G.R.A.C.E.

Grow in Faith
Reach the Community
provide **A**we-inspiring Worship
Connect in Small Groups
Exceptional Serving

Call to Order

Approve Agenda

Devotion – Rick Salvo

Consent Agenda

Other Reports

Continuing Business

1. Celebrations
2. Personnel Updates | Associate Pastor, Financial/Admin Assistant
3. Updated fund description document – Pages 48-49
4. Audit 2025 | Proposal Gathering
    i. Ratliff + Associates, PC | Proposal received – Pages 50-54 (repeat from April packet)
       [Referred from Redeemer Austin and Sommerville CPA, The Church Network]
    ii. PSK CPA, LLC | Proposal Received– Page 55-62
       [Referred from Sommerville CPA, The Church Network]
    iii. Faske, Lay and Co., LLP | Proposal Received – Page 63
       [Referred from Donna Ferrell]
    iv. Dunagan Jack, LLP | Data sent for Proposal
       [Referred from Joy Kovar's cousin Duane Dube, COO of Covenant Pres.]
    v. Comparison of Proposals Received - Pages 64-65
5. Sanctuary and CLC Refresh

New Business

1. Endowment and Trinity Place Grants 2026 | Recommendations for Council Approval – Page 26

Other Business

1. ....

Information – June 2026

Next Month's Sunday CIC: Early – Linda Reed; Late – Dave Smith
Next Month's Council Member for Devotions – Linda Reed

June 1: GRACE Night at 7:00pm
June 17: Council meeting at 6:30pm

Adjourn

COUNCIL MINUTES

Palm Valley Lutheran Church
Church Council Meeting Minutes
March 18, 2026

Palm Valley Lutheran Church Council Meeting Minutes April 15, 2026

Attendees: Dave Smith, Sue Rue, Susan Ames, Vince Brunssen, Carolyn Koehn, Linda Reed, David Beck, JB Getz, Rick Salvo, Mary Wallin, Kathy Erwin, Jane Baxter, Scot Donovan, Anita Hulsman, Pastor Dave Koppel, Jen Kendrick, Executive Administrator
Excused: Barry Hamilton
Guests: Joy Kovar, Deborah Franke, Otto Pfahl, Laurie Denchik

1. Call to Order

The meeting was called to order by President Dave Smith at 6:29 pm followed by Pastor Koppel offering a prayer

2. Approval of Agenda and Consent Agenda

- Vince Brunssen motioned for the agenda to be approved and JB Getz seconded the motion. Following questions concerning inclusion of Fall Fair on the agenda. It was decided to discuss it later in the meeting. **<u>The motion carried.</u>**
- Carolyn Koehn motioned for the consent agenda to be approve and JB Getz seconded. **<u>The motion carried.</u>**

3. Devotion

Vince Brunssen provided a devotion based on Luke 12:13–34 (“Where Your Treasure Is”), emphasizing heart posture, trust over fear, stewardship, unity, and avoiding division/mistrust.

Reflection question posed: If the council truly trusted God’s provision, what would they do differently?

4. Minutes, reporting cadence, and committee updates

- Council Secretary Susan Ames shared a plan to get council minutes to the congregation in a timely manner.
    - Plan: Members of council will receive minutes by email Friday night to read over the weekend and send edits.
    - Minutes will be posted by Tuesday/Wednesday after council.
- Carolyn Koehn motion for the minutes of the Called Congregational Meeting of April 12, 2026 to be approved JB Getz seconded. **<u>The motion carried.</u>**
- The council expressed appreciation for staff/volunteer reports, especially Kelley’s detailed work and the “Grace in Action” brochure-style document.
- Concern was raised that Kelley (part-time staff) has been stepping in to chair committees lacking volunteer leaders (notably Funeral Committee and Community Care.) The council discussed the need for volunteer leadership.
- The President reminded members that they should serve on teams but not as the leaders.
- There was a request to receive GRACE night team reports the week after the meeting so council and the congregation can stay informed on team concerns and actions.

5. Executive Administrator and Financials - Jen Kendrick

Finance report highlights: March attendance slightly up vs last year; giving/income strong and above budget; expenses through February slightly over budget.

- Sue Rue motioned to approve the financial report as presented and Anita Hulsman seconded the motion. **The motion carried.**
- Personnel contra accounts will be trued up by the end of April once staff raise amounts are finalized. Jen clarified that raises were not yet reflected in either expense lines or contra.
- Unrestricted fund snapshot (as of April 10) was reviewed with a current total just over $2M. Items already allocated/committed from unrestricted funds included: remaining sanctuary/CLC refresh
    - $450k associate pastor allocation
    - $191,960 for budget support
    - $29k regular maintenance support
    - $30k external audit.
    - Remaining unallocated amount cited around $871k (approximate due to interest/growth).
    - A question raised about investment growth/interest since funds are invested with Davidson; Jen to follow up and provide figures.
- A member group presented concerns to the Executive Team about budget discipline, report structure, oversight, and contra accounts.
    - Staff and Executive Board analysis concluded most concerns are already addressed or reflect philosophical differences.
    - Contra accounts defended as proper reporting and helpful for non-finance audiences. Methods to avoid double-counting income in budget reports were explained.
    - Recommendation: make no reporting/process changes until external audit results.
- Audit proposals are being solicited and one proposal has been received from (Ratliff & Associates.) Additional proposals are pending (Dunagan/Jack and Somerville & Associates, plus other referrals). Emphasis will be on finding a high-quality, independent, church/nonprofit-experienced firm and avoid a "rubber stamp" audit.

6. Policies, special funds, facilities, and operational decisions

- Benevolence policy presented was to close an audit observation regarding lack of process and requirement documentation for internal (ex: church staff or congregational members) benevolence awards. was clarified as an internal policy requested by the prior audit and is focused on handling requests from members/friends/staff for assistance
- Telander fund was clarified as the funding source and not restricted to internal-only benevolence. External/community requests have been funded historically.
- Council requested a complete policy to review that included policy and process for both internal and external awards including frequency limits for staff requests. It will be carried forward as continuing business.

7. Cemetery operations policy

- Linda Reed motioned to approve the Cemetery Policy with revisions and Carolyn Koehn seconded. **The motion carried**. The revision included an update to prevent block/multi-plot purchases for resale).

- Cemetery coordinator: Jan Cleveland volunteered to serve as cemetery coordinator. She is a retired licensed funeral director. Her background check has been completed. Follow-up items include providing her with a computer and email setup.

8. Special funds clarity

- Jen presented fund-type definitions (restricted, designated, special, endowed) and a color-coded inventory.
- Cemetery fund research Jen reported minutes trace back to 1894 in Swedish. In 1972 actions suggested the cemetery fund became principal-protected/interest-only and renamed as an endowment-type fund. Jen requested Davidson calculations on current spend availability.
- Discussion noted cemetery road project needs may be constrained if principal-protected. The council and cemetery team will pause until numbers are confirmed.
- Trinity Place fund: Documentation indicates donor restriction is "care of seniors," but principal-protection/interest-only status is unclear in the document. Council acknowledged there is an institutional memory vs written record gap. Next step proposed was update or generate an accurate governing funds document (the one on the council website is acknowledged as incorrect) and bring it to council for review/approval.
- Council discussed the frequency and value/tranches that we should follow to move funding from our unrestricted funds to church money market. This allows us to cover operating fund requirements as approved in our 2026 budget. While the total amount approved is $192,000, Council agreed that we will make quarterly transfers with the latest information for quarterly estimates. Quarterly estimates allow us to consider variances in revenue and expense as well as timing variances. Vince Brunssen motioned to transfer funds from unrestricted for budget balancing on a quarterly basis based on need, not to exceed the annual amount (~$192,000) Carolyn Koehn seconded the motion. **The motion carried.**

9. Facilities urgent maintenance

- HVAC replacement (two units) and rusted gas line under sanctuary presented as safety/continuity risks; total quoted ~$48,314.
- Carolyn Koehn motioned to fund first ~$4,697 from the Isadore & Pauline Wallin/Yardley major maintenance interest (income-only) and the remainder from unrestricted funds JB Getz seconded the motion. **The motion carried.**

10. AI team update

Proposed creating an online presence for event rentals using a commission-based platform (no upfront cost; commission taken only when bookings occur.) Coordination will be needed with office staff workflow, website link and banking setup. Since this was for information only no vote was taken.

11. Strategy, congregation engagement, stewardship, and dates

- Celebrations highlighted: strong Easter services (including indoor move), cross-service musician collaboration, and combined confirmation service.
- Discussion on reshaping council agendas to align more explicitly with strategic priorities (one body, small groups, supporting people) rather than leading with financial topics.

- Desire expressed for more outward/community focus (benevolence/loving neighbor) and prioritizing a smaller set of aligned outreach activities.
- Council President encouraged members to attend different worship services (traditional, Rejoice, and Hispanic service) to strengthen unity.
- Stewardship conversation: Council members expressed interest in communicating financial giving encouragement across services. Anita Hulsman offered to explain the importance of connection cards and their purpose.
- Proposal discussed to model leadership in giving by reporting the council's total pledge/giving (aggregate) during stewardship season through the Echo's lite publication.
- Jane Baxter suggested tithing/giving away a portion of estate/unrestricted funds to community organizations. A short discussion identified the need for a selection process.

12. Key dates

- Senior Banquet May 3 (council expected to attend; spouses welcome)
- next council meeting May 20 at 6:30
- May CIC roles Early Anita Hulsman; Late Susan Ames
- Devotion Rick Salvo.

13. Adjourn

Sue Rue motioned to adjourn the meeting and Carolyn Koehn seconded. **The motion carried.**
Meeting adjourned 8:26 pm with the Lord's Prayer.

Respectfully submitted April 17, 2026,
Susan Ames
Palm Valley Lutheran Church Council Secretary
Approved through digital communication 04/19/2026

Report of the Senior Pastor May 2026

This report summarizes ministry, worship, pastoral care, staff leadership, and administrative work carried out from April 10 through May 17, 2026. The period included funerals and memorial care, confirmation ministry, new member reception, staff and personnel matters, mentoring, community partnerships, and preparation for upcoming worship services and events.

Overview of Ministry Priorities

- Prepared for and officiated funeral and graveside ministry, including services for **Patsy Sanford and Dorothy Mikeska.**
- Supported **confirmation** ministry through preparation of materials, discussion questions, notes, and photos for students and families. We confirmed the following people on April 10th: **Christopher Hanzlik, Penny Heller, Abigail Scharf, Lucas Tetmeyer, Kendall Wojnarski, Jocelyn Mendoza, and Cameron Jackson**
- Prepared and finalized multiple sermons and worship service elements for April and May, including sermons for April 19, April 26, May 17, May 24, and May 31.
- Led worship services on multiple Sundays, including combined services, three-service Sundays, children's sermons, and support for Korean, Spanish, and Hispanic ministry settings.
- Welcomed and prepared **new members**, including a strong new member class of 17 and reception of 12 new members: **Lhemuel Alanday, Messiah Daniel, Usha Messiah, Joshua Messiah, Jessica Messiah, Cindy Jasek, Abigail Jasek, Sungsook Lee and Patrick Ward, Dana Perry and Ron Marshall, and Matthew Rathgeber**
- Provided pastoral care through meetings, home and rehab visits, mentoring, devotional leadership, and family support conversations.
- Managed significant staff leadership and administrative work, including agendas, personnel matters, evaluation preparation, compensation discussions, survey distribution, and committee meetings.
- Participated in community and synod-related activities, including RRPD engagement, council and endowment meetings, the deanery meeting with the bishop, Synod Assembly, and the ELCA Larger Church Conference.

Worship Leadership and Preaching

A major focus throughout this period was **worship preparation and preaching.** Time was devoted to drafting, revising, recording, and finalizing sermons for multiple Sundays, including April 19, April 26, May 17, May 24, and May 31. In addition to sermon preparation, worship planning included confession and forgiveness, calls to worship, prayers, hymn selection, bulletin outlines, audio/visual outlines, children's sermon preparation, and discussion questions. Worship leadership also included a combined service on April 12, three services on April 19, April 26, and May 17, and support for multilingual/multicultural congregational contexts.

Pastoral Care and Congregational Support

Pastoral care remained a steady responsibility during the month. This work included funeral preparation, family communication, hospital and rehabilitation visits, home communion, follow-up conversations, and support for members and families navigating illness, grief, personal concerns, or transitions. Care also extended through mentoring, one-on-one meetings, and coordination with staff and lay leaders.

- Prepared for the funeral of Patsy Sanford and the graveside service for Dorothy Mikeska.
- Visited congregation members in rehabilitation.
- Visited members for home communion.
- Responded to family concerns regarding deaths of two individuals related to our members and communicated with related pastoral contacts.

- Met with staff members regarding personal family concerns and other ministry-related issues.
- Supported families connected to weddings, graduations, and future marriage planning.

Confirmation, New Members, and Discipleship

Discipleship work during this period centered on confirmation, mentoring, and new member integration. Preparation included information for confirmands and families, discussion questions, materials and words for confirmation students, adult confirmation coordination, and follow-up communication. New member ministry was a notable highlight, with a new member class and the reception of a dozen new members into the congregation.

- Held mentoring preparation and mentoring sessions on multiple dates.
- Coordinated with Jordana on notes to families, sermon planning for Youth Sunday, and adult confirmation class matters.
- Led a new member class on April 19 and received 17 new members on April 26.

Staff Leadership and Administration

Administrative leadership included regular staff meeting preparation, agenda development, devotional leadership, personnel file updates, survey distribution, calendar management, bulletin review, and ongoing coordination with committee leaders and staff members. A significant portion of this period also involved sensitive personnel and compensation matters, including evaluation preparation, and support during a staff termination process.

- Prepared agendas and devotions for staff meetings and coordinated ongoing staff communication.
- Met with personnel committee, council, endowment committee, and other leadership groups.
- Worked with staff on team structures, ministry concerns, evaluation planning, and annual goals.
- Updated personnel records and followed up on related administrative details.

Community Engagement and External Involvement

In addition to congregational responsibilities, this period included meaningful engagement with the wider community and church networks. Activities included RRPD-related commitments, attendance at civic and ministry events, participation in the deanery meeting with the bishop, involvement in Synod Assembly, and preparation for broader church gatherings. These engagements reflect continued partnership with community organizations, church leadership bodies, and regional ministry efforts.

Overall, this reporting period reflected a demanding and fruitful season of ministry marked by strong worship leadership, extensive pastoral care, discipleship and new member development, attentive staff oversight, and active community engagement. The work accomplished during these weeks helped support the spiritual life, pastoral needs, and organizational health of the congregation while also preparing for the ministry opportunities ahead.

Other:

Adult Confirmation classes will begin on May 26 and continue Tuesday evenings through June 30.

Thank you for the privilege of partnering with you in ministry,

Dr. Dave Koppel
Senior Pastor

Upcoming Important Dates

IMPORTANT DATES:

- **May 21 Women's forum**
- **May 24 Pentecost**
- **May 26 Adult Confirmation Classes 5/26, 6/2, 6/9, 6/16, 6/30**
- **May 31 Trinity Sunday**
- **TBD Water for Africa Night at Dell Diamond**

- **June 1 GRACE night**
- **June 8 Early Father's Day BBQ in Oak Grove / Sundays on Mondays/ youth to lead**
- **June 8 – 12 Leader Trek at PVLC**
- **June 14–19**: **Camp @ Camp Chrysalis**
- **June 17 Church Council**
- **June 18 women's forum**
- *June 19 Juneteenth*
- **June 21 Fathers' Day**
- **June 21 Leader Training for VBS**
- **June 23 The Xperience**
- **June 28 VBS set-up**
- **June 29, 30, July 1, 2, 9-noon VBS and Day Camp for Preschool**

- *July 4 Independence Day* **– Round Rock July 4th parade**
- **July *6*-10 Leader Trek at PVLC**
- **July 15 Church Council**
- **July 16 women's forum**
- **July 18–25**: **High School Mission Trip** to Nashville
- **July 26 Celebrate Marvin – 30 years at PVLC**
- **July 20-24 Leader Trek at PVLC**
- **July 27-30 Middle School Experience Days, All day long M- Th.**

- **Generosity month August – September? TBD**
- **August 3 GRACE night**
- **August 6-7 Global Leadership Summit – location TBD (off- site)**
- *August 18 RRISD begins*
- **August 19 church council**
- **August 20 women's forum**
- *ALPHA – Date TBD*

- *September 7 Labor Day*
- **September 12 God's Work our Hands**
- **Sept 13 Kickoff Sunday, 10 a.m. combined service, lunch**
- **September 20 Confirmation Classes begin**
- **September 16 Church Council**
- **September 17 Women's forum**
- **September 26 Fall Focus begins**
- **September 26 Jordana and James' wedding**
- **September 26 Fall Fair**

- **October 3 Oktoberfest!**
- **October 5 GRACE Night**
- *October 12 Indigenous People's Day*

- Oktoberfest TBD
- October 15 Women's forum
- Oct 21 First Communion class
- October 21 Church Council
- October 25 Reformation Sunday
- October 25 Trunk or Treat 5-7 p.m.

- Nov 1 All Saints' Day – First Communion
- *November 11 Veteran's Day*
- November 18 Church Council
- November 19 Women's forum
- November 22 Christ the King Sunday
- November 22 Round Rock Community Thanksgiving Service
- *November 26 Thanksgiving Day*
- November 29 First Sunday of Advent
- Advent Event TBD
- Deck the halls TBD

- December 7 GRACE night
- December 16 Church council
- December 17 Women's forum
- Christmas Pageant TBD
- Gift wrapping TBD
- Sip 'n' Stroll TBD
- Las Posadas TBD
- Christmas Caroling TBD
- December 24 Christmas Eve

The month in pictures:


Confirmation 2026

Our Community Salutes: swearing in recruits for Army, Navy, Marines, Air Force and Space Force


Pflugerville Police Department – swearing in of Assistant Chief Chris Bakas


Round Rock Christian Academy Musicals with ***Blair Donovan*** and ***Avila Brink***





Boy Scout Eagle Projects


Earth Day Family Fun

Synod Assembly Delegates

Graduating Seniors Lunch and Scholarships

ELCA Larger church Conference: ***Presiding Bishop Curry***



Bless the Badge


Janet Taylor, Master of Divinity; ***Jen Kindsvatter*** (granddaughter of Leon and Jeanette Peterson), Doctor of Ministry, at ***graduation from Austin Presbyterian Seminary***

CHILDREN AND YOUNG FAMILY MINISTRIES

April 2026

We began the month of April with Easter Sunday! We had an Egg hunt after the 9:30 service for our English speaking kiddos and an Egg hunt during the 11:00 Spanish speaking service. We are grateful for the donation of eggs, candy and toys and the many hands that helped stuff them (Kathy Erwin, Susan Ames, Susan Outlaw, and Halle Heller). We also handed out welcome bags to all of our families in attendance at all 4 services. Deborah Franke did an excellent job assembling our Empty Tomb snacks for Children's Church, where our older kids made empty tombs and our younger kids made "He is Risen!" butterflies.

Sunday School in April focused on the Road to Emmaus. We made Resurrection Rolls and did several experiments to highlight seeing is believing in Science/Cooking and made stepping stones with plaster in Art. Sunday School will focus on Saul to Paul's transformation in May and will wrap up for the school year on May 17th. Helen continues to write Spanish lessons on the lectionary readings and provides supplies for the craft activities and games for the Spanish speaking Children's Sunday School.

Our family formational activity for April was a Family Earth Day event with the preschool. We learned about how we are caretakers of Mother Earth. We planted wildflowers in the raised beds on the preschool playground, decorated flower and earth cookies under the direction of one of our preschool teachers, Veronica Arreola, and planted sunflower seeds to take home to watch grow. We also spent time playing on the playground and bouncing in the bounce house. We had about 15 kiddos participate, between the church and the preschool, and it was a lovely afternoon spent in God's creation.

Our monthly Mom's/Ladies Nights Out, coined as Palm Valley Sister Circle events, did not meet in April but will gather in May for another night of guided Mahjong play.

Upcoming events:

5/13	Sister Circle Event – Mahjong
5/17	Children's Sunday School ends for the program year
5/24-5/30	Helen on vacation
6/7-6/12	Leader Treks Week 1 of 3
6/14-6/19	Camp Chrysalis with our elementary and youth age kids

YOUTH MINISTRY

April- Council Report

Youth Group Overview

April was a particularly full and impactful month for our youth ministry, marked by active participation in fundraisers, Lenten events, Easter celebrations, and Confirmation, as well as the welcoming of new students into the program. It was especially meaningful to observe students engaged beyond weekly gatherings and to witness them in their element during various programs I was invited to attend. Overall, the month reflected a strong sense of joy, connection, and continued growth within the youth community.

Breakfast Taco Fundraiser

We continued our tradition of serving breakfast tacos, preparing 120 for the congregation. We are deeply grateful to everyone who contributed to making this fundraiser possible, whether through their time, preparation, or generous and willing hearts to serve. Your support made a meaningful impact. We were pleased to see all tacos distributed before the 9:30 AM service and look forward to increasing our preparation next year to meet growing participation.

Good Friday Lenten Meal
We give thanks for the opportunity for our youth to serve the congregation, as well as for the dedicated youth and adult volunteers who were able to serve this evening.

Looking ahead, we are considering shifting our Lenten meal to a different Wednesday in order to make participation more accessible for volunteers and to help reduce the combined demands placed on them alongside the taco fundraiser. This adjustment would support a more sustainable rhythm of service and help ensure our volunteers do not feel overextended.

Youth Group Easter Celebration
We had an "egg-cellent" time at Youth Group during our Easter celebration, enjoying a meaningful evening filled with fellowship, creativity, and fun. Students participated in activities such as egg dyeing, bingo with prizes, egg hunt, and shared food. It was a time that blended celebration with faith-centered teaching, allowing students to engage both relationally and spiritually in a way that was memorable.

Confirmation Sunday
We give thanks for our seven confirmation students who were confirmed in April. This milestone marks an important step in their faith journey as they publicly affirmed their baptismal promises and commitment to following Christ. We celebrate their growth, dedication, and the community that supported them along the way, and we pray for their continued faith and guidance as they move forward in their spiritual lives.

Youth Ministry Growth Overview

Grade	Gender	Highschool
11th	Male	East View
11th	Male	East View
11th	Male	East View
10th	Female	East View
10th	Female	East View

A key takeaway from the addition of five new youth members, is the continued growth and expanding reach of our ministry program. By documenting each student's grade level, gender, and high school affiliation, we are able to better understand the makeup of our group and identify how our ministry is connecting with students across multiple school communities.

This data also offers valuable insight into the geographic reach of the program, helping guide future outreach efforts, programming decisions, and opportunities for deeper student engagement and connection within the community.

Youth Group Meeting Format

Arrival	Dinner	Programing	Debrief	Departure

Resources & Descriptions

Arrival (6:00 PM, Parish Hall):
Students arrive, check in, and transition into the space while leaders provide a welcoming environment that sets the tone for a safe and intentional evening of community and faith formation.
This time is intentionally flexible and may include free interaction among students, guided icebreaker questions, or previously used games and activities designed to maintain engagement, encourage relationship-building, and provide a balanced transition within the schedule.

Dinner:
Dinner throughout the past year has been provided through congregation sign-ups, with meals lovingly prepared at home by volunteers. The menu has reflected a variety of cuisines and dishes, including casseroles, taco nights, spaghetti, and fried rice, offering both diversity and familiarity for students.

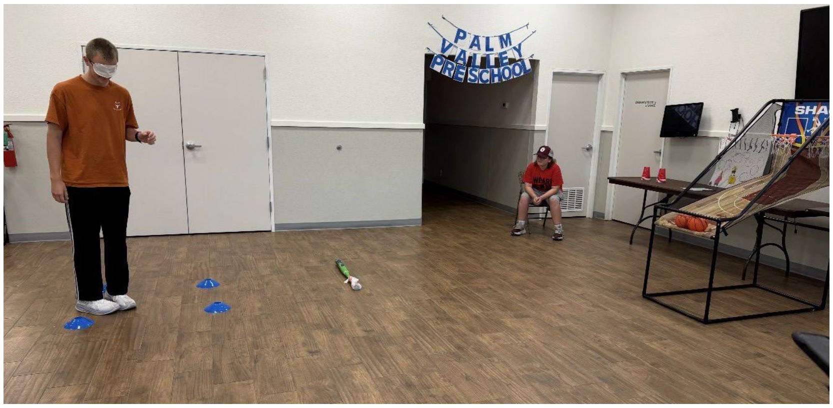
Each meal has been intentionally balanced to provide nutritional value, typically including vegetables/salad, a protein-based main dish, and a dessert, along with beverages such as water and lemonade. This thoughtful approach has helped ensure students are both nourished and cared for during their time together.

We are deeply grateful for our volunteers whose generous hearts and faithful stewardship make these meals possible. Their time, effort, and care have played a meaningful role in supporting the hospitality and community life of the youth program.

Programming:

This portion of the weekly gathering is designed as intentional programming that guides students through a rhythm of connection, reflection, and applied faith. It begins with Opening Prayer, a brief and focused moment that centers the group in God's presence and establishes a grounded tone for the evening. Highs & Lows follows as a relational practice where students share both a celebration and a challenge from their week, fostering vulnerability, active listening, and deeper trust within the community.

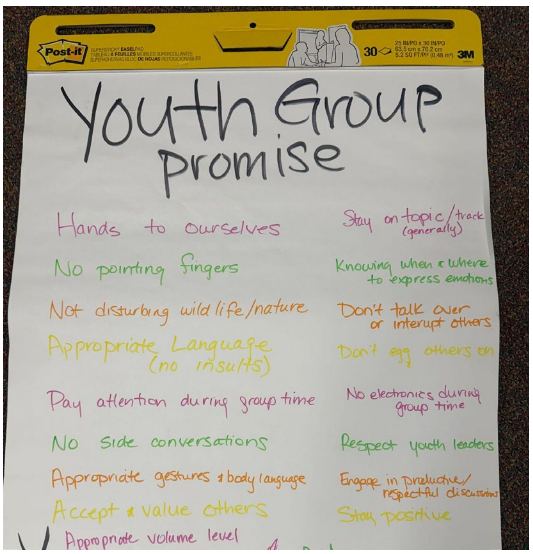
Bible Study is centered on engaging a biblical story and intentionally connecting it to real-life experiences, guiding students to think critically about how Scripture speaks into their own context, decisions, and faith journey. The Game / Activity portion is structured and intentionally tied to the lesson, using interactive elements that reinforce the teaching theme while encouraging participation, relationship-building, and deeper understanding in a fun and engaging way.



Debrief:
We have been diligent in separating middle school and high school students when there is an even ratio between the groups. Having two additional volunteers alongside myself has made this structure possible, allowing for appropriate supervision and support, particularly when students require redirection of behavior or emotional regulation outside of the group setting. In these moments, students are able to step away, take time to reset, and rejoin when they are ready. This approach has proven highly effective among our students and has contributed to improved overall group behavior and engagement.

When regrouping after Bible Study, the session is led either by myself or another volunteer before bringing the entire group back together for discussion. Students are invited to reflect on the biblical story and share what stood out to them, what they connected with, and what challenged or did not resonate with them. This shared dialogue encourages critical thinking, personal reflection, and meaningful group engagement with the lesson content.

Bible Study Game
Youth Group Covenant



Purpose:
At the beginning of March, we revised and reaffirmed our youth group covenant to ensure we are collectively maintaining a productive and empowering environment moving forward. While we have experienced varying levels of distracting behaviors, this covenant allows students to take ownership in setting the tone for youth group and provides a shared standard of accountability when expectations are not met.

Our approach has been intentionally pragmatic and relational, focusing on helping students understand their behavior rather than immediately correcting it. We encourage them to reflect on why they are acting a certain way, identify their emotions, and consider their impact on the group without needing to immediately step away. The emphasis is placed on understanding before frustration, and compassion before correction.

When redirection is necessary and not initially received, students are given the opportunity to step into another supervised space to regroup. If disruptive behavior continues after this intervention, parents are contacted to ensure appropriate follow-up and support.

Looking Ahead
As we look ahead, we are grateful for a busy and fruitful month marked by meaningful ministry, strong student engagement, and continued growth in both faith and community. From fundraisers, Lenten and Easter celebrations, and youth service opportunities, to welcoming new students and celebrating confirmation, April has been full of connection, joy, and purpose.

Moving forward, we are encouraged by the momentum built this month and will continue to refine our programming, strengthen volunteer support, and create intentional spaces for students to grow spiritually and relationally. We remain thankful for all who contribute their time, energy, and hearts to the ministry, and we look ahead with excitement for continued growth and impact in the months to come.

PRESCHOOL MINISTRY

Palm Valley Preschool
Director's Report – May 2026

Enrollment
Current enrollment for the month of May was 17 students. During this time, several children transitioned to specialized programs or began their summer schedules early. We are grateful for the many kind relationships built with our families and continue to celebrate the growth and progress of our students as they move into their next stage of learning.

Registration for the 2026–2027 School Year
Registration for the 2026–2027 school year remains open and ongoing. The upcoming school year will introduce the new 5-day program option alongside the continued 3-day program. Interest in both programs has remained steady, with enrollment interest currently balanced between the two options. Based on current family conversations and registration activity, we anticipate approximately 50% of current families returning next school year, while other families transition to public Pre-K, specialized programs, or kindergarten following graduation. Tours and enrollment conversations continue as families explore preschool options for the upcoming year.

Staffing & Preparation for Next Year
Staffing for the 2026–2027 school year has been a significant priority and is currently complete based on projected enrollment needs. We have hired several highly qualified and experienced teachers who are excited to join and support the expansion of the new 5-day program. Additional staffing will be considered as enrollment grows, and future classroom needs arise. Planning and preparation for the upcoming school year continue to move forward positively.

Operations & Systems
Families are actively utilizing the preschool's new school management system as part of the registration process for the upcoming school year. With the current school year now officially complete, the preschool is fully transitioning into the exclusive use of this platform for enrollment, communication, records management, and family engagement. This transition will provide a more streamlined and user-friendly experience for families while continuing to strengthen the school's operational systems and overall program management.

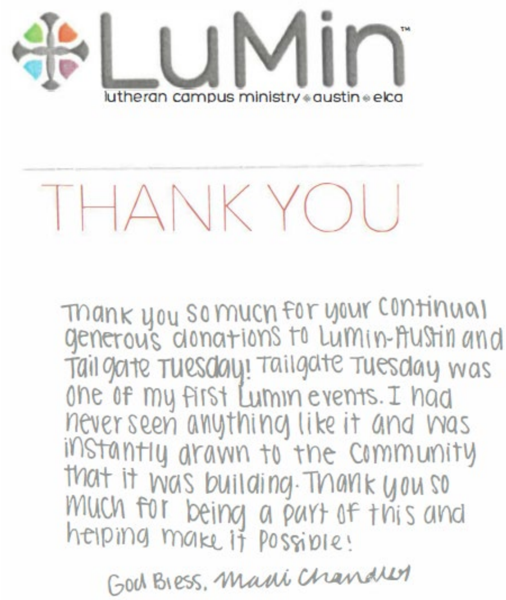
Marketing & Outreach
Marketing and outreach efforts continue to expand through increased use of Facebook advertising and community engagement initiatives, which have significantly increased the preschool's visibility and online following. Summer outreach plans include partnerships with local family-friendly businesses, summer open houses, and select Sunday events designed to connect with prospective families and continue strengthening community awareness of the preschool and its programs.

School Life
The 2025–2026 school year officially concluded this month with a joyful End of Year Celebration and Graduation Ceremony. Families gathered as students shared songs and participated in a sweet celebration recognizing our preschool graduates and the completion of a wonderful school year together. The event was very well attended and reflected the strong sense of community within the preschool. Planning for the upcoming school year is already underway, with the school calendar established and preparations continuing for an exciting new year ahead.

Thank you!
Becky Simpson

SMALL GROUPS AND VOLUNTEERS MINISTRY

Submitted by Kelley Adams
5/18/2026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THANK YOU

Thank you so much for your continual generous donations to LuMin-Austin and Tailgate Tuesday! Tailgate Tuesday was one of my first LuMin events. I had never seen anything like it and was instantly drawn to the community that it was building. Thank you so much for being a part of this and helping make it possible!

God Bless, Madi Chandler

Special Interest Small Group Activities:

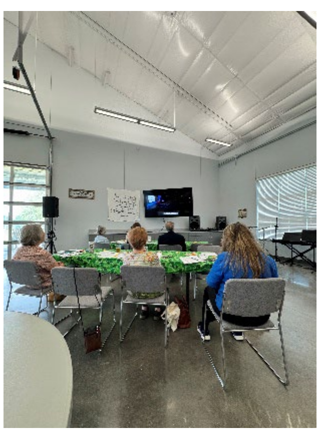
April 21: LuMin Tailgate Tuesday was cancelled due to weather. We will reschedule for a date in the Fall.

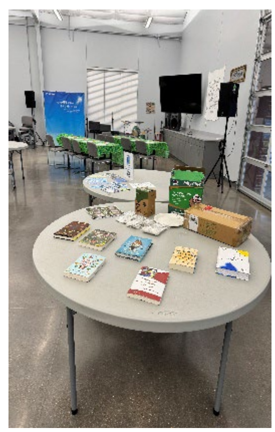
April 25: National Faith and Climate Forum

Palm Valley was honored to serve as a host site for the National Faith and Climate Forum, featuring an inspiring lineup of speakers, meaningful creation care topics, and practical guidance for congregations seeking to develop Creation Care and Climate Justice ministries. Our faith calls us to care for creation, and the wisdom shared throughout the forum was both insightful and deeply encouraging.

Nine participants attended the forum and learned about the renewal of faith communities following climate disasters. Young leaders from diverse backgrounds and faith traditions shared hopeful visions for the future they hope to inherit. Congregations, interfaith coalitions, and community organizations also shared inspiring examples of how leadership in creation care can strengthen and benefit our communities.

A special thank you to Deborah Franke for spearheading this offering as well as Manny Castro for their hard work and dedication in bringing this meaningful opportunity back to Palm Valley. If you were unable to attend the forum but are interested in learning more, I would be happy to share a link to the recording.





April 29 -May 12: Kelley was out on vacation

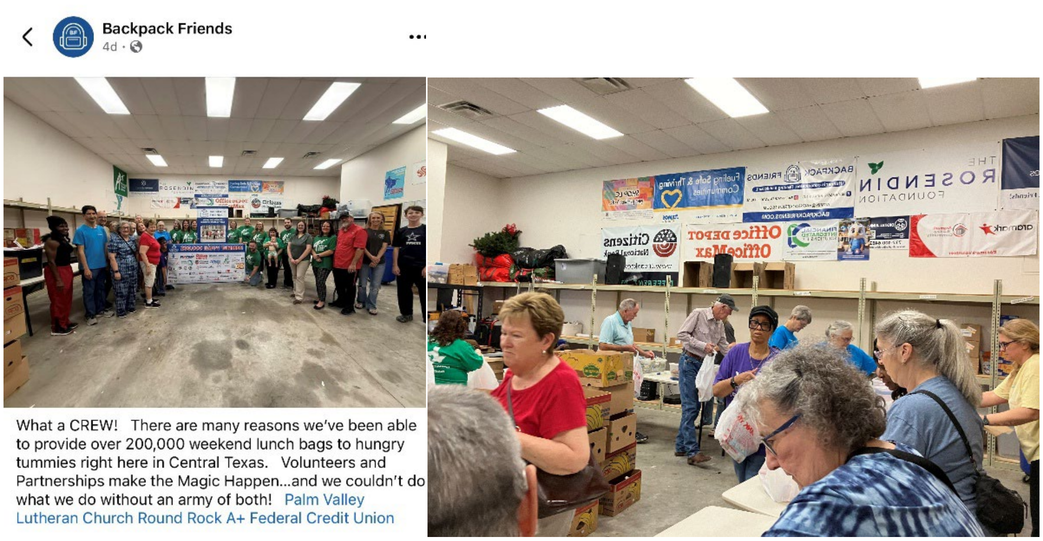
May 2: Adopt-a-Street –

Our small but mighty Adopt-a-Street crew gathered on a beautiful Saturday morning to clean up our assigned route. Together, 8 pounds of trash was collected, making a visible difference in our community while enjoying great fellowship along the way.

Thank you to Manny Castro, Nicole Castro, Deborah Franke and Lisa Marengo for their continued commitment to this community outreach ministry.

May 4: Backpack Friends

In Texas, 1 out of every 4 school children go home on Friday with no food for the weekend. Eight volunteers from Palm Valley worked alongside other volunteers and helped pack 400 backpacks with food. The organization works with schools and the backpacks are delivered to the schools and discreetly delivered to students identified as food insecure. This packing party marked a milestone for this organization and has served over 20,000 children since it's inception in 2014.



Shout out to our volunteers: Kathy Erwin, Dana Leary, Lisa Marengo, Dave and Sheila Smith, Carlton and Bill Sands and Manny Castro.

If time isn't something you have you can donate: https://app.betterunite.com/backpackfriends-1000heroes

Small Groups:

Music Lover's Small Group – On March 28th 6 music lovers met to enjoy the music of Perry Savard and on May 1 6 music lovers enjoyed Perry's music at the Cottonwood Creek Brewery in Hutto.

May 16: Game Night Small Group – this new small group held its first night of fun with 11 people gathering at the church for some friendly competition and community building. Watch Echoes Lite for the next event!

April 30: Supper Club - reconvened for food and fellowship with about 35 in attendance.

CEMETERY TEAM

Cemetery Team Meeting March 30, 2026

Attending: Jayne Baxter, Jan Cleveland, Morris Noren, Linda Reed-Team Lead, Sue Rue, Mary Wallin-Secretary, Jen Kendrick-Executive Administrator

Absent: David Beck, Scott Brandt, Ann Grimes, Johnnie Pecht, Lila Pecht

Guests: Kathy Erwin, Vicki Wall

Linda called the meeting to order at 5:30 PM and led us in prayer.

Minutes from the February 10, 2026 meeting were reviewed. A minor edit was received. Jayne motioned to approve the minutes and Jan seconded. All approved.

From the old business agenda:

- Council approved the road study. Contracts are with the vendors.
- Council postponed action on the operations and responsibilities document. That document with minor edits, will now include the operations document that is given to all plot buyers.
- Motion made by Linda and seconded by Sue to reconsider the cemetery coordinator position. All approved
- Motion made by Jayne and seconded by Morris to rescind the prior vote on the cemetery coordinator position. All approved.

New business agenda:

- Jan offered to take over the cemetery coordinator duties given her experience in this field and her desire to volunteer somewhere she can be useful.
- Vicki related her experiences as cemetery coordinator and duties that this position consists of. She reiterated that she considers this as a ministry. Vicki told of taking an initial call from prospective buyer through the purchase of cemetery plot or columbarium niche. Then what happens to facilitate coordination of funeral, including meeting with family, offering guidance, coordination with funeral home, to Pastor's meeting with family.
- Vicki would still print bulletins for funeral services
- Billy still gets stipend for opening columbarium niche($150), and digging the hole for inurnment($450).
- Suggested that all council members should be offered the opportunity to see what all goes into funeral coordination.
- Trial period for Jan would be until the end of 2026.

Motion by Jayne and seconded by Morris to accept Jan as volunteer cemetery coordinator with a trial period until the end of 2026 undertaking all duties except publications. Set up costs for this position, including computer, will be funded by the cemetery operating fund. All approved.

Motion to adjourn by Sue and seconded by Linda. All approved.

Submitted by Mary Wallin

Palm Valley Lutheran Church
Endowment
2026 Grant Recommendations

Multi-Year Grants		
Lumin UT Austin Food Pantry (Year 3 of 3 - $10K per year)	$ 10,000.00	
Missionary Support - Abby Boldt (Year 3 of 3 - $10K per year)	$ 10,000.00	
Backpack Friends (Pflugerville) (Year 3 of 3 - $30K per year)	$ 30,000.00	
		$ 50,000.00
Recurring Grants		
Synod Aid Fund/Sustenation Fund (15% of Distribution) *	$ 53,098.00	
Building Fund Reserve (15% of Distribution) *	$ 53,098.00	
Council Retreat - 2027	$ 1,200.00	
Administrative Expense	$ 8,572.00	
High School Senior Recognition - Gifts & Meal	$ 2,500.00	
High School Senior Scholarships - 12 students @ $1,000 each | Only 4 applicants	$ 4,000.00	
Disaster Relief	$ 6,000.00	
Local Benevolence - including Lumin Tailgate Tuesday @ $2,400.00 + Comm Care	$ 4,500.00	
Camp Scholarships	$ 9,440.00	
		$ 142,408.00
New Grant Requests		
The BiG Community	$ 25,000.00	
Bridge Church *(applied in 2025 but was not funded)*	$ 25,000.00	
CRU	$ 3,000.00	
Deaf Mentoring Project	$ 15,000.00	
Neudoerffer Memorial - Bethany Lutheran Church, India	$ 30,000.00	
Sacred Heart Community Clinic ($150,000 over 3 years)	$ 50,000.00	
PVLC - "VOLT" (Valentine's, Oktoberfest, Ladies Tea)	$ 5,600.00	
Williamson County Young Life	$ 8,000.00	
		$ 161,600.00
Total Requested		**$ 354,008.00**
Disbursement of 7%		**$ 353,985.00**

** 15 % is Based on _7_ % Disbursement*

Balance *(calculation here will be total requested - [less] Disbursement % amount)* **$ (23.00)**

Trinity Place Senior Care Fund

Grant Requests - Multi Year, Recurring		
Transportation Ministry for Seniors (Year 3 of 3 Grant - $11,740/Year)	$ 11,740.00	
Drive a Senior (Year 3 of 3 - $60,000 /yr. req., $30,000 granted 2024)	$ 30,000.00	
		$ 41,740.00
New Grant Request		
Accessible Parking for Back Porch	$ 34,550.00	
TOTAL TRINITY PLACE		$ 76,290.00
Total available to withdraw (as of December 31, 2026)		*$ 87,366.28*

Evangelism Team Meeting
April 6, 2026 7:00 p.m.

Attendees: Jayne Baxter, Angela Beck, David Beck-Council Rep., Sally Cotton, Paula Dietz, Anita Hulsman-Council Rep., Joy Kovar and Gaile Swoyer

Not attending: Donna Balshaw, Laurie Denchik, Pat Jacobs, Otto Pfahl and Rita Whitely

Joy, the acting chair, welcomed everyone and opened the meeting.

A motion to approve the **February 2, 2026 Minutes** was made by Paula, with a second made by Jayne, and the motion passed.

In **Old Business**, the **Contacting the First-time Visitors** program still needs volunteer contacts for the months of April, June, July, November and December. Contact Sally if you would like to be a caller for any of these months. Angela had several first-time visitors to contact during the month of March.

Paula refilled the gift supplies for our **First-time Visitor Gifts** program before our Easter worship services. She gave out a few gifts at the 9:30am service and Jayne passed out about seven gifts at the 11:15am service.

The next **Discovering Discipleship New Members Class** will be held on April 19th. Currently, there are six individuals registered for the class. The PVLC Council members will also be invited to join the class as well. Paula will try to get a more current potential visitor list from Molly Salzwedel, PVLC Financial and Admin. Assistant, and then she will contact the persons on that list to invite them to the upcoming class.

The **GriefShare Ministry Class** has approximately five people attending the class each week. The next class has not yet been scheduled. There may be a break for the summer and the next class will be in the fall.

Anita showed the team a list of names for the **Caller Program.** The list needs to be worked on to correct many potential errors that were found. Anita said there are about 756 active members, but many of the active members listed are no longer truly active. She said the number of active members is closer to 500. Anita will get with Jen Kendrick, PVLC Executive Admin., to print a list after the attendance includes Easter Sunday and then she will work on making the corrections and email the updated list out to the team. The team will check the list for additional corrections. Anita would also like to make a short reminder to fill out your connection card and why it is important. She would like to give this reminder once every two months at the beginning of the worship services at 8am and 9:30am and Jayne would make the announcement at the 11:15am worship service. Gaile also reminded the team to pray diligently for this program.

The **Lenten Meal** that our team served on February 25th went very well.

Sally brought the **Bluebonnet Outreach** signs to the church staff. They printed the new signs that had been damaged last year and put the signs in the bluebonnets at four locations around the church grounds.

Paula talked with Laurie about the **Fall Fair**. She and Otto will soon decide on a meeting date.

In **New Business**, Paula met with Jordana Gutierrez, PVLC Director of Youth Ministry, about the **Sundaes on Mondays** event. It will be held on June 8th, and the youth group will help host this event. They will get a bounce house or a water slide in order to attract more families with children to attend. Jordana will work on getting the speaker/entertainment and Paula will request funds from the Thrivent action team program to pay for the food and meal supplies. The youth group will also help pay for the event from their budget.

Paula and Jordana also discussed the **July 4th parade**. Jordana will work with Kelley Adams, PVLC Vol. and Small Groups Coordinator, to get the volunteers needed. She will also work on the truck and trailer for the float and will get a larger sign from Fast Signs for our float. Jessica Brunssen, PVLC Media Production, will be designing t-shirts for the event. This will be an outreach to our Round Rock community.

Paula volunteered to **chair** our next meeting on June 1st.

At 8:30pm, the meeting adjourned with the Lord's Prayer.

Respectfully submitted,
Sally Cotton

PERSONNEL TEAM

Meeting Minutes for Personnel Committee on April 13, 2026

Members in attendance: Chris Terry, Dave Smith, John Reed, Deborah Franke (Zoom), Daniel Johnson
Others Attending: Pastor Koppel, Jen Kendrick, Executive Administrator

- Members approved 2/23 agenda with motion by John and second by Pastor.
- Members approved job descriptions, with a motion to approve by Dan Johnson with second by John Reed.
- Reviewed cemetery coordinator position. Jan Beck Cleveland is going to handle this task on a volunteer basis, and will meet in person with the people that need services on behalf of the church. No vote or motion needed to move forward with this action.
- Receptionist position - in need of more volunteers for that role.
- Groundskeeper role and discussion – duties and responsibilities. John Reed presented the four options in front of us, and it was suggested that we have three members of the property team report about the continued status of the grounds over the next several months. No vote was required, but it was recommended that we go with option #1 from the meeting packet. No more overtime will be paid by the church, and cemetery will be paying for 60% of the cost of grounds keeper's salary.
- Dave Smith motioned to adjourn, and it was seconded by Chris Terry at 4:43 pm.

PROPERTY TEAM MEETING AGENDAAGENDA - 4/6/2026

I. CALL TO ORDER - JOHN REED, CHAIR

II. OPENING PRAYER

III. REQUEST FROM BOY SCOUT (EMMETT)

A. Discussion for timing considering possible HVAC work.

IV. OLD BUSINESS

A. Discussed HVAC Replacement at Sanctuary

B. Parsonage Roof Replacement Scheduled for 4/16/26

C. New Carpet in Sanctuary in Progress

D. Steeple Renovation Complete

E. Water Heater Repaired in CLC (Cleanout)

F. Lenten Diner Successful-Approx. 80 in Attendance

G. Work Day Held on 3/21/26 -Nine in Attandence

V. NEW BUSINESS

Install

A. Decision on HVAC Replacement/Estimate G&S – 57,494 (?)

Trane + LPC – 37,596 (7,577)

B. Discussion About Refreshing the CLC-Request from Council

C. Landscaping Peninsula in Front Parking Lot/Handicap Ramp at CLC

D. Gas Lines Under Sanctuary

E. Other New Business

VI. ADJOURN

All committee night -----------Property committee Meeting 2-2-2026

Present for meeting: Absent from meeting:

John Reed n/a

Jen Kendrick:

David Koch

Dwane Kostiha

Dave Smith

Brian Wickman

Rod Dietz

Garlon Oetken

Paul Kersten

Susan Ames

7:15 pm Call to Order by John Reed

A. Opening Prayer
B. Church improvements- discussions on money recommendation by committee of $454,000 then added $16,000 for cushions, $17,000 carpet, $6,000 for interior painting, $3,000 for closet totaling extra $42,000 . When council met they added $36,000 for LED lighting and $20,000 for parish hall improvements. However Jen said they were going to ask the congregation for approval of $800,000. Our concerns was what was the other $248,00 going to be used for? Jen or council members on property committee could not really answer this question. We would like this question answered by someone before or during congregational meeting. Our thoughts were that the congregation should have an itemized listing of where all this money was going. We totally understand that the council can do whatever they like. Dave and Garlon voiced their opinions to the need of an itemized listings for the congregation but Jen stated it would not all be listed. Question came up if executive committee could make decisions on their on and it was thought that they could not.

C. New roof for parsonage---concerns were made by John about the condition of the roof on the parsonage. Roof is thought to be 20-25 years old and had gone through hail and wind storms. Jen did not know if an insurance adjuster had ever been called to inspect. Considering depreciation, it might not be worth it now and could increase our premiums. John got two bids on roof replacement. One was $17,700 and the other was $17,250. After discussions about the two contractors a motion was made by Dave Smith and seconded by Rod Dietz and passed unanimously that we approve $17,750 for roof replacement.

D. Steeple repairs----- contractor will start work with installing scaffolding early next week and construction should be completed in about 4 weeks or a little longer. The Scaffolding will require some kleats to be installed on back side of roof and before and after pictures will be required. Some parking areas will be roped off for safety reasons.

E. Dwane mentioned that the steeple lights seem to be out that it is dark. John asked Jen to ask Billy to check lights if not we need to get someone to check all the lights. Question about possibly these lights are on a timer and Rod thinks he might know where the timer is located. Dwane also mentioned that LED lights might be considered for steeple.

F. Well water- John stated that since the well by the parsonage primarily feeds the cemetery area that this issue has been turned over to the cemetery committee to decide if this project is to continue or not.

G. Lenten Dinner- our yearly chili dinner will be held March 11 this year. We will all pitch in some money and Dwane will cook as before with help from the property committee.

H. Spring clean up- we set the date for March 21 with possible help from the Boy Scouts again. Start time will be 8:30 am.

I. Dwane brought up that the legacy oaks have not been looked at by an arborist in probably about 10 years and needs to be done. Brian volunteered to look in to maybe finding out who the city uses for their trees.

J. Water heaters- John brought up problem with water heater that was probably installed in 2002 and might be time to replace for repairs to a water heater that old might not be wise.

K. Adjourn---motion to adjourn was made by Dave and seconded by Paul and motion carried.

Yum! Brands National Account Proposal

Proposal is valid for 15 days
Customer must obtain credit approval and release order to production within 60 days of proposal date.

PROPRIETARY AND CONFIDENTIAL PROPERTY OF Trane U.S. Inc. – DISTRIBUTION TO OTHER THAN THE NAMED RECIPIENT IS PROHIBITED

Prepared For: *Tacala - Dwayne*

Date: 2/5/26

Job Name:
Tacala – PVLC 7.5 Ton RTUs

Proposal Number: ZF-53013-24728-1
Opportunity ID: 8364136

Delivery Terms:
Freight Allowed and Prepaid - F.O.B. Factory

Payment Terms: Net 30 Days

Item	Tag(s)	Qty	Description	Model Number
A1	Sanctuary	2	7.5 Ton Gas/Electric RTU	YSK090A3S0H**F0C0A20000A

R-454B Refrigerant / 208-230/60/3 / Symbio 700 unit controls
Factory Installed Enthalpy Controlled Economizer w Barometric Relief
Hinged Service Access Panels with 2-in MERV 8 filters
Factory Installed Circuit Breaker Disconnect & Powered 20A Convenience Outlet
Dehumidification / Modulating Hot Gas Reheat w/ Duct Mounted Humidity Sensor
Factory Installed Air Products Return Air Smoke Detector
Factory Installed Hail Guards
3 Year Limited Parts Warranty / 5 Year Limited Compressor Warranty – Parts Only
10 Year Limited Heat Exchanger Warranty – Parts Only

Total Net Price *(Excluding Sales Tax)* ....$ 28,765
RSCS Sourcing Fee...$ 1,294

Marty Cusick
Trane National Accounts
Toll Free: 866 YUM HVAC (866-986-4822)
Cell: (502) 558-4879
E-mail: mjcusick@trane.com

Trane shall have the right, at its discretion, to pass along any related increases should (1) its costs related to the manufacture, supply, and shipping for any product or service materially increase. This includes, but is not limited to, cost increases in raw materials, supplier components, labor, utilities, freight, logistics, wages and benefits, regulatory compliance, or any other event beyond Company's control and/or (2) any tariffs, taxes, levies or fees affecting, placed on or related to any product or service materially increases.

Tax Status:		
Taxable ☐ Exempt ☐		If you are claiming an exemption from sales tax on this project, please submit a completed exemption certificate for both the jobsite location state and the state where the equipment will be delivered (if different from the jobsite). You can submit the relevant state exemption certificate at the following link: https://trane.certifytax.com/custportalas.aspx . You will receive an email indicating approval or rejection within 1-2 business days. If your exemption claim is rejected, sales tax will be billed based on the state where the equipment was delivered. For any questions, please email: financial_services-tax_department@tranetechnologies.com

A Commercial Services Company of Lochridge-Priest

Palm Valley Lutheran Church
2500 E Palm Valley Blvd
Round Rock, TX 78665

Apri, 1 2026

Regarding: Palm Valley Lutheran Church Package Unit HVAC Project

Lochridge Priest Commercial Services is pleased to provide a proposal for the installation of two customer provided 7.5 Ton package units.

Warranty: 1yr labor and workmanship warranty on equipment.

Quote is good for 30 days

Base Scope: **$7,537.00**

TOTAL: **$ 7,537.00**

ACKNOWLEDGE ADDENDUMS: N/A

Our Bid Specifically Includes:

Install 2x customer provided 7.5 ton package units
Install customer provided field install equipment (if applicable)
All associated ductwork, electrical, and piping equipment
Lifts, as needed
Labor and start-up of units
All work to be completed per EPA guidelines
Permits

Our bid specifically excludes:

Asbestos lead and mercury abatement
Duct work, other than disconnect/reconnect of units
Drain lines other than disconnect/reconnect
Electrical, other than disconnect/reconnect
Gas piping, other than disconnect/reconnect
Walk paths or any other roof work
Damage to sidewalks/roadways
Fire control and systems
Painting or patch work of any kind
Taxes of any kind

Lochridge Priest • 2901 E. Industrial Blvd. • Waco, TX 76705
254.772.0670 • 254.772.0484 • lochridgepriest.com

TACLA24360C • TACLA28343C • TACLA28379C • TECL32275 • M41036

WORSHIP AND MUSIC TEAM

Minutes from April 6, 2026
Attending: Ken and Marie Bucher, Sue Rue, Sheila Smith, Kathy Erwin, Mary Wallin, Marvin Goad and Pastor Koppel
Absent: Sharon and Roland Krienke

Ken called the meeting to order and opened with a prayer.

The minutes of the February 2, 2026 meeting were reviewed.
Kathy made a motion to accept the minutes as written. Motion passed.

Old Business:
Lent and Easter review – Everything we well **-** the services and suppers were well attended. The skits and actors were good. Marvin did a great job leading and singing The Holden Evening Prayer service.

Sheila said that on Palm Sunday as Pastor read the processional gospel, he could not be heard especially by those at the end of the line. He said it was a battery issue.

Easter services were great and all services were well attended.
Sunrise: 86
8:00 98
9:30 260
11:15 100
Hispanic service: 50
Total 594

Refresh of the sanctuary is happening! Installation of new carpet started today and should be complete by the end of the week.
The pew cushions material has been selected; that is the next project. New shelving and cabinets for the sacristy is on the agenda. Removal and repositioning of the pews has been turned down by the Property Committee because it will not give us that much more room.

New Business:
Sue said the Altar Guild made it through Lent and we should be well "staffed" for the summer months.

Sue recommended that we purchase two (a medium and a large) black worship assistant robes for use om Good Friday. She also recommended using memorial funds to pay for them. Pastor said he recently got a robe from Gaspard and a size small fit him. The robe is made from recycled water bottles.

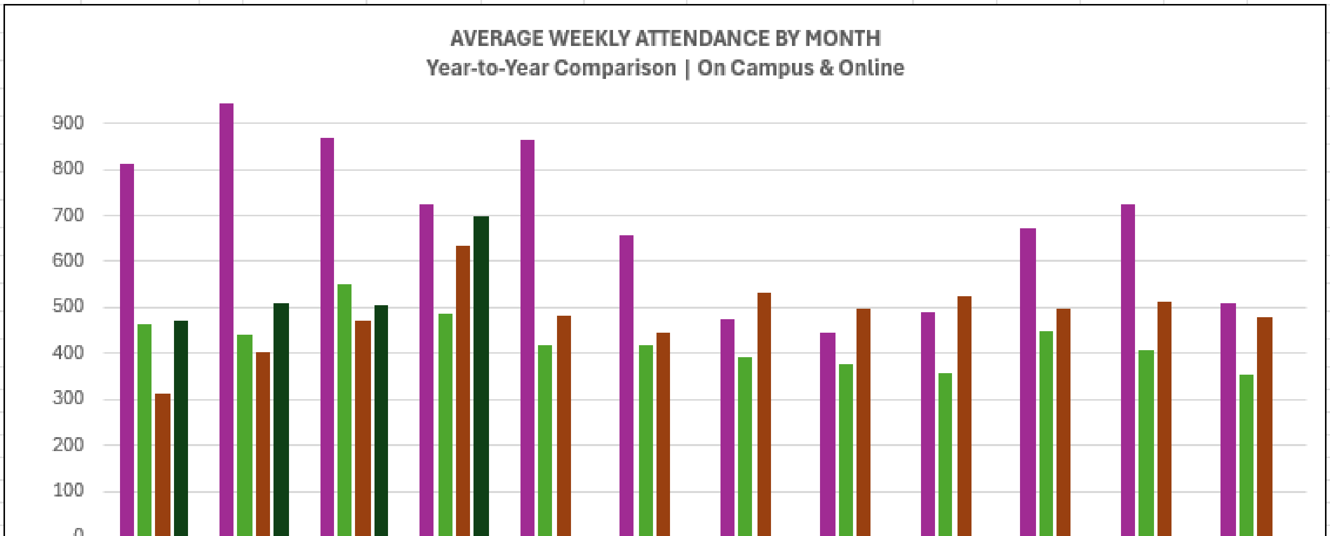
Sheila and Marvin reported that the new choir accompanist starts this Wednesday. Her name is Sue Eun. She also plays the organ which will give Marvin the opportunity to take a vacation. We are happy that we have a couple new members, all sopranos. We need more men especially tenors. The choir gave our departing accompanist, Jesus Diaz, a card and gift card on Easter Sunday morning. He will be missed by our choir but will still be around, playing for the Hispanic service.

Kathy inquired about the status of the organ swap. Marvin has talked to "Dan" at Allen Organ, and he learned some things about both organs, but no plans are in place for action. Marvin said he will call Dan again. It would be nice to get this long-awaited move done.

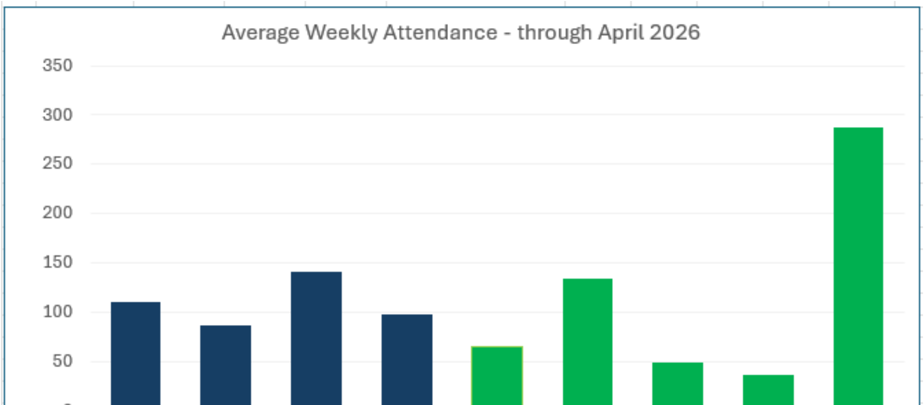
The meeting was adjourned and Pastor closed with prayer.

Respectfully submitted,
Sheila Smith

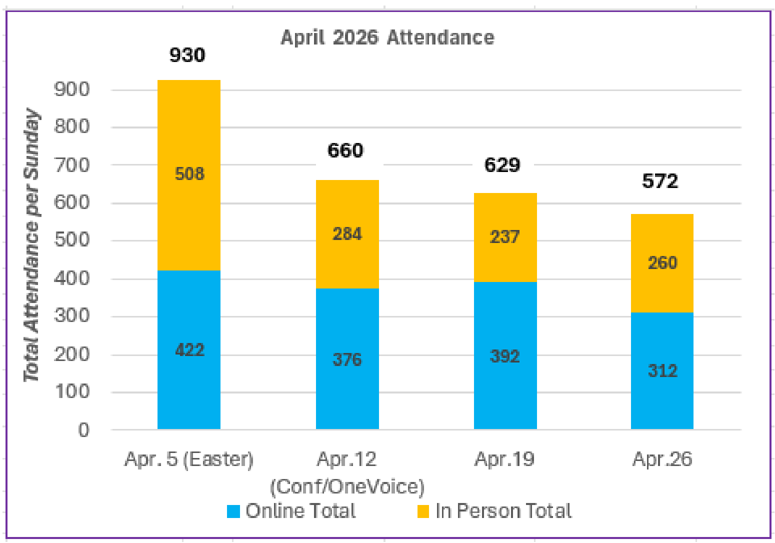
Next meeting date: June1, 2026



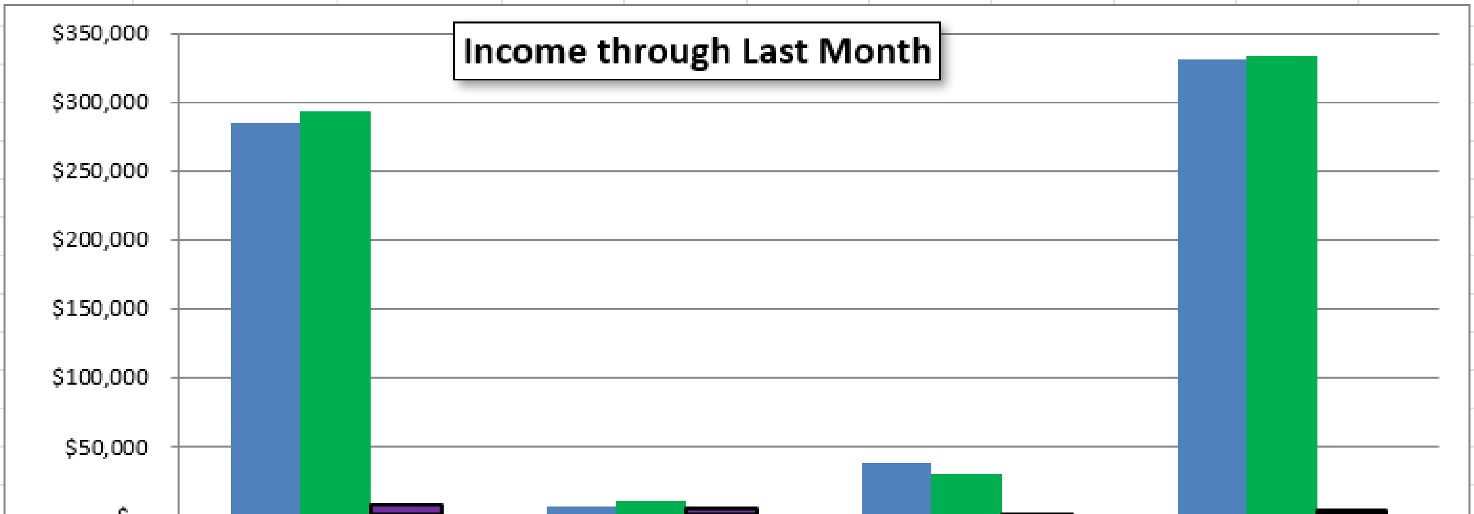
	January	February	March	April	May	June	July	August	September	October	November	December
2023	812	944	871	725	864	658	475	443	489	672	726	511
2024	462	442	550	485	419	419	393	376	356	447	407	354
2025	312	403	472	633	483	445	533	499	522	497	513	478
2026	473	511	506	698								



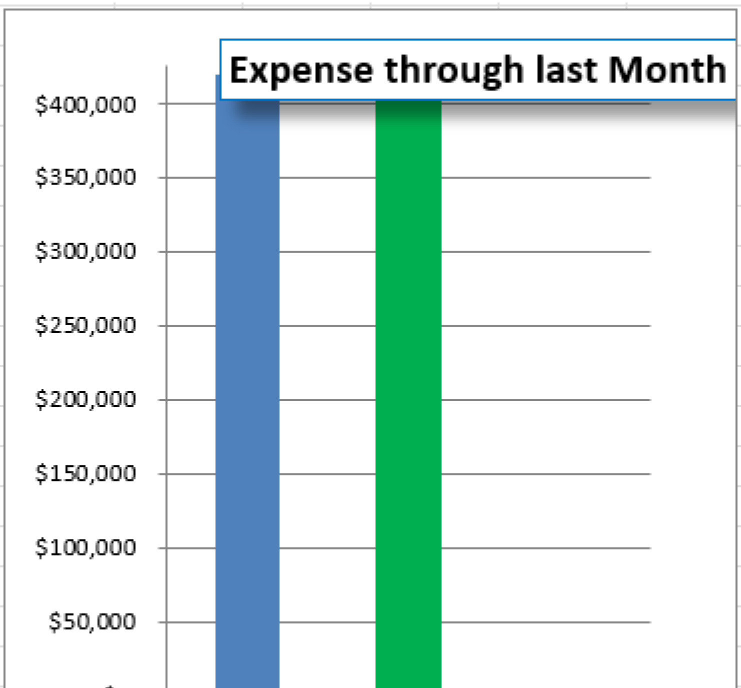
	Online Rejoice!	Online Trad 11:15	Online One Voice Worship	Just the Sermon	Campus Trad 8:00	Campus Rejoice!	Campus Trad 11:15	Campus Hispanic	Campus One Voice Worship
	110	87	141	98	65	134	49	37	288



Income and Expense - January thru April 2026

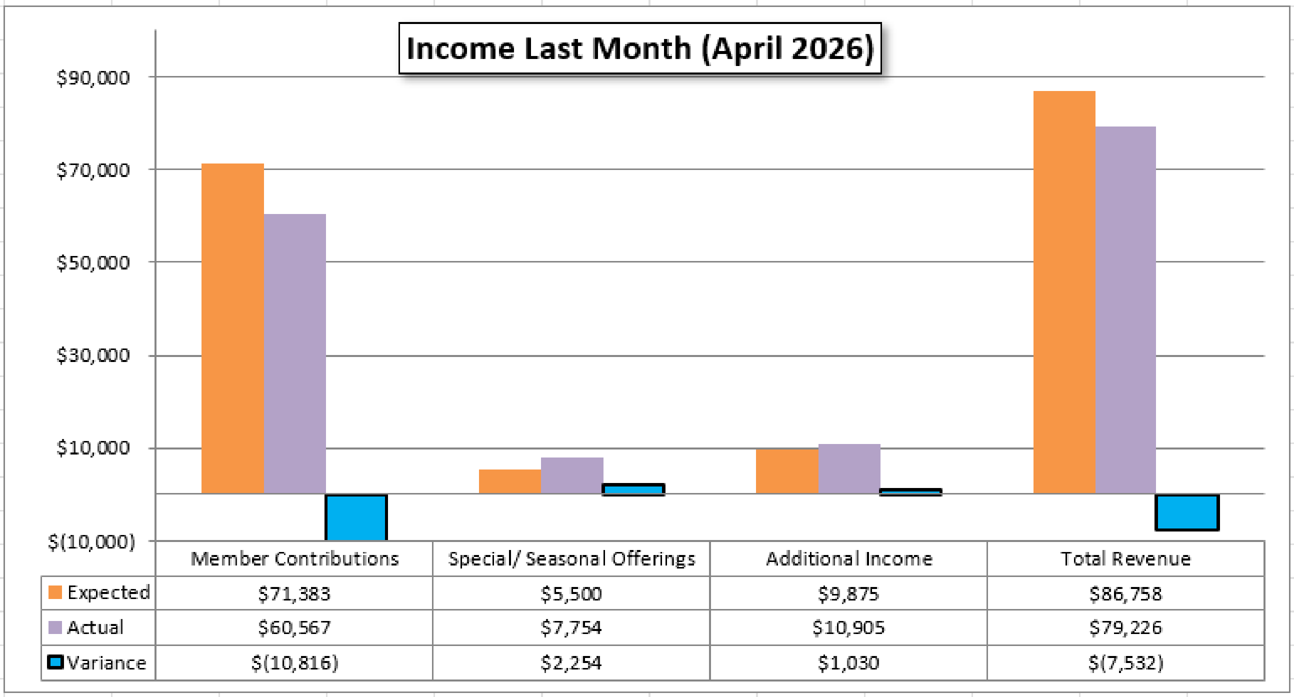


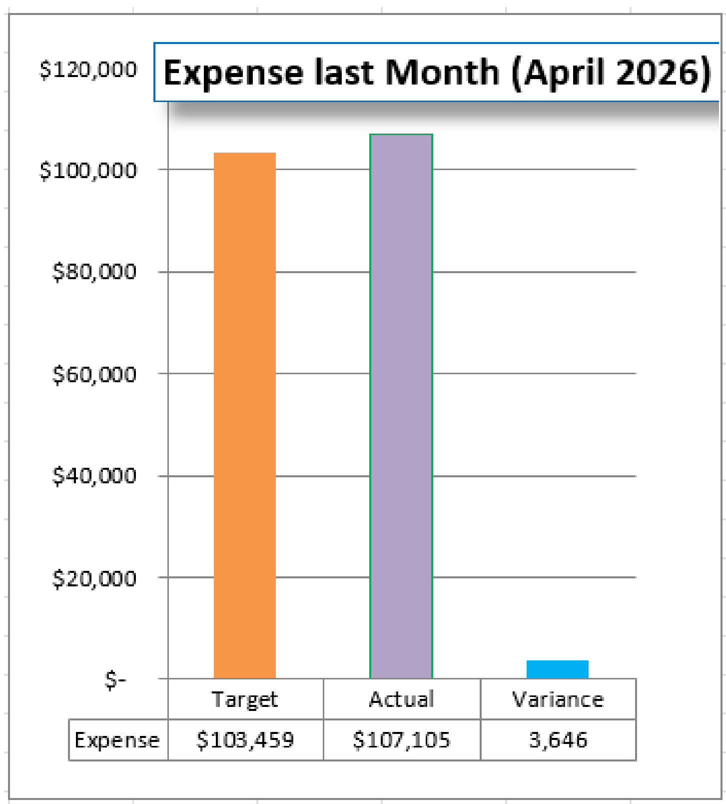
	Member Contributions	Special/ Seasonal Offerings	Additional Income	Total Revenue
Expected	$285,533	$6,500	$38,700	$330,733
Actual	$293,544	$10,901	$29,233	$333,678
Variance	$8,011	$4,401	$(9,467)	$2,945



	Target	Actual	Variance
Expense	$418,972	$424,138	5,166

Income and Expense - IN April 2026



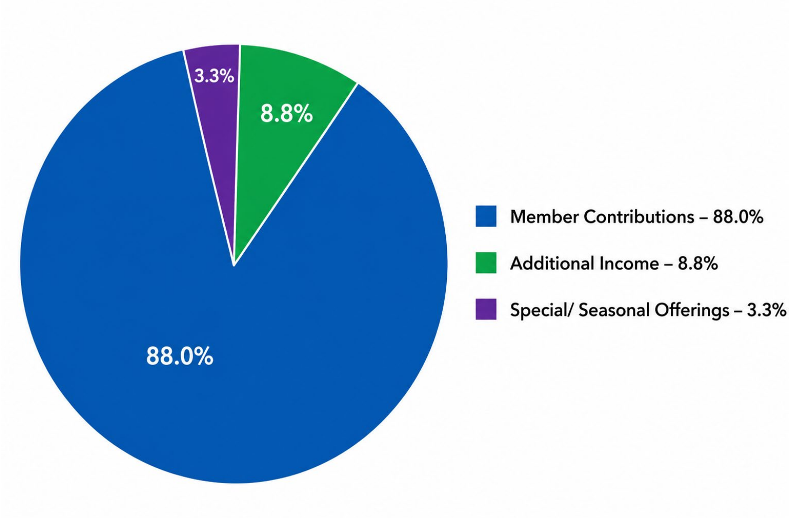


Financial Highlights

Year to date (through April):

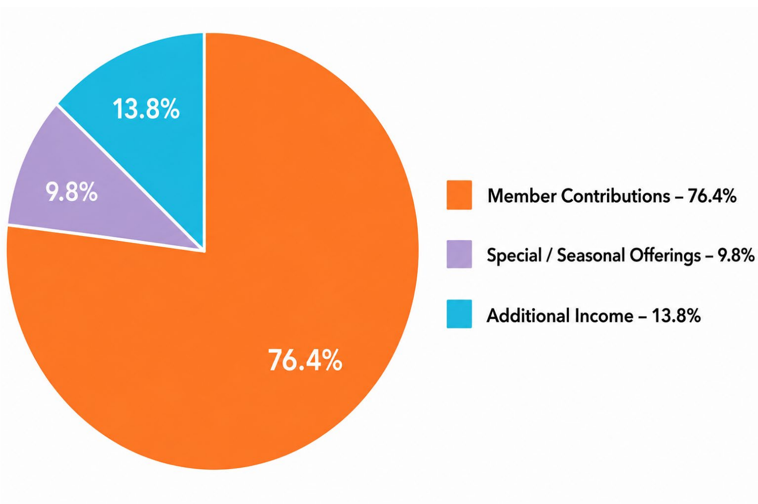
- Income is in the black.
- Member Giving total is above budget.
- Lent and Easter Gifts were strong – thank you!!
- Expenses are holding close to budget.

Sources of Income – Year to Date



In the month of April:

- Member giving was **<u>below</u>** budget.
- The first quarter of income from the Unrestricted Fund was received in May.
- Additional Revenue variances are partly due to timing of rent payments; everyone is in communication.
- In April, personnel overtime exceeded the $5000.00 budget for 2026.
    - Overtime has been *significantly* reduced since mid-February.
    - Lent and Easter hours were higher – as expected.



Sources of Income – month of April

Palm Valley Lutheran Church of Round Rock Texas
Budget v Actual FY26

	Jan - April 2026 Actual	Jan - April 2026 Budget	Jan - April 2026 Variance	2026 BUDGET
Income				
40000 Revenue				
41000 Church Revenue				
41100 Tithes & Offerings				
41110 Regular Offering				
41111 Member Contributions	287,895.93	280,000.00	7,895.93	900,000.00
41112 Loose Plate Offering	5,061.45	5,000.00	61.45	15,000.00
41113 Hospitality (donuts, coffee, etc)	586.55	533.32	53.23	1,600.00
Total 41110 Regular Offering	**293,543.93**	**285,533.32**	**8,010.61**	**916,600.00**
41120 Holiday Offering				
41121 Lenten Offering	7,971.22	1,500.00	6,471.22	1,500.00
41122 Easter Offering	2,930.00	5,000.00	(2,070.00)	5,000.00
41123 Thanksgiving Offering		0.00	0.00	1,200.00
41124 Christmas Offering		0.00	0.00	10,000.00
Total 41120 Holiday Offering	**10,901.22**	**6,500.00**	**4,401.22**	**17,700.00**
Total 41100 Tithes & Offerings	**304,445.15**	**292,033.32**	**12,411.83**	**934,300.00**
41200 Additional Revenue				
41210 Rental / Building Use Income				
41211 PV Preschool Rent	11,684.88	12,000.00	(315.12)	30,000.00
41212 Senior Access Rental	200.00	3,800.00	(3,600.00)	11,400.00
41213 Counseling Center Rental	1,257.34	1,433.32	(175.98)	4,300.00
41214 Rental / Building Use	5,717.00	10,000.00	(4,283.00)	30,000.00
41215 Church of Antioch Building Use	5,000.00	6,000.00	(1,000.00)	18,000.00
Total 41210 Rental / Building Use Income	**23,859.22**	**33,233.32**	**(9,374.10)**	**93,700.00**
41220 Staff Recognition	26.00		26.00	
41240 Events				
41241 Lenten Suppers	896.61	800.00	96.61	800.00
Total 41240 Events	**896.61**	**800.00**	**96.61**	**800.00**
41260 Altar Flower	1,120.00	1,333.32	(213.32)	4,000.00
41270 Other Income	3,330.75	3,333.32	(2.57)	10,000.00
41298 Net Investment Gain - Unrestricted Fund 2025		0.00	0.00	126,060.00
41299 Reallocation of Unrestricted Funds		0.00	0.00	65,900.87
Total 41200 Additional Revenue	**29,232.58**	**38,699.96**	**(9,467.38)**	**300,460.87**
Total 41000 Church Revenue	**333,677.73**	**330,733.28**	**2,944.45**	**1,234,760.87**
Total 40000 Revenue	**333,677.73**	**330,733.28**	**2,944.45**	**1,234,760.87**
Total Income	**333,677.73**	**330,733.28**	**2,944.45**	**1,234,760.87**
Gross Profit	**333,677.73**	**330,733.28**	**2,944.45**	**1,234,760.87**
Expenses				
50000 Expenses				
51000 Children				
51120 Special Events	1,867.25	833.32	1,033.93	2,500.00
51125 Contra Children's Events	(430.00)		(430.00)	
Total 51120 Special Events	**1,437.25**	**833.32**	**603.93**	
51130 Sunday School	788.82	600.00	188.82	1,800.00
51140 Children's Church		400.00	(400.00)	1,200.00

	Jan - April 2026			2026
	Actual	Budget	Variance	BUDGET
51150 Worship	4.74	0.00	4.74	$-
51160 Vacation Bible School	232.74	300.00	(67.26)	6,000.00
51170 Day Camp		0.00	0.00	1,250.00
51180 First Communion		66.68	(66.68)	200.00
51220 Nursery Care Supplies		41.68	(41.68)	125.00
51300 Curriculum for Parents & Children	388.00	166.68	221.32	500.00
51310 Classroom Decor/Physical Supplies	9.49	166.68	(157.19)	500.00
51320 Volunteer Appreciation Gifts		66.68	(66.68)	200.00
51999 Contra Children - Reallocation of Funds	(2,861.04)	(2,767.56)	(93.48)	(14,275.00)
Total 51000 Children	**0.00**	**(125.84)**	**125.84**	**$-**
52000 Youth				
52100 Jr. High				
52110 Jr Retreat / Gathering		400.00	(400.00)	1,200.00
52120 Jr Mission Trip		0.00	0.00	$-
Total 52100 Jr. High	**0.00**	**400.00**	**(400.00)**	**1,200.00**
52200 Sr. High				
52210 Sr High Retreat / Gathering	73.46	0.00	73.46	$-
52220 Sr High Mission Trip	4,020.50	0.00	4,020.50	4,000.00
Total 52200 Sr. High	**4,093.96**	**0.00**	**4,093.96**	**4,000.00**
52300 Confirmation	777.47	400.00	377.47	800.00
52310 Youth Van Rental	887.14	833.32	53.82	2,500.00
52400 Youth Activities / Projects	1,025.11	1,166.68	(141.57)	3,500.00
52500 Youth Education / Training	114.25	500.00	(385.75)	1,500.00
52600 Youth Sunday School		180.00	(180.00)	540.00
52610 Youth Mission and Outreach Local Programs		183.32	(183.32)	550.00
52620 Youth Volunteer Gifts	4.33	33.32	(28.99)	100.00
52630 Youth Group Supplies		100.00	(100.00)	300.00
52999 Contra Youth - Reallocation of Funds	(6,902.26)	(3,663.32)	(3,238.94)	(14,990.00)
Total 52000 Youth	**0.00**	**133.32**	**(133.32)**	**$-**
53000 Worship / Music				
53100 Worship				
53120 Communion Supplies	509.07	566.68	(57.61)	1,700.00
53130 Supplies / Kitchen items / hospitality	4,037.48	3,400.00	637.48	5,000.00
53140 Altar Flower	669.89	1,333.32	(663.43)	4,000.00
Total 53100 Worship	**5,216.44**	**5,300.00**	**(83.56)**	**10,700.00**
53200 Music				
53210 Adult Choir	369.49	233.32	136.17	700.00
53220 Handbell Choir		65.00	(65.00)	195.00
53230 Rejoice Team	300.01	400.00	(99.99)	1,200.00
53240 Instruments		233.32	(233.32)	700.00
53250 Robe Cleaning & Repair		50.00	(50.00)	150.00
Total 53200 Music	**669.50**	**981.64**	**(312.14)**	**2,945.00**
Total 53000 Worship / Music	**5,885.94**	**6,281.64**	**(395.70)**	**13,645.00**
54000 Education / Outreach / Evangelism				
54100 Christian Education				
54110 Curriculum		833.32	(833.32)	2,500.00
54120 Adult Education		200.00	(200.00)	600.00
Total 54100 Christian Education	**0.00**	**1,033.32**	**(1,033.32)**	**3,100.00**

	Jan - April 2026			2026
	Actual	Budget	Variance	BUDGET
54200 Evangelism				
54210 Supplies		116.68	(116.68)	350.00
54220 New Member / Projects	92.63	166.68	(74.05)	500.00
54230 Sundaes on Mondays		0.00	0.00	500.00
54240 Fall Fair		0.00	0.00	2,000.00
54250 1st Time Guest		166.68	(166.68)	500.00
Total 54200 Evangelism	**92.63**	**450.04**	**(357.41)**	**3,850.00**
54300 Spiritual Life				
54310 Home Devotional	173.60	175.00	(1.40)	800.00
54320 Misc. Expense		0.00	0.00	$-
54330 Small Groups		266.68	(266.68)	800.00
54340 Events		0.00	0.00	$-
Total 54300 Spiritual Life	**173.60**	**441.68**	**(268.08)**	**1,600.00**
54400 Generosity Team				
54410 General		0.00	0.00	250.00
Total 54400 Generosity Team	**0.00**	**0.00**	**0.00**	**250.00**
Total 54000 Education / Outreach / Evangelism	**266.23**	**1,925.04**	**(1,658.81)**	**8,800.00**
55000 Missions / Care				
55200 Hispanic Ministry			0.00	
55210 Worship		0.00	0.00	$-
55220 Christian Education		500.00	(500.00)	1,500.00
55230 Projects	651.32	400.00	251.32	1,000.00
Total 55200 Hispanic Ministry	**651.32**	**900.00**	**(248.68)**	**2,500.00**
55400 Stephen Ministries				
55410 Supplies		133.32	(133.32)	400.00
Total 55400 Stephen Ministries	**0.00**	**133.32**	**(133.32)**	**400.00**
Total 55000 Missions / Care	**651.32**	**1,033.32**	**(382.00)**	**2,900.00**
56000 Ministry / Program Personnel				
56100 Ministers / Program Staff	148,548.98	167,685.40	(19,136.42)	578,056.21
56105 Contra Ministry / Personnel Staff	0.00	(13,845.60)	13,845.60	(116,536.75)
Total 56100 Ministers / Program Staff	**148,548.98**	**153,839.80**	**(5,290.82)**	**461,519.46**
Total 56000 Ministry / Program Personnel	**148,548.98**	**153,839.80**	**(5,290.82)**	**461,519.46**
57000 Operations				
57100 Administration				
57110 Bank Fees	3,175.33	3,077.38	97.95	8,000.00
57120 Office Expenses	1,957.78	3,200.00	(1,242.22)	9,600.00
57130 Accounting Services	12,000.00	12,000.00	0.00	39,500.00
57140 Janitorial				
57141 Janitorial Services	25,932.96	26,206.68	(273.72)	78,620.00
57142 Janitorial Supplies	1,225.29	2,000.00	(774.71)	6,000.00
Total 57140 Janitorial	**27,158.25**	**28,206.68**	**(1,048.43)**	**84,620.00**
57150 Synod Convention	2,000.00	2,000.00	0.00	2,300.00
57160 Worker's Comp Insurance	1,889.32	2,000.00	(110.68)	6,000.00
57170 Dues and Subscriptions	730.56	2,800.00	(2,069.44)	8,000.00
57180 Background Checks	25.35	183.32	(157.97)	550.00
57190 Council Support	246.04	166.68	79.36	500.00
57191 Staff Development	385.80	1,166.68	(780.88)	3,500.00
57195 Operations Mileage Reimbursement	192.14	1,333.32	(1,141.18)	4,000.00

	Jan - April 2026			2026
	Actual	Budget	Variance	BUDGET
57199 Other Expenses	267.12	1,333.32	(1,066.20)	4,000.00
Total 57100 Administration	**50,027.69**	**57,467.38**	**(7,439.69)**	**170,570.00**
57200 Information Technology				
57210 General IT	12,703.83	8,450.68	4,253.15	25,352.00
57219 Contra IT - Reallocation of Funds to Ops	(4,784.00)	(4,784.00)	0.00	(14,352.00)
57220 Copier Expense	5,669.88	6,333.32	(663.44)	19,000.00
Total 57200 Information Technology	**13,589.71**	**10,000.00**	**3,589.71**	**30,000.00**
57400 Property				
57410 Maintenance Repair / Equipment	6,152.74	11,666.68	(5,513.94)	35,000.00
57411 Contra Regular (budgeted) Maintenance		(9,666.68)	9,666.68	(29,000.00)
57412 Major Maintenance	18,974.00		18,974.00	
57413 Contra Major Maintenance	(17,750.00)	0.00	(17,750.00)	$-
Total 57410 Maintenance Repair / Equipment	**7,376.74**	**2,000.00**	**5,376.74**	**6,000.00**
57415 Building Service Contracts	2,778.40	3,340.00	(561.60)	10,020.00
57420 Fuel	747.96	1,400.00	(652.04)	4,200.00
57430 Property Insurance	19,388.34	22,666.68	(3,278.34)	68,000.00
57435 Contra Property Insurance		0.00	0.00	(9,400.00)
Total 57430 Property Insurance	**19,388.34**	**22,666.68**	**(3,278.34)**	**58,600.00**
57440 Utilities				
57441 Gas	3,978.51	3,325.00	653.51	5,200.00
57442 Electricity	10,021.87	14,900.00	(4,878.13)	48,000.00
57443 Water / Sewer	5,237.97	4,500.00	737.97	14,000.00
57499 Contra Utilities		0.00	0.00	(5,500.00)
Total 57440 Utilities	**19,238.35**	**22,725.00**	**(3,486.65)**	**61,700.00**
57450 Trash	736.40	1,000.00	(263.60)	3,000.00
Total 57400 Property	**50,266.19**	**53,131.68**	**(2,865.49)**	**143,520.00**
57500 Operations Personnel				
57510 Operations Salary and Benefits	169,331.29	165,832.92	3,498.37	497,498.75
57511 Contra Ops Salary and Benefits	(17,750.84)	(32,497.44)	14,746.60	(97,492.34)
57513 Sunday Bus Driver	1,601.85		1,601.85	
Total 57510 Operations Salary and Benefits	**153,182.30**	**133,335.48**	**19,846.82**	**400,006.41**
57515 Payroll Fees	1,099.82	950.00	149.82	1,800.00
57525 Nursery School Contractors/1099	620.00	1,000.00	(380.00)	2,000.00
Total 57500 Operations Personnel	**154,902.12**	**135,285.48**	**19,616.64**	**403,806.41**
Total 57000 Operations	**268,785.71**	**255,884.54**	**12,901.17**	**747,896.41**
Total 50000 Expenses	**424,138.18**	**418,971.82**	**5,166.36**	**1,234,760.87**
59000 Uncategorized Expense	0.00		0.00	
Total Expenses	**424,138.18**	**418,971.82**	**5,166.36**	**1,234,760.87**
Net Operating Income	**(90,460.45)**	**(88,238.54)**	**(2,221.91)**	**$-**
Net Income	**(90,460.45)**	**(88,238.54)**	**(2,221.91)**	**$-**

Palm Valley Lutheran Church of Round Rock
Balance Sheet
As of Apr 30, 2026

	Total
Assets	
Current Assets	
Bank Accounts	
Cemetery Savings (6454)	77,115.31
Church MM 2023 (5153) - 1	112,361.83
Church Operating (1246) - 1	108,881.21
Davidson Portfolio	9,700,891.65
Endowment MM 2023 (5161) - 1	86,778.61
Old Project Checking (0995)	3,428.73
Total for Bank Accounts	**10,089,457.34**
Total for Current Assets	**10,089,457.34**
Total for Assets	**10,089,457.34**
Liabilities and Equity	
Liabilities	
Current Liabilities	
Credit Cards	
Bill / Divvy Credit Card	4,342.29
Total for Credit Cards	**4,342.29**
Total for Current Liabilities	**4,342.29**
Total for Liabilities	**4,342.29**
Equity	
30000 Funds	
31000 Designated Funds	
31100 Memorial Funds	
31101 Memorial Gifts	21,470.38
31103 Adult Choir Memorial Fund	1,233.33
Total for 31100 Memorial Funds	**22,703.71**
31200 Youth Ministry	405.00
31210 Youth Fundraising	5,839.82
31211 Youth National Gathering	4,974.48
31212 Youth Scholarship	3,596.89
31213 Youth Summer Camp	(6,407.56)
Total for 31200 Youth Ministry	**8,408.63**
31400 General Designated Funds	
31401 Columbarium Niche Engraving	8,228.72
31402 Fall Fair Fund	6,159.39
31403 Grounds Beautification Fund	5,724.96
31404 Hispanic Service	120.00

	Total
31405 Office Equipment - Pecht Zinke Fund	36,834.25
31406 Computer Equipment Fund	37,499.84
31408 El Salvador Love	4,484.71
31409 World Hunger	1,100.00
31410 Round Rock Serving Center	1,575.00
31411 July 4th Parade	473.57
31414 Water for Africa	1,953.40
31415 Day Camp	471.54
31416 God's Work. Our Hands.	2,794.27
31417 Community Care	8,459.76
31418 Women's Retreat Fund	1,177.80
31419 VOLT Ladies Fund (Val, Oktob, Ladies Tea)	2,623.17
31420 Grief Sharing Group Fund	(268.56)
31421 Counseling Construction	1,443.03
31423 Disaster Relief Fund	4,165.70
31425 Young Adult Ministry Fund	4,360.00
Total for 31400 General Designated Funds	**129,380.55**
31500 WELCA Funds	0.00
31501 WELCA Bereavement Fund	1,147.38
31502 WELCA Rebecca Quilters	2,299.78
31503 WELCA Convention	174.44
31504 WELCA Kitchen Fund	140.67
31505 WELCA Lutheran World Relief	4,299.38
31506 WELCA General Fund	1,118.54
Total for 31500 WELCA Funds	**9,180.19**
31600 Cemetery Fund	130,088.47
31700 ERC	130,858.93
31701 Lange Trust Gifts	69,953.41
Total for 31000 Designated Funds	**500,573.89**
Total for 30000 Funds	**500,573.89**
Opening Balance Equity	9,700,891.65
Retained Earnings	(14,693.82)
Net Income	(101,656.67)
Total for Equity	**10,085,115.05**
Total for Liabilities and Equity	**10,089,457.34**

Palm Valley Lutheran Preschool
Budget v Actual Fiscal year to last Month
August 2025 - April 2026

	Actual	Budget	Variance
Income			
40000 Revenue			
40100 Tuition & Fees			
41105 Registration	1,040.00		1,040.00
41110 Tuition	65,149.85	53,640.00	11,509.85
Total 40100 Tuition & Fees	66,189.85	53,640.00	12,549.85
41150 Other Income			
41115 Scholarship Fund	3,800.00		3,800.00
41155 Interest	557.02		557.02
41190 ERC Funds	29,893.73		29,893.73
Total 41150 Other Income	34,250.75	0.00	34,250.75
Total 40000 Revenue	100,440.60	53,640.00	46,800.60
Total Income	100,440.60	53,640.00	46,800.60
Expenses			
50000 Expenses			
52000 Administration			
52700 Bank Charges/Fees	72.00	0.00	72.00
52710 Office Supplies	78.00		78.00
52725 Dues - Subscriptions	627.13		627.13
52730 Advertising	1,505.28	600.00	905.28
52750 Licensing Fees	506.77	0.00	506.77
Total 52000 Administration	2,789.18	600.00	2,189.18
52005 Operations			
52811 Copier Lease Pmt	684.00	684.00	0.00
52820 Telephone/Internet	940.50	945.00	(4.50)
52821 Building Rent	9,000.00	9,000.00	0.00
52825 Utilities	10,714.23	10,714.23	0.00
52828 Church Support Staff	4,952.25	4,952.25	0.00
52830 Insurance Property	4,700.00	0.00	4,700.00
52860 School Software & Security	1,345.29	801.00	544.29
Total 52005 Operations	32,336.27	27,096.48	5,239.79
52009 Personnel			
52900 Teacher Salaries/Hourly	33,006.50	49,063.47	(16,056.97)
52905 Teachers- FICA/Med	5,454.64		5,454.64
Total 52900 Teacher Salaries/Hourly	38,461.14	49,063.47	(10,602.33)
52930 Administrative Salaries	45,020.52	48,744.00	(3,723.48)
52935 Administrative FICA/Med	7,458.84		7,458.84
Total 52930 Administrative Salaries	52,479.36	48,744.00	3,735.36
52945 Continue Educ Staff	144.00		144.00
52950 Payroll Fees	1,566.06	819.00	747.06

	Actual	Budget	Variance
52955 Staff Background Checks	4.35	50.00	(45.65)
52960 Contract Substitute Services	10,986.22		10,986.22
Total 52009 Personnel	103,641.13	98,676.47	4,964.66
53000 Program Needs			
53300 18 mos Classroom Supplies	20.43	0.00	20.43
53325 Shared Classroom Supplies	869.00	0.00	869.00
53327 Snacks	220.79		220.79
53335 Basic Classroom Supplies	22.73	0.00	22.73
Total 53000 Program Needs	1,132.95	0.00	1,132.95
54000 Activities Cost			
54130 Small Activity Cost	222.96	0.00	222.96
54205 Staff Food	130.96	0.00	130.96
54215 Staff Incentives	164.85		164.85
Total 54000 Activities Cost	518.77	0.00	518.77
Total 50000 Expenses	140,418.30	126,372.95	14,045.35
Total Expenses	140,418.30	126,372.95	14,045.35
Net Operating Income	(39,977.70)	(72,732.95)	32,755.25
Net Income	(39,977.70)	(72,732.95)	32,755.25

Palm Valley Lutheran Preschool

PVPS Balance Sheet FY to last month

As of Apr 30, 2026

	Total
Assets	
Current Assets	
Bank Accounts	
10011 Operating PS Regions 1415	7,349.60
10025 MM Preschool - Regions	110,820.70
Total for Bank Accounts	**118,170.30**
Total for Current Assets	**118,170.30**
Total for Assets	**118,170.30**
Liabilities and Equity	
Liabilities	
Current Liabilities	
Credit Cards	
Divvy Credit Card	2,853.11
Total for Credit Cards	**2,853.11**
Total for Current Liabilities	**2,853.11**
Total for Liabilities	**2,853.11**
Equity	
Opening Balance Equity	173,441.98
Retained Earnings	(18,147.09)
Net Income	(39,977.70)
Total for Equity	**115,317.19**
Total for Liabilities and Equity	**118,170.30**

Palm Valley Lutheran Church
Fund Descriptions

Church Budget | "Missions and Ministries Fund"

Sources of Funds:

- Member planned and general giving
- Seasonal special offerings
- Building Use fees
- Other income

Purpose: Funds the Mission and Ministries of the Church

Special Funds | Special, Designated, Restricted, Endowed

Special Funds:
General "communication-friendly" term for funds set aside for a specific purpose.

- Memorial Gifts – Contributions can be designated by the family, by church wish list, and/or by the Council.
- Youth Funds – Set aside for youth ministry fundraising, scholarships, summer camp, and to attend the National Youth Gathering.
- Community Care – Set aside for projects lead by our Community Care team, and for other needs that arise for local support.
- Women of the ELCA (WELCA) – Funds set aside for bereavement (funeral meals), Quilters, Lutheran World Relief, WELCA Convention, and general needs.

Designated Funds:
Funds labeled in policies, council minutes, financial statements, etc.

- Capital Improvement Funds – Set aside for future building needs.
- Employee Retention Credit (ERC) – Source is IRS credit for businesses who continued to pay employees during COVID-19 pandemic. Funds designated for employee raises in 2025 and 2026; remainer is undesignated.
- Telander Fund – Managed fund established in 1999 from the Arnold Telander estate. Used to "meet human needs in the church and beyond," including benevolence requests.
- Unrestricted Fund – Managed fund established by the ROW sale in 2023, and estate gifts from Lange and Mayfield in 2025/2026.

Restricted Funds:
Fund with gift(s) that come with donor restrictions that are accepted by the Church. Both must be true to restrict the funds.

- Office Equipment Fund – Donor restricted gifts for church office equipment.
- Computer Equipment Fund – Donor restricted gifts for church Computer/IT needs.
- Young Adult Ministry Fund – Donor restricted gift for needs of the Young Adult Ministry.
- Capital Reserve Fund – Managed fund for major maintenance needs of the church, source is the Mayfield Estate in 2002, and 15% of the annual allocations from the Endowment Fund.
- Capital Expansion Fund – Managed fund for new building/expansion projects, source is the Mayfield Estate in 2002.

Endowed Funds:
Typically principal preserved; controlled by the rules that established the fund. Restricted by purpose and/or what can be spent.

- Endowment Fund – Managed fund established in 1984; governed by the Endowment Fund Policy and is principal preserved.
- Cemetery Endowment Fund – Managed fund established in 1894, and formally named an Endowment fund in 1972. Used for the care and maintenance of the Cemetery, and is principal preserved.
- Iver Wallin Fund – Managed fund for Capital expansion, principal preserved.
- Isedor and Pauline Wallin Fund – Managed fund for major maintenance, principal preserved.
- Trinity Place Fund – Managed fund established in 2019 from the sale of Trinity Place. Usage is for the care of seniors, and is principal preserved.

CATEGORY	SOURCE OF CONTROL	LEGALLY BINDING?	CAN COUNCIL CHANGE IT?	TYPICAL ACCOUNTING	WHAT IT REALLY MEANS
Special Fund	Informal / historical label	No (by itself)	Yes	Varies (set aside, unrestricted)	"We track this separately."
Designated Fund	Council action or policy	No	Yes	Unrestricted (board-designated)	"We decided to set this aside."
Restricted Fund	Donor / external	Yes	No	Net assets with donor restrictions	"We are required to use this a certain way."
Endowed Fund	Donor (often via trust or agreement)	Yes (often permanently)	No (principal)	Restricted (often permanent)	"This is invested; use is limited (usually earnings only)."

RATLIFF + ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

April 7, 2026

Jen Kendrick
Palm Valley Luthern Church
2500 E Palm Valley Blvd
Round Rock, TX 78665
JKendrick@pvlc.org

I enjoyed visiting with you in our pre-planning call last week to discuss audit and advisory services for Palm Valley Luthern Church ("the Church"). I was also happy to hear that you have a relationship with Jodi Hayes at Redeemer Austin since she is familiar with our work. We look forward to discussing this proposal with you and your team, and we are happy to answer any questions you may have before or after your board meeting this Sunday, April 12.

In our call, we discussed a couple unique service options. Each service may stand alone, or they may be "bundled." The service options are: 1) 2025 diagnostic advisory services, 2) 2025 financial audit report.

Below I've summarized each of these services and phases to help your leadership team decide what's best for you. We want to tailor this to meet your Church's needs! When you are ready to move forward, I'll send you a formal engagement letter, and we'll schedule dates on the calendar to begin.

Phase 1: 2025 CPA diagnostic advisory services ("DAS")

- DAS is uniquely tailored to the Church to assist you in evaluating the Church's major finance and accounting processes, policies, and procedures. This will be modeled on your prior years' internal audit and "agreed upon procedures" engagements.
    - We focus our analysis on the Church's governance structure, accounting and finance systems, internal controls structure, major processes and procedures, and key revenue and disbursement activities. We examine a variety of items and situations: bylaws, minutes, org chart, systems reports, transactional support, internal controls documentation, and policy manuals, among other things. We will also meet with various accounting staff members and walk through your major processes from beginning to end. In addition, we will meet with committee, board, and other leaders as needed who oversee the Church's accounting and finances.
- At completion we will issue a DAS report of our findings, recommendations, and best practices to consider based on our experience working with other similar churches and nonprofit organizations.
- To be clear, at this point, we are not performing attest services. That is, we are not conducting a financial audit, the objective of which would be the expression of an audit opinion for your financial statements.

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817-332-3222 | WWW.RATLIFFCPAs.COM

Phase 2: 2025 Financial Audit and yearend accounting services

- We will conduct a financial audit for year 2025, in accordance with the national accounting and auditing standards of a CPA firm. An audit includes vouching and testing significant cash and investments balances and activities for the year, as well as analytics, inquiries, and an assessment of internal control processes.
- This also includes certain normal nonattest accounting services like preparation of financial statements and disclosures, in accordance with the modified cash basis (an acceptable reporting framework other than U.S. generally accepted accounting principles, or "GAAP"), and assistance with certain anticipated yearend closing adjustments and accruals.
    - Modified cash basis reporting most importantly means that we will not audit historic property and equipment of the Church. Capital purchases during the year 2025 will be audited as expenses, similar to other disbursements.
- The audit will include related operations and activities of the Church: the Endowment, the Preschool, and the Cemetery. We will audit and help prepare "consolidated" financial statements of the Church and its related entities/programs.
- In addition, we will have the opportunity to follow up on internal controls and best practice recommendations from our DAS (Diagnostic Advisory Services) performed in Phase 1 earlier in the year. In fact, we will building upon our DAS work as we perform the yearend audit.

- **Background**: Although the Church has undergone many internal audits, this is the first external financial audit. Therefore, we anticipate auditing both the beginning and ending balances of the fiscal year 2025. In other words, we will audit both 12/31/2024 and 12/31/2025 yearend balances. We will only audit the activities (revenues and expenditures and net asset designated/restricted funds) of the Church for the fiscal year 2025.
    - Furthermore, there are some expected unknowns in this first year. As we progress through the work, if we find areas of significant concern or issues, we will discuss those with you first and explore ways for improvement before proceeding. Our overall goal is to an independent eye and add constructive value where needed across your various systems, processes, and ministries.
- **Timeframe**: Exact timing for each phase TBD. Time flexibility allows us to provide the most favorable (discounted) pricing. We anticipate the following general timeline:
    - Phase 1: 2025 Diagnostic Advisory Services (May – June 2026)
    - Phase 2: 2025 Yearend Financial Audit (July – September 2026)
- **Church Pricing**: Each phase may be explored and agreed to individually or "bundled":
    - **2025 Diagnostic Advisory Services: $4,500 – $5.500**
    - **2025 yearend Financial Audit: $14,500 - $15,500**
    - **DAS/Audit Bundle: $17,000 ($4,000 discount)**
- The pricing is based on our current understanding of the scope of work compared to the value and pricing of similar engagements. The range of the price does take into consideration certain unknowns inherent with a first-year engagement. This also includes travel and other out-of-pocket cost, as applicable.

- **Logistics**: It is helpful to see each of the engagements in 3 parts; the length of each part will depend on the level of service as well as the complexity and overall efficiency:
    - 1) Planning: start with planning remotely, document requests, and inquiries via phone, email, video chat, etc;
    - 2) Fieldwork: We will perform the majority, or possibly all, of our "fieldwork" remotely. We anticipate using our secure online document request management system (called "Suralink") to share most data. Remote communications include email, phone, Suralink, and Microsoft Teams video conferencing. With the 2025 financial audit, we will also be onsite for 1 – 4 days at your Church's campus to meet you and your team in person, observe your facilities and systems, and examine any paper documents, as applicable.
    - 3) Drafting and finalizing report: finish up report remotely, walk through conclusion with you, and then present financials to your leadership team via Teams video conference.
- **R+A engagement team:** Mr. Ashley Voss or Chris Smith will be the audit partner on the engagement. Our firm works as a team, so two or three of our experienced team members will lead the majority of the detailed work. Ashley or Chris will be significantly involved throughout the process because it is our first-year engagement and to ensure we are serving you and your team well.
- **Next steps:** I'm happy to answer any follow-up questions so that you feel good about your decision. Please don't hesitate to ask! Once your team approves our proposal, we'll send a formal engagement letter and coordinate our schedules to begin.

A little more about Ratliff + Associates CPAs: 30+ Years… Accounting for The Mission!

- R+A focus: for over 30 years our firm has worked only with nonprofits like yours. Each year, we service over 200 nonprofit organizations around the country, including churches, schools, ministries, foundations, and others. In addition to being a legacy firm, we are a teaching firm. We regularly speak at the Texas Ministry Conference in Houston to share nonprofit accounting insights and updates with our clients.
    - **R+A motto: In God we trust, all others we audit.**
    - **R+A mission: Accounting for The Mission.** Our culture and our heart is to provide support services to the frontline of ***YOUR mission to be a congregation of "GRACE" in Round Rock and beyond!***
    - **Furthermore, in 2026, the R+A mission is to ADD+ Ministry!** We hope our professional services bless your Church and add assurance to your team, donors, and others. Even more, this year our team will be partnering as volunteers with many of our clients to provide front-line support, encouragement, and to ADD+ Ministry!

I trust this information will be helpful in your decision. Again, if you have further questions, please don't hesitate to ask. I look forward to hearing back from you soon!

Sincerely,

Ratliff + Associates, P.C.

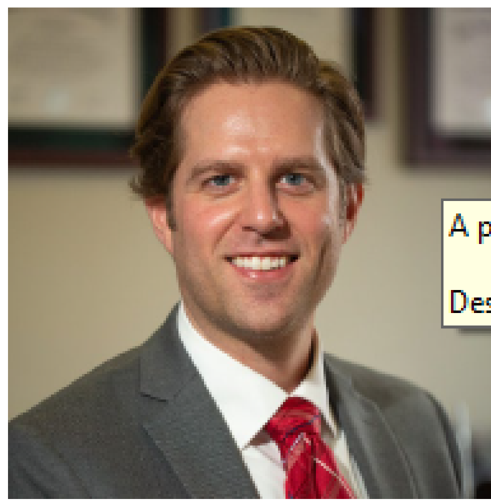
Ashley Voss, CPA

Managing Partner

Ratliff + Associates CPAs, P.C.

Audit Partners Biographies:

Ashley Voss, CPA



Chris Smith, CPA

Ashley Voss joined Ratliff + Associates CPAs, P.C. in 2008 and became managing partner in 2017.

Ashley started his career in 2002 with Ernst & Young, LLP, in Fort Worth, Texas. Ashley earned a bachelor's degree in accounting (as well as an English degree) from Abilene Christian University. He is a member of the Texas Society of CPAs and is also a regular speaker at the Texas Ministry Conference held annually in Houston, Texas.

Ashley lives in Fort Worth, Texas, with his wife Ruth Ann who is also our firm's office manager. They have been married for over 27 years, and they have four children. When he's away from the office, Ashley enjoys running, especially on forest trails. When they are away from home, the Voss family loves hiking and skiing in the Rocky Mountains.

Chris Smith joined the R+A audit team in August 2010. Prior to joining the firm, Chris brought two years of public accounting experience with Whitley Penn, LLP. that included both public and private corporations, along with not-for-profit organizations. The knowledge and skills gained from this previous experience afforded him the opportunity to fulfill his passion to minister and assist clients by providing audit and consulting services. Chris was promoted to partner in January 2025.

Chris earned his degree in accounting from the University of North Texas and became a CPA in 2013. He is an active member of the Fort Worth chapter of the Texas Society of CPAs. Chris has spoken at the Texas Ministry Conference and other nonprofit conferences on Church and nonprofit accounting.

Chris and his wife Emily have been married for over 17 years. They reside in Fort Worth, with their 5-year-old daughter, Lottie. The Smiths are members of Saint John's Anglican Church in Fort Worth, and they are active in the Ryan Place neighborhood association. Chris enjoys cooking, attending live concerts and building Lego houses with his daughter.

Proposal for Professional Services
May 12, 2026

Jen Kendrick, Executive Administrator
Palm Valley Lutheran Church
2500 E Palm Valley Blvd Round Rock, TX 78665
Via email to jkendrick@pvlc.org

Submitted by:
PSK LLP
Certified Public Accountants 3001 Medlin Dr. Suite 100
Arlington, Texas 76015
(817) 664-3000
www.pskcpa.com

Contact Persons:
Bryan Baughman, CPA, Partner
Lisa Majors, Audit Manager
Donna Ryan, Marketing Director

PSK LLP

Accountants & Advisors

May 12, 2026

Jen Kendrick, Executive Administrator
Palm Valley Lutheran Church
2500 E Palm Valley Blvd
Round Rock, TX 78665
Via email to jkendrick@pvlc.org

Jen:

Thank you for allowing PSK the opportunity to provide a professional services proposal to Palm Valley Lutheran Church ('Palm Valley' or 'the Church'). Positioned as the most qualified firm to meet the Church's accounting needs, we strongly desire to establish a relationship with Palm Valley and have you as a client.

PSK's ability to serve clients as a trusted advisor adds tremendous value to the scope of our professional services. We seek to provide remarkable service and will serve Palm Valley with:

- An experienced, dedicated team.
- Strong church and nonprofit industry leadership.
- Passion for building solid working relationships by helping clients achieve their goals.
- Commitment to excellence.
- Providing relevant resources on a consistent basis.
- Partner and leadership team involvement.

We are motivated to build a successful, long-term working relationship with Palm Valley Lutheran Church and will leverage our best resources to provide you with an exceptional experience each time you need us.

We look forward to the opportunity to discuss this proposal, and other opportunities, with you and your organization.

Respectfully submitted,

Bryan Baughman, CPA
Partner

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www.pskcpa.com

Relationship Approach

Bryan Baughman is an Audit Partner and will supervise the Palm Valley engagement and closely monitor the progress of each phase. Bryan has more than 20 years of experience in public accounting and focuses on audit and consulting with faith-based organizations, primarily local churches. Bryan began his career at KPMG before finding his home with PSK in 2006. Bryan's clients benefit from his patience, technical knowledge, and strong desire to make a helpful impact by delivering useful solutions.

Lisa Majors is an Audit Manager and will work closely with Palm Valley Lutheran Church and the PSK engagement team to ensure that the audit is properly coordinated. Lisa began her career in public accounting with PSK in 2006. Lisa is passionate about her work and takes great joy in establishing strong client relationships.

Additionally, the well-rounded accounting and financial background of all of our partners and team members collectively exist as a resource of helpful information. Annually, we perform over 200 attest engagements for churches and other faith-based organizations. We also perform monthly, quarterly, and annual accounting and advisory services for numerous churches and other faith-based organizations each year. This experience helps us stay current with the unique challenges and opportunities faced by churches; which, in turn, positions our firm to be a valuable resource for your team.

Proposal for Professional Services

We appreciate the opportunity to submit this proposal to Palm Valley Lutheran Church. Our proposal includes quote for three different services: audit, review, and best practices engagement (BPE). All three engagements would include the Church and School.

An audit or review engagement will yield financial statements for the Church and School presented in accordance with generally accepted accounting principles.

A BPE includes a series of procedures related to the accounting, management, and tax compliance environment of the Church and School. A detailed list of the procedures is attached to this proposal. The list of proposed procedures has been developed by PSK based on our experience working with churches.

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Proposal for Professional Services (continued)

In summary, an audit entails an analysis of financial statements and processes. A review focuses primarily on financial statements. A BPE focuses primarily on processes. All three engagements include letter of recommendations for improvements in your accounting systems and processes (if applicable), and a financial statement presentation to the appropriate governing body (if desired).

Any time an audit or review is performed when the immediate previous year did not have any type of engagement, extra work is required. Accordingly, we have priced an audit and review based on the initial year price (requiring the extra work) as well as based on the price of each engagement on a go-forward basis.

Our fee for an initial audit for 2025 would be $24,000. Subsequent audits would be $20,000.

Our fee for an initial review for 2025 would be $18,000. Subsequent reviews would be $15,500.

Our fee for a BPE would be $9,000 (initial and subsequent).

To illustrate: if the Church performs and audit for 2025, and BPEs for 2026 and 2027; the pricing would be: 2025 Audit - $24,000, 2026 BPE - $9,000, 2027 BPE - $9,000.

Or if the Church performs a BPE for 2025, and audit for 2026, and a BPE for 2027; the pricing would be: 2025 BPE - $9,000, 2026 Audit - $20,000, 2027 BPE - $9,000.

As you can see, a cost effective strategy would be to perform the audit or review after starting with a BPE. When an audit is not required, many of our clients find it economical to rotate services on a year to year basis by doing an audit every few years with reviews or BPEs in the off years. This can be a cost effective approach that allows you to have your records inspected every year, stay up to date on tax and labor law changes that effect churches, and maintain a relationship with a knowledgeable CPA that is passionate about helping you succeed.

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Proposal for Professional Services (continued)

This proposal was prepared using the information made available to us and represents our best estimate of time required. We based our total fee estimate on your staff's expected involvement, including the preparation of any requested schedules and retrieval of the requested documents. We may sometimes encounter matters unanticipated by either party at the start of the engagement. If that happens, we will review the issues with you as they relate to the overall proposal and any possible effects on our opinion or fee. However, we will *not* surprise you with unexpected fees.

We do not bill audit clients for responses to questions throughout the year. Providing a high level of value for your investment in our firm is integral to our basic engagement philosophy. We want our clients to reach out to us with questions at any point, without worrying about extra costs.

Firm Background

PSK LLP was founded in 1964 and continues to serve nonprofit organizations, businesses, and individual clients in a variety of industries in the DFW Metroplex and across Texas. Roughly half of PSK's practice is devoted working with local churches and we have client relationships with churches located in many states across America. Our firm (including its affiliate, Payroll Partners) employs approximately 70 individuals and 20 of our team members work in our Audit Department.

We are aware of no threats to our independence or ability to serve the Church with objectivity. We have had no disciplinary actions imposed upon our firm, and we received a "Pass" rating in our most recent Peer Review.

The greatest testimony of our firm's commitment to client service will come directly from our clients. We encourage you to contact any of the clients from the attached list.

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REFERENCES

Celebration Church
Nnamdi Oparanozie
Business Administrator
(512) 763-3000

Shoreline City Church
Lesleigh Wallace
Operations Director
(318) 773-4197

HopeFront Church
Anisa Larson
Executive Pastor of Operations
(919) 934-3551

Oasis Church
Clayton Risner
Director of Operations
(818) 287-8055 X 110

Children's Cup
Vicki Ohlerking
Finance Coordinator
(225) 673-4505

Life Fellowship
Jeff Boyd
Executive Pastor
(972) 532-1798

Christ Chapel Bible Church
Sydney Deal
Business Administrator
(817) 731-4329

Christ Fellowship
Steve Chappell
Senior Pastor, Operations
(972) 547-7000

Gill Children's Services
Peyton Lehrer
Executive Director
(817) 332-5070

Brookhollow Baptist Church
Barbara Walker
Business Administrator
(281) 649-6800

Healing Place Church
Joe LeBlanc
Chief Financial Officer
(225) 753-2273 x 232

NewSpring Church
Roger Mericle
Executive Pastor
(316) 630-8500

The Church Network
Denise Craig
CEO
(972) 699-7555

Mission Church
Stephen Liles
Administrative Pastor
(901) 762-0071

cLife Church
Bob Avery
Business Administrator
(972) 564-5433

Cross City Church
Chris Muckleroy
Accounting Director
(817) 540-7402

One Community Church
Crystal Gilpin
Business Administrator
(469) 854-1284

First Baptist Church Sevierville
Susan Roberts
Finance Director
(865) 453-9001

Pantego Christian Academy
Jonathan Kidd
Chief Financial Officer
(817) 265-3797

Harbor Light
Tim Inman
Executive Pastor
(510) 744-2233

Stonebriar Community Church
Esther Peterson
Director of Finance
(469) 252-5200

Crossroads Church
Heather Stucky
Controller
(951) 737-4664

The Hills Church
Rick Carder
Chief Financial Officer
(817) 281-0773

Cross Church DFW
Clint Cope
Business Administrator
(817) 284-9206

Doxology Bible Church
Jim Gentry
Business Administrator
(817) 921-5200

Mid-Cities Women's Clinic
Marsha Hill
Accounting Director
(817) 540-7402

Cottonwood Creek Church
Barbara Waldrop
Finance Director
(972) 359-7777

The Crossing Church
Brandy Crampton
Executive Administrator
(813) 626-0783

Chapelwood UMC
Tia Schmidt
Accounting Manager
(713) 465-3467

Brazos Pointe Fellowship
Kirk Willson
Executive Pastor
(979) 266-9992

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Procedures for Church and School

1) Obtain a copy of the Church's 2025 Statement of Financial Position (balance sheet), Statement of Activities (income statement), Statement of Activities vs Budget (budget to actual) and Trial Balance.

    a. For the Statement of Activities vs Budget, tie the budget balances to the approved budget by reference to minutes of the Finance Committee.

    b. Ensure that net assets as of the beginning of the year matches net assets at the ending of the previous year.

    c. Ensure that the Trial Balance and Statement of Financial Position are both in balance.

2) Obtain a list of all bank accounts at all financial institutions.

    a. The list must include account number, name, authorized signers and purpose.

    b. Identify any accounts on the list that are not included in the entity's Statement of Financial Position.

3) Review the December 2025 and June 2025 bank account reconciliations for all of the above accounts and:

    a. Determine that reconciliation to the general ledger was performed in a timely (30 days) manner.

    b. Determine that the reconciliation was reviewed by other than the preparer (i.e. supervisory personnel) and such review is documented.

4) Assist the Church in establishing property and equipment balances in the accounting software as of December 31, 2024 using country appraisal district values for land and insured values for building and equipment.

5) Obtain a detail of fixed assets purchased and/or disposed by the Church during 2025 and update the depreciation schedule:

    a. Ensure the depreciation schedule agrees with the trial balance or assist with making journal entries to properly state the trial balance.

6) Assist the Church in establishing investment balances in the accounting software as of December 31, 2024 using third party investment statements.

7) Obtain the December 2025 credit card statement from the bank, as well as one other judgmentally selected month, and:

    a. Ensure that the balance is paid off on a monthly basis, or recorded as a liability in the accounting system.

    b. Ensure that employee cardholders to properly substantiating charges.

Procedures for Church and School

8) Reconcile payroll expenses between the general ledger and the Form 941s filed with the IRS for all four quarters of 2025.

9) Inquire if the entity has any unresolved payroll tax issues/correspondence with the IRS.

10) Select 5 employees including some new hires and clergy, and determine that:

   a. Salary (and housing allowances for clergy) has been appropriately approved.

   b. All compensation has been included for tax reporting purposes (including special tax rules for clergy).

   c. I-9 documentation has been properly completed and is maintained in a file separate from other personnel records.

11) Determine that employees are not also being given a 1099 tax form.

12) Determine by inquiry and confirmation on a sample basis that payments to non-employees (e.g. independent contractors) are properly reported for federal tax purposes (i.e. tax form 1099) and the corresponding return (tax form 1096) filed with the IRS.

13) For Church offerings during 2025:

   a. Review offering collection procedures and comment.

   b. Review the reconciliation of giving per the membership database (systems used to generate giving statements) to the general ledger.

   c. Ascertain, and test on a sample basis, that donor restricted gifts or contributions are properly accounted for. Ascertain that donor restrictions are complied with.

14) For School tuition during 2025:

   a. Review tuition collection procedures and comment.

   b. Review the reconciliation of tuition per the registration system to the general ledger.

15) Review 30 <u>non-payroll</u> disbursements during 2025 and determine:

   a. That invoice, receipt or contract is properly approved and attached.

   b. That employee/pastor expense reimbursement is adequately and properly supported.

   c. That purchase is reasonable in the circumstances.

16) Write a final report on the results of the review and all exceptions noted, and include recommendations for improvements in internal controls. Meet with the entity's business manager and Finance Committee and review the results of the annual financial review.

Faske Lay and Co, LLP

Hi Joy – It was great talking with you regarding the audit needs for Palm Valley Lutheran Church and Preschool. Thank you for sending the information for us to look over in preparing an estimate for the audit. I'm sorry it has taken me little longer than I expected to get back to you with an estimate.

The objectives of an audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement and issue an auditor's report that includes our opinion about whether your financial statements are fairly presented. Our audit will include preparation of the financial statements and the related notes to the financial statements on the modified cash basis.

We estimate our fee to be approximately $18,500 - $20,000 for an Audit of the modified cash basis financial statements as of December 31, 2025, for Palm Valley Lutheran Church and Preschool. Our fees are billed for actual time spent at our standard hourly rate, which vary depending on the level of staff performing the work. The estimate is based on our initial review of the financial statements, anticipated cooperation from you and the assumption that unexpected circumstances will not be encountered.

If selected, we will contract with you in an annual engagement letter and will work with you for specific dates to begin planning and fieldwork in order to meet required deadlines. We look forward to the opportunity to work with the Church.

Let me know if you have any questions or need any other information.

Thank you,
Amy

Amy Minchillo, CPA
Faske Lay & Co., L.L.P.
3609 Williams Drive, Suite 105, Georgetown, TX 78628
Direct Phone (737) 708-9394
Main Phone (512) 346-9623
www.faskelay.com
adminchillo@faskelay.com

Comparison of Proposals received to-date:

(thank you AI for the charts on these next two pages)

Palm Valley Lutheran Church
External Audit Comparison

Category	Ratliff + Associates	Faske Lay LLP	PSK LLP
Initial Audit Cost	$14.5k–15.5k	$18.5k–20k	$24k
Church/Nonprofit Specialty	Yes — nonprofit/church only	Some church experience mentioned	Yes — major church practice
Years/Depth of Experience	30+ years	Not specified	Founded 1964
Approximate Church Client Volume	200+ nonprofits annually	Not specified	200+ faith-based engagements annually
Internal Controls / Process Review Included	Yes	Limited mention	Yes
First-Time Audit Experience Mentioned	Yes	Limited detail	Yes
Leadership Presentation Included	Yes	Not specified	Yes
Firm Type	Specialized boutique firm	Local CPA firm	Larger regional CPA firm
Additional Advisory Services Available	Yes	No	Yes
References Provided	Mentioned	None included	Extensive reference list included

Audit services comparison

WHAT ARE THESE SERVICES?

Agreed-upon procedures	Financial review	Full audit
CPA reviews financials and processes against a specific checklist. Reports findings and recommendations. Similar to our prior internal audits.	CPA analyzes financial statements for red flags. More thorough than agreed-upon procedures, but does not verify every transaction.	Highest level of review. CPA tests transactions, verifies balances, and issues a formal written opinion. Gold standard for accountability.
No audit opinion	Limited assurance	Formal audit opinion

SERVICES, EXPERIENCE & PRICING

	Faske Lay & Co. Georgetown, TX	Ratliff + Associates Fort Worth, TX	PSK LLP Arlington, TX
Church & nonprofit experience	• Not detailed in proposal • No references provided • Informal email quote only	• Nonprofits *only* — 30+ years • 200+ nonprofit clients/year • Speakers at TX Ministry Conference	• ~50% of firm is church work • 200+ church engagements/year • 30 references provided • "Pass" on most recent peer review
Agreed-upon procedures	*Not offered*	$4,500 – $5,500 "DAS" — reviews financials & processes	$9,000 "BPE" — reviews financials & processes
Financial review	*Not offered*	*Not offered*	$18,000 initial $15,500 subsequent years
Full audit — first year	$18,500 – $20,000 Only option offered	$14,500 – $15,500 Includes Church, Preschool, Endowment & Cemetery	$24,000 Higher rate — first year requires extra setup work
Full audit — subsequent years	Not quoted Must ask before committing	Not published Must confirm before committing	$20,000 Applies after any prior PSK engagement
Bundle option	*Not offered*	$17,000 DAS + full audit together — saves ~$3,000	*Not offered*

TWO-YEAR COST SCENARIOS

Faske Lay & Co.
Audit both years

2025 audit	~$20,000
2026 audit	Not quoted
Est. per year	$20,000+/yr

Repeat-year pricing not provided — two-year total cannot be estimated without it.

Ratliff + Associates
Bundle (advisory + audit) yr 1 · audit yr 2

2025 DAS + audit bundle	$17,000
2026 audit	~$15,000
2-year total	~$32,000

Year 2 estimate based on year 1 range; repeat pricing not published.

PSK LLP
Agreed-upon procedures yr 1 · audit yr 2

2025 BPE	$9,000
2026 audit	$20,000
2-year total	$29,000

$20,000 rate applies after any prior PSK engagement.

Pricing based on proposals submitted April–May 2026. Faske Lay & Co. repeat-year pricing was not provided and must be requested. Ratliff + Associates repeat-year pricing not published; year 2 figure is an estimate based on year 1 range. PSK's $20,000 subsequent rate applies after any prior engagement with the firm. Two-year totals are estimates where repeat pricing was not published.