



MEMORANDUM

To: CRA Board
From: Hema Kailasam
Date: November 15, 2021
Re: Budget Amendment

SUMMARY

- There are two areas that require amendments from the current amounts.
- The first is for the Foundry, an additional \$40,000 in Operator Support. This sum is part of the \$200,000 the Board agreed to give the Foundry Consortium for the ED search and compensation during the pre-open period.
- The second amendment is an increase of \$25,000 for KSTEP. This increased funding is to pursue transportation planning related to the Kendall Square area and the increased construction costs for the bus shelter project.
- Both of these increases are funded with the restricted funds held separately.
- In Operations there are a few offsets and adjustments in the office costs related to pension and medical benefits for a savings of \$11,550.
- The net of these changes is an increase of \$43,450.

UPDATE TO BISHOP ALLEN PROJECT BUDGET

- The construction budget for Bishop Allen was approved as an estimate of \$9,000,000 in December 2020 before the actual bids were available.
- In the Board meeting held on January 20, 2021, after the bids were received, the project budget was revised and approved to \$11,294,441.
- The annual budget was not updated at that time to reflect that increase of the project costs.
- As a result of the increase in the project construction costs, and net of the spending in pre-construction, the net change is \$1,317,896.
- As a result, for 2021, the total expenditures for 2021 are \$14,847,227, resulting in a net deficit of **(\$12,471,349)**.



CAMBRIDGE
REDEVELOPMENT
AUTHORITY

	2021 Approved	Proposed Change	Explanation	2021 Amended Budget
4000 Income				
4200 Operating Revenue	\$1,875,878			\$1,875,878
4300 Investment Income	\$500,000			\$500,000
Total 4000 Income	\$2,375,878			\$2,375,878
TOTAL INCOME	\$2,375,878			\$2,375,878
6000 Operating Expenses				
6100 Personnel	\$862,428	\$15,222	Reallocation from legacy to current employees pension	\$877,650
6200 Office	\$357,312	-\$29,972	Reallocation from legacy to current emp and reduction in medical benefits	\$327,340
6300 Property Management	\$110,277	\$3,200	Legacy utility payments 2019	\$113,477
Total 6000 Operating Expenses	\$1,330,017	-\$11,550		\$1,318,467
7000 Professional Services				
7002 Design - Architects	\$320,000	-\$20,000		\$300,000
Architects	\$130,500			\$130,500
7004 Design - Engineers	\$50,000			\$50,000
7005 Legal	\$70,000	\$20,000		\$90,000
7006 Real Estate & Finance	\$100,000			\$100,000
7007 Planning and Policy	\$10,000			\$10,000
7009 Accounting	\$20,000			\$20,000
7010 Marketing / Graphic Design	\$17,500			\$17,500
7012 Web Design / GIS	\$3,500			\$3,500
7013 Land and Building Surveys	\$10,000			\$10,000
Archivist	\$10,000			\$10,000
7017 Transportation Planning	\$265,000			\$265,000
7018 Investment Services	\$125,000			\$125,000
Services	\$20,000			\$20,000
Total 7000 Professional Services	\$1,151,500	\$0		\$1,151,500
8000 Redevelopment Investments				
8200 Forward Fund	\$500,000			\$500,000
8400 Foundry	\$1,075,364	\$40,000	Operator Support	\$1,115,364
8500 KSTEP Fund	\$55,000	\$25,000	Transportation project	\$80,000
8700 BA Renovation & Ops	\$9,364,000	\$1,317,896	Budget approved 1/20/2021**	\$10,681,896
Total 8000 Redevelopment Investments	\$10,994,364	\$1,382,896		\$12,377,260
TOTAL EXPENSES	\$13,475,881	\$1,371,346		\$14,847,227
NET INCOME	(\$11,100,003)			(\$12,471,349)