

## **Good Shepherd Lutheran Church**

### **Special Church Council Meeting Minutes**

#### **Discussion Regarding Current Financials**

**Wednesday, October 5, 2022 – 6 PM Conference Room**

### **CALL MEETING TO ORDER**

The Special Church Council Meeting of Good Shepherd Lutheran Church (GSLC) was called to order at 6:02 PM on October 5, 2022, by Kristi Buchholz, Council President.

**Present:** Pastor Jeremy Serrano, Candace Bradley, Kristi Buchholz, Scott Etzel, Mike Henry, Sue Hertless, Renee Reis (Council); Greg Buchholz, Marcia Sander (Finance Committee); Susan Metzger (Financial Secretary); Jackie Forrester, Forrester's Accounting and Bookkeeping Services

Kristi asked Jackie how it works if we decide we need to cash out some investment funds. Jackie said she can help walk us through the process.

Jackie described the current situation regarding the balance sheets. Jackie answered questions from Susan Metzger, who met with Jackie this past Monday. Susan said, as of Monday, Jackie had not received anything from Vanco. Jackie has access to Vanco now and can print totals on the reporting. Susan said most of the corrections they made this week were small.

Pastor Jeremy asked if Jackie is comfortable with the money for the line item Friends Feeding Friends (FFF) - is it correct? Vanco, Amazon Smile, memorial donations come in, specifically for FFF, and monies in the offering envelopes. Marcia said we should clarify "special purposes donor, FFF" transactions by account designated for FFF. Marcia said there should be a journal entry made for Amazon Smile designated for FFF. Marcia asked for reports back to November 2021 for this designated account, and Jackie said she will print out each month's transaction reports for Dana Deniston, FFF.

Jackie said she received approval from Kristi for more working hours. She will continue to work on the financials for September. Jackie said she has reconciled March through August. When using QuickBooks, Jackie said she has entered transactions as Laura did previously. The FFF bank account and the canceled credit card have been balanced.

Jackie said she would like a system in place for processing the bills/invoices. Pastor Jeremy said he sorts the mail twice per week. Candace said she will pick up bills/invoices every Sunday from the Treasurer's mailbox in the church office, and take



to Jackie for processing the following Tuesday; Jackie agreed to this system. Renee said she would be Candace's backup for running the bills.

Pastor Jeremy inquired about a report with the budgeted amounts that he would like to see on a monthly basis - this report should include line items. It is the budget-versus-actual report. Pastor Jeremy asked Jackie from which line item was Pastor Brandon paid for his salary for those three months during the sabbatical. Pastor Jeremy said it should be from the sabbatical fund (Lily Grant), and he thinks that money may be coming out of another account, so that should be corrected. He said he needs to balance all of the check requests from the sabbatical fund and submit final paperwork and any leftover monies to the Lily Grant foundation.

Jackie asked Sue about the meals (Pastor Jeremy's going-away lunch, and welcome-home lunch) for the sabbatical that were reimbursed to Sue for her purchases. Sue confirmed these monies should be deducted from the sabbatical fund.

Jackie said she does not have access to the transaction sheets that include MVADJ, and was asked if the balances should change because they are not changing now. Jackie said yes, they should change. Jackie will find out how to get into and access the Vanguard accounts, as Laura used to print on-line statements. Scott asked if we could depreciate the value of the new roof, and would we pay capital gains. Marcia said, as far as she knows, we cannot depreciate the new roof a little every year. If we had capital gains on that, this may be a way to offset.

Scott inquired about facility use versus rental income (towers, property), and the towers and those types of incomes paid to the church. Marcia said there is an incorrect journal entry regarding the facility uses. Susan asked if anyone knows how often we should receive a cell tower rental check - it should come in monthly.

Scott asked about the year-to-date profit and loss statement, and how money goes in and out of the "reconciliation discrepancies" account. Jackie said she would research this account and print current statements.

Scott asked what are typical reserve operating funds for a church this size. He asked what kind of reserves we should have to operate. Jackie said typically it would be six months for maintenance and subscription agreements, and what we should budget to build a budget for a short time (about six months). Scott would like to know a typical month-to-month budget of expenses. Greg said our balance sheets show this. Scott would like to operate on leading indicators, not lagging indicators for profit and loss. How much money on a profit-and-loss basis of income would we need to see a healthy organization? Jackie said she is not certain for a non-profit organization such as GSLC, but she will find out for us.

Pastor Jeremy said some liability funds are not represented solely in our checking account.

Marcia asked Jackie to explain how the retained earnings net income should be changed month to month. Jackie said it is like a computer-generated total, computer created, transferred over to the balance sheet. Jackie said she can get the amount of the income moved over. Marcia said it did not look like it was done consistently. Marcia said we need to get into the detail to find out if the balances are correct. She questioned a \$13,000 bill from July on the balance sheet. Jackie said she puts these bills into payable accounts on QuickBooks and it comes up monthly for payment.

Marcia questioned the youth fund account as it went down about \$1,700. She said we need the detailed report for the youth fund. Renee said \$1,050 was refunded for the youth event in Minnesota from 2021.

Marcia asked if the profit and loss detail report for July for the Property Committee was reimbursed for the sabbatical for two amounts; she thought maybe these should be in another line item. Jackie will check into this.

Marcia said there is an interest income showing on the profit and loss statement in July.

Marcia said the timeframe for the FFF detailed reports should be ASAP. Jackie said she should have everything ready by next Wednesday.

Discussion on how paper bills are handled and our procedure going forward.

**MOTION** made by Scott Etzel to pay the Mortenson Roofing Company bill using funds from one of the Vanguard accounts; seconded by Candace Bradley; motion passed.

Meeting adjourned at 8:10 PM with the Lord's Prayer.

Minutes respectfully submitted by,

Candace Bradley, Council Secretary  
Good Shepherd Lutheran Church