

**Downtown St. Louis Community Improvement District, Inc**  
**Executive Summary**  
**For the Month and Period Ended September 30, 2018**

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

***Revenues***

Revenues for the one-month period ending September 30, 2018 totaled \$280K compared to a budget of \$289K. Revenues for the first three months of FY2019 were \$984K, \$38K less than budgeted revenues of \$1.022M.

CID Assessments are received in advance of the service 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 \$14K for September while for the first three months of FY2019, assessment revenue was \$2K over budget.

Carryforward Usage revenues are related to prior years’ CID assessments not used in that year but have been earmarked for projects in the current fiscal year. Carryforward Usage of \$100K in legal fees for support of NLEC suit has been earmarked for this year in the Annual Budget. Year-to-date there has only been \$3K spent, resulting in a \$47K favorable variance to budget. The remaining budget is expected to be incurred yet this FY.

No amount was budgeted for FY 2019 for Payment in Lieu of CID. The amount received through September 30, 2018 represents \$3,750.

Interest Income for the first three months of FY 2019 was \$6K as compared to a budget of \$2K, a favorable variance of \$4K primarily due to the receipt of prior year assessment revenue with interest in September.

Other, net represents revenue from non-CID assessment revenue associated with Lunch Time Live. This amount is negative \$2K for September due to the write-off of a Lunch Time Live sponsorship that was determined to be uncollectible.

***Expenses***

Total Expenses for the one-month period ending September 30, 2018 totaled \$282K as compared to budgeted expenses of \$288K. Expenses for the first three months of FY2019 were \$985K, \$37K higher than budgeted expenses of \$1M.

Security expenses were \$97K and \$371 for the month and year-to-date September, respectively, representing an unfavorable variance of \$15K and \$72K compared to budget. These unfavorable variances are primarily due to higher than budgeted supplemental security costs partially offset by the capitalization of the purchase of equipment for the communication exchange network that was originally expensed in the budget.

Maintenance expenses were lower than budget by \$24K and \$97K for the month and year-to-date September primarily due to the capitalization of costs associated with the purchase of a new truck that was originally expensed in the budget, lower payroll due to the resignation of the Beautification Supervisor and lower clean team hours.

Economic Development expense was \$37K as compared to a budget of \$40K for the month of September, and \$170K as compared to a budget of \$173K for first three months of FY 2019.

Marketing and Special Events expenses are \$13K and \$24K higher than budget for September and the first three months of the fiscal year due to higher contracted marketing expenses with Elasticity.

Administrative expenses are higher due to higher than budgeted legal expenses related to general administrative legal needs.

The Opportunity Fund expense was \$17K for the first three months of the fiscal year, a favorable variance of \$43K which is primarily due to legal fees related to support of NLEC suit not being incurred yet (see Carryforward Usage revenue above).

### **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 discussed in "Other, net" above. For the month ending September 30, 2018, the change in net assets was (\$2K) as compared to budget of \$0. The Change in Net Assets for the first three months of FY2019 was (\$1K) as compared to budget of \$0.

### **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 \$71K, down \$64K from the prior month.

"Due to the Downtown STL, Inc." is the amount drawn by Downtown STL, Inc. short of that earned and is typically settled in the subsequent month.

"Deferred CID Assessment Revenue" represents CID assessments assessed (includes money received and still receivable) but not yet recognized as revenue. The balance as of September 30, 2018 of the 2018 deferred CID revenue is \$813K, down \$273K from the prior month. The balance as of September 30, 2018 for prior years' "Deferred CID Assessment Revenue" is \$437K, down \$2K from the prior month.

**Downtown St. Louis Community Improvement District, Inc.**  
**Statement of Activities and Changes in Net Assets**  
**For the Month Ended September 30, 2018**

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>Revenues:</b>			
CID Assessment	\$ 273,173.30	\$ 287,666.44	\$ (14,493.14)
Carryforward Usage	2,587.00	-	2,587.00
Payment in lieu of CID	1,250.00	-	1,250.00
Interest Income	5,253.08	625.00	4,628.08
Other, net	(2,000.00)	-	(2,000.00)
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Total Revenue	280,263.38	288,291.44	(8,028.06)
<b>Expenses:</b>			
Security	96,620.73	82,075.13	(14,545.60)
Maintenance	66,862.68	91,173.93	24,311.25
Economic Development	36,822.16	40,014.53	3,192.37
Marketing and Special Events	61,316.03	48,427.85	(12,888.18)
Administrative	18,054.78	22,600.00	4,545.22
Opportunity Fund	2,587.00	4,000.00	1,413.00
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Total Expenses	282,263.38	288,291.44	6,028.06
Change in Net Assets	(2,000.00)	-	(700,441.22)
Net Assets, Beginning of Period	152,481.02	161,156.02	(9,925.00)
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Net Assets, End of Period	<u>\$ 150,481.02</u>	<u>\$ 161,156.02</u>	<u>\$ (710,366.22)</u>
 CID Contacted Expenses with Downtown STL, Inc.			
Security Personnel	\$ 15,563.86	\$ 17,067.46	\$ 1,503.60
Maintenance Personnel	10,436.79	16,413.83	5,977.04
Economic Development Personnel	17,051.05	18,097.86	1,046.81
Marketing and Special Events Personnel	12,385.81	12,947.85	562.04
Administration	9,893.28	14,431.83	4,538.55
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	<u>\$ 65,330.79</u>	<u>\$ 78,958.83</u>	<u>\$ 13,628.04</u>

**Downtown St. Louis Community Improvement District, Inc.**  
**Statement of Activities and Changes in Net Assets**  
**For the Three Months Ending September 30, 2018**

	<u>YTD September</u>	<u>YTD Budget</u>	<u>YTD Variance</u>	<u>Annual Budget</u>
<b>Revenues:</b>				
CID Assessment	\$ 972,259.52	\$ 970,552.32	\$ 1,707.20	\$ 3,468,078.61
Carryforward Usage	3,192.00	50,000.00	(46,808.00)	100,000.00
Payment in lieu of CID	3,750.00	-	3,750.00	-
Interest Income	5,810.29	1,875.00	3,935.29	7,500.00
Other, net	(750.00)	-	(750.00)	-
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Total Revenue	984,261.81	1,022,427.32	(38,165.51)	3,575,578.61
<b>Expenses:</b>				
Security	370,530.51	298,745.39	(71,785.12)	1,150,737.54
Maintenance	210,435.35	307,421.79	96,986.44	1,019,055.48
Economic Development	169,875.92	173,476.59	3,600.67	528,774.34
Marketing and Special Events	148,464.71	124,283.56	(24,181.15)	473,511.24
Administrative	68,875.72	58,600.00	(10,275.72)	231,500.00
Opportunity Fund	16,829.60	59,900.00	43,070.40	172,000.00
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Total Expenses	985,011.81	1,022,427.32	37,415.51	3,575,578.61
Change in Net Assets	(750.00)	-	(750.00)	-
Net Assets, Beginning of Period	151,231.02	161,156.02	(9,925.00)	161,156.02
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Net Assets, End of Period	<u>\$ 150,481.02</u>	<u>\$ 161,156.02</u>	<u>\$ (10,675.00)</u>	<u>\$ 161,156.02</u>
 CID Contacted Expenses with Downtown STL, Inc.				
Security Personnel	\$ 49,016.15	\$ 51,202.39	\$ 2,186.24	\$ 204,809.54
Maintenance Personnel	43,199.98	49,241.48	6,041.50	196,965.91
Economic Development Personnel	52,805.54	54,293.59	1,488.05	217,174.34
Marketing and Special Events Personnel	38,741.97	38,843.56	101.59	155,374.24
Administration	44,969.19	43,295.49	(1,673.70)	173,181.96
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	<u>\$ 228,732.83</u>	<u>\$ 236,876.50</u>	<u>\$ 8,143.67</u>	<u>\$ 947,506.00</u>

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

	<b>9/30/2018</b>	<b>8/31/2018</b>	<b>6/30/2018</b>
<b>Assets</b>			
Current Assets			
Cash and Cash Equivalents	\$ 1,406,026.67	\$ 1,629,441.35	\$ 2,216,183.16
CID Assessment Receivable	70,980.06	135,153.29	136,641.05
Other Receivables	3,600.00	5,750.00	4,150.00
Due from Downtown STL, Inc.	-	-	95,776.65
Prepaid Expense	4,612.92	5,142.92	11,920.48
<b>Total Current Assets</b>	1,485,219.65	1,775,487.56	2,464,671.34
Equipment, net	96,056.27	77,305.67	73,289.29
<b>Total Assets</b>	\$ 1,581,275.92	\$ 1,852,793.23	\$ 2,537,960.63
<b>Liabilities</b>			
Accounts Payable	\$ 115,989.11	\$ 74,576.59	\$ 156,287.71
Due to Downtown STL, Inc.	38,931.57	63,296.40	-
Other Current Liabilities	26,147.84	30,438.54	-
Deferred CID Revenue - Prior Years	436,650.26	439,237.26	453,479.86
Deferred CID Revenue - Current Year	812,914.93	1,086,088.23	1,771,536.85
Other Deferred Revenue	106.19	1,356.19	106.19
<b>Total Current Liabilities</b>	1,430,739.90	1,694,993.21	2,381,410.61
<b>Other Long-Term Liabilities</b>	55.00	5,319.00	5,319.00
<b>Net Assets</b>			
Equity	151,231.02	151,231.02	148,530.16
Net Loss	(750.00)	1,250.00	2,700.86
<b>Total Net Assets</b>	150,481.02	152,481.02	151,231.02
<b>Total Liabilities and Net Assets</b>	\$ 1,581,275.92	\$ 1,852,793.23	\$ 2,537,960.63

**Downtown St. Louis Community Improvement District**  
**Statement of Cash Flows**  
**For the Three Months and Month Ending September 30, 2018**

	<b>For the Month Ended 9/30/18</b>	<b>For the Three Months Ending 9/30/18</b>
Cash Flows from Operating Activities		
Decrease in Unrestricted Net Assets	\$ (2,000.00)	\$ (750.00)
Adjustments to reconcile the Change in Unrestricted Net Assets to Net Cash used by operations:		
Noncash charges and credits:		
Depreciation and Amortization	802.40	6,027.02
Decrease in Operating Assets:		
Decrease in Accounts Receivable	2,150.00	550.00
Decrease in CID Assessment Receivable	64,173.23	65,660.99
Decrease/(Increase) in Due to/from Community Improvement District	(24,364.83)	134,708.22
Decrease in Prepaid Expense	530.00	7,307.56
Decrease in Operating Liabilities:		
Increase/(Decrease) in Accounts Payable	41,412.52	(40,298.60)
Increase/(Decrease) in Deferred Non-CID Assessment Revenue	(1,250.00)	-
Decrease in Deferred CID Assessment Revenue	(275,760.30)	(975,451.52)
Increase/(Decrease) in Accrued Expenses	(9,554.70)	20,883.84
Total Net Cash used by operations:	(203,861.68)	(781,362.49)
Cash Flows from Investing Activities		
Purchase of Furniture & Equipment	(19,553.00)	(28,794.00)
Total Net Cash used by Investing Activities	(19,553.00)	(28,794.00)
Net cash decrease for period	(223,414.68)	(810,156.49)
Cash at beginning of period	1,629,441.35	2,216,183.16
Cash at end of period	\$ 1,406,026.67	\$ 1,406,026.67

**Downtown Community Improvement District  
Analysis of Budgeted Expenses  
For the Month Ended September 30, 2018**

<b>Budgeted Expenses</b>	<b>\$ 288,291</b>
Higher than budgeted supplemental security	29,057
Higher than budgeted legal expenses related to general admin	6,054
Higher than budgeted Elasticity costs	2,687
Opportunity Fund expenses deferred to later months	(4,000)
Decrease maintenance payroll due to resignation of Beautification Supervisor	(5,977)
Deferral of contracted landscaping work to future months	(8,473)
Lower clean team hours	(11,938)
General Economic Development project (Martinez + Johnson) deferred to future months	(13,810)
Other, net	372
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<b>Actual Expenses</b>	<b><u><u>\$ 282,263</u></u></b>

**Downtown Community Improvement District  
Analysis of Budgeted Expenses  
For the Three Months Ending September 30, 2018**

<b>Budgeted Expenses</b>	<b>\$ 1,022,427</b>
Higher supplemental security costs	114,667
Higher general project expenses related to unbudgeted Trailnet - Tucker Blvd Project (\$10K) & Garment District expenses (\$3K)	13,715
Higher Elasticity costs than budgeted	12,723
Higher rent costs due to budgeting move to new space at beginning of FY	10,100
Higher than budgeted legal expenses related to general admin	9,298
Lower expenses associated with Police Agreement	(4,343)
Decrease maintenance payroll due to resignation of Beautification Supervisor	(6,042)
Deferral of contracted landscaping work to future months	(24,220)
Lower clean team hours	(25,176)
Deferral of purchase of truck to future month	(26,000)
Purchase of new communication system capitalized rather than expensed as was budgeted	(30,000)
LLCID budgeted expenses not submitted in July or August	(37,039)
Lower Opportunity Fund Expenses: Legal expenses not yet incurred	(46,382)
Other, net	1,283
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<b>Actual Expenses</b>	<b><u><u>\$ 985,012</u></u></b>