



ST. PAUL OF THE CROSS RETREAT CENTER

Audit & Finance Committee Meeting Minutes Monday, December 9, 2019

Present: Greg Soule Matt Greenough Sue Macdonald
 Sandra Arnould Geni Giannotti Cindy LaFond
 Mary Moret Fr. Alex Steinmiller

Guest Doug Wright + Shannon from Gordon Advisors

Fr. Alex opened the meeting with prayer.

The representatives from Gordon Advisors walked the Committee through the 2018-2019 audit materials. This was the second year for Gordon Advisors. The financial review was more focused. A summary of their findings:

- “clean” audit opinion
- no material weaknesses
- auditors are comfortable with the oversight, segregation of duties, and budgeting process as well as the oversight on behalf of the Board exercised by the Audit and Finance Committee
- there were nearly no adjusting entries

With Sue Macdonald, Cindy LaFond, and Greg Soule present for the presentation, they can in turn update the Board on the findings as the auditors proceed to wrapping up the audit and publishing the statements.

The Gordon Advisors team went through each section of the draft audit in detail with the Committee. This included a discussion of new and upcoming accounting standards:

- statement of functional expenses
- statement of cashflow – the Retreat Center switched to the Direct Method
- leasing standards pushed to 2022
 - the lease between the Retreat Center and the Community is due up July of 2020
 - Management will renegotiate as part of the 20/21 budget process
 - Management will look to the Province for direction as to a new lease term
- revenue recognition was reviewed – based on the current practices, there is no anticipated change.
- Committee was updated on specific aspects of cash, cash equivalents, and investments – including liquidity management footnotes.
- The Pension Fund currently used as part of the Retreat Center benefits package is a multi-employer fund that has an underfunded liability. However, the Retreat Center does not have to record that liability because the fund is external.
- There was additional discussion about fixed assets, valuations (i.e. Level 1, Level 2) and related parties including monies on deposit with the Province investment portfolio. There will be some upcoming changes on investment fees in future audit cycles.
- The Gordon Advisors team discussed with the Committee the “stacked approach” vs the “column approach” in terms of presenting information.

Greg Soule asked the Gordon Advisors Team – “Are there any questions we are not asking”



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Next steps: the audit report is in draft form and will go on to the Province for their review.

The Gordon Advisor Team excused themselves and the meeting resumed with a standard review of the financial packet. There were no significant deviations. Management continues to manage the business very well.

Mary Moret updated the Committee on preliminary numbers from Giving Tuesday and the Christmas Appeal. Early indications are very positive with \$19,600 in through December 6th. The Capital Campaign is winding down.

Management updated the Committee on different capital projects and near term purchases (i.e. HVAC, ice machine).

The Committee closed with prayer.

NEXT MEETING TBD – Greg Soule to draft a schedule for 2020

UPDATE – 2020 MEETING SCHEDULE

January 27, 2020 – 4PM

March 23, 2020 – 4PM

June 8, 2020 – 4PM

July 27, 2020 – 4PM

September 14, 2020 – 4PM

November 23, 2020 – 4PM
