

ST. MATTHEW CATHOLIC CHURCH
Annual Financial Report
Year Ended June 30, 2021

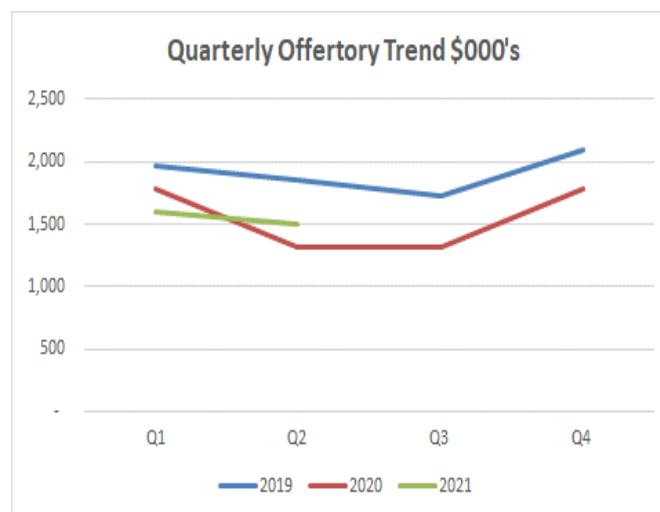
St. Matthew navigates COVID-19 challenges:

In these unprecedented times, St. Matthew has responded in extraordinary ways:

- Many parishioners enrolled in online giving to support the parish, assisting our ability to continue operating and helping those in need during months when we were unable to safely resume the sacraments. Online donations now account for up to 60% of offertory. Because of the continued generosity of our parishioners, our offertory for the fiscal year 2020-21 was 90% of prior year, even though the first fiscal quarter had a 24% drop in offertory at the start of the pandemic.
- The parish has been able to operate in a streamlined manner since March 2020. In response to the 10% decrease in offertory giving, our operating expenses were reduced by 14% through employee retirements, consolidation of work responsibilities, and reduced program activity. The final year end results reflect a modest operating surplus.

2020-2021 Financial highlights:

- We have completed a successful year, continuing our outreach, while managing through the COVID-19 pandemic challenges.
- Despite lower offertory giving due to the pandemic, St. Matthew achieved a modest operating surplus for the year by actively managing operating expenses.
- For the year, registered households increased by 2%, offertory collections decreased by 10%, the average contribution per household declined by 12%, and operating expenses decreased by 14%.
- Offertory is recovering from pandemic low levels with Q2 2021 offertory up 14% from the prior year, but still 19% below 2019.
- In spite of these challenges, St. Matthew continued their long tradition of being a tithing parish, supporting charities locally, nationally and internationally thanks to the generous support of our parishioners.



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

FEED

- Sent seven shipping containers of food and supplies with a value of over \$187,000 to Haiti during our Monsignor McSweeney World Hunger Drive.
- Also, in conjunction with the Hunger Drive, provided additional monetary support of \$73,000 for food to:
 - Missionaries of the Poor in Haiti for emergency food purchase (\$50,000),
 - Satna, India to feed orphaned children (\$20,000), and
 - Venezuela, to an impoverished parish (\$3,000).
- Fed the needy locally through our food pantry, Our Daily Bread and Mel's Diner ministries, and delivered over 40,000 sandwiches to local shelters, even during the pandemic.
- Provided a monthly hot lunch and dinner to the homeless at Roof Above.

EDUCATE

- Supported over 6,000 youth of our parish through our vibrant faith formation programs and our contributions to the Mecklenburg Area Catholic Schools.
- 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.

SUPPORT

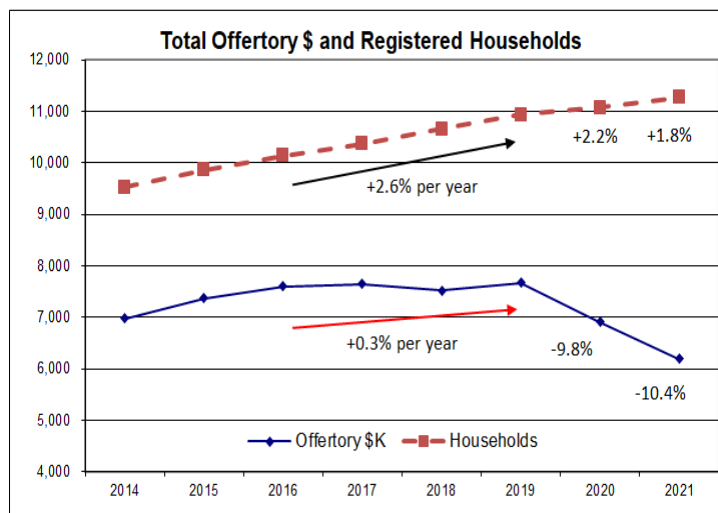
- Assisted over 2,000 at Thanksgiving, Christmas and Easter by providing food baskets and gifts.
- Helped families in life-crisis by staffing four clinical counselors, and a social worker.
- Provided a 'life-line' to the ten most distressed United States Catholic faith communities through a \$10,000 donation to Catholic Extension's Kinship Initiative. These missions and parishes in Mississippi, Montana, South Dakota, Washington, Oklahoma, Kentucky, Minnesota and Tennessee, were struggling even more than most due to the challenges presented by the pandemic.

Statement of Revenue and Expenditures

Year Ended June 30

In \$ Thousands	Actual		Budget		Budget
	2020	2021	2021	Variance	2022
Offertory	\$ 6,912	\$ 6,190	\$ 5,050	\$ 1,140	\$ 6,525
Faith Formation fees	323	209	242	(33)	272
Education Building Rent	300	298	304	(6)	304
Donations	248	396	131	265	214
Other	264	254	192	62	197
Total operating revenue	\$ 8,048	\$ 7,347	\$ 5,918	\$ 1,429	\$ 7,511
Facilities Operating Expense	\$ 1,496	\$ 1,413	\$ 1,417	\$ (5)	\$ 1,448
Ministry & Liturgy	1,231	933	1,028	(95)	1,043
Diocesan Assessments	1,013	948	1,078	(129)	973
MACS Subsidy	1,227	1,227	1,200	27	1,200
Faith Formation	987	685	895	(209)	889
General Administrative	1,061	1,033	1,052	(19)	939
Charity	485	273	274	(1)	422
Counseling	228	137	217	(80)	157
Other	35	40	20	20	30
Total operating expenditures	\$ 7,763	\$ 6,690	\$ 7,181	\$ (490)	\$ 7,100
Operating surplus	\$ 284	\$ 657	\$ (1,262)	\$ 1,919	\$ 411
Renew St. Matthew collections	\$ 168	\$ 138	\$ 120	\$ 18	\$ 120
Diocesan Capital Campaign	30	4	-	4	-
Interest Income	190	69	80	(11)	70
Proceeds from Property Sale (1)	-	-	-	0	450
Capital Expenditures (1)	(1,255)	(69)	(250)	181	(1,000)
Net Capital/Financing Activity	\$ (867)	\$ 142	\$ (50)	\$ 192	\$ (360)
Net surplus (deficit)	\$ (583)	\$ 799	\$ (1,312)	\$ 2,112	\$ 51

(1) 2020 capital expenditures were primarily for the purchase of a new rectory (\$725,000) to house all our priests in one location and provide space for visiting priests; for the replacement of our sanctuary sound system (\$184,000); and for improvements to the intersection at our Waxhaw campus (\$170,000). St. Matthew expects to largely offset the cost of the new rectory with the sale of the former rectories during fiscal year 2022. 2021 capital expenditures were deferred due to the pandemic. St. Matthew anticipates \$1 million of capital expenditures during fiscal year 2022 primarily to renovate the Monsignor Kerin Parish Center.



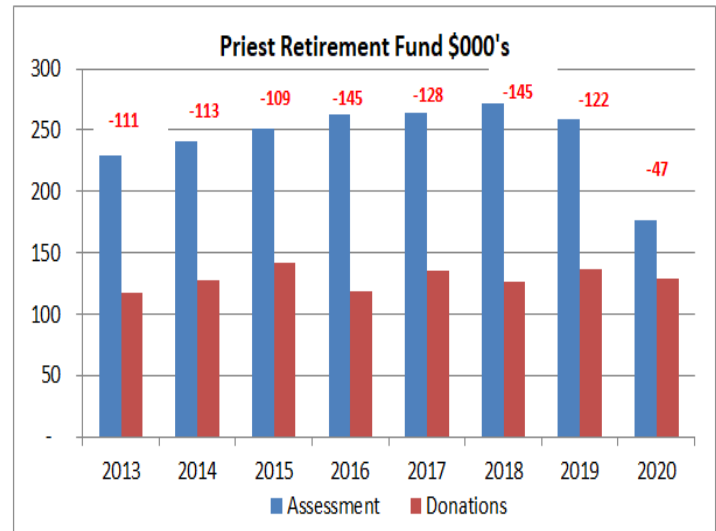
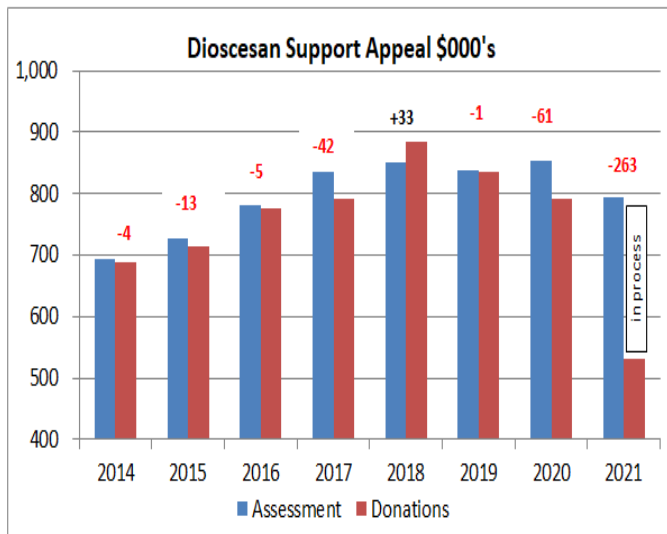
Challenges ahead...

Getting through the pandemic to our exciting future

- The COVID-19 pandemic has significantly reduced offertory over the past 18 months. The decline in giving has improved in the last three months with the reopening of Masses. However, offertory is still significantly lower than pre-pandemic levels. Accordingly, expenses continue to be evaluated and reduced where possible.
- We need your help! If you cannot attend Mass, please consider supporting St. Matthew through electronic giving by visiting Faith Direct (www.stmatthewcatholic.org/heartfeltgiving). Many thanks to those parishioners who already give electronically.

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

- St. Matthew exceeded its 2018 DSA assessment for the first time in five years, narrowly missed its 2019 and missed its 2020 goal by \$61,000. We are currently running \$263,000 behind our 2021 goal in gifts and pledges.
- If we do not meet the 2021 assessment, we must make up the shortfall from our operating funds.
- Additionally, for over ten years, we have not met our Priests' Retirement assessment from the diocese, and the shortfalls continue to be over \$100,000 per year with the 2020 shortfall lower due to a reduced assessment. 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 manage through the pandemic without depleting our cash reserves, while still reaching out to those in need, a hallmark of St. Matthew.
- Give to the DSA (online at www.charlottediocese.org/dsa or make a check payable to "DSA" and place it in the offertory). Your gift benefits many in need throughout the diocese.
- Help us meet our Priests' Retirement goal by giving generously in support of our many faithful retired priests.
- Continue to pray for the safety of all and for those suffering as a result of the pandemic.

Parish Finance Council

Kevin O'Hara, Chair

Bob Desch, Bill Kane, Butch Mayer, Ray Misiunas, Peggy Peterson, Mike Ruff and Joan Slep

Parish Balance Sheet

<u>\$ In Thousands</u>	June 30	
	2020	2019
Cash	\$ 8,832	\$ 7,876
Other	20	77
Land	5,392	5,376
Rectory	1,042	1,042
Parish Center	1,818	1,818
Church Sanctuary	4,469	4,469
New Life Ctr and Education Bldg	17,058	16,978
MACS Equity Education Bldg	(5,500)	(5,500)
Furniture/Equipment/Vehicles	3,417	3,446
Main Campus Assets	27,698	27,629
Land South Campus	3,002	3,002
Building South Campus	4,151	4,151
Furniture/Equipment	241	241
St. Matthew South Assets	7,394	7,394
Total Assets	\$ 43,944	\$ 42,977
Accounts Payable/ Other Current	\$ 132	\$ 88
Other	843	787
Total Liabilities	975	875
Parish Equity	42,969	42,102
Total Liabilities and Equity	\$ 43,944	\$ 42,977

- As of June 30, 2021, the parish's cash balance is approximately \$8.8 million. We anticipate our existing reserves will enable the parish to manage through continued pandemic impacts and to eventually at least partially fund future facility improvements at both the Ballantyne and Waxhaw campuses, including the current renovation of the Ballantyne campus' Monsignor Kerin Parish Center. Cash levels are deemed prudent due to the uncertainties surrounding the pandemic as they represent approximately one year of operating expenses.