



Downtown Cincinnati Inc. Annual Report 2013

HIGHLIGHTS AND ACCOMPLISHMENTS

- According to the 2013 Perceptions Survey, 28% of respondents visited 40 times or more over the course of the year, an uptick of 7% from the prior year. Visitors also spent more money in 2013 with 20% spending \$100 or more, an increase of 4%.
- From January through December 2013, Keep Cincinnati Beautiful awarded the Central Business District (CBD) the best score possible of 1.0 on its monthly litter index. The separately-funded Over-the-Rhine (OTR) Ambassador Program received a monthly litter index score of 1.1.
- Sales of the Downtown Cincinnati Gift Card increased by 81% in 2013. The card is now available for purchase year round at Findlay Market, as well as at the DCI office and website. Over 200 establishments, from The Banks to Over-the-Rhine, accept the card.
- The DCI Social Services Outreach Coordinator had 6,022 interactions with clients, social service providers, and landlords. As a result of his efforts, 34 people were placed in permanent housing in 2013.
- Downtown orientation sessions were provided to the staffs of APG Office Furnishings, Jedson, and Kolar Design to help welcome them to their new downtown offices.

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Downtown Cincinnati Inc.

Board of Directors

Executive Committee

Mayor Mark Mallory
Honorary Chair
Former Mayor,
City of Cincinnati

Mark T. Reitzes
Chair

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Vice Chair
Director,
Government and
Community Relations
Duke Energy

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President and
Chief Executive Officer,
Bartlett & Company

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Partner,
Deloitte LLP

Edward D. Diller
Partner-in-Charge,
Taft Stettinius & Hollister LLP

Milton R. Dohoney Jr.
Former City Manager,
City of Cincinnati

David N. Ginsburg
President and
Chief Executive Officer,
Downtown Cincinnati Inc.

Michael M. Kennedy
(through April 1, 2013)
Director,
ComparaDun Group LLC

Jill P. Meyer
Chair (through April 1, 2013)
Partner-in-Charge,
Frost Brown Todd LLC

Christopher Monzel
President,
Hamilton County Board
of Commissioners

William J. Moran
(through April 1, 2013)
Senior Vice President,
Director of Corporate Facilities,
Fifth Third Bank

Chad Munitz
Executive Vice President,
Development and Operations,
Cincinnati Center City
Development Corporation (3CDC)

Jim T. Neyer
Executive Vice President,
Real Estate Development,
Al Neyer LLC

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Office Managing Partner,
Ernst & Young LLP

Steven P. Richter
Assistant Property Manager,
Queen City Square,
Eagle Realty Group

Ryan M. Rybolt
President,
Infintech, LLC

Kevin Shibley
General Manager,
Saks Fifth Avenue

Patricia Mann Smitson
(through April 1, 2013)
Chief Executive Officer,
American Red Cross

Directors

Linda Antus
(through April 1, 2013)
President and
Chief Executive Officer,
Cincinnati USA Regional
Tourism Network

Eric Avner
Vice President and Senior
Program Manager,
Community Development,
The Carol Ann & Ralph V.
Haile, Jr./U.S. Bank Foundation

Troy Blackburn
(through April 1, 2013)
Vice President,
Cincinnati Bengals

Wayne Bodington
General Manager,
The Westin Hotel, Cincinnati

Donald B. Bush

DCI Board of Directors (continued)

Cristina Chuecos
Consultant,
Diversity and Global
Competency, Wisdom
Nuggets, LLC

Todd Clossin
(through June 1, 2013)

Chief James E. Craig
(through May 2013)
Former Chief of Police,
Cincinnati Police Department

Deborah Dent
President and Founder,
Venue 222

Daniel J. Eifert
Vice President,
Property Management,
Hines

Kimber L. Fender
The Eva Jane Romaine
Coombe Director,
The Public Library of Cincinnati
and Hamilton County

Mary Sue Findley
Vice President of Human
Resources,
dunnhumbyUSA

James T. Fitzgerald
(through April 1, 2013)
Chairman,
FRCH Design Worldwide

Karen Forgus
Senior Vice President of
Business Operation,
Cincinnati Reds

Terry Garcia Crews
Chief Executive Officer
and General Manager,
Metro

Carl L. Goertemoeller
Senior Vice President,
Real Estate
Macy's, Inc.

Barbara Hauser
Manager,
Ohio Community Relations,
The Procter & Gamble Company

Dr. Julia A. Heath
Executive Director of the
Economics Center and
Professor, Alpaugh Family
Chair of Economics,
University of Cincinnati

Dr. LaVaughn M. Henry, Ph.D.
Vice President and Senior
Regional Officer,
Federal Reserve Bank of
Cleveland - Cincinnati Branch

Lt. Col. Paul Humphries
(beginning June 1, 2013)
Executive Assistant Chief,
Cincinnati Police Department

Emilie Johnson
President,
Over-the-Rhine Chamber
of Commerce

Wijdan Jreisat
Attorney at Law,
Katz, Teller, Brant & Hild

Kevin Kline
Senior Vice President
and General Manager,
Horseshoe Casino Cincinnati

Arlene R. Koth
Vice President,
Administration and
Human Resources,
TriVersity Construction
Company

Daniel M. Lincoln
President and Chief
Executive Officer,
Cincinnati USA Convention
& Visitors Bureau

Gary Lindgren
(through April 1, 2013)
Executive Director,
Cincinnati Business Committee

Stephen A. Loftin
(through April 1, 2013)
President and
Executive Director,
Cincinnati Arts Association

James J. McGraw Jr.
Partner,
Keating Muething &
Klekamp PLL

Peg Moertl
Central Territory, Executive
Senior Vice President,
Community Development
Banking,
PNC Bank

Gregory A. Otis

DCI Board of Directors (continued)

Rick Pender
(through April 1, 2013)
Vice President,
Development and
External Affairs,
Planned Parenthood

Robert C. Reifsnyder
(through April 1, 2013)
President,
United Way of Greater Cincinnati

Brian A. Ross

Sean Rugless
President and
Chief Executive Officer,
Greater Cincinnati/Northern
Kentucky African American
Chamber of Commerce

Wm. John Ryan
Greater Cincinnati-Northern
Kentucky Complex Manager,
Senior Vice President,
Investments,
Raymond James & Associates

Carl Satterwhite
President,
The RCF Group

Jodi Schmidtgoesling
(through October 1, 2013)

Karen Seiter
(beginning August 1, 2013)
Vice President, Manager,
Corporate Real Estate,
Fifth Third Bank

Ashley Strehler
Assistant Vice President,
Director of Commercial
Property Management,
Eagle Realty Group

Stephen Taylor
Vice President,
District Manager,
US Bank

Conrad Foster Thiede
Director of Planned Giving
and Special Campaigns,
Cincinnati Symphony Orchestra

LeVon Thompson Jr.
President and Chief
Operating Officer,
Foxx Construction, LLC

Ellen G. van der Horst
President and Chief
Executive Officer,
Cincinnati USA Regional
Chamber

Stanford T. Williams Jr.
Vice President,
Economic Inclusion,
Messer Construction Company

Mark P. Woodruff
Vice President,
Market Development,
Enquirer Media

Patricia A. Zerbe
(through April 1, 2013)
Manager,
Community and
Government Relations,
General Electric Aviation

Downtown Cincinnati Inc. Members

Corporate

3CDC, Cincinnati Center
City Development Corporation

5th Street Gallery

Acme Lock Inc.

AI Neyer LLC

Allpro Parking

American Modern Insurance Group

Antonelli College

APG Office Furnishings

Appointments—The Business Store

Arnold's Bar & Grill

Art Beyond Boundaries

ArtWorks

Ascribe

AT&T Ohio

Baker & Daboll, LLC

Barnes Dennig & Co., Ltd.

Bartlett & Company

Below Zero Lounge

BHDP Architecture

BKD, LLP

Blank Rome LLP

Block by Block, Louisville

Bridging Broadway

Bromwell's

Budco Group Inc.

Burgess & Niple, Ltd.

Cassidy Turley

Castellini Company LLC

Cheers to Art!

Christ Church Cathedral

Cincilingua Inc. International
Language Center

Cincinnati Art Galleries, LLC

Cincinnati Arts Association

Cincinnati Bar Association

Cincinnati Bengals

Cincinnati Book Publishing

Cincinnati Business Committee

Cincinnati Business Courier

Cincinnati Development Fund, Inc.

Cincinnati Hills Christian Academy

Cincinnati Masonic Center

Cincinnati Museum Center

Cincinnati Reds

Cincinnati Stage Employees
Local No. 5

Cincinnati Symphony Orchestra

Cincinnati USA Convention &
Visitors Bureau

Cincinnati USA Regional Chamber

Cincinnati USA Regional
Tourism Network

Cincinnati-Hamilton County
Community Action Agency

Cintas Corporation

CitiPlant

City Dermatology and Laser

Colliers International
Greater Cincinnati

Contemporary Arts Center

Contract Sweepers

Cooney Faulkner & Stevens, LLC

CR Architecture + Design

Cushman & Wakefield|Cincinnati
Commercial, REALTORS

Deloitte LLP

Development Strategies Group, LLC

Dinsmore & Shohl LLP

DTE CoolCo, LLC

Duke Energy

Duke Energy Center/Global Spectrum

dunnhumbyUSA

E. W. Scripps Co.

Electronic Interiors, a division
of Nor-Com, Inc.

Enquirer Media

Ernst & Young LLP

Fabulous Frames and Art

Federal Home Loan Bank of Cincinnati

Fifth Third Bank

Fifth Third Bank Broadway &
Across America

Forza Marketing

Foundation Bank

FRCH Design Worldwide

Frisch's Restaurants, Inc.

Frost Brown Todd LLC

Fund Evaluation Group, LLC

Game Day Communications

Garfield Suites Hotel

GBBN Architects

General Electric Aviation

Glaserworks

Graeter's Manufacturing Company

Graydon Head & Ritchey LLP

DCI Members (continued)

Greater Cincinnati/Northern Kentucky African American Chamber of Commerce	Lucy Blue Pizza Cafe	R.G. McGraw Insurance Agency, Inc.
GreenSource Cincinnati	Lynn McInturf Associates	Raymond James & Associates
Hart Productions, Inc.	Macy's, Inc.	Rippe & Kingston
Hathaway Stamp and Identification	Manley Burke	Riverpoint Capital Management, Inc.
Heidelberg Distributing Company	Mark Bowen Media	RJE Business Interiors
HGC Construction	McKinney & Namei Co., LPA	Rookwood Pottery
HHB Partners, Inc., Realtors	Mellott & Mellott, P.L.L.	Roosters Men's Grooming Center
Hilton Cincinnati Netherland Plaza Hotel	Meridian Resources, LLC	Saks Fifth Avenue
Hines	Messer Construction Company	Sanger & Eby
Hixson Architecture, Engineering, Interiors	Metro	Scott Knox Attorney At Law
Holland Advertising: Interactive	Michael McInturf Architects	Segway of Ohio, Cincinnati
Horseshoe Casino	Michael Schuster Associates, Inc.	Sibcy Cline Realtors, Sixth Street
Humler & Nolan	Mike & Carol Trotta	Sonic Arts Digital Audio Services, Inc.
Hunt Club Clothiers Ltd., Inc.	Model Group	Southwest Ohio Regional Transit Authority (SORTA)
Huntington National Bank	Moerlein Lager House	Standard Parking & Central Parking System of Ohio, Inc.
IFA (Institutional Fiduciary Assurance)	Morton's Steakhouse	Standard Textile Company, Inc.
Infintech, LLC	National Underground Railroad Freedom Center	Starboard Strategy
Integrated Research Associates	North American Properties	Statman Harris & Eyrich
Izzy's	NorthPointe Realty	Stigler Supply Co.
JDL Warm Construction	OKI - Regional Council of Governments	Stock Yards Bank & Trust
Jeffrey R. Anderson Real Estate Inc.	Over-the-Rhine Chamber of Commerce	Stout & Gallant
Katz, Teller, Brant & Hild	Palomino Rotisserie and Bar	Strauss & Troy
Klosterman Baking Company	Paula Norton Photography	Sung Korean Bistro
KMK Consulting Company LLC	Pepper Construction Company of Ohio, LLC	Taft Stettinius & Hollister LLP
KnowledgeWorks	Photonics Graphics Inc.	TDA Associates, Inc.
Kolar Design, Inc.	Plante & Moran, PLLC	The Bank of Kentucky
LaVerdad Marketing & Media	Plum Street Cafe	The Blue Wisp Jazz Club
Learning Through Art, Inc.	PNC Bank	The Booksellers on Fountain Square
Legg Mason Investment Counsel	Port of Greater Cincinnati Development Authority	The Carol Ann & Ralph V. Haile, Jr./ U.S. Bank Foundation
LKAB Minerals, Inc.	Premier Social Security Consulting, LLC	The Corporation for Findlay Market
Local 12 WKRC-TV		The Gym at Carew Tower
LPK Design		

DCI Members (continued)

The Kroger Company	Whitmer & Company CPAS, LLP	Kinsey King
The Manuel D. and Rhoda Mayerson Foundation	Winegardner & Hammons, Inc.	Susan Lennard
The Preview Group, Inc.	Wisdom Nuggets LLC	Stephen MacConnell
The Procter & Gamble Company	Wood, Herron & Evans, LLP	Joanne Lincoln Maly
The Public Library of Cincinnati and Hamilton County	WOW Windowboxes	Terry Miller
The RCF Group	Yard House Restaurants	Daniel Moroski
The Reserve at 4th and Race		Katie Moroski
The Soapbox Salon		LaWana Moroski
The University Club of Cincinnati		Mike Moroski
Thesing Real Estate Services, Inc.		Michael Ohmer
Thomas D Heldman CPA and Associates, Inc.		Mark Painter
Thompson Hine LLP		Cinnamon Pelly
THP Limited Inc.		Rick Pender
Time Warner Cable		Thomas Powers
TJ Maxx		Albert Pyle
Trattoria Roma		Marcus Relthford and Amy Eddy
TriVersity Construction Company		Mike Saltzmann
Ulmer & Berne LLP		Mary Beth Salyers
United Way of Greater Cincinnati		Bill Schmidt
Universal Protection Services, LLC		Kevin Schuitema
Upside Down Holdings LLC		Andy Scott
Uptown Consortium, Inc.		Trish and Walter Smitson
Urban Fast Forward		Andy and Kim Stark
Urban Sites Limited Liability Company		Jalea Stowers
US Bank		Wayne Taleff
US Digital Partners		Conrad Thiede
Venue 222		Brian Till
Vestige Redevelopment Group		Jeffrey Waite
vRide		Cynthia Walker
Walter E. Gay, Jr., D.D.S., Inc.		James and Joan Wichman
Western & Southern Financial Group/ Eagle Realty Group		David and Linda Yip
		Christy Zerges

Individual

Nancy Allen
Eric Anderson
Mary Armor
Robyn Bancroft
Geoffrey Barnes
Jim and Mary Berry
Tom Besanceney
Jill Bohl
Damian Bolton
Paula Brehm-Heeger
Kathleen and George Brinkman
Kathleen DuPriest
Greg Edwards
DaVan Gasset
David and Pamela Ginsburg
Marshall and Enid Ginsburg
Coralie Ginsburg
Michael and Carol Glotfelter
Kathryn Haines
LaVaughn Henry
Charles Hudson
Lisa Kaminski
Steven Kenat
Michael Kennedy
Thomas Kilcoyne

Marketing and Communications

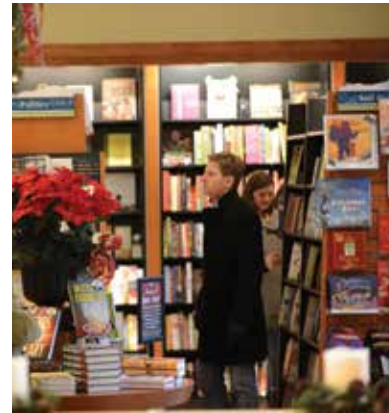
Advancing the image, awareness, and usage of downtown Cincinnati as a vibrant hub of activity for people to live, work, dine, shop, and play.



Mark Bowen



Mark Bowen



Mark Bowen

Communications

Downtown received positive media coverage, with TV appearances and newspaper stories throughout the year about dining and gift ideas for Valentine's Day, Mother's Day, and Father's Day, as well as summer late night dining options, Live It Up Downtown, and holiday events. A column by David Ginsburg appeared in the Business Courier's Core Strengths special section. Visits to DCI's website grew, with traffic via mobile device increasing 45% and via tablet 47%. The reformatted weekly email had a 12% increase in subscriptions. Facebook "likes" were up 71% (16,799) and Twitter followers were up 100% (17,301) over 2012. DCI created Pinterest boards in July, ending the year with 1,523 followers.

Holidays

Macy's Downtown Dazzle drew more than 15,000 people to downtown during the holiday season. These free events, on November 30, December 7 and 14, featured a rappelling Santa, Metro's Holly Jolly Trolley, carriage rides, and photos with Santa at Macy's. The 500 commemorative Rookwood Tiles sold out at Macy's Fountain Place. The 2013 online Holiday Catalog, published for Cyber Monday, featured items from 26 merchants from the CBD and OTR and had 6,700 page views, up 24% from 2012. During November and December, television coverage of downtown's holiday events totaled almost two hours.

Retail Promotion

Downtown Cincinnati Gift Card sales were 81% ahead of prior year sales. Gift Cards are now sold at Findlay Market, as well as the DCI office and website. More than 200 establishments, from The Banks to Over-the-Rhine, accept the Card.

DCI partnered with the management and merchants of Carew Tower to promote this important shopping destination, with exterior signage, multi-merchant event, and a section in the weekly email.

DCI hosted Summer and Holiday Retailer meetings, with representatives from the Convention & Visitors Bureau, Regional Tourism Network, Police, DCI, and 3CDC presenting information on seasonal programs and events to more than 100 stakeholders.

Safe and Clean

Enhancing the safe, clean, and welcoming environment of downtown Cincinnati.



Mark Borren



Downtown Cincinnati Inc.



Downtown Cincinnati Inc.

Ambassadors

Each day, more than 30 DCI Ambassadors, trained in public safety, enhanced cleanliness, and customer service, patrol downtown. Awareness and visibility of this successful program continues to grow. Respondents to the 2013 Perceptions Survey rated Ambassador visibility at 59%, an increase of 3 points. In July an Ambassador's Facebook page was launched, with 284 "likes" by year-end. Online magazine Soapbox and WCPO-TV's *The List* focused on the Ambassadors during fourth quarter. Both featured interviews with DCI Ambassadors, explained their services, shared the hotline number, and described them as "concierges of downtown."

Clean and Welcoming

In 2013 Keep Cincinnati Beautiful awarded the best score possible for the Monthly Litter Index to the Central Business District (CBD). The streets maintained by DCI in Over-the-Rhine (OTR), a separately funded Ambassador program, also received an excellent Monthly Litter Index score of 1.1.

During the year, Ambassadors power washed 545 block faces; 603,400 pounds of trash and 2,874 instances of graffiti were removed. Weeds were removed from 1,081 block faces. The always welcoming Ambassadors made 23,011 hospitality assists.

Community Engagement

The Ambassadors made 1,048 contacts with aggressive panhandlers and 3,661 with passive panhandlers in 2013. The DCI Social Service Outreach Coordinator had 6,022 interactions with clients, social service providers, and landlords. He successfully moved 34 people into permanent housing.

DCI issued 122 Virtual Block Watch email notifications regarding urgent safety topics and street construction updates to 1,071 subscribers. This demonstrates a 72% increase over last year's updates.

Four Sector Groups, which identify and solve quality of life problems, hold regular meetings with more than 20 people in attendance at each meeting.

Independent Auditors' Report

Board of Directors
 Downtown Cincinnati, Inc.
 Cincinnati, Ohio

We have audited the accompanying statements of financial position of Downtown Cincinnati, Inc. (DCI) (a nonprofit organization) as of December 31, 2013 and 2012 and the related statements of activities and cash flows for the years 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.

Auditor's Responsibility

Our responsibility is to express an opinion 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 auditor's 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 DCI as of December 31, 2013 and 2012 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



March 13, 2014
 Cincinnati, Ohio

150 East Fourth Street | Cincinnati, OH 45202 | Tel 513.241.8313 | Fax 513.241.8303

www.barnesdennig.com Member, PKF International

Stakeholder Services

Supporting and advocating for business and residential growth in downtown Cincinnati.



Courtesy of The Reserve at 4th and Race



Thadd Fiala



Travis Estell

Living Downtown

Downtown's growing residential community was the focus of the second annual Live It Up Downtown: A Celebration of Urban Living. DCI's residential task force, along with the Downtown Residents Council (DRC), hosted the event on Fountain Square. Booths featured 65 downtown businesses and amenities, with realtors and developers promoting available properties to encourage people to learn more about urban living. More than 1,000 attended the open houses. Sponsors were Raymond James, Enquirer Media, Horseshoe Casino, 4EG, and Block by Block.

DCI worked with the DRC to distribute welcome bags to new residents. The bags are filled with promotional items from restaurants, clubs, attractions and shops.

New and Expanding Businesses

Business retention and attraction efforts included working with the City on the Mabley Place/Pogue's Garage project to keep stakeholders informed; assisting the new owners of the @580 building as they transition to mixed use; meetings with the owners of the Terrace building; and working with Jedson on their move from Milford to downtown.

Downtown orientation sessions were provided to the staffs of new downtown companies, APG Office Furnishings and Kolar Design. Orientation sessions included the distribution of welcome bags, an overview of DCI and information about nearby amenities.

Research and Information

DCI produced and published the ninth annual *State of Downtown* report, which provides comprehensive data about the residential community, development projects, office occupancy, tourism, and safe and clean indicators. This report is used by the City and other stakeholders as a resource on all facets of downtown.

Quarterly parking surveys, listing downtown parking rates and availability, are maintained and published at DowntownCincinnati.com.

DCI serves as an important member of the Casino Neighborhood Working Group, dedicated to working with the Horseshoe Casino management and stakeholders to plan, prioritize and implement initiatives to benefit the neighborhood and casino visitors and to leverage the positive impact of the Casino for downtown.

STATEMENTS OF FINANCIAL POSITION

December 31, 2013 and 2012

	2013	2012
Assets		
Cash and cash equivalents	\$ 600,634	\$ 559,215
Certificates of deposit	249,692	55,000
Contracts and accounts receivable	176,845	155,067
Grants receivable	-	50,000
Unbilled receivables	270,829	263,892
Prepaid expenses	7,149	5,780
Property and equipment, net	11,566	6,777
Total assets	\$ 1,316,715	\$ 1,095,731
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 424,845	\$ 283,627
Advanced memberships	82,101	77,626
Total liabilities	506,946	361,253
Net Assets		
Unrestricted	809,769	684,478
Temporarily restricted	-	50,000
Total net assets	809,769	734,478
Total liabilities and net assets	\$ 1,316,715	\$ 1,095,731

See accompanying notes to financial statements

STATEMENTS OF ACTIVITIES

Years Ended December 31, 2013 and 2012

	2013	2012
Unrestricted revenues and support		
DCID contract: Special Improvement District	\$ 2,265,911	\$ 2,252,123
Service agreements	488,904	501,767
Memberships	131,210	121,900
Holiday, directory sponsorships and special events	122,520	112,870
Donated services	18,121	18,235
Interest income	986	640
Net assets released from restriction	50,000	25,000
Total unrestricted revenues and support	3,077,652	3,032,535
Expenses		
Operating	2,934,240	2,938,562
In-kind	18,121	18,235
Total expenses	2,952,361	2,956,797
Change in unrestricted net assets	125,291	75,738
Temporarily restricted net assets		
Donations and grants	-	75,000
Net assets released from restriction	(50,000)	(25,000)
Change in temporarily restricted net assets	(50,000)	50,000
Change in net assets	75,291	125,738
Net assets, beginning of year	734,478	608,740
Net assets, end of year	\$ 809,769	\$ 734,478

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2013 and 2012

	2013	2012
Cash flows from operating activities		
Change in net assets	\$ 75,291	\$ 125,738
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	4,424	3,808
Changes in:		
Contracts and accounts receivable	28,222	(143,480)
Unbilled receivables	(6,937)	19,389
Prepaid expenses	(1,369)	(40)
Accounts payable and accrued expenses	141,218	(134,261)
Advanced memberships	4,475	24,101
Net cash provided by (used in) operating activities	245,324	(104,745)
Cash flows from investing activities		
Purchase of certificates of deposit - net	(194,692)	(55,000)
Purchase of property and equipment	(9,213)	(2,949)
Net cash used in investing activities	(203,905)	(57,949)
Net change in cash and cash equivalents	41,419	(162,694)
Cash and cash equivalents, beginning of year	559,215	721,909
Cash and cash equivalents, end of year	\$ 600,634	\$ 559,215

NOTES TO FINANCIAL STATEMENTS

NOTE 1

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

Downtown Cincinnati, Inc. (DCI or the Organization) is a nonprofit corporation organized to enhance downtown Cincinnati through safe and clean programs, communications and marketing programs, and stakeholder services including assisting small women-owned and minority-owned firms. DCI receives contributions from Cincinnati area companies and foundations; and also receives funds from assessments on all downtown properties to take leadership in the revitalization of downtown.

FINANCIAL STATEMENT PRESENTATION

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP). The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets which have no donor-imposed restriction; temporarily restricted net assets which have donor-imposed restrictions that will expire in the future; and permanently restricted net assets which have donor-imposed restriction which do not expire.

CASH AND CASH EQUIVALENTS

The Organization considers all liquid investments with original maturities of three months or less to be cash equivalents. At December 31, 2013 and 2012, cash equivalents consisted primarily of money market funds. The Organization maintains its cash in bank deposit accounts which, at times, exceed federally insured limits. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk.

CERTIFICATES OF DEPOSIT

Certificates of deposit are carried at cost which approximates fair value. The certificates held at December 31, 2013 mature on various dates during 2014.

CONTRACTS AND ACCOUNTS RECEIVABLE

Contracts and accounts receivable consist of reimbursements due under contract agreements and general accounts receivable. The Organization provides an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. Delinquent receivables are written off based on individual credit evaluation and specific circumstances.

UNBILLED RECEIVABLES

Under the Special Improvement District (SID) contract through Downtown Cincinnati Improvement District (DCID), the Fountain Square Management Group (FSMG), SORTA and OTR Holdings contracts, the Organization bills actual monthly expenses the following month. Unbilled receivables represent December SID, FSMG, SORTA and OTR Holdings expenses to be billed in January of the following year. Also included in unbilled receivables at December 31, 2013 and 2012 were December consignment sales of promotional products (Commemorative Rookwood Tiles) billed in January of the following year.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 1

SUMMARY OF
SIGNIFICANT
ACCOUNTING
POLICIES
(Continued)**PROPERTY AND EQUIPMENT**

Property and equipment are recorded at cost or at fair value as of the date of the contribution. Depreciation is provided using the straight-line method over the estimated useful lives of the respective assets. The cost of maintenance and repairs are expensed as incurred while significant improvements are capitalized.

CONTRIBUTIONS

The Organization records gifts of cash and other assets at their fair value as of the date of contribution. Such donations are recorded as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as temporarily restricted and then released from restriction.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

DONATED SERVICE

The Organization records donated services as revenues in the period received only if the services received create or enhance non-financial assets or required specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. In 2013 and 2012, contribution revenue recognized for donated services was for media and promotions as presented in the statement of activities.

ADVANCED MEMBERSHIPS

Memberships received in advance are deferred and recognized in the period to which the memberships relate.

INCOME TAXES

The Organization is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of Ohio law. However, the Organization is subject to federal income tax on any unrelated business taxable income.

The Organization's IRS Form 990 is subject to review and examination by federal and state authorities. The Organization believes it has appropriate support for any tax positions taken, and therefore, does not have any uncertain income tax positions that are material to the financial statements. The Organization is generally no longer subject to examinations by tax authorities for years before 2010.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of supporting the various programs and other activities have been summarized on a functional basis in the notes to the financial statements. Expenses have been classified based upon the actual direct expenditures and cost allocations based upon estimates of time spent by Organization personnel.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 1

SUMMARY OF
SIGNIFICANT
ACCOUNTING
POLICIES
(Continued)**USE OF ESTIMATES**

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

SUBSEQUENT EVENT EVALUATION

In preparing its financial statements, the Organization has evaluated events subsequent to the statement of financial position date through March 13, 2014, which is the date the financial statements were available to be issued.

NOTE 2

PROPERTY AND
EQUIPMENT

Property and equipment consisted of the following:

	2013	2012
Computer equipment	\$ 55,758	\$ 46,546
Office equipment	8,566	16,141
Computer software	16,141	8,566
	80,465	71,253
Less accumulated depreciation	(68,899)	(64,476)
	\$ 11,566	\$ 6,777

Depreciation expense was \$4,424 in 2013 and \$3,808 in 2012.

NOTE 3

CONCENTRATION /
SPECIAL IMPROVEMENT
DISTRICT

DCI entered into a Special Improvement District contract with Downtown Cincinnati Improvement District (DCID) which expires on December 31, 2017. DCID is a special assessment of downtown property owners, which purchase the services of DCI. Approximately 74% of revenues in 2013 and 73% in 2012, and 71% of the receivables in 2013 and 63% in 2012 are related to the Special Improvement District contract.

NOTE 4

OTHER SERVICE
CONTRACTS

DCI has contracts with the Fountain Square Management Group to clean Fountain Square, SORTA to clean Government Square, bus stops and shelters in the central business district. DCI expended \$458,935 in 2013 and \$403,905 in 2012 in connection with these contracts.

DCI also has a contract with OTR Holdings to clean certain areas in Over-the-Rhine. DCI expended \$68,431 in 2013 and \$108,991 in 2012 in connection with this contract.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 5
LEASE
COMMITMENTS

The Organization leases office space and various equipment under operating leases that will expire in 2017. Rent expense for these leases was \$59,218 in 2013 and \$55,090 in 2012.

Future minimum lease payments are as follows:

2014	\$ 67,482
2015	67,482
2016	67,482
2017	66,584
	<u>\$ 269,030</u>

NOTE 6
401(K) PLAN

DCI participates in a multi-employer 401(k) plan sponsored by the Cincinnati USA Regional Chamber of Commerce. In 2012, the Organization contributed 10% of employees' gross pay to the plan. Effective January 1, 2013, the Organization changed its contribution to match up to 5% of the employees' contributions to the plan. Participants vest in employer contributions 20% each year and are fully vested after five years. Plan contributions were \$23,216 for 2013 and \$48,383 for 2012.

NOTE 7
FUNCTIONAL
ALLOCATION OF
EXPENSES

The costs of supporting the various programs and other activities of the Organization have been summarized below. Expenses have been classified based upon the actual direct expenditures and cost allocations based upon estimates of time spent by Organization personnel.

	2013		2012	
Program services	\$ 2,652,217	89.8%	\$ 2,640,517	89.4%
General and administrative	209,072	7.2%	224,443	7.5%
Fundraising	91,072	3.0%	91,837	3.1%
	<u>\$ 2,952,361</u>	<u>100.0%</u>	<u>\$ 2,956,797</u>	<u>100.0%</u>



Yard House at The Banks 5chw4r7z, Courtesy of 5chw4r7z.blogspot.com



Cincinnati Police Officer on Fountain Square Courtesy of Downtown Cincinnati Inc.



Fountain Square Mark Bowen



Lumenocity in Washington Park Courtesy of the Cincinnati Symphony Orchestra



Holtman's Donuts 5chw4r7z, Courtesy of 5chw4r7z.blogspot.com



Obscura Photography for the People



Oktoberfest Courtesy of the Cincinnati USA Regional Chamber



Public Library of Cincinnati and Hamilton County - Main Library Courtesy of same

THE MISSION OF DOWNTOWN CINCINNATI INC.
IS TO BUILD A DYNAMIC METROPOLITAN CENTER
VALUED AS THE HEART OF THE REGION.

