



RESORT TAX

— BUILDING BIG SKY SINCE 1982 —

2018-2019 APPLICATION FOR RESORT TAX FUNDS

Applicant's Official Name: Morningstar Learning Center, Inc.

Project Name: Daycare Tuition Reduction Program

Address: PO Box 160505 659 Spruce Cone Drive, Big Sky, MT 59716

Representative: Matt Dodd

Telephone: 406-995-2565 Email: executivedirector@morningstarlearningcenter.com

Project Start Date: July 1, 2018 Project Completion Date: June 30, 2019

Total Funds Requested \$ 113,450

State your estimated payment request schedule for the coming year; amounts should total funds requested. Please enter dollar amounts.

	July '18	Aug '18	Sep '18	Oct '18	Nov '18	Dec '18
Payment Request \$	<u>10,710</u>	<u>11,220</u>	<u>8,360</u>	<u>10,120</u>	<u>8,800</u>	<u>8,360</u>
	Jan '19	Feb '19	Mar '19	Apr '19	May '19	Jun '19
Payment Request \$	<u>9,680</u>	<u>8,800</u>	<u>9,240</u>	<u>9,680</u>	<u>9,680</u>	<u>8,800</u>

I certify that the application and its attachments are correct to the best of my knowledge.

Matt Dodd
Signature

Matt Dodd
Printed Name

Board President
Title (Board Chair or Governing Officer)

4/29/18
Date

- 1) **Provide a description of the entity and the Mission Statement. State the entity's tax status/legal identity and when it was initiated. What is the personnel makeup of your office; specifically how many are employees, how many are contractors and what are their duties? What is the full time equivalent (FTE) of each: 1/4, 1/2, 3/4 or full time? Unless previously provided to the resort tax office, please include a copy of the Articles of Incorporation. (200 words max)**

Morningstar Learning Center's mission is to fill a critical void in Big Sky's basic community infrastructure by providing quality and affordable childcare services. Morningstar continues to be the only full time year round daycare in the community. We serve 58 families with children from 6 months to 6 years. The cost to live and work in Big Sky is much higher than in other rural Montana communities. Because of this families who live and work here often work several hourly jobs to make ends meet; few have year round salaried positions. Historically, the lack of childcare has forced some families to move out of the community. The importance of our facility to the community cannot be understated. Local employer's state that limited availability of affordable childcare and the high cost of housing is the largest obstacles to their continued growth.

Morningstar operates with 6 volunteer board members, a full time Executive Director, a part time Assistant Director, nine full time teachers and four 1/2 time teachers. Of these, 6 have degrees related to Childcare or Education, something we have been looking for in continuing to grow our facility.

- 2) **Provide a complete description of the project(s). Include the project(s) purpose, goals and objectives. For each project provide a budget number and measurable objectives, i.e. how you will do something and in what timeframe. The information provided here should be specific regarding what the entity is requesting to be funded by resort tax. If requesting funds for operations, identify the categories and assign a dollar amount (salaries, software, etc.) If permits are required, please specify what permits are required and what projects they apply to. If requesting funds for a study (feasibility, etc.), a minimum of two bids are required. Also provide the RFP submitted for the study. Funding for a study will only be considered if the proposal has measurable outcomes. Please be succinct.**

Project: Tuition Reduction \$10 per child, per day.

Goal: MLC's goal is to provide Big Sky parents the opportunity to take advantage of early childhood education to enhance their children's development regardless of their financial situation. MLC also wants to assist local Big Sky businesses by providing affordable yet quality childcare services so they are able to hire and retain quality employees. Our request of \$10 per child per day also helps keep our prices competitive with Bozeman childcare facilities.

Request Amount: \$113,450. Based on 51 students per day, \$10 per student discount, 43 school days = \$21,930 (July - August)

Based on 44 students per day, \$10 per student discount, 208 school days = \$113,450 (September - June)

Historical MLC Numbers:	(Under 2)	(Over 2)	
2012/2013 Tuition Costs	\$46.75	\$38.25	Open Mon - Fri
2013/2014 Tuition Costs	\$48	\$38	Open Mon - Fri
2014/2015 Tuition Costs	\$48	\$38	Open Mon - Fri
2015/2016 Tuition Costs	\$46	\$36.50	Open Mon - Fri
2016/2017 Tuition Costs	\$52.15	\$41.15	Open Mon - Fri
2017/2018 Tuition Costs	\$56.00	\$45.00	Open Mon - Fri

(2012/13 rates reflect Mortgage Payment Assistance from Resort Tax funds)

(2013 through 2018 rates reflect Tuition Reimbursement Program provided by Resort Tax funds)

2012/2013 Average Weekly Enrollment: 114 Students

2012/2013 Number of Families Using MLC Per Month: 40.9

7) Involve collaboration among entities in the community to meet common goals? (100 words max)

Morningstar Learning center is in collaboration with Big Sky School District, Community Library, YCCF, MCF along with many other community organizations to help all preschoolers prepare for Kindergarten.

8) Fill a community need not currently or adequately being satisfied? (50 words max)

Morningstar is the only year-round childcare facility open in Big Sky that provides affordable childcare services. Morningstar serves over 58 Big Sky families where at least one parent works for a local Big Sky business.

9) What is your entity most proud of accomplishing? (100 words max)

Morningstar is most proud of its continuing ability to grow and adapt to meet a critical void in Big Sky's basic community infrastructure by providing accessible, affordable early education childcare services. With the expansion of our new infant facility, it has allowed us to expand our toddler programs into a two's and three's classroom. This expansion has provided us to enroll an additional twenty students between our infant and toddler programs.

TOTAL ORGANIZATIONAL BUDGET FOR THE YEAR \$ 640,400

(Include all organization projects and programs, not only those requesting Resort Tax funding. This number should match the organization's Revenue from Profit and Loss Report)

PRINCIPLE	ITEM	AMOUNT	PERCENTAGE
Revenue	Request from Resort Tax	\$113,450	18%
	Other Public Grants		0%
	Private Donor Contributions (not including In-kind)	\$0	0%
	Fundraising Events	\$5,000	1%
	Revenue Other*	\$521,950	81%
	Sub Total Revenue	\$640,400	100%
	Private Donor Contributions In-kind	0	0%
	Total Revenue	\$640,400	100% (the revenue line items above should total)
Expenses	Personnel: ___19___ # of FTE Paid Personnel ___4___ # of FTE Contract Personnel Do not include volunteer time (in the amount column include the total expense including salary, benefits and payroll taxes)	\$534,720	85%
	Operations	\$89,110	14%
	Programming		%
	Expenses Other**	\$7,198	1%
	Total Expenses	\$631,028	100% (the expenses line items above should total)
Capital Expenditures	Total Capital Expenditures	0	0%
Income	Net Income	\$9,372	100%

*Revenue Other: Thus number includes revenue from tuition

**Expenses Other: Corporate and Administrative Expenses

Clarifications you'd like to provide regarding the information on this page: The information on this page is representative of a typical year (and the typical net income) for Morningstar. While the 2017-18 P&L makes it appear that Morningstar had a net positive year, the net income number of \$90,278.82 does not include the \$158,769.96 of unreimbursed expenses Morningstar spent on the Infant Center build (approximately \$80,000 from reserves and \$80,000 from donated funds). Next year should see Morningstar back on track, with a small, net positive income.

TOTAL CASH FLOW 3-YEAR REQUIREMENT

(Include all organization projects and programs, not only those requesting Resort Tax funding)

ITEM	This Current Application's Request from Resort Tax	2020	2021	Total Cash Flow 3-Yr Requirement
Personnel: Paid and/or Contract (include salary, benefits and payroll taxes; do not include volunteer time)	\$534,720	\$550,760	\$567,285	
Total # of FTE Personnel	19	19	19	NA
Operations	\$89,110	\$95,000	\$95,000	
Programming				
Capital Expenditures				
Other*	\$7,198	\$8,000	\$8,000	
Total				
RESORT TAX REQUEST	\$113,450	\$116,850	\$120,350	

Describe financial increases and decreases and the projects for which resort tax funds may be requested.

2020 _____ Continued contribution for tuition reduction _____

2021 _____

*Other Description _____ Corporate and Administrative Expenses _____

Morningstar Learning Center, Inc.
Balance Sheet Report
As of June 30, 2017

	Jun 30, 17	Jun 30, 16
ASSETS		
Current Assets		
Checking/Savings		
100 · Cash Accounts		
100-04 · FSB (Money Market)	156,965.21	129,774.45
100-05 · FSB (Operating)	19,897.11	19,664.12
Total 100 · Cash Accounts	176,862.32	149,438.57
Total Checking/Savings	176,862.32	149,438.57
Total Current Assets	176,862.32	149,438.57
Fixed Assets		
150 · Fixed Assets		
150-01 · Furniture and Equipment	15,918.56	15,918.56
150-02 · Building	357,000.00	357,000.00
150-03 · Building Improvements	26,523.70	26,523.70
150-04 · Landscape Improvements	17,006.00	17,006.00
150-05 · Infant Building	28,254.07	0.00
150-99 · Accumulated Depreciation	-73,335.23	-61,825.19
Total 150 · Fixed Assets	371,367.10	354,623.07
Total Fixed Assets	371,367.10	354,623.07
TOTAL ASSETS	548,229.42	504,061.64
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Other Current Liabilities		
Due to BSRAD	0.00	3,258.26
210 · Payroll Tax Liabilities		
210-01 · Federal Withholding	835.00	0.00
210-02 · Federal Social Security	1,413.90	0.00
210-03 · Federal Medicare	330.72	0.00
210-04 · Federal Unemployment	183.60	0.00
210-05 · State Withholding	421.00	0.00
210-06 · State Unemployment	922.15	0.00
Total 210 · Payroll Tax Liabilities	4,106.37	0.00
220 · Other Current Liabilities		
220-05 · Deposits (Preschool)	2,400.00	4,700.00
220-15 · Family Assistance	9,155.00	0.00
Total 220 · Other Current Liabilities	11,555.00	4,700.00
230 · Deferred Revenue		
230-06 · Preschool Scholarship	5,361.75	5,361.75
Total 230 · Deferred Revenue	5,361.75	5,361.75
Total Other Current Liabilities	21,023.12	13,320.01
Total Current Liabilities	21,023.12	13,320.01
Total Liabilities	21,023.12	13,320.01
Equity		
290 · Unrestricted Net Assets	490,741.63	520,430.70
Net Income	36,464.67	-29,689.07
Total Equity	527,206.30	490,741.63
TOTAL LIABILITIES & EQUITY	548,229.42	504,061.64

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Accrual Basis

Morningstar Learning Center, Inc.
Profit & Loss Report
 July 2016 through June 2017

	Jul '16 - Jun 17
Income	
300 · Preschool Revenue	
300-01 · Tuition (Monthly)	306,583.93
300-02 · Tuition (Infant Revenue)	63,910.65
300-07 · Tuition (BSRTD)	65,460.00
300-20 · Fee (Materials)	400.00
300-30 · Discount (Teacher)	-23,736.60
300-31 · Discount (Sibling)	-4,662.48
300-36 · Discount (BSRTD)	-65,460.00
Total 300 · Preschool Revenue	342,495.50
310 · Corporate Revenue	
310-01 · Pledges and Contributions	
310-01A · Donations (Individuals)	1,535.00
310-01B · Donations (Corporate)	5,000.00
310-01J · Donations (New Building Fund)	23,000.00
Total 310-01 · Pledges and Contributions	29,535.00
310-03 · Fundraising (Event)	
310-03D · Fundraising (Date Night)	260.00
310-03F · Fundraising (Yard Sales)	2,461.43
310-03G · Fundraising (Midland)	609.00
310-03I · Fundraising (Trivia Night)	2,218.32
310-03Z · Fundraising (Other)	1,116.13
Total 310-03 · Fundraising (Event)	6,664.88
310-05 · Grant Revenue	10,364.00
Total 310 · Corporate Revenue	46,563.88
Total Income	389,059.38
Gross Profit	389,059.38
Expense	
Suspense	0.00
400 · Preschool Expenses	
400-01 · Employee (Hiring)	714.00
400-02 · Employee (Education)	323.00
400-13 · Building (Maintenance)	3,357.37
400-21 · Professional (Advertising)	313.68
400-22 · Professional (Accounting)	12,654.00
400-30 · Insurance (Property/Liability)	2,715.00
400-31 · Insurance (Workers Comp)	7,688.40
400-40 · Utilities (Electricity)	1,642.25
400-41 · Utilities (Telephone/Internet)	721.66
400-42 · Utilities (Sewer and Water)	1,279.11
400-43 · Utilities (Garbage)	812.85
400-44 · Utilities (Propane)	1,255.18
400-50 · Supplies (Materials/Crafts)	4,676.21
400-51 · Supplies (Office)	2,332.42
400-52 · Supplies (Cleaning)	2,273.68
400-53 · Supplies (Uniforms)	86.48
400-54 · Supplies (Food)	677.47
400-55 · Supplies (General)	1,461.83
400-58 · Preschool Graduation	30.00
400-60 · Fees (Credit Card)	7,224.52
400-61 · Fees (Other)	1,446.98
400-70 · Depreciation	11,510.04
400-75 · Payroll Fees	1,829.32
400-80 · Payroll (Regular Wages)	244,817.98
400-81 · Payroll (Overtime Wages)	2,084.32
400-83 · Payroll (Retention Incentive)	2,800.00
400-84 · Payroll (Vacation)	5,656.95
400-85 · Payroll (Holiday)	1,999.80

Morningstar Learning Center, Inc.
Balance Sheet Report
 As of March 31, 2018

	Mar 31, 18	Mar 31, 17
ASSETS		
Current Assets		
Checking/Savings		
100 - Cash Accounts		
100-04 - FSB (Money Market)	73,670.56	156,965.21
100-05 - FSB (Operating)	49,737.51	27,702.11
Total 100 - Cash Accounts	123,408.07	184,667.32
Total Checking/Savings	123,408.07	184,667.32
Total Current Assets	123,408.07	184,667.32
Fixed Assets		
150 - Fixed Assets		
150-01 - Furniture and Equipment	27,430.84	15,918.56
150-02 - Building	357,000.00	357,000.00
150-03 - Building Improvements	26,523.70	26,523.70
150-04 - Landscape Improvements	17,006.00	17,006.00
150-05 - Infant Building	158,769.96	11,157.94
150-99 - Accumulated Depreciation	-84,888.70	-70,457.72
Total 150 - Fixed Assets	501,841.80	357,148.48
Total Fixed Assets	501,841.80	357,148.48
TOTAL ASSETS	625,249.87	541,815.80
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Other Current Liabilities		
210 - Payroll Tax Liabilities		
210-04 - Federal Unemployment	0.00	345.34
210-06 - State Unemployment	0.00	782.27
Total 210 - Payroll Tax Liabilities	0.00	1,127.61
220 - Other Current Liabilities		
220-05 - Deposits (Preschool)	2,300.00	2,400.00
220-15 - Family Assistance	103.00	715.00
Total 220 - Other Current Liabilities	2,403.00	3,115.00
230 - Deferred Revenue		
230-06 - Preschool Scholarship	5,361.75	5,361.75
Total 230 - Deferred Revenue	5,361.75	5,361.75
Total Other Current Liabilities	7,764.75	9,604.36
Total Current Liabilities	7,764.75	9,604.36
Total Liabilities	7,764.75	9,604.36
Equity		
290 - Unrestricted Net Assets	527,206.30	490,741.63
Net Income	90,278.82	41,469.81
Total Equity	617,485.12	532,211.44
TOTAL LIABILITIES & EQUITY	625,249.87	541,815.80

Morningstar Learning Center, Inc.
Profit & Loss Report
 July 2017 through March 2018

	Jul '17 - Mar 18
Income	
300 · Preschool Revenue	
300-01 · Tuition (Monthly)	342,783.22
300-02 · Tuition (Infant Revenue)	52,721.15
300-07 · Tuition (BSRTD)	66,790.00
300-30 · Discount (Teacher)	-17,402.23
300-31 · Discount (Sibling)	-5,981.45
300-36 · Discount (BSRTD)	-66,790.00
Total 300 · Preschool Revenue	372,120.69
310 · Corporate Revenue	
310-01 · Pledges and Contributions	
310-01A · Donations (Individuals)	10,500.00
310-01B · Donations (Corporate)	11,671.00
310-01J · Donations (New Building Fund)	41,500.00
Total 310-01 · Pledges and Contributions	63,671.00
310-03 · Fundraising (Event)	
310-03F · Fundraising (Yard Sales)	4,645.24
Total 310-03 · Fundraising (Event)	4,645.24
310-05 · Grant Revenue	10,000.00
Total 310 · Corporate Revenue	78,316.24
Total Income	450,436.93
Gross Profit	450,436.93
Expense	
Suspense	323.02
400 · Preschool Expenses	
400-01 · Employee (Hiring)	226.25
400-02 · Employee (Education)	343.99
400-13 · Building (Maintenance)	3,968.91
400-21 · Professional (Advertising)	341.57
400-22 · Professional (Accounting)	6,227.75
400-23 · Professional (Contract Labor)	1,500.00
400-30 · Insurance (Property/Liability)	6,943.00
400-31 · Insurance (Workers Comp)	3,523.86
400-33 · Health Insurance	2,370.55
400-40 · Utilities (Electricity)	2,706.79
400-41 · Utilities (Telephone/Internet)	484.22
400-42 · Utilities (Sewer and Water)	1,082.52
400-43 · Utilities (Garbage)	769.50
400-44 · Utilities (Propane)	759.57
400-50 · Supplies (Materials/Crafts)	5,369.21
400-51 · Supplies (Office)	2,544.65
400-52 · Supplies (Cleaning)	2,636.62
400-54 · Supplies (Food)	1,058.35
400-55 · Supplies (General)	4,159.41
400-60 · Fees (Credit Card)	7,034.07
400-61 · Fees (Other)	566.41
400-64 · Fees (Special Events)	219.68
400-70 · Depreciation	11,553.47
400-75 · Payroll Fees	9,737.17
400-80 · Payroll (Regular Wages)	253,282.18
400-81 · Payroll (Overtime Wages)	1,190.23
400-90 · Payroll (Social Security)	15,420.19
400-91 · Payroll (Medicare)	3,606.38
400-92 · Payroll (Federal Unemployment)	2.20
400-93 · Payroll (State Unemployment)	4,203.99
Total 400 · Preschool Expenses	353,832.69

