

Parish Balance Sheet

<u>\$ In Thousands</u>	<u>June 30</u>	
	<u>2017</u>	<u>2016</u>
Cash	\$ 5,196	\$ 3,736
Other	10	10
Land	5,335	5,335
Rectory	307	165
Parish Center	1,806	1,806
Church Sanctuary	4,469	4,469
New Life Ctr and Education Bldg	16,926	16,888
MACS Equity Education Bldg	(5,500)	(5,500)
Furniture/Equipment/Vehicles	3,169	3,025
Main Campus Assets	26,511	26,188
Land South Campus	2,800	2,633
Building South Campus	4,139	4,139
Furniture/Equipment	210	200
St. Matthew South Assets	7,149	6,973
Total Assets	\$ 38,866	\$ 36,906
Accounts Payable/ Other Current	\$ 19	\$ 13
Other	748	714
Total Liabilities	766	728
Parish Equity	38,099	36,179
Total Liabilities and Equity	\$ 38,866	\$ 36,906

- As of June 30, 2017, the parish’s cash balance is approximately \$5.2 million. Of that amount, \$2.7 million represents reserves for anticipated future needs at the main campus including a new sanctuary roof, as well as future development of our south 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.
- Through the generosity of our parish from offertory contributions, donations received by the parish from the Diocesan capital campaign, cash on hand and prudent financial planning by parish leadership, St. Matthew was able to purchase the land and develop our south campus. To date, we have invested approximately \$7 million in the 34 acres of land and the construction of the initial phase (Phase I), of which only \$1.1 million was borrowed from the Diocese under a three year note in November 2014 at an annual interest rate of 2.7%. St. Matthew fully repaid the note and all related interest in 2016.

ST. MATTHEW CATHOLIC CHURCH
Annual Financial Report
Year Ended June 30, 2017

Financial highlights:

- We have completed a successful year, expanding our outreach, while providing necessary reserves for potential future economic challenges and facility improvements.
- Offertory collections grew by 0.7%, driven by a 2.3% increase in households. The average contribution per registered household declined by (1.6%).
- Operating expenses grew by 4%, primarily due to higher Diocesan assessments, increases in operating and ministry costs, as well as an increase in the parish’s charitable outreach.

Most importantly, over the past year, your generosity allowed us to continue our tradition of being a tithing parish. Specifically, together we:

FEED

- Sent 270,000 lbs. of food & supplies to Haiti, Jamaica and local food pantries during our World Hunger Drive reaching an unprecedented cumulative gift of over 2 million lbs. (1,000 tons).
- 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 academically-gifted at-risk students from Charlotte Mecklenburg Title 1 schools through the Gen-One program, a program assisting first generation college students.
- Assisted under-resourced families educate their children through our support of Brookstone School, a Judeo-Christian principle based school in uptown Charlotte.
- Provided seven college scholarships through the Stewardship and Journey of Faith scholarships.
- Contributed to the education of children in Haiti and in the Holy Land.
- Supported over 6,500 youth of our parish through our vibrant faith formation programs and our contributions to the Mecklenburg Area Catholic Schools.

HOUSE & CLOTHE

- Sent clothing and furniture to Appalachia through our donated goods ministry.
- Completed our eighth Habitat House in Matthews.
- 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.

Statement of Revenue and Expenditures					
In \$ Thousands	Year Ended June 30				
	Actual		Budget		Budget
	2016	2017	2017	Variance	2018
Offertory	\$ 7,596	\$ 7,647	\$ 7,410	\$ 237	\$ 7,450
Faith Formation fees	331	338	241	98	242
Education Building Rent	307	328	305	23	305
Donations	369	519	174	345	174
Other	310	291	261	29	251
Total operating revenue	\$ 8,913	\$ 9,123	\$ 8,391	\$ 733	\$ 8,421
Facilities Operating Expense	\$ 1,497	\$ 1,556	\$ 1,502	\$ 54	\$ 1,554
Ministry & Liturgy	1,184	1,303	1,231	73	1,301
Diocesan Assessments	983	1,040	1,092	(52)	1,146
MACS Subsidy	1,030	840	1,110	(270)	1,008
Faith Formation	840	976	960	16	1,032
General Administrative	911	975	945	30	1,026
Charity	562	605	510	95	527
Counseling	257	268	260	9	283
Other	28	27	21	6	22
Total operating expenditures	\$ 7,292	\$ 7,590	\$ 7,630	\$ (40)	\$ 7,899
Operating surplus	\$ 1,622	\$ 1,533	\$ 761	\$ 772	\$ 522
Renew St. Matthew collections	\$ 210	\$ 204	\$ 192	\$ 12	\$ 192
Diocesan Capital Campaign (1)	159	151	50	101	50
Interest Income	13	32	12	20	24
Capital Expenditures (1)	(425)	(499)	(500)	1	(500)
Interest Expense	(6)	-	-	0	-
Net Capital/Financing Activity	\$ (49)	\$ (112)	\$ (246)	\$ 134	\$ (234)
Net surplus (deficit)	\$ 1,573	\$ 1,422	\$ 515	\$ 907	\$ 288

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 2017 include 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. 2016 expenditures included improvements in our sanctuary and school, a new box truck used in our ministry outreach, audio visual equipment purchases and technology improvements.

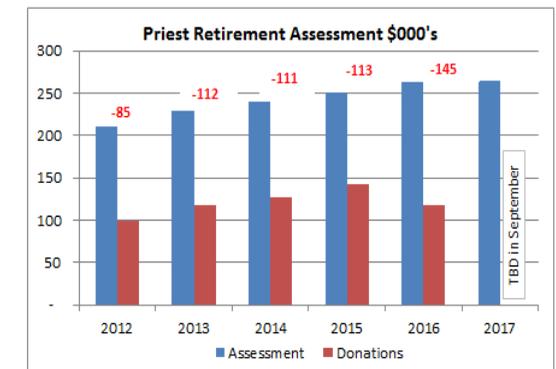
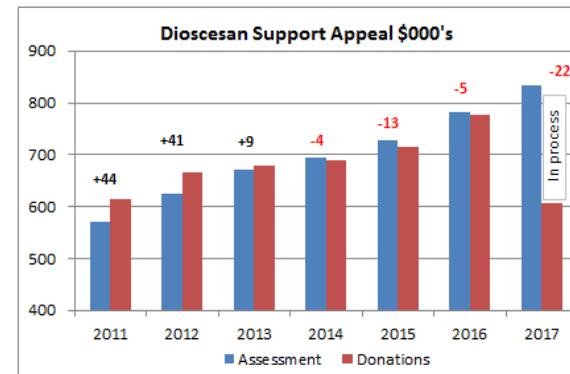
Challenges ahead...

Keeping our offertory strong

- The ability to financially respond to the needs of our growing parish family of 10,370 households, as well as supporting our local and worldwide communities depends on strong offertory donations.

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

- 2014 was the first year in St. Matthew's history that we did not exceed our DSA assessment mandated by the Diocese of Charlotte. 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 the last ten years, we have not met our Priests' Retirement assessment from the Diocese, and the shortfalls continue to rise each year. Also in 2016, donations declined from the prior year for the first time. Again, this is a mandated assessment, as any shortfall must be made up from our parish operating funds.



What you can do...

- Prayerfully consider your commitment and gift to this year's Priests' Retirement collection. These funds provide needed support of the priests who have faithfully served our parish and who continue to serve even past their retirement.
- 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.
- Prayerfully consider increasing your offertory donations so that our parish can continue to generously reach out and answer God's call, both within and outside our parish community. We are very grateful for the outreach our parish provides through the generous weekly offertory giving of our parishioners.

Parish Finance Council

Kevin O'Hara, Chair

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