



*Our Savior's Lutheran Church is a caring community called by Christ to serve and live in faith*

## **Treasurer's Report**

**September 19, 2019**

### **Financial Recap**

Board Attention Needed	<b>Close Monitoring Required</b>	No Significant Issues
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- Operating revenues of \$453,000 are below budgetary projections of \$481,000. This variance is the result of lower than planned member giving for general operations and the mortgage fund. Though close monitoring is prudent, the Finance Committee is hopeful that year-end giving will help OSLC overcome the current revenue shortage.
- Expenditures of \$494,000 are about \$31,000 below budgetary projections.

### **Special Finance-related Discussion Items**

- The Finance Committee will begin gathering input on calendar year 2020 needs; a key input to development of the budget for the subsequent year.
- After conducting research, the Finance Committee recommends switching money managers for its endowment funds to increase the rate of return on funds, while keep investment risk at the same level.
- The Finance Committee assigned members to help the Property and Grounds Committee navigate fiscal issues associated with the potential purchase and installation of new playground equipment.
- During September and early October, the Finance Committee will be making changes to the structure of the OSLC balance sheet to fairly present congregation assets, liabilities, and reserves. Part of this work will include the implementation of the previously agreed to cash management plan.



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## **2019 Strategic Goals**

1. Improve OSLC's financial governance model to establish role clarity and avoid situations where specific individuals could be a single point of failure
  - a. Establish a team of individuals to serve on a Finance Committee (Complete)
  - b. Schedule ongoing Finance Committee governance meetings (Complete)
  - c. Develop a RACI diagram to clarify fiscal roles and responsibilities between the Board, Business Manager, staff, volunteers, outsourced service provider, and the Finance Committee
  - d. Position the Audit Committee to provide independent oversight, in lieu of performing reconciliations and other hands on work. In addition, work with the Audit Committee to schedule an independent audit of 2018 activities
2. Formalize policies, standards, and processes to set clear baseline expectations for all finance-related activities
3. Improve the congregations' understanding of OSLC's financial picture (June 2019)
  - a. Develop a presentation format that makes it easy to understand OSLC's full fiscal picture, including net assets, reservations and uncommitted funds, and revenues and expenditures
  - b. Provide biannual fiscal updates to the congregation, in addition to the annual meeting recap. (June 2019 and November 2019)