Date: October 19, 2019

To: Members of the Finance and Investment Committee

Mr. Scott Apel

Dr. Wendy Reiboldt

Dr. Praveen Soni

From: Robert de Wit, Controller

Subject: Operating Statement – September 2019

September results were below plan primarily due to continued shortfall in the retail dining area where volume is not keeping pace with budget and prior year. All other business areas ran flat but were unable to recapture a slow start on pre-semester activities.

Sales for the month came in at $4,008,767 and $86,501 (2.1%) below plan. Residential Dining included a onetime Welcome Week billing of $113K that brought their year-to-date sales in line with budget.

Cost of Goods were up impacting margin rates by 1.4 points against plan. Year-to-date rates are off by 2.7 points with varying degrees across the board. Operating Expenses came in at $1,621,977 and $39,046 (2.5%) above budget as labor/benefits continue to increase and be the largest expense. Credits & Revenues came in at $368,424 and $19,745 better than budget. In addition to the planned Cokes sponsorship September realized the annual $20,000 sponsorship from Red Bull that was previously budgeted and bringing the account in line year-to-date.

As a result of the above, Operating Income came in at $1,084,302 and $127,369 (106.5%) unfavorable to budget.

G&A expense came in higher for the month due to timing differences of planned donation of $26K for Beach Investment Group (BIG) Bloomberg Terminal and auditor payments.

Investment results were up a bit at $103,026 resulting in an overall Net Contribution of $855,599 for the month. (See Table 1).

Capital Expenditures for the month were $79,271 for various awning replacements conducted over the summer and Point of Sale (POS) equipment in support of compliance. In combination with the above operating results, this netted a positive cash flow of $866,937 for the month.

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



Table 1



Table 2

Table 3 and 4 below provides a similar comparison with prior year in summary and divisional format. Both reveal current year trailing across the board with investment results a key component so far.



Table 3



Table 4