

OUR LADY OF MOUNT CARMEL
THREE YEAR PROJECTION TO JUNE 2024

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THREE YEAR PROJECTION TO JUNE 30, 2024

Attached is a financial projection through the end of fiscal 2024. This will include sale of all properties. The projection will give us an idea where we stand as far as being able to afford repairs and getting to break even from regular operations.

Significant assumptions:

Annual Collections stay the same, \$224,400 for offertory, \$2,000 grand annual and \$18,926 for the renovation fund.

Lease income will decrease. The Day Care facility lease at the old St Matthew School will end in September 2022. The lease at the old St Angela School continues for 60+ more years and the rent increases, by contract, by 2.5% per year.

Interest income will depend on the investments we make. We will have approximately \$2.5 million in restricted funds from sales at June 30, 2023. The archdiocese only allows investment in their savings account or CIF funds (3 funds-a short term fund, intermediate fund and long term fund). We will have to consider the level of risk we are willing to take.

Staffing-will consist of one full time priest and one half time priest. There will be the equivalent of 3.35 staff people-administrator (.82), cook (.75), business manager (.5), maintenance-2 part time staff (.84) and religious ed (.25) and music (.18).(FTE in parentheses)

Insurance costs will decline with the corrections this year (savings of \$46+ thousand) and the sale of the St Matthew properties.

There was a conditions assessment done in 2019 for St Angela's Rectory and Church. There are over \$600,000 of identified repairs to be done in the next 2 ½ years plus the cost of the new fire alarm system.

Initial Assessment

All debt will be repaid from the property sales. Sales prices are \$4,250,000 for the St Matthews properties and \$550,000 for Fremont St. We will have enough available cash to meet identified repairs. The restricted funds from property sales will be approximately \$2.5 million. Operations before interest income will produce a loss in the \$100,000 range. If earnings on the restricted funds average 4% per year, then break even would be attainable.

One unknown is how the potential \$571 thousand pension liability will be satisfied.

**OUR LADY OF MOUNT CARMEL PARISH
3 YEAR PROJECTION TO
FISCAL YEAR ENDED JUNE 30, 2024**

	FISCAL YEAR 2021 <u>ACTUAL</u>	FISCAL YEAR 2022 <u>BUDGET</u>	Projection: 2023	Projection: 2024
<u>PARISH REVENUE-REGULAR</u>				
Offertory	\$ 231,358	\$ 224,400	\$ 224,400	\$ 224,400
Grand Annual	1,754	2,000	2,000	2,000
Renovation fund	17,581	18,926	18,926	18,926
Funerals, sacraments and mass intentions	36,802	30,000	30,000	30,000
Lease income	140,344	217,045	150,634	129,800
RCAB support	66,999	57,000	-	-
Interest income			10,000	30,500
Other	<u>7,783</u>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>
Total revenue	<u>502,621</u>	<u>553,371</u>	<u>439,960</u>	<u>439,626</u>
<u>PARISH EXPENSES-REGULAR</u>				
Staff compensation	221,125	185,062	146,036	150,417
Staff benefits	45,467	39,916	31,625	32,625
Clergy compensation	68,751	63,200	61,909	63,766
Clergy benefits	17,640	20,675	34,115	35,821
Maintenance-	35,847	8,000	32,000	32,000
Building		3,939	8,800	8,800
Grounds	3,939	3,900	8,800	8,800
Trash	3,691	600	1,320	1,320
Insurance	126,769	126,764	85,392	70,199
Utilities and telephone	49,291	45,096	45,096	45,096
Household	5,990	6,000	6,000	6,000
Weekly envelopes	15,297	10,000	10,000	10,000
Interest expense	39,128	27,179	17,600	-
Central ministry tithe	24,296	29,759	15,125	-
Central ministry rental tax	10,500	5,000	16,095	25,487
Office	10,875	11,500	11,500	11,500
Altar supplies, misalettes, flowers, music	15,818	7,200	7,200	7,200
Religious education	1,631	600	600	600
Miscellaneous	<u>20,299</u>	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>
Toal expense	<u>716,354</u>	<u>591,651</u>	<u>531,614</u>	<u>502,032</u>
NET BEFORE OTHER	(213,733)	(38,280)	(91,654)	(62,406)
OTHER INCOME (EXPENSE):				
Capital acquisitions	(173,423)	(40,000)	(40,000)	(640,000)
Commission on St Angela School rental	(141,386)	-	-	-
Pension-prior years	-	(30,000)	(30,000)	(30,000)
Gain on sale of land	116,296	855,920	3,977,610	0
RCAB debt forgiveness		-	332,108	-
SBA Loan forgiveness	73,745	-	-	-
Insurance settlement St Angela School	<u>506,821</u>	-	-	-
TOTAL OTHER	<u>382,053</u>	<u>785,920</u>	<u>4,239,718</u>	<u>(670,000)</u>
NET	<u>168,320</u>	<u>747,640</u>	<u>4,148,064</u>	<u>(732,406)</u>
Net closed facility cost		<u>\$ 90,874</u>	not calculated	-

**OUR LADY OF MOUNT CARMEL PARISH
3 YEAR PROJECTION TO
JUNE 30, 2024
BALANCE SHEETS**

	ACTUAL 6/30/2021	BUDGET 6/30/2022	CHANGE	Projection 6/30/2023	CHANGE	Projection 6/30/2024	CHANGE
Bank balances:							
Operating	\$ 14,744	\$ 22,232	\$ 7,488	\$ 22,232	\$ -	\$ 22,232	\$ -
Renovation fund	24,359	24,359	-	24,359	-	24,359	-
Savings-RCAB	271,965	141,965	(130,000)	1,007,535	865,570	305,129	(702,406)
Restricted funds:							
Tenant deposit	61,010	61,010	-	61,010	-	61,010	-
Funds from sales	58,242	486,202	427,960	2,475,007	1,988,805	2,475,007	-
Total assets	<u>430,320</u>	<u>735,768</u>	<u>305,448</u>	<u>3,590,143</u>	<u>2,854,375</u>	<u>2,887,737</u>	<u>(702,406)</u>
Accounts payable	38,798	37,238	(1,560)	37,238	-	37,238	-
Special collections-due RCAB	41,667	-	(41,667)				
Tenant security deposit	61,010	61,010	-	61,010	-	61,010	-
Accrued other	11,812	41,812	30,000	71,812	30,000	101,812	30,000
Debt	1,752,654	1,323,689	(428,965)	-	(1,323,689)	-	-
Total liabilities	<u>1,905,941</u>	<u>1,463,749</u>	<u>(442,192)</u>	<u>170,060</u>	<u>(1,293,689)</u>	<u>200,060</u>	<u>30,000</u>
Net assets (deficit)	<u>(1,475,621)</u>	<u>(727,981)</u>	<u>747,640</u>	<u>3,420,083</u>	<u>4,148,064</u>	<u>2,687,677</u>	<u>(732,406)</u>
Total liabilities and net assets (deficit)	<u>430,320</u>	<u>735,768</u>	<u>305,448</u>	<u>3,590,143</u>	<u>2,854,375</u>	<u>2,887,737</u>	<u>(702,406)</u>

OLMC
 3 YEAR PROJECTION TO 2024
 Staffing

	FTE	(3% higher)	
		FY 2023	FY 2024
1.5 Clergy	1.5	<u>\$ 61,909</u>	<u>\$ 63,766</u>
Admin, Business Mgr, Cook	2.1	\$ 87,380	\$ 90,001
Religious Ed	0.25	12,064	12,426
Music	0.18	11,752	12,105
Maintenance	0.84	34,840	35,885
Total Staff	3.35	<u>\$ 146,036</u>	<u>\$ 150,417</u>

OLMC
 3 YEAR PROJECTION TO 2024
 Utilities and Phone

	FISCAL YEAR 2021 <u>ACTUAL</u>	FISCAL YEAR 2022 <u>BUDGET</u>	Projection: 2023	Projection: 2024
Heat	26,453	25,380	25,380	25,380
Electric	11,100	10,596	10,596	10,596
Water	6,453	3,600	3,600	3,600
Total	<u>44,006</u>	<u>39,576</u>	<u>39,576</u>	<u>39,576</u>
Telephone	<u>5,285</u>	<u>5,520</u>	<u>5,520</u>	<u>5,520</u>
	<u><u>49,291</u></u>	<u><u>45,096</u></u>	<u><u>45,096</u></u>	<u><u>45,096</u></u>

OLMC
 3 YEAR PROJECTION TO 2024
 Insurance Cost

	FY 2022	Adjustments:		End of		Start		FY 2023		FY 2024
	Start of	Convent	Value Review	FY 2022		FY 2023	sale 12/2022	FY 2023		FY 2024
	Year									
St Angela	55,502	(1,453)		54,049	10% Incr	59,454		59,454	10% Incr	65,399
St Matthew	87,634	(4,248)	(44,408)	38,979	10% Incr	42,876	(21,438)	21,438		0
Misc	4,368			4,368		4,500		4,500		4,800
Total	147,504	(5,701)	(44,408)	97,396		106,830	(21,438)	85,392		70,199

OLMC
 3 YEAR PROJECTION TO 2024
 TITHE AND TAX

3 year average, 2022 based on 2018-2020
 deduct endowment 1/5 up to date of calc Mar xxxx

Central Ministry tithe:

Year		2018	2019	2020	2021	2022	2023
Offertory/GA		380,292	319,205	228,148	233,112	226,400	226,400
Tithe	Average				309,215	260,155	229,220
	Deduction				11,630	108,903	506,664
	Base				<u>297,585</u>	<u>151,252</u>	<u>(277,444)</u>
Tithe			10%	<u>29,759</u>	<u>15,125</u>	<u>-</u>	
			Year	2022	2023	2024	
Endowment additions:							
	2021 sale		58,148		11,630	11,630	11,630
	2022 sale		486,365			97,273	97,273
	2023 sale		1,988,805				397,761
					<u>11,630</u>	<u>108,903</u>	<u>506,664</u>
Year		2018	2019	2020	2021	2022	2023
Rental tax:		44,221	60,500	67,400	140,344	217,045	150,634
Average					57,374	89,415	141,596
	Tax concession			18%	10,327	16,095	25,487
	Net				<u>5,327</u>	<u>-</u>	<u>-</u>
					<u>5,000</u>	<u>16,095</u>	<u>25,487</u>
			Year	2022	2023	2024	

OLMC
 3 YEAR PROJECTION TO 2024
 Interest Income

Interest income:		Rate	2023	2024
Cash 6/30/22	547,212	0.50% 2023	2,736	
		1.00% 2024		5,472
Cash added FY 2023 midyear	2,854,375	0.50% 2023	7,136	
		1.00% 2024		28,544
Cash used FY 2024	(702,406)	1.00% 2024		(3,512)
		Total	<u>9,872</u>	<u>30,504</u>
		For projection	\$ 10,000	\$ 30,500