

Islesboro Preschool Endowment Campaign

Our goal: Islesboro Preschool (IPS) seeks to raise an endowment of \$1,000,000 in order to ensure that its programs are capable of running as far as can be seen into the future.

What IPS Does: IPS provides year-round programming for children aged three months to five years. Preschool, which runs from September through June, focuses on children's social, emotional, physical and cognitive development. Our goal is to give island children the best possible start in life, improving their chance for success in formal school and life beyond. In addition, the IPS summer camp, which runs from June through August, continues a child's development while allowing parents, most of whom work multiple jobs in the summer, to have a safe, nurturing "home" for their children while they are earning a living.

Why is an Endowment Needed? With the successful conclusion of the Building Campaign, IPS owns a debt-free, "state of the art" facility that is meeting the island's needs. Because this new facility allows us to serve younger children, we now have the largest attendance since IPS was created 35 years ago. With larger attendance and a longer, twelve month program, we have had to increase the size of our staff. While more children means more tuition revenue, the tuition amount that parents can afford to pay only covers a portion of the costs of qualified staff, which is our largest operating expense. To a lesser degree, owning land and a building also increases costs. As a result, the current annual budget projects a shortfall of approximately \$30,000 this year with increases expected over time.

Why wasn't this anticipated during the capital campaign? It was! The prospectus given to those who contributed projected these increased costs and said that we intended to raise sufficient funds during the building campaign to cover operations for three years. That effort was successful; we are about to begin year four of our expanded operations and have sufficient funds to cover our costs through this year. If we successfully raise this endowment, IPS will be able to cover those increased costs for as far as we can see into the future, eliminating the need for ongoing, substantial fund raising efforts.

What alternatives were considered? Five years ago, at the Annual Town Meeting, the residents of Islesboro voted to fund \$12,000 to offset IPS costs. The next year, residents voted to increase the funding to \$65,000 which has been renewed every year since. Given the strong community support for this funding, we anticipate that it will continue; however, it is not feasible to ask for yet another increase from the tax payers. While all parents pay tuition and IPS charges a higher rate for visiting children, we do not believe either island or visiting parents can afford substantial increases. While parents and the board continue to run several fundraisers a year, these efforts cannot materially increase revenue.

The only remaining option would be to run an extensive, annual fund raising campaign targeting residents and the summer community. We believe this would have questionable prospects for success given "donor fatigue", the amount needed to be raised year after year, and the significant annual workload it places on parents and the board of directors, all of whom are volunteers.

Why \$1,000,000? \$1,000,000, invested prudently, should support an annual withdrawal of 4%, or \$40,000. This would allow us to cover the budget shortfall including expected increases in costs over time. As a result, IPS will be able to provide its essential services to children, parents, island residents and their visitors as far as we can see into the future.

How to Donate: Checks should be made out to Islesboro Preschool and mailed to PO Box 88, Islesboro, ME 04848. Please note on the check that it is for the “Endowment Campaign”. Appreciated stock can also be donated. If interested in donating appreciated stock, please contact Bruce Claffin at claffinb@yahoo.com.

Islesboro Preschool is a 501(c)(3) non-profit corporation. Its EIN is 01-0376079.

Frequently Asked Questions:

Question: I have no children at IPS. How does this benefit me?

Answer: A positive early learning experience provides economic benefits to the entire community in several ways. Early identification of learning disabilities can lead to improved outcomes at lower costs in the public school. Also, research shows that the need for tutoring goes down and the likelihood of graduating on-time goes up with strong early learning experiences. In addition, the ability to recruit the best possible teachers improves if the island has a strong preschool/day care system since many teachers require daycare for their families. Better teachers provide better outcomes at lower costs. All of these benefits help reduce the cost of education, which is the largest portion of our local taxes.

A strong day care/preschool program makes the island more attractive for young people to move here or continue to live here. This in turn, keeps the tax base higher and the costs of local government are spread out over a larger population base, thereby reducing the taxes each of us pay.

Further, a growing population helps keep an active market for the re-sale of homes, improving their value while reducing their time on market when for sale.

Question: Over what period of time can a pledge be made?

Answer: For financial and administrative reasons we hope all pledges can be fulfilled within 2020. However, if a longer period of time is requested, IPS would be glad to work to meet the donor's needs.