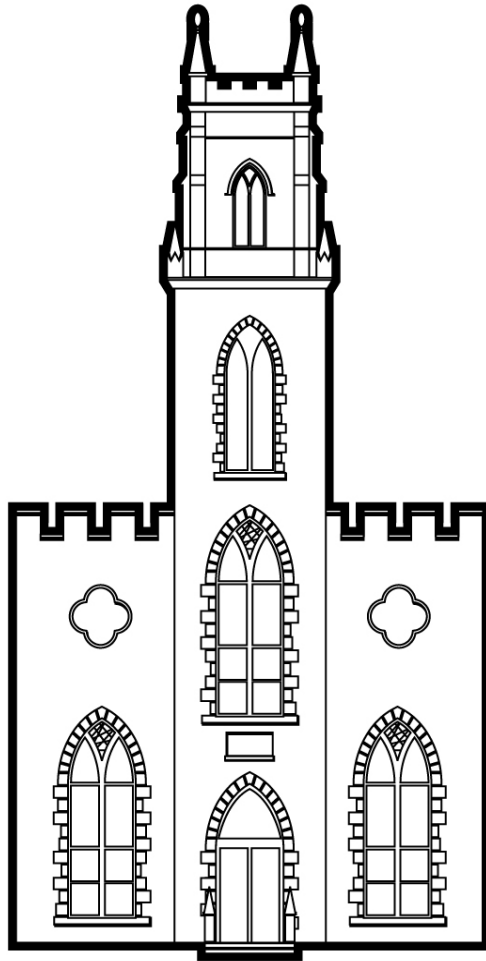


SAINT LUKE'S CHURCH

HOPE, NEW JERSEY



*A caring community where people experience the love, power
and presence of God*

2007 Annual Report
February 17, 2008

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Annual Meeting Minutes - February 4, 2007

Fr. Bill Potter opened the meeting with a prayer.

Minutes of the 2006 Annual Meeting were distributed and read by all in attendance.

- Bart Cousins made a motion to accept the minutes; Chuck Winch seconded and the motion carried.

Fr. Bill recognized the contributions of three parishioners for their quiet and unassuming dedication to St. Luke's Church:

Evie Constantine for her more than 19 years of her service to the Altar Guild and her commitment to those in need in our community and meeting those needs with her Food Basket Program. Fr. Bill presented Evie with a Certificate of Appreciation in recognition of her service.

Laura Wright, who succeeds Evie as Director of the Altar Guild, for many years has been a contributing member of the Altar Guild.

Additionally, Laura and Pam Faris have been the leaders of our vibrant Sunday school. In recognition and appreciation of their work in the Sunday School Fr. Bill presented this year's Rector's Award to both Laura and Pam.

Election of Vestry Members

Fr. Bill noted that Dave Ebbels who had been nominated for Junior Warden had to decline as a result of his new pressing employment requirements. Due to the importance of the position of Junior Warden involving the supervision of the church's buildings and grounds, the nomination and election for that position and for one of the vacancies of Vestry Member will take place at a later date. For two Vestry vacancies with terms expiring January 1, 2010, the Vestry submitted the nominations of Cheryl Crisp and Chuck Winch. Additionally, Sharon Cousins was nominated as Treasurer for the term expiring on January 1, 2008. There were no additional nominations from the floor.

- Vito DiCristina moved that the nominations be closed, seconded by Bart Cousins. Motion passed.
- Dave Ebbels moved and Valerie DiCristina seconded to accept the candidates as presented. Motion passed.

Delegates to Diocesan Convention and District 1

Fr Bill opened the floor for nominations for delegates to the Diocesan Convention of 2008 and for District One delegates. The following people were nominated and approved:

Delegates to the Diocesan Convention January 2008

- Ed Roper
- Edna Roper
- Sue Franson
- Alternates: Carola Walton, Bill Lapp

Delegates for District One

- Vito G. DiCristina
- Cynthia Potter

Restoration Project - Guy Walton

In recognition of St Luke's as an important historical structure, and in anticipation of our upcoming 175th anniversary, Guy reported that the painting and restoration of the altar will be completed prior to that date.

The existing crisis regarding the replacement of the tower was briefly mentioned and that inquiries have been made on how best to reach an appropriate and long lasting resolution.

Financial Report - Sharon Cousins

Sharon Cousins presented the treasurer's report. This report was followed by a discussion.

- A motion was made by Bart Cousins and seconded by Chuck Winch to accept the Treasurer's report and the Vestry's proposed budget. Motion passed.

Other Reports

- Sue Franson provided some brief remarks about her experience as Senior Warden for 2006 and the challenges she and the other vestry members have faced...
- Carola Walton spoke on the need for volunteers for the Haven of Hope for Kids program and encouraged parishioners to participate in this rewarding program.
- Laura Wright reported on the success of the Sunday school and encouraged parishioners with and without young children to help in this essential and delightful program.

- Motion to adjourn was made by Guy Walton and seconded by John Norcross. Motion passed and the meeting was adjourned.

Respectfully submitted by
Vito G. DiCristina
Recording Secretary

Rector's Report

"There was a time when the Holy Spirit came upon an ordinary group of men and women and filled them so strongly with his presence and power they became irrevocably committed to God and irrationally devoted to one another."

Gilbert Bilezikian's paraphrase of Acts 2

My Dear Fellow Parishioners:

St. Luke's has had another remarkable year filled with God's blessings. We are all grateful. On its **175th birthday** St. Luke's Church is sparkingly beautiful. We have nearly completed the exterior and interior restoration of the church and exterior restoration of the parish hall. All that remains is the installation of the church's new storm windows. This should happen within the next few weeks. What beautiful work was done, especially the painting of the church and parish hall! Everything was ready for Bishop Beckwith's visitation in October when with our ministry partners from Congregation Beth Shalom and from the Islamic Center of Passaic County we gave thanks for the past and rededicated our church and ourselves to the ministry before us. And, of course, none of this would have been possible had we not pulled together and generously given of our time, talent and treasure.

Now with our new grant from the New Jersey Historic Trust, we are well positioned for 2008 when we begin the next phase: planning the restoration of the church's steeple.

However, this year was not only about physical restorations. It was another great year for Haven of Hope for Kids. In recognition of the importance of what we are doing, Bishop Beckwith has agreed to serve as the honorary chair of the Haven of Hope for Kids Foundation. Additionally, this year we received a grant from the Roanridge Trust that funded our summer intern, Jon Owens, who helped out immensely this past summer. The Trust will fund another internship this coming summer. And, thanks to a capital grant from the Hyde Watson Foundation, we will be re-siding and re-roofing the cottage this spring.

Hats off must also go to Bart Cousins and the members of the "Two or Three are Gathered" TAG Team. They have been doing extraordinary work identifying the need for and planning a new service for families with young children. This new service which will be in addition to our 8 AM and 10 AM Sunday worship should be well received by neighbors who do not currently attend church. The goal is nothing less than doubling our average Sunday attendance within the next 12 months. I know that we, especially the members of our Youth Choir, will all help in launching this important initiative.

On behalf of all of us here at St. Luke's, I express our special thanks to Sue Franson for her leadership as Senior Warden during these busy times. And, we thank Tom Palmieri for his past service on the Vestry. May I also say that we are ecstatic that Cathleen Gerhardt and Darrell Buckner have agreed to stand for election to the Vestry. Both of

these individuals have the infectious enthusiasm and dedication that will be crucial in growing and strengthening this church over the coming years.

You have all helped to make the accomplishments of this past year possible. I pray that your faith in God and in yourselves has become stronger and that God will continue to bless us as we undertake the work that lies ahead.

Once again, I thank you for the privilege of serving as your priest.

Faithfully yours in Christ,

Father Bill Potter
Rector

Proposed Candidates for Election to the Vestry

Name	Status	Standing Committee Responsibility	term will expire	Subsequent Terms Eligible for RE-Election
Bart Cousins	Nomination	Senior Warden	2/1/2010	1
Cathleen Gerhardt	Nomination	Vestry Member	2/1/20011	1
Cheryl Crisp	Nomination	Jr. Warden/Property	2/1/2010	1
Darrell Buckner	Nomination	Vestry Member	2/1/20011	1
Laura Wright	Nomination	Vestry Member	2/1/2011	0
Sharon Cousins	Nomination	Treasurer	2/1/2009	annual
Sue Franson	Nomination	Vestry Member	2/1/2011	0
Chuck Winch	Existing	Vestry Member	2/1/2010	1
John Hovell	Existing	Vestry Member	2/1/2009	0
John Norcross	Existing	Vestry Member	2/1/2009	1
Fr. Bill Potter				

Submitted by
The Vestry

Senior Warden's Report

It has been my sincerest pleasure to serve as your Senior Warden for another exciting year at St. Luke's. I have been fortunate to have had the opportunity to get to know many of you and have truly enjoyed your friendships.

I have had so many blessings both in my personal and my professional life that I sometimes wonder how I got so lucky. Of course, I then realize it had nothing to do with luck or with chance; but it had everything to do with a power larger than any of us can ever imagine, our almighty God. He has given me all the right opportunities at all the right times and has put all the right people in my path. He has done the same for St. Luke's! He has created a community of all the right people who give of their time so willingly to serve others and to make the church a caring place for those most in need.

During 2007 this secluded, little church in the small town of Hope, NJ has achieved so much to be grateful for, none of which would have been possible without all of you. Many of you serve in so many ways, and while it would be difficult to list everything everyone has done, I thought it was important to high-light some specifically.

Thanks to the untiring efforts of Carola Walton, Father Bill, and many others the "Haven of Hope for Kids" program continues to flourish, providing a lasting memory for children and families facing the most difficult times of their lives. As many of you can attest to, as much as the program has given to them, they have given us back tenfold in seeing their smiling faces and knowing that we are serving our purpose in helping others.

Thanks to the Restoration Committee, our church is a warm, welcoming place to worship. I know Peter Pfunke would have been so pleased. Special thanks to John Crisp for using his extraordinary talents to provide all the finishing touches to make everything perfect and for keeping us warm.

Thanks to Laura Wright, the Altar Guild and the Flower Committee for working each Sunday to beautify the Altar. This Christmas was especially beautiful with all the poinsettias that adorned the front of the church. The Flower Committee's creativity is amazing and very much appreciated.

Thanks to Evie Constantine for organizing our Food Basket program, in order to make sure families have a nice meal and can enjoy the holidays.

Thanks to Pam Ferris, Cheryl Crisp, and Laura Wright for continuing the Sunday School program providing so much to our littlest members with so little resources.

Special thanks to those folks involved with raising much needed funds for the church. The Cookie Walk committee was such a joy to work with and everyone's

contributions were so appreciated. Thanks to Bob Seman for organizing the candy sales.

Thanks to Bart Cousins and the TAG Team for finding new and innovative ways to attract families that are not currently experiencing the love of God.

Special thanks to Sharon Cousins for working so hard to keep everything so well organized, including me!

And finally thank you to the Vestry for their ongoing commitment to making sure the church is strong and able to continue to serve. We are facing difficult times financially; but I believe that with everyone's help, prayers, and belief that God will provide, we will continue to flourish. As Father Bill pointed out at our last Vestry meeting, from our most difficult time the "Haven of Hope for Kids" program was conceived. I can't wait to see what God has in store for us this year!

Respectfully submitted,
Sue Franson, Senior Warden

“Where 2 or 3 Are Gathered” (TAG) Project Report

Committee Members – Bart Cousins, Chairman, Fr. Bill Potter, Sue Franson, Concetta Buckner, John Hovell and Karen Ebbels.

Aim of the Project:

- Pilot project to assist small congregations in nourishing the unmet spiritual needs of people in the wider community by offering a new style of service.
- The project is not an attempt to replace our current 10 AM service.

Pilot Overview:

- The project is limited to 30 congregations throughout the US with an average attendance of 70 or less who desire to see the congregation reach out with new and creative worship that connects with and nourishes people whose spiritual needs are not currently being met.
- Findings by the 2005 Faith Communities Today Report state:
 - Small congregations that offer multiple worship services are more likely to grow
 - Small congregations that offer innovative and diverse worship services are more likely to grow

Committee Accomplishments in 2007 and thru January 2008

- **October**
 - TAG Team formed
 - First meeting to discuss “What’s this all about?”
 - Review of goals of the project, discuss timeline, began discussing potential “target groups”
- **November**
 - Focused on determining target group(s)
 - Reviewed Precept Report (demographic study) for our geographical area
 - Considered the resource (human, physical, financial) availability of our congregation
 - Took into consideration the recommendation that a good strategy for a new service be only one “generational” step or one “cultural” step away from the current service.
 - The results of the Precept Study showed us:
 - 96% of the population is “Anglo”

- 97% of the population is considered middle class or above
 - 58% of the population falls into the categories of Gen Z (0 to 3 yrs of age), Millennials (4 to 23 yrs of age) and Survivors (24 to 44 yrs of age)
 - 84% of the households with children are married couple families
 - For “general” church programs, 40% state they prefer some type of “social or recreational” program as contrasted with 20% desiring community/social services, 20% desiring spiritual development programs and 10% desiring personal development.
- Karen Ebbels reported on interviews she had with some members of her Mother’s Club. Results of the responses she received indicated that a lot of people do not attend church because:
 - They have a fear of their kids making too much noise and not sitting still
 - Want to attend church with people within their own age group with similar family values
 - Want contemporary music
 - Want an “open-minded” worship community
 - Based on the above considerations the TAG Team determined:
 - A service aimed at families with young children who are not currently attending worship services would be our target group.
 - Music geared toward a more contemporary style than what is considered “normal” church music would be a priority and central focus of the new service
 - The worship service would not necessarily have to be on Sunday.
 - The service would be very informal and more like a “family gathering”
 - Some type of “social or recreational” event would be offered on a regular basis

- **December**

- Fr. Bill began working on ideas for new service
 - Video taped Sunday evening service at Pope John's in Sparta and posted on the St. Luke's website
 - Extensive web searching for new and innovative service options
 - Posted the audio version of potential service designed for families and young children

- **January, 2008**

- Fr. Bill created a video version of the conceptualization of the new service and posted it on the web site
- Fr. Bill and Bart Cousins attended the 2 or 3 Workshop that was held in New Orleans
- Purpose of the workshop was to bring together the pilot congregations to learn from each other and to interact with several church pastors that have had successes in beginning new and innovative services
- Fr. Bill presented the service concept to the workshop. The feedback was positive.
- General overview of the workshop – not many parishes are as far along in the planning as St. Luke's.
- During the TAG Team meeting it was decided to conduct a focus group interview with potential families to determine if we are “on the right track” with the new service and to gather recommendations for strengthening the service, determine the best day and time, types of “recreational” activities are desired, etc. Focus group is currently being planned.

- **Remainder of 2008**

- Conduct Focus Group Interview
- Modify service if results from FGI indicate a need to do so
- Determine start date – hopefully in the spring
- Begin promoting new service
- Start the new service

Respectfully submitted by Bart Cousins

Altar Guild Report

To paraphrase a Diocesan letter, the Altar Guild is God's housekeepers. We keep God's house, specifically the altar, neat and tidy. The current housekeepers at St. Luke's are Evelyn Constantine, Val DiCristina and myself. If you would like to be a housekeeper for God, please consider joining the Altar Guild.

There is a new altar at St. Luke's this year thanks to John Crisp, who took on the project after the untimely death of Mr. Peter Pfunke. The new altar is smaller than the old one and this necessitated shortening the fair linens, the white cloth that covers the altar. The alterations were done beautifully by Louse Rocca, seamstress extraordinaire.

Thanks to John Hovell and James Devine for their assistance after the services with the clean up of the altar. We really appreciate all of your help.

Yours In Christ
Laura Wright
Altar Guild Directress

Children's Sunday School Report

Our children's Sunday school classes continue to explore the Bible and how the lessons taught by Jesus can be applied to all our lives today. We follow the curriculum provided by the Episcopal Church web site www.episcopalchurch.org/50534_ENG_HTM.htm.

The lesson plans follow the revised common lectionary, so our church school students learn about and discuss the same Bible lessons that their parents hear during the main church service. This curriculum does an excellent job of outlining and explaining each lesson, giving the leader step-by-step instructions that draw the class into discussions, play acting, artwork, and group prayers. The children are challenged each week to find an opportunity to apply the lesson in their own lives during the following week. The variety of activities in each lesson and the informal approach to learning is fun for the children and enjoyable to teach.

Our younger parishioners are also encouraged to experience the entire church service on the first Sunday of each month which is designated as "Children's Sunday". On these special Sundays, the children are invited to participate in all aspects of the service including music, scriptures, and even the sermon is directed towards our youngest members. All other Sundays during the regular school year, we offer a church school class from 10:00 AM until the offering is collected in the main church, at which time the children join their parents for communion.

Our church school attendance varies between 3-6 children each week and these children are usually under the age of 10.

The current Church School leadership team that alternates teaching each week is Pam Faris, Laura Wright and Cheryl Crisp, who is also working on developing a Youth Fellowship program.

We would like to encourage the teens in our church to participate as discussion leaders or as part of a parent/teen leadership team in our Sunday school program!

Hope to see you in Church School!

Submitted by

Pam Faris

Music Committee Report

In 2007 St. Lukes continued to provide opportunities for people to lift their voices to the Lord.

Gary Kutzelman continued to provide organ music each Sunday and lead the “children’s choir.” Typically on the first Sunday of each month, folk gospel music was heard in the church, led by the “4/5th’s Band.”

The music committee would welcome anyone who would like to lend their efforts and talent (or lack thereof) to helping us all make a joyful noise unto the Lord. There is a musical get-together in the parish house each week on Thursday at 7 p.m. For more information contact Fr. Bill or Chuck Winch.

Respectfully submitted

Chuck Winch

Report on Concerts at St. Luke's

The series of concerts called, Music at St. Luke's, continued in 2007. These events have multiple purposes: either to earn money for the church; to make the church visible to the local community or to meet the obligations of the church that has allowed us to obtain funding from the New Jersey Historic Trust for the restoration of the church, since one of their criteria is that the building should be used at times for the benefit of our community.

Our first concert was by the Moravian String Quartet on Sunday, March 25, an event that was both appropriate to the Lenten season and a celebration of two important anniversaries, the 175th anniversary of the building of St. Luke's and the 175th anniversary of the founding of St. John's United Methodist in the village. The event was cosponsored with a grant matching one half of the gate by the Warren County Cultural and Heritage Commission and broke even with about 50 people attending (members of the two churches enjoyed a ½ reduction in the admission price and still the church was able to cover the considerable cost of this excellent group). The program consisted of Joseph Haydn's *Seven Last Words of Christ* (with appropriate scripture readings by the clergy of the two churches) and Tchaikovsky's *Quartet No. 1 in D major, op. 11*.

The second, and final, concert on September 15 was a return of the St. Petersburg (Russia) group *LYRA* with a program of Russian church music, arias and folksongs. The parish provided Zakuski (Russian hors d'oeuvres) for the concert goers and the concert was able to raise \$502 for the church as well as a good deal of goodwill from the diverse audience.

Respectfully submitted,
Guy Walton

Restoration Committee Report

Contracts were let for the work on the church covered by the second grant of the New Jersey Historic Trust in July and work began soon after on the windows, specifically on the sills and the wood frames. Also, the storm windows were removed (and also, unfortunately and mistakenly, those of the 2 stained glass windows that should not have been removed). The new storms have been ordered and should be installed in February 2008. John Crisp did repair work on the pews, etc. and replaced the stair rail of the stair to the pulpit as well as building a new altar after designs by John Hovell and the restoration committee. The former "choir" pews, old furnishings originally at the back of the church but installed to the left of the altar only in the 1980's, were removed to the Walton's barn.

After the surprise withdrawal of the contractor for the painting and glazing of the windows and the painting of the church interior, a second contractor was found who did an outstanding job. After much debate and careful consideration as to whether the church should be returned to its original rust red color, the decision was taken to use a bright yellow and white with the trim in a sand color and the floor in a red brown.

Given the excellent quality of the work of the latter contractor and the change from the scheme used experimentally in the narthex that was repainted in 2005, it was decided both to repaint the narthex to correspond to the rest of the interior and to use the same painters to paint the exterior of the parish house. This work was completed between August and November. The only remaining part of the work scheduled to be done under the second NJHT grant that was not finished is the repair of the handicap ramp.

The successful fund raising for the matching of the state funds and the interior work (that can not by law be financed by the state) meant that sufficient funds were available to complete the above work and install the storms, however, it proved necessary, in order to do the narthex and the painting of the parish house, to use monies from the Paul Smith bequest etc. that had originally been destined to match grants for future restoration projects, leaving us at present with inadequate funds for that purpose. For example, we are somewhat short of funds to match the planning grant that we have just received from NJHT for the repair and restoration of the damage to our tower. The application for that grant was made in March by the rector and the grant was announced in December. More serious still, it may prove difficult to obtain a state grant to repair the church tower without showing that we have resources to pay our part. A grant should be applied for in Spring 2009, but as of yet we are without the matching funds.

Report of the Outreach Committee

The main outreach of St. Luke's, Haven of Hope for Kids, is discussed in a separate report.

The Afghan School Project has seen little activity this past year, although the girls at St. Luke's have received two batches of letters from the Nayak school. Amy Hovell will be working with me to restart activity on this end. We hope to re-energize the girls who are involved in the pen pal project, as well as to expand it by bringing in local students and teachers (two teachers from the Nayak school wrote asking for teachers here to write to them). We also plan a fund raising drive to raise money for science labs and teacher training for Nayak and two other schools in the area.

Other projects of the Outreach Committee have been an Angel Tree at Christmas, which provided three Haven of Hope for Kids families with gifts, and the food outreach, spearheaded by Evie Constantine. This year we were able to give \$75 to each family for Easter, Thanksgiving and Christmas. Easter of 2007 we gave to 5 families. Two of our long time recipients passed away, so for Thanksgiving and Christmas there were 3 families that received gift cards. Our thanks should go to Evie, who personally manages this outreach effort with the help of donations from the parishioners of St. Luke's.

Submitted by Carola Walton

Report for Haven of Hope for Kids

2007 was another successful year for Haven of Hope for Kids, in terms of families, programs, and volunteers. As in the past, families' comments on the questionnaire they are given before they leave were strongly positive, indicating they appreciated both the chance to get away as a family and the caring shown by people to them.

The numbers of volunteers has remained relatively stable. While the majority of volunteers continue to come from St. Luke's, we have picked up a few wonderful new volunteers. Among these are Bev and Bill Kerrigan, who have welcomed families to their farm to view the donkeys and to ride their two horses. Also, Paul and Michelle Murray, who have an alpaca farm in Blairstown, where the children can feed and hose down the alpacas and take a ride in a cart pulled by one of the Murrays' miniature horses. This year St. Mary's Episcopal Church, Sparta, was involved in hosting two of the summer barbecues. Nevertheless, we do not have enough volunteers to drive families around and to do things with them, particularly in the very busy summer months. In the spring I will be setting up visits to churches and other groups in the area to talk about Haven of Hope for Kids and to try to get new volunteers. **Please let Fr. Bill or me know if you would be comfortable speaking to a group.**

For the first time this summer we had a seminarian, Jon Owens, who was able to help out with families. This was possible due to a grant from the Roanridge Trust. We have received a grant for this summer for another seminarian. Another first was a training session for volunteers in the spring, led by Rebecca Baglio, social worker from Newark Beth Israel Medical Center.

A few words about new directions. For some time we have realized that often important relationships are formed during families' visits to Haven of Hope for Kids and that follow-up should be a part of our mission. The annual picnic for families from the preceding year is one means of keeping in touch. But it can also mean talking on the telephone, or getting involved in time of crisis. Fr. Bill and I have both made hospital visits and, unfortunately, attended two funerals of kids who had been at Haven of Hope for Kids. One idea we have had is to enlist Episcopal churches which have shown an interest in our program, but are far from Hope, in the follow-up

effort. For instance, a church might host a get-together for all the Haven of Hope families in that area.

Finally, I would like everyone to know that, as of the end of the summer of 2008, I will be cutting back on my responsibilities as Program Director, a position I will have had for three years. The major components of this job are: contact with referring social workers; planning activities for families; and working with volunteers. As it is very unlikely there will be money to pay for someone to fill this job, volunteers will have to be found within the parish. I envision breaking down the job I now fill into a series of smaller jobs that could be managed by three or more people working together. I would welcome help with thinking about how to accomplish the above.

Submitted by Carola Walton

Youth Committee Report

The Youth of St. Luke's enjoyed a variety of different activities during 2007.

The Youth Choir gave three excellent performances: Easter Sunday, the Bishop's visit in October and the Sunday before Christmas.

Following the Easter service, the children enjoyed an Easter Egg Hunt. John and Cheryl Crisp hosted a Halloween party and a fun time was had by all.

St. Luke's Youth helped to support the work of Haven of Hope for Kids by participating in barbecues and other activities for the guest families.

The Cookie Walk held during the Hope Christmas Craft Market was another activity supported by the young people. They helped by baking cookies, assembling cookie boxes, putting St. Luke's stickers on the boxes and tying the boxes with ribbon.

Thank you to all of the young members of St. Luke's who help to make our church a great place to worship and serve God!

The adult members of the Youth Committee wish to expand on existing activities and, therefore, welcome suggestions for new activities.

Submitted by
Cheryl Crisp

Treasurer's Report

Respectfully submitted by Sharon Cousins

**St. Luke's Episcopal Church
2007 Income & Expense Statement
Comparison of Actual to Budget
January 1 - December 31, 2007**

	2007 Budget	2007 Actual	Variance from Budget
<u>Income</u>			
Stewardship pledges			
Prior Year	0.00	60	60
Current Year	67,351.00	67,351	0
Reserve for Non-collections	(3,368.00)	(2,903)	465
Total Pledge Income	63,983.00	64,508	525
Plate & other undesignated offerings	7,000.00	8,658	1,658
Special Gifts (Contribution for 2006 piano tuning)	1,000.00	100	(900)
Undesignated Memorial Gifts	0.00	720	720
Fund Raising (net, see Notes)	7,000.00	3,638	(3,362)
Investment Income	1,500.00	2,410	910
Gain (Loss) on Stock Sale	0.00	189	189
Other Income Sources			
Rental Property (see Notes)	22,400.00	21,285	(1,115)
Haven of Hope for Kids - Salary sharing (based on actual costs)	44,788.00	43,705	(1,083)
Total Income	147,671.00	145,212	(2,459)
<u>Expenses</u>			
Clergy Stipend & Housing	59,700.00	59,700	0
Business Expenses Reimbursement	4,000.00	4,000	0
Pension	11,563.00	11,563	(0)
Rector's Payroll Taxes	4,538.00	4,538	0
Rector's Medical Insurance	21,252.00	21,252	0
Rector's Continuing Education	500.00	0	(500)
Parish Administrator	12,480.00	9,348	(3,132)
Payroll Taxes - Parish Administrator	955.00	715	(240)
Musicians & Other Music Expenses	7,000.00	6,599	(401)
Building Cleaning Expenses	0.00	840	840
Payroll Taxes - Non-Clergy	526.00	464	(62)
Accrued Interest on Diocesan Loan	0.00	104	104
Altar Guild (not covered by contributions)	200.00	139	(61)
Christian Education	200.00	0	(200)
Insurance	8,500.00	7,614	(887)
Miscellaneous Expenses (see Notes)	1,500.00	1,784	284
Office Expenses	2,000.00	2,425	425
Postage	500.00	380	(120)
Printed Materials (incl. materials for several mos.)	600.00	637	37
Repairs & Maintenance (see Notes)	4,000.00	4,135	135
Telephone	2,520.00	2,534	14
Utilities	7,500.00	7,720	220
Diocesan Share (6%)	4,260.00	4,320	60
Total Expenses	154,294.00	150,811	(3,483)
Net Operating Income (Loss)	(6,623.00)	(5,599)	1,024
<u>Capital Improvements</u>			
Replace Septic tank, sidewalk & church toilet	0.00	2,250	2,250
Net Income (Loss) for 2007	(6,623.00)	(7,849)	(1,226)
Utilization of 2006 Unspent Income	6,623.00	6,623	0
NET	0.00	(1,226)	(1,226)

St. Luke's Episcopal Church
Income & Expense Statement - Notes Page 1
January 1 - December 31, 2007

Rental Income & Expenses	2007	2007	Variance
	Budget	Actual	from Budget
Income	29,400	29,400.00	0.00
Rent due at 12/31/07 (Mroz)	0	(593.00)	(593.00)
Property Taxes	(5,500)	(4,977.22)	522.78
Repairs & Maintenance (incl. new oil tank for Joe Mroz's cottage @ \$1,800)	(1,500)	(2,545.16)	(1,045.16)
Net Rental Income	<u>22,400</u>	<u>21,284.62</u>	<u>(1,115.38)</u>

Outreach Programs Income & Expenses - Details

Income

Bishop's Discretionary Fund	200.00
Holiday Food Baskets	865.42
Rector's Discretionary Fund	1,302.50
United Thank Offerings	214.57
Total Income	<u>2,582.49</u>

Expenses

Bishop's Discretionary Fund	200.00
Holiday Food Baskets	865.42
Rector's Discretionary Fund	1,302.50
United Thank Offerings	214.57
Total Expenses	<u>2,582.49</u>

Fund Raising - Details

Income

Candy Sales	2,358.00	
Hope Christmas Craft Market	1,364.00	
Lyra Concert	659.00	
March Concert	1,129.00	
Plum Run CD Sales	10.00	
Trash Clean Up-Hope roadsides	445.85	
Wedding Ceremonies	620.00	6,585.85

Expenses

Cost of Candy Sales	1,616.45	
Hope Christmas Craft Market	129.37	
Lyra Concert Costs	157.00	
March Concert Expenses	1,044.91	2,947.73
Net Fund Raising		<u>3,638.12</u>

Altar Guild

Contributions for flowers	738.00
Less: Cost of flowers	(541.99)
Balance-Reserved for 2008 expenses	<u>196.01</u>

Expenses Paid from Funds Reserved for Altar Guild from 2006

2 Liturgical calendars	13.40
3 cases - #6 clear candles and freight	108.45
Palms for Palm Sunday (partial cost)	27.48
Total (all funds have been disbursed)	<u>149.33</u>

Miscellaneous Expenses - Details

Registration fees for 4 Delegates to 2007 Convention	340.00
Digital camera	138.64
Frames for certificates presented to Parishioners	14.97
Food for Vestry Retreat	33.50
Kitchen and restroom supplies	87.50
Flowers for Joe Torres' funeral	60.00
Office key for Pam Faris	1.22
Birthday card & flowers for Phyllis Smith	57.33
Sympathy cards for DiCristinas & Pfunkes	6.40
Ethernet cable	9.98
Keys for Parish House	11.92
Fred Butcher & Co. - 2006 Audit report	385.00
Additional costs for Photo Directories	373.85
Petty Cash overage	(0.26)
175th Anniversary banner	98.00
Bank deposit correction (bank misread check)	(0.20)
Additional Post Office box key	1.00
Digital camera	164.96
Total	<u>1,783.81</u>

Repairs & Maintenance - Details

Service on church furnace	175.00
Garbage service	300.00
Cleaning supplies	61.01
Cleaning church furnace chimney	225.00
Supplies to clean church furnace room	41.54
Air filters for church furnace	11.35
Snow removal	640.00
Repair toilet in church basement	5.34
Installation of control parts on Parish House boiler (required by inspection)	238.88
Treatment of Church for Carpenter ants & Pavement ants	225.00
Lawn mowing	760.00
Termite treatment	1,000.00
Replacement light bulbs for church & Parish House	93.44
New rug for Narthex	24.59
Cleaning & servicing of church & parish house oil burners	222.70
Heavy duty entryway rugs-Parish House & rear Undercroft	49.18
NJ boiler license for Parish House	40.00
Handling charge for boiler license	10.00
Heavy-duty sweep for Parish House door	12.29
Total	<u>4,135.32</u>

**St. Luke's Episcopal Church
Balance Sheet
as of December 31, 2006**

ASSETS

Current Assets

Skylands Community Bank	6,837.24	
Skylands Community Bank - Savings	11,727.99	
Skylands Community Bank-Afghan School Proj. Savings	735.74	
Skylands Community Bank-ECW Savings	1,850.77	
Undeposited Receipts	7,418.60	
Due from Skylands Comm. Bk. - ck. Cleared for wrong amt.	0.60	
Petty Cash	<u>100.00</u>	
Total Cash		28,670.94
Pledges Receivable:		
General Income Pledges	6,739.64	
Capital Campaign Pledges	<u>1,000.00</u>	7,739.64
Receivables from Haven of Hope for Kids		4,980.56
Rent Receivable		71.00
Prepaid Expenses		
2007 Offering envelopes	95.80	
2007 Ash Wed, Maunday Thu & Good Friday bulletin inserts	15.52	
1st Qtr 2007 NRSV Lg Print inserts	48.03	
2nd Qtr 2007 NRSV Lg Print inserts	57.07	
Forward Movement booklets for 2007	<u>78.00</u>	294.42

Investments

The Federated Funds		
Altar Guild Account	668.85	
ECW Account	<u>7,357.44</u>	
Total The Federated Funds		8,026.29
Fidelity Investment		
Fidelity Four-in-One Index Fund	37,000.00	
Dividend Reinvestments	1,845.18	
Revaluation of Account	<u>(14,984.22)</u>	
Net Four-in-One Index Fund	23,860.96	
Internation Business Machine stock	7,383.40	
Cash on Hand	<u>9,800.17</u>	
Total Fidelity Investments		<u>41,044.53</u>

Total Current Assets

90,827.38

Diocesan Endowment Funds

St. Luke's Fund	24,201.00	
Vail EndowmentFund	4,777.00	
St. Luke's EndowmentFund	<u>566.00</u>	
Total Diocesan Funds-Value at 6/30/72	29,544.00	
Revaluation of Diocesan Investment Trust Funds	<u>9,503.60</u>	
Total Diocesan Endowment Funds at 11/31/06		<u>39,047.60</u>

TOTAL ASSETS

129,874.98

**St. Luke's Episcopal Church
Balance Sheet
as of December 31, 2006**

LIABILITIES & EQUITY

Liabilities

Accounts Payable		3,407.53
Due to Diocesan ECW-UTO (delivered at Convention 1/20/07)		105.55
Due to Haven of Hope for Kids (December Gifts)		1,075.00
Payroll Liabilities		963.37
2007 Prepaid Pledges		7,743.76
Rental House Security Deposit		3,000.00
Reserves for Designated Funds		
Afghan School Project Funds	735.74	
Altar Guild Funds carried over from 2006	149.33	
Hurricane Katrina Contributions	480.00	
Memorial Garden Funds	340.00	
Paul Smith Memorial Renovation Project	16,731.53	
Renovation Capital Campaign	7,219.03	
Paul Smith Bequest Undesignated Balance	15,000.00	
St. Luke's Altar Guild Funds (Investments)	2,668.85	
St. Luke's Epis. Church Women's Funds		
Bank savings account	1,850.77	
Federated investment	<u>7,357.44</u>	9,208.21
Undesignated Memorial Gifts		355.00
Ward J. Herbert Fund Grant		4,389.00
Total Reserves for Designated Funds		<u>57,276.69</u>
Total Liabilities		<u>73,571.90</u>
Equity		
Beginning Balance Equity	55,073.80	
Diocesan Funds Revaluation	9,503.60	
Fidelity Fund Revaluation	(14,896.82)	
Net Income	<u>6,622.50</u>	
Total Equity		<u>56,303.08</u>
TOTAL LIABILITIES & EQUITY		<u>129,874.98</u>

**St. Luke's Episcopal Church
Balance Sheet
as of December 31, 2007**

ASSETS

Current Assets

Skylands Community Bank	13,329.34	
Skylands Community Bank - Savings	1,422.44	
Skylands Community Bank-ECW Savings	1,900.58	
Skylands Community Bank-Afghan School Proj. Savings	767.73	
Funds received by 12/31, but not deposited until after 1/1/08	17,091.08	
Petty Cash	<u>37.05</u>	
Total Cash		34,548.22
Pledges Receivable		6,268.64
Transfer due to checking from ECW Savings		5.00
Prepaid Expenses (2008 Offering Envelopes)		2,159.51

Investments

The Federated Funds		
Altar Guild Account	698.16	
ECW Account	<u>7,681.50</u>	
Total The Federated Funds		8,379.66
Fidelity Investment		
Fidelity Four-in-One Index Fund	22,000.00	
Dividend Reinvestments	2,216.25	
Revaluation of Account	<u>(13,550.25)</u>	
Net Four-in-One Index Fund		10,666.00
Alcatel-Lucent stock	256.20	
Cash on Hand	<u>17,769.34</u>	
Total Fidelity Investments		<u>28,691.54</u>

Total Current Assets

80,052.57

Other Assets

Restoration & Capital Repair Grants Due

NJHT 2005 Grant - Exterior Restoration Planning	2,204.20	
NJHT 2006 Grant - Exterior Restoration	25,108.00	
NJHT 2007 Grant - Tower Repair Planning	7,526.00	
Ward J. Herbert 2006 Grant - Window Restoration	231.00	
Ward J. Herbert 2007 Grant - Septic & Sidewalk Repair	112.00	
Ward J. Herbert 2007 Grant - Window Restoration	209.00	35,390.20

Diocesan Endowment Funds

St. Luke's Fund	24,201.00	
Vail EndowmentFund	4,777.00	
St. Luke's EndowmentFund	<u>566.00</u>	
Total Diocesan Funds-Value at 6/30/72		29,544.00
Revaluation of Diocesan Investment Trust Funds	<u>12,459.90</u>	
Total Diocesan Endowment Funds at 9/30/07		<u>42,003.90</u>

TOTAL ASSETS

157,446.67

**St. Luke's Episcopal Church
Balance Sheet
as of December 31, 2007**

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable		6,527.41
Payroll Liabilities		2,330.55
Prepaid Pledges for 2008		7,543.40
Epis. Advance Fund - Short-term Loan		25,104.17
Rental House Security Deposit		3,000.00
Reserves for Designated Funds		
Afghan School Project Funds	767.73	
Altar Guild Funds carried over from 2007	196.01	
Holiday Food Basket Funds carried over from 2007	107.66	
Hurricane Katrina Contributions	480.00	
Memorial Garden Funds	1,040.00	
Paul Smith Bequest Undesignated Balance	15,000.00	
St. Luke's Altar Guild Funds (Investments)	698.16	
St. Luke's Epis. Church Women's Funds		
Bank savings account	1,900.58	
Federated investment	<u>7,681.50</u>	9,582.08
Undesignated Memorial Gifts		355.00
Total Reserves for Designated Funds		<u>28,226.64</u>
Total Current Liabilities		<u>72,732.17</u>

Long-Term Liabilities

Restoration Reserves		
Paul Smith Memorial Renovation Project	14,212.68	
NJHT 2005 Grant - Exterior Restoration Planning	6,796.38	
NJHT 2007 Grant - Tower Restoration Planning	7,283.77	
Ward J. Herbert 2007 Grant - Exterior Restoration	2,864.67	
Salvatore T.J. DiCristina Fund	900.00	
Total Long-Term Liabilities		<u>32,057.50</u>

Total Liabilities

104,789.67

Equity

Prior Years' Retained Earnings		61,674.52
Diocesan Funds Revaluation		12,459.90
Fidelity Fund Revaluation		(13,550.25)
Alcatel-Lucent Revaluation		(78.58)
Net Income (Loss)		<u>(7,848.59)</u>

Total Equity

52,657.00

TOTAL LIABILITIES & EQUITY

157,446.67

**St. Luke's Episcopal Church
2007 Income & Expense Statement
Comparison of Actual to Budget
and Proposed 2008 Budget**

	2007 Budget	2007 Actual	Proposed 2008 Budget
<u>Income</u>			
Stewardship pledges			
Prior Year	0	60	0
Current Year	67,351	67,351	66,920
Reserve for Non-collections	(3,368)	(2,903)	(3,335)
Total Pledge Income	63,983	64,508	63,585
Plate & other undesignated offerings	7,000	8,658	7,500
Special Gifts	1,000	100	100
Undesignated Memorial Gifts	0	720	0
Fund Raising	7,000	3,638	15,500
Investment Income	1,500	2,410	2,300
Gain (Loss) on Stock Sale	0	189	0
Other Income Sources			
Rental Property	22,400	21,285	22,400
Haven of Hope for Kids - Salary sharing	44,788	43,705	44,788
Total Income	147,671	145,212	156,173
<u>Expenses</u>			
Clergy Stipend & Housing	59,700	59,700	59,700
Business Expenses Reimbursement	4,000	4,000	4,000
Pension	11,563	11,563	11,563
Rector's Payroll Taxes	4,538	4,538	4,538
Rector's Medical Insurance	21,252	21,252	23,592
Rector's Continuing Education	500	0	500
Parish Administrator	12,480	9,348	10,560
Payroll Taxes - Parish Administrator	955	715	810
Musicians & Other Music Expenses	7,000	6,599	7,000
Building Cleaning Expenses	0	840	0
Payroll Taxes - Non-Clergy	526	464	500
Interest on Diocesan Short-term Loan	0	104	646
Altar Guild	200	139	200
Christian Education	200	0	200
Insurance	8,500	7,614	8,000
Miscellaneous Expenses	1,500	1,784	1,500
Office Expenses	2,000	2,425	2,500
Postage	500	380	400
Printed Materials	600	637	650
Repairs & Maintenance	4,000	4,135	4,000
Telephone	2,520	2,534	2,550
Utilities	7,500	7,720	8,500
Diocesan Share (6%)	4,260	4,320	4,264
Total Expenses	154,294	150,811	156,173
Net Operating Income (Loss)	(6,623)	(5,599)	0
<u>Capital Improvements</u>			
Replace Septic tank, sidewalk & church toilet	0	2,250	0
Net Income (Loss) for 2007	(6,623)	(7,849)	0
Utilization of 2006 Unspent Income	6,623	6,623	0
NET	0	(1,226)	0

Rector's Discretionary Account Report

		1/1/2007- 12/31/2007
12/31/2006 Balance		\$ 293.43
	INFLOWS	
	Bank Adjustment	\$ 0.60
	Anonymous	\$ 50.00
	Finance Charge	\$ (0.60)
	General Account	\$ 1,474.50
	TOTAL INFLOWS	\$ 1,524.50
	OUTFLOWS	
	Parish Expenses - Unbudgeted	\$ 525.21
	Those in Need	
	Auto Repair - Gas	\$ 390.00
	Food	\$ 420.00
	Rent	\$ 185.00
	Scholarships	\$ 290.00
	TOTAL Those in Need	\$ 1,285.00
	TOTAL OUTFLOWS	\$ 1,810.21
	OVERALL TOTAL	\$ (285.71)
12/31/2007 Balance		\$ 7.72