



ST. PAUL OF THE CROSS RETREAT CENTER

Audit & Finance Committee Meeting Minutes Monday, July 26, 2021

Present: Greg Soule Matt Greenough Cathy Connell
 Sandra Arnould Geni Giannotti Mary Moret

The meeting was held via ZOOM and opened with prayer at 4:05PM.

The March and May meeting minutes were accepted.

The Committee was provided with a financial packet of results through June 30, 2021, prior to the meeting.

Cathy Connell was introduced to the Committee. Cathy is taking over the accounting function for SPOTC. She is based in Tennessee and currently provides accounting services for other institutions in the province (i.e., Christ the King). Cathy is assisting Management with transitioning St. Paul's from Financial Edge to QuickBooks and with Geni Giannotti's retirement from St. Paul's.

Management led the Committee through an overview of the financial performance of the Retreat Center and of the Endowment Fund. The discussion began with a review of the balance sheet:

- The Retreat Center maintains a strong cash position with 316K+ on deposit in the operating account at First Midwest.
- The Operating Reserve on deposit with the province continues at just over 1mm.
- The Prepaid account balance stands at 21K
- AR is showing a balance of 41K that includes hosted events and 6K tied to Blackbaud Merchant Services.
- Deferred revenue for future hosted remains at 74K. The breakdown of the deferred revenue is 40K for future hosted events with the balance for other future events.
- Net assets increased \$270K year over year.

The discussion turned to the Retreat Center income statement:

- Overall donations are solid at 818K and ahead of YTD budget by 389K.
 - Retreat related income for the year is 165K and down 72K over budget. FY22 will be a rebuilding year as we try to return attendance to pre-COVID levels.
 - Hosted events generated 175K for the fiscal year. YTD, hosted events are 66K short against budget.
 - On the expense side, there was nothing of note. At 911K, YTD expenses beat budget by 257K. The Committee congratulates Management on strong expense controls and good stewardship.
 - Because of better than expected revenues and the better than expected results in operating expense, the Retreat Center is showing an operating surplus of 521K for the fiscal year – significantly outpacing what was a deficit operating budget.
 - When factoring in depreciation and inter-institutional expenses, the YTD results were an increase in net assets of 270K.
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Management led the Committee through a review of the Endowment Fund.

- The Endowment Fund sits at 1.2M with 1K+ in the local Chase account.
- YTD investment gains were 272K
- There are currently funds available for operations from the Endowment Fund but due to the strong cash position of the Retreat Center, Management is maintaining a flexible position and will defer any transfers at this time.

Discussion continued as the Committee reviewed the Cash Forecast. There are no expected draws from the Reserve Fund. Operating cash was able to absorb the cost of a car for Fr Pat (a Buick Enclave)

Management was updated on other matters:

- Accounting transition as referenced earlier is underway.
- QuickBooks will now handle AR
- **The 2nd PPP Loan was forgiven!**

Fundraising updates included:

- 65K raised with this year's Lenten Appeal – unlike past years, these funds are unrestricted.
- Director's Circle renewals continue.
- This year's Golf Outing is slated for Thursday, July 29th and will be at a new venue this year – Fox Hills. 50K has been raised so far

Management updated the Committee on several other developments:

- Audit underway with Gordon Advisors
- The Retreat Center needs a replacement truck. The 2006 F150 has reached the end of its useful life.

Greg Soule reported out that there are currently no items needing follow up or review from this Committee as it relates to the Monitoring Report process under Policy Governance.

- September 27
- November 22

With that, the meeting closed in prayer.

NEXT MEETING – SEPTEMBER 27 – 4PM
