



MEMO

Date: March 11, 2016

To: Marion-Polk Food Share Board of

Directors from: Holly Larson

Re: February 2016 Financials

STATEMENT OF FINANCIAL POSITION – YEAR-TO-DATE:

CASH – Total liquid cash & cash equivalents have decreased almost \$226,000 in the last 12 months. This decrease in cash is primarily due to increases in accounts receivable of nearly \$109,000 offset by net surplus of almost \$137,000 for the 12 month period, resulting in cash used by operating activities of over \$77,000. Cash used by investing (capital) activities (capital expenses and adding back depreciation expense) was \$90,000. Cash used by financing activities (funds that remained in investment accounts, but are captured in revenue) was over \$58,000 (see Statement of Cash Flows).

ASSETS – Total liquid cash, cash equivalents, and other assets have decreased by almost \$123,000 in the past 12 months. Cash, investments, and other assets have decreased just over \$64,000 in the last year. Inventory has also decreased by \$736,000 in this last year. The decrease in inventory has to do with the change in how we value food.

LIABILITIES -- Total liabilities have decreased by \$112,000 this period.

NET ASSETS – have decreased over \$598,000 primarily due to the change in inventory valuation and increase in permanently restricted net assets.

CURRENT ACTIVITY – STATEMENT OF ACTIVITIES YEAR TO DATE:

OPERATING:

OPERATING REVENUE – Operating revenue was \$73,000 less than budget.

- **Donations** in total are on budget.
- **Program service revenue** is \$20,000 less than budget. Meals on Wheels home delivered meals are higher than expected, while vocational training, food product sales, and SNAP outreach are all below budget. SNAP Outreach reimbursements are beginning in March, and the DOC is not ordering the better burger, so revenue is down. There were less vocational trainees on payroll than budgeted.
- **Interest and investments** are \$54,000 less than budget. Budget was determined looking at a 4 year average performance, and it does not appear that average will be attained this year.

OPERATING EXPENSE – Operating expenses were \$212,000 less than budget.

- Salaries and Related expenses were \$56,000 less than budget YTD.
- Food purchase is down due to timing of purchases, but will end on budget at the end of the fiscal year.
- Supplies, printing and postage expenses were \$36,000 less than budget.
- Program supplies were \$32,000 below budget. It is likely that this variance is due to timing of purchases.
- Occupancy expenses were nearly \$12,000 over budget year-to date. Offsite food storage is up due to higher volumes of frozen donations than anticipated. Building repair and telephone expense are also high.

- Meeting and professional development is \$15,000 below budget.
- Webpage expenses are less than budget by \$24,000. This is a timing issue.
- Computer software is below budget \$16,000 due to a purchase of software that was include in the operating budget, but meets the capitalization threshold. This purchase is included in fixed assets.

OPERATING NET SURPLUS/(DEFICIT) - Net operating activity was a deficit of over \$115,000 year-to-date, compared to a budget deficit of \$255,000, 55% better than budgeted.

CAPITAL:

CAPITAL REVENUE – Capital revenue was over \$69,000 less than budget. This is mainly due to timing of the warehouse improvement project.

CAPITAL EXPENSE – Capital expenses was comprised of depreciation and \$1,000 over budget. Depreciation has not been finalized for fiscal year end 2016 and numbers shown include estimates.

CAPITAL NET SURPLUS/(DEFICIT) - Net capital activity was a deficit of \$46,000 year-to-date.

ENDOWMENT:

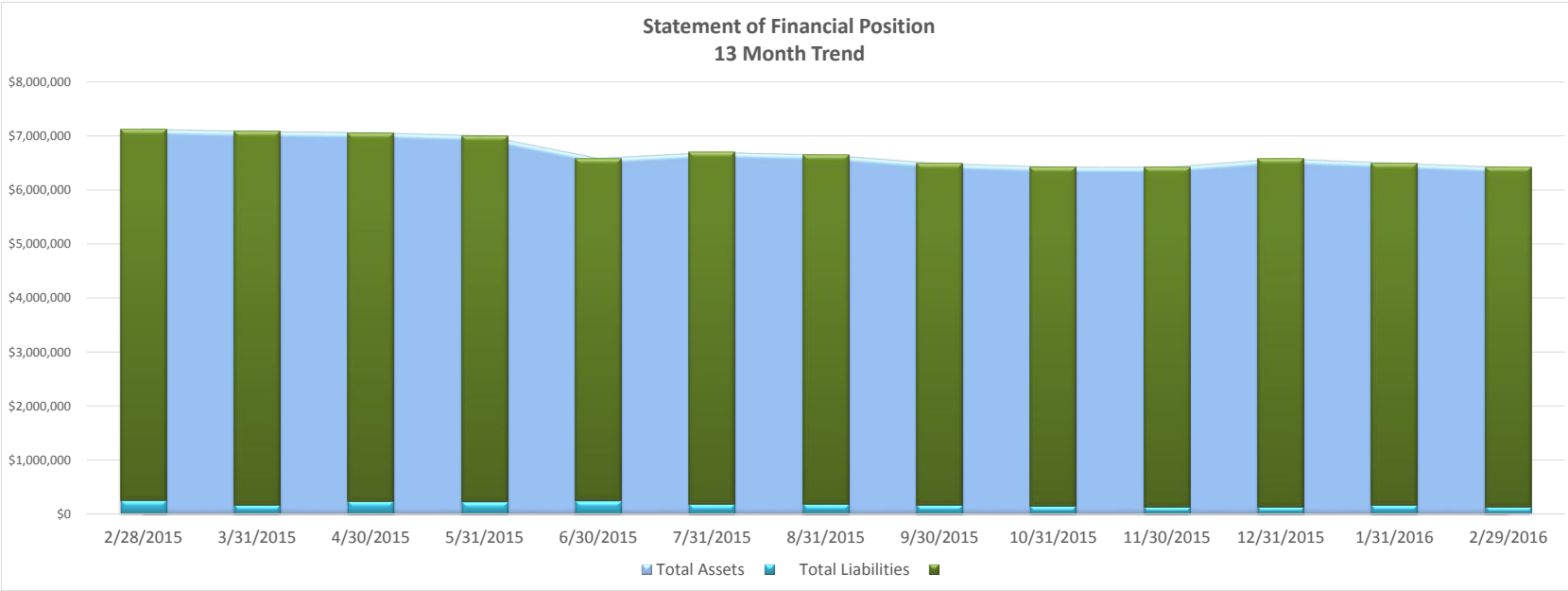
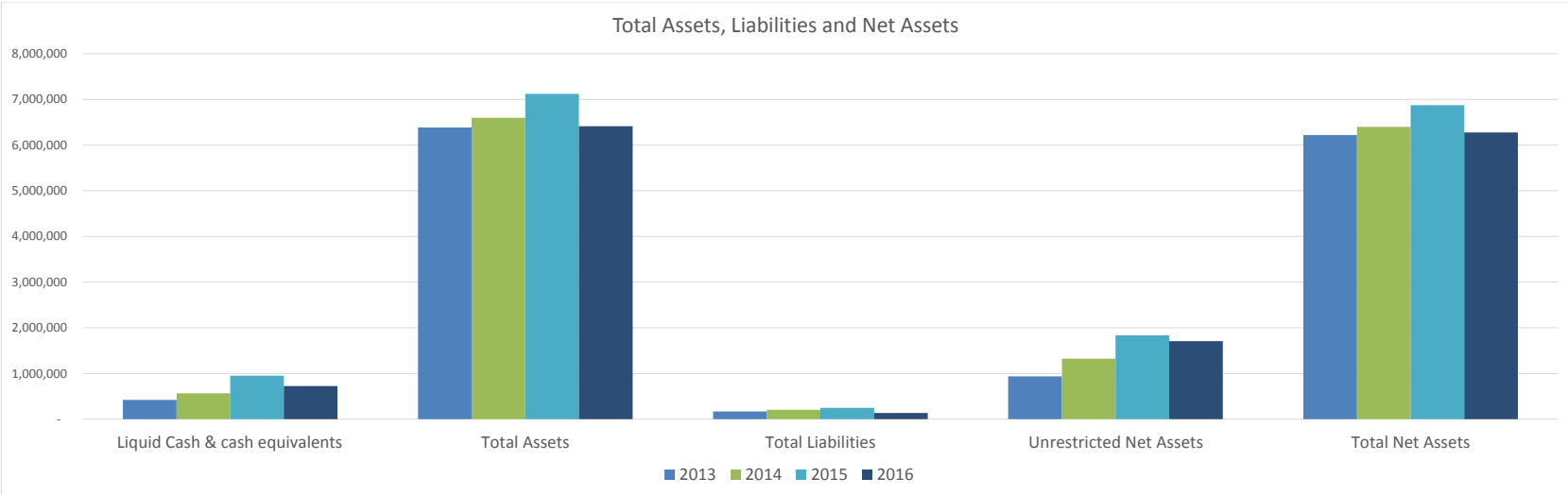
ENDOWMENT REVENUE – There was over \$101,000 of contributions made to the endowment in this reporting period.

IN-KIND:

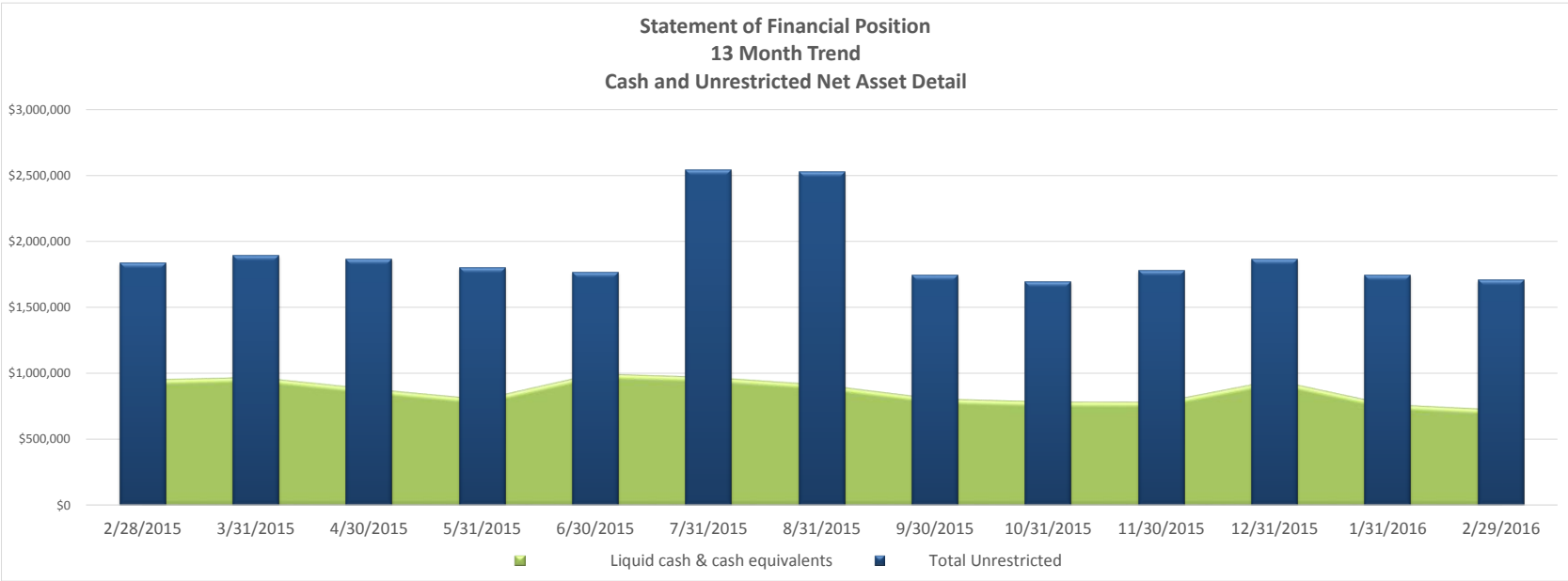
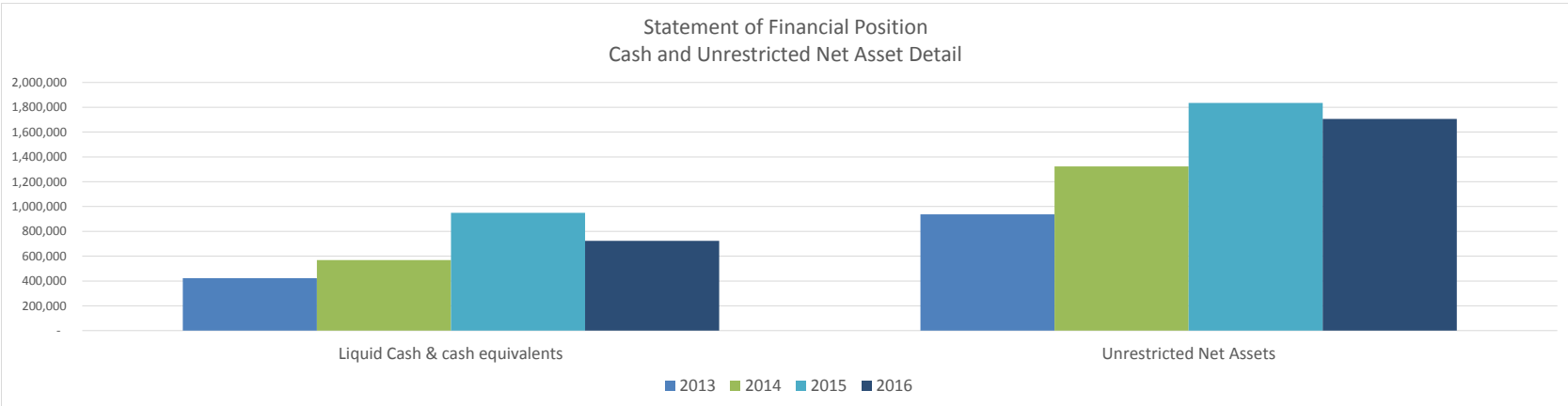
IN-KIND REVENUE – In-kind revenue was nearly \$11,000 year-to-date.

IN-KIND EXPENSE – In-kind expenses were nearly \$11,000.

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