

ST. MATTHEW CATHOLIC CHURCH
Annual Financial Report
Year Ended June 30, 2022

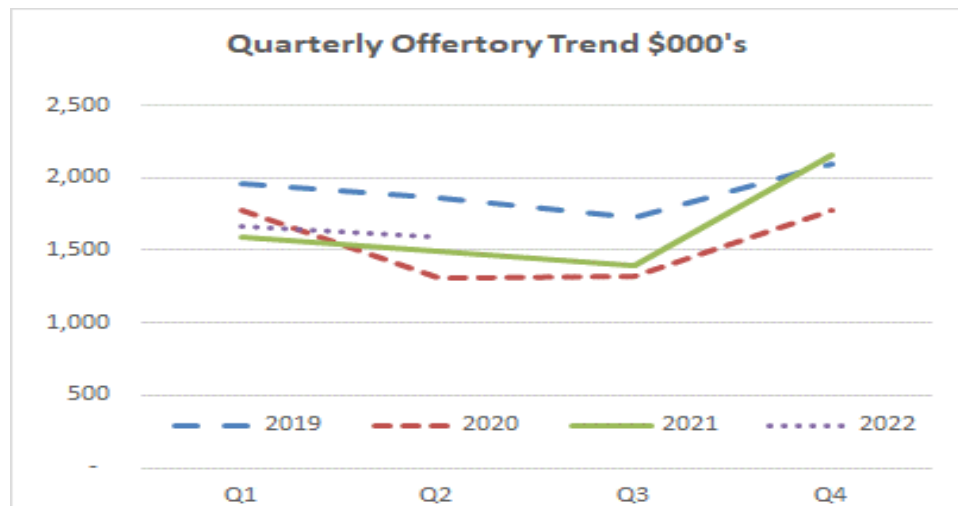
St. Matthew navigates COVID-19 challenges:

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 as we emerge from the COVID-19 pandemic. Online donations now account for up to 55% of offertory. Because of the continued generosity of our parishioners, our offertory for the fiscal year 2021-22 was 11% higher than prior year as Mass attendance increased with fewer pandemic restrictions.
- As ministries reactivate and as we continue our long tradition of outreach to our community, expenses are trending back to pre-pandemic levels. The final year-end results reflect a modest operating surplus, even with offertory still below pre-pandemic levels.

2021-2022 Financial highlights:

- We have completed a successful year, continuing our outreach, while managing through the pandemic challenges. Renovation of our Parish Center was completed during the year, all funded by current year operations.
- Despite lower offertory giving due to the pandemic, St. Matthew achieved modest operating surpluses over the past two years by actively managing operating expenses.
- For the year, registered households were roughly flat but average contribution per household increased by 12% and offertory collections increased by 11% while operating expenses only increased by 6%.
- Offertory is recovering from pandemic low levels with Q2 2022 offertory up 11% from the prior year, but still 11% below pre-pandemic levels in 2019.
- In spite of these challenges, St. Matthew continued our 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 2021 Monsignor McSweeney World Hunger Drive.
- Also, in conjunction with the 2021 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 through financial contributions of \$35,000 to Charlotte Loaves & Fishes and Catholic Charities' food pantry.
- Provided a monthly hot lunch and dinner to the homeless at Roof Above and contributed thousands of sandwiches to local shelters.

EDUCATE

- Supported thousands of 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 three clinical counselors, and a social worker.
- Continued to support ten struggling United States catholic faith communities in Mississippi, Montana, South Dakota, Washington, Oklahoma, Kentucky, Minnesota and Tennessee, through a \$10,000 donation to Catholic Extension's Kinship Initiative. These missions and parishes were struggling even more than most due to the pandemic.
- Supplied assistance to Charlotte families in need through gifts of \$75,000 in support of Crisis Assistance Ministries, Do Greater Charlotte, A Roof Above and Charlotte Family Housing.

Statement of Revenue and Expenditures

Year Ended June 30

In \$ Thousands	Actual		Budget		Budget
	2021	2022	2022	Variance	2023
Offertory	\$ 6,190	\$ 6,880	\$ 6,525	\$ 355	\$ 7,000
Faith Formation fees	209	264	272	(8)	285
Education Building Rent	298	305	304	2	303
Donations	396	403	214	189	201
Other	254	482	197	285	224
Total operating revenue	\$ 7,347	\$ 8,334	\$ 7,511	\$ 823	\$ 8,013
Facilities Operating Expense	\$ 1,413	\$ 1,650	\$ 1,448	\$ 203	\$ 1,547
Ministry & Liturgy	933	1,183	1,043	140	1,187
Diocesan Assessments	948	758	973	(215)	1,047
MACS Subsidy	1,227	1,163	1,200	(37)	1,200
Faith Formation	685	899	889	10	985
General Administrative	1,033	890	939	(49)	909
Charity	273	402	422	(20)	475
Counseling	137	123	157	(35)	117
Other	40	37	30	8	33
Total operating expenditures	\$ 6,690	\$ 7,106	\$ 7,100	\$ 6	\$ 7,502
Operating surplus	\$ 657	\$ 1,228	\$ 411	\$ 817	\$ 511
Renew St. Matthew collections	\$ 138	\$ 162	\$ 120	\$ 42	\$ 144
Diocesan Capital Campaign	4	9	-	9	-
Interest Income	69	70	70	(0)	60
Proceeds from Property Sale (1)	-	-	450	(450)	450
Capital Expenditures (2)	(69)	(1,095)	(1,000)	(95)	(500)
Net Capital/Financing Activity	\$ 142	\$ (856)	\$ (360)	\$ (496)	\$ 154
Net surplus (deficit)	\$ 799	\$ 372	\$ 51	\$ 321	\$ 665

- (1) St. Matthew expects to sell the former rectories during fiscal year 2023, which will largely offset the cost of the new rectory purchased in fiscal year 2020.
- (2) 2022 capital expenditures were primarily for the renovation of the parish center and fully funded by current year operating revenue.

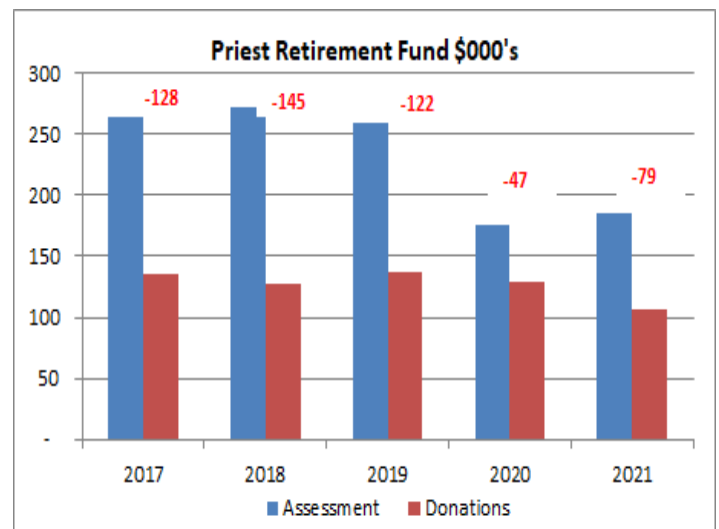
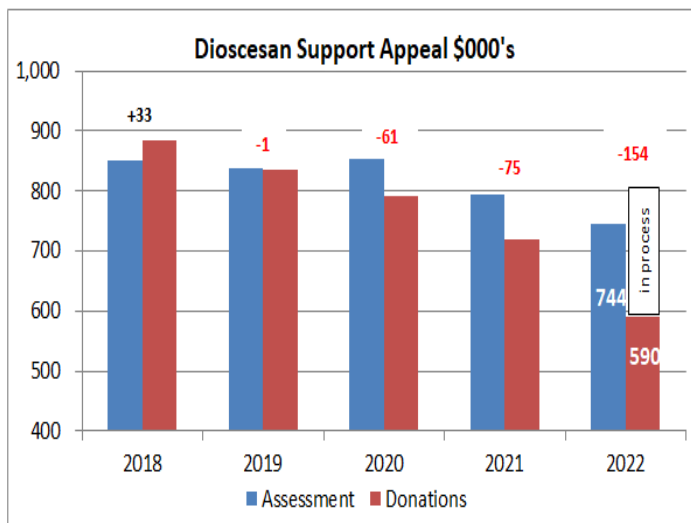
Challenges ahead...

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 over the past year with the reopening of Masses. However, offertory is still lower than pre-pandemic levels. Accordingly, expenses continue to be evaluated and reduced where possible.
- Please consider supporting St. Matthew through electronic giving by visiting our electronic giving vendor, 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 and narrowly missed the 2019 goal but has since missed the goal for 2020 and 2021. We are currently running (\$154,000) behind our 2022 goal in gifts. Additionally, the number of households participating in the DSA effort have been trending downward over the last three years.
- If we do not meet the 2022 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 and 2021 shortfalls 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.
- Pray for the revitalization of the many St. Matthew ministries and for our continued ability to serve those in need.

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	
	2022	2021
Cash	\$ 9,020	\$ 8,832
Other	50	20
Land	5,392	5,392
Rectory	1,042	1,042
Parish Center	1,818	1,818
Church Sanctuary	4,469	4,469
New Life Ctr and Education Bldg	18,052	17,058
MACS Equity Education Bldg	(5,500)	(5,500)
Furniture/Equipment/Vehicles	3,519	3,417
Main Campus Assets	28,793	27,698
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	\$ 45,257	\$ 43,944
Accounts Payable/ Other Current	\$ 190	\$ 132
Other	631	843
Total Liabilities	820	975
Parish Equity	44,437	42,969
Total Liabilities and Equity	\$ 45,257	\$ 43,944

- As of June 30, 2022, the parish's cash balance is approximately \$9.0 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. Cash levels are deemed prudent due to the anticipated increased costs associated with reactivating our ministries, and maintaining and improving our aging facilities.