

Financial Operations 3rd Quarter 2024

Revenue for 2024 is above projections at the end of third quarter and is also above actual revenue received in the previous year at the end of the third quarter when including the quarterly budgeted draws from investments. Excluding the budgeted quarterly draws, actual revenue at the end of the third quarter 2024 was above the previous year at the same time. Income for the 3rd quarter of 2024 was \$159.0K more than the income of the 3rd quarter of 2023 and total operating expenses for the 3rd quarter 2024 were \$209.0K more than the 3rd quarter of 2023. The total net income in the 3rd quarter of 2024 was \$50.0K less than that of the same period in 2023.

Income for the year through the end of the 3rd quarter is 6.5% (\$295.1K) above the projected budget amount. Operating income line items were divided when compared to budgeted amounts, with some below budget and others over budget at the end of the 3rd quarter. NC Masonic Foundation was \$89.3K over budget, Legacies were \$559.7K over budget, DSS Per Diems were \$68.5K over budget, Recurring/Annual Giving was \$240.1K over budget, and Calendar Donations were \$9.2K over budget. Masonic Donations were \$121.5K below budget, General Public Donations were \$134.5K below budget, Investment Income was \$158.7K below budget, Grants were \$58.8K below budget, Other Income was \$3.4K below budget, 150th Donations were \$172.8K below budget, and Printing Income was \$22.0K below budget. We ended the 3rd quarter with revenue exceeding our expenses by \$23.5K. Through the end of the 3rd quarter, we have made quarterly draws totaling \$776.0K that were included in the 2024 budget.

Operating expenses through September 2024 were \$202.2K (4.3%) below budget. Performance by department included through the end of the 3rd quarter of 2024 was as follows:

- Administration was 14.5% or \$122.9K over budget.
- Community Support Center was 12.1% or \$8.6K below budget.
- Direct Care was 3.1% or \$67.9K below budget.
- Maintenance was 2.3% or \$13.5K over budget.
- Development was 13.4% or \$61.9K below budget.
- ILP was 41.4% or \$177.0K below budget.
- Archives was 84.2% or \$23.2K below budget.

At the end of September, the School of Graphic Arts had a deficit of \$22.0K with expenses exceeding revenue. The School of Graphic Arts deficit at the end of the 3rd quarter 2024 is less than the deficit at the same time in 2023 by \$41.2K.

Investments with the NC Masonic Foundation as of the end of the 3rd quarter are 73.0% stock and 27.0% fixed income. As of the end of September 2024, the stock portion of the account was up 17.08% and the income portion of the account was up 4.92% for the year with a quarter-ending balance of \$29.8M in the account. Excluding all additions and withdrawals in 2024, our account balance is \$3.58M more than the 2023 year-end balance. Including the deposits, dividends, and withdrawals in 2024, the quarter ending balance is \$3.05M more than the 2023

year-end balance. Total year-to-date performance of the account excluding additions and withdrawals is 13.39%.

There were several capital improvements during the 3rd quarter of 2024. The total of these improvements was \$241,183 and they included the following: new HVAC units in the Cobb Center, Shipman Cottage, St. John's Building, Brown Cottage, Jefcoat Cottage, and Bemis Cottage; furniture for the Community Support Center conference room, Bemis Cottage, and 65 residents' rooms on lower and upper campuses; new computers per planned replacements, and the painting of Williams Cottage. The furniture in the residents' rooms was a budgeted item, but sufficient funds were raised in the furniture campaign to cover the cost of all the furniture that was purchased.

At the end of the 3rd quarter of 2024, revenue is above projections and expenses are below projections. Legacy Donations have exceeded the 2024 projected budget at the end of the 3rd quarter of 2024 with more donations expected by late 2024 or early 2025. MHCO marketing efforts will focus on donations for the 4th quarter of 2024 through the commercials and an advertisement in Our State magazine.