

# Maintaining the Momentum Handout

## Addressing the Future:

- Through the work of the Property and Finance Board and outside consultants, we realized we needed to be proactive and had to solve the growing gap between our income and expenses – a gap that could be as much as \$100,000 beginning with the fiscal year that begins in July 2012. The solutions we come up with need to be sustainable and move us forward financially.
- To be sure, no one is at fault for the situation we're in. Over the past few years, trends have shown that voluntary income from Sunday Collections and other parish and school fundraisers is mostly flat. We are trying to substantially lower our current costs so we can accommodate expenses we know will be coming in the next three years. Some of those expenses include rising staff costs, maintenance and increases in Archdiocesan assessments.
- Parish Leadership is committed to living within the financial means you provide.
- Without making substantial changes, the parish will face a budget shortfall and won't be able to cover our costs.
- Your generous contributions to our parish life, as well as income from fundraisers such as the parish festival and calendar raffle make up what we call the Common Parish Resources. Leadership uses the Common Parish Resources, or CPR, to serve the common mission of the parish.
- The total amount of Common Parish Resources is budgeted to be about \$957,000, which is equal to the prior year's actual contributions.
- We are very aware that you give generously to both Sunday collections and the capital campaign, which is used to pay off the debt incurred in the construction of the PAC. We have made great strides with the capital campaign. Of the nearly \$5 million in facility improvements and construction, the parish has paid off \$3.4 million plus interest of \$1,054,000.
- A majority of Common Parish Resources funds religious education both in the school and through faith formation programs; the ministries of Liturgy and Music and Pastoral Care also benefit from this income. Finally, we also use these resources to pay Archdiocesan assessments and administrative costs.

## Anticipated Needs:

1. **Salary increases:** Our staff has not received a salary increase in 4 years. Lay staff work for the love of the church and receive less than they could make in the private sector. Parish leadership feels it is time to increase the compensation to the staff in a very modest way.

2. **Improvements:** As detailed in the Parish Financial Report, the church is in need of major capital repairs. For example, we know the metal molding around the front of the church will need to be replaced in the near future at a cost of \$66,000.
3. **Savings.** Your family needs a savings account – so does this spiritual family. Parish leadership would like to increase the amount of reserves in the bank. Currently the parish has dedicated investments that we use as they are intended. However we do not have enough unrestricted reserves to operate in times when collections and tuition payments come in more slowly. A reasonable practice for a healthy business or household would be to have roughly 2 months of operational expenses in savings, which for this parish is \$350,000. The amount we put into savings currently is \$12,000 per year, by 2014 we would like that amount to grow to \$36,000 per year.
4. **Inflation.** As you know, expenses tend to go up over time. We will always be diligent in controlling costs, but some increase must be expected. We need to allow for future growth in expenses.

## Arriving at a Solution:

- To holistically address the forecasted \$100,000 deficit in FY2012/13, multiple leadership teams at St Wenceslaus invested many hours over the past 6 months in pursuit of sound proactive solutions.
- A steering committee made up of members of the Property & Finance Board, Parish Coordinating Council and the School Advisory Board was formed to provide leadership for the Maintaining the Momentum Initiative. Over that time the Steering Committee worked in close collaboration with Father Kevin and the various parish leadership groups. Together they brainstormed more than 30 scenarios to reduce expenses in many areas of the parish, to increase revenue streams and to make structural changes to the way activities are performed today.
- While evaluating the various solutions, the parish council had criteria to follow: The solutions had to be reasonable and sustainable, the solution must be fair, and the solutions must recognize the needs of all ministries and be consistent with demographic and economic realities. The ministries we support: Religious education, pastoral care, liturgy and music and parish and community life.

## The Proposed Solution:

1. The parish will look at prudent ways of increasing revenue through a more consistent understanding of stewardship as a way of life.
2. The parish will find operational efficiencies. The parish will look for *efficiencies to better utilize monetary and human resources*, which may include the way we have our accounting set up and exploring ways to enhance the working

relationship between our religious education ministries, the school and Faith Formation.

3. Concrete cost-cutting measures are proposed in order to ensure the viability of our parish. The Parish Council recommended that \$80,000 of the proposed cuts come from St. Wenceslaus School and \$20,000 from Administration. The specifics of those cuts are at the discretion of the head of each of those areas.

## **Why the School?**

- Research shows that there are fewer children in our parish. Although the school's enrollment is lower than in previous years, we are reaching a greater percentage of the children in our parish.
- Each student in SWS gets \$781 and each student in FF is allotted \$312 from the common resources of the parish. Please remember the K-8 public school students receive an hour and 15 minutes of weekly religious education and the students in our school receive their religious education within the context a 5 day a week school curriculum of multiple subjects with religious education integrated into the experience.
- Some of the ministries of our parish are minimally staffed and funded. To take money away from those ministries could severely impair them, or even eliminate them.

## **Conclusion:**

It is our hope that by better understanding how the parish operates – both spiritually and financially – you will understand why the parish leadership has recommended the changes you've heard today. It is also our hope that come our January Stewardship drive everyone will do their very best to respond and support financially the ministries of our parish. We are doing our part – just like you do yours – to maintain the momentum.

## Feedback:

Thank you for reviewing this information and taking time to listen to the findings of your parish leadership. As the time line indicated, we are not finished with this process. We are in the phase of soliciting community feedback on these plans before any final decisions are made. To that end we offer you the following options for telling us what you think.

1. Write a letter and please address it in the following way:

Maintaining the Momentum  
Church of St. Wenceslaus  
215 Main Street East  
New Prague, MN 56071

2. E-mail your comments to [Momentum@Saintwenceslaus.org](mailto:Momentum@Saintwenceslaus.org)
3. Share your ideas with a member of parish leadership. Their names are listed below.

Steering Committee	Parish Coordinating Council	Property and Finance Board	Staff
Fr. Kevin Clinton Peter Guzulaitis Al Beatrez Mary Jo Haeg Nicole Hvidsten Paul Sirek Chad Wieskus	Peg Anzelc Mike Breiner JeNean Erickson Jerry Fried Pat Friedges Kathy Giesen Nicole Hvidsten Ben King Virgil Pint Rose Scaramuzza Vera Schoenecker Clare Schumacher Pamela Sherlock Beth Vander Heiden Chad Wieskus <b><u>Trustee:</u></b> Robb Schoenbauer	Peg Anzelc Ben Bartusek Al Beatrez Dan Bible Mary Jo Haeg Ben King Joe Meyer Paul Sirek <b><u>New Members:</u></b> Bill Kessler Elizabeth Bartusek Pat Sullivan	Fr. Kevin Clinton Kim Doyle Deacon Bob Wagner Peter Guzulaitis Mary Higgins Donna Mae Kadrlík Laura Schoenecker Andrea Gibbs Ann Marie Witt Ruth Weinandt Tammi Tikalsky

The Parish Coordinating Council will review all the responses we receive as we move towards a final plan.