

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 30th, 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 Aggressive Projection & 2021 Conservative Budgets (*Best Case Scenario):

- This year-end projection scenario considers NYSARH receiving the remaining \$267,524 from the NYS Comptroller's office. NYSARH would use those funds to reimburse the remaining RHN and RAH expense vouchers received, but not yet paid; This scenario includes a 10% administrative fee of \$2,796 paid back to NYS Comptroller's office for the prepaid administrative fees (\$110,000 total) regarding the 3 vouchers not submitted (\$27,959). Ending the 2020 fiscal year with a net income of \$36,548, and *no* 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 \$36,548, a change of -\$16,299. This change is then applied to the September fund balance of \$151,572, leaving a \$135,273 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 \$135,273 fiscal year start fund balance, that leaves a June 2021 projected fund balance of \$114,917 with no remaining RAH and RHN voucher reimbursement liabilities.
 - Regarding the 12-Month Conservative Budget Draft, NYSARH projects a \$44,149 loss at December 2021 end. When applying this to the \$135,273 fiscal year start fund balance, that leaves a December 2021 fund balance of \$91,124 with no remaining RAH and RHN voucher reimbursement liabilities.

2020 Moderate Projection & 2021 Conservative Budgets:

- This year-end projection scenario considers NYSARH receiving \$59,547 from the NYS Comptroller's office. NYSARH would use the funds to reimburse the RHN and RAH expense vouchers received by 04/10/2020. This would leave a remaining total of \$207,978 in unpaid RAH and RHN expense vouchers received; This scenario also includes a 10% administrative fee of \$23,593 paid back to NYS Comptroller's office for the prepaid administrative fees (\$110,000 total) regarding the remaining unpaid RHN and RAH expense vouchers (\$207,978) and the 3 vouchers not submitted (\$27,959). Ending the 2020 fiscal year with a net income of \$18,546, and \$207,978 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 \$18,546, a change of -\$34,301. This change is then applied to the September fund balance of \$151,572, leaving a \$117,271 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 \$117,271 2021 fiscal year start fund balance, that leaves a June 2021 projected fund balance of \$96,915, and \$207,978 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 \$117,271 2021 fiscal year start fund balance, that leaves a December 2021 fund balance of \$73,122, and \$207,978 in remaining liabilities with RAH and RHN facilities.

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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

	<u>2020 Aggressive Projection</u>	<u>2020 Moderate Projection</u>	<u>2020 Conservative Projection</u>
September 2020 Fund Balance	\$151,572.00	\$151,572.00	\$151,572.00
Change in Net Income (2020 Year End Projected Net Income less September 2020 Net income)	-\$16,299.00	-\$34,301.00	-\$43,051.00
December 2020 Projected Fund Balance	<u>\$135,273.00</u>	<u>\$117,271.00</u>	<u>\$108,521.00</u>
December 2020 Projected Fund balance	\$135,273.00	\$117,271.00	\$108,521.00
6 month Conservative 2021 Net Income (Loss)	-\$20,356.00	-\$20,356.00	-\$20,356.00
End 2021/December 2021 Fund Balance	<u>\$114,917.00</u>	<u>\$96,915.00</u>	<u>\$88,165.00</u>
December 2020 Projected Fund balance	\$135,273.00	\$117,271.00	\$108,521.00
12 month Conservative 2021 Net Income (Loss)	-\$44,149.00	-\$44,149.00	-\$44,149.00
End 2021/December 2021 Fund Balance	<u>\$91,124.00</u>	<u>\$73,122.00</u>	<u>\$64,372.00</u>
RHN Liabilities after 2020 Projections:	\$0.00	\$71,972.00	\$95,369.00
RAH Liabilities after 2020 Projections:	\$0.00	\$136,006.00	\$172,155.00
Total Legislative Appropriations Liabilities:	<u>\$0.00</u>	<u>\$207,978.00</u>	<u>\$267,524.00</u>

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**