

## Monthly Financial Reporting August 31, 2023

Public Meeting | Wednesday, October 18, 2023 Presentation by: Gardy Laurent, Director of Finance and Operations



# Presentation Topics:

- CRA Consolidated Statement of Activities
- CRA Financial Position and Performance
  - Balance Sheet: Assets, Liabilities & Equities.
- Bishop Allen Highlights.
- Foundry Highlights.
- Closing Statements/ Q&A



# Consolidated Statement of Activities: Cambridge Redevelopment Authority

Ca	aml	bridge Rede	ve	elopment	Αι	ıthority		
		dated State						
		January -	- A	ugust, 202	3			
					Α	ctuals VS YTD Budget	A	Annual Budget Reference
Income		Actuals	,	TD Budget		Variance		
Proceeds from sale of								
development rights	\$	_	Ś	45,733,333	\$	(45,733,333)	Ś	68,600,000
Operating Income	\$	471,976	\$	53,333	\$	418,642	Ś	80,000
Rental Income	\$	935,480	Ś	1,006,000	\$	(70,520)	-	1,509,000
Investment Income	\$	1,099,618.45	Ś	666,667	\$	432,952	Ś	1,000,000
Other Revenue	\$	(28,842)	\$	200,000	\$	(228,842)	Ś	300,000
	Ť	,,-	\$	-	\$	-	Ť	
			Ť		Ť			
Total	\$	2,478,232	\$	47,659,333	\$	(45,181,101)	\$	71,489,000
					Α	ctuals VS YTD	A	Annual Budget
						Budget		Reference
Expenses		Actuals	_	YTD Budget		Variance		
Operating Expenses	_	(1,376,463.51)	\$	(1,846,533)	_	470,069.82	\$	(2,769,800.00)
Professional Services	\$	(322,849.95)	_	(532,667)	_	209,816.72	\$	(799,000.00)
Redevelopment	\$	(685,565.90)	\$	(1,390,000)	\$	704,434.10	\$	(2,085,000.00)
Other expenses (Depr.)	\$	(224,105.00)	\$	-	\$	(224,105.00)		
							\$	-
Total	\$	(2,608,984)	\$	(3,769,200)	\$	1,160,216	\$	(5,653,800)
					Α	ctuals VS YTD		
						Budget		
Net Assets		Actuals	١	YTD Budget		Variance		
Change in Net Assets	\$	(130,752)	\$	43,890,133	\$	(44,020,886)		

- ➤ The "Statement of Activities" on the left incorporates all of CRA's income sources as of Aug. 31st, 2023 (e.g.: Bishop Allen, Foundry, and CRA's activities).
- "Year to date" (YTD) total revenue was \$2,478,232 for Operating, Rental and Investment Income.
- Under Variance, the total difference between YTD actual income vs. budgeted amount was negative -\$45,181,101 because CRA did not receive budgeted "Proceeds from Sale of Development Rights" as of the statement date.



# Consolidated Statement of Activities: Cambridge Redevelopment Authority

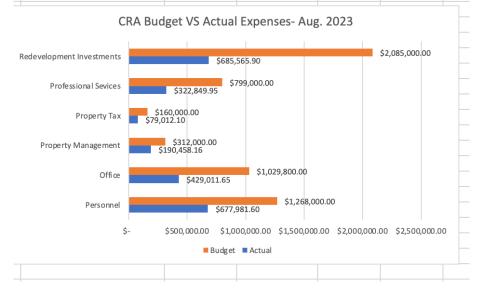
		bridge Rede						
Cons	oli	dated State			_	ities- CRA		
		January - August, 202				ctuals VS YTD Budget	Annual Budge Reference	
Income		Actuals	,	YTD Budget		Variance		
Proceeds from sale of development rights	\$		ć	45,733,333	\$	(45,733,333)	ć	68,600,000
Operating Income	\$	471,976	\$	53,333	\$	418,642	Ś	80,000
Rental Income	\$	935,480	Ś	1,006,000	\$	(70,520)	Ś	1,509,000
Investment Income	\$	1,099,618.45	\$	666,667	\$	432,952	\$	1,000,000
Other Revenue	\$	(28,842)	\$	200,000	\$	(228,842)	\$	300,000
			\$	-	\$	-		
Total	\$	2,478,232	\$	47,659,333	\$	(45,181,101)	\$	71,489,000
					A	ctuals VS YTD Budget	,	Annual Budget Reference
Expenses		Actuals	,	YTD Budget		Variance		
Operating Expenses	\$	(1,376,463.51)	\$	(1,846,533)	\$	470,069.82	\$	(2,769,800.00
Professional Services	\$	(322,849.95)	\$	(532,667)	\$	209,816.72	\$	(799,000.00
Redevelopment	\$	(685,565.90)	\$	(1,390,000)	\$	704,434.10	\$	(2,085,000.00
Other expenses (Depr.)	\$	(224,105.00)	\$	-	\$	(224,105.00)		
							\$	-
Total	\$	(2,608,984)	\$	(3,769,200)	\$	1,160,216	\$	(5,653,800
	+							
Net Assets		Actuals	,	YTD Budget	A	ctuals VS YTD Budget Variance		
Change in Net Assets	\$	(130,752)	_	43,890,133	\$	(44,020,886)		
	-	, ==,==,	÷	., ,	-	, ,,,		

- Total YTD actual expense was \$2,608,984; a difference of \$1,160,216 lower than budgeted expenditures as we continue our expansion and hiring efforts.
  - Net Other Inc(Exp) includes COVID loan forgiveness -\$15,625 and Depreciation expenses for building and equipment -\$208,480.
- Overall consolidated activities yield a negative "change in Net Assets" of -\$130,752 (the difference between total revenue of \$2,478,232 minus total expenses of \$2,608,984).



## CRA Budget VS. Actual Expenses (pg 3)

Expense Type	Actual	Budget
Personnel	\$677,981.60	\$1,268,000.00
Office	\$429,011.65	\$1,029,800.00
Property Management	\$190,458.16	\$ 312,000.00
Property Tax	\$ 79,012.10	\$ 160,000.00
Professional Sevices	\$322,849.95	\$ 799,000.00
Redevelopment Investments	\$685,565.90	\$2,085,000.00



- ➤ The orange bar represents budgeted expenditures and the blue represents actual expenses.
- The Authority continues to operate within its budget comparing expense categories for budget projection vs actuals.



## CRA Budget VS. Actual Expenses (pg 3)

Project Name	To	otal Amount	Percentage		101	tal Amount	
Alewife	\$	88,153.72	5%				
Bishop Allen	\$	492,390.16	28%			24 2504 EW	
Bolton Street	\$	11,774.44	1%			476 2 H. P. S. P.	
EC Tree	\$	24,837.67	1%		198 18		
Forward Fund	\$	54,821.50	3%			28%	
Foundry	\$	811,276.90	46%				
GJ Transit Study	\$	5,695.94	0.3%				
KS Open Space	\$	61,359.56	3%				
KSTEP	\$	13,600.11	1%			The state of the s	
MFNH	\$	7,820.41	0%			3%	
MXD Commercial	\$	37,476.23	2%		46%		
MXD Housing	\$	58,569.99	3%				
MXD Signage	\$	1,543.66	0.1%	<ul> <li>Alewife</li> </ul>	<ul> <li>Bishop Allen</li> </ul>	<ul> <li>Bolton Street</li> </ul>	<ul> <li>ECTree</li> </ul>
Strategic Plan	\$	50,557.39	3%	■ Forward Fund	<ul> <li>Foundry</li> </ul>	GJ Transit Study	<ul> <li>KS Open Space</li> </ul>
Transportation	\$	35,031.19	2%	. o. wa a rana	. canaly	S Trainit Study	no open space
Wellington-Harrington	\$	900.00	0.1%	■ KSTEP	■ MFNH	<ul> <li>MXD Commercial</li> </ul>	<ul> <li>MXD Housing</li> </ul>
otal	\$ 1	,755,808.87		<ul> <li>MXD Signage</li> </ul>	<ul> <li>Strategic Plan</li> </ul>	<ul> <li>Transportation</li> </ul>	<ul> <li>Wellington-Harrington</li> </ul>

- CRA's top two investments yielding high expenses are Foundry and Bishop Allen (two large portions of the pie illustration).
- Other programs/expenses include KSTEP, Strategic Plan, GJ Transit Study, KS Open Space, MFNH, MXD Housing, MXD Signage, Wellington-Harrington, Alewife Bolton Street, and EC Tree.



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

С	AMBRIDGE REDE	EVEL	OPMENT AU	THOR
	Statement of Finance			
ssets			Actual	
	Cash & Cash Equivalent	s		
	Bank	\$	2,520,179	
	Restricted	\$	-	
	Total Cas	h S	2,520,179	
	7 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3		_,,	
	Current Assets			
	Accounts Receivable	\$	327,546	
	Investment	\$	29,570,161	
	Prepaid Expenses	s		
	Loans & Interest Receiv	-	1,188,576	
			2,200,270	
	Other	s	-	
	Total Current Asse	ts	33,606,462	
	Fixed Assets	\$	24,066,990	
	Less: Accum Deprec/An		(976,807)	
	Net Fixed Asset	S	23,090,184	
	Other Assets	s	3,028,364	
	Total Other Asse	40	2 021 241	
	1 otat Otner Asse	is	3,031,241	
	Total Asse	ts S	59,727,886	

- As of August 31<sup>st</sup>, 2023, Available Cash
   & Cash Equivalents was \$2,520,179.
- Current Assets, which include Accounts Receivable, Investment, Loans, and Interest Receivable, had a total of \$31,086,283 which yielded a total Current Assets of \$33,606,462 (with Cash & Cash Equivalents added).
- ➤ Total Assets as of July 31<sup>st</sup> was \$59,757,886 (Total Current Assets + Net Fixed Assets + Total Other Assets).



## CRA's Balance Sheet: Liabilities & Equity

#### **CAMBRIDGE REDEVELOPMENT AUTHORITY**

tatement of	Financial 1	Position - Au	gu	st 31, 202
<u>Liabilities &amp; E</u>	<u>quity</u>			Actual
	Current Liab	ilities		
	Accounts P	ayable	\$	121,226
	Credit Card	S	\$	4,574
	Other Curre	ent Liabilities	\$	647,921
	Total Cur	rent Liabilities		773,722
	Long-Term I	Liabilities		6,435,465
	Deferred Co	ompensation	\$	-
	Loan Payab	le		
	Deferred Re	evenue (Security	\$	78,096
				6,513,562
	1	Total Liabilities	\$	7,287,284
	Restricted Fu	ınds		12,184,920
	Net Assets		\$ 4	10,413,944
	Change in No	et Assets	\$	(158,261)
<u>Equity</u>				
	Tot	al Net Position	5	52,440,603
	Total I iahilitia	s & Net Assets	\$ 4	59,727,886

- > Total Current Liabilities was \$647,921.
  - Ex: Credit Cards and other borrowed funds.
- Long-term liabilities for loans and security deposits totaled \$6,513,562.
- > Total Equity was \$52,440,603.



## CRA's Balance Sheet: Liabilities & Equity

C		VELOPMENT AUTHORI					
	Statement of Financia	II Pos	sition - August 31, 20	123			
Assets			Actual				
	Cash & Cash Equivalents						
	Bank	\$	2,520,179				
	Restricted	\$	-				
	Total Cash	\$	2,520,179				
	Current Assets						
	Accounts Receivable	\$	327,546				
	Investment	\$	29,570,161				
	Prepaid Expenses	\$	-				
	Loans & Interest Receival	\$	1,188,576				
	Other	\$	-				
	Total Current Assets		33,606,462				

tatement of	Financial :	Position - Au	gu	st 31, 20
Liabilities & E	quity			Actual
	Current Liab	ilities		
	Accounts P	ayable	\$	121,226
	Credit Card	S	\$	4,574
	Other Curre	ent Liabilities	\$	647,921
		rent Liabilities		773,722 6,435,465
	Long-Term I  Deferred Co	ompensation	\$	-
	Loan Payab	le		
	Deferred Re	evenue (Security	\$	78,096
				6,513,562
	,	Total Liabilities	\$	7,287,284

- Current Ratio = 44 (Total Current Assets / Total current liabilities)

  (Normal range 1.5 -3; a company's liquidity in using current assets to pay current liabilities)
- Cash Ratio of 3.3; not factoring investment account (Cash and Cash Equivalent / Current Liabilities).

(Normal range greater than 1; stress test that analyzes a company's ability to pay its short-term liabilities in cases where its receivables or inventory won't be collected in a short period)



### Statement of Activities: Bishop Allen

			Cambridge Redevelopment Authority Statement of Activities- Bishop Allen A								
Stater	ne					•	/e				
		January	- /	August, 2	02	3					
					A	ctuals VS YTD Budget	Aı	nnual Budget Reference			
Income		Actuals	Y	TD Budget		Variance					
Grants	\$	30,000	\$	-	\$	30,000	\$	-			
Operating Income	\$	-	\$	16,781	\$	(16,781)	\$	25,172			
Rental Income	\$	433,854	\$	433,023	\$	831	\$	649,534			
Investment Income	\$	7	\$	-	\$	7	\$	-			
Other Revenue	\$	-	\$	-	\$	-	\$	-			
Total	\$	463,861	\$	449,804	\$	14,057	\$	674,706			
					A	ctuals VS YTD	Αı	nnual Budget			
_						Budget		Reference			
Expenses		Actuals	Y	TD Budget		Variance					
Operating Expenses	\$	(170,483.00)	\$	(145,203)	\$	(25,280.33)	\$	(217,804.00)			
Professional Services	\$	(315.00)	\$	-	\$	(315.00)	\$	-			
Redevelopment Investments	\$	(132,556.16)	\$	(242,926)	\$	110,369.84	\$	(364,389.00)			
Other expenses	ċ	(190 036 00)	خ	(27,002)	خ	(151 052 22)	ċ	(E6 074 00)			
(Depr.)	\$	(189,036.00)	\$	(37,983)	\$	(151,053.33)		(56,974.00)			
(Depr.)		,		, , ,			\$	-			
· '	\$	,		(37,983)		(151,053.33)		(56,974.00) - (639,167)			
(Depr.)		,		, , ,			\$	-			
(Depr.)		,		, , ,	\$		\$	-			
(Depr.)		,	\$	, , ,	\$	(66,279)	\$	-			

### **Highlights**

- Change in Net Assets of negative -\$28,529 (Total Revenue minus Total Income.
- The existing budget did not include a line for Building/Equipment Depreciation.
- > Special Note: The building is fully rented with 9 office leased spaces.



### Statement of Activities: Foundry

Cambridge Redevelopment Authority								
S	Sta	tement of A	Ac	tivities-	F٥	undry		
		January	- A	ugust, 20				
					Ac	tuals VS YTD		nual Budget
						Budget		Reference
Income		Actuals		TD Budget		Variance		
Operating Income	\$	26,847	\$	33,333	\$	(6,487)	\$	50,000
Rental Income	\$	453,591	\$	533,859	\$	(80,267)	\$	800,788
Investment Income			\$	-	\$	-		
Other Revenue			\$	-	\$ -			
			\$	-	\$	-		
Total	\$	480,438	\$	567,192	\$	(86,754)	\$	850,788
	Actuals VS YTD		tuals VS YTD	Annual Budget				
						Budget		Reference
Expenses		Actuals	Y	TD Budget		Variance		
Operating Expenses	\$	(203,460.83)	\$	(242,667)	\$	39,205.84	\$	(364,000.00)
Operating Expenses Professional Services	_	(203,460.83)	\$ \$	(242,667) -	\$	39,205.84 (2,070.00)	\$	(364,000.00)
	\$		\$	(242,667) - (429,755)	_	-	\$	(364,000.00) - (644,632.00)
Professional Services	\$	(2,070.00)	\$	-	\$	(2,070.00)	\$	-
Professional Services Redevelopment	\$ \$ \$	(2,070.00) (495,720.50)	\$	-	\$	(2,070.00) (65,965.83)	\$	-
Professional Services Redevelopment	\$	(2,070.00) (495,720.50)	\$	-	\$	(2,070.00) (65,965.83)	\$	-
Professional Services Redevelopment Other expenses	\$ \$ \$	(2,070.00) (495,720.50) (19,444.00)	\$	- (429,755) -	\$	(2,070.00) (65,965.83) (19,444.00)	\$	- (644,632.00) -
Professional Services Redevelopment Other expenses	\$ \$ \$	(2,070.00) (495,720.50) (19,444.00)	\$	- (429,755) -	\$ \$	(2,070.00) (65,965.83) (19,444.00) (48,274)	\$	- (644,632.00) -
Professional Services Redevelopment Other expenses	\$ \$ \$	(2,070.00) (495,720.50) (19,444.00)	\$	- (429,755) -	\$ \$	(2,070.00) (65,965.83) (19,444.00) (48,274)	\$	- (644,632.00) -
Professional Services Redevelopment Other expenses Total	\$ \$ \$	(2,070.00) (495,720.50) (19,444.00) (720,695)	\$	- (429,755) - (672,421)	\$ \$	(2,070.00) (65,965.83) (19,444.00) (48,274) tuals VS YTD Budget	\$	- (644,632.00) -
Professional Services Redevelopment Other expenses	\$ \$ \$	(2,070.00) (495,720.50) (19,444.00)	\$ \$ \$	- (429,755) -	\$ \$	(2,070.00) (65,965.83) (19,444.00) (48,274)	\$	- (644,632.00) -

### **Highlights**

- Change in Net Assets of negative -\$240,257 (Total Revenue minus Total Income.
- > Two Suites that have not been rented for most of the year.
- > Special Note:
  - CRA has executed a contract with Olema Pharmaceuticals, Inc. effective September 15<sup>th</sup> with rent commencement date of November 15<sup>th</sup>.
  - CRA has only Suite 3B unoccupied.



## Closing Statements Q&A

- CRA continues to evaluate and invest in programs that align with its goals and strategic plans.
- > Research:
  - Enhance contract management software.
  - Evaluating enterprise government accounting software suitable to the CRA.
  - The Finance and Operation team continues to proactively position itself by setting systems and procedures in place to provide support to the organization as it plans to expand.

