



ST. PAUL OF THE CROSS RETREAT CENTER

Audit & Finance Committee Meeting Minutes Monday, September 26, 2022

Present: Greg Soule Matt Greenough Paul Micallef
 Mary Moret Jim Bologna
 Rob Galbraith Cathy Connell

The meeting was held via ZOOM and opened with prayer at 4:00PM.

The Committee was provided with a financial packet of results through August 2022, prior to the meeting. 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 statement of activity:

- Donation revenue was boosted in July by a \$90K bequest from a long time retreatant and a second bequest of \$14K in August. There was also a solid response to the annual Director's Circle renewal.
- Retreat related revenue was minimal for the first two months of the fiscal year and stands at \$16K. The retreat season is underway and has been well received.
- Management is now reporting donations tied to retreats as separate line items of revenue.
- Hosted programs – for the first two months of the fiscal year, both overnight and day programs are off to a solid start with \$64K in revenue for overnight programs and \$19K in revenue for day programs.
- Total Operating Revenue – excluding Endowment Revenue and investment losses – was \$367K FYTD.
- On the expense side, Management did a good job of controlling expenditures. There are some exceptions with \$2,700 spent in plumbing – tied to the Lenten Appeal for retreatant guestroom bathrooms getting upgraded plus expenses for tree removal and an HVAC motor replacement.
- Of note, salary and benefits are under budget \$28K due to an open position. Management is reviewing the current benefits offerings and looking to make some changes so that the Retreat Center has a stronger plan.
- Net Operating Revenue – excluding Endowment Revenue and investment losses – and before depreciation – was \$164K FYTD. Adding in depreciation of \$20K reduces the revenue to just over \$143K. Even if you backed off the bequests, the first two months offer a strong performance.

Management reviewed the Balance Sheet as of August 31, 2022.

- There is \$43K in the local Chase account with no recent transfers. Management is moving these funds in increments of \$10K beginning in September. The Committee recommend that regular transfers occur from the Chase account and that the peg balance not exceed \$1K to \$3K
 - Between the Operating Reserve and the two endowment funds, the Retreat Center is sitting on \$2.381MM in invested funds.
 - The Committee had some discussion as to how the investment earnings were impacting how the balances were reported on the Balance Sheet. The Committee recommended that Management consult with the Provincial Office on how to record these account changes.
-



ST. PAUL OF THE CROSS RETREAT CENTER

Management reviewed outstanding AP and AR with the Committee.

- As of August 31st, there was \$13K in outstanding AP.
- Outstanding AR on August 31st was \$45K.
- Management indicated that there are no outstanding issues with either AP or AR

The Committee reviewed the Cash Forecast. The format was a challenge, and the Committee requested some changes. Management was looking to some how automate this report. That is not possible, and the Committee has an expectation to see a 4 to 6 month forecast tracking inflows and outflows of cash – knowing that estimates and assumptions are a part of the process.

This led to a broader discussion about the expectations of the Committee as it relates to the financial packet. The Committee is requesting the financial packet by EOD the Thursday before the Monday 4PM meeting – or Friday morning. Management committed to making that deadline.

The Committee inquired about the FY22 – has a planning meeting been set and has the request list of documents been sent? There is a concern that SPOTC will not meet the deadline to have the audit filed with the Province by mid-December as required under Provincial policies. The Committee would like to see a draft by the November meeting. The Province will need time to review.

The Committee asked Management for an update on the Gorno Fund.

- What is the status of a board resolution that authorizes this separate endowment fund.
- Has Management set up a written procedure as to how to calculate and therefore withdraw money from the Gorno Fund.
- As of August 31st, the balance is barely above the initial \$215K donation so no withdrawals can be made.

The Committee was updated on other matters:

- The end of year appeal will be going out in mid-November.
- The Center still needs a new plow truck.

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.

With that, the meeting closed in prayer.

NEXT MEETING – NOVEMBER 28, 2022

2023 MEETING DATES

January 23, 2023

March 27, 2023

May 22, 2023

July 24, 2023

September 25, 2023
