

**SPECIAL OLYMPICS IOWA
FINANCIAL SUMMARY
AS OF AND FOR THE TEN-MONTHS ENDED OCTOBER 31, 2018**

NET INCOME (LOSS)

State office net loss YTD October 2018, excluding in-kind revenues and expenses, was \$123,200; approximately \$49,000 worse than budget. As discussed in September, the budget shortfall has been reduced significantly through:

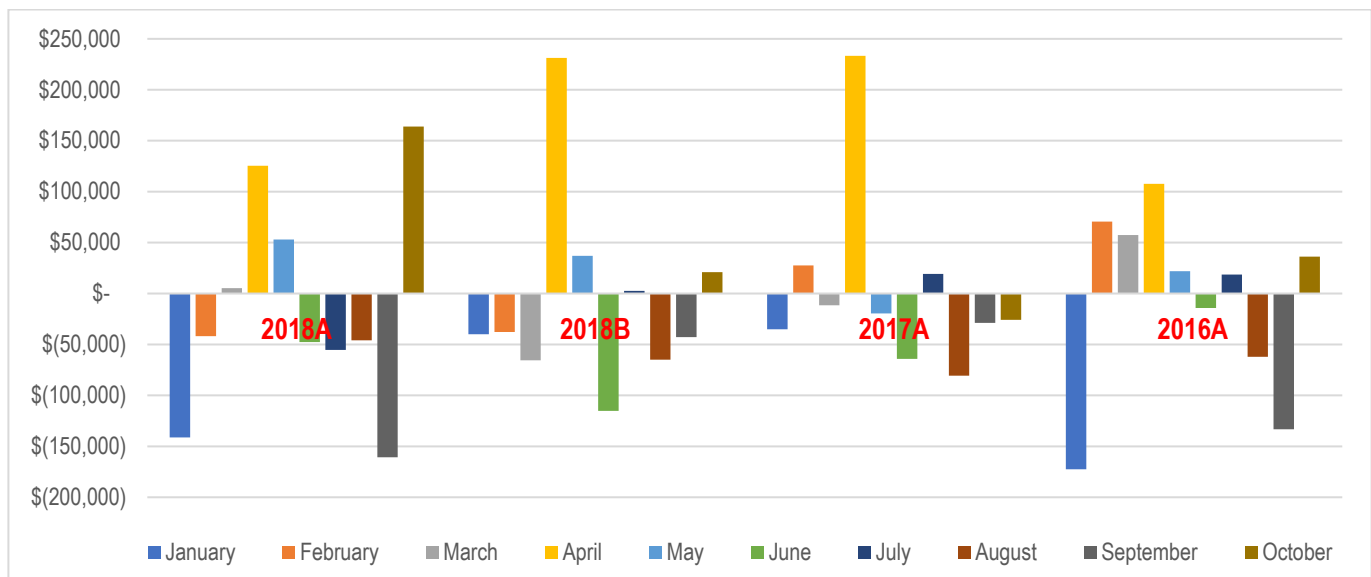
- SOI grant increases recognizing performance and expansion of Unified Schools
- Casey’s Stores operational support and success of the 50th anniversary fundraising program.
- Expense savings and slight gains on investments to offset any remaining fundraising shortfalls.

We continue to have the shortfall in national games revenue, whereby the budget assumed we would collect \$45,000 in revenues specific to supporting the once-every-four-year event.

Overall outlook remains in line with budget with development and program sponsorship revenues expected to close more of the net income shortfall by year end.

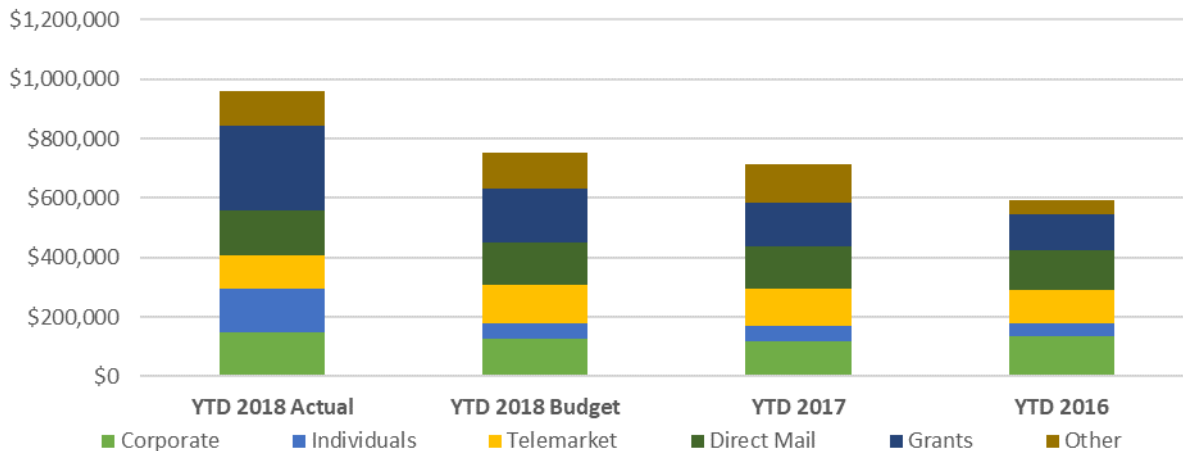
CASH FLOW PEAKS AND VALLEYS BY MONTH

The cash flow for Special Olympics Iowa follows a consistent pattern due to its long history with contributed income receipts and promotional programs. April is the month for the Ames polar plunge, and generates positive cash flow. June and July 2018 resulted in higher negative cash flows than the prior two years due to National Games expenses. October has a significant increase in net cash due to grants and contributed income receipts.



CONTRIBUTED INCOME

Contributed income is up \$250,700 over year ago, primarily due to Unified Schools, Casey’s Stores operational support including the 50th anniversary store fundraising initiative, a new sponsorship for bocce ball and a bequest left by an individual donor, offset by a \$9,400 reduction in contributions from Knights of Columbus selling initiatives.

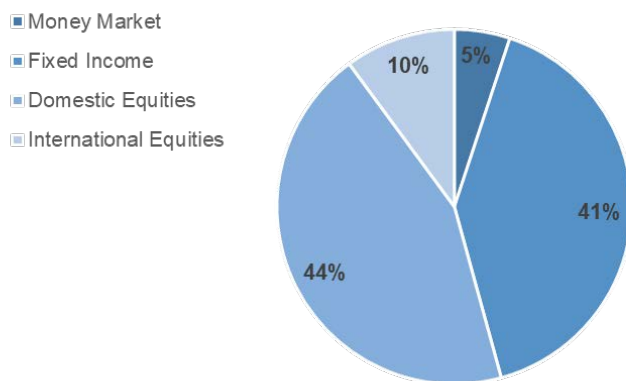


CASH, CASH EQUIVALENTS AND INVESTMENTS

| | 10.31.2018 | 12.31.2017 | 10.31.2017 | 12.31.2016 |
|------------------|---------------------|---------------------|---------------------|---------------------|
| Operating Cash | \$ 353,710 | \$ 414,190 | \$ 480,490 | \$ 467,464 |
| Cash Equivalents | \$ 605,846 | \$ 703,080 | \$ 702,091 | \$ 698,458 |
| Investments | \$ 586,320 | \$ 596,379 | \$ 556,468 | \$ 501,930 |
| | <u>\$ 1,545,876</u> | <u>\$ 1,713,649</u> | <u>\$ 1,739,049</u> | <u>\$ 1,667,852</u> |

Reduction in cash from year-end totals \$168,000 and is primarily attributable to (i) \$72,400 for National Games expenses, (ii) the year to date shortfall in development revenues, offset by increases in grant revenues and expense savings, and use of cash for prepaid expenses for Q4 2018 and early Q1 2019 programs.

Unrestricted investments managed by BTC are invested as follows:





October YTD 2018 Actual vs 2018 Budget (unaudited)

| | Notes | 2018 Actual | 2018 Budget | Variance |
|-----------------------------------|--------|---------------------|---------------------|--------------------|
| Revenue | | | | |
| Corporate Contributions | (i) | 150,783 | 125,000 | 25,783 |
| Individual Contributions | | 143,350 | 54,000 | 89,350 |
| In Kind Revenue | (iv) | 1,108,716 | 1,160,239 | (51,524) |
| Program Revenue | | 152,684 | 136,475 | 16,209 |
| Promotion Revenue | (ii) | 1,135,724 | 1,443,000 | (307,276) |
| Grants | | 127,500 | 85,000 | 42,500 |
| Investment income | | 6,641 | - | 6,641 |
| Gain (Loss) on Investments | | 29,231 | - | 29,231 |
| National Games | (iii) | 1,820 | 45,000 | (43,180) |
| Other Combined | (ix) | 529,156 | 445,400 | 83,756 |
| Total Revenue | | 3,385,605 | 3,494,114 | (108,509) |
| Expenses | | | | |
| <i>Development Expenses</i> | | | | |
| Development In Kind | | 11,798 | 53,553 | 41,755 |
| Development Payroll | | 260,706 | 241,133 | (19,573) |
| Promotion Expenses | (ii) | 197,836 | 284,850 | 87,014 |
| Fundraising - Ford F150 Raffle | (vi) | 68,784 | - | (68,784) |
| Other Combined | | 130,662 | 112,645 | (18,016) |
| Total Development Expenses | | 669,785 | 692,181 | 22,396 |
| <i>Program Expenses</i> | | | | |
| Program In Kind | | 1,096,918 | 1,104,765 | 7,847 |
| Awards | | 32,919 | 21,715 | (11,204) |
| Program Payroll | | 664,820 | 724,882 | 60,062 |
| Program Expenses | (vii) | 607,507 | 524,615 | (82,892) |
| Area Compensation | | 5,661 | 14,000 | 8,340 |
| National Games (incl Team Iowa) | (viii) | 72,427 | 73,900 | 1,473 |
| Other Combined | | 266,592 | 264,136 | (2,456) |
| Total Program Variance | | 2,746,842 | 2,728,013 | (18,829) |
| <i>Admin Expenses</i> | | | | |
| Admin Payroll | (v) | 2,987 | 93,444 | 90,457 |
| Audit Fees | | 23,275 | 20,000 | (3,275) |
| Other Combined | (v) | 65,893 | 29,825 | (36,067) |
| Total Admin Variance | | \$ 92,155 | \$ 148,112 | \$ 51,115 |
| Total Expenses | | \$ 3,508,782 | \$ 3,568,306 | \$ 54,681 |
| Operating Profit (Loss): | | \$ (123,177) | \$ (74,191) | \$ (48,986) |

Notes

- (i) Sammons Group \$25,000 for bocce ball sponsorship, new in 2018.
- (ii) Refer to Financial Summary
- (iii) Budget assumed \$45,000 in revenues from Team USA Iowa delegation in 1st HY 2018
- (iv) Evaluating management's estimates of In-kind services and value, and will be adjusted in 2HY 2018
- (v) Savings in personnel and the related costs, offset by accounting outsourcing.
- (vi) Purchase of truck for F150 raffle \$48,800 new in 2018; Telemarketing expense up consistent with revenues
- (vii) \$12k increase in General programs (6110-61-000) and \$44k increase in souvenirs (6110-69-000).
- (viii) Once per 4 years



October YTD 2018 Actual vs 2017 Actual (unaudited)

| Notes | 2018 Actual | 2017 Actual | Variance |
|--------------------------------------|---------------------|---------------------|---------------------|
| Revenue | | | |
| Corporate Contributions (i) | \$ 150,783 | \$ 116,858 | \$ 33,925 |
| Individual Contributions | 143,350 | 54,693 | 88,658 |
| In Kind Revenue (iv) | 1,108,716 | 1,169,768 | (61,053) |
| Program Revenue | 152,684 | 138,704 | 13,980 |
| Promotion Revenue (ii) | 1,135,724 | 1,348,241 | (212,517) |
| Grants | 127,500 | 85,000 | 42,500 |
| Investment income (iii) | 6,641 | 5,730 | 911 |
| Gain (Loss) on Investments (iii) | 29,231 | 57,893 | (28,663) |
| National Games (ix) | 1,820 | 700 | 1,120 |
| Other Combined (iii) | 529,156 | 457,537 | 71,619 |
| Total Revenue | \$ 3,385,605 | \$ 3,434,425 | \$ (49,520) |
| Expenses | | | |
| <i>Development Expenses</i> | | | |
| Development In Kind (iv) | 11,798 | 57,065 | 45,267 |
| Development Payroll | 260,706 | 270,357 | 9,651 |
| Promotion Expenses (ii) | 197,836 | 245,991 | 48,155 |
| Fundraising - Ford F150 Raffle (vii) | 68,784 | - | (68,784) |
| Other Combined | 130,662 | 127,921 | (2,740) |
| Total Development Expenses | \$ 669,785 | \$ 701,334 | \$ 31,549 |
| <i>Program Expenses</i> | | | |
| Program In Kind (iv) | 1,096,918 | 1,106,686 | 9,769 |
| Program Payroll | 664,820 | 675,896 | 11,076 |
| Awards | 32,919 | 21,763 | (11,155) |
| Program Expenses (vi) | 607,507 | 508,040 | (99,466) |
| Area Compensation | 5,661 | 18,889 | 13,228 |
| National Games (incl Team Iowa) | 72,427 | - | (72,427) |
| Other Combined | 266,592 | 252,796 | (13,796) |
| Total Program Variance | \$ 2,746,842 | \$ 2,584,071 | \$ (162,771) |
| <i>Admin Expenses</i> | | | |
| Admin Payroll (v) | 2,987 | 91,530 | 88,543 |
| Audit Fees | 23,275 | 17,600 | (5,675) |
| Other Combined (v) | 65,893 | 31,227 | (34,665) |
| Total Admin Variance | \$ 92,155 | \$ 140,358 | \$ 48,203 |
| Total Expenses | \$ 3,508,782 | \$ 3,425,763 | \$ (83,019) |
| Operating Profit (Loss): | \$ (123,177) | \$ 8,662 | \$ (131,839) |

Notes

- (i) Decrease from Sammons Group in 2018 of \$9k
- (ii) Ames Plunge results \$90,000; expenses down as well. Run with the Police is \$28,300 below year ago, as the event did not occur
- (iii) Market conditions slightly down in 2018, compared to record highs in 2017.
- (iv) Evaluating management's estimates of In-kind services and value, and will be adjusted in 2HY 2018
- (v) Savings in personnel and the related costs, offset by accounting outsourcing.
- (vi) \$12k increase in General programs (6110-61-000) and \$44k increase in souvenirs (6110-69-000).
- (vii) Purchase of truck for F150 raffle in March 2018; new development event in 2018