

MARKLUND

To: **Members of the Marklund Board of Directors**

Jim Armbruster	Sonya Evanosky	Melissa Kud	<u>Staff</u>
Jeff Blanchette	Jerry Finis	Yaneth Medina	Kudus Badmus
Howard Brandeisky	Duane Fitch	Frank Murnane	Gil Fonger
Carie Carney	Dan Foley	Jeff Risch	Heather Graves
Gerry Estes	Mike Herlihy	Jack Zimmerman	Mary Kobbeman
	Laura Karlins		

From: Frank Murnane, Jr.
Chair of the Board of Directors

Subject: Board of Directors Meeting
7:00 P.M. Thursday, June 25, 2020
Marklund Hyde Center – Geneva, IL

6:45	Dinner	
7:00	Call to Order/ Changes to the Agenda	F. Murnane
7:05	Board Chair Report Previous Minutes of Jan 30, 2020 (Tab 4)	F. Murnane
7:10	Finance Committee Report – ACTION NEEDED • Approval of FY21 Budget (Tab 5)	M. Herlihy
7:30	Executive Committee Report	F. Murnane
7:35	Governance Committee report – ACTION NEEDED • FY21 Slate of Officers/ Committee Terms (Tab 6) • Annual Board Survey/ Board Evaluation	G. Fonger
7:45	Strategic Plan (Tab 6)	G. Fonger
7:55	Retreat Discussion (Tab 7)	G. Fonger
8:00	Friend of the Year/Advocacy Award ACTION NEEDED (Tab 8)	G. Fonger
8:05	Development Update (Tab 9)	H. Graves
8:10	President and CEO Report (Tab 10)	G. Fonger
8:20	Old Business/New Business/Announcements	F. Murnane
8:30	Adjournment	F. Murnane

**Next Meeting is at the Marklund Hyde Center (MHC)
Thursday, October 22, 2020 7:00 P.M. (Board)**

If you are not able to attend the meeting, or will be calling in please let Mary Kobbeman
(mkobbeman@marklund.org) The conference call in number is 1-800-510-5879, guest code #095522

**Finance
Committee
Meeting
5:30-6:45 pm**

**Board of
Directors
Meeting
7:00-8:30pm**

**Location:
Marklund
Hyde Center,
Geneva**

**Thursday
June 25,
2020**

1	1. Previous Minutes - May 23, 2020
2	2. Financial Statements
3	3. Other Business
4	4. Previous Board Minutes - January 30, 2020
5	5. Approval of the FY21 Budget
6	6. Strategic Plan
7	7. Retreat Discussion
8	8. Friend of the Year / Advocacy Award
9	9. Development Update
10	10. President / CEO Report

MARKLUND

To: **Members of the Finance Committee**
Marklund Board of Directors
Jeff Blanchette Mike Herlihy
Gerry Estes Melissa Kud
Sonya Evanosky Yaneth Medina
Jerry Finis Frank Murnane, Jr.
Duane Fitch

Staff
Kudus Badmus
Gil Fonger
Mary Kobbeman

From: Mike Herlihy
Chairman of the Finance Committee

Subject: **Finance Committee Meeting**
5:30 P.M. Thursday, June 25, 2020
Marklund Hyde Center, Geneva

Time	Agenda:	
5:30	Call to Order	M. Herlihy
5:30	Previous Minutes (Tab 1) Minutes of May 23, 2020	M. Herlihy
5:35	Financial Statements (Brief Highlights and Questions) (Tab 2) A. Marklund May 2020 (Att. #2a) B. Marklund Charities May 2020 (Att. #2b)	K. Badmus
6:05	Other Business (Tab 3) <ul style="list-style-type: none">• FY2021 State of Illinois Budget Discussion• TCI Wealth Partners Endowment Update• FY2019 IRS Form 990	K. Badmus
6:25	Adjournment	M. Herlihy

Next meeting is scheduled for Thursday, October 22rd in Geneva. If you are unable to attend the meeting, please notify Mary Kobbeman (mkobbeman@marklund.org) if you will be calling in. The conference call-in number is 1-800-510-5879, guest # 095522

MARKLUND
MINUTES OF THE FINANCE COMMITTEE MEETING
Thursday, May 25, 5:30 p.m.
Marklund Hyde Center, Geneva, IL

CALL TO ORDER

Mike Herlihy called the meeting to order at 5:30 p.m.

ALSO PRESENT

Jerry Finis, Mike Herlihy, Melissa Kud, Yaneth Medina, Frank Murnane

PRESENT VIA PHONE

Jeff Blanchette, Gerry Estes, Duane Fitch, Sonya Evanosky, Melissa Kud

NOT PRESENT

N/A

STAFF

Kudus Badmus, Gil Fonger, Mary Kobbeman

PREVIOUS MINUTES

None discussed

FISCAL YEAR 2021 MARKLUND BUDGET

Kudus B. began by informing the Committee that COVID-19 affected the budget process this year. Management, in consultation with the Finance Chair and board Chair, decided to focus this year's budget meetings primarily on staffing and capital items. All other expense line items were estimated based on historical spending and anticipated utilization.

Kudus B. stated that Marklund's consolidated revenue of \$35.1M for FY 2021 represents an increase of \$150K or 0.4% over FY 2020 year-end projections. Expenses totaled \$37.4M, an increase of \$4.7M or 14%. Of this increase, the Geneva Day School accounts for \$3.2M, CDS – Roselle, \$488K while merit increases (3%) plus benefits represent approximately \$750K.

Kudus B. continued by highlighting the new school in Geneva, the new CDS program in Roselle and the E-communities program. He went over the proforma for the new CDS program mentioning that this program is expected to near break-even within 18 months. He added that the e-community program is expected to expand Marklund's reach within the community. Gil F. added that the Pandemic has really forced even our sector to see how technology can be leveraged to virtually offer services to individuals with I/DD within the community; hence the introduction of the Marklund E-communities program. Kudus B. explained further that the initial investment of \$240K in this program will come from donated funds. Regarding the new school Kudus B. advised that investment in this program will be captured in future cost report submissions to the Illinois State Board of Education (ISBE).

Gerry E. inquired about what the CDS program in Roselle represents as he was unaware of it. Gil F. answered that the program came out of the CILA project. It extends services to less profound clients. The plan was to launch after the CILAs had opened but since we are still waiting for the State's approval, and because of the current pressing need for such a program at this moment, management thought it would be a low-cost way to start the community program before building CILA homes. Actually, we are hopeful that a number of the clients may end up at our CILAs, Gil F. further added. Sonya E. asked about the fee structure

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MARKLUND
MAY 2020 FINANCIAL STATEMENTS

Index	Page Number
▪ Summary Comments	
▪ Balance Sheet	1
▪ Consolidated Current Month and Year to Date Income Statement (Actual vs. Budget)	2
▪ Divisional Monthly Patient Census	3
▪ Divisional Year to Date Income Statement by Program	4-7
▪ Account Receivable Aging Schedule	8
▪ Accounts Receivable Trend Analysis	9
▪ Statement of Cash Flow	10

DATE: June 16, 2020
TO: Board of Directors, Marklund
FROM: Kudus O. Badmus, Chief Financial Officer *KB*
SUBJECT: Summary Comments – May, 2020 Financial Statements

BALANCE SHEET

Overall, Cash and Cash Equivalents increased by \$4.1M or 272% from last month mainly due to the PPP loan of \$3.9M. At the urging of the State, we applied for the federal relief program. We are currently reviewing loan forgiveness criteria and gathering required supporting documentation.

INCOME STATEMENT

YTD operating results noted a Cash gain of \$1.4M; favorable to budget by \$375K or 36%.

The following scope of explanation includes line items that have a 10% YTD variance from budget. Other line items are listed at the discretion of management.

YTD

Operating Revenues

Operating Revenues consisting of Residential Services, School Tuition, Community Day Services and Other noted an unfavorable variance of \$82K or less than 1%.

Residential Services:

YTD, this line item is favorable to budget by \$242K or 1% mainly the result of the 20% increased per diem for all our 16-bed homes necessitated by the State's "Stay Home Order". All CDS programs were ordered closed as a result of the pandemic. The 20% increase was to help offset the cost of keeping residents at home. Surprisingly, our MCDD facilities were excluded. The problem this created was that we couldn't fill our two open beds at MPC.

School Tuition:

YTD, this line item is unfavorable to budget by \$116K or 2%. Enrollment at the school has been on hold due to the pandemic. Although the school districts continue to pay based on the number of students enrolled, prospects still couldn't be admitted. That notwithstanding, our list of interested candidates continues to grow. Latest count from our Director of Education indicated up to 10 students waiting for the hold to be lifted.

Community Day Services:

YTD, this line item is unfavorable to budget by \$118K or 3%, mostly the result of our community clients as the CDS programs have been ordered closed. IDHS has informed us that these programs will be closed until the end of August.

YTD
Operating Expenses

Salaries:

YTD unfavorable to budget by \$71K or less than 1%. Since March, we have only been hiring essential positions. All PSPs, Nurses, Housekeepers, Laundry staff and our house parents have been receiving a 10% bonus on their salary. This bonus is expected to end on June 27th. Our recruitment team had to resort to Zoom interviews and orientation conducted with social distancing in mind. Now that the state is in stage 3, the department has resumed face to face interviews.

Benefits:

YTD, unfavorable to budget by \$216K or 5% due to increased enrollment in our benefits this line item was adjusted from 26% to 27% during the year.

Consulting-Nurses & Aides:

YTD, this line item is favorable to budget by \$269K or 51% reflecting the difficulty in getting contract Aides and Nurses to fill our open positions. As mentioned in previous statements, we have been using our In-House Registry and current employees to cover staff shortages.

Occupancy:

The YTD favorable variance of \$133K or 6% mainly reflects depreciation and timing of certain expenses. We have had to delay some of our projects (carpeting, painting, window replacements) due to the lockdown.

Interest:

YTD, favorable to budget by \$203K due to the minimal use of the Line of Credit. Also, interest on the construction loan is currently part of Construction in Progress and not recorded in Operations.

Marklund Balance Sheet Fiscal Year 2020

	May	April
Current Assets		
Cash	\$ 1,413,508	\$ 1,174,175
Cash Equivalents	4,222,369	342,641
Inventory	85,998	85,998
Accounts Receivable Residential	3,955,355	3,926,416
Accounts Receivable Day School	1,229,791	1,199,156
Accounts Receivable Misc.	124	0
Due From Marklund Charities	173,874	76,238
Prepaid Assets	385,278	416,798
Total Current Assets	\$ 11,476,179	\$ 7,221,422
Other Assets		
Investments	\$ 0	\$ 0
Total Investments	\$ 0	\$ 0

Current Liabilities		
Accounts Payable	\$ 286,736	\$ 476,547
Payroll Payable	1,575,818	1,370,230
Due to Marklund Charities	1,000,050	1,000,050
Other Current Liabilities	1,681,617	1,443,455
Line of Credit	0	0
Current Portion of Notes Payable	1,143,389	0
Total Current Liabilities	\$ 5,687,610	\$ 4,290,282
Long-Term Liabilities		
Notes Payable Net of Current Portion	\$ 9,283,845	\$ 5,715,323
Total Long-Term Liabilities	\$ 9,283,845	\$ 5,715,323

Total Liabilities	\$ 14,971,455	\$ 10,005,605
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Property, Plant & Equipment		
Land	\$ 5,039,992	\$ 5,039,992
Land Improvements	2,718,484	2,718,484
Leasehold Improvements	0	0
Construction in Progress (CIP)	8,785,411	7,847,401
Buildings / Building Improvements	29,695,543	29,694,743
Furniture and Equipment	5,585,900	5,549,499
Vehicles	772,532	772,255
Total Property, Plant & Equipment	\$ 52,597,862	\$ 51,622,374
Less: Accumulated Depreciation	26,690,376	26,511,458
Net Property, Plant & Equipment	\$ 25,907,486	\$ 25,110,916
Total Unrestricted Assets	\$ 37,383,665	\$ 32,332,338

Net Fund Balance	\$ 22,412,210	\$ 22,326,733
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**Marklund
Income Statement
For the Month of May 2020**

	Current Month			Year to Date		
	FY2019			FY2019		
	Actual	Budget	Variance	Actual	Budget	Variance
						Actual
						May 2019
Revenues						
Residential Services	\$ 1,888,605	\$ 1,714,744	\$ 173,861	\$ 18,778,749	\$ 18,536,431	\$ 242,318
School (Multi Needs & Life Skills)	569,182	601,059	(31,877)	6,215,195	6,332,031	(116,836)
Community Day Services	285,185	309,176	(23,991)	3,266,078	3,384,157	(118,079)
Other Operating	282	5,932	(5,650)	139,825	65,252	74,573
Total Operating Revenue	\$ 2,743,254	\$ 2,630,911	\$ 112,343	\$ 28,399,847	\$ 28,317,871	\$ 81,976
						\$ 23,583,105
Expenses						
Salaries	\$ 1,780,412	\$ 1,594,493	\$ 185,919	\$ 17,352,966	\$ 17,282,244	\$ 70,722
Employee Benefits	480,711	414,573	66,138	4,709,510	4,493,381	216,129
Employee Expenses	17,224	28,305	(11,081)	283,923	311,355	(27,432)
Consulting	17,323	15,344	1,979	169,649	159,784	9,865
Consulting - Nurses & Aides	(3,661)	47,835	(51,496)	257,291	526,185	(268,894)
Medical	71,132	62,819	8,313	663,327	691,009	(27,682)
Dietary & Support	38,628	42,259	(3,631)	453,424	464,849	(11,425)
Housekeeping	13,100	15,754	(2,654)	232,369	173,294	59,075
Occupancy	171,594	189,607	(18,013)	2,039,679	2,172,957	(133,278)
Equipment	82,265	83,226	(961)	955,087	915,486	39,601
Vehicles	13,206	15,121	(1,915)	148,497	166,331	(17,834)
Administrative (Including Insurance, Legal/Audit, Advertising, etc.)	35,429	70,333	(34,904)	615,296	602,415	12,881
Provider Taxes	82,164	82,753	(589)	903,808	910,283	(6,475)
Interest Expense	441	20,000	(19,559)	16,801	220,000	(203,199)
Client/Student	16,177	9,401	6,776	72,654	103,411	(30,757)
Total Operating Expenses	\$ 2,816,145	\$ 2,691,823	\$ 124,322	\$ 28,874,281	\$ 29,192,984	\$ (318,703)
						\$ 26,106,972
Operating Income	\$ (72,891)	\$ (60,912)	\$ (11,979)	\$ (474,434)	\$ (875,113)	\$ 400,679
						\$ (2,523,867)
Non-Operating Income						
Interest Income	\$ 118	\$ 0	\$ 118	\$ 897	\$ 0	\$ 897
Miscellaneous Income	223	1,945	(1,722)	19,373	21,395	(2,022)
Gain (Loss) on Sale of Assets	(1,650)	0	(1,650)	4,550	0	4,550
Unrestricted Gifts & Grants	0	0	0	0	0	0
Total Non-Operating Income	\$ (1,309)	\$ 1,945	\$ (3,254)	\$ 24,820	\$ 21,395	\$ 3,425
						\$ 44,097
Net Income (Loss)	\$ (74,200)	\$ (58,967)	\$ (15,233)	\$ (449,614)	\$ (853,718)	\$ 404,104
						\$ (2,479,770)
add back: Depreciation	\$ 180,826	\$ 173,025	\$ 7,801	\$ 1,878,222	\$ 1,903,275	\$ (25,053)
add back: Bad Debt Allowance	0	0	0	0	0	0
add back: Gain (Loss) on Sale of Assets	1,650	0	1,650	(4,550)	0	(4,550)
Net Income (Loss)	\$ 108,276	\$ 114,058	\$ (5,782)	\$ 1,424,058	\$ 1,049,557	\$ 374,501
<i>(Excluding Depreciation, Bad Debt Allowance & Gain (Loss) on Sale)</i>						\$ (640,241)
Fiscal Year 2020 Transfers In	\$ 2,380			\$ 46,338		

**Marklund
Income Statement by Program
Year to Date May 31, 2020**

	Philip Center			Wasmond Center			Mill Creek 16 bed Homes		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Revenues									
Residential Services	\$ 3,020,421	\$ 3,315,628	\$ (295,207)	\$ 7,480,706	\$ 7,304,205	\$ 176,501	\$ 8,277,621	\$ 7,916,598	\$ 361,023
School (Multi Needs & Life Skills)	0	0	0	0	0	0	0	0	0
Community Day Services	0	0	0	0	0	0	0	0	0
Other Operating	5,160	7,832	(2,672)	18,175	13,871	4,304	64,927	33,396	31,531
Total Operating Revenue	\$ 3,025,581	\$ 3,323,460	\$ (297,879)	\$ 7,498,881	\$ 7,318,076	\$ 180,805	\$ 8,342,548	\$ 7,949,994	\$ 392,554
Expenses									
Salaries	\$ 1,602,721	\$ 1,607,147	\$ (4,426)	\$ 3,376,663	\$ 3,057,602	\$ 319,061	\$ 5,273,419	\$ 5,097,284	\$ 176,135
Employee Benefits	435,865	417,862	18,003	924,924	794,959	129,965	1,433,211	1,325,273	107,938
Employee Expense	16,627	19,635	(3,008)	26,491	18,821	7,670	33,075	44,616	(11,541)
Consulting	36,805	36,650	155	58,820	55,737	3,083	39,258	67,122	(27,864)
Consulting - Nurses & Aides	138,367	143,000	(4,633)	70,049	72,743	(2,694)	147,908	350,130	(202,222)
Medical	50,754	56,617	(5,863)	241,951	234,421	7,530	248,194	239,668	8,526
Dietary & Support	38,611	12,232	26,379	132,482	133,749	(1,267)	257,559	258,654	(1,095)
Housekeeping	216,283	223,576	(7,293)	32,944	36,388	(3,444)	76,872	37,950	38,922
Occupancy	71,902	57,816	14,086	250,331	262,681	(12,350)	597,613	644,128	(46,515)
Equipment	0	0	0	189,243	191,631	(2,388)	151,570	169,048	(17,478)
Vehicles	0	0	0	0	0	0	0	0	0
Administrative (not including salaries)	27,584	28,257	(673)	64,153	66,709	(2,556)	80,104	93,510	(13,406)
Provider Taxes	148,060	148,930	(770)	303,747	307,439	(3,692)	452,001	454,014	(2,013)
Interest Expense	0	0	0	0	0	0	0	0	0
Client/Student	7,172	9,350	(2,178)	11,151	12,199	(1,048)	27,076	33,000	(5,924)
Total Operating Expense	\$ 2,828,246	\$ 2,840,865	\$ (12,619)	\$ 5,662,949	\$ 5,245,079	\$ 437,870	\$ 8,817,860	\$ 8,814,397	\$ 3,463
Operating Income (Loss)	\$ 197,335	\$ 482,595	\$ (285,260)	\$ 1,815,932	\$ 2,072,997	\$ (257,065)	\$ (475,312)	\$ (864,403)	\$ 389,091
Allocation of Administration 10%	282,925	284,087	(1,262)	566,295	524,508	43,787	881,786	881,440	346
Allocation of Transportation	4,676	5,800	(1,124)	12,693	15,744	(3,051)	21,377	26,517	(5,140)
Allocation of Help Wanted	6,407	7,504	(1,097)	13,498	14,276	(778)	21,082	23,800	(2,718)
Total Allocated Expenses	\$ 293,908	\$ 297,391	\$ (3,483)	\$ 594,486	\$ 554,528	\$ 39,958	\$ 924,245	\$ 931,757	\$ (7,512)
Income (Loss) Before Non-Operating Income	\$ (96,573)	\$ 185,204	\$ (281,777)	\$ 1,221,446	\$ 1,518,469	\$ (297,023)	\$ (1,399,557)	\$ (1,796,160)	\$ 396,603
Non-Operating Income									
Interest Income	0	0	0	0	0	0	0	0	0
Miscellaneous Income	0	0	0	113	0	113	44	0	44
Gain (Loss) on Sale of Assets	0	0	0	0	0	0	0	0	0
Unrestricted Gifts & Grants	0	0	0	0	0	0	0	0	0
Total Non-Operating Income	\$ 0	\$ 0	\$ 0	\$ 113	\$ 0	\$ 113	\$ 44	\$ 0	\$ 44
Net Income (Loss)	\$ (96,573)	\$ 185,204	\$ (281,777)	\$ 1,221,559	\$ 1,518,469	\$ (296,910)	\$ (1,399,513)	\$ (1,796,160)	\$ 396,647
add back: Depreciation	168,281	160,897	7,384	264,590	264,979	(389)	457,891	465,960	(8,069)
add back: Bad Debt Allowance	0	0	0	0	0	0	0	0	0
add back: Gain (Loss) on Sale of Assets	0	0	0	0	0	0	0	0	0
Net Income (Loss)	\$ 71,708	\$ 346,101	\$ (274,393)	\$ 1,486,149	\$ 1,783,448	\$ (297,299)	\$ (941,622)	\$ (1,330,200)	\$ 388,578
<i>(Excluding Depreciation, Bad Debt Allowance & Gain (Loss) on Sale)</i>									
FY2019 YTD Net Income (Loss)									
add back: Depreciation, Bad Debt Allowance & Gain (Loss) on Sale)									
Fiscal Year 2020 Transfers In	\$ 3,214			\$ 2,626			\$ 20,502		

**Marklund
Income Statement by Program
Year to Date May 31, 2020**

	Community Day Services MPC			Community Day Services MWC			Community Day Services MHC			
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	
Revenues	\$	0	\$	0	\$	0	\$	0	\$	
Residential Services	0	0	0	0	0	0	0	0	0	
School (Multi Needs & Life Skills)	0	0	0	0	0	0	0	0	0	
Community Day Services	175,115	211,214	(36,099)	911,728	928,158	(16,430)	2,179,235	2,244,785	(65,550)	
Other Operating	1,650	0	1,650	8,587	4,950	3,637	19,573	1,078	18,495	
Total Operating Revenue	\$	176,765	\$	211,214	\$	933,108	\$	2,198,808	\$	2,245,863
Expenses	\$		\$		\$		\$		\$	
Salaries	110,730	133,106	(22,376)	645,639	822,532	(176,893)	1,563,721	1,661,517	(97,796)	
Employee Benefits	29,368	34,618	(5,250)	173,612	213,864	(40,252)	421,921	432,000	(10,079)	
Employee Expense	959	3,410	(2,451)	3,679	8,536	(4,857)	11,841	23,100	(11,259)	
Consulting	0	88	(88)	0	0	0	291	187	104	
Consulting - Nurses & Aides	0	0	0	0	0	0	0	0	0	
Medical	6,847	12,100	(5,253)	1,180	9,207	(8,027)	20,499	26,125	(5,626)	
Dietary & Support	85	462	(377)	2,762	3,894	(1,132)	3,104	5,500	(2,396)	
Housekeeping	2,093	1,155	938	7,798	11,451	(3,653)	18,294	26,301	(8,007)	
Occupancy	9,275	16,336	(7,061)	136,668	146,962	(10,294)	369,257	393,469	(24,212)	
Equipment	3,772	4,257	(485)	43,310	42,669	641	54,544	57,673	(3,129)	
Vehicles	0	0	0	0	0	0	0	0	0	
Administrative (not including salaries)	4,908	8,487	(3,578)	11,299	13,722	(2,423)	17,999	17,017	382	
Provider Taxes	0	0	0	0	0	0	0	0	0	
Interest Expense	0	0	0	0	0	0	0	0	0	
Client/Student	1,883	1,243	640	5,023	5,324	(301)	10,425	7,425	3,000	
Total Operating Expense	\$	169,921	\$	215,262	\$	1,030,970	\$	2,481,296	\$	2,650,314
Operating Income (Loss)	\$	6,844	\$	(4,048)	\$	(345,053)	\$	(292,488)	\$	(404,451)
Allocation of Administration 10%	16,992	21,526	(4,534)	103,097	127,816	(24,719)	249,130	265,031	(15,901)	
Allocation of Transportation	1,076	1,335	(259)	4,951	6,141	(1,190)	12,162	15,086	(2,924)	
Allocation of Help Wanted	443	621	(178)	2,581	3,840	(1,259)	6,251	7,758	(1,507)	
Total Allocated Expenses	\$	18,511	\$	23,482	\$	137,797	\$	267,543	\$	(20,332)
Income (Loss) Before Non-Operating Income	\$	(11,667)	\$	(27,530)	\$	(482,850)	\$	(560,031)	\$	(692,326)
Non-Operating Income	\$		\$		\$		\$		\$	
Interest Income	0	0	0	0	0	0	0	0	0	
Miscellaneous Income	0	0	0	0	0	0	142	0	142	
Gain (Loss) on Sale of Assets	0	0	0	0	0	0	0	0	0	
Unrestricted Gifts & Grants	0	0	0	0	0	0	0	0	0	
Total Non-Operating Income	\$	0	\$	0	\$	0	\$	142	\$	142
Net Income (Loss)	\$	(11,667)	\$	(27,530)	\$	(482,850)	\$	(559,889)	\$	(692,326)
add back: Depreciation	0	487	(487)	0	117,989	(117,989)	0	299,651	(299,651)	
add back: Bad Debt Allowance	0	0	0	0	0	0	0	0	0	
add back: Gain (Loss) on Sale of Assets	0	0	0	0	0	0	0	0	0	
Net Income (Loss)	\$	(11,180)	\$	(25,209)	\$	(365,359)	\$	(268,101)	\$	(392,675)
(Excluding Depreciation, Bad Debt Allowance & Gain (Loss) on Sale)										
FY2019 YTD Net Income (Loss)										
(Excluding Depreciation, Bad Debt Allowance & Gain (Loss) on Sale)	\$	0	\$	0	\$	(206,653)	\$	(32,154)	\$	(198,981)
Fiscal Year 2020 Transfers In	\$	0	\$	0	\$	4,209	\$	4,209	\$	4,209

Marklund
Income Statement by Program
Year to Date May 31, 2020

	Day School		Variance	Actual	Admin		Variance	Actual	Transportation	
	Actual	Budget			Budget	Actual			Budget	Variance
Revenues										
Residential Services	\$ 6,215,195	\$ 6,332,031	(116,836)	\$ 0	\$ 0	0	0	\$ 0	\$ 0	0
School (Multi Needs & Life Skills)	0	0	0	0	0	0	0	0	0	0
Community Day Services	0	0	0	0	0	0	0	0	0	0
Other Operating	1,211	1,012	199	20,543	3,113	17,430	0	0	0	0
Total Operating Revenue	\$ 6,216,406	\$ 6,333,043	(116,637)	\$ 20,543	\$ 3,113	17,430	\$ 0	\$ 0	\$ 0	\$ 0
Expenses										
Salaries	\$ 3,113,482	\$ 3,327,810	(214,328)	\$ 1,666,590	\$ 1,575,246	\$ 91,344	\$ 0	\$ 0	\$ 0	\$ 0
Employee Benefits	823,255	865,238	(41,983)	467,355	409,567	57,788	0	0	0	0
Employee Expense	31,823	37,488	(5,665)	159,428	155,749	3,679	0	0	0	0
Consulting	34,475	0	34,475	0	0	0	0	0	0	0
Consulting - Nurses & Aides	1,840	23,419	(21,579)	0	0	0	0	0	0	0
Medical	6,286	26,488	(20,202)	4	0	4	0	0	0	0
Dietary & Support	5,671	3,795	1,876	1,007	2,178	(1,171)	0	0	0	0
Housekeeping	51,475	43,692	7,783	4,282	4,125	157	0	0	0	0
Occupancy	308,487	331,999	(23,512)	149,896	151,936	(2,040)	1,867	1,870	(3)	0
Equipment	176,835	175,813	1,022	262,334	214,170	48,164	1,577	2,409	(832)	0
Vehicles	0	0	0	0	0	0	148,497	166,331	(17,834)	0
Administrative (not including salaries)	58,941	66,390	(7,449)	350,413	307,960	42,453	494	363	131	0
Provider Taxes	0	0	0	0	0	0	0	0	0	0
Interest Expense	0	165,000	(165,000)	16,803	55,000	(38,199)	0	0	0	0
Client/Student	9,924	34,870	(24,946)	0	0	0	0	0	0	0
Total Operating Expense	\$ 4,622,494	\$ 5,102,002	(479,508)	\$ 3,078,110	\$ 2,875,931	202,179	\$ 152,435	\$ 170,973	\$ (18,538)	\$ 0
Operating Income (Loss)	\$ 1,593,912	\$ 1,231,041	\$ 362,871	\$ (3,057,567)	\$ (2,877,818)	(184,749)	\$ (152,435)	\$ (170,973)	\$ 18,538	\$ 0
Allocation of Administration 10%	\$ 462,249	\$ 510,200	(47,951)	\$ (2,564,374)	\$ (2,614,608)	\$ 50,234	\$ 0	\$ 0	\$ 0	\$ 0
Allocation of Transportation	7,642	9,479	(1,837)	0	0	0	(64,577)	(80,102)	15,525	0
Allocation of Help Wanted	12,446	15,338	(3,092)	(62,708)	(73,337)	10,629	0	0	0	0
Total Allocated Expenses	\$ 482,337	\$ 535,217	(52,880)	\$ (2,627,082)	\$ (2,887,945)	60,863	\$ (64,577)	\$ (80,102)	\$ 15,525	\$ 0
Income (Loss) Before Non-Operating Income	\$ 1,111,575	\$ 695,824	\$ 415,751	\$ (430,485)	\$ (184,873)	(245,612)	\$ (87,858)	\$ (90,871)	\$ 3,013	\$ 0
Non-Operating Income										
Interest Income	0	0	0	897	0	897	0	0	0	0
Miscellaneous Income	119	0	119	18,956	21,395	(2,439)	0	0	0	0
Gain (Loss) on Sale of Assets	0	0	0	0	0	0	4,550	0	4,550	0
Unrestricted Gifts & Grants	0	0	0	0	0	0	0	0	0	0
Total Non-Operating Income	\$ 119	\$ 0	\$ 119	\$ 19,853	\$ 21,395	(1,542)	\$ 4,550	\$ 0	\$ 4,550	\$ 0
Net Income (Loss)	\$ 1,111,694	\$ 695,824	\$ 415,870	\$ (410,632)	\$ (163,478)	(247,154)	\$ (83,308)	\$ (90,871)	\$ 7,563	\$ 0
add back: Depreciation	0	0	0	0	0	0	0	0	0	0
add back: Bad Debt Allowance	352,837	358,897	(6,060)	136,501	142,208	(5,707)	0	0	0	0
add back: Gain (Loss) on Sale of Assets	0	0	0	0	0	0	(4,550)	0	(4,550)	0
Net Income (Loss) (Excluding Depreciation, Bad Debt Allowance & Gain (Loss) on Sale)	\$ 1,464,531	\$ 1,054,721	\$ 409,810	\$ (274,131)	\$ (21,270)	(252,861)	\$ 0	\$ 0	\$ 0	\$ 0
FY2019 YTD Net Income (Loss)	\$ 1,436,418	\$ 551,537	\$ 884,881	\$ (96,542)	\$ 34,485	\$ (131,027)	\$ 72	\$ 0	\$ 72	\$ 0
(Excluding Depreciation, Bad Debt Allowance & Gain (Loss) on Sale)										
Fiscal Year 2020 Transfers In	\$ 2,380			\$ 13,407			\$ 0			\$ 0

Marklund
Income Statement by Program
Year to Date May 31, 2020

	Actual	Total Budget	Variance
Revenues			
Residential Services	\$ 18,778,749	\$ 18,536,431	\$ 242,318
School (Multi Needs & Life Skills)	6,215,195	6,332,031	(116,836)
Community Day Services	3,266,078	3,384,157	(118,079)
Other Operating	139,825	65,252	74,573
Total Operating Revenue	\$ 28,399,847	\$ 28,317,871	\$ 81,976
Expenses			
Salaries	\$ 17,352,966	\$ 17,282,244	\$ 70,722
Employee Benefits	4,709,510	4,499,381	216,129
Employee Expense	283,923	311,355	(27,432)
Consulting	169,649	159,784	9,865
Consulting - Nurses & Aides	257,291	526,185	(268,894)
Medical	663,327	691,009	(27,682)
Dietary & Support	453,424	464,849	(11,425)
Housekeeping	232,369	173,294	59,075
Occupancy	2,039,679	2,172,957	(133,278)
Equipment	955,087	915,486	39,601
Vehicles	148,497	166,331	(17,834)
Administrative (not including salaries)	615,296	602,415	12,881
Provider Taxes	903,808	910,283	(6,475)
Interest Expense	16,801	220,000	(203,199)
Client/Student	72,654	103,411	(30,757)
Total Operating Expense	\$ 28,874,281	\$ 29,192,984	\$ (318,703)
Operating Income (Loss)	\$ (474,434)	\$ (875,113)	\$ 400,679
Allocation of Administration 10%	\$ 0	\$ 0	\$ 0
Allocation of Transportation	0	0	0
Allocation of Help Wanted	0	0	0
Total Allocated Expenses	\$ 0	\$ 0	\$ 0
Income (Loss) Before Non-Operating Income	\$ (474,434)	\$ (875,113)	\$ 400,679
Non-Operating Income			
Interest Income	\$ 897	\$ 0	\$ 897
Miscellaneous Income	19,373	21,395	(2,022)
Gain (Loss) on Sale of Assets	4,550	0	4,550
Unrestricted Gifts & Grants	0	0	0
Total Non-Operating Income	\$ 24,820	\$ 21,395	\$ 3,425
Net Income (Loss)	\$ (449,614)	\$ (853,718)	\$ 404,104
add back: Depreciation	\$ 1,878,222	\$ 1,903,275	\$ (25,053)
add back: Bad Debt Allowance	0	0	0
add back: Gain (Loss) on Sale of Assets	(4,550)	0	(4,550)
Net Income (Loss) Excluding Depreciation, Bad Debt Allowance & Gain (Loss) on Sale	\$ 1,424,058	\$ 1,049,557	\$ 374,501
FY2019 YTD Net Income (Loss)	\$ (640,241)	\$ (887,385)	\$ 247,144
(Excluding Depreciation, Bad Debt Allowance & Gain (Loss) on Sale)			
Fiscal Year 2020 Transfers in	\$ 46,338		

MARKLUND
AGING OF ACCOUNTS RECEIVABLE SCHEDULE
May 2020

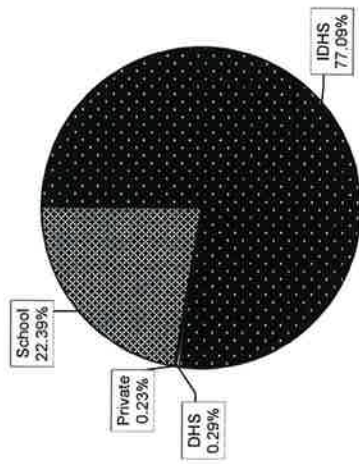
A/R CATEGORY	0 - 30 DAYS	30 - 60 DAYS	60 - 90 DAYS	91+ DAYS	TOTAL
1 PUBLIC AID (MPC)	277,198	-	-	322,171	\$ 599,368
2 PUBLIC AID (MWC)	705,296	13,283	24,569	769,124	\$ 1,512,272
3 PUBLIC AID (MHH)	139,820	-	-	215,774	\$ 355,594
4 PUBLIC AID (MVH)	136,194	1,705	14,158	112,225	\$ 264,282
5 PUBLIC AID (MTH)	141,242	484	-	39,421	\$ 181,147
6 PUBLIC AID (MSH)	101,454	-	-	-	\$ 101,454
7 PUBLIC AID (MDH)	135,809	8,425	7,119	26,927	\$ 178,280
8 PUBLIC AID (MRH)	135,797	18,401	16,533	186,023	\$ 356,754
9 RESIDENTIAL RESPITE CARE	-	-	-	-	\$ -
10 SOCIAL SECURITY	-	-	142	-	\$ 142
11 PRIVATE PAY	-	-	-	-	\$ -
12 COMMUNITY DAY SERVICES - MPC	15,624	-	-	4,667	\$ 20,291
13 COMMUNITY DAY SERVICES - MWC	80,073	1,953	3,184	99,150	\$ 184,359
14 COMMUNITY DAY SERVICES - Mill Creek	183,581	13,694	13,896	297,259	\$ 508,430
15 SCHOOL	569,182	452,860	93,236	114,513	\$ 1,229,791
16 REST	-	-	-	-	\$ -
17 MISCELLANEOUS	124	-	-	-	\$ 124
	GROSS A/R TOTAL	\$ 2,621,393	\$ 510,804	\$ 2,187,253	\$ 5,492,287
	PERCENT OF GROSS TOTAL	48%	9%	40%	
18 ALLOWANCE FOR BAD DEBTS					(297,018)

LINE OF CREDIT	\$ 7,000,000
BORROWED YEAR TO DATE	\$ 7,000,000
AVAILABLE BALANCE	\$ 7,000,000

NET A/R BALANCE \$ 5,195,269

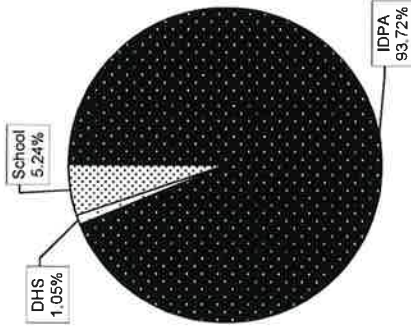
Marklund

A/R Balance for May 2020 by Funding Source



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91+ Days A/R Balance for May 2020 by Funding Source

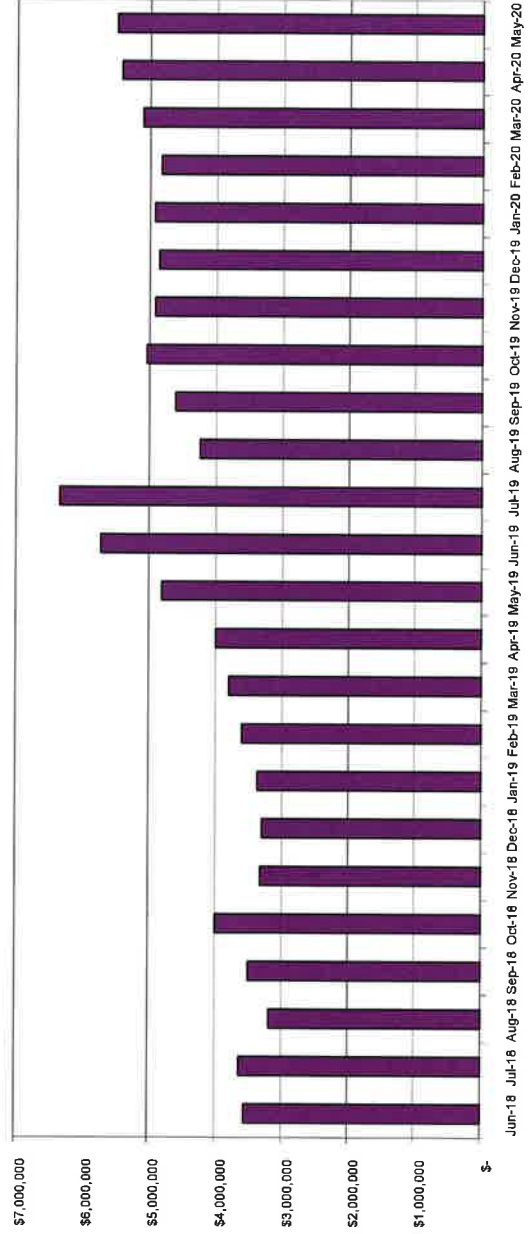


Average A/R Balance for 24 months = \$4,399,589

Note: IDHS & DHS Include Residential and Community Day Services

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Gross A/R Balance by Month



Statement of Cash Flows
For the Period of 5/1/2020 to 5/31/2020

Cash and Cash Equivalents at Beginning of Period	\$	1,516,816
Cash Flows from Operating Activities and Gains		
Change in Net Assets:		
Net Income (Loss)	\$	(74,200)
Fund Balance Transfers Out		0
Fund Balance Transfers In		<u>159,672</u>
Sub Total	\$	85,472
Adjustments to reconcile change in net assets to net cash Provided by (used in) Operating Activities and Gains:		
Loss (Gain) on Sale of Asset	\$	1,650
Provision for Uncollectible Accounts		0
Depreciation and Amortization		<u>180,826</u>
Sub Total	\$	182,476
(Increase) Decrease in Current Assets		
Inventory	\$	118
Receivables		<u>(167,329)</u>
Prepaid Assets		31,520
Sub Total	\$	(135,691)
Increase (Decrease) in Current Liabilities		
Accounts Payable	\$	(189,811)
Payroll Payable		205,588
Due to Marklund Charities		-
Other Current Liabilities		<u>238,162</u>
Sub Total	\$	253,939
Net Cash Provided by (used in) Operating Activities and Gains	\$	386,196
Cash Flows from Investing Activities		
Additions (Dispositions) of Property, Plant & Equipment (including CIP)	\$	<u>(979,045)</u>
Net Cash Provided by (used in) Investing Activities	\$	(979,045)
Cash Flows from Financing Activities		
Line of Credit	\$	0
Short Term Liabilities - Other		1,143,389
Notes Payable		<u>3,568,522</u>
Net Cash Provided by (used in) Financing Activities	\$	4,711,911
Cash and Cash Equivalents at End of Period	\$	5,635,877
Net Increase (Decrease) in Cash and Cash Equivalents	\$	4,119,061

Marklund Charities
May 2020 Financial Statement

INDEX	PAGE NUMBER
Balance Sheet	11
Pledges Receivable Detail	12
Income Statement	13
Revenue Breakdown	14

DATE: June 12, 2020
TO: Board of Directors, Marklund
FROM: Kudus O. Badmus, Chief Financial Officer *KOB*
SUBJECT: Summary Comments, Marklund Charities
May 2020 Financial Statements

Income Statement:

Fund-raising Income – Net Fund-raising Income is favorable to budget by \$1.1M or 21%. Unrestricted Gifts and Grants is favorable to budget by approximately \$1.6M. As mentioned in previous statements, this is due to an unexpected \$1M donation we received in March. It is also noteworthy to mention that \$750K of this donation was designated to Capital Campaign by management. The Restricted program, unfavorable to budget by \$142K, mostly due to timing of grant writing.

Fund-raising Expenses – YTD salaries & benefits is unfavorable to budget by \$43K due to some salary adjustments and an increase in the benefits percentage calculation.

Endowment Income & Unrealized Gain/ (Loss) – YTD activities noted a combined Net Gain of \$259K including approximately \$382K in Fixed Income, a Realized Gain of \$331K and an Unrealized Loss of \$454K. Please see the summarized TCI report (Tab 3).

Public Relations – Public Relations expenses are unfavorable to budget by \$8K or 6%.

Net Proceeds - YTD results noted a Net Gain of \$5.3M, favorable to budget by approximately \$1.3M.

Marklund Charities

Balance Sheet - May 2020

FY2020

Cash & Cash Equivalents - Depreciation Reserve Fund	\$	1,620,610			
Restricted Cash-Grants & Donations		450,451		Accounts Payable	\$ 405
Cash - Auxiliary/ Operations		2,473,964		Due to Marklund	173,874
Petty Cash		200		Accrued Legal & Audit	25,955
Accounts Receivable		50,418		Accrued Liabilities-Other	106,601
Prepaid Other		31,798			
Due From Marklund		<u>1,000,050</u>		Total Current Liabilities	\$ 306,836
Total Current Assets	\$	5,627,490			
Restricted Pledges Receivable	\$	0			
Restricted Allowance & Discount for Pledges Receivable		<u>0</u>		Net Assets	
Total Pledges	\$	0		Net Assets - Beginning of Year	15,682,163
Land	\$	159,525		Board Restricted Endowment	1,000,000
Leasehold Improvements		0		Depreciation Reserve Fund	1,000,000
Furniture & Equipment		0		Net Assets - Transfer In	2,000,000
Accumulated Depreciation		<u>0</u>		Net Assets - Transfers (Out)	(2,746,796)
Total Fixed Assets	\$	159,525		Fundraising Contribution	5,427,521
Restricted -Capital Campaign Funds	\$	691,499		Public Relations	<u>(134,793)</u>
Capital Campaign Pledges (Net)		<u>2,086,758</u>		Total Net Assets	\$ 22,228,095
Total Capital Campaign Assets	\$	2,778,257			
Board Restricted Endowment Fund	\$	1,000,000		Total Liabilities & Net Assets	\$ 22,534,930
Endowment Income		2,893,610			
Net Endowment Unrealized Gain/ (Loss)		2,461,855			
Endowment Fund		7,614,194			
Endowment Pledges (Net)		<u>-</u>			
Total Endowment Assets	\$	13,969,659			
Total Assets	\$	22,534,930			

*Total Endowment Assets (not including pledges)
 May 2019 \$ 13,105,477
 May 2020 \$ 13,969,659

Marklund Charities
Pledges Receivable
Year to Date as of May 31, 2020

Capital Pledges:

(Pledges at Net Present Value before Allowance)

MDS-Geneva	\$2,137,250
Sub Total before allowance:	\$2,137,250
<i>Allowance</i>	<u><i>(50,493)</i></u>
Total Capital Pledge Balance	\$2,086,758

Marklund Charities
P & L - May 2020

	May 2020		Budget		Variance		May		% of total Fundraising			Y-T-D Last Year	
							Last Year	Y-T-D	income	Y-T-D Budget	Variance	% of variance	Year
Revenues													
Unrestricted Gifts & Grants	\$ 29,852	\$ 156,138	\$ (126,286)	\$ 155,131			\$ 2,683,764	44%	\$ 1,133,681	\$ 1,550,083	137%		\$ 758,958
Special Events (net)	1,147	0	1,147	342			598,532	10%	506,438	92,094	18%		459,467
Fund-in-Need	500	0	500	350			416,949	7%	400,000	16,949	4%		461,375
Community Events (net)	0	0	0	0			0	0%	0	0	0%		0
Capital Campaign	33,310	220,833	(187,523)	78,248			1,969,809	33%	2,429,167	(459,358)	-19%		1,685,420
Restricted Program	26,552	30,063	(3,511)	8,849			364,815	6%	506,881	(142,066)	-28%		502,391
Endowment	1,400	850	550	850			11,950	0%	9,350	2,600	28%		14,692
Other	0	0	0	0			0	0%	0	0	0%		0
Total Fundraising Income	\$ 92,761	\$ 407,884	\$ (315,123)	\$ 243,770			\$ 6,045,819	0	\$ 4,985,517	\$ 1,060,302	21%		\$ 3,882,303
Legacy													
Unrestricted Gifts & Grants	\$ 0	\$ 0	\$ 0	\$ 0			\$ 113,975						\$ 0
Capital Campaign	0	0	0	0			0						0
Restricted Program	0	0	0	0			0						0
Endowment	0	0	0	0			0						5,017
Total Legacy	\$ 0	\$ 0	\$ 0	\$ 0			\$ 113,975						\$ 5,017
Expenses													
Salaries & Benefits	\$ 74,786	\$ 65,949	\$ 8,837	\$ 73,043			\$ 762,959	13%	\$ 719,888	\$ 43,071			\$ 675,886
Employee Expenses	385	1,110	(726)	1,492			12,315	0%	14,884	(2,569)			12,595
Occupancy Expense	590	620	(30)	741			6,397	0%	6,820	(423)			8,448
Office Expenses	3,764	4,362	(598)	3,550			48,471	1%	49,903	(1,432)			43,324
Legal, Audit & Insurance	2,100	2,100	0	1,250			23,100	0%	23,100	0			13,750
Printing	2,470	4,138	(1,668)	2,331			29,517	0%	33,714	(4,197)			27,641
Other Expense	1,084	730	354	2,030			11,957	0%	11,690	267			14,182
Administrative-Outside Services	0	0	0	0			0	0%	0	0			27,132
Total Expenses	\$ 85,179	\$ 79,009	\$ 6,170	\$ 84,437			\$ 894,716	0%	\$ 859,999	\$ 34,717	4%		\$ 822,958
Net Fundraising	\$ 7,583	\$ 328,875	\$ (321,292)	\$ 159,333			\$ 5,151,102	85%	\$ 4,125,518	\$ 1,025,584	25%		\$ 3,059,346
Other Income													
Interest Income	\$ 192	\$ 0	\$ 192	\$ 4,740			\$ 17,306		\$ 0	\$ 17,306			\$ 37,397
Endowment Income	5,831	0	5,831	14,539			382,149		0	382,149			397,374
Endowment Realized Gain/ (Loss)	(148,450)	0	(148,450)	31			330,867		0	330,867			9,928
Endowment Unrealized Gain/ (Loss)	661,394	0	661,394	(547,340)			(453,904)		0	(453,904)			(585,020)
Net Other Income	\$ 518,967	\$ 0	\$ 518,967	\$ (528,030)			\$ 276,418		\$ 0	\$ 276,418			\$ (140,321)
Other Expense													
Public Relations	\$ 12,227	\$ 11,272	\$ 955	\$ 14,475			\$ 134,793		\$ 126,824	\$ 7,969			\$ 105,262
In Kind Expenses	0	0	0	0			0		0	0			0
In Kind Revenue	0	0	0	0			0		0	0			0
Net Proceeds	\$ 514,323	\$ 317,603	\$ 196,720	\$ (383,172)			\$ 5,292,728		\$ 3,998,694	\$ 1,294,034			\$ 2,813,764

Marklund Charities
Revenue Trend by Category
YTD May

Revenues	FY2020	FY2019	FY2018	FY2017	FY2016	FY2015
Unrestricted Gifts	\$ 239,960	\$ 195,179	\$ 192,858	\$ 136,256	\$ 149,757	\$ 165,535
Special Events (net)	598,532	459,467	529,330	366,433	507,760	445,700
Special Events (Fund-in-Need)	418,349	461,375	366,500	326,915	358,095	335,590
Community Events (net)	-	-	15,688	120,208	19,862	20,352
Restricted Program	31,623	71,625	46,284	77,482	18,768	13,550
Endowment	8,550	9,675	10,227	7,535	6,286	4,372
Major gifts (single gift of \$15k+)	2,155,300	508,255	601,770	917,476	491,790	454,406
Direct Mail/ Care Letter/ WEB	177,581	188,931	178,589	145,005	153,541	142,603
Grants	264,199	174,310	174,391	268,401	154,716	172,679
CDBG	-	-	-	-	-	45,630
Third Party	40,441	70,599	90,112	59,889	31,226	52,170
Corporate Partners	27,500	52,450	31,083	26,680	14,040	22,200
Other	-	-	-	839	743	-
Total Fundraising Income	\$ 3,962,035	\$ 2,191,866	\$ 2,236,832	\$ 2,453,119	\$ 1,906,584	\$ 1,874,788
Capital Campaign	\$ 1,969,809	\$ 1,685,420	\$ 449	\$ 20,190	\$ 3,685	\$ 700
Legacies/Bequests	\$ 113,975	\$ 5,017	\$ 755,366	\$ 1,039,400	\$ 13,652	\$ 539,929

MARKLUND PORTFOLIO

PORTFOLIO PERFORMANCE REPORT

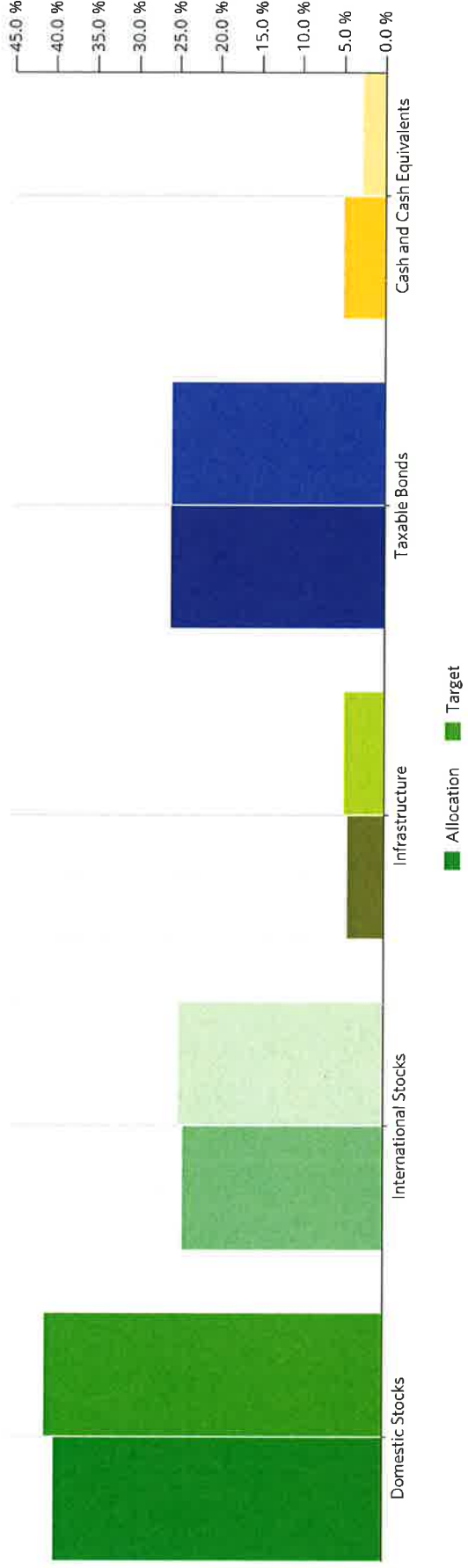
As of 6/16/2020

ACCOUNTS

XXXXX4486.....MARKLUND CHILDREN'S HOME ANN HASKINS SCHOOL END
XXXXX4481.....MARKLUND CHILDREN'S HOME ENDOWMENT FUND
XXXXX4484.....MARKLUND CHILDREN'S HOME ENDOWMENT FUND SALARIES/
XXXXX4483.....MARKLUND CHILDREN'S HOME ENDOWMENT FUND- POOL
XXXXX4480.....MARKLUND CHILDREN'S HOME FOR HORT & PRODUCTIONS
XXXXX4485.....MARKLUND CHILDREN'S HOME FOR RESPITE SERVICES

*Investment advisory services provided through TC Wealth Partners, LLC, an investment advisor registered with the U.S. Securities and Exchange Commission. Trust services and retirement plan services are provided by the Trust Company of Illinois, a trust company chartered by the Illinois Department of Financial and Professional Regulation. Past performance is not indicative of future results.

Portfolio - Actual vs. Target Allocation



	Allocation	Target	Allocation Difference	Ending Value	Target Value	Market Value Difference
MARKLUND PORTFOLIO	100.0%	100.0%		14,260,098.41		
Domestic Stocks	39.8%	41.0%	-1.2%	5,676,666.53	5,846,640.35	-169,973.82
International Stocks	24.4%	25.0%	-0.6%	3,482,166.77	3,565,024.60	-82,857.83
Infrastructure	4.6%	5.0%	-0.4%	650,048.72	713,004.92	-62,956.20
Taxable Bonds	26.1%	26.0%	0.1%	3,715,244.87	3,707,625.59	7,619.28
Cash and Cash Equivalents	5.2%	3.0%	2.2%	735,971.52	427,802.95	308,168.57

MARKLUND PORTFOLIO
As of 6/16/2020

	Symbol	Units	Cost Basis	Ending Value	Price	Total UGL	Allocation	Target	Yield	Projected Income
MARKLUND PORTFOLIO										
■ Domestic Stocks			13,053,509.82	14,260,098.41		1,206,588.59	100.0%	100.0%	1.7%	242,093.24
■ Large Cap			4,781,781.25	5,676,666.53		894,885.28	39.8%	41.0%	1.0%	57,939.64
FIDELITY 500 INDEX FUND	FXAIX	10,763.78	4,216,767.28	5,159,871.26		943,103.98	36.2%	37.0%	1.1%	55,807.51
POLEN GROWTH FUND INST'L SHARES	POLIX	34,748.39	1,158,754.62	1,170,561.29	108.75	11,806.67	8.2%		2.1%	24,487.60
VANGUARD DIVIDEND GROWTH	VDIGX	64,936.29	1,021,950.00	1,320,786.11	38.01	298,836.11	9.3%		0.0%	0.00
VANGUARD PRIMECAP FUND ADMIRAL	VPMAX	5,760.89	394,110.74	783,423.30	135.99	389,312.56	13.2%		1.1%	20,643.25
■ Small Cap			565,013.97	516,795.27		-48,218.70	3.6%	4.0%	0.4%	2,132.13
FULLER & THALER BEHVCORE EQ SELECT	FTHSX	21,372.84	565,013.97	516,795.27	24.18	-48,218.70	3.6%		0.4%	2,132.13
■ International Stocks			3,246,045.53	3,482,166.77		236,121.24	24.4%	25.0%	0.7%	24,621.00
■ Developed International Markets			2,255,291.56	2,502,098.57		246,807.01	17.5%	18.0%	0.5%	12,767.42
MORGAN STANLEY GLBL FRANCHISE CLASS I	MSFAX	35,084.52	988,774.97	997,452.93	28.43	8,677.96	7.0%		1.0%	9,523.52
WCM FOCUSED INTERNATIONAL GROWTH	WCMIX	78,204.04	1,266,516.59	1,504,645.63	19.24	238,129.04	10.6%		0.2%	3,243.90
■ Emerging Markets			990,753.97	980,068.21		-10,685.76	6.9%	7.0%	1.2%	11,853.58
GQG PARTNERS EMERGING MARKETS EQUITY FUN...	GQGIX	76,033.22	990,753.97	980,068.21	12.89	-10,685.76	6.9%		1.2%	11,853.58
■ Infrastructure			684,048.26	650,048.72		-33,999.54	4.6%	5.0%	5.4%	35,103.16
■ Infrastructure			684,048.26	650,048.72		-33,999.54	4.6%	5.0%	5.4%	35,103.16
LAZARD GLOBAL INFRASTRUCTURE	GLIFX	44,371.93	684,048.26	650,048.72	14.65	-33,999.54	4.6%		5.4%	35,103.16
■ Taxable Bonds			3,605,663.26	3,715,244.87		109,581.61	26.1%	26.0%	3.3%	124,332.29
■ Taxable Bonds			3,605,663.26	3,715,244.87		109,581.61	26.1%	26.0%	3.3%	124,332.29
BLACKROCK STRATEGIC INCOME OPPORTUNITIES	BSIIX	56,942.69	559,765.07	561,454.89	9.86	1,689.82	3.9%		3.1%	17,578.21
DODGE & COX INCOME FUND	DODIX	120,390.78	1,655,456.59	1,760,113.22	14.62	104,656.63	12.3%		2.9%	50,202.96
PERFORMANCE TRUST TOTAL RETURN BOND	PTIAX	61,831.27	1,390,441.60	1,393,676.76	22.54	3,235.16	9.8%		4.1%	56,551.12
■ Cash and Cash Equivalents			735,971.52	735,971.52		0.00	5.2%	3.0%	0.0%	97.15
■ Money Markets			735,971.52	735,971.52		0.00	5.2%	3.0%	0.0%	97.15
FIDELITY CASH RESERVES	FDRXX	735,971.52	735,971.52	735,971.52	1.00	0.00	5.2%		0.0%	97.15

	Symbol	Units	Cost Basis	Ending Value	Price	Total UGL	Allocation	Target	Yield	Projected Income
XXXXX4481 - MARKLUND CHILDREN'S HOME ENDO...										
Domestic Stocks										
■ Large Cap			3,469,664.14	4,111,165.69		641,501.55	39.8%	41.0%	1.0%	41,960.00
FIDELITY 500 INDEX FUND			3,060,131.14	3,736,779.76		676,648.62	36.2%	37.0%	1.1%	40,415.40
POLEN GROWTH FUND INST'L SHARES	FXAIX	7,796.94	839,886.82	847,917.66	108.75	8,030.84	8.2%	8.5%	2.1%	17,738.05
POLEN GROWTH FUND INST'L SHARES	POLIX	25,170.66	740,269.00	956,736.63	38.01	216,467.63	9.3%	8.5%	0.0%	0.00
VANGUARD DIVIDEND GROWTH	VDIGX	47,011.47	1,189,258.40	1,364,743.09	29.03	175,484.69	13.2%	14.0%	1.1%	14,944.95
VANGUARD PRIMECAP FUND ADMIRAL	VPMAX	4,172.24	290,716.92	567,382.37	135.99	276,665.45	5.5%	6.0%	1.4%	7,732.40
Small Cap			409,533.00	374,385.93		-35,147.07	3.6%	4.0%	0.4%	1,544.60
FULLER & THALER BEHVCORE EQ SELECT	FTHSX	15,483.29	409,533.00	374,385.93	24.18	-35,147.07	3.6%	4.0%	0.4%	1,544.60
International Stocks										
■ Developed International Markets			1,634,153.92	1,812,854.63		178,700.71	17.6%	18.0%	0.5%	9,251.14
MORGAN STANLEY GBL FRANCHISE CLASS I	MSFAX	25,423.31	716,683.00	722,784.59	28.43	6,101.59	7.0%	7.0%	1.0%	6,901.03
WCM FOCUSED INTERNATIONAL GROWTH	WCMIX	56,656.45	917,470.92	1,090,070.04	19.24	172,599.12	10.6%	11.0%	0.2%	2,350.11
Emerging Markets			718,198.00	710,406.31		-7,791.69	6.9%	7.0%	1.2%	8,592.11
GQG PARTNERS EMERGING MARKETS EQUITY FUND I...	GQGIX	55,112.98	718,198.00	710,406.31	12.89	-7,791.69	6.9%	7.0%	1.2%	8,592.11
Infrastructure										
■ Infrastructure			495,672.57	471,025.44		-24,647.13	4.6%	5.0%	5.4%	25,435.76
LAZARD GLOBAL INFRASTRUCTURE	GLIFX	32,151.91	495,672.57	471,025.44	14.65	-24,647.13	4.6%	5.0%	5.4%	25,435.76
Taxable Bonds										
■ Taxable Bonds			2,612,727.41	2,693,135.11		80,407.70	26.1%	26.0%	3.3%	90,128.43
BLACKROCK STRATEGIC INCOME OPPORTUNITIES	BSIIX	41,283.55	405,095.83	407,055.81	9.86	1,959.98	3.9%	4.0%	3.1%	12,744.23
DODGE & COX INCOME FUND	DODIX	87,257.97	1,199,607.22	1,275,711.45	14.62	76,104.23	12.4%	12.0%	2.9%	36,386.57
PERFORMANCE TRUST TOTAL RETURN BOND	PTIAX	44,825.55	1,008,024.36	1,010,367.85	22.54	2,343.49	9.8%	10.0%	4.1%	40,997.63
Cash and Cash Equivalents										
Money Markets			526,687.84	526,687.84		0.00	5.1%	3.0%	0.0%	69.52
FIDELITY CASH RESERVES	FDRXX	526,687.84	526,687.84	526,687.84	1.00	0.00	5.1%	3.0%	0.0%	69.52
FIDELITY CASH RESERVES			526,687.84	526,687.84	1.00	0.00	5.1%	3.0%	0.0%	69.52

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	Symbol	Units	Cost Basis	Ending Value	Price	Total UGL	Allocation	Target	Yield	Projected Income
XXXXX4483 - MARKLUND CHILDREN'S HOME ENDOWMENT...										
■ Domestic Stocks			310,939.88	339,199.29		28,259.41	100.0%	100.0%	1.7%	5,764.35
■ Large Cap			114,078.10	135,143.92		21,065.82	39.8%	41.0%	1.0%	1,379.43
FIDELITY 500 INDEX FUND			100,635.10	122,854.63		22,219.53	36.2%	37.0%	1.1%	1,328.73
POLEN GROWTH FUND INST'L SHARES	FXAIX	256.14	27,570.82	27,855.12	108.75	284.30	8.2%	8.5%	2.1%	582.72
VANGUARD DIVIDEND GROWTH	POLIX	826.86	24,318.00	31,429.02	38.01	7,111.02	9.3%	8.5%	0.0%	0.00
VANGUARD PRIMECAP FUND ADMIRAL	VDIGX	1,548.24	39,077.12	44,945.44	29.03	5,868.32	13.3%	14.0%	1.1%	492.19
■ Small Cap			9,669.16	18,625.05	135.99	8,955.89	5.5%	6.0%	1.4%	253.83
FULLER & THALER BEHVCORE EQ SELECT	VPMAX	136.96	9,669.16	18,625.05	135.99	8,955.89	5.5%	6.0%	1.4%	253.83
■ International Stocks			13,443.00	12,289.29		-1,153.71	3.6%	4.0%	0.4%	50.70
FULLER & THALER BEHVCORE EQ SELECT	FTHSX	508.24	13,443.00	12,289.29	24.18	-1,153.71	3.6%	4.0%	0.4%	50.70
■ Developed International Markets			77,322.48	82,871.68		5,549.20	24.4%	25.0%	0.7%	585.81
MORGAN STANLEY GLBL FRANCHISE CLASS I	MSFAX	834.55	53,747.48	59,552.43	28.43	5,804.95	17.6%	18.0%	0.5%	303.77
WCM FOCUSED INTERNATIONAL GROWTH	WCMIX	1,862.07	30,221.48	35,826.15	19.24	5,604.67	10.6%	11.0%	0.2%	77.24
■ Emerging Markets			23,575.00	23,319.25		-255.75	6.9%	7.0%	1.2%	282.04
GQG PARTNERS EMERGING MARKETS EQUITY FUND INSTITUTIO...	GQGIX	1,809.10	23,575.00	23,319.25	12.89	-255.75	6.9%	7.0%	1.2%	282.04
■ Infrastructure			16,333.30	15,522.44		-810.86	4.6%	5.0%	5.4%	838.22
LAZARD GLOBAL INFRASTRUCTURE	GLIFX	1,059.55	16,333.30	15,522.44	14.65	-810.86	4.6%	5.0%	5.4%	838.22
■ Taxable Bonds			85,951.16	88,406.41		2,455.25	26.1%	26.0%	3.3%	2,958.60
Taxable Bonds			85,951.16	88,406.41		2,455.25	26.1%	26.0%	3.3%	2,958.60
BLACKROCK STRATEGIC INCOME OPPORTUNITIES	BSIIX	1,355.20	13,426.33	13,362.25	9.86	-64.08	3.9%	4.0%	3.1%	418.35
DODGE & COX INCOME FUND	DODIX	2,864.41	39,433.58	41,877.63	14.62	2,444.05	12.3%	12.0%	2.9%	1,194.46
PERFORMANCE TRUST TOTAL RETURN BOND	PTIAX	1,471.45	33,091.25	33,166.53	22.54	75.28	9.8%	10.0%	4.1%	1,345.80
■ Cash and Cash Equivalents			17,254.84	17,254.84		0.00	5.1%	3.0%	0.0%	2.28
Money Markets			17,254.84	17,254.84		0.00	5.1%	3.0%	0.0%	2.28
FIDELITY CASH RESERVES	FDRXX	17,254.84	17,254.84	17,254.84	1.00	0.00	5.1%	3.0%	0.0%	2.28

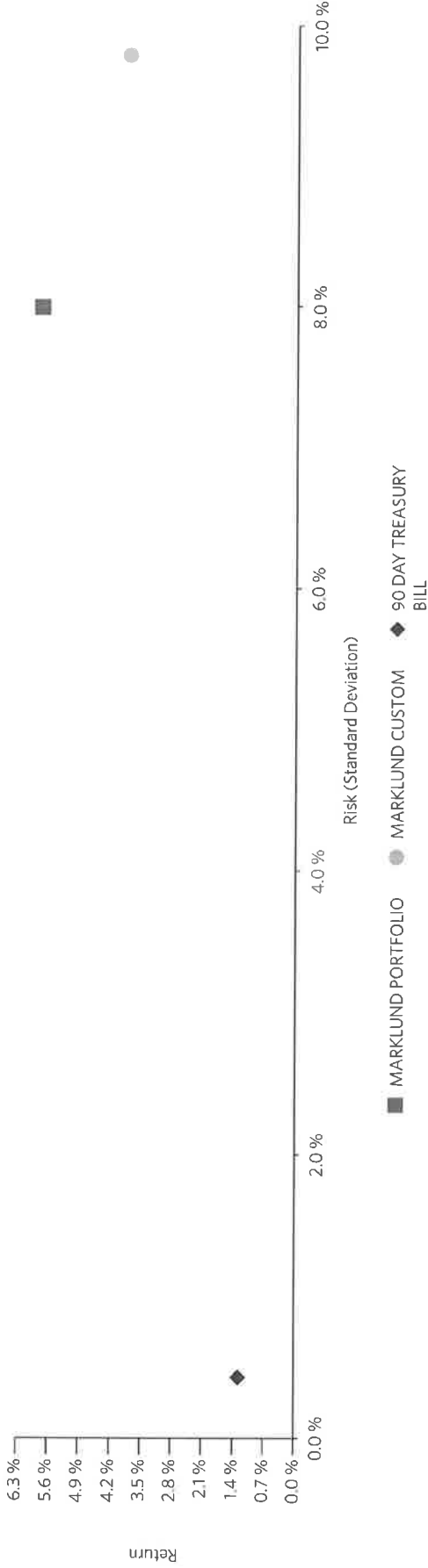
	Symbol	Units	Cost Basis	Ending Value	Price	Total UGL	Allocation	Target	Yield	Projected Income
XXXXX4485 - MARKLUND CHILDREN'S HOME FOR RESPITE S...										
Domestic Stocks										
■ Large Cap			49,317.90	59,413.13		10,095.23	40.1%	41.0%	1.0%	606.68
	FIDELITY 500 INDEX FUND		43,519.91	53,989.70		10,469.79	36.4%	37.0%	1.1%	584.30
	POLN GROWTH FUND INST'L SHARES	112.50	11,891.69	12,234.81	108.75	343.12	8.3%	8.5%	2.1%	255.95
	VANGUARD DIVIDEND GROWTH	363.18	10,681.00	13,804.32	38.01	3,123.32	9.3%	8.5%	0.0%	0.00
	VANGUARD PRIMECAP FUND ADMIRAL	676.24	16,879.75	19,631.25	29.03	2,751.50	13.3%	14.0%	1.1%	214.98
■ Small Cap			4,067.47	8,319.32	135.99	4,251.85	5.6%	6.0%	1.4%	113.38
	FULLER & THALER BEHVCORE EQ SELECT	224.29	5,797.99	5,423.43	24.18	-374.56	3.7%	4.0%	0.4%	22.38
International Stocks										
■ Developed International Markets			33,440.09	36,112.19		2,672.10	24.4%	25.0%	0.7%	254.13
	MORGAN STANLEY GBL FRANCHISE CLASS I	364.08	10,146.99	10,350.88	28.43	203.89	7.0%	7.0%	1.0%	98.83
	WCM FOCUSED INTERNATIONAL GROWTH	817.24	13,174.11	15,723.70	19.24	2,549.59	10.6%	11.0%	0.2%	33.90
■ Emerging Markets			10,118.99	10,037.61		-81.38	6.8%	7.0%	1.2%	121.40
	GOG PARTNERS EMERGING MARKETS EQUITY FUND INSTITUTION...	778.71	10,118.99	10,037.61	12.89	-81.38	6.8%	7.0%	1.2%	121.40
Infrastructure										
■ Infrastructure			7,077.09	6,731.10		-345.99	4.5%	5.0%	5.4%	363.49
	LAZARD GLOBAL INFRASTRUCTURE	459.46	7,077.09	6,731.10	14.65	-345.99	4.5%	5.0%	5.4%	363.49
Taxable Bonds										
■ Taxable Bonds			36,912.86	37,971.97		1,059.11	25.6%	26.0%	3.3%	1,269.84
	BLACKROCK STRATEGIC INCOME OPPORTUNITIES	578.04	5,741.53	5,699.44	9.86	-42.09	3.8%	4.0%	3.1%	178.44
	DODGE & COX INCOME FUND	1,237.66	17,031.10	18,094.55	14.62	1,063.45	12.2%	12.0%	2.9%	516.10
	PERFORMANCE TRUST TOTAL RETURN BOND	629.01	14,140.23	14,177.98	22.54	37.75	9.6%	10.0%	4.1%	575.30
Cash and Cash Equivalents										
■ Money Markets			7,930.72	7,930.72		0.00	5.4%	3.0%	0.0%	1.05
	FIDELITY CASH RESERVES	7,930.72	7,930.72	7,930.72	1.00	0.00	5.4%	3.0%	0.0%	1.05

Class Performance Summary

	Ending Value	Last 3 Months	Year To Date	Last 12 Months	Last 3 Years	Last 5 Years	Last 10 Years	Since 12/1/2002
		Return	Return	Return	Return	Return	Return	Return
MARKLUND PORTFOLIO	14,260,098.41	19.4%	-2.4%	6.0%	4.8%^{1 2}	4.1%^{1 2}	5.4%^{1 2}	5.8%^{1 2}
MARKLUND-CUSTOM		21.7%	-3.3%	9.2%	4.5%	4.2%	7.0%	3.9%
Domestic Stocks	5,676,666.53	29.8%	-3.6%	8.5%	9.6%^{1 2}	9.3%^{1 2}	12.9%^{1 2 3}	10.2%^{1 2 3}
RUSSELL INDEX 3000 WITH/DIV		33.5%	-2.8%	9.4%	10.7%	9.8%	13.3%	9.9%
Large Cap	5,159,871.26	29.8%	-2.7%	10.0%	-2 3	-2 3	-2 3	8.3%^{2 3}
RUSSELL INDEX 1000 WITH/DIV - (Daily)		33.1%	-2.1%	10.3%	-2.1%	-2.1%	-2.1%	8.6%
Small Cap	516,795.27	30.1%	-11.5%	-2.4%	-2 3	-2 3	-2 3	-0.9%^{2 3}
RUSSELL INDEX 2000 WITH/DIV		40.5%	-12.4%	-3.2%	-2.8%	-2.4%	-2.3%	-0.9%
International Stocks	3,482,166.77	28.7%	-4.4%	7.4%	4.0%^{1 2}	4.8%^{1 2}	7.4%^{1 2}	9.5%^{1 2 3}
ACWORLD INDEX EX USA GROSS IN USD		25.7%	-10.3%	-10.8%	11.9%	2.3%	5.3%	7.5%
Developed International Markets	2,502,098.57	30.7%	-4.6%	8.7%	-2 3	-2 3	-2 3	0.8%^{2 3}
MSCI EAFE INDEX NET IN USD		27.7%	-10.4%	-1.3%	-2.4%	-2.4%	-2.4%	-2.4%
Emerging Markets	980,068.21	23.8%	-4.0%	5.0%	-2 3	-2 3	-2 3	-2.1%^{2 3}
MSCI EMERGING MARKETS NET IN USD		19.6%	-10.5%	0.0%	-2.1%	-2.1%	-2.1%	-3.9%
Infrastructure	650,048.72	24.5%	-5.7%	0.7%	-2 3	-2 3	-2 3	2.3%^{2 3}
DJ BRKFD GBL INFRAST IDX USD DIBGI		24.0%	-10.3%	-4.1%	-2.3%	-2.3%	-2.3%	2.5%
Infrastructure	650,048.72	24.5%	-5.7%	0.7%	-2 3	-2 3	-2 3	2.3%^{2 3}
DJ BRKFD GBL INFRAST IDX USD DIBGI		24.0%	-10.2%	-4.4%	-2.3%	-2.3%	-2.3%	-2.5%
Taxable Bonds	3,715,244.87	3.1%	2.6%	5.9%	4.0%^{1 2}	3.6%^{1 2}	3.6%^{1 2}	4.4%^{1 2 3}
BUMBRG BARCLAYS AGGR BOND INDEX		2.4%	3.7%	9.2%	5.2%	4.0%	5.9%	4.4%
Taxable Bonds	3,715,244.87	3.1%	2.6%	5.9%	-2 3	-2 3	-2 3	4.0%^{2 3}
BBG BARC MACRO INDEX US UNIVERSAL IV		3.0%	4.9%	5.5%	-2.1%	-2.1%	-2.1%	5.6%
Cash and Cash Equivalents	735,971.52	0.0%	0.3%	1.2%	1.4%^{1 2}	0.9%^{1 2}	0.5%^{1 2}	1.3%^{1 2}
90 DAY TREASURY BILL		0.0%	0.2%	1.3%	1.6%	1.4%	0.6%	1.2%
Money Markets	735,971.52	0.0%	0.3%	1.2%	-2 3	-2 3	-2 3	1.5%^{2 3}

TWRR: Time Weighted Rate of Return. Portfolio returns are Net of Fees. Asset Class returns are Gross of Fees. Some benchmarks may contain monthly data points that are subject to future amendments.

Risk/Return Analysis Since Inception



	Start Date	Return	Standard Deviation	Alpha	Beta	R-Squared
MARKLUND PORTFOLIO	12/1/2002	5.8% ^{1 2}	8.0%	2.5%	0.7	0.8
MARKLUND CUSTOM		3.9%	4.8%			
90 DAY TREASURY BILL		1.3%	0.4%			

¹ Level contains historical performance data, ² Annualized return

Annual Time Weighted Returns



Year To Date	Return	Year To Date	Return	Year To Date	Return	Year To Date	Return	Year To Date	Return	Year To Date	Return
1/1/2019 - 12/31/2019	-2.4%	1/1/2019 - 12/31/2019	18.0%	1/1/2018 - 12/31/2018	-7.1%	1/1/2018 - 12/31/2018	18.0%	1/1/2017 - 12/31/2017	13.6%	1/1/2017 - 12/31/2017	13.6%
1/1/2018 - 12/31/2018	-7.1%	1/1/2016 - 12/31/2016	6.2%	1/1/2015 - 12/31/2015	-3.2%	1/1/2015 - 12/31/2015	-3.3%	1/1/2014 - 12/31/2014	2.9%	1/1/2014 - 12/31/2014	5.8%
1/1/2017 - 12/31/2017	13.6%	1/1/2013 - 12/31/2013	9.3%	1/1/2012 - 12/31/2012	10.0%	1/1/2012 - 12/31/2012	11.0%	1/1/2011 - 12/31/2011	0.4%	1/1/2011 - 12/31/2011	0.5%
1/1/2016 - 12/31/2016	6.2%	1/1/2012 - 12/31/2012	9.3%	1/1/2011 - 12/31/2011	10.0%	1/1/2010 - 12/31/2010	11.0%	1/1/2010 - 12/31/2010	8.5%	1/1/2010 - 12/31/2010	14.2%
1/1/2015 - 12/31/2015	-3.2%	1/1/2011 - 12/31/2011	0.4%	1/1/2010 - 12/31/2010	0.4%	1/1/2010 - 12/31/2010	0.5%				
1/1/2014 - 12/31/2014	2.9%										
1/1/2013 - 12/31/2013	9.3%										
1/1/2012 - 12/31/2012	10.0%										
1/1/2011 - 12/31/2011	0.4%										
1/1/2010 - 12/31/2010	8.5%										

¹ Level contains historical performance data

Asset Growth Summary

	Beginning Value	Net Additions	Net Gain	Ending Value
Q1 2008	8,937,821.00	-19,746.00	-191,157.00	8,726,918.00
Q2 2008	8,726,918.00	-3,125.00	9,573.00	8,733,366.00
Q3 2008	8,733,366.00	-109,851.00	-701,257.00	7,922,258.00
Q4 2008	7,922,258.00	31,123.00	-909,234.00	7,044,147.00
2008	8,937,821.00	-101,599.00	-1,792,075.00	7,044,147.00
Q1 2009	7,044,147.00	8,307.00	-240,994.00	6,811,460.00
Q2 2009	6,811,460.00	8,057.00	649,057.00	7,468,574.00
Q3 2009	7,468,574.00	-1,443.00	678,585.00	8,145,716.00
Q4 2009	8,145,716.00	-1,443.00	196,502.00	8,340,775.00
2009	7,044,147.00	13,478.00	1,283,150.00	8,340,775.00
Q1 2010	8,340,775.00	-349,399.00	171,766.00	8,163,142.00
Q2 2010	8,163,142.00	-97,769.00	-277,700.00	7,787,673.00
Q3 2010	7,787,673.00	-303,611.00	514,634.00	7,998,696.00
Q4 2010	7,998,696.00	-152,659.00	251,950.00	8,097,987.00
2010	8,340,775.00	-903,438.00	660,650.00	8,097,987.00
Q1 2011	8,097,987.00	-2,225.00	188,579.00	8,284,341.00
Q2 2011	8,284,341.00	-67,386.00	85,555.00	8,302,510.00
Q3 2011	8,302,510.00	-1,473.00	-584,018.00	7,717,019.00
Q4 2011	7,717,019.00	-94,929.00	345,558.00	7,967,648.00
2011	8,097,987.00	-166,013.00	35,674.00	7,967,648.00
Q1 2012	7,967,648.00	-69,272.00	477,592.00	8,375,968.00
Q2 2012	8,375,968.00	-57,416.00	-145,240.00	8,173,312.00
Q3 2012	8,173,312.00	-24,645.00	334,001.00	8,482,668.00
Q4 2012	8,482,668.00	-36,034.00	120,398.00	8,567,032.00
2012	7,967,648.00	-187,367.00	786,751.00	8,567,032.00
Q1 2013	8,567,032.00	-4,859.00	297,639.00	8,859,812.00
Q2 2013	8,859,812.00	-31,283.00	-115,897.00	8,712,632.00

Asset Growth Summary

	Beginning Value	Net Additions	Net Gain	Ending Value
2018	13,279,373.59	19,020.03	-939,822.22	12,359,617.33
Q1 2019	12,359,617.33	2,600.00	966,249.77	13,327,237.30
Q2 2019	13,327,237.30	2,550.00	366,105.13	13,698,622.00
Q3 2019	13,698,622.00	2,595.57	44,395.85	13,747,054.61
Q4 2019	13,747,054.61	3,540.23	852,906.17	14,600,943.71
2019	12,359,617.33	11,285.80	2,229,656.91	14,600,943.71
Q1 2020	14,600,943.71	3,515.21	-2,079,209.21	12,532,199.72
Q2 2020 ¹	12,532,199.72	1,800.00	1,724,718.20	14,260,098.41
2020 ¹	14,600,943.71	5,315.21	-354,491.01	14,260,098.41
Since 12/1/2002	0.00	5,555,529.04	8,704,569.36	14,260,098.41

¹ Partial period

Class and Segment and Asset Detail

	Ending Value	Allocation	Last 3 Months Return	Year To Date Return	Last 12 Months Return	Last 3 Years Return	Last 5 Years Return	Last 10 Years Return	Since 12/1/2002 Return
BBG BARC MACRO INDEX US UNIVERSAL IV			3.0%	4.9%	8.5%	-2.3	-2.3	-2.3	5.6% ²
BLACKROCK STRATEGIC INCOME OPPORTUNITIES	561,454.89	3.9%	4.2%	0.0%	3.6%	-2.3	-2.3	-2.3	2.8% ²
DODGE & COX INCOME FUND	1,760,113.22	12.3%	6.2%	5.2%	9.4%	-2.3	-2.3	-2.3	5.9% ²
PERFORMANCE TRUST TOTAL RETURN BOND	1,393,676.76	9.8%	-0.9%	0.4%	2.6%	-2.3	-2.3	-2.3	4.1% ²
Cash and Cash Equivalents	735,971.52	5.2%	0.0%	0.3%	1.2%	1.4%¹	0.9%¹	0.5%¹	1.3%¹
Money Markets									
90 DAY TREASURY BILL	735,971.52	5.2%	0.0%	0.3%	1.2%	-2.3	-2.3	-2.3	1.5% ²
FIDELITY CASH RESERVES	735,971.52	5.2%	0.0%	0.3%	1.3%	-2.3	-2.3	-2.3	1.7% ²

¹ Level contains historical performance data, ² Annualized return, ³ Not held for the entire period

MARKLUND
MINUTES OF THE FINANCE COMMITTEE MEETING
Thursday, January 30, 5:30 P.M.
Marklund Hyde Center
Geneva, IL

CALL TO ORDER

Mike Herlihy called the meeting to order at 5:30 p.m.

ALSO PRESENT

Jeff Blanchette, Sonya Evanosky, Melissa Kud, Frank Murnane

Via Phone

Gerry Estes

GUEST

Bill Giffin, TC Wealth Partners

STAFF

Kudus Badmus, Gil Fonger, Mary Kobbeman

PREVIOUS MINTUES

Mike H. asked for a motion to approve the meeting minutes of 10/25/2019. Frank M. motioned, Gerry E. seconded. All were in favor and the minutes were approved without exception.

TCI Endowment Report

Bill Giffin provided a summary of the TCI Endowment report for 2019. He shared with the committee that the investment results were a lot easier to report compared to last year when the markets were doing poorly. He continued stating that this year every asset class did very well; household balance sheet looked very good and the unemployment rate stayed very low. The outlook for 2020 indicates that the markets will remain stable. Although some level of volatility should be expected, no major downturn in the economy is anticipated. Politics, including the China and Iran situation is not anticipated to hugely affect the market. Reporting on the Marklund portfolio, he stated that in the last 12 months the portfolio has a net gain of \$2.2M or 18%. Bill G. added that in January 2020, the gain has increased to \$2.4M. He also reviewed the investment strategy and asset allocation as approved by the board. Gil F. asked if the allocation table still give TCI the ability to react quickly to the market or whether there need to be an adjustment/change. Bill G. responded that no change in strategy would be recommended at this time. On that note, Bill G. concluded his report.

FINANCIAL STATEMENTS

Kudus opened by going over the Balance Sheet and with particular attention to Construction in Progress and Notes Payables sections. He mentioned that \$4.2M has been paid to date on the Geneva school construction of which \$700K came from donations and \$3.5M from borrowed funds. Currently, there is \$5.5M available in the construction loan. He further mentioned that collected capital Campaign cash of \$765K is presently available to cover part of future construction draws. Kudus also gave a brief analysis of the number of pledges received to date; out of the 43 written pledges on the books, only 6 have not made their first year payment of the 5-year pledge. He mentioned that the

Kudus mentioned to the committee that this is the year Marklund will conduct a RFP for the Employee Retirement Plan. The goal is to complete the process before July 1, 2020.

ADJOURNMENT

With no further business, Mike H. called for a motion to adjourn. Jeff B. motioned, Mike H. seconded, and the meeting was adjourned at 6:46 p.m.

Fiscal Year 2021 Budget Marklund

Executive Summary

Marklund's consolidated revenue of \$35.1M for FY 2021 represents an increase of \$150K or 0.4% over FY 2020 year-end projections. Expenses total \$37.4M, an increase of \$4.7M or 14%. Of this increase, the Geneva Day School accounts for \$3.2M, CDS-Roselle \$488K, while merit increases (3%) plus benefits represent approximately \$750K. Investment in the school will be captured in future cost report submissions to the Illinois State Board of Education (ISBE). The initial expenses of \$240K related to the new Marklund E-Communities program will come from existing donated funds.

The new school in Geneva was anticipated to hit the floor running but current environment and the lack of opportunity to enroll new students at this time has necessitated budgeting all our school programs conservatively. While the environment may not be stable due to the Covid-19 pandemic, interest in our new school continues to grow. We are very optimistic that once things settle and some sort of normalcy returns, student enrollment will improve. That said, we budget enrollment in our school programs to progressively increase from 67 students at the beginning of the school year to 89 throughout FY 2021.

In FY 2021, we will start a new CDS program to be located in Roselle Illinois. This program will serve 36 community clients consisting of 21 private pay and 15 individuals with 31U funding. Included in your packet is the 3-year proforma for this program. Additionally, we will embark on a new initiative dubbed "Marklund E-Communities". This program will be designed to virtually bring services to individuals with I/DD in Illinois who are not currently receiving services. The initial investment will approximate \$240K, mainly staffing cost.

Our residential program will serve 174 residents while the Community Day Services including the new Roselle location will serve 208 clients.

We incorporated an average merit increase of 3% to eligible employees. Blue Cross did not increase our health insurance premium; consequently, we did not pass any increases to the staff.

Marklund is projecting a GAAP operating loss of \$4.2M or a net income of \$1.7M after adding back non-cash items of depreciation and bad debt allowances; the Development Department is expected to add a net income of \$1.9M, resulting in a consolidated net revenue of \$238K.

Marklund
Fiscal Year 2021
Budget Summary by Program

	Philip Center	Wasmond Center	Mill Creek-16 Bed Homes	Community Day Services	Day School	Admin	Trans	Virtual Community Program	Total	Charities	Consolidated
Revenue											
Program Revenue	\$ 3,519,420	\$ 8,623,623	\$ 8,631,614	\$ 4,009,611	\$ 7,059,797	\$ -	\$ -	\$ -	\$ 31,844,065	\$ -	\$ 31,844,065
Other Operating Revenue	4,020	11,940	56,520	22,368	-	24,516	-	-	119,364	-	119,364
Fundraising	-	-	-	-	-	-	-	-	-	-	3,151,021
Total Revenue	\$ 3,523,440	\$ 8,635,563	\$ 8,688,134	\$ 4,031,979	\$ 7,059,797	\$ 24,516	\$ -	\$ -	\$ 31,963,429	\$ 3,151,021	\$ 35,114,450
Expenses											
Salaries	\$ 1,765,496	\$ 3,817,442	\$ 5,878,728	\$ 3,079,054	\$ 4,902,426	\$ 1,796,530	\$ -	\$ 189,903	\$ 21,429,579	\$ 720,190	\$ 22,149,769
Employee Benefits	467,857	1,011,622	1,557,863	815,949	1,299,144	476,081	-	50,324	5,678,840	186,003	5,864,843
Employee Expense	26,055	32,165	34,680	43,005	60,841	202,700	-	-	399,446	12,024	411,470
Consulting	40,792	71,744	67,810	400	42,350	-	-	-	223,096	-	223,096
Consulting - Nurses & Aides	113,776	97,136	127,920	-	-	-	-	-	338,832	-	338,832
Medical	141,000	278,500	257,000	39,184	34,900	-	-	-	750,584	-	750,584
Dietary & Support	64,200	145,500	284,560	9,901	10,415	1,300	-	-	515,876	-	515,876
Housekeeping	17,700	33,500	48,600	40,305	59,751	4,800	-	-	204,656	-	204,656
Occupancy	96,120	137,031	266,764	278,146	184,452	71,959	-	-	1,034,472	29,694	1,064,166
Equipment	27,620	62,406	85,069	87,588	82,072	234,149	-	-	578,904	32,217	611,121
Vehicles	-	-	-	-	-	-	85,716	-	85,716	-	85,716
Administrative (not including salaries)	36,088	82,485	106,140	44,709	86,273	447,428	400	-	803,523	103,405	906,928
Provider Taxes	197,167	490,529	547,662	-	-	-	-	-	1,235,358	-	1,235,358
Interest Expense	-	-	-	-	-	30,000	-	-	270,000	-	270,000
Client/Student	10,500	17,000	34,750	22,007	36,050	-	-	-	120,307	-	120,307
Public Relations	-	-	-	-	-	-	-	-	-	-	-
Depreciation	178,652	345,544	542,045	478,493	663,538	194,983	100,285	-	2,503,540	148,559	2,652,099
Total Direct Expenses	\$ 3,183,023	\$ 6,622,603	\$ 9,839,591	\$ 4,938,741	\$ 7,702,212	\$ 3,459,950	\$ 186,401	\$ 240,227	\$ 36,172,729	\$ 1,232,092	\$ 37,404,821
Allocation of Administration 10%	\$ 318,302	\$ 662,260	\$ 983,959	\$ 493,874	\$ 770,221	\$ (3,228,616)	\$ -	\$ -	\$ -	\$ -	\$ -
Allocation of Transportation	5,138	14,434	23,486	28,479	14,579	-	(86,116)	-	-	-	-
Allocation of Help Wanted	7,194	15,555	23,954	12,547	19,976	(79,226)	-	-	-	-	-
Total Allocated Expenses	\$ 330,634	\$ 692,249	\$ 1,031,399	\$ 534,900	\$ 804,776	\$ (3,307,842)	\$ (86,116)	\$ -	\$ -	\$ -	\$ -
Total Expenses	\$ 3,513,657	\$ 7,314,852	\$ 10,870,990	\$ 5,473,641	\$ 8,506,988	\$ 152,088	\$ 100,285	\$ 240,227	\$ 36,172,729	\$ 1,232,092	\$ 37,404,821
Net Income / (Loss)	\$ 9,783	\$ 1,320,711	\$ (2,182,856)	\$ (1,441,662)	\$ (1,447,191)	\$ (127,572)	\$ (100,285)	\$ (240,227)	\$ (4,209,300)	\$ 1,918,929	\$ (2,290,371)
add back: Depreciation	\$ 178,652	\$ 345,544	\$ 542,045	\$ 478,493	\$ 663,538	\$ 194,983	\$ 100,285	\$ -	\$ 2,503,540	\$ -	\$ 2,503,540
add back: Bad Debt Allowance	4,500	10,000	10,500	-	-	-	-	-	25,000	-	25,000
Net Income/(Loss)	\$ 192,935	\$ 1,676,254	\$ (1,630,311)	\$ (963,168)	\$ (783,653)	\$ 67,410	\$ 0	\$ (240,227)	\$ (1,680,760)	\$ 1,918,929	\$ 238,169
(Excluding Depreciation, Bad Debt Allowance & Gain/(Loss) on Sale)											
Transfer to Operations (Existing Donations)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 234,025	\$ 0	\$ 234,025
Adjusted Net Income/(Loss)	\$ 192,935	\$ 1,676,254	\$ (1,630,311)	\$ (963,168)	\$ (783,653)	\$ 67,410	\$ 0	\$ (6,202)	\$ (1,446,735)	\$ 1,918,929	\$ 472,194
<i>gifts not included in fundraising totals</i>											
endowment										\$ 142,650	\$ 142,650
capital campaign										12,650	12,650
legacy gifts										130,000	130,000

Marklund

Fiscal Year 2021

Variance Summary - Consolidated Revised

	FY2020 Budget	FY2020 Y/E Projections	FY2021 Budget	Increase / (Decrease)	% Increase / (Decrease)
Revenues					
Program Revenue	\$ 30,726,123	\$ 30,839,965	\$ 31,844,065	\$ 1,004,100	3.3%
Other Revenue	94,524	171,349	119,364	(51,985)	-30.3%
Fundraising	2,978,284	3,966,691	3,151,021	(815,670)	-20.6%
Total Revenues	\$ 33,798,931	\$ 34,978,005	\$ 35,114,450	\$ 136,445	0.4%
Expenses					
Salaries	\$ 19,473,817	\$ 19,541,174	\$ 22,149,769	\$ 2,608,595	13.3%
Employee Benefits	5,063,192	5,298,429	5,864,843	566,414	10.7%
Employee Expense	355,625	337,950	411,470	73,520	21.8%
Consulting	162,110	185,737	223,096	37,359	20.1%
Consulting - Nurses & Aides	573,992	316,966	338,832	21,866	6.9%
Medical	753,871	675,613	750,584	74,971	11.1%
Dietary & Support	507,107	493,617	515,876	22,259	4.5%
Housekeeping	189,050	254,361	204,656	(49,705)	-19.5%
Occupancy	895,268	834,711	1,064,166	229,455	27.5%
Equipment	528,175	540,458	611,121	70,663	13.1%
Vehicles	86,978	81,804	85,716	3,912	4.8%
Administrative (Not Including Salaries)	778,173	795,672	906,928	111,256	14.0%
Provider Taxes	993,031	985,972	1,235,358	249,386	25.3%
Interest Expense	240,000	98,355	270,000	171,645	174.5%
Client/Student	112,800	87,408	120,307	32,899	37.6%
Public Relations	147,103	152,610	148,559	(4,051)	-2.7%
Depreciation	2,076,252	2,014,634	2,503,540	488,906	24.3%
Total Direct Expenses	\$ 32,936,544	\$ 32,695,471	\$ 37,404,821	\$ 4,709,350	14.4%
Net Income (Loss)	\$ 862,387	\$ 2,282,534	\$ (2,290,371)	\$ (4,572,905)	
add back: depreciation, bad debt & gain (loss) on sale	2,099,052	2,037,434	2,528,540	491,106	
Net Income (Loss)	\$ 2,961,439	\$ 4,319,968	\$ 238,169	\$ (4,081,798)	
(Excluding Depreciation, Bad Debt Allowance & Gain (Loss) on Sale)					
Transfer to Operations (Existing Donations)	\$ 0	\$ 0	\$ 234,025		
Adjusted Net Income (Loss)	\$ 2,961,439	\$ 4,319,968	\$ 472,194	\$ (3,847,773)	-89.07%
total fundraising revenue not included in above totals	\$ 2,660,200	\$ 2,200,242	\$ 142,650		
endowment	10,200	12,850	12,650		
capital campaign	2,650,000	2,073,417	130,000		
legacy gifts		113,975			

Fiscal Year 2021

Capital Budget

The FY 2021 Capital Budget totaling \$1.6M has been reviewed by the Marklund Leadership Team for need and appropriateness. Special attention was paid to those designated as priorities 1 & 2. Items in these categories, totaling \$732K are slated to be procured this fiscal year. Priorities 3 & 4 items can wait until subsequent years.

Purchases related to an emergency or safety need would be made immediately. Customarily, the Leadership Team is notified at the meeting following such an event.

Management will transfer \$484K in restricted fundraising and \$200K from endowment revenue to purchase items tagged priorities 1 & 2.

Capital Campaign for building construction or major renovations are not included in the Capital Budget and will be tracked separately.

Marklund
Fiscal Year 2021
Summary by Asset Class

	Priority 1	Priority 2	Priority 3	Priority 4	Total
Computers	-	56,412	-	-	56,412
Land Improvements	-	-	-	-	-
Building/Building Improvements	-	107,316	182,581	63,715	353,612
Leasehold Improvements	-	60,000	-	-	60,000
Equipment - Therapy	-	13,517	-	15,508	29,025
Vehicles	35,000	99,000	-	-	134,000
Equipment - Other	1,679	147,192	117,266	178,194	444,331
Furniture	-	211,676	192,209	127,005	530,889
Total	\$ 36,679	\$ 695,113	\$ 492,056	\$ 384,421	\$ 1,608,269

Priority 1 & 2 Items \$ 731,792

Funds to cover Priority 1 and 2 items:

Restricted Fundraising (existing)	\$ 200,000
Restricted Fundraising (FY 2021)	284,000
Endowment Funds	<u>247,792</u>
Total	\$ 731,792

Fiscal Years 2015 - 2020

Endowment Funds Approved	\$ 1,421,368
Endowment Funds Transferred	<u>284,767</u>
Total Endowment Funds Approved- Not Utilized	\$ 1,136,601

Marklund Charities

	FY2020 Budget	FY2020 Year End Projections	variance	FY2021 Budget	Increase/ (Decrease)	
Revenues						
Unrestricted Gifts & Grants	\$ 1,281,900	\$ 2,563,555	\$ 1,281,655	\$ 1,255,400	\$ (1,308,155)	
Special Events (net)	705,984	599,155	(106,829)	750,621	151,466	
Fund-in-Need	425,000	414,349	(10,651)	435,000	20,651	
Community Events (net)	-	-	-	-	-	
Restricted Program	565,400	389,632	(175,768)	710,000	320,368	
Other	-	-	-	-	-	
Total Revenue	\$ 2,978,284	\$ 3,966,691	\$ 988,407	\$ 3,151,021	\$ (815,670)	-20.6%
Expenses						
Salaries & Benefits	\$ 817,139	\$ 852,300	\$ 35,161	\$ 906,193	\$ 53,893	
Employee Expenses	16,092	12,877	(3,215)	12,024	(853)	
Occupancy	7,440	6,972	(468)	29,694	22,722	
Office Expenses	54,966	54,461	(505)	55,211	750	
Legal & Audit	25,200	25,200	-	26,000	800	
Printing	37,652	37,259	(393)	38,051	792	
Other Expenses	13,920	12,940	(980)	16,360	3,420	
Outside Services	-	-	-	-	-	
Total Expenses	\$ 972,409	\$ 1,002,009	\$ 29,600	\$ 1,083,533	\$ 81,524	8.1%
Net Fundraising income	\$ 2,005,875	\$ 2,964,682	\$ 958,807	\$ 2,067,488	\$ (897,194)	-30.3%
Public Relations	\$ 146,853	\$ 152,610	\$ 5,757	\$ 148,559	(4,051)	-2.7%
Net Fundraising Proceeds	\$ 1,859,022	\$ 2,812,072	\$ 953,050	\$ 1,918,929	\$ (893,143)	-31.8%
total revenue not included in above totals	\$ 2,660,200	\$ 2,200,242		\$ 142,650		
endowment	10,200	12,850		12,650		
capital campaign	2,650,000	2,073,417		130,000		
legacy gifts		113,975				
Interest Income				\$ 6,852		
Endowment expected rate of return based on CPI plus 4.5%*				\$ 874,933		
income				419,166		
realized gain/(loss)				220,913		
unrealized gain/(loss)				234,854		
* based on the balance of \$13.1M as of April 22, 2020						

FY-21 Slate of Officers

Chair	Frank Murnane
Vice Chair	Mike Herlihy
Treasurer	Mike Herlihy
Secretary	Jeff Risch

FY-21 Executive Committee

Chair/Governance	Frank Murnane
Vice Chair/Finance	Mike Herlihy
Secretary	Jeff Risch
Member-at-Large	Jim Armbruster
Member-at-Large	Howard Brandeisky

Proposed

BOARD COMMITTEES

FY21

<u>EXECUTIVE</u>	<u>DEVELOPMENT</u>	<u>GOVERNANCE</u>	<u>FINANCE</u>
Jim Armbruster	Jim Armbruster	Jim Armbruster	Jeff Blanchette
Howard Brandeisky	Howard Brandeisky (C)	Howard Brandeisky	Gerry Estes
Mike Herlihy	Dan Foley	Carie Carney	Sonya Evanosky
Frank Murnane (Chair)	Laura Karlins	Laura Karlins	Duane Fitch
Jeff Risch		Frank Murnane (Chair)	Jerry Finis
		Jeff Risch	Mike Herlihy (Chair)
		Jack Zimmerman	Melissa Kud
			Yaneth Medina

Proposed

**Governance Committee
Annual Board Survey
June 18, 2020**

Executive Summary

Overall, the committee was pleased with the results of the annual survey. The desire is always to have 100% board participation and the committee felt that 12 out of 14 (86%) was a “passing” grade; last year 11 out of 15 (73%) responded to the survey. Governance felt that giving time for the board members to complete the survey at the beginning of a meeting certainly helped.

The survey had 40 questions, an increase from the 26 we had last year. Almost half (18) of the questions averaged 4.5 or above. Only six questions had any individual ratings of a three; there were no questions with an individual rating of less than three. The following were some interesting results:

Significantly, the following seven questions received a 5.0 from every board member survey:

- Section A: How Well Has the Board Done Its Job?
 - #3 The board has insured that the organization also has a one-year operational or business plan**
 - #5 The board ensures that the proper fiduciary functions of the board are accomplished.**
- Section B: How Well Has the Board Conducted Itself?
 - #2 The agenda of board meetings is well planned so that we are able to get through all necessary board business.**
- Section C: Board's Relationship with President/CEO?
 - #2 There is a good two-way communication between the board and the President/CEO.**
 - #3 The board trusts the judgment of the President/CEO.**
- Section E: Feedback to the Chair of the Board
 - #6 The Chair demonstrates good listening skills.**
 - #7 The board supports the Chair.**

The two lowest aggregate scores were D.5 and D.6 (Encouraging and being encouraged to share their opinions at board meetings). The committee felt that some of these lower scores could have come from board members that have called into the meeting and had trouble in breaking into the discussion. All surveys were anonymous so this is a guess.

The consensus feeling of the committee was the need to take the time to solicit the thoughts of those who are calling to make sure their views are heard.



FY20 Strategic Plan

Final

“Creating the Future”

- ✓ Client Care Index
- ✓ Net Revenue
- ✓ Retention
- ✓ Advocacy
- ✓ LIFTS (Living Independently with Flexible Team Supports) Initiative

Strategic Imperatives

1. *Diversify revenue sources and reduce dependency on the State of Illinois*
2. *Continually improve client care*
3. *Increase community awareness of Marklund*
4. *Attract and retain great staff.*

FY20 Strategic Objectives

- ✓ **96% Client Care Index – 90.2%** (July – Jan – 95.3%) The loss of outings and volunteers due to IDPH restrictions has clearly hurt.
- ✓ **\$3.1M New Net Revenue \$4.485M**
- ✓ **45% PSP/Parapro Turnover – 56%** (June 1) – We ended FY19 at 52%. As of Dec 1, we were at 51% in the face of very low unemployment. MHC, MPC & MDS are all doing well; MWC has gone from 54% to 70%.
- ✓ **360 in Voter Voice – 400**

Milestones/Revisions – LIFTS

Project	Deliverable	P	Q1	P	Q2	P	Q3	P	Q4
Regulatory Approval	Obtain CILA License				Schedule meeting with BALC Submit application Make edits if requested		Project complete with BALC approval		Waiting for final approval
Home design	Home design meets resident wants/needs		Design for 4 homes Estimate costs Include in white paper to present in pre-approval meetings		Finalize design per meeting feedback If approved project complete				

Column "P" = Progress Green=Completed/On Task Yellow=Some Progress Red=No Progress

Notes: Q2 – We received information from BALC (Nov 5) to not apply for CILA licensure. We are working with State Rep. Moeller to intercede on our behalf with DHS. We are separating the strategies and have completed the CDS strategy tree, which will be the focus for the rest of FY2020 while we are still pursuing the CILAs

Notes: Q4 - We received feedback from DHS (BALC) on June 3 with the need for some minor corrections. Waiting for final approval.

Milestones/Resu Financials

Project	Deliverable	P	Q1	P	Q2	P	Q3	P	Q4
Financial Pro Forma	Build various scenarios to est. associated operating costs				Build resident/staff scenarios for CDS, people w jobs, and Autism Determine ML organizational impact Build financial pro forma for each				

Column "P" = Progress Green=Completed/On Task Yellow=Some Progress Red=No Progress

Notes: Q2 – CDS scenarios complete changing jobs to vocational opportunities in the process of building the proforma for CDS

Milestones/Results – Program Design

Project	Deliverable	P	Q1	P	Q2	P	Q3	P	Q4
Resident matching, selection, ISP	Match residents to plan living arrangements								Create resident profiles Begin interviewing residents
Community Day Services CDS	Identify and prioritize Elgin area programs						Id. Potential CDS programs availability Create inclusive CDS options		Waiting for final approval

Column "p" = Progress Green=Completed/On Task Yellow=Some Progress Red=No Progress

Notes: Q4 – Moved forward with finding a potential CDS site. Secured a terrific location in Roselle with 4500 sq. ft. Waiting on final approval of Special Use by Village of Roselle.

**Strategic Plan
FY2020
Earned Revenue Detail**

	BUDGET				ACTUAL			PROJECTIONS		variance
	1st qtr.	2nd qtr.	3rd qtr.	4th qtr.	YTD	1st qtr.	2nd qtr.	3rd qtr.	4th qtr.	
Development										
Revenue	\$ 269,918	\$ 842,023	\$ 1,055,907	\$ 810,436	\$ 2,978,284	\$ 482,469	\$ 859,421	\$ 2,500,041	\$ 124,760	\$ 3,966,691
Expenses	225,228	244,774	225,187	277,220	972,409	225,424	252,413	250,771	273,400	1,002,009
Net Income / (loss) depreciation & gain/(loss)	\$ 44,690	\$ 597,249	\$ 830,720	\$ 533,216	\$ 2,005,875	\$ 257,044	\$ 607,009	\$ 2,249,269	\$ (148,640)	\$ 2,964,682
Net Income / (loss) after depreciation & gain/(loss)	\$ 44,690	\$ 597,249	\$ 830,720	\$ 533,216	\$ 2,005,875	\$ 257,044	\$ 607,009	\$ 2,249,269	\$ (148,640)	\$ 2,964,682
Day School										
Revenue	\$ 1,621,842	\$ 1,673,281	\$ 1,798,666	\$ 1,742,665	\$ 6,836,454	\$ 1,610,234	\$ 1,691,682	\$ 1,741,612	\$ 1,642,282	\$ 6,685,810
Expenses	1,541,231	1,542,245	1,531,153	1,527,499	6,142,128	1,410,748	1,332,575	1,431,126	1,369,273	5,543,722
Net Income / (loss) depreciation & gain/(loss)	\$ 80,612	\$ 131,036	\$ 267,513	\$ 215,166	\$ 694,326	\$ 199,486	\$ 359,107	\$ 310,486	\$ 273,009	\$ 1,142,088
Net Income / (loss) after depreciation & gain/(loss)	\$ 178,493	\$ 228,917	\$ 365,394	\$ 313,047	\$ 1,085,850	\$ 293,565	\$ 453,849	\$ 407,341	\$ 365,863	\$ 1,520,618
Total - All Initiatives										
Revenue	\$ 1,891,760	\$ 2,515,304	\$ 2,854,573	\$ 2,553,101	\$ 9,814,738	\$ 2,092,703	\$ 2,551,103	\$ 4,241,653	\$ 1,767,042	\$ 10,652,501
Expenses	1,766,459	1,787,019	1,756,340	1,804,719	7,114,537	1,636,172	1,584,988	1,681,897	1,642,673	6,545,731
Net Income / (loss) depreciation & gain/(loss)	\$ 125,302	\$ 728,285	\$ 1,098,233	\$ 748,382	\$ 2,700,201	\$ 456,531	\$ 966,115	\$ 2,559,756	\$ 124,369	\$ 4,106,770
Net Income / (loss) after depreciation & gain/(loss)	\$ 223,183	\$ 826,166	\$ 1,196,114	\$ 846,263	\$ 3,091,725	\$ 550,610	\$ 1,060,858	\$ 2,656,611	\$ 217,222	\$ 4,485,300

Note:
 gifts not included in fundraising totals
 endowment
 capital campaign
 legacy gifts

\$ 837,763
 (588,806)
 \$ 1,406,569
 (12,994)
 \$ 1,393,575

\$ 2,092,703 \$ 2,551,103 \$ 4,241,653 \$ 1,767,042 \$ 10,652,501
 1,636,172 1,584,988 1,681,897 1,642,673 6,545,731
 \$ 456,531 \$ 966,115 \$ 2,559,756 \$ 124,369 \$ 4,106,770
 94,079 94,742 96,855 92,854 378,530
 \$ 550,610 \$ 1,060,858 \$ 2,656,611 \$ 217,222 \$ 4,485,300

\$ 760,730 \$ 1,088,452 \$ 205,360 \$ 145,699 \$ 2,200,242
 2,725 4,200 3,225 2,700 \$ 12,850
 758,005 1,069,252 103,160 142,999 \$ 2,073,417
 15,000 98,975 \$ 113,975

MARKLUND

To: **Members of the Marklund Board of Directors**

Jim Armbruster	Jerry Finis	Melissa Kud
Jeff Blanchette	Duane Fitch	Yaneth Medina
Howard Brandeisky	Dan Foley	Frank Murnane, Jr.
Gerry Estes	Mike Herlihy	Jeff Risch
Sonya Evanosky	Laura Karlins	Jack Zimmerman

Staff

Kudus Badmus
Gil Fonger
Heather Graves
Mary Kobbeman

From: Frank Murnane, Jr.
Chair, Board of Directors

Subject: **Board Retreat**
8:30 A.M. Friday, August 14, 2020
Marklund Day School – 1S450 Wyatt Dr. Geneva

TIME AGENDA:

8:30	Arrive – Marklund Day School - Geneva	All
8:45	Opening Remarks	Frank Murnane, Jr.
9:00	Marklund 2030	Gil Fonger/John Delany
12:00	Lunch	Board/SPOT
12:45	Softball game with residents	
2:00	Board Meeting – Previous minutes of June 25, 2020	Frank Murnane, Jr.
2:30	Adjourn – Board Meeting	

Next meeting is at the Marklund Hyde Center (MHC)
In Geneva Thursday, October 22, 2020 at 7:00 P.M.

Advocacy Award Nominee

Keith Wheeler

Illinois State Representative District 50

Representative Wheeler is a sixth-generation resident of Kendall County who lives in Oswego with his wife, Lisa, two stepsons (Matthew, Chad) and my daughter (Ava). He grew up in Oswego, graduated from Oswego High School and is a graduate of the University of Illinois at Urbana-Champaign.

For the last 26 years, Representative Wheeler e has been a successful small business owner with offices in Oswego and Chicago. More recently, he served as Board Chairman for the Aurora Regional Chamber of Commerce and still serves as the Chairman on the NFIB Illinois Leadership Council.

Representative Wheeler also serves as a Co-chair on the Joint Committee on Administrative Rules (JCAR). When Marklund came to him to discuss the impact of the Emergency Restraint rule would have the children we serve, Rep. Wheeler not only listened, but he took it a step further and came to our Day School to witness the prone restraint in use. He used what he saw to help Marklund better communicate our needs to the Illinois State Board of Education (ISBE). His influence with ISBE and position on JCAR helped insure that the restrictive restraint rule would sunset. Marklund's relationship with Rep. Wheeler and his willingness to go to bat for us and our students is why we are nominating him for this year's Excellence in Advocacy Award.

Date: 6/15/20

**Friend of the Year Nomination for 2021
Peg and John Haskins**

Peg and John Haskins, owners of Viking Travel Service, were first introduced to Marklund in 1997 when participated in the inaugural Top Hat Ball with a 7-day cruise donation for the live auction. Over the years, Peg and John have truly become champions to the cause by not only their continued personal in-kind and financial contributions, but by introducing countless travel partners to Marklund including Celebrity Cruise Lines, Norwegian Cruise Lines, Royal Caribbean Cruise Lines, Seabourn, and Uniworld who have all donated travel packages to our auctions over the years. Along with their team at Viking, Peg and John have also introduced many long-time donors to Marklund. In 2004, the Viking Travel employees and customers began supporting Marklund's annual Giving Tree, by donating Christmas gifts to our residents during they holidays- and that tradition of support continues today. John's leadership with the American Society of Travel Agents ("ASTA") has also resulted in over \$10,000 in grant support for Marklund programs. In 2014, Viking joined Marklund's annual Corporate Partner program, supporting our signature events and general operations each year with a yearly commitment.

- Combined personal and corporate giving exceeds \$172,000 in cash donations, and spans almost 24 years with additional in-kind travel donations valued in the hundreds of thousands of dollars.

Co-Candidate's Name if applicable: none

Company Name if applicable: Viking Travel Service

Number of years serving Marklund: 24 years

Person making recommendation: Development Team

Narrative Summary

Despite these uncertain times in fundraising, we plan to end Q4 favorable to budget by approx. \$200,000 - thanks to two major gifts, and a very successful Top Hat Ball. The Capital Campaign committee, and members of the Development Team were able to raise \$5,203,936 to date, of the \$6M goal. We hoped to achieve \$5M by the end of FY20, so I'm happy to say we met that goal. The campaign committee has wrapped up, and staff is still working to secure some final gifts which should bring in another \$300K.

8th Annual Run, Walk & Roll 5K/1 Mile Walk – Geneva

INFO	UPDATE
<p><u>Sunday, October 18, 2020</u> Marklund Hyde Center, 8:30 am</p> <p>Registration is OPEN! www.marklund.org/series/5k-geneva-2020</p> <p>*Monitoring closely, as there will be Covid-19 implications</p>	<p><u>FY20 Actual</u> \$77,000/556 Participants <i>(FY19 = \$81,826, 627 participants)</i></p> <p><u>FY21 Budget</u> \$75,000/595 participants</p>
<p>Contact: Natalie Sarby at 630.593.5461 or nsarby@marklund.org</p>	

25th Annual Top Hat Ball

INFO	UPDATE
<p><u>Saturday, January 30, 2021</u> Venue: Marriott Magnificent Mile Theme: Vintage Circus Chairs: Catie and Max Schmidt</p> <p>*Anniversary year/Also paying close attention to Covid-19 implications and making alternative plans</p>	<p><u>FY19 Actual</u> Total NET = \$790,013 Total GROSS = \$1,081,500 Expense Ratio: 27%</p> <p><u>FY20 Actual</u> Total NET = \$885,592 Total GROSS = \$1,222,974 Expense Ratio: 28%</p>
<p>Contact: Jeannine Zupo at 630.593.5445 or jzupo@marklund.org</p>	

3rd Annual Run, Walk & Roll 5K/1 Mile Walk – Bloomingdale

INFO	UPDATE
<p><u>Sunday, April 26, 2020</u> Marklund Philip Center, 8:00 am <i>Event was <u>Virtual</u></i></p>	<p><u>FY19 Actual</u> Total NET = \$50,443/501 participants</p> <p><u>FY20 Actual</u> \$45,000/202 participants</p>
<p>Contact: Natalie Sarby at 630.593.5461 or nsarby@marklund.org</p>	

38th Annual Golf Classic - *Now CYBER CLASSIC*

INFO	UPDATE
Wednesday, June 3, 2020 CANCELLED Cog Hill Golf & Country Club Thursday, August 27, 2020 - Virtual 6:00-7:00 PM Cyber Classic Budget Total NET = \$50,000	FY19 Actual Total NET = \$200,011 Expense Ratio: 24% FY21 Budget \$224,546/Expense ratio 23%
Contact: Jeannine Zupo at 630.593.5445 or jzupo@marklund.org	

Annual MWC Fundraiser - Project Sweet Dreams: Part 2

INFO	UPDATE
FY20 Peer 2 Peer project will run May 1-June 30 to renovate the South side bedrooms at MWC with all new furniture.	FY20 Budget \$40,000 \$13,700 raised to-date
Contact: Natalie Sarby at 630.593.5461 or nsarby@marklund.org	

THIRD PARTY EVENTS

Contact: Natalie Sarby at 630.593.5461 or nsarby@marklund.org

*Third Party Events

FY19 Total: \$71,520

FY20 Total to-date: \$40,580

**These vary year by year, based on unsolicited groups that contact Marklund about hosting a fundraiser. Several were cancelled in April-June due to Covid-19.*

FY20 GRANTS (as of 6/15/20)

Total Cash Received: \$264,198 (\$194,310 in FY19)

MDS-Geneva Grants

Service Club of Chicago - \$15,640 for MDS-G playground equipment

Omron - \$15,000

Awarded but not received: \$49,840 (\$15,640 for MGDS)

Outstanding Submissions: \$203,400 (\$10,000 for MGDS)

Recent Awards:

Batavia Mother's Club - \$1,000 for 16-beds GOF

Grand Victoria Foundation - \$5,000 for MWC Covid-19 Response

Capital Group Foundation - \$12,500 for General Operating
Zurich - \$20,000 (\$10,000 for General Operating and \$10,000 for MPC bed replacement)
Grand Victoria Foundation - \$10,000 for MWC General Operating
Wheaton Lions Club - \$1,700 for Covid-19 Response
Union Pacific - \$8,000 for Covid-19 Response

Corporate Partner

John B. Sanfilippo & Son - \$23,500

ANNUAL GIVING *(as of 6/16/20) - does not include major gifts or special event giving*
\$429,333 *(\$517,948 in FY19)*

Individuals: \$331,221 *(\$390,777 in FY19)*
Organizations: \$98,112 *(\$127,171 in FY19)*

Major Gifts *(single gifts of \$15,000+)*
\$1,155,300* *(\$574,400 in FY19)*

**+\$1,000,000 additional – management designation to MDS-G*

Direct Mail Appeals *(from annual giving totals above)*
\$174,792 in gift revenue *(\$164,050 in FY19)*

Leadership Giving Circle Donors *(\$1,000+ donors as of 6/15/20)*
***378 donors** *(FY19 - 387)*
244 individuals
134 corporations

**Due to no Golf Classic in June*

**Gil Fonger
President & CEO Report
Marklund**

**Board of Directors
June 25, 2020**

Executive Summary

Overall, despite the challenges of the pandemic I feel that we are finishing the fiscal year in great shape. Here is my fiscal yearend wrap up.

Here are some major accomplishments for FY20:

- The continued success of the strategic plan – **Creating the Future** – that was first approved in June 2012.
- In the last nine years we have gone from:

	FY13	FY21
○ Budget:	\$15.2M	\$38.0M
○ Serving:	141	376 (w/ new Geneva school/ CDS – Roselle)
○ Employees	275	710 (fully staffed)
○ Fundraising	\$760K	\$2.0M

- Our original **FY20 projection** for the CTF was \$3.1M in new net revenue, over the base year (FY12); we are projected to be \$1.4M better at **\$4.5M**.
- Since the beginning of the **Pandemic** in mid-March, we have had only one resident and six staff test positive for COVID-19.
- The **capital campaign** for the new Marklund Day School – Geneva was a HUGE success, raising over \$5.2M in just 15 months. Amazing!
- The **Foglia Education Center** (MDS – Geneva) was completed ahead of schedule (May 11) and \$500,000 under budget (total cost \$9.5M)! Thank you, **Carie Carney**!
- Record breaking **Top Hat** this year. Thankfully, we were able to hold it just before the COVID 19 shut down in mid-March.
- Our **Leadership Giving Circle** (those who give \$1000 or more over the year) increased to 376 donors as of May 31. This was a tremendous accomplishment since we were not able to have our Bloomingdale 5K/1M in April.
- Added three great new board member: **Laura Karlins, Yaneth Medina and Jerry Finis**.
- Very excited about the initial progress in developing a **Marklund 2030** strategic plan. Plan to finalize at August 2020 board retreat.
- Developed plans/proforma for a potential **CILA program**. Waiting for final approval from the state.
- Leased space for our first offsite **Community Day Services** program in Roselle, which will serve 36 adult clients. In approval process for special use permit.

- Forecast to finishing the fiscal year **\$400K** better than budget. Development will finish at least **\$200K** better than budget.
- With the approval of the board, we will be able to give **raises** again in FY21 with no increase to staff health benefits.
- Our **Voter Voice** initiative had 31 participants in January 2019. We have over 400 today!
- Very excited to be presenting our first **Marklund Advocacy Awards** to State Rep. Anna Moeller, County Board Member Drew Frasz and State Rep. Keith Wheeler.
- Added four more beds at the **Marklund Wasmond Center** increasing their census from 57 to 61.
- The **State of Illinois** passed a significant staff increase (\$0.26 – Mar 1, \$1.00 – July 1, \$0.50 Jan 1, 2021). We are still waiting on the exact language of how they are passing on the increase.
- Will be receiving \$835K from the **Cares Act**.
- Applied for and received \$3.9M from the **Pay Check Protection** program.

The key disappointments have been:

- We ended FY20 at a **PSP/Paraprofessional Turnover** rate of 52%. A huge improvement over the 82% the year before. In December, we were at 51% in the face of record low unemployment; as of June 1, we are at 56%. Our goal for FY20 was 45%. Due to the pandemic, we have been limited to ZOOM interviews, which we have found are not nearly as effective as in person. We are looking at selection, onboarding and some other issues to determine the cause.
- The **Client Care Index** is currently at 91.9%; our goal, which we knew was a stretch, was 96%. In January we were at 95.3% (we ended FY19 at 95.4%). The lack of activities because of the required Stay-at-Home order has dramatically affected our scoring.

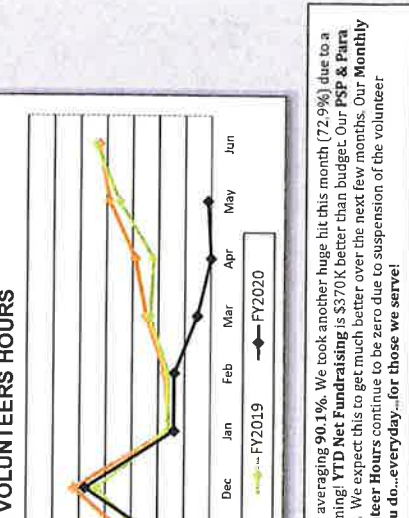
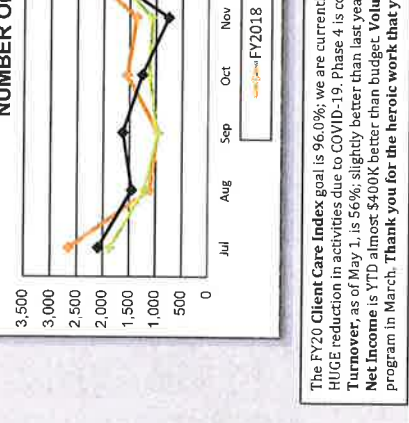
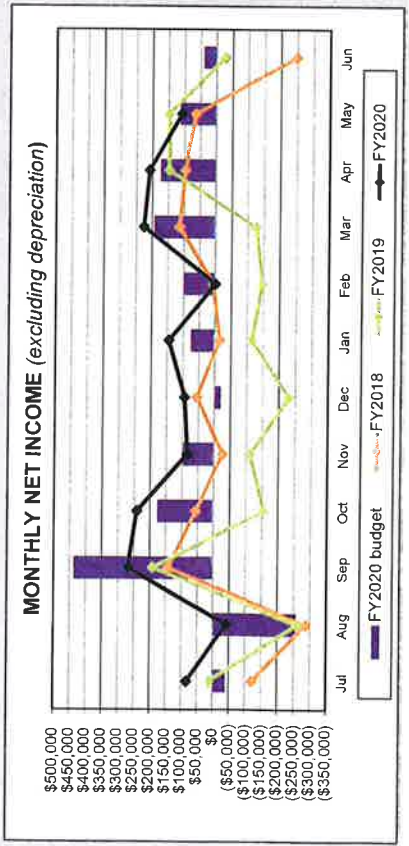
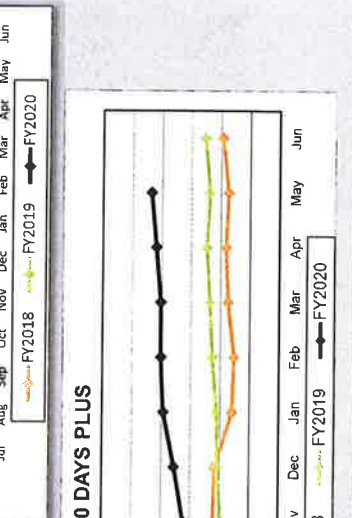
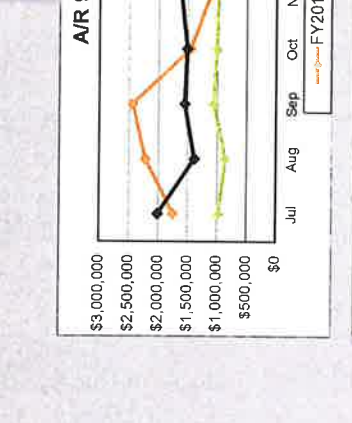
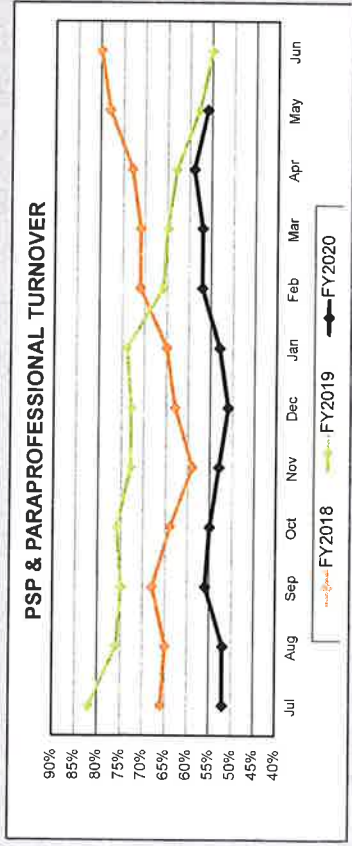
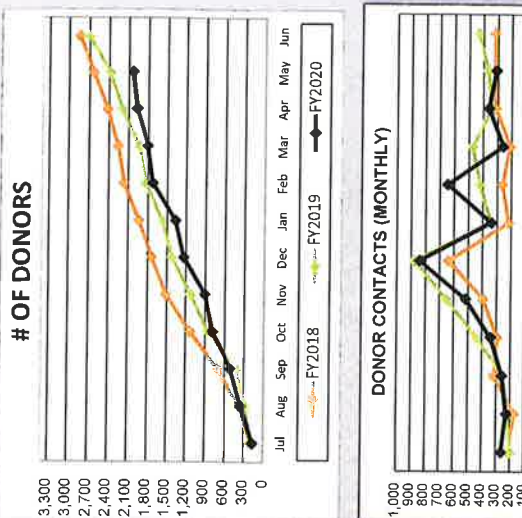
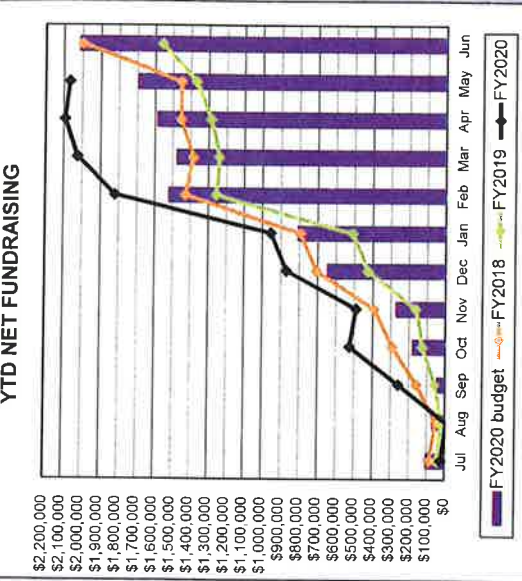
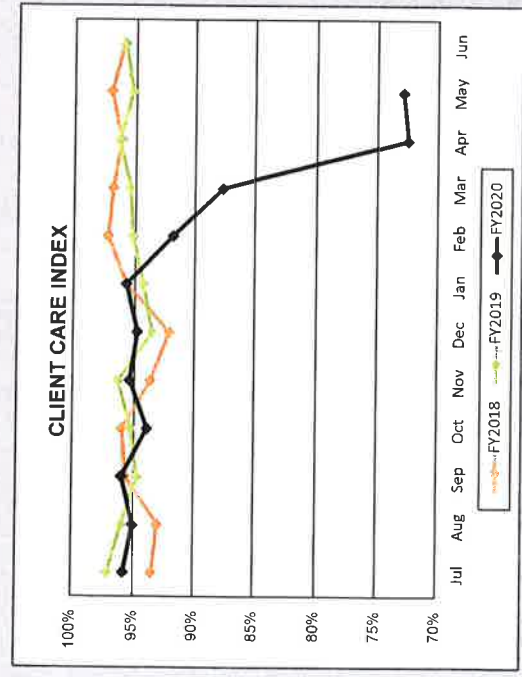
I am so very thankful for each of you and the way you willingly share of your time, talent and treasure. It is an honor to serve Marklund with you. You help us make our vision of...**a happy, safe, purpose-filled life for every individual with intellectual and developmental disabilities**...a reality.

God bless you!

Gil

Marklund Key Performance Indicators

MAY FY2020



The FY20 Client Care Index goal is 96.0%; we are currently averaging 90.1%. We took another huge hit this month (72.9%) due to a HUGE reduction in activities due to COVID-19. Phase 4 is coming! YTD Net Fundraising is \$370K better than budget. Our PSP & Para Turnover, as of May 1, is 56%; slightly better than last year. We expect this to get much better over the next few months. Our Net Income is YTD almost \$400K better than budget. Volunteer Hours continue to zero due to suspension of the volunteer program in March. Thank you for the heroic work that you do...everyday...for those we serve!