

**Diocesan Finance Council Highlights-Approved  
Thursday, September 13, 2018**

**Present** were Bishop Robert Vasa, eleven members of the Finance Council and three staff members. The minutes and highlights of the May meeting were approved without exception.

- 1. Bishop Vasa called the meeting to order** at 4:00 p.m. and led an **opening prayer**. He introduced new member, Anna Hickey, president of Rogers Vineyards. Anna is active in supporting Kolby Trinity School and the Marian Sisters. Bishop Vasa expressed gratitude to all of the members of the Finance Council for their service to the Diocese. The Bishop also mentioned that he had reviewed some of the historical information from the Diocese during 1999 and that the difficult situation then had been helped tremendously by the Finance Council.
- 2. Report of Diocesan Finance Officer:** Dave Adams reviewed the Monthly Finance Officers Report and noted that the balances overall had decreased as a result of paying the property, liability and earthquake insurance invoice for the entire diocese for the fiscal year 2018-2019. Dave also discussed Workers Compensation Insurance, which is paid and billed to the entities each calendar year. Dave also reviewed the Accounts Receivable Summary – Balances over 60 days discussing the problems of some entities. The balance for St. Anthony, Willits is a result of Our Lady, Queen of Peace Mission previously being over charged for property and liability insurances. As the billing inequity has been resolved **Steve Imboden brought forth the motion to write off the balance of \$7,455, Anna Hickey seconded the motion and all approved.**
- 3. Report of Legal Counsel:** Adrienne Moran, in the absence of Dan Galvin reported that Dan had been reviewing construction contracts and assisting with the St. Helena Parish Center problem. Dan has also been working with Marty McCormick and a title company on clearing title to transfer properties to the new parish corporations within Sonoma County. Bishop Vasa said the cost is \$500 per property and the Diocese may pay for this expense. The process will move forward on a county by county basis.  
There is discussion among the Diocesan Attorneys group of a request to release the names of all Creditably Accused Clergy. In our Diocese the names were released in 2003 and we probably do not have more to report. There is another California bill to reopen the statute of limitations on misconduct.
- 4. Committee Reports**
  - A. Budget and Cash Flow Committee:** Dan Prince reported that the committee met and there will likely be a positive variance overall due to the fact that we have less seminarians than were budgeted for.
  - B. Membership:** Bishop Vasa said that Dennis Magatelli had resigned due to a family health problem and welcomed Anna Hickey to the Council. He asked members to bring names of potential members to Dave Adams or himself.
  - C. Communications:** Dave Adams reported that at the North Coast Catholic was currently distributed to 4300 households via direct mail and that 4200 copies are delivered to the

parishes for distribution. With the update in format and distribution the NCC would be sent via direct mail to 40,000 households. The Bishop would like the NCC to be an evangelization tool, with local stories and short, almost tweet style articles that would be attractive and reach Catholics in their homes.

- D. Investment:** Dave Adams reviewed the Chancery/Self Insurance Fund as of August 31<sup>st</sup>. The portfolio did not meet benchmarks for 2018 year-to-date as a result in declines in foreign investment, but overall since moving to Hirtle Callaghan the portfolio has exceeded the benchmark.
- E. Audit:** Steve Imboden reported that the Audit Committee had not met. Dave Adams added that Auditors were on site last week and there were no significant items to report. They are doing their off-site work now and the Audit Committee will meet with the auditor to review the audit in October. The financial statements will be reviewed at the November meeting of the Finance Council. Dan Prince asked Dave to request a more simplified pension footnote within the financial statements. Monsignor Whelton and Dave had been visiting the Deaneries and parishes to review the new Finance Handbook. The next step is to move the parishes to a more current version of Quickbooks and cloud-based data storage. Steve Imboden asked about a common chart of accounts, and Dave replied that there are vast differences in the account structure at the parishes.
- F. Property:** Bishop Vasa said that he would like to sell the Snake Ranch property, but possibly the only way to get rid of this property is to quitclaim deed it to the other owners. Marty McCormick reported that in order to have clear title on the new Priests Retirement home a lot line adjustment would be needed.
- G. Building and Construction:** Dave Adams reported that the St. Helena Parish Center, 547 B Street and Cardinal Newman High School are the major projects. The Parish Hall project at Holy Family Parish in American Canyon has recently broken ground. The loss on facilities at Cardinal Newman and St. Rose should total between \$22 and \$26 million and we have insurance coverage up to within \$2 million of the loss. Catholic Mutual has been easy to work with. Solar energy is being considered at Holy Spirit Parish. Assumption Parish in Ferndale has been remodeling and restoring the interior of their church. They have a \$30,000 matching grant with Catholic Extension Society to assist with their project.
- H. Insurance and Human Resources:** Dave Adams reported when the appraisals were completed in 2016 the values may have been understated as they are in the \$200 per square foot range. As these values are increased it is likely that the insurance costs will also increase. Health care is purchased through RETA, who brokers with Anthem and Kaiser. We are meeting with RETA to learn what options are available and then will meet with the Committee to discuss options for next year.
- I. Development:** Monsignor Whelton reported that the Annual Ministry Appeal for 2018 had a target of \$1,020,921, current pledges of \$1,123,692 and payments of \$891,929. All receipts over target will be returned to the parishes and any shortfall under 85% of target will be charged. Anna Hickey asked when rebates were returned. Kim Sampietro replied that rebates and billing for shortfalls are done in April each year. The Bishop mentioned that with the 2019 AMA year any shortfall under 90% would be billed to the parishes, the following year 95% and during 2021 100% of target will be required.

The Capital Campaign summary sheet was reviewed, with a target of \$23 million, pledged donations of \$22 million, payments of \$15 million, and write-offs/cancellations of \$3 million. Bishop Vasa also noted that there are 5,100 campaign donors and 4,600 appeal donors and that this is about twelve percent of the 40,000 registered households in the Diocese. Joe Barrera suggested that a charismatic person visit the parishes for the Annual Appeal. Father Alvin Villaruel said that the pastor needs to participate. The Bishop mentioned that the number one reason a person gives is that they are asked to.

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