



**Date:** February 20, 2023  
**To:** Monica Merritt, Superintendent  
**From:** Deborah J. Piesz, Chief Finance & Operations Officer  
**Subject:** Summary Financial Update for Period Ending January 31, 2023

Attached is the financial report as of January 31, 2023, which details the General Fund Original Budget vs. Actual with percentage of budget and variance at the function and object levels.

Although July through January accounts for 58.3% of the calendar year, School Districts don't receive or expend resources pro-rata throughout the year. Therefore, we have applied a three-year historical average to the annual budget to determine a projected January 31, 2023 budget and compared that to the actual results to indicate variances to you and the Board of Education. Variances between projected budgets and actual results may be due to timing differences, receipt or expenditure of funds in a period of time that is different than anticipated, that will resolve over time; or permanent differences, unanticipated receipts or expenditure of resources not planned, which may require a budget amendment.

### **General Fund Revenues**

The overall revenue received as of January is 49.46% of the total budget. Although this percentage is somewhat higher than the three year historical average, we would like to note the following:

- **Local Sources** – Local source revenues are trending faster than the three year historical average primarily due to the timing of when we receive our local property tax revenue and the increase in taxable values greater than anticipated. The taxable values will be adjusted during the first budget amendment.
- **State Sources** – State Aid Payments are received in 11 equal payments from October 2022 through August 2023, therefore, we have received our 4th State School Aid payment for this fiscal year.
- **Federal Sources** – Federal sources of revenue in the General Fund consist of Medicaid Outreach funds and a federal interest subsidy related to our 2010 Qualified School Construction Bonds (QSCB). The QSCB interest subsidy is received twice per year, at the time the related debt service payments are due (November & May). The Medicaid Outreach funds are received sporadically throughout the year with no control over timing on the District's part.
- **Interdistrict Sources** – This category of revenue is primarily attributable to the Wayne RESA Enhancement Millage and Act 18 funding for Independence Paraprofessionals. The Enhancement Millage is levied in July and December and the timing of receipt varies by municipalities in the county. The Act 18 funding is typically received in January, shortly after the final cost report is filed after year-end.
- **Transfers from Other Funds** – The budgeted amount is related to Indirect Cost Recovery between the General Fund and the Food Service, Funded Projects & Community Services Funds. These adjustments will be made at year-end.

### **Expenditures**

The overall expenditures through January are 55.99% of budgeted amounts, which is higher than the three-year historical average for this point in the fiscal year due to the following:

- **Instruction** – Instructional salary and benefit expenditures are trending below the three-year historical average due in large part to the vacancies we have at this point during the fiscal year. We will continue to monitor employee contracts as the year progresses and adjust the corresponding budgets accordingly as we move toward the first budget amendment.
- **Pupil and Instructional Support** – Expenditures under these categories are trending higher than the three year historical average due to the actual salary and benefit costs of current staff in excess of that anticipated in the original budget; and the outstanding transfer of costs to the newly awarded grant funds for student mental health (section 31aa). We will continue to review employee contracts as the year progresses and adjust the corresponding budgets during the first budget amendment, particularly with the volume of grants awarded to the District.
- **School Administration** – Expenditures under this category are trending higher than the three year historical average due to the actual salary and benefit costs of current staff in excess of that originally anticipated, which will be adjusted in the upcoming amendment.
- **Maintenance & Operations** – Maintenance and Operations expenditures are trending higher than our three year historical average due to higher than expected custodial contracted services since ABM is now fully staffed (and we are no longer receiving credits for the lack of staff); higher property insurance costs than anticipated; additional utilities (electricity), security and other supply costs for the Educational Support Center at Pilot Drive; additional PPE costs district-wide; and higher than anticipated maintenance repair costs for HVAC filters, air purifier filters, and various work orders districtwide. We will continue to review and analyze these budgets in anticipation of the budget amendment.
- **Transportation** - Expenditures under this category are trending behind the three-year historical average due to the timing of the payment of the January Durham invoice as compared to the three year historical average (received and paid in February).
- **Non-Voted Debt** - Expenditures under this category are trending slower than the three-year historical average due to a lack of capital lease payment this year. PCCS made the final payments for these leases in the 2022-23 fiscal year and the budget will be adjusted to reflect this during the first amendment.

### **Net Change in Fund Balance**

Overall, the net change in fund balance is tracking slightly better than expected. In addition, the net fund balance will be adjusted for the actual annual audited fund equity during the first amendment process.

We hope this enhanced reporting provides more information to you and the Board of Education as we proceed through this fiscal year.

**PLYMOUTH-CANTON COMMUNITY SCHOOLS**  
**GENERAL FUND BUDGET VS. ACTUAL**  
**JULY 1, 2022 to JANUARY 31, 2023**

	6/30/2022 AUDITED ACTUAL	6/30/2023 ORIGINAL BUDGET	1/31/2023 PROJECTED BUDGET	1/31/2023 ACTUAL	Projected % of Budget	Actual % of Budget	Percentage Variance Favorable/ (Unfavorable)	Dollar Variance Favorable/ (Unfavorable)
<b>REVENUE</b>								
Local Sources	\$ 33,522,317	\$ 33,221,210	30,983,960	\$ 33,575,216	93.27%	101.07%	7.80%	\$ 2,591,255
State Sources	138,981,534	144,520,308	52,095,820	53,354,866	36.05%	36.92%	0.87%	1,259,046
Federal Sources	410,920	392,206	174,336	218,153	44.45%	55.62%	11.17%	43,817
Interdistrict Sources & other *	12,654,259	10,183,523	5,158,502	6,072,281	50.66%	59.63%	8.97%	913,779
Transfers from Other Funds	780	144,842	384	-	0.27%	0.00%	-0.27%	(384)
<b>TOTAL REVENUE</b>	<b>\$ 185,569,809</b>	<b>\$ 188,462,089</b>	<b>\$ 88,413,001</b>	<b>\$ 93,220,515</b>	<b>47.25%</b>	<b>49.46%</b>	<b>2.22%</b>	<b>\$ 4,807,513</b>
<b>EXPENDITURES</b>								
<b>INSTRUCTION</b>								
Basic Programs	\$ 96,950,314	\$ 98,602,447	\$ 54,227,685	\$ 53,406,068	55.00%	54.16%	0.83%	\$ 821,617
Added Needs	15,145,108	16,267,769	8,579,650	8,733,058	52.74%	53.68%	-0.94%	(153,408)
Adult Education	-	-	-	-	0.00%	0.00%	0.00%	-
<b>Total Instruction</b>	<b>112,095,422</b>	<b>114,870,216</b>	<b>62,807,335</b>	<b>62,139,126</b>	<b>54.66%</b>	<b>54.10%</b>	<b>0.56%</b>	<b>668,209</b>
<b>SUPPORTING SERVICES</b>								
Pupil Support	16,155,991	16,337,813	8,797,887	9,899,354	53.85%	60.59%	-6.74%	(1,101,467)
Instructional Support	11,664,171	12,364,873	6,547,262	8,028,956	52.95%	64.93%	-11.98%	(1,481,694)
General Administration	918,156	959,455	479,906	529,594	50.02%	55.20%	-5.18%	(49,688)
School Administration	11,378,847	12,055,907	6,739,668	7,030,389	55.90%	58.31%	-2.41%	(290,721)
Business	1,876,936	2,045,770	1,171,998	1,122,487	57.29%	54.87%	2.42%	49,511
Maintenance & Operations	17,247,342	17,528,919	9,273,996	11,075,018	52.91%	63.18%	-10.27%	(1,801,022)
Transportation	7,218,106	9,528,178	3,941,493	4,478,698	41.37%	47.00%	-5.64%	(537,205)
Central Support Services	3,853,005	4,203,350	2,386,802	2,570,429	56.78%	61.15%	-4.37%	(183,627)
School Activities	2,504,318	2,889,081	1,051,583	1,139,794	44.02%	47.71%	-3.69%	(88,211)
Community Services	770,162	822,901	467,006	484,538	56.75%	58.88%	-2.13%	(17,532)
Facility Improvements	3,796,350	198,130	58,601	88,925	29.58%	44.88%	-15.31%	(30,324)
Non-voted Debt Service	1,064,547	1,010,216	444,059	205,120	43.96%	20.30%	23.65%	238,939
<b>Total Supporting Services</b>	<b>78,447,933</b>	<b>79,444,593</b>	<b>41,360,261</b>	<b>46,653,301</b>	<b>51.45%</b>	<b>58.72%</b>	<b>-7.27%</b>	<b>(5,293,040)</b>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>190,543,355</b>	<b>194,314,809</b>	<b>104,167,596</b>	<b>108,792,427</b>	<b>53.34%</b>	<b>55.99%</b>	<b>-2.65%</b>	<b>(4,624,831)</b>
<b>OTHER FINANCING USES</b>								
Transfers to Other Funds	-	-	-	-	0.00%	0.00%	0.00%	-
<b>Total Other Financing Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 190,543,355</b>	<b>\$ 194,314,809</b>	<b>\$ 104,167,596</b>	<b>\$ 108,792,427</b>	<b>53.34%</b>	<b>55.99%</b>	<b>-2.65%</b>	<b>\$ (4,624,831)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(4,973,546)</b>	<b>(5,852,720)</b>	<b>(15,754,595)</b>	<b>(15,571,913)</b>				<b>182,682</b>
<b>BEGINNING FUND BALANCE</b>	<b>45,920,794</b>	<b>39,398,725</b>						
<b>ENDING FUND BALANCE</b>	<b>\$ 40,947,248</b>	<b>\$ 33,546,005</b>						
	21.5%	17.3%						

**Information Only:**

<b>OBJECT LEVEL EXPENDITURES</b>								
Salaries & Fringe Benefits	\$ 158,725,388	\$ 162,143,752	\$ 89,533,874	\$ 92,030,217	55.13%	56.76%	-1.63%	\$ (2,496,343)
Purchased Services	18,304,678	20,902,097	9,687,221	10,528,621	46.35%	50.37%	-4.03%	(841,399)
Supplies & Materials	7,614,444	8,380,113	3,883,154	5,125,529	46.34%	61.16%	-14.83%	(1,242,375)
Capital Outlay & Equipment	4,421,452	1,159,165	309,401	511,341	26.69%	44.11%	-17.42%	(201,940)
Other Expenditures	1,477,392	1,729,682	747,864	596,720	43.24%	34.50%	8.74%	151,144
<b>TOTAL EXPENDITURES</b>	<b>\$ 190,543,355</b>	<b>\$ 194,314,809</b>	<b>\$ 104,161,514</b>	<b>\$ 108,792,427</b>	<b>53.34%</b>	<b>55.99%</b>	<b>-2.65%</b>	<b>\$ (4,630,913)</b>

**PLYMOUTH-CANTON COMMUNITY SCHOOLS  
GENERAL FUND BUDGETS  
JANUARY 31ST BUDGETS FOR YEARS ENDING 2019, 2020 & 2021**

	6/30/2020 FINAL BUDGET	1/31/2020 ACTUAL	% of Budget	6/30/2021 FINAL BUDGET	1/31/2021 ACTUAL	% of Budget	6/30/2022 FINAL BUDGET	1/31/2022 ACTUAL	% of Budget	Average % of Budget
<b>REVENUE</b>										
Local Sources	\$ 32,012,690	\$ 30,099,508	94.0%	\$ 32,249,433	\$ 29,880,821	92.7%	\$ 33,151,184	\$ 30,869,647	93.1%	93.3%
State Sources	133,109,397	48,055,621	36.1%	134,967,867	48,402,691	35.9%	138,960,471	50,272,398	36.2%	36.0%
Federal Sources	368,677	192,129	52.1%	204,808	18,090	8.8%	541,689	392,206	72.4%	44.5%
Interdistrict Sources & other	10,824,510	6,069,722	56.1%	10,794,510	5,884,940	54.5%	12,647,843	5,232,964	41.4%	50.7%
Transfers from Other Funds	493,976	480	0.1%	131,442	917	0.7%	144,842	-	0.0%	0.3%
<b>TOTAL REVENUE</b>	<b>\$ 176,809,250</b>	<b>\$ 84,417,460</b>	<b>47.7%</b>	<b>\$ 178,348,060</b>	<b>\$ 84,187,459</b>	<b>47.2%</b>	<b>\$ 185,446,029</b>	<b>\$ 86,767,215</b>	<b>46.8%</b>	<b>47.2%</b>
<b>EXPENDITURES</b>										
<b>INSTRUCTION</b>										
Basic Programs	\$ 91,281,983	\$ 51,214,310	56.1%	\$ 89,366,028	\$ 47,069,603	52.7%	\$ 96,193,496	\$ 54,072,941	56.2%	55.0%
Added Needs	16,004,129	8,286,897	51.8%	16,138,657	8,167,206	50.6%	15,779,625	8,810,445	55.8%	52.7%
Adult Education	31	133	0.0%	-	-	0.0%	-	-	0.0%	0.0%
<b>Total Instruction</b>	<b>107,286,143</b>	<b>59,501,340</b>	<b>55.5%</b>	<b>105,504,685</b>	<b>55,236,809</b>	<b>52.4%</b>	<b>111,973,121</b>	<b>62,883,386</b>	<b>56.2%</b>	<b>54.7%</b>
<b>SUPPORTING SERVICES</b>										
Pupil Support	12,445,760	6,889,034	55.4%	13,143,281	6,980,822	53.1%	16,356,798	8,682,816	53.1%	53.8%
Instructional Support	11,136,813	5,902,161	53.0%	11,199,607	6,076,728	54.3%	11,893,379	6,136,537	51.6%	53.0%
General Administration	977,715	594,405	60.8%	978,529	476,699	48.7%	1,023,067	414,800	40.5%	50.0%
School Administration	11,035,610	6,139,130	55.6%	11,203,510	6,309,192	56.3%	11,567,085	6,450,470	55.8%	55.9%
Business	1,896,824	1,079,888	56.9%	1,913,185	1,090,041	57.0%	1,931,603	1,119,556	58.0%	57.3%
Maintenance & Operations	16,155,295	8,932,734	55.3%	15,673,746	7,772,716	49.6%	17,798,757	9,582,302	53.8%	52.9%
Transportation	7,781,575	3,835,387	49.3%	8,080,951	2,908,596	36.0%	7,399,349	2,872,340	38.8%	41.4%
Central Support Services	3,264,548	1,844,374	56.5%	3,653,784	2,138,764	58.5%	3,873,839	2,142,903	55.3%	56.8%
School Activities	2,606,383	1,205,572	46.3%	2,649,782	1,101,137	41.6%	2,492,538	1,102,655	44.2%	44.0%
Community Services	732,493	422,402	57.7%	749,594	426,359	56.9%	823,309	458,652	55.7%	56.8%
Facility Improvements	75,000	63,232	84.3%	-	-	0.0%	3,798,130	167,941	4.4%	29.6%
Non-voted Debt Service	538,816	314,439	58.4%	1,177,519	499,116	42.4%	1,010,216	314,439	31.1%	44.0%
<b>Total Supporting Services</b>	<b>68,646,832</b>	<b>37,222,758</b>	<b>54.2%</b>	<b>70,423,488</b>	<b>35,780,170</b>	<b>50.8%</b>	<b>79,968,070</b>	<b>39,445,411</b>	<b>49.3%</b>	<b>51.5%</b>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>175,932,975</b>	<b>96,724,098</b>	<b>55.0%</b>	<b>175,928,173</b>	<b>91,016,979</b>	<b>51.7%</b>	<b>191,941,191</b>	<b>102,328,797</b>	<b>53.3%</b>	<b>53.3%</b>
<b>OTHER FINANCING USES</b>										
Transfers to Other Funds	-	-	0.0%	-	-	0.0%	-	-	0.0%	0.0%
<b>Total Other Financing Uses</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 175,932,975</b>	<b>\$ 96,724,098</b>	<b>55.0%</b>	<b>\$ 175,928,173</b>	<b>\$ 91,016,979</b>	<b>51.7%</b>	<b>\$ 191,941,191</b>	<b>\$ 102,328,797</b>	<b>53.3%</b>	<b>53.3%</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>876,275</b>	<b>(12,306,638)</b>		<b>2,419,887</b>	<b>(6,829,520)</b>		<b>(6,495,162)</b>	<b>(15,561,582)</b>		
<b>BEGINNING FUND BALANCE</b>	<b>37,794,296</b>			<b>39,511,465</b>			<b>45,920,796</b>			
<b>ENDING FUND BALANCE</b>	<b>\$ 38,670,571</b>			<b>\$ 41,931,352</b>			<b>\$ 39,425,634</b>			
	21.98%			23.83%			20.54%			

**Information Only:**

<b>OBJECT LEVEL EXPENDITURES</b>										
Salaries & Fringe Benefits	\$ 146,913,916	\$ 82,067,200	55.9%	\$ 147,979,296	\$ 79,405,969	53.7%	\$ 159,131,597	\$ 88,885,432	55.9%	55.1%
Purchased Services	18,336,835	9,514,316	51.9%	18,660,873	7,796,086	41.8%	18,392,797	8,345,364	45.4%	46.3%
Supplies & Materials	8,241,354	3,829,831	46.5%	6,816,356	2,968,234	43.5%	8,137,209	3,986,950	49.0%	46.3%
Capital Outlay & Equipment	1,045,418	545,013	52.1%	613,358	102,731	16.7%	4,540,146	508,169	11.2%	26.7%
Other Expenditures	1,395,452	767,738	55.0%	1,858,290	743,959	40.0%	1,739,442	602,882	34.7%	43.2%
<b>TOTAL EXPENDITURES</b>	<b>\$ 175,932,975</b>	<b>\$ 96,724,098</b>	<b>55.0%</b>	<b>\$ 175,928,173</b>	<b>\$ 91,016,979</b>	<b>51.7%</b>	<b>\$ 191,941,191</b>	<b>\$ 102,328,797</b>	<b>53.3%</b>	<b>53.3%</b>