



MEMORANDUM

To: CRA Board
From: Hema Kailasam
Date: December 14, 2022
Re: October 31, 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 October 31, 2022, the total unrealized investment income loss was **\$616,227** and total income from operations was \$1,108,816.
- Total income from operations and unrealized loss in investment income for the year through October 31, 2022, was a gain of \$492,589.
- Through October 31, 2022, total operating expenses were \$1,323,522. Through October 31, 2022, Professional Services totaled \$616,118. Redevelopment investments were \$5,897,003.
- Through October 31, 2022, the cumulative deficit was **\$8,372,393**. This reflects the payments of \$5,000,000 to the City of Cambridge for the construction of the Foundry and payments to GVW for 99 Bishop Allen renovation project. There were also Foundry expenses for furniture, fixtures and equipment (FFE) and operator support of \$718,871.
- For the Bishop Allen renovation project through October 31, 2022, total Bishop Allen renovations costs both hard and soft costs totaled \$1,028,341. Life to date total spending is 11,381,855 The approved total budget was \$11,411,000 including the solar project.

99 BISHOP ALLEN OPERATIONS

- The income from operations through October 31, 2022, was \$555,062. This total includes monthly rents, parking and electricity reimbursements collected.
- Operating expenses through October 31, 2022, were \$150,085. The mortgage interest and amortizations paid through October 31, 2022 was \$321,633.
- After financing costs, the net income was \$83,344 through October 31, 2022.
- The budget includes a five per cent (5%) annual contribution to a capital reserve account which will be transferred at year end.

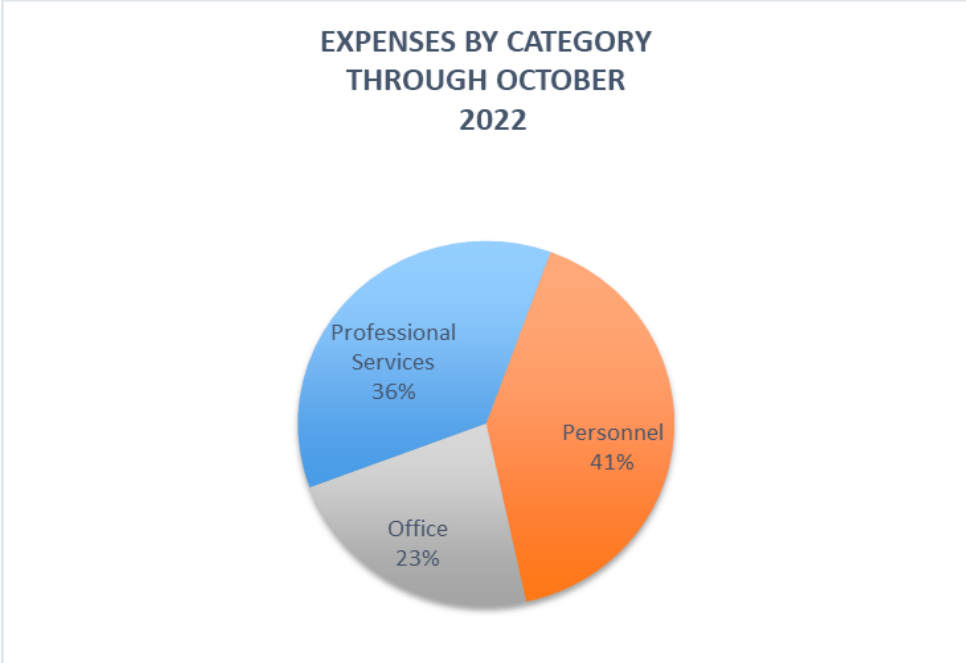
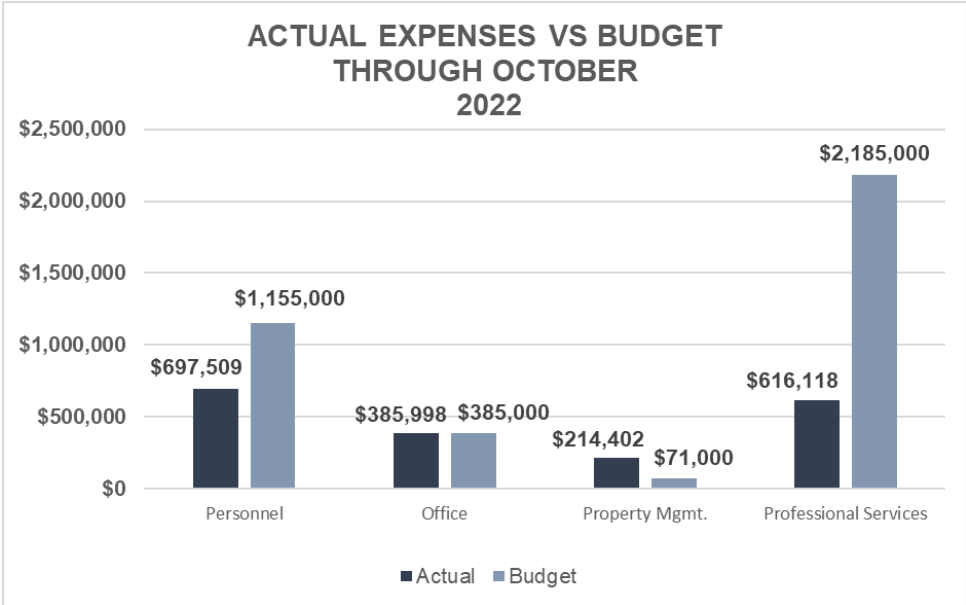


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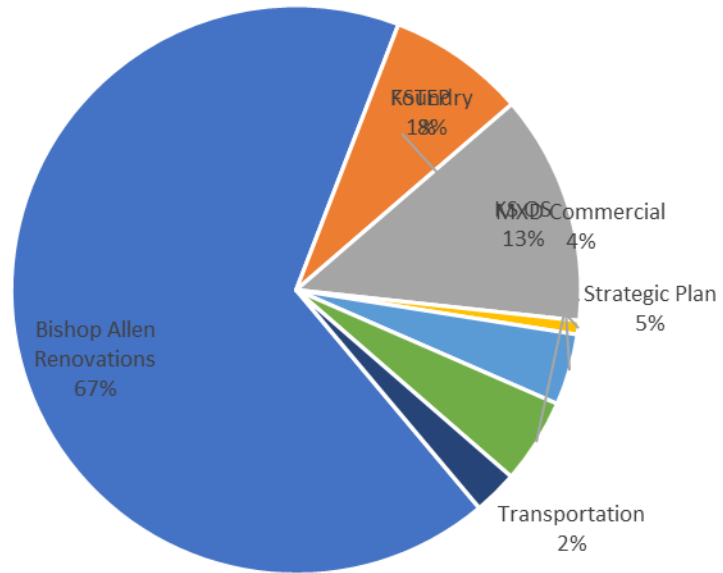
	Actuals	Budget
4000 Income		
4200 Operating Revenue	\$1,108,816	\$1,476,000
4300 Investment Income	(\$616,227)	\$500,000
TOTAL INCOME	\$492,589	\$1,976,000
6000 Operating Expenses		
6110 Personnel	\$697,509	\$1,155,000
6200 Office	\$385,998	\$385,000
6300 Property Management	\$214,402	\$71,000
Total 6000 Operating Expenses	\$1,323,522	\$1,611,000
7000 Professional Services		
7001 Construction Management	\$14,850	\$110,000
7002 Design - Architects	\$75,304	\$474,000
7003 Design - Landscape Architects	\$132,901	\$426,000
7004 Design - Engineers	\$0	\$287,000
7005 Legal	\$68,975	\$110,000
7006 Real Estate & Finance	\$54,394	\$120,000
7007 Planning and Policy	\$8,155	\$50,000
7009 Accounting	\$22,500	\$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	\$853	\$25,000
7017 Transportation Planning	\$22,029	\$400,000
7018 Investment Services	\$64,090	\$50,000
7020 Information Technology Services	\$9,705	\$20,000
7021 Insurance Consultant	\$6,750	\$10,000
7022 Construction/Project Management		
7023 Real Estate Commissions	\$93,083	
7024 Recruiter/HR Consultant	\$42,529	\$66,000
Total 7000 Professional Services	\$616,118	\$2,185,000
8000 Redevelopment Investments		
8200 Forward Fund	\$0	\$0
8400 Foundry	\$5,718,871	\$4,000,000
8500 KSTEP Fund	\$0	\$0
8710 Acquisitions	\$0	\$40,000
8720 Mortgage Interest	\$178,132	
8800 Rindge Connectivity		\$600,000
Total 8000 Redevelopment Investments	\$5,897,003	\$4,640,000
TOTAL EXPENSES	\$7,836,643	\$8,436,000
Total Surplus/Deficit	(\$7,344,054)	(\$6,460,000)

	Year to Date	LTD Expenses	Approved Budget Jan 2021
8800 99 Bishop Allen			
8801 Hard Costs	\$921,923	\$9,690,653	\$9,427,358
8802 Soft Costs	\$82,004	\$1,696,788	\$1,872,644
8805 Solar Project	\$24,414	\$24,414	\$111,000
Total 8800 99 Bishop Allen	\$1,028,341	\$11,381,855	\$11,411,000

TOTAL EXPENSES \$8,864,984
TOTAL NET SURPLUS/DEFICIT \$8,372,395



EXPENSES BY PROJECT OCTOBER 2022



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

	Total	
	Actual	Budget
Income		
Electric Expense Income		
Reimbursement	24,629	20,396
Total Electric Expense Income	\$ 24,629	\$ 20,396
Operating Income	0	
Other Rental Income		
Parking Income	20,000	24,000
Rent	510,433	620,115
Total Operating Income	\$ 530,433	\$ 644,115
Total Income	\$ 555,062	\$ 664,511
Gross Profit	\$ 555,062	\$ 664,511
Expenses		
Contract & professional fees		
Accounting	60	5,000
Legal		5,000
Property Manager	30,484	31,200
fees	\$ 30,544	\$ 41,200
Insurance		
Property insurance	27,264	34,320
Total Insurance	\$ 27,264	\$ 34,320
Occupancy		
Cleaning	10,187	10,800
Phone & Internet	3,865	3,000
Rent	4,236	
Repair & Maintenance		6,000
Rubbish Removal	4,931	12,000
Security	40	
Utilities		
Electric	40,907	60,351
Water	105	6,000
Total Utilities	\$ 41,012	\$ 66,351
Total Occupancy	\$ 64,271	\$ 98,151
Office expenses		
Bad Debt		
Office supplies	584	
Small tools & equipment	2,754	
Total Office expenses	\$ 3,338	\$ 0
Rent Loss/Abatement	12,723	13,044
Repairs & maintenance	1,689	
Alarm	445	3,000
Door Bell System		2,400
Elevator		3,000

Fire Inspection and Safety	795	2,000
Pest Control	125	2,000
Snow Removal & Landscaping	7,750	12,000
Total Repairs & maintenance	\$ 10,804	\$ 24,400
Supplies	26	
Supplies & materials	1,116	12,000
Total Supplies	\$ 1,141	\$ 12,000
Total Expenses	\$ 150,085	\$ 223,115
Net Operating Income	\$ 404,977	\$ 441,396
Other Expenses		
Amortization expenses	125,526	144,000
Mortgage Interest	196,107	220,380
Total Amortization expenses	\$ 321,633	\$ 364,380
Other Miscellaneous Expenditure		
Capital Reserve		32,974
Expenditure	\$ 0	\$ 32,974
Reconciliation Discrepancies	0	
Total Other Expenses	\$ 321,633	\$ 397,354
Net Other Income	-\$ 321,633	-\$ 397,354
Net Income	\$ 83,344	\$ 44,042

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