

Annual Meetings of the Boards of Directors
Twin City Catholic Educational System, Inc.
And St. Mary Central High School, Inc.
March 29, 2011

Directors Present: Bishop David Ricken, Deacon Timothy Reilly, Dr. Joe Bound, Fr. Paul Paider, Fr. Mike Ingold, Fr. Richard Allen, Robert Andersen and Steve Butke

Directors Excused: David Mooney

Staff: Michael Sullivan and Jeanne Lee

Guests: Gary Elmer, Meg Brew, Rob Michel, Michelle Dejno, Howard Healy, Eleanor Healy, Mary Jo Brown, Marvin Daniels, Ann Engelhard, Mike Buss

Bishop Ricken called the meetings of the TCCES and SMC Boards of Directors to order at 2:00 p.m. Bishop Ricken led us in an opening prayer.

Approval of Agenda: All members voted to approve the meeting agenda.

Approval of Minutes: The Minutes of Annual Meetings of TCCES and SMC Boards of Directors from 3-26-10 and 2 amendments were reviewed. Rev. Allen made a motion for acceptance, seconded by Robert Andersen. MC unanimously.

Election of New Member:

Director David Voss submitted a letter of resignation from the TCCES Board of Trustees. Bishop Ricken expressed appreciation for Mr. Voss's years of service.

Steve Butke was presented for election to each of the Boards of Directors by Bishop Ricken, Chairman.

TCCES and SMC Boards voted unanimously for election of Mr. Butke.

Election of Officers:

Fr. Mike Ingold – Secretary: TCCES

Fr. Paul Paider – Treasurer: TCCES

Bishop Ricken moved to accept the above, second by Dr. Joe Bound. MC unanimously.

Fr. Paul Paider – Secretary: SMC

Steve Butke – Treasurer: SMC

Deacon Tim Reilly moved to approve the above, second by Fr. Allen. MC unanimously.

Approval of TCCES Board of Trustees:

Deacon Reilly moved to approve the TCCES Board of Trustees, second by Fr. Mike Ingold. MC unanimously.

Financial Report:

Jeanne Lee reviewed the TCCES Profit and Loss Statement and Balance Sheet for the period ending June 30, 2010. The loss for the year was \$175,416.00. This loss included the additional cost in 2010 for the change implemented in the employee retirement program. There were very few surprises on the expense side. The main variance from budget projections to the actual loss was due to the revenue shortfall in the tuition account.

The June 30 Financials for SMC were approved unanimously (Robert Andersen/Fr. Paider)

The June 30 Financials for TCCES were approved unanimously (Fr. Allen/Deacon Reilly)

Foundation/Endowment/Scholarship Report

Jeanne Lee presented a report of the Annual Catholic School Endowment/Foundation as of 6/30/10. The scholarships are *St. Francis Xavier Endowment*, *SMC/Seton Teacher Endowment*, the *SMC Associated Trust Endowment*, *TCCES Tuition Assistance & Scholarship Endowment Fund* and the *TCCES Technology Endowment*. The endowments provide income for operations, scholarships, teachers' salaries, and technology. The total value of the funds as reported on the Balance Sheet was \$1,676,299.

The Endowment/Foundation Report for TCCES was approved unanimously (Fr. Allen/Deacon Reilly)

The Endowment/Foundation Report for SMC was approved unanimously (Robert Andersen /Fr. Paider)

Current Financial Report

Ms. Lee presented the Balance Sheet and Income Summary for the current year through February 28, 2011. Income and expenses are meeting projections with the exception of health insurance. However, a major portion of the 3rd source funding is the fundraiser, Zephyrfest, which will be held on May 7. This event and tuition collections are the unknowns at this point.

A financial report on the *SMC One-to-One Laptop Program* was included with the meeting materials. This is a program for the SMC students' purchase of laptops.

Students have the option of paying for the laptop in full or making monthly payments. The loan will be paid-in-full with payments from the students over a four period.

Ms. Lee also prepared the *Twin City Catholic Education System 2010-11 Financial Aid Scholarship Report*. This report showed the scholarship and endowment income sources and the distribution to the various TCCES campuses. Mr. Sullivan told the group that financial aid requests were up about 8% this year. He also stated that this is the last year that we will receive tuition assistance from the Keller Fund. This \$500,000 grant, which was awarded over 5 years, will be difficult to replace.

Mission Statements/President's Report: – Mr. Sullivan provided everyone with a copy of the TCCES Annual Report, and a bookmark printed with the TCCES mission statement. Also included were copies of the mission statements of the Green Bay Diocese, and each of the five TCCES schools.

Mr. Sullivan shared that faith integration is ongoing in all of our schools. All of our schools are having faculty/staff faith-building meetings during lent. At SMC, Mr. Batey is holding brown bag lunch discussions of the book *A Well-Built Faith*. The three elementary schools and Seton Middle School are teaching sections of the *Catholic Catechism for Adults*. All TCCES faculty are required to achieve advanced religious certification by 2014.

TCCES prints a yearly calendar for their families and this year's calendar incorporated a different name of Jesus on every month of the calendar. All of the principals' monthly newsletters incorporate the theme of the month. SMC and Seton Middle School are using the *Spiritus Team* to assist with their class retreats.

Mr. Sullivan believes that Faith Integration is having an impact on our students. He shared an e-mail that he received regarding a prayer that was led by an SMC student at the VEX Robotics Tournament at Xavier High School. Another e-mail was shared from a representative of the *Knights of Columbus Knowledge Contest* in math and spelling for grades 5-8. Several of our students not only placed well in the local competition but progressed to the Diocesan and Wisconsin State level.

Curriculum development is progressing well. The 1:1 laptop program has been successfully implemented at SMC and technology has expanded at all of our campuses. Seton Middle School now has a portable computer lab. Curriculum alignment continues as a work in progress. SMC is continuing their work with the *Aligned by Design* program. Seton and SMC faculty members have been attending curriculum events together, and all teachers will continue to attend workshops. A new language offering, Mandarin Chinese, will be available in the fall of 2011 due to a generous financial gift.

The Advancement /Marketing staff is working very hard to expand annual fund. Donation dollars are ahead of the best year we ever had. We have received more large gifts, but the number of donors is down. Plans are underway to launch an aggressive

Adopt-A-Student program with our top donors. Fund drives to purchase laptops, smart boards and to renovate the tennis courts at SMC were quite successful.

Our system has seen a 20% enrollment growth in the high school from the previous year. The estimated enrollment at the high school for 2011/12 is 240-245 students. Students come to SMC from 9 different middle schools and Fox Valley Christian school. We also have several students who have been home-schooled up to the high school level. The low enrollment numbers at St. Mary Elementary in Menasha continues to be a challenge and a concern.

Our TCCES Employee Handbook has been completed and presented to all staff members. The handbook includes all the core policies of the Green Bay Diocese with customized sections related to the school system.

TCCES has a strong forensics program from the elementary schools through the high school level. Our fine arts programs have produced several students who will participate in the state solo and ensemble competition at the state level. Our spring musical *Anything Goes* will be presented the weekend of April 1st. All fine arts students in grades 4-12 will also present a *Celebration of the Arts* program at the Appleton Performing Arts Center on Wednesday, April 6th. The TCCES athletics programs have also experienced success this school year particularly by the integration of our Catholic faith and values into the program. All TCCES students and staff participated in an all system Mass during Catholic Schools Week.

Our system does face challenges. The number of tuition assistance applications has increased for the 2011/12 school year. Our line of credit is approaching \$850,000, which is the maximum allowable credit and the reliance on third source funding is approaching 20% and this percentage is too high. *Zephyrfest* and *Jumbo Gumbo* are the only major fundraising events. The increase in cost for our health insurance coverage is a major financial concern for the TCCES system.

TCCES board has missed having a pastor for the Menasha parishes for much of the school year. Fr. Allen will retire later this year, so his replacement and Fr. Paider will both be in their first year serving on the TCCES Board of Trustees.

A priority for the TCCES board for next year will be looking toward our future. Maintaining five TCCES school sites along with the goal of achieving a balanced budget will be studied in depth by the board.

After listening to Mr. Sullivan's summary, Dr. Bound commented that other Catholic systems and schools within the Green Bay Diocese share the challenges and concerns faced by TCCES. Dr. Bound reminded the Board of Directors that a task force had been formed in April of 2010 to study the state of Catholic education. The steering committee is in the process of reviewing the data received from eight different committees and a number of listening sessions from throughout the diocese. The goal is to identify the most important challenges, present solutions and develop a 5-year implementation plan.

Bishop Ricken expressed his desire that the TCCES Board of Directors align their planning with the Diocesan plans for the future of Catholic schools. He directed the Board to keep open communication with the Bishop and Dr. Bound.

Bishop Ricken offered his praise for all of the good things that are happening within the TCCES school system. He believes that we all must work together to continue to provide a quality Catholic education for our students as our gift to future generations.

Parish Subsidy Plan Review

Mr. Sullivan explained that TCCES is in the first year of the original five-year subsidy adjustment plan. Mr. Sullivan has recently met with the pastors with a proposed revised subsidy plan that is spread out over six years and lessens the financial impact on the school system. The pastors have all agreed to the revised formula. Fr. Allen made a motion, second by Fr. Ingold for the TCCES board to accept the new six-year subsidy plan. MC unanimously. Deacon Reilly made a motion for the SMC board, second by Robert Andersen to accept the revised formula. MC unanimously.

Proposed 2011/12 Budget

Mr. Sullivan and Jeanne Lee presented the proposed budget for 2011/12. The budget shows the potential of a balanced budget based upon the revised subsidy, projected enrollment and an increased 3rd source funding. After a brief discussion, Robert Andersen made the motion to accept the TCCES budget and second by Dr. Joe Bound. MC unanimously. Fr. Allen made the motion for the SMC board to accept, second by Steve Butke. MC unanimously.

At 3:20, the meeting was moved to Executive Session for the evaluation of the TCCES Board of Trustees and the TCCES President.

The meeting adjourned at 4:00 pm.

Respectfully Submitted,
Jane Sturn
TCCES Administrative Assistant