

Financial Reports Narrative

September 2021

Highlights:

Private Revenue was a positive YTD variance, attributable to a single \$150K gift in September. The positive variance showing for Events (Fall Luncheon) is because of budget timing. The total revenue forecast for the Fall Luncheon is \$193K revenue versus the \$230K budget.

Statement of Activities:

Net Surplus/ Deficit – The YTD net surplus was ~\$3K before adjustments and ~\$218K with adjustments.

Income – YTD revenue, excluding unrealized gains, was better than budget by ~\$231K.

- Government grants net positive YTD variance of \$115K was attributable to the \$113K Irvine capital project revenue not in the budget. As described in prior months, there were new and “catch up” grants offsetting sluggish FaCT grants. For September, FaCT grants picked up some but a temporary funding constraint on a CalOES grant offset the FaCT gains.
- The YTD private revenue and events were better than budget for reasons described in the highlights above.

Expenses – YTD expenses were under budget by ~\$55K, which is an improvement from prior month.

- Payroll Expenses continue to trend under budget because of attrition and delayed salary increases (budget assumed August).
- Repair and Maintenance YTD costs were adjusted down because the new shelter canopies (in July costs) were reclassified from expense to capital. The remaining \$17K negative variance is attributable to a painting project covered by a small COVID grant, which will be addressed in the upcoming agency budget modification.
- Client assistance remained at a negative variance of ~\$31K. This is because of a heavier need. The increases in FaCT grants and other small grants will be included in the budget modification and will more than offset the current variance.

Statement of Financial Position:

- Cash at the end of September was ~\$571K, a slight increase over the prior month. The prior month cash was restated (increased \$100K), further correcting a software issue discovered in August closing.
- The \$113,883 increase in fixed assets was the initial payment for the shelter capital project (capital work in progress)
- The Schwab investment account decreased \$32K in light of general market conditions the end of September.