

OUR LADY OF MOUNT CARMEL

Finance Council Meeting

June 4, 2025

Minutes

The Finance Council of Our Lady of Mount Carmel Catholic parish met on Wednesday, 6/4/25 from 3:00 to 4:00 in the parish hall meeting room. The meeting was called to order by Alex and a quorum was established.

Council members present:

- Alex Gray (Chairman)
- AB Introcaso (by telephone)
- Jack McAleer
- Jim Rice (Secretary)

Ex-officio members present:

- Fr. Jhonnatan Carmona
- Rebecca Bayless (Bookkeeper) (by telephone)

Council member absent:

- Ed Quinnan

Fr. Jhonnatan offered an opening prayer [“Help us to better serve Our Lady of Mount Carmel and Carmel Valley. . .”]. Alex then stated that the principal purposes of the meeting were:

- (a) to review the interim financial condition and results of operations of the parish for the current fiscal year, as reflected on a balance sheet, income statement and statement of restricted funds as at and for the eight months ended 4/30/25 [copies attached] which were prepared by Rebecca;
- (b) to discuss new business items; and
- (c) to discuss certain preliminary FY 2025-2026 budget numbers.

Accordingly, Alex walked the meeting through various key line items of the aforementioned financial statements and, along with Rebecca, responded to members’ questions, comments and concerns. Such line items included:

- (i) on the balance sheet, cash on hand amounted to approximately \$223,000 of which \$102,000 is represented by restricted funds carried on the balance sheet as current liabilities;

- (ii) also on the balance sheet, the \$24,000 of restricted funds represented by the Grounds & Maintenance Fund is net of approximately \$20,000 reclassified at the last Finance Council meeting from that fund to operating funds;
- (iii) on the income statement, plate collections of \$134,000 represented a “healthy” 78% of the amount budgeted for the whole year for this item;
- (iv) on the income statement, the \$36,000 recorded for AMA rebate as of 4/30 had risen to \$64,000 as of 5/26 “and counting” which, net of the diocese’s share of \$11,000, represents a substantial surplus over the \$38,000 budgeted for this item¹;
- (v) on the income statement, the amount recorded for fund raising (\$21,000) does not include any revenue from a festival or a crab dinner neither of which were held this year, and the profit margin from the Natale/Lenten dinners was, according to Alex, relatively low in relation to the number of hours expended by relatively few parishioners. The parish could benefit from other fundraising vehicles;
- (vi) on the expense side of the income statement, Alex reminded the council that Fr. Jhonatan’s salary and benefits each year are supplied by the diocese in our budget planning workbook;
- (vii) on the expense side, Alex noted that the music director’s salary was running over budget making it desirable to reclassify the \$7,000 in the Music/Choir restricted fund to operating funds to cover this item and to budget more realistically for next FY with regard to this item;² and

On motion made and seconded, the council unanimously approved this reclassification.

- (vi) finally on the expense side, the \$9,000 recorded for the eight-month period (compared to the \$10,000 budgeted for the whole FY) suggests a need to improve controls with Gerardo for routine such services, with whom Alex undertook to negotiate. It also suggests a higher budget amount for FY25-26.

Alex summed up this part of the discussion by pointing to net surplus of \$17,000 as compared to a budgeted \$7,000 deficit as indicating that the parish is “in remarkably good financial shape.”

Alex then solicited ideas for fund raising possibly in place of the low margin-high effort Natale and Lenten dinners. Ideas ranged from bingo (Jim) to box lunches/dinners (AB), with council members promising to come forward with additional ideas in time for the next meeting which will be focused on a preliminary budget for next FY.

Fr. Jhonatan and Alex then reminded the council that something should be done with the vacant lot adjacent to the parish grounds, if only to put an end to the annual weed clearing and property

¹ Council members congratulated Jack for again successfully leading the AMA appeal.

² Fr. Jhonatan undertook to meet with the music director and to determine with more particularity her plans for next year.

tax obligations. After substantial discussion, the council authorized Alex to commit up to \$10,000 for written legal advice regarding the water rights a prospective purchaser of the property would receive, as a helpful first step to listing, possibly, the property for sale.

Fr. Jhonnatan then informed the council that he has been working on a project to create a new back altar for the sanctuary of the parish church; that he had already taken delivery of a new crucifix from an Ecuadorean artist that would be paired with the existing statues of Mary and Joseph after they had been retouched and colorized; that he had preliminary sketches and an estimate (\$45K - \$50K) for the project from two potential wood-working companies; and that a parishioner was interested in underwriting this project in honor of his late father. The council authorized Fr. Jhonnatan to proceed with this project, it being the sense of the meeting that, while it would be ideal for the donor to absorb the full cost, the difference between his undertaking and the cost to complete could be bridged by a portion of the excess from this year's AMA appeal raise.³

Attendees agreed that their next meeting would take place on Wednesday, July 23, 2025, at 3:00 PM.

Then, after Fr. Jhonnatan led the council in the Lord's Prayer, Alex thanked the attendees for their time and entertained a motion to adjourn the meeting.

/s/ James A. Rice
James A. Rice, Secretary

June , 2025
Date

³ Fr. Jhonnatan subsequently advised the council that the donor was willing to cover the full [estimated] cost of the project.

Our Lady of Mt. Carmel Catholic Community
Finance Council Meeting
June 4, 3:00PM

Purpose of meeting:

Review FY24-25 financial results fiscal YTD (8 months). Discuss new business items. Discuss preliminary FY25-26 budget numbers.

Agenda:

1. Establish quorum
2. Opening prayer – Fr. Jhonnatan
3. Review FY24-25 balance sheet and income statement fiscal YTD (9/1/24 – 4/30/25), and any significant divergence from pro-rated budget.
 - a. Record/discuss preliminary thoughts on budget line item changes for next fiscal year.
 - b. Discussion of exceptional 2025 AMA results, and previously agreed allocation of \$19,000 to a maintenance/building fund. Full impact of substantial AMA collections not yet reflected in this 4/30 report.
 - c. Also, as previously agreed, \$20,234.25 of maintenance costs have been reclassified to the maintenance restricted fund. This is reflected in a reduction of such costs in our operating statement and a corresponding decrease in maintenance restricted fund balance
4. New business updates:
 - a. We still have \$7,000 in the “Music/Choir” restricted fund – allocate to fund new part-time music person or hold? Discuss.
 - b. New fund-raising opportunities other than Natale/Lenten dinners? This year yielded ~\$12,150 net profit. Which is great, but with very high effort for a relative few. Other fund-raising opportunities to consider?
 - c. Vacant lot: Consider an allocation of funds to support legal work to document water rights? Not in current or proposed budgets.
5. Concluding comments & prayer – Fr. Jhonnatan