

The Cathedral Church of St. Luke
Minutes of the Finance Committee Meeting
October 15, 2024

The meeting was held in person, with Phil Hamilton on speakerphone.

Present: Interim Dean George Stevens, Chair John Watson, Senior Warden Sam Allen, Junior Warden James Cough, Treasurer Randi Hogan, Connie Bingham, Jane Briggs, Fred Fowler, Phil Hamilton, Tim Wilkins and Dan McDonald.

Absent: Win Winch

Call to Order, Opening Prayer, Minutes. The meeting was called to order at 4:30 p.m. by the Chair. The Interim Dean offered an opening prayer. The minutes of the June 18, 2024 meeting, upon motion duly made and seconded, were **approved**.

Updates to Previous Matters. The parish annual meeting will be held at the normal time of year. The discussion of use of accrual versus cash methods of accounting will be addressed in the future. Connie Bingham will discuss, during a Friday, October 18th Bishop's audit Zoom meeting, the questions (1) whether Dropbox is a sufficiently secure technology for the church's financial computer files, and (2) how long digital records should be retained.

Financials and Treasurer's Report through September 2024. Randi Hogan reported that through September 2024, revenues were \$525,856.65, expenses were \$626,425.63, and net income (loss) was (\$100,568.98). There were no particularly outstanding or unusual matters to discuss. The remaining amount in account 3201, Capital Campaign Fund, should be moved to account 3110, Building Repairs Fund. Dan McDonald noted that this will be the 4th consecutive year of declining net income, with the most recent two years resulting in a loss. The Cathedral has survived on pandemic era cash, but it has largely run out. The Cathedral will have to either balance the budget or increase the endowment draw to stay financially healthy. Discussion. This situation should be made known to the Dean candidates. Discussion of support of the Cathedral by the Diocese. There will be limited future Diocesan support for a second priest, and that will impact the Dean search.

Randi Hogan announced that Finance Manager Nina Andersen will be leaving at the end of this month. Wendy Kopera, who has extensive church-related financial experience, will replace her as a contract worker. The Finance Committee offered sincere thanks to Nina for her five years of service to the Cathedral, and expressed support for the new replacement and the process by which she was selected.

Stewardship. Randi distributed a summary of the annual giving campaign for 2025, attached, and announced that stewardship materials will be distributed beginning October 16 developing the theme Walk In Love. George will frequently speak at church services, and Randi is soliciting testimonials from members of the congregation. In response to a question, George stated that the Cathedral had average Sunday attendance of 160, excluding online attendees.

Budget. Randi announced that the wardens, the Interim Dean, the Finance Committee chair and she had convened an initial meeting to discuss the 2025 budget, and she distributed an Overview,

attached. George has been reaching out to those who have left the church. He noted that while many desire to grow the church, few desire much change, which positions may be incompatible.

Building issues. A number of building issues were discussed, including the condition of the tower, the parish house roof, the security system. The Junior Warden is getting bills for snow removal and is pricing windows and carpet. The furnace boilers were installed in 2008, and are nearing the end of their lives. John Watson expressed interest in starting to save money for future building needs. Jamie will look at the existing security contract before moving forward to arrange for a new one. Fred Fowler has an estimate of \$2,600 for an engineering study of the tower. While this is a capital expense, it may need to be in the budget.

Financial Reviews. John Watson solicited volunteers to conduct an internal financial review for 2023, and Phil Hamilton agreed to participate. John will seek another to assist, and Connie Bingham agreed to advise them.

Announcement of Chair's Resignation. John Watson announced that he would like to step down as chair of the Finance Committee at the end of the year. His replacement will be chosen by the Interim Dean.

Other matters. Senior Warden Sam Allen announced that George's contract expired in September, and he recommended that it be extended to the end of the year, when a new contract will be negotiated. The Finance Committee stated its agreement with this arrangement.

The meeting was adjourned at 6:10 PM.

Respectfully submitted,

Dan McDonald

Attachments: Treasurer's Financial Reports; Annual Giving Campaign 2025 Information Sheet; 2025 Budget Planning Overview.

Cathedral Church of St. Luke
Portland, Maine

Treasurer's Report - October 11, 2024

Randi Hogan, Treasurer

This report covers our financial position as of September 30, 2024.

Overall Financial Position: As of September 30, 2024, the Cathedral's total assets stand at \$4,382,627.20 with \$387,928.56 in cash and \$3,994,698.64 in investments. Our total liabilities remain at \$0, resulting in a net asset position of \$4,382,627.20.

Through September, our revenues were \$525,856.65, expenses were \$626,425.63, and net income (loss) was (\$100,568.98).

Income: In September, we received total income of \$29,250.20. Key income sources were:

- Pledges and contributions: \$10,896.74
- Transfer from endowment: \$13,428.88

While the amount budgeted for 2024 pledges was \$425,000, the actual amount pledged is \$409,772. Of those pledges, outstanding commitments total \$130,596. A reminder and request for pledge payments has been posted in Cathedral communications.

Expenses: Total expenses for September were \$67,409.22, which included:

- Facilities and maintenance: \$23,820.56
- Pastoral leadership: \$15,694.80
- Administration: \$10,074.35

Building repair and maintenance this month of \$12,863.92 includes costs of basic renovations to the Cathedral apartment. The Diocese will contribute \$4,750 towards the renovation expenses.

Budget Performance: Year-to-date, our income is 70% of budget, while expenses are a bit over 73%.

Net Assets Breakdown: Our net assets of \$4,382,627.20 are categorized as follows:

1. Unrestricted operating fund: \$100,846.37
2. Endowed funds: \$3,994,698.64
3. Church designated funds: \$189,471.65
4. Donor designated funds: \$97,610.54

###

St. Luke's Cathedral
Treasurer's Report

Date Range: Sep 1st 2024 - Sep 30th 2024 | Filtered by: Core Account

Accounts	Actual Sep 01, 2024 - Sep 30, 2024	Actual This Year Year to Date	Annual Budget This Year Year	Annual Budget Remaining This Year Year	Actual Last Year Year to Date
Revenues					
6002 Transfers from Endowment	13,428.88	120,859.92	161,147.00	40,287.08	111,624.21
Contribution Revenue					
4010 Pledges - current year	9,499.10	287,461.71	425,000.00	137,538.29	327,987.01
4011 Pledges - prior year	0.00	2,646.90	5,000.00	2,353.10	4,811.75
4012 Non Pledge contributions	876.27	20,544.39	28,000.00	7,455.61	13,079.27
4020 Plate contributions	521.37	7,241.07	14,000.00	6,758.93	8,376.94
4030 Special Collections	0.00	4,661.00	4,000.00	(661.00)	3,856.00
Total Contribution Revenue	10,896.74	322,555.07	476,000.00	153,444.93	358,110.97
Rental Revenue					
4110 Rent - parking	1,180.00	12,052.50	10,000.00	(2,052.50)	9,745.00
4115 Rent - Building	260.00	18,132.50	30,000.00	11,867.50	18,960.00
Total Rental Revenue	1,440.00	30,185.00	40,000.00	9,815.00	28,705.00
Other Operating Revenue					
4210 Codman Trust Revenue	0.00	12,335.78	13,613.00	1,277.22	14,046.07
4215 Hamlin Trust Revenue	0.00	4,823.48	5,448.00	624.52	5,627.18
4220 Music Program Revenue	0.00	453.01	2,000.00	1,546.99	5,631.00
4231 Community Kitchen Rental Fees	0.00	747.50	0.00	(747.50)	7,506.05
4240 Diocesan Use of Church	2,947.59	26,528.31	35,371.00	8,842.69	23,580.72
4245 Grants from Diocese	0.00	0.00	0.00	0.00	4,000.00
4246 Interest Income - Operating	536.99	6,439.52	4,000.00	(2,439.52)	5,089.36
Total Other Operating Revenue	3,484.58	51,327.60	60,432.00	9,104.40	65,480.38
Fundraising Revenue					
4310 Holiday Fair Receipts	0.00	84.06	10,000.00	9,915.94	0.00
4320 Other Fundraising Receipts	0.00	460.00	0.00	(460.00)	248.66
4330 Community Suppers	0.00	385.00	0.00	(385.00)	(116.78)
Total Fundraising Revenue	0.00	929.06	10,000.00	9,070.94	131.88
Total Revenues	\$ 29,250.20	\$ 525,856.65	\$ 747,579.00	\$ 221,722.35	\$ 564,052.44
Expenses					
Pastoral Leadership					
5001 Dean's Salary	5,153.84	47,673.02	67,000.00	19,326.98	34,652.64
5002 Dean's Housing Allowance	4,076.92	37,711.51	53,000.00	15,288.49	8,307.63
5003 Dean's Pension	1,800.00	16,200.00	21,600.00	5,400.00	8,050.52
5004 Dean's Benefits	3,646.00	32,814.00	44,574.00	11,760.00	3,183.27
5005 Dean's Expenses	0.00	0.00	1,000.00	1,000.00	565.71
5006 Dean's Continuing Education	0.00	640.00	0.00	(640.00)	0.00
5007 Interim Dean's Package	0.00	0.00	0.00	0.00	4,968.44
5008 Dean Search Expenses	0.00	4,000.00	20,000.00	16,000.00	20,000.00
5009 Pastoral Leadership Background Checks	0.00	0.00	500.00	500.00	715.00
5010 Canon Priest Salary	0.00	0.00	0.00	0.00	20,000.00
5020 Deacon's Support	0.00	385.88	750.00	364.12	2,500.00
5025 Staff Clergy	0.00	4,045.98	8,092.00	4,046.02	5,741.04
5026 Staff Clergy Pension	0.00	630.17	1,568.00	937.83	1,351.65
5030 Clergy SE	706.14	6,841.32	7,328.00	486.68	3,712.49
5031 Supply Clergy	311.90	536.90	0.00	(536.90)	0.00
5032 Supply Clergy Mileage Reimb	0.00	47.88	0.00	(47.88)	0.00
5033 Sabbatical Coverage	0.00	0.00	0.00	0.00	11,025.00
Total Pastoral Leadership	15,694.80	151,526.66	225,412.00	73,885.34	124,773.39

Accounts	Actual	Actual	Annual	Annual	Actual
	Sep 01, 2024 - Sep 30, 2024	This Year Year to Date	Budget This Year Year	Budget Remaining This Year Year	Last Year Year to Date
Program Expenses					
Music					
5120 Music Director Salary	5,335.96	46,063.03	73,001.00	26,937.97	51,793.43
5121 Music Director Benefits	1,005.74	9,969.58	11,446.00	1,476.42	9,778.98
5122 Music Director Pension	547.50	4,702.50	6,570.00	1,867.50	4,784.04
5123 Music Director FICA	406.54	3,774.73	5,585.00	1,810.27	3,728.21
5124 Music Director Contractor Subs	0.00	1,889.00	4,000.00	2,111.00	2,576.00
5125 Music & Liturgy	774.60	5,259.78	8,000.00	2,740.22	8,136.80
5126 Organ & Piano Maintenance	260.00	2,100.00	3,000.00	900.00	630.00
Total Music	8,330.34	73,758.62	111,602.00	37,843.38	81,427.46
Altar & Flower Guild					
5130 Altar Supplies	142.66	3,045.77	2,000.00	(1,045.77)	514.73
5131 Flower Fund Support	0.00	1,000.00	1,000.00	0.00	1,000.00
Total Altar & Flower Guild	142.66	4,045.77	3,000.00	(1,045.77)	1,514.73
Worship					
5141 Worship Supplies	55.00	568.78	1,500.00	931.22	428.28
5142 Special Service & Holiday Advertising	0.00	556.00	1,500.00	944.00	556.00
Total Worship	55.00	1,124.78	3,000.00	1,875.22	984.28
Education					
5150 Education Coordinator Salary	0.00	5,340.36	11,108.00	5,767.64	7,880.63
5151 Education Coordinator FICA	0.00	408.57	850.00	441.43	602.84
5152 Adult Education	0.00	0.00	500.00	500.00	0.00
5155 Church School	86.26	200.88	300.00	99.12	0.00
5156 Child Care	0.00	0.00	1,000.00	1,000.00	490.00
Total Education	86.26	5,949.81	13,758.00	7,808.19	8,973.47
Fellowship & Stewardship					
5160 Parish Activities	100.00	1,787.06	5,000.00	3,212.94	11,270.60
5162 Stewardship	0.00	0.00	500.00	500.00	500.00
Total Fellowship & Stewardship	100.00	1,787.06	5,500.00	3,712.94	11,770.60
Community Kitchen					
5170 Community Kitchen Manager Salary	0.00	0.00	0.00	0.00	16,039.80
5171 Community Kitchen Manager FICA	0.00	0.00	0.00	0.00	1,227.08
Total Community Kitchen	0.00	0.00	0.00	0.00	17,266.88
Vestry					
5200 Retreat	0.00	471.79	0.00	(471.79)	0.00
5202 Other Vestry Expense	0.00	0.00	500.00	500.00	1,030.99
Total Vestry	0.00	471.79	500.00	28.21	1,030.99
Total Program Expenses	8,714.26	87,137.83	137,360.00	50,222.17	122,968.41
Outreach					
5300 Community Outreach	0.00	25,700.00	25,700.00	0.00	14,865.73
Total Outreach	0.00	25,700.00	25,700.00	0.00	14,865.73
Administration					
5410 Staff Salaries	4,753.84	43,973.02	61,800.00	17,826.98	42,080.75
5411 Staff Benefits	47.48	427.32	562.00	134.68	412.01
5412 Staff Pension	380.31	3,327.70	4,944.00	1,616.30	2,522.30
5414 Staff FICA	363.67	3,363.91	4,728.00	1,364.09	3,219.20
5418 Payroll Processing Fees	48.00	608.00	1,200.00	592.00	684.00
5420 Contracted Accounting Services	2,055.00	18,495.00	24,568.00	6,073.00	17,955.00
5425 Insurance - Workers Comp	0.00	1,541.25	4,000.00	2,458.75	3,679.00
5428 Bank Charges	174.43	1,933.72	3,000.00	1,066.28	1,739.58
5430 Office Supplies	26.36	1,549.19	3,000.00	1,450.81	1,924.48
5431 Postage	96.00	501.23	2,000.00	1,498.77	685.98
5432 IT Expenses	808.45	7,538.55	13,000.00	5,461.45	5,460.67
5433 Telephone & Internet	589.87	5,119.33	6,800.00	1,680.67	4,855.72

Accounts	Actual	Actual	Annual	Annual	Actual
	Sep 01, 2024 - Sep 30, 2024	This Year Year to Date	Budget This Year Year	Budget Remaining This Year Year	Last Year Year to Date
5435 Printing & Equipment Lease	220.39	5,097.00	8,500.00	3,403.00	6,309.16
5437 Communications/Marketing	10.55	42.20	4,000.00	3,957.80	191.88
5440 Miscellaneous Expense	500.00	500.00	1,200.00	700.00	265.00
Total Administration	10,074.35	94,017.42	143,302.00	49,284.58	91,984.73
Building					
5501 Sexton Salary	873.00	7,476.75	12,000.00	4,523.25	13,681.33
5502 Housekeeper Salary	1,296.00	11,430.00	14,040.00	2,610.00	10,432.59
5503 Security Salary	0.00	6,922.43	14,270.00	7,347.57	0.00
5504 Housekeeper, Sexton & Security FICA	165.92	1,975.94	3,084.00	1,108.06	1,837.67
5510 Insurance - Property	5,049.50	20,086.00	20,200.00	114.00	17,580.00
5520 Property Tax	0.00	2,031.09	4,200.00	2,168.91	1,918.33
5525 Heating Fuel	228.24	18,620.94	26,000.00	7,379.06	23,229.36
5526 Electricity	2,445.25	13,629.12	22,000.00	8,370.88	16,298.90
5527 Water & Sewer	351.93	2,943.98	5,000.00	2,056.02	2,872.38
5528 Parish Hall Gas	111.41	1,181.99	1,800.00	618.01	1,254.70
5529 Rubbish Removal	435.39	3,893.53	4,000.00	106.47	2,449.79
5530 Building Repair & Maintenance	12,863.92	66,189.70	50,000.00	(16,189.70)	22,197.78
5540 Parking Lot Expense	0.00	9,715.00	16,000.00	6,285.00	15,850.00
5542 Building Reserve Contributions	0.00	20,000.00	20,000.00	0.00	20,000.00
Total Building	23,820.56	186,096.47	212,594.00	26,497.53	149,602.83
Diocesan					
5601 Assessment	9,027.50	81,247.50	108,330.00	27,082.50	78,603.03
5603 Episcopate	77.75	699.75	1,200.00	500.25	794.25
5605 Theological Education	0.00	0.00	1,500.00	1,500.00	0.00
Total Diocesan	9,105.25	81,947.25	111,030.00	29,082.75	79,397.28
Total Expenses	\$ 67,409.22	\$ 626,425.63	\$ 855,398.00	\$ 228,972.37	\$ 583,592.37
Net Total	(\$ 38,159.02)	(\$ 100,568.98)	(\$ 107,819.00)	(\$ 7,250.02)	(\$ 19,539.93)

St. Luke's Cathedral
Statement of Financial Position

As of: Sep 30th 2024

Accounts	Balance Sep 30, 2024	Balance Aug 31, 2024	\$ Change
Assets			
Checking			
1001 Operating Account 1506	100,846.37	139,100.56	(38,254.19)
1002 Restricted Fund Account 3754	284,241.13	286,783.90	(2,542.77)
1003 Dean's Discretionary Account 1549	2,840.06	2,480.87	359.19
1005 Canon Priest Discretionary Account 0410	1.00	1.00	0.00
Total Checking	387,928.56	428,366.33	(40,437.77)
Investments			
1011 Investment Account 91248257	3,994,698.64	3,961,928.96	32,769.68
Total Investments	3,994,698.64	3,961,928.96	32,769.68
Total Assets	\$ 4,382,627.20	\$ 4,390,295.29	(\$ 7,668.09)
Liabilities & Net Assets			
Liabilities			
Total Liabilities	0.00	0.00	0.00
Net Assets			
Unrestricted Funds			
3000 Operating Fund	100,846.37	139,100.56	(38,254.19)
Total Unrestricted Funds	100,846.37	139,100.56	(38,254.19)
Restricted Funds			
Church Designated Restricted Funds			
3100 Audit Expense Reserve Fund	7,500.00	7,500.00	0.00
3110 Building Loan & Repairs Fund	23,000.00	23,000.00	0.00
3140 Special Funds Interest	19,011.65	17,983.55	1,028.10
3160 Vestry Restricted Fund - Pastoral Salaries	126,500.00	126,500.00	0.00
3175 New Dean Search Fund	13,460.00	13,685.00	(225.00)
Total Church Designated Restricted Funds	189,471.65	188,668.55	803.10
Donor Designated Restricted Funds			
3201 Capital Campaign Fund	37.43	37.43	0.00
3208 Family Promise Fund	14,226.07	14,226.07	0.00
3210 Flowers Fund	4,301.79	4,394.75	(92.96)
3213 Food Pantry Fund	31,592.96	34,910.63	(3,317.67)
3215 Haiti Outreach Fund	11,179.66	11,114.42	65.24
3218 Luke's Garden Fund	123.70	123.70	0.00
3224 Kneelers Fund	1,279.98	1,279.98	0.00
3233 Ashes to Ashes Fund	2,166.03	2,166.03	0.00
3236 Memorial Gifts Fund	490.00	460.00	30.00
3239 Music Fund	15,247.14	15,227.14	20.00
3241 Outreach Fund	1,252.00	1,252.00	0.00
3244 Prayer Shawls Fund	173.00	173.00	0.00
3253 St Elizabeths Fund	92.07	61.38	30.69
3259 Youth and Young Adult Fund	12,607.65	12,688.82	(81.17)
3260 Dean Discretionary Fund	2,840.06	2,480.87	359.19
3266 Canon Priest Discretionary Fund	1.00	1.00	0.00
Total Donor Designated Restricted Funds	97,610.54	100,597.22	(2,986.68)
Endowment Designated Funds			
3301 Endowment Building Fund	1,751,075.12	1,736,656.17	14,418.95
3302 Endowment Flowers Fund	26,140.97	25,925.03	215.94

Accounts	Balance Sep 30, 2024	Balance Aug 31, 2024	\$ Change
3303 Endowment Music Fund	73,568.56	72,930.55	638.01
3304 Endowment Outreach Fund	208,350.16	206,668.43	1,681.73
3305 Endowment Prayer Books Fund	16,356.06	35,770.11	(19,414.05)
3306 Endowment Unrestricted Fund	1,291,138.12	1,261,081.78	30,056.34
3307 Howard/St Theresa Fund	628,069.65	622,896.89	5,172.76
Total Endowment Designated Funds	3,994,698.64	3,961,928.96	32,769.68
Total Restricted Funds	4,281,780.83	4,251,194.73	30,586.10
Total Net Assets	4,382,627.20	4,390,295.29	(7,668.09)
Total Liabilities & Net Assets	\$ 4,382,627.20	\$ 4,390,295.29	(\$ 7,668.09)

Cathedral Church of St. Luke Annual Giving Campaign for 2024/2025

Year	2023	2024	2025
Total \$ Pledges	\$425,274	\$409,772	\$420,000
% of Pledges	26.5%	36.8%	
# of Pledges	159	147	150
# of Increase in Pledges	79	66	
# of New Pledges	13	35	
Average Pledge	\$2,675	\$2,788	\$2,800
% of Vestry Pledging	67%	100%	100%

Theme: Walk in Love

This year, our stewardship theme invites us to journey together in faith, unity, and purpose. Inspired by Ephesians 5:1-2, we are called to imitate God's love in our lives and our community. As we navigate our path forward, including our ongoing process of conflict transformation, walking in love reminds us that our faith journey is not solitary but shared. It challenges us to align our actions with our values, to support one another in times of need, and to be open to the transformative power of God's love. Through our stewardship, we have the opportunity to tangibly express this love - whether through our time, talents, or resources.

Therefore be imitators of God, as beloved children, and walk in love, as Christ loved us and gave himself up for us, a fragrant offering and sacrifice to God.. Ephesians 5: 1-2, NRSV

KEY DATES

Pre-campaign: emails from the Interim Dean (10/2) and the Wardens (10/9)

Campaign Kick-Off: mailing October 16

Dean's Forum: November 24

Celebration and Dedication Sunday (in-gathering): December 1

Budget Planning Overview 2024 to 2025

(dollars in thousands, totals do not add due to rounding)

Income

Budget Year	2024	2025	Notes
Total budgeted	748		
Pledges	430		Current and prior year payments
Endowment draw	161		4% draw
Contributions	46		Plate, gifts
Space rentals	75		Parking, building use
Fundraising	12		Grants, music, special events
Trusts + interest	23		Codman, Hamlin trusts
Change	-		

Expenses

Budget Year	2024	2025	Notes
Total budgeted	855		
Personnel	471		COLA x% Dean, clergy, music, education, admin, building
Programs	34		Worship, music, education, hospitality
Outreach	26		Food pantry, Haiti, St. Elizabeth's
Administration	43		IT, communications, office expenses
Buildings & Grounds	169		Utilities, maintenance, repair
Diocese Assessment	111		
Change	-		

Potential new items in 2025:

- Search expenses
- Full-time assistant clergy
- Christian formation program
- Building upgrades
- Hospitality
- 5:15 worship service (visiting clergy and guest musicians)