

## *Diocesan Finance Council Highlights*

**Thursday, November 10, 2005**

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

### **1. Call to Order:**

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

### **2. Bishop Walsh:**

Bishop Walsh reported he is interested in establishing a House of Discernment, possibly at the Newman Retreat Center, this will be presented in a future agenda. A budget is being developed for a new Permanent Diaconate Program since it has been five years since the last class was ordained. Bishop discussed consideration of additional property sales and also conditions surrounding a loan for two parishes from the Knights of Columbus, which he no longer approves. He anticipates that escrow for the Orchard Property will close in November, and the proceeds will repay the Archdiocese of Newark. Bishop continues to negotiate remaining debts with the California Diocese.

### **3. Report of Diocesan Finance Officer:**

A motion was passed to rescind last meeting's approval of the encumbrance of diocesan property for the note from the Knights of Columbus. Mike Urick also reviewed the unaudited report of finances explaining that the funds have decreased due to payment of claims, and also explained restricted amounts for second collections and priest retirement. He reviewed details of the new chancery construction and reported that cost overruns are about 10%. Some items were added for additional protection, and a new telephone system is needed. The New Millennium, New Beginnings report shows receipts this year are coming in at a rate similar to past years. A quarterly distribution of \$280,000 was repaid to parishes and schools.

### **4. Report of Legal Counsel:**

Mr. Dan Galvin reported that the abuse case settlements had been paid and the dismissals should be forthcoming.

### **5. Cash Flow and Budget Committee:**

*Cash Flow:* Kim reported that the letter to the Archdiocese of San Francisco will be sent stating that the Finance Council had reviewed the audited financial statements of the Diocese as required by the USCCB. Kim Sampietro reviewed September and October 2005 Budget versus Actual Cash Flow and reported that all parishes except St. Mary's in Lakeport are current with their operating assessments.

*Budget Report:* Rick Rosa reported the committee is monitoring the budget, and the variances are mainly timing.

### **6. Committee Reports**

#### *A. Property:*

Clem Carinalli reported that the Lakeport property closed escrow and the Orchard Property is closing this month. Burbank Housing is looking at excess land owned by St. Elizabeth's Parish in Guerneville and Bishop Walsh suggested to the pastor that he get the parishioners involved in the process.

*B. Building/Construction:* No report.

*C. Insurance and Human Resource:* No report.

Msr. Brenkle raised the question of covering volunteers under workers' compensation, and Mike Urick responded that this is currently being investigated.

*D. Development:*

Judy Barrett reported that the receipts are right on track for the Campaign. The next Appeal goal for 2006 is \$975,000. The start date will be the same each year. Rick Rosa questioned raising the goal since the current year appeal is under the 2005 goal. Bishop Walsh expects that since the abuse cases are settled, people may have fewer reservations about donations. He also noted that there will be a need for increased funds to support a House of Discernment and a new Deaconate Program. Deacon Hercher noted the generous response of parishioners to the hurricanes and tsunami disasters. Judy Barrett also commented that of about 36,000 registered families, only 5,000 are now participating.

*E. Membership:* No report.

*F. Communication:*

Deirdre Frontczak reported that the next issue of the North Coast Catholic is coming out in December. Some of the ministries are having difficulty with the quarterly format, since that is too far ahead for some of the articles to be pertinent. She also mentioned the idea of utilizing the website for online payments for the campaign and the appeal, or for parish donations.

*G. Banking Oversight:*

Fr. Shaw reported that there will be \$109,000 in interest written off from the sale of an old school property as previously agreed.

*H. Audit Committee:*

Joe Schunk acknowledged the efforts of Kim Sampietro and the accounting department, as well as Finance Officer Mike Urick, in the great results of the audit. Questions were raised and discussed about accounting for the priests and lay pension plans, the latter including participation by Catholic Charities employees. A motion, was made, seconded and unanimously passed to approve the audited Diocesan Financial Statements.

**7. Other Business:**

Msgr. Brenkle asked about the idea of "twinning with parishes" to assist them after the hurricanes. Bishop Walsh has not received any responses yet, but thinks some parishes may decide to twin with a parish in Biloxi.

**8. Adjournment:**

Dates for future meetings were set and the meeting adjourned.