



## ST. PAUL OF THE CROSS RETREAT CENTER

### Audit & Finance Committee Meeting Minutes Monday, September 25, 2023

Present: Greg Soule                      Matt Greenough                      Rob Galbraith  
            Jim Bologna                      Cathy Connell

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

The Committee was provided with a financial packet of results through August 31, 2023, 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 balance sheet:

- The Retreat Center maintains a strong cash position with 499K+ on deposit in the operating account. The Committee urged Management to continue to draw down the Chase account (at \$104K on August 31<sup>st</sup>) and transfer the funds to Old National Bank.
- The Operating Reserve on deposit with the province continues at just over 1.3M
- The Prepaid account balance stands at 10K.
- AR shows a balance of 148K that includes 14K from BBMS for credit card receipts and 95K tied to the ERC that was booked at the end of FY22. The Committee was updated on the status of the ERC and that the credit is likely to increase.
- Fixed assets reflect the Livonia house sale (previously in a WIP fixed asset account and the addition of a new truck from May of 2023). Net fixed assets sit at just under 4.6M
- AP and accruals are in line at 37K.
- Deferred revenue for future hosted remains at 38K.
- Net assets stand at \$4.467M – not much changed in the first two months of the fiscal year.

The discussion turned to the Retreat Center income statement:

- Total revenue for the first two months of the fiscal year was 267K. Donations were short of budget, but hosted programs exceeded budget. Management and the Committee had discussion about breaking out retreat donations and revenue recognition. Retreat offerings are considered donations for purposes of financial reporting, but Management sees value in separating out offerings up to \$225 (the suggested retreat donation minimum) and amounts over \$225.
- On the expense side, overall expenses were generally in line with the budget. Management gave updates on exterior and interior maintenance and on staffing and open positions. Total expenditure was 63K under budget and shows good expense controls overall and good stewardship.
- Because of the better-than-expected results in operating expense, the Retreat Center is showing an operating surplus of 41K for the start of the fiscal year – beating a budgeted loss of 24K. very modest budget surplus of \$45K.

Management led the Committee through a review of the Endowment Fund.

- The combined Endowment Fund sits at 1.5M with 1K+ in the local Chase account.
  - 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.
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- The Gorno Endowment Fund is “under water” meaning the value is less than the original investment. The Thoman Fund is positive – meaning the investment returns are more than the original investments and added contributions.

Discussion continued as the Committee reviewed the Cash Forecast. There are no expected draws from the Reserve Fund. Operating cash can absorb the cost of CAPEX projects. The Committee urged Management to transfer more funds to the Operating Reserve Fund.

Fundraising updates included:

- The team is working on an End of Year Appeal for a November mailing.
- There is discussion about an Easter Appeal in 2024 targeting outdoor Stations of the Cross. Depending on the scope of the project, it may take 2 years to raise the funds to cover this project.
- Building on the success of this year’s Golf Outing, the team is already discussing strategies to increase the number of foursomes for the 2024 event.

Management updated the Committee on CAPEX matters:

- Lighting upgrades are ongoing.
- The Assembly Room project is underway; we have sufficient funds to cover the cost of the project and upgraded AV.
- Trees and heavy-duty landscaping are a focus for the fall
- There was discussion concerning the servers that support SPOTC including a question as to whether we even need servers. We also discussed the current CRM (Raiser’s Edge) that tracks donors and donations.
- Audit is still in process, but Management expects a draft within 30 days. The Committee reminded Management that we need a complete audit in order to review with the Board and get a board resolution at the December 4<sup>th</sup> meeting – and then to the province in time for the Provincial Council on or around December 15<sup>th</sup>. The Committee encourages Management to “get ahead of the curve.”

Greg Soule reported 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 27<sup>TH</sup> @ 4PM via ZOOM**

Meeting dates for 2024:

1/22/2024  
3/25/2024  
5/20/24  
7/22/24  
9/23/24  
11/25/24

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