

Diocesan Finance Council Highlights

Thursday, June 9, 2005

Present: were Bishop Daniel Walsh, twelve members of the Finance Council, two staff members and three guests.

1. Call to Order:

Following an opening prayer and approval of the agenda and past minutes, Bishop Walsh delivered his comments.

2. Bishop's Comments:

- Bishop Walsh reflected on the selection of the new Holy Father, noting that we are very blessed.
- He also gave a five-year report on his tenure with this diocese, thanked the Finance Council for their guidance, listed several key accomplishments, and pointed out that there is much still to be done.

3. Report of the Diocesan Finance Officer:

Deacon Mike Urick reported that the receipts for the capital campaign dropped off slightly in the trend report for May. He further noted that there should be over \$300,000 available for the parishes and schools by end of June. A motion was made, seconded and passed unanimously, to distribute unrestricted available funds to parishes and schools prior to June 30.

Deacon Mike Urick presented a suggested amendment to the Notes to Finance Council Constitution, concerning maximum and minimum sums for alienation (of property), consistent with directions in the Canons. The motion was made, seconded and passed unanimously, to so amend the diocesan constitution.

Deacon Mike Urick explained that the diocesan vehicles used by Sister Rose Mary Kuklok and Sister Olive Murphy are over 10 years old. After some discussion, a motion was made, seconded and passed unanimously, that new Honda Accords be obtained for the Sisters' use at the quoted pricing.

4. Report of Legal Council:

Mr. Dan Galvin reported that mediation of cases was continuing. Since there is a Confidentiality Order, details cannot be discussed.

5. Cash Flow and Budget Committee:

Cash Flow: Kim Sampietro reviewed April and May 2005 Budget versus Actual Cash Flow. There continue to be variances for program income and expenses. There was an overall positive variance, due to timing issues.

Budget Report: Rick Rosa reviewed the 2005/2006 budget. The budget calls for a subsidy of \$821,390 rather than the \$925,000 goal for the annual appeal. A motion was made, seconded and unanimously approved to approve the 2005/2006 Budget.

Rick Rosa reported that the architects estimate for the remodeling expenses for the new Chancery office was \$400,000 to \$500,000. Mike Urick explained the sources and availability of funds in the Diocese bank accounts. The Budget Committee recommends, and it was unanimously approved, that the funds for remodeling and moving expenses be paid from funds held in the Deposit and Loan Fund.

6. Committee Reports:

a. Property Committee:

Clem Carinalli reported that there is a good purchase on the Lake County property. After discussion of the specific terms, a motion was made, seconded and approved unanimously, to accept the offer as outlined to sell the Lake County Property. Clem also reported that the Orchard agreement is progressing with new drawings, with the purchase expected to be complete in December.

B. Building/Construction:

Mike Urick reported that the committee meets next Wednesday to review projects at Our Lady Queen of Peace, Holy Spirit and the new Chancery.

C. Insurance and Human Resource:

Deacon Hercher reported that Dennis O'Hara of A. J. Gallagher had made a proposal for dealing with Earthquake Insurance. The committee recommends, with unanimous approval, that the Diocese of Santa Rosa agree to the proposed AJG plan.

Deacon Mike Urick reviewed that the cost of the property, liability and earthquake insurance premiums should stay the same except that the self-insurance pooled funds may need to increase due to attorney fees and claims.

D. Development: No report.

E. Membership: No report.

F. Communication:

Deirdre Frontczak distributed copies of the NCC readers survey and commented on the results. She is already modifying the content as indicated in the survey. There was a one percent survey response as is typical in this type of survey.

G. Banking Oversight Committee:

Deacon Mike Urick reported that if the land in Lake County closes escrow then these funds would be deposited in the Deposit and Loan Fund as repayment of the St. Mary Immaculate school debt.

H. Audit Committee: No report.

7. Other Business: None

8. Adjournment:

Dates for future meetings were set and the meeting adjourned.