

**FAITHFUL SHEPHERD CATHOLIC SCHOOL AND TRI-PARISH CENTER  
BOARD OF DIRECTORS MEETING  
APPROVED MINUTES**

**MAY 2, 2006**

**BOARD MEMBERS PRESENT:**

**ST. JOHN NEUMANN**  
Fr. Charlie Lachowitz  
Faye Heffele  
Steve Hoepfner (7:15 arrival)

**ST. THOMAS BECKET**  
Fr. Tom Brioschi  
Brian Howard  
Kirk Fischer

**CHURCH OF ST. PETER**  
Fr. Rick Banker  
Dan O'Brien  
Sheila Moroney (7:25 arrival)

**OTHER ATTENDEES**

Sister Patricia Beckman, Principal  
Karen Foster, Recording Secretary  
Sarah Collins, Director of Development  
Chris Edinger, Director of Finance  
Jim Fink, Finance Committee  
Mark Lasswell, Chair, Finance Committee  
Joe Polaczyk, Finance Committee  
Tim Simon, Finance Committee  
Jodi Zesbaugh, Finance Committee

DESCRIPTION	DISCUSSION	ACTION BY
<b>Invocation</b>		Brian Howard
<b>Adoption of Agenda</b>	<p><b>Motion:</b> To approve the May 2, 2006 agenda with the following change: 1) INSERT – Principal Search – New Business, item C.</p> <p><b>The motion was unanimously approved.</b></p>	Board
<b>Approval of Minutes</b>	<p><b>Motion:</b> To approve the minutes from the April 4, 2006 meeting with the following amendments: 1) STRIKE – Operations section of Budget Review (omit specifics of position eliminations), 2) CHANGE- Auction Dinner – “submit expenses to Mr. O’Brien” instead of Ms. Moroney.</p> <p><b>The motion was unanimously approved.</b></p>	Board
<b>New Business</b>		
<b>Five-year Plan</b>	<p>Mr. Lasswell, the committee chair, introduced the attending Finance Committee members. Ms. Zesbaugh reviewed the budget methodology, assumptions, highlights, and recommendations for the Five-year plan. The four budget summaries include Operations, Debt Service, Property &amp; Equipment, and Total Budget Summary (Operations, Debt Service, Property and Equipment).</p> <p>The Finance Committee recommends that FSCS initiate a capital campaign in 2006/07 for debt reduction. The urgency of a capital campaign is supported by the projection that the debt service budget will be depleted by 2008.</p> <p>Board reaction to the conservative Five-year Plan follows as detailed discussion of the following questions:</p> <ol style="list-style-type: none"> <li>1) Can a capital campaign reduce debt and/or help operations?</li> <li>2) What are the alternatives to a capital campaign?</li> <li>3) What is the urgency of a capital campaign in light of the flat, conservative assumptions with respect to development and fund raising? Are adjustments necessary?</li> <li>4) Why isn't the budget balanced by the parish subsidy plus the school's operational budget? Answer: See the debt service summary – the interest and principal exceed it. We are funding our debt with reserve cash from the initial capital campaign, and it will deplete. The debt is skewing the operations budget. We can adjust the operations side, but not the debt; therefore it must be addressed immediately.</li> <li>5) Is it operationally necessary or advantageous to expand (delay) instructional salary increases or adjust tuition upward?</li> <li>6) Is a list of priorities valuable for targeting soft campaigns? How can private funding support the operating expenses of the school?</li> </ol> <p>Father Charlie would like to see the \$300k parish operations subsidy go to the TPC fund after the debt is retired. In the future the TPC fund should be used for the capital expenses of the school.</p> <p>The Board agreed on the following:</p> <ul style="list-style-type: none"> <li>• This document is a useful tool for beginning discussion and planning for 2007/08.</li> <li>• Five-year plan review should occur between the Board and Finance Committee annually.</li> <li>• Based on the urgency of the current Finance Committee recommendations, the Board and Finance Committee will revisit the Five-year Plan in October 2006 after STB's capital campaign outcome is known.</li> </ul> <p>The Board requested the following from the Finance Committee:</p> <ul style="list-style-type: none"> <li>• Finance provides a revised plan with more expanded (delayed) instructional salary increases</li> <li>• Finance reprojects assumptions to repair the negative cash flow</li> <li>• Finance generates a timeline for the recommended 2006/07 capital campaign - clarify what would be accomplished each year, and detail the anticipated progression and dollar amounts.</li> </ul>	Kirk Fischer
<b>By-Laws Revision</b>	<p>The first reading of the revised By-laws and Articles of Incorporation occurred.</p> <p>Mr. Howard will collate all revisions and feedback from Board members and forward to Mr. Ginder for review. The second reading is planned for the June meeting and adoption in August if deemed acceptable.</p>	Brian Howard

<b>Principal Search</b>	The first principal selection meeting is scheduled tomorrow evening. The process for determining criteria for candidate selection and meeting strategy were discussed. The anticipated crowd will be reflective of the current state of the school. The targeted selection team number is ten, and the goal of tomorrow's meeting is to identify interview team participants from the parent body.	Father Charlie
<b>Reports of Committees</b>		
<b>Liaison Reports</b>	<b>Development</b> <ul style="list-style-type: none"> <li>• Golf tournament is the second week in August</li> <li>• Septemberfest - five bands have been confirmed</li> <li>• Auction - January 27, 2007</li> <li>• A giving letter to grandparents is in the planning phase</li> <li>• Arts, drama, technology needs assessment is planned with intent to submit grants if pursuing</li> </ul>	Steve Hoepner
	<b>Finance</b> See Five-year plan discussion	Kirk Fischer
	<b>Tri-Parish</b> The committee meets next week	Father Tom
	<b>Marketing</b> Committee meets next week	Sheila Moroney
	<b>Field Site Plan</b> Notable improvements by the City of Eagan are progressing. Mr. O'Brien is making contacts and forming the committee and plans to meet by June 13 <sup>th</sup> .	Dan O'Brien
<b>Principal's Report</b>	Sister Pat distributed the Principal's Report with meeting materials but was not present for the discussion. Mr. Howard will contact Ms. Riesgraf of Home and School to coordinate a recognition event/open house. Mr. Howard will coordinate a Board dinner with Sister Pat and spouses.  <b>Motion:</b> To accept Sister Patricia Beckman's letter of resignation. <b>The motion was unanimously approved.</b>	Father Charlie
<b>Executive Session</b>	Occurred from 6:00 – 7:00 pm.	
<b>Closing Prayer</b>		Brian Howard

**NEXT MEETING JUNE 13, 2006 AT FSCS  
DINNER & EXECUTIVE SESSION AT 6:00 P.M.  
MEETING AT 7:00 P.M.**