

FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting,
August 28, 2017
Volume

Treasurer's Report for July 2017

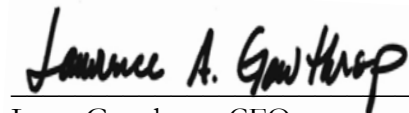
This resolution is recommended.

Be it Resolved, that

The Charles Stewart Mott Community College Board of Trustees

Accepts the Treasurer's Report of the College for the month of July, 2017 as presented by the Administration.

Reviewed and Submitted By:



Larry Gawthrop, CFO

Date: August 28, 2017

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."

July's Treasurer's Report

Larry Gawthrop, CPA
Chief Financial Officer

August 28, 2017

Summary of Expenditures:

Month of July Spending:

General Fund:	\$	4,815,003
All Other Funds:	\$	<u>4,748,333</u>
Total:	\$	<u>9,563,336</u>

Comments on General Fund Financial Statements:

- Statement of Revenues, Expenditures and Changes in Net Assets

In summary, total revenues for the one month ended July 31, were approximately \$11.8 million, representing 15.8% of the annual budget, 1.30% higher than it was a year ago. The most significant change when compared to the budget and prior year actuals is in ***Grants and other*** which is discussed further below. Expenditures for the one month was roughly \$4.5 million, representing 6.1% of the annual budget, compared to \$4.6 million and 6.1%, one year ago. The overall increase from the prior year is \$43 thousand and less than 1%.

Revenues

Tuition and fees revenues are \$10.4 million, \$77 thousand more than last year and 31.8% of the budget, up from 31.2% a year ago. Our 2017-2018 budget included a 3% decline in enrollment in contact hours (\$350 thousand). The \$76.9 thousand increase in the prior year is mainly due to an increase in non-credit.

Property taxes collected are roughly \$336 thousand. The amount budgeted is \$17.9 million, \$178 thousand or roughly 1% more than the 2016-2017 fiscal year budget, and is based on final taxable value figures provided by the Genesee County Equalization Department.

State appropriations payments for FY 2017-18 are paid in eleven monthly installments starting in October. The total budgeted amount for the current fiscal year is \$16.3 million the same as the prior year excluding the UAAL stabilization pass-through and PPT Stabilization.

Expenditures

Salaries and Wages are roughly \$1.1 million, or 3% of the annual budget, compared to \$1.1 million and 3.1% a year ago.

Fringe Benefits are at \$768 thousand, or 5.0% of the budgeted amount compared to \$776 thousand and 5.1% of the budget one year ago.

Other Expenditures:

The variances in the other categories is a combination of timing of the bills when compared to the prior year.

- **Balance Sheet**

Total Assets are at approximately \$23.4 million, up \$1.7 million from last July. The largest differences are a \$71 thousand increase in *Cash and cash equivalents*, a \$1.9 million increase in *Due from/(to) other funds*, and a \$162 thousand decrease in *Accounts receivable*. The \$236 thousand decrease in *Prepaid expenses* is the result of a difference from the prior year in recording of advance vendor payments.

Due to/Due from Other Funds result from the College maintaining 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 \$6.2 million, *Total Liabilities* are down \$253 thousand from the prior year. The most significant changes were a timing difference increase in *Accounts Payable*, and a decrease in *Accrued payroll and related liabilities*.

Comments on spending from other funds:

- Of the roughly \$4.7 million expended in the other funds, \$579 thousand was out of the *Maintenance and Replacement and Bond funds*, \$2.3 million in current year transfers to designated funds and the remaining \$1.8 million 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 - Modified Accrual
For the 1 Months Ended July 31, 2017
With Comparative Totals at July 31, 2016

	FY 2016-2017 Budget	YTD Actuals as of 07/31/17	YTD Actuals as of 7/31/16	Actual to Actual \$ Change	Actual to Actual % Change
Revenues:					
Tuition and fees	\$ 32,644,373	\$ 10,368,368	\$ 10,291,446	\$ 76,922	0.75%
Property taxes	17,975,064	336,205	347,290	(11,085)	-3.19%
State appropriations	16,229,838	-	-	-	0.00%
State appropriations - UAAL Passthrough	3,365,384	-	-	-	0.00%
State appropriations - PPT Stabilization	381,407	-	-	-	
Ballenger trust	1,839,873	199,608	150,686	48,922	32.47%
Grants and other	2,214,928	858,032	38,817	819,215	2110.45%
Total revenues	74,650,867	11,762,213	10,828,239	933,974	8.63%
Expenditures:					
Salaries and wages	36,526,110	1,087,641	1,118,115	30,474	2.73%
Fringe benefits	15,330,936	768,209	776,453	8,244	1.06%
Fringe benefits - UAAL Passthrough	3,365,384	-	-	-	0.00%
Contracted services	6,551,011	30,523	101,117	70,594	69.81%
Materials and supplies	2,227,674	93,098	33,403	(59,695)	-178.71%
Facilities rent	186,000	34,594	13,494	(21,100)	-156.37%
Utilities and insurance	2,674,470	476,097	456,052	(20,045)	-4.40%
Operations/communications	5,495,306	721,200	754,693	33,493	4.44%
Transfers out	1,936,000	1,297,000	1,297,000	-	0.00%
Equipment and Improvements	99,551	700	1,495	795	53.18%
Total expenditures	74,392,442	4,509,062	4,551,822	42,760	0.94%
Net increase/(decrease) in net assets	258,425	7,253,151	6,276,417	976,734	15.56%

**Mott Community College
General Fund
Balance Sheet - Modified Accrual
July 31, 2017
With Comparative Totals at July 31, 2016**

	As of July 31 2017	As of July 31 2016	\$ Change
Assets			
Current Assets			
Cash and cash equivalents	\$ 10,237,460	\$ 10,166,936	\$ 70,524
Due from other funds	2,159,072	187,738	1,971,334
State appropriation receivable	1,770,990	1,731,794	39,196
Accounts receivable - net of allowance for uncollectible accounts (\$5,577,173 for 2017 and \$4,939,027 for 2016)	9,038,933	9,201,565	(162,632)
Inventories	70,705	56,540	14,165
Prepaid expenses and other assets	140,864	377,200	(236,336)
Total Assets	<u>\$ 23,418,024</u>	<u>\$ 21,721,773</u>	<u>\$ 1,696,251</u>
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	\$ 2,137,901	\$ 2,028,762	\$ 109,139
Accrued payroll and related liabilities	1,443,735	2,200,035	(756,300)
Deposits held for others	12,457	12,137	320
Unearned revenue	-	-	-
Other accrued liabilities	161,766	169,125	(7,359)
Total Current Liabilities	3,755,859	4,410,059	(654,200)
Accrued termination pay	2,493,159	2,092,111	401,048
Total Liabilities	6,249,018	6,502,170	(253,152)
Net Assets			
Unrestricted	17,169,006	15,219,603	1,949,403
Total Net Assets	<u>17,169,006</u>	<u>15,219,603</u>	<u>1,949,403</u>
Total Liabilities and Net Assets	<u>\$ 23,418,024</u>	<u>\$ 21,721,773</u>	<u>\$ 1,696,251</u>