

¹¹ For I know the plans I have for you,' declares the LORD, 'plans to prosper you and not to harm you, plans to give you hope and a future.

Jeremiah 29:11

Trinity Lutheran Church

Thanks to Pastor Greg for leading the physical (and Spiritual) move to Trinity Oaks and for leading the final worship at Florida Boulevard and the dedication of the new facility and the first worship at SHF. This was a huge task that he performed while I was away.

And thanks to the incredible staff that pitched in and lead as well (in alphabetical order): Nick Butcher, Harmon Butler, Abigail Iron Rope, Lisa Miller, Martha Rosendahl, and Kenzie Woltemath. The staff in turn is very thankful to the volunteers that helped (I started to list them but the list soon became very long – and I knew I would leave someone out – so no list – but a huge THANK YOU VOLUNTEERS!). Wayne Lotz's name keeps coming up...

Jim Slothower also has to be thanked by name. He has been phenomenally helpful with the grounds and buildings throughout the construction process – giving entire weeks and months to the opening of the modular child development center and making sure that our landscaping has water. Thank you Jim!

Please Note that Jim has also recently accepted the role as Head Trustee. Thanks be to God! And Thanks again Jim! (And Thank you Liz for lending your husband to the church!)

And Steve Magnolia continues to serve quietly. He has been mowing the grass at Trinity Oaks for almost two years. And Steve is over 90 years old! Which proves you're never too old to serve!

And a big THANK YOU! to the vision committee, and the master planning committee before that, and the building committee that oversaw the construction and the staff involved with the day to day effort. There has been a wonderful outpouring of time, talent and treasure from the people of God for us to realize the blessing that our new facility is and will become. This time I will dare to name those involved (but please forgive me if you should be on this list and are not)...Gary Buuck, Brad Burns, Nick Butcher, Kim Davis, Chris Graham, Leif Grotness, Mike Hicks, Abigail Iron Rope, Steve Loupe, Eric Marx, Greg Moyer, Jack Morris, Terry morales, Greg Salomon, Gordon Schamber, Jeannine Schutte, and Jason Sykes.

And finally, THANK YOU to all of you who have given of your time, talent and treasure to make this part of our vision become reality. I pray the God will now take what He has built here through you His people and expand His Kingdom in Baton Rouge and the surrounding area! Thanks be to God! Amen! Use us please!

Regarding our new church building, we continue to identify features that could improve the facility (i.e. it would be great to have another way to get behind the altar). Please let me or any of the building committee or staff know what you're thinking about how we can make our facility better. Let's move forward together with gratitude and positivity and we can make the necessary adjustments happen!

Final note: We are seeing an influx of new people and the return of people who've been gone for a while. Our average attendance has dipped below 350 (YTD) but is showing improvement – last week we were almost back up to 400. Our giving is good (but could be better), especially considering many of our members just rebuilt their homes after the flood and/or gave tremendously to Rooted and Reaching to build our new facility. This is a generous church! Together, let's be the church – the welcoming hands and feet of Christ. And let's realize our vision to be a growing, joyful, vibrant, and discipling church with passionate spirituality, loving relationships, and inspiring worship... a welcoming place of witness, service, hope, and mission.

Trinity Lutheran Preschool

What an opportunity to share Jesus with children and with their families!

The latest news happened a week ago Friday as we received the "Go Ahead!" from licensing to open our new preschool facility. That first stage included moving the furnishings and children (of course) from the modular buildings to the new facility. Yesterday we moved the furnishings for Trinity Lutheran Child Development Center at Florida Boulevard to Trinity Oaks (SHF). Monday (tomorrow) the kids from Florida Boulevard come to Trinity Oaks at SHF! Our "Preschool" will be fully open with almost 50 children.

The capacity of the Trinity's new preschool is 120 children. We are hopeful that we will reach that capacity sometime in 2019 (which is very optimistic – but achievable). We have 5 unborn babies already signed up! And we're opening right in time for Fall, which is typically the busiest enrollment time of the year for early childhood centers.

You can help us reach more families for Christ by sharing the news of our preschool (and school and church) with your neighbors, family, and friends.

As of May 2018 our two centers were at a positive net income of \$18,760.

Baton Rouge Lutheran School

While we celebrated 60 years of faithful education anchored in Christ this past year, our school is struggling financially and our enrollment is trending in the wrong direction.

We have lost money for the past two years. We lost over \$60,000 in fiscal year 2016-17, and we are projected to lose over \$100,000 in 2017-18. Additionally we are carrying delinquent accounts receivable and may have to write off between \$20,000 and \$40,000 in bad debt. This is causing us to draw upon the upper limits of our Line of Credit with Red River Bank

(\$200,000) as we pay school salaries in the summer when there is no income to offset the expense.

We have gone from an enrollment of 178 in 2016-17 to 128 in 2017-18. Our projections for this Fall are less than 90 (note that we have moved the PreSchool (3s) and PreKindergarten (4s) to Trinity Oaks so a fair comparison would be between 105 to 115 children). There are many reasons that we can assign to this decline: the flood of 2016, our aging facility, our location, moving the church, voucher program (which we do not participate in), competition from charter schools, retirement of long-term principal, staff morale, etc. It should also be noted that schools in our competitive set have been closing every year. This year St. Louis King of France has closed, as has Riverdale Christian Academy.

In response we have reduced staff; through attrition we have lost three teachers, one teacher's aid has been laid off, and one teacher will relocate to Trinity Oaks. We have combined Kindergarten and First Grade will be combined in the mornings and First Grade and Second Grade will be combined in the afternoon. Our Fifth Grade teacher has volunteered to move to Kindergarten so we will use class combinations to teach the four upper classes with three teachers (Full Time Equivalent – we already have a 2 person shared position for 6th grade). We will add an algebra teacher to enhance our math program and the math curriculum is being updated across all grades.

The school budget that is up for approval today reflects a subsidy of \$67,000 from the church. This is in line with the historical support that TLC has given the school. Because we are able to more easily assign utility costs we have put utilities for the Florida Boulevard campus on the Schools budget. The shortfall that results in the school budget is offset by the church's surplus. To make the budget work we are planning to offer families who are in arrears to pay down their debt to the school through custodial services. There is no maintenance person budgeted for the second year in a row.

Also in response to the decline in our school we are investigating the feasibility of moving the school to Trinity Oaks (SHF). We have contracted with Prospectives Consulting to perform a market study to determine the demand for a high quality Lutheran School in Baton Rouge. The results of this study will be available August 24, 2018. The feasibility study will cost almost \$20,000. Voters (6/10/2018) authorized the Prospectives contract to be paid from Rooted and Reaching proceeds (with permission from Southern CEF).

We have also contracted with Faulk and Meek, the construction contractors who built our new worship center and child development center, to begin working on schematic plans so that we can get a running start on building a new school at Trinity Oaks (SHF) once we have analyzed the market data. Our contract with Faulk and Meek is for \$40,000 to complete the schematic design phase (the \$40,000 will be netted against the total amount of a future construction contract). Voters (5/6/2018) authorized the Faulk and Meek contract to come out of Barbara Merkle bequest (which is currently in the operating account); to date there are no draws from this contract.

We are working under the assumption that this phase of construction will be paid for by the proceeds from the sale of our property at 10925 Florida Boulevard; therefore, the scope of this phase is for classrooms and administrative space, the cost of which coincides with a recent appraisal of \$2,800,000. Southern District Church Extension Fund has been approached about providing a “bridge loan” allowing us to begin construction prior to selling the Florida Boulevard property. They are very encouraging and share our desire for Baton Rouge Lutheran School to survive and thrive. To broaden the scope of this second phase of construction to include a gymnasium would necessitate a capital campaign to raise the additional funds needed.

The 10925 Florida Boulevard property is currently listed for sale per voters’ meeting held 6/2/2018. Trinity has contracted with Bill Jeansonne, CCIM, of Suarage Rotenburg Commercial Real Estate LLC. Mr. Jeansonne is “tentatively optimistic” regarding our prospects of selling the property. He said that they have already had inquiries.

Please pray for our school; for our students and their families, our staff, and for our administration. Pray that we will continue to offer quality Lutheran education to the Baton Rouge area for another 60 years and beyond.

Camp Restore

We will close Camp Restore Baton Rouge later this month after we host our final group (we will be housing them at Florida Boulevard. Please refer to Nick Butcher’s DCE report for the statistics regarding our volunteer housing and coordination effort following the flood of 2016. Nick and his wife Caitlynn are to be commended for their hard work and commitment to helping the people of Baton Rouge. Thank you all for supporting this effort with your time, talent, and treasure – so many did so much.

Miscellaneous

I do know that communications need to be improved. We are making a concerted effort as a staff to make sure that the people of Trinity know what is going on. Here are a few bullets to answer a few of the questions I’ve been hearing:

- We are working on a newsletter that will go out in August with our annual “State of Trinity” report.
- We have contacted the sign company that built the electronic sign at Florida Boulevard to see if we can trade the signs out between Florida Boulevard and South Harrell’s Ferry.
- Sunday School will start up again on Rally Day August 5th.

Mortgage

We will be finishing up the “punch list” process of our first phase of construction with Faulk and Meek very soon. Once this is complete our construction loan with Southern District CEF will be converted to a mortgage. The following table delineates the initial and the potential future mortgage. The initial mortgage is the expected mortgage amount at the time of closing. The potential mortgage is the initial mortgage reduced by the remaining pledges from our Rooted and Reaching capital campaign that is scheduled to end in November, the brick fundraiser which is underway, the Moser land sale that is in progress.

The future mortgage service will be shared between the preschool and the church with the preschool bearing the larger load. We have projected the mortgage payment for fiscal year 2018-19 to total \$126,000. The preschool’s portion is \$108,000; the church’s portion is \$18,000. The mortgage is a variable rate note amortized over 30 years currently at 4% interest.

Rooted & Reaching Campaign

As of 06/23/2018

R&R Pledged	1,566,766
Pledged Received	1,199,720
Pledged Remaining	367,046
Non-Pledged Received	204,583
Total Received	1,404,303
CEF Borrowed to Date (liability)	2,834,746
Sent to CEF Initially	300,000
Spent of soft costs	749,581
Total Spent to Date	3,884,327

R&R Balance on hand (fund)	335,717
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Initial Mortgage Projection:

Current Project	3,884,327
Total Received	(1,404,303)
Merkle Gift	(100,000)
Accumulated Interest	2,796
Initial Mortgage	2,382,820
Remaining Pledge	(366,946)
Brick Campaign Goal	(100,000)
Moser Land Sale	(20,000)
Potential Mortgage	1,895,874