

MEMORANDUM

To: CRA Board

From: Hema Kailasam

Date: September 19, 2022

Re: July 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 July 31, 2022, the total unrealized investment income loss was **\$734,761** and total income from operations was \$690,210.
- Total income from operations and unrealized loss in investment income for the year through July 31, 2022, was a loss of **\$70,444**.
- Through July 31, 2022, total operating expenses were \$6,699,252. Through July 31, 2022, Professional Services totaled \$367,944. With substantial completion of the Foundry, the CRA paid \$4,000,000 to the City of Cambridge.
- Through July 31, 2022, the cumulative deficit was **\$6,769,696**.
- For the Bishop Allen renovation project through July 31, 2022, total Bishop Allen renovations costs both hard and soft costs totaled \$677,001. Life to date total spending is 11,030,515. The approved total budget was \$11,401,000 including the solar project.
- Included in the report is the Balance Sheet as of June 30, 2022. There is a drop in assets of \$2,009,664 from the prior period due to operating expenses, loss of market value in the investment portfolio and the payment of \$1,000,000 to the City for Foundry Construction.

99 BISHOP ALLEN OPERATIONS

- The income from operations through August 31, 2022, was \$421,885. This total includes monthly rents, parking and electricity reimbursements collected.
- Operating expenses through August 31, 2022, were \$117,491. The mortgage interest and amortizations paid through August 31, 2022 was \$273,292.
- After financing costs, the net income was \$31,102 through August 31, 2022.
- The budget includes a five per cent (5%) annual contribution to a capital reserve account.

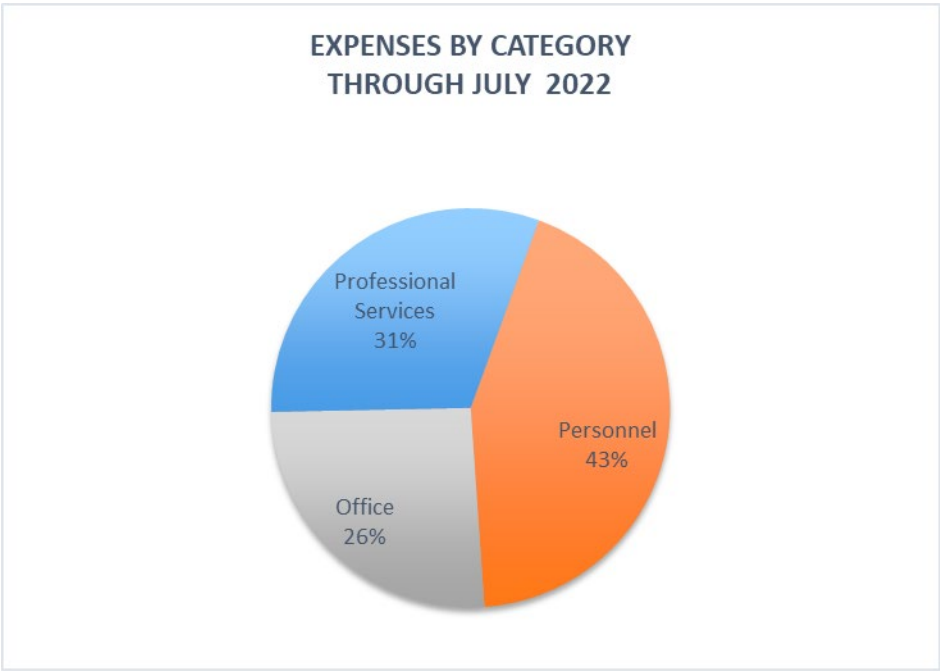
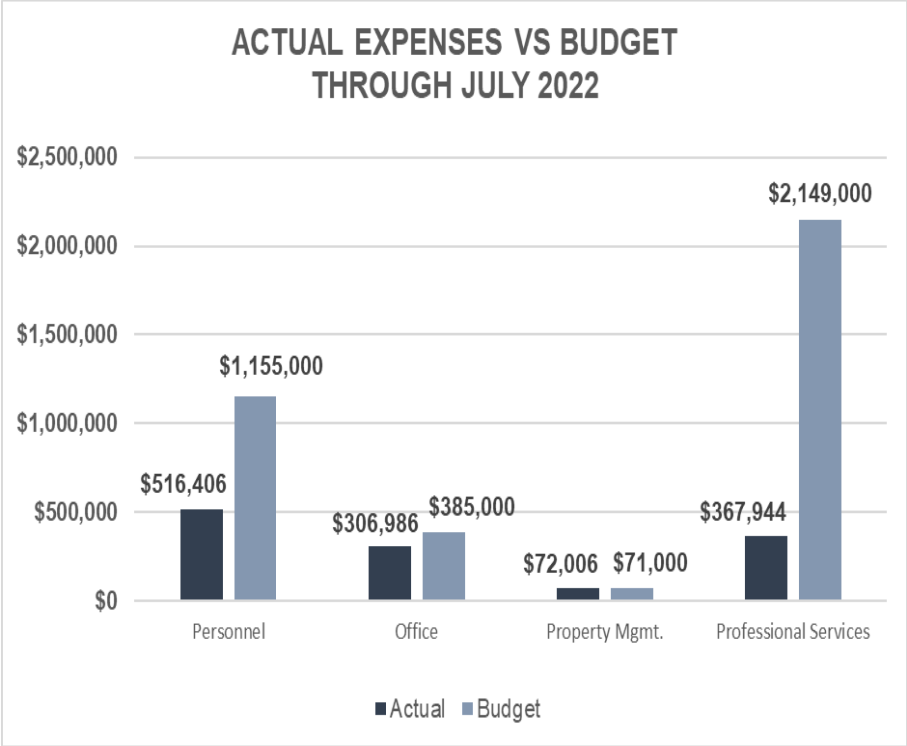


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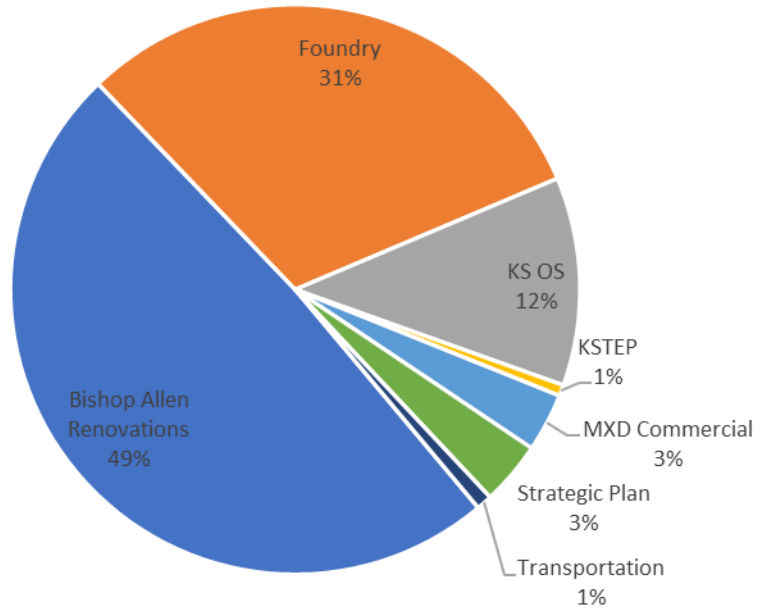
	Actuals	Budget
4000 Income		
4200 Operating Revenue	\$690,210	\$1,476,000
4300 Investment Income	(\$734,761)	\$500,000
TOTAL INCOME	(\$70,444)	\$1,976,000
6000 Operating Expenses		
6110 Personnel	\$516,406	\$1,155,000
6200 Office	\$306,986	\$385,000
6300 Property Management	\$72,006	\$71,000
Total 6000 Operating Expenses	\$895,398	\$1,611,000
7000 Professional Services		
7001 Construction Management	\$14,850	\$110,000
7002 Design - Architects	\$21,463	\$474,000
7003 Design - Landscape Architects	\$116,851	\$426,000
7004 Design - Engineers	\$49,617	\$287,000
7005 Legal	\$24,019	\$110,000
7006 Real Estate & Finance	\$0	\$120,000
7007 Planning and Policy	\$2,613	\$50,000
7009 Accounting	\$5,000	\$25,000
7010 Marketing / Graphic Design	\$750	\$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	\$39,754	\$50,000
7020 Information Technology Services	\$5,837	\$20,000
7021 Insurance Consultant	\$5,940	\$10,000
7023 Real Estate Commissions	\$74,903	
7024 Recruiter/HR Consultant	\$6,347	\$30,000
Total 7000 Professional Services	\$367,944	\$2,149,000
8000 Redevelopment Investments		
8200 Forward Fund	\$0	\$0
8400 Foundry	\$5,301,331	\$4,000,000
8500 KSTEP Fund	\$0	\$0
8710 Acquisitions	\$10,000	\$40,000
8720 Mortgage Interest	\$124,579	
8800 Rindge Connectivity		\$600,000
Total 8000 Redevelopment Investments	\$5,435,910	\$4,640,000
TOTAL EXPENSES	\$6,699,252	\$8,400,000
Total Surplus/Deficit	(\$6,769,696)	(\$6,424,000)

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	\$69,183	\$1,653,967	\$1,872,644
8805 Solar Project	\$24,414	\$24,414	\$101,000
Total 8000 99 Bishop Allen	\$677,001	\$11,030,515	\$11,401,000

TOTAL EXPENSES \$7,376,253
TOTAL NET SURPLUS/DEFICIT \$7,446,697



**EXPENSES BY PROJECT JULY
2022**



Cambridge Redevelopment Authority

Balance Sheet Summary

As of June 30, 2022

	TOTAL	
	AS OF JUN 30, 2022	AS OF MAR 31, 2022 (PP)
ASSETS		
Current Assets		
Bank Accounts	7,245,826	8,011,083
Accounts Receivable	322,711	314,335
Other Current Assets	32,479,162	33,731,943
Total Current Assets	\$40,047,698	\$42,057,362
Fixed Assets	18,309,046	18,309,046
Other Assets	3,552,254	3,552,254
TOTAL ASSETS	\$61,908,998	\$63,918,662
LIABILITIES AND EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	89,618	139,200
Credit Cards	2,169	2,734
Other Current Liabilities	84,146	96,423
Total Current Liabilities	\$175,933	\$238,357
Long-Term Liabilities	6,657,952	6,658,432
Total Liabilities	\$6,833,885	\$6,896,789
Equity	55,075,113	57,021,873
TOTAL LIABILITIES AND EQUITY	\$61,908,998	\$63,918,662

99 Bishop Allen

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

January - December 2022

	TOTAL	
	ACTUAL	BUDGET
Income		
Electric Expense Income	12,807	20,396
Operating Income	409,078	644,115
Total Income	\$421,885	\$664,511
GROSS PROFIT	\$421,885	\$664,511
Expenses		
Contract & professional fees	22,744	41,200
Insurance	27,264	34,300
Occupancy	47,336	98,151
Office expenses	983	
Rent Loss/Abatement	9,901	13,044
Repairs & maintenance	8,765	24,400
Supplies	500	12,000
Total Expenses	\$117,491	\$223,095
NET OPERATING INCOME	\$304,394	\$441,416
Other Expenses		
Amortization expenses	273,292	364,380
Other Miscellaneous Expenditure		32,974
Total Other Expenses	\$273,292	\$397,354
NET OTHER INCOME	\$ -273,292	\$ -397,354
NET INCOME	\$31,102	\$44,062

Note

The income and expenses are through August 31, 2022.