



LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY

EXHIBIT 3
LCRA 6/19/19

May 15, 2019

LCRA Board of Commissioners

Reporting: Lee Brown

Monthly Financial Information – April 30, 2019

Recommended Action on Financial Report – Approve financials as presented.

General Cash

Of the general cash balance, **\$46,666,035** is restricted (detail below) and **\$26,388** is unrestricted.

- **\$206,911** related to cash on hand from the Rebuild KC (Beacon Hill) Program.
- **\$125** related to the Columbus Park Redevelopment Project.
- **\$11,585,412** is related to the 2018 Series A Bond for the KC Convention Center Hotel.
- **\$34,873,586** is related to the 2018 Series B Bond for the KC Convention Center Hotel.

Accounts Receivable and Accounts Payable – See Attached Schedule

LCRA Subsequent Notes after Period closing -- See Attached Schedule

LCRA Income Statement Fluctuation Analysis – See attached Schedule



LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY

Land Clearance for Redevelopment Authority
Balance Sheet / Statement of Net Assets
April 30, 2019

Current Assets

Cash - LCRA General Fund	\$26,387.25
Cash - Columbus Park Coop	124.70
Cash - 2018 Series A Bonds	11,585,411.92
Cash - 2018 Series B Bonds	34,873,586.86
Cash - Beacon Hill (Lead Bank)	206,911.25
Prepaid Insurance	4,585.06
Accounts Receivable	40,604.69

Total Current Assets 46,737,611.73

Long Term Assets

Notes Receivable	1,400,000.00
Land	1,900,000.00
Capital Assets	3,938,283.00
Assets Held for Redevelopment	206,576.78
KC Rebuild Assets Held for Redevelopment	22,409.00
Accumulated Depreciation	(2,313,742.42)
401 Charlotte	170,033.00
Accumulated Depreciation	(47,465.12)

Total Long Term Assets 5,276,094.24

Total Assets \$52,013,705.97

Current Liabilities

Accounts Payable - General	\$66,800.13
Due to KCMO	72,365.93
Due to EDC	92,704.73
Deferred Revenue - LCRA General	5,923.50
Accrued Interest Payable - Series B Bonds	947,872.00
Note Payable - Longfellow Heights #2	1,400,000.00
Long Term Debt - 2018 Series B Bonds	63,400,000.00
Discount on Bonds - 2018 Series B Bonds	(385,823.20)

Total Current Liabilities 65,599,843.09

Fund Balance

Fund Balance	(7,002,041.27)
Fund Balance - 2018 Series A Bonds	62,405,837.04
Fund Balance - 2018 Series B Bonds	6,498,302.26
Net Revenue in Excess (Deficit) of Expenses - Current Year	(75,488,235.15)

Total Fund Balance / Net Assets (13,586,137.12)

Total Liabilities & Fund Balance \$52,013,705.97

Unaudited - For Management Purposes Only

Accounts Payable and Receivables Activity - April 2019

Detail of Accounts Receivable as of end of reporting period

	<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>over 90</u>	<u>Total</u>	
3630 Gillham (White Goss)	\$ 900.00	\$ -	\$ -	\$ -	\$ 900.00	
6410 Paseo (White Goss)	\$ -	\$ -	\$ 1,184.24	\$ -	\$ 1,184.24	A
6434 Paseo (White Goss)	\$ 125.00	\$ -	\$ -	\$ -	\$ 125.00	
Aterra 21, LLC. (White Goss)	\$ 2,730.00	\$ -	\$ -	\$ -	\$ 2,730.00	
Broadway Square Partners	\$ 22,629.95	\$ -	\$ -	\$ -	\$ 22,629.95	
Interstate Building (White Goss)	\$ 450.00	\$ -	\$ -	\$ -	\$ 450.00	
KC Club/Muehlebach (White Goss)	\$ 1,597.00	\$ -	\$ -	\$ -	\$ 1,597.00	
Linwood Shopping Center (White Goss)	\$ 75.00	\$ -	\$ -	\$ -	\$ 75.00	
Linwood Gardens (White Goss)	\$ 875.00				\$ 875.00	
Mark Twain (White Goss)	\$ 9,959.50	\$ -	\$ -	\$ -	\$ 9,959.50	
Pickwick Renaissance (White Goss)	\$ 82.00	\$ -	\$ -	\$ -	\$ 82.00	
TOTAL	<u>\$ 39,423.45</u>	<u>\$ -</u>	<u>\$ 1,184.24</u>	<u>\$ -</u>	<u>\$ 40,607.69</u>	

Detail of Accounts Payable as of end of reporting period

	<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>over 90</u>	<u>Total</u>
Rouse Frets White Goss Gentile Rhodes, P.C.	\$ 23,278.24	\$ -	\$ 1,184.24	\$ -	\$ 24,462.48
TOTAL	<u>\$ 23,278.24</u>	<u>\$ -</u>	<u>\$ 1,184.24</u>	<u>\$ -</u>	<u>\$ 24,462.48</u>



LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY

LCRA A/P Subsequent notes after period closing at April 30, 2019

A. Aterra 21 – This is to be paid at closing. No agreed upon closing date as of 4/30/2019.



Land Clearance for Redevelopment Authority
For the Month and Twelve Months, April 30, 2019 and April 30, 2018

	Apr		Variance	% Variance	FY2018-19		FY2017-18		Variance	% Variance
	Current Year	Prior Year			YTD	YTD				
Revenues										
Program Income - Due To City	-	-	-	0%	412,643	382,023	50,620	0%		
Program Income - Wyl, Garage	-	-	(31,222)	-61%	197,137	181,433	15,704	9%		
Land Revenue	20,367	51,589	-	0%	-	(2,000)	2,000	0%		
Land Purchases Revenue	-	-	-	0%	-	-	-	0%		
Revenue - Tax Abatement	4,565	3,091	1,463	0%	145,938	814,015	(468,176)	-88%		
Revenue - Developers	3,605	6,068	(2,464)	-41%	131,678	1,089,545	(957,866)	-88%		
Revenue - EEZ	-	-	-	0%	-	-	-	0%		
Revenue - Intergovernmental	-	-	-	0%	-	283,500	(283,500)	0%		
Real Estate Owned Income	-	-	-	0%	-	222,741	(222,741)	0%		
Interest Income - Series 2018A	167	16	151	0%	3,115	107	3,008	0%		
Interest Income - Series 2018B	37,451	16	37,435	0%	1,067,175	222,741	844,434	0%		
Interest Income - Series 2018C	63,211	146,541	-	0%	795,838	146,541	649,297	0%		
Revenue - Other	-	-	-	0%	53,750	500	63,250	0%		
Total Revenues	129,365	207,286	(32,082)	-15%	2,797,673	3,101,145	(303,572)	-10%		

Expenses										
Travel & Entertainment	40	70	(30)	0%	-	1,898	(1,898)	0%		
Advertising	-	(595)	595	0%	3,837	368	3,469	0%		
Miscellaneous Expense	1,336	28	1,308	0%	25,494	(695)	26,089	0%		
Office Supplies	498	1,145	(705)	0%	1,845	(0)	1,845	0%		
Outside Reproduction	13	163	(149)	0%	5,567	5,322	245	5%		
Postage/Delivery	41	99	(58)	0%	466	1,152	(1,152)	-100%		
Board Meeting Expense	-	-	-	0%	615	1,275	(660)	-83%		
Plan Expense	-	-	-	0%	815	1,400	(585)	0%		
Parking Expense	73	124	(52)	0%	290	649	(359)	-55%		
Utilities	-	125	(124)	0%	1,333	4,964	(3,631)	0%		
Accounting Services	8,569	17,226	(8,628)	0%	12,200	10,550	1,700	0%		
Arch & Engineering Services	-	-	-	0%	188,324	142,480	45,844	0%		
Consultant Expense	38,016	-	38,016	0%	45,307	8,815	36,492	0%		
Appraisal Services	-	-	-	0%	202	1,000	(798)	0%		
Demolition	-	-	-	0%	-	202	(202)	0%		
Property Maintenance	64	-	64	0%	494	30,577	(30,083)	-88%		
Construction/Rental Expense	-	(38,988)	38,988	0%	18,459	1,129,146	(1,129,146)	0%		
Associated fees, Property Transfer	-	292	(292)	0%	(255)	1,775,512	(1,590,053)	0%		
Title Services	-	-	-	0%	-	9,385	(9,385)	0%		
Acquisition Costs	-	-	-	0%	-	-	-	0%		
Closing Costs	-	-	-	0%	97,600	-	97,600	0%		
Insurance	1,234	1,958	(724)	-37%	1,430	12,425	(11,000)	-2%		
Bank Service Charge	15	3	12	0%	181	122	69	31%		
Real Estate Commissions	-	-	-	0%	-	3,000	(3,000)	0%		
Contribution Expense	-	-	-	0%	10,000	-	10,000	0%		
Return to City	-	-	-	0%	300,000	-	300,000	0%		
Amortization Exp - Bonds	8,561,331	3,870	(1,911,647)	0%	51,887,800	3,870	(51,883,930)	0%		
Project Cost Exp - Series 2018A	1,772,567	10,472,978	(8,244,685)	0%	25,283,984	10,472,978	14,810,906	0%		
BPA Expense - 2018 Series A Bonds	-	647,872	647,872	0%	-	647,872	(647,872)	0%		
BPA Expense - 2018 Series B Bonds	-	-	-	0%	-	-	-	0%		
CIA Expense - 2018 Series A Bonds	-	-	-	0%	-	-	-	0%		
CIA Expense - 2018 Series B Bonds	-	-	-	0%	-	-	-	0%		
DSR Expense - 2018 Series A Bonds	-	-	-	0%	-	-	-	0%		
IA Expense - 2018 Series B Bonds	-	-	-	0%	-	-	-	0%		
Cost of Issuance - 2018 Series A Bonds	-	-	-	0%	-	-	-	0%		
Cost of Issuance - 2018 Series B Bonds	-	-	-	0%	-	-	-	0%		
Gain/Loss on Inv - Series 2018	(21,150)	15,483	(36,633)	0%	(203,500)	15,483	(218,983)	0%		
Gain/Loss on Sell to City - Wyan	58,463	21,522	36,941	0%	187,137	163,289	23,848	0%		
Gain/Loss on Sale of Assets	58,569	-	58,569	0%	114,389	38,054	76,335	0%		
Impairment Loss	4,565	21,225	(16,660)	0%	189,589	895,789	(706,200)	0%		
EOD/LCRA Transfer of Fees	-	-	-	0%	-	-	-	0%		
Total Expenses	10,482,244	11,464,599	(988,488)	-9%	78,164,544	14,078,014	64,086,533	455%		
Net Profit / (Loss)	\$ (10,352,879)	\$ (11,257,304)	\$ 906,434	-9%	\$ (75,366,971)	\$ (10,976,865)	\$ (64,390,106)	587%		
Depreciation Expense	8,558	7,643	916	12%	102,707	102,708	(0)	0%		
Net Profit / (Loss) After Depreciation	\$ (10,341,438)	\$ (11,264,947)	\$ 923,509	-9%	\$ (75,469,678)	\$ (11,079,573)	\$ (64,390,106)	581%		

Unaudited - For Management Purposes Only



LCRA Income Statement Fluctuation Analysis – April 2019

- A. Revenues - Revenues are slight decreased from last year. This is due to the number of active funding agreements from this time last year and the completion of the Phase I of the Columbus Park Redevelopment project and the reduction of large tax abatement projects in last fiscal year. This could be in direct relation to reduced development projects associated with the 75% cap ordinance.
- B. Interest Income – This is interest income associated with the Series A and B Bonds for the KC Convention Center Hotel.
- C. Revenues (Other) – The \$53,750 represents the bond issuance fees for the 6410 Paseo development project.
- D. Consulting Expense – This was for 2 financial analysis studies for the Beacon Hill Redevelopment Area. The funds to cover this came out the ReBuildKC cash fund and partially paid by funds from the developers.
- E. Expenses – Expenses are up from last fiscal year due to bond project cost expenses with the construction of the KC Convention Center Hotel.
- F. Closing Costs – Negative variance caused by unexpected payment for of escrow funds for the LaQuinta Hotel closing (\$97,600).
- G. Bond Expenses – These are expenses associated with the bond expense (Cost of Issuance, Bond Project, Debt Service and Project Cost) accounts for the KC Convention Center Hotel. NOTE: **These accounts will continue to have an adverse negative effect on the monthly financials until the project is complete and the bonds have matured and are fully paid.**
- H. EDC/LCRA transfer of fees – This variance is caused by the collection and transfer of the LCRA fees to EDC. Because of GAAP standards, we are required show the original revenue and the corresponding expense. This will be an ongoing variance.