



Date: April 18, 2023
To: Monica Merritt, Superintendent
From: Deborah J. Piesz, Chief Finance & Operations Officer
Subject: Summary Financial Update for Period Ending March 31, 2023

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

Although July through March accounts for 75% 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 March 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 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.

During the month of March, the District received approximately \$6,259,703 in MPSERS one-time deposits under the state school aid section 147c(2) revenues from the State of Michigan, and the related Office of Retirement billing for the same amount. This represents about 54.54% of the total MPSERS one-time deposit of \$11,477,270 that the District will receive and turn around and pay for the fiscal year ending June 30, 2023. Therefore, we have completed the General Fund financial statements with and without these amounts, so that variances can be reported and analyzed more readily.

General Fund Revenues

The overall revenue received as of March is 63.22% of the total budget. Although this percentage is slightly higher than the three-year historical average, we would like to note the following:

- **Local Sources** – Local source revenues are trending slower than the three-year historical average primarily due to the timing of when we receive our local property tax revenue. The taxable values will be adjusted during the final budget amendment.
- **State Sources** – State Aid Payments are received in 11 equal payments from October 2022 through August 2023; therefore, we have received our 6th 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.

- **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.

General Fund Expenditures

The overall expenditures through March are 70.82% of budgeted amounts, which is slightly higher than the three-year historical average for this point in the fiscal year due to the following:

- **Instruction** – Instructional expenditures are trending above the three-year historical average due to the cost of substitutes higher than anticipated. We will continue to monitor the sub cost and the employee salary and benefit costs as the year progresses and adjust the corresponding budgets accordingly as we move toward the final 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 amended 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 final budget amendment, particularly with the volume of current grants awarded to the district.
- **Maintenance & Operations** – Maintenance and operations expenditures are trending higher than our three year historical average due to higher than expected 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 final budget amendment.
- **Transportation** - Expenditures under this category are trending behind the three-year historical average due to the timing of the payment of the February and March Durham invoices as compared to the three-year historical average (current year's invoices were received and paid in April).
- **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 2021-22 fiscal year and the budget for the current year has been adjusted.

Net Change in Fund Balance

Overall, the net change in fund balance is tracking more favorable than expected. 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 MARCH 31, 2023

	6/30/2022 AUDITED ACTUAL	6/30/2023 AMENDED BUDGET	3/31/2023 PROJECTED BUDGET	3/31/2023 ACTUAL	Projected % of Budget	Actual % of Budget	Percentage Variance Favorable/ (Unfavorable)	Dollar Variance Favorable/ (Unfavorable)
REVENUE								
Local Sources	\$ 33,522,317	\$ 36,268,421	34,515,946	\$ 34,172,374	95.17%	94.22%	-0.95%	\$ (343,572)
State Sources	138,981,534	148,696,569	81,041,884	88,690,613	54.50%	59.65%	5.14%	7,648,729
Federal Sources	410,920	242,724	107,891	241,351	44.45%	99.43%	54.98%	133,460
Interdistrict Sources & other *	12,654,259	10,796,135	7,360,011	7,158,016	68.17%	66.30%	-1.87%	(201,995)
Transfers from Other Funds	780	144,842	384	-	0.27%	0.00%	-0.27%	(384)
TOTAL REVENUE	\$ 185,569,809	\$ 196,148,691	\$ 122,845,589	\$ 130,262,354	62.63%	66.41%	3.78%	\$ 7,236,238
EXPENDITURES								
INSTRUCTION								
Basic Programs	\$ 96,950,314	\$ 97,351,733	\$ 70,150,584	\$ 73,806,978	72.06%	75.81%	-3.76%	\$ (3,656,394)
Added Needs	15,145,108	15,940,509	11,234,826	12,540,125	70.48%	78.67%	-8.19%	(1,305,299)
Adult Education	-	-	-	-	0.00%	0.00%	0.00%	-
Total Instruction	112,095,422	113,292,242	81,385,410	86,347,103	71.82%	76.22%	-4.40%	(4,961,693)
SUPPORTING SERVICES								
Pupil Support	16,155,991	17,025,839	12,089,522	13,003,802	71.01%	76.38%	-5.37%	(914,280)
Instructional Support	11,664,171	15,454,286	10,550,804	11,105,561	68.27%	71.86%	-3.59%	(554,757)
General Administration	918,156	1,057,378	672,616	759,649	63.61%	71.84%	-8.23%	(87,033)
School Administration	11,378,847	12,794,988	9,188,722	9,519,324	71.82%	74.40%	-2.58%	(330,602)
Business	1,876,936	2,018,097	1,431,226	1,469,673	70.92%	72.82%	-1.91%	(38,447)
Maintenance & Operations	17,247,342	18,943,472	13,351,482	13,802,342	70.48%	72.86%	-2.38%	(450,860)
Transportation	7,218,106	10,126,465	6,479,323	5,579,249	63.98%	55.10%	8.89%	900,074
Central Support Services	3,853,005	4,538,809	3,326,096	3,435,796	73.28%	75.70%	-2.42%	(109,700)
School Activities	2,504,318	2,574,399	1,525,960	1,610,535	59.27%	62.56%	-3.29%	(84,575)
Community Services	770,162	881,542	643,260	651,499	72.97%	73.90%	-0.93%	(8,239)
Facility Improvements	3,796,350	287,055	96,681	90,124	33.68%	31.40%	2.28%	6,557
Non-voted Debt Service	1,064,547	881,740	387,585	205,120	43.96%	23.26%	20.69%	182,465
Total Supporting Services	78,447,933	86,584,070	59,743,277	61,232,675	68.04%	70.72%	-2.68%	(1,489,398)
TOTAL OPERATING EXPENDITURES	190,543,355	199,876,312	141,128,687	147,579,778	70.27%	73.84%	-3.56%	(6,451,091)
OTHER FINANCING USES								
Transfers to Other Funds	-	-	-	-	0.00%	0.00%	0.00%	-
Total Other Financing Uses	-	-	-	-	0.00%	0.00%	0.00%	-
TOTAL EXPENDITURES	\$ 190,543,355	\$ 199,876,312	\$ 141,128,687	\$ 147,579,778	70.27%	73.84%	-3.56%	\$ (6,451,091)
NET CHANGE IN FUND BALANCE	(4,973,546)	(3,727,621)	(18,283,098)	(17,317,424)				965,674
BEGINNING FUND BALANCE	45,920,794	40,947,248						
ENDING FUND BALANCE	\$ 40,947,248	\$ 37,219,627						
	21.5%	18.6%						

Information Only:

OBJECT LEVEL EXPENDITURES

Salaries & Fringe Benefits	\$ 158,725,388	\$ 165,278,368	\$ 119,447,942	\$ 125,512,102	72.12%	75.94%	-3.82%	\$ (6,064,160)
Purchased Services	18,304,678	22,380,425	14,447,117	14,407,212	64.55%	64.37%	0.18%	39,905
Supplies & Materials	7,614,444	9,161,764	5,977,448	6,165,655	65.24%	67.30%	-2.05%	(188,207)
Capital Outlay & Equipment	4,421,452	1,375,573	493,361	740,899	35.87%	53.86%	-18.00%	(247,538)
Other Expenditures	1,477,392	1,680,182	762,819	753,910	45.40%	44.87%	0.53%	8,909
TOTAL EXPENDITURES	\$ 190,543,355	\$ 199,876,312	\$ 141,128,687	\$ 147,579,778	70.27%	73.84%	-3.56%	\$ (6,451,091)

PLYMOUTH-CANTON COMMUNITY SCHOOLS
GENERAL FUND BUDGET VS. ACTUAL
JULY 1, 2022 to MARCH 31, 2023 WITHOUT 147c(2)

	6/30/2022 AUDITED ACTUAL	6/30/2023 AMENDED BUDGET	3/31/2023 PROJECTED BUDGET	3/31/2023 ACTUAL	Projected % of Budget	Actual % of Budget	Percentage Variance Favorable/ (Unfavorable)	Dollar Variance Favorable/ (Unfavorable)
REVENUE								
Local Sources	\$ 33,522,317	\$ 36,268,421	34,515,946	\$ 34,172,374	95.17%	94.22%	-0.95%	\$ (343,572)
State Sources	138,981,534	148,696,569	81,041,884	82,430,910	54.50%	55.44%	0.93%	1,389,026
Federal Sources	410,920	242,724	107,891	241,351	44.45%	99.43%	54.98%	133,460
Interdistrict Sources & other *	12,654,259	10,796,135	7,360,011	7,158,016	68.17%	66.30%	-1.87%	(201,995)
Transfers from Other Funds	780	144,842	384	-	0.27%	0.00%	-0.27%	(384)
TOTAL REVENUE	\$ 185,569,809	\$ 196,148,691	\$ 122,845,589	\$ 124,002,651	62.63%	63.22%	0.59%	\$ 976,535
EXPENDITURES								
INSTRUCTION								
Basic Programs	\$ 96,950,314	\$ 97,351,733	\$ 70,150,584	\$ 70,586,629	72.06%	72.51%	-0.45%	\$ (436,045)
Added Needs	15,145,108	15,940,509	11,234,826	11,831,833	70.48%	74.22%	-3.75%	(597,007)
Adult Education	-	-	-	-	0.00%	0.00%	0.00%	-
Total Instruction	112,095,422	113,292,242	81,385,410	82,418,462	71.82%	72.75%	-0.93%	(1,033,052)
SUPPORTING SERVICES								
Pupil Support	16,155,991	17,025,839	12,089,522	12,307,243	71.01%	72.29%	-1.28%	(217,721)
Instructional Support	11,664,171	15,454,286	10,550,804	10,621,590	68.27%	68.73%	-0.46%	(70,786)
General Administration	918,156	1,057,378	672,616	739,949	63.61%	69.98%	-6.37%	(67,333)
School Administration	11,378,847	12,794,988	9,188,722	9,095,061	71.82%	71.08%	0.73%	93,661
Business	1,876,936	2,018,097	1,431,226	1,420,455	70.92%	70.39%	0.53%	10,771
Maintenance & Operations	17,247,342	18,943,472	13,351,482	13,577,624	70.48%	71.67%	-1.19%	(226,142)
Transportation	7,218,106	10,126,465	6,479,323	5,579,249	63.98%	55.10%	8.89%	900,074
Central Support Services	3,853,005	4,538,809	3,326,096	3,303,107	73.28%	72.77%	0.51%	22,989
School Activities	2,504,318	2,574,399	1,525,960	1,566,468	59.27%	60.85%	-1.57%	(40,508)
Community Services	770,162	881,542	643,260	626,495	72.97%	71.07%	1.90%	16,765
Facility Improvements	3,796,350	287,055	96,681	90,124	33.68%	31.40%	2.28%	6,557
Non-voted Debt Service	1,064,547	881,740	387,585	205,120	43.96%	23.26%	20.69%	182,465
Total Supporting Services	78,447,933	86,584,070	59,743,277	59,132,487	68.04%	68.29%	-0.25%	610,791
TOTAL OPERATING EXPENDITURES	190,543,355	199,876,312	141,128,687	141,550,948	70.27%	70.82%	-0.55%	(422,261)
OTHER FINANCING USES								
Transfers to Other Funds	-	-	-	-	0.00%	0.00%	0.00%	-
Total Other Financing Uses	-	-	-	-	0.00%	0.00%	0.00%	-
TOTAL EXPENDITURES	\$ 190,543,355	\$ 199,876,312	\$ 141,128,687	\$ 141,550,948	70.27%	70.82%	-0.55%	\$ (422,261)
NET CHANGE IN FUND BALANCE	(4,973,546)	(3,727,621)	(18,283,098)	(17,548,298)				734,801
BEGINNING FUND BALANCE	45,920,794	40,947,248						
ENDING FUND BALANCE	\$ 40,947,248	\$ 37,219,627						
	21.5%	18.6%						

Information Only:

OBJECT LEVEL EXPENDITURES								
Salaries & Fringe Benefits	\$ 158,725,388	\$ 165,278,368	\$ 119,447,942	\$ 119,483,272	72.12%	72.29%	-0.17%	\$ (35,330)
Purchased Services	18,304,678	22,380,425	14,447,117	14,407,212	64.55%	64.37%	0.18%	39,906
Supplies & Materials	7,614,444	9,161,764	5,977,448	6,165,655	65.24%	67.30%	-2.05%	(188,207)
Capital Outlay & Equipment	4,421,452	1,375,573	493,361	740,899	35.87%	53.86%	-18.00%	(247,538)
Other Expenditures	1,477,392	1,680,182	762,819	753,910	45.40%	44.87%	0.53%	8,909
TOTAL EXPENDITURES	\$ 190,543,355	\$ 199,876,312	\$ 141,128,687	\$ 141,550,948	70.27%	70.82%	-0.55%	\$ (422,261)

**PLYMOUTH-CANTON COMMUNITY SCHOOLS
GENERAL FUND BUDGETS
MARCH 31ST BUDGETS FOR YEARS ENDING 2020, 2021 & 2022**

	6/30/2020 FINAL BUDGET	3/31/2020 ACTUAL	% of Budget	6/30/2021 FINAL BUDGET	3/31/2021 ACTUAL	% of Budget	6/30/2022 FINAL BUDGET	3/31/2022 ACTUAL	% of Budget	Average % of Budget
REVENUE										
Local Sources	\$ 32,012,690	\$ 30,789,441	96.2%	\$ 32,249,433	\$ 30,338,467	94.1%	\$ 33,151,184	\$ 31,576,783	95.3%	95.17%
State Sources	133,109,397	72,786,836	54.7%	134,967,867	73,333,374	54.3%	138,960,471	75,717,656	54.5%	54.50%
Federal Sources	368,677	192,129	52.1%	204,808	18,090	8.8%	541,689	392,206	72.4%	44.45%
Interdistrict Sources & other	10,824,510	7,232,384	66.8%	10,794,510	6,946,758	64.4%	12,647,843	9,277,005	73.3%	68.17%
Transfers from Other Funds	493,976	480	0.1%	131,442	917	0.7%	144,842	-	0.0%	0.27%
TOTAL REVENUE	\$ 176,809,250	\$ 111,001,271	62.8%	\$ 178,348,060	\$ 110,637,606	62.0%	\$ 185,446,029	\$ 116,963,649	63.1%	62.63%
EXPENDITURES										
INSTRUCTION										
Basic Programs	\$ 91,281,983	\$ 66,283,488	72.6%	\$ 89,366,028	\$ 63,501,729	71.1%	\$ 96,193,496	\$ 69,744,788	72.5%	72.06%
Added Needs	16,004,129	11,116,762	69.5%	16,138,657	11,089,865	68.7%	15,779,625	11,560,336	73.3%	70.48%
Adult Education	31	133	0.0%	-	-	0.0%	-	-	0.0%	0.00%
Total Instruction	107,286,143	77,400,383	72.1%	105,504,685	74,591,595	70.7%	111,973,121	81,305,124	72.6%	71.82%
SUPPORTING SERVICES										
Pupil Support	12,445,760	9,014,879	72.4%	13,143,281	9,256,653	70.4%	16,356,798	11,475,701	70.2%	71.01%
Instructional Support	11,136,813	7,544,075	67.7%	11,199,607	7,812,158	69.8%	11,893,379	8,006,542	67.3%	68.27%
General Administration	977,715	672,526	68.8%	978,529	635,908	65.0%	1,023,067	583,797	57.1%	63.61%
School Administration	11,035,610	7,852,814	71.2%	11,203,510	8,116,485	72.4%	11,567,085	8,309,823	71.8%	71.82%
Business	1,896,824	1,302,914	68.7%	1,913,185	1,325,206	69.3%	1,931,603	1,444,886	74.8%	70.92%
Maintenance & Operations	16,155,295	11,582,507	71.7%	15,673,746	10,899,605	69.5%	17,798,757	12,495,904	70.2%	70.48%
Transportation	7,781,575	5,642,429	72.5%	8,080,951	4,509,743	55.8%	7,399,349	4,708,572	63.6%	63.98%
Central Support Services	3,264,548	2,387,292	73.1%	3,653,784	2,725,502	74.6%	3,873,839	2,793,889	72.1%	73.28%
School Activities	2,606,383	1,635,613	62.8%	2,649,782	1,492,972	56.3%	2,492,538	1,463,767	58.7%	59.27%
Community Services	732,493	541,148	73.9%	749,594	554,646	74.0%	823,309	584,872	71.0%	72.97%
Facility Improvements	75,000	72,464	96.6%	-	-	0.0%	3,798,130	167,941	4.4%	33.68%
Non-voted Debt Service	538,816	314,439	58.4%	1,177,519	499,117	42.4%	1,010,216	314,439	31.1%	43.96%
Total Supporting Services	68,646,832	48,563,100	70.7%	70,423,488	47,827,996	67.9%	79,968,070	52,350,134	65.5%	68.04%
TOTAL OPERATING EXPENDITURES	175,932,975	125,963,483	71.6%	175,928,173	122,419,591	69.6%	191,941,191	133,655,258	69.6%	70.27%
OTHER FINANCING USES										
Transfers to Other Funds	-	-	0.0%	-	-	0.0%	-	-	0.0%	0.0%
Total Other Financing Uses	-	-	0.0%	-	-	0.0%	-	-	0.0%	0.0%
TOTAL EXPENDITURES	\$ 175,932,975	\$ 125,963,483	71.6%	\$ 175,928,173	\$ 122,419,591	69.6%	\$ 191,941,191	\$ 133,655,258	69.6%	70.3%
NET CHANGE IN FUND BALANCE	876,275	(14,962,212)		2,419,887	(11,781,985)		(6,495,162)	(16,691,609)		
BEGINNING FUND BALANCE	37,794,296			39,511,465			45,920,796			
ENDING FUND BALANCE	\$ 38,670,571			\$ 41,931,352			\$ 39,425,634			
	21.98%			23.83%			20.54%			

Information Only:

OBJECT LEVEL EXPENDITURES

Salaries & Fringe Benefits	\$ 146,913,916	\$ 106,779,573	72.7%	\$ 147,979,296	\$ 104,918,230	70.9%	\$ 159,131,597	\$ 115,813,141	72.8%	72.1%
Purchased Services	18,336,835	12,856,262	70.1%	18,660,873	11,667,171	62.5%	18,392,797	11,223,952	61.0%	64.6%
Supplies & Materials	8,241,354	4,864,627	59.0%	6,816,356	4,852,771	71.2%	8,137,209	5,330,701	65.5%	65.2%
Capital Outlay & Equipment	1,045,418	684,119	65.4%	613,358	171,073	27.9%	4,540,146	647,719	14.3%	35.9%
Other Expenditures	1,395,452	778,901	55.8%	1,858,290	810,346	43.6%	1,739,442	639,746	36.8%	45.4%
TOTAL EXPENDITURES	\$ 175,932,975	\$ 125,963,483	71.6%	\$ 175,928,173	\$ 122,419,591	69.6%	\$ 191,941,191	\$ 133,655,258	69.6%	70.3%