

FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting,
August 27, 2018
Volume

Treasurer's Report for July 2018

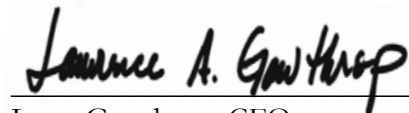
This resolution is recommended.

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, 2018 as presented by the Administration.

Reviewed and Submitted By:



Larry Gawthrop, CFO

Date: August 27, 2018

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 Treasurer's Report

Larry Gawthrop, CPA
Chief Financial Officer

August 27, 2018

Summary of Expenditures:

Month of July Spending:

General Fund:	\$	3,699,815
All Other Funds:	\$	<u>1,545,155</u>
Total:	\$	<u>5,244,970</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 \$11.6 million, representing 15.3% of the annual budget, 0.4% less than it was a year ago. The most significant change when compared to the budget and prior year actuals is in ***Tuition and fees, Grants and other, and Transfer from reserve*** which are discussed further below. Expenditures for the one month were roughly \$4.3 million, representing 5.7% of the annual budget, compared to \$4.5 million and 6.0%, one year ago.

Revenues

Tuition and fees revenues are \$11.0 million, \$611 thousand more than last year and 35.2% of the budget, up from 32.5% a year ago. Our 2018-2019 budget included a 4% decline in enrollment and in contact hours.

Property taxes collected are \$397 thousand. The amount budgeted is \$18.8 million, \$600 thousand or roughly 3.32% more than the 2017-2018 fiscal year budget, and is based on final taxable value figures provided by the Genesee County Equalization Department.

State appropriations payments for FY 2018-19 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 2017-2018 year, excluding the UAAL stabilization pass-through and PPT Stabilization.

Grants and other decreased \$376 thousand and is largely attributable to the timing of the recording of the Foundation for MCC pledge to the College in July of the previous year. For the current year, we anticipate recording this in September.

Transfer from reserve accounts for the planned transfer from the ***future funding*** account.

Expenditures

Salaries and Wages are roughly \$1.1 million, or 3.0% of the annual budget, compared to \$1.1 million and 3.0%, a year ago.

Fringe Benefits are at \$815 thousand, and 5.3% of the budgeted amount compared to \$768 thousand and 5.0% of the budget one year ago.

Other Expenditures:

Contracted services are up roughly \$27 thousand from prior year due in large part to custodial contract services.

Materials and supplies are down roughly \$38 thousand, mainly due to timing of non-instructional supply payments and subscriptions.

Operations/communications is down approximately \$299 thousand mainly due to a timing difference in licensing fees.

- **Balance Sheet**

Total Assets are at approximately \$24.2 million, up \$735 thousand from last July. The largest differences are a \$12.2 million increase in *Cash and cash equivalents*, a \$11 million decrease in *Due from/(to) other funds*, and a net \$411 thousand decrease in *Accounts receivable*. The decrease in *Accounts Receivable* is due in large part to the timing of the recording of the Foundation for MCC pledge and a change in the allowance.

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.

Total Liabilities are down \$985 thousand from the prior year. The most significant changes are a \$1.5 million vendor payment timing decrease in *Accounts Payable* and a \$568 thousand increase in *Accrued payroll and related liabilities*.

Comments on spending from other funds:

- Of the roughly \$1.5 million expended in the other funds, \$171 thousand was out of the *Maintenance and Replacement and Bond funds* for capital related improvements, and the remaining \$1.3 million out of the *Agency, Scholarships, and Grants Funds*, 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, 2018
With Comparative Totals at July 31, 2017

	FY 2018-2019 Budget	YTD Actuals as of 07/31/18	YTD Actuals as of 07/31/17	Actual to Actual \$ Change	Actual to Actual % Change
Revenues:					
Tuition and fees	\$ 31,180,612	\$ 10,979,554	\$ 10,368,368	\$ 611,186	5.89%
Property taxes	18,850,807	396,671	336,205	60,466	17.98%
State appropriations	16,294,420	-	-	-	0.00%
State appropriations - UAAL Passthrough	3,654,617	-	-	-	0.00%
State appropriations - PPT Stabilization	932,359	-	-	-	0.00%
Ballenger trust	2,090,770	181,112	199,608	(18,496)	-9.27%
Grants and other	1,803,502	65,643	442,032	(376,389)	-85.15%
Transfer from Reserve	1,253,981	-	416,000	(416,000)	-100.00%
Total revenues	76,061,068	11,622,980	11,762,213	(139,233)	-1.18%
Expenditures:					
Salaries and wages	37,333,360	1,118,527	1,087,641	(30,886)	-2.84%
Fringe benefits	15,365,047	815,386	768,209	(47,177)	-6.14%
Fringe benefits - UAAL Passthrough	3,654,617	-	-	-	0.00%
Contracted services	6,358,079	57,188	30,523	(26,665)	-87.36%
Materials and supplies	2,312,657	54,991	93,098	38,107	40.93%
Facilities rent	196,756	35,077	34,594	(483)	-1.40%
Utilities and insurance	2,906,908	500,637	476,097	(24,540)	-5.15%
Operations/communications	5,432,908	421,798	721,200	299,402	41.51%
Transfers out	2,109,824	1,297,000	1,297,000	-	0.00%
Equipment and Improvements	140,912	2,410	700	(1,710)	-244.29%
Total expenditures	75,811,068	4,303,014	4,509,062	206,048	4.57%
Net increase/(decrease) in net assets	250,000	7,319,966	7,253,151	66,815	0.92%

**Mott Community College
General Fund
Balance Sheet - Modified Accrual
July 31, 2018
With Comparative Totals at July 31, 2017**

	As of July 31 2018	As of July 31 2017	\$ Change
Assets			
Current Assets			
Cash and cash equivalents	\$ 22,413,361	\$ 10,237,460	\$ 12,175,901
Due from other funds	(8,831,641)	2,159,072	(10,990,713)
Accounts receivable - net of allowance for uncollectible accounts (\$5,939,559 for 2018 and \$5,366,683 for 2017)	8,627,478	9,038,933	(411,455)
Inventories	55,947	70,705	(14,758)
Prepaid expenses and other assets	121,001	140,864	(19,863)
Total Assets	<u>\$ 24,152,893</u>	<u>\$ 23,418,024</u>	<u>\$ 734,869</u>
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	\$ 630,515	\$ 2,137,901	\$ (1,507,386)
Other current liabilities	-	-	-
Accrued payroll and related liabilities	2,012,484	1,443,735	568,749
Deposits held for others	1,975	12,457	(10,482)
Other accrued liabilities	94,450	161,766	(67,316)
Total Current Liabilities	2,739,424	3,755,859	(1,016,435)
Accrued termination pay	2,524,453	2,493,159	31,294
Total Liabilities	5,263,877	6,249,018	(985,141)
Net Assets			
Unrestricted	18,889,016	17,169,006	1,720,010
Total Net Assets	<u>18,889,016</u>	<u>17,169,006</u>	<u>1,720,010</u>
Total Liabilities and Net Assets	<u>\$ 24,152,893</u>	<u>\$ 23,418,024</u>	<u>\$ 734,869</u>