

FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting,
April 25, 2011
Volume 43

Treasurer's Report for March 2011

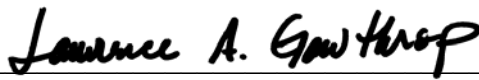
This resolution is recommended.

Be it Resolved, That

The Charles Stewart Mott Community College Board of Trustees

Accepts the financial report of the College for the month of March 2011 as presented
by the Administration.

Reviewed and Submitted By:



Larry Gawthrop, CFO

Date: April 25, 2011

Board Policy Statement Reference:

“3100 Budget Adoption: *General: The Board recognizes that its annual budget represents the programmatic direction and vision of the College. It is also designed to meet both the legal requirements and needs of the College.*
1. *The Finance Committee shall receive and review budget reports on a monthly basis.*”

March Treasurer's Report

Larry Gawthrop, CPA
Chief Financial Officer

April 25, 2011

Summary of Expenditures:

Month of March Spending:

General Fund:	\$	5,591,974
All Other Funds:	\$	<u>2,667,364</u>
Total:	\$	<u>8,259,338</u>

Comments on General Fund Financial Statements:

- Statement of Revenues, Expenditures and Changes in Net Assets

In summary, total revenues for the nine month period ended March 31, was approximately \$60.1 million, representing 79.9% of the annual budget. This is .7% lower than last year at this time, when we had recognized 80.6% of budgeted revenues. The most significant changes were in ***Tuition and fees and Property taxes*** which are discussed further below. Expenditures year-to-date were at \$49.3 million dollars, which represents 65.6% of the annual budget. This was 1.2% higher in spending than last year at this time when compared to the previous year's budget.

Revenues

Tuition and fee revenues are \$31million for the nine months ended, which is \$1.9 million ahead of last year through March. As a percentage of budget, tuition and fee revenue is at 85.7% of budget vs. 88.4% last year.

Property taxes are \$18.7 million through March, a reduction of \$1.9 million (9.44%) vs. 2010. The amount budgeted is down 11.0% from last year at \$20.9 million based on final taxable value figures provided by the Genesee County Equalization Department. The timing of payments from the local units can cause significant fluctuations in budgeted percentages.

State appropriations payments for FY2010-11 are paid in monthly installments starting with October. The total budgeted amount for the current year is \$15.1 million which is in line with last year's appropriation. The sixth of eleven payments was received in March.

Expenditures

Salaries and Wages are at \$28.0 million, or 71.6% of the annual budget. This is 1.1% higher than last year when we had recognized 70.5% of the annual budget. In actual dollars, it is an increase of \$ 210,000 or .76% over last year through March.

Fringe Benefits are at \$11.7 million, an increase of \$967 thousand from the previous year, equally due to the increase in medical benefits costs and MPSERS retirement rate increases.

Other Expenditures

The most significant changes in the Other Expenses area were an increase of approximately \$189 thousand in the *Contracted Services* line item due to the consultants in the Financial Aid area to help package aid and moving maintenance expenditures from the 72 fund to the General Fund.

- **Balance Sheet**

Total Assets are at approximately \$23.1 million, down \$1.4 million from last March. The largest difference is a \$1.5 million decrease in *Cash and Cash Equivalents*, due in part to the unreimbursed portion of the library project from the State.

The College maintains one checking account for all of its funds; deposits and disbursements. This necessitates the short-term “loaning” or “borrowing” between the funds throughout the year depending on which funds revenue or expenditures are being deposited or paid out. Each month the accounting department clears these “*due to’s*” and “*due from’s*” respectively assigning the activity to the proper fund. However, significant activity can occur after these transfers are completed, causing large variances when compared to the previous period.

At roughly \$5.0 million, **Total Liabilities** were down approximately \$576 thousand from last year’s March balance. The most significant changes were in the areas of *Other accrued liabilities* which is the recording of the full amount of the GM tax appeal as calculated by the Genesee County Equalization Department (\$ 611,000) less payments made to date (\$ 89,977) and *Accounts payable* which is attributable to a timing difference of the month end check runs.

Comments on spending from other funds:

- Of the \$2.7 million spent in the other funds, \$870,501 was expended out of *Bond and Maintenance and Replacement Funds* for capital improvements with a majority of the remaining balance out of the *Agency, Scholarships, and Federal Grants*, for grant activities and student scholarships.

Mott Community College
General Fund
Statement of Revenues, Expenditures and Changes in Net Assets
For the 9 Months Ended March 31, 2011
With Comparative Totals at March 31, 2010

	FY 2010-2011 Budget	YTD Actuals as of 2/28/11	YTD Actuals as of 2/28/10	Actual to Actual \$ Change	Actual to Actual % Change
Revenues:					
Tuition and fees	\$ 36,132,476	\$ 30,979,738	\$ 29,127,485	\$ 1,852,253	6.36%
Property taxes	20,915,001	18,744,977	20,699,608	(1,954,631)	-9.44%
State appropriations	15,121,880	8,296,242	8,320,301	(24,059)	-0.29%
Ballenger trust	1,634,329	1,225,747	1,292,326	(66,579)	-5.15%
Grants and other	1,489,484	895,834	887,841	7,993	0.90%
Total revenues	75,293,170	60,142,538	60,327,561	(185,023)	-0.31%
Expenditures:					
Salaries and wages	39,105,717	27,987,140	27,777,032	210,108	0.76%
Fringe benefits	16,501,211	11,698,332	10,730,898	967,434	9.02%
Contracted services	5,734,537	3,278,193	3,089,225	188,968	6.12%
Materials and supplies	2,542,154	1,458,028	1,557,670	(99,642)	-6.40%
Facilities rent	213,700	158,371	219,374	(61,003)	-27.81%
Utilities and insurance	2,510,000	1,798,751	1,727,842	70,909	4.10%
Operations/communications	5,216,740	2,614,703	2,654,010	(39,307)	-1.48%
Transfers	2,963,200	307,836	375,030	(67,194)	-17.92%
Capital outlay	440,470	28,408	80,066	(51,658)	-64.52%
Total expenditures	75,227,729	49,329,762	48,211,147	1,118,615	2.32%
Net increase/(decrease) in net assets	65,441	10,812,776	12,116,414	(1,303,638)	-10.76%

**Mott Community College
General Fund
Balance Sheet
March 31, 2011
With Comparative Totals at March 31, 2010**

	As of March 31 2011	As of March 31 2010	\$ Change
Assets			
Current Assets			
Cash and cash equivalents	\$ 16,923,029	\$ 18,406,516	\$ (1,483,487)
Short term investments	936	936	-
Due from (to) other funds	3,676,588	3,765,722	(89,134)
Accounts receivable - net of allowance for uncollectible accounts (\$3,286,056 for 2011 and \$3,352,965 for 2010)	2,310,541	2,118,739	191,802
Inventories	77,602	60,540	17,062
Prepaid expenses and other assets	118,991	143,684	(24,693)
Total Assets	<u>\$ 23,107,687</u>	<u>\$ 24,496,137</u>	<u>\$ (1,388,450)</u>
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	\$ 269,135	\$ 1,026,859	\$ (757,724)
Accrued payroll and related liabilities	1,442,328	1,422,431	19,897
Deposits held for others	14,596	181,033	(166,437)
Other accrued liabilities	521,023	-	521,023
Total Current Liabilities	2,247,082	2,630,323	(383,241)
Accrued termination pay	2,773,950	2,967,087	(193,137)
Total Liabilities	5,021,032	5,597,410	(576,378)
Net Assets			
Unrestricted	18,086,655	18,898,727	(812,072)
Total Net Assets	18,086,655	18,898,727	(812,072)
Total Liabilities and Net Assets	<u>\$ 23,107,687</u>	<u>\$ 24,496,137</u>	<u>\$ (1,388,450)</u>