

FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting,
May 18, 2009
Volume 42

Treasurer's Report for April 2009

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 April 2009 as presented
by the Administration.

Reviewed and Submitted By:

Lawrence A. Gawthrop, Interim CFO

Date: May 8, 2009

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."*

April Treasurer's Report

Lawrence A. Gawthrop, CPA
Interim Chief Financial Officer

May 8, 2009

Summary of Expenditures:

Month of April Spending:

General Fund:	\$ 5,597,436
All Other Funds:	\$ 8,161,716

Total:	\$ 13,759,152
	=====

Comments on General Fund Financial Statements:

- Statement of Revenues, Expenditures and Changes in Net Assets

Total revenues for the ten month period ending April 30, was approximately \$62.8 million, representing 88.2% of the annual budget. This was slightly ahead of last year at this time, when we had recognized 87.4% of budgeted revenues. Expenditures year-to-date were at \$49.6 million dollars, which represented 70% of the annual budget. This was just 1% ahead of last year's spending at this time when compared to the previous year's budget percentage.

Revenues

Tuition and fee revenues were \$27.9 million through April, an increase of \$2.4 million from last year at this time. The fall and winter enrollment figures were higher than anticipated causing a majority of the increase. In addition, Spring enrollment opened on April 1st and also appears to be higher than originally anticipated.

Property taxes were \$22.2 million through April, an increase of \$32 thousand when compared to the prior year. Collections are slightly ahead of the budget when compared to last year, and are expected to come in as budgeted, as property taxes are recorded on a cash basis and variances are caused by timing of payments from the various local taxing authorities.

State appropriations payments for FY2008-09 are paid in monthly installments starting with October. The total allocation for the current year is \$15.2 million and we received the April payment as scheduled.

Expenditures

Salaries and wages are approximately \$29.1 million, or 1.9% higher when compared to the prior year. Fringe benefit expenses are .3% higher at \$11.3 million. The final salary and related costs of the labor negotiations has been finalized and the financial impact of three of the five union group negotiations is reflected in these expenditure amounts.

Other Expenditures

Total expenditures are comparable to the prior year and are all tracking as budgeted. Other than the salary related expenditures, the *Contracted Services and Operations/communications* show the largest whole dollar changes for reasons addressed in previous Treasurer Reports.

- **Balance Sheet**

Total Assets were at \$25 million, down 1%, or \$282 thousand from last April. The largest differences were comprised of a \$2.2 million decrease in *Short-term investments*, caused by a cash needs for negotiated payouts for labor contracts, a \$1.3 million increase in *Cash and cash equivalents*, and a \$545 thousand increase in *Accounts Receivable*. The College continues to seek to maximize its investment earnings by continually monitoring its cash needs and leaving as much of its reserves as possible in interest bearing accounts.

At \$5.2 million, *Total Liabilities* were down 7.2%, or approximately \$400 thousand from last year's balance through April. The most significant changes were in the areas of *Accounts Payable* which were directly related to timing of payments and *Accrued payroll and related liabilities* as a result of the accounting implementation of the Faculty Assignment application in Datatel in the current year. An estimate of the total faculty salaries are no longer accrued at the beginning of each semester and are now expensed as they are paid.

Comments on spending from other funds:

- The April expenditures in the other funds were comprised mainly in *Debt Retirement Fund (73)*, which totaled \$4.8 million, and *Maintenance and Replacement Fund (72)* and *Bond Issue, Series 2008*, which totaled \$800 thousand. The majority of the remaining \$3 million was spent out of the *Restricted Funds*, most of which was for student financial aid and grant activities.

Mott Community College
General Fund
Statement of Revenues, Expenditures and Changes in Net Assets
For the 10 Months Ended April 30, 2009
With Comparative Totals at April 30, 2008

	FY 2008-2009 Amend 1 Budget	YTD Actuals as of 4/30/09	YTD Actuals as of 4/30/08	Actual to Actual \$ Change	Actual to Actual % Change
Revenues:					
Tuition and fees	\$ 27,557,348	\$ 27,914,667	\$ 25,531,685	\$ 2,382,982	8.54%
Property taxes	24,440,631	22,164,774	22,133,001	31,773	0.14%
State appropriations	15,159,600	9,701,770	10,927,189	(1,225,419)	-12.63%
Ballenger trust	1,841,880	1,529,119	1,485,437	43,682	2.86%
Grants and other	2,166,199	1,477,060	2,128,605	(651,545)	-44.11%
Total revenues	71,165,658	62,787,390	62,205,917	581,473	0.93%
Expenditures:					
Salaries and wages	36,707,271	29,123,027	28,588,369	534,658	1.84%
Fringe benefits	14,826,825	11,278,339	11,239,456	38,883	0.34%
Contracted services	4,696,833	2,639,207	3,036,434	(397,227)	-15.05%
Materials and supplies	1,945,047	1,431,344	1,355,198	76,146	5.32%
Facilities rent	214,949	191,848	173,515	18,333	9.56%
Utilities and insurance	2,923,927	1,880,182	2,040,966	(160,784)	-8.55%
Operations/communications	5,627,184	2,619,153	1,858,254	760,899	29.05%
Transfers	3,849,217	459,942	523,043	(63,101)	-13.72%
Capital outlay	217,813	22,561	60,354	(37,793)	-167.51%
Total expenditures	71,009,066	49,645,603	48,875,589	770,014	1.55%
Net increase/(decrease) in net assets	156,592	13,141,787	13,330,328	(188,541)	-1.43%

Mott Community College
General Fund
Balance Sheet
April 30, 2009
With Comparative Totals at April 30, 2008

	As of April 30, 2009	As of April 30, 2008	\$ Change
Assets			
Current Assets			
Cash and cash equivalents	\$ 2,642,844	\$ 1,388,156	\$ 1,254,688
Short term investments	18,082,604	20,258,475	(2,175,871)
Due from other funds	1,141,653	1,207,918	(66,265)
Accounts receivable - net of allowance for uncollectible accounts (\$2,770,822 for 2009 and \$2,381,428 for 2008)	2,689,441	2,144,454	544,987
Inventories	83,676	46,045	37,631
Prepaid expenses and other assets	297,371	174,658	122,713
Total Assets	\$ 24,937,589	\$ 25,219,706	\$ (282,117)
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	\$ 290,280	\$ 171,783	\$ 118,497
Accrued payroll and related liabilities	1,341,984	1,980,631	(638,647)
Deposits held for others	120,924	15,231	105,693
Due to other funds	-	-	-
Unearned revenue	881,795	843,086	38,709
Total Current Liabilities	2,634,983	3,010,731	(375,748)
Accrued termination pay	2,562,595	2,589,075	(26,480)
Total Liabilities	5,197,578	5,599,806	(402,228)
Net Assets			
Unrestricted	19,740,011	19,619,900	120,111
Total Net Assets	19,740,011	19,619,900	120,111
Total Liabilities and Net Assets	\$ 24,937,589	\$ 25,219,706	\$ (282,117)