

MEMORANDUM

To: CRA Board
From: Hema Kailasam
Date: October 17, 2022
Re: August 2022 Financial Summary

FINANCIAL PERFORMANCE

NOTE: The CRA has income from development fees that are large and intermittent. These large deposits are the primary source of cash for operations and redevelopment investments. The monthly income includes income generated from operations and the activity from the investment account. Investment income includes interest and dividends and the unrealized gain or loss of the portfolio each month.

The sum of these components is the total income for the period. The net deficit/net surplus reflects the total sum of the income from operations and the unrealized gain or loss from investment income less the total expenses for the period. Any period when there is an unrealized loss in investment income will result in a greater deficit for the period.

In evaluating the CRA's financial performance, the tracking of expenses versus the approved annual budget is critical. The budget assumes that all shortfall in operating revenues will be covered by drawing down on the investment portfolio. This is shown in our annual budget presentation in the "Sources and Uses".

- Through August 31, 2022, the total unrealized investment income loss was **\$976,257** and total income from operations was \$861,136
- Total income from operations and unrealized loss in investment income for the year through August 31, 2022, was a loss of **\$141,014**.
- Through August 31, 2022, total operating expenses were \$7,774,889. Through August 31, 2022, Professional Services totaled \$444,041.
- Through August 31, 2022, the cumulative deficit was **\$7,915,903**. This reflects the payments of \$5,000,000 to the City of Cambridge for the construction of the Foundry. There are also Foundry expenses for FFE and operator support of \$500,711.
- For the Bishop Allen renovation project through August 31, 2022, total Bishop Allen renovations costs both hard and soft costs totaled \$689,215. Life to date total spending is 11,042,729. The approved total budget was \$11,401,000 including the solar project.

99 BISHOP ALLEN OPERATIONS

- The income from operations through August 31, 2022, was \$390,257. This total includes monthly rents, parking and electricity reimbursements collected.

- Operating expenses through August 31, 2022, were \$122,412. The mortgage interest and amortizations paid through August 31, 2022 was \$242,926.
- After financing costs, the net income was \$24,923 through August 31, 2022.
- The budget includes a five per cent (5%) annual contribution to a capital reserve account.



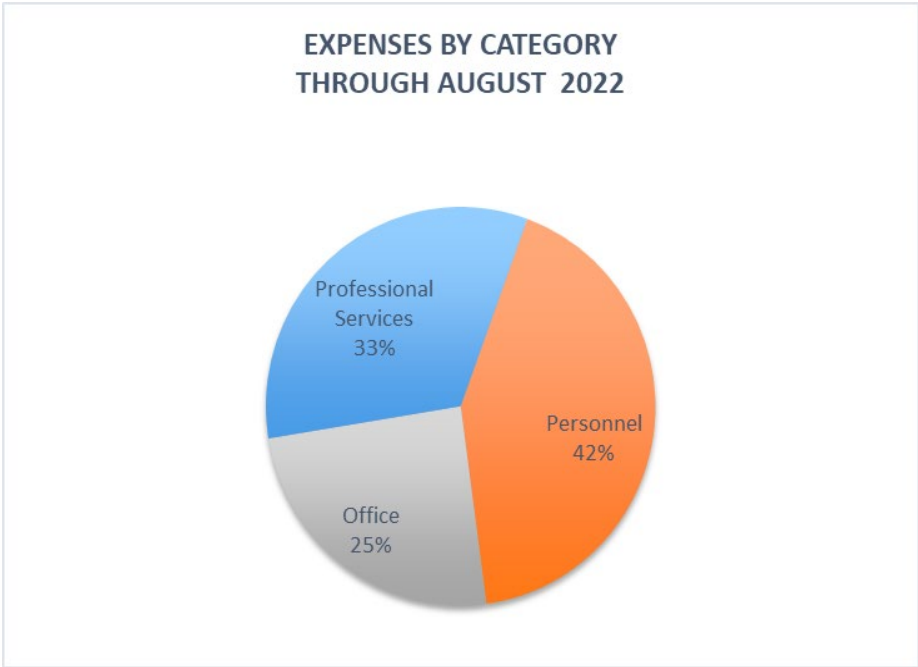
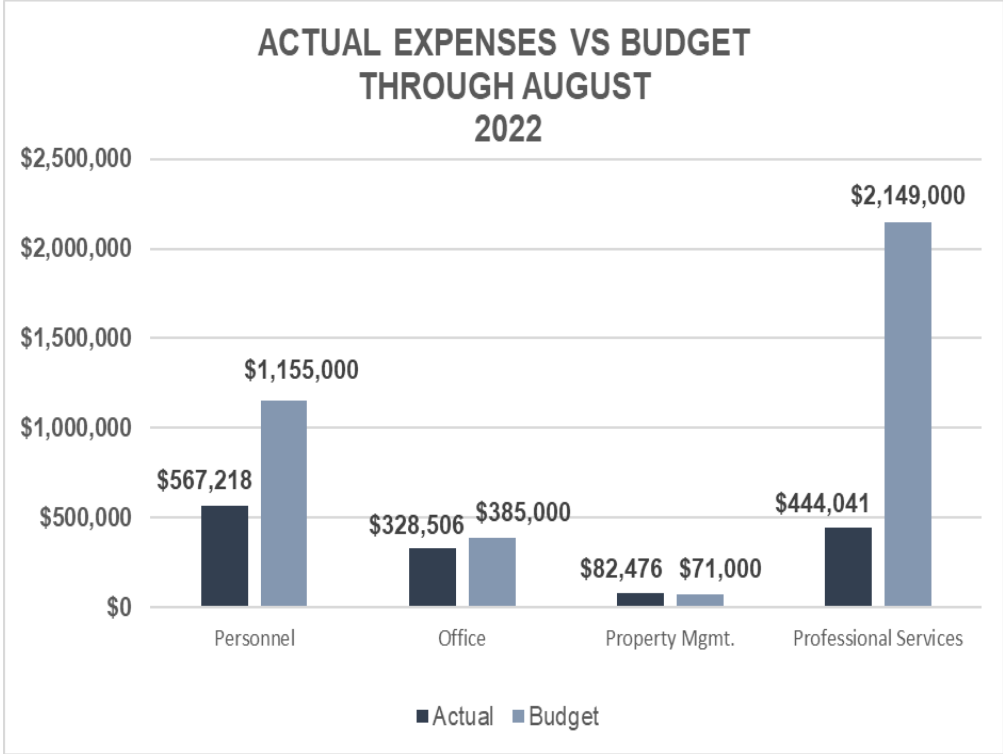
Thru 08/31/2022

	Actuals	Budget
4000 Income		
4200 Operating Revenue	\$861,136	\$1,476,000
4300 Investment Income	(\$976,257)	\$500,000
TOTAL INCOME	(\$141,014)	\$1,976,000
6000 Operating Expenses		
6110 Personnel	\$567,218	\$1,155,000
6200 Office	\$328,506	\$385,000
6300 Property Management	\$82,476	\$71,000
Total 6000 Operating Expenses	\$978,200	\$1,611,000
7000 Professional Services		
7001 Construction Management	\$14,850	\$110,000
7002 Design - Architects	\$63,529	\$474,000
7003 Design - Landscape Architects	\$116,851	\$426,000
7004 Design - Engineers	\$0	\$287,000
7005 Legal	\$52,817	\$110,000
7006 Real Estate & Finance	\$24,019	\$120,000
7007 Planning and Policy	\$2,613	\$50,000
7009 Accounting	\$5,000	\$25,000
7010 Marketing / Graphic Design	\$0	\$1,000
7012 Web Design / GIS		\$1,000
7013 Land and Building Surveys		\$10,000
7014 Records Management / Archivist		\$25,000
7017 Transportation Planning		\$400,000
7018 Investment Services	\$51,697	\$50,000
7020 Information Technology Services	\$8,770	\$20,000
7021 Insurance Consultant	\$6,075	\$10,000
7022 Construction/Project Management		
7023 Real Estate Commissions	\$74,903	
7024 Recruiter/HR Consultant	\$22,917	\$30,000
Total 7000 Professional Services	\$444,041	\$2,149,000
8000 Redevelopment Investments		
8200 Forward Fund	\$0	\$0
8400 Foundry	\$5,500,711	\$4,000,000
8500 KSTEP Fund	\$3,565	\$0
8710 Acquisitions	\$16,500	\$40,000
8720 Mortgage Interest	\$142,657	
8800 Rindge Connectivity		\$600,000
Total 8000 Redevelopment Investments	\$5,663,433	\$4,640,000
TOTAL EXPENSES	\$7,085,674	\$8,400,000
Total Surplus/Deficit	(\$7,226,688)	(\$6,424,000)

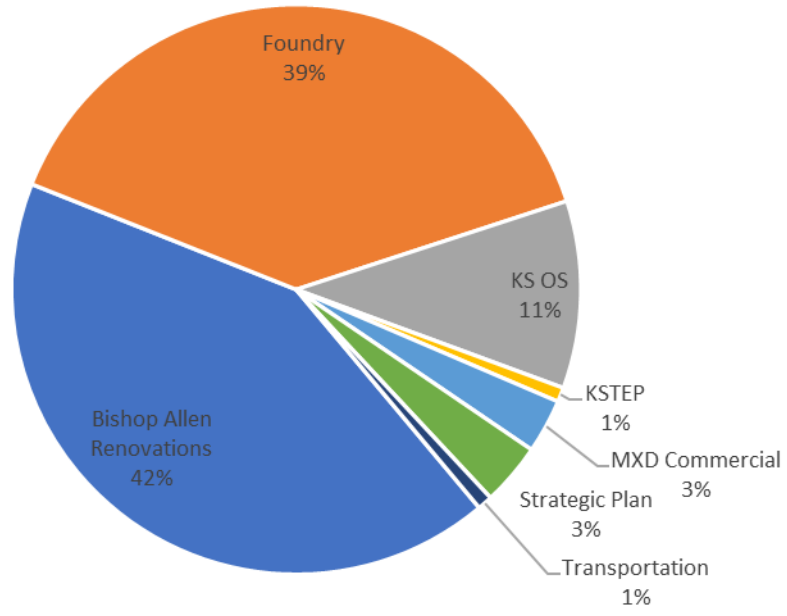
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8800 99 Bishop Allen	Year to Date	LTD Expenses	Approved Budget Jan 2021
8801 Hard Costs	\$583,404	\$9,352,134	\$9,427,356
8802 Soft Costs	\$81,397	\$1,666,181	\$1,872,644
8805 Solar Project	\$24,414	\$24,414	\$101,000
Total 8000 99 Bishop Allen	\$689,215	\$11,042,729	\$11,401,000

TOTAL EXPENSES \$7,774,889
 TOTAL NET SURPLUS/DEFICIT \$7,915,903



EXPENSES BY PROJECT AUGUST 2022



99 Bishop Allen
Budget vs. Actuals: 99 Bishop Allen Operating - FY22 P&L
 January - August, 2022

	<u>Total</u>	
	<u>Actual</u>	<u>Budget</u>
Income		
Electirc Expense Income		
Reimbursement	12,807	13,597
Total Electirc Expense Income	\$ 12,807	\$ 13,597
Operating Income	0	
Parking Income	14,000	16,000
Rent	363,450	411,755
Total Operating Income	\$ 377,450	\$ 427,755
Total Income	\$ 390,257	\$ 441,352
Gross Profit	\$ 390,257	\$ 441,352
Expenses		
Contract & professional fees		
Accounting	60	0
Legal		0
Property Manager	20,084	20,800
Total Contract & professional fees	\$ 20,144	\$ 20,800
Insurance		
Property insurance	27,264	0
Total Insurance	\$ 27,264	\$ 0
Occupancy		
Cleaning	6,587	7,200
Phone & Internet	2,404	2,000
Rent	4,236	
Repair & Maintenance		4,000
Rubbish Removal	3,401	8,000
Security	40	
Utilities		
Electric	29,944	40,234
Water	105	4,000
Total Utilities	\$ 30,049	\$ 44,234
Total Occupancy	\$ 46,716	\$ 65,434
Office expenses		
Bad Debt		
Office supplies	110	
Small tools & equipment	2,754	
Total Office expenses	\$ 2,864	\$ 0
Rent Loss/Abatement	15,983	8,696
Repairs & maintenance		
Alarm	220	2,000
Door Bell System		1,600
Elevator		2,000
Fire Inspection and Safety	795	1,333

Pest Control			1,333
Snow Removal & Landscaping		7,750	8,000
Total Repairs & maintenance	\$	9,417	\$ 16,267
Supplies		26	
Supplies & materials			8,000
Total Supplies	\$	26	\$ 8,000
Total Expenses	\$	122,412	\$ 119,197
Net Operating Income	\$	267,845	\$ 322,156
Other Expenses			
Amortization expenses		100,265	96,000
Mortgage Interest		142,657	146,920
Total Amortization expenses	\$	242,922	\$ 242,920
Other Miscellaneous Expenditure			
Capital Reserve			21,983
Total Other Miscellaneous Expenditure	\$	0	\$ 21,983
Reconciliation Discrepancies		0	
Total Other Expenses	\$	242,922	\$ 264,903
Net Other Income	-\$	242,922	-\$ 264,903
Net Income	\$	24,923	\$ 57,253

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