

Board Meeting
June 2020 Financial Notes
Saturday, July 25, 2020

CCS Revenue Results Through June 30, 2020:

In the context of the global pandemic, CCS's financial results through the first six months of 2020 have been better than we might have expected. In summary, results for the six months ended June 30th have lagged behind the same period last year, but been ahead of the 2020 budget.

Non-Program Revenues:

Total Contributions:

Contributions. Contributions (Line 7) were \$88,770, which are behind last year (-\$29,327; -24.8%); but are only slightly behind budget (-\$2,780; -3.0%).

Board Giving. Board Giving (Line 8) was \$179,940, which is significantly ahead of last year (+\$120,640; +203.4%); and well ahead of budget (\$79,940; +79.9%). The Board has stepped up with both increased and earlier contributions.

Direct Mail Appeals. Direct Mail Appeals (Line 9) were \$149,439, which are significantly ahead of last year (+\$92,825; +164.0%); and are also significantly ahead of budget (+\$69,439; 86.8%). Both Spring Appeals performed very well.

Memberships. Memberships (Line 10) were \$22,057, which are behind last year (-\$9,202; -29.4%); and also behind budget (-\$15,393; -41.1%).

Corporate Sponsors. Corporate Sponsors (Line 11) were \$0, which is the same as last year; but behind budget (-\$15,000; -100.0%).

Special Events. Special Events (Line 12) were \$127, which are significantly behind last year (-\$126,463; -99.9%); and are significantly behind budget (-\$125,938; -99.9%). See discussion of Homeport below.

Total Contributions. Total Contributions (Line 14) were \$440,332, which are ahead of last year (+\$48,472; +12.4%); and only slightly behind budget (-\$9,733; -2.2%)

Summary. Total Contributions performance during the first six months were really very strong. If we combine Contributions, Direct Mail Appeals and Memberships, all of which efforts have substantial overlap, we get the following:

	<u>YTD June</u> <u>Actual 2019</u>	<u>YTD June</u> <u>Actual 2020</u>	<u>YTD June</u> <u>Budget 2020</u>
Contributions	\$118,097	\$88,770	\$91,550
Direct Mail Appeals	59,300	179,490	100,000
Memberships	56,614	149,439	80,00
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Sub Total	\$234,011	\$418,148	\$271,550
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Combining these three categories, revenues were \$418,148, which are significantly ahead of last year (+\$184,137; +78.7%); and are significantly ahead of budget (+\$146,598; +54.0%). As previously mentioned, Board Giving has also been very strong. The weakness in Total Contributions has been in Corporate Sponsors and especially in Special Events. This is entirely due to the postponement of Homeport, which normally would have taken place in late May.

Earned Income:

Earned Income has been particularly hard hit by the pandemic. In particular, the pandemic has shut down CCS's Lectures/Programs initiatives, most of its Educational activities, and its retail Merchandise Sales.

Lectures/Programs. Lectures/Programs (Line 22) were only \$2,961, which are behind last year (-\$8,609; -74.4%); and are behind budget (-\$2,539; -46.2%).

Merchandise Sales. Merchandise Sales (Line 23) were only \$3,534, which are significantly behind last year (-\$35,376; -90.9%); and are significantly behind budget (-\$28,570; -89.0%). CCS has largely suspended its merchandise sales activities during the pandemic.

Equipment Sales. Equipment Sales (Line 24) were \$43,534, which are behind last year (-\$22,764; -34.3%); and are behind budget (-\$12,466; -22.3%).

Interest & Investments. Interest & Investments (Line 25) showed a loss of -\$43,397 reflecting the decline in CCS's mutual fund investments as financial markets declined sharply in late first quarter and the early part of the second quarter. Last year, CCS recorded a profit of \$23,055, so the year-over-year decline was significant at -\$66,452. Likewise, the loss of -\$43,397, compared to a budget profit of \$3,500, which represents a swing of -\$46,897.

Summary. Earned Income was especially hard hit. Total Earned Income (Line 27) was only \$6,632, which is significantly behind last year (-\$133,201; -95.3%); and also significantly behind budget (-\$90,472; 93.2%). These shortfalls can be directly attributed to the pandemic.

Grants General:

Grants General. Grants General (Line 29) were only \$14,994, which is significantly behind last year (-\$141,594; -90.4%) when CCS received a one-time grant in the amount of \$156,000 from MCC; and significantly behind budget (-10,006; -40.0%).

Total Non-Program Revenues:

Total Non-Program Revenues were \$461,959, which are significantly behind last year (-\$226,323; -32.9%); and are significantly behind budget (-\$110,210; -19.3%). As discussed above, the shortfalls are primarily due to shortfalls in Earned Income and in Grants General.

Program Revenues:

Program Revenues, which were \$1,049,826 during the first six months of 2020, are slightly behind last year (-38,753; -3.6%); but are running well ahead of budget (+\$219,486; 26.4%). The surplus over budget may represent a budget that was too back-end loaded.

Highlights include the following programs:

Stellwagon-43. The Stellwagon Program (Line 43) was always largely a pass-through whereby CCS would receive \$45,000 of incremental revenue, which would be offset by \$45,000 of

incremental expense. The program was initially delayed, but now will not pass through CCS, therefore, CSS will not generate the \$45,000 in revenue, but won't incur the associated expenses.

MAER-72. The MAER Program (Line 81) had revenues of \$233,324, which are slightly ahead of last year (+\$1,436; +0.6%); and well ahead of budget (+\$44,949; 23.9%).

Right Whales-84. The Right Whales Program (Line 103) had revenues of \$287,344, which is significantly behind last year (-\$86,714; -23.2%); and significantly behind budget (-\$34,425; -10.7%).

Sea Floor Mapping-93. The Sea Floor Mapping Program (Line 192) had revenues of \$230,700, which is significantly ahead of last year (+\$150,024; +186.0%); and significantly ahead of budget (+\$154,430; 202.5%). While these surpluses seem quite substantial, they are largely reflective of earlier invoicing than of real year-over-year increases in activity and revenues.

Humpbacks-94. The Humpbacks Program (Line 211) had revenues of only \$1,670, which was significantly behind last year (-\$35,597; -95.5%); but ahead of budget (+\$1,670).

Water Quality-98. The Water Quality Program (Line 238) had revenues of \$208,528, which was behind last year (-\$30,275; -12.7%); but significantly ahead of budget (+\$127,308; 156.7%).

Total Program Revenues:

Total Program Revenues (Line 241) were \$1,049,826, which are only slightly behind last year (-\$38,753; -3.6%); and are significantly ahead of budget (+\$219,486; +26.4%).

Total Revenues:

Total Revenues (Line 243) were \$1,511,784, which are below last year (-\$265,075; -14.9%); but ahead of budget (+\$109,275; +7.8%)