

**REGIONAL CULTURAL AND PERFORMING  
ARTS DEVELOPMENT COMMISSION**

**FINANCIAL STATEMENTS**

**December 31, 2018 and 2017**

# **REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION**

## **TABLE OF CONTENTS**

---

	Page
<b>INDEPENDENT AUDITORS' REPORT</b>	3
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED</b>	5
<b>BASIC FINANCIAL STATEMENTS</b>	
Statements of Net Position – Proprietary Funds	10
Statements of Revenues, Expenses and Changes In Net Position – Proprietary Funds	12
Statements of Cash Flows – Proprietary Funds	14
Notes to Financial Statements	18
<b>SUPPLEMENTARY INFORMATION</b>	
Schedules of Grant Awards Approved	29
Schedules of Grant Awards Payable	30
Schedules of Expenses	31



## Independent Auditors' Report

Members of the Commission  
Regional Cultural and Performing Arts  
Development Commission

### Report on the Financial Statements

We have audited the accompanying financial statements of each major fund of Regional Cultural and Performing Arts Development Commission (the Commission), as of and for the years ended December 31, 2018 and 2017, which collectively comprise the Commission's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Regional Cultural and Performing Arts Development Commission as of December 31, 2018 and 2017, and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Regional Cultural and Performing Arts Development Commission's basic financial statements. The supplementary information presented on pages 29 through 32 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Brown Smith Wallace, LLP*

St. Louis, Missouri  
March 14, 2019

# **REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED**

---

Management's discussion and analysis of Regional Cultural and Performing Arts Development Commission's financial performance provides an overview of the Commission's financial activities for the years ended December 31, 2018 and 2017. The management's discussion and analysis should not be taken as a replacement for the financial statements, but should be read in conjunction with them to enhance understanding of the Commission's financial performance.

### **Financial Statements**

The Commission presents its annual financial statements in accordance with the effective pronouncements issued by the Governmental Accounting Standards Board (GASB), the authoritative body for establishing accounting principles generally accepted in the United States of America (GAAP) for state and local governments.

### **Financial Highlights**

- The Commission's revenue from the Hotel/Motel tax increased by 2% in 2018 and increased by 1% in 2017.
- Total operating revenues decreased by 12% in 2018 and increased by 16% in 2017.
- Cash and receivables decreased by 14% in 2018 and increased by 36% in 2017.
- Current liabilities decreased by 1% in 2018 and increased by 2% in 2017.
- Net position decreased by 14% in 2018 and increased by 50% in 2017.

### **Required Financial Statements**

The financial statements presented by the management of the Commission include Statements of Net Position – Proprietary Funds, Statements of Revenues, Expenses and Changes in Net Position – Proprietary Funds and Statements of Cash Flows – Proprietary Funds. The statements are prepared using the accrual basis of accounting. This method of accounting recognizes revenues at the time they are earned and expenses when the related liability is incurred.

The Statements of Net Position – Proprietary Funds summarize the financial position of the Commission as of December 31. These statements are a snapshot of the Commission's current and other assets as well as capital assets, long-term and other liabilities. These statements also show any restriction on the Commission's net position. The Statements of Revenues, Expenses and Changes in Net Position – Proprietary Funds summarize calendar year revenues and expenses. The Statements of Cash Flows – Proprietary Funds account for the net change in cash and cash equivalents resulting from operating activities, non-capital financing activities, capital and related financing activities and investment activities. These statements assist the user in determining the sources of cash coming into the Commission, the items for which cash was expended, and the beginning and ending cash balances.

# REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION

## MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED

Table 1  
Condensed Statements of Net Position  
December 31,

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Current assets	\$4,411,506	\$4,606,020	\$3,880,134
Noncurrent assets	<u>2,234,630</u>	<u>2,851,434</u>	<u>2,248,886</u>
Total assets	<u>\$6,646,136</u>	<u>\$7,457,454</u>	<u>\$6,129,020</u>
Current liabilities	\$2,315,598	\$2,340,871	\$2,304,015
Noncurrent liabilities	<u>581,600</u>	<u>756,704</u>	<u>923,300</u>
Total liabilities	2,897,198	3,097,575	3,227,315
Net position			
Net investment in capital assets	1,361,502	1,271,534	1,167,162
Restricted	222,523	920,693	-
Unrestricted	<u>2,164,913</u>	<u>2,167,652</u>	<u>1,734,543</u>
Total net position	<u>3,748,938</u>	<u>4,359,879</u>	<u>2,901,705</u>
Total liabilities and net position	<u>\$6,646,136</u>	<u>\$7,457,454</u>	<u>\$6,129,020</u>

The current assets decreased \$194,514 from 2017 to 2018, a decrease of 4%. This decrease is due to a decrease in cash and cash equivalents and current portion of contributions receivable, partially offset by a slight increase in hotel/motel sales tax receivable. Cash and cash equivalents decreased due to cash used in capital and related financing activities. The current assets increased \$725,886 from 2016 to 2017, an increase of 19%. The increase is primarily due to an increase in the amount of cash and cash equivalents and contributions receivable for the St. Louis Canvass Project.

Noncurrent assets decreased \$616,804 from 2017 to 2018, a decrease of 22%. This decrease is primarily due a partial write-off of the contribution receivable for the St. Louis Canvass Project. Noncurrent assets increased \$602,548 from 2016 to 2017, a increase of 27%. This increase is due to contributions receivable for the St. Louis Canvass Project.

Current liabilities decreased \$25,273 from 2017 to 2018, a decrease of 1%. This decrease is primarily due to a decrease in accounts payable and a slight decrease in grants payable partially offset by an increase in compensation and payroll taxes payable. Accounts payable decreased due to a decrease in construction and consulting contracts payable. Compensation and payroll taxes payable increased due to the addition of new positions, a change in the payroll cycle, and employees carrying larger balances of paid time off (PTO). The increase in current liabilities from 2016 to 2017 of \$36,856, an increase of 2%, is due to the increase in accounts payable from construction and consulting contracts.

# REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION

## MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED

Noncurrent liabilities decreased \$175,104 from 2017 to 2018, reflecting a decrease of 23%. A decrease of 18% is shown from 2016 to 2017 in the amount of \$166,596. These decreases represent the annual principal payment on the bonds in 2017 and 2018.

Table 2  
Condensed Statements of Revenues, Expenses and Changes in Net Position  
Year ended December 31,

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Operating revenue			
Hotel/motel tax revenue	\$ 6,497,014	\$ 6,389,553	\$ 6,340,934
Contributions and other revenue	219,273	1,217,853	213,274
	<u>6,716,287</u>	<u>7,607,406</u>	<u>6,554,208</u>
Operating expenses			
Grants	4,273,778	3,997,283	4,197,411
Cultural tourism and marketing	225,921	247,790	408,027
Cultural resource center	456,238	504,116	500,935
CAT institute	98,899	181,183	265,344
Fiscal sponsorship	-	18,639	14,706
General public art	100,200	10,609	-
Downtown StL public art initiative	28,439	-	-
Organization & artist capacity initiative	125,400	-	-
Planning initiative	222,400	-	-
Gyo Obata Fellowship	24,897	-	-
St. Louis Canvass Project	783,123	-	-
Other special projects	-	438,778	60,678
Administrative expenses	973,564	842,956	799,030
	<u>7,312,859</u>	<u>6,241,354</u>	<u>6,246,131</u>
Operating income (loss)	(596,572)	1,366,052	308,077
Nonoperating revenue (expenses)	<u>(14,369)</u>	<u>92,122</u>	<u>(18,992)</u>
CHANGE IN NET POSITION	(610,941)	1,458,174	289,085
Net position at beginning of year	<u>4,359,879</u>	<u>2,901,705</u>	<u>2,612,620</u>
Net position at end of year	<u>\$ 3,748,938</u>	<u>\$ 4,359,879</u>	<u>\$ 2,901,705</u>

# REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION

## MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED

---

The 2018 operating revenues decreased from 2017 by \$891,119 or 12%. This decrease is due to a contribution in 2017 for the St. Louis Canvass Project. The 2017 operating revenues increased from 2016 by \$1,053,198, or 16%. This increase is primarily due to a contribution for the St. Louis Canvass Project.

The 2018 operating expenses increased from 2017 by \$1,071,505 or 17%, due to a \$500,000 write-off of a contribution receivable intended for the St. Louis Canvass Project, an increase in grants of \$276,495, and the creation of several new programs. This increase in expenses was part of a strategic plan to decrease unrestricted net assets to 10% to 25% of operating expenses over the next few years. The 2017 operating expenses decreased from 2016 by \$4,777 primarily due to the decrease in grants expense, partially offset by an increase in professional fees.

### Capital Assets and Long-Term Debt

#### Capital Assets

The Commission's investment in capital assets includes land, a building and building improvements, furniture and fixtures, and digital media. As of December 31, 2018, the Commission had approximately \$2.1 million invested in capital assets, net of depreciation, as shown in the following table:

Table 3  
Capital Assets (net of depreciation)  
December 31,

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Land	\$ 135,214	\$ 135,214	\$ 135,214
Construction in progress	-	85,030	-
Building	1,762,105	1,833,520	1,904,940
Building improvements	162,037	52,514	60,647
Furniture and fixtures	34,897	7,118	9,162
Digital media	<u>23,953</u>	<u>81,438</u>	<u>138,923</u>
Capital assets, net	<u>\$2,118,206</u>	<u>\$2,194,834</u>	<u>\$2,248,886</u>

The decrease in buildings in 2018 and 2017 is due to straight-line depreciation of the capital assets over their useful lives. The Commission is currently in the fifteenth year of occupation of the building. The increase in building improvements in 2018 is due to the first-floor renovations. The increase in furniture and fixtures is due to an upgrade to the Building Automation System. The decrease in digital media is the result of straight-line depreciation.



# REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION

## MANAGEMENT'S DISCUSSION AND ANALYSIS – UNAUDITED

---

### Long-Term Debt

In June 2002, the Loop East Community Improvement District (blended component unit) issued Leasehold Revenue Bonds in the amount of \$3,000,000 to finance the construction of a facility to serve as the new headquarters for the Commission. In October 2012, the Loop East Community Improvement District called the bonds and reissued new bonds that mature at various amounts through 2022 and bear interest at a flat rate of 2.071%.

As of December 31, 2018, outstanding bonds payable was as follows:

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Bonds payable	<u>\$ 756,704</u>	<u>\$ 923,300</u>	<u>\$1,081,724</u>

In 2018, bonds payable decreased \$166,596 from 2017. This amount reflects the principal payment on the bonds. In 2017, bonds payable decreased \$158,424 from 2016 due to the principal payment. In 2019 and 2020, the bonds payable will decrease \$175,104 and \$184,116, respectively, each year with the principal payments made in those years.

### Contacting Regional Cultural and Performing Arts Development Commission's Management

Questions regarding any of the information provided in this report or requests for additional information should be addressed to the Executive Director, Regional Cultural and Performing Arts Development Commission, 6128 Delmar Blvd., Saint Louis, Missouri 63112.

**REGIONAL CULTURAL AND PERFORMING ARTS  
DEVELOPMENT COMMISSION**

**STATEMENTS OF NET POSITION - PROPRIETARY FUNDS  
December 31, 2018**

	Enterprise Funds		Total
	Regional Cultural and Performing Arts Development Commission	Loop East Community Improvement District	
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 2,864,228	\$ -	\$ 2,864,228
Accounts receivable			
Hotel/motel room sales tax	1,438,773	-	1,438,773
Contributions	60,000	-	60,000
Prepaid expenses and other assets	48,505	-	48,505
Total current assets	4,411,506	-	4,411,506
Noncurrent assets			
Contributions receivable	116,424	-	116,424
Capital assets			
Nondepreciable capital assets	-	135,214	135,214
Depreciable capital assets, net	220,887	1,762,105	1,982,992
Total noncurrent assets	337,311	1,897,319	2,234,630
Total assets	\$ 4,748,817	\$ 1,897,319	\$ 6,646,136
<b>LIABILITIES AND NET POSITION</b>			
Current liabilities			
Bonds payable, current portion	\$ -	\$ 175,104	\$ 175,104
Accounts payable	52,096	-	52,096
Grants payable	1,937,377	-	1,937,377
Compensation and payroll taxes payable	151,021	-	151,021
Total current liabilities	2,140,494	175,104	2,315,598
Noncurrent liabilities			
Bonds payable, less current portion	-	581,600	581,600
Total liabilities	2,140,494	756,704	2,897,198
Net position			
Net investment in capital assets	220,887	1,140,615	1,361,502
Restricted for St. Louis Canvass Project	222,523	-	222,523
Unrestricted	2,164,913	-	2,164,913
Total net position	2,608,323	1,140,615	3,748,938
Total liabilities and net position	\$ 4,748,817	\$ 1,897,319	\$ 6,646,136

See notes to financial statements.

**REGIONAL CULTURAL AND PERFORMING ARTS  
DEVELOPMENT COMMISSION**

**STATEMENTS OF NET POSITION - PROPRIETARY FUNDS  
December 31, 2017**

	Enterprise Funds		Total
	Regional Cultural and Performing Arts Development Commission	Loop East Community Improvement District	
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 3,027,480	\$ -	\$ 3,027,480
Accounts receivable			
Hotel/motel room sales tax	1,372,041	-	1,372,041
Contributions	154,242	-	154,242
Prepaid expenses and other assets	52,257	-	52,257
Total current assets	4,606,020	-	4,606,020
Noncurrent assets			
Contributions receivable	656,600	-	656,600
Capital assets			
Nondepreciable capital assets	85,030	135,214	220,244
Depreciable capital assets, net	141,070	1,833,520	1,974,590
Total noncurrent assets	882,700	1,968,734	2,851,434
Total assets	\$ 5,488,720	\$ 1,968,734	\$ 7,457,454
<b>LIABILITIES AND NET POSITION</b>			
Current liabilities			
Bonds payable, current portion	\$ -	\$ 166,596	\$ 166,596
Accounts payable	115,245	-	115,245
Grants payable	1,999,461	-	1,999,461
Compensation and payroll taxes payable	59,569	-	59,569
Total current liabilities	2,174,275	166,596	2,340,871
Noncurrent liabilities			
Bonds payable, less current portion	-	756,704	756,704
Total liabilities	2,174,275	923,300	3,097,575
Net position			
Net investment in capital assets	226,100	1,045,434	1,271,534
Restricted for St. Louis Canvass Project	920,693	-	920,693
Unrestricted	2,167,652	-	2,167,652
Total net position	3,314,445	1,045,434	4,359,879
Total liabilities and net position	\$ 5,488,720	\$ 1,968,734	\$ 7,457,454

See notes to financial statements.

**REGIONAL CULTURAL AND PERFORMING ARTS  
DEVELOPMENT COMMISSION**

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -  
PROPRIETARY FUNDS  
Year ended December 31, 2018**

	Enterprise Funds		
	Regional Cultural and Performing Arts Development Commission	Loop East Community Improvement District	Total
Operating revenue			
Hotel/motel tax revenue	\$ 6,497,014	\$ -	\$ 6,497,014
Contributions	14,824	-	14,824
Rental income	19,617	184,832	204,449
Total operating revenue	6,531,455	184,832	6,716,287
Operating expenses			
Grants			
General Operating Support	3,002,762	-	3,002,762
Program Support	830,034	-	830,034
Artist Fellowship	200,000	-	200,000
Artist Support	228,772	-	228,772
Other grant expenses	12,210	-	12,210
Cultural tourism & marketing	223,907	2,014	225,921
Cultural resource center	405,611	50,627	456,238
CAT institute	97,578	1,321	98,899
General public art	100,200	514	100,714
Downtown StL public art initiative	27,925	-	27,925
Organization & artist capacity initiative	124,943	457	125,400
Planning initiative	221,822	578	222,400
Gyo Obata Fellowship	24,576	321	24,897
St. Louis Canvass Project	782,580	543	783,123
Administrative expenses	958,524	15,040	973,564
Total operating expenses	7,241,444	71,415	7,312,859
Operating income (loss)	(709,989)	113,417	(596,572)
Nonoperating revenue (expenses)			
Contributions	1,172	-	1,172
Miscellaneous income	2,389	-	2,389
Interest income	306	-	306
Interest expense	-	(18,236)	(18,236)
Total nonoperating revenue (expenses)	3,867	(18,236)	(14,369)
INCREASE (DECREASE) IN NET POSITION	(706,122)	95,181	(610,941)
Net position at beginning of year	3,314,445	1,045,434	4,359,879
Net position at end of year	\$ 2,608,323	\$ 1,140,615	\$ 3,748,938

See notes to financial statements.

**REGIONAL CULTURAL AND PERFORMING ARTS  
DEVELOPMENT COMMISSION**

**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -  
PROPRIETARY FUNDS**

**Year ended December 31, 2017**

	Enterprise Funds		Total
	Regional Cultural and Performing Arts Development Commission	Loop East Community Improvement District	
Operating revenue			
Hotel/motel tax revenue	\$ 6,389,553	\$ -	\$ 6,389,553
Fiscal sponsorship revenue	18,639	-	18,639
Contributions	1,001,600	-	1,001,600
Rental income	17,609	180,005	197,614
Total operating revenue	7,427,401	180,005	7,607,406
Operating expenses			
Grants			
Operating Support	3,001,368	-	3,001,368
Program Support	955,233	-	955,233
Program Support III	(21,500)	-	(21,500)
Innovation	(10,319)	-	(10,319)
Artist Support	72,501	-	72,501
Cultural tourism and marketing	245,703	2,087	247,790
Cultural resource center	450,167	53,949	504,116
CAT institute	178,549	2,634	181,183
Fiscal sponsorship	18,639	-	18,639
General public art	10,609	-	10,609
Other special projects	438,778	-	438,778
Administrative expenses	830,210	12,746	842,956
Total operating expenses	6,169,938	71,416	6,241,354
Operating income	1,257,463	108,589	1,366,052
Nonoperating revenue (expenses)			
Contributions	113,442	-	113,442
Interest income	261	-	261
Interest expense	-	(21,581)	(21,581)
Total nonoperating revenue (expenses)	113,703	(21,581)	92,122
INCREASE IN NET POSITION	1,371,166	87,008	1,458,174
Net position at beginning of year	1,943,279	958,426	2,901,705
Net position at end of year	\$ 3,314,445	\$ 1,045,434	\$ 4,359,879

See notes to financial statements.

**REGIONAL CULTURAL AND PERFORMING ARTS  
DEVELOPMENT COMMISSION**

**STATEMENTS OF CASH FLOWS - PROPRIETARY FUNDS  
Year ended December 31, 2018**

	Enterprise Funds		Total
	Regional Cultural and Performing Arts Development Commission	Loop East Community Improvement District	
Cash flows from operating activities			
Tax receipts from St. Louis City and County	\$ 6,430,282	\$ -	\$ 6,430,282
Receipts from facility rentals	19,617	184,832	204,449
Contributions received	70,000	-	70,000
Grant payments	(4,403,157)	-	(4,403,157)
Payments to and for the benefit of employees	(984,575)	-	(984,575)
Payments to suppliers and vendors	(1,311,070)	-	(1,311,070)
Net cash provided by (used in) operating activities	(178,903)	184,832	5,929
Cash flows from noncapital financing activities			
Contributions received	80,412	-	80,412
Miscellaneous receipts	2,391	-	2,391
Net cash provided by noncapital financing activities	82,803	-	82,803
Cash flows from capital and related financing activities			
Purchase of capital assets	(67,458)	-	(67,458)
Principal payments on bonds payable	-	(166,596)	(166,596)
Interest paid	-	(18,236)	(18,236)
Net cash used in capital and related financing activities	(67,458)	(184,832)	(252,290)
Cash flows from investing activities			
Interest income	306	-	306
DECREASE IN CASH AND CASH EQUIVALENTS	(163,252)	-	(163,252)
Cash and cash equivalents at beginning of year	3,027,480	-	3,027,480
Cash and cash equivalents at end of year	\$ 2,864,228	\$ -	\$ 2,864,228

See notes to financial statements.

**REGIONAL CULTURAL AND PERFORMING ARTS  
DEVELOPMENT COMMISSION**

**STATEMENTS OF CASH FLOWS - PROPRIETARY FUNDS  
Year ended December 31, 2018**

	Enterprise Funds		Total
	Regional Cultural and Performing Arts Development Commission	Loop East Community Improvement District	
Reconciliation of operating income to net cash provided by (used in) operating activities			
Operating income (loss)	\$ (709,989)	\$ 113,417	\$ (596,572)
Adjustments to reconcile operating income to net cash provided by (used in) operating activities			
Depreciation	72,671	71,415	144,086
Bad debt	500,000	-	500,000
(Increase) decrease in assets			
Hotel/motel room sales tax receivable	(66,732)	-	(66,732)
Other receivables	55,176	-	55,176
Prepaid expenses	3,752	-	3,752
Increase (decrease) in liabilities			
Accounts payable	(63,149)	-	(63,149)
Grants payable	(62,084)	-	(62,084)
Accrued liabilities	91,452	-	91,452
Net cash provided by (used in) operating activities	<u>\$ (178,903)</u>	<u>\$ 184,832</u>	<u>\$ 5,929</u>

See notes to financial statements.

**REGIONAL CULTURAL AND PERFORMING ARTS  
DEVELOPMENT COMMISSION**

**STATEMENTS OF CASH FLOWS - PROPRIETARY FUNDS  
Year ended December 31, 2017**

	Enterprise Funds		Total
	Regional Cultural and Performing Arts Development Commission	Loop East Community Improvement District	
Cash flows from operating activities			
Tax receipts from St. Louis City and County	\$ 6,425,343	\$ -	\$ 6,425,343
Receipts from facility rentals	20,009	180,005	200,014
Contributions	270,000	-	270,000
Grant payments	(4,054,424)	-	(4,054,424)
Payments to and for the benefit of employees	(981,765)	-	(981,765)
Payments to suppliers and vendors	(1,010,360)	-	(1,010,360)
Payments on behalf of fiscal sponsorships	(18,639)	-	(18,639)
Net cash provided by operating activities	650,164	180,005	830,169
Cash flows from noncapital financing activities			
Contributions received	10,000	-	10,000
Cash flows from capital and related financing activities			
Purchase of capital assets	(85,030)		(85,030)
Principal payments on bonds payable	-	(158,424)	(158,424)
Interest paid	-	(21,581)	(21,581)
Net cash used in capital and related financing activities	(85,030)	(180,005)	(265,035)
Cash flows from investing activities			
Interest income	261	-	261
Collection of notes receivable	20,000	-	20,000
Net cash provided by investing activities	20,261	-	20,261
<b>INCREASE IN CASH         AND CASH EQUIVALENTS</b>	595,395	-	595,395
Cash and cash equivalents at beginning of year	2,432,085	-	2,432,085
Cash and cash equivalents at end of year	\$ 3,027,480	\$ -	\$ 3,027,480

See notes to financial statements.



**REGIONAL CULTURAL AND PERFORMING ARTS  
DEVELOPMENT COMMISSION**

**STATEMENTS OF CASH FLOWS - PROPRIETARY FUNDS  
Year ended December 31, 2017**

	Enterprise Funds		Total
	Regional Cultural and Performing Arts Development Commission	Loop East Community Improvement District	
Reconciliation of operating income to net cash provided by operating activities			
Operating income	\$ 1,257,463	\$ 108,589	\$ 1,366,052
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	67,666	71,416	139,082
(Increase) decrease in assets			
Hotel/motel room sales tax receivable	35,788	-	35,788
Contributions receivable	(731,600)		(731,600)
Other receivables	2,400	-	2,400
Prepaid expenses	(10,239)	-	(10,239)
Increase (decrease) in liabilities			
Accounts payable	68,062	-	68,062
Grants payable	(17,891)	-	(17,891)
Revenue received in advance	(18,639)	-	(18,639)
Accrued liabilities	(2,846)	-	(2,846)
Net cash provided by operating activities	<u>\$ 650,164</u>	<u>\$ 180,005</u>	<u>\$ 830,169</u>

See notes to financial statements.

# REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

---

### NOTE 1 – SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements follows.

#### **Nature of Entity**

The Regional Cultural and Performing Arts Development Commission (the Commission) was incorporated on February 19, 1985, as a not-for-profit corporation under "The General Not-For-Profit Corporation Law of Missouri." The Commission was created in 1984 by passage of Senate Bill No. 709 which authorized the formation of a Regional Cultural and Performing Arts Development District in St. Louis City and County. The formation of the district was completed in November 1984, when the voters in St. Louis City and County approved, by a simple majority, the levy of a 3.75 percent hotel/motel tax, of which the Commission receives four-fifteenths.

The Commission is authorized to develop and implement plans, policies and programs to promote, encourage and foster the arts and cultural institutions in St. Louis City and County. The Commission's programs consist of the following:

*Grants* – Provides financial support for both nonprofit organizations and individual artists in St. Louis City and County.

*Cultural Tourism & Marketing* – Provides marketing and communications services to promote the Commission programs and services and the arts and culture sector in St. Louis City and County.

*Cultural Resource Center* – Provides meeting and event space for local nonprofit arts and other organizations, along with a gallery showcasing the work of local artists.

*Community Arts Training Institute (CAT)* – Provides 16-week training, professional development, and networking opportunities for people working at the intersection of art and community.

*General Public Art* – Implements Public Art Ordinance for the City of St. Louis and provides general public art information for St. Louis County.

*Downtown STL Public Art Initiative* – Implements the Downtown STL Public Art Plan to increase public art in downtown St. Louis.

*Organization & Artist Capacity Initiative* – Provides training and professional development opportunities for St. Louis-based nonprofit arts and culture organizations and individual artists.

# REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

---

*Planning Initiative* – Supports activities to develop, implement and evaluate organizational planning strategies that fulfill the Commission’s mission.

*Gyo Obata Fellowship* – Subsidizes a ten-week summer fellowship at a hosting nonprofit arts organization for college undergraduates from underrepresented backgrounds pursuing careers in arts administration.

*St. Louis Canvass Project* – Provides middle school students with opportunities to experience the St. Louis arts and cultural programs under the guidance of professional teaching artists.

The Commission is limited to spending no more than fifteen percent of the tax revenues on administrative costs and is prohibited from directly funding the institutions who are members of the Zoo Museum District.

The Board of Commissioners consists of fifteen members, each appointed for a four year term. The Mayor of the City of St. Louis appoints seven Commissioners and the St. Louis County Executive appoints eight Commissioners.

The Commission’s financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Commission are discussed below.

### **Reporting Entity**

These financial statements present the Commission (the primary government) and its component unit, the Loop East Community Improvement District. As defined by generally accepted accounting principles, component units are legally separate entities that are included in the Commission’s reporting entity because of the significance of their operating or financial relationships with the Commission.

The Loop East Community Improvement District (the District) is a legally separate political subdivision of the State of Missouri. The District was formed on April 1, 2002 pursuant to the Community Improvement District Act of the Revised Statutes of the State of Missouri. The District is governed by a five member Board of Directors and has an existence of 25 years. It was formed to acquire and improve property located in the City of St. Louis nearly adjacent to the downtown business district of University City, Missouri. In connection therewith, the District entered into a lease purchase agreement with the Commission to acquire, construct, and equip a building to serve as the headquarters of the Commission. Although legally separate, the District is blended as an enterprise fund into the primary government. Separate financial statements for the District are not published.

# **REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION**

## **NOTES TO THE FINANCIAL STATEMENTS**

---

### **Basis of Presentation**

The accounts of the Commission are organized and operated on a basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and managerial requirements.

The funds of the Commission are described below:

### **Proprietary Funds**

#### **Regional Cultural and Performing Arts Development Commission**

An enterprise fund is used to account for all of the Commission's activities including the collection of tax monies received from the City of St. Louis and from St. Louis County and for the expenses of operating the Commission.

#### **Loop East Community Improvement District**

An enterprise fund is used to account for all of the District's activities, which include collecting rents from the Commission and servicing the bonded debt.

### **Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied.

#### **Measurement Focus**

The financial statements are prepared using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of changes in net position, financial position and cash flows. All assets and liabilities, whether current or noncurrent, are reported.

#### **Basis of Accounting**

The financial statements are prepared using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when the liability is incurred or economic assets are used.

# REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

---

### Cash and Cash Equivalents

The Commission's policy is to invest cash in excess of operating requirements in income producing investments. The Commission considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

### Sales Taxes

The Commission receives the majority of its revenue from four-fifteenths of a 3.75% tax on hotel/motel room sales in St. Louis City and County. Taxes are collected by St. Louis City and County and remitted to the St. Louis Convention and Visitors Commission, which in turn remits four-fifteenths of the collected amount to the Commission. Sales tax revenue is recognized in the year the tax is collected by the hotels and motels. Taxes receivable consists primarily of taxes collected in the fourth quarter of each year that are received by the Commission in the first quarter of the following year. Taxes receivable are considered fully collectible.

### Capital Assets and Depreciation

Capital assets are recorded at cost. Currently, the Commission capitalizes any fixed asset addition with a cost of \$5,000 or more and a useful life greater than two years. Depreciation is provided for in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives, on a straight-line basis as follows:

	<u>Years</u>
Building	40
Building improvements	5 - 35
Furniture and fixtures	3 - 10
Digital media	5

### Equity Classifications

Fund equity is classified as net position and displayed in three components. Net investment in capital assets consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any notes or other borrowings that are attributable to the acquisition, construction or improvement of those capital assets. Net position is reported as restricted when there are constraints imposed on their use either through enabling legislation adopted by the Commission or through external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments. All other net position that does not meet the definition of restricted or net investment in capital assets is reported as unrestricted. The Commission first utilizes restricted resources when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

# **REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION**

## **NOTES TO THE FINANCIAL STATEMENTS**

---

### **Operating Revenue and Expenses**

Revenues and expenses are divided into operating and nonoperating items. Operating revenues generally result from providing services in connection with the Commission's principal ongoing operations. The primary operating revenues are hotel/motel sales tax revenues and contributions and grants which contributors or grantors have restricted for program related activities. Other revenues, such as unrestricted contributions and interest income, are not generated from operations and are considered to be nonoperating revenues. Operating expenses primarily include grants to not-for-profit organizations which produce or present arts or cultural programs and other program and administrative expenses. Other expenses, such as interest expense on debt, are considered to be nonoperating.

### **Income Tax Status**

The Commission qualifies as a charitable organization as defined by Internal Revenue Code 501(c)(3), and accordingly it is exempt from Federal income taxes under Internal Revenue Code Section 501(a) and similar provisions of state law. The Commission files federal information returns. The statutes of limitations for these returns are generally subject to examination by the Internal Revenue Service for three years from the date they are filed.

### **Estimates**

In preparing the financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### **Reclassifications**

Certain reclassifications have been made to the 2017 financial statements to conform to the 2018 financial statement presentation.

### **Subsequent Events**

In January of 2019, the Commission received a \$150,000 contribution to underwrite the costs of a strategic planning consultant.

**REGIONAL CULTURAL AND PERFORMING ARTS  
DEVELOPMENT COMMISSION**

**NOTES TO THE FINANCIAL STATEMENTS**

---

**NOTE 2 – CASH AND INVESTMENTS**

**Deposits**

Missouri statutes require that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits. At December 31, 2018 and 2017, respectively, the entire bank balance was covered by federal depository insurance along with collateralization to cover the balance exceeding the insurance coverage.

**Investments**

The Commission may purchase any investments allowed by the State Treasurer. As of December 31, 2018, the Commission had the following investments and maturities:

Type	Fair Value	Investment Maturities	
		0 to 1 year	1 to 3 years
Repurchase agreements	\$ 2,666,168	\$ 2,666,168	\$ -

As of December 31, 2017, the Commission had the following investments and maturities:

Type	Fair Value	Investment Maturities	
		0 to 1 year	1 to 3 years
Repurchase agreements	\$ 2,844,072	\$ 2,844,072	\$ -

**Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investments are comprised solely of repurchase agreements with one financial institution. The agreements are collateralized by a letter of credit from Federal Home Loan Bank rated AA+ by Standard and Poor's.

# REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

---

### Concentration of Credit Risk

The investment policy of the Commission contains no limitations on the amount that can be invested in any one issuer beyond what is provided by law. Investments are comprised solely of repurchase agreements with one financial institution.

### NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018 was as follows:

	Balance at January 1, 2018	Additions	Reclassification and Deletions	Balance at December 31, 2018
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Non-depreciable capital assets				
Land	\$ 135,214	\$ -	\$ -	\$ 135,214
Construction in progress	85,030	36,616	(121,646)	-
	<u>220,244</u>	<u>36,616</u>	<u>(121,646)</u>	<u>135,214</u>
Depreciable capital assets				
Building	2,856,609	-	-	2,856,609
Building improvements	97,031	121,646	-	218,677
Furniture and fixtures	155,012	30,842	-	185,854
Digital media	287,426	-	-	287,426
	<u>3,396,078</u>	<u>152,488</u>	<u>-</u>	<u>3,548,566</u>
Less accumulated depreciation for:				
Building	1,023,089	71,415	-	1,094,504
Building improvements	44,517	12,123	-	56,640
Furniture and fixtures	147,894	3,063	-	150,957
Digital media	205,988	57,485	-	263,473
	<u>1,421,488</u>	<u>144,086</u>	<u>-</u>	<u>1,565,574</u>
Depreciable capital assets, net	<u>1,974,590</u>	<u>8,402</u>	<u>-</u>	<u>1,982,992</u>
Capital assets, net	<u>\$ 2,194,834</u>	<u>\$ 45,018</u>	<u>\$ (121,646)</u>	<u>\$ 2,118,206</u>



# REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

Capital asset activity for the year ended December 31, 2017 was as follows:

	Balance at January 1, 2017	Additions	Reclassifications and Deletions	Balance at December 31, 2017
Non-depreciable capital assets				
Land	\$ 135,214	\$ -	\$ -	\$ 135,214
Construction in progress	-	85,030	-	85,030
	<u>135,214</u>	<u>85,030</u>	<u>-</u>	<u>220,244</u>
Depreciable capital assets				
Building	2,856,609	-	-	2,856,609
Building improvements	97,031	-	-	97,031
Furniture and fixtures	155,012	-	-	155,012
Digital media	287,426	-	-	287,426
	<u>3,396,078</u>	<u>-</u>	<u>-</u>	<u>3,396,078</u>
Less accumulated depreciation for:				
Building	951,669	71,420	-	1,023,089
Building improvements	36,384	8,133	-	44,517
Furniture and fixtures	145,850	2,044	-	147,894
Digital media	148,503	57,485	-	205,988
	<u>1,282,406</u>	<u>139,082</u>	<u>-</u>	<u>1,421,488</u>
Depreciable capital assets, net	<u>2,113,672</u>	<u>(139,082)</u>	<u>-</u>	<u>1,974,590</u>
Capital assets, net	<u>\$ 2,248,886</u>	<u>\$ (54,052)</u>	<u>\$ -</u>	<u>\$ 2,194,834</u>

### NOTE 4 – GRANT AWARDS

The Commission awards Operating Support and Program Support grants on June 1 which are paid in periodic installments upon receipt of invoices over a one year period ending on May 31. During the annual grant period from June 2017 to May 2018 and June 2018 to May 2019, the Commission awarded matching grants as follows:

General Operating Support – These grants are awarded to nonprofit art organizations with a history of funding from the Commission, at least one full-time-equivalent employee, and annual operating expenses exceeding \$100,000. These grants provide unrestricted, renewable funding to support day-to-day operations of nonprofit art organizations that produce and present ongoing year-round programming.

# **REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION**

## **NOTES TO THE FINANCIAL STATEMENTS**

---

Program Support – These grants are awarded to arts and non-arts organizations which request up to \$15,000 in program support. The recipient organization must match one dollar for each Commission grant dollar. The grants provide funding for ongoing arts programs or a specific one-time arts and cultural program.

Artistic Fellowship – These grants of \$20,000 each are awarded annually to 10 artists residing in St. Louis City or County. The grants are “fellowships” intended to advance the individual artist’s careers.

Artistic Support – These grants of \$3,000 or less are awarded to artists residing in St. Louis City or County to support projects, needs, and creative opportunities in all artistic disciplines.

The Commission reports a liability at year end for grants awarded in the current year and paid in a subsequent year.

### **NOTE 5 – PENSION PLAN**

The Commission has an IRC 403(b) tax-deferred annuity program covering substantially all employees. The Commission determines an amount to contribute annually. Pension plan expense was \$26,386 and \$32,414 for the years ended December 31, 2018 and 2017, respectively.

### **NOTE 6 – BONDS PAYABLE**

On June 1, 2002, the District issued Leasehold Revenue Bonds in the amount of \$3,000,000 to finance the construction of a facility to serve as the headquarters for the Commission. On October 1, 2012, the District refunded the 2002 series bonds with \$1,640,000 in Leasehold Revenue Refunding Bonds. The bonds and interest are limited obligations of the District and are solely payable from the rents received by the District from the Commission under an annually renewable lease purchase agreement. The Commission may terminate its obligation under the lease on an annual basis without penalty. The bonds are secured by a first deed of trust on the facility. The bonds do not constitute an indebtedness or pledge of faith and credit of the District or the Commission. The bonds are limited and special revenue obligations of the District and reported as liabilities in the accompanying financial statements.

The bonds mature at various amounts through 2022 and bear interest at 2.071%. Interest is payable on a monthly basis.

**REGIONAL CULTURAL AND PERFORMING ARTS  
DEVELOPMENT COMMISSION**

**NOTES TO THE FINANCIAL STATEMENTS**

---

The following changes occurred in bonds payable for the years ended December 31,:

	<u>2018</u>	<u>2017</u>
Bonds payable at beginning of year	\$ 923,300	\$ 1,081,724
Payments	<u>(166,596)</u>	<u>(158,424)</u>
Bonds payable at end of year	756,704	923,300
Less current portion of bonds payable	<u>(175,104)</u>	<u>(166,596)</u>
 Bonds payable, less current portion	 <u>\$ 581,600</u>	 <u>\$ 756,704</u>

The annual requirements to amortize the bonds outstanding as of December 31, 2018 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 175,104	\$ 15,067	\$ 190,171
2020	184,116	11,409	195,525
2021	193,740	7,563	201,303
2022	<u>203,744</u>	<u>2,110</u>	<u>205,854</u>
	 <u>\$ 756,704</u>	 <u>\$ 36,149</u>	 <u>\$ 792,853</u>

During the years ended December 31, 2018 and 2017, interest costs totaling \$18,236 and \$21,581 respectively, were incurred. No interest costs were capitalized as part of the cost of assets acquired during the periods.

**NOTE 7 – RISK MANAGEMENT**

The Commission is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission carries commercial insurance for all such risks of loss, and settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

# REGIONAL CULTURAL AND PERFORMING ARTS DEVELOPMENT COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS

---

### NOTE 8 – RECLASSIFICATION OF NET ASSETS

Net assets at December 31, 2017 have been reclassified to reflect the use of net assets restricted for the St. Louis Canvass Project during 2017 as follows:

	Net investment in capital assets	Restricted for St. Louis Canvass Project	Unrestricted	Total
As originally classified	\$ 1,271,534	\$ 973,433	\$2,114,912	\$4,359,879
Reclassified	-	(52,740)	52,740	-
As reclassified	<u>\$ 1,271,534</u>	<u>\$ 920,693</u>	<u>\$2,167,652</u>	<u>\$4,359,879</u>

**REGIONAL CULTURAL AND PERFORMING ARTS  
DEVELOPMENT COMMISSION**

**SCHEDULES OF GRANT AWARDS APPROVED  
Year ended December 31,**

---

	<u>2018</u>	<u>2017</u>
General Operating Support	\$ 3,002,762	\$ 3,001,368
Program Support	831,000	977,016
Artist Fellowship	200,000	-
Artist Support	<u>228,772</u>	<u>75,001</u>
	4,262,534	4,053,385
Less expired grants	<u>966</u>	<u>56,102</u>
	<u><u>\$ 4,261,568</u></u>	<u><u>\$ 3,997,283</u></u>

**REGIONAL CULTURAL AND PERFORMING ARTS  
DEVELOPMENT COMMISSION**

**SCHEDULES OF GRANT AWARDS PAYABLE  
December 31,**

---

	<u>2018</u>	<u>2017</u>
General Operating Support	\$ 1,481,012	\$ 1,500,798
Program Support	432,919	488,663
Innovation Projects	10,000	10,000
Artist Support	446	-
Artist Fellowships	13,000	-
	<u>\$ 1,937,377</u>	<u>\$ 1,999,461</u>

**REGIONAL CULTURAL AND PERFORMING ARTS  
DEVELOPMENT COMMISSION**

**SCHEDULES OF EXPENSES  
Year ended December 31, 2018**

	Grants	Cultural Tourism & Marketing	Cultural Resource Center	CAT Institute	General Public Art	Downtown STL Public Art Initiative	Organization & Artist Capacity Initiative	Planning Initiative	Gyo Obato Fellowship	St. Louis Canvass Project	Administrative	Regional Cultural and Performing Arts Development Commission Total	Loop East Community Improvement District	Total
Operating expenses														
Salaries	\$ -	\$ 115,499	\$ 111,018	\$ 44,794	\$ 33,598	\$ -	\$ 22,954	\$ 43,861	\$ 19,553	\$ 35,483	\$ 483,919	\$ 910,679	\$ -	\$ 910,679
Payroll taxes	-	9,216	8,572	3,527	2,584	-	1,733	2,964	1,489	2,610	37,843	70,538	-	70,538
Health insurance	-	7,361	5,598	4,785	1,932	-	1,782	2,652	1,752	2,024	40,540	68,426	-	68,426
Pension plan	-	3,401	312	1,508	624	-	1,222	1,342	135	624	17,218	26,386	-	26,386
Total salaries and benefits	-	135,477	125,500	54,614	38,738	-	27,691	50,819	22,929	40,741	579,520	1,076,029	-	1,076,029
Depreciation	-	25,904	23,435	8,647	9	-	8	11	6	10	14,641	72,671	71,415	144,086
Equipment rental and repair	-	1,123	25,523	7,069	-	-	-	294	-	-	25,265	59,274	-	59,274
Events	-	-	-	-	-	-	1,589	-	-	1,960	5,243	8,792	-	8,792
Facility maintenance	-	640	33,969	420	163	-	145	184	102	172	5,372	41,167	-	41,167
Insurance	-	2,020	13,258	713	123	-	75	489	63	112	5,492	22,345	-	22,345
Marketing and advertising	-	44,021	6,203	296	-	15,000	-	129,584	-	800	2,148	198,052	-	198,052
Meetings, delivery and office services	-	-	364	1,232	7,680	-	113	1,463	-	8,695	7,920	27,467	-	27,467
Memberships and publications	-	-	-	-	-	-	-	-	-	-	9,614	9,614	-	9,614
Miscellaneous	-	-	-	-	-	-	-	-	-	-	16,415	16,415	-	16,415
Office supplies	-	41	696	615	-	-	-	256	-	144	12,846	14,598	-	14,598
Postage	-	-	-	-	-	-	-	-	-	-	299	299	-	299
Printing	-	-	-	-	320	1,780	-	1,620	-	149	-	3,869	-	3,869
Professional fees	12,018	3,000	17,941	19,671	51,500	11,145	21,709	32,899	452	227,896	201,767	599,998	-	599,998
Provision for uncollectable contributions	-	-	-	-	-	-	-	-	-	500,000	-	500,000	-	500,000
Rents	-	5,212	131,031	3,419	1,331	-	1,183	1,495	829	1,405	38,926	184,831	-	184,831
Telephone	-	93	2,548	61	24	-	21	27	15	25	692	3,506	-	3,506
Travel, convention and seminar	-	1,100	249	205	59	-	117	2,373	3	191	22,107	26,404	-	26,404
Utilities	192	1,026	24,894	616	253	-	218	308	177	280	7,078	35,042	-	35,042
Grants	4,261,568	4,250	-	-	-	-	72,074	-	-	-	3,179	4,341,071	-	4,341,071
Total operating expenses	4,273,778	223,907	405,611	97,578	100,200	27,925	124,943	221,822	24,576	782,580	958,524	7,241,444	71,415	7,312,859
Nonoperating expenses														
Interest	-	-	-	-	-	-	-	-	-	-	-	-	18,236	18,236
Total expenses	<u>\$ 4,273,778</u>	<u>\$ 223,907</u>	<u>\$ 405,611</u>	<u>\$ 97,578</u>	<u>\$ 100,200</u>	<u>\$ 27,925</u>	<u>\$ 124,943</u>	<u>\$ 221,822</u>	<u>\$ 24,576</u>	<u>\$ 782,580</u>	<u>\$ 958,524</u>	<u>\$ 7,241,444</u>	<u>\$ 89,651</u>	<u>\$ 7,331,095</u>

**REGIONAL CULTURAL AND PERFORMING ARTS  
DEVELOPMENT COMMISSION**

**SCHEDULES OF EXPENSES  
Year ended December 31, 2017**

	Grants	Cultural Tourism and Marketing	Cultural Resource Center	CAT Institute	Fiscal Sponsorship	General Public Art	Other Special Projects	Administrative	Regional Cultural and Performing Arts Development Commission Total	Loop East Community Improvement District	Total
<b>Operating expenses</b>											
Salaries	\$ -	\$ 105,334	\$ 130,371	\$ 95,184	\$ -	\$ -	\$ 3,195	\$ 481,412	\$ 815,496	\$ -	\$ 815,496
Payroll taxes	-	8,348	10,947	7,277	-	-	-	36,040	62,612	-	62,612
Health insurance	-	6,998	11,292	10,297	-	-	-	39,810	68,397	-	68,397
Pension plan	-	4,711	3,426	4,301	-	-	-	19,976	32,414	-	32,414
Total salaries and benefits	-	125,391	156,036	117,059	-	-	3,195	577,238	978,919	-	978,919
Depreciation	-	25,975	17,400	8,740	-	-	-	15,551	67,666	71,416	139,082
Equipment rental and repair	-	1,631	49,676	203	-	-	-	13,213	64,723	-	64,723
Facility maintenance	-	770	26,623	1,014	-	-	-	4,044	32,451	-	32,451
Insurance	-	583	15,959	769	-	-	-	4,611	21,922	-	21,922
Marketing and advertising	-	77,524	-	-	-	-	40,268	299	118,091	-	118,091
Meetings, delivery and office services	-	1,429	6,169	4,467	-	629	19,814	17,879	50,387	-	50,387
Memberships and publications	-	-	-	-	-	-	-	7,289	7,289	-	7,289
Office supplies	-	158	4,580	423	-	-	11,648	12,114	28,923	-	28,923
Parking	-	-	91	195	-	-	110	413	809	-	809
Postage	-	-	1,037	-	-	-	-	54	1,091	-	1,091
Printing	-	-	685	-	-	-	-	539	1,224	-	1,224
Professional fees	-	3,199	7,901	36,475	-	9,980	324,447	118,890	500,892	-	500,892
Rents	-	5,263	135,982	6,639	-	-	-	32,121	180,005	-	180,005
Telephone	-	510	2,394	704	-	-	-	3,164	6,772	-	6,772
Travel, convention and seminar	-	2,411	-	729	-	-	46	17,607	20,793	-	20,793
Utilities	-	859	25,634	1,132	-	-	-	5,184	32,809	-	32,809
Grants	3,997,283	-	-	-	18,639	-	39,250	-	4,055,172	-	4,055,172
Total operating expenses	3,997,283	245,703	450,167	178,549	18,639	10,609	438,778	830,210	6,169,938	71,416	6,241,354
<b>Nonoperating expenses</b>											
Interest	-	-	-	-	-	-	-	-	-	21,581	21,581
Total expenses	\$ 3,997,283	\$ 245,703	\$ 450,167	\$ 178,549	\$ 18,639	\$ 10,609	\$ 438,778	\$ 830,210	\$ 6,169,938	\$ 92,997	\$ 6,262,935