



September 21, 2007

Feast of St. Matthew, Apostle.

Dear brothers and sisters of the Parish,

It is our privilege to share with you, once again, our Annual Financial Report. The report reviews the finances of our Parish-wide programs and ministries during the operating year 2006-2007.

We are all stewards of the gifts and blessings of God. Thanks to your generous contributions of time, talent, and treasure, the Parish continues to be healthy and vibrant. As you have been generous and supportive of the work of the Church, our staff and councils try also to be good stewards for our part.

We thank you for the way we worked together this last year on many levels within the Parish – in groups, ministries, councils and through various organizations. In particular, we are very pleased that the Business Manager, Administrative Council and School Advisory Council have helped all of us to have a better understanding of the financial gifts and challenges of our Parish.

*This Annual Stewardship is necessarily incomplete. It does not tell the story of what really makes our parish such a vibrant and Spirit-filled community of faith. It is **you**. It is the hundreds of people who gather each weekend to listen to the Word of God, to be nourished by the Precious Body and Blood of our Lord, and to support one another in love. It is the hundreds of volunteers who share so generously of their valuable time, incredible talents and abilities, and resources to build the Kingdom of God here on earth. It is the way we choose to live out our faith in our daily lives. St. Matthew is an incredible parish, and **you** are it's heart and the secret of our success.*

In HIM,

Fr. Juan José González, MSpS
Pastor

Bob Grover
Administrative Council Chairman

ST. MATTHEW CHURCH ANNUAL REPORT

July 1, 2006- June 30, 2007

REVENUES	BUDGET	ACTUAL	OVER (UNDER)
Offertory: Envelopes and loose collections.	\$907,035	\$967,704	\$ 60,669
Fundraising: Fall Festival, Auction, and other fundraisers.	139,000	191,740	52,740
Bequests and Gifts	12,785	107,606	94,821
Services and Program Fees: Stole fees, funeral and wedding donations, fees for religious education, and sacramental preparation.	50,830	52,322	1,492
Sales Revenue: Parish social donations, votive candles, miscellaneous other sales.	11,300	16,818	5,518
Other income	1,200	13,219	12,019
TOTAL REVENUES	\$ 1,122,150	\$ 1,349,409	\$227,259

Note: All funds collected for St. Vincent de Paul, the School, national second collections or emergency funds go to the designated organizations and charities. They do not remain at St. Matthew Church; therefore, they are not reflected above.

EXPENSES	BUDGET	ACTUAL	(OVER) UNDER
Personnel Expenses: Clergy and lay staff salaries, taxes and benefits.	\$ 476,565	\$ 468,804	\$ 7,761
Archdiocesan Assessment: Includes too the donation to St. Alexander Church (auction paddle raiser).	66,327	88,145	(21,818)
Services and Program Expenses	55,125	65,266	(10,141)
School Support: The total is the result of money given in cash (subsidy) and 50% of the profit of the Auction and Fall Festival.	236,840	226,479	10,361
Property, plant, & equipment : utilities, janitorial, maintenance, landscaping.	109,868	191,145	(81,277)
Insurance	72,000	63,286	8,714
Administrative Expense	29,465	29,778	(313)
Other expenses, including fundraising expenses.	48,995	56,279	(7,284)
TOTAL EXPENSES	\$ 1, 095,185	\$ 1,189,182	\$ (93,997)
NET	<u>\$ 26,965</u>	<u>\$ 160,227</u>	<u>\$ 133,262</u>

Included in the above, not available for operations are:

Designated funds.	(136)
Restricted Funds.	(67,130)

In addition, we received (used) cash for the following:

Decreased our receivables	14,108
Decreased our short-term assets.	832
Increased our fixed assets	(1,255)
Increased our short-term payables	13,218
Decreased our rectory debt (located at 642 SW 20th Ct.)	(9,348)

Net funds available for Parish use **\$ 110,516**

Beginning Cash – 06/30/06 **\$ 217,790**

Total cash available for use **\$ 328,306**

Payment to the Archdiocese to pay down our Parish Hall debt (from the excess cash from our prior fiscal year). (100,000)

Transfer to the Capital Campaign account to assist with Parish Hall debt (37,355)

Transfer bequest to Maintenance Fund (designated funds) (36,479)

Amount received from Altar Society for Church maintenance needs 9,000

Transfer to Cemetery Fund from this year's plot purchases (for the perpetual care of the Parish Cemetery). (5,305)

Prior year adjustments (4,686)

Net funds available for use at 06/30/06 **\$ 153,481**

Designated funds 136

Restricted funds 67,130

ENDING CASH – 06/30/07 **\$ 220,747**

ST. MATTHEW SCHOOL ANNUAL REPORT

July 1, 2006- June 30, 2007

REVENUES	BUDGET	ACTUAL	OVER (UNDER)
Tuition: <i>tuition, registration fees, supply fees, other fees.</i>	\$839,940	\$831,805	(8,135)
Parish Support: <i>Cash and 50% of the Fall Festival & Auction.</i>	236,840	226,104	(10,736)
Parish Subsidy for students of other parishes.	10,400	12,350	1,950
Restricted Donations: <i>From families and donors , Paddle Raiser, and Parent Club.</i>	11,000	70,417	59,417
Bequests, Gifts, Grants	33,000	59,293	26,293
Fundraising: <i>Annual Fund Drive, Wreath Sale and others.</i>	95,900	43,718	(52,182)
Parent Club: <i>Funds generated by Jog-A-Thon and Scrip Program</i>	44,000	65,745	21,745
Fees: <i>Viking Club, Workshops held, Share Hours, etc.</i>	13,850	29,279	15,429
Hot Lunch Program	55,000	50,943	(4,057)
Other Income: <i>Interest, Endowment Gains, CEEF Gains, Insurance claim.</i>	10,500	102,743	92,243
TOTAL REVENUES	1,350,430	1,492,397	141,967

EXPENSES	BUDGET	ACTUAL	(OVER) UNDER
Personnel Costs: <i>Payroll, Taxes, Benefits, Retirement, Workshops & Conferences</i>	916,888	797,582	119,306
Services to Students: <i>Outdoor School, Viking Club, Hot Lunch Program, others.</i>	62,400	58,060	4,340
Educational Expenses: <i>Textbooks, Supplies, Wish List Items, Library books.</i>	80,530	54,050	26,480
Tuition Assistance	30,000	47,046	(17,046)
Computers Expense	10,000	14,679	(4,679)
Furniture and Fixtures: <i>Includes Depreciation Expense</i>	5,500	25,183	(19,683)
Maintenance: <i>General Maintenance, Janitorial, landscaping, Security, and others.</i>	38,900	74,200	(35,300)
Utilities	45,000	38,503	6,497
General Administration: <i>Postage, Office Supplies, Liability and Property Insurance, Professional Services, Standardized Testing, Telephone, Copier, others.</i>	105,800	94,229	11,571
Other Expenses: <i>Fundraising Expenses, Printing and Publishing of AFD materials, Accreditation, Bank Charges.</i>	43,467	17,359	26,108
TOTAL EXPENSES	1,338,485	1,220,891	117,594
NET	<u>\$ 11,945</u>	<u>\$ 271,506</u>	<u>\$ 259,561</u>

In addition, we received (used) cash for the following:

Increased our receivables	(37,418)
Increased our inventory (<i>scrip</i>)	(59,234)
Decreased our short-term assets	15,787
Increased our investments	(86,698)
Decreased our short-term payables	(6,110)
Decreased our long-term payables	(15,789)
Increased our designated and restricted funds	<u>101,652</u>
Net funds available for school use	\$183,696
Beginning Cash – 06/30/06	<u>\$ 498,262</u>
Total cash available at 06/30/07	<u>\$ 681,958</u>
Less cash not available to use for school operations:	
Parent Club cash	(76,019)
Scrip cash	(14,551)
Designated funds	(213,152)
Restricted funds	(41,861)
ENDING CASH – 06/30/07 that can be used for operations	<u>\$336,375</u>

NET ANNUAL GAIN & LOSS

The normal operating costs of the parish, excluding payment of the loan on the rectory and the remaining Parish Hall debt, is \$1,088,352, an increase of \$67,071 or a 6.6% increase over the preceding fiscal year. The increase is due to several reasons, among them, employee benefits increased by \$17,500, repair and maintenance on our facilities increased \$15,639, liability and property insurance increased by \$6,500, and utilities increased by \$5,500.

Giving to the parish for normal operations through the offertory collection totaled \$967,704 (78.6% of Total Income) which represents an increase by \$54,958 or 6% from the previous fiscal year.

As to our major fundraisers: the Fall Festival netted \$23,338 in its 70th year of operation; the Auction netted \$55,497. This year's auction paddle raiser, combined with some other generous donations, raised \$47,300 to remodel the School Gym, and \$14,150 for our neighboring parish of St. Alexander in Cornelius.

Bequests and gifts for the Church totaled \$67,447 (5.5% of income). The previous year's figure was \$21,626. Donations like these are unpredictable, but they are extremely important in allowing us to undertake projects that otherwise would be out of reach. Thanks to them, we were able to increase for example, our Maintenance Fund.

Expenses continue to be managed very closely. Everybody here works very hard to manage our budgets carefully. I know we're not extravagant with our spending, but we continue to focus on cost savings. Becky Smith, Business Manager for the Church and School, and the rest of the staff are always open to suggestions any of you may have as to how we can push operating costs even lower.

After seeking advise from the Administrative Council, and leaving enough cash in our checking account to operate, we decided to assign a purpose to the \$150,000 that we had as surplus. These funds will be distributed as follows:

- √ Following the Biblical concept of tithing, 10% will go back to the parish to be used to enhance or support ministries: technology, staff and volunteer faith formation, a parish pictorial directory, and a volunteer appreciation event.
- √ \$67,500 will go to our Maintenance Fund.
- √ And the remaining \$65,000 will be used to create a Parish Saving Fund, which is a step forward to guarantee the financial stability of our parish in rainy years.

PARISH SAVINGS

In the interest of continuing to be good stewards and to provide you with a thorough overview of the financial condition of our parish, the following is a complete listing of all of St. Matthew Parish savings, as of June 30, 2007.

1. **Cemetery Fund** (\$91,752) - This is a long-standing fund to ensure the perpetual care of our cemetery. The funds are restricted for the sole purpose of long-term cemetery care. During this fiscal year, this amount increased by \$14,800.
2. **Capital Campaign Fund** (\$62,593) - These cash accounts include the contributions of parishioners for the Capital Campaign pledges that are restricted for the payments for the Parish Hall loan. These funds also included any funds transferred from the operating account.
3. **Maintenance Fund** (\$132,925) - This is a designated fund for major facilities projects. Last year this fund was at \$78,045. It has grown thanks to the Altar Society's donation of \$10,000 for Church Maintenance, the Hopfeld bequest, and by the use that parishioners make of the green envelopes.
4. **Altar Society Fund** (\$22,068) - This is a fund managed by our sisters of the Altar Society along with the pastor for the purposes of this group.

THE PARISH HALL DEBT... WE ARE SO CLOSE!

Last Spring, thanks to the generosity of our parishioners and a careful financial management, we made a lumpsum payment to the Archdiocese of an extra \$75,000, which we saved from our operational budget over two years.

Our parish owes \$145,676 from the construction of the Parish Hall. Our monthly bill continues to be \$12,358, and we have \$53,866 set aside for this purpose in the Capital Campaign Fund. In other words: We are \$91,810 (not including interest) to be able to retire this debt. Do you think we pay it off by next Summer?

How can you help? First of all, thank you for your prayerful support. Please think about how much money you will be able to give this year to payoff the loan. Finally, be sure to include us in your will and estate planning. It is a good way to make a difference after you have returned to the Lord.

Thank you to all of you who have been true to your pledges. Some of you have given even more than you promised. That has helped tremendously. The most important aspect of this plan is to remind everyone to continue to support this project. We have to be very proud of what we have done, and we continue to work together in completing this dream.

ST. MATTHEW SCHOOL

Two years ago, the Archdiocese invited all the parishes with a school to evaluate the funding we provide to our parochial schools, and as a result of this, we engaged in a three - year process, with the goal of simplifying the way we calculate parish support, making it fair for both the church and the school, and helping the school to continue its efforts in development, marketing, and grant writing.

With the support of both the Pastoral and Administrative Councils and the School Advisory Council, last fiscal year we decided that we will share equally the responsibility and the profit of the Fall Festival and the Auction and we give to the school 20% of our average offertory collection from the last three years. We are very excited about this process and we have received positive feedback. Let's continue to pray that our Parish School may nurture the life of faith, so essential to the church's evangelizing mission.

As you can see, the financial position of St. Matthew School is healthy and strong. For the year ended June 30, 2006, revenues exceeded expenses by \$259,561. Revenues increased 5.5% or \$78,340 above last year primarily due to additional Scrip sales in the amount of \$43,518 and earnings from our savings and investments. 2007 expenses increased \$56,793 or 4.9% above last year, primarily due to the *Heat the School Project* that wasn't completed in the prior year, in the amount of \$23, 329, an increase in services to students in the amount of \$16,915, an increase in computer expenses in the amount of \$7,436.

During the fiscal year, the School collected \$70,417 in restricted donations. Unrestricted Donations totaled \$57,376 . Anonymous donors continue to bless the school with their generosity.

For the School year 2007-2008, our School reports a lower number of enrolled students than what we had budgeted for, which signifies less income. In addition to this, the school will have higher expenses, due to increased personnel costs for the Business Manager and Development Director positions, increases in insurance, salaries and benefits, and utilities. This will require from us the need to be extremely careful with our expenses, as well as to develop more effective fundraising and development strategies.

After seeking advice from the School Advisory Council, and leaving enough cash in our checking account to operate the school, we decided to assign a purpose to \$280,000 that we had as a surplus of several years. These funds will be distributed as follows:

- √ Put \$70,000 into the 2007-2008 operation funds to make up for the lower number of students.
- √ Fund, in combination with the Church, a full-time Maintenance position.
- √ Use \$9,000 to help pay for the repaving of the west side of our parking lot.
- √ Use \$10,000 to fund Development and Marketing strategies.
- √ And use the remaining funds to create a School Maintenance Fund, which is a step forward to guarantee our ability to think of major maintenance and facilities projects.



SCHOOL SAVINGS

The following is a complete listing of all of St. Matthew School savings, as of June 30, 2007:

1. **Endowment Fund** (\$745,630) – The School Endowment fund was created to ensure the financial stability of our parish school and be used to continue to provide high-quality Catholic Education for the children of St. Matthew Parish.
2. **Maintenance Fund** (\$34,784) – This money was given by a donor to be used for a specific building maintenance project.
3. **Costelloe Center Project Fund** (\$16,593) – The money in this fund was given by a donor to remodel and sound-proof the Costelloe Center. This project was completed during the month of August of 2007.
4. **Library and Salaries Fund** (\$3,274) - These monies remain from two designated funds and will be incorporated into the operational funds.

THE PLAN

So, where do we go from here? This past year was one of growth for us. Thankfully, the Lord provided a phenomenal team to assist us: our talented, dedicated, and Spirit-filled parish and school staff. These men and women are such a blessing to us and our parish. They serve us at both the parish and school levels at a great personal cost, and we are grateful to work at their side. We couldn't ask for better co-workers in the vineyard of the Lord! Please be sure to let them know how thankful you are for all they do for us!

Last year, we expanded our faith-formation programs for children and adults. And while our payroll expenses increased, the results were beyond all expectations. Our school staff and teachers, religious education staff, music ministry, youth ministry, and support staff are awesome! Last year, we also focused on our spiritual life, expanding our weekday Masses, and Parish Missions in English and Spanish, and we hope we can do even more in the future.

In a special way, this year will focus on enhancing our ministries even more: becoming a more welcoming parish by helping people make friendships with others, to reach out to more people, and also to offer formation opportunities for our staff and volunteers.

We also want to prioritize the creation of long-term plans, both for the School and Church. The SAC, and AC are working diligently on creating a Strategic Plan for St. Matthew School, and a Long Term Vision Plan for our whole Parish. In the business world, every expansion begins with a plan to ensure maximum success. The same is true of us. As a family of faith, we need to discern prayerfully how the Lord is leading us. We are in the process of developing a long-term parish plan. In the meantime, we ask for your prayers and support.

THE FINAL WORD

Please allow us to begin and end with a word of gratitude. We are so thankful for the honor and privilege of sharing this portion of life's journey with you. We know that the Lord has great plans for us and we are excited to think of how He will bless us as we continue to grow in faith, hope, and love.

We know that He will guide us in our long-term planning and will assist us, so that the church and school will bring glory and honor to His Holy Name for generations to come!

