

Congratulations to the Church of St. Rita on its 50th Anniversary and on its New Addition



Catholic Finance Corporation (CFC) is privileged to work in partnership with many different parishes and schools in several capacities. One of the primary roles we play is in financing capital projects. Recently, CFC had the opportunity to participate in a new addition at St. Rita Catholic Church in Cottage Grove.

The Church of St. Rita in Cottage Grove was incorporated as a parish of the Archdiocese of St. Paul and Minneapolis on Sept. 1, 1966. Fr. John Brandes, the first pastor, recruited families from St. Thomas Aquinas in St. Paul Park to join the new parish, and began holding Mass for 350 families at Park High School until a church structure could be built. The parish's first building, a modernistic structure constructed of white cinderblock, was completed in 1969. In 1986, additions including a worship space, sacramental areas, and offices were completed on the east and west sides.

To address the growth of the parish catechetical programs, Fr. Bill Deziel formed a committee in 2010 to begin planning an addition to the church building. Fr. Rick Banker, the current pastor, continued this effort to its successful conclusion, and the new

addition was dedicated on April 17, 2016, as part of the 50th anniversary celebration. The expansion was built on the north side of the current structure, adding much-needed classroom and education space, a new north entrance and elevator to improve accessibility to the building, and expanded parking.

In the course of project planning and during construction, St. Rita did a few things not done historically that other parishes could consider incorporating if they are planning a construction project. First, St. Rita worked with the contractor, Langer Construction, to separate the invoicing on the project into two segments, rather than a lump-sum contract. One segment of the project was labor, and the other segment of the project was materials and supplies. Since St. Rita is tax exempt, it designated the contractor as its purchasing agent, but itself took title of the materials and supplies at point of delivery, bore the loss of materials and supplies, and was responsible for defective materials and supplies. By doing so, the church was considered the purchaser, and the materials and supplies used on the project were exempt from taxes. Second, during the construction project, the regulatory bodies required additional fire safety precautions to be put in place. The church decided to finish the entire project at one time rather than have the contractor come back for another phase. Since the parish had right-sized the project in the first place, it was within their budget to add incrementally to the loan from Catholic Finance after receiving the appropriate proxy. They will incur more interest expense for the project, but be ahead in the end, because of the cost savings achieved by not having the contractor come out for a second phase.

Congratulations to the Church of St. Rita (continued)

The 50th anniversary celebration on April 17th included Archbishop Hebda, Fr. Banker, and several former pastors, including the founding pastor and Father Evan Koop, who grew up at St. Rita. The Church of St. Rita is very much looking forward to using the new space to serve 275 children in Elementary Faith Formation, 280 youth in junior/senior high programs, families, parent programs, discussion groups, service events, and much more.

We at Catholic Finance Corporation are thankful for the opportunity to be a part of this and many other projects that revitalize our local churches. To see photos of the 50th anniversary celebration go to catholicfinance.org/newsletters. If we can assist your parish with any capital improvement projects or technology loans, please call us at (651) 389-1070.



50th anniversary celebration on April 17, 2016

K-8 Catholic School Benchmarks: Excellence in Catholic Education Initiative

In cooperation with the Office for the Mission of Catholic Education, CFC has been collecting, and has facilitated the standardization of, financial data for K-8 schools. In time, the goal was to provide benchmarking data back to the schools for planning purposes. The following indicators have been calculated for FYE 2015:

- Total expenses per school: includes operating expenses and does not include program, fundraising, or extraordinary expenses
- Cost to educate: total K-8 operating expenses/K-8 enrollment
- Salaries and benefits: calculated as a percentage of total expenses
- Average tuition collected: K-8 net tuition after financial aid and discounts/K-8 enrollment
- Tuition: in total, calculated as a percentage of total revenue
- Fundraising/donations: in total, per student, and as a percentage of total revenue
- Parish investment: includes direct and allocated expenses to the school and is stated in total, per student, % of total parish revenue, and % of parish envelope and plate
- Enrollment: includes K-8 enrollment by grade and in total

For the benchmarks this year and the last two years, go to catholicfinance.org/newsletters. Please contact Judy Logan or Mary Vang for more information.

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