

FOR ACTION

Board of Trustees
Charles Stewart Mott Community College
Regular Meeting,
October 23, 2017
Volume

Treasurer's Report for September 2017

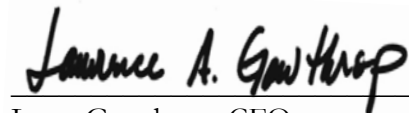
This resolution is recommended.

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 September, 2017 as presented by the Administration.

Reviewed and Submitted By:



Larry Gawthrop, CFO

Date: October 23, 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.”

September's Treasurer's Report

Larry Gawthrop, CPA
Chief Financial Officer

October 23, 2017

Summary of Expenditures:

Month of September Spending:

General Fund:	\$	6,654,565
All Other Funds:	\$	<u>2,814,420</u>
Total:	\$	<u>9,468,985</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, were approximately \$22.2 million, representing 29.7% of the annual budget, .5% 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 three months was roughly \$15.6 million, representing 21.0% of the annual budget, compared to \$15.5 million and 20.8%, one year ago.

Revenues

Tuition and fees revenues are \$15 million, \$202 thousand more than last year and 45.8% of the budget, up from 44.7% a year ago. Our 2017-2018 budget included a 3% decline in enrollment in contact hours (\$350 thousand). The \$202 thousand increase compared to the prior year continues to be an increase in non-credit tuition and fees.

Property taxes collected are roughly \$5.6 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 \$7.2 million, or 19.7% of the annual budget, compared to \$7.1 million and 20.0%, a year ago.

Fringe Benefits are at \$3.4 million, or 22.2% of the budgeted amount compared to \$3.4 million and 21.9% of the budget one year ago.

Other Expenditures:

Materials and supplies are up roughly \$78 thousand mainly in timing of lab fees payments to vendors, and *Operations/communications* is down approximately \$129 thousand mainly due to informational mailings sent in the prior year related to the millage election.

- **Balance Sheet**

Total Assets are at approximately \$20.2 million, up \$1.3 million from last September. The largest differences are a \$262 thousand decrease in *Cash and cash equivalents*, a \$1.7 million increase in *Due from/(to) other funds*, and a \$209 thousand decrease in *Accounts receivable*. The \$103 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 \$6.4 million, **Total Liabilities** are up \$777 thousand from the prior year. The most significant changes were a timing differences increase in *Accounts Payable*, and *Accrued payroll and related liabilities*.

Comments on spending from other funds:

- Of the roughly \$2.8 million expended in the other funds, \$490 thousand was expended out of the *Capital position funds* for depreciation and capital asset changes, \$764 thousand was out of the *Maintenance and Replacement and Bond funds*, and the remaining \$1.5 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 3 Months Ended September 31, 2017
With Comparative Totals at September 31, 2016

	FY 2016-2017 Budget	YTD Actuals as of 09/30/17	YTD Actuals as of 9/30/16	Actual to Actual \$ Change	Actual to Actual % Change
Revenues:					
Tuition and fees	\$ 32,644,373	\$ 14,966,855	\$ 14,764,755	\$ 202,100	1.37%
Property taxes	17,975,064	5,574,528	5,916,031	(341,503)	-5.77%
State appropriations	16,229,838	36,333	34,643	1,690	4.88%
State appropriations - UAAL Passthrough	3,365,384	-	-	-	0.00%
State appropriations - PPT Stabilization	381,407	-	-	-	0.00%
Ballenger trust	1,839,873	512,304	452,058	60,246	13.33%
Grants and other	2,214,928	1,075,635	584,719	490,916	83.96%
Total revenues	74,650,867	22,165,655	21,752,206	413,449	1.90%
Expenditures:					
Salaries and wages	36,526,110	7,213,782	7,131,659	(82,123)	-1.15%
Fringe benefits	15,330,936	3,408,583	3,361,597	(46,986)	-1.40%
Fringe benefits - UAAL Passthrough	3,365,384	-	-	-	0.00%
Contracted services	6,551,011	969,651	922,510	(47,141)	-5.11%
Materials and supplies	2,227,674	473,213	394,715	(78,498)	-19.89%
Facilities rent	186,000	83,472	58,226	(25,246)	-43.36%
Utilities and insurance	2,674,470	909,798	872,755	(37,043)	-4.24%
Operations/communications	5,495,306	1,280,032	1,409,439	129,407	9.18%
Transfers out	1,936,000	1,297,000	1,297,000	-	0.00%
Equipment and Improvements	99,551	13,865	24,990	11,125	44.52%
Total expenditures	74,392,442	15,649,396	15,472,891	(176,505)	-1.14%
Net increase/(decrease) in net assets	258,425	6,516,259	6,279,315	236,944	3.77%

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

	As of September 30 2017	As of September 30 2016	\$ Change
Assets			
Current Assets			
Cash and cash equivalents	\$ 15,354,596	\$ 15,616,913	\$ (262,317)
Due from other funds	120,909	(1,551,790)	1,672,699
Accounts receivable - net of allowance for uncollectible accounts (\$5,549,248 for 2017 and \$4,822,659 for 2016)	4,473,077	4,682,553	(209,476)
Inventories	70,705	56,540	14,165
Prepaid expenses and other assets	164,845	62,276	102,569
Total Assets	\$ 20,184,132	\$ 18,866,492	\$ 1,317,640
Liabilities and Net Assets			
Current Liabilities			
Accounts payable	\$ 1,868,551	\$ 1,429,501	\$ 439,050
Accrued payroll and related liabilities	1,900,584	1,660,831	239,753
Deposits held for others	14,331	13,402	929
Other accrued liabilities	161,766	169,125	(7,359)
Total Current Liabilities	3,945,232	3,272,859	672,373
Accrued termination pay	2,477,060	2,372,178	104,882
Total Liabilities	6,422,292	5,645,037	777,255
Net Assets			
Unrestricted	13,761,840	13,221,455	540,385
Total Net Assets	13,761,840	13,221,455	540,385
Total Liabilities and Net Assets	\$ 20,184,132	\$ 18,866,492	\$ 1,317,640