

BOARD OF DIRECTORS MEETING

January 25, 2022

Financial Services Room at the Holy Cross Diocesan Center and Virtual Meeting via MS Teams

ATTENDANCE

Board Members Present in person or via phone/virtual:	Msgr. Mark Pierce, Charles Frenette, Fr. Thomas Krieg, Thomas Kieffer, Ellen Smith, William Heiting, and William Tehan
Absent:	Fr. William Dhein
Staff Present via virtual:	Dennis Herricks, Executive Director
Guests via virtual:	Bishop William Patrick Callahan and James Reider, Diocese of La Crosse

CALL TO ORDER

A meeting of the Board of Directors of the St. Ambrose Financial Services, Inc. was duly called on Tuesday, January 25, 2022, at 10:00 a.m. with opening prayer led by Bishop William Patrick Callahan. Roll Call was conducted, and the meeting then called to order.

ORDERS OF BUSINESS

- I. Approval of the minutes from the October 20, 2021, meeting of the St. Ambrose Financial Services, Inc. Board of Directors.
- II. Election of Member & Regular Directors / Officers
 - Bishop Callahan requested, and Rev. Msgr. Mark Pierce accepted another two-year appointment as Member Director.
 - Ellen Smith and William Heiting were elected to a three-year term as Regular Directors.
 - Officers for 2022 are:
 - Rev. Msgr. Mark R Pierce, President
 - Charles Frenette, Vice President
 - Ellen Smith, Treasurer
 - Thomas Kieffer, Secretary
- III. Review of Investments – Dennis Herricks, Investment Committee (*notes from conference calls provided*)
 - Columbia Threadneedle Investment (CTI) f/k/a BMO Global Asset Management (*report provided*)
Transition from BMO to Columbia Threadneedle was completed on December 16, 2021.
 - U.S. Bank Private Wealth Management (*report provided*)
- IV. Director’s Report -- Dennis Herricks
 - Interest Rates – Deposits / Loans (*report provided*)
 - Deposits Balances (*report provided*)
 - Herricks provided an update that deposits have exceeded \$63 million, a quarterly increase of \$2.8M and YTD increase of \$5.8M.
 - Receivables Outstanding (*report provided*)
 - Herricks noted that the matter of the balance past due from St. Bernard – St Hedwig Parish will be a topic for review later in the meeting.

- Loans / Lines of Credit (*report provided*)
 - Herricks noted loan balances continue to decline as the portfolio is now less than \$6 million.
 - St. Michael Parish – paid \$75k principal & \$16k interest.
 - Holy Name Parish – paid total of \$16k to principal on their loans
 - Holy Spirit Parish – paid \$53k to principal on its loan.
 - SAFS Grants (*report provided*)
 - Administration
 - SAFS Website Refresh
 - * Transitioned November 24, 2022
 - * Secured Email was huge benefit for parishes/schools to submit during OE
 - Technology/Security
 - Working with IT provider (Iron Core) to review and enhance Security Protection to achieve greater overall cybersecurity defense that is compliant with CIS 20
 - Health Plan
 - * Open Enrollment saw twice as many submissions as prior OE periods (180+)
 - * Continuation Coverage – Created Documents / Process established / Invoices sent.
 - Summary was provided for Diocese of La Crosse Lay Employees Retirement Plan Deferred Vested Lump Sum Payout project.
- V. St. Bernard – St Hedwig Parish Request
- Fr. Baskaran provided a request/proposal via letter to SAFS for workout of past due receivables due SAFS. The matter was approved for forgiveness of interest/finance charge outstanding (\$30k plus), suspension of interest/finance charge on past due balance provided parish provides payment of at least \$10k quarterly for payment of the past due balance (\$150k).
- VI. Counsel for SAFS
- Msgr Pierce and Tom Kieffer provided a summary on this matter and the conversation with attorney Bruce Arnold with Husch-Blackwell. This firm/attorney will be used for corporate procedures and practices. The firm of Hale, Skemp, Hanson, Skemp & Sleik would be used for matters of contracts, etc.
- VII. Monte Carlo Analysis (*report provided*) and Requests for funds from SAFS
- Monte Carlo report presented that shows the impact of a severe market decline to the SAFS investment portfolio.
 - There was a discussion regarding the matter of SAFS providing funds for specific groups, parishes, and Diocese based on the level of net assets. The matter was tabled pending a future discussion with Bishop Callahan, Msgr. Pierce. James Reider, Tom Kieffer and Dennis Herricks.

ADJOURNMENT

There being no further business to come before the Board as a whole, the meeting adjourned. The Closing Prayer was led by Bishop Callahan.

FUTURE MEETINGS

The Board of Directors of St. Ambrose Financial Services, Inc. is scheduled to meet from 10:00 am until noon on the following dates:

- **Tuesday, April 19, 2022**
- **Tuesday, July 26, 2022**
- **Tuesday, October 25, 2022**

Respectfully submitted,

Thomas J. Kieffer, Secretary