# Dutchtown
# Community Improvement District

## Annual Financial Statements

### For The Year Ended June 30, 2025

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# INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Dutchtown Community Improvement District
Saint Louis, Missouri

**Opinions**

We have audited the accompanying modified cash basis financial statements of the governmental activities and the major fund of the Dutchtown Community Improvement District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Dutchtown Community Improvement District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of the Dutchtown Community Improvement District, as of June 30, 2025, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Dutchtown Community Improvement District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Emphasis of Matter - Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 1, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Dutchtown Community Improvement District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Dutchtown Community Improvement District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**Other Matters**

*Other Information*

Management is responsible for the other information included in the annual report. The other information comprises the budgetary comparison schedule and related notes but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*F.E.W. CPAs*

F.E.W. CPAs
Saint Louis, Missouri
January 28, 2026

DUTCHTOWN COMMUNITY IMPROVEMENT DISTRICT
STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2025

| | Governmental Activities |
|---|---|
| **ASSETS** | |
| Current assets | |
| Cash and cash equivalents | $ 164,579 |
| Other assets | 278 |
| Total current assets | 164,857 |
| Noncurrent assets | |
| None | - |
| Total noncurrent assets | - |
| TOTAL ASSETS | $ 164,857 |
| **LIABILITIES** | |
| Current liabilities | |
| None | $ - |
| Total current liabilities | - |
| Noncurrent liabilities | |
| None | - |
| Total noncurrent liabilities | - |
| TOTAL LIABILITIES | $ - |
| **NET POSITION** | |
| Net investment in capital assets | $ - |
| Restricted | - |
| Unrestricted | 164,857 |
| TOTAL NET POSITION | $ 164,857 |

The notes to the financial statements are an integral part of this statement

# DUTCHTOWN COMMUNITY IMPROVEMENT DISTRICT
## STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
## FOR THE YEAR ENDED JUNE 30, 2025

| FUNCTIONS/PROGRAMS | Expenses | Charges for Services and Sales | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities |
|---|---|---|---|---|---|
| Governmental activities: | | | | | |
| Community improvements | $ 177,631 | $ - | $ - | $ - | $ (177,631) |
| Total governmental activities | $ 177,631 | $ - | $ - | $ - | (177,631) |

| | |
|---|---|
| General revenues: | |
| Special assessments | 114,554 |
| Total general revenues | 114,554 |
| Change in net position | (63,077) |
| Net position - beginning | 227,934 |
| Net position - ending | $ 164,857 |

The notes to the financial statements are an integral part of this statement

DUTCHTOWN COMMUNITY IMPROVEMENT DISTRICT
STATEMENT OF ASSETS, LIABILITIES AND
FUND BALANCE - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
JUNE 30, 2025

| | | General |
|---|---|---|
| ASSETS | | |
| Cash and cash equivalents | $ | 164,579 |
| Other assets | | 278 |
| TOTAL ASSETS | $ | 164,857 |
| LIABILITIES AND FUND BALANCE | | |
| Liabilities | | |
| None | $ | - |
| TOTAL LIABILITIES | $ | - |
| Fund balance | | |
| Unassigned | $ | 164,857 |
| TOTAL FUND BALANCE | | 164,857 |
| TOTAL LIABILITIES AND FUND BALANCE | $ | 164,857 |

The notes to the financial statements are an integral part of this statement

DUTCHTOWN COMMUNITY IMPROVEMENT DISTRICT
RECONCILIATION OF THE STATEMENT OF ASSETS, LIABILITIES
AND FUND BALANCE - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION - MODIFIED CASH BASIS
JUNE 30, 2025

| | |
|---|---|
| Total fund balance - governmental funds | $ 164,857 |
| Amounts reported for governmental activities in the statement of net position - modified cash basis are different because: | |
| None | - |
| Total net position of governmental activities | $ 164,857 |

The notes to the financial statements are an integral part of this statement

DUTCHTOWN COMMUNITY IMPROVEMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

| | General |
|---|---|
| Revenues | |
| Special assessments | $ 114,554 |
| Total revenues | 114,554 |
| Expenditures | |
| Current | |
| Community improvements | 177,631 |
| Total expenditures | 177,631 |
| Excess (deficiency) of revenues over expenditures | (63,077) |
| Fund balance - beginning of year | 227,934 |
| Fund balance - end of year | $ 164,857 |

The notes to the financial statements are an integral part of this statement

DUTCHTOWN COMMUNITY IMPROVEMENT DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2025

| | | |
|---|---|---|
| Net change in fund balance - total governmental funds | $ | (63,077) |
| Amounts reported for governmental activities in the statement of activities - modified cash basis are different because: | | |
| None | | - |
| Change in net position of governmental activities | $ | (63,077) |

The notes to the financial statements are an integral part of this statement

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and financial reporting policies of Dutchtown Community Improvement District (the "District") conform to the modified cash basis of accounting (OCBOA) as applied to government entities. The following is a summary of significant policies.

Reporting Entity
The purpose of the District is to enhance the Dutchtown neighborhood in St. Louis, Missouri by funding and managing projects focused on safety, economic development, and beautification, using a special tax paid by property owners within its boundaries for targeted local improvements like security patrols, cleanup, marketing, and community events. All revenues and expenditures of the District are recorded in the accounts of the District. The District is established as a political subdivision. The District is not a component unit of any other entity and, as such, is presented in the financial statements as a stand-alone entity. The District is exempt from federal and state taxes.

The District defines its financial reporting entity in accordance with the provisions of the Governmental Accounting Standards Board (GASB). The statement requirement for inclusion of component units is based primarily upon whether the District's governing body has any significant amount of financial accountability for potential component units. The District is financially accountable if it appoints a voting majority of a potential component unit's governing body and is able to impose its will on that potential component unit, or the potential component unit may provide specific financial benefits to, or impose specific financial burdens on, the District. Currently, the District does not have any component units.

Government-wide Financial Statements
The government-wide financial statements (i.e., the statement of net position - modified cash basis and the statement of activities - modified cash basis) report information on all of the non-fiduciary activities of the District. As a general rule, the effect of interfund activity has been removed from these statements.

The statement of activities - modified cash basis demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Taxes, unrestricted interest earnings, gains, and other miscellaneous revenues not properly included among program revenues are reported instead as general revenues. Separate financial statements are provided for governmental funds.

Fund Accounting - Financial activities of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund balance, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The District only maintains governmental funds. An emphasis is placed on major funds within the governmental category

The General Fund is the primary operating fund of the District and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

In the government-wide statement of net position - modified cash basis and the statement of activities - modified cash basis, governmental activities are presented using the economic resources measurement focus, within the limitations of the modified cash basis of accounting.

In the fund financial statements, all governmental funds utilize a "current financial resources" measurement focus as applied to the modified cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balances as their measure of available spendable financial resources at the end of the period.

In the government-wide statement of net position - modified cash basis, the statement of activities - modified cash and the fund financial statements, governmental activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, net position, revenues, and expenditures when they result from cash transactions with a provision for depreciation in the government-wide statements. This basis is a comprehensive basis of accounting other than U.S. generally accepted accounting principles.

Governmental activities in the government-wide financial statements and the governmental funds' financial statements are presented on the modified cash basis of accounting. Accordingly, revenue is recognized and recorded when cash is received and expenditures are recognized and recorded when checks are written. This differs from the accounting principles generally accepted in the United States of America of recording revenues and expenditures of governmental funds when they become measurable and available and when the related liability is incurred.

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues and certain liabilities and their related expenses are not recorded in these financial statements. The modification to the cash basis is other assets.

Governmental Accounting Standards Board (GASB) Statement No. 33, Accounting and Financial Reporting for Non-exchange Transactions, groups non-exchange transactions into the following four classes, based upon their principal characteristics: derived tax revenues, imposed nonexchange revenues, government-mandated nonexchange transactions, and voluntary non-exchange transactions. The District did not have any government-mandated non-exchange transactions or voluntary nonexchange transactions during the fiscal year ended June 30, 2025.

Cash and Cash Equivalents
The District considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents. Missouri State Statute requires that all deposits with financial institutions be collateralized in an amount at least equal to uninsured deposits.

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Uses of Estimates
The preparation of basic financial statements in conformity with the other comprehensive basis of accounting used by the District requires management to make estimates and assumptions that affect the reported amounts in the basic financial statements and the accompanying notes. Actual results could differ from those estimates.

Risk Management
The District 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 District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

Governmental Fund Balances
Fund Balance is the difference between assets and liabilities in a Governmental Fund. The following types of fund balances may be presented in the Governmental Funds Statement of Net Position - Modified Cash Basis:

> Unassigned - available expendable financial resources in a Governmental Fund that are not designated for a specific purpose. The following account comprises the unassigned fund balance: General Fund.

The District uses restricted amounts first when both restricted and unassigned fund balances are available unless there are legal contracts that prohibit doing this.

Net Position
Net Position represents the difference between assets and liabilities. Net investment in capital assets represents the cost of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. All other net position is reported as unrestricted. The District utilizes restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

## NOTE 2 - COMMITMENTS AND CONTINGENCIES

Waste management: the District contracts with a separate entity for trash collection and removal services twice weekly, including both sides of streets, curblines, and trash receptacles. The calendar year contract requires an approximate annual fee of $33,800.

Litigation
The District is subject to claims and potential litigation arising in the ordinary course of operations. Management is not aware of any pending litigation that would have a material adverse effect on the District’s financial position as of June 30, 2025.

## NOTE 3 - DEPOSITS

Missouri Statutes require that all deposits be protected by insurance, surety bond, or collateral. The market value of the collateral pledged must equal 100% of the deposits not covered by insurance or corporate surety bonds.

Deposits - At year-end, the carrying amount and bank balance of the District's deposits totaled $164,579.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. Each depositor is insured by the Federal Deposit Insurance Corporation (FDIC) for up to $250,000 of demand deposits and another $250,000 for time and savings deposits. At June 30, 2025, the District had no uninsured deposits.

## NOTE 4 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 28, 2026, the date which the financial statements were available for issue, and noted no reportable events.

# Other Information

DUTCHTOWN COMMUNITY IMPROVEMENT DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

| | Budgeted Amounts | | | |
|---|---|---|---|---|
| | Original | Final | Actual | Variance Positive (Negative) |
| Revenues | | | | |
| Special assessments | $ 396,000 | $ 396,000 | $ 114,554 | $ (281,446) |
| Total revenues | 396,000 | 396,000 | 114,554 | (281,446) |
| Expenditures | | | | |
| Beautification | 25,600 | 25,600 | 8,263 | 17,337 |
| Board expenses | 1,000 | 1,000 | 1,802 | (802) |
| Community relations | 44,000 | 44,000 | 16,884 | 27,116 |
| Continuing education | 2,200 | 2,200 | 5,275 | (3,075) |
| Contract labor | 20,000 | 20,000 | 6,052 | 13,948 |
| Economic development | 13,000 | 13,000 | 5,999 | 7,001 |
| Grants | 94,050 | 94,050 | 40,497 | 53,553 |
| Insurance | 1,000 | 1,000 | 850 | 150 |
| Office | 1,000 | 1,000 | 1,730 | (730) |
| Postage | 2,000 | 2,000 | 222 | 1,778 |
| Professional fees | 10,000 | 10,000 | 4,428 | 5,572 |
| Rent | 1,500 | 1,500 | - | 1,500 |
| Safety | 92,200 | 92,200 | 25,806 | 66,394 |
| Sponsorships | 5,310 | 5,310 | 12,410 | (7,100) |
| Utilities | - | - | 4,450 | (4,450) |
| Waste management | 36,900 | 36,900 | 40,350 | (3,450) |
| Other | 45,000 | 45,000 | 2,613 | 42,387 |
| Total expenditures | 394,760 | 394,760 | 177,631 | 217,129 |
| Excess (deficiency) of revenues over expenditures | $ 1,240 | $ 1,240 | (63,077) | $ (64,317) |
| Fund balance - beginning of year | | | 227,934 | |
| Fund balance - end of year | | | $ 164,857 | |

**NOTE 1 - BUDGETS AND BUDGETARY ACCOUNTING**

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

a. The budget is prepared on the modified cash basis of accounting

b. State law requires that no earlier than 180 days and no later than 90 days prior to the first day of each fiscal year, each CID's Board of Directors shall submit to the governing body of the municipality a proposed annual budget, setting forth expected expenditures, revenues, and rates of assessment and taxes, if any, for such fiscal year.