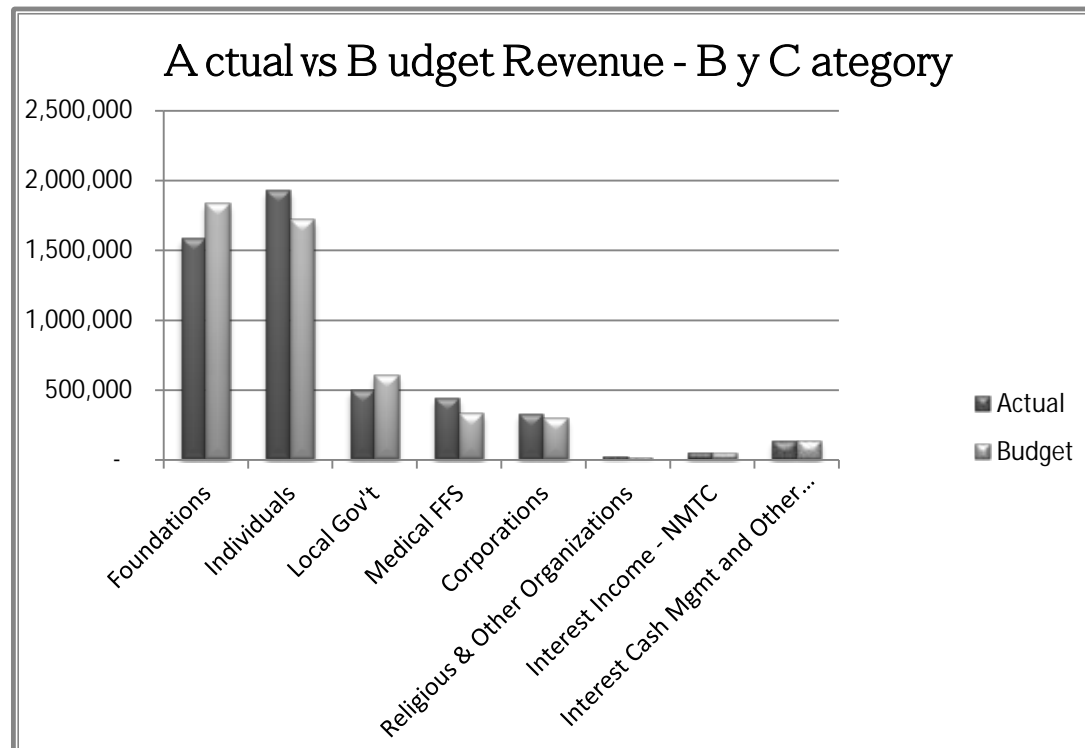


B read for the C ity

Financial Report for the period ended December 31, 2014

- Total preliminary actual revenues were about \$4.97M v. budget of \$4.98M
- Total preliminary actual expenses were about \$4.60M v. budget of \$4.71M
- Total preliminary actual surplus was about \$372K v. budget surplus of \$264K

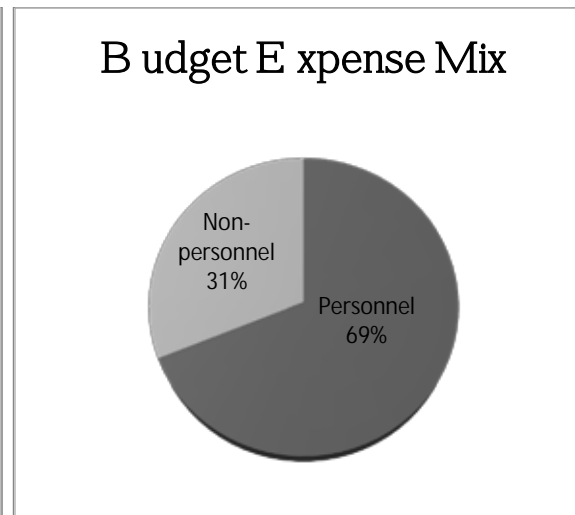
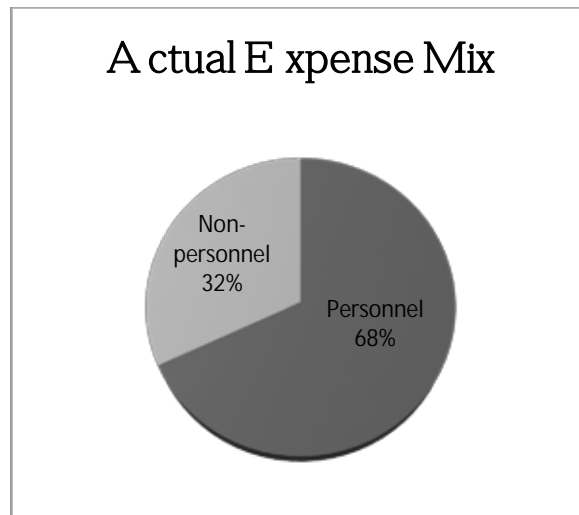
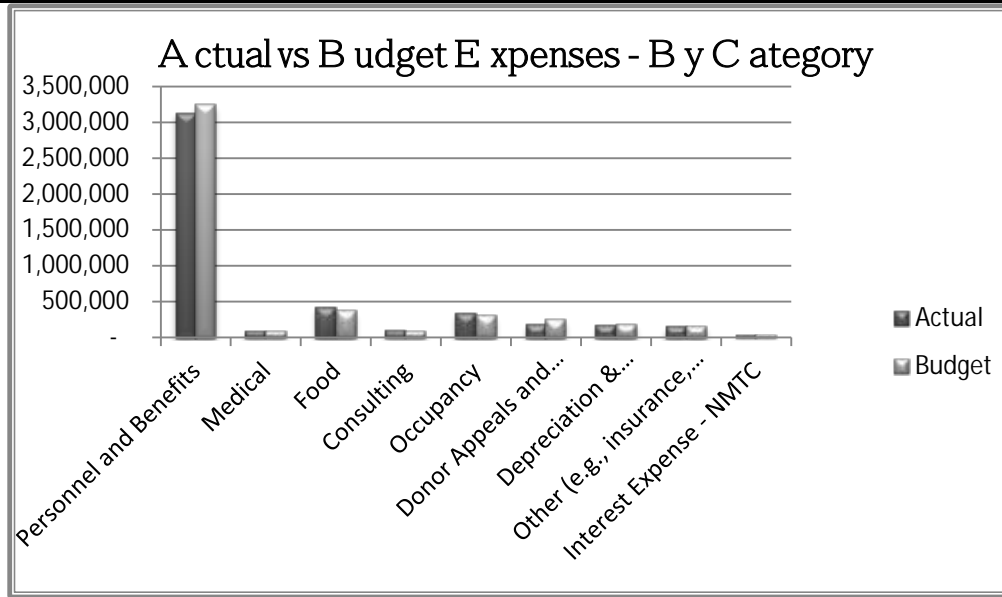
Financial Performance Metrics



Overall, revenues are about on budget, although the drivers are different than expected. Medical FFS is higher reflecting FQHC rates implemented in Sep 2014 rather than Jan 2015 (as budgeted). It is still uncertain whether we will be afforded retroactive treatment. Beginning in Jan 2015 thru Sep 2015, we will receive higher interim FQHC rates from Jan 2015 - Sep 2015. Deviations in the other categories are due to timing and non-renewals/one-time donations.

B read for the C ity

Financial Report for the period ended December 31, 2014

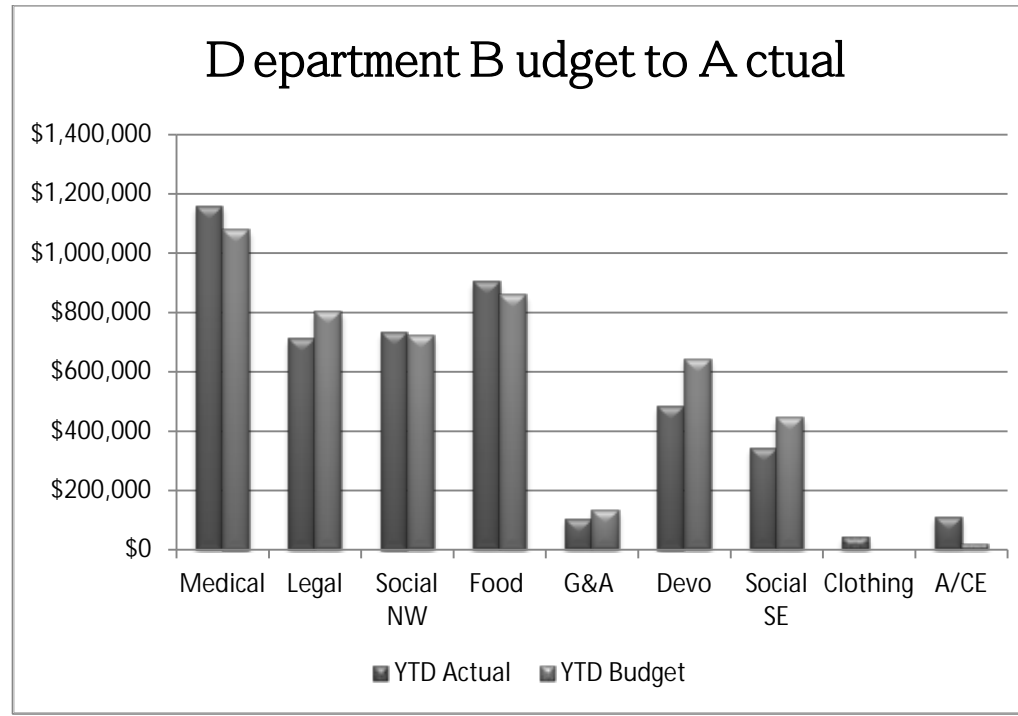


Overall, expenses were slightly lower than expectations driven by lower personnel and donor acquisition costs, which were somewhat offset by higher food and occupancy costs.

B read for the C ity

Financial Report for the period ended December 31, 2014

Departmental

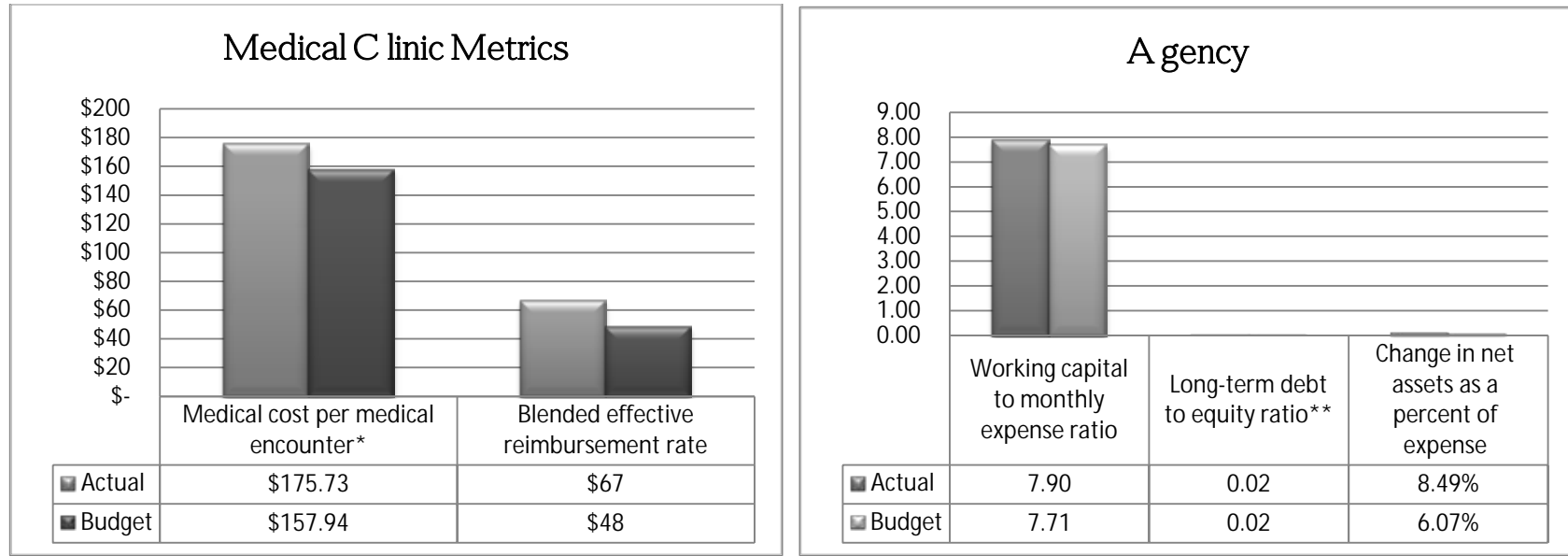


Generally, expenses were slightly below budget on an overall agency basis. Food - There was a large build-up of food inventory to take advantage of available foods and pricing that started in July and carried over to Aug. In addition, no-cost USDA meats are not available on a regular basis, so we've had to purchase most meats from commercial vendors. While it's too soon to tell, we have seen some positive signs that the prior relationships we established with certain vendors is working. Development - This is largely due to timing and some cost efficiencies. Legal - largely due to timing of when replacements/ new hires.

B read for the C ity

Financial Report for the period ended December 31, 2014

Medical



* A patient who sees both Medical and Dental are counted as 2 visits. These measures are based on a rolling 12 month period.

** Debt is net of the related note receivable

Medical Clinic Metrics

Currently, the cost per encounter was higher than expected as we had visitation volume lower than budgeted, coupled with expenses that were slightly higher than budget. The higher blended reimbursement rate was reflective of FQHC rates starting in September 2014 (we budgeted the start date to be January 2015).

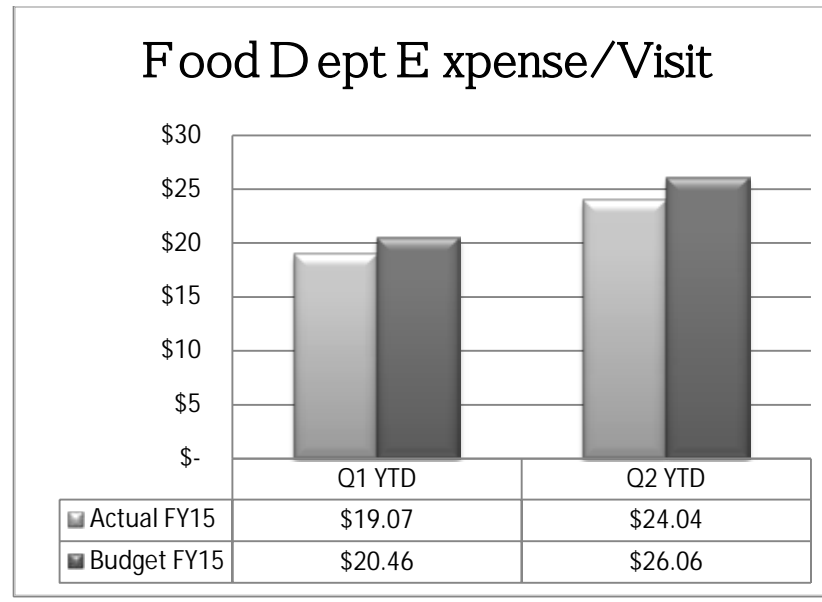
Agency

These metrics are being applied to the entire Agency (as opposed to the Clinic alone). In general, balance sheet strength and performance suggests better than budgeted results.

B read for the C ity

Financial Report for the period ended December 31, 2014

Food



Food Department Expense/Visit – Higher food costs were offset by higher levels of visitation. Food costs were higher largely due to a build-up of non-perishable food inventory to take advantage of available foods and pricing. In addition, no-cost USDA meats are not available on a regular basis, so we've had to purchase most meats from commercial vendors. While it's too soon to tell, we have seen some positive signs that the prior relationships we established with certain vendors is working. Visitation is up 12% year to date.

**Bread for the City
Consolidating Income Statement**

	Current YTD 7/1/2014 - 12/31/2014	Budget YTD 7/1/2014 - 12/31/2014	Prior YTD 7/1/2013 - 12/31/2013	Current MTD 12/1/2014 - 12/31/2014	Budget MTD 12/1/2014 - 12/31/2014	Prior Year MTD 12/1/2013 - 12/31/2013
REVENUES						
Foundations	1,581,828	1,833,080	916,620	278,121	409,000	382,675
Individuals	1,925,499	1,721,750	1,709,870	1,156,082	1,070,900	944,315
Local Government	496,125	605,780	478,785	79,117	115,400	116,566
Medical Fee for Service	439,866	329,700	321,690	101,758	46,900	41,729
Corporations	324,396	297,820	389,471	168,494	219,600	152,160
Federal Government	21,887	12,000	47,632	-	-	-
Religious & Other Organizations	46,563	44,100	59,850	4,833	15,000	18,323
Interest Income - NMTC	130,809	130,800	128,509	21,801	21,800	21,801
Interest Cash Mgmt and Other Income	18,326	22,140	31,302	2,544	3,690	2,948
TOTAL REVENUES	4,985,299	4,997,170	4,083,729	1,812,750	1,902,290	1,680,519 A
EXPENSES						
Personnel and Benefits	3,130,111	3,247,020	2,886,021	558,059	547,720	486,686
Medical	85,615	81,540	78,392	14,846	15,140	14,554
Food	423,907	368,330	334,832	24,473	32,290	29,355
Consulting	89,446	84,450	76,983	18,300	10,730	9,168
Occupancy	337,148	307,420	292,812	43,123	45,300	43,044
Donor Appeals and Special Events	179,481	246,710	156,379	37,917	29,240	25,929
Depreciation & Amortization	173,910	185,500	180,145	29,275	83,610	30,084
Other (e.g., insurance, bank & loan fees, bad de	144,322	158,870	123,537	35,536	32,530	27,468
Interest Expense - NMTC	31,404	31,400	31,360	5,270	5,270	5,227
TOTAL EXPENSES	4,595,345	4,711,240	4,160,463	766,800	801,830	671,514
IN-KIND DONATIONS						
In-Kind Revenue	1,305,323	643,270	650,340	304,083	107,210	111,020
In-Kind Expense	(1,305,323)	(643,270)	(650,340)	(304,083)	(107,210)	(111,020)
NET IN-KIND DONATIONS	-	-	-	-	-	-
NET SURPLUS/(DEFICIT)	389,954	285,930	(76,734)	1,045,950	1,100,460	1,009,004

Income Statement Fluctuation Explanations Budget v. Actual (for changes >10% & \$20K from Budget, and noteworthy items)

Tickmark Explanation

- A All Revenues Overall, revenues are about on budget, although the drivers are different than expected. Medical FFS is higher reflecting FQHC rates implemented in Sep 2014 rather than Jan 2015 (as budgeted). It is still uncertain whether we will be afforded retroactive treatment. Beginning in Jan 2015 thru Sep 2015, we will receive higher interim FQHC rates from Jan 2015 - Sep 2015. Deviations in the other categories are due to timing and non-renewals/one-time donations.
- B Food There has been a build-up of non-perishable food inventory to take advantage of available foods and pricing. This should reduce purchases of these items for several months. In addition, no-cost USDA meats are not available on a regular basis, so we've had to purchase most meats from commercial vendors. While it's too soon to tell, we have seen some positive signs that the prior relationships we established with certain vendors is working.
- C Occupancy Higher levels of repairs/maintenance costs including completion of waterproofing project in NW. Anticipate that this will level off.
- D Donor Appeals and Special Events This is largely due to timing and some cost efficiencies.

Bread for the City
Consolidated Statements of Cash Flow

	7/1/2014 - 12/31/2014	7/1/2013 - 12/31/2013
Revenues		
Cash Revenues	1,960,152	1,739,821
Collection on Receivables	2,573,724	2,335,279
Sale of Stock	120,998	83,405
Interest Income - NMTC	66,004	63,828
Interest Income - Cash Mgmt and Other Income	18,326	31,302
Revenues	4,739,204	4,253,635
Expenses		
Operating Expenses and Capital Expenditures	4,709,875	4,167,407
Interest Expense - NMTC	62,720	62,720
Total Expenses	4,772,595	4,230,127
Total Change in Cash	(33,391)	23,507
Cash Beginning Balance, unrestricted and donor restricted	5,452,803	5,618,428
Ending Balance, unrestricted and donor restricted	5,419,412	5,641,935

Unaudited - For Internal Use Only

Bread for the City Consolidating Balance Sheet

	Consolidated 12/31/2014	Consolidated 6/30/2014	
ASSETS			
Unrestricted Assets			
Cash - Undesignated	1,407,979	2,731,522	
Cash - Board Designated		-	
Operations	2,323,698	1,652,900	
Strategic Plan	-	596,000	
Total Cash - Board Designated	<u>2,323,698</u>	<u>2,248,900</u>	
Cash and Cash Equivalents	3,731,677	4,980,422	A
Receivables, net	1,361,040	1,164,730	
Note Receivable	5,994,634	5,929,829	
Property, Land, and Equipment, Net	8,370,842	8,396,016	
Other Assets	308,458	305,427	
Total Unrestricted Assets	<u>19,766,651</u>	<u>20,776,425</u>	
Restricted Assets			
Cash - Donor Restricted	1,687,735	471,980	A
Loan Reserve	66,787	98,722	B
Funds Held for Others	2,686,281	2,576,913	
Total Restricted Assets	<u>4,440,803</u>	<u>3,147,616</u>	
Total Assets	<u>24,207,454</u>	<u>23,924,040</u>	
Liabilities and Fund Balance			
Liabilities			
Accounts Payable and Accrued Expenses	729,250	949,641	C
Note Payable	6,272,000	6,272,000	
Funds Held for Others	2,633,729	2,519,878	
Total Liabilities	<u>9,634,979</u>	<u>9,741,519</u>	
Net Assets			
Net Assets	14,572,475	14,182,521	
Total Net Assets	<u>14,572,475</u>	<u>14,182,521</u>	
Total Liabilities and Fund Balance	<u>24,207,454</u>	<u>23,924,040</u>	

Unaudited - for internal use only

Balance Sheet Fluctuation Explanations (for changes >10% & \$20K from Prior Year End and other noteworthy items)

Tickmark Explanation

- | | | |
|---|---------------------------------------|---|
| A | All Cash and Receivables | See Statements of Cash Flow. A higher reserve for operations is due to higher expected expenses in FY 2015. |
| B | Loan Reserve | Payment of NMTC servicing fees from mandated cash reserves. |
| C | Accounts Payable and Accrued Expenses | See Statements of Cash Flow. Also, paid out certain accrued expenses in FY 2015 (e.g., 403B match). |