



May 2021 Financial Summary

Year to Date Operating Result

- Our combined revenue and expense year to date through May is an operating loss of \$2.0M vs. a budget of \$1.7M or \$324K worse than plan. This result is a combination of revenue falling short of plan by \$388K while total expenses are better than plan by \$64K.

Revenue - Month

- Monthly revenue from all sources was \$642K and was \$109K worse than plan with principal variances in monthly care fees (apartment vacancies), worse by \$44K, SNF fees (reduced census) worse by \$62K while Medicare revenue had a slightly better result at \$12K better than plan.
- Monthly care fees are below plan due to 17 apartment vacancies composed of 2, 2 bedroom units, 7, 1 bedroom units, and 8 studio units. The estimated revenue from these vacant apartments is \$105K per month or \$1.3M annualized.
- Lost revenue through May: 6 residents have passed away, 2 discharged, and 1 resident terminated their contract resulting in \$76K in lost revenue on a monthly basis and \$911K annualized.
- No new residents have been admitted in 2021.

Expenses-Month

- Monthly operating expenses were \$1.156M and exceeded plan by \$26K. Principal unfavorable variances were as follows.
- Employee Benefits-over plan by \$26K due to higher than expected payments being made to the Healthy SF program, \$11K in Dining Services and \$6K in Health Center.
- Professional Fees-over plan in the month due to consultant fees of \$12K paid for preparation of our 2020 OSHPD LTC report and Medicare cost report.
- Equipment & Long Term Maintenance-over by \$14K in the month mostly due to several unrelated Maintenance items for rekeying \$4K, HVAC repair \$2.4K, 3 separate plumbing projects for installation of faucet/eye wash equipment, shower mixing valve, and flow meter installation costing \$7K.
- Legal Fees-over budget by \$9K in the month due to payments for attorney counsel on various matters.
- Marketing-over budget by \$8K due to several expenditures in the month \$2.3K for church bulletin ads, \$8.4K for media placements to our marketing consultant, and \$2.3K in unbudgeted expense for silk plants in the dining room.
- Office Supplies/Computers/IT -over budget by \$7K due to \$5.3K in catch-up payments for IT support which had previously been unbilled.

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Capital Projects - Month

- There were \$77K in renovation payments in the month for 4 different apartment projects, #224, #412, #311, and 1540 Francisco St.

Bernstein Investment Portfolio – Cash Draws Month

- Bernstein regular monthly draws were \$205K. There was an additional transfer of \$450K in May in order to meet operational needs. Year to date, regular transfers stand at \$1.025M, additional transfers at \$1.935M, and \$2.960M in total.

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Controller

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