

Long Range Financial Planning Group

Final Report



Christ Church Cathedral
35 Chestnut Street
Springfield, MA
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Long Range Financial Planning Group Final Report

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Meetings from December 2020 – April 2021, followed by an Executive Committee retreat to review on May 1, 2021.

Why Have We Created This Group Now?

- The 2020 & 2021 budgets were the first since the 2008 recession when CCC could not meet its budget with the income from pledges, the endowment, and other sources of income (Fortunately, a CARES act grant of \$55,000 helped us through 2020).
- Building Maintenance costs exceed the amount budgeted.
- The culture of “church” in America is changing and we want to take that into account for future planning, while ensuring that our budget reflects who we are.
- The Executive Committee charged this group to: Review past and present CCC finances and provide a 5-10 year forward looking set of projections and recommendations (see Appendix 1 for full text).

SECTION 1- REVIEW OF INCOME:

Pledges make up the largest percentage of our income. In 2019, the last year we had a more typical budget, it made up 47% of the budget. The endowment earnings were 35%, Diocesan rent 13% (derived from local rental rates... tends to increase slightly each year), and various other smaller, but important contributors (Figure 1). We had decided in early 2020 that we needed to do some fundraising, but the pandemic put that on hold until 2021.

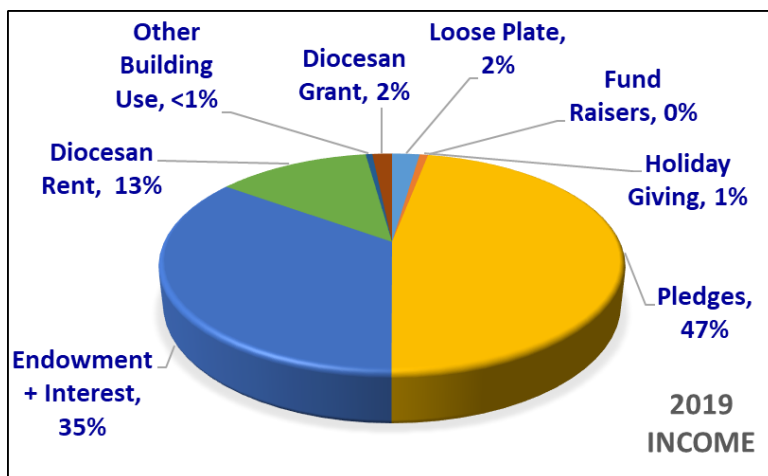


Figure 1

PLEDGES:

We examined historical pledges and observed a recent drop in 2017 from which we had been slowly increasing until the current, unusual year. Recent years are still below the peak years from 2009 – 2016 when we were closer to, or exceeding \$300,000 (Figure 2). The average pledge at CCC is: ~\$1880 and the Diocesan average is ~\$2000, suggesting there is some room to grow.

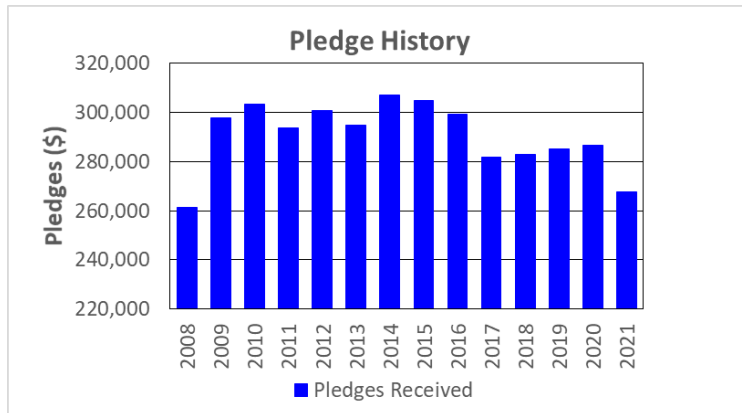


Figure 2

The question is always asked about numbers of pledge units. That varies widely and, although every pledge helps to make a difference, the wide range of pledge dollars means that there is little correlation with total pledge dollars. Figure 3 shows the same plot with numbers of pledges overlaid for those years in the red line:

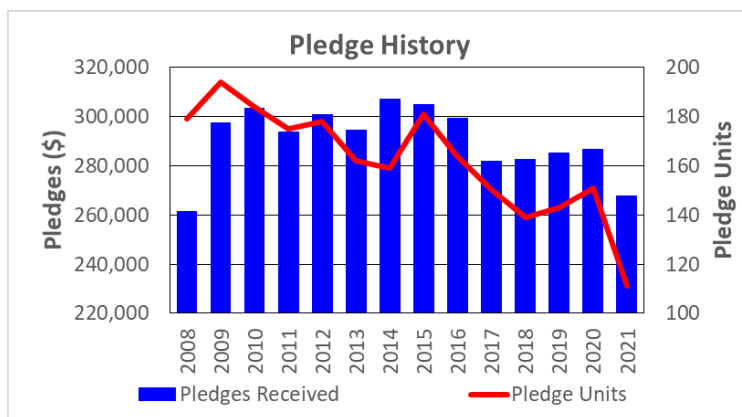


Figure 3

If we examine the pledges for 2020 (pledges made prior to the pandemic, Figure 4), we see that the highest category pledges (\$750 – 2626/ mo) and the lowest category pledges (\leq \$100/ mo) make up the two largest chunks of the pledge amount (27% and 15% respectively).

What makes our finances vulnerable is the observation that only 4 households give more than \$750/month. If any one of those households stops their pledge, it will have a noticeable influence on the budget, which may be part of what happened in 2017 (Figure 2).

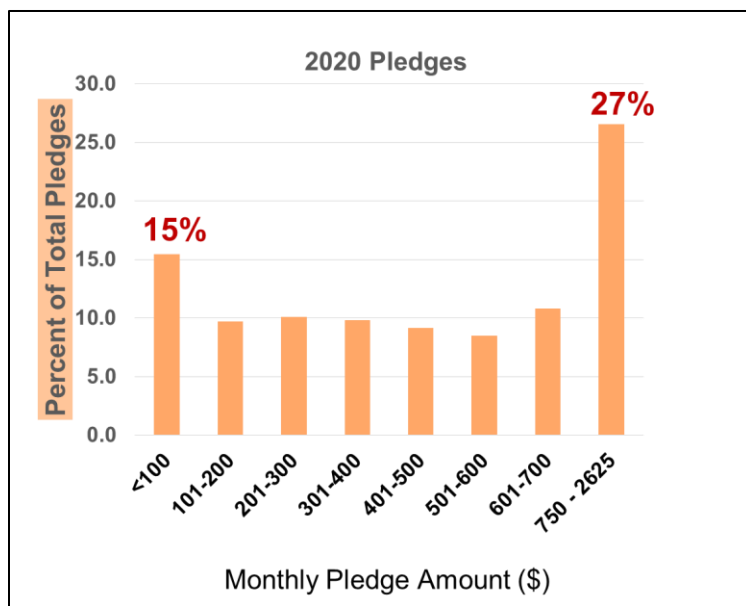


Figure 4

In fact, only 12 households make up 46% of our pledge dollars (at >\$500/ mo), out of 151 pledging households in 2020. When we did a rough estimation of age ranges of pledgers (Tom Callard's guesses), we observed 25% of our pledge dollars come from the oldest demographic of >80 years old (Figure 5). They are the grand generation who grew up with and actively practice tithing—the practice of giving 10% of income to the Church. They are also not all likely to be pledging in 10 years, so we need to think about how that money (~\$70,000) will be replaced and grow with increasing expenses.

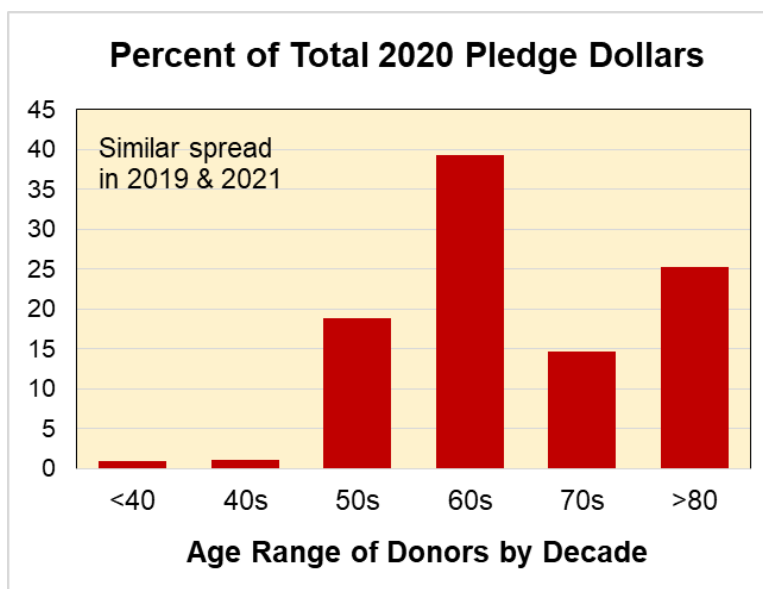


Figure 5

Although we are one church, sometimes cultures can be different between the groups that choose to worship at 8, 10 or 12:15. Figure 6 shows the breakdown. The 12:15 service pledges the smallest percentage of dollars and has about half the attendance numbers as the 10 AM service. They also frequently come from a Catholic background which does not have a culture

of tithing. The 12:15 service also has our youngest population and has the largest potential for congregational growth. Overall, new members tend to contribute in the plate or are smaller pledgers unless they are moving from another Episcopal Church.

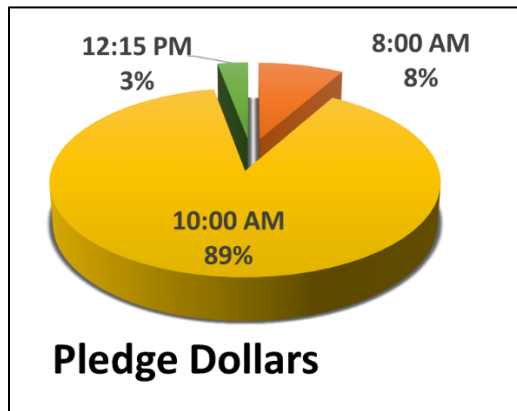


Figure 6

We also observed that every year some households will increase or decrease their pledge, but most households keep it the same. In years when we present our budget after the stewardship campaign and ask people if they can increase their pledge, the number of households increasing their pledge does increase.

Overall, membership in mainline churches, including the Episcopal Church has been declining. It is not easy to quantify because many members do not attend every single Sunday and so “Average Sunday Attendance” is not always reflective of membership, and “Baptized Members” often includes people who have some affiliation with the Cathedral, but not active participation. Still, the numbers in Table 1 show much smaller decreases for Christ Church Cathedral relative to the rest of the Diocese or the national church. This may be partly from new members joining from local churches that have closed in the last few years. We should anticipate that membership will continue to decline unless there is some highly effective evangelism. Earlier programs focused on evangelism (Invite, Welcome, Connect) did not lead to significant growth. Cultural change on our part is probably necessary to attract individuals who are not currently drawn to our worship and community.

Change between 2009 & 2019	Baptized Members	Ave Sunday Attendance
National Episcopal Church	↓ 17% (~1.7M)	↓ 25%
Diocese Western Mass	↓ 24%	↓ 33%
Christ Church Cathedral	↓ 1.8%	↓ 14%

Table 1

Suggested Actions Regarding Pledging:

- Aim to distribute pledge dollars more evenly among households, so many more households make up 50% of pledges. Encourage individuals to examine what the Cathedral means in their lives and to support it financially in light of that meaning and their income. Educate about where our resources come from. Focused education about giving in the 12:15 service, and to younger contributors and newer members.
- Encourage annual increases to existing pledgers.
- Prepare a “Guide to Giving” to help parishioners understand how much money is needed and their role in it. Emphasize proportional giving of your choice rather than the biblical sense of “tithing” 10% of what we have.
- For existing pledgers, a suggestion was made to have gentle monthly reminders about pledges, perhaps by email with a description of some ministry, although the number of pledges that are not fully paid is low and there are 3 mailings per year with the amounts pledged to date.
- Continue to prioritize evangelism... more on that later.

THE ENDOWMENT:

The Diocesan Trustees invests the Cathedral’s endowment for reliable income with typical earnings of ~8% (10 year average). CCC receives 5% of the earnings each year, and any remainder goes into the principal. The formula for earnings is based on a five quarter moving average, so quarterly payments do not drop precipitously if the market suddenly drops and there will be income in quarters with negative returns. Dispersing 5% from an endowment fund is a bit higher than similar funds (usually 3.5-4% annually), but it does allow the principal to keep up with inflation. It is not keeping up with the financial needs of the Cathedral though.

The way to grow the contribution of the endowment to the Cathedral budget is through bequests, where individuals will a portion of their estate to the church. The last bequest we received was from Mr. Mayfield in 2015. There are currently 12 families we know of who have included the Cathedral in their wills. A rule of thumb is that for every \$100,000 given to the endowment, it will provide \$5,000 of annual income. It can be thought of as a means to continue your pledging in perpetuity.

The portfolio is allocated to equities, fixed income and alternative investments with the goal of both growing and preserving capital in a socially conscious manner. There is a restriction on tobacco and fossil fuel investments and there is a committee which considers environmental, social and governance issues. Also, 2% of the portfolio is dedicated to lending money to agencies responding to social needs at a 4% rate of interest (i.e. low income housing, addiction recovery programs etc.).

The Long Range Financial Planning Group re-affirmed the Canon adopted at the 2006 Diocesan Convention to prevent unsustainable spending and imprudent financial management. We will not, except in extraordinary circumstances, invade the principal of the endowment. Our own Executive Committee affirmed that statement in 2009.

Suggested Actions Regarding the Endowment:

- Reinitiate active education and encouragement about legacy giving, including examples of verbage that might be placed in a will or trust.
 - Ed Farrell and Barbara Thrall volunteered to help with this for the Cathedral and for the Diocese.
 - Evaluate materials from other groups that do this effectively, ie the Sisters of St. Joseph.
 - Make this an annual conversation and consider setting up an annual event for those who have made such a commitment (as in the Legacy dinners once hosted by Bishop Scruton).
- Education about donating investments with no tax liability through charitable trusts and from retirement funds after the individual reaches 72.
- Consider other socially responsible investment options that might increase earnings.
- Contact Jim Shuttleworth from Thrivent, a Lutheran non-profit financial organization about a presentation on legacy giving. Christ Trinity Church in Sheffield was pleased with what they did and plan to use him every other year (Rev. Erik Karas).

FUNDRAISING AND NEW RENTALS:

The Long Range Financial Planning Group supports the Executive Committee commitment to begin fund raising activities. Based on the experience of most other churches, this will likely bring in funds in the hundreds to thousands of dollars range. As a start, \$2000 was budgeted to be raised for 2021. We have a commercial kitchen that is certified by the Board of Health and a large space that would work well for dinner events as possible. Examples of successful events are St. Mark's quarterly dinners, St. Peter's Christmas dinners, and the Gray House Spaghetti Dinner and Auction. As a note, during our fund-raising for the Syrian School, most of the profit was made on the silent auction, not on the meal, even though we received discounts on food and rental hall.

Our buildings are currently rented out to the Diocesan offices, Loaves and Fishes for Wednesdays (lunch and dinner), and AA on Tuesday nights (very low fees for the latter two). The Drop-In-Center uses space on Thursdays and will probably expand into other days as well. We had English-for-Spanish-speakers and Spanish-literacy-for-Spanish-speakers classes prior to

the pandemic. ACTS also occupies an office and uses space for tutoring sessions once a week, to begin again in the fall.

The Long Range Financial Planning Group felt that our space is still underutilized and that there is a great deal of potential for rental to generate income. There is a demand for reasonably-priced rental space for parties, office space, medium-sized conference rooms and even of the sanctuary for weddings. The kitchen could also be rented as incubator space for new small business entrepreneurs (we have done this in the past). Local and Diocesan examples of churches renting out space include the Cedar's Banquet Hall, St. James and Andrew in Greenfield, St. Andrews in Longmeadow, St. Marks in East Longmeadow, and St. Paul's in Holyoke. Close to us geographically, St. Michael's Catholic Cathedral has a nice space that they do not rent out, and South Congregational Church rents office space to the Pioneer Valley Project and has rented to a Baptist and Pentecostal church. Based on the experience of other churches, we might expect to earn in the range of \$10 - \$12,000 per year from rentals.

We also discussed sharing space with the Quadrangle. They may be interested in renting some space, as they do not have a large meeting space with cooking facilities for school groups (where they make most of their money). If a regular arrangement was worked out, this could increase the earnings potential of rental space for us. Parking remains an issue for us, and it would be no issue at all if participants were already at the Museums. We might also consider some joint programming and they may be interested in using our sanctuary space for concerts.

Our facilities are a major expense for our congregation and we should make better use of this asset not only as a source of revenue but for the local community. Washer/dryers and lockers are being installed for use of the homeless. Discussions are in progress for building showers for their use, as well as meeting space for ROCA to use in Restorative Justice Training.

Suggested Actions Regarding Fund Raising and New Rentals:

- Begin fundraising activities in 2021, especially once the pandemic restrictions ease. Attend other's fundraising activities to learn from their successes.
- Make capital upgrades to undercroft and to potential office/conference group spaces that keep in mind increasing the rentability and utility of our space for the community. Airflow issues must be addressed and it needs an upgrade.
- Designate and prepare office/conference room space.
- Advertise for our rentable spaces, including undercroft for parties/receptions, commercial kitchen use, Sanctuary, gallery space, and office/conference rooms.
 - Advertise: Website, brochures (especially if the library, Quadrangle, wedding dress shops will distribute), newspapers or targeted advertising ie wedding specific advertisements, for small catering businesses or Therapy Today. Also utilize internal connections with different groups that might be interested in using them.

- Interfaith Council and other clergy networks about small/new churches that might be interested in Sunday night use.
 - Discussions with Quadrangle and Central Library about collaborating/ renting space use and doing some joint ventures (Concerts? Art shows? School groups?). Also discuss with Central Library the requests they get for office space use. In addition, the library parking lot will be important parking space for us and we need to coordinate so we don't have events at the same time. A good time to start really building our relationship with them further.
 - Work with a commercial realtor.
 - Be cognizant of what the organization represents, ie we would probably not want to rent to a group with discriminatory practices and beliefs.
 - Reach out to Tessa Murphy-Robmboletti, the Executive Director for "E for All" about incubator opportunities for the kitchen (Denise McCarthy).
 - Work with Christ Trinity Church in Sheffield to have the Quartet they work with for fund raisers give concerts at the Cathedral the following night (Rev. Erik Karas).
- Continue to evaluate space use for outreach work in the community.

SECTION 2- REVIEW OF EXPENSES:

Salary and Benefits make up the majority of our expenses. Figure 7 shows information from 2020 when we became fully staffed for the first time in many years. Clergy and Lay salaries and benefits made up 54% of the total budget. Along with Utilities, Church Management, Church Maintenance and Capital Maintenance these are the biggest expenses in which we have some discretion. We cannot change the costs associated with the assessment, retiree benefits and many of the individual items within each category. The Long Range Financial Planning Group examined Salary and Benefits in great detail and looked for areas of potential cost savings in other categories as well. Items related to building maintenance will be covered in a separate section.

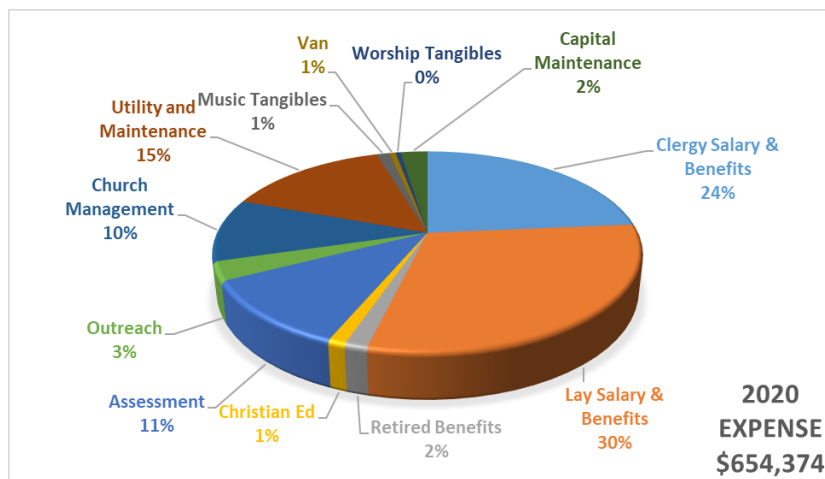


Figure 7

SALARIES AND BENEFITS:

Although the largest budget item, salaries and benefits have remained surprisingly stable for the last 14 years (Figure 8). This is due to staff turnover and from different needs for health insurance, but we expect that this item to now increase over time as it should if we are paying people fairly. Currently three of our six employees opt for health insurance coverage, although four are eligible. Two employees work fewer hours than that which require us to offer coverage. Years where the total spend on staff is much lower (ie 2016-19) are from years where we had significant staff turnover and time with no one being paid for the position. The expense went down slightly in 2021 because hours of the sexton and administrative assistant were decreased and there was a slight decrease in health insurance costs between the different employees.

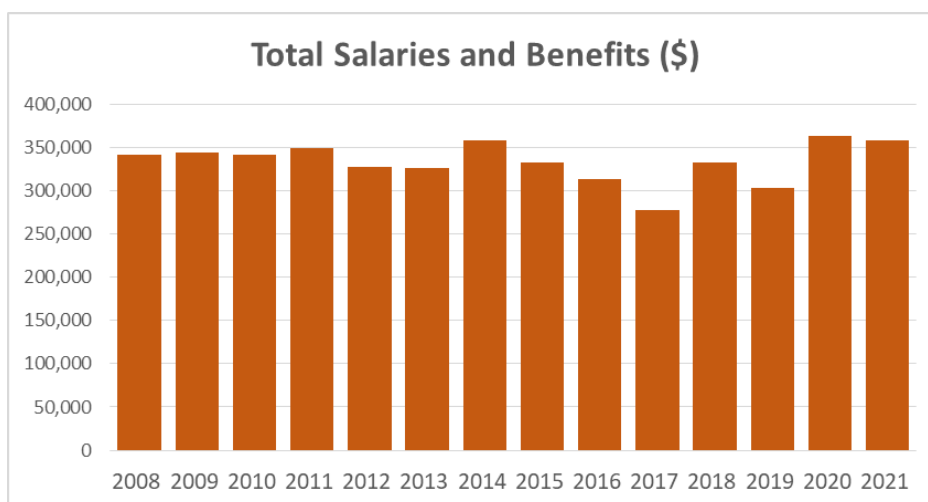


Figure 8

Our current paid employees are:



- **Todd Beckham**- Music Director, Christ Church Cathedral—40 hours with the Diocese paying a portion for his work with the Bishop’s Choir School
- **Sergio D’Orsini**- Music Director, Hispanic Ministries—stipendiary amount
- **Edwin Garriga**- Sexton—28 hours + 7 separately paid for Diocesan offices
- **Amanda Paredes**- Office Administrator—32 hours
- **Tom Callard**- Dean—40 hours
- **Joel Martinez**- Canon—32 hours at Cathedral and 8 hours paid separately by Diocese

Permanent Deacons, such as Linda Taupier, do not receive a salary, but will be getting a stipend of \$600 starting in 2022. The Cathedral is generous in supporting the ministries Linda cares most about and she does not need or want a salary, even if the Diocese would allow it.

Attempts are made to follow Diocesan salary guidelines for clergy and staff, and organist salaries are mandated by the American Guild of Organists. We are not on the high end of the range for any of the employees, but do try to at least reach the midpoint. Tom is the only staff member that is 40 hours per week for whom we pay the full salary. The Diocese supplements the salaries of three staff members, allowing us to keep highly qualified individuals.

There are no regular mechanisms for staff to get raises and there was strong support for something to be implemented. Even if we can’t fund all that we want to, we should at least be intentional about it. Currently raises are often tied to events (such as Joel’s ordination 2020/2021) or a sense that it’s been too long without a raise (such as Sergio’s very modest raise in 2020). In 8 years, Tom has received 2 raises, one when he moved from Canon to Priest-in Charge, and a smaller one in 2018 which was a year or two after he became Dean (1.7% of his salary) to bring him up to the midpoint range.

One suggestion was to give each employee a 1.5% pay increase per year to help keep up with inflation. If we were to do that, and also assumed there was a 4% increase in the cost of health insurance each year, it would increase the Salaries and Benefits line item by 21% in 10 years, ~\$70,000. This would give very small increases to those with lower pay, so other methods may be more equitable. Linking it to the Consumer Price Index, specific milestones, or performance were other options discussed, as well as the concept of bonuses.

The benefits package is generous in some ways and most of the policies are mandated by the National Church or the Diocese. Mandated pension programs range from 5-9% of salary for lay employees and 19.4% of salary for clergy, so a salary increase automatically leads to benefit increases as well. Health insurance increases faster than inflation, even though it is negotiated

in a larger plan through the Diocese. In 2021 it went up 5.5%, and over the last 3 years the increase averaged 4.1%.

It is clear that the Salary and Benefits line item will need to be increasing over the next 5 – 10 years and we should plan for it.

Suggested Actions Regarding Salaries and Benefits:

- Convene a subteam to further review details of the benefits packages and make recommendations about more systematic pay increases to the Executive Committee. We recommend this team: Anne Westcott, Tom Callard, Joel Martinez, Linda Taupier, Susan Olbon and Donna Barten.
- Locate information on what other small to mid-sized Cathedral Deans and Hispanic Missioners are paid so we are equitable not only within the Diocesan guidelines, but for the special talents of our Dean and Canon.
- Update the Employee Manual to further clarify staff policies and benefits.

POTENTIAL COST SAVINGS IN NON-PERSONNEL RELATED EXPENSES:

Our next largest expenses are for heating and electricity. Heating costs vary wildly depending on the weather, with a range of \$10,000 - \$42,000 per year and averaging \$25,000. Electric costs are more consistent, but average ~ \$17,000 per year. Therefore, finding ways to save energy is not only good for creation care, it is good for our budget. We had previously invested in some LED lighting in the Sanctuary and in a new heating system for the Sanctuary/undercroft that could be switched between oil and gas to take advantage of which heating method was more economical that year. In 2020 we purchased oil at a very low price when there was a glut due to the pandemic and it is being used in the 2021 and probably part of the 2022 heating seasons. Through Eversource grants, we insulated the sanctuary and converted the remaining lighting in all buildings to LED. We are also investing in extra insulation to the new roof over the offices.

Other areas of cost savings that have already been realized, or can be realized in the future are: postage; copying costs (color copies are extremely expensive, adding thousands of dollars to this line item when not used cautiously); the rent to buy copier contract (completed this year to save \$5000 annually); and water use costs.

Volunteer work significantly decreases our costs and we should encourage volunteerism further. Areas where it has already made a significant difference are:

- Grounds maintenance by the Garden Group

- Repairs, or building of needed items, such as the Quadrangle-facing rear door and the video camera stage in the Sanctuary.
- Painting the Drop-in-Center spaces and the many areas painted by former Jr. Warden, Rick Shepard.
- Volunteer office work, so we don't need more office administrator hours
- Volunteer website design and updates
- Volunteer treasurer, assistant treasurer, and audit committee so we don't need to hire a bookkeeper or accountant.
- Volunteering pastoral care so the clergy can keep up with our large congregation.
- Many more...

Suggested Actions Regarding Reducing Expenses:

- Continue to evaluate energy saving investments, especially in the Sanctuary (plexiglass inserts in Narthex doorways, interior storm windows for stained glass in winter, appropriately-sized destratification fans to push heat down from ceiling). Further evaluate solar panels for relevant portion of flat roof over offices. Evaluate conversion of heating to mini-splits in different regions for increased energy efficiency and switch from oil and gas to efficient electric sources.
- Further evaluation and monitoring of other expenses
- Encourage volunteerism, partly by identifying needs and asking for help

SECTION 3- BUILDINGS AND GROUNDS

Upkeep of our beautiful facilities is one of our largest expenses. It shows up in many places in the budget and transfer funds line items:

- Church Maintenance ~ \$10,000 per year in the budget, ie fixing toilets, heating system, sewer blocks, buying paint, salt for sidewalks, carpet cleaning.
- Building, Fire & Elevator Inspections and Security Monitoring ~\$8500 per year
- Snow Plowing ~7,000 per year, but varies with the weather
- Capital Maintenance line item in Budget- \$16,000 per year as of 2019
- Unforeseen Building Expense line item in Budget moved to transfer funds every year \$3,000
- Capital Maintenance in Transfer Funds from earnings of Adolphson Fund \$16,000 - \$20,000 per year

For Capital Expenses alone (permanent repairs or improvements to the infrastructure of the buildings), we have spent an average of \$50,000 per year (ranging from \$8 - \$85K) over the last 13 years. The Mayfield Bequest of ~\$110,000 in 2016 helped significantly with major unmet needs and has been completely spent. The line item for Capital Maintenance in the annual budget was added when we realized how much work needed to be done, but we are still not keeping up with needed repairs and upgrades.

To get a more complete picture of the work that needs to be done, as well as re-envision some of our space for future needs, Steve Jablonski (a licensed architect with experience in historic buildings and churches) and the two wardens walked through every inch of our space to update a list of capital needs as anticipated for the next 10 years. Steve is another example of volunteerism that has saved us money and helped immensely.

Steve helped the wardens to prioritize the list, gather and evaluate quotes and put together what might best compose a capital campaign. For the undercroft he helped identify that a new HVAC system with outside airflow is essential and also provided sketches for showers and a new side entrance. His ideas will help upgrade the undercroft for both rental and community use. In the Sanctuary, restoration work on some of the stained glass windows and organ are increasingly needed, and our fire alarm system needs at least an upgrade. A capital campaign goal that could range upward to \$450,000 - \$550,000 if outside grants are obtained was identified, with the likelihood of dividing it into stages as funds become available. A preliminary name of “Welcoming Our Neighbors” was suggested.

Laura Manship found a granting opportunity with The National Fund for Sacred Spaces and a subteam wrote and submitted a Letter of Intent. We will know in May if we are invited to submit a full proposal for \$100,000. If we were to receive that grant, we would know in October 2021 and be able to start a campaign in early 2022. Steve also identified another granting opportunity we can apply for next March with the Springfield Community Preservation Committee.

Kent Tarrant compiled a history of our most recent capital campaigns to help provide perspective on the proposed 2022 campaign. It is attached in Appendix 2. We learned that although not all the desired capital projects could be incorporated in the Opening Our Doors Capital Campaign (2007-8), the remaining items were carried out in subsequent years, particularly with the help of grants. The vision led to action and completion.

Suggested Actions Regarding Buildings and Grounds:

- Form a Capital Campaign Committee and begin to evaluate what parishioners are most interested in funding and how much they might consider funding to refine campaign goals. Ed Farrell, a retired consultant with fundraising experience, has volunteered his

services to this capital campaign and Steve Jablonski has offered his continued services pro bono.

- Continue to refine cost estimates for capital maintenance projects with quotes from contractors
- Follow up and evaluate further granting opportunities
- Have a conversation with the Diocese about contributing to a Cathedral capital campaign.
- Learn from other churches how they managed their capital campaigns.
- Consider folding the Unforeseen Building Expense line item into the Capital Maintenance line item in the budget, as any extra goes to the transfer fund and there is now a managed approach to capital maintenance.

SECTION 4- OUR BUDGET AS A REFLECTION OF CHRISTIAN COMMUNITY

We are a Christian community and this should be reflected in the stewardship of our resources. The largest share of our finances go to support our staff and we should make sure our clergy have time to minister not only to our congregation, but to others who come to us in need. Our Deacon, along with Cathedral volunteers, do outreach work with the Drop-In-Center and Church Without Walls and our 10 AM choirmaster runs the Bishop's Choir School. Our Dean, Tom, is a police chaplain, which will allow him to help build relationships between police and community and both the Dean and our Deacon participate in the Interfaith Council. Our Canon, Joel, has recently been asked to help in hospice for Spanish-speakers. NGOs and student nurses want to interact with us to reach the homeless, the poor and Latino communities for health care and Narcan distribution. We should be intentional about sharing the resource of our staff with the wider community.

Our buildings are an expensive treasure that require constant investment for upkeep. We'd like our buildings to better serve us and our community rather than be a private museum. As mentioned in earlier sections, our space is under-utilized and we should make a concerted effort to change that, both in generating income and offering space for outreach work. Creation Care should be considered in our practices and further energy efficiency measures evaluated.

Our Outreach Committee has a budget line item of \$17,000 annually, along with earnings from the Stewart-Dwyer Fund and The Dean Munroe Homeless Fund to distribute in grants or donations. The committee, open to all, works hard to build relationships with the agencies we fund, providing many opportunities for service.

Finally, we need to be intentional about funding evangelism. There are so many people outside our walls who would benefit from hearing Jesus' message of love. One example is the

new live streaming ministry we developed because of the pandemic, which is also shown on local access TV. We are reaching people who physically have difficulty getting to church and who are not in our geographic area. It also offers a snapshot of who we are for those church shopping online. We also spend resources to support our website and for publicity when services are open. We should consider supporting community events and ministry that might bring people into our space. The press has been generous with coverage lately and we should alert them to things they might be interested in the future.

A caution about evangelism. We are impelled by our faith to evangelize, as uncomfortable as the word feels to Episcopalians because of one style of aggressive evangelism. But a lot of evangelism efforts do not lead to church growth, only a subset of it does, and it will not be an instant solution to financial shortfalls, nor should it be considered that way. There are many Americans with no church experience and they may not respond to our usual. We should be willing to experiment and change. Ministry, outreach and getting people in the door through rentals and events may be the best way to attract people to check us out on a Sunday. Funerals, which we often do for very loosely affiliated individuals, is also a means of evangelism for those who gather at a time of need and sorrow.

Suggested Actions Regarding Christian Community:

- Build and initiate further alliances with different community groups for outreach and social justice work, especially building up our own ministry of the Drop In Center.
- Improve our building use to better reflect the investment needed to maintain it.
- Consider what else is needed to improve the quality of our broadcasts for online viewers, even after we open fully to the public.
- Become more proactive about bringing the press into our events.
- Begin more focused Evangelism activities again, using suggestions from Ellen Lincourt's Evangelism and Communications Audit. Tailor activities to both Anglo and Hispanic communities.
- A first step with Ellen Lincourt is to develop a tagline that is easy for even the unchurched to hear what is distinct about our Christian community. To do that, we need to better define for ourselves who we are and who we see ourselves becoming as we open up again (also see below and Appendix 3).
- Reach out to Susan Strempek Shea, the author of "Sundays in America." People go to church for specific reasons. We need to understand why people come to CCC. If we understand what CCC stands for – it makes it easier to reach out and share that vision. Steve Jablonski will reach out to Ms. Shea, and see if she would be interested in coming to talk with us again.
- Send people out to learn about non-mainline churches that are growing quickly. What can we adapt to our situation?

FINAL RECOMMENDATIONS BY THE LONG RANGE FINANCIAL PLANNING GROUP:

Members were asked to identify two recommendations they thought most important to focus on in the coming year. Here are the items they suggested, with many people choosing the same items and many related to each other:

- Increase participation in pledging
- Begin a capital campaign committee
- Better use the resource of our facilities
- Reassess and define well who we are and who we want to grow into. We can't be all things to all people.
- Evangelism and church growth activities, including things that will just get people in the door
- Build an active affiliation with the Quadrangle Museums and Central Library

The work of this group was discussed in part at the Executive Committee Retreat on Saturday, May 1st. Changes and additions were made to the section on pledging, and the outcome of a discussion of who we were, who we are now, and who we would like to become is included in Appendix 3. A short presentation will be made to the congregation on Sunday May 16th as part of the service, and the final report distributed to interested members.

The Long Term Planning Committee recommends meeting once per year with the Executive Committee during a regularly scheduled EC meeting to check in about our progress. It is suggested to do this every February, after the budget is finalized and in preparation for the new year ahead. A more in depth review like this should be undertaken every 5 years, unless it is deemed important to meet sooner or later when we do the annual reviews.

Appendix 1: Charge to the Long Term Financial Planning Working Group

The officers of the Cathedral and the Executive Committee request that the Long Term Financial Planning Working Group thoroughly review past and present Christ Church Cathedral Finances and provide a 5 and 10 year forward looking set of projections and recommendations. As the financial realities for all worship communities continue to change with decreasing membership and pledges we wish to create realistic projections for the future health of our worship community.

This review will include, but not be limited to:

- 1) Projections of regular income, including pledges, fundraising/rentals, and investment income with the current endowment.
- 2) Projections of expenses, including salaries and benefits, building maintenance and repair, and the ability to minister to God's world. This will include a schedule for building maintenance that will be proactive, instead of reactive, along with plans to fund it.
- 3) Recommendations on irregular income streams, including when and what to include in the next Capital Fund Drive, a plan to encourage Legacy giving into the endowment, and grant opportunities.

This group will have 5 monthly meetings beginning in December of 2020 and present their final report to the Finance and Executive Committees in May of 2021 for review prior to dissemination to the congregation. This document will be used for the 2022 budget planning process and to initiate activities based on their recommendations.

Appendix 2: Christ Church Cathedral Capital Campaigns

The current building was constructed in 1875. Capital campaigns were conducted in 1906, 1929, 1960 and 1972. The office wing between the sanctuary and the old rectory was constructed in the 1960 campaign.

20th Century Campaign

Planning and fundraising began in 1987 after a piece of lead fell out of a stained glass window during a service. The work was done in 1991, completed for Christmas. The focus was on a major renovation for the sanctuary. The entire church had scaffolding erected for interior dry wall covering (walls and ceiling) and painting and services were conducted in the undercroft. All new oak pews were installed throughout with drop-down kneeling rails. The kneeling cushions became history. The old altar stage (chancel) and the chapel flooring were replaced with the granite flooring and carpeting you see today. The marble altar table was professionally refurbished and moved from the reredos to the front of the stage/chancel. The organ was repaired and the cost was reduced from \$81K to \$25K because of work Peter Beardsley and David Johnston added to it. The large wheel windows were refurbished. Handicap accessibility and roof repair were discussed but not included in the final campaign due to cost. Roland Holstead was the CCC Project Manager for the final design and construction phase. Milton Howard was the architect.

We hired an outside firm to guide us through the process of running the campaign. Together we identified potential financial opportunities and targeted these resources for personal visitations. We learned that 90%+ of what we were going to raise was going to come from 10% of the total giving populace. A diocese contribution was necessary as a foundational gift and along with key individuals put us 75-80% there before launching the campaign to the full congregation. We had hoped for some help from churches throughout the diocese, but received less than anticipated. Pledges to the campaign came in over several years, so the Cathedral took a loan from its endowment principal to cover costs until that could be repaid. Smaller, unexpected capital expenses later were covered by a small loan from the Diocese. This occurred during a recession and there was no mechanism to save for capital expenses at the time.

EC minutes show the original estimated cost to be \$525,000, and a final cost was closer to \$480,000.

A loan was taken from the Diocese for ~\$24,000 to do some renovations for handicap accessibility, including the chair lift, in 1993

Opening Our Doors

The year was 2001, our new Dean Jim Munroe arrived in 1998, and we began discussions in conjunction with an overdue capital fund drive. We hired Holliman Associates to study our prospects and assist us in the formation of our committee which ended up being 18 parishioners. Holliman did an extensive survey within the congregation including 37 personal interviews and identified several projects to consider.

Bishop Denig's terminal illness (1993-1995, and lack of access to Diocesan offices), minimal compliance with the ADA, an aging congregation, and opportunity presented by the new Seuss National Memorial on the Quadrangle were the motivating factors for this project. Focusing on handicap accessibility we identified our needs as an elevator with access to all floors (\$190K), moving the Vesting Sacristy to a Sunday School room (and renovating it to purpose), cutting through the back wall to install the double doors, ramp, and planters), and, in the process, creating the John Cotton Brooks Foyer (to also serve as gallery and reception area). New doors were installed on both Chestnut Street entrances to the sanctuary (\$35K), along with new sidewalks, railings, and steps. The vesting room for women in the choir (which also contains the elevator machine room) was also renovated. New topsoil and seeding reestablished the front lawn after construction. New trees and foundation plantings (largely funded with memorial gifts in \$250 to \$500 and volunteer labor) were also installed. There were major upgrades to the fire detection and alarm system required by the city of Springfield after the contract was bid (\$65K). We also planned work on the undercroft, the choir rehearsal area, exterior lighting, create a columbarium and contribute to Habitat to Humanity through our Outreach program.

The actual fundraising began in 2002. Milton Howard, the architect for the 20th Century Campaign renovations, was hired to design and oversee the project. Our estimated cost was \$600,000. We prepared our own advertising materials and did mailings. The diocese gave generously (Paul remembers something in the \$25 – 75,000 range) as we focused on the elevator to better serve them, several churches in the diocese contributed to a total of \$9593, mostly at the behest of Chapter Members. This plus a bequest got us started. Congregation members added to our foundational givers who for the most part were members of our committee.

We fell short on projected funds raised and modified the plan to focus on the elevator, Brooks Foyer, the entrances and some signage, all was completed by 2004. The columbarium and outdoor lighting were done at a later date with private donations.

The total raised from all sources is estimated at \$445,000. Another \$50K from a timely bequest was added to the project budget to cover the cost of the fire alarm system upgrades. Paul Barten was the CCC Project Manager for the final design, construction, and final inspection phase.

The Undercroft Project 2005-2006

Discussions on this project began in 2002 with the purpose of making the Christ Church Cathedral Undercroft a permanent home for Loaves and Fishes. Since this closely followed the Opening Our Doors campaign our focus was on sources outside of our Cathedral congregation. We needed to up-grade our kitchen equipment, improve ventilation, refurbish the rest rooms and provide better lighting. At the end much of this funding came from the Community Foundation and the Davis Foundation along with private donations. The diocese may have contributed as well. The estimated cost was \$385,000 and Crawford Lincoln was the grant-writer for this and the project below.

The Restroom Project 2007-2008

The funds for the undercroft project were insufficient to renovate the restrooms. Crawford Lincoln was able to obtain a grant from the Davis Foundation to get this done. Paul recalls the Cathedral also made some contributions toward the project of ~ \$65,000.

Mayfield Bequest in 2015 of ~ \$110,000 was voted to be used for multiple accumulated Capital Expenses- Summary from Roland Holstead:

Rick Shepard and I did some massive work from 2015 - 2017 from bequests. Sheet rocking office ceilings, opening the stained glass windows, new electric lighting in the rear chancel and sanctuary. Extending the bishop's platform, new LED lights in the nave. Restoration of the painting of Mary and the child. Redecoration of the parlor (Kendrick Room), including ceiling repair and new carpet. New circulation motors for the boiler heating the second floor and offices and a new convertible gas/oil boiler for the cathedral itself. And, outside foundation lighting was a bequest.

2018-20 Fundraising for the Drop in Center-

Just to show how multiple small grants can add up to assist a worthy ministry, over \$80,000 has been raised from the United Thank Offering, Christ Church Cathedral Outreach Committee, The Diocese of Western Mass, Arbello Family Foundation, Pioneer Valley Health Service, Bob's Furniture and others.

Summation

Because an outside consultative assistance is expensive, we are blessed to have a retired consultant with substantial fundraising experience and a licensed architect who are contributing work *pro bono*. If we get the National Fund for Sacred Places grant, training is a requirement of receiving funds. A list of what the need and a long look as to who might give what is very important. The congregation helps but other sources may be necessary for

foundations gifts. A well thought out survey would be helpful once we make a commitment. Preliminarily potential larger givers need to be identified, and wherever possible they should be involved in the process. Reasonable goals should be set and at the end of the day these goals should be met.....the campaign needs to be deemed successful.

Kent Tarrant with supplements from Roland Holstead, Paul & Donna Barten

Appendix 3: Visioning the Cathedral: Past, Present and Future
From the May 1st Executive Committee Retreat
(with members of Finance and Long Range Finance Committees)

Something we need to understand to reach out for evangelism and growth

- ☐ Who were we before the pandemic?
- ☐ Who are we now?
- ☐ Who do we want to become?

(It's such an ideal time for change, and plus, we're already different!)

The Best of the Cathedral Before the Pandemic:

Warm and welcoming community.

Alive and breathing.

Like when the clergy walked around before the service, greeting and saying hello. We had forums. Post services fellowship. The peace lasted a while – the mid service fellowship.

Music, singing, everyone singing.

Wonderful choir.

An organ that makes the floor shake.

Happy people. Kids, great sermon.

Beautiful building for worship space.

A lot of adult ed offerings and participation.

Art exhibits. Engagement between English and Spanish speakers and joint services, especially Pentecost. Community. Recovery service.

Bishop here for certain holidays. Holiday worship, Christmas music, Easter.

Cathedral's providing of public calendar, markers of the season.

Sharing, giving, the angel tree. Giving flowers to shut ins. Acolytes, teams of acolytes.

Opportunities to serve others. Small groups. Community dinners. Hosting things – AA, acts, supervised visitations. Innovative like Rabbi in residence, diversity.

People just randomly showing up at the Cathedral. Groups gathering together. Saturday meetings, people here, the men's group, centering prayer.

Public concerts Organ concerts and others. Special services, homeless memorial, blessing of journalists. Having the Cathedral be the center for important diocesan events, ordinations, convention. Sharing of food. Opportunities to serve others. More acolytes during service.

Spring and fall garden clean-ups.

Who are we now: focusing on what's different and what's remained.

Our energy remains in a different form. The openness of the Cathedral remains.

We are an adaptive, flexible glue. We've had to change because of the need to connect. We've been flexible in the way we do it. Glue because we're still bringing people together, drawing them in. This is part of who we have become, more than before when we were caught in experience of the past, now have this **transformative** experience where we've had to be different.

We're still serving the community, both by having church on line, and through outreach ministries. Outreach didn't stop. The funding has changed due to Covid. Groups we fund have changed how they operate. We've looked at and responded to needs in the community – square one meal kits.

What remains: building still needs attention. Most bills remain. We may have saved some on heating. We are now more energy efficient with new led lights and insulation in the sanctuary.

We have all the new streaming equipment. And a whole new ministry team that can do it.

Seeing new people come in and new people joining online from Oregon, Florida, Hawaii, Barbados.

Had two Sacred Ground groups that have had a big influence on participants, and now we have a core group of people thinking about systemic racism and motivated to want to change things.

The needs of our community both for in-kind and financial support, for loving leadership, and healing, in these difficult times.

The Sunday peace is very sad. Limited singing. Muffled singing. Locked doors during the week.

But we still are worshiping. And worshiping together, albeit apart. The use of YouTube streaming has been a real blessing. Joint worship with multiple parishes.

Some people may not return to in person worship or less often. It's convenient to watch the service later or in pajamas.

Zoom meetings have some convenience and allow joint teaching with different parishes.

Idea of the snow day is disappearing.

Whole-cathedral events (like annual meeting) can be on line. Still had diocesan services.

Who do we want to be? Think about our Cathedral in 10 years. What's the best Cathedral that we can think about being?

- Return of instruments, trumpet, etc. and of full choirs.
- Communion at the altar. Instead of drop-n-go.
- How can we be open to people with no experience of church, or whose experience was not good.
- Open to broadening our ideas about worship. And music.
- We both want and need to be bigger.
- A place for young families to bring children, young adults, teenagers.
- More hands-on volunteering.
- System for inviting, welcoming and incorporating people.
- More diverse, and recognized as such in the community. Springfield is ~ 1/3 Black, 1/3 Latino, 1/3 White. Will we reflect that?
- Encourage more diverse/ people of color/ in leadership roles at the Cathedral.
- More integration between 8, 10, 12:15.

- Invest in new hardware – technology. Even better livestreaming capabilities, and maybe even the ability to see on screen, project, watch a video in sanctuary. If want to put bulletin w/ prayers up, music, etc. can help us seem more modern and appeal to younger people.
- Creating more videos to the service of the church,
- Having services outside.
- Need to utilize the building as a profit center. (renting undercroft).
- Access to parking lot across the street.
- More interaction with the community – groups. Quadrangle, NGO's, area colleges, continuing work which was stopped. Interaction between community and the police. A place within the cathedral for there to be positive interaction to help the wider community. ROCA. Elms college and nursing students. Interfaith community participating.
- Sanctuary for disgruntled Catholics. Build African immigrant Anglican community.
- More outreach for LGBTQ community – flag. Publicity related to who we are.
- Outside signage. Help make think people about coming through the doors. Signs have service times that we don't have. It looks like we don't care about our signs. Just paint over it.
- In ten years, have again community gatherings that are joyful: community dinners, annual meeting with food activities together that are part of Sunday service, and have that be normal. Not just our community, but "spaghetti" supper fundraising and things like that.
- To be more of a refuge for those people who are struggling. Refuge for whatever draws people into conflict. A place for them to come and rest. A safe place.
- Buildings be in reasonable repair so people in future don't worry so much about keeping it going.
- Have building in full use – not repository and not parts in mothballs.
- Drop in center has opened full time, with showers and all needed for active ministry.
- Digitizing all of our documents, correspondence, so when leadership changes over will have access to things, chain of custody.
- ESL ongoing, Spanish classes, Spanish literacy for Latino community.
- We might be a radically different church – 12:15 could easily become the largest service. That we are a Christian church worshiping in various languages.
- 12:15 ministry geared to the cultures of the Dominican Republic, Puerto Rico and Central America, heavy emphasis on digital and organized Invite, Welcome, Connect for newcomers. Education about what's different between Episcopal and Catholic Churches.
- Activities that engage families with children.
- Volunteers to run the activities.
- Talking to the colleges – paid internships of people willing to come in, perhaps with programs for children or in technology.

Final Thoughts

"We can no longer say 'We've never done it that way before.' Because now we know we can do new things."

As they say in AA- "Grow or Go."