

City of Lawrence  
Outside Agency Annual Report  
For Calendar Year 2017

Reports on activity should be submitted electronically to Danielle Buschkoetter, at [dbuschkoetter@lawrenceks.org](mailto:dbuschkoetter@lawrenceks.org) by Thursday, February 15<sup>th</sup> 2018 at 5:00pm. For the following questions please refer back to your [2017 application for funding](#).

**Reporting Period:** Calendar Year 2017

**Agency Name:** Bioscience and Technology Business Center

1. Refer to the program in which your agency received funding; provide a participant success story that helps demonstrate the accomplishments of the program.

*In 2017, BTBC received funding from the City as an economic development agency.*

2. Refer to your 2017 application for funding; provide a brief narrative of the activities funded with City funds.

*See the following report that includes BTBC economic development goals and metrics towards its 2017 goals including a list of companies and jobs added to the BTBC system in 2017.*

3. Refer to your 2017 application for funding; provide specific detail (use supportive documents, if needed) to demonstrate what progress was made toward your proposed outcomes.

*See the attached report.*

4. Refer to the line-item budget provided in your 2017 application for funding; is this accurate to how your allocation was actually spent? If no, what changed and why?

*Please see the attached 2017 annual financial report. BTBC utilized the City funding to accomplish its 2017 goals outlined in the application.*



## 2017 End-of-Year Funding Report

The following is the end-of-year report for the Bioscience and Technology Business Center in response to the 2017 City of Lawrence funding agreement.

### 1. Phase II Growth at the Main Lawrence Facility

One of the top priorities of the BTBC in 2017 was to continue to fill the additional space.

As of December 31, 2017, the BTBC's blended occupancy of the building is about 98% and more than eighteen months ahead of projections.

The following companies have been added to the BTBC system during 2017:

**Rubrik**, a Silicon Valley-based startup, opened a satellite support office at the BTBC in March. Starting with one local employee, it grew to nine by year end with plans to add even more employees in 2018. The company specializes in cloud data management with plans for an IPO in 2018 or 2019.

**Iris by Lowe's** is a department of the home improvement giant that focuses on technologically innovative products including home security and smart home electronics. The company chose to set up operations at the BTBC due to its proximity to KU campus and in order to recruit KU's top engineering students for its intern program with the intent of transitioning them to full time employees after graduation.

**iCPRS** offers innovative "Intelligent-SoftRobot™" technology for digital transformation of the energy industry. The novel technology offers novel, smart, and real-time integrated reservoir surveillance and modeling solutions to the data-intensive energy industry. The company was founded by KU faculty members Drs. Shahin Negahhban and Masoud Kalantari.

**DeNovo Genomics** provides sequencing services related to whole genome, transcriptome, multiplexed, low input, and ultra-long read, as well as bioinformatics. The company resides at the BTBC-KUMC Facility and was founded by Dr. Nehemiah Alvarez, a faculty member at the Kansas University Medical Center.

**Midamerica Neuroscience Foundation** brings cutting-edge technologies to medical patients from the bench to the bedside. It is currently focused on providing a treatment for multiple sclerosis that is safer for kidneys. The treatment has been found to have application in a wide range of intravenous drugs and

is being developed for use in MS, cardiology, and other medical areas. The company resides at the BTBC-KUMC Facility.

Metric	12/31/2017
BTBC Tenant Companies and Graduates	46
BTBC Tenant Company Jobs	252
BTBC Tenant Company Annual Payroll	Over \$14,000,000

## **2. Expand KU's Economic Development Impact**

BTBC continues to make expanding KU's economic development impact its central focus and 2017 was no different. The focus has been to coordinate company startup and recruitment efforts with Kansas University Innovation and Collaboration (KUIC), leverage KU private industry relationships to drive new commercialization opportunities to Lawrence, test the concept for development of an "Innovation Corridor" stretching from KU-Lawrence to KUMC, and work with KUMC and RI to develop a partnership consortium similar to that of the Main Facility. The following are steps the BTBC has taken in 2018 to accomplish these goals:

- Supported construction of KU's National Security Lab to attract research money and private industry collaboration and commercialization opportunities.
- Supported Catalyst, KU's School of Business entrepreneurship incubator.
- Attended and supported KU's ADM Spring and Fall Advisory Boards Receptions
- Worked with KU Drs. Shahin Negahban and Masoud Kalantari to create company iCPRS.
- Participated in KU's School of Social Welfare Dean Search
- Work with KU researchers and faculty Drs. Laird Forrest and Wendy Picking to assist commercialization efforts for existing company HylaPharm and new company ProCo.
- Worked with KUIC to advise KU researchers and staff to review startup business plans and provide counsel to aspiring KU entrepreneurs.
- Tech Tuesday – Quarterly presentations by KUIC at BTBC to interested parties throughout the community about the intellectual property of KU and licensing opportunities.
- Identifying and supporting university SBIR/STTR grant applicants with grant submissions and providing business resources post-award.
- Attending monthly Comprehensive Industry Engagement meetings held by KU.
- Partnering with the university to construct a University Affiliated Research Center which will partner with the United States government to advance and commercialize remote sensing technology.

## **3. Refine BTBC business model**

BTBC continues to refine its business model in order to optimize tenant mix for the purpose of maximizing the Main Facility's revenue. It continues to work with prospects to develop a floor plan, budget, and financing plan to accommodate moving into BTBC's Main and West Facilities. Part of this plan involves relocating building functions and existing tenants to provide room for additional tenants.

BTBC continues to refine its staff capabilities for business creation and recruitment, especially with regard to delivery of business services. For this reason, BTBC has continued its Business Analyst program. BTBC employs three top students who are intimately involved in projects of high strategic importance to the BTBC.

BTBC also continues to identify and pursue grant funding opportunities. It applied for and won the 2017 SBA Growth Accelerator Fund Competition. The \$50,000 prize will help achieve the goal of providing assistance to BTBC internal business operations and BTBC tenant companies. The BTBC continues to identify and apply for appropriate grant opportunities as well.

It also worked closely with the university to develop a floor plan, budget, and financing plan to finish 7,000 square feet of unfinished space which will be used by the university to complete research contracts awarded by the federal government. Construction of the space began in May of 2017 and ended early 2018. There is space for 31 KU interns, graduates, and KU staff whose work will ultimately lead to commercialization of remote sensing, cognitive radar, signal processing, cyber security, sensing, and sonar technologies. It continues to work with the university to identify strategic private industry partners also having an interest in commercializing these technologies.

The BTBC has also worked with two of its coalition members, the City of Lawrence and Douglas County, to pool economic incentive funds. The BTBC helps to identify and qualify eligible businesses that will benefit from these incentives here in Lawrence. Companies that received these incentives include Fostercare Technologies, Digital NanoGenetics, Argenta, and Iris.

The BTBC also continued planning in 2017 for Phase III of a technology park on KU's West Campus. Utilizing its interns, BTBC worked with existing and prospective tenants, private industry partners, architects, and general contractors to develop demand analysis, building budgets and design, and a capital plan to finance its next stage of development.



**Bioscience and Technology Business Center, Inc.**

**FY 2017 Consolidated Financial Narrative**

**For the Twelve Months Ended December 31, 2017**

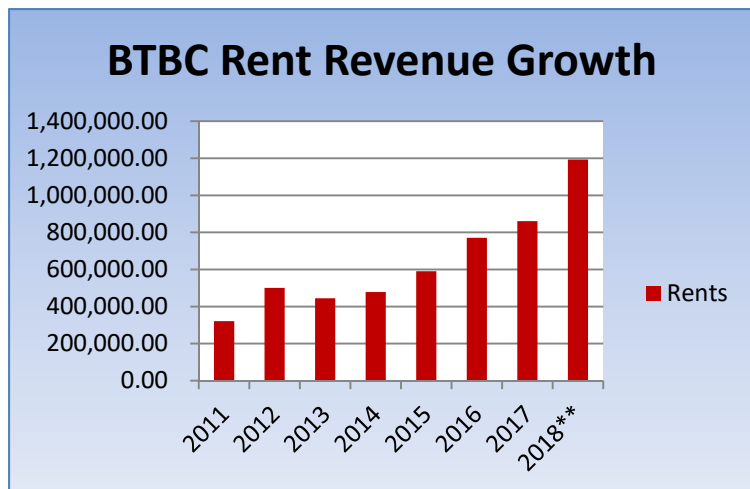
## Overview

BTBC had another successful financial year in 2017, with the enterprise outperforming its budget by over \$198.8K. As of year-end 2017, BTBC had a net operating loss of about -\$51K, exceeding the projected net operating loss of almost -\$250K. The positive overall variance in 2017 resulted from a \$256K, or 11.57%, positive revenue variance, while expenses had a negative variance of about -\$57K, or -2.33%, in 2017.

The large 2017 positive revenue variance was principally the result of grant funding, which had a positive revenue variance of \$310K over the budgeted grant funding of \$50K. In 2017, BTBC received a \$50K SBA grant, while the remaining \$310K was received from the Kansas Department of Commerce (KDOC). While KDOC had provided regular funding in the past through the Innovation Growth Program, that program was not funded for FY2017. BTBC received KDOC funding from both the JumpStart Kansas program and from the Job Creation Fund. In addition to helping support the cost of the NSL, the funding had a direct impact on several BTBC companies and was also leveraged with the City of Lawrence/Douglas County Incentive Fund to provide vital capital and incentives to BTBC companies.

The other large revenue items with significant positive variances include Business Management Services and Construction Management Fees, which had positive variances of \$58.6K and \$32.5K respectively. Business Management services had a large variance because of the internship program that BTBC manages for one of its client companies. The variance is off-set with an intern expense, but generated net revenue of about \$16K in 2017. This experimental internship program, new in 2017, has provided a new source of revenue for BTBC and will be continued in 2018. The Construction Management Fee variance was the result of the NSL project in 2017.

BTBC performed its Rent revenue budget in 2017. Rent Income had about \$1.8K, or 0.2%, positive variance. As represented in the adjacent chart, overall rent revenue grew about \$90K, or 11.7%, from 2016 to 2017. The growth was the result of new company recruitment as well as current company expansion. BTBC was also able to grow rent revenue inspite of the limited remaining space at the Main facility on West campus. The building achieved 97% occupancy as of year-end 2017. BTBC was also able to generate additional rent revenue from the West building. Increased rent revenue also contributes to the growth of BTBC's private revenue.



**\*\*2018 Numbers are Budget Projections**

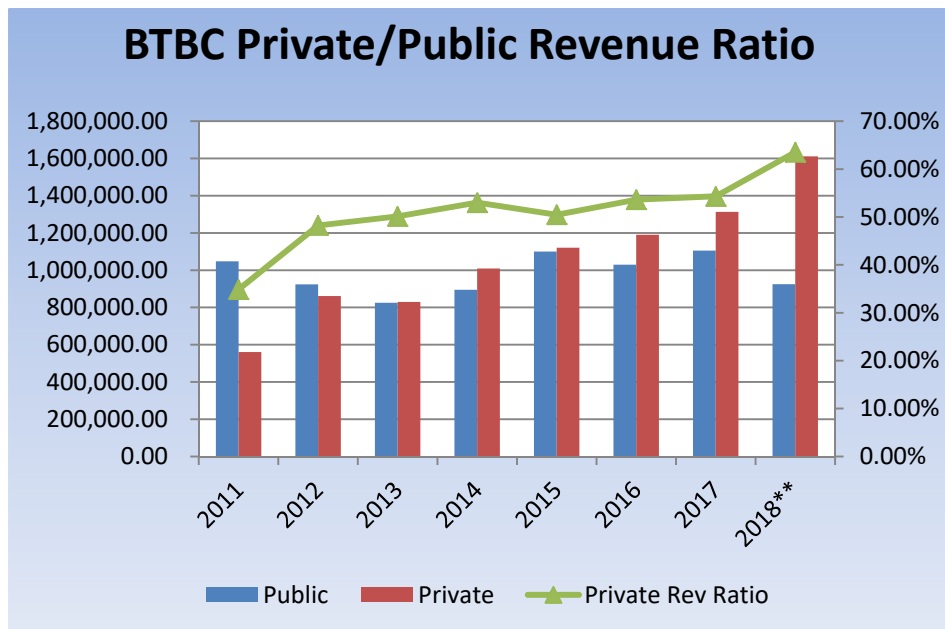
The other significant revenue item in 2017 was the expiration of the KU in-kind services. As part of the Phase I construction project, KU contributed \$750K of in-kind services for the building rather than providing a cash contribution. The in-kind services included building maintenance, janitorial service, and utility reimbursement. KU informed BTBC in April of 2017 that the in-kind services had been exhausted. This resulted in a negative in-kind revenue variance of about \$153K in 2017. Subsequently, BTBC and KUCR restructured their financial relationship to reflect a more stable and sustainable KU partnership consistent with the partner contributions of the other BTBC stakeholders, the City and County. This included substituting partner contributions for in-kind payments.

Expenses had a -\$57.4K, or -2.33%, negative variance. The largest contributors to the negative expense variance were building expenditures (-\$52K), utilities (-\$16.4K), and intern expense (-\$58.9K). The building expenditures were directly related to the additional building expenditures incurred after KU's in-kind services were discontinued. The majority of the utilities variance was at the Main facility and it is assumed that some of that is related to the additional utility expense related to the NSL project. As previously mentioned when discussing the positive Business Management Services revenue, the revenue had an off-setting intern expense.

### Public/Private Revenue

BTBC's long-term economic stability is dependent upon increasing private revenue. The FY17 growth in rent revenue, Business Management Services, and Construction Management fees is the key indicator for this objective.

While the private/public revenue ratio in 2017 was about 54.3 percent private and 45.7 percent public revenue, up slightly from the 53.6%/46.7% split in 2016, the grant revenue performance in 2017 minimized the percentage growth in private revenue. Had the BTBC only performed its grant budget of \$50K instead of raising \$360K in grants in 2017, the percentage of private



to public funds would have been 62%/38%. BTBC managed to grow its private revenue in 2017 by \$123K or about 10.3% over 2016. Although BTBC lost \$200K in public funding from KU for Phase II construction, BTBC actually grew its public funding through grants in 2017 by about \$75K, or about 7.3%.

Year-end consolidated total assets were about \$18.1MM.

Consolidated net cash flow at year-end was about \$295K, bringing the December 31, 2017 ending cash balance to about \$1.28K. About \$145K of the ending cash balance was cash on hand from the NSL project.

## **2017 Budget Plan Performance**

### **Income Statement**

On a consolidated basis, BTBC shows year-end net loss of -\$51K on total revenue of about \$2.47MM.

Revenue: Revenues through December had a \$256.3K, or 11.57% positive variance.

- i. Business management services had a significant positive variance of about \$58.6K related to the new intern program managed by the BTBC.
- ii. Construction management fees had a \$32.5K positive variance or 65%. BTBC executed documents in March to start construction on the KU NSL project. The construction management revenue began in April and exceeded 2017 budgeted revenue for construction management.
- iii. Partner in-kind contributions also had an increasing negative variance month-over-month. As discussed previously, BTBC's KU in-kind services expired in 2017 and the variance for 2017 was -\$153K.

Expense items of note:

- i. Professional fees had a positive variance of about \$13.7K in 2017. Budgeted fees for professional services included consulting services that were less than projected. BTBC engaged additional consulting services in 2017, but those fees were less than BTBC budgeted in 2017.
- ii. Payroll expense had a positive variance of about \$8.5K or almost 1.25%, primarily, related to salary adjustments that occurred over the first half of 2017.
- iii. Building expenditures negative variance is currently -\$52.2K. BTBC is now paying for janitorial services and other maintenance items that were previously covered by KU in-kind services. In addition, BTBC has had a couple of significant unexpected repairs on its HVAC system, which has also contributed to the negative variance.



## Cash Flow

Through December 31, BTBC had total cash flow of about \$295K from all sources. The beginning cash balance for FY2017 was about \$983,000, while the consolidated cash balance at 12/31/17 was about \$1.28MM. The cumulative total 2017 cash flow through October consists of the following:

Cash from Operations	\$ 529,000
Furnishings/Equipment	\$ (20,500)
City/County Incentive Funding	\$ 28,000
Tenant Security Deposit	\$ 4,500
Partner Contributions	\$ (20,000)
FCT Investment	\$ (179,000)
KUCR NSL Project Funding	\$ 2,000,000
KUCR Loan Payment	\$ (52,500)
KUEA	\$ (106,250)
NSL Construction Expense	\$ (1,888,000)
<b>Total October Cash Flows</b>	<b>\$ 295,250</b>
<b>Beginning Cash Balance 1/1/17</b>	<b>\$ 983,000</b>
<b>Consolidated Cash Balance 10/31/17</b>	<b><u>\$ 1,278,250</u></b>

## Balance Sheet

Consolidated BTBC total assets were \$18.1MM as of 12/31/17. BTBC has grown its balance sheet in 2017 by just over \$2MM, most of which is attributed to the NSL project. The continued growth of the BTBC asset base provides additional value to the four BTBC stakeholders, each of whom are equal owners of the organization.

## Overall 2018 Preview

In 2018, the approved budget projects BTBC will continue to grow its private/public revenue ratio to about 63.5% private and 36.5% public funding. BTBC is projecting to increase its 2018 rent revenue \$333.5K or 38.8%. The rent growth is largely the result of the opening of the NSL lab in the Main facility's basement. Considering the Main facility has reached occupancy of 97% in 2017, BTBC will pursue continued development of the Research and Business Park including Phase III development in 2018.

Bioscience and Technology Business Center, Inc.

Accrual Basis

Consolidated Statement of Activities Compared to Budget

For the Month Ended 12/31/2017

	Consolidated All Entities Year-to-Date Actual	% of Total Revenues	Consolidated All Entities Year-to-Date Budget	\$ Variance	% Variance	Consolidated All Entities Annual Budget	% of Budget
<b>Operating Revenues/Expenses</b>							
Revenues -							
Advisory Services	30,510.00	1.23%	30,000.00	510.00	1.70%	30,000.00	101.70%
Business Management Services	107,041.25	4.33%	48,400.00	58,641.25	121.16%	48,400.00	221.16%
Interest Income	17,155.35	0.69%	14,725.00	2,430.35	16.50%	14,725.00	116.51%
Investment Income	0.00	0.00%	304.12	(304.12)	-100.00%	304.12	0.00%
Utility Services - Internet and Telephone	27,265.80	1.10%	28,200.00	(934.20)	-3.31%	28,200.00	96.69%
Grant Funds	360,000.00	14.57%	50,000.00	310,000.00	620.00%	50,000.00	720.00%
Construction Contributions	250,000.00	10.12%	250,000.00	0.00	0.00%	250,000.00	100.00%
Management Fees - KU Medical Center	173,250.00	7.01%	172,500.00	750.00	0.43%	172,500.00	100.44%
Management Fees - Construction Management	82,500.00	3.34%	50,000.00	32,500.00	65.00%	50,000.00	165.00%
Partner Contributions	495,000.00	20.03%	505,000.00	(10,000.00)	-1.98%	505,000.00	98.02%
Partner Contributions - In-Kind	53,305.73	2.16%	206,600.00	(153,294.27)	-74.20%	206,600.00	25.80%
Reimbursed Expenses	14,247.00	0.58%	0.00	14,247.00		0.00	0.00%
Rental Income	860,983.91	34.84%	859,227.70	1,756.21	0.20%	859,227.70	100.20%
<b>Total Revenues</b>	<b>2,471,259.04</b>	<b>100.00%</b>	<b>2,214,956.82</b>	<b>256,302.22</b>	<b>11.57%</b>	<b>2,214,956.82</b>	<b>111.57%</b>
Expenses -							
Administrative and Miscellaneous	31,831.11	1.29%	29,125.00	(2,706.11)	-9.29%	29,125.00	109.29%
Building Expenditures	220,162.09	8.91%	168,000.00	(52,162.09)	-31.05%	168,000.00	131.05%
Business Relations and Economic Development	23,750.00	0.96%	23,750.00	0.00	0.00%	23,750.00	100.00%
Contractual Services	(651.56)	-0.03%	6,720.00	7,371.56	109.70%	6,720.00	-9.70%
Debt Service	273,826.12	11.08%	278,416.85	4,590.73	1.65%	278,416.85	98.35%
Depreciation	468,172.18	18.94%	491,425.00	23,252.82	4.73%	491,425.00	95.27%
Economic Development Software	3,150.00	0.13%	5,000.00	1,850.00	37.00%	5,000.00	63.00%
Insurance	79,163.34	3.20%	86,228.14	7,064.80	8.19%	86,228.19	91.81%
Intern Program	92,416.88	3.74%	33,500.00	(58,916.88)	-175.87%	33,500.00	275.87%
Management Fees	0.00	0.00%	0.00	0.00		0.00	0.00%
Marketing and Public Relations	24,539.67	0.99%	24,450.00	(89.67)	-0.37%	24,450.00	100.37%
Miscellaneous Expenses	0.00	0.00%	2,360.00	2,360.00	100.00%	2,360.00	0.00%
Payroll	671,466.81	27.17%	679,967.60	8,500.79	1.25%	679,967.58	98.75%
Professional Development	945.77	0.04%	3,600.00	2,654.23	73.73%	3,600.00	26.27%
Professional Fees	38,358.83	1.55%	52,050.00	13,691.17	26.30%	52,050.00	73.70%
Rent	26,000.00	1.05%	26,000.00	0.00	0.00%	26,000.00	100.00%
Reimbursed Expenses	0.00	0.00%	0.00	0.00		0.00	0.00%
Research Park Development Expenses	2,386.26	0.10%	2,500.00	113.74	4.55%	2,500.00	95.45%
Retirement Contributions	39,745.00	1.61%	40,321.38	576.38	1.43%	40,321.35	98.57%
Taxes	128,204.83	5.19%	124,707.82	(3,497.01)	-2.80%	124,707.82	102.80%
Technology	0.00	0.00%	0.00	0.00		0.00	
Travel and Meals	9,608.77	0.39%	13,950.00	4,341.23	31.12%	13,950.00	68.88%
Utilities	389,141.25	15.75%	372,700.00	(16,441.25)	-4.41%	372,700.00	104.41%
<b>Total Expenses</b>	<b>2,522,217.35</b>	<b>102.06%</b>	<b>2,464,771.79</b>	<b>(57,445.56)</b>	<b>-2.33%</b>	<b>2,464,771.79</b>	<b>102.33%</b>
<b>Net Revenue Over (Under) Expenses From Operations</b>	<b>(50,958.31)</b>	<b>-2.06%</b>	<b>(249,814.97)</b>	<b>198,856.66</b>	<b>-79.60%</b>	<b>(249,814.97)</b>	<b>20.40%</b>
Non-Operating Revenues/(Expenses)							
Interest Income	0.00	0.00%	0.00	0.00		0.00	0.00%
Other Income	0.00	0.00%	0.00	0.00		0.00	0.00%
LDCBA Subsidy	0.00	0.00%	0.00	0.00		0.00	0.00%
Capital Outlay - Owner Contributions	0.00	0.00%	0.00	0.00		0.00	0.00%
Capital Outlay - Facility Costs and Improvements	(28,759.25)	-1.16%	0.00	(28,759.25)		0.00	0.00%
<b>Total Non-Operating Revenues/Expenses</b>	<b>(28,759.25)</b>	<b>-1.16%</b>	<b>0.00</b>	<b>(28,759.25)</b>		<b>0.00</b>	<b>0.00%</b>
<b>Net Revenues Over (Under) Expenses</b>	<b>(79,717.56)</b>	<b>-3.23%</b>	<b>(249,814.97)</b>	<b>170,097.41</b>	<b>-68.09%</b>	<b>(249,814.97)</b>	<b>31.91%</b>
<b>Beginning Net Assets</b>	<b>9,509,244.71</b>		<b>9,509,244.71</b>				
<b>Ending Net Assets</b>	<b>9,429,527.15</b>		<b>9,259,429.74</b>				

Bioscience and Technology Business Center, Inc.

Accrual Basis

Consolidated Statement of Activities

For the Month Ended 12/31/2017

	BTBC Inc. - Operating Account	BTBC Inc. - KUMC Facility	BTBC - Main Facility Operations	BTBC - Main Facility Construction	BTBC - Expansion Facility	Adjustment & Eliminations	BTBC, Inc. Consolidated Balance	Kaw Inc.	LRTC - General Operations	Adjustment & Eliminations	Consolidated All Entities
<b>Operating Revenues/Expenses</b>											
Revenues -											
Advisory Services	42,510.00	0.00	0.00	0.00	0.00	(12,000.00)	30,510.00	0.00	0.00		30,510.00
Contractual Services - BrightEHR	107,041.25	0.00		0.00	0.00		107,041.25				107,041.25
Interest Income	12,103.23	0.00	530.15	0.00	0.00	(11,432.90)	1,200.48	15,954.87	0.00		17,155.35
Grant Funding	160,000.00	0.00	200,000.00	0.00	0.00		360,000.00	0.00	0.00		360,000.00
Internet and Phone Service Income	0.00	0.00	27,265.80	0.00	0.00		27,265.80	0.00	0.00	0.00	27,265.80
Investment Income	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00		0.00
Construction Contributions	0.00	0.00	250,000.00	0.00	0.00		250,000.00	0.00	0.00		250,000.00
Construction Management Fee - Phase II	82,500.00	0.00	0.00	0.00	0.00		82,500.00	0.00	0.00		82,500.00
Management Fees Income	0.00	173,250.00	0.00	0.00	0.00		173,250.00	0.00	0.00		173,250.00
Partner Contributions	470,000.00	0.00	0.00	0.00	25,000.00		495,000.00	0.00	0.00		495,000.00
Partner Contributions - In-Kind	0.00	0.00	53,305.73	0.00	0.00		53,305.73	0.00	0.00		53,305.73
Reimbursed Expenses	11,533.09	0.00	2,713.91	0.00	0.00		14,247.00	0.00	0.00		14,247.00
Rental Income	0.00	0.00	645,819.56	0.00	215,164.35		860,983.91	0.00	0.00		860,983.91
<b>Total Revenues</b>	<b>885,687.57</b>	<b>173,250.00</b>	<b>1,179,635.15</b>	<b>0.00</b>	<b>240,164.35</b>	<b>(23,432.90)</b>	<b>2,455,304.17</b>	<b>15,954.87</b>	<b>0.00</b>	<b>0.00</b>	<b>2,471,259.04</b>
Expenses -											
Administrative and Miscellaneous	16,876.76	1,954.01	12,934.91	0.00	65.43		31,831.11	0.00	0.00		31,831.11
Building Expenditures	358.44	0.00	131,334.66	0.00	88,468.99		220,162.09	0.00	0.00		220,162.09
Business Relations and Economic Development	23,750.00	0.00	0.00	0.00	0.00		23,750.00	0.00	0.00		23,750.00
Contractual Services	1,148.44	0.00	0.00	0.00	200.00		1,348.44	5,000.00	5,000.00	(12,000.00)	(651.56)
Debt Service	0.00	0.00	285,259.02	0.00	0.00	(11,432.90)	273,826.12	0.00	0.00		273,826.12
Depreciation	960.96	0.00	466,596.22	0.00	255.00		467,812.18	360.00	0.00		468,172.18
Economic Development Software	3,150.00	0.00	0.00	0.00	0.00		3,150.00	0.00	0.00		3,150.00
Insurance	37,479.65	10,145.53	17,925.00	0.00	9,448.28		74,998.46	2,114.92	2,049.96		79,163.34
Intern Program	92,416.88	0.00	0.00	0.00	0.00		92,416.88	0.00	0.00		92,416.88
Management Fees	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00		0.00
Marketing and Public Relations	16,679.50	981.85	6,878.32	0.00	0.00		24,539.67	0.00	0.00		24,539.67
Miscellaneous Expenses	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00		0.00
Payroll	487,782.02	122,467.73	0.00	0.00	61,217.06		671,466.81	0.00	0.00		671,466.81
Professional Development	945.77	0.00	0.00	0.00	0.00		945.77	0.00	0.00		945.77
Professional Fees	35,008.83	0.00	750.00	0.00	0.00		35,758.83	1,250.00	1,350.00		38,358.83
Rent	0.00	0.00	1,000.00	0.00	25,000.00		26,000.00	0.00	0.00		26,000.00
Reimbursed Expenses	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00		0.00
Research Park Development Expenses	2,386.26	0.00	0.00	0.00	0.00		2,386.26	0.00	0.00		2,386.26
Retirement Contributions	27,019.90	9,097.05	0.00	0.00	3,628.05		39,745.00	0.00	0.00		39,745.00
Taxes	40,107.23	9,011.03	0.00	0.00	78,929.85		128,048.11	0.00	156.72		128,204.83
Technology Expense	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00		0.00
Travel and Meals	7,833.01	1,169.18	606.58	0.00	0.00		9,608.77	0.00	0.00		9,608.77
Utilities	2,667.46	0.00	229,377.82	0.00	157,095.97		389,141.25	0.00	0.00		389,141.25
<b>Total Expenses</b>	<b>796,571.11</b>	<b>154,826.38</b>	<b>1,152,662.53</b>	<b>0.00</b>	<b>424,308.63</b>	<b>(11,432.90)</b>	<b>2,516,935.75</b>	<b>8,724.92</b>	<b>8,556.68</b>	<b>(12,000.00)</b>	<b>2,522,217.35</b>
<b>Net Revenue Over (Under) Expenses From Operations</b>	<b>89,116.46</b>	<b>18,423.62</b>	<b>26,972.62</b>	<b>0.00</b>	<b>(184,144.28)</b>	<b>(12,000.00)</b>	<b>(61,631.58)</b>	<b>7,229.95</b>	<b>(8,556.68)</b>	<b>0.00</b>	<b>(50,958.31)</b>
<b>Non-Operating Revenues/(Expenses)</b>											
Interest Income	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00		0.00
Other Income	(27,422.00)	0.00	0.00	0.00	0.00		(27,422.00)	0.00	0.00		(27,422.00)
LDCBA Subsidy	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00		0.00
Capital Outlay - Owner Contributions	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00		0.00
Capital Outlay - Facility Costs and Improvements	0.00	0.00	(1,337.25)	0.00	0.00		(1,337.25)	0.00	0.00		(1,337.25)
<b>Total Non-Operating Revenues/Expenses</b>	<b>(27,422.00)</b>	<b>0.00</b>	<b>(1,337.25)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(28,759.25)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(28,759.25)</b>
<b>Net Revenues Over (Under) Expenses</b>	<b>61,694.46</b>	<b>18,423.62</b>	<b>25,635.37</b>	<b>0.00</b>	<b>(184,144.28)</b>	<b>(12,000.00)</b>	<b>(90,390.83)</b>	<b>7,229.95</b>	<b>(8,556.68)</b>	<b>0.00</b>	<b>(79,717.56)</b>
<b>Beginning Net Assets</b>	<b>1,391,057.81</b>	<b>101,454.00</b>	<b>8,110,206.40</b>		<b>(990,444.75)</b>	<b>0.00</b>	<b>8,612,273.46</b>	<b>441,973.96</b>	<b>731,942.31</b>	<b>(276,945.02)</b>	<b>9,509,244.71</b>
<b>Ending Net Assets</b>	<b>1,452,752.27</b>	<b>119,877.62</b>	<b>8,135,841.77</b>	<b>0.00</b>	<b>(1,174,589.03)</b>	<b>(12,000.00)</b>	<b>8,521,882.63</b>	<b>449,203.91</b>	<b>723,385.63</b>	<b>(282,574.08)</b>	<b>9,429,527.15</b>

Bioscience and Technology Business Center, Inc.

Accrual Basis

Consolidated Statement of Financial Position

For the Month Ended 12/31/2017

	BTBC, Inc - Operations	BTBC - Main Facility	BTBC - Expansion Facility	Adjustments & Eliminations	BTBC, Inc. Consolidated Balance	Kaw Inc.	LRTC Inc.	Adjustments & Eliminations	Consolidated All Entities
<b>Assets</b>									
Current Assets -									
Cash Accounts -									
Checking Accounts -									
Intrust Bank	65,040.49				65,040.49				65,040.49
US Bank		23,404.29	23,182.85		46,587.14		3,567.73		50,154.87
Money Market Accounts -					0.00				0.00
Intrust Bank	255,362.65				255,362.65				255,362.65
US Bank		711,522.44			711,522.44	20,905.49	159,762.66		892,190.59
CBMW	15,575.14	0.00			15,575.14		0.00		15,575.14
Certificates of Deposit -					0.00				0.00
Intrust Bank					0.00				0.00
Total Cash Accounts	335,978.28	734,926.73	23,182.85	0.00	1,094,087.86	20,905.49	163,330.39	0.00	1,278,323.74
Other Current Assets -									
Due From BTBC, Inc.	0.00	34,955.56		(34,955.56)	0.00				0.00
Due From BTBC, Inc. - Expansion Facility	860,302.47	344,456.60		(1,204,759.07)	0.00				0.00
Due From BTBC, Inc. - LRTC	3,696.40	44,023.96			47,720.36				47,720.36
Due From Tenant	10,039.09	0.00			10,039.09				10,039.09
Prepaid Insurance	3,898.20	1,500.00	2,224.36		7,622.56	893.71	102.78		8,619.05
Interest Receivable	3,434.97	0.00		(3,434.97)	0.00				0.00
Prepaid Expense		5,880.00	0.00		5,880.00		0.00		5,880.00
Utilities Reimbursement Receivable		21,308.23			21,308.23				21,308.23
Accounts Receivable - Others	105,116.04	94,540.07	86,571.01		286,227.12	453,010.03	56.00		739,293.15
Total Other Current Assets	986,487.17	546,664.42	88,795.37	(1,243,149.60)	378,797.36	453,903.74	158.78	0.00	832,859.88
Total Current Assets	1,322,465.45	1,281,591.15	111,978.22	(1,243,149.60)	1,472,885.22	474,809.23	163,489.17	0.00	2,111,183.62
Fixed Assets -									
Construction in Progress		1,888,067.73			1,888,067.73				1,888,067.73
Property Plant & Equipment	5,006.71	15,349,791.86	2,550.32		15,357,348.89	10,295.65	4,630.00		15,372,274.54
Accumulated Depreciation	(3,563.96)	(2,367,621.22)	(1,955.00)		(2,373,140.18)	(8,597.00)	(4,630.00)		(2,386,367.18)
Furniture		684,734.78			684,734.78				684,734.78
Total Fixed Assets	1,442.75	15,554,973.15	595.32	0.00	15,557,011.22	1,698.65	0.00	0.00	15,558,709.87
Other Assets -									
Note Receivable - BTBC, Inc. - Main Facility	258,859.93			(258,859.93)	0.00				0.00
Note Receivable - Gyrasol	25,000.00				25,000.00				25,000.00
Due from Kaw, Inc. - Labor Services	76,078.57				76,078.57		286,450.00	(286,450.00)	76,078.57
Equity Investments					0.00	327,456.89	276,945.02	(276,945.02)	327,456.89
Total Other Assets	359,938.50	0.00	0.00	(258,859.93)	101,078.57	327,456.89	563,395.02	(563,395.02)	428,535.46
Total Assets	1,683,846.70	16,836,564.30	112,573.54	(1,502,009.53)	17,130,975.01	803,964.77	726,884.19	(563,395.02)	18,098,428.95
<b>Liabilities and Net Assets</b>									
Current Liabilities -									
Accounts Payable	31,258.47	50,444.19	37,647.87		119,350.53	11,870.00	1,500.00		132,720.53
Credit Cards	4,111.01	0.00			4,111.01				4,111.01
Accrued Payroll Taxes	12,891.77				12,891.77				12,891.77
Accrued Interest		157,873.23		(3,434.97)	154,438.26	0.00			154,438.26
Construction Retainage		83,845.04	0.00		83,845.04				83,845.04
Due to BTBC-MF.	34,955.56		344,604.84	(379,412.16)	148.24	44,023.96			44,172.20
Due to BTBC, Inc. - Operations		0.00	860,154.23	(860,302.47)	(148.24)	13,416.90	2,806.90		16,075.56
Due to Kaw, Inc.		1,171.97			1,171.97				1,171.97
Due to LRTC, Inc.					0.00	286,450.00		(286,450.00)	0.00
Unearned Lease Revenue	28,000.00	33,816.63	23,065.55		84,882.18				84,882.18
Total Current Liabilities	111,216.81	327,151.06	1,265,472.49	(1,243,149.60)	460,690.76	355,760.86	4,306.90	(286,450.00)	534,308.52
Long-Term Liabilities -									
Tenants Lease Security Deposits		39,564.18	20,479.27		60,043.45		0.00		60,043.45
Due to BTBC, Inc. - Labor Services					0.00	0.00		0.00	0.00
Deferred Tax Liability	0.00				0.00	0.00			0.00
Note Payable - KUEA		5,299,530.97			5,299,530.97		0.00		5,299,530.97
Note Payable - BTBC, Inc.		258,859.93		(258,859.93)	0.00				0.00
Note Payable - KUCR		2,775,616.39			2,775,616.39				2,775,616.39
Total Long-Term Liabilities	0.00	8,373,571.47	20,479.27	(258,859.93)	8,135,190.81	0.00	0.00	0.00	8,135,190.81
Net Assets -									
Unrestricted Net Assets, Beginning of Year	1,492,511.81	8,110,206.40	(990,444.75)		8,612,273.46	441,973.96	731,942.31	(276,945.02)	9,509,244.71
Current Year's Change in Net Assets	80,118.08	25,635.37	(182,933.47)		(77,180.02)	6,229.95	(9,365.02)		(80,315.09)
Total Net Assets	1,572,629.89	8,135,841.77	(1,173,378.22)	0.00	8,535,093.44	448,203.91	722,577.29	(276,945.02)	9,428,929.62
Total Liabilities and Net Assets	1,683,846.70	16,836,564.30	112,573.54	(1,502,009.53)	17,130,975.01	803,964.77	726,884.19	(563,395.02)	18,098,428.95

Bioscience and Technology Business Center, Inc.

Consolidated Statement of Cash Flow

For the Month Ended 12/31/2017

	BTBC, Inc - Operations	BTBC - Main Facility	BTBC - Expansion Facility	Adjustment & Eliminations	BTBC, Inc. Consolidated Balance	Kaw, Inc.	LRTC, Inc.	Adjustment & Eliminations	Consolidated All Entities
<b>Operating Activities</b>									
Net Revenues Over (Under) Expenses	80,118.08	25,635.37	(182,933.47)	0.00	(77,180.02)	6,229.95	(9,365.02)	0.00	(80,315.09)
Adjustments to Reconcile Net Income to Net Cash Provided by Operations									
Accounts Receivable	(37,792.61)	(55,474.02)	(1,562.50)		(94,829.13)	(13,160.10)			(107,989.23)
Utilities Reimbursement Receivable		(10,558.79)			(10,558.79)				(10,558.79)
Grants Receivable					0.00				0.00
Due From BTBC, Inc. - Main Facility	97,595.60				97,595.60				97,595.60
Due From BTBC, Inc. - Expansion Facility	(74,679.23)	(122,000.00)			(196,679.23)				(196,679.23)
Due From BTBC, Inc.	0.00	(34,951.22)			(34,951.22)				(34,951.22)
Due From Kaw	(2,797.67)	(42,851.99)			(45,649.66)		(126,250.00)		(171,899.66)
Prepaid Insurance	1,547.20	(75.00)	125.68		1,597.88	(885.08)	2,049.96		2,762.76
Interest Receivable	163.67				163.67	0.00			163.67
Depreciation	960.96	466,596.22	255.00		467,812.18	360.00			468,172.18
Accounts Payable	27,342.09	48,533.44	3,658.35		79,533.88	4,800.00	1,000.00		85,333.88
Accrued Payroll Taxes	11,700.04				11,700.04				11,700.04
Accrued Interest		16,005.01			16,005.01				16,005.01
Prepaid Expense		(5,880.00)	2,969.58		(2,910.42)				(2,910.42)
Accrued Salaries					0.00				0.00
Construction Retainage		83,845.04	0.00		83,845.04				83,845.04
Due to BTBC, Inc.	0.00	(97,595.59)	49,530.99		(48,064.60)	4,200.00	0.00		(43,864.60)
Due To BTBC - Main	59,951.22		122,148.24		182,099.46	44,023.96			226,123.42
Due to LRTC, Inc.					0.00	126,250.00			126,250.00
Visa 9454	3,293.38				3,293.38				3,293.38
Unearned Lease Revenue		33,816.63	23,065.55		56,882.18				56,882.18
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>167,402.73</b>	<b>305,045.10</b>	<b>17,257.42</b>	<b>0.00</b>	<b>489,705.25</b>	<b>171,818.73</b>	<b>(132,565.06)</b>	<b>0.00</b>	<b>528,958.92</b>
<b>Investing Activities</b>									
Property Plant & Equipment	0.00	(20,594.00)			(20,594.00)				(20,594.00)
Deferred Management Revenue					0.00				0.00
City/County Incentive Fund	28,000.00				28,000.00				28,000.00
Due to/From Main Facility Tranfer					0.00				0.00
Equity Investments					0.00	(169,023.96)			(169,023.96)
					0.00				0.00
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>28,000.00</b>	<b>(20,594.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>7,406.00</b>	<b>(169,023.96)</b>	<b>0.00</b>	<b>0.00</b>	<b>(161,617.96)</b>
<b>Financing Activities</b>									
Partner Contributions	(20,000.00)	0.00			(20,000.00)				(20,000.00)
Due From FCT	(10,000.00)	0.00			(10,000.00)				(10,000.00)
Note Payable - KUEA		(106,219.03)			(106,219.03)				(106,219.03)
Note Payable - KUCR		1,947,687.00			1,947,687.00				1,947,687.00
Construction retainage		0.00			0.00				0.00
Note Payable BTBC Inc.	14,700.63	(14,700.63)			0.00				0.00
Tenant Lease Security Deposits		4,590.86	0.00		4,590.86				4,590.86
Construction in Progress		(1,888,067.73)	0.00		(1,888,067.73)				(1,888,067.73)
<b>Net Cash Provided (Used) by Financing Activities</b>	<b>(15,299.37)</b>	<b>(56,709.53)</b>	<b>0.00</b>	<b>0.00</b>	<b>(72,008.90)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(72,008.90)</b>
<b>Net Cash Increase (Decrease) for Period</b>	<b>180,103.36</b>	<b>227,741.57</b>	<b>17,257.42</b>	<b>0.00</b>	<b>425,102.35</b>	<b>2,794.77</b>	<b>(132,565.06)</b>	<b>0.00</b>	<b>295,332.06</b>
<b>Cash, Beginning of Period</b>	<b>155,874.92</b>	<b>507,185.16</b>	<b>5,925.43</b>	<b>0.00</b>	<b>668,985.51</b>	<b>18,110.72</b>	<b>295,895.45</b>	<b>0.00</b>	<b>982,991.68</b>
<b>Cash, End of Period</b>	<b>335,978.28</b>	<b>734,926.73</b>	<b>23,182.85</b>	<b>0.00</b>	<b>1,094,087.86</b>	<b>20,905.49</b>	<b>163,330.39</b>	<b>0.00</b>	<b>1,278,323.74</b>

# BTBC 2018 Operational Priorities

## 2018 Operational Priorities:

- 1) Completing and leveraging the NSL for company recruitment and creation
- 2) Deliver value to BTBC companies that will help them grow and produce jobs; monetize that value
- 3) Launch Phase III

# BTBC 2018 Economic Development Metrics

## 2018 Economic Development Metrics Goals:

- Companies: Add **4 New Companies** to the BTBC System. BTBC is projecting some attrition in 2018.
- Jobs: Increase BTBC System **Jobs by 23** to a total of 275 by year-end 2018. Increase of about 10%.
- Salaries: Grow **Salaries by \$1.25MM** in 2018 to a total direct job payroll of \$15.25MM.

# BTBC 2018 Budget Highlights

## 2018 Budget Overview:

- Projected Net Operating Loss of \$273K
- Projected Positive Cash Flow of \$25K
- Private/Public Revenue Ratio of 65%/35% in 2018
- 2018 Revenues – Increase of \$341K, or 15.4%, with rent revenue growth of \$33K or 38.8%
- Expenses - Increase of \$380K or 15.6%, including additional debt service and depreciation from NSL project; without debt service and depreciation, the operating expenses increase \$230K or about 9.3%.



# BTBC 2018 Budget Highlights

## Significant 2018 Revenue Assumptions:

- **2018 Revenues – Increase of \$341K, or 15.4%, over 2017 Revenues**
  - Rent Revenue – Projected to Increase \$333K or 38.8%
    - \$225K increase is related to the NSL beginning in March
    - \$108K is increased rent from new companies and company expansion for Main (\$38K) and West (\$70K)
  - KUMC Management Agreement – renewal amount \$126K
  - KU Stakeholder Contribution - \$200K replaces in-kind service revenue
  - Business Management Services - \$110K Increase that will assist BTBC companies to grow and expand

# BTBC 2018 Budget Highlights – cont.

## Significant 2018 Expense Assumptions:

- **Overall Expenses Increase by \$380K or 15.6%**
  - Building Expenditures - Increase for \$66K Janitorial and Maintenance
  - Debt Service (\$112K) and Depreciation (\$57K) largely related to NSL Project
  - Intern Expense – Increase \$100K to support Business Management Services revenue to assist company growth and expansion
  - Research Park Development Expense increased \$33.5K to support Phase III Development
  - Professional Fees – reduction of \$18.8K for reduction in outside consultant costs
  - Payroll – Assumed current 2017 staffing and salaries with annual adjustment of 3%
  - Utilities increase by \$29K for NSL lab and higher occupancy levels
  - West Lease Payment - Remains at \$25K per executed agreement with City of Lawrence and Douglas County; bond payment holiday extended through 2018

Consolidated Statement of Activities  
2018 Initial Base ProjectionsLast Updated:  
10/16/17

	BTBC. Inc. Operations	BTBC KUMC Facility	BTBC Main Facility	BTBC - MF Basement Construction	BTBC West Facility	2018 BTBC Consolidated YE Projection	Kaw Inc	LRTC Inc.	Adjustment & Eliminations	2018 Consolidated All Entities	2017 Budget All Entities	Variance From Budget	Percentage Variance	
Revenues -														
Douglas County Contribution	200,000.00		175,000.00			375,000.00				375,000.00	375,000.00	0.00	0.00%	
City of Lawrence Contribution	200,000.00		75,000.00			275,000.00				275,000.00	275,000.00	0.00	0.00%	
KU Contribution	-		200,000.00		25,000.00	225,000.00				225,000.00	75,000.00	150,000.00	200.00%	
KU Contributions - In-Kind						-				0.00	206,600.00	(206,600.00)	-100.00%	
KUMC		126,000.00				126,000.00				126,000.00	172,500.00	(46,500.00)	-26.96%	
Grant Funding/KDOC	50,000.00					50,000.00				50,000.00	50,000.00	0.00	0.00%	
Catalyst Partner Contributions	-					-				0.00	0.00	0.00		
Lawrence Chamber of Commerce	20,000.00		-			20,000.00				20,000.00	30,000.00	(10,000.00)	-33.33%	
Accounting Services	42,000.00				(12,000.00)	30,000.00				30,000.00	30,000.00	0.00	0.00%	
Project Management Fees	66,500.00					66,500.00				66,500.00	50,000.00	16,500.00		
Rental Income			907,632.64		285,069.84	1,192,702.48				1,192,702.48	859,227.70	333,474.78	38.81%	
Reimbursed Expenses	-		-			-				0.00	0.00	0.00		
Business Management Services	158,600.00					158,600.00				158,600.00	48,400.00	110,200.00		
Internet and Phone Service Revenue			30,000.00			30,000.00				30,000.00	28,200.00	1,800.00	6.38%	
Investment Income			304.12			304.12				304.12	304.12	0.00	0.00%	
Interest Income	11,732.90				(11,134.25)	598.65	5,000.00	1,425.00		7,023.65	14,725.00	(7,701.35)	-52.30%	
Total Revenues	748,832.90	126,000.00	1,387,936.76	-	310,069.84	2,549,705.25	5,000.00	1,425.00	0.00	2,556,130.25	2,214,956.82	341,173.43	15.40%	
Expenses -														
Administrative and Miscellaneous	13,200.00	3,230.00	18,000.00		150.00	34,580.00	310.00	235.00		35,125.00	29,125.00	(6,000.00)	-20.60%	
Building Expenditures	1,000.00	-	132,000.00		85,000.00	218,000.00				218,000.00	152,000.00	(66,000.00)	-43.42%	
Contractual Services	1,200.00	1,020.00	4,800.00			7,020.00	6,000.00	6,000.00	(12,000.00)	7,020.00	6,720.00	(300.00)	-4.46%	
Depreciation	-		548,000.00		315.00	548,315.00	360.00			548,675.00	491,425.00	(57,250.00)	-11.65%	
Economic Development Software	5,000.00					5,000.00				5,000.00	5,000.00	0.00	0.00%	
Insurance														
Employee's Withholding	(3,000.00)	(420.00)				(3,420.00)				(3,420.00)	(3,420.00)	0.00	0.00%	
Health	35,268.36	6,000.00				41,268.36				41,268.36	40,107.60	(1,160.76)	-2.89%	
Disability	7,656.00	900.00				8,556.00				8,556.00	7,860.00	(696.00)	-8.85%	
General Liability/Property	7,260.00		22,800.00		8,880.00	38,940.00	850.00	850.00		40,640.00	35,030.00	(5,610.00)	-16.01%	
Worker's Comp	2,152.01	245.96				2,397.97				2,397.97	1,850.59	(547.38)	-29.58%	
D&O	2,400.00					2,400.00	1,200.00	1,200.00		4,800.00	4,800.00	0.00	0.00%	
Interest	-		401,487.48		(11,134.25)	390,353.23				390,353.23	278,416.85	(111,936.38)	-40.20%	
Intern Program	132,912.00	-				132,912.00				132,912.00	33,500.00	(99,412.00)	-296.75%	
KU Innovation and Collaboration Liaison	-					-				0.00	23,750.00	23,750.00	100.00%	
Marketing and Public Relations	24,250.00	1,500.00	6,200.00			31,950.00				31,950.00	24,450.00	(7,500.00)	-30.67%	
Miscellaneous Expense	2,000.00	120.00	240.00			2,360.00				2,360.00	2,360.00	0.00	0.00%	
Payroll	538,003.00	81,987.33			63,189.16	683,179.49				683,179.49	679,967.58	(3,211.91)	-0.47%	
Professional Development	3,600.00	-				3,600.00				3,600.00	3,600.00	0.00	0.00%	
Professional Fees	27,200.00	-	600.00			27,800.00	1,850.00	3,600.00		33,250.00	52,050.00	18,800.00	36.12%	
Rent														
BTBC Expansion Facility - City of Lawrence					25,000.00	25,000.00				25,000.00	25,000.00	0.00	0.00%	
BTBC Main Facility - KUEA			1,000.00			1,000.00				1,000.00	1,000.00	0.00	0.00%	
Research Park Development Expenses	36,000.00					36,000.00				36,000.00	2,500.00	(33,500.00)	-1340.00%	
Retirement Contributions	30,810.79	4,919.24			3,791.35	39,521.38				39,521.38	40,321.35	799.97	1.98%	
Taxes												0.00	0.00%	
Income						-				0.00	0.00	0.00	0.00%	
Payroll	41,913.36	8,283.74				50,197.10				50,197.10	48,084.65	(2,112.46)	-4.39%	
Property						-				0.00	0.00	0.00	0.00%	
Real Estate					76,418.17	76,418.17	65.00	140.00		76,623.17	76,623.17	0.00	0.00%	
Ks Secretary of State Annual Report Fee						-				0.00	0.00	0.00	0.00%	
Travel and Meals	12,000.00	600.00	1,300.00			13,900.00	50.00			13,950.00	13,950.00	0.00	0.00%	
Technology	-					-				0.00	0.00	0.00	0.00%	
Utilities	3,600.00	600.00	245,000.0		152,500.00	401,700.00				401,700.00	372,700.00	(29,000.00)	-7.78%	
Total Expenses	924,425.53	108,986.27	1,381,427.48	-	415,243.68	(11,134.25)	2,818,948.71	10,685.00	12,025.00	(12,000.00)	2,829,658.71	2,448,771.79	(380,886.92)	-15.55%
Net Revenue Over (Under) Expenses From Operations	(175,592.63)	17,013.73	6,509.28	-	(105,173.84)	(269,243.46)	(5,685.00)	(10,600.00)	12,000.00	(273,528.46)	(233,814.97)	(39,713.48)	1.62%	
Depreciation Add-Back			548,000.00		315.00	548,315.00	360.00			548,675.00	491,425.00	(57,250.00)	-11.65%	
Intercompany Advisory Services						-	(16,140.00)			(16,140.00)	(16,140.00)	0.00	0.00%	
Interest Accrued						-				0.00	0.00	0.00	0.00%	
Principal Payments			(153,144.57)			(153,144.57)				(153,144.57)	(153,144.57)	0.00	0.00%	
Net Cash Provided (Used) From Operations	(175,592.63)	17,013.73	401,364.71	0.00	(104,858.84)	125,926.97	(21,465.00)	(10,600.00)	12,000.00	105,861.97	88,325.46	37,601.52	42.57%	
Building Improvements Funding Rec'd						-				0.00	0.00	0.00	0.00%	
Fixed Asset Purchases/Building Improvements			(40,000.00)			(40,000.00)				(40,000.00)	(40,000.00)	0.00	0.00%	
Investment and Incentives			(40,000.00)			(40,000.00)	0.00			(40,000.00)	(40,000.00)	0.00	0.00%	
Rents Accrued but no Cash Receipt Anticipated					-	-				0.00	0.00	0.00	0.00%	
Net Cash Provided (Used) During Period	(175,592.63)	17,013.73	321,364.71	0.00	(104,858.84)	45,926.97	(21,465.00)	(10,600.00)	12,000.00	25,861.97	8,325.46	17,536.52	210.64%	
Cash, Beginning of Year - Est.	175,000.00	56,000.00	625,000.00	0.00	20,420.91	876,420.91	9,871.60	363,158.00		1,249,450.51	939,450.51	0.00	0.00%	
Cash, End of Year Projected	(592.63)	73,013.73	946,364.71	-	(84,437.93)	934,347.88	(11,593.40)	352,558.00		1,275,312.48	947,775.97	327,536.52	34.56%	

Detailed budgets for each individual entity available upon request.