

Debra Thompson

From: Petersburg Children's Center <pccen1@gmail.com>
Sent: Friday, May 15, 2020 5:06 PM
To: Brandi Marohl
Cc: Stephen Giesbrecht; Debra Thompson; Assembly; PCC Board; Assistant Director
Subject: Re: Reopening of Petersburg Children's Center and Eagle's Nest Programs

Hello Brandi, Assembly, and Borough,

Thank you for your inquiry Brandi. I'm happy to explain our closure and struggles that we've faced during this time.

When the school initially was forced to close, that meant that we lost our licensed space for our Eagle's Nest program which had approximately 18 kids. This was detrimental to that program of ours and income revenue. When the board decided to close the center, this was intended to only be short term until April 1st to follow the school's direction. In addition, we promised families credits/refunds for the time we were closed, not realizing how quickly things would then change.

When the newer mandates and information were released, the Board found it increasingly more difficult to re-open financially due to the restrictions. When we reached out to families, our response for needing care was an overwhelming negative response. Nearly all of our families responded that they did not feel comfortable with the re-opening of the center and they would not be re-enrolling their children. Several of our families were already struggling because they were having to stay home with their school-aged children for distance learning as well, so several wouldn't be enrolling their younger kids since they were being forced to stay home anyways. Without the majority of our families wanting/needing care, we financially wouldn't be able to open our doors back up in a feasible way; allowing us to make payroll, pay our bills, and stay open. We even attempted to entertain the idea of re-opening for essential workers only, however, it wasn't possible because we'd have to bring back all of our staff, and there wouldn't be enough revenue to pay them all with such limited paying families enrolled.

In addition to the negative response to our re-opening, the limitations set forth by the State made it nearly impossible for us to make payroll and be successful. At first, the groups were limited to 10 including staff. According to licensing and our PCC policies, in certain rooms we have to have 2 staff in the room, that would take 2 valuable spots in the classrooms. In addition, having to keep the groups static completely and no staff coverage for breaks and lunch, we'd be extremely limited and most likely be out a lot in overtime due to these restrictions. Not to mention, our staff make very little per hour, so part of their compensation is discounted childcare. We have 11 staff children that are at a discounted or free rate that we MUST make room for as a priority in order to have our staff available to work. This means that a large portion of the allowable children in the "group sizes" wouldn't even be paying or full-paying children. Out of these staff kids, 6 of these children were Eagle's Nest children which had no spot to go at the time. We'd lose those staff members until we could accommodate their kids. If we couldn't accommodate their kids, we'd be liable to having to pay the new COVID FMLA rate of 2/3 wages for up to 10 weeks after the initial 2 weeks of COVID LEAVE for that staff to be out. This would financially drown us. The limitations of 10 including staff was impossible for us to financially open so the board decided to remain closed even though deemed essential because we couldn't financially make it work with those numbers.

When the next mandate was released, it made the group size limit to 10 (not including staff). The Board attempted to re-open again and has been working hard ever since to do so. Again, an overwhelming negative response for care was given to us. As a matter of fact, not one single person who responded via Facebook Poll responded that they wanted care at the time. Very few responded by email that they wanted care but wouldn't need it until school was over. Again, this was a roadblock for us because without paying families, we have no business. However, we tried to make things work and move forward.

Some of the other problems we have faced have been concerned about getting a hold of the right cleaning supplies for additional cleanings of our playground and facility, manpower for screenings, proper thermometers, etc. In addition, during this time there was the local mandate requiring masks for all children over the age of 2 which several parents were worried about our staff having to enforce. Financially, we've had to continue trying to pay our bills while being closed and having no revenue come in.

When we did the math to re-open with groups of ten, we crunched the numbers to see where we'd be at financially. From the last month we were open, our payroll numbers were over \$22,000 needed to pay our staff, taxes, etc. Limiting our groups to that size and having to enroll and make room for staff kids was going to limit our monthly income to be projected barely over \$8000 per month. This makes it impossible to re-open with these restrictions without financial help. We've applied for grants, the PPP loan/grant, and more. It was not until today (May 15th) that we received any deposit for CARES act funding. In addition, originally this funding was supposed to include April and May, but it is only for March, however this is a great start for us to be able to re-open. Last night we were just approved for the Petersburg Community Foundation to help cover liabilities insurance and help with some reimbursement of things to re-open. Again, this is all happening now in May, but prior to this month, we have not been able to financially open and had not received any funding to do so.

In addition to these factors, there has been the overall well-being, and safety for our families and staff. You are correct, our staff is currently making more money per month with the unemployment right now than they do working for PCC. However, those numbers are changing soon. Several of our staff are concerned about being in close quarters with children so we are looking to make them isolated cleaners to help keep our routine cleanings done throughout the day within the center and our playground. We are working to try and get all of our staff working as safely and comfortable as possible in such way that is in the best interest of all.

We recently had a board work session where multiple Petersburg Medical Center employees attended via Zoom to help guide us through a successful re-opening. It was mentioned to us about offering hazard pay to employees, however we had to explain it is impossible for us to pay any more than we already are to our staff with our monthly income from rates and expenses. When I mentioned hazard pay in my original email, I was simply just giving some of the examples of financial burdens and hurdles that PCC has been faced with when we have been trying to re-open and some of the ideas that have been mentioned.

We know that us being closed has put a burden on businesses, Government entities, and families during this very uncertain time. Ultimately, the Board had to make decisions at the time in order to ensure the safety of all, and financially make sure we had a center available to re-open at some point without running everything into the ground. Our circumstances were different than many other childcare facilities and our Board of Directors were trying to do their best at the time to assess information as it was released to get us back open in the safest most financially efficient way possible. It has been hard for everyone during this time and we've lost some of our paying families because of this. This is a financial burden that we will be facing when re-opening as well as many other factors.

Currently our plan is to re-open June 1st due to the increasing numbers for group sizes and more relaxed policies set forth by the State Mandate. However, licensing has not loosened their own restrictions and our policies are even stricter in some areas. There are still a lot of factors being considered and worked out as well as ideas for creating more revenue during this time. But our intent and hope is that we can re-open June 1st. We were told about the possible funding being given to the Borough for non-profits and would just like to be considered. We are a non-profit and have been supported and kept going by this community for years and we are so grateful for that and hope to continue to be able to serve the community for years to come.

Thank you so much for your time and consideration and questions regarding the center. Please let me know if I can help clarify anything else. Stay healthy and safe!!!

On Fri, May 15, 2020 at 6:46 AM Brandi Marohl <bmarohl@petersburgak.gov> wrote:

Hi Sharlay,

I'm having a hard time understanding this, are you asking the borough to provide funds for your employees for hazard pay, sick leave and cleaning supplies through grant money from the borough? There is grant money from the state that childcare facilities are receiving through the CARES act including yours. Your facility chose to close even though they were deemed essential and had no reason to close. I would assume the majority of your staff is currently receiving the unemployment with the additional \$600 a week, so they should be ok. I guess I'm trying to understand why a nonprofit, that receives many donations from the community in materials, time, labor and monetarily as well as regular child care revenue that is collected at the beginning of the month would need assistance when you have received state grant money and haven't been open.

Thanks,

Brandi

Sent from my iPhone

On May 14, 2020, at 5:47 PM, Petersburg Children's Center <pccen1@gmail.com> wrote:

Hello there!

My name is Sharlay Mamoe, I am the Executive Director of the Petersburg Children's Center and Eagle's Nest School Age programs. Due to COVID-19 we decided to follow suit with the school district's mandate to close our doors on March 16th 2020, with THE INTENTION of reopening April 1st. When we decided to close we credited parent accounts for the closure time because it was a sudden closure nobody was expecting.

When the state of Alaska started to create mandates on businesses that were deemed non-essential and forcing the school districts to remain closed we continued our closure. However when we discussed reopening to help our community the mandates on childcare facilities were far too much, as well as creating more financial strain with the Emergency FMLA regulations that came from the federal government due to COVID-19.

Being a non-profit facility we do not have a large savings account in general and our business relies heavily on the parent accounts we provide services for to be able to function, when the mandates limited those numbers and parents voiced their NON-NEED of childcare we decided to extend our closure. Since the newest mandate has been released, it looks to be more promising for Petersburg Children's Center to successfully re-open in a safer more manageable way. However, we are still in a financial bind regarding many things such as the new FMLA and 2 week sick leave laws surrounding COVID-19, no extra funding for any possible hazard pay, the issue of having enough cleaning supplies and man power for screenings, and outdoor cleanings as well.

We as a non-profit facility have sought out and applied for as much funding as feasibly possible for us to be able to obtain with little financial burden; with little hope in sight. At this time we have been informed of some funds the town will be allotted to be able to help businesses in need and we hope to be one of the ones that are considered when the decision is finalized.

Thank you for your considerations in this matter and please consider helping to support the Petersburg Children's Center in the future as the children are our future and as a community we should consider what QUALITY CHILDCARE means to us and provide resources to ensure that quality doesn't falter.

Thank you again! Stay healthy and safe!

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Thank you!!!

Sharlay Mamoe
Executive Director

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Thank you!!!

Sharlay Mamoe
Executive Director

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