

## **Diocesan Finance Council Highlights** **Thursday, May 19, 2011**

**Present:** were Bishop Daniel Walsh, Bishop Robert Vasa, fifteen members of the Finance Council, two staff members and two guests. Following the opening prayer and approval of the minutes and highlights, the meeting opened with the Bishop's comments.

1. **Comments of Bishop Walsh:** Bishop his gratitude to all past and present members of the Diocesan Finance Council, for their professionalism, support and advice over the years.
2. **Report of Diocesan Finance Officer:** Mike Urick reviewed the report.
3. **Report of Legal Counsel:** Dan Galvin reported on four cases pending a Supreme Court decision; four additional cases currently dismissed, but may be re-filed; and one remaining case scheduled for mediation this summer. He also reported on a lawsuit filed against the Homeowners Association in Oakmont which names the diocese as a co-defendant, regarding a bike path across Star of the Valley property.
4. **Cash Flow and Budget Committee:** Kim Sampietro reviewed the **Budget versus Actual Cash Flow**, with one parish showing a past-due operating assessment.

**Budget Report:** Rick Rosa distributed and reviewed the 2011/2012 budget for the diocese. The budget presented is a balanced budget with \$777,844 available from the Annual Ministry Appeal and a subsidy of \$777,844 in total to the ministries. Rick asked Mike Urick to discuss a proposal from Cardinal Newman High School to take over the Cardinal Newman Retreat Center, in part to accommodate space needs that will arise with an influx of girls. He explained the arrangement proposed, in which the diocese will receive rent from the tenants but will be managed by the High School. After some questions and discussion, **The Committee brought forth the motion to approve the 2011/2012 Budget with a subsidy of \$777,844 as outlined in the budget handout, all approved with one abstention.**

### **8. Committee Reports**

**A. Membership:** No report.

**B. Communications:** Deirdre Frontczak reported that the June issue would showcase the Pastor and Principal of the Year award. She had just returned from a week in Michigan with Faith Publication. Monsignor Brenkle said that the North Coast Catholic is very attractive.

**C. Investment Committee:** John Moynier reported the investment committee (Deborah Kelly and John) met with the principals of Hutchinson Capital for the quarterly review of the diocese's three bond funds. The portfolio is in line with our investment policy and has an average maturity of 2.68 years. To date, the committee is pleased with the performance and management of the Diocesan Bond Fund.

**D. Audit Committee:** Frank Dahl reported that the Audit Committee received an audit proposal from Boden, Klein and Sneesby with the same rate as last year of \$20,750. Given the good response and having confidence in their work, **the Committee brought forth the motion to approve engaging Boden, Klein and Sneesby, to perform the audit for the fiscal year ending June 30, 2011, all approved.**

**E. Property:** Clem Carinalli reported that he had received additional information concerning the broken boiler at St. Bernard's Catholic School. There was much discussion including the history of the school, effect on the lease agreement, preserving property by maintaining it, and opening the door to more requests. **Clem Carinalli made the motion that the diocese loan the school \$6,000, interest free, to be repaid at \$100.00 per month over 60 months. John Moynier seconded the motion. Twelve members approved, two opposed and two abstained and so the motion carried.** At the request of Deacon Frank Dahl, Dan Galvin is to prepare language that clarifies the intent of this note.

Clem also reported that the property committee had received a letter from Father Ray Rioux of St. Elizabeth Seton in Guerneville requesting permission to sell the rectory and purchase another; the committee will visit, and report back in September.

**F. Building and Construction:** Bill Cornelison reported the committee met on May 18<sup>th</sup>. Cardinal Newman High School presented the bid from Nonella for the lunch and locker canopies, and stated that the funds were available. **The Committee brought forth the motion to approve the bid for the lunch and locker canopies at Cardinal Newman High School and all approved.**

St. James Parish would like to add 1400 square feet to their parish center. The estimated cost is \$235,000, and they have the funds available. **The committee brought forth the motion to approve the expansion concept with the understanding that St. James Parish will bring drawings to the building committee for approval and all approved.**

Bill also reported that the Holy Family Mission of St. Joan of Arc Church needs landscaping and maintenance. There is a benefactor that will underwrite these repairs. The roof of the parish hall at St. Philip Church in Occidental requires repairs and the estimate is under \$25,000.

**G. Insurance and Human Resources:** Bob Fish reported on renewals scheduled for July 1 for Property, Auto, Crime, Earthquake, Excess Misconduct and General Liability Insurances, with a 4% increase expected. Bob plans to have bids for review before the September finance council meeting.

**H. Development:** Bishop Walsh reviewed the current Annual Ministry Appeal report, stating that receipts over 100% of goal would be returned to the parishes and that the parishes were required to meet 80% of goal. He acknowledged the work of Monsignor Brenkle, Father Lombardi and Father Serban on the appeal.

5. **Other Business:** Deirdre Frontczak informed the council that she would be going to the parishes and collecting emails for the Catholic Legislative Network. The email

network is used to keep parishioners informed about current legislation each week and gives them the ability to contact their Congressional Representatives.

Monsignor Brenkle mentioned that the John Jay College report on clergy abuse had been published. On behalf of the Finance Council Rick Rosa presented the Bishop with a gift and thanked him for his leadership during the last eleven years.

**9. Tentative Dates** for meetings were set and the meeting adjourned.