Date: December 16, 2020

To: Members of the Finance and Investment Committee

Mr. Scott Apel

Ms. Adriana Andrade

Dr. Wendy Reiboldt

Dr. Praveen Soni

From: Robert de Wit, Controller

Subject: Operating Statement – November 2020

November results were mixed but resulted in a large bottom line due to unprecedented investment gains as the Financial Markets were buoyed by both election activity and positive Covid-19 vaccine results. In addition, a couple of investment account withdrawals aided both G&A expenditures and Cash Flow management to fund ongoing enterprise cash needs. This included $400K from the VEBA Trust and $3M from the MorganStanley account.

Although business remained limited for both Bookstore and Residential Dining, sales for the month came in at $395,507 and $577,523 (59.4%) below budge. Margins trailed as a function of sales while margin percentage were only off by 1.3 points.

Operating Expenses came in at $643,270 and $227,513 (26.1%) below budget as staffing remains limited along with reduced sales related expense such as commissions.

Credits & Revenues came in above plan at $72,335 compared to budget of $30,333 thanks to early Amazon payment for leasehold keeping this category ahead of plan year-to-date.

As a result of the above, Operating Income came in $90,067 below budget. G&A benefited from VEBA withdrawal for retiree medical payments that is treated as a credit to expense. As mentioned above, investment gains contributed an unprecedented $1,085,411 for the month resulting in an overall Net Contribution of $927,443 (See Table 1).

Capital Expenditures for the month were $7,284 for ongoing POS project activity while cash flow was further impacted by the semi-annual bond payment for $95,000 to the campus for the Outpost. In combination with the above this resulted in a positive cash flow of $911,180 for the month.

Table 1 below highlights the November and Year-to-Date Operating Statement summary while table 2 provides the corresponding divisional breakdown.



Table 1



Table 2

Tables 3 and 4 below provides a similar comparison with prior year that revealed a historical sales pattern at semester start with Housing occupancy at capacity dining areas opening.



Table 3



Table 4