
**THE GREATER ST. LOUIS ARTS
AND EDUCATION COUNCIL**
FINANCIAL STATEMENTS
DECEMBER 31, 2017



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Independent Auditors' Report

Board of Directors
The Greater St. Louis Arts
and Education Council
St. Louis, Missouri

Report On The Financial Statements

We have audited the accompanying financial statements of The Greater St. Louis Arts and Education Council (the Council), a not-for-profit organization, which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and cash flows for the year then ended, 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 an opinion on these financial statements based on our audit. We conducted our audit 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 from 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Greater St. Louis Arts and Education Council as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report On Summarized Comparative Information

We have previously audited the Council's 2016 financial statements, and our report dated June 12, 2017, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

RubinBrown LLP

June 29, 2018

**THE GREATER ST. LOUIS ARTS AND
EDUCATION COUNCIL**

**STATEMENT OF FINANCIAL POSITION
December 31, 2017**

(With Summarized Financial Information As Of December 31, 2016)

Assets

	2017	2016
Cash and cash equivalents	\$ 464,751	\$ 189,745
Promises to give - current, net (Note 3)	837,854	970,535
Other current assets	104,230	70,048
Promises to give - noncurrent, net (Note 3)	2,794	8,259
Property and equipment (Note 4)	1,956,155	1,947,370
Total Assets	\$ 3,365,784	\$ 3,185,957

Liabilities And Net Assets

Liabilities

Line of credit - bank (Note 5)	\$ 325,000	\$ 250,000
Notes payable - current (Note 5)	90,969	57,508
Accounts payable and other accrued expenses	95,044	65,991
Grants payable	311,736	948,446
Notes payable - noncurrent (Note 5)	1,867,879	1,221,050
Total Liabilities	2,690,628	2,542,995

Net Assets

Unrestricted:		
Investment in property and equipment	734,336	668,812
Undesignated	(1,023,222)	(979,678)
Total Unrestricted	(288,886)	(310,866)
Temporarily restricted (Note 6)	964,042	953,828
Total Net Assets	675,156	642,962
Total Liabilities And Net Assets	\$ 3,365,784	\$ 3,185,957

**THE GREATER ST. LOUIS ARTS AND
EDUCATION COUNCIL**

**STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2017
(With Summarized Financial Information For The Year Ended December 31, 2016)**

	2017			2016
	Unrestricted	Temporarily Restricted	Total	Total
Support And Revenues				
Annual campaign contributions	\$ 1,601,134	\$ 90,500	\$ 1,691,634	\$ 1,644,760
Bequest	—	—	—	800,598
Contributions	29,500	—	29,500	54,500
Contributions - Catalyst Innovation Lab	—	—	—	250,000
Other restricted contributions	—	66,605	66,605	81,063
In-kind contributions	—	11,500	11,500	15,486
Fundraising events (net of expenses of \$130,657 in 2017 and \$145,201 in 2016)	(106,957)	490,162	383,205	258,303
Rental income (Note 8)	156,119	—	156,119	177,976
Other income	2,325	—	2,325	106
Net assets released from restrictions (Note 6)	648,553	(648,553)	—	—
Total Support And Revenues	2,330,674	10,214	2,340,888	3,282,792
Expenses And Losses				
Program Services:				
Operating grants	515,000	—	515,000	719,694
Grants	139,496	—	139,496	97,261
Incentive allocations and other grants	35,878	—	35,878	9,938
Unclaimed grant awards	(8,550)	—	(8,550)	(18,875)
Centene Center for the Arts	391,144	—	391,144	370,822
Other	695,372	—	695,372	813,611
Supporting Activities:				
Management and general	192,518	—	192,518	199,881
Development	347,836	—	347,836	399,018
Total Expenses	2,308,694	—	2,308,694	2,591,350
Loss on disposal of property and equipment	—	—	—	13,750
Total Expenses And Losses	2,308,694	—	2,308,694	2,605,100
Increase In Net Assets	21,980	10,214	32,194	677,692
Net Assets - Beginning Of Year	(310,866)	953,828	642,962	(34,730)
Net Assets - End Of Year	\$ (288,886)	\$ 964,042	\$ 675,156	\$ 642,962

**THE GREATER ST. LOUIS ARTS AND
EDUCATION COUNCIL**

**STATEMENT OF CASH FLOWS
For The Year Ended December 31, 2017
(With Summarized Financial Information
For The Year Ended December 31, 2016)**

	2017	2016
Cash Flows From Operating Activities		
Increase in net assets	\$ 32,194	\$ 677,692
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	97,724	94,827
Loss on disposal of property and equipment	—	13,750
Changes in assets and liabilities:		
(Increase) decrease in promises to give	138,146	(289,970)
(Increase) decrease in other current assets	(34,182)	16,295
Increase (decrease) in accounts payable and other accrued expenses	29,053	(69,133)
Decrease in grants payable	(636,710)	(56,299)
Net Cash Provided By (Used In) Operating Activities	(373,775)	387,162
Cash Flows Used In Investing Activities		
Payments for property and equipment	(106,509)	(81,850)
Cash Flows From Financing Activities		
Proceeds from line of credit	75,000	—
Payments on line of credit	—	(100,000)
Proceeds from notes payable	745,000	—
Payments on notes payable	(64,710)	(54,992)
Net Cash Provided By (Used In) Financing Activities	755,290	(154,992)
Net Increase In Cash And Cash Equivalents	275,006	150,320
Cash And Cash Equivalents - Beginning Of Year	189,745	39,425
Cash And Cash Equivalents - End Of Year	\$ 464,751	\$ 189,745
Supplemental Disclosure Of Cash Flow Information		
Interest paid	\$ 82,025	\$ 71,568

THE GREATER ST. LOUIS ARTS AND EDUCATION COUNCIL

NOTES TO FINANCIAL STATEMENTS December 31, 2017

1. Summary Of Significant Accounting Policies

Basis Of Accounting

The accompanying financial statements of The Greater St. Louis Arts and Education Council (the Council) have been prepared on the accrual basis of accounting.

Basis Of Presentation

Financial statement presentation follows the requirements of the Financial Accounting Standards Board for not-for-profit organizations by presenting assets and liabilities within similar groups and classifying them in ways that provide relevant information about their interrelationships, liquidity and financial stability. The Council is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The Council does not have any permanently restricted net assets as of December 31, 2017.

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Council's financial statements for the year ended December 31, 2016, from which the summarized information was derived.

Estimates And Assumptions

The Council uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results may differ from those estimates.

Cash And Cash Equivalents

The Council considers all investment instruments with maturities of three months or less to be cash equivalents. The Council maintains its cash and cash equivalents in financial institutions, and the amounts held may at times exceed federally insured limits of \$250,000. The Council has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash or cash equivalents.

THE GREATER ST. LOUIS ARTS AND EDUCATION COUNCIL

Notes To Financial Statements *(Continued)*

Promises To Give

Promises to give are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to expenses and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to promises to give. Changes in the valuation allowance have not been material to the financial statements.

Property And Equipment

Property and equipment are carried at cost if purchased, or at fair value if donated, less accumulated depreciation and amortization computed using the straight-line method. The assets are depreciated and amortized over the following periods:

Building	39 years
Building and leasehold improvements	10 years
Equipment	2-5 years
Software	5 years

The Council reviews its investment in the building for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. There was no impairment loss recognized for the year ended December 31, 2017.

Restricted And Unrestricted Support

The Council reports gifts of cash and other assets as unrestricted, temporarily restricted or permanently restricted, depending on the existence and/or nature of any donor restrictions. Support that is restricted by a donor for a specific campaign year is released from temporarily restricted net assets in the year for which the support is restricted, regardless of whether the payments have been received from the donor.

All other donor-restricted support subject to donor stipulations that limit its use as restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

THE GREATER ST. LOUIS ARTS AND EDUCATION COUNCIL

Notes To Financial Statements (*Continued*)

Description Of Program Services And Supporting Activities

The following program services and supporting activities are included in the accompanying financial statements:

Program

Includes those expenditures that enable the Council to fulfill its mission of providing financial and other assistance to cultural and educational agencies. The following programs have been implemented by the Council to meet this goal.

Operating Grants

This program provides both project funding and operating support at varying levels to many cultural and educational organizations in the St. Louis area. Operating support is categorized into three levels based on the budget size of an organization. These three levels of unrestricted operating support are granted to arts organizations to help strengthen infrastructure, build capacity and sustainability and grow outreach programs. The three levels are defined as follows:

- Operating Support Level One (organizational budgets over \$3 million)
- Operating Support Level Two (organizational budgets of \$1 million to \$2,999,999)
- Operating Support Level Three (organizational budgets of \$500,000 to \$999,999).

Grants

This program provides both project funding and operating support at varying levels to many cultural and educational organizations in the St. Louis area.

Incentive Allocations And Other Grants

This program rewards cultural and educational organizations that receive grants for participation by the boards and staff in supporting the Council.

THE GREATER ST. LOUIS ARTS AND EDUCATION COUNCIL

Notes To Financial Statements (*Continued*)

Centene Center For The Arts

The Council provides office space, state-of-the-art technology, rehearsal and performance space for 18 organizations in the Centene Center for the Arts (the Center), a unique arts incubator located in Grand Center. The Council provides an information technology network, telephone and internet services, and various other occupancy-related costs to the tenants of the Center at a rate substantially below the actual costs incurred for such items and services by the Council.

Other Programs

Includes indirect expenditures which are necessary to maintain the Council's support of the arts and provide arts-related information to the public. This includes the Council's Happenings newsletter that is produced bi-monthly and has a circulation of approximately 10,000. The Happenings is on the Council's website and is sent electronically to the Council's members. The Council also sends a weekly e-blast called "Know and Go" to approximately 8,500 members which promotes upcoming grantee programs and events as well as free arts activities happening throughout the region. Additional publications include a bi-weekly blog that is distributed widely, in addition to various other publications. The Council's website promotes The Greater St. Louis Arts and Education Council, as well as its grantees and their programs. The site includes a calendar function which allows users to create and print an individualized itinerary for the Council's ARTS Card discounted events. This enhances the presence of grantee organizations, and the website is complete with interactive components such as images, video, and social media. The site includes an online-giving portal that allows donors to make gifts securely and seamlessly to grantee programs and projects. The Council's site also maintains a gift-planning portal that guides donors through the process of making a planned or estate gift. The site also includes information, dates and times for professional development classes, lectures, and activities through the Arts Leadership Management Academy (ALMA) and Arts Marketers (both are programs managed and conducted by the Council). The Council launched the ALMA in 2012, with the goal of enhancing St. Louis arts and cultural organizations through a series of management workshops. Additionally, ALMA is home to two Executive Directors' Roundtables. Each roundtable is a professionally-led program targeted at executive directors of arts and cultural organizations of various budget sizes. Arts Marketers, created in 2011, provides added professional support for arts marketing professionals working at the Council's grant recipient organizations as well as other regional arts organizations throughout St. Louis.

THE GREATER ST. LOUIS ARTS AND EDUCATION COUNCIL

Notes To Financial Statements (*Continued*)

In November 2013, the Council launched power2give.org, an online crowdfunding site, and then updated and rebranded the program as “stARTup” in 2015. The Council’s crowdfunding portal allows cultural organizations located in the St. Louis bi-state area to post and promote projects in need of funding and invites donors to contribute directly to the projects that are most intriguing to them. Organizations that participate are vetted through the Council and must be a 501(c)(3) non-profit with a Secretary of State (Missouri or Illinois) certification of good standing. Additionally, upon meeting these criteria, qualified organizations post projects that are arts and cultural based and have a budget less than \$10,000. In 2017, the Council launched its first ever stARTup competition. The stARTup Competition, a partnership between The Greater St. Louis Arts and Education Council and PNC Foundation, challenges individuals and organizations to “Change the World, through the Arts, in St. Louis!” One of only two of its kind in the country, this competition seeks to identify and foster robust, innovative, fresh approaches to addressing challenges or needs in the St. Louis region through the arts. A review process has been established through a panel of entrepreneurs and broad thinkers that will review the application, including a description of the organization, business plan, and the showcase or idea that meets the competition rules and criteria. Finalists are selected to present their ideas to the panel along with more in-depth business plans. Benefits for competition winners include free office, performance, rehearsal, and meeting space for one year in the Centene Center for the Arts and cash support from a pool of \$20,000. All winners will have an official address at the Centene Center, networking and collaboration opportunities, mentoring, financial coaching, and idea sharing as part of the Grand Center Arts District.

In fall 2015, the Council launched a program that provides tuition and transportation assistance to deserving students wishing to expand their arts training outside the traditional classroom setting. Funding for the program is made possible through a restricted gift from a corporate donor. Students participating in the program must expand their training by taking classes at a Council grantee organization. The Council pays students’ tuition and transportation fees directly to the 501(c)(3) grantee organization providing the classes or training - not to the student or their parent/guardian - but students must go through an application process and submit examples of their artistic merit to be chosen for scholarship or tuition assistance.

THE GREATER ST. LOUIS ARTS AND EDUCATION COUNCIL

Notes To Financial Statements (*Continued*)

The Council annually produces the St. Louis Arts Awards, the area's highly anticipated and preeminent event honoring individuals, organizations and businesses who achieve a legacy of artistic excellence and enrich St. Louis' arts and cultural community. Since 1992, the Arts Awards have honored 180 individuals, organizations and businesses who have contributed to the vibrancy of our community. The annual event celebrates and connects our arts community, further strengthening awareness and appreciation.

During 2017, the Council opened the Catalyst Innovation Lab, a unique first floor space that invites collaboration and community gathering. The space was renovated through a corporate gift and hosts convening and special programs such as Arts Marketers.

Management And General

Includes the functions necessary to maintain an equitable employment program; ensure an adequate working environment; provide coordination and articulation of the Council's program strategy; secure proper administrative functioning of the Board of Directors; and manage the financial and budgetary responsibilities of the Council.

Development

Provides the structure necessary to encourage and secure private financial support from corporations, foundations and individuals through fundraising events and other development activities.

Expense Allocation

Direct and indirect expenses are charged to program services and supporting activities on the basis of periodic time and expense studies. These studies are based on estimates of the square footage utilized by the various departments within the Council, as well as estimates of the Council's employees' time spent in specific areas. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

Advertising Costs

The Council expenses advertising costs as incurred. Total advertising costs charged against income amounted to \$59,638 in 2017.

THE GREATER ST. LOUIS ARTS AND EDUCATION COUNCIL

Notes To Financial Statements (*Continued*)

Donated Services And Materials

Significant services and materials are donated to the Council by various individuals and organizations. Donated services that meet the requirements for recognition under generally accepted accounting principles (GAAP) and donated materials are recorded at fair value at the date of donation. In addition, a substantial number of additional volunteers have donated a significant amount of their time to the Council's programs. However, such donated services have not been recorded because they do not meet the criteria for recognition under GAAP.

Tax Status

The Council qualifies as a tax-exempt organization, as defined in Section 501(c)(3) of the Internal Revenue Code and is, therefore, exempt from federal income taxes on related, exempt income.

The Council's federal tax returns for tax years 2014 and later remain subject to examination by taxing authorities.

Subsequent Events

Management has evaluated subsequent events through the audit report date, which is when the financial statements were available for issue.

2. Operations

The Council was created in 1963 to provide financial assistance to cultural and educational member agencies in the St. Louis metropolitan area. The Council's primary source of funding is contributions received from its annual giving solicitation.

3. Promises To Give

Unconditional promises to give are included in the financial statements as assets and support of the appropriate net asset category. They are recorded after discounting at the rate of 4.5% to the present value of the future cash flows.

**THE GREATER ST. LOUIS ARTS AND
EDUCATION COUNCIL**

Notes To Financial Statements (*Continued*)

Unconditional promises to give consist of the following:

Annual campaigns	\$ 646,860
Arts Awards 2018	150,450
Bequest	75,000
Crowdfunding	25,600
Other	20,852
	<u>918,762</u>
Less: Allowance for doubtful accounts	77,908
Less: Discount	206
	<u><u>\$ 840,648</u></u>

Unconditional promises to give are expected to be collected in the following periods:

Less than one year	\$ 915,762
One to five years	3,000
	<u>918,762</u>
Less: Allowance for doubtful accounts	77,908
Less: Discount	206
	<u><u>\$ 840,648</u></u>

Unconditional promises to give are recorded on the accompanying statement of financial position as follows:

Promises to give - current	\$ 837,854
Promises to give - noncurrent	2,794
	<u><u>\$ 840,648</u></u>

**THE GREATER ST. LOUIS ARTS AND
EDUCATION COUNCIL**

Notes To Financial Statements (*Continued*)

4. Property And Equipment

Property and equipment consist of:

Land	\$	72,300
Building and building improvements		2,121,550
Leasehold improvements		257,381
Equipment		237,970
Software		119,654
		<u>2,808,855</u>
Less: Accumulated depreciation and amortization		<u>852,700</u>
	\$	<u>1,956,155</u>

Depreciation and amortization charged to expense amounted to \$97,724 in 2017.

5. Debt

Line Of Credit

The Council maintains a line of credit with a local bank that provides for borrowings up to \$350,000, and bears interest at the bank's prime rate, with a floor of 4.00% (4.5% at December 31, 2017). Payments of interest are due monthly, with all outstanding principal and interest due at maturity on September 1, 2018. The line of credit is secured by substantially all business assets of the Council. Total borrowings outstanding at December 31, 2017 amount to \$325,000.

Notes Payable

In conjunction with the purchase of the Center on July 31, 2012, the Council issued a promissory note (Building Note) to IFF in the amount of \$1,500,000. The note bore interest at 4.5% through July 31, 2017. Interest was adjusted on August 1, 2017 to 5% and will be subsequently adjusted again on August 1, 2022 (Building Note Recalculation Date) at a rate that is equal to the greater of 5.0% or the sum of the yield to maturity of U.S. Treasury obligations with a maturity equal to the maturity date of the Building Note on the Building Note Recalculation Date plus 2.0%. Beginning September 2012 through July 2017, the Building Note required monthly payments of principal and interest of approximately \$9,500. Beginning August 2017, the Building Note requires monthly payments of principal and interest of approximately \$9,800. All unpaid principal and interest is due upon maturity on August 1, 2027. The Building Note is secured by the Future Advance Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing. At December 31, 2017, \$1,221,819 is payable on the Building Note.

**THE GREATER ST. LOUIS ARTS AND
EDUCATION COUNCIL**

Notes To Financial Statements (*Continued*)

On August 29, 2017, the Council issued an additional promissory note (Operating Note) to IFF in the amount of \$745,000. The note bears interest at 5.625% through August 31, 2022 and will subsequently be adjusted on September 1, 2022 and September 1, 2027 (collectively, the Operating Note Recalculation Dates) at a rate that is equal to the greater of 5.0% or the sum of the yield to maturity of U.S. Treasury obligations with a maturity equal to the maturity date of the Operating Note on the Operating Note Recalculation Dates plus 2.0%. Beginning on October 1, 2017, the note requires monthly payments of principal and interest totaling approximately \$6,100. All unpaid principal and interest is due upon maturity on September 1, 2032. The note is secured by the Future Advance Second Deed of Trust, Assignment of Leases and Rents, Security Agreement, and Fixture Filing. At December 31, 2017, \$737,029 is payable on the Operating Note.

Future required principal payments on the notes are as follows:

<u>Year</u>	<u>Amount</u>
2018	\$ 90,969
2019	95,840
2020	100,972
2021	106,380
2022	112,080
Thereafter	1,452,607
	<u>\$ 1,958,848</u>

Interest expense on all debt in 2017 was \$85,776.

**THE GREATER ST. LOUIS ARTS AND
EDUCATION COUNCIL**

Notes To Financial Statements (*Continued*)

6. Net Assets

Temporarily restricted net assets are subject to the following donor-imposed restrictions:

Arts Awards 2018	\$ 491,663
Catalyst Innovation Lab - building	113,606
Catalyst Innovation Lab - program	46,388
Purpose restricted - other	237,385
Time restricted	<u>75,000</u>
	<u>\$ 964,042</u>

Net assets were released from donor-imposed restrictions as follows:

Arts Awards 2017	\$ 381,410
Catalyst Innovation Lab - building	96,394
Catalyst Innovation Lab - program	3,612
Purpose restricted - other	<u>167,137</u>
	<u>\$ 648,553</u>

7. Deferred Compensation Plan

The Council has a tax-deferred annuity plan under Section 403(b) which allows eligible employees to make tax-deferred contributions. The Council provides matching contributions for those eligible employees participating in the plan up to 5% of each participant's annual salary. Council contributions to the plan totaled \$14,898 in 2017.

**THE GREATER ST. LOUIS ARTS AND
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Notes To Financial Statements (*Continued*)

8. Leases

The Council leases office space in the Center to 18 local organizations. Future minimum rents to be received, based upon the lease agreements, are as follows:

<u>Year</u>	<u>Amount</u>
2018	\$ 94,261
2019	72,597
2020	15,808
2021	5,142
2022	5,301
	<u>\$ 193,109</u>

Rental revenue recognized under such lease agreements amounted to approximately \$126,000 in 2017, which is included in rental income in the statement of activities.

9. Concentrations

In 2017, the Council received approximately 17% of its total contributions from one donor.

Independent Auditors' Report On Supplementary Information

Board of Directors
The Greater St. Louis Arts
And Education Council

We have audited the financial statements of The Greater St. Louis Arts and Education Council as of and for the year ended December 31, 2017, and our report thereon dated June 29, 2018, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of operating grants and grants; other programs, management and general and development expenses; and building income and expenses, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

RubinBrown LLP

June 29, 2018

**THE GREATER ST. LOUIS ARTS AND
EDUCATION COUNCIL**

SCHEDULE OF OPERATING GRANTS AND GRANTS

Page 1 Of 4

**For The Year Ended December 31, 2017
(With Summarized Financial Information
For The Year Ended December 31, 2016)**

	2017			2016
	Operating Grants	Grants	Total	Total
A Call to Conscience	\$ —	\$ 1,000	\$ 1,000	\$ —
African Musical Arts	—	—	—	500
Alexandra Ballet	—	1,000	1,000	—
Alton High School	—	1,900	1,900	—
Ambassadors of Harmony	—	—	—	500
Arts & Faith St. Louis	—	1,700	1,700	1,250
Arts Unleashed	—	—	—	2,150
Artscope	—	2,000	2,000	2,000
Bach Society of St. Louis	—	1,000	1,000	800
The Big Muddy Dance Company	—	2,000	2,000	1,250
The Black Rep	—	5,000	5,000	—
Brown Elementary	—	—	—	1,751
Buder Elementary School	—	720	720	—
Center for the Humanities UMSL	—	—	—	1,250
Central Intermediate School - Roxana	—	1,000	1,000	—
Central Print	—	1,000	1,000	—
Chamber Project St. Louis	—	—	—	500
Cinema - St. Louis	5,000	—	5,000	2,500
Circus Flora	5,000	—	5,000	8,000
Circus Harmony	—	1,500	1,500	3,000
Civic Arts Company	—	1,000	1,000	—
COCA - Center of Creative Arts	59,000	3,325	62,325	64,000
College Bound	—	—	—	2,500
Collinsville High School	—	2,650	2,650	—
Contemporary Art Museum St. Louis	15,000	—	15,000	20,000
Balance Carried Forward	84,000	26,795	110,795	111,951

**THE GREATER ST. LOUIS ARTS AND
EDUCATION COUNCIL**

SCHEDULE OF OPERATING GRANTS AND GRANTS

Page 2 Of 4

**For The Year Ended December 31, 2017
(With Summarized Financial Information
For The Year Ended December 31, 2016)**

	2017			2016
	Operating Grants	Grants	Total	Total
Balance Brought Forward	\$ 84,000	\$ 26,795	\$ 110,795	\$ 111,951
Craft Alliance	20,000	—	20,000	30,000
Creative Reaction Lab	—	10,000	10,000	—
Dance St. Louis	5,000	—	5,000	44,194
De La Salle	—	—	—	1,335
December Publishing	—	1,000	1,000	—
Design Build Workshop	—	2,000	2,000	—
Equally Represented Arts	—	2,500	2,500	—
Ferguson Florissant School District	—	—	—	3,000
Freedom Arts & Education	—	—	—	500
Gateway Center for the Arts	—	—	—	3,125
Gateway Men's Chorus	—	1,000	1,000	—
Gitana Productions	—	—	—	1,500
Griscom Public School	—	2,500	2,500	2,500
Hazelwood North Middle School	—	1,000	1,000	—
The Hettenhausen Center for the Arts	—	4,167	4,167	3,125
Highland Arts Council	—	4,166	4,166	3,125
House of Pais Youth Development Center	—	—	—	1,500
Innsbrook Institute	—	—	—	750
International Photography Hall of Fame and Museum	—	1,000	1,000	1,125
Jacoby Arts Center	—	—	—	3,125
Jazz St. Louis	18,496	—	18,496	19,500
Keeven Elementary	—	—	—	1,750
Landlocked Media LLC	—	10,000	10,000	—
Laumeier Sculpture Park	8,504	—	8,504	13,500
Looking Glass Playhouse	—	4,167	4,167	3,125
Luminary Center for the Arts	—	1,000	1,000	—
Maplewood Richmond Heights Elementary	—	1,465	1,465	—
Balance Carried Forward	136,000	72,760	208,760	248,730

**THE GREATER ST. LOUIS ARTS AND
EDUCATION COUNCIL**

SCHEDULE OF OPERATING GRANTS AND GRANTS

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**For The Year Ended December 31, 2017
(With Summarized Financial Information
For The Year Ended December 31, 2016)**

	2017			2016
	Operating Grants	Grants	Total	Total
Balance Brought Forward	\$ 136,000	\$ 72,760	\$ 208,760	\$ 248,730
Mehlville High School	—	3,500	3,500	—
Metro Theater Company	5,000	—	5,000	15,000
MindsEye Radio	—	1,500	1,500	—
Modern American Dance Co. (MADCO)	—	1,500	1,500	1,500
The Municipal Theatre				
Association of St. Louis	—	2,000	2,000	5,000
Murphy Elementary School	—	732	732	—
Mustard Seed Theatre	—	1,500	1,500	500
Neighborhood Houses	—	1,000	1,000	—
New Jewish Theatre	—	1,000	1,000	1,250
New Music Circle	—	1,000	1,000	—
Normandy High School	—	—	—	2,000
Normandy Schools Collaborative	—	5,000	5,000	—
Open Studio Network	—	2,854	2,854	—
Opera Theatre of St. Louis	132,500	—	132,500	155,000
Pianos for People	—	3,600	3,600	—
Prison Performing Arts Program	—	1,750	1,750	2,250
Radio Arts Foundation	5,000	—	5,000	—
Raintree Arts Council	—	4,167	4,167	3,125
Repertory Theatre of St. Louis	112,500	—	112,500	150,000
Rise Community Development	—	1,000	1,000	1,250
River Styx (Big River Association)	—	—	—	2,500
St. Lou Fringe	—	—	—	2,500
St. Louis Artist Guild	—	2,000	2,000	—
St. Louis Artworks	5,000	—	5,000	3,500
St. Louis Ballet	5,000	—	5,000	2,000
St. Louis Children's Choir	5,000	—	5,000	15,000
St. Louis Classical Guitar Society	—	1,000	1,000	—
St. Louis College Prep	—	—	—	3,825
St. Louis Fashion	5,000	—	5,000	—
St. Louis Literary Consortium	—	—	—	500
Balance Carried Forward	411,000	107,863	518,863	615,430

**THE GREATER ST. LOUIS ARTS AND
EDUCATION COUNCIL**

SCHEDULE OF OPERATING GRANTS AND GRANTS

Page 4 Of 4

**For The Year Ended December 31, 2017
(With Summarized Financial Information
For The Year Ended December 31, 2016)**

	2017			2016
	Operating Grants	Grants	Total	Total
Balance Brought Forward	\$ 411,000	\$ 107,863	\$ 518,863	\$ 615,430
St. Louis Shakespeare	—	1,000	1,000	—
St. Louis Story Stitchers	—	5,000	5,000	—
St. Louis Storytelling Festival	—	1,000	1,000	—
St. Louis Symphony Orchestra	15,000	—	15,000	49,000
The 7th Grade Poetry Foundation	—	—	—	750
Shakespeare Festival of St. Louis	19,000	—	19,000	20,000
Sheldon Arts Foundation	45,000	—	45,000	59,000
Show-Me Sound Organization	—	1,500	1,500	2,500
South Broadway Art Project	—	1,000	1,000	2,000
Southern Illinois University at Edwardsville	—	1,000	1,000	1,500
Special School District - Ackerman School	—	3,000	3,000	—
Springboard	5,000	—	5,000	17,500
STAGES St. Louis	15,000	—	15,000	20,000
Sullivan Patrons of the Arts	—	4,167	4,167	3,125
Tennessee Williams Festival	—	5,000	5,000	—
That Uppity Theatre Company	—	—	—	750
University City School District	—	1,600	1,600	—
Upstream Theater	—	1,000	1,000	—
Valley Park School District	—	—	—	2,275
Warren County Fine Arts Council	—	4,166	4,166	3,125
Warrior Ridge Elementary	—	450	450	—
Webster Arts	—	1,750	1,750	—
Webster University Community Arts Foundation	5,000	—	5,000	20,000
	\$ 515,000	\$ 139,496	\$ 654,496	\$ 816,955

**THE GREATER ST. LOUIS ARTS AND
EDUCATION COUNCIL**

**SCHEDULE OF OTHER PROGRAMS, MANAGEMENT
AND GENERAL AND DEVELOPMENT EXPENSES
For The Year Ended December 31, 2017
(With Summarized Financial Information
For The Year Ended December 31, 2016)**

	2017					2016
	Centene Center For The Arts	Other Programs	Management And General	Development	Total	Total
Salaries	\$ 15,000	\$ 392,039	\$ 70,869	\$ 190,300	\$ 668,208	\$ 677,438
Temporary services	—	3,863	—	—	3,863	—
Payroll taxes	1,148	26,855	4,875	13,092	45,970	50,834
Employee benefits	2,625	49,402	9,058	24,324	85,409	116,729
Bank charges	—	6,582	6,389	6,389	19,360	15,870
Deliveries	—	425	119	306	850	844
Depreciation and amortization	84,141	9,414	1,131	3,038	97,724	94,827
Dues and publications	—	1,137	198	532	1,867	8,358
Insurance	12,430	1,391	167	449	14,437	15,546
Interest	62,817	19,122	845	2,991	85,775	71,362
Maintenance of equipment	8,821	689	117	317	9,944	5,500
Meetings	—	2,783	2,701	2,701	8,185	5,566
Office supplies and expense	—	7,713	1,340	3,598	12,651	7,702
Operating expenses - Centene Center for the Arts	89,083	10,265	1,200	3,218	103,766	83,685
Parking	1,692	189	23	61	1,965	1,920
Postage	—	11,018	854	4,035	15,907	20,046
Printing	—	43,245	2,799	15,010	61,054	51,778
Professional fees	2,583	66,637	44,692	10,702	124,614	129,113
Public relations and publicity	—	5,249	613	712	6,574	4,334
St. Louis Visionary Awards	—	—	—	—	—	69,835
Software maintenance	—	14,064	13,650	13,650	41,364	36,049
Special event expense	—	—	—	42,775	42,775	53,018
Telephone/internet access	21,583	2,415	290	779	25,067	47,231
Tennessee Williams Festival	—	—	—	—	—	33,348
Travel and conferences	—	10,893	2,138	5,635	18,666	22,598
Utilities	89,221	9,982	1,200	3,222	103,625	109,135
Uncollectible promises to give	—	—	27,250	—	27,250	50,666
	\$ 391,144	\$ 695,372	\$ 192,518	\$ 347,836	\$ 1,626,870	\$ 1,783,332

**THE GREATER ST. LOUIS ARTS AND
EDUCATION COUNCIL**

SCHEDULE OF BUILDING INCOME AND EXPENSES

**For The Year Ended December 31, 2017
(With Summarized Financial Information
For The Year Ended December 31, 2016)**

	<u>2017</u>	<u>2016</u>
Revenues		
Rental income	\$ 130,012	\$ 157,095
Other building income	26,107	20,881
Total Revenues	156,119	177,976
Expenses		
Building expense	1,387	—
Depreciation and amortization	84,141	81,646
Inspections	952	584
Insurance	12,430	13,386
Interest	62,817	50,522
Maintenance, equipment and building operating costs	97,904	76,788
Parking expense	1,965	1,920
Payroll taxes	1,148	1,192
Professional services	2,583	—
Employee benefits	2,625	—
Salaries	15,000	11,004
Telephone/internet access	25,067	47,231
Utilities	103,625	109,135
Total Expenses	411,644	393,408
Net Loss	\$ (255,525)	\$ (215,432)