



AAA ElderSource
Board of Directors
Finance Committee Meeting
Friday, August 27, 2021, at 1:00 PM
<https://us02web.zoom.us/j/83627584805>

- | | |
|---------------------------|-----------------|
| 1. Welcome | Ed Salek, Chair |
| 2. Review of Minutes | Ed Salek, Chair |
| 3. CFO's Financial Report | James Lee, CFO |
| 4. 2022 Draft Budget | James Lee, CFO |
| 5. Open Discussion | |
| 6. Adjourn | Ed Salek, Chair |

Vision: Older adults and adults with disabilities are valued and have the resources they need to live with dignity and security in an age- and ability-friendly community.

Mission: ElderSource empowers people to live and age with independence and dignity in their homes and their communities.

Inclusion Statement: ElderSource values all people – including but not limited to all nationalities, socio-economic backgrounds, abilities, races, genders, religious perspectives, sexual orientations and gender identities – in everything we do. We welcome the unique insights and perspectives of all persons in our quest to fulfill our mission.

ElderSource
Budget/Finance Committee Meeting via Zoom
<https://zoom.us/j/755470668>
Friday, June 25, 2021
1:00 PM

Present

Ed Salek, Chair
Melissa Gilreath
Elizabeth Gunn

Staff

James Lee, Chief Financial Officer
Jessica Del Rio, Executive Administrative Assistant

Meeting Called to Order

The meeting was called to order at 1:02 PM, and a quorum was present.

Approval of Minutes

Melissa Gilreath moved to approve the minutes from the April 23, 2021 meeting of the Finance Committee with one change on the date of the reports. Elizabeth Gunn seconded the motion. The motion passed without opposition.

CFO Financial Report

James Lee, Chief Financial Officer, presented the CFO Financial report to the Committee. The first-quarter reports for the months ending January 31, 2021, February 28, 2021, and March 31, 2021 were sent to the Committee members before the meeting via the Board portal.

James stated that the reason we are presenting first-quarter financials is to keep the Board current. Revenues are on target, and we have not had a significant amount of activity in the first quarter due to the grants just starting out for the year.

James noted that there was an increase under the following line items:

- Dues and Subscriptions
 - Mainly due to T-Care, NorthPass Online Training, and Semi-Annual Dues FAAPI.
- Consultant and Professional Fees
 - Mainly due to Trutech, Avaya Phone system, ReferNet, and some small expenses.

James will add an additional line to the report to reflect the restricted funds and non-restricted funds in our Net Surplus/Deficit line.

Motions:

Melissa Gilreath moved to approve the Financial reports as presented. Elizabeth Gunn seconded the motion. Motion carried without opposition.

Open Discussion

James highlighted the status of the annual financial audit. He stated that all of our documents are turned in, and the auditors should come into the office in the next week to start. James noted that he created a trail balance sheet with all the information on financials in a pivot table; this should help auditors with our audit.

Meeting adjourned at 1:30 PM.

Minutes prepared by Jessica Del Rio, Executive Administrative Assistant



Area Agency on Aging
Budget vs. Actual Monthly
For the Month Ending June 30, 2021

DESCRIPTION	BUDGET	ACTUAL	JE		BALANCE	PROJECTED	YTD PROJECTED	IDEAL RATE
			PENDING	Encumber		Actual YTD	BALANCE	50%
Operating Revenue								
DOEA Revenue	\$2,403,235.66	\$1,269,761.00	\$0.00	\$0.00	\$1,133,474.66	\$2,403,235.66	\$0.00	53%
Program Revenue	\$436,508.00	\$124,295.00	\$0.00	\$0.00	\$312,213.00	\$436,508.00	\$0.00	28%
Admin Revenue	\$1,174,312.25	\$667,233.00	\$0.00	\$0.00	\$507,079.25	\$1,174,312.25	\$0.00	57%
Veterans Program	\$285,000.00	\$153,036.34	\$0.00	\$0.00	\$131,963.66	\$306,072.68	(\$21,072.68)	54%
Contributions	\$0.00	\$796.07	\$0.00	\$0.00	(\$796.07)	\$1,592.14	(\$1,592.14)	0%
Interest Income	\$0.00	\$2.34	\$0.00	\$0.00	(\$2.34)	\$4.68	(\$4.68)	0%
Miscellaneous	\$0.00	\$12,337.00	\$0.00	\$0.00	(\$12,337.00)	\$12,337.00	(\$12,337.00)	0%
Carry Forward	\$419,258.55	\$0.00	\$0.00	\$0.00	\$419,258.55	\$324,090.27	\$95,168.28	0%
In-kind					\$0.00	\$0.00	\$0.00	0%
Total Operating Revenue	\$4,718,314.46	\$2,227,460.75	\$0.00	\$0.00	\$2,490,853.71	\$4,658,152.68	\$60,161.78	47%
Revenue Total	\$4,718,314.46	\$2,227,460.75	\$0.00	\$0.00	\$2,490,853.71	\$4,658,152.68	\$60,161.78	47%
Operating Expense								
PERSONNEL								
Personnel Expenses	\$2,499,019.63	\$1,161,883.50	\$0.00	\$0.00	\$1,337,136.13	\$2,323,767.00	\$175,252.63	46%
Fringes	\$208,823.61	\$94,612.31	\$0.00	\$0.00	\$114,211.30	\$189,224.62	\$19,598.99	45%
Employee Benefits	\$453,077.41	\$221,106.41	\$0.00	\$0.00	\$231,971.00	\$442,212.82	\$10,864.59	49%
Other Personnel Expense	\$18,920.59	\$8,917.47	\$0.00	\$0.00	\$10,003.12	\$17,834.94	\$1,085.65	47%
TOTAL PERSONNEL COSTS	\$3,179,841.25	\$1,486,519.69	\$0.00	\$0.00	\$1,693,321.56	\$2,973,039.38	\$206,801.87	47%
OPERATIONS								
Rent	\$135,000.00	\$67,500.00	\$0.00	\$0.00	\$67,500.00	\$135,000.00	\$0.00	50%
Building Maintenances/Repair	\$1,000.00	\$690.00	\$0.00	\$0.00	\$310.00	\$1,380.00	(\$380.00)	69%
Telephone & Internet	\$44,746.21	\$17,941.27	\$0.00	\$0.00	\$26,804.94	\$35,882.54	\$8,863.67	40%
Office Supplies	\$19,959.76	\$5,628.00	\$0.00	\$0.00	\$14,331.76	\$11,256.00	\$8,703.76	28%
Printing & Supplies	\$47,401.67	\$9,761.00	\$0.00	\$0.00	\$37,640.67	\$19,522.00	\$27,879.67	21%
Postage & Shipping	\$29,200.00	\$8,073.35	\$0.00	\$0.00	\$21,126.65	\$16,146.70	\$13,053.30	28%
Office Equipment/Leasing	\$45,544.00	\$21,065.50	\$0.00	\$0.00	\$24,478.50	\$42,131.00	\$3,413.00	46%
Phone System	\$18,953.00	\$0.00	\$0.00	\$0.00	\$18,953.00	\$0.00	\$18,953.00	0%
Document Management System	\$25,000.00	\$0.00	\$0.00	\$0.00	\$25,000.00	\$0.00	\$25,000.00	0%
Other technology/equipment	\$50,909.00	\$59,623.93	\$0.00	\$0.00	(\$8,714.93)	\$59,623.93	(\$8,714.93)	117%
Other Operating	\$31,023.28	\$0.00	\$0.00	\$0.00	\$31,023.28	\$0.00	\$31,023.28	0%
Software	\$7,500.00	\$844.51	\$0.00	\$0.00	\$6,655.49	\$1,689.02	\$5,810.98	11%
Outreach/Marketing/Advertising	\$74,247.00	\$18,605.31	\$0.00	\$0.00	\$55,641.69	\$37,210.62	\$37,036.38	25%
Travel & Conferences	\$37,467.00	\$4,183.21	\$0.00	\$0.00	\$33,283.79	\$8,366.42	\$29,100.58	11%
Dues & Subscriptions	\$184,848.00	\$51,678.72	\$0.00	\$0.00	\$133,169.28	\$103,357.44	\$81,490.56	28%
Consulting & Professional Fees	\$161,657.07	\$66,547.15	\$0.00	\$0.00	\$95,109.92	\$133,094.30	\$28,562.77	41%
Bank Fees	\$0.00	\$242.00	\$0.00	\$0.00	(\$242.00)	\$484.00	(\$484.00)	#DIV/0!
Taxes & Licenses	\$500.00	\$37.00	\$0.00	\$0.00	\$463.00	\$74.00	\$426.00	7%
Property & Liability Insurance	\$19,148.00	\$2,864.00	\$0.00	\$0.00	\$16,284.00	\$5,728.00	\$13,420.00	15%
Staff Training & Recognition	\$15,000.00	\$2,893.04	\$0.00	\$0.00	\$12,106.96	\$5,786.08	\$9,213.92	19%
Volunteer Expenses	\$34,696.00	\$5,900.65	\$0.00	\$0.00	\$28,795.35	\$11,801.30	\$22,894.70	17%
Staff Uniforms	\$350.00	\$0.00	\$0.00	\$0.00	\$350.00	\$0.00	\$350.00	0%
Tuition Reimbursement	\$6,000.00	\$0.00	\$0.00	\$0.00	\$6,000.00	\$0.00	\$6,000.00	0%
Indirect Cost	\$16,046.00	\$0.00	\$0.00	\$0.00	\$16,046.00	\$0.00	\$16,046.00	0%
Non DOEA Expenses	\$11,000.00	\$4,158.67	\$0.00	\$0.00	\$6,841.33	\$8,317.34	\$2,682.66	38%
Restricted Non-DOEA	\$192,382.44	\$0.00	\$0.00	\$0.00	\$192,382.44	\$0.00	\$192,382.44	0%
DOEA CF	\$95,168.28	\$0.00	\$0.00	\$0.00	\$95,168.28	\$0.00	\$95,168.28	0%
TOTAL OPERATIONS	\$1,304,746.71	\$348,237.31	\$0.00	\$0.00	\$956,509.40	\$636,850.69	\$667,896.02	27%
Total Operating Exp	\$4,484,587.95	\$1,834,757.00	\$0.00	\$0.00	\$2,649,830.95	\$3,609,890.07	\$874,697.88	41%
NET SURPLUS/DEFICIT	\$233,726.51	\$392,703.75	\$0.00	\$0.00	\$1,048,262.61			
YTD Intercompany Transfers		\$0.00						
YTD Net Total		\$392,703.75						

Note: Personnel has a surplus due to Position being shift to Covid Projects

Note: Consultant & Professional Fees include Trutech I.T., Avaya Phone system, and some small expenses

Note: Dues & Subscription includes T-Care \$11k NorthPass Online Training \$5k, Semi Annual Dues FAAPI \$7k

Note: Receive an amendment to purchase additional laptops through our Med Waiver Grant

Note: No major activities in any line items. The Budget vs Actual remain solid and will be revising budget effective September 2021 with New ARPA Grant

Note:

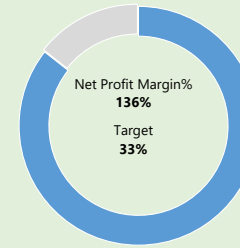
Area Agency on Aging Financial Dashboard Year-to-date thru June 30, 2021

YTD Total Income	
Current Year	Prior Year
\$2,227,461	\$2,068,222
7.70% change from previous year	

YTD Total Expenses	
Current Year	Prior Year
\$1,834,757	\$1,660,878
10.47% change from previous year	

YTD Operating Net Profit	
Current Year	Prior Year
\$392,704	\$407,344
-3.59% change from previous year <i>*does not include depreciation & transfer to Parent</i>	

YTD Transfer to Parent	
Current Year	Prior Year
\$0	\$220,000
-100.00% change from previous year	



YTD Net Profit	
Current Year	Prior Year
\$392,704	\$187,344
109.62% change from previous year <i>*includes depreciation & transfer to Parent</i>	

Cash at end of month	
Current Year	Prior Year
\$1,775,040	\$689,015
157.62% change from previous year	

Revenue Budget-to-Actual	
Current Month	Prior Month
Actual 371,243.46	Actual 344,703.67
Budget 373,715.58	Budget 275,145.75
Variance \$ 2,472.13	Variance \$ (69,557.92)
1073.56% change from previous month	

Expenses Budget-to-Actual	
Current Month	Prior Month
Actual 305,792.83	Actual 276,813.00
Budget 373,715.58	Budget 275,145.75
Variance \$67,922.75	Variance \$ (1,667.25)
9.48% change from previous month	

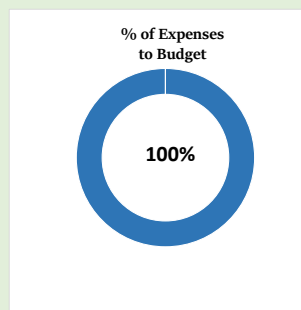
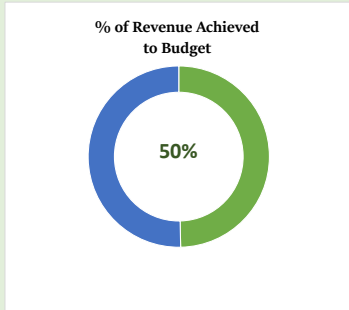
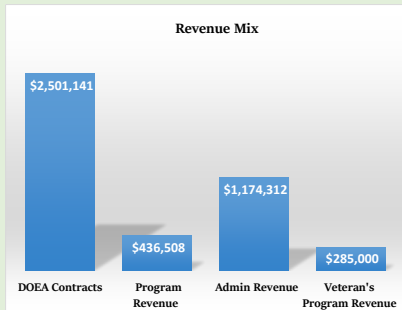
Financial Narrative

Revenues: Total revenues are up and above Budget due to the Pandemic

Overall: AAA operated below budget in the first half of 2021 while receiving additional grant funds due to pandemic. AAA ended the month of June in a healthy cash position and has exceeded it's YTD revenue goal. Net Profit Margin is above target and will continue to monitor this margin until 12-31-2021.

Thinking ahead: Currently the VA program is projected to exceed revenue goal for 2021. In June as General Revenue contracts for AAA come to an end I will have a better idea of the last six months.

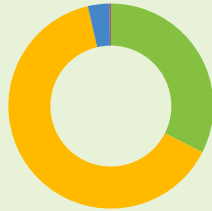
Concerns: With continued growth in the VA Program we will need to closely monitor staffing and capacity.



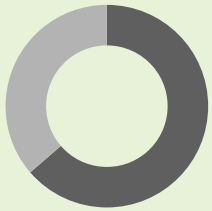
Area Agency on Aging Balance Sheet Dashboard as of June 30, 2021

Current Ratio
1.39

Ideal Ratio
>1.0



\$5,470,611



\$5,470,611

Financial Narrative

AAA is in a healthy cash position
Intercompany receivables for shared expenses will be reconciled by YE. Property & Equipment includes the purchase of company branded vehicle MaRcy.

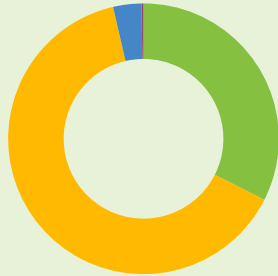
TOTAL ASSETS

■ CASH & EQUIVALENTS	\$1,775,040
■ ACCOUNTS RECEIVABLE	\$3,497,749
■ PREPAID EXPENSES	\$184,902
■ PROPERTY & EQUIPMENT	\$12,920

TOTAL LIABILITIES & NET ASSETS

■ LIABILITIES	\$3,482,279
■ NET ASSETS	\$1,988,332

Balance Sheet Dashboard as of June 30, 2021



\$5,470,611
TOTAL ASSETS

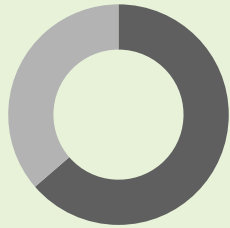
CASH	VALUE
CASH & EQUIVALENTS	1,775,040
SUBTOTAL	1,775,040

LONG TERM ASSETS	VALUE
PROPERTY & EQUIPMENT	12,920
SUBTOTAL	12,920

ACCOUNTS RECEIVABLE	VALUE
PROGRAMS RECEIVABLE	3,449,380
INTERCOMPANY RECEIVABLES	48,369
SUBTOTAL	3,497,749

PREPAID ASSETS	VALUE
PREPAID INSURANCE	6,959
PREPAID PROVIDER EXP	177,944
SUBTOTAL	184,902

Balance Sheet Dashboard as of June 30, 2021



\$5,470,611
TOTAL LIABILITIES

LIABILITIES	OWE
ACCOUNTS PAYABLE	2,610,457
ACCRUED EXPENSES	0
ACCRUED PAYROLL	103,697
TAXES PAYABLE	29,281
DEFERRED REVENUE	738,844
SUBTOTAL	3,482,279

FUND BALANCE	OWE
NET ASSETS	1,595,631
CURRENT YTD INCOME	392,701
SUBTOTAL	1,988,332