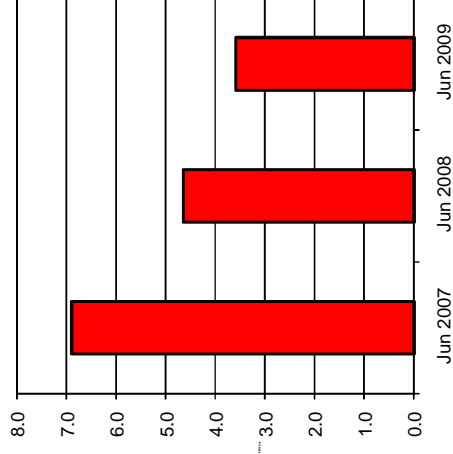


**ST. MATTHEW CATHOLIC CHURCH**  
**Annual Financial Report**  
**Year Ending June 30, 2009**

**Parish Balance Sheet**

	2009	June 30 2008
<b>\$ In Thousands</b>		
Cash	1,993	\$ 1,180
Land	4,769	4,769
Rectory	168	156
Parish Center	1,806	1,806
Church Sanctuary	4,852	4,849
New Life Ctr and Education Bldg	16,039	16,039
MACS Equity Education Bldg	(5,500)	(5,500)
Furniture/Equipment/Vehicles	1,731	1,723
<b>Total Assets</b>	<b>\$ 25,859</b>	<b>\$ 25,022</b>
Current Liabilities		
Note Payable	\$ 154	\$ 377
Other	3,592	4,646
	248	226
<b>Total Liabilities</b>	<b>3,993</b>	<b>5,249</b>
<b>Parish Equity</b>	<b>21,866</b>	<b>19,773</b>
<b>Total Liabilities and Equity</b>	<b>\$ 25,859</b>	<b>\$ 25,022</b>

Parish Debt Trend



**Financial Highlights...**

- Our parish has been a good steward of the financial contributions of its members—expanding our ministries and community outreach, while providing necessary reserves for future economic challenges and required debt payments.
- Offertory collections were higher than expected during the first quarter of the fiscal year, but **have declined from the prior year for the last three quarters**, while parish membership increased 10%, causing the average offertory contribution per household to decline.
- During this economic recession, the parish was able to retire \$1.1 million of debt, reduce parish expenditures from those budgeted, and provide a one-time additional gift of \$100,000 to community agencies in need.
- Our capital campaign is winding down and is scheduled for completion in December 2009. Future debt payments must be made solely from offertory and debt reduction collections. Additionally, our current year budget anticipates a net deficit of **\$332,000**. Therefore, **we are striving to build cash reserves to be prepared for these future events.**

**Beyond the financial data—it's all about how we outreach to impact lives. Over the past year our parish...**

- Supported and strengthened the over 100 ministries and programs of our parish;
- Distributed a gift of \$100,000 in support of the homeless of Mecklenburg and Union counties;
- Collected over 1.8 million pennies for the homeless;
- Contributed \$474,000 to the Diocesan Support Appeal;
- Collected over 120,000 pounds of food and supplies for the hungry in Haiti ;
- Sent \$23,000 to the Latin Patriarchate of Jerusalem to support Christians living in the Holy Land;
- Provided mission support of \$34,000 to the Diocese of Islamabad , Pakistan ;
- Participated in the financing and building of the All-Clergy Habitat for Humanity house;
- Supported families in life-crisis situations by staffing five clinical counselors, and hosting 17 support groups on our campus;
- Helped over 2000 at Thanksgiving, Christmas and Easter by providing food baskets and gifts;
- Fed the needy within our community through our food pantry and delivery of over 30,000 sandwiches to local shelters;
- Welcomed over 680 new families to St. Matthew and 79 new Catholics to the Faith via the RCIA program;
- Celebrated 571 First Holy Communion and confirmed 426 young Catholics;
- Strengthened the faith of over 500 parishioners through the 'Why Catholic?' program and built parishioner engagement through the Living Your Strengths program; and
- Educated over 5,800 youth of our Parish through our vibrant Faith Formation programs and our contributions to the Mecklenburg Area Catholic School system.

• The current note payable balance represents the remaining debt for the construction of parish facilities. The original loan was for \$10.4 million and has been repaid with payments received through two capital campaigns, the first from 1999-2002 and the second from 2003 through its scheduled completion in December, 2009.

• During June 2008, the Parish refinanced our note payable with a more favorable interest rate and a term consistent with the original loan. Our current loan is with the Diocese of Charlotte and has a fixed interest rate of 4.69% payable over a four year term that ends in July, 2012. Scheduled principal and interest payments for next fiscal year are \$1.2 million.

• St. Matthew continues to reduce its debt obligations: from \$6.9 million at 6/30/07 to \$3.6 million at 6/30/09.

• Now that the capital campaign is essentially completed, **we are dependent on strong future offertory and debt reduction collections to meet the remaining debt obligations.**

• The parish has \$2 million of cash held in interest earning checking and savings accounts as of June 30, 2009. This represents only four months of operating expenses and debt payment obligations. **The cash is a reserve against the projected deficit for next fiscal year, further declines in offertory collections, and the increasing needs within our parish and our community.** Given current economic conditions and the conclusion of our capital campaign, the finance council believes building cash reserves is both necessary and prudent.

**Statement of Revenue and Expenditures**

	Year Ending June 30			
	Actual		Budget	
	2008	2009	2009	2010
<b>\$ In Thousands</b>				
Offertory	\$ 5,018	\$ 5,094	\$ 4,965	\$ 4,850
Education Building Rent	252	211	240	204
Faith Formation Fees	208	237	240	260
Donations	69	300	45	79
Other	166	155	121	102
<b>Total operating revenue</b>	<b>\$ 5,712</b>	<b>\$ 5,997</b>	<b>\$ 5,611</b>	<b>\$ 5,495</b>
Clergy and Lay Personnel	\$ 1,045	\$ 1,158	\$ 1,212	\$ 1,210
Faith Formation & Programs	734	777	802	819
MACS Subsidy	666	673	670	676
Facilities Operating Expense	527	524	530	571
Education Bldg Expenses	317	335	338	341
Diocesan Assessments	371	410	413	386
Charity	274	397	370	452
Other	266	248	259	257
Facilities Improvements	252	27	220	100
<b>Total operating expenditures</b>	<b>\$ 4,452</b>	<b>\$ 4,549</b>	<b>\$ 4,815</b>	<b>\$ 4,811</b>
<b>Operating surplus- Note 1</b>	<b>\$ 1,260</b>	<b>\$ 1,448</b>	<b>\$ 797</b>	<b>\$ 684</b>
Capital Campaign Receipts	\$ 1,082	\$ 540	\$ 465	\$ 12
Debt Reduction Collections	184	203	150	216
Other	74	64	56	10
Debt Principal Payments	(2,478)	(1,054)	(1,254)	(1,109)
Debt Interest Payments	(620)	(192)	(192)	(145)
<b>Financing surplus (deficit)</b>	<b>\$ (1,758)</b>	<b>\$ (439)</b>	<b>\$ (775)</b>	<b>\$ (1,015)</b>
<b>Net surplus (deficit)</b>	<b>\$ (498)</b>	<b>\$ 1,010</b>	<b>\$ 22</b>	<b>\$ (332)</b>

**Note 1:** Net operating revenue amounts were used to pay debt principal and interest payments and will be critical in the future as the capital campaign is completed in 2009.

**Challenges Ahead...**

- Being ready to financially respond to the increasing needs within our parish and community in these challenging economic times;
- Keeping the offertory collections strong in an uncertain and difficult economic environment;
- Continuing to operate in a mode of 'conscious frugality' and strict cost management; and
- Meeting scheduled debt repayment terms in the last phase of the capital campaign and after the campaign is completed.

**What You Can Do...**

- **Consider your level of financial stewardship and the possibility of increasing that giving if you are able. Given that many in our parish family are experiencing economic hardships, it is critical, for those that are able, to fully and consistently support the parish.** Specifically,
  - Consider utilizing Faith Direct (electronic giving using your bank account or credit card) as a safe and convenient method of giving. Call 866-507-8757 or visit [www.faithdirect.net](http://www.faithdirect.net) (church code **NC36**).
  - If your campaign pledge is fulfilled or you are new to the parish and did not participate in our capital campaign, consider increasing your debt reduction offering taken as a second collection on the first Sunday of each month;
  - For those who have not given to the parish previously, please start now! Any amount will be graciously accepted. While one gift may seem insignificant by itself, together we can accomplish much (recall the success of our "Pennies for the Homeless" campaign!);
- **Volunteer** in one of the many ministries that St. Matthew supports (visit the Ministry Fair to be held after mass the weekend of September 19 & 20 to learn more about all our ministries);
- Stay informed about St. Matthew via the website, [www.stmatthewcatholic.org](http://www.stmatthewcatholic.org); and
- **Pray** for the success of our parish!

*We are most grateful for all those who financially and prayerfully support our Parish. Although there are challenges ahead, we are confident in the continued support of the many generous benefactors of our parish.*

**St. Matthew Finance Council**

Kevin O'Hara, Chair  
Keith Butler, Bob Desch, Darren Earnhardt, Bill Kane, Mike Ruff and Joan Slep

*Connected in Christ! Moved by the Spirit!*