

Treasurer's report

Not enough income is coming in to continue operating at our current level. Bluntly, we have enough income to operate as a mission not as a parish. We are projecting only \$111,000 in income for 2024 for the church which is less than what is needed to pay for our Rector Michael. We have a short fall in our budget before we even look at paying utilities, insurance, DRG Fair Share or any other necessary costs. The Church by itself is facing a \$137,000 shortfall.

On the Day School side of our budget our enrollment has dropped and has not recovered. In addition to a decline in tuition revenue a significant grant which was available to us last year is not available this year. The Day School is facing a \$44,000 shortfall in the income vs expense.

We have been relying on "Reserve Funds" carried over from things like the PPP loans of the pandemic and Work Force Stabilization Grants but as we are operating now we will run out of those excess funds this year.

Last year we were able to settle the estate of Lloyd Fink which has allowed us to put \$525,000 in investment. Right now, those are the only available funds to draw from to continue operating but only for 3 years at our current level.

We have unpleasant decisions and our decisions are not how to grow and expand St. John's from a budgetary and financial perspective. This is not a problem which we can budget away. The driving force is a shrinking parish. Data has shown for years that people after the baby boom have lower incomes, lower savings, higher debt and less engagement with civic groups. The Diocese is even admitting to these problems and acknowledging that they are widespread. We're not alone in what we are facing.

The budget that I worked out based on the increases we know and reasonable estimates from last year's expenses is a deficit budget. We have some small savings and account balances which will allow us to continue for several months before touching the Fink gift. But at some point, in the near future we'll have to address these problems.

I have not proposed any changes to operations of our church because the changes needed to balance our budget are so drastic I can't make that decision for us. I am not proposing to do nothing but every aspect of worship at St. John's, every aspect of ministry, every part of what it means to be St. John's will be changed by facing this issue.

I grieve to have to share this news with you. I and ask you to live the quote Michael shares with us every Sunday.

"Life is short. We don't have much time to gladden the hearts of those who walk this way with us. So, be swift to love and make haste to be kind."

— Henri-Frédéric Amiel