

St. Mark's Treasurer's Report

April 16, 2024

Current Month

For the month of March, we had our first operating loss of the year in the amount of \$7,333. For the month we had budgeted positive income of about \$32k, making the month actually \$39k worse than expected. This follows two months of both positive net income and net income exceeding plan. On a YTD basis, Operating Income is positive at \$60,789.

For the month, income was slightly below plan (\$3,313). Two expenses were significantly over budget, including total compensation exceeding plan by more than \$37k for the month and now \$74k over for the year. Operations exceeded plan by \$9,540 and YTD by \$20,068.

Looking Forward

The most significant news was a detailed reforecast for the year led by Jacob Buchen at the Finance Committee meeting. With a number of pluses and minuses, it appears that our estimate to finish the year will be for operating losses to be on the order of \$285k and a negative cash flow exceeding \$366k. It appears that the reduction of a single position in our structure can no longer balance our operating income. Both headcount reduction and other expense cuts needs to take place with extreme urgency.

In addition, we have concerns regarding budgeted income. We have received notification from the Waldorf School of their intention to vacate. While we do have a contract with them into 2026 so we expect rental income through the remainder of the year of approximately \$39k, we may incur legal expenses associated with this vacancy. We have also forecasted a drop in miscellaneous income of about \$61k to \$38,500 based on reduced expectations in number of programs to be given by a sponsor. On a brighter note, we are expecting about \$25k in income improvement due to interest generated by a higher interest bearing account for our capital funds.

Current Activity

In addition to conducting our first in year reforecast of financial performance, we also convened a group including the Finance Committee, Lane, Tim, Ted Sherman and David Christopherson. A number of assignments were made for follow-up with our purpose to attempt to consolidate and eliminate restricted accounts in the overall St. Mark's balance sheet and income statement. In the near future this group expects to bring actions to the Finance Committee and then subsequently to the Council for action.

Respectfully submitted,

Brian Myers

