

**Memorial Lutheran Preschool  
May 31, 2020 Voters Meeting Report**

Due to the COVID 19 virus pandemic the preschool has been closed since March 16<sup>th</sup> and will remain closed until the start of the 2020 – 2021 school in August. The preschool follows the Katy ISD closure schedule(s) so we will continue to monitor further scheduling and pandemic safety announcements in the coming weeks and months. Our current plans are focused on opening as usual for the 2020 – 2021 school year in August, but we will also be exploring contingency plans should this not be the case. Our prayers are that the Lord will continue to bless the preschool ministry and we will be able to resume operations in August.

The preschool financial status is as follows:

- Operating checking account balance as of April 30 - \$28,229.78
- Donations and tuition forfeitures during the month of May - \$16,783.00
- CEF savings account balance - \$139,536.00
- 2020 - 2021 school year funds on deposit:
  - Registration fees paid - \$30,810.00
  - Prepaid tuition - \$31,626.99

On May 7<sup>th</sup> the preschool secured a “forgivable loan” under the Payroll Protection Program as part of the COVID 19 Cares Act for the amount of \$101,911.00. This money is being used to pay staff salary, benefits and mortgage interest cost for the eight-week period beginning May 7, 2020 which will allow us to compensate our staff for the time in April and May when the school was closed and we did not have funds to pay them. If the amount of these costs is equal to the amount of the loan then the repayment of the loan will be “forgiven”. Our projections are that the costs mentioned above will meet or slightly exceed the loan amount and therefore no repayment of the loan funds will be required – i.e. it becomes more like a “grant” than a loan.

Also, the Texas Church Extension Fund has allowed us to make “interest only” payments on the new building loan for the months of May and June to assist us through this time. It is our goal to be in a position later this year to catch up the May and June principle payments before the end of the year.

If you have any questions regarding any of this information please feel free to contact me.

Blessings .....

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