

Board 09/23/20

FY 2021 FINANCIAL INFORMATION

**REVENUES**

In addition to updating actuals, the two large ovals at the top of the page represent adjustments based on feedback and recommendations made from our last board meeting:

- I summed up the projected swap meet revenue for the 2<sup>nd</sup> quarter of this fiscal year and straight-lined the revenue amount over the quarter to reflect the revenue pattern that we believe it will follow.
- The same process was applied to the third and fourth quarter of this fiscal year; summed up and straight-lined the amount across the six-month period.

For the Swap Meet, September reflects an additional 50% less revenue, based on the swap meet being closed for two weeks.

The Rent row reflects a decrease of \$30k in October due to one rent-a-car company closing out and vacating the LHPL as of 09/17/20. Vehicles were moved to their main lot, shipped out, or sold. (September will be decreased by \$13k).

**EXPENSES**

On the expense side, we increased the monthly projected personal services cost by \$14k/month or \$220k/year for the months of October through June to incorporate expenses related to operating the parking component of the swap meet.

We took a closer look at Other Current Expenses, refined the numbers, and adjusted contracts where possible. The net change in total expenditures is an increase of \$267k of which \$220k is attributed to Personal Services expense.

We continue to project running out of cash by month end April 2021.

**OTHER MEASURES IMPLEMENTED:**

On 09/17/20, we received the balance of our PPE through HI-EMA stockpile. This shipment included:

- Class 2 surgical masks
- Nitrile gloves
- Assembled face shields
- Disposable isolation gowns

HI-EMA is also advising recipients the stockpile PPE, that inventory provided, should be enough for not more than a 60-day period, with excess inventory distributed no later than February 2021.

We continue to standby for Coronavirus Relief Funds but have not had any feedback regarding our request.

On the flip side, we need to add to the financial analysis, collective bargaining increases effective 10/01/20 with payouts starting on 10/20/20 and 11/05/20, depending on hire date with the State. In addition, we will be looking at the administration's proposed 10% furlough beginning in December 2020.

These increases affect HGEA employees with adjustments ranging from 2.00% to 5% depending on the bargaining unit to which the employee belongs.

Monthly reports will continue to be provided, as needed, and the usual quarterly Profit & Loss reports. We will continue to seek guidance from the Administration to pursue any financial options to address our shortfall situation.