

375 Beale Condominium Corporation

Financial Statements

As of and for the Years Ended June 30, 2019 and 2018

375 Beale Condominium Corporation
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Report of Independent Auditors

To the Board of Directors of the
375 Beale Condominium Corporation:

We have audited the accompanying financial statements of the 375 Beale Condominium Corporation ("375 Beale Condo"), which comprise the statement of net position as of June 30, 2019 and 2018, and the related statements of revenues, expenses and changes in net position and of cash flows for the years then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to 375 Beale Condo's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 375 Beale Condo's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the 375 Beale Condominium Corporation as of June 30, 2019 and 2018, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Other Matters

Required Supplementary Information

The accompanying management's discussion and analysis ("MD&A") on pages 3 through 4 is required by accounting principles generally accepted in the United States of America to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise 375 Beale Condo's basic financial statements. The other supplementary schedules appearing on pages 13 through 15 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, these supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

DRAFT

San Francisco, California
Month XX, 2019

375 Beale Condominium Corporation

Financial Statements as of and for the Years Ended June 30, 2019 and 2018

Management's Discussion and Analysis (unaudited)

Management's Discussion and Analysis

This financial report is designed to provide a general overview of the 375 Beale Condominium Corporation's (375 Beale Condo) financial statements. 375 Beale Condo is a non-profit organization formed to manage the three condominium unit owners' common interest development in 375 Beale Street, San Francisco, California (the Property). This Management's Discussion and Analysis presents an overview of the financial activities of 375 Beale Condo for the years ended June 30, 2019 and 2018. The discussion has been prepared by management and should be read in conjunction with the financial statements and the notes which follow.

Bay Area Headquarters Authority (BAHA) acquired the Property in October 2011 for the purpose of establishing a Bay Area regional agency headquarters for Metropolitan Transportation Commission (MTC), Bay Area Air Quality Management District (BAAQMD), and Association of Bay Area Governments (ABAG). BAHA renovated the Property and named it Bay Area Metro Center (BAMC). In May 2016, MTC, BAAQMD and ABAG moved into BAMC and occupied level six to level eight and partial level five of the 8-level BAMC building. Rentable space on level one to level five has been rented out to commercial tenants.

In December 2016, BAHA signed the Declaration of Covenants, Conditions and Restrictions for 375 Beale Street, San Francisco (the CC&Rs) which defined the ownership of BAMC among the three owners: BAHA, BAAQMD and ABAG, the rights and responsibilities of the unit owners, and the management and operating guidance of the condominium. On June 22, 2017, 375 Beale Condominium Corporation was incorporated under the Non-profit Mutual Benefit Corporation Law (California Corporations Code section 7110 *et seq.*) to provide for the management of the association of the three agency owners in BAMC. Cushman & Wakefield of California, Inc. (C&W) was contracted to provide the day-to-day property management services on behalf of the three condominium unit owners. BAHA, in its individual capacity, is solely responsible for the management and operation of the commercial space in BAMC.

A. Financial Highlights

In November 2018, BAAQMD acquired additional office space on the 8th floor which resulted in a change of 375 Beale Condo's ownership allocation.

B. Overview of the 375 Beale Condo's Financial Statements

375 Beale Condo's financial statements include: (1) *Statement of Net Position*, (2) *Statement of Revenues, Expenses, and Changes in Net Position*, and (3) *Statement of Cash Flows*. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America.

The *Statement of Net Position* reports assets and liabilities and the difference as net position. The *Statement of Revenues, Expenses, and Changes in Net Position* consists of operating

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Financial Statements as of and for the Years Ended June 30, 2019 and 2018
Management's Discussion and Analysis (unaudited)

revenues and expenses and nonoperating revenues and expenses. The *Statement of Cash Flows* is presented using the direct method.

The *Statement of Net Position*, *Statement of Revenues, Expenses, and Changes in Net Position*, and *Statement of Cash Flows* are presented on pages 7 through 9 of this report.

C. Financial Analysis

The following table is a summary of 375 Beale Condo's statement of net position as of June 30 for the last two fiscal years:

	2019	2018
Cash	\$ 210,803	\$ 288,408
Accounts receivable	99,991	236,955
Due from BAHA	651,615	773,279
Other assets	1,055	9,213
Total assets	963,464	1,307,855
Due to condominium owners	817,746	1,224,203
Other current liabilities	145,718	83,652
Total liabilities	963,464	1,307,855
Net position	\$ -	\$ -

Cash decreased by \$77,605 in fiscal year 2019. The decrease is mainly due to higher operating expenditures in the fiscal year. Accounts receivable decreased by \$136,964 in fiscal year 2019. The decrease is a result of no assessment fee receivable in fiscal 2019 whereas there was a \$138,733 shared services assessment fee due from one condominium unit owner in fiscal year 2018. Due from BAHA decreased by \$121,664 in fiscal year 2019. The decrease is mainly due to decreases of \$111,809 in due from common area operations in fiscal year 2019 and \$9,855 in assessment fees collected by BAHA in fiscal year 2018.

Due to condominium owners decreased by \$406,457 in fiscal year 2019. The decrease is a result of a smaller assessment fee refund to the two condominium owners in fiscal year 2019 compared to fiscal year 2018. Other current liabilities increased by \$62,066 in fiscal year 2019. The increase is mainly due to increases of \$38,139 in invoices received from vendors and \$23,927 in expense accruals.

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Financial Statements as of and for the Years Ended June 30, 2019 and 2018
Management's Discussion and Analysis (unaudited)

The following table is a summary of 375 Beale Condo's statement of revenues, expenses, and changes in net position for the last two fiscal years ended June 30:

	2019	2018
Operating revenues		
Net assessment fees	\$ 4,651,251	\$ 4,074,972
Total operating revenues	<u>4,651,251</u>	<u>4,074,972</u>
Operating expenses		
Common area	3,137,932	2,992,007
Shared services	1,523,036	1,089,052
Total operating expenses	<u>4,660,968</u>	<u>4,081,059</u>
Operating loss	<u>(9,717)</u>	<u>(6,087)</u>
Total nonoperating revenues	<u>9,717</u>	<u>6,087</u>
Change in net position	-	-
Net position - beginning	-	-
Net position - ending	<u>\$ -</u>	<u>\$ -</u>

Net assessment fees increased by \$576,279 in fiscal year 2019. The increase is a result of an increase in assessment fees due to higher operating expenses. Common area expenses increased by \$145,925 in fiscal year 2019. The increase is mainly due to increases of \$38,495 in cleaning, \$34,582 in security, \$23,918 in parking garage expenses, \$17,121 in computer maintenance, and \$10,688 in utilities. Shared services expenses increased by \$433,984 in fiscal year 2019. The increase is a result of increases of \$184,509 in salaries and benefits, \$114,448 in overhead, and \$114,103 in professional fees.

D. Notes to the Financial Statements

The notes to the financial statements, beginning on page 10, provide additional information that is essential to a full understanding of the data provided in this management discussion and analysis as well as the financial statements.

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Financial Statements as of and for the Years Ended June 30, 2019 and 2018
Management's Discussion and Analysis (unaudited)

E. Economic Factors

The Bay Area economy continues to grow from previous years. The region's unemployment rate remains low at 3 percent as of June 30, 2019, and sales tax revenues have increased by 8.3 percent and 4.3 percent for fiscal years 2019 and 2018 respectively. The growing economy did not impact 375 Beale Condo's financials for the fiscal year 2019 and 2018.

Requests for information

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, 375 Beale Condominium Corporation, 375 Beale Street, Suite 800, San Francisco, CA 94105.

375 Beale Condominium Corporation
Statements of Net Position
June 30, 2019 and 2018

	2019	2018
Assets		
Current assets		
Cash	\$ 210,803	\$ 288,408
Accounts receivable	99,991	236,955
Due from BAHA	651,615	773,279
Due from other governments	-	1,606
Prepaid expenses	1,055	7,607
Total current assets	<u>963,464</u>	<u>1,307,855</u>
Total assets	<u>963,464</u>	<u>1,307,855</u>
Liabilities		
Current liabilities		
Accounts payable	91,173	53,034
Accrued liabilities	54,496	30,569
Due to condominium owners	817,746	1,224,203
Unearned revenue	49	49
Total current liabilities	<u>963,464</u>	<u>1,307,855</u>
Total liabilities	<u>963,464</u>	<u>1,307,855</u>
Net Position	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

375 Beale Condominium Corporation
Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended June 30, 2019 and 2018

	2019	2018
Operating Revenues		
Assessment fees	\$ 5,462,864	\$ 5,299,175
Refund of excess assessment fees	<u>(811,613)</u>	<u>(1,224,203)</u>
Net assessment fees	<u>4,651,251</u>	<u>4,074,972</u>
Total operating revenues	<u>4,651,251</u>	<u>4,074,972</u>
Operating Expenses		
Common area	3,137,932	2,992,007
Shared services	<u>1,523,036</u>	<u>1,089,052</u>
Total operating expenses	<u>4,660,968</u>	<u>4,081,059</u>
Operating loss	<u>(9,717)</u>	<u>(6,087)</u>
Nonoperating Revenues		
Interest income	9,717	5,196
Miscellaneous revenues	<u>-</u>	<u>891</u>
Total nonoperating revenues	<u>9,717</u>	<u>6,087</u>
Change in Net Position	<u>-</u>	<u>-</u>
Net Position - Beginning of Year	<u>-</u>	<u>-</u>
Net Position - End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

375 Beale Condominium Corporation
Statements of Cash Flows
For the Years Ended June 30, 2019

	2019	2018
Cash flows from operating activities		
Cash receipts from condominium unit owners	\$ 4,911,485	\$ 4,289,881
Cash payments to suppliers and others	<u>(4,998,807)</u>	<u>(4,006,669)</u>
Net cash provided by / (used in) operating activities	<u>(87,322)</u>	<u>283,212</u>
Cash flows from investing activities		
Interest and dividends on investments	<u>9,717</u>	<u>5,196</u>
Net cash provided by investing activities	<u>9,717</u>	<u>5,196</u>
Net increase / (decrease) in cash	(77,605)	288,408
Balances - Beginning of year	<u>288,408</u>	<u>-</u>
Balances - End of year	<u><u>\$ 210,803</u></u>	<u><u>\$ 288,408</u></u>

**Reconciliation of operating income to net cash
provided by operating activities**

	2019	2018
Operating loss	\$ (9,717)	\$ (6,087)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Net effect of changes in:		
Accounts receivable	136,964	(236,955)
Due from BAHA	121,664	(773,279)
Due from other governments	1,606	(1,606)
Prepaid expenses	6,552	(7,607)
Accounts payable and accrued expenses	62,066	83,603
Due to condominium owners	(406,457)	1,224,213
Unearned revenue	-	49
Other nonoperating revenue	<u>-</u>	<u>891</u>
Net cash provided by / (used in) operating activities	<u><u>\$ (87,322)</u></u>	<u><u>\$ 283,212</u></u>

The accompanying notes are an integral part of these financial statements.

375 Beale Condominium Corporation

Notes to the Financial Statements

As of and for the Years Ended June 30, 2019 and 2018

1. Organization

The 375 Beale Condominium Corporation (“375 Beale Condo”) was incorporated on June 22, 2017 in the state of California under the Non-profit Mutual Benefit Corporation Law (California Corporations Code section 7110 *et seq.*). 375 Beale Condo is an association of the three condominium unit owners: Bay Area Headquarters Authority (BAHA), Bay Area Air Quality Management District (BAAQMD), and Association of Bay Area Governments (ABAG), in the property known as 375 Beale Street, San Francisco, California (the Property). The Property has been subdivided into four condominium units: two units are owned by BAHA, one unit is owned by BAAQMD, and one unit is owned by ABAG. 375 Beale Condo is formed to manage the common interest development in the Property under the Commercial and Industrial Common Interest Development Act and within the meaning of Section 501 (c)(4) of the Internal Revenue Code. 375 Beale Condo’s governing board consists of four directors appointed by the owners of each unit.

BAHA was established in September 2011 pursuant to the California Joint Exercise of Powers Act, consisting of Sections 6500 through 6599.2 of the California Government Code to provide for the joint exercise of powers common to Metropolitan Transportation Commission (MTC) and the Bay Area Toll Authority (BATA). BAHA is authorized to plan, acquire and develop BAHA’s office space and facilities; to employ agents and employees; to acquire, construct, provide for maintenance and operation of, or maintain and operate, any buildings, works or improvements; to acquire, hold or dispose of property wherever located, including the lease or rental of property; and to receive gifts, contributions and donations of property, funds, services and other forms of assistance from persons, firms, corporations and any governmental entities.

MTC was established under Government Code Section 66500 *et seq.* of the laws of the State of California in 1970 to provide comprehensive regional transportation planning for the nine counties that comprise the San Francisco Bay Area. The nine counties are the City and County of San Francisco and the Counties of Alameda; Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano and Sonoma.

BATA was established pursuant to Chapter 4.3 of Division 17 of the California Streets and Highways Code Section 30950 *et seq.* with the power under California Streets and Highways Code section 30951 to apply for, accept, receive, and disburse grants, loans, and other assistance from any agency of the United States or of the State and to plan projects within its jurisdiction under California Streets and Highways Code Section 30950.3.

BAAQMD was created by the California Legislature in 1955 as the first regional agency to deal with air pollution in California. BAAQMD is authorized to regulate stationary sources of air pollution and agricultural burning and enact certain transportation and mobile source measures. BAAQMD’s jurisdiction includes the City and County of San Francisco and the Counties of Alameda; Contra Costa, Marin, Napa, San Mateo, Santa Clara, south-western Solano County, and southern Sonoma County.

ABAG was established in 1961 by an agreement among its members – counties and cities of the San Francisco Bay Area pursuant to the Joint Exercise of Powers Act, California

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Notes to the Financial Statements
As of and for the Years Ended June 30, 2019 and 2018

Government Code Section 6500 *et seq.* As the regional council of governments, ABAG serves as a permanent forum to discuss and study matters of interest and concerns, develop policies and action plans, as well as provide services that members need. On July 1, 2017 ABAG's staff and functions were consolidated to MTC under a Contract for Services agreement signed on May 30, 2017.

2. Summary of Significant Accounting Policies

Basis of Accounting and Financial Statement Presentation

The financial statements for 375 Beale Condo have been prepared in accordance with accounting principles generally accepted in the United States of America using the economic resources measurement focus and the accrual basis of accounting. 375 Beale Condo follows standards of Governmental Accounting Standard Board (GASB) for financial statements presentation.

New Accounting Pronouncements

GASB Statement No. 83, *Certain Asset Retirement Obligations*, addresses requirements regarding the retirement of certain tangible assets for all state and local governments. The requirements of this statement are effective for reporting periods beginning after June 15, 2018. This standard did not have any impact on 375 Beale Condo's financial statements.

GASB Statement No. 84, *Fiduciary Activities*, establishes criteria for identifying fiduciary activities of all state and local governments. The requirements of this statement are effective for reporting periods beginning after December 15, 2018. This Standard is not expected to have any impact on 375 Beale Condo's financial statements.

GASB Statement No. 85, *Omnibus 2017*, addresses various practice issues including related blending component units, goodwill, fair value measurement and application, and other postemployment benefits (OPEB). The requirements of this statement are effective for reporting periods beginning after June 15, 2017. This standard did not have any impact on 375 Beale Condo's financial statements.

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, provides guidance to improve consistency in accounting and financial reporting for in-substance defeasance of debt. The requirements of this statement are effective for reporting periods beginning after June 15, 2017. This standard did not have any impact on 375 Beale Condo's financial statements.

GASB Statement No. 87, *Leases*, is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. It requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this statement are effective for reporting periods beginning after December 15, 2019. This Standard is not expected to have any impact on 375 Beale Condo's financial statements.

375 Beale Condominium Corporation

Notes to the Financial Statements

As of and for the Years Ended June 30, 2019 and 2018

GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, provides additional essential information related to the debt disclosure in notes to financial statements. This statement clarifies which liabilities governments should include when disclosing information related to debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. This Standard did not have any impact on 375 Beale Condo's financial statements.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, establishes accounting requirements for interest cost incurred before the end of a construction period. This statement enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. This Standard is not expected to have any impact on 375 Beale Condo's financial statements.

GASB Statement No. 90, *Majority Equity Interests*, provides guidance on how to improve reporting of Majority Equity Interests. This statement improves the consistency and comparability of reporting a government's majority equity interest in legally separate organizations and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. This Standard is not expected to have any impact on 375 Beale Condo's financial statements.

GASB Statement No. 91, *Conduit Debt Obligations*, provides single method of reporting conduit debt obligations. This statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. This Standard is not expected to have any impact on 375 Beale Condo's financial statements.

Cash

375 Beale Condo considers all balances held on deposit at banks to be cash.

Assessment Fees

Assessment fees represent charges levied and collected from the condominium unit owners for the purpose of meeting the operations and maintenance obligations incurred by 375 Beale Condo. 375 Beale Condo collects two types of assessment fees: common area assessment fee and shared services assessment fees. Assessment fees are predetermined annually by the budget approved by the board. Any year-end surplus from the condominium operations will be credited to the three condominium unit owners and paid the following fiscal year.

375 Beale Condominium Corporation
Notes to the Financial Statements
As of and for the Years Ended June 30, 2019 and 2018

Allocation of Common Area Expenses

The CC&Rs summarize the operating, maintenance, and management expenses incurred by 375 Beale Condo in the common area of the Property into two categories: facility common expenses and agency common expenses. Facility common expenses are the expenses that are incurred for the benefit of both the agency space and the commercial space; whereas agency common expenses are the expenses that are incurred solely for the benefit of the three agency owners, excluding BAHA's commercial space. Common area expenses are allocated to the three agency owners based on the percentage ownership interest set forth in the CC&Rs.

Use of Estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Due from BAHA / Due to condominium owners

BAHA is the facility operator responsible for daily operations of 375 Beale Condo. As of June 30, 2019 and 2018, Due from BAHA consists of the following:

	2019	2018
Due from common area operations	\$ 236,101	\$ 347,910
Assessment fees collected by BAHA refunded by 375 Beale Condo	415,514	425,369
Total Due from BAHA	<u>\$ 651,615</u>	<u>\$ 773,279</u>

Any surplus from 375 Beale Condo operations at the year-end will be refunded to the condominium unit owners. The excess assessment fees to be refunded to MTC / BATA and BAAQMD at June 30, 2019 and 2018 are as follows:

	2019	2018
MTC / BATA *	487,493	738,929
BAAQMD	324,120	485,274
Total Due to Condominium Owners	<u>811,613</u>	<u>1,224,203</u>

* BAHA's assessment fees are paid by MTC and BATA.

In fiscal year 2019, due to MTC/BATA is \$493,626, including \$6,133 expense reimbursement.

375 Beale Condominium Corporation
Notes to the Financial Statements
As of and for the Years Ended June 30, 2019 and 2018

4. Allocation of Assessment Fees / Common Area Expenses

Assessment fees and Common area expenses are allocated based on the percentage of each agency owner's rentable square footage (RSF) to the total RSF of the three agency owners excluding the BAHA commercial portion. For fiscal year 2018, the agency owners' RSF and the percentage to the total are as the following:

	BAHA	BAAQMD	ABAG	Total
Total Agency Space RSF	99,817	77,163	17,687	194,667
% of Total	51.28%	39.64%	9.08%	100.00%

Due to the sale of space on the 8th floor from BAHA to BAAQMD, starting from December 2018, the agency owners' RSF and the percentage to the total are as the following:

	BAHA	BAAQMD	ABAG	Total
Total Agency Space RSF	89,154	88,741	17,687	195,582
% of Total	45.58%	45.38%	9.04%	100.00%

5. Subsequent Events

375 Beale Condo has evaluated subsequent events for the period from June 30, 2019 through October xx, 2019, the date the financial statements were available to be issued, and no material subsequent events have been identified.

Other Supplementary Information

375 Beale Condominium Corporation
Assessment Fees Allocation (unaudited)
For the Year Ended June 30, 2019

For the fiscal year ended June 30, 2019, total assessment fees collected by 375 Beale Condo are as follows:

	BAHA *	BAAQMD	ABAG	375 Beale Condo Total
Assessment fees	\$ 2,827,460	\$ 2,300,404	\$ 335,000	\$ 5,462,864
Refund of excess assessment fees	(487,493)	(324,120)	-	(811,613)
Total assessment fees	2,339,967	1,976,284	335,000	4,651,251

* BAHA's assessment fees are paid by MTC and BATA.

375 Beale Condominium Corporation
Operating Expenses Allocation (unaudited)
For the Year Ended June 30, 2019

For the fiscal year 2019, the total common area expenses for the condominium unit owners are as follows:

	BAHA	BAAQMD	ABAG	375 Beale Condo Total
Cleaning service	\$ 311,932	\$ 280,447	\$ 59,011	\$ 651,390
Repairs and maintenance	303,671	273,037	57,458	634,166
Utilities	293,874	259,208	55,114	608,196
Security	179,958	161,174	33,991	375,123
Property management service	90,883	81,918	17,215	190,016
Professional fees	41,197	36,991	7,790	85,977
Computer maintenance and services	120,422	109,509	22,893	252,824
Parking service	55,905	50,266	10,578	116,749
Taxes / licenses / permits	8,502	7,624	1,607	17,733
Insurance	59,878	53,650	11,312	124,839
Other expenses	39,182	34,400	7,335	80,917
Total common area expenses	\$ 1,505,404	\$ 1,348,224	\$ 284,304	\$ 3,137,932

For the fiscal year 2019, the total shared services expenses for the condominium unit owners are as follows:

	BAHA	BAAQMD	ABAG	375 Beale Condo Total
Salaries and benefits	\$ 262,594	\$ 215,327	\$ 47,267	\$ 525,188
Communication charges	28,600	23,452	5,148	57,200
Professional fees	68,987	56,568	12,417	137,973
Computer maintenance and services	131,345	107,703	23,642	262,690
Supplies and equipment rental	49,221	40,361	8,860	98,442
Overhead	141,207	115,790	25,417	282,413
Other expenses	75,949	68,859	14,322	159,129
Total shared services expenses	\$ 757,903	\$ 628,060	\$ 137,073	\$ 1,523,036