



# Monthly Financial Reporting

## January 31, 2024

Public Meeting | Wednesday, March 20, 2024

Presentation by: Gardy Laurent, Director of Finance and Operations



CAMBRIDGE  
**REDEVELOPMENT**  
AUTHORITY



## Presentation Topics:

- CRA Consolidated Statement of Activities
- Bishop Allen Financials.
- Foundry Financials.
- Closing Statements/ Q&A

# Consolidated Statement of Activities: Cambridge Redevelopment Authority

Cambridge Redevelopment Authority				
Consolidated Statement of Activities- CRA				
31-Jan-24				
	Actuals	YTD Budget	Actuals VS YTD Budget Variance	Annual Budget Reference
<b>Income</b>				
Proceeds from sale of development rights	\$ 67,540,494	\$ 61,912,120	\$ 5,628,375	\$ 67,540,494
Reimbursement/other	\$ 14,723	\$ 73,333	\$ (58,610)	\$ 80,000
Rental Income	\$ 144,424	\$ 1,383,250	\$ (1,238,826)	\$ 1,509,000
Investment Income	\$ 216,217.71	\$ 916,667	\$ (700,449)	\$ 1,000,000
Other Revenue Adj.	\$ -	\$ 275,000	\$ (275,000)	\$ 300,000
		\$ -	\$ -	
<b>Total</b>	<b>\$ 67,915,859</b>	<b>\$ 64,560,370</b>	<b>\$ 3,355,490</b>	<b>\$ 70,429,494</b>
<b>Expenses</b>				
Operating Expenses	\$ (197,139.43)	\$ (2,538,983)	\$ 2,341,843.90	\$ (2,769,800.00)
Professional Services	\$ (15,204.92)	\$ (732,417)	\$ 717,211.75	\$ (799,000.00)
Redevelopment	\$ (189,887.76)	\$ (1,911,250)	\$ 1,721,362.24	\$ (2,085,000.00)
<b>Total Operating Expenses</b>	<b>\$ (402,232)</b>	<b>\$ (5,182,650)</b>	<b>\$ 4,780,418</b>	<b>\$ (5,653,800)</b>
<b>Net Operating Income</b>	<b>\$ 67,513,627</b>			
Other expenses (Depr.)	\$ (60,960.00)			
<b>Net Income</b>	<b>Actuals</b>			
Change in Net Assets	\$ 67,452,667			

Financial Activities in January: The CRA billed Boston Properties (BxP) \$67.5 million for 290 Binney Street and 121 Broadway sale of redevelopment rights.

Total revenue was \$67.9 million for Operating, Rental, and Investment Income.

Net operating income was \$67.5 mil (Total revenue – total operating expenses).

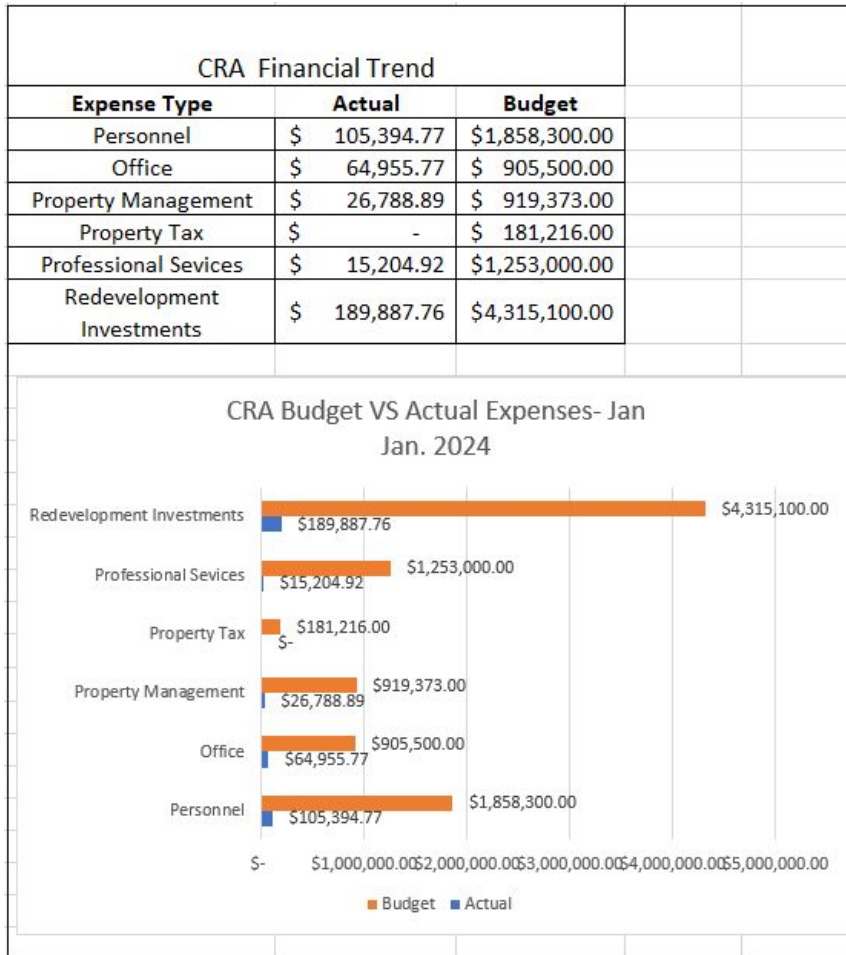
After accounting for depreciation expense (building and equipment), Change in Net Assets was \$67.4 mil.

# CRA's Balance Sheet: Assets (pg 4)

<b>CAMBRIDGE REDEVELOPMENT AUTHORITY</b>			
<b>Statement of Financial Position - January 31, 2024</b>			
<b>Assets</b>		<b>Actual</b>	
Cash & Cash Equivalents			
Bank		\$ 2,447,455	
Restricted		\$ -	
	<b>Total Cash</b>	\$ 2,447,455	
Current Assets			
Accounts Receivable		\$ 68,334,647	
Investment		\$ 24,117,111	
Prepaid Expenses		\$ 20,175	
Loans & Interest Receivable		\$ 804,889	
Other		\$ -	
	<b>Total Current Assets</b>	95,724,277	
Fixed Assets		\$ 23,689,529	
Less: Accum Deprec/Amort		-1,176,377.54	
	<b>Net Fixed Assets</b>	22,513,151	
Other Assets		\$ 7,585,038	
	<b>Total Other Assets</b>	7,585,038	
	<b>Total Assets</b>	\$ 125,822,466	

- Balance Sheet Activities: The CRA entered a \$5 mil equity deal for the 2400 Mass. Ave Development, resulting in the balance sheet showing a decrease in the Investment account balance by \$5 million and an increase to “Other Asset” by the same amount.
- The CRA’s \$24.1 mil investment account is made of KSTEP restricted fund (\$7 mil) , Other Post-Employment Benefits-OPEB (\$467K), and the CRA’s US Bank portfolio (\$16.6 million )
- Total Assets as of Jan. 31<sup>st</sup> , 2024 was \$125.8 mil (Total Current Assets + Net Fixed Assets + Total Other Assets).

# CRA Budget VS. Actual Expenses (pg 3)



- top expense category is Redevelopment Investment totaling \$189,888, primarily from the provision of Operator Support for the Foundry (\$164,466).



# Statement of Activities: Bishop Allen

## Financials

Cambridge Redevelopment Authority				
Statement of Activities- Bishop Allen Ave				
31-Jan-24				
			Actuals VS YTD Budget Variance	Annual Budget Reference
<b>Income</b>				
	Actuals	YTD Budget		
Grants	\$ -	\$ -	\$ -	\$ -
Operating Income	\$ 2,223	\$ 3,762	\$ (1,538)	\$ 45,141
Rental Income	\$ 59,217	\$ 55,236	\$ 3,981	\$ 662,832
Investment Income	\$ 6	\$ -	\$ 6	\$ -
Other Revenue	\$ -	\$ -	\$ -	\$ -
Total	\$ 61,446	\$ 58,998	\$ 2,449	\$ 707,973
<b>Expenses</b>				
	Actuals	YTD Budget	Actuals VS YTD Budget Variance	Annual Budget Reference
Operating Expenses	\$ (34,082.10)	\$ (25,958)	\$ (8,123.77)	\$ (311,500.00)
Professional Services	\$ -	\$ (2,167)	\$ 2,166.67	\$ (26,000.00)
Mortgage Interest Expense	\$ (17,479.19)	\$ (29,614)	\$ 12,135.23	\$ (355,373.00)
Total Operating Expenses	\$ (51,561)	\$ (57,739)	\$ 6,178	\$ (692,873)
<b>Net Operating Income</b>	\$ 9,885.11			
Other expenses (Building Deprec.)	\$ (51,164.00)			
<b>Net Income</b>				
	Actuals			
Change in Net Assets	\$ (41,279)			

- Total Revenue as of statement date was \$61,446, with total expenses of \$51,561 yielding a positive Net Operating Income of \$9,885.
- After accounting for depreciation expense for building, B.A had a negative Change in Net Assets of \$41,279.
- Special Note: The CRA continues to address water intrusion and moisture mitigation issues as part of capital improvement to the building. The building is fully rented to non-profits with 9 office leased spaces.

# Statement of Activities: Foundry

## Highlights

Cambridge Redevelopment Authority					
Statement of Activities- Foundry					
31-Jan-24					
Income	Actuals	YTD Budget	Actuals VS YTD Budget		Annual Budget Reference
			Variance		
Operating Income	\$ 12,500	\$ 16,174	\$ (3,674)	\$ 194,091	
Rental Income	\$ 80,467	\$ 85,927	\$ (5,460)	\$ 1,031,125	
Investment Income	\$ -	\$ -	\$ -		
Other Revenue	\$ -	\$ -	\$ -		
		\$ -	\$ -		
<b>Total</b>	<b>\$ 92,967</b>	<b>\$ 102,101</b>	<b>\$ (9,135)</b>	<b>\$ 1,225,216</b>	
Expenses	Actuals	YTD Budget	Actuals VS YTD Budget		Annual Budget Reference
			Variance		
Operating Expenses	\$ (22,348.11)	\$ (63,768)	\$ 41,419.89	\$ (765,216.00)	
Professional Services	\$ -	\$ (6,667)	\$ 6,666.67	\$ (80,000.00)	
Redevelopment	\$ (164,466.00)	\$ (66,667)	\$ (97,799.33)	\$ (800,000.00)	
<b>Total Operating Expenses</b>	<b>\$ (186,814)</b>	<b>\$ (137,101)</b>	<b>\$ (49,713)</b>	<b>\$ (1,645,216)</b>	
<b>Net Operating Income</b>	<b>\$ (93,847)</b>				
Other expenses (Equipment Depr.)	\$ (9,796.00)				
<b>Net Income</b>	<b>Actuals</b>				
Change in Net Assets	\$ (103,643)				

- Change in Net Assets of negative \$103,643 (Total Revenue minus Total Income).
- One office suite (3C under construction) remains unoccupied with a lease start date of April 1, 2024
- Special Note:
  - The CRA received a tax abatement approval from the City for \$51,482 (taxes paid last November). The first floor received full abatement and commercial spaces received partial.
  - The construction cost for suite 3C is \$280K higher than the approved capital budget of \$300K (electrical and HVAC).

# Closing Statements

## Q&A

- The Finance and Operations group started the new year with numerous fiscal projects for operational improvements. Finance Manager (Sabrina Nunez-Diaz), Operations Director (Ellen Shore), and Director of Finance and Operations (Gardy Laurent).
  
- January Fiscal Highlights:
  - Launched a new fiscal operation system that tracks assets, budget expenditures, procurement contracts, purchase orders, assets, and many more administrative processes.
  - The COVID loan issued by the CRA in 2021 is being re-assessed to revamp collection/servicing strategies.
  - The CRA executes an equity deal for the development of 2400 Massachusetts Ave.
  - Abatement received from the City for Foundry paid property tax.
  - Invoicing Boston Property for Sales of Redevelopment Rights at 290 Binney Street and 121 Broadway.
  - The Foundry increased construction costs to subdivide office suite 3B/3C for a new tenant to move in.