



Monthly Financial Report

Nevada State Board of Cosmetology
Nov 2018

Financial Summary

⚠ Net Cash Flow

Net Cash Flow (\$103,296)

This month showed a negative net cash flow. Net cash flow can be increased by reducing operating expenses or by an increase in revenue.

⚠ Revenue vs Budget

Revenue \$194,662 (This month budget \$223,900)

Expected revenue was \$29,238 less than budgeted due to decreased income from late fee penalties (\$18,940) and license renewals (\$10,003).

⚠ Expenses vs Budget

Expenses \$231,158 (This month budget \$222,407)

Operating expenses were \$8,751 more than budgeted for this month. The variance is due to the increased usage of examination-related vendor services.

TOTAL REVENUE

\$194,662

▼ -11.9% from last month



LICENSE ISSUANCE/RENEWAL

\$125,497

▲ 0.4% from last month



ACCOUNTS RECEIVABLE DAYS

13 days

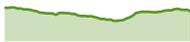
▲ 18% from last month



CASH ON HAND

\$1,724,090

▼ -5.7% from last month



EQUITY CHANGE

-1.17%

▼ -0.21% from last month



EXAMINATION FEES

\$30,585

▼ -17.4% from last month



Financial Statements

| BALANCE SHEET | | Nov 2018 |
|--|--|--------------------|
| ASSETS | | |
| Cash & Equivalents | | |
| Cash On Hand - Las Vegas | | \$200 |
| Cash On Hand - Reno | | \$200 |
| Morgan Stanley Investments-CD's | | \$1,138,878 |
| Morgan Stanley Money Fd | | \$350,127 |
| Wells Fargo Checking 476 | | \$28,272 |
| Wells Fargo Merchant 468 | | \$206,413 |
| Total Cash & Equivalents | | \$1,724,090 |
| Accounts Receivable | | |
| Accounts Receivable | | \$97,210 |
| Allowance for Doubtful Accounts | | (\$14,598) |
| Total Accounts Receivable | | \$82,612 |
| Other Current Assets | | |
| Prepaid Expenses | | \$12,565 |
| Prepaid Rent - Las Vegas | | \$9,234 |
| Total Other Current Assets | | \$21,800 |
| Total Current Assets | | \$1,828,502 |
| Fixed Assets | | |
| Accumulated Depreciation | | (\$1,131,740) |
| Computers & Software | | \$1,267,207 |
| Equipment | | \$113,641 |
| Furniture & Fixtures | | \$254,739 |
| Leasehold Improvements | | \$53,339 |
| Total Fixed Assets | | \$557,185 |
| Investments or Other Non-Current Assets | | |
| Accrued Interest | | \$6,792 |
| Total Non-Current Assets | | \$563,977 |
| Total Assets | | \$2,392,479 |
| LIABILITIES | | |
| Accounts Payable | | |
| Accounts Payable | | \$29,974 |
| Wells Fargo Credit Card 2723 | | \$13,322 |
| Total Accounts Payable | | \$43,296 |
| Other Current Liabilities | | |
| Accrued Sick Pay | | \$83,328 |
| Accrued Vacation Pay | | \$91,695 |
| Capital Lease Payable | | \$2,557 |
| Deferred Rent | | \$14,521 |
| Deferred Revenue | | |
| Deferred Revenue | | \$2,388,228 |
| HSA Employee Payable | | \$75 |
| Net OPEB Liability | | \$822,074 |
| Net Pension Liability | | \$2,153,613 |
| OPEB Inflow of Resources | | \$51,167 |
| OPEB Outflow of Resources | | (\$23,890) |
| Pension Inflow of Resources | | \$217,718 |

| | Nov 2018 |
|--|----------------------|
| Pension Outflow of Resources | (\$484,433) |
| State General Fund Fines Payabl | \$15,400 |
| Total Other Current Liabilities | \$5,332,053 |
| Total Current Liabilities | \$5,375,349 |
| Other Non-Current Liabilities | |
| Capital Lease Payable- LT | \$19,429 |
| Total Non-Current Liabilities | \$19,429 |
| Total Liabilities | \$5,394,778 |
| EQUITY | |
| Retained Earnings | |
| Retained Earnings | (\$2,827,314) |
| Current Earnings | |
| Net Income | (\$174,985) |
| Total Equity | (\$3,002,299) |
| Total Liabilities & Equity | \$2,392,479 |

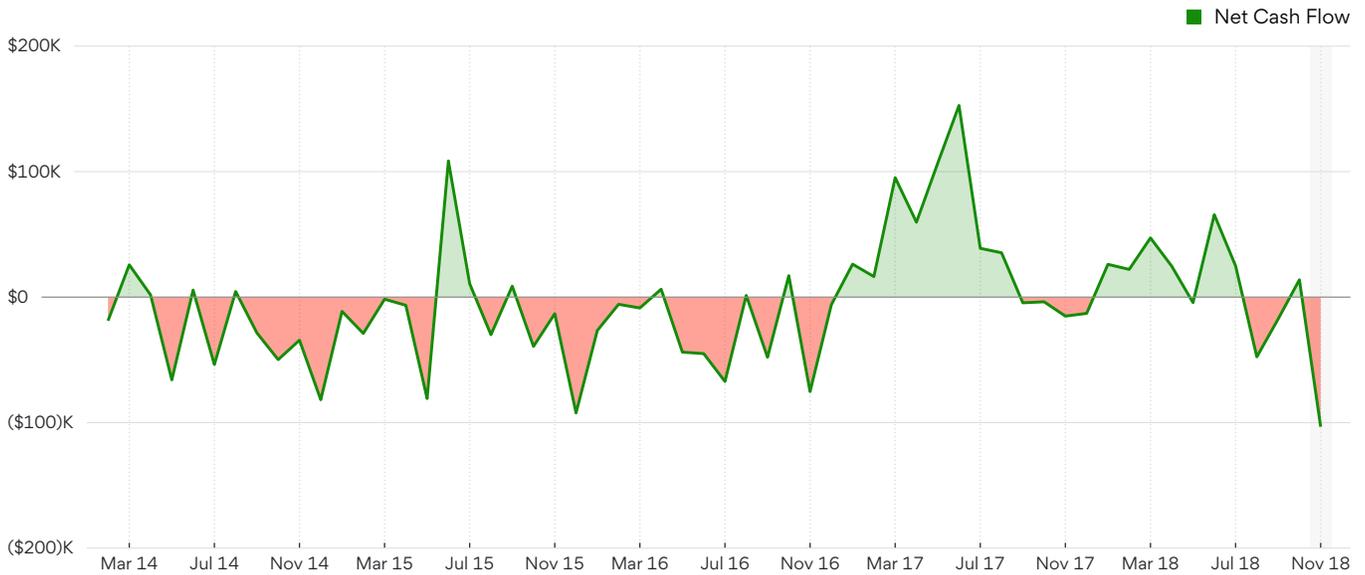
| PROFIT & LOSS | Nov 2018 | Budget | Variance | YTD (actual) | YTD (budget) | YTD actual vs YTD budget |
|----------------------------------|------------------|------------------|-------------------|--------------------|--------------------|-----------------------------|
| Revenue | | | | | | |
| Application Fees | | | | | | |
| Application Requests | \$3,140 | \$6,000 | (\$2,860) | \$18,126 | \$30,000 | (\$11,874) |
| Certification Requests | \$400 | \$650 | (\$250) | \$2,860 | \$3,250 | (\$390) |
| Enrollments | \$1,880 | \$3,300 | (\$1,420) | \$10,445 | \$16,500 | (\$6,055) |
| Law Books | \$890 | \$3,400 | (\$2,510) | \$8,670 | \$16,800 | (\$8,130) |
| Total Application Fees | \$6,310 | \$13,350 | (\$7,040) | \$40,101 | \$66,550 | (\$26,449) |
| Board Fine Income | | | | | | |
| Citation Fines | \$11,600 | \$10,000 | \$1,600 | \$72,500 | \$54,000 | \$18,500 |
| Examination Fees | | | | | | |
| Exams | \$30,585 | \$25,000 | \$5,585 | \$174,665 | \$130,000 | \$44,665 |
| Inspection Fees | | | | | | |
| Initial Salon Inspections | \$760 | \$550 | \$210 | \$3,685 | \$2,800 | \$885 |
| Licenses & Fees | | | | | | |
| Duplicates | \$1,350 | \$2,000 | (\$650) | \$8,750 | \$10,000 | (\$1,250) |
| Late Fees | \$18,560 | \$37,500 | (\$18,940) | \$108,965 | \$187,500 | (\$78,535) |
| License Issuance/Renewal | \$125,497 | \$135,500 | (\$10,003) | \$621,218 | \$677,500 | (\$56,282) |
| Total Licenses & Fees | \$145,407 | \$175,000 | (\$29,593) | \$738,933 | \$875,000 | (\$136,067) |
| Total Revenue | \$194,662 | \$223,900 | (\$29,238) | \$1,029,884 | \$1,128,350 | (\$98,466) |
| Expenses | | | | | | |
| Operating Expenses | | | | | | |
| Bad Debt Expense | \$938 | \$2,500 | (\$1,562) | \$4,206 | \$12,500 | (\$8,294) |
| Computer Software/Equipment | \$2,095 | \$2,666 | (\$571) | \$18,556 | \$13,330 | \$5,226 |
| Cont Srv - A-Audit | \$0 | \$1,100 | (\$1,100) | \$15,495 | \$5,300 | \$10,195 |
| Cont Srv - Exams | \$24,563 | \$9,167 | \$15,396 | \$132,902 | \$45,835 | \$87,067 |
| Cont Srv -C-Atty General | \$202 | \$2,500 | (\$2,298) | \$3,425 | \$12,500 | (\$9,075) |
| Depreciation Expense | \$12,702 | \$10,750 | \$1,952 | \$63,541 | \$53,750 | \$9,791 |
| DoIT PC/LAN | \$510 | \$142 | \$368 | \$600 | \$708 | (\$108) |
| DoIT Telephone & Data Wire | \$974 | \$1,167 | (\$193) | \$11,819 | \$5,835 | \$5,984 |
| Dues/Registration | \$0 | \$0 | \$0 | \$950 | \$1,500 | (\$550) |
| Educational Training & Seminars | \$105 | \$1,416 | (\$1,311) | \$2,745 | \$7,080 | (\$4,335) |
| Electricity Expense | \$465 | \$0 | \$465 | \$2,283 | \$0 | \$2,283 |
| Equipment Repair & Rental | \$1,582 | \$1,500 | \$82 | \$5,940 | \$7,500 | (\$1,560) |
| Insurance Expense | \$0 | \$0 | \$0 | \$9 | \$0 | \$9 |
| Interest Expense | \$1,059 | \$900 | \$159 | \$5,335 | \$4,500 | \$835 |
| Janitorial Expense | \$494 | \$0 | \$494 | \$2,470 | \$0 | \$2,470 |
| Non-State Owned Building | \$13,164 | \$12,509 | \$655 | \$68,577 | \$62,634 | \$5,943 |
| Office Expense | \$1,806 | \$3,000 | (\$1,194) | \$11,366 | \$15,000 | (\$3,634) |
| Postage and Delivery | \$444 | \$1,117 | (\$673) | \$3,217 | \$5,585 | (\$2,368) |
| Printing and Reproduction | \$3,675 | \$1,000 | \$2,675 | \$8,466 | \$5,000 | \$3,466 |
| Professional Fees | \$1,825 | \$3,335 | (\$1,510) | \$15,636 | \$18,975 | (\$3,339) |
| Sewer Expense | \$0 | \$0 | \$0 | \$50 | \$0 | \$50 |
| Stripe Fees | \$4,992 | \$3,228 | \$1,764 | \$29,745 | \$16,140 | \$13,605 |
| Telephone | \$2,035 | \$1,775 | \$260 | \$10,192 | \$8,875 | \$1,317 |
| Uniforms | \$250 | \$0 | \$250 | \$250 | \$300 | (\$50) |
| Bank Checking Service Fee | \$172 | \$0 | \$172 | \$1,879 | \$0 | \$1,879 |
| Bank Merchant Service Fee | \$105 | \$105 | \$0 | \$524 | \$525 | (\$1) |
| Total Operating Expenses | \$74,158 | \$59,877 | \$14,281 | \$420,178 | \$303,373 | \$116,805 |
| Total Salaries | | | | | | |
| Board Salaries | \$150 | \$150 | \$0 | \$3,755 | \$5,450 | (\$1,695) |
| Group Insurance | \$12,596 | \$13,000 | (\$404) | \$65,906 | \$69,000 | (\$3,094) |

| | Nov 2018 | Budget | Variance | YTD (actual) | YTD (budget) | YTD actual vs YTD budget |
|---|-------------------|------------------|-------------------|--------------------|--------------------|-----------------------------|
| Industrial Ins/Workers Comp. | \$508 | \$1,100 | (\$592) | \$2,541 | \$5,500 | (\$2,959) |
| Longevity | \$0 | \$0 | \$0 | \$1,100 | \$663 | \$438 |
| Medicare Employer | \$1,605 | \$1,667 | (\$62) | \$8,012 | \$8,335 | (\$323) |
| Overtime | \$546 | \$0 | \$546 | \$5,439 | \$0 | \$5,439 |
| Overtime Straight Time | \$52 | \$0 | \$52 | \$260 | \$0 | \$260 |
| Payroll Expenses | \$323 | \$359 | (\$36) | \$1,784 | \$1,795 | (\$11) |
| Raters | \$0 | \$0 | \$0 | \$6,100 | \$1,200 | \$4,900 |
| Retired Employees' Group Insura | \$2,224 | \$2,134 | \$90 | \$11,499 | \$10,670 | \$829 |
| Retirement | \$14,210 | \$15,850 | (\$1,640) | \$73,712 | \$79,050 | (\$5,338) |
| Salaries | \$112,999 | \$120,085 | (\$7,086) | \$573,628 | \$600,425 | (\$26,797) |
| Social Security Employer | \$483 | \$716 | (\$233) | \$2,540 | \$3,580 | (\$1,040) |
| Temp Help - | \$3,823 | \$3,500 | \$323 | \$3,823 | \$5,500 | (\$1,678) |
| Total Total Salaries | \$149,519 | \$158,561 | (\$9,042) | \$760,098 | \$791,168 | (\$31,069) |
| Travel - In State | | | | | | |
| Air Fare | \$1,118 | \$0 | \$1,118 | \$3,354 | \$5,000 | (\$1,646) |
| Car Rental | \$541 | \$250 | \$291 | \$754 | \$1,250 | (\$496) |
| Hotel | \$1,022 | \$0 | \$1,022 | \$4,277 | \$5,000 | (\$723) |
| Meals & Entertainment | \$0 | \$75 | (\$75) | \$278 | \$275 | \$3 |
| Mileage | \$3,123 | \$3,334 | (\$211) | \$16,380 | \$16,670 | (\$290) |
| Parking | \$0 | \$35 | (\$35) | \$76 | \$205 | (\$129) |
| Per Diem | \$449 | \$275 | \$174 | \$1,712 | \$1,525 | \$187 |
| Taxi - In State | \$0 | \$0 | \$0 | \$244 | \$150 | \$94 |
| Total Travel - In State | \$6,253 | \$3,969 | \$2,284 | \$27,073 | \$30,075 | (\$3,002) |
| Travel - Out of State | | | | | | |
| Air Fare | \$379 | \$0 | \$379 | \$2,055 | \$3,500 | (\$1,445) |
| Car Rental | \$118 | \$0 | \$118 | \$118 | \$500 | (\$382) |
| Gas | \$6 | \$0 | \$6 | \$6 | \$0 | \$6 |
| Hotel | \$725 | \$0 | \$725 | \$5,568 | \$3,500 | \$2,068 |
| Per Diem | \$0 | \$0 | \$0 | \$1,428 | \$1,000 | \$428 |
| Taxi - out of state | \$0 | \$0 | \$0 | \$158 | \$50 | \$108 |
| Total Travel - Out of State | \$1,228 | \$0 | \$1,228 | \$9,333 | \$8,550 | \$783 |
| Total Expenses | \$231,158 | \$222,407 | \$8,751 | \$1,216,682 | \$1,133,165 | \$83,517 |
| Operating Profit | (\$36,496) | \$1,493 | (\$37,989) | (\$186,798) | (\$4,815) | (\$181,983) |
| Other Income | | | | | | |
| Interest Income | \$2,039 | \$1,000 | \$1,039 | \$11,249 | \$5,000 | \$6,249 |
| Unrealized Gain(Loss) on Invest | (\$120) | \$0 | (\$120) | \$564 | \$0 | \$564 |
| Earnings Before Interest & Tax | (\$34,577) | \$2,493 | (\$37,070) | (\$174,985) | \$185 | (\$175,169) |
| Net Income | (\$34,577) | \$2,493 | (\$37,070) | (\$174,985) | \$185 | (\$175,169) |

Cash Flow Analysis

| | Nov 2018 | Oct 2018 | Sep 2018 | Aug 2018 |
|---------------|-------------|-------------|-------------|-------------|
| Net Cash Flow | (\$103,296) | \$13,855 | (\$17,466) | (\$47,568) |
| Cash on Hand | \$1,724,090 | \$1,827,386 | \$1,813,531 | \$1,830,997 |

Cash Flow Trend



Cash Position



Key Performance Indicators

| | RESULT | TARGET | TREND | |
|----------------------------|-------------|-------------|-------|-------------|
| A PROFITABILITY | NOV 2018 | | | vs NOV 2017 |
| Total Revenue | \$194,662 | \$223,900 | ✗ | ▲ 1.4% |
| License Issuance/Renewal | \$125,497 | \$135,500 | ✗ | ▲ 8.7% |
| Examination Fees | \$30,585 | \$25,000 | ✓ | ▲ 21.5% |
| B ACTIVITY | | | | |
| Accounts Receivable Days * | 13 days | 40 days | ✓ | 0 days |
| C CASH FLOW | | | | |
| Cash on Hand | \$1,724,090 | \$1,200,000 | ✓ | ▲ 2.3% |
| D GROWTH | | | | |
| Equity Change | -1.17% | 0.25% | ✗ | ▲ 4.12% |

* For this metric, a result below target is favourable

Top 5 Revenue Categories (Monthly)

| | |
|-----------------|-----------|
| RENLIC/LIC | \$125,497 |
| EXAMS | \$30,585 |
| PENALTIES | \$18,560 |
| FINES/CITATIONS | \$11,600 |
| AREQ | \$3,140 |

Top 5 Expense Categories (Monthly)

| | |
|----------------------|-----------|
| Salaries | \$112,999 |
| Cont Srv - Exams | \$24,563 |
| Retirement | \$14,210 |
| Depreciation Expense | \$12,702 |
| Group Insurance | \$12,596 |