

Preschool Open Forum – October 25, 2020

Approximately 22 members attended Open Forum

Open Forum Purpose:

- On Sunday, October 25, 2020, our Congregation President, Danny Bendix, and our School Board Chair, Joe Lange, presented a Preschool proposal which will have a substantial impact to the existing Preschool
- The reasons for bringing forward a Preschool proposal to the Voters is as follow:
 - The goal of the Preschool proposal is to return our existing Preschool to a self-sufficient funded program. Over the past 5 years, our Preschool has consistently seen a financial shortage (expenses exceeding income).
 - Preschool enrollment has been trending down over the past few years, which results in lower parent tuition income to off set expenses. The key factors in declining enrollment include facility location, scheduling options (start/end times, year-round care), and tuition cost. The decline is not a reflection on the current Preschool teacher as input from parents/children has been positive.
 - The startup of the Learning Center phased approach has also been challenging. The Learning Center was also part of our plans to help drive Preschool to self-sufficiency as well as an outreach ministry. We have extended 3 calls for full time direction in which all 3 calls were returned. The Preschool Summer Care program, which was another key element of the first phase of the Learning Center, was put on hold this past Summer due to COVID. This Summer Care program is key to allowing us to market and promote our Preschool/Learning Center program to be year-round. That is an important reason to draw in more interest from the community to consider our program.
 - Preschool proposal is a one-year focus, establishing a date to determine our direction for the Preschool going forward.
- The Preschool proposal is as follows:
 - Re-issue our Preschool Teacher call to be a full year assignment (expectation that Preschool Teacher will work full 12 month as the Preschool will be expected to be open full 12 months).
 - Re-issued call will be a one-year call starting at the end of the current 2020/21 school year. This is one-year call to reassess if we will be able to get to a self-sustainable model. The salary compensation will remain the same as it would be in-line with other full year WELS Learning Center/Preschools.
 - Congregation will leverage funding from the Learning Center grant to hire a part time Preschool Director/Consultant. The role of this person will be to assist in marketing, registration, promotional events, and licensing requirements.
 - In the event we do not enroll enough full-time equivalent students for the 2020/21 school year, plans will be to permantely close the Preschool at the end of the 2021/22 school year. Our goal is to reach as close as possible to 15 full time equivalent students. Currently, we have 10 children but only 7 full time equivalent.

- The Preschool proposal which now will go to the Voters on Wednesday, November 4, 2020. Questions and feedback information are listed below from the open forum.

Preschool Ministry Committee Update:

- Small committee formed to discuss how to impact Preschool ministry goals:
 - Canvas neighborhoods from 44th St. to 55th St. and Highway 52 to 18th Ave.
 - Participate in community activities to let Rochester community know about year-round Preschool which will include Summer Care program.
 - Develop Assimilation program with Pastors; Pastors to get to know new/unchurched families in Preschool and continue to follow up with them. Pastors will sit down with new families as they register for Preschool; Principal Renner and Preschool teacher will continue to sit down with new/unchurched families throughout the year.
 - Have a Preschool “feature” Sunday; share with congregation any updates on the Preschool and invite new/unchurched families to attend “feature” Sunday services
 - Work with Elders, when a Preschool child is baptizing, keep track of yearly baptism anniversary gift to highlight celebration of baptism. Send anniversary remind until child reaches Kindergarten.

Questions:

- How much of the Learning Center Grant has been used so far?
 - *So far, no grant money has been spent due to not having a program director and the Preschool Summer Care program was unable to start up this past Summer.*
 - *Congregation has received \$300,000 out of the full \$400,000.*
- How much of the Learning Center Grant will be used for next year if one-year Preschool proposal is approved by Voters?
 - *The budget for next year includes using \$15,000 of the grant in support of part-time Preschool Director/Consultant. If more hours are needed by part time Preschool Director/Consultant, additional grant dollars will be allocated in support of growing Preschool*
 - *Funding for any additional staff and materials in support of the Summer program will use grant dollars. Additional funding for utilities costs will be minimal.*
- Can we use with any of the grant dollars to cover any shortage in existing Preschool funding gaps?
 - *The Learning Center Grant was to fund supporting Preschool/Learning Center growth, staffing and marketing plans, but not for existing funding shortages. Funding shortages would be covered by money within Reserve Account.*
- Since we have not spent any grant money, it seems like nothing has been done over the past couple years to address funding gaps and enrollment declines. What things has been done?

- *Over the course of 2018, various members of the Early Child Ministry committee explored and worked on a proposal to take to the Congregation to transition our existing Preschool to a Learning Center. Countless hours went into building a business and ministry plan. The congregation approved the phased Learning Center proposal on April 14, 2019.*
- *After the Learning Center proposal was approved, the Learning Center Committee worked on calling a Learning Center director. There have been 3 formal calls made for Learning Center Director which all 3 were returned.*
- *R&L leadership also explored partnering with other Rochester WELS Preschool in potentially sharing a Learning Center Director, however, there was no interest from the other Rochester congregations.*
- *In mid 2019 through early 2020, an Early Child Ministry committee worked together to come up with various ways to reach potential families interested in our Preschool. These activities included Preschool and Kindergarten overviews shared during Monkey Junction and a couple weekend events like “Coming out of the Cold” in our RLS gym. Also, during this time, the committee worked on a plan and staffing for a Summer Care program to launch the Summer of 2020. Unfortunately, the Summer Care program was not launch due to COVID impact.*
- *Over the past 2 years, as the School worked on more specific social media advertising and marketing, the Preschool was included in this effort.*
- **Since there has been Preschool funding gaps, has the budget ever been reset? Do we set a budget just to hit a budget target number?**
 - *Each year the Council prepares a budget. This includes assessing prior year income and expenses. This budget is reviewed in detail with Council and then presented to the Voters. These budgets are shared and posted with the congregation; unfortunately, typically budget meeting is not well attended. Last year, the Congregation approved a new 50-40-10 model to help highlight the 4 main ministry entities which are Synod, Church, School and Preschool. The Offerings are divided up between the entities. For Preschool, is has always been the goal to have this ministry be financially self-funded meaning the expense should be offset by parent tuition*
 - *In addition to review the budget each year, the council discusses ministries planned for the year. This is ultimately leading the discussion of our Learning Center approach a couple years ago to help address and try to expand our Early Child Ministries. Each year there are blessing and challenges. Unfortunately, we have continued to see challenges in the Preschool funding gaps and enrollment, however, we have seen blessing in new member information training (BIC) and Sudanese outreach opportunity. As good stewards of the financial blessings God gives us, we need to consider how we adjust our budget accordingly based on ministries. The goal for our leadership team has been to let ministries drive the financial planning verses the financial planning drives the ministries.*
- **Do we address the budget challenges each year?**
 - *Moving to the 50-40-10 budget model has provide a much bigger focus on our various ministry entities and highlighting challenging shortfall areas. Last year,*

we decided to not renew a part time teacher in the upper grades due to shortfalls. Each year we assess staffing as compensation is about 85% of the overall expenses.

- *This past year, we ended with a financial surplus for the first time in many years. This was primarily due to receiving the COVID Cares Act loan/funding and also due to not having a 3rd pastor for the full year. If we did not have the COVID loan/funding and had a 3rd pastor, we would be facing a significant financial shortage once again. With the expectation of calling a 3rd pastor this year, and not receiving anymore COVID funding, we need to address areas that are resulting in the largest shortfalls.*
- *The COVID funding has resulted in congregation having just over \$150,000 in our reserve account. A portion of this reserve would be used to help fund any shortfalls in Preschool funding, but also need to ensure we have reserve available in case another COVID related funding impact to giving. We will not be able to carry this reserve to continue covering significant Preschool shortfalls for multiple years.*
- **Can the budget be shared with the congregation to see where the money is going?**
 - *As noted above, the annual budget is shared and reviewed with the congregation each year. The budget is posted on our church website. In addition, a financial summary is reviewed with the Council each month and also shared/posted for the Congregation to review.*
- **What if we do not get someone to accept the 12-month assignment?**
 - *If the one-year Preschool proposal is passed by the Voter, that would mean that we would extend a full 12-month Preschool call (Expectation would be the Preschool would be in session a full 12-months and Preschool teacher would also work full 12-month while Preschool is open). This one-year call would be extended to our current Preschool teacher. If the call is not accepted, the council and congregation would need to consider to either extend another open call or to shut down the Preschool after this current school year if the position is not filled.*
- **What were the other Preschool options we considered?**
 - *Keep Preschool as is (Does not address enrollment and funding challenges)*
 - *Go back to Preschool compensation model prior to 2015/16 which was hourly compensation instead of full salary, housing and benefits. (Partly address funding challenges, but does not address enrollment)*
 - *Close Preschool (Address funding challenges, but closes ministry outreach plans for future Learning Center)*
 - *Convert Preschool into a Pre-K program and merge into K-8. (Increases the R&L parents' tuition for PreK-8 by \$600-\$800 per student so just transfer funding shortage to school side and does not address enrollment. This actually would most likely reduce enrollment as it would only be for kids who are one year away from Kindergarten instead of students between 3 ½ to 5+-year olds)*
 - *Revitalize Preschool by hiring part time Director/Consultant to focus on marketing to build up enrollment on a one-year focused effort. (Address getting*

resource to help increase enrollment, which increase enrollment helps reduce funding shortage. Part time resource will be funded by Learning Center Grant.)

- Since we had to wait to get a director over the past 2 years, do we think that only allowing a single year is too short a period to generate enough time to build up enrollment? Why can't we use grant money to build in longer than one year?
 - *We have been discussing the funding shortage with Preschool for at least 4 to 5 years. This is one of the reasons why we put together the proposal to transition to a Learning Center to build up enrollment leveraging the Learning Center Grant. We wanted to have a set date to determine the direction. We have also been unsuccessful in calling a Director for about 2 years, so we have actually been working on this for more than a single year.*
 - *The grant was given towards the growth of our Preschool/Learning Center and not for funding shortages in our existing program. It is to be used for new staffing to help promote and build up the program, as well as materials and facilities changes needed to support this growth.*
- What is the timeframe for the aftercare compared to Christ Our Rock? COR last year had full enrollment by end of January and had a waiting list.
 - *COR has one overall rate that covers before and after care. They start at 7am and end at 5pm. COR has a prime location which is located directly across a Mayo location which also has Mayo parking/shuttle for employees that work downtown.*
 - *COR has provided our Preschool information to families who are on their waiting list, but we have not had any of these families contact us in the past.*
- Would it be hard to reopen Preschool once it close?
 - *If Preschool is close, it will be difficult to restart up again in the coming years. Location will be one of the key issues that would end to be address as well as the compensation model if it were to start up again. There are also two other WELS Preschool in the community that could be an option for our members if our Preschool was to shut down.*
- We really need to have full year care available to generate more interest in our Preschool.
 - *Member gave example of current grandchildren who need to be dropped off by 7am and also need the full summer care available. Member's grandchildren go to another Rochester location that has these options.*
- How many kids do we need in Summer? What is the minimum?
 - *It will be difficult to assume we start out Preschool Summer care at 15 students. This prior summer, we were anticipating about 4 to 5 students. We also would set a minimum we would need to have Preschool Summer care which would be 2 to 3 full time students.*
 - *Having the Summer program is important to promote and market having a full year-round care available to get potentially many more families interested in our program.*

- Will there be time available for Preschool to visit families over the summer as well as continuing education?
 - *We will ask another full year-round WELS preschool as to how they handle this.*
- Does the budget have the funding for Summer care curriculum and materials?
 - *Yes, the budget has funding set aside to support needed curriculum and materials needed.*
- What if we dropped our preschool license for the summer care, would that help with shortfall?
 - *If we were to drop our Preschool licenses and only focus on Pre-K, that would mean we would not need to continue the certification for being a license Preschool. The Pre-K program would be under the K-8 program and certifications. This was one of the options we have reviewed, however, it would impact the overall funding and tuition by parents in school. It would also reduce the age levels that we would be allowed to have in the program, so would reduce the level of enrollment even lower than what we have today.*
- Have we considered having the congregation support Preschool tuition like K-8?
 - *When the Preschool was started in 2003, the congregation decided to not fund like K-8. It was decided to have it be self-funding through parent tuition.*
 - *Current full day, every day tuition is \$6,600. If congregation were to pay at least 50% tuition for R&L parents, and if plan to have 8 R&L member students out of the needed 15 full time kids, the congregation would need to come up with \$26,400 (8 kids at \$3300 each). That amount would add to an already funding congregation shortfall. We would need to increase the 15 FTE kids needed total.*
 - *Currently members do not get a congregation discount for members. The only current discount is 50% tuition for Called Worker students.*
- How does our Preschool tuition compare to other Rochester area Preschools?
 - *We are slightly more expensive than Christ Our Rock and Ascension.*
 - *We are cheaper than most of the non-WELS Preschools in the area; however, most of the other Preschools offer a full year option and flexible start and end times which parents are willing to pay for.*
- Given the on-going COVID challenges, are we sure we will even be able to have a Summer care program?
 - *We should identify a contingency plan if we are not able to have a 2021 Summer Care program and what that would mean to the one-year focused plan.*
- Will the congregation be surprised that the Preschool is not fully funded ministry? Will this be an eye-opener that we approved the Learning Center a couple years ago and now we are considering potentially shutdown the Preschool completely?
 - *The funding challenges and shortfall have been highlighted over the years at the annual budget meetings as well as monthly council updates to the congregation.*
 - *There are always ways improvement communication across the congregation, and we also encourage the congregation to attend congregation meetings and the information that is posted and shared on a monthly basis.*

- Concern that Preschool is not as important ministry to the congregation as the K-8 ministry.
 - *The School ministry has been in place for now 50 years, so it has always been one of the main identities of our congregation. The Preschool was view as an option to complement our School just as many other WELS school have introduced over the years. From a funding viewpoint, it has been a priority in general by the boarder congregation in supporting the school. For Preschool, not all members who send their kids to the school use the Preschool. This does not mean the Preschool ministry is not as important as the School. Much of the discussion over the years is trying to juggle multiple ministries verses focusing on a primary ministry.*

Next Steps

- Nov 4th Voters Meeting
 - Review budget, touch on Preschool input, and then vote on Preschool proposal, then vote on overall budget (since Preschool direction ties into next year's budget amounts)
- Nov 12th Call meeting for the 3rd Pastor and depending on Preschool decision to issue call at this meeting.