

FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting,
December 19, 2011
Volume 44

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

Reviewed and Submitted By:



Larry Gawthrop, CFO

Date: December 19, 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.”

November Treasurer's Report

Larry Gawthrop, CPA
Chief Financial Officer

December 19, 2011

Summary of Expenditures:

Month of November Spending:

General Fund:	\$	5,733,987
All Other Funds:	\$	<u>2,320,082</u>
Total:	\$	<u>8,054,069</u>

Comments on General Fund Financial Statements:

- Statement of Revenues, Expenditures and Changes in Net Assets

In summary, total revenues for the five months ended November 30, was approximately \$40.3 million, representing 52.4% of the annual budget. This is 1.8% higher than last year at this time, when we had recognized 50.6% of budgeted revenues. The most significant changes continue to be in the *Tuition and fees*, *Property taxes* and *Grants and other* which are discussed further below. General Fund expenditures for the five months ended November 30, are at \$25.9 million representing 33.0% of the annual budget, .5% below last November's budgeted amounts.

Revenues

Tuition and fee revenues are \$28.0 million for the five months ended, which is \$1.8 million ahead of last year, this is mainly due to the tuition rate increase.

Grants and other is at approx \$804K, up approximately \$267 thousand from last year. This is largely due to the \$250 thousand contribution from the Foundation for Mott Community College.

Property taxes collected are \$8.2 million through November. 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 We received our second installment on November 20, totaling \$1.3 million. 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 \$14.0 million, or 34.7% of the annual budget, the same percentage as the previous year.

Fringe Benefits are at \$6.3 million, or 34.1% of the annual budget, down from 35.3% 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 \$27.6 million, up approx \$733 thousand from last November. The largest difference is a \$6.2 million decrease in *Due from other funds*, a \$5.9 million increase in *Cash and cash equivalents*, and a \$1 million 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 approximately \$5.7 million, *Total Liabilities* are down approximately \$700 thousand from last November’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 estimated amount of the real property tax refunds created by the appeals filed with the Michigan Tax Tribunal, and a decrease in *Accrued termination pay* partly due to employee retirements and a decrease in the actuarial computation at year-end.

Comments on spending from other funds:

- Of the \$2.3 million spent in the other funds, \$190 thousand was expended out of the *Maintenance and Replacement Funds* for capital improvements, and the remaining \$2.1 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 5 Month Ended November 30, 2011
With Comparative Totals at November 30, 2010

	FY 2011-2012 Budget	YTD Actuals as of 11/30/11	YTD Actuals as of 11/30/10	Actual to Actual \$ Change	Actual to Actual % Change
Revenues:					
Tuition and fees	\$ 39,935,305	\$ 28,009,098	\$ 26,179,404	\$ 1,829,694	6.99%
Property taxes	19,125,451	8,198,114	8,665,954	(467,840)	-5.40%
State appropriations	14,383,600	2,641,162	2,835,734	(194,572)	-6.86%
Ballenger trust	1,734,329	668,432	544,776	123,656	22.70%
Grants and other	1,741,484	803,577	535,754	267,823	49.99%
Total revenues	76,920,169	40,320,383	38,761,622	1,558,761	4.02%
Expenditures:					
Salaries and wages	40,227,578	13,950,726	13,999,035	(48,309)	-0.35%
Fringe benefits	18,364,320	6,258,979	6,115,711	143,268	2.34%
Contracted services	6,681,404	1,933,858	1,943,284	(9,426)	-0.49%
Materials and supplies	2,564,357	735,044	753,948	(18,904)	-2.51%
Facilities rent	213,700	142,660	85,552	57,108	66.75%
Utilities and insurance	2,525,500	1,197,040	1,026,495	170,545	16.61%
Operations/communications	5,243,342	1,475,279	1,348,960	126,319	9.36%
Transfers	2,079,200	142,094	273,724	(131,630)	-48.09%
Capital outlay	441,100	43,430	13,693	29,737	217.17%
Total expenditures	78,340,501	25,879,110	25,560,402	318,708	1.25%
Net increase/(decrease) in net assets	(1,420,332)	14,441,273	13,201,220	1,240,053	9.39%

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

	As of November 30 2011	As of November 30 2010	\$ Change
Assets			
Current Assets			
Cash and cash equivalents	\$ 16,335,539	\$ 10,418,408	\$ 5,917,131
Short term investments	936	936	-
Due from (to) other funds	(1,546,673)	4,657,876	(6,204,549)
Accounts receivable - net of allowance for uncollectible accounts (\$2,860,959 for 2011 and \$3,335,408 for 2010)	12,688,156	11,648,491	1,039,665
Inventories	63,644	56,582	7,062
Prepaid expenses and other assets	87,048	112,892	(25,844)
Total Assets	\$ 27,628,650	\$ 26,895,185	\$ 733,465
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	\$ 403,771	\$ 965,751	\$ (561,980)
Accrued payroll and related liabilities	2,257,815	2,026,194	231,621
Deposits held for others	28,735	28,510	225
Other accrued liabilities	521,023	570,546	(49,523)
Total Current Liabilities	3,211,344	3,591,001	(379,657)
Accrued termination pay	2,509,946	2,829,085	(319,139)
Total Liabilities	5,721,290	6,420,086	(698,796)
Net Assets			
Unrestricted	21,907,360	20,475,099	1,432,261
Total Net Assets	21,907,360	20,475,099	1,432,261
Total Liabilities and Net Assets	\$ 27,628,650	\$ 26,895,185	\$ 733,465