



Date: October 12, 2023
To: Monica Merritt, Superintendent
From: Deborah J. Piesz, Chief Finance & Operations Officer
Subject: Summary Financial Update for Period Ending June 30, 2023

Attached is the summary financial report for the year ended June 30, 2023, which details the General Fund final amended budget vs. actual results with a percentage of budget and variance at the function and object levels. Our external auditors, Plante & Moran, LLP have completed the audit of the June 30, 2023 financial statements, which will be discussed and presented to the Finance & Operations committee on October 19 and then to the full Board of Education on October 24, 2023. The summary financial report for the fiscal year ended June 30, 2023 is meant to provide a summary of the General Fund only, prior to the full report of all governmental funds of the Plymouth-Canton Community Schools by Plante & Moran.

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; or permanent differences, unanticipated receipts or expenditure of resources not planned. In reviewing the financial statements, we noted the following:

General Fund Revenues

The overall revenue received as of June is just slightly below 100% of the total budget, as follows:

- **Local Sources** – Local source revenues are slightly higher than the final budget amendment, due to higher than expected property tax revenues in non-homestead properties.
- **State Sources** – State source revenues were slightly lower for final adjustments of the MPSERS funding payments, as well as the adjustment for state source revenue recognized in the Act 18 Special Revenue Fund for the ASD Center Program.
- **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). These payments were in line with the amounts expected.
- **Interdistrict Sources** – This category of revenue is primarily attributable to the Wayne RESA enhancement millage and Act 18 funding for independent paraprofessionals. The amount received from the enhancement millage was slightly higher than anticipated.
- **Transfers from Other Funds** – The budgeted amount is related to Indirect Cost Recovery between the General Fund and the Food Service, Funded Projects and Community Services Funds. These adjustments were made at year-end.

Expenditures

The overall expenditures through June were approximately 97.7% of budgeted amounts, which is consistent with historical averages as follows:

- **Instruction** – Instructional expenditures were lower than budgeted since we were able to move some staff salary and benefit costs to federal and state grants as allowable costs, as well as some staff vacancies that were not filled until after year-end. We will continue to review and adjust as we amend future expenditures, both in the mid-year amendment for the 2023-2024 fiscal year and in projections for the subsequent fiscal years, after federal subsidies under ESSER-11t grant have been exhausted.
- **Pupil and Instructional Support** – Expenditures under these categories were lower than budgeted due to the transfer of staff salary and benefit costs to federal and state grants as allowable costs, and for lower than anticipated stipends for professional development and additional work not incurred.
- **School Administration** – Expenditures were less than anticipated due to several staff vacancies not filled until after the close of the fiscal year.
- **Maintenance & Operations** – Maintenance and Operations expenditures are lower than anticipated due to security staff vacancies not filled at year-end; equipment ordered and not received until after June 30; and lower than anticipated electricity costs for air conditioning not needed this past year.
- **Transportation** - Expenditures under this category were lower than expected since summer transportation costs were absorbed through federal grants, both in the summer of 2022 and in the summer of 2023.
- **School Activities** – Expenditures were lower than anticipated in this category due to staff coaching vacancies, lower than anticipated transportation costs, and contracted services cost for coaches.
- **Salaries and Benefits** – Costs were moved to federal and state grants and staff vacancies as noted above created less than anticipated expenditures.
- **Purchased Services** – Contracted services not incurred due to vacancies or challenges in finding third parties to perform the work, in addition to the transportation savings noted above created this positive variance.
- **Supplies and Materials** – Electricity costs not incurred and various purchase orders for supplies not received by June 30 created less than anticipated expenditures.

Net Change in Fund Balance

Overall, the net change in fund balance was better than anticipated by \$4.7 million or 2.3% of expenditures, which resulted in a fund balance of \$42.1 million or 20.2% of current General Fund expenditures at June 20, 2023.

PLYMOUTH-CANTON COMMUNITY SCHOOLS
GENERAL FUND BUDGET VS. ACTUAL
JULY 1, 2022 to JUNE 30, 2023

	6/30/2022 AUDITED ACTUAL	6/30/2023 FINAL AMENDED BUDGET	6/30/2023 ACTUAL	Dollar Variance Favorable/ (Unfavorable)
REVENUE				
Local Sources	\$ 33,522,317	\$ 36,420,840	36,444,407	\$ 23,567
State Sources	138,981,534	161,116,523	160,620,414	(496,109)
Federal Sources	410,919	418,957	430,274	11,317
Interdistrict Sources & other *	12,652,737	10,899,205	11,118,941	219,736
Transfers from Other Funds	2,302	69,272	244,672	175,400
TOTAL REVENUE	\$ 185,569,808	\$ 208,924,797	\$ 208,858,708	\$ (66,089)
EXPENDITURES				
INSTRUCTION				
Basic Programs	\$ 97,046,362	\$ 110,209,420	\$ 108,727,696	\$ 1,481,724
Added Needs	15,145,140	16,467,700	16,429,375	38,325
Adult Education	-	-	-	-
Total Instruction	112,191,502	126,677,120	125,157,071	1,520,049
SUPPORTING SERVICES				
Pupil Support	16,137,261	16,092,753	15,725,434	367,319
Instructional Support	11,586,985	15,626,236	15,252,919	373,317
General Administration	918,154	1,198,336	1,142,336	56,000
School Administration	11,378,877	12,684,290	12,085,583	598,707
Business	1,876,937	2,021,699	1,914,315	107,384
Maintenance & Operations	17,543,701	19,448,208	18,598,494	849,714
Transportation	7,218,111	9,554,948	9,124,088	430,860
Central Support Services	3,853,012	4,578,847	4,548,616	30,231
School Activities	2,501,803	2,785,060	2,372,357	412,703
Community Services	769,962	888,642	856,941	31,701
Facility Improvements	3,502,516	137,055	103,807	33,248
Non-voted Debt Service	1,064,547	882,840	882,840	-
Total Supporting Services	78,351,866	85,898,914	82,607,730	3,291,184
TOTAL OPERATING EXPENDITURES	190,543,368	212,576,034	207,764,801	4,811,233
OTHER FINANCING USES				
Transfers to Other Funds	-	-	-	-
Total Other Financing Uses	-	-	-	-
TOTAL EXPENDITURES	\$ 190,543,368	\$ 212,576,034	\$ 207,764,801	\$ 4,811,233
NET CHANGE IN FUND BALANCE	(4,973,560)	(3,651,237)	1,093,907	4,745,144
BEGINNING FUND BALANCE	45,920,794	40,497,234	40,947,234	
ENDING FUND BALANCE	\$ 40,947,234	\$ 36,845,997	\$ 42,041,141	
	21.5%	17.3%	20.2%	

Information Only:

OBJECT LEVEL EXPENDITURES

Salaries & Fringe Benefits	\$ 158,725,388	\$ 176,650,229	\$ 174,683,730	\$ 1,966,499
Purchased Services	18,304,678	22,972,981	21,784,082	1,188,899
Supplies & Materials	7,614,444	9,879,864	8,823,541	1,056,323
Capital Outlay & Equipment	4,421,452	1,427,832	1,016,638	411,194
Other Expenditures	1,477,405	1,645,128	1,456,810	188,318
TOTAL EXPENDITURES	\$ 190,543,368	\$ 212,576,034	\$ 207,764,801	\$ 4,811,233

PLYMOUTH-CANTON COMMUNITY SCHOOLS
GENERAL FUND BUDGETS
JUNE 30 BUDGETS FOR YEARS ENDING 2020, 2021 & 2022

	6/30/2020 FINAL BUDGET	6/30/2020 ACTUAL	% of Budget	6/30/2021 FINAL BUDGET	6/30/2021 ACTUAL	% of Budget	6/30/2022 FINAL BUDGET	6/30/2022 ACTUAL	% of Budget	Average % of Budget
REVENUE										
Local Sources	\$ 31,943,690	\$ 32,113,090	100.5%	\$ 32,249,433	\$ 32,344,727	100.3%	\$ 33,151,184	\$ 33,522,317	101.1%	100.65%
State Sources	133,109,397	130,245,769	97.8%	134,967,867	135,176,710	100.2%	138,960,471	138,981,534	100.0%	99.34%
Federal Sources	368,677	384,397	104.3%	204,808	204,806	100.0%	541,689	410,919	75.9%	93.37%
Interdistrict Sources & other	10,893,510	10,719,686	98.4%	10,794,510	10,736,438	99.5%	12,647,843	12,652,737	100.0%	99.30%
Transfers from Other Funds	493,976	315,523	63.9%	131,442	23,168	17.6%	144,842	2,302	1.6%	27.70%
TOTAL REVENUE	\$ 176,809,250	\$ 173,778,464	98.3%	\$ 178,348,060	\$ 178,485,849	100.1%	\$ 185,446,029	\$ 185,569,808	100.1%	99.48%
EXPENDITURES										
INSTRUCTION										
Basic Programs	\$ 91,281,983	\$ 90,354,605	99.0%	\$ 89,366,028	\$ 89,094,405	99.7%	\$ 96,193,496	\$ 97,046,362	100.9%	99.86%
Added Needs	16,004,129	15,927,983	99.5%	16,138,657	15,224,063	94.3%	15,779,625	15,145,140	96.0%	96.61%
Adult Education	31	169	0.0%	-	290	0.0%	-	-	0.0%	0.00%
Total Instruction	107,286,143	106,282,757	99.1%	105,504,685	104,318,758	98.9%	111,973,121	112,191,502	100.2%	99.38%
SUPPORTING SERVICES										
Pupil Support	12,445,760	12,313,984	98.9%	13,143,281	13,205,020	100.5%	16,356,798	16,137,261	98.7%	99.36%
Instructional Support	11,136,813	10,820,004	97.2%	11,199,607	10,886,277	97.2%	11,893,379	11,586,985	97.4%	97.26%
General Administration	977,715	902,457	92.3%	978,529	948,522	96.9%	1,023,067	918,154	89.7%	92.99%
School Administration	11,035,610	10,766,094	97.6%	11,203,510	10,952,390	97.8%	11,567,085	11,378,877	98.4%	97.90%
Business	1,896,824	1,664,865	87.8%	1,913,185	1,703,214	89.0%	1,931,603	1,876,937	97.2%	91.32%
Maintenance & Operations	16,155,295	14,384,086	89.0%	15,673,746	14,281,487	91.1%	17,798,757	17,543,701	98.6%	92.91%
Transportation	7,781,575	7,501,963	96.4%	8,080,951	7,457,972	92.3%	7,399,349	7,218,111	97.6%	95.42%
Central Support Services	3,264,548	3,230,879	99.0%	3,653,784	3,602,238	98.6%	3,873,839	3,853,012	99.5%	99.01%
School Activities	2,606,383	2,351,293	90.2%	2,649,782	2,285,383	86.2%	2,492,538	2,501,803	100.4%	92.28%
Community Services	732,493	715,184	97.6%	749,594	767,467	102.4%	823,309	769,962	93.5%	97.85%
Facility Improvements	75,000	72,464	96.6%	-	-	0.0%	3,798,130	3,502,516	92.2%	62.95%
Non-voted Debt Service	538,816	519,659	96.4%	1,177,519	1,176,837	99.9%	1,010,216	1,064,547	105.4%	100.59%
Total Supporting Services	68,646,832	65,242,932	95.0%	70,423,488	67,266,807	95.5%	79,968,070	78,351,866	98.0%	96.18%
TOTAL OPERATING EXPENDITURES	175,932,975	171,525,689	97.5%	175,928,173	171,585,565	97.5%	191,941,191	190,543,368	99.3%	98.10%
OTHER FINANCING USES										
Transfers to Other Funds	-	535,605	0.0%	-	490,952	0.0%	-	-	0.0%	0.0%
Total Other Financing Uses	-	535,605	0.0%	-	490,952	0.0%	-	-	0.0%	0.0%
TOTAL EXPENDITURES	\$ 175,932,975	\$ 172,061,294	97.8%	\$ 175,928,173	\$ 172,076,518	97.8%	\$ 191,941,191	\$ 190,543,368	99.3%	98.3%
NET CHANGE IN FUND BALANCE	876,275	1,717,170		2,419,887	6,409,331		(6,495,162)	(4,973,560)		
BEGINNING FUND BALANCE	37,794,296			39,511,466			45,920,798	45,920,794		
ENDING FUND BALANCE	\$ 38,670,571			\$ 41,931,353			\$ 39,425,636	\$ 40,947,234		
	21.98%			23.83%			20.54%	21.49%		
Information Only:										
OBJECT LEVEL EXPENDITURES										
Salaries & Fringe Benefits	\$ 146,913,916	\$ 145,423,549	99.0%	\$ 147,979,296	\$ 145,570,795	98.4%	\$ 159,131,597	\$ 158,725,388	99.7%	99.0%
Purchased Services	18,336,835	16,500,635	90.0%	18,660,873	17,594,539	94.3%	18,392,797	18,304,678	99.5%	94.6%
Supplies & Materials	8,241,354	7,582,857	92.0%	6,816,356	6,574,759	96.5%	8,137,209	7,614,444	93.6%	94.0%
Capital Outlay & Equipment	1,045,418	751,394	71.9%	613,358	301,674	49.2%	4,540,146	4,421,452	97.4%	72.8%
Other Expenditures	1,395,452	1,802,858	129.2%	1,858,290	2,034,751	109.5%	1,739,442	1,477,405	84.9%	107.9%
TOTAL EXPENDITURES	\$ 175,932,975	\$ 172,061,294	97.8%	\$ 175,928,173	\$ 172,076,518	97.8%	\$ 191,941,191	\$ 190,543,368	99.3%	98.3%