

Monday, August 23, 2010

To the amazing supporters of The Lutheran High School Association of Greater Milwaukee

With extreme thankfulness to God, I am pleased to inform you of some AWESOME news.

As you all know, last year was a year of big change and transition for our Association. Extreme financial pressure challenged all of us in unimaginable ways. Yet through it all, we stayed faithful to the mission and focused on the prize knowing that God would be faithful and direct our steps for His ultimate good and glory.

Last week, the Association finalized some very important transactions:

- **We have endorsed a five-year financial plan that enables us to direct all of our future \$6 million challenge campaign receipts to debt reduction.** *All receipts from March 1, 2010 through the completion of individual's pledges will go to reduce our long-term debt. We estimate that over \$3 million will be paid down in the next five years with almost \$500,000 being paid down in the month of September.*
- **Terms of \$3 million challenge match have been secured!** *In a written agreement with our anonymous donor, the payments that we make to reduce our debt will be matched, up to the \$3 million dollars. That means when we make our debt reduction payment in September, it will be matched.*
- **We have been blessed by another, \$3 million anonymous pledge!** *This new donor has committed to gift the Association \$3 million over the next five years. While this additional gift will be used exclusively for debt reduction, it is also being given to provide encouragement for the Association's "R³ Schools Campaign," a campaign committed to significantly rebuild, restore and renew each of our three existing high schools. This gift will be made to the Association by matching the original \$3 million challenge grant. That means that approximately \$1.5 million of debt reduction will occur in just in September!*
- **We have reached a new, restructured debt package with our lender, Thrivent Financial for Lutherans.** *Because of the success of the prior campaign, the Association's commitment to run the schools in a fiscally responsible way and the acquisition of an additional \$3 million debt reduction commitment, Thrivent has agreed to reduce their interest rates on a majority of the Association's debt. This agreement reduces the Association debt service payments gives us the ability to produce a cash neutral financial forecast. This agreement with Thrivent represents a significant commitment by both parties to ensure that Lutheran secondary education continues to remain strong in the Greater Milwaukee Area.*
- **Thrivent and the Association have also agreed to a long term, 30-year financing package.** *This loan agreement is similar to the type of mortgage agreement that most homeowners have with their lender. This is a significant matter for the Association because it gives us long term financial stability for many, many years to come. The cloud of long term financing and the ability of the Association to meet its debt service requirements have now been lifted! Praise God!*

- As some folks know, Lake Country Lutheran is blessed with a developed campus of 50 acres, larger than either of our other two schools. Further, 50 acres of vacant land to the south side of Campus Drive was secured years ago for future development. *Lake Country Lutheran committed to the Village of Heartland, when construction of the new school began, to extend Campus Drive to Highway K (going past Arrowhead High School). By agreement, this road must be completed by the fall of 2011.* In order to obtain the cash necessary to complete this project, **the Association has tentatively agreed to the sale of the 50 acres of vacant land.** The buyer has no current intentions of developing the land and we working on an agreement where we can continue to use the land for Cross Country purposes

Words cannot express how tremendously positive this news is. We now have a financial position that makes it possible for us to realistically believe that we can operate within our means for a long, long time. Between the items listed above and success with the R³ campaign, we should be able to reduce our long-term debt from \$25.5 million to \$13.3 million in just five years.

It has always been fascinating to me to read the account of Jesus feeding the 5,000 in Mark 6:30-44. What is interesting is that right after this miracle, the disciples had no clue how Jesus could solve the next problem (Mark 6:51-52). They had recently watched Him do a miracle, but somehow they missed it.

We have witnessed a miracle.

I hope you can pause for a moment, thank God and just enjoy the blessing of being able to watch something so amazing happen. God did a tangible and huge miracle in our midst. And equally impressive is there is not one person who can take credit for any of this. Clearly it is a God thing.

I hope we don't miss the miracle.

So, thank you for your energy, effort, and perseverance. Thank you for your prayers and your financial support. Thank you for your encouragement and for your congregational involvement. Because of your faithfulness, we now are in a position to take our schools to a whole new level.

Well done good and faithful servant.

To God the glory!

Todd Moritz
CEO/Executive Director
Lutheran High School Association of Greater Milwaukee