

**Diocesan Finance Council Highlights-Approved**  
**Thursday, May 14, 2020**

**Present** were Bishop Robert Vasa, ten members of the Finance Council and four staff members. Most members participated via phone. The minutes and highlights of the March meeting were approved as written.

**Bishop Vasa** called the meeting to order at 4:05 p.m. and led the opening prayer. He said that the Bishops of California had been meeting weekly by Zoom and that Bishop Soto, as their representative, would be meeting with Governor Newsome tomorrow with a gentle request to move forward with releasing some restrictions on church services. The request would, of course, include social distancing with masks and hand sanitizers. The Church respects the law and science but we would like to emphasize that churches are important to the spiritual needs of the community. Bishop Vasa reported that he had produced four short videos for confirmations, first communions, graduating seniors and finance. Most parishes are doing live stream Masses. Some churches are open for private prayer, while observing local requirements. There is some conflict between local and state requirements but we are trying to abide by local government and state health office recommendations.

1. **Report of Diocesan Finance Officer:** Dave Adams reviewed the Summary of Goals Power Point slide deck, which had been presented to the pastors in March. It outlines payment priorities and the overall strategy for working through the financial aspects of the pandemic, with a priority of retaining employees, while noting that the situation is dynamic. Dave also reviewed the Accounts Receivable Summary and mentioned that Our Lady of Perpetual Help is still in arrears. Dave also reported that the Diocese in-total had received \$7.8 million in PPP loans, of which over \$2.0 million was received by Catholic Charities and \$1.4 million for the Chancery to cover all priests, Chancery staff, and the 25 parishes on Chancery payroll. Anna Hickey mentioned that the PPP loan can be turned into a grant if properly managed. Diocesan wide income has decreased by more than 50% and we do not know when Mass will be allowed again. The schools are severely impacted and St. John School in Napa will be closed.
2. **Report of Legal Counsel:** Dan Galvin reported that the attorneys had been served by two claimants for misconduct and that there was a search for possible insurance coverage. Adrienne has been working on an age discrimination complaint with the EEOC concerning a school teacher. There are weekly calls with the Diocesan Attorneys concerning the production of files and documents requested by the Attorney Generals' office in Subpoenas it served on six of the dioceses. The attorneys have also been working on reviewing the construction contract for Cardinal Newman High School. Dave also mentioned that there is an issue on the property tax exemption for the property transferred to Holy Family Parish and we may need to do amended articles of incorporation for the state on all of our parish corporations.
3. **Committee Reports**
  - A. **Budget and Cash Flow Committee:** Dan Prince reported that the committee met and there were positive variances in total for the nine months ended March 31<sup>st</sup> of \$168,000. Dan asked Dave to review the proposed budget with the committee. Dave said that we

started the process for an annual budget and then decided, with so much uncertainty, to attempt a 6-month budget. The chancery has been effectively closed and so we have used some of the current years' funds for next years' 6-month budget. Our goal is to retain employees and we have frozen wage rates. The budget presented called for an overall subsidy of \$869,346 with \$169,346 from savings and \$700,000 from the Annual Ministry Appeal. **The Budget Committee made the unanimous motion that the 6-month Budget for 2020-2021 be adopted. All approved.** The next 6-month budget for January through June 2021 will be submitted at the November Finance Council meeting.

**B. Membership:** No report.

**C. Communications:** Chris Lyford reported that the North Coast Catholic is now being published on a bi-monthly basis and mailed to 40,000 households. We are transitioning the website to eCatholic in July, with most of the data being transferred in June.

**D. Investment:** Daniel Catone reported that the stock market low point was on March 23 and some of the losses were recovered in April. We are still down by 10 – 15 %, depending on the portfolio, and these losses are in-line with the appropriate indexes. The Committee has also been working on the Catholic Socially Responsible Investing rubric.

**E. Audit:** Steve Imboden reported that the Committee had received a bid from Boden, Klein and Sneesby, our current auditors, in the amount of \$21,250, the same as last year. The committee met via email and decided that as a result of the good service, pricing and familiarity with our operations that we would not request additional bids at this time. **The Committee brought forth the motion to accept the bid of \$21,250 from Boden, Klein and Sneesby for the audit of the financial statement of the Diocese of Santa Rosa for the fiscal year ending June 30, 2020. All approved.**

**F. Property:** Marty McCormick said there was no report. There was discussion of the interest in the vineyard property at St. Joan of Arc Parish in Yountville.

**G. Building and Construction:** Dave Adams reported that the two story class room building at Cardinal Newman High School may start construction in May.

**H. Insurance and Human Resources:** Dave Adams reported that the schools are concerned, as socially distancing school children will likely be a problem. RETA, our health insurance carrier will be forwarding premium credits in July and August. Health Insurance reserves are being used to lessen the increase this year and \$20 of the premium payment is being shifted to the employee from the employer billing. Catholic Mutual has also limited our property insurance increase this year to 4

**I. Development:** Bishop Vasa reviewed the 2020 Annual Ministry Appeal has pledges of \$862,000 and payments of \$596,000 through April 30<sup>th</sup>. This year the parishes were supposed to reach 95% of target, but this needs further consideration.

**4. Tentative Dates for meetings** were set and the meeting adjourned at 5:00 pm.

Respectfully submitted,

Kim Sampietro  
Recording Secretary