

# **NYSARH 2020-2021 Fund Balance Analysis Narrative**

## **General:**

This fund balance analysis considers the aggressive, moderate, and conservative year-end projections for 2020, as well as the 6-Month and 12-Month 2021 Conservative Budget. From these projected calculations, NYSARH can project the December 2020, June 2021, and December 2021 fund balances *before* any outstanding payments are made to the remaining RHN and RAH facilities are made.

## **September 2020 Fund Balance:**

\$151,572 in value; This value represents current September 2020 asset residuals after all current liabilities are paid. Meaning, that if NYSARH were to close its doors on September 30<sup>th</sup>, 2020, the Association would have \$151,572 funds left over. This fund balance is considered for all 6 scenarios listed since it is based off of actual current assets and liabilities, while the remaining amounts are.

## **2020 Conservative Projection and 2021 Conservative Budgets (\*Worst Case Scenario):**

- This year-end projection scenario considers NYSARH not receiving any remaining funds from the NYS Comptroller's office. NYSARH would have a total of \$267,524 in unpaid RHN and RAH expense vouchers received; This scenario includes a 10% administrative fee of \$29,548 paid back to NYS Comptroller's office for the prepaid administrative fees (\$110,000 total) regarding the remaining RHN and RAH expense vouchers (\$267,524) and the 3 vouchers not submitted (\$27,959). Ending the 2020 fiscal year with a net income of \$9,796, and \$267,524 in remaining liabilities with RAH and RHN facilities.
- NYSARH ended September 2020 with a net income of \$52,847 and is projected to end the fiscal year with a net income of \$9,796 a change of -\$43,051. This change is then applied to the September fund balance of \$151,572, leaving a \$108,521 fund balance at 2020 fiscal year-end, and moving into the 2021 year.
  - Regarding the 6-Month Conservative Budget Draft, NYSARH projects a \$20,356 loss at June 2021 end. When applying this to the \$108,521 2021 fiscal year start fund balance, that leaves a June 2021 projected fund balance of \$88,165, and \$267,524 in remaining liabilities with RAH and RHN facilities.
  - Regarding the 12-Month Conservative Budget Draft, NYSARH projects a \$44,149 loss at December 2021 end. When applying this to the \$108,521 2021 fiscal year start fund balance, that leave a December 2021 fund balance of \$64,372, and \$267,524 in remaining liabilities with RAH and RHN facilities.

**2020-2021 NYSARH Fund Balance Analysis**

	<b><u>2020 Conservative Projection</u></b>
September 2020 Fund Balance	\$151,572.00
Change in Net Income (2020 Year End Projected Net Income less September 2020 Net income)	-\$43,051.00
December 2020 Projected Fund Balance	<b>\$108,521.00</b>
December 2020 Projected Fund balance	\$108,521.00
<b>6 month Conservative 2021 Net Income (Loss)</b>	-\$20,356.00
End 2021/December 2021 Fund Balance	<b>\$88,165.00</b>
December 2020 Projected Fund balance	\$108,521.00
<b>12 month Conservative 2021 Net Income (Loss)</b>	-\$44,149.00
End 2021/December 2021 Fund Balance	<b>\$64,372.00</b>
RHN Liabilities after 2020 Projections:	\$95,369.00
RAH Liabilities after 2020 Projections:	\$172,155.00
Total Legislative Appropriations Liabilities:	<b>\$267,524.00</b>

**Notes:**

**To calculate Fund Balance after RHN/RAH payouts:**

End 2021 Fund Balance (Aggressive, Moderate, or Conservative) less RHN/RAH Liabilities after 2020 Projections

***\*\*\*These amounts are subject to change pending F.C. review 11/12/2020. KR***