

FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting,
October 24, 2011
Volume 44

Treasurer's Report for September 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 September, 2011 as presented by the Administration.

Reviewed and Submitted By:



Larry Gawthrop, CFO

Date: October 24, 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."*

September Treasurer's Report

Larry Gawthrop, CPA
Chief Financial Officer

October 24, 2011

Summary of Expenditures:

Month of September Spending:

General Fund:	\$	5,583,237
All Other Funds:	\$	<u>6,811,900</u>
Total:	\$	<u>12,395,137</u>

Comments on General Fund Financial Statements:

- Statement of Revenues, Expenditures and Changes in Net Assets

In summary, total revenues for the three months ended September 30, was approximately \$23.2 million, representing 30.1% of the annual budget. This is 3.2% higher than last year at this time, when we had recognized 26.9% of budgeted revenues. The most significant changes continue to be in the *Tuition and fees* and *Grants and other* which are discussed further below. General Fund expenditures for the three months ended September 30, are at \$14.2 million dollars representing 18.2% of the annual budget, comparable to September of the prior year.

Revenues

Tuition and fee revenues are \$15.9 million for the three months ended, which is \$1.6 million ahead of last year, this is mainly due to the tuition rate increase.

Grants and other is at approx \$389k, up approximately \$239 thousand from last year. This is largely due to the contribution from the Foundation for Mott Community College.

Property taxes collected are \$6.4 million though September. The amount budgeted is \$19.1 million, down \$1.5 million from last year's \$20.6 million and is based on final taxable value figures provided by the Genesee County Equalization Department.

State appropriations payments for FY2011-12 are paid in monthly installments starting with October. The total budgeted amount for the current fiscal year is \$14.4 million or approximately \$700 thousand (4.88%) less than last year. This includes the loss of the renaissance zone payments we received in past years.

Expenditures

Salaries and Wages are at \$7.5 million, or 18.6% of the annual budget, comparable to the previous year.

Fringe Benefits are at \$3.5 million, or 19.1% of the annual budget, down from 20.2% one year ago.

Other Expenditures

The Other Expenses area is tracking as projected and in line with the budgeted amounts.

- **Balance Sheet**

Total Assets are at approximately \$25.7 million, up \$4.4 million from last August. The largest difference is a \$3.5 million increase in *Due from other funds*, a \$602 thousand increase in *Cash and cash equivalents*, and a \$223 thousand increase in *Accounts Receivable*.

Due to/Due from Other Funds

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 \$9.3 million, *Total Liabilities* are up approximately \$1.6 million from last September’s balance. The most significant changes were in the areas of *Accounts payable*-timing differences in check runs from the prior year, *Accrued payroll and related liabilities*- timing difference in the payment of the health insurance payments from year to year, *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 the decrease in *Accrued termination pay* from the employee retirements.

Comments on spending from other funds:

- Of the \$6.8 million spent in the other funds, \$727 thousand was expended out of the *Maintenance and Replacement Funds* for capital improvements, and the remaining \$6.1 million 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 3 Month Ended September 30, 2011
With Comparative Totals at September 30, 2010

	FY 2011-2012 Budget	YTD Actuals as of 9/30/11	YTD Actuals as of 9/30/10	Actual to Actual \$ Change	Actual to Actual % Change
Revenues:					
Tuition and fees	\$ 39,935,305	\$ 15,933,321	\$ 14,344,882	\$ 1,588,439	11.07%
Property taxes	19,125,451	6,435,706	5,582,343	853,363	15.29%
State appropriations	14,383,600	-	105,480	(105,480)	-100.00%
Ballenger trust	1,734,329	408,582	408,582	-	0.00%
Grants and other	1,741,484	388,669	150,679	237,990	157.95%
Total revenues	76,920,169	23,166,278	20,591,966	2,574,312	12.50%
Expenditures:					
Salaries and wages	40,227,578	7,467,215	7,470,263	(3,048)	-0.04%
Fringe benefits	18,364,320	3,514,975	3,507,027	7,948	0.23%
Contracted services	6,681,404	1,000,644	1,091,264	(90,620)	-8.30%
Materials and supplies	2,564,357	378,401	366,989	11,412	3.11%
Facilities rent	213,700	73,512	48,581	24,931	51.32%
Utilities and insurance	2,525,500	853,595	739,294	114,301	15.46%
Operations/communications	5,243,342	956,719	1,034,262	(77,543)	-7.50%
Transfers	2,079,200	4,000	3,000	1,000	33.33%
Capital outlay	441,100	22,012	1,225	20,787	1696.90%
Total expenditures	78,340,501	14,271,073	14,261,905	9,168	0.06%
Net increase/(decrease) in net assets	(1,420,332)	8,895,205	6,330,061	2,565,144	40.52%

**Mott Community College
General Fund
Balance Sheet
September 30, 2011
With Comparative Totals at September 30, 2010**

	As of September 30 2011	As of September 30 2010	\$ Change
Assets			
Current Assets			
Cash and cash equivalents	\$ 22,157,595	\$ 21,555,687	\$ 601,908
Short term investments	936	936	-
Due from (to) other funds	264,806	(3,229,191)	3,493,997
Accounts receivable - net of allowance for uncollectible accounts (\$4,138,056 for 2011 and \$3,427,871 for 2010)	3,036,889	2,814,345	222,544
Inventories	51,632	52,948	(1,316)
Prepaid expenses and other assets	148,074	95,333	52,741
Total Assets	\$ 25,659,932	\$ 21,290,058	\$ 4,369,874
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	\$ 4,175,165	\$ 2,885,846	\$ 1,289,319
Accrued payroll and related liabilities	2,051,901	1,252,925	798,976
Deposits held for others	36,509	107,262	(70,753)
Other accrued liabilities	521,023	611,000	(89,977)
Total Current Liabilities	6,784,598	4,857,033	1,927,565
Accrued termination pay	2,514,042	2,829,085	(315,043)
Total Liabilities	9,298,640	7,686,118	1,612,522
Net Assets			
Unrestricted	16,361,292	13,603,940	2,757,352
Total Net Assets	16,361,292	13,603,940	2,757,352
Total Liabilities and Net Assets	\$ 25,659,932	\$ 21,290,058	\$ 4,369,874