

ST. MATTHEW CATHOLIC CHURCH

Annual Financial Report

Year Ended June 30, 2018

Parish Balance Sheet

<u>\$ In Thousands</u>	June 30	
	2018	2017
Cash	\$ 7,120	\$ 5,196
Other	26	10
Land	5,335	5,335
Rectory	307	307
Parish Center	1,806	1,806
Church Sanctuary	4,469	4,469
New Life Ctr and Education Bldg	16,941	16,926
MACS Equity Education Bldg	(5,500)	(5,500)
Furniture/Equipment/Vehicles	3,202	3,169
Main Campus Assets	26,560	26,511
Land South Campus	2,800	2,800
Building South Campus	4,139	4,139
Furniture/Equipment	210	210
St. Matthew South Assets	7,149	7,149
Total Assets	\$ 40,854	\$ 38,866
Accounts Payable/ Other Current	\$ 72	\$ 19
Other	848	748
Total Liabilities	920	766
Parish Equity	39,934	38,099
Total Liabilities and Equity	\$ 40,854	\$ 38,866

- As of June 30, 2018, the parish's cash balance is approximately \$7.1 million. Of that amount, \$4.6 million represents reserves for anticipated future needs at the main campus including a new sanctuary roof, as well as future development of our Waxhaw campus. The remaining \$2.5 million represents approximately four months of operating expenses, a level deemed prudent by parish leadership and the finance council, especially in light of continuing increased assessments from the Diocese.

Financial highlights:

- We have completed a successful year, expanding our outreach, while continuing to build necessary reserves for potential future economic challenges and facility improvements to support our new parish plan goals of spiritual growth and increased youth, young adult and family engagement.
- Offertory collections *declined* by 1.7%, despite a 2.7% increase in registered households.
- Operating expenses have declined due to unusually large expenditures in the prior year for both energy efficiency improvements to our campus and for extraordinary charitable outreach in the Year of Mercy.

Your generosity allowed us to continue our tradition of outreach. Together we:

FEED

- Sent over 420,000 lbs. of food & supplies (eight containers) to Haiti, Jamaica and local food pantries during our 16th World Hunger Drive.
- Fed the needy through our food pantry, Our Daily Bread and Mel's Diner ministries, and delivery of over 40,000 sandwiches to local shelters.
- Provided a hot lunch and dinner each month to the homeless at Men's Shelter of Charlotte.
- Operated a food truck to feed approximately 500 needy of Charlotte each week.

EDUCATE

- Supported over 6,500 youth of our parish through our vibrant faith formation programs and our contributions to the Mecklenburg Area Catholic Schools.
- Aided Charlotte families in need to educate their children through our support of Brookstone School, a Judeo-Christian principle based school in uptown Charlotte.
- Provided nine college scholarships through the stewardship and Journey of Faith scholarships.
- Contributed to the education of children in Haiti and in the Holy Land.
- Supported academically-gifted at-risk students from Charlotte Mecklenburg Title 1 schools through the Gen-One program, a program assisting first generation college students.

HOUSE & CLOTHE

- Sent clothing and furniture to Appalachia through our donated goods ministry.
- Created housing options for local homeless families.
- Furnished apartments for refugees.

SUPPORT

- Assisted over 2,000 at Thanksgiving, Christmas and Easter by providing food baskets and gifts.
- Helped families in life-crisis by staffing five clinical counselors, and hosting 17 support groups.
- Supported and strengthened over 100 ministries and programs of our parish.

<i>Statement of Revenue and Expenditures</i>					
In \$ Thousands	Year Ended June 30				
	Actual		Budget		Budget
	2017	2018	2018	Variance	2019
Offertory	\$ 7,647	\$ 7,515	\$ 7,450	\$ 65	\$ 6,935
Faith Formation fees	338	334	242	92	252
Education Building Rent	328	321	305	16	308
Donations	519	398	174	224	166
Other	291	330	251	79	239
Total operating revenue	\$ 9,123	\$ 8,898	\$ 8,421	\$ 476	\$ 7,900
Facilities Operating Expense	\$ 1,556	\$ 1,447	\$ 1,554	\$ (107)	\$ 1,460
Ministry & Liturgy	1,303	1,281	1,301	(20)	1,284
Diocesan Assessments	1,040	1,094	1,146	(52)	1,183
MACS Subsidy	840	922	1,008	(86)	1,000
Faith Formation	976	911	1,032	(122)	1,078
General Administrative	975	1,048	1,026	22	1,020
Charity	605	473	527	(54)	476
Counseling	268	245	283	(38)	252
Other	27	35	22	13	27
Total operating expenditures	\$ 7,590	\$ 7,455	\$ 7,899	\$ (444)	\$ 7,780
Operating surplus	\$ 1,533	\$ 1,442	\$ 522	\$ 920	\$ 120
Renew St. Matthew collections	\$ 204	\$ 200	\$ 192	\$ 8	\$ 192
Diocesan Capital Campaign (1)	151	114	50	64	30
Interest Income	32	78	24	54	30
Capital Expenditures (1)	(499)	(49)	(500)	451	(250)
Interest Expense	-	-	-	0	-
Net Capital/Financing Activity	\$ (112)	\$ 344	\$ (234)	\$ 578	\$ 2
Net surplus (deficit)	\$ 1,422	\$ 1,786	\$ 288	\$ 1,498	\$ 122

Capital campaign and expenditures...

- St. Matthew receives 25% of the payments made by parishioners towards the Diocesan capital campaign, after the reduction of expenses associated with that campaign. These funds were earmarked towards the construction costs of our south campus. Capital expenditures during fiscal year 2018 were primarily for the parish center kitchen renovation. 2017 expenditures included energy efficiency improvements at the main campus in response to Pope Francis' encyclical, Laudato Si, the purchase of a contiguous land parcel at the south campus, and an additional housing facility for our priests.

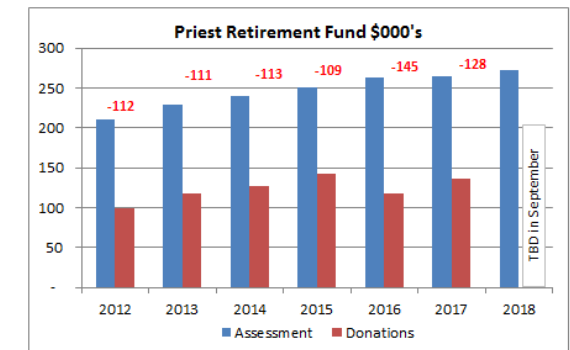
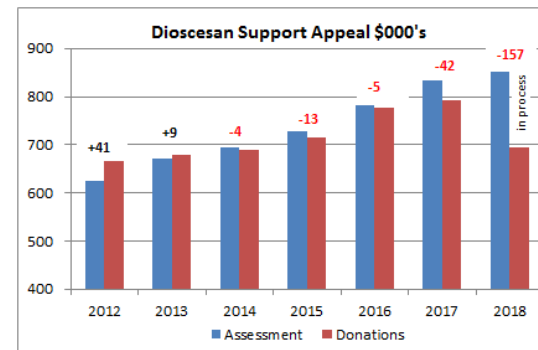
Challenges ahead...

Our exciting future

- We are excited to embark on our new parish plan goals of spiritual growth and increased youth, young adult and family engagement. But, we need your help! Our offertory giving per household has declined and we continue to struggle to meet both our DSA goal and Priests' Retirement funding. Increased offertory giving along with cash reserves will allow us to make investments in our facilities both at the main and Waxhaw campuses to support these goals.

Shortfalls from Diocesan Support Appeal (DSA) and Priests' Retirement Assessment

- We have not met our DSA goal since 2013. If we do not meet the assessment, we must make up the shortfall from our operating funds, if we exceed the assessment, we receive a rebate from the Diocese for any excess above the assessment.
- Prior to 2014, rebates from excesses over our DSA assessment were used to build Habitat for Humanity Houses, an important outreach by our parish community.
- Additionally, for over ten years, we have not met our Priests' Retirement assessment from the Diocese, and the shortfalls continue to rise each year. Again, this is a mandated assessment, and any shortfall must be made up from our parish operating funds.



What you can do...

- Prayerfully consider increasing your offertory giving so that our parish can successfully increase our spirituality and engage our youth, young adults and families, while still reaching out to those in need, a hallmark of St. Matthew.
- Give to the DSA (online at www.charlottediocese.org/dsa or by making a check payable to "DSA" and placing it in the offertory basket). Your gift benefits many throughout Western Carolina.
- Help us meet our Priests' Retirement goal by giving generously in support of our many faithful retired priests.

Parish Finance Council

Kevin O'Hara, Chair

Keith Butler, Bob Desch, Bill Kane, Ray Misiunas, Mike Ruff and Joan Slep