

## St. John Vianney Parish Council Meeting Minutes

June 17, 2013

### Members Present:

Fr. Ken Knippel, Pastor  
Fr. Philip Schumaker, Associate Pastor  
Mike Ostrenga, Trustee Treasurer  
Jon Hauser, Chair  
Mark Rye, Vice Chair  
Ken Kern, Secretary  
Bill Hattendorf, School Board Liaison  
Nancy Nelson, Stewardship Liaison  
Maria Pascente, Christian Formation Liaison  
Brian Schloemer, Admin/Finance Liaison  
Rosemarie Wegner, Prayer and Worship Liaison  
Doug Wildes, Human Concerns Liaison

**Guests Present:** Kim Prudlow, next year's liaison from the Prayer and Worship committee

**Call to Order:** The PC meeting opened at 8:50pm, after the committee "Report Outs" at Common Leadership night.

**Approval of Minutes:** Minutes from the May 20<sup>th</sup> meeting were approved without change.

**Pastor's report:** Father Ken reported on these items:

- This year's festival was excellent; a good time was had by all. We hope to end up with a record net income of approximately \$130,000. Father again thanked all who worked so hard on the festival.
- Father reiterated to council what he had told to all committee members gathered for Common Leadership Night earlier this evening, about the unfortunate matter involving the position of school principal. After a lengthy and extensive search and interview process, and after signing a contract and being publicly introduced to students and staff, the newly hired principal resigned. Thus the search process must start over.
- It's been a couple months since the Director of Administrative Services resigned, and John Benson has filled in well as a consultant, but it is time to begin the search process to fill that vacant position.
- Welcome Sharon Roberts to the parish office staff, now on the job to replace Jennifer Ogren.

**2013/14 Budget:** The agenda for tonight's meeting called for review and approval of the budget. As a point of information, this item previously appeared on the agenda for the April 15th and May 20th PC meetings, but was postponed each time. The Admin/Finance committee has been working diligently on this matter, and their hard work is recognized and much appreciated, but they have been unable to come to consensus on a budget. The lack of timely and accurate financial reporting during the past year was a significant problem. The goal, of course, has been to present a balanced budget with realistic

projections for both income and expenses. There have been months of serious discussion in the Admin/Finance committee and there was extensive serious discussion tonight in the PC meeting. It was noted that shortcuts could have been taken such as to be overly optimistic on revenue projections, or to haphazardly cut meaningful past expenditures such as for outreach, just to balance the budget. But that is not what Admin/Finance or PC has done with this budget. Some of the many points made by PC members in the discussion tonight, in no particular order, are as follows:

- We know that expenses are up, and that we are in a tough economy.
- We have operated as a top notch parish and school with high levels of service and outreach.
- While a budget is expected to be accurate, it is still an estimate going forward, a work in progress, a “hope and a prayer”.
- Perhaps given more time, the Admin/Finance committee could approve a balanced budget.
- The lack of accurate and timely financial reports in the past has made it difficult, if not impossible, to track expenses versus budget. This problem is believed to be corrected going forward.
- In the financial world, it is unheard of and considered fiscally irresponsible to pass a deficit budget.
- We cannot change what has happened in the past.
- We must be more fiscally responsible and disciplined in the future.
- Perhaps communicating this deficit budget scenario to the parishioners will cause some who may not have contributed in the past to consider doing so in the future, a “wake-up call” so to speak.
- If we pass a deficit budget tonight, it is certainly not an affront to the Admin/Finance committee.
- We may need to “take our tastes down from Cadillac to Chevy”.
- We need to wisely manage and control fees paid to consultants.
- This unbalanced budget may result in the parish using up existing reserves in the coming year.

Father Ken made very clear his request that PC consider the budget tonight, with full awareness of the problems, and with a firm intention and resolve to “turn it around.” He again acknowledged and thanked the Admin/Finance committee for their hard work, and restated his opinion that it is unwise to go into the next fiscal year without a budget. As he recognized that there were differences of opinion around the table, he called for a vote. The budget passed by majority vote. After the vote, Maria, as incoming chairperson for next year, stated her intention that PC will work to develop strategies focused on reversing the deficit and recommend ways that each committee can support a balanced budget for next year. To summarize, it is believed the budget challenges are the result of an ever increasing overall cost structure around wages, health care and heavy spending on an aging plant and equipment, plus the addition of services to meet the needs of our mission as a Catholic Faith community, all in the face of flat contributions. This combination caught up with us this year. Going forward, if we do not see any meaningful increase in stewardship, we’ll have to adjust our parish mission and staffing model to balance with the new fiscal reality. This will be watched closely and early in the next fiscal year.

Due to the lateness of the hour, and in light of each committee having already given a “report out” earlier in the evening, further reporting by the committee liaisons was deferred. After prayer, the meeting adjourned at 10:30pm with the exchange of the sign of peace.

Minutes respectfully submitted by Ken Kern, PC Secretary.