

**TO: BRHP Board of Directors**  
**FROM: Alison James, Financial Operations Director**  
**DATE: September 17, 2020**  
**RE: Finance Committee Update**

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## Summary

The BRHP Finance Committee will meet on September 17th to discuss the CY 2020 Financial Statements from January through July 2020 and review the BRHP 403(b) Plan performance with Mike Beczkowski from Bolton Partners.

The September packet includes the following documents reviewed by the Finance Committee:

Finance Document Summary	
Document	Purpose
January through July 2020 Financial Statements <ul style="list-style-type: none"> <li>• May 2020 Expenditures Month-to-Date</li> <li>• June 2020 Expenditures Month-to-Date</li> <li>• July 2020 Expenditures Month-to-Date</li> <li>• July 2020 Expenditures Year-to-Date</li> </ul>	Provide detailed information regarding BRHP's monthly income and expenditures. BRHP's auditors review whether these statements have been provided to the Board.
2020 Budget-to-Actual Comparison Detail through July 2020 with supplemental COVID19 Budget	Provide detailed information regarding BRHP's income and expenditures to date as compared with the approved budget and a preliminary budget for COVID19 related funding and expenses.

## CY 2020 Financial Statements from January through July 2020

Through July, or 58% of the year, BRHP has received 58% of the budgeted income to date and has expended 56% of budget. HAP Income is \$44,677,453 and HAP Expense is \$44,458,782 as of July 31st. That means we currently have a \$218,671 surplus in HAP funding through July 2020.

The following office expenses are significantly more than 58% of budget through July:

- State Unemployment Insurance is 78% of budget - this expense, calculated on the first \$8,500 of gross wages, is normally incurred early in the year.
- Leasehold Improvements are 93% of budget – Improvements to traffic flow and painting were completed ahead of the Thompson25 Open House.
- Dues and Subscriptions are 107% of budget – We have expanded our membership in organizations that are aligned with our mission this year, for some of those organizations there has been an increase in the membership fees.
- Property and Liability Insurance are 105% and 93% of budget, respectively – these annual expenses are paid in the first two months of the year.

## COVID-19

Beginning in mid-March, most of our staff moved to working remotely. We have made some equipment, software and office supply purchases to support them remotely.

We have also qualified for an additional \$651,940 of supplemental administrative fees since this committee last met. We intend to use a large portion of these funds to support our participants as they balance working with supporting their children’s remote learning needs.

### Paycheck Protection Plan (PPP) Loan

We applied for and received a \$625,000 loan under the PPP from the Harbor Bank of Maryland on May 12th. Our intention is to spend it as follows:

Four payroll cycles	\$450,000
Four 403(b) contributions	22,000
Two months of health insurance benefits	70,000
Two months of office rent	39,000
Two months of utilities	<u>2,000</u>
Total	\$583,000

We will begin the forgiveness application in the last quarter of this year.