

Bishop Bosco Center and Queen of Angels Catholic School Chronology **Compiled November 2010**

The following details have been delineated within a chronology to provide clarification relative to the origin and transitions of the Bishop Bosco Center building with regard to its owner parishes and the Queen of Angels Catholic School. This chronology is meant to provide clarification relative to the past, present and future of the Bishop Bosco Center building as it relates to the owner parishes and the Queen of Angels Catholic School.

On July 28, 2005 the Bishop Bosco Center was purchased for \$750,000 from the Norwin School District by the four parishes as listed in the deed – Immaculate Conception Church, St. Agnes Church, St. Barbara Church and St. Elizabeth Ann Seton Church. A percentage of ownership was agreed upon by the four parishes as delineated herein: Immaculate Conception Church 26 percent, St. Agnes Church 31 percent, St. Barbara Church 27 percent and St. Elizabeth Ann Seton Church 16 percent. The owner parishes made this purchase with the assistance of a \$140,000 loan from the Catholic Institute, \$100,000 from a Catholic Institute line of credit and additional parish funds. The total line of credit granted to the owner parishes from the Catholic Institute on July 26, 2005 was in the amount of \$500,000. The parishes utilized the line of credit and donations to bring the building into an operating condition, as the building was in significant need of repair. The responsibility for the repayment of the above loan and line of credit was in the same percentages as listed above.

The building was purchased and erected as the Bishop Bosco Center in order to support the future of the Catholic Church ministries in the North Huntingdon region in the following manner: House the administrative offices of Immaculate Conception, St. Agnes and St. Elizabeth Ann Seton Churches (which never materialized), as well as their ministries, including youth ministry events and services for the region, faith formation activities for the region, and provide general support for the overall ministries tied to these three parishes – with a gymnasium and auditorium providing the ability to host large audiences. The Bishop Bosco Center would also provide a venue to house Queen of Angels Catholic School.

During the 2005-2006 school year, Queen of Angels Catholic School paid \$140,000 to the Bishop Bosco Center as rent for the portion of space and time that the Bishop Bosco Center building was utilized for the school. The operational cost of the Bishop Bosco Center was more than double this amount.

The Bishop Bosco Center hosted other events in the building during the 2005-2006 school year, but these events did not cover the cost to operate the facility. Therefore, the owner parishes were responsible for the overage of costs incurred by the Bishop Bosco Center.

During the 2006-2007 school year, Queen of Angels Catholic School paid \$168,000 to the Bishop Bosco Center as rent for the portion of space and time that the Bishop Bosco Center building was utilized for the school. The Bishop Bosco Center hosted other events at the building during the 2006-2007 school year, but these events did not cover the cost to operate the facility, and the owner parishes were responsible for the overage of costs incurred by the Bishop Bosco Center.

In July of 2007, the Board of Pastors of Queen of Angels Catholic School, school administration and diocesan leadership met and decided to have the school assume the operational costs of the Bishop Bosco Center. This decision was made in order to assist the parishes with the cost of the Bishop Bosco Center. The parishes had difficulty paying the cost to operate the Bishop Bosco Center, however the school had a fund balance of more than \$150,000. The annual operating cost of the Bishop Bosco Center was approximately \$337,000. The Queen of Angels Catholic School paid this amount during the 2007-2008 school year, since there was no other significant revenue source for the payment of the annual operations cost. It was also agreed that the owner parishes would pay the school a total of \$50,000 (split four ways among the owner parishes) annually for two year. In addition, the owner parishes would continue paying the interest on the Bishop Bosco Center line of credit (approximately \$18,000 annually), again split four ways. Both the \$50,000 (per year over two years) and the interest payments were to be allocated according to the same percentages listed above.

The above agreement was memorialized in a letter dated July 12, 2007. However, in July 2008, due to a combination of events and considerations discussions took place among the owner parishes, school and diocesan leadership to evaluate possible approaches for handling the operational costs of the Bishop Bosco Center. In the fall

of 2008, while the above was being evaluated, two organizations approached the diocese with an interest to acquire or lease the Bishop Bosco Center building. In December of 2008, the owner parishes authorized a commercial realty firm to handle negotiations for this possible purchase or lease.

In April of 2009, representatives from St. Agnes Church met with the Board of Pastors, school and diocesan leaders to explore the possibility of building of a new school on St. Agnes Church property. This was considered due to the possible sale of the Bishop Bosco Center building. In addition, St. Agnes Church and the diocese had been successful in their law suit to recover costs from the loss of the St. Agnes building.

The Bishop Bosco Center building sale never materialized. Therefore, the Queen of Angels Catholic School remained at the Bishop Bosco Center site under the agreement made with the owner parishes for the 2007-2008 and 2008-2009 school years. During the 2009-2010 school year, the school continued to bear the costs of the Bishop Bosco Center, which caused the school to spend down its fund balance.

The Board of Pastors and diocesan leaders continued to discuss considerations in handling the facilities costs and building maintenance needs at the Bishop Bosco Center. The following was agreed upon moving forward into the 2010-2011 school year:

1. The school would receive 10 percent of the monies acquired by the St. Agnes Church law suit.
2. The owner parishes would remit payment of the \$50,000 to the school, as agreed to for the 2007-2008 school year, and the payment of \$50,000 to the school as agreed to for the 2008-2009 school year, since these payments had not yet been made. The school also paid the interest on the owner parishes' line of credit for the Bishop Bosco Center over these two years. The owner parishes would reimburse the school for this interest in the amount of approximately \$57,000.
3. The Queen of Angels Catholic School administration and the Board of Pastors have reduced the operational costs of the Bishop Bosco Center building so that the costs are no longer inordinate.
4. The school will be responsible for the operational costs of the building moving forward.
5. With the above provisions, the school is forecasted to have a fund balance of approximately \$250,000 in June of 2011.
6. The owner parishes of Immaculate Conception Church, St. Barbara Church and St. Elizabeth Ann Seton Church still owe the remaining principal on the line of credit in the amount of \$345,000, plus their accrued interest to date. St. Agnes Church previously paid their allocated portion of \$155,000, plus their accrued interest of approximately \$7,000.

Author: Trent D. Bocan, Superintendent
Office of Catholic Schools