Finance Committee Meeting

July 13, 2026 6:30 p.m. –Zoom

Quick recap

The finance committee meeting focused on resolving accounting issues related to transferring $568,000 in facility funds to the foundation. Diane explained the technical challenges of properly recording these restricted funds in QuickBooks, particularly how the transfer appeared as a significant revenue loss on financial statements when it was actually an investment transfer. The committee discussed whether to show the foundation funds on their financial statements, ultimately deciding to add an asterisk and footnote to indicate the funds were invested with Thrivent rather than showing them as cash balances. They also reviewed the ongoing budget process, which had been through multiple revisions including recent changes for a Verona site pastor position and potential audit costs. The committee determined they would not need to vote on the current budget revisions since the board had already made the requested changes, and they agreed to continue using AI note-taking for future meetings.

Budget Meetings Location Decision

The meeting began with Rick explaining that both budget meetings will remain in Verona because holding them in Madison would conflict with the 9 o'clock service, making it impossible for the 10 o'clock service attendees to participate. He clarified that the board made this decision to ensure maximum attendance and participation, not to exclude the Madison campus. Rick emphasized that the decision was not his idea and addressed concerns about the Madison campus being left out, noting that some Madison residents did attend previous meetings.

June Financials

- Results YTD
- Dashboard
- Questions and Discussion

The meeting continued with a review of financials, where Rick presented the fiscal year results showing a positive surplus despite lower-than-expected June revenue.

Recording Financial Fund donations

The team discussed the upcoming transfer of board designated funds to the foundation. Diane explained the challenges with tracking restricted funds in QuickBooks, noting that three specific funds require all-dates reporting rather than year-to-date numbers to maintain accurate balances. Sarah clarified that this issue stems from a previous treasurer's decision to move these funds from equity accounts to revenue accounts during the QuickBooks conversion. The team discussed how transferring $568,000 in funds to the foundation for the Facility Fund through Thrivent would appear as a significant revenue drop, though it's not a true revenue decrease, and they need to determine how to properly present this in July's financial statements.

They agreed to show this as a separate fund (like "GSLC Thrivent Facility Funds") in their balance sheet, which would only be visible to staff and not members, and would be updated quarterly. The group determined they would need to add a footnote to their financial statements to explain the foundation funds, and Diane confirmed the transfer would be recorded quarterly rather than monthly to maintain accuracy.

The group decided to use an asterisk with a quarterly footnote to explain the significant year-to-year changes in the board-designated reserves balance, which would show approximately half a million dollars more at year-end due to the transfer to the foundation. **They agreed to make a motion from Sarah to approve this change in presentation, which was seconded by Spencer and passed by the committee.** The discussion included concerns about how to communicate foundation assets to the congregation during annual meetings, though Rick noted that while the numbers wouldn't appear on books, they would be explained annually.

Budget

The finance committee discussed the budget, which has been through multiple versions due to board revisions including the addition of a Verona site pastor position and a targeted audit. The committee learned that Little Blessings Preschool in Madison may be suspended or closed, which would create a surplus of about $28,000 in the budget. The committee decided not to vote on the current budget version, allowing the board to make final decisions based on their requested changes, and agreed to continue using AI for meeting notes going forward.

Next steps

Rick

- Present the updated budget (version 11, reflecting potential closure of Little Blessings and board-requested changes) to the board for approval.
- Communicate to the congregation at the annual meeting the reason for the change in financial presentation regarding the facilities fund.
- Review and edit the AI-generated meeting notes for this session.

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- Adjust the July financial statements to reflect the $568,000 transfer to the foundation as an expense under "generosity" in the P&L, and manually adjust the year-to-date comparison to exclude this amount.
- Add a footnote to the financial statements (dashboard) explaining the $568,000 transfer to the foundation, with an asterisk on the board-designated reserves line item.
- Continue tracking the facilities fund activity under the board-designated tab and true up the balance quarterly.