



# Monthly Financial Report

September 24, 2024

Mark Harmsen  
VP, Finance and Administration



# Balance Sheet

	Aug 2023	Aug 2024	Difference Jul '24/Aug '24
<b>ASSETS</b>			
Cash and Investments	\$ 28,567,677	\$ 26,708,090	\$ (1,859,587)
Accounts Receivable	3,413,022	3,144,116	(268,906)
Inventory	1,839	15,374	13,535
Prepays	1,970,555	1,809,662	(160,893)
Deferred outflows related to GASB 68	6,956,830	6,956,830	-
Deferred outflows related to GASB 75	5,608,379	5,608,379	-
<b>TOTAL ASSETS</b>	<b>46,518,302</b>	<b>44,242,451</b>	<b>(2,275,851)</b>

# Balance Sheet

	Aug 2023	Aug 2024	Difference Jul '24/Aug '24
<b>LIABILITIES AND FUND BALANCES</b>			
Accounts Payable	4,672,225	4,771,243	99,018
Net Pension Liability GASB 68	16,731,431	16,731,431	-
Net OPEB Liability GASB 75	39,806,777	39,806,777	-
Misc. Liabilities	1,210,132	1,259,188	49,056
Deferred Revenues	8,436,655	8,532,119	95,464
Deferred inflows related to GASB 68	1,969,110	1,969,110	-
Deferred inflows related to GASB 75	14,086,608	14,086,608	-
<b>TOTAL LIABILITIES</b>	<b>86,912,938</b>	<b>87,156,476</b>	<b>243,538</b>
Fund Balances	15,137,143	16,748,551	1,611,408
Adjustment for GASB 68	(11,357,288)	(11,743,711)	(386,423)
Adjustment for GASB 75	(48,059,361)	(48,285,006)	(225,645)
Operating Changes	3,884,870	366,143	(3,518,727)
<b>TOTAL FUND BALANCE</b>	<b>(40,394,636)</b>	<b>(42,914,023)</b>	<b>(2,519,387)</b>
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<b>\$ 46,518,302</b>	<b>\$ 44,242,453</b>	<b>\$ (2,275,849)</b>

# Balance Sheet Highlights

- Completed fiscal year 2023-2024.
- Year end report is preliminary because we are still making accruals to show expenses and revenues in the fiscal year in which they occurred.
- Overall total assets are down \$2.28M from prior year.
- Cash and investments are lower due to a \$2.8M transfer at budget revision to our CIF Reserve fund; partially offset by a net operating increase of \$366K, decrease in accounts receivable and increase in accounts payable.
- Accounts receivable is lower due to an increase to our allowance for uncollectable accounts of \$422K; partially offset by an increase in receivables from students due to higher enrollment for Fall 2024 semester.

# Balance Sheet Highlights

- Prepaids are lower than last year due to the FAST program change.
- No changes in GASB 68 and 75 because we have not received all the reports needed to make entries.
- Accounts payable figures are in line with expectations for this time of year, the increase from last year due to an increase in Inclusive Access fees payable to Follett from higher enrollment in Fall 2024.
- As stated above the GASB 68 & 75 liabilities and deferred inflows entries have not been made at this time.
- Total fund balance is in line with expectations based on the ending financials of fiscal year 2023 minus the transfer of excess fund balance to the CIF Reserve account and loss of HEERF funding.

# Income & Expenses

	2022/2023 Revised Budget	2023/2024 Revised Budget	Cum. Inc./Exp. Thru Aug 2023	% Received or Disbursed	Cum. Inc./Exp. Thru Aug 2024	% Received or Disbursed	Difference Aug '23/Aug '24	Difference Aug '24/Budget
<b>Income</b>								
State Appropriations (Regular)	\$11,913,319	\$13,526,366	11,913,318	100.00%	13,526,367	100.00%	\$1,613,049	1
State Appropriations (Hazlewood)	0	0	16,125	0.00%	64,583	0.00%	\$48,458	64,583
Tuition	14,137,000	14,573,500	14,221,816	100.60%	14,583,860	100.07%	362,044	10,360
Summer Tuition	3,403,000	3,843,000	3,827,765	112.48%	4,057,878	105.59%	230,113	214,878
Tuition--Non/Credit Community Programs	28,000	28,000	25,170	89.89%	22,395	79.98%	(2,775)	(5,605)
Tuition--Non Credit VOC	155,000	137,000	85,321	55.05%	108,289	79.04%	22,968	(28,711)
Tuition--Teacher Certification	19,800	28,000	24,757	125.04%	18,469	65.96%	(6,288)	(9,531)
Tuition--Corporate Prof. Training	112,750	209,750	240,300	213.13%	221,428	105.57%	(18,872)	11,678
Pledged Tuition, Interest & Aux	(2,076,500)	(2,707,000)	(2,673,007)	128.73%	(3,349,696)	123.74%	(676,689)	(642,696)
Pledged Tuition: Scholarship	(847,300)	(847,300)	(966,707)	114.09%	(1,011,732)	119.41%	(45,025)	(164,432)
Credit Fees	2,703,423	2,750,602	2,738,720	101.31%	2,729,739	99.24%	(8,981)	(20,863)
Continuing Ed. Fees	758,600	931,650	946,690	124.79%	896,403	96.22%	(50,287)	(35,247)
Taxes	28,141,525	31,314,861	28,267,499	100.45%	30,642,434	97.85%	2,374,935	(672,427)
Transfer to CIF	(750,000)	(750,000)	(750,000)	100.00%	(750,000)	100.00%	0	0
Interest Income	730,000	1,400,000	1,537,652	210.64%	2,102,405	150.17%	564,753	702,405
Grants, Donations, Etc	193,752	316,952	4,659,078	2404.66%	284,198	89.67%	(4,374,880)	(32,754)
Other Income	1,178,847	1,227,847	1,205,660	102.27%	1,280,647	104.30%	74,987	52,800
Miscellaneous Income	245,900	427,400	615,906	250.47%	216,300	50.61%	(399,606)	(211,100)
Auxiliary								
Bookstore	150,000	100,000	108,506	72.34%	140,392	140.39%	31,886	40,392
Food Services	325,000	450,000	267,429	82.29%	472,832	105.07%	205,403	22,832
Auxiliary--Other income	26,458	38,100	40,755	154.04%	91,272	239.56%	50,517	53,172
<b>Total Income</b>	<b>60,548,574</b>	<b>66,998,728</b>	<b>66,352,753</b>	<b>109.59%</b>	<b>66,348,463</b>	<b>99.03%</b>	<b>(4,290)</b>	<b>(650,265)</b>

# Income & Expenses

	2022/2023 Revised Budget	2023/2024 Revised Budget	Cum. Inc./Exp. Thru Aug 2023	% Received or Disbursed	Cum. Inc./Exp. Thru Aug 2024	% Received or Disbursed	Difference Aug '23/Aug '24	Difference Aug '24/Budget
<b>Expenditures</b>								
Salaries & Benefits	44,722,573	47,589,732	45,312,251	101.32%	47,462,052	99.73%	2,149,801	(127,680)
Operating Serv. & Supp.	3,322,289	3,347,726	3,783,553	113.88%	3,878,943	115.87%	95,390	531,217
Travel, Dues, Insurance	3,413,057	3,905,770	3,896,375	114.16%	4,337,070	111.04%	440,695	431,300
Technology	2,160,239	3,344,266	2,181,491	100.98%	2,833,642	84.73%	652,151	(510,624)
Reserve	575,565	2,050,277	0	0.00%	0	0.00%	0	(2,050,277)
Other Expenditures	2,084,709	1,868,781	2,085,395	100.03%	2,336,853	125.05%	251,458	468,072
Capital Expenditures	369,659	784,749	950,774	257.20%	717,887	91.48%	(232,887)	(66,862)
Scholarships & Exemptions	3,887,907	4,099,851	3,635,859	93.52%	4,412,032	107.61%	776,173	312,181
Purchases for Resale	12,576	7,576	10,117	80.45%	3,841	50.70%	(6,276)	(3,735)
Total Expenditures (excluding GASB exp.)	60,548,574	66,998,728	61,855,815	102.16%	65,982,320	98.48%	4,126,505	(1,016,408)
Net Operating Changes (excluding GASB exp.)			4,496,938		366,143		(4,130,795)	366,143
GASB 68 Expense			386,423				(386,423)	0
GASB 75 Expense			225,645				(225,645)	0
<b>Total Expenditures</b>	<b>60,548,574</b>	<b>66,998,728</b>	<b>62,467,883</b>	<b>103.17%</b>	<b>65,982,320</b>	<b>98.48%</b>	<b>3,514,437</b>	<b>(1,016,408)</b>
<b>Net Operating Changes</b>	<b>0</b>	<b>0</b>	<b>\$3,884,870</b>		<b>\$366,143</b>		<b>(\$3,518,727)</b>	<b>366,143</b>

## Income & Expense Highlights

- Received 99.03% of our budgeted revenues, which is less than last year's percentage of 109.59%. This decrease is mostly due to the lack of HEERF funds that we received last year for lost revenue.
- Total income was down \$650K and expenses were down \$1M resulting in a positive net operating change of \$366K, prior to GASB 68 & 75 entries.
- There was an increase in the amount of tuition and fees received due to the increase in enrollment throughout the fiscal year.
- Interest income rose this fiscal year due to the increases in the Fed rate which has also increased the pledged interest line by an equal amount.
- Grants and donations down due to loss of HEERF dollars.
- Our tax collections this year were less than budgeted. This is mostly due to some adjustments in taxable values made during the fiscal year that resulted in a net decrease in taxable value.

## Income & Expense Highlights

- Utilized 98.48% of our budget, which is slightly lower than last year's percentage of 102.16%.
- Salaries and benefits are in line with expectations.
- Operating Services & Supplies increased mostly due to water and gas expenses going over budget by \$292K and overall increase in cost of goods.
- Travel, dues, and insurance costs have also gone up this year. The main driver for the increased cost of travel was in Athletics which exceed our budget by \$205K. This was due to attending more away games and post season tournaments. Also overall increase in cost of insurance, marketing, travel, etc.
- Technology came in under budget due to the timing of technology projects.
- Other expenditure category increased mostly due to food services going over budget by \$251K and overall increase in cost of goods.
- Scholarships & Exemptions increased as expected due to increased enrollment and was over budget mostly due to bad debt expense which exceeded our budgeted amount by \$278K.

# Bank Balances & Investments

	Aug-23					Aug-24				
	Unrestr.	Other	Tax Bonds	CIF	Total	Unrestr.	Other	Tax Bonds	CIF	Total
	Funds	Funds	Debt Service	Reserve		Funds	Funds	Debt Service	Reserve	
<b>Bank Accounts</b>										
General Operating	(\$5,391,813)	(\$1,789,815)		\$7,375,452	\$193,824	(\$6,870,351)	(\$2,763,933)		\$9,676,261	\$41,977
Auxiliary Fund	25,832				25,832	1,426				1,426
Payroll Fund	621,535	(621,535)			0	1,296				1,296
Federal Fund	480	847,402			847,882		13,189			13,189
Receivables	(144,515)	271,867			127,352	11,497				11,497
Worker's Comp	2,977				2,977	18,542				18,542
<b>Total Bank Accounts</b>	<b>(4,885,504)</b>	<b>(1,292,081)</b>	<b>0</b>	<b>7,375,452</b>	<b>1,197,867</b>	<b>(6,837,590)</b>	<b>(2,750,744)</b>	<b>0</b>	<b>9,676,261</b>	<b>87,927</b>
<b>Misc. Petty Cash Accounts</b>	6,305				6,305	2,613				2,613
<b>Investments</b>										
TFNB ICS	11,886,324		528,949		12,415,273	10,844,022		600,542		11,444,564
TFNB MMA	9,015,891				9,015,891	9,519,715				9,519,715
TexPool	45,561		37,496		83,057	103,200		15,687		118,887
Lone Star Investment	208				208	220				220
Texas Range	9,286				9,286	9,794				9,794
CDARS 13-week matures 10/12/23	4,129,998				4,129,998					0
CDARS 52-week matures 1/11/24	8,261,986				8,261,986					0
CDARS 13-week matures 10/10/24					0	4,363,234				4,363,234
CDARS 52-week matures 1/9/25					0	8,702,882				8,702,882
<b>Total Investments</b>	<b>33,349,254</b>	<b>0</b>	<b>566,445</b>	<b>0</b>	<b>33,915,699</b>	<b>33,543,067</b>	<b>0</b>	<b>616,229</b>	<b>0</b>	<b>34,159,296</b>
<b>Total Cash &amp; Investments</b>	<b>\$28,470,055</b>	<b>(\$1,292,081)</b>	<b>\$566,445</b>	<b>\$7,375,452</b>	<b>\$35,119,871</b>	<b>\$26,708,090</b>	<b>(\$2,750,744)</b>	<b>\$616,229</b>	<b>\$9,676,261</b>	<b>\$34,249,836</b>

## Bank Balances & Investments

- Cash and investments balances align with expectations. We continue to have high interest rates this quarter with no fluctuations. The Fed is anticipated to have a rate cut this month.
- Most of our daily liquid money is split between the Texpool account, TFNB ICS account, the TFNB MMA account, and a combination of short-term CDARS.
- The MMA account and the ICS account provide a competitive monthly interest rate of 5.45%.
- TFNB has worked with us to provide custom CD rates and terms to be able to maximize interest. We plan on evaluating each CD and CDARS as they mature to see the best rates at the time. All our accounts meet the Texas Public Fund Investment Act requirements.
- All of our property tax receipts are deposited into our Texpool account which was getting a daily rate of 5.30% at the end of August.

# Top Expenses (GENERAL/MISC OPERATIONS)

Payee	Purpose	Amount	Date
The Bank of New York	Tax Refunding Bonds-Series 2015	\$ 2,538,750.00	8/13/2024
The Bank of New York	Tax Refunding Bonds-Series 2021	2,218,049.60	8/13/2024
HCS, Inc.	Cameron House-Renovation	267,526.68	8/14/2024
Follett Higher Education Group	Bookstore-Summer1	205,105.32	8/22/2024
FieldTurf USA, Inc.	Ballfields-Renovation	179,686.44	8/20/2024
HUB International	Insurance-Athletic Accident Renewal	146,520.00	8/16/2024
CWA Federal Construction	MWF Building-Counselling Center	142,618.34	8/12/2024
Shell Energy Solutions	Campus-Utilities	95,812.22	8/14/2024
Citibank	Procurement Card-Departmental Charges	83,978.50	8/14/2024
City of Waco - Water Dept.	Campus-Utilities	62,731.79	8/7/2024
MedHub LLC	Health Professions-Nursing & Allied Health Subscriptions	52,960.00	8/19/2024
World Design Marketing	Marcom-Advertising	51,150.00	8/12/2024
Hannon Hill Corporation	Marcom-Software Renewal	36,941.09	8/12/2024
Insight Public Sector Inc	ISS-Veeam Renewal	35,110.67	8/6/2024
Johnson Roofing, Inc.	MTA-Roof Replacement	34,595.10	8/7/2024
Shamrock Property Management	Athletics-Student Housing	30,525.00	8/6/2024
Respondus, Inc	Center for Teaching & Learning-Software Renewal	22,390.00	8/12/2024
Follett Higher Education Group	Bookstore-VR&E Account	20,896.90	8/12/2024
MCC Foundation	Foundation-Annual Follett Contribution	20,000.00	8/6/2024
Prosper Waco	Prosper Waco	20,000.00	8/28/2024
U.S. Foods Inc	Food Services-Supplies	19,370.42	8/14/2024
Med-Ed Inc	Continuing Education-Corporate Training	15,800.00	8/6/2024
Brazos Media Technologies, LLC	Summer Commencement-Audio/Video Streaming	15,026.96	8/28/2024
Jaynes, Reitmeier, Boyd & Therrell P.C	Audit-Services	15,000.00	8/12/2024
Strata Information Group Inc	Slate Integration Project	14,262.50	8/6/2024
BMTX, Inc	Accounts Receivable-Card Services	12,087.50	8/26/2024
Buzbee Feed & Seed, Inc	Ranch-Hay Bales	12,000.00	8/7/2024

# Top Expenses (PHYSICAL PLANT/Property)

Payee	Purpose	Amount	Date
The Bank of New York	Tax Refunding Bonds-Series 2015	\$ 2,538,750.00	8/13/2024
The Bank of New York	Tax Refunding Bonds-Series 2021	2,218,049.60	8/13/2024
HCS, Inc.	Cameron House-Renovation	267,526.68	8/14/2024
Follett Higher Education Group	Bookstore-Summer1	205,105.32	8/22/2024
FieldTurf USA, Inc.	Ballfields-Renovation	179,686.44	8/20/2024
HUB International	Insurance-Athletic Accident Renewal	146,520.00	8/16/2024
CWA Federal Construction	MWF Building-Counselling Center	142,618.34	8/12/2024
Shell Energy Solutions	Campus-Utilities	95,812.22	8/14/2024
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Shamrock Property Management	Athletics-Student Housing	30,525.00	8/6/2024
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Strata Information Group Inc	Slate Integration Project	14,262.50	8/6/2024
BMTX, Inc	Accounts Receivable-Card Services	12,087.50	8/26/2024
Buzbee Feed & Seed, Inc	Ranch-Hay Bales	12,000.00	8/7/2024

# Top Expenses (TECHNOLOGY)

Payee	Purpose	Amount	Date
The Bank of New York	Tax Refunding Bonds-Series 2015	\$ 2,538,750.00	8/13/2024
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# Questions?

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DENNIS F. MICHAELIS ACADEMY CENTER