

Diocesan Finance Council Highlights Thursday, May 8, 2008

Present: were Bishop Daniel Walsh and 15 members of the Finance Council, along with two staff members and two guests.

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

1. **Comments:** Bishop Walsh introduced former finance council member Henry Trione. The Bishop discussed the Papal visitation and the three events he attended.
2. **Report of Diocesan Finance Officer:** Mike Urick presented his Report, noting information concerning the restricted funds transferred from the Capital Campaign receipts into the Consolidated Recovery Account.
3. **Report of Legal Counsel:** Dan Galvin reported that there were three Timmons cases pending and that counsel had requested the cases to be consolidated for discovery purposes. He reported on a proposal at the Los Angeles meeting of California Dioceses in January, to work on creating a church corporate structure that would work for all dioceses, regardless of individual corporate structures. (This cannot be implemented in our diocese at present, with cases pending.) Dan also said that the firm was working on the Charter for the Protection of Children audit compliance and other parish-related legal matters.
7. **Cash Flow and Budget Committee:** Kim Sampietro reviewed the **Budget versus Actual Cash Flow** for the two months ending April 30, 2008 and detailed the timing and other variances.

- **Budget Report:** Rick Rosa said that the budget committee had reviewed the presentation of the Budget versus Actual Cash Flow reporting for next year.

This year, upon receiving information on the new seminarians and the diocesan priest that will be sent to Rome for Canon Law School, it was obvious that for the first time the diocese will not have a balanced budget. The diocese has four seminarians this year, and will be adding three more. After discussing this with the Bishop, the Bishop agreed to use savings for helping to fund the seminarians. ***Rick Rosa made the motion that is the recommendation of the Budget Committee, that the budget be accepted as noted here in (in the budget summary handout).*** There was discussion concerning the Cardinal Newman Retreat Center not meeting their budgeted income, partially as a result of two suites being available for seminarians, rather than rented for income. ***The Bishop called for a vote on the committee motion, all approved.***

8. Committee Reports

A. Membership: Father Shaw reported that Father Lombardi, Paul LeSage and Janet Hagen have agreed to remain on the committee. Barbara Hill is going to allow her term to expire. Deacon Hercher, the former membership chairman, had a listing of the term sequence.

B. Communications: No report

C. Investment Committee: John Moynier reported that the committee had met and were working on a document that would define the scope and standards of investments.

D. Audit Committee: Rick Rosa, reporting for Deacon Frank Dahl, made the motion that: ***the Finance Council delegates authority to the Audit Committee to select and engage the auditor for the current fiscal year. All approved.***

E. Property: No report. Mike Urick noted that although the SSU Newman chapel project is on hold, we had received a \$500.00 donation for the chapel.

F. Building and Construction: Bill Cornelison reported that the committee had met on March 25. The following projects were discussed:

- Msgr. Fahey would like to start development plans and engineering for the west seventeen acres of the cemetery at a cost of \$25,000 to \$29,000. A family would like to build a mausoleum in that area.
- St. Eugene School has plans to remodel the school entrance and bathrooms. They currently have the \$260,000 available for this phase.
- Holy Spirit is working on a parking pavement, lighting and pavilion project. They currently have funds for paving and the bid for has been approved.
- St. Helena Church has a \$3 million retrofit renovation project. The project should begin in January 2009, with the church to be closed for ten months. The church has a three-year loan commitment and the project is ready to go to bid. ***Clem Carinalli made the motion that the Bishop sign the documents for a \$3 million dollar loan at 5.25% over three years. John Moynier seconded the motion and all approved.***

G. Insurance and Human Resources: Mike Urick in the absence of Bob Fish ***made the motion from the committee that the finance council approve the Blue Cross lay insurance plan with the rate increase of 7.6%. All approved.*** Mike also brought up amending the lay retirement plan as requested by our pension administrator, Nicolay Consulting Group. There were several questions and the motion was withdrawn.

H. Development: No report.

9. Other Business: Henry Trione stated that Bishop Walsh had done a most remarkable job in our Diocese. Bishop Cummings, the Bishop of the Oakland Diocese, had stated that Bishop Walsh was to be commended for his excellent work in steering the Diocese of Santa Rosa.

10. Tentative Dates for meetings were set and the meeting adjourned.