

## **Overview**

In Fiscal Year 2024 (FY24), the College experienced a loss of a significant portion of its physical property due to a fire caused by a lightning strike. To date insurance proceeds have paid for reparations to two of the three buildings damaged. The third building, which housed the Health Sciences programs, required substantial demolition and rebuilding. This loss required the College to purchase new instructional and lab equipment and to rent space for the Health Sciences classes to continue. The College is working with the insurance company on reimbursement of these costs as well as a settlement on the value of the building. To provide the necessary funds for all costs in the fiscal year ending June 30, 2024 the College drew \$6.2M of unrestricted endowment funds.

### **Statement of Financial Position:**

The College's total assets on June 30, 2024, were \$95M, which was \$700K or 1% higher than at the end of the previous fiscal year. The increase is largely attributable to the replacement of older depreciated buildings with those repaired and refurbished.

Total liabilities amounted to \$33.8M on June 30, 2024, a decrease of \$370K from the prior year. Current accounts payable increased by \$2.5M due to reconstruction costs but accrued expenses, deferred revenues, debt and the defined benefit pension liability decreased by 2.9M.

The resulting total net assets, the equivalent of the College's net worth, totaled \$61.3M as of June 30, 2024, an increase of \$1.2M or 2% during the fiscal year.

### **Statement of Activities:**

#### **Operating Results**

The College's total operating revenues increased \$3.7M or 8% compared to FY23. This is largely attributable to the draw from the unrestricted endowment funds coupled with a decline of \$2.7M in net tuition, fees, residence and dining. While cost containment measures continued to remain in place in FY24, there was a \$600K increase in total operating expenses. This increase is primarily driven by contractors managing the reconstruction projects. The College showed an increase in net assets from operating activities, (operating revenues in excess of operating expenses), of \$2.5M in FY24.

#### **Non-Operating Results**

The College's nonoperating activities had a decrease in net assets of \$1.6M. This decrease is attributable to the unrestricted endowment draw of \$6.2M offset by positive investment performance of \$4.3M.

## **The Future**

On November 13, 2024, American International College announced an expansive organizational business plan that will guide the College over the next several years. Dubbed "Pathway to Progress," the comprehensive document presents a wide array of changes to the College's operational model including the revising the academic portfolio, expanding degree options, launching new enrollment strategies, and streamlining athletic programming.