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**Diocesan Finance Council Highlights-Approved  
Thursday, March 12, 2015  
Chancery Office – 4:00 p.m.**

**Present were** Monsignor Daniel Whelton, eleven members of the Finance council and four staff members. Following the opening prayer, the agenda was approved as written.

1. The **Minutes** were approved with a minor grammatical correction and the **Highlights** were approved as written.
2. **Comments of Monsignor Whelton:** In the absence of Bishop Vasa, Monsignor Whelton welcomed Bob Fish back to the Finance Council and introduced him to the new members. He also mentioned that Bishop Vasa has purchased a new residence on Manhattan Way. John Moynier said that the council had been informed about the transaction and requested more detailed information on the Canonical requirements for approvals by the Finance Council. Monsignor Whelton explained the limits for alienation of the patrimony for the diocese and the parishes. Dave Adams explained that purchasing a house, (an asset for asset transaction) does not change the patrimony of the Diocese. However, incurring debt, such as a loan for the property does negatively change the patrimony of the Diocese. John Moynier requested, at the next meeting, a clarification of the role of the Finance Council when buying property and would like a review of the due diligence for the purchase of the Bishop's new home. Monsignor reported that Capital Campaign rebates were paid in January to the parishes that had pledges in excess of 80 percent of their Capital Campaign targets. Campaign funds from St. Elizabeth Seton Church in Rohnert Park were also applied to their old construction loan. In March the semiannual payment was made transferring Campaign proceeds into the parish savings accounts at the Catholic Community Foundation. These parishes will be receiving quarterly statements on their savings accounts at the Catholic Community Foundation. Father David Shaw mentioned the listing of campaign pledge cancellations. He wanted to know what would happen if, as a result of the cancellations, a parish dropped below the threshold for payment of rebates. Dave Adams suggested that the Priests Advisory Council would need to consider this.
3. **Report of Diocesan Finance Officer:** Dave Adams reviewed the balances listed in the Finance Officer's Report. The largest change resulting from the purchase of the Bishops house. Dave also reviewed the Accounts Receivable Summary and said that most of the balances were for Property and Liability Insurances that were billed for the entire fiscal year and payments are being made on these balances. He also mentioned the 2013 Annual Appeal shortfalls listed which are still due.
4. **Report of Legal Counsel:** Dan Galvin reported the attorneys had been working on leases and contracts. Dan has also been working with Dave Adams and Clem Carinalli on the Fountaingrove property.
5. **Cash Flow and Budget Committee, Budget Report:** Dan Prince reported that the Budget Committee had met and Dave and Kim are working with the ministries on budgets. Dave explained that the Catholic Extension Society grant will decrease next year and the year after.

Kim Sampietro reviewed the Budget versus Actual Cash Flow reports through the end of February, noting mostly timing variances and positive variances overall.

## 6. Committee Reports

- A. **Membership:** George Ortiz reported that Greg Morgan had received a promotion at Wells Fargo, would be working in San Francisco and is resigning from the Finance Council.
- B. **Communications:** Brian O'Neel reported that the March North Coast Catholic should be arriving soon. He had not received much feedback from the code of ethics controversy occurring in San Francisco and Oakland. Brian also mentioned that he had met with some of the Latino community and had added a picture of Our Lady of Guadalupe and some more appropriate formatting and information to the NCC.
- C. **Investment:** John Moynier reported that the market value of the Diocesan Bond Portfolio as of March 6 and that the average return since inception was 2.6 percent for all three accounts. The committee is pleased with Hutchinson Capital's management of these fixed income funds and will hold the annual review with management in April. John Moynier also reported that the new Investment Committee met a second time and has decided to seek an investment advisor to work within the funds. The committee is looking for a broader view and a wider spectrum of investment opportunities as well as a better yield on investments.
- D. **Audit:** No report.
- E. **Property:** Clem Carinalli reported that there had been discussions with the neighbor of the Fountaingrove property concerning access issues. Clem also mentioned that he had visited the Bishop's new home prior to the purchase.
- F. **Building and Construction:** Dave reported that the committee had met and there had been presentations from St. Vincent Parish concerning remodeling the parsonage. St. Vincent Parish already has the funds available. There was a presentation by Holy Family Parish in American Canyon and they have decreased their project from a \$10 million facility to a multiuse parish hall. Dave is still working with them on evaluating their cash flow and funding requirements. There was a discussion about what percentage of construction costs does a parish or school need to have in cash before approval is given for the project to proceed. No resolution was reached.
- G. **Insurance and Human Resources:** Dave Adams reported that Tracy Williams of Verus will be here to review the health insurance renewal options and rates. He would like Tracy to meet with the Insurance and Human Resources Committee also. Dave is also working on the long term project of becoming self-insured for workers compensation.
- H. **Development:** Dave Adams reported that the rebate checks for the 2014 Annual Ministry Appeal went out last week. Father Shaw had received a note with the new targets for 2015, and the target for Resurrection had increased. In past years, changes in parish targets were reviewed by a sub-committee of the Priests Council.

7. **Other Business:** None.

8. **Tentative dates for future meetings were set and the meeting adjourned.**