

Treasurer Report –March 2018

Faith Lutheran Church Council

Submitted April 28, 2019

Gene, Tom, and Larry met with Pastor, Kari, and Scott on Tuesday, April 24; Agenda:

- Devotion/Prayer
- Review FLC March financials—trending positively
- Review FLDS March financials—positive impact
- Review 2019-2020 Budget Plan –Approved as modified on March 19
- Discuss property sale/MIF issues—Important dates approaching
- Discuss updates of Commitment Sunday results—Positive results with committee follow-up
- Discuss plans for Congregational Meeting—May 5—Larry working on presentation
- Miscellaneous other

Scott completed and provided the March financial documents on April 8. Gene interpreted the figures therein to the Finance summary below. The information should be reviewed online prior to the next council meeting on April 28.

Financial Summary: (figures rounded to nearest dollar)

<u>Income/Expense</u>	<u>March</u>	<u>Delta to Budget</u>	<u>Year to date Delta</u>
Income	\$93,707	\$(20,012)	\$(50,635)
Expense	\$88,998	\$(14,826)	\$(87,295)
Net	\$4,709	\$(5,186)	\$36,660

<u>Cash Position</u>	<u>March</u>	<u>February</u>	<u>Change from July 31</u>
Operating	\$27,830	\$23,122	\$40,975
FLDS	\$15,000	\$15,000	-
Conduit	\$(908)	\$(720)	\$284
Building Fund	\$6,610	\$6,872	\$(96,064)
Unallocated	\$5,150	\$2,940	\$3,325
Advanced Gift	\$24,000	\$24,000	\$24,000
Total	\$77,682	\$71,213	\$(27,479)

Monthly Highlights:

1. Committee discussion of potential future merger of FLC and FLDS financials
2. Land sale critical dates approaching—Monday, May 13—property zone hearing
3. Agreed that budget as approved with modifications was appropriate finalized by staff.

Treasurer Report –April 2019

Faith Lutheran Church Council

Submitted May 14, 2019

Gene and Larry met with Kari, and Scott on Wednesday, May 8; Pastor and Tom were absent

- Devotion/Prayer
- Review FLC April financials
- Discuss property sale/MIF issues
- Miscellaneous other

Scott completed and provided the April financial documents on May 4. Gene interpreted the figures therein to the Finance summary below. The information should be reviewed online prior to the next council meeting on May 14.

Financial Summary: (figures rounded to nearest dollar)

<u>Income/Expense</u>	<u>April</u>	<u>Delta to Budget</u>	<u>Year to date Delta</u>
Income	\$96,980	(\$16,277)	(\$66,912)
Expense	\$119,465	\$3,518	(\$83,777)
Net	(\$22,485)	(\$19,795)	\$16,865

<u>Cash Position</u>	<u>April</u>	<u>March</u>	<u>Change from July 31</u>
Operating	\$5,345	\$27,830	\$18,490
FLDS	\$15,000	\$15,000	-
Conduit	(\$1,309)	\$(908)	(\$117)
Building Fund	\$6,348	\$6,610	(\$96,326)
Unallocated	\$5,150	\$5,150	\$3,325
Advanced gift	\$24,000	\$24,000	\$24,000
Total	\$54,534	\$77,682	(\$50,627)

Monthly Highlights:

1. In addition to Easter/Holy Week expenses, April expenses included AD maintenance, Elevator expense, and Insurance buy-down expenses.
2. Monthly offering amount was slightly down compared to the month of March.
3. Year-to-date, total expenses have been below budgeted amount, resulting in a \$16,865 positive cash flow when compared to the total income.
4. Implementing the financial aspects of the Council decision to fund the Mission trip and the support for Sarah Weaver was discussed.
5. It was noted that 101 Mission Partner pledging units have now been secured.

Treasurer Report –May 2019

Faith Lutheran Church Council

Submitted June 18, 2019

Larry, Tom, and Gene met with Pastor, Kari, and Scott on Monday, June 17; Agenda following:

- Devotion/Prayer
- Review FLC May financials
- Property sale/MIF update
- Commitment Committee update
- Associate Pastor Financial Package/Plans related to Congregational Meeting
- Miscellaneous other

Scott completed and provided the May financial documents on June 14. Gene transferred the figures therein to the Finance summary below. The information should be reviewed online prior to the next council meeting tomorrow on June 18.

Financial Summary: (figures rounded to nearest dollar)

<u>Income/Expense</u>	<u>May</u>	<u>Delta to Budget</u>	<u>Year to date Delta</u>
Income	\$74,443	\$(29,071)	\$(95,983)
Expense	\$93,823	\$(9,855)	\$(92,274)
Net	\$(19,380)	\$(19,216)	\$(3,709)

<u>Cash Position</u>	<u>May</u>	<u>April</u>	<u>Change from July 31</u>
Operating	\$(15,394)	\$5,345	\$(2,249)
FLDS	-	\$15,000	\$(15,000)
Conduit	\$(908)	(\$1,309)	\$284
Building Fund	\$21,086	\$6,348	\$(81,587)
Unallocated	\$2,596	\$5,150	\$771
Advanced gift	\$39,000	\$24,000	\$39,000
Total	\$46,380	\$54,534	\$(58,780)

Monthly Highlights/Discussion/Action Items for Board Consideration:

1. May offering was down considerably; Commitment Committee offered a solution.
2. Logistics of land sale continues to be of concern; to be discussed with council.
3. Associate Pastor financial package is complete; Pastor and Larry prepared for congregational meeting.
4. Discussion continues regarding the transition of Day School finances.
5. Committee received the news that the Faith Video system needs to be replaced.

Treasurer Report –June 2019

Faith Lutheran Church Council

Submitted July 14, 2019

Larry and Gene met with Pastor and Kari, and on Wednesday, July 10; Agenda following:

- Devotion/Prayer
- Review FLC June financials
- Property sale/MIF update
- Review FLDS financial matters
- Miscellaneous other

Scott completed and provided the June financial documents on July 8. Gene transferred the figures therein to the Finance summary below. The information should be online prior to the next council meeting tomorrow on July 14.

Financial Summary: (figures rounded to nearest dollar)

<u>Income/Expense</u>	<u>June</u>	<u>Delta to Budget</u>	<u>Year to date Delta</u>
Income	\$86,425	\$(21,408)	\$(117,391)
Expense	\$78,425	\$(16,549)	\$(108,822)
Net	\$8,000	\$(4,859)	\$(8,569)

<u>Cash Position</u>	<u>June</u>	<u>May</u>	<u>Change from July 31</u>
Operating	\$(7,394)	\$(15,394)	\$5,751
FLDS	-	-	\$(15,000)
Conduit	\$(908)	\$(908)	\$284
Building Fund	\$20,824	\$21,086	\$(81,849)
Unallocated	\$3,596	\$2,596	\$1,771
Advanced gift	\$39,000	\$39,000	\$39,000
Total	\$55,119	\$46,381	\$(50,043)

Monthly Highlights/Discussion/Action Items for Board Consideration:

1. Positive cash flow for June; positive response to “giving boost” for June
2. Negotiations regarding property sale continue; FM City Council meets on Monday
3. Reviewed financial commitment to support an intern beginning August 1
4. Continued discussion regarding program and financial evolution of FLDS
5. Committed to select an “auditor” at August meeting

Treasurer Report –July 2019

Faith Lutheran Church Council

Submitted August 11, 2019

Larry, Tom, and Gene met with Pastor, Kari, Nicholas and Scott on Tuesday, August 6; Agenda following:

- Devotion/Prayer
- Review FLC July financials
- Property sale/MIF update
- Review FLDS financial matters
- Update on financial audit team selection
- Miscellaneous other

Scott completed and provided the July financial documents on August 5. Gene transferred the figures therein to the Finance summary below. The information should be online prior to the next council meeting on August 11.

Financial Summary: (figures rounded to nearest dollar)

<u>Income/Expense</u>	<u>July</u>	<u>Delta to Budget</u>	<u>Year to date Delta</u>
Income	\$94,691	\$(1,425)	\$(115,966)
Expense	\$102,894	\$(4,692)	\$(113,514)
Net	\$(8,203)	\$6,117	\$(2,452)
<u>Cash Position</u>	<u>July</u>	<u>June</u>	<u>Change from July 31</u>
Operating	\$(15,597)	\$(7,394)	\$(2,452)
FLDS	-	-	\$(15,000)
Conduit	\$(1,246)	\$(907)	\$(53)
Building Fund	\$5,563	\$20,824	\$(97,111)
Unallocated	\$1,527	\$3,596	\$298
Advanced gift	\$39,000	\$39,000	\$39,000
Total	\$29,247	\$55,119	\$(75,914)

Monthly Highlights/Discussion/Action Items for Board Consideration:

1. The income/expenses variance for the fiscal year was \$2,452 below breaking even.
2. The \$39,000 advanced gifts will be accounted for each month at a rate of \$3,250.
3. The property sale closing is due to take place in September.
4. Planning toward merged accounting of FLC and FLDS continues.
5. Planning continues toward expanded extended day services through FLDS.
6. The audit team appoints are still under consideration until next month.

Treasurer Report –August 2019

Faith Lutheran Church Council

Submitted September 15, 2019

Larry, Tom, and Gene met with Pastor “R”, Pastor “S”, Kari, Nicholas and Scott on Tuesday, September 11; Agenda following:

- Devotion/Prayer
- Review FLC/FLDS August combined financials
- Property sale/MIF update
- Update on Commitment Committee activity
- Update on Financial Audit Team selection
- Miscellaneous other

Scott completed and provided the August financial documents on September 9. Gene transferred the figures therein to the Finance summary below. The information will be available in President Larry’s Agenda mailing prior to the next council meeting on September 15.

Financial Summary: (figures rounded to nearest dollar)

<u>Income/Expense</u>	<u>August</u>	<u>Delta to Budget</u>	<u>Year to date Delta</u>
Income	\$77,133	\$(19,482)	\$(19,482)
Expense	\$129,760	\$12,522	\$12,522
Net	\$(52,626)	\$(32,003)	\$(32,003)

Monthly Highlights/Discussion/Action Items for Board Consideration:

1. **Fiscal year 2019-2020: Combined FLC/FLDS financial accounting has been initiated beginning August 1, 2019. Scott and Kari reviewed this new approach to accounting. Note that the cash position component of this report is now replaced by the FLC Balance Sheet. In addition, FLDS line items have been organized into the Consolidated Statement of Income and Expense.**
2. **The accounting system is based on a method known as accrual accounting in which revenues and expenses are recorded when they are earned, regardless of when the money is actually received or paid. The term “accrual” refers to any individual entry recording revenue or expense in the absence of a cash transaction. Such a system provides a more realistic financial position for an organization, as it takes into account financial commitments that impact the overall financial status of the budget.**
3. **The closing date for the impending property sale is set for September 26, 2019. However, a number of financial matters have surfaced in negotiation with the purchaser. Updated details will be provided at the council meeting.**
4. **It is recommended that Greg Getting and Tom Koch be named as Co-Auditors for the Faith Lutheran Church financial review for the past two fiscal years.**

Treasurer Report –September 2019

Faith Lutheran Church Council

Submitted October 20, 2019

Larry, Tom, and Gene met with Pastor “S”, Kari, Nicholas and Scott on Wednesday, October 15
Agenda following:

- Devotion/Prayer
- Review FLC/FLDS September combined financials
- Property sale/MIF update
- Update on Commitment Committee activity
- Update on Financial Audit Team selection--
- Miscellaneous other
- Closing Prayer

Scott completed and provided the August financial documents on October 15. Gene transferred the figures therein to the Finance summary below. The information will be available in President Larry’s Agenda mailing prior to the next council meeting on October 20.

Financial Summary: (figures rounded to nearest dollar)

<u>Income/Expense</u>	<u>September</u>	<u>Delta to Budget</u>	<u>Year to date Delta</u>
Income	\$179,886	\$(8,280)	\$(27,775)
Expense	\$164,027	\$12,563	\$13,617
Net	\$15,859	\$(20,843)	\$(41,392)

Monthly Highlights/Discussion/Action Items for Board Consideration:

1. **Fiscal year 2019-2020: Combined FLC/FLDS financial accounting has been initiated beginning August 1, 2019. Scott and Kari reviewed this new approach to accounting. Note that the cash position component of this report is now replaced by the FLC Balance Sheet. In addition, FLDS line items have been organized into the Consolidated Statement of Income and Expense.**
2. **The accounting system is based on the accrual accounting system in which revenues and expenses are recorded when they are earned, regardless of when the money is actually received or paid. The term “accrual” refers to any individual entry recording revenue or expense in the absence of a cash transaction. Such a system provides a more realistic financial position for an organization, as it takes into account financial commitments that impact the overall financial status of the budget.**
3. **Financial audit team—Getting, Coch, Forte—will begin work soon,**
4. **We continue to plan for a November 26 closing date on property sale.**
5. **Staff will continue to refine the combined FLC/FLDS financial system.**

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Treasurer Report –October 2019

Faith Lutheran Church Council

Submitted November 10, 2019

Gene and Tom met with Pastor Rusty, Vicar Nick, Kari and Scott on Thursday, November 7.

Agenda following:

- Devotion/Prayer
- Review FLC/FLDS September combined financials
- Property sale/MIF update
- Update on Commitment Committee activity
- Miscellaneous other
- Closing Prayer

Scott completed and provided the October financial documents on November 5. Gene transferred the figures therein to the Finance summary below. The information will be available in President Larry's Agenda mailing prior to the next council meeting on November 10.

Financial Summary: (figures rounded to nearest dollar)

<u>Income/Expense</u>	<u>October</u>	<u>Delta to Budget</u>	<u>Year to date Delta</u>
Income	\$158,502	\$(2,560)	\$(30,334)
Expense	\$156,236	\$(16,360)	\$(2,743)
Net	\$2,266	\$13,800	\$(27,591)

Monthly Highlights/Discussion/Action Items for Board Consideration:

- 1. Revenue for October was positive compared to the two previous down trend months.**
- 2. Negotiations continue related to closing on the property sale; closing date is likely to be in December.**
- 3. The Commitment Committee continues to analyze giving trends and offer suggestions on how to address various considerations with Mission Partners.**
- 4. The staff continues to adapt FLC Financials with a Comprehensive Balance Sheet and a Consolidated Statement of Income and Expenses.**

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Treasurer Report –November 2019

Faith Lutheran Church Council

Submitted December 17, 2019

Gene, Tom, and Larry met with Pastor Rusty, Pastor Sarah, Vicar Nick, Kari and Scott on Monday,
December 16

Agenda following:

- Devotion/Prayer
- Review FLC/FLDS September combined financials
- Property sale/MIF update
- Update on Commitment Committee activity
- Miscellaneous other
- Closing Prayer

Scott completed and provided the November financial documents on December 13. Gene transferred the figures therein to the Finance summary below. The information will be available for review prior to the December 17 meeting.

Financial Summary: (figures rounded to nearest dollar)

<u>Income/Expense</u>	<u>November</u>	<u>Delta to Budget</u>	<u>Year to date Delta</u>
Income	\$133,342	\$(21,952)	\$(52,286)
Expense	\$158,328	\$5,419	\$2,675
Net	\$(24,987)	\$(27,371)	\$(54,962)

Monthly Highlights/Discussion/Action Items for Council Consideration:

1. Closing on property sale has been re-scheduled again until December 20.
2. The Finance Committee recommends (for action by the Council) approval to suspend the monthly mortgage payment to MIF until after the property closing takes place and financial transactions with MIF are complete.
3. The Finance Committee affirmed that many Mission Partners are committed to accomplishment of their respective pledges to Faith Lutheran Church. We also acknowledged that it is important that we continue to seek other resource producing options to support the annual budget.
4. The current financial status of FLC warrants that promised financial support for the FLDS Endowment Committee should remain dormant until such support is feasible.
5. The staff continues to adapt FLC and FLDS Financials with a Comprehensive Balance Sheet and a Consolidated Statement of Income and Expenses.

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Treasurer Report –December 2019

Faith Lutheran Church Council

Submitted January 21, 2020

Gene and Larry met with Pastor Rusty, Pastor Sarah, Vicar Nick, Kari and Scott on Tuesday, January 14, 2020

Agenda following:

- Devotion/Prayer
- Review FLC/FLDS December combined financials
- Property mortgage (MIF) update
- Audit report
- Planning timeline for the 2020-2021 Budget
- Update on Commitment Committee plans
- Miscellaneous other
- Closing Prayer

Scott completed and provided the December financial documents on January 10. Gene transferred the figures therein to the Finance summary below. The information will be available for review prior to the January 21 meeting.

Financial Summary: (figures rounded to nearest dollar)

<u>Income/Expense</u>	<u>December</u>	<u>Delta to Budget</u>	<u>Year to date Delta</u>
Income	\$184,729	\$(12,700)	\$(64,986)
Expense	\$107,790	\$(52,588)	\$(49,913)
Net	\$76,939	\$39,888	\$(15,074)

Monthly Highlights/Discussion/Action Items for Council Review/Consideration:

1. Positive trends for FLC overall financial condition have returned as we enter 2020.
2. Closing on property sale was completed on Friday, December 20, 2019. The remaining mortgage is not yet determined with MIF.
3. The staff continues to transition FLC and FLDS operating accounts into one comprehensive accounting system.
4. The final audit report has not yet been completed.
5. Budget planning steps for '20-21 were reviewed: 1. Jan-Mar Staff planning; 2. March-- Finance committee review; 3. April—Council review and action; May—Congregational action.
6. During February and March, Pastor and representatives from the Council will visit with various small groups regarding the strategic planning process.

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