>	<b>\$ (51,493)</b>	<b>\$ 650,976</b>

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**  
**Statement of Cash Flows**  
**For the Month and Two Months Ended August 31, 2020**

	<b>For the Month Ended 8/31/2020</b>	<b>For the Two Months Ended 8/31/2020</b>
Cash Flows from Operating Activities		
Change in Unrestricted Net Assets	\$ 649	\$ 1,262
Adjustments to reconcile the Change in Unrestricted Net Assets to Net Cash used by operations:		
Noncash charges and credits:		
Depreciation and Amortization	1,080	2,159
Change in Operating Assets:		
(Increase) in Accounts Receivable	(21,964)	(42,609)
Decrease in CID Assessment Receivable	31,258	28,897
(Increase) / Decrease in Due to/from Community Improvement District	(83,385)	42,688
Decrease / (Increase) in Prepaid Expense	646	(5,658)
Change in Operating Liabilities:		
Increase in Accounts Payable	57,305	49,553
(Decrease) / Increase in Deferred Non-CID Assessment Revenue	(1,250)	1,250
(Decrease) in Deferred CID Assessment Revenue	(266,588)	(619,120)
Increase / (Decrease) in Accrued Expenses	3,405	(1,590)
Total Net Cash (used) by operations	(278,844)	(543,168)
Cash at beginning of period	1,727,863	1,992,187
Cash at end of period	\$ 1,449,019	\$ 1,449,019

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

<b>Budgeted Expenses</b>	<b>\$ 368</b>
Lower Laclede Landing Expenses than budgeted for the month	(29)
Deferral of contingency budgeted for security expenses in August, expected to be used later in the year	(25)
Lower Supplemental Security expense than budgeted	(18)
Lower Personnel Costs for Clean Team than budgeted	(8)
Lower CID 2022 costs than budgeted for the month	(7)
Lower Economic Development costs related to the Kindness Meal Program than budgeted	(4)
Lower Audit Fees than budgeted for the month	(4)
Lower Special Events costs as a result of event cancelations due to COVID 19	(3)
Lower Marketing expenses than budgeted for the month	(2)
Unused funds budgeted for general security project expenses, expected to be used later in the year	(2)
Unused funds budgeted for Maintenance Supplies, expected to be used later in the year	(2)
Higher Legal Fees than budgeted for the month	1
Higher SFP Landscaping fees than budgeted, related to replacement pots	10
Other, net	(1)
	_____
<b>Actual Expenses</b>	<b><u><u>\$ 274</u></u></b>

**Downtown Community Improvement District, Inc**  
**Analysis of Budgeted Expenses**  
**For the Two Months Ended August 31, 2020**  
**(in thousands)**

<b>Budgeted Expenses</b>	<b>\$ 814</b>
Lower Laclede Landing Expenses than budgeted	(54)
Deferral of contingency budgeted for security expenses, expected to be used later in the year	(50)
Lower Supplemental Security expense than budgeted	(39)
Lower CID 2022 costs than budgeted	(15)
Lower Marketing expenses than budgeted	(10)
Lower Personnel Costs for Clean Team than budgeted	(8)
Lower Economic Development costs related to the Kindness Meal Program than budgeted	(6)
Lower Special Events costs as a result of event cancelations due to COVID 19	(6)
Unused Economic Development funds budgeted for Resident Recruitment & Retention expenses	(5)
Lower Audit Fees than budgeted, expected to be incurred later in the year	(4)
Unused funds budgeted for Police Agreement expenses, expected to be used later in the year	(2)
Unused funds budgeted for general security project expenses, expected to be used later in the year	(2)
Unused funds budgeted for Maintenance Supplies, expected to be used later in the year	(2)
Lower Accounting Fees than budgeted	(1)
Higher Legal Fees than budgeted	2
Higher SFP Landscaping fees than budgeted, related to landscaping materials & replacement pots	30
Other, net	(5)
 	<hr/>
<b>Actual Expenses</b>	<b><u><u>\$ 637</u></u></b>

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.