

FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting,
September 18, 2017
Volume

Treasurer's Report for August 2017

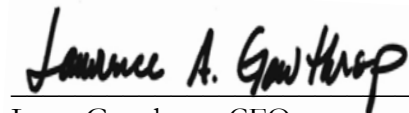
This resolution is recommended.

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 August, 2017 as presented by the Administration.

Reviewed and Submitted By:



Larry Gawthrop, CFO

Date: September 18, 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.”

August's Treasurer's Report

Larry Gawthrop, CPA
Chief Financial Officer

September 18, 2017

Summary of Expenditures:

Month of August Spending:

General Fund:	\$	4,179,827
All Other Funds:	\$	<u>9,331,935</u>
Total:	\$	<u>13,511,762</u>

Comments on General Fund Financial Statements:

- Statement of Revenues, Expenditures and Changes in Net Assets

In summary, total revenues for the two months ended August 31, were approximately \$17.5 million, representing 23.4% of the annual budget, 1.1% 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 two months was roughly \$8.7 million, representing 11.7% of the annual budget, compared to \$9.1 million and 12.3%, one year ago. The overall decrease from the prior year is \$415 thousand and 4.6%.

Revenues

Tuition and fees revenues are \$14.2 million, \$32 thousand more than last year and 43.5% of the budget, up from 43% a year ago. Our 2017-2018 budget included a 3% decline in enrollment in contact hours (\$350 thousand). The \$32 thousand increase compared to the prior year is mainly due to an increase in non-credit.

Property taxes collected are roughly \$2.0 million. 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 \$16.2 million the same as the prior year excluding the UAAL stabilization pass-through and PPT Stabilization.

Expenditures

Salaries and Wages are roughly \$3.3 million, or 9.1% of the annual budget, compared to \$3.4 million and 9.5% a year ago.

Fringe Benefits are at \$1.8 million, or 11.6% of the budgeted amount compared to \$1.8 million and 11.8% of the budget one year ago.

Other Expenditures:

Contracted services are down roughly \$110 thousand, and *Operations/communications* is down approximately \$190 thousand mainly due to the timing of the bills when compared to the prior year.

- **Balance Sheet**

Total Assets are at approximately \$21.3 million, up \$1.8 million from last August. The largest differences are a \$ 1.3 million decrease in *Cash and cash equivalents*, a \$3.2 million increase in *Due from/(to) other funds*, and a \$128 thousand decrease in *Accounts receivable*. The \$91 thousand increase 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 \$5.3 million, **Total Liabilities** are up \$252 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 \$9.3 million expended in the other funds, \$1.1 million was expended out of the *Capital position funds* for depreciation and capital asset changes, \$1.4 million was out of the *Maintenance and Replacement and Bond funds*, and the remaining \$6.8 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 2 Months Ended August 31, 2017
With Comparative Totals at August 31, 2016

	FY 2016-2017 Budget	YTD Actuals as of 08/31/17	YTD Actuals as of 8/31/16	Actual to Actual \$ Change	Actual to Actual % Change
Revenues:					
Tuition and fees	\$ 32,644,373	\$ 14,209,138	\$ 14,177,191	\$ 31,947	0.23%
Property taxes	17,975,064	1,971,402	2,000,522	(29,120)	-1.46%
State appropriations	16,229,838	-	-	-	0.00%
State appropriations - UAAL Passthrough	3,365,384	-	-	-	0.00%
State appropriations - PPT Stabilization	381,407	-	-	-	0.00%
Ballenger trust	1,839,873	355,956	301,372	54,584	18.11%
Grants and other	2,214,928	938,950	117,056	821,894	702.14%
Total revenues	74,650,867	17,475,446	16,596,141	879,305	5.30%
Expenditures:					
Salaries and wages	36,526,110	3,330,660	3,405,483	74,823	2.20%
Fringe benefits	15,330,936	1,775,757	1,815,073	39,316	2.17%
Fringe benefits - UAAL Passthrough	3,365,384	-	-	-	0.00%
Contracted services	6,551,011	381,073	491,288	110,215	22.43%
Materials and supplies	2,227,674	201,642	191,341	(10,301)	-5.38%
Facilities rent	186,000	48,813	41,878	(6,935)	-16.56%
Utilities and insurance	2,674,470	699,057	721,590	22,533	3.12%
Operations/communications	5,495,306	947,028	1,137,217	190,189	16.72%
Transfers out	1,936,000	1,297,000	1,297,000	-	0.00%
Equipment and Improvements	99,551	7,856	3,331	(4,525)	-135.85%
Total expenditures	74,392,442	8,688,886	9,104,201	415,315	4.56%
Net increase/(decrease) in net assets	258,425	8,786,560	7,491,940	1,294,620	17.28%

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

	As of August 31 2017	As of August 31 2016	\$ Change
Assets			
Current Assets			
Cash and cash equivalents	\$ 9,494,232	\$ 10,809,619	\$ (1,315,387)
Due from other funds	6,760,685	3,573,344	3,187,341
Accounts receivable - net of allowance for uncollectible accounts (\$5,549,248 for 2017 and \$4,822,659 for 2016)	4,827,832	4,955,711	(127,879)
Inventories	70,705	56,540	14,165
Prepaid expenses and other assets	150,449	59,086	91,363
Total Assets	\$ 21,303,903	\$ 19,454,300	\$ 1,849,603
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	\$ 1,276,741	\$ 1,177,026	\$ 99,715
Accrued payroll and related liabilities	1,340,528	1,278,110	62,418
Deposits held for others	12,607	23,781	(11,174)
Other accrued liabilities	161,766	169,125	(7,359)
Total Current Liabilities	2,791,642	2,648,042	143,600
Accrued termination pay	2,480,120	2,372,178	107,942
Total Liabilities	5,271,762	5,020,220	251,542
Net Assets			
Unrestricted	16,032,141	14,434,080	1,598,061
Total Net Assets	16,032,141	14,434,080	1,598,061
Total Liabilities and Net Assets	\$ 21,303,903	\$ 19,454,300	\$ 1,849,603