

**Downtown St. Louis Community Improvement District, Inc**  
**Executive Summary**  
**For the Month and Period Ended May 31, 2019**

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

***Revenues***

Revenues for the one-month period ending May 31, 2019 totaled \$305.9K compared to a budget of \$292.8K. Revenues for the first eleven months of FY2019 were \$3.10M, \$7.1K less than budgeted revenues of \$3.11M.

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 higher than budget by \$12.2K for May while for the first eleven months of FY2019 assessment revenue was \$22.7K 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 \$77.2K spent, resulting in a \$22.8K 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 May 31, 2019 represents \$13.8K.

Interest Income for the first eleven months of FY 2019 was \$0.7K as compared to a budget of \$6.8K, an unfavorable variance of \$6.1K.

Other, net year-to-date of \$30.8K represents revenue from non-CID assessment revenue primarily reflecting reimbursement of work performed at 600 Washington.

***Expenses***

Total Expenses for the one-month period ending May 31, 2019 totaled \$305.9K as compared to budgeted expenses of \$292.8K. Expenses for the first eleven months of FY2019 were \$3.072M, \$38.6K lower than budgeted expenses of \$3.11M.

Security expenses were \$56.9K and \$884.3K for the month and year-to-date May, respectively, representing a favorable variance of \$65.6K for the month, but an unfavorable variance of \$18.7K year to date, as compared to budget. The year to date unfavorable variance is 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. It is anticipated that the security expenditures will be in line with budget for the fiscal year.

Maintenance expenses were higher than budget by \$3.3K for the month and lower than budget by \$133.3K year-to-date May. The year-to-date lower expenses are 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 of \$73.2K was \$47K higher than budget for the month of May, which is primarily due to a \$25K expenditure to St. Louis Fashion funds on behalf of Arch Grants and an additional

\$16.5K expenditure for architect fees. Year-to-date Economic Development expenses stand at \$535K, which is \$33K higher than budget.

Marketing and Special Events expenses are \$16.5K higher in May due to unbudgeted Laclede Landing CID marketing costs (these costs are being offset at LLCID by other favorable costs), as well as higher contracted marketing costs with Elasticity. Marketing costs for the first eleven months of the fiscal year are \$66.8K more than budget due primarily to higher contracted marketing expenses with Elasticity.

The Opportunity Fund expense was \$77.2K for the first eleven months of the fiscal year, a favorable variance of \$93K which is primarily due to legal fees related to support of NLEC suit not being incurred yet (see Carryforward Usage revenue above) as well as \$50K in economic development project not yet expended.

### **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" and "Interest Income" above. For the month and eleven months ending May 31, 2019, the change in net assets was \$21 and \$31.5K respectively, as compared to budget of \$0, representing interest income and the reimbursement of work performed at 600 Washington.

### **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 \$260K, primarily representing the assessments due the CID for calendar year 2019.

"Due to 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 May 31, 2019 for all prior years'

"Deferred CID Assessment Revenue" is \$459K. Deferred CID Assessment Revenue for 2019 is \$2.13 million.

**Downtown St. Louis Community Improvement District, Inc.**  
**Statement of Activities and Changes in Net Assets**  
**For the Month Ended May 31, 2019**

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>Revenues:</b>			
CID Assessment	\$ 304,363.71	\$ 292,133.11	\$ 12,230.60
Carryforward Usage	274.50	-	274.50
Payment in lieu of CID	1,250.00	-	1,250.00
Interest Income	21.17	625.00	(603.83)
Other, net	-	-	-
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Total Revenue	305,909.38	292,758.11	13,151.27
<b>Expenses:</b>			
Security	56,929.74	122,575.13	65,645.39
Maintenance	90,404.55	87,073.93	(3,330.62)
Economic Development	73,181.07	26,181.20	(46,999.87)
Marketing and Special Events	52,954.10	36,427.85	(16,526.25)
Administrative	32,144.25	18,600.00	(13,544.25)
Opportunity Fund	274.50	1,900.00	1,625.50
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Total Expenses	305,888.21	292,758.11	(13,130.10)
Change in Net Assets	21.17	-	21.17
Net Assets, Beginning of Period	180,307.84	161,156.02	19,151.82
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Net Assets, End of Period	<u>\$ 180,329.01</u>	<u>\$ 161,156.02</u>	<u>\$ 19,172.99</u>
 CID Contracted Expenses with Downtown STL, Inc.			
Security Personnel	\$ 17,855.70	\$ 17,067.46	\$ (788.24)
Maintenance Personnel	11,386.50	16,413.83	5,027.33
Economic Development Personnel	18,097.30	18,097.86	0.56
Marketing and Special Events Personnel	14,324.19	12,947.85	(1,376.34)
Administration	11,852.73	14,431.83	2,579.10
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	<u>\$ 73,516.42</u>	<u>\$ 78,958.83</u>	<u>\$ 5,442.41</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 Eleven Months Ending May 31, 2019**

	<u>YTD May</u>	<u>YTD Budget</u>	<u>YTD Variance</u>	<u>Annual Budget</u>
<b>Revenues:</b>				
CID Assessment	\$ 2,981,254.31	\$ 3,003,914.50	\$ (22,660.19)	\$ 3,468,078.61
Carryforward Usage	77,164.65	100,000.00	(22,835.35)	100,000.00
Payment in lieu of CID	13,750.00	-	13,750.00	-
Interest Income	722.61	6,875.00	(6,152.39)	7,500.00
Other, net	30,779.70	-	30,779.70	-
<b>Total Revenue</b>	<b>3,103,671.27</b>	<b>3,110,789.50</b>	<b>(7,118.23)</b>	<b>3,575,578.61</b>
<b>Expenses:</b>				
Security	884,389.15	865,642.42	(18,746.73)	1,150,737.54
Maintenance	792,201.80	925,537.55	133,335.75	1,019,055.48
Economic Development	534,998.67	501,926.15	(33,072.52)	528,774.34
Marketing and Special Events	500,918.48	434,083.39	(66,835.09)	473,511.24
Administrative	282,506.53	213,500.00	(69,006.53)	231,500.00
Opportunity Fund	77,164.65	170,100.00	92,935.35	172,000.00
<b>Total Expenses</b>	<b>3,072,179.28</b>	<b>3,110,789.50</b>	<b>38,610.22</b>	<b>3,575,578.61</b>
Change in Net Assets	31,491.99	-	31,491.99	-
Net Assets, Beginning of Period	148,837.02	161,156.02	(12,319.00)	161,156.02
<b>Net Assets, End of Period</b>	<b>\$ 180,329.01</b>	<b>\$ 161,156.02</b>	<b>\$ 19,172.99</b>	<b>\$ 161,156.02</b>
 CID Contracted Expenses with Downtown STL, Inc.				
Security Personnel	\$ 182,752.96	\$ 187,742.08	\$ 4,989.12	\$ 204,809.54
Maintenance Personnel	129,267.47	180,552.09	51,284.62	196,965.91
Economic Development Personnel	196,681.67	199,076.48	2,394.81	217,174.34
Marketing and Special Events Personnel	146,647.90	142,426.39	(4,221.51)	155,374.24
Non-personnel Shared Expenses	198,970.55	158,750.13	(40,220.42)	173,181.96
	<b>\$ 854,320.55</b>	<b>\$ 868,547.17</b>	<b>\$ 14,226.62</b>	<b>\$ 947,506.00</b>

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

	<u>5/31/2019</u>	<u>4/30/2019</u>	<u>6/30/2018</u>
<b>Assets</b>			
Current Assets			
Cash and Cash Equivalents	\$ 2,672,387.76	\$ 2,858,571.87	\$ 2,216,183.16
CID Assessment Receivable	260,346.32	268,452.46	136,641.05
Other Receivables	6,652.90	6,927.40	4,150.00
Due from Downtown STL, Inc.	-	-	93,383.00
Prepaid Expense	16,899.83	5,938.90	11,920.48
<b>Total Current Assets</b>	<u>2,956,286.81</u>	<u>3,139,890.63</u>	<u>2,462,277.69</u>
Equipment, net	88,176.01	89,302.15	73,289.29
<b>Total Assets</b>	<u>\$ 3,044,462.82</u>	<u>\$ 3,229,192.78</u>	<u>\$ 2,535,566.98</u>
<b>Liabilities</b>			
Accounts Payable	\$ 188,222.87	\$ 47,423.79	\$ 156,287.71
Due to Downtown STL, Inc.	77,830.86	66,895.85	-
Other Current Liabilities	-	28,374.32	5,319.00
Deferred CID Revenue - Prior Years	458,977.02	453,514.66	2,225,016.71
Deferred CID Revenue - Current Year	2,136,845.42	2,441,197.78	-
Other Deferred Revenue	1,762.64	3,419.09	104.00
<b>Total Current Liabilities</b>	<u>2,863,638.81</u>	<u>3,040,825.49</u>	<u>2,386,727.42</u>
<b>Other Long-Term Liabilities</b>	495.00	440.00	
<b>Net Assets</b>			
Equity	148,837.02	151,231.02	148,533.00
Net Gain	31,491.99	36,696.27	306.00
<b>Total Net Assets</b>	<u>180,329.01</u>	<u>187,927.29</u>	<u>148,839.00</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 3,044,462.82</u>	<u>\$ 3,229,192.78</u>	<u>\$ 2,535,566.42</u>

**Downtown St. Louis Community Improvement District**  
**Statement of Cash Flows**  
**For the Month and Eleven Months Ending May 31, 2019**

	<b>For the Month Ended 05/31/2019</b>	<b>For the Eleven Months Ending 05/31/2019</b>
Cash Flows from Operating Activities		
Increase/(Decrease) in Unrestricted Net Assets	\$ 21.17	\$ 31,491.99
Adjustments to reconcile the Change in Unrestricted Net Assets to Net Cash used by operations:		
Noncash charges and credits:		
Depreciation and Amortization	1,126.14	15,312.28
Change in Operating Assets:		
(Increase)/Decrease in Accounts Receivable	274.50	(2,502.90)
(Increase)/Decrease in CID Assessment Receivable	2,880.69	(123,705.27)
Decrease in Due to/from Community Improvement District	8,541.01	171,213.51
Decrease in Prepaid Expense	(10,960.93)	(4,979.35)
Change in Operating Liabilities:		
Increase in Accounts Payable	140,799.08	31,935.16
Increase/(Decrease) in Deferred Non-CID Assessment Revenue	(1,656.45)	1,656.45
Increase/(Decrease) in Deferred CID Assessment Revenue	(298,890.00)	370,805.73
(Decrease) in Accrued Expenses	(28,319.32)	(4,824.00)
Total Net Cash (used)/provided by operations:	(186,184.11)	486,403.60
Cash Flows from Investing Activities		
Purchase of Furniture & Equipment	-	(30,199.00)
Total Net Cash used by Investing Activities	-	(30,199.00)
Net cash increase for period	(186,184.11)	456,204.60
Cash at beginning of period	2,858,571.87	2,216,183.16
Cash at end of period	\$ 2,672,387.76	\$ 2,672,387.76

**Downtown Community Improvement District  
Analysis of Budgeted Expenses  
For the Month Ended May 31, 2019**

<b>Budgeted Expenses</b>	<b>\$ 292,758</b>
Not budgeted check written to St. Louis Fashion Fund for Arch Grants	25,000
Higher than budgeted Econ Dev projects due to Architect invoices and others	21,000
Non-admin LLCID budgeted expenses submitted	14,150
Higher than budgeted Marketing due to Elasticity and Gateway Arch Foundation expenses	6,800
Additional admin expenses not budgeted from LLCID and Lashly & Baer	4,400
Lower than budgeted supplemental security	(788)
Lower than budgeted CID shared admin expenses	(2,600)
Lower clean team salaries under budget	(3,560)
Consulting and miscellaneous security budgeted not incurred	(56,100)
Other, net	4,828
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<b>Actual Expenses</b>	<b><u><u>\$ 305,888</u></u></b>

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**Downtown Community Improvement District  
Analysis of Budgeted Expenses  
For the Eleven Months Ending May 31, 2019**

<b>Budgeted Expenses</b>	<b>\$ 3,110,790</b>
Higher supplemental security costs	147,146
Higher public relations expenses due to Elasticity and miscellaneous items	117,441
Higher than budgeted legal expenses related to admin, opportunity fund, and security	27,300
Higher accounting costs due to work associated with yearend audit	13,000
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)
Decrease in maintenance payroll due to resignation of Beautification Supervisor	(51,300)
Lower than budgeted security consulting and security miscellaneous	(81,751)
LLCID budgeted expenses not submitted	(85,800)
Lower Opportunity Fund Expenses: Legal expenses and economic project not yet incurred	(92,935)
Other, net	24,289
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<b>Actual Expenses</b>	<b><u><u>\$ 3,072,179</u></u></b>

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