Treasurer's Report to SFSC Annual Meeting
By Robert Carr, November 15, 2026

2025 Review

2025 was a good year for our church's financial performance, with a much smaller loss than budgeted:

- Total Income of $360.6k (vs. budget of 315), an over-achievement of 45.6k
- Total Expenses of 386k (vs. budget 383.5), a slight overage.
- Net Income of -25.3k (vs. budget of -68.5), a dramatic total over-achievement.

Q4, as discussed below, was very strong, continuing a pattern we've had all year long. In fact, in my Q3 report, I said that if Q4 continued the year's pattern, our loss for the year would be only -25 or -30k, (vs. budget of -68.5k). In fact, that's how the year turned out.

For context, in 2024 our Net Income was -10.3k and in 2023 it was -51.5k. As a reminder, the reason our 2025 budget was created with a large -68.5k projected loss was the one-time costs associated with our minister's sabbatical and our practice of conservative budgeting on income. As it turns out, income in 2025 was 45.6k higher than budget, due to strong performance in congregational giving, Wedding & Reception, and Other Facility Rentals.

On the expense side, in 2025 we had 14k of unplanned painting expenses. Without the painting expense, our loss in 2025 would have been only 11k, essentially the same level as 2024's very good year. And, without the Sabbatical expenses, we would have easily had a balanced budget in 2025. For context, prior to 2024, we had a long sequence of years with losses ranging in the -30 to -60k range. In sum, the trend over the last two years brings us to the point where we have a very good chance of a balanced, on-budget fiscal 2026.

2026 Budget & Year-to-Date

- In November 2025 the congregation approved a 2026 Budget:
    - $343k income
    - $378k expenses
    - -35k net income
- I'm pleased to report that our financials this year are considerably better than in the budget. If you give generously to the church at the end of this year, our loss for the year may well be less than $10k.
    - Strong giving by the congregation and higher wedding-related income are two primary reasons for the more positive financials.
- Our endowment fund (the "Common Fund") has grown to $2.68M as of September 30th.

2027 Church Operational Proposed Budget

- Church Council recommends a 2026 budget with:
  - $376k total income
  - $395k total expenses
  - -19k net income
- On the expense side, the 2027 budget is mostly a “steady as she goes” budget. It is quite similar to our 2026 budget.
  - It includes 3.5% cost of living raises for Dana, Junchol, and Heather.
  - It includes a few new expenses:
    - $3k for scanning our library documents
    - $2k for full choir on two Sundays in 2027
- On the income side, the main changes in next year’s budget are:
  - Higher congregational giving ($160k vs. 148k).
    - 2026 giving appears on track to be higher than budgeted..
  - Higher wedding-related income ($60k vs. 47k).
    - 2026 wedding-related income appears on track to beat our 2026 budget.

In the long-term, we encourage all of our church members to include the church in their estate planning. We hope that bequests from church members can steadily build our ~$2.7M endowment to a higher level that can ensure a balanced budget for generations to come.

	2025 Actual	2026 YTD (Aug)	2026 Budget	2027 Proposed Budget
Income				
4-1000 Contributed Income				
4-1210 Loose Offerings	$21,316	$9,937	$18,000	$18,000
4-1220 Pledges & Other Givings	$124,463	$99,791	$130,000	$142,000
Total 4-1000 Contributed Income	$148,779	**$109,908**	**$148,000**	**$160,000**
5-1000 Earned Income				
Total 5-1099 Facilities Use Fees	$121,775	**$95,252**	**$111,000**	**$125,300**
5-1340 Interest & Dividend Income	$83,696	$43,608	$84,000	$91,000
Total 5-1000 Earned Income	$205,471	**$138,860**	**$195,000**	**$216,300**
Total Income	$354,250	**$248,768**	**$343,000**	**$376,300**
Expenses				
Total 6-1000 Personnel Expense	$26,451	**$173,394**	**$258,539**	**$267,053**
Total 6-2000 Professional & Contract Fees	$9,033	**$8,909**	**$12,200**	**$15,550**
Total 6-3000 Occupancy Expense	$53,900	**$32,616**	**$44,400**	**$43,650**
Total 6-4000 Office/General Administrative Expenses	$23,672	**$18,907**	**$28,587**	**$29,195**
Total 6-7000 Worship Expense	$30,659	**$18,291**	**$29,950**	**$36,150**
Total 6-8000 Discretionary Expense	$2,247	**$145**	**$3,350**	**$3,350**
Total Expenses	$385,953	**$252,263**	**$377,026**	**$394,948**
Net Operating Income	-$25,322	**-$3,495**	**-$34,026**	**-$18,648**