

Summary of Financial Results through June 30, 2015

Based on preliminary year-end results, the financial performance for the year is in line with revised expectations. Revenue sources are mostly at or ahead of budget. The major expense variance is due to higher costs from the Customer Service Center which have been discussed in earlier presentations. The other large variance, on a cash basis, is for purchase of software licenses, the accrued expense of which is spread over multiple years.

Statement of Activities

Details for the fiscal year June 30, 2015 are provided. Total year-to-date revenues on an accrual basis, are \$88.1 million. Total revenue is \$5.1 million ahead of budget.

As previously noted, the revenue accrual for the estimated new broad market assessment of \$7.6 million exceeds budget. The Tax Credit Donations are on budget and the Cover Colorado and Individual Assessment fees are ahead of budget.

Expenses including depreciation are \$69.3 million year-to-date resulting in net assets increasing \$18.8 million since the same period a year ago. As noted above, the Customer Service Center expenses are the primary expense variance for the current results (\$7.2 million) and came in close to the total expected expenses for the year of \$21.1 million reported to the Operations Committee in March.

Statement of Financial Position

Current assets were \$47.2 million, \$33.7 million of this is in cash and \$7.5 million in accounts receivable. Long-term assets total \$35.5 million after accumulated depreciation and are being depreciated at a current rate of \$900,000 per month. At the end of June there were payables of \$10.1 million, a significant portion of which is for SES project and the Customer Service Center bills subsequently paid in July.