

LCL PARENT MEETING

Monday, December 7, 2009

7:00pm

Two Major Financial Challenges

- Operational (day-to-day) Deficits
 - Balancing the Budget
- Long Term Debt
 - Paying the Mortgage and the Capital Campaign

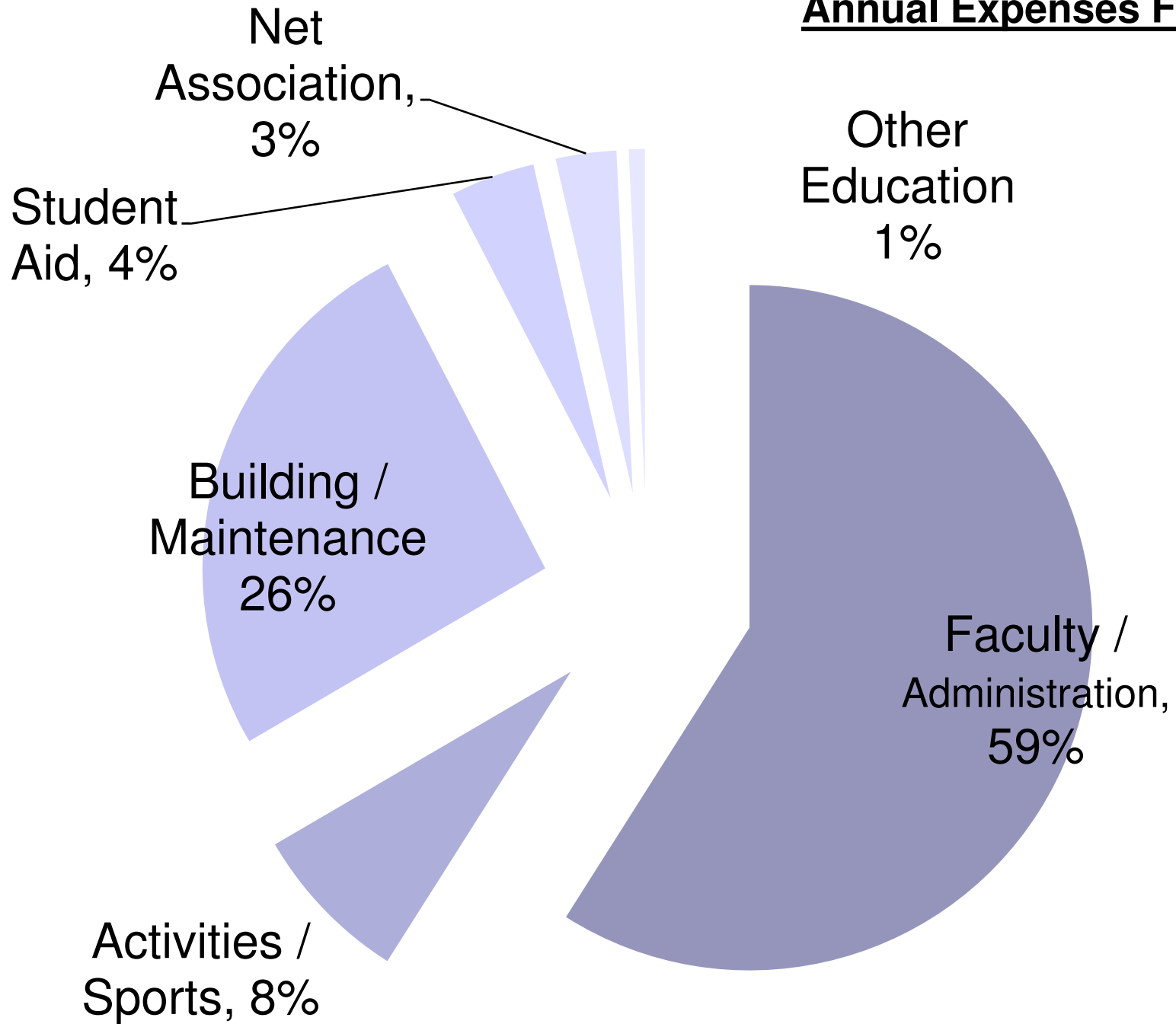
Balancing the Budget

- Income
 - Increase enrollment
 - Raise tuition to close the gap of the cost of education
 - Increase fundraising opportunities i.e. rental of facilities, host events, etc.

Balancing the Budget

- Expenses
 - No faculty salary raises
 - Change health insurance plan
 - Reduce a faculty/staff position
 - Reduce budgetary spending
 - Double the Financial Aid money available

Annual Expenses FY 2010



Current School Year

Cost of Education	\$10,313
Full Tuition	\$6,995
Average Faculty Base Wages	\$33,843
ACT Score (prior year)	24.4
<u>Student Make Up:</u>	
Males	55%
Lutheran	55%
Minority	2%
Resides with both parents	84%

<u>Other Schools (07 / 08)</u>	<u>ACT</u>	<u>Cost*</u>
Oconomowoc	22.4	\$11,116
Pewaukee	23.4	\$12,814
Hartland		
Arrowhead	24.2	\$11,777
Waukesha	22.7	
* All District Schools		
https://wlds.dpi.wi.gov/spr/districtreport		

2009-10 Tuition at Local Private and Christian High Schools

- Brookfield Academy \$14,535
- Catholic Memorial \$9,350
 - (supporting parish member) \$8,350
- Lakeside Lutheran \$8,725 (+190)
 - (supporting parish member) \$5,000 – \$8,200
- University Lake School \$14,200

Lake Country Lutheran 2010-11 Tuition Information

- Cost of Education per Student \$9,889
- Association Gift Aid (\$1,394)
- Tuition for 2010-11 \$8,495
- Partner Church Gift Aid *** (\$1,100)
- Partner Student Tuition \$7,395

Lake Country Lutheran 2010-11 Tuition Information

*** Students who are certified by a Pastor of one of the Partner (Association) Churches are eligible to receive the Partner Student Tuition rate. These Association churches collectively own and operate the three high schools, have constructed each school's campus, and together provide over \$1.5 million dollars annually towards the operation of the schools.

Lake Country Lutheran 2010-11 Tuition Information

- Our Financial Aid Program, run by a company called TADS, has been doubled to meet the needs of our students
- Priority deadline for filing for financial aid is April 15, 2010
- Notification to families will begin on May 1, 2010

Investing in Your Student's Future

- Proverbs 22:6 “Train a child in the way...”
- Outstanding academic preparation for both college and life
- A Christian worldview perspective
- Inclusion through extra-curricular programs
- Lifelong relationships with friends and faculty – family!

Long Term Debt The Capital Campaign

Todd Moritz

CEO, The Lutheran High School
Association of Greater Milwaukee

The Financial Realities

- Debt is too high
 - \$27MM
- Operating deficits past several years
 - (\$1.4MM) last year;(\$4.2MM) LTD
 - Released \$1.4MM endowment designated funds
- Borrowed from ourselves
 - \$1.1MM from Endowment
- Debt capacity maxed
 - \$1.5MM Line of Credit fully utilized
- Current cash reserves not adequate beyond spring
- Not a sustainable model

Campaign for our Association

- \$3.0MM challenge if we can raise \$6.0MM by February 28, 2010
 - \$1.4M annual interest expense for 2010
 - \$1.6M annual interest expense for 2011
- Inability to raise funds needed could result in loan default
 - Cash reserves depleted
 - Debt capacity extinguished
- \$1.0M + road construction remains

Results to Date

- Pledges - \$2.5 Million
- From LCL Families - \$734K (29%)

- Number of LCL families 185
- Number attending a gathering 61
- Number of gathering pledges 13
- Total Number LCL pledges 59
- No family response (68%) 126

We need your help

- High expectation to participate
- Low pressure on what to do

Please make a pledge

- Five year commitment
- God knows our future
- Nothing too little
- Nothing too big 😊
- Not everyone can make a large gift, but everyone can do something
- Consider a sacrificial gift

Realities

- This campaign is about “us” as an Association.
- “We” stepped out in faith at LCL
- Failure is not an option
- We could lose our schools

More ways you can help ...

- Pray for the schools and our leadership
 - Prayer meetings Friday, 7am at LCL
- Help us with a successful campaign
 - Make a gift
 - Hold a gathering
- Speak positively about our school
 - seek clarification where necessary
- Tell us what we can do better

Stop dwelling on past events and brooding over days gone by. I am about to do something new; this moment it will unfold. Can you not perceive it? Isaiah 43:18-19

My vision: Three healthy, viable and growing schools

More Information

- Information on tables
- www.lhsagm.org
 - Click on CEO
 - Frequent Updates
- My information:
 - tmoritz@lhsagm.org
 - (414) 421-9100 ext. 222
 - (414) 208-8469 (cell)
 - Come see me 😊

Questions & Answers