Date: December 16, 2021

To: Members of the Finance and Investment Committee

Mr. Scott Apel

Mr. John Barcelona

Dr. Beth Lesen

Dr. Praveen Soni

From: Robert de Wit, Controller

Subject: Operating Statement – November 2021

November results came in better than budget as operating metrics continued to improve. All business units reflected improved sales while a downturn in the financial markets negated most of the bottom line improvement.

Sales came in at $1,806,314 and $472,182 (35.4%) above budget. Gross Margin rate was 6 points better than plan as business volume increase overcame product cost increases.

Operating Expenses came in lower at $959,248 and $74,909 (7.2%) below budget primarily due to continued staffing shortfall for key positions. Credits & Revenues were $61,142 for the month and $6,066 better than plan as vendor volume has picked up.

As a result of the above, Operating Income came in at $346,656 and $486,653 favorable to budget. G&A expense remained steady and at budget level thereby resulting in positive Operating Contribution variance of $499,113. Unfortunately the financial markets remained volatile and experienced a downturn this month of $332,765 thus reducing the overall monthly Net Contribution to Negative $228,969 but still $136,148 better than plan.

(See Table 1).

There were no Capital Expenditures during the month to impact cash flow which came in at negative $252,477 for the month and driven by investment results.



Table 1



Table 2

Comparison to prior year (Tables 3&4) revealed a continuing improvement in Sales and operating metric overall while Financial Markets have cooled resulting in similar YTD Net Contribution results.



Table 3



Table 4