



Hutchinson and Willmar, MN

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2013

*Creating Opportunities,
Changing Lives.*



**Minnesota
STATE COLLEGES
& UNIVERSITIES**

Ridgewater College
ANNUAL FINANCIAL REPORT
For the year ended June 30, 2013

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This document is an internally prepared Annual Financial Report. It is meant to generally replicate an official GASB Annual Financial Report, but has not been reviewed by an independent auditor. This document is not required by MnSCU for Ridgewater College.

Administration

Dr. Douglas Allen	President
Dr. Betty Strehlow	Vice President of Academic Affairs and Student Services
Dan Holtz	Vice President of Finance and Operations
Dr. Ron Pribble	Dean of Instruction
Mike Boehme	Dean of Instruction
Mike Kutzke	Dean of Instruction
Heidi Olson	Dean of Student Services
Sam Bowen	Dean of Customized and Continuing Education
Jim Molenaar	Regional Dean of Management Programs
Lynn Johnson	Director of Nursing
Denise Carpenter	Chief Human Resources Officer
Kelly Magnuson	Ridgewater College Foundation Executive Director

Officials Issuing Document

Dr. Douglas Allen	President
Dr. Betty Strehlow	Vice President of Academic Affairs and Student Services
Dan Holtz	Vice President of Finance and Operations

Ridgewater College
Management's Discussion and Analysis Report
Year Ended June 30, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

INTRODUCTION

The following discussion and analysis provides an overview of the financial position and activities of Ridgewater College, a member of the Minnesota State Colleges and Universities system for the years ended June 30 2013, 2012 and 2011. This discussion has been prepared by management and should be read in conjunction with the unaudited financial statements which follow this section.

Ridgewater College is one of 32 colleges and universities comprising Minnesota State Colleges and Universities. The Minnesota State Colleges and Universities system is governed by a 15 member Board of Trustees appointed by the governor. Twelve trustees serve six-year terms, eight representing each of Minnesota's congressional districts and four serving at-large. Three student trustees, one from a state university, one from a community college, and one from a technical college, serve two-year terms. The Board of Trustees selects the Chancellor and has broad policy responsibility for system planning, academic programs, fiscal management, personnel, admissions requirements, tuition and fees, and policies and procedures.

The College is a comprehensive public institution of high learning offering education designed for transfer to a university as well as technical programs intended for direct entry into the workforce. Ridgewater's 5,688 students attend classes on campuses in Hutchinson and Willmar. Approximately 417 faculty and staff members are employed by the College. Additionally, the College has over 60,000 alumni.

As one of greater Minnesota's largest public colleges the College offers associates degrees, diplomas, certificates, participates in the Minnesota Transfer Curriculum and is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools. The largest programs based on enrollment are liberal arts, healthcare, agriculture, manufacturing & technology and computer technology.

FINANCIAL HIGHLIGHTS

The College's financial position improved in fiscal year 2013 with net position increasing by 3.5 percent or \$1.23 million based on total revenues of \$38.42 million. This follows a \$1.8 million, or 5.5 percent increase in net position during fiscal year 2012 on total revenues of \$38.1 million. The College's unrestricted net position increased by \$540K, or 3.9 percent compared to a \$2.49 million increase, or 22.4 percent, in fiscal year 2012.

- Income (loss) before other revenues, expenses, gains or losses, described further below as the College's net operating revenue, experienced a loss of \$708K in fiscal year 2013. This compares to a gain of \$1.18 million in fiscal year 2012 and a gain of \$1.42 million in fiscal year 2011.
- The state appropriation and tuition charged to students are the College's two largest revenue sources. The state appropriation increased slightly by 1.3 percent in fiscal year 2013 after decreasing by 10.5 percent in fiscal year 2012 and 2.5 percent in fiscal year 2011. Net tuition revenue increased by \$113K, or 1.5 percent, \$87K or 1.0 percent, \$57K or .6 percent in fiscal years, 2013, 2012 and 2011, respectively. Tuition rate increases were 4.0 percent, 3.0 percent and 5.0 percent in fiscal years 2013, 2012 and 2011, respectively.
- Federal grants decreased by \$485K or 5.8 percent from fiscal year 2012 to fiscal year 2013, following a decrease of \$1.5 million or 15.0 percent from fiscal year 2011 to fiscal year 2012. Of the decrease in fiscal year 2012, \$657K as attributed to the receipt of funds under the American Recovery and Reinvestment Act (ARRA) of 2009. ARRA,

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commonly referred to as the federal stimulus package, was enacted to create jobs and promote consumer spending in response to the recent recession. Of this amount, \$276K was used to mitigate tuition increases. The remaining fluctuations are related primarily to student Pell Grants.

- Total debt supporting the College's capital asset investment programs increased in fiscal year 2013 by \$443K to a total of \$4.01 million, a 12.4 percent increase. This increase was mainly due to the issuance of bonds to finance the Technical Instruction renovation and addition project on the Willmar Campus during fiscal year 2013.
- Salaries and benefits, the largest cost category at Ridgewater College, increased by \$1.55 million, or 6.4 percent in fiscal year 2013 and decreased \$1.28 million, or 5.0 percent in fiscal year 2012. This cost constitutes 66.5 percent of the College's fiscal year 2013 total operating expenses, compared to 66.3 percent in fiscal year 2012.
- The number of students is the primary factor driving both tuition revenue and operating expenses. The number of full year equivalent (FYE) for credit students in fiscal years 2013, 2012 and 2011 totaled, 3,288, 3,381 and 3,537 respectively. Enrollment in 2013 decreased 2.76 percent from 2012 and 4.4 percent over 2011.

USING THE FINANCIAL STATEMENTS

The College's financial report includes three financial statements: the statements of net position, the statements of revenues, expenses and changes in net position, and the reconciliation of net position to budgetary fund balance report. These three financial statements are prepared in accordance with applicable generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board (GASB) through authoritative pronouncements.

FINANCIAL PERFORMANCE

The Composite Financial Index (CFI) calculation uses the four financial ratios and assigns a specific weighting to each factor in computing a measure of relative financial health. The CFI methodology used to compute the weighted values in the table below is taken from the Strategic Financial Analysis for Higher Education (7th Edition), jointly developed and sponsored by the firms of Prager, Sealy & Co. LLC, KPMG LLP and Attain LLC. This CFI calculation methodology is also used by the Higher Learning Commission and has been used internally by the system for a number of years. Without detailing the actual calculation methodology, financial ratio values are converted into strength factors which in turn are weighted to allow summing of the four components into a single, composite value.

The table below displays financial ratios as converted into weighted strength factor values, and sums these weighted values into a single composite score. Institutions may have differing values across the four factors but still have equivalent overall financial health as indicated by similar composite scores. This approach allows easy comparisons of relative financial health across different institutions. Looking at the CFI scores, Strategic Financial Analysis for Higher Education suggests a composite value of 1.0 is equivalent to very little financial health; in the for-profit world it could perhaps be viewed as a "going-concern" threshold value. A composite value of 3.0 is considered to signify relatively strong financial health, an organization with moderate capacity to deal with adversity or invest in innovation and opportunity. CFI scores greater than 3.0 represent increasingly stronger financial health.

The comparison in the table below uses four underlying financial ratio values and a CFI calculation methodology for the past three years for the College including all funds. In comparison to other public colleges and universities data, as compiled by Moody's the College's composite values are in the above average ranges respectively for all three years.

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Financial Performance Measure				
Composite Financial Index				
Financial Ratios:	2013	2012	2011	NACUBO Threshold
Return on Net Position	0.35	0.55	1.38	0.60
Net Operating Revenue	(0.10)	0.24	0.27	0.30
Primary Reserve	0.98	1.00	0.77	1.05
Viability	3.05	3.29	2.50	1.05
CFI	4.28	5.08	4.91	3.00

The two current operating measures, return on net position and net operating revenue, demonstrate the level of return on net position and the extent to which operating revenues do or do not cover operating expenses, respectively. Both operating ratios decreased from fiscal year 2012, due to flat revenues and increased salary and benefit costs. The flat revenue is the result of declining enrollments coupled with caps on tuition increases, while the increase to salary and benefit expense is due to the bargaining unit negotiated salary increases that included retroactive pay.

The primary reserve and viability ratios measure an organization's liquid net position that is available directly, or through additional borrowing, to cover emergency expenditures or invest in innovation. Representing available liquidity or borrowing capacity, these measures are not dependent on current operating results in the short-term. These measures are good indicators of financial health, and combined, are weighted 70 percent in the CFI calculation. Although both ratios decreased slightly in fiscal year 2013 compared to fiscal year 2012, they remain at high enough levels, to help keep the total CFI at above 3.0 levels, demonstrating the College's preparedness to deal with current year's operational challenges. However, multiple future years with similar operational results can erode those two ratios further, pushing the CFI below 3.0. Strategic long-term planning continues to be a critical process to avoid such a result.

STATEMENT OF NET POSITION

The Statement of Net Position present the financial position of Ridgewater College at the end of the fiscal year, includes all assets and liabilities of the College, as measured using the accrual basis of accounting. Net position, the result of total assets minus total liabilities, is one indicator of the current financial condition of the College. Assets and liabilities are generally measured using current values. One notable exception is capital assets which are stated at historical cost, less an allowance for depreciation.

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A summary of the College's statement of net position for fiscal years 2013, 2012 and 2011 follow (in thousands):

Assets, Liabilities and Net Position			
(In Thousands)			
	2013	2012	2011
Assets			
Current assets	\$ 23,053	\$ 21,127	\$ 19,706
Current restricted assets	5	236	57
Noncurrent student loans, net	59	60	67
Noncurrent Capital assets, net	25,352	24,232	25,185
Total Assets	48,469	45,655	45,015
Liabilities			
Current Liabilities	5,150	4,308	5,050
Noncurrent Liabilities	7,421	6,675	7,087
Total Liabilities	12,571	10,983	12,137
Net Position			
Net investment in capital assets	21,341	20,663	21,306
Restricted	394	383	437
Unrestricted	14,163	13,626	11,135
Total Net Position	\$ 35,898	\$ 34,672	\$ 32,878

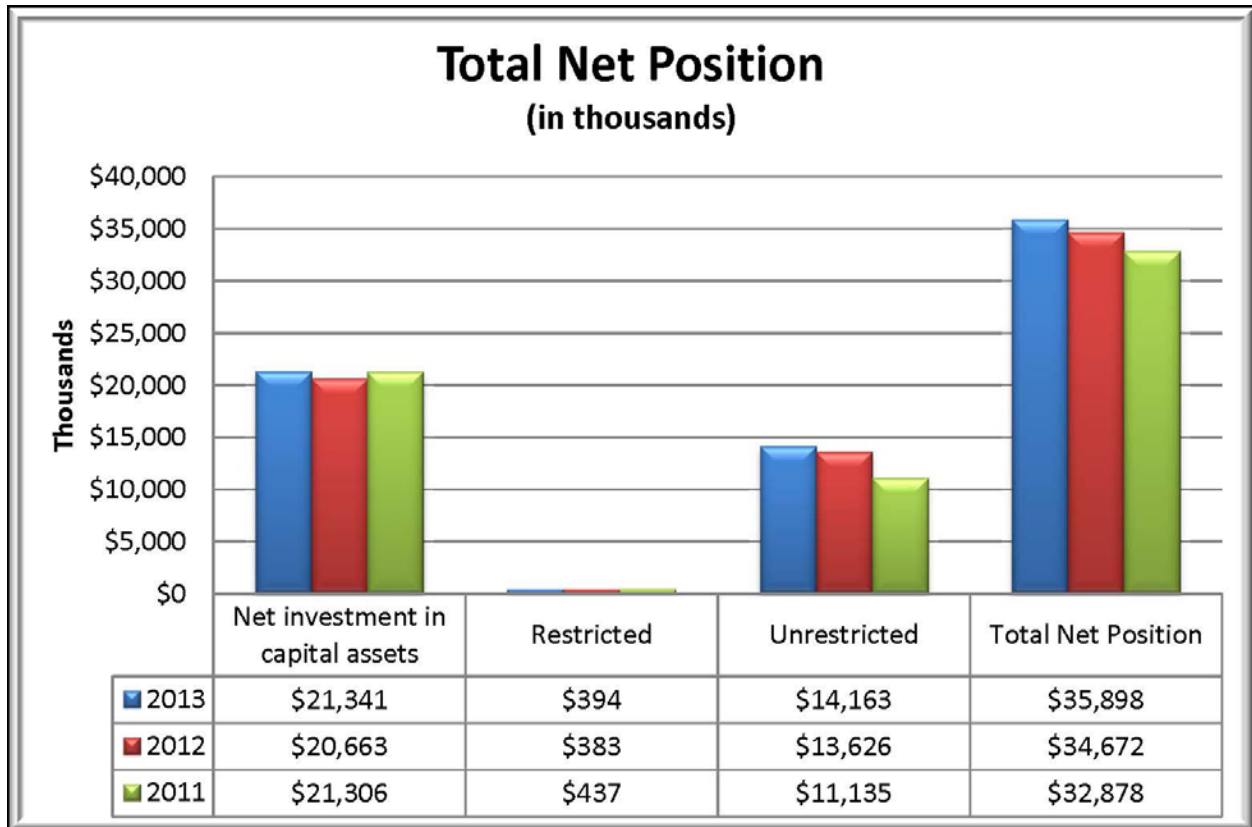
The primary component of current assets is cash and cash equivalents (unrestricted), which increased by \$1.24 million to a total of \$20.3 million at June 30, 2013. This \$20.3 million of cash and cash equivalents represent 6.5 months of fiscal year 2013 operating expenses (excluding depreciation), a decrease of .01 months from fiscal year 2012. This is a measure of liquid asset availability to cover operating expenses in the event of a temporary interruption to or decrease in the College's revenues.

Current liabilities primarily consist of salaries and benefits payable and accounts payable. Salaries and benefits payable at June 30, 2013 increased from the prior year by \$328K or 17.0 percent to a total of \$2.25 million. The majority of the increase is due to the retroactive pay adjustments processed after June 30, 2013 for employment contract settlements approved in fiscal year 2013. Accounts payable, including payables from restricted assets, increased \$598K or 85.0 percent due to the start of the Technical Instruction Renovation and Addition project which started in fiscal year 2013. Salaries and benefits payable represents approximately two months of earned salary for faculty who have elected to receive salaries over twelve months on a September 1 – August 31 year.

Noncurrent liabilities increased by \$746K or 11.0 percent in fiscal year 2013 compared to fiscal year 2012. This was due to an increase in the noncurrent portion of long-term debt of \$406K coupled with a \$346K increase in noncurrent other compensation benefits consisted primarily of \$3.6 million for compensated absences, vacation and sick leave balances earned by employees, as well as other benefits.

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Net position represents the College's residual interest in total assets after liabilities are deducted. Net investment in capital assets, represents by far the largest portion of net position. Capital assets are carried at historical cost, not replacement cost. Restricted net position have constraints placed on their use by external creditors, grantors, contributors, laws or regulations and consist primarily of those assets restricted for debt service of \$394K for fiscal year 2013.



The complete Statement of Net Assets prepared by MnSCU is available in the Financial Statement section following this Management's Discussion and Analysis Report.

CAPITAL AND DEBT ACTIVITIES

One of the critical factors in continuing the quality of Ridgewater College's academic and student life programs is the development and renewal of its capital assets. Ridgewater continues to implement its long-range plan to modernize its older facilities while planning for new construction.

Capital assets, net of accumulated depreciation, totaled \$25.4 million for fiscal year 2013 which included \$2.71 million of new construction in progress, compared to fiscal year 2012 capital assets which totaled \$24.2 million, including \$531K of new construction in progress.

In May 2012 Governor Dayton signed the 2012 bonding bill which totaled \$496 million. This bill included \$13.851 million in funding for Phase 2 of the College's Technical Instruction Renovation and Addition project which is the most significant project on the Willmar Campus in many years. Construction began in March 2013 and will conclude in July 2014.

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STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The Statement of Revenues, Expenses and Changes in Net Position present the College's results of operations and the overall increase in net position for the fiscal year. It is the difference between the year's revenue and expense activities that results in an overall increase or decrease to net position. When reviewing the full statements, users should note that GASB Statement No. 34 requires classification of state appropriations and federal and state grants as non-operating revenue.

A summary of the statements of revenues, expenses and changes in net position for fiscal years 2013, 2012 and 2011 follows (in thousands):

Revenues, Expenses and Net Position			
(In Thousands)			
	2013	2012	2011
Operating Revenues			
Tuition, auxiliary, and sales, net	\$ 13,943	\$ 13,816	\$ 13,794
Other Income	483	364	310
Total operating revenues	14,426	14,180	14,104
Nonoperating and Other Revenues			
Appropriations	13,747	13,571	15,170
Grants	10,164	10,252	11,487
Capital appropriations	1,787	499	2,407
Other	206	166	511
Total nonoperating and other revenues	25,904	24,488	29,575
Total Revenues	40,330	38,668	43,679
Operating Expenses			
Salaries and benefits	25,911	24,359	25,636
Other operating expenses	13,064	12,359	13,896
Total operating expenses	38,975	36,718	39,532
Interest and other nonoperating expenses	129	156	170
Total Expenses	39,104	36,874	39,702
Change in net position	1,226	1,794	3,977
Net position, beginning of year	34,672	32,878	28,901
Net position, end of year	\$ 35,898	\$ 34,672	\$ 32,878

Fiscal year 2013 total revenues increased by 4.3 percent due primarily to the increase in capital appropriations. These funds were used to fund phase 2 of the Ridgewater College Technical Instruction Renovation and Addition project.

Compensation is the College's largest expense component. Salaries and benefits increased \$1.55 million, or 6.4 percent in fiscal year 2013 and represented 66.5 percent of total operating expense. The fiscal year 2012 decrease of \$1.28 million or 5.0 percent represented 66.3 percent of total operating expense. Total compensation expense which includes fringe benefit costs was \$25.9 million, \$24.4 million and \$25.6 million in fiscal years 2013, 2012 and 2011, respectively. The increase in compensations costs in fiscal year 2013 is due primarily to collective bargaining settlements along with an increase to the employer portion of insurance premiums.

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All other operating expenses for fiscal year 2013 increased by 5.7 percent compared to a decrease of 11.1 percent in 2012. The most significant increase by percentage from fiscal year 2012 to fiscal year 2013 was a 69.5 percent or \$560K increase to repairs and maintenance. This increase is due to an increase in capital/HEAPR project funds expensed as repairs and maintenance and not capitalized as an asset.

ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE

Ridgewater College maintained a solid financial standing in fiscal year 2013. State appropriations, the primary source of operating support for the College, allow the College to maintain ongoing operations and make strategic investments in key programs. During the 2012-2013 session, the state legislature approved a 3.0 percent increase in state appropriation for the MnSCU system to fund a system-wide tuition freeze for both years of the 2014-2015 biennium.

Consistent with national trends, enrollment at Ridgewater College is experiencing a decline in enrollment fueled largely by the economic recovery as well as demographic changes affecting the traditional student market. As the number of high school graduates within the College's primary service area continues to decline we will need to look strategic ways to manage enrollment and increase retention. The College's enrollment is projected to decrease by nearly 9% in fiscal year 2014 and remain flat in fiscal years 2015 and 2016.

Other factors that will impact results for the next several years include collective bargaining agreements which for fiscal years 2014-2015 have not all been settled yet. An increase in State settled agreements and the tuition freeze will place increased pressure on our operating budget.

In summary, these factors, along with projected increasing costs for purchased services and supplies, may result in a significant financial challenge for the College in fiscal years 2014, 2015, and 2016.

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REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Ridgewater College's financial position. Questions concerning information provided in this report or requests for additional financial information should be addressed to:

Dan Holtz
Vice President of Finance and Operations
Ridgewater College
2101 15th Avenue NW
Willmar, MN 56201
daniel.holtz@ridgewater.edu
320-222-5205

FUND TYPES

Activities included in the fund types are as follows:

GENERAL FUND

General operations
Customized training
State grants
Capital projects
Imprest cash

ENTERPRISE

Bookstore
Computer store
Food service
Parking

SPECIAL REVENUE

Student activities
Health services
Intercollegiate activities
Child care
Federal grants
Federal financial aid
State financial aid
Private gifts and grants
Miscellaneous special revenues
Private scholarships
Endowments

REVENUE

Residence halls
Student union

AGENCY

Custodial accounts
Temporary accounts

Ridgewater College
Financial Statements
Year Ended June 30, 2013

RIDGEWATER COLLEGE			
Statements of Net Position (Unaudited)			
As of June 30, 2013, 2012 and 2011			
(In thousands)			
	2013	2012	2011
Assets			
Current Assets			
Cash & cash equivalents	\$ 20,325	\$ 19,088	\$ 17,767
Grants receivable	89	115	200
Accounts receivable, net	1,697	987	769
Prepaid expense	383	379	426
Inventory	531	540	537
Student loans, net	8	7	7
Other assets	20	11	-
Total current assets	23,053	21,127	19,706
Total restricted assets	5	236	57
Noncurrent Assets			
Student loans, net	59	60	67
Capital assets, net	25,352	24,232	25,185
Total noncurrent assets	25,411	24,292	25,252
Total Assets	48,469	45,655	45,015
Liabilities			
Current Liabilities			
Salaries payable	2,249	1,921	2,589
Accounts payable	642	469	591
Unearned revenue	626	727	705
Payable from restricted assets	660	235	57
Funds held for others	151	193	183
Current portion of long-term debt	310	273	311
Other compensation benefits	505	490	614
Advances to other schools	7	-	-
Total current liabilities	5,150	4,308	5,050
Noncurrent Liabilities			
Noncurrent portion of long-term debt	3,702	3,296	3,567
Other compensation benefits	3,610	3,264	3,417
Capital contributions payable	109	115	103
Total noncurrent liabilities	7,421	6,675	7,087
Total Liabilities	12,571	10,983	12,137
Net Position			
Net investment in capital assets	21,341	20,663	21,306
Restricted expendable, other	394	383	437
Unrestricted	14,163	13,626	11,135
Total Net Position	\$ 35,898	\$ 34,672	\$ 32,878

Ridgewater College
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RIDGEWATER COLLEGE					
Statements of Net Position (Unaudited)					
As of June 30, 2013, 2012 and 2011					
(In thousands)					
		Change			
	2013	\$	%	2012	2011
Assets					
Current Assets					
Cash & cash equivalents	\$ 20,325	\$ 1,237	6.5%	\$ 19,088	\$ 17,767
Grants receivable	89	(26)	-22.6%	115	200
Accounts receivable, net	1,697	710	71.9%	987	769
Prepaid expense	383	4	1.1%	379	426
Inventory	531	(9)	-1.7%	540	537
Student loans, net	8	1	14.3%	7	7
Other assets	20	9	81.8%	11	-
Total current assets	23,053	1,926	9.1%	21,127	19,706
Total restricted assets	5	(231)	-97.9%	236	57
Noncurrent Assets					
Student loans, net	59	(1)	-1.7%	60	67
Capital assets, net	25,352	1,120	4.6%	24,232	25,185
Total noncurrent assets	25,411	1,119	4.6%	24,292	25,252
Total Assets	48,469	2,814	6.2%	45,655	45,015
Liabilities					
Current Liabilities					
Salaries payable	2,249	328	17.1%	1,921	2,589
Accounts payable	642	173	36.9%	469	591
Unearned revenue	626	(101)	-13.9%	727	705
Payable from restricted assets	660	425	180.9%	235	57
Funds held for others	151	(42)	-21.8%	193	183
Current portion of long-term debt	310	37	13.6%	273	311
Other compensation benefits	505	15	3.1%	490	614
Advances to other schools	7	7	0.0%	-	-
Total current liabilities	5,150	842	19.5%	4,308	5,050
Noncurrent Liabilities					
Noncurrent portion of long-term debt	3,702	406	12.3%	3,296	3,567
Other compensation benefits	3,610	346	10.6%	3,264	3,417
Capital contributions payable	109	(6)	-5.2%	115	103
Total noncurrent liabilities	7,421	746	11.2%	6,675	7,087
Total Liabilities	12,571	1,588	14.5%	10,983	12,137
Net Position					
Net investment in capital assets	21,341	678	3.3%	20,663	21,306
Restricted expendable, other	394	11	2.9%	383	437
Unrestricted	14,163	537	3.9%	13,626	11,135
Total Net Position	\$ 35,898	\$ 1,226	3.5%	\$ 34,672	\$ 32,878

Ridgewater College
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RIDGEWATER COLLEGE			
Statements of Revenues, Expenses, and Changes in Net Position (Unaudited)			
For the Years Ended June 30, 2013, 2012 and 2011			
(In Thousands)			
	2013	2012	2011
Operating Revenues			
Tuition, net	\$ 9,986	\$ 9,873	\$ 9,786
Fees, net	1,669	1,563	1,544
Sales and room and board, net	2,288	2,380	2,464
Other Income	483	364	310
Total operating revenues	14,426	14,180	14,104
Operating Expenses			
Salaries & benefits	25,911	24,359	25,636
Purchased supplies	3,433	3,307	3,299
Supplies	4,170	4,143	4,727
Repairs and maintenance	1,366	806	787
Depreciation	1,672	1,917	1,984
Financial aid, net	796	637	1,346
Other expense	1,627	1,549	1,753
Total operating expenses	38,975	36,718	39,532
Operating loss	(24,549)	(22,538)	(25,428)
Nonoperating Revenue (Expenses)			
Appropriations	13,747	13,571	15,170
Federal grants	7,882	8,367	9,856
State grants	2,257	1,776	1,493
Private grants	25	109	138
Interest income	44	48	359
Interest expense	(148)	(154)	(168)
Grants to other organizations	34	-	-
Total nonoperating revenues (expenses)	23,841	23,717	26,848
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses	(708)	1,179	1,420
Capital appropriations	1,787	499	2,407
Donated assets and supplies	162	118	152
Transfers in	-	-	-
Gain (loss) on disposal of capital assets	(15)	(2)	(2)
Change in net position	1,226	1,794	3,977
Total Net Position, Beginning of Year	34,672	32,878	28,901
Total Net Position, End of Year	\$ 35,898	\$ 34,672	\$ 32,878

Ridgewater College
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RIDGEWATER COLLEGE					
Statements of Revenues, Expenses, and Changes in Net Position (Unaudited)					
For the Years Ended June 30, 2013, 2012 and 2011					
(In Thousands)					
		Change			
	2013	\$	%	2012	2011
Operating Revenues					
Tuition, net	\$ 9,986	\$ 113	1.1%	\$ 9,873	\$ 9,786
Fees, net	1,669	106	6.8%	1,563	1,544
Sales and room and board, net	2,288	(92)	-3.9%	2,380	2,464
Other income	483	119	32.7%	364	310
Total operating revenues	14,426	246	1.7%	14,180	14,104
Operating Expenses					
Salaries & benefits	25,911	1,552	6.4%	24,359	25,636
Purchased supplies	3,433	126	3.8%	3,307	3,299
Supplies	4,170	27	0.7%	4,143	4,727
Repairs and maintenance	1,366	560	69.5%	806	787
Depreciation	1,672	(245)	-12.8%	1,917	1,984
Financial aid, net	796	159	25.0%	637	1,346
Other expense	1,627	78	5.0%	1,549	1,753
Total operating expenses	38,975	2,257	6.1%	36,718	39,532
Operating loss	(24,549)	(2,011)	8.9%	(22,538)	(25,428)
Nonoperating Revenue (Expenses)					
Appropriations	13,747	176	1.3%	13,571	15,170
Federal grants	7,882	(485)	-5.8%	8,367	9,856
State grants	2,257	481	27.1%	1,776	1,493
Private grants	25	(84)	-77.1%	109	138
Interest income	44	(4)	-8.3%	48	359
Interest expense	(148)	6	-3.9%	(154)	(168)
Grants to other organizations	34	34	0.0%	-	-
Total nonoperating revenues (expenses)	23,841	124	0.5%	23,717	26,848
Income (Loss) Before Other Revenues, Expenses, Gains, or Losses					
	(708)	(1,887)	-160.1%	1,179	1,420
Capital appropriations	1,787	1,288	258.1%	499	2,407
Donated assets and supplies	162	44	37.3%	118	152
Transfers in	-	-	0.0%	-	-
Gain (loss) on disposal of capital assets	(15)	(13)	650.0%	(2)	(2)
Change in net position	1,226	(568)	-31.7%	1,794	3,977
Total Net Position, Beginning of Year	34,672			32,878	28,901
Total Net Position, End of Year	\$ 35,898	\$ 1,226	3.5%	\$ 34,672	\$ 32,878

Ridgewater College
Financial Statements
Year Ended June 30, 2013

RIDGEWATER COLLEGE			
Reconciliation of Net Position to Budgetary Fund Balance - General Fund (Unaudited)			
As of June 30, 2013, 2012 and 2011			
(In thousands)			
	2013	2012	2011
Total Net Position	\$ 35,898	\$ 34,672	\$ 32,878
Less Restricted Net Position			
Net investment in capital assets	(21,341)	(20,663)	(21,306)
Restricted net position	(394)	(383)	(437)
Total unrestricted net position	14,163	13,626	11,135
Less Non-General Fund Unrestricted Net Position			
Enterprise Fund	(3,765)	(3,674)	(3,258)
Special Revenue Fund	(271)	(576)	(511)
General Fund - unrestricted net position	10,127	9,376	7,366
GAAP Accruals Not Recognized in Budget			
Other compensation benefits	4,062	3,702	3,983
Other accruals, net	(916)	(741)	(586)
General Fund - unrestricted budgetary fund balance	13,273	12,337	10,763
Less Budgetary Designations			
Faculty contract obligations	-	-	-
Prior year encumbrances	-	-	(5)
Board required reserve	(2,297)	(2,505)	(2,577)
Designated for programs	(9,976)	(8,582)	(6,481)
Planned for next budget	(500)	(500)	(1,000)
Planned for next budget out two years	(500)	(750)	(700)
Undesignated budgetary fund balance	\$ -	\$ -	\$ -