



# HILLTOP ANNUAL REPORT

2016

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## Our Mission

Hilltop is an inclusive community where children learn from passionate professionals in a nurturing and academically rich environment.

## Our Values

- ∇ Community Spirit
  - We foster a strong sense of community by providing an exceptional early childhood learning experience for the children of KU students, faculty, staff and area residents.
- ∇ Support for Children and Families
  - We support children and their families with open communication and collaborative solutions related to the social, emotional and educational development of each child.
- ∇ Excellence in Education
  - We encourage our staff, our children and their families to engage in lifelong learning.
- ∇ Collaboration and Transparency
  - We cultivate positive alliances with parents, children and community partners.
- ∇ Celebration of Diversity
  - We honor and value all individuals.

## Our Goals

1. Increase parent involvement in order to make all families feel welcome, supported and engaged in the Hilltop community.
2. Develop clear policies and procedures to demonstrate organizational capability and codify institutional practices.
3. Recruit and retain the highest quality staff in early childhood education by investing in incentivized professional development opportunities.
4. Communicate Hilltop's mission, progress toward strategic initiatives, and financial picture through regular messaging to families, staff, KU and community partners.

## Message from the Director

Dear Friends and Families of Hilltop,

Our 2016 year saw major progress in bringing long term improvements to the facility and to the programs available to our children. We were also able to create a strategic plan that will guide and direct Hilltop for years to come.

We began the strategic planning process during the summer of 2015. In partnership with the University of Kansas, we assembled a team of teachers, parents, KU personnel and Hilltop staff that worked for nearly a year to create a new strategic plan for Hilltop. This plan will provide direction for all activities and decisions that we make. The complete plan can be viewed on the [Hilltop website](#). The document will be reviewed annually to ensure that we are working toward our goals and sticking to our values as an organization. Our Mission and Values are available on the previous page of this report.

Another area of significant improvement was upgrading facilities and equipment for our children and staff. Most notable among those upgrades were the transportation services used at Hilltop. We were fortunate enough to be able to replace all of our very old vans with a new fleet. These vans create a safer and more efficient form of transportation for our children. We will save hundreds of dollars each year in fuel costs alone and avoid the expensive repairs that plagued our previous fleet. Special thanks to the Hilltop Board of Directors for approving the purchase of these vans and to Thoroughbred Ford for giving us such a great deal!!!



Hilltop was also able to make significant upgrades to our facility. On the interior, we replaced the carpet throughout the building. The new carpet has created a much cleaner and “green” flooring made of an ecofriendly, stain-resistant material. Another major upgrade this year is evident on our playgrounds. KU Student Senate approved a student fee that allowed us to add a variety of new plants and trees to the property. We improved the dry creek bed with over 40 tons of rocks that the kids use for playing and learning. These upgrades are not just aesthetic, but they also create a great outdoor learning environment for the children. A big thank you to teachers Mike Pisani and Gayle Davis for their work designing the new features.

One of our major financial goals for the year was to provide our teachers with fair compensation based on responsibilities. Over the last few years, Hilltop has raised tuition to try and address this significant wage problem for early childhood teachers. We have been able to raise the average salary by approximately 14%, putting the average wage just over \$27,000/year. Our goal is to provide the best salary possible while also offering a great environment for all staff to work so we can minimize turnover.

These dynamic achievements were fueled by our inspiring, smart, and dedicated teachers, staff, families and Board of Directors. You make it possible to provide children the highest quality programs and staff — and to grow. Like us, you believe deeply in the mission of Hilltop.

Thanks for all your continued support for Hilltop!!!

*Jeremy Fite*

## Financial Statements

	Year to Date Actual	Year to Date Budget	Variance
<b>Revenues</b>			
	\$	\$	
Hilltop tuition	2,177,218.23	2,060,444.00	116,774.23 <sup>(1)</sup>
Offsite tuition	59,131.50	65,666.00	(6,534.50) <sup>(2)</sup>
Food Program	89,038.38	80,000.00	9,038.38 <sup>(3)</sup>
Activity fees	25,555.00	23,820.00	1,735.00
Application fees	8,175.00	7,000.00	1,175.00
Interest income	1,705.51	1,500.00	205.51
Other income	46,460.05	2,000.00	44,460.05 <sup>(4)</sup>
Management fees	30,258.00	30,258.00	0.00
KU Student Hourly Funding	7,752.18	8,218.00	(465.82)
KU Supplies Funding	904.34	2,000.00	(1,095.66)
KU Kitchen Repairs Funding	0.00	1,732.00	(1,732.00)
KU Student Senate block grant	51,000.00	51,000.00	0.00
KU Utilities funding	54,000.00	54,000.00	0.00
Fundraising	6,521.22	5,000.00	1,521.22
<b>Total Revenues</b>	<b>2,557,719.41</b>	<b>2,392,638.00</b>	<b>165,081.41</b>

**Expenses**

	Year to Date Actual	Year to Date Budget	Variance
Administrative salaries	210,792.89	214,111.76	(3,318.87)(5)
Kitchen salaries	103,786.44	102,318.00	1,468.44
Teachers' salaries	908,111.71	905,075.00	3,036.71(5)
Part-time wages	289,971.64	256,000.00	33,971.64(5,6)
Payroll taxes	121,935.67	147,651.00	(25,715.33)(7)
Employee benefits	147,789.99	154,000.00	(6,210.01)(8)
Workers' compensation insurance	13,705.89	21,000.00	(7,294.11)(9)
Activity supplies	34,600.27	28,820.00	5,780.27
Van expenses	35,212.30	14,000.00	21,212.30(10)
Food	149,468.10	160,000.00	(10,531.90)(11)
Non-food kitchen expense	18,966.29	16,500.00	2,466.29
KU Kitchen Repairs expense	0.00	2,000.00	(2,000.00)
Rent - Bond payment	102,291.75	111,591.00	(9,299.25)(12)
Expansion payments	25,000.00	25,000.00	0.00
KU Utilities expense	54,000.00	54,000.00	0.00
Building and equipment	31,343.87	23,000.00	8,343.87(13)
Office supplies	7,666.13	7,000.00	666.13
KU Supplies expense	0.00	1,768.00	(1,768.00)
Telephone	10,849.00	12,000.00	(1,151.00)
Staff development	19,823.63	17,000.00	2,823.63
Parking	13,819.00	12,500.00	1,319.00
Insurance	11,628.06	13,000.00	(1,371.94)
Advertising	218.90	2,000.00	(1,781.10)
Storage	1,500.00	1,500.00	0.00
Bank charges	3,597.11	3,000.00	597.11
Licensing and accreditation	1,103.73	2,000.00	(896.27)
Professional fees	19,164.12	19,600.00	(435.88)
Hilltop scholarship expense	40,308.99	43,000.00	(2,691.01)
Bad debt	3,197.41	5,000.00	(1,802.59)
Facts Service Fee	10,620.50	13,000.00	(2,379.50)
<b>Total Expenses</b>	<b>2,390,473.39</b>	<b>2,387,434.76</b>	<b>3,038.63</b>
Excess of revenues over expenses	167,246.02	5,203.24	162,042.78

## Notes to Financial Statements

**1** Includes approximately \$30,000 in unbudgeted tuition from adding Bison room in the summer. Enrollment numbers in projection were lower than what actually occurred.

**2** Enrollment down from prior year.

**3** On-site enrollment up.

**4** Received a \$16,508 payment from KU in July. This was the result of a prior year carryforward from the bond paid through KU. Wrote off 80 security deposits that had been forfeited by the family. The write offs dated back as far as 5 years and totaled \$28,041.

**5** Current month overage is a result of the end of year payroll accrual.

**6** End of year projections were too low based on the prior year, and there were several teacher vacancies throughout the year.

**7** Our state assigned user rating was reduced by over 3%. This resulted in a \$23,500 deduction in unemployment tax from prior year.

**8** More teachers than expected declined health insurance.

**9** Received a lower quote from another insurance provider.

**10** Depreciation expense on the two newest vans was not budgeted for.

**11** Incurred a large increase in food costs in the prior year. Did not experience the same price increase in current year.

**12** Bond was paid off early. No payment required in July

**13** Unexpected expenses and increase in depreciation due to various improvements to the building.

*This was an unusual surplus for Hilltop to achieve. These dollars are placed in our reserve account. This account is used to protect Hilltop in times of great need. For example, the purchase of new vans and carpet came from this account. Moving forward this could be used for building improvements should they arise.*

## Special Acknowledgements

**KU STUDENT SENATE** for their continued support of Hilltop. Your contributions have allowed us to pay off the bond on our building early and establish a maintenance reserve for future use. You have also allowed us to create a scholarship pool for KU students that keeps high quality child care affordable for our student population as well as money to help us make improvements to our outdoor spaces.

**KU STUDENT AFFAIRS** for their continued support of Hilltop and our families.

**MCCOWN GORDON & CLARK CONSTRUCTION, KU DCM AND EDGEMOOR** for their continued support of Hilltop and our families during the KU Central District project.

**HILLTOP STRATEGIC PLANNING COMMITTEE** for their tireless efforts on the creation of this plan.

Kathleen Ames-Stratton – KU Facilitator  
 Karen Cross – Board Member  
 Gayle Davis – Teaching Staff  
 Jeremy Fite – Administrative Staff  
 Shanda Hayden – Board Member  
 Courtney Hultgren – Administrative Staff  
 Sarah Kiewig - Parent  
 Jennie Marsh - Parent  
 Mindie Paget – Board Member  
 Jen Perea – Teaching Staff  
 Noel Rasor – Board Member  
 Megan Smith – Administrative Staff  
 Sara Vancil – Board Member  
 Maggie Vinduska – Teaching Staff





## Hilltop Board of Directors 2016

### **OFFICERS**

President	Karen Cross
President-Elect	Noel Rasor
Secretary	Mindie Paget
Past President	Becki Carl
KU Liaison	Jennifer Wamelink






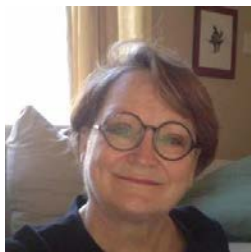
### **PUBLIC MEMBERS**

Shanda Hayden (2012)  
Sara Vancil (2014)  
Eric Sader (2015)  
Amanda Temple (2015)  
Jana Tuttle (2015)  
Tim Mock (2015)

### **PARENT MEMBERS**

Kelly Muther (2015)  
Karen Cross (2013)  
Lisa Pinamonti Kress (2014)  
Mindie Paget (2014)  
Noel Rasor (2014)  
Debbi Johanning (2015)  
Xiushan Jiang (2015)

## Hilltop Administration

JEREMY FITE EXECUTIVE DIRECTOR	MEGAN SMITH CURRICULUM DIRECTOR	COURTNEY HULTGREN OPERATIONS MANAGER
		
ADAM BROWN FINANCE DIRECTOR	ROB WOOD KITCHEN MANAGER	CHRIS HOTVEDT ADMIN. ASSISTANT
		

## Hilltop Teachers and Staff

Dalene Andrews	Natalie Bennett	Brittany Bettenbrock	Cali Burke
Melissa Campbell	Patty Collier	Gini Cook	Chelsea Cornwell
Gayle Davis	Danita Englund	Kelly Forsyth	Ashley Gall
Alicia Haney	Heather Hubbard	Johnny Johnson	Katie Johnson
Lyda Kendrick	Anna Lafferty	Jordan Lorenzo	Jacque Maline
Jordan Meradith	Jinnine Miller	Jen Perea	Mike Pisani
Bre Russell	Cal Santo	Haley Slocum	Rebecca Smith
Whitney Smith	Michelle Talley	Cathy Turpen	Maggie Vinduska
Carmean Volp	Annie Weeth	Karly White	April Young

**\*Also thanks to the over 70 teacher aides that are also an invaluable asset to our facility.**