

St. Mark's Treasurer's Report
September 17, 2024

Current Months

The month of August was definitely positive relative to expectations. However, we did post an operations deficit of \$23,330. Income was \$98,354, higher than the forecast of \$83,737 primarily driven by Donations which were more than \$14,000 over expectations. Expenses were also favorable to budget by more than \$9,000. The only expense area over budget was Compensation, this due to the fact that August had three (as opposed to the normal two) payroll periods in the month. The other 13 expense categories were all below budget showing effective cost control is in place. In total for the month, total revenue of \$98,354 was exceeded by total expenses of \$121,684 resulting in a deficit of \$23,330. This brings our YTD operational performance for the year to a deficit of \$2,443, and marks the first time this year our cumulative performance is a deficit. Although a thorough reforecasting of operations did not take place this month, our prediction for an operating deficit for the full year exceeding \$100k remains.

Significant gifts were received this month to sustain our video streaming for roughly twelve months while Council seeks a means to make the video streaming self-sustaining. These funds are being held in a restricted account and only released to operations income as expenses in this area occur on a monthly basis.

Looking Forward

Given our current operations performance and run rate for expenses, we have begun the process of budgeting for 2025. As this process has just begun, very rough estimates indicate that we will be starting with deficit forecast but one not nearly as onerous as where we began 2024. I know that Council is excited to take on the financial challenge by driving the income side with events and activities.

I should note that while I do believe we will finish the year with an operating deficit exceeding \$100k, I do not have concerns regarding ability to continue to pay our current expenses. I would further note that, over the last two years at least in order meet current expense obligations, cash earmarked to support restricted accounts was used, and a plan will need to be developed and executed to refund these accounts in accordance with Council direction. In addition, substantial loans both from the Diocese and from the Foundation will need to be repaid as I had indicated in my financial update to the congregation over the summer.

Respectfully submitted,

Brian Myers