

LANSING COMMUNITY COLLEGE

Popular Annual Financial Statement

For the Fiscal year Ended June 30, 2023

LANSING, MI



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College Overview

Lansing Community College (LCC), founded in 1957, is the seventh-largest community college in Michigan, serving more than 9,500 students last fall and over 7,000 non-credit participants in fiscal year 2023.

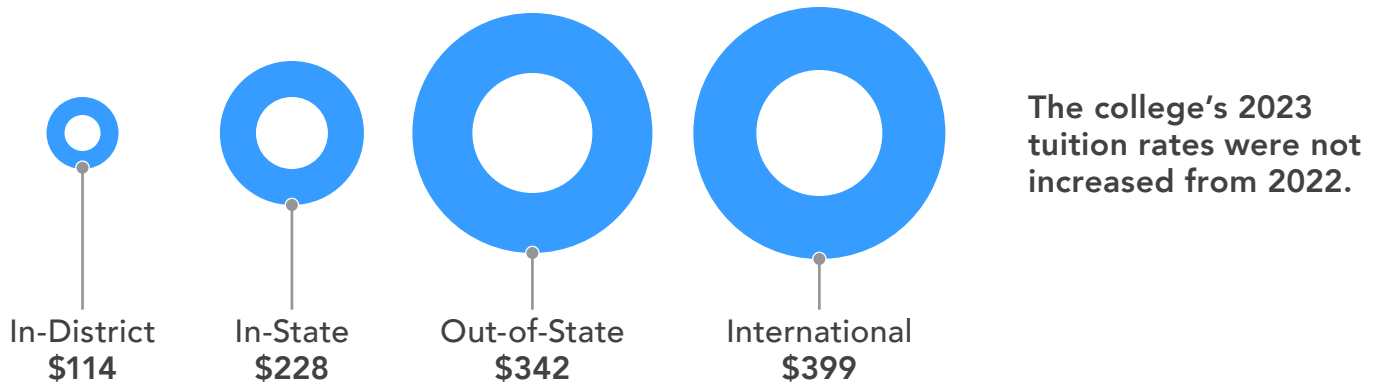
Each year, the college offers more than 220 degree and certificate programs and over 900 courses to match career and workforce development pursuits, transfer curricula, developmental, and special interest needs. In 2022-2023, the college awarded a total of 2,199 degrees, credentials and certifications.

Top 5 Awards Conferred

1. General Associate (340)
2. Nursing, RN Option (164)
3. Transfer Studies (154)
4. Computer Programmer/Analyst (126)
5. Nursing, PN Option (94)

In addition to the Downtown Campus, LCC operates West Campus in Delta Township (home to the Michigan Technical Education Center, or M-TEC), LCC East in East Lansing, the Livingston Center in Howell, and the Aviation Maintenance Center at the Mason-Jewett Airport in Mason.

2023 Tuition (per credit hour)



Enrollment for Fall	2022	2021	2020	2019	2018
College (unduplicated head count)	9,573	10,303	10,306	11,673	11,771
Full-time Equivalents	5,118	5,600	5,783	6,674	6,804
Total Credit Hours	84,161	92,142	93,116	106,100	107,257

The chart below provides demographic and economic information for the fiscal years 2017-2021, the most recent years all data is available.

Fiscal Year Demographic and Economic Information	2021	2020	2019	2018	2017
Population ¹	392,978	394,075	402,674	402,561	399,213
Per Capita Personal Income ²	\$50,176	\$46,812	\$42,326	\$41,727	\$39,790
Unemployment Rate ³	5.50%	11.20%	3.90%	3.90%	4.30%

¹U.S Census Bureau, State and County QuickFacts - information for Ingham and Eaton Counties

²U.S. Department of Commerce Bureau of Economic Analysis

³U.S. Bureau of Labor Statistics

FY 2021 has the lowest population, indicating a possible reason for declining enrollments at the College. The Unemployment Rate for FY 2020 was likely affected by business shut-downs occurring due to the pandemic, recovering in FY 2021 as businesses reopened.

Financial Report

As the financial report shows, LCC continues to exercise fiscal prudence, maintain a healthy financial condition, and practice good stewardship in the use of public and tuition dollars for academic programs and services.

Lansing Community College remains fiscally sound. This Popular Annual Financial Report (PAFR) is formatted as an easy-to-read version of the College's Annual Comprehensive Financial Report that is published each year. The Annual Comprehensive Financial Report is a detailed account of the financial statements prepared in accordance with Generally Accepted Accounting Principles (GAAP), including financial disclosures, management's discussion and analysis, and LCC's component unit; the Lansing Community College Foundation. The LCC Foundation's financial statements are not included in this report. [View the complete FY 2023 Annual Comprehensive Financial Report.](#)



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**Lansing Community College
Michigan**

For its Annual Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

To receive a hard copy of the Annual Comprehensive Financial Report, please contact the Financial Services Division via email at pearcel@lcc.edu.

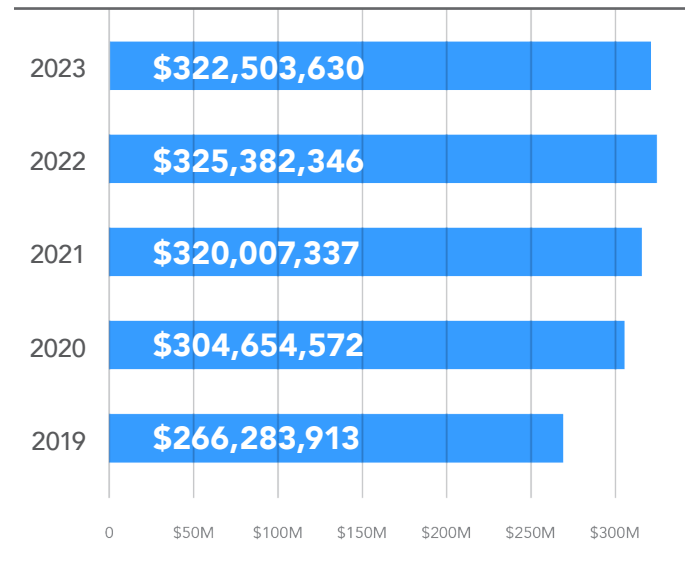
2023 Assets, Liabilities and Net Position

Assets

Current assets are those resources reasonably available within one year. Unlike other forms of assets, cash and cash equivalents can be used immediately for current operational needs, such as meeting the payroll or paying vendors. Short-term investments represent the College's holding in allowable financial instruments maturing within one year or less, such as certificates of deposits and money market accounts. Receivables represent those monies due to the College but not yet available for use; examples include property taxes not yet received for the prior and current year levies, remaining state appropriation payments, and accrued interest.

Non-current assets are the College's longterm financial and plant resources. Long-term investments represent the College's holding in allowable financial instruments maturing in more than one year, such as certificates of deposit. Property and equipment account for the College's equity in land, buildings, real estate improvements (such as roads and security lighting), and capital equipment such as computer hardware and software, furniture, and media equipment. Depreciation is the allocation of the costs of buildings and equipment over their expected useful lives.

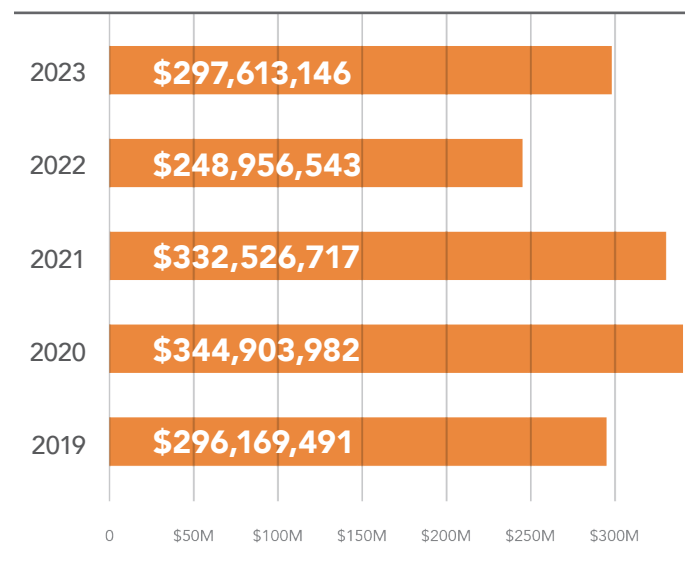
Total Assets



Liabilities

Current liabilities are short-term obligations. Accrued payroll, accounts payable, and other accrued liabilities represent amounts due to employees or vendors for services, supplies, or equipment provided to the College. Unearned revenues include the tuition revenue for the remainder of the summer semester and amounts received for services to be provided in the future.

Total Liabilities



Net Position

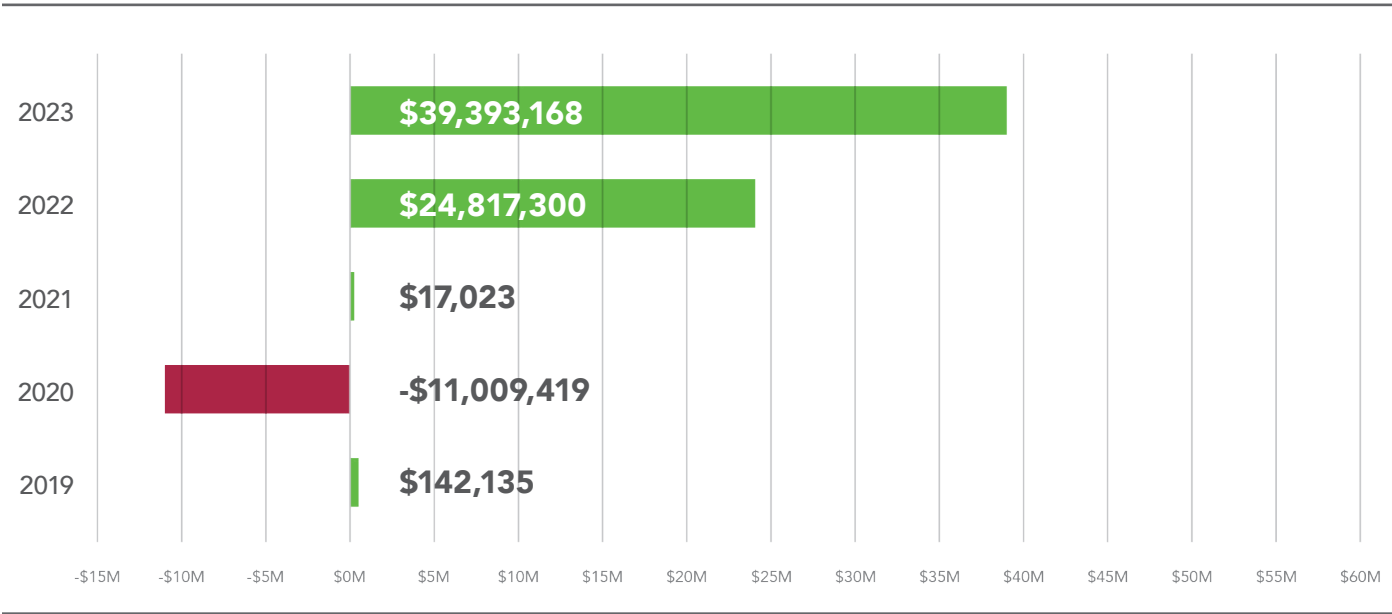
Net position represents the difference between the aggregated total of assets plus deferred outflows of resources and the aggregated total of liabilities plus deferred inflows of resources, and is classified by the following categories: Net investment in capital assets– this is the total capital assets and restricted cash for debt service less accumulated depreciation and the outstanding balance of related debt; Restricted – this is net position that has limitations imposed on its use by external parties or by laws or regulations; Unrestricted (primarily the College’s General Fund) – this is net position that may be used to meet the College’s ongoing obligations. When reviewed over time, net position may serve as a useful indicator of the College’s financial position. In fiscal year 2023, the college’s overall net position increased by \$14.6 million, reflecting increases in both net position invested in capital assets and unrestricted net position. These increases were due to increases in capital assets offset by expending bond

proceeds on capital assets and long-term debt payments. Unrestricted net position increased due to a slight increase in College operations offset by a decrease in the recording of the College’s share of the Michigan Public School Employees Retirement System long-term net pension and other postemployment benefits liability.

The large decrease in net position from 2019 to 2020 was due mainly to a new college bond issuance to construct a replacement for the downtown campus parking ramp.

The revenues (inflows) and expenses (outflows) listed on the statements are related to a particular fiscal year, as noted. Deferred Outflows of Resources and Deferred Inflows of Resources represent flows of resources into and out of a reporting entity that are related to and will be recognized in a future period.

Total Net Position



Condensed Statement of Net Position and History for the Years Ended June 30	2023	2022	2021	2020	2019
Current assets					
Cash and cash equivalents	\$7,793,245	\$15,193,993	\$24,920,161	\$15,073,366	\$18,019,750
Short-term investments	\$69,612,685	\$64,247,685	\$47,329,813	\$40,476,077	\$22,279,173
Receivables	\$12,727,626	\$13,302,178	\$12,372,853	\$9,095,193	\$12,295,399
Prepaid expenses and other assets	\$2,328,855	\$2,320,230	\$2,641,304	\$2,056,847	\$2,217,174
Restricted cash and short-term investments-unspent bond proceeds	–	\$15,063,110	\$33,840,908	\$32,514,565	\$9,201,083
Restricted long-term investments, unspent bond proceeds	–	–	\$1,982,077	\$18,917,682	–
Long-term investments	–	–	–	–	\$10,117,126
Property and equipment, net	\$230,041,219	\$215,255,150	\$196,920,221	\$186,520,842	\$192,154,208
Total Assets	\$322,503,630	\$325,382,346	\$320,007,337	\$304,654,572	\$266,283,913
Deferred outflows of resources					
Deferred charge on bond refunding	\$1,636,952	\$1,818,836	\$1,650,664	\$1,867,316	\$2,083,969
Deferred pension amounts	\$62,959,003	\$32,081,158	\$48,160,423	\$60,577,120	\$59,515,517
Current Liabilities					
Accounts payable and other current liabilities	\$4,602,888	\$7,186,175	\$7,035,427	\$4,146,993	\$4,455,991
Accrued payroll and other compensation	\$8,953,734	\$9,816,459	\$8,864,740	\$9,593,412	\$8,306,502
Unearned revenue	\$4,899,054	\$4,268,911	\$4,234,554	\$3,428,552	\$3,425,760
Current portion of subscription obligations	\$1,856,722	\$1,623,059	–	–	–
Current portion of lease obligations	\$678,425	\$405,978	\$406,535	–	–
Current portion of debt obligations	\$5,150,000	\$5,025,000	\$4,495,000	\$4,345,000	\$4,255,000
Noncurrent liabilities					
Long-term subscription obligations, net of current portion	\$1,179,548	\$1,667,326	–	–	–
Long-term lease obligations, net of current portion	\$738,829	\$1,123,734	\$1,529,712	–	–
Long-term debt obligations, net of current portion	\$87,872,880	\$93,427,706	\$102,664,863	\$107,942,173	\$68,401,166
Net pension liability	\$172,006,584	\$117,177,936	\$176,522,247	\$177,789,942	\$163,974,876
Net OPEB liabilities	\$9,674,482	\$7,234,259	\$26,773,639	\$37,657,910	\$43,350,196
Total liabilities	\$297,613,146	\$248,956,543	\$332,526,717	\$344,903,982	\$296,169,491
Deferred inflows of resources					
Deferred pension and OPEB amounts	\$50,093,271	\$85,508,497	\$37,274,684	\$33,204,445	\$31,571,773
Net position					
Net investment in capital assets	\$134,201,767	\$128,864,293	\$125,297,760	\$127,533,232	\$130,783,094
Restricted	\$290,710	\$229,982	\$221,826	\$143,914	\$246,003
Unrestricted	\$(95,099,309)	\$(104,276,975)	\$(125,502,563)	\$(138,686,565)	\$(130,886,962)
Total net position	\$39,393,168	\$24,817,300	\$17,023	\$(11,009,419)	\$142,135

2023 Operating Revenue and Expenses

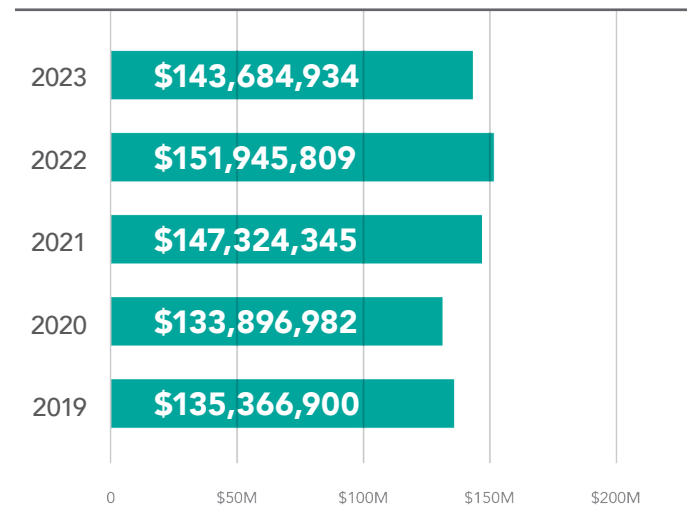
Operating Revenue

Student tuition and fees are the primary operating source of revenues for the College. LCC's in-district rate of tuition of \$114 per billing hour in FY 2023 remains among the most competitive in the state. Operating revenue decreased \$3.0 million dollars in FY 2023, due mainly to decreases in tuition and fee revenue and federal grant revenue offset by increases in state and local grants and auxiliary services.

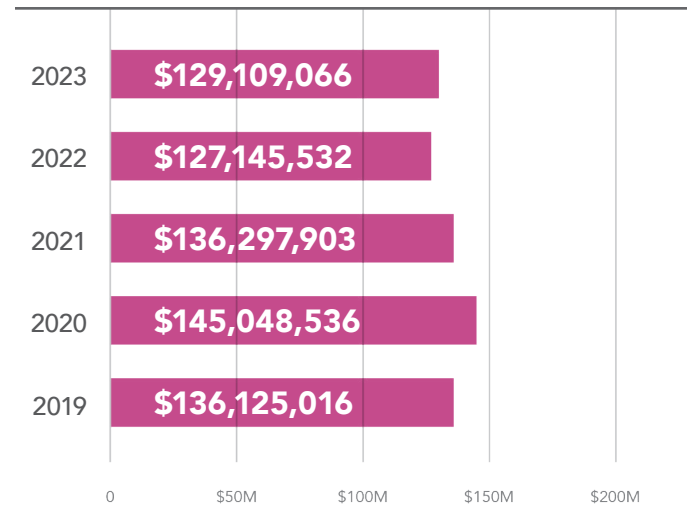
Operating Expenses

Instruction includes direct activities and activities that aid in the teaching process. Instruction expenses include not only personnel costs and supplies, but also the personnel and materials required to plan, implement, and manage the instructional programs. Instructional support comprises those programs that directly support the instruction process, such as tutoring, library operations and instructional media services. Public Services include those activities established to respond to a community need or solve a community problem. Student Services include registration and records, financial aid, counseling, student success coaches and other activities that provide non-academic support services to students. Information Technology include the technology costs that benefit the institution as a whole consisting of the Information Technology department, the operation of the computing system for the institution, all programs that are purchased and hardware that is maintained by the IT department, as well as telephone and telecommunication services. Institutional Administration encompasses general regulation, direction,

Total Revenues



Total Expenses



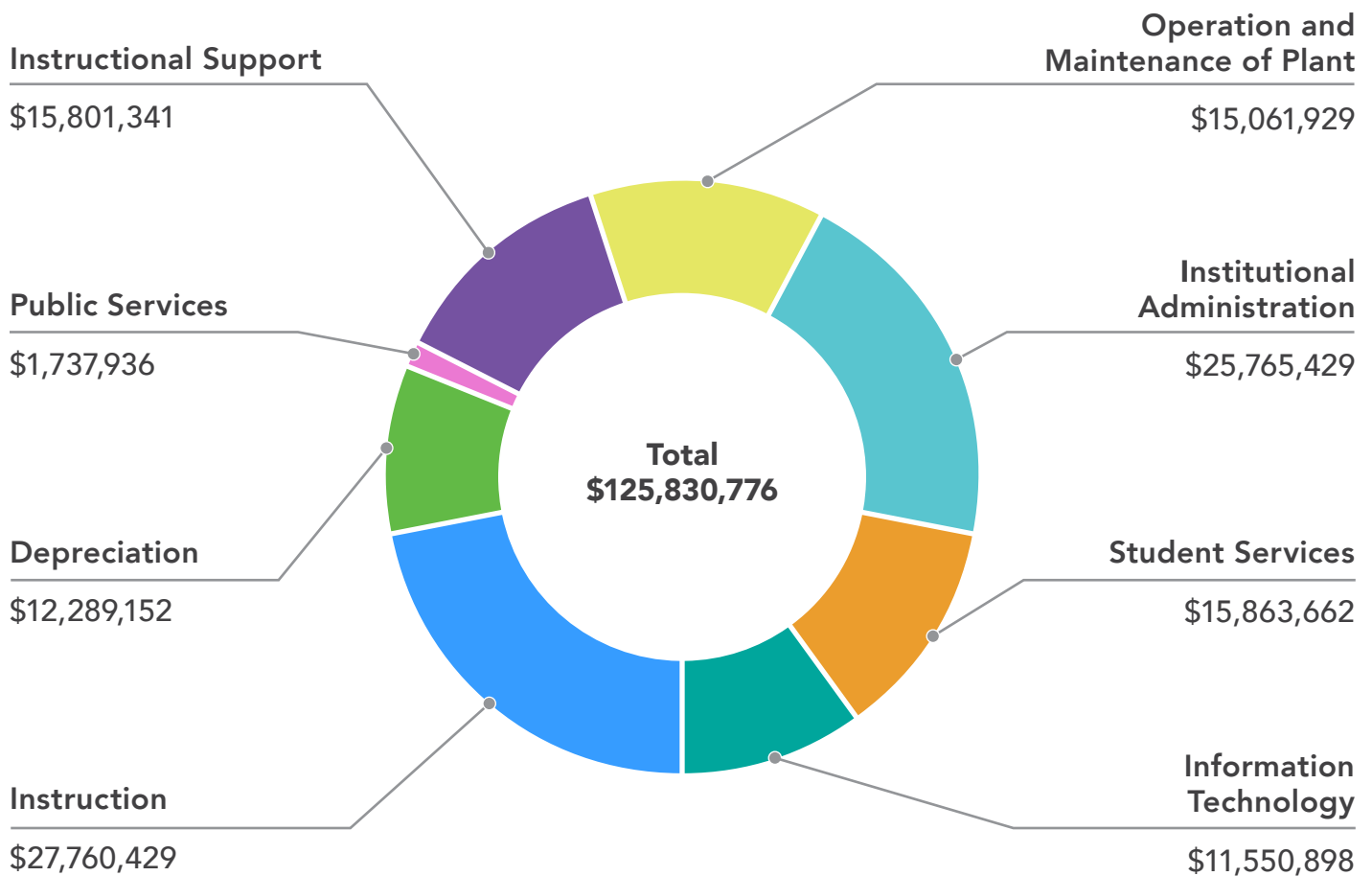
and administration as well as institution-wide governance and accreditation activities. Operation and Maintenance of Plant includes maintenance, housekeeping, and other costs necessary for the proper and safe operation of the College's facilities. Depreciation represents the current year allocated costs of capital assets. Total Operating Expenses increased \$2.2 million from FY 2022 to FY 2023. This increase resulted from increases in Instruction, Instructional Support, Information Technology, Institutional Administration, and Operation and Maintenance of Plant offset by decreases in Student Services.



Non-Operating Revenues (Expenses)

State appropriations, property tax levies, and Pell grants are the major sources of non-operating revenue for the College. Total net non-operating revenues decreased by \$4.9 million from FY 2022 to FY 2023 due mainly to a decrease to federal non-operating grants post-pandemic offset by increased investment returns.

Fiscal Year 2023 Operating Expenses



Revenues, Expenses and Changes in Net Position for the Years Ended June 30	2023	2022	2021	2020	2019
Operating income (loss)					
Total operating revenues	\$38,954,791	\$41,921,873	\$40,655,064	\$43,142,045	\$45,015,987
Total operating expenses	\$125,830,776	\$123,620,504	\$132,178,788	\$141,289,141	\$133,371,330
Operating income (loss)	\$(86,875,985)	\$(81,698,631)	\$(91,523,724)	\$(98,147,096)	\$(88,355,343)
Net non-operating revenues (expenses)	\$101,451,853	\$106,396,96	\$102,330,166	\$86,995,542	\$87,597,227
Capital gifts, grants and appropriations	–	\$101,947	\$220,000	–	–
Total change in net position	\$14,575,868	\$24,800,277	\$11,026,442	\$(11,151,554)	\$(758,116)
Net position, beginning of year	\$24,817,300	\$17,023	\$(11,009,419)	\$142,135	\$900,251
Net position, end of year	\$39,393,168	\$24,817,300	\$17,023	\$(11,009,419)	\$142,135
Operating revenues					
Tuition and fees (net of scholarship allowances)	\$28,244,619	\$31,956,596	\$30,203,838	\$30,728,261	\$30,611,199
Federal, state and local grants and contracts	\$8,671,604	\$8,412,473	\$9,552,046	\$10,515,925	\$9,595,925
Sales and services	\$983,885	\$507,735	\$92,144	\$892,062	\$732,681
Miscellaneous	\$1,054,683	\$1,045,069	\$807,036	\$1,005,797	\$4,076,182
Total operating revenues	\$38,954,791	\$41,921,873	\$40,655,064	\$43,142,045	\$45,015,987
Operating expenses					
Instruction	\$27,760,429	\$27,509,741	\$33,160,622	\$37,459,754	\$37,541,664
Information technology	\$11,550,898	\$10,544,583	\$11,381,058	\$13,574,193	\$12,727,743
Public services	\$1,737,936	\$1,756,209	\$2,655,040	\$2,560,771	\$2,567,157
Instructional support	\$15,801,341	\$14,722,151	\$17,138,188	\$20,207,931	\$18,307,771
Student services	\$15,863,662	\$26,674,948	\$22,057,563	\$17,222,229	\$14,499,277
Institutional administration	\$25,765,429	\$19,878,823	\$20,723,534	\$20,920,319	\$19,954,545
Operation and maintenance of plant	\$15,061,929	\$10,661,433	\$14,712,040	\$18,963,328	\$17,269,139
Depreciation	\$12,289,152	\$11,872,616	\$10,350,743	\$10,380,616	\$10,504,034
Total operating expenses	\$125,830,776	\$123,620,504	\$132,178,788	\$141,289,141	\$133,371,330
Operating income (loss)	\$(86,875,985)	\$(81,698,631)	\$(91,523,724)	\$(98,147,096)	\$(88,355,343)
Non-Operating revenues					
State appropriations	\$36,381,429	\$36,377,586	\$34,775,424	\$29,950,889	\$33,884,167
Property tax levy	\$48,618,027	\$46,328,235	\$44,956,559	\$43,781,074	\$42,298,367
Pell grant revenue	\$10,819,567	\$10,888,958	\$10,693,117	\$13,208,069	\$13,267,697
Financial nonoperating grants - CARES /HEERF Act	\$6,870,966	\$16,038,737	\$16,749,041	\$1,775,621	–
Investment return and other gains	\$2,040,154	\$288,473	\$(724,860)	\$2,039,284	\$900,682
Interest on capital asset related debt	\$(3,278,290)	\$(3,525,028)	\$(4,119,115)	\$(3,759,395)	\$(2,753,686)
Net non-operating revenues (expenses)	\$101,451,853	\$106,396,961	\$102,330,166	\$86,995,542	\$87,597,227
Increase (decrease) in net position	\$14,575,868	\$24,698,330	\$10,806,442	\$(11,151,554)	\$(758,116)
Capital appropriations and gifts	–	\$101,947	\$220,000	–	–
Change in net position	\$14,575,868	\$24,800,277	\$11,026,442	\$(11,151,554)	\$(758,116)
Net position, beginning of year	\$24,817,300	\$17,023	\$(11,009,419)	\$142,135	\$900,251
Adjusted net position, beginning of year	\$24,817,300	\$17,023	\$(11,009,419)	\$142,135	\$900,251
Net position, end of year	\$39,393,168	\$24,817,300	\$17,023	\$(11,009,419)	\$142,135

5-Year Trend for Total Revenues and Total Expenses for the Years Ended June 30	2023	2022	2021	2020	2019
Operating Income					
Total operating revenues	38,954,791	41,921,873	40,655,064	43,142,045	45,015,987
State appropriations	36,381,429	36,377,586	34,775,424	29,950,889	33,884,167
Property tax levy	48,618,027	46,328,235	44,956,559	43,781,074	42,298,367
Pell grant revenue	10,819,567	10,888,958	10,693,117	13,208,069	13,267,697
Federal nonoperating grants - HEERF	6,870,966	16,038,737	16,749,041	1,775,621	–
Investment return and other gains	2,040,154	288,473	(724,860)	2,039,284	900,682
Total Revenues	143,684,934	151,945,809	147,324,345	133,896,982	135,366,900
Operating Loss					
Total Operating Expenses	(125,830,776)	(123,620,504)	(132,178,788)	(141,289,141)	(133,371,330)
Interest on capital debt	(3,278,290)	(3,525,028)	(4,119,115)	(3,759,395)	(2,753,686)
Total Expenses	(129,109,066)	(127,145,532)	(136,297,903)	(145,048,536)	(136,125,016)





Lansing Community College provides equal opportunity for all persons and prohibits discriminatory practices based on race, color, sex, age, religion, national origin, creed, ancestry, height, weight, sexual orientation, gender identity, gender expression, disability, familial status, marital status, military status, veteran's status, or other status as protected by law, or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position or participate in educational programs, courses, services or activities offered by the College.

The following individuals have been designated to handle inquiries regarding the nondiscrimination policies: Equal Opportunity Officer, Washington Court Place, 309 N. Washington Square Lansing, MI 48933, 517-483-1730; Employee Coordinator 504/ADA, Administration Building, 610 N. Capitol Ave. Lansing, MI 48933, 517-483-1875; Student Coordinator 504/ADA, Gannon Building, 411 N. Grand Ave. Lansing, MI 48933, 517-483-1885; Human Resource Manager/Employee Title IX Coordinator, Administration Building, 610 N. Capitol Ave. Lansing, MI 48933, 517-483-1879; Student Title IX Coordinator, Gannon Building, 411 N. Grand Ave. Lansing, MI 48933, 517-483-9632.