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LHSAGM Delegate Meeting
May 25th, 2023– 7:00pm

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Nathan Gabler
Board of Directors, Chairperson

Call the meeting to order

Welcome to the New Delegates

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Focus on the Word: Mark Bahr– Head of Schools

School Theme for 2023 - 24

Preach the Word.
2 Timothy 4: 2-5

Preach the word; be prepared in season and out of season; correct, rebuke and encourage—with great patience and careful instruction. ³For the time will come when people will not put up with sound doctrine. Instead, to suit their own desires, they will gather around them a great number of teachers to say what their itching ears want to hear. ⁴They will turn their ears away from the truth and turn aside to myths. ⁵But you, keep your head in all situations, endure hardship, do the work of an evangelist, discharge all the duties of your ministry.

Let us Pray. **WeTeachTruth.org**
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Items Requiring Delegate Action

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Approval of Previous Meeting Minutes: # D23-5-1
Approval of changes to Articles of Incorporation: # D23-5-2
Approval of changes to Association By-Laws: # D23-5-3
Approval of the Association Church Member Agreement: # D23-5-4
Renewal of Board Members (2-year Terms): # D23-5-5
Approval of New Board Members: # D23-5-6


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John O'Connor– Board of Directors, Secretary

Reading of the Minutes of the September 22nd, 2022, Delegate Meeting.

Motion #D23-5-1: Request a motion to approve the Minutes of the Sept. 22nd, 2022, Delegate Meeting as read and presented tonight on May 25th, 2023 by the Board Secretary.

Motion / Second / Discussion / All those in Favor




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**Nathan Gabler
Board of Directors, Chairperson**

Motion #D23-5-2: Request a motion to approve the changes to the “Restated Articles of Incorporation” as presented in March 2023 and recommended by the Board of Directors to the delegates for approval.

**Request Motion
Second
Presentation / Discussion to Follow**



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**Articles of Incorporation Changes
Cole Braun, CEO**

Significant Changes to the Articles of Incorporation

1. Change all “President and Vice-President” to “Chairperson and Vice-Chairperson”
2. Promote Lutheran Education: Expand the geographical areas and levels of education.
3. Change Language to reflect the correct governing documents. By-Laws
4. Change regular, associate, and qualified members to just state: “Members”

Article 12 – Section 1. Clarification
Only congregations affiliated with the LCMS, and such other synods with whom doctrinal unity has been established, may be or become a member congregation. (THIS IS NOT A CHANGE)



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**Nathan Gabler
Board of Directors, Chairperson**

Motion #D23-5-2: Request a motion to approve the changes to the “Restated Articles of Incorporation” as presented in March 2023 and recommended by the Board of Directors to the delegates for approval.

Vote: All those in favor?

Paper Ballots are available if desired




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Nathan Gabler
Board of Directors, Chairperson

Motion #D23-5-3: Request a motion to approve the changes to the “BY-LAWS” as presented in March 2023 and recommended by the Board of Directors to the delegates for approval.

Request Motion
Second
Presentation / Discussion to Follow



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BY-LAWS Changes
Cole Braun, CEO

Significant Changes to the BY-LAWS

1. Change all “President and Vice-President” to “Chairperson and Vice-Chairperson”
2. Board of Directors, Board Members, and Member Congregations Consistency.
3. Allow a Max. of 20% (rounded down) of Voted in Board Members to be “At Large”

All Board Members MUST be approved by the Membership Congregation delegates and MUST be renewed every two years by the delegates. (This is NOT a change)



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Nathan Gabler
Board of Directors, Chairperson

Motion #D23-5-3: Request a motion to approve the changes to the “BY-LAWS” as presented in March 2023 and recommended by the Board of Directors to the delegates for approval.

Vote: All those in favor?

Paper Ballots are available if desired




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Nathan Gabler
Board of Directors, Chairperson

Motion #D23-5-4: Request a motion to approve the New “Association & Member Church Partnership Agreement (AMCPA) to replace the current “Great Commission Model / Partnership Formula.”

Request Motion
Second
Presentation / Discussion to Follow




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Association & Member Church Partnership Agreement
Cole Braun, CEO

Significant Aspects of the AMCPA – Takes Effect JULY 1st, 2024

1. Intent: Remove ALL transactional (commodity) aspects of the Churches / Association relationship. It is Limiting, restricting, creates barriers, we / they, what do "I GET" for my contribution mentality.
2. The LHSAGM and each member church should do all that can, to support, grow and invest in each others' ministries. It is our responsibility to present the impact that it has to the member congregations to gain their support.
3. The financial support of the membership churches to the LHSAGM is critical and we hope / believe that separating the partnership from a financial obligation will allow the financial support to grow in time.
4. Students from Lutheran schools / churches and other Christian schools are our priority. Scholarships will be established for All students from Lutheran schools / churches to apply for and we will continue to ensure that ever student that wants to attend our schools can financially do so. Current \$2,000 scholarship will be grandfathered in for current students through their graduation.
5. We currently offer \$600,000 in scholarships and aide / \$420,000 in partnership discounts and believe that we should be able to offer more. We anticipate investing MORE in each family, not less.



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Nathan Gabler
Board of Directors, Chairperson

Motion #D23-5-4: Request a motion to approve the New "Association & Member Church Partnership Agreement (AMCPA) to replace the current "Great Commission Model / Partnership Formula."

Vote: All those in favor?

Paper Ballots are available if desired



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Nathan Gabler
Board of Directors, Chairperson

Motion to approve the renewal of Board Members for another 2-year Term. Starting Term # in ()

Rev. Dan Czaplowski (4), Dr. Nathan Gabler (4) , Rev. Chad Kogutiewicz (4)

Motion #D23-5-5: Request a motion to approve the renewal of the listed Board of Directors members to a two-year term as presented.

Motion / Second / Discussion / All those in Favor



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Dr. Nathan Gabler, Chairperson
Ryan Glor, Vice – Chairperson and Nominating Committee Chairperson

We currently have 11 board members, and 1 member is terming out. The nominating committee has done its work and the Board of Directors has vetted and is recommending these (3) new board members join the LHSAGM Board.

If these board members are approved by the delegates of the Association the LHSAGM will be operating with 13 board members. (By-Laws require between 10 and 15 members)

Motion to approve on following slides.



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Dr. Nathan Gabler, Chairperson
Ryan Glor, Vice – Chairperson and Nominating Committee Chairperson

Mr. Todd Blazei – Board Member

Member: St. Paul's Lutheran Church - Oconomowoc

Occupation: Financial Advisor / Management Consultant

"I believe I have a unique perspective seeing both Martin Luther and Lake Country Lutheran evolve up close (through my children and coaching) over the last 10 years. I also have good friends that went to Milwaukee Lutheran and have a strong desire to see all three high schools have the same level of success."




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Dr. Nathan Gabler, Chairperson
Ryan Glor, Vice – Chairperson and Nominating Committee Chairperson

Rev. Stephen Henderson – Board Member

Senior Pastor: Immanuel Lutheran - Brookfield

Occupation: Senior Pastor LCMS

"I believe Lutheran education is of great value! Teaching is ministry, regardless of the age of the pupil. In our world today, values and faith are clearly under attack. Lutheran education is one of the greatest tools we have at defending and standing for the truth while protecting our children and families."




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Dr. Nathan Gabler, Chairperson
Ryan Glor, Vice – Chairperson and Nominating Committee Chairperson

Mr. Kole Knueppel– Board Member At Large


Church: St. Marcus Lutheran
Occupation: Executive Director St. Marcus School, WELS

- B.A. - Wisconsin Lutheran College
- M.S. - UW - Milwaukee
- Completing Ph.D at UW-Milwaukee
- St Marcus Principal
- HOPE Christian Schools Superintendent
- Co-Founder - Schools That Can Milwaukee
- Professor and Director - University of Notre Dame



In the current economy, the financial challenges for schools are enormous. How do we compensate our peop appropriately amidst rampant inflation while continuing to keep our model affordable for families? Similarly do we continue to raise money to fill a growing gap between the voucher amount and cost per student?

"My Daughter is enrolled to attend LCL as a Freshman in 2023."


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Motion # D23 – 5 - 6

Request a motion to approve Todd Blazei, Rev. Stephen Henderson, and Mr. Kole Knueppel to the LHSAGM Board of Directors for a 2-year term starting July 1st, 2023.

Motion / Second / Discussion / All those in Favor


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Informational Updates for LHSAGM Operations

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*Organizational Updates
Financial Updates*

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Association Vision Updates

Cole Braun, CEO

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School Theme for 2023 / 24

"Preach the Word"

UP & COMING

- 5/27 - High School Graduations
- 6/1 - Mount Calvary Graduation
- 6/5 - Lightning Golf Outing
- 6/16 - Red Knight Open
- 7/6 - Clays for Kids
- 7/24 - The Cup
- 9/25 - Spartan Golf Outing

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Organizational Highlights

- Thank You for those who have served faithfully:**
 - Mr. John O'Connor – 8 Years of service on the Board of Directors
 - Mr. Eric Pankow and Mr. Robert Windler are retiring
 - Mr. Adam Kirsch and Mr. Rob Lunak as principals
 - Mr. Mark Bahr who is going from Head of Schools to Chief Growth Officer for the LHSAGM
 - Others who have served and are feeling called to serve in a different capacity
- Brand, Mission, Vision, Core Values! (Safety / Culture / Academic Performance)**
- Asset Monetization Strategies: Spartan Development and Lightning Holdings**
- Financial Challenges and Opportunities**
 - Slate Budget and increased % of Public Funding
 - Challenges of Growing Gap of Cost to Educate
 - Opportunity through Additional Revenue from TRIUN3, Comprehensive Campaign,
- Threats: Teacher and Admin. Shortages, Labor Market, Economic inflation, Sexuality Issues**

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**ALL THE TIME.
IT'S JUST WHO WE ARE.**

BRAND
We Teach Truth
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MISSION
Share Jesus, Build Lives, Develop Leaders

VISION
Built on Jesus Christ and His Word, we ensure exceptional experiences in four pillars of focus: Spiritual Growth, Academic, Athletics, and the Arts.

CORE VALUES

- BIBLICAL TRUTH
- RELATIONSHIPS
- COMMUNICATION
- GROWTH
- LOVE

OUR EXPECTED BEHAVIORS

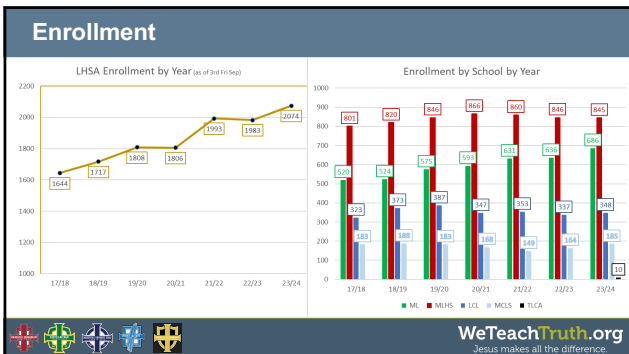
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Budget Presentation

Kyle Hanson
Chief Financial Officer

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Budget Assumptions

	ML	MLHS	LCL	MtCal	TLCA
Tuition	\$ 12,950	\$ 9,750	\$ 14,600	\$ 5,400	\$ 9,750
% Chg	1.6%	2.6%	2.8%	1.9%	N/A

- Tuition Increases modest 1.6 - 2.8%
- 3.0% Wage Increase on Average effective October
- Government Funding (Emergency Assistance) leveraged
- NOT Included in Budget:
 - Depreciation
 - Capital Campaigns
 - Donations for Debt Reduction
 - Donations to Grow Foundation

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Budget - Revenue

For the Period Ended June 30 (5000s)

	FYE23E	% Rev	FYE24B	% Rev
Operating Revenue				
TUITION / FEES	18,907.1	78.8%	19,764.6	70.9%
GLOBAL STUDIES	426.2	1.8%	1,056.0	3.8%
STUDENT HOUSING	346.7	1.4%	691.5	2.5%
FOOD SERVICE	823.4	3.4%	945.0	3.4%
DONATIONS	1,622.9	6.8%	3,673.6	13.2%
PARTNERSHIP	721.1	3.0%	706.7	2.5%
OTHER	1,147.0	4.8%	1,044.0	3.7%
Total Revenue	23,994.4	100.0%	27,881.5	100.0%

*Grants: \$1.52M
Foundation: \$1.3M*

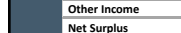

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Budget - Expense

For the Period Ended June 30 (5000s)

	FYE23E	% Rev	FYE24B	% Rev
Operating Exp				
SALARIES & WAGES	11,446.1	47.7%	14,006.1	50.2%
BENEFITS	4,455.8	18.6%	5,537.9	19.9%
PROFESSIONAL SERVICES	1,158.1	4.8%	1,170.8	4.2%
SUPPLIES & MAINTENANCE	2,210.3	9.2%	2,304.5	8.3%
TRAVEL & ENTERTAINMENT	655.6	2.7%	597.6	2.1%
FOOD SERVICE	531.1	2.2%	547.1	2.0%
STUDENT HOUSING	713.4	3.0%	830.9	3.0%
CAPITAL OUTLAY	569.2	2.4%	667.9	2.4%
UTILITIES	727.6	3.0%	749.4	2.7%
STUDENT AID/SCHOLARSHIPS	601.4	2.5%	625.0	2.2%
INTEREST/DEBT SERVICE	828.9	3.5%	745.1	2.7%
OTHER	162.6	0.7%	84.3	0.3%
Total Op Expenses	24,060.2	100.3%	27,866.6	99.9%
Total Op Surplus / (Deficit)	(65.8)	-0.3%	15.0	0.1%
Other Income	4,594.9	-	-	-
Net Surplus	4,529.2	-	15.0	-

- FYE23 includes Other Income Gain on Sale of Lightning Development \$3.1 Mil, Gain on Sale of Spartan Dev \$1.5 Mil
- Breakeven Plan in FYE24
- ERTC \$2.99 Mil (to be restricted / reserved)






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Financial Position

Year	2019	2020	2021	2022	2023*
	(Millions \$)				
Cash (Unrestricted)	1.2	3.6	4.7	0.5	0.0
Restricted Cash / Investments	1.0	1.7	0.9	1.3	1.9
Foundation	4.1	3.7	5.4	5.5	7.5
Bank Debt	17.1	20.3	25.1	21.5	20.6

* 2023 as of April 30
FY21 and beyond includes Spartan Development Loan \$7.8 Mil
LCL Expansion Construction Loan paid off in FY22

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Nathan Gabler

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**Closing Remarks
Prayer
Adjournment**

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