

**Downtown St. Louis Community Improvement District, Inc**  
**Executive Summary**  
**For the Month and Period Ended October 31, 2018**

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

***Revenues***

Revenues for the one-month period ending October 31, 2018 totaled \$274K compared to a budget of \$265K. Revenues for the first four months of FY2019 were \$1.26M, \$30K less than budgeted revenues of \$1.29M.

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 greater than budget by \$6K for October while for the first four months of FY2019, assessment revenue was \$6K under 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 \$17K spent, resulting in a \$33K 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 October 31, 2018 represents \$5,000.

Interest Income for the first four months of FY 2019 was \$6K as compared to a budget of \$3K, a favorable variance of \$3K 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 \$1K for October for sponsorship of Lunch Time Live events.

***Expenses***

Total Expenses for the one-month period ending October 31, 2018 totaled \$272K as compared to budgeted expenses of \$265K. Expenses for the first four months of FY2019 were \$1.26M, \$31K lower than budgeted expenses of \$1.29M.

Security expenses were \$102K and \$472K for the month and year-to-date October, respectively, representing an unfavorable variance of \$24K and \$95K 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 are lower than budget by \$14K and \$111K for the month and year-to-date October 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 \$42K as compared to a budget of \$40K for the month of October, and \$212K as compared to a budget of \$213K for first four months of FY 2019.

Marketing and Special Events expenses are \$9K lower in October due to budgeted Laclede Landing CID expenses not submitted and \$15K higher than budget for the first four 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 four 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 October 31, 2018, the change in net assets was \$2K as compared to budget of \$0. The Change in Net Assets for the first four 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, the same as 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 October 31, 2018 of the 2018 deferred CID revenue is \$542K, down \$271K from the prior month. The balance as of October 31, 2018 for prior years' "Deferred CID Assessment Revenue" is \$437K, the same as the prior month.

**Downtown St. Louis Community Improvement District, Inc.**  
**Statement of Activities and Changes in Net Assets**  
**For the Month Ended October 31, 2018**

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>Revenues:</b>			
CID Assessment	\$ 270,569.09	\$ 264,793.44	\$ 5,775.65
Carryforward Usage	-	-	-
Payment in lieu of CID	1,250.00	-	1,250.00
Interest Income	17.31	625.00	(607.69)
Other, net	<u>2,075.80</u>	<u>-</u>	<u>2,075.80</u>
 Total Revenue	 273,912.20	 265,418.44	 8,493.76
<b>Expenses:</b>			
Security	101,680.82	78,075.13	(23,605.69)
Maintenance	63,369.83	77,100.93	13,731.10
Economic Development	41,812.11	39,514.53	(2,297.58)
Marketing and Special Events	41,032.05	49,827.85	8,795.80
Administrative	23,941.59	18,000.00	(5,941.59)
Opportunity Fund	<u>-</u>	<u>2,900.00</u>	<u>2,900.00</u>
 Total Expenses	 <u>271,836.40</u>	 <u>265,418.44</u>	 <u>(6,417.96)</u>
 Change in Net Assets	 2,075.80	 -	 (974,125.72)
 Net Assets, Beginning of Period	 150,481.02	 161,156.02	 (9,925.00)
 Net Assets, End of Period	 <u>\$ 152,556.82</u>	 <u>\$ 161,156.02</u>	 <u>\$ (984,050.72)</u>
 CID Contacted Expenses with Downtown STL, Inc.			
Security Personnel	\$ 17,235.81	\$ 17,067.46	\$ (168.35)
Maintenance Personnel	11,166.69	16,413.83	5,247.14
Economic Development Personnel	18,711.96	18,097.86	(614.10)
Marketing and Special Events Personnel	13,870.69	12,947.85	(922.84)
Administration	<u>10,391.59</u>	<u>14,431.83</u>	<u>4,040.24</u>
	 <u>\$ 71,376.74</u>	 <u>\$ 78,958.83</u>	 <u>\$ 7,582.09</u>

**Downtown St. Louis Community Improvement District, Inc.**  
**Statement of Activities and Changes in Net Assets**  
**For the Four Months Ending October 31, 2018**

	<u>YTD October</u>	<u>YTD Budget</u>	<u>YTD Variance</u>	<u>Annual Budget</u>
<b>Revenues:</b>				
CID Assessment	\$ 1,229,191.01	\$ 1,235,345.76	\$ (6,154.75)	\$ 3,468,078.61
Carryforward Usage	16,829.60	50,000.00	(33,170.40)	100,000.00
Payment in lieu of CID	5,000.00	-	5,000.00	-
Interest Income	5,827.60	2,500.00	3,327.60	7,500.00
Other, net	1,325.80	-	1,325.80	-
	<u>1,258,174.01</u>	<u>1,287,845.76</u>	<u>(29,671.75)</u>	<u>3,575,578.61</u>
<b>Expenses:</b>				
Security	472,211.33	376,820.51	(95,390.82)	1,150,737.54
Maintenance	273,805.18	384,522.71	110,717.53	1,019,055.48
Economic Development	211,688.03	212,991.11	1,303.08	528,774.34
Marketing and Special Events	189,496.76	174,111.41	(15,385.35)	473,511.24
Administrative	92,817.31	76,600.00	(16,217.31)	231,500.00
Opportunity Fund	16,829.60	62,800.00	45,970.40	172,000.00
	<u>1,256,848.21</u>	<u>1,287,845.76</u>	<u>30,997.55</u>	<u>3,575,578.61</u>
Change in Net Assets	1,325.80	-	1,325.80	-
Net Assets, Beginning of Period	151,231.02	161,156.02	(9,925.00)	161,156.02
	<u>151,231.02</u>	<u>161,156.02</u>	<u>(9,925.00)</u>	<u>161,156.02</u>
Net Assets, End of Period	<u>\$ 152,556.82</u>	<u>\$ 161,156.02</u>	<u>\$ (8,599.20)</u>	<u>\$ 161,156.02</u>
 CID Contacted Expenses with Downtown STL, Inc.				
Security Personnel	\$ 66,251.96	\$ 51,202.39	\$ (15,049.57)	\$ 204,809.54
Maintenance Personnel	54,366.67	49,241.48	(5,125.19)	196,965.91
Economic Development Personnel	71,517.50	54,293.59	(17,223.91)	217,174.34
Marketing and Special Events Personnel	52,612.66	38,843.56	(13,769.10)	155,374.24
Administration	55,360.78	43,295.49	(12,065.29)	173,181.96
	<u>\$ 300,109.57</u>	<u>\$ 236,876.50</u>	<u>\$ (63,233.07)</u>	<u>\$ 947,506.00</u>

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

	<b>10/31/2018</b>	<b>9/30/2018</b>	<b>6/30/2018</b>
<b>Assets</b>			
Current Assets			
Cash and Cash Equivalents	\$ 1,075,669.71	\$ 1,406,026.67	\$ 2,216,183.16
CID Assessment Receivable	70,980.06	70,980.06	136,641.05
Other Receivables	8,327.40	3,600.00	4,150.00
Due from Downtown STL, Inc.	-	-	95,776.65
Prepaid Expense	4,082.92	4,612.92	11,920.48
Total Current Assets	1,159,060.09	1,485,219.65	2,464,671.34
Equipment, net	95,953.68	96,056.27	73,289.29
<b>Total Assets</b>	<b>\$ 1,255,013.77</b>	<b>\$ 1,581,275.92</b>	<b>\$ 2,537,960.63</b>
 <b>Liabilities</b>			
Accounts Payable	\$ 60,975.44	\$ 115,989.11	\$ 156,287.71
Due to Downtown STL, Inc.	7,698.70	38,931.57	-
Other Current Liabilities	48,873.92	26,147.84	-
Deferred CID Revenue - Prior Years	436,650.26	436,650.26	453,479.86
Deferred CID Revenue - Current Year	542,345.84	812,914.93	1,771,536.85
Other Deferred Revenue	5,857.79	106.19	106.19
<b>Total Current Liabilities</b>	1,102,401.95	1,430,739.90	2,381,410.61
<b>Other Long-Term Liabilities</b>	55.00	55.00	55.00
 <b>Net Assets</b>			
Equity	151,231.02	151,231.02	148,530.16
Net Loss	1,325.80	(750.00)	2,700.86
<b>Total Net Assets</b>	152,556.82	150,481.02	151,231.02
<b>Total Liabilities and Net Assets</b>	<b>\$ 1,255,013.77</b>	<b>\$ 1,581,275.92</b>	<b>\$ 2,532,696.63</b>

**Downtown St. Louis Community Improvement District**  
**Statement of Cash Flows**  
**For the Month and Four Months Ending October 31, 2018**

	<b>For the Month Ended 10/31/18</b>	<b>For the Four Months Ending 10/31/18</b>
Cash Flows from Operating Activities		
Increase in Unrestricted Net Assets	\$ 2,075.80	\$ 1,325.80
Adjustments to reconcile the Change in Unrestricted Net Assets to Net Cash used by operations:		
Noncash charges and credits:		
Depreciation and Amortization	1,157.59	7,184.61
Decrease in Operating Assets:		
Increase in Accounts Receivable	(4,727.40)	(4,177.40)
Decrease in CID Assessment Receivable	-	65,660.99
Decrease/(Increase) in Due to/from Community Improvement District	(31,232.87)	103,475.35
Decrease in Prepaid Expense	530.00	7,837.56
Decrease in Operating Liabilities:		
Decrease in Accounts Payable	(55,013.67)	(95,312.27)
Increase in Deferred Non-CID Assessment Revenue	5,751.60	5,751.60
Decrease in Deferred CID Assessment Revenue	(270,569.09)	(1,246,020.61)
Increase in Accrued Expenses	22,726.08	43,609.92
Total Net Cash used by operations:	(329,301.96)	(1,110,664.45)
Cash Flows from Investing Activities		
Purchase of Furniture & Equipment	(1,055.00)	(29,849.00)
Total Net Cash used by Investing Activities	(1,055.00)	(29,849.00)
Net cash decrease for period	(330,356.96)	(1,140,513.45)
Cash at beginning of period	1,406,026.67	2,216,183.16
Cash at end of period	\$ 1,075,669.71	\$ 1,075,669.71

**Downtown Community Improvement District  
Analysis of Budgeted Expenses  
For the Month Ended October 31, 2018**

<b>Budgeted Expenses</b>	<b>\$ 265,418</b>
Higher than budgeted supplemental security	21,163
Audit expenses budgeted in prior months but incurred in October	7,370
Higher than budgeted legal expenses related to general admin	4,075
Higher than budgeted Elasticity costs	3,500
Landscaping expenses budgeted in prior months but incurred in October	2,712
September rent expense paid in October	2,608
Opportunity Fund expenses deferred to later months	(2,900)
Decrease maintenance payroll due to resignation of Beautification Supervisor	(5,247)
Lower than budgeted Clean Team hours	(10,736)
LLCID budgeted expenses not submitted in October	(20,000)
Other, net	3,873
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<b>Actual Expenses</b>	<b><u>\$ 271,836</u></b>

**Downtown Community Improvement District  
Analysis of Budgeted Expenses  
For the Four Months Ending October 31, 2018**

<b>Budgeted Expenses</b>	<b>\$ 1,287,846</b>
Higher supplemental security costs	135,830
Higher Elasticity costs than budgeted	16,223
Higher general project expenses related to unbudgeted Trailnet - Tucker Blvd Project (\$10K) & Garment District expenses (\$3K)	13,715
Higher than budgeted legal expenses related to general admin	13,373
Higher rent costs due to budgeting move to new space at beginning of FY	10,100
Decrease maintenance payroll due to resignation of Beautification Supervisor	(11,289)
Deferral of contracted landscaping work to future months	(21,508)
Purchase of new truck capitalized rather than expensed as was budgeted	(26,000)
Purchase of new communication system capitalized rather than expensed as was budgeted	(30,000)
Lower clean team hours	(35,352)
LLCID budgeted expenses not submitted in July or August	(47,503)
Lower Opportunity Fund Expenses: Legal expenses not yet incurred	(49,282)
Other, net	695
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<b>Actual Expenses</b>	<b><u><u>\$ 1,256,848</u></u></b>