



Date: November 8, 2023
To: Monica Merritt, Superintendent
From: Deborah J. Piesz, Chief Finance & Operations Officer
Jody Malbon, Associate Director of Finance and Accounting
Subject: Summary Financial Update for Period Ending September 30, 2023

Attached is the financial report as of September 30, 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 September accounts for 25% 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 September 30, 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 September is 16.56% of the total budget. This percentage is higher than the three year historical average due to the following:

- **Local Sources** – Local source revenues are trending higher than the three year historical average primarily due to an increase in property tax values and timing of local property tax revenue collections.
- **State Sources** – State Aid Payments are received in 11 equal payments from October 2023 through August 2024, therefore, we have not yet received a State School Aid payment for this fiscal year as of September 30, 2023.
- **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 September are 23.43% of budgeted amounts, which is fairly consistent with the three-year historical average for this point in the fiscal year. Please note the following:

- **Instruction** – Instructional salary and benefit expenditures are trending slightly ahead of the three-year historical average. We will continue to monitor employee contracts as the year progress and adjust the corresponding budgets accordingly.
- **Pupil Support and Instructional Support** – Expenditures under this category are trending lower than the three year historical average due to the timing of purchase services and supplies when compared to the districts three year historical average.
- **Maintenance & Operations** – Maintenance and Operations expenditures are trending higher than our three year historical average due to higher than expected purchased services for contracted services over the summer due to vacancies within the department and higher than anticipated supply costs for a forklift, two mowers and security cameras.
- **Transportation** - Expenditures under this category are trending behind the three-year historical average due to lower fuel costs than anticipated to date, based on the timing of fuel invoices paid.
- **Purchased Services and Supplies, Materials and Other** – These object categories are trending faster and higher than originally anticipated for the maintenance and operations items notes above and will be reviewed in detail as we proceed to the first budget amendment.

Net Change in Fund Balance

Overall, the net change in fund balance is in line with our preliminary expectations. In addition, the net fund balance will be adjusted for the 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, 2023 to SEPTEMBER 30, 2023**

	6/30/2023 ACTUAL	6/30/2024 ORIGINAL BUDGET	9/30/2023 PROJECTED BUDGET	9/30/2023 ACTUAL	Projected % of Budget	Actual % of Budget	Percentage Variance Favorable/ (Unfavorable)	Dollar Variance Favorable/ (Unfavorable)
REVENUE								
Local Sources	\$ 36,444,407	\$ 38,257,214	\$ 29,961,282	\$ 33,304,777	78.32%	87.05%	8.74%	\$ 3,343,495
State Sources	160,620,414	153,720,940	-	-	0.00%	0.00%	0.00%	-
Federal Sources	430,274	391,602	-	-	0.00%	0.00%	0.00%	-
Interdistrict Sources & other	11,118,941	11,286,798	134,879	431,915	1.20%	3.83%	2.63%	297,036
Transfers from Other Funds	244,672	25,000	-	-	0.00%	0.00%	0.00%	-
TOTAL REVENUE	\$ 208,858,708	\$ 203,681,554	\$ 30,096,161	\$ 33,736,692	14.02%	16.56%	2.55%	\$ 3,640,531
EXPENDITURES								
INSTRUCTION								
Basic Programs	\$ 108,727,696	\$ 99,515,742	23,943,409	24,058,205	21.99%	24.18%	-2.18%	\$ (114,796)
Added Needs	16,429,375	16,631,802	3,312,235	3,297,789	19.62%	19.83%	-0.21%	14,446
Adult Education	-	-	-	-	0.00%	0.00%	0.00%	-
Total Instruction	125,157,071	116,147,544	27,255,644	27,355,994	21.64%	23.55%	-1.91%	(100,350)
SUPPORTING SERVICES								
Pupil Support	15,725,434	18,152,142	3,669,787	3,671,893	21.18%	20.23%	0.95%	(2,106)
Instructional Support	15,252,919	16,210,086	4,028,237	3,971,170	20.91%	24.50%	-3.59%	57,067
General Administration	1,142,336	1,109,553	261,374	240,970	19.54%	21.72%	-2.18%	20,404
School Administration	12,085,583	13,681,013	3,185,200	3,127,069	22.50%	22.86%	-0.35%	58,132
Business	1,914,315	2,074,364	629,561	630,025	24.09%	30.37%	-6.28%	(464)
Maintenance & Operations	18,598,494	19,121,748	5,540,426	5,757,245	23.74%	30.11%	-6.37%	(216,820)
Transportation	9,124,088	10,357,772	1,505,140	1,447,648	8.91%	13.98%	-5.07%	57,492
Central Support Services	4,548,615	4,862,649	1,504,808	1,449,719	23.39%	29.81%	-6.43%	55,090
School Activities	2,372,357	2,624,637	453,971	441,094	9.39%	16.81%	-7.42%	12,877
Community Services	856,941	907,525	263,275	262,161	25.46%	28.89%	-3.42%	1,114
Facility Improvements	103,807	287,055	-	-	0.99%	0.00%	0.99%	-
Non-voted Debt Service	882,840	881,740	1,000	1,000	10.92%	0.11%	10.81%	-
Total Supporting Services	82,607,729	90,270,284	21,042,781	20,999,995	19.82%	23.26%	-3.45%	42,786
TOTAL OPERATING EXPENDITURES	207,764,800	206,417,828	48,298,425	48,355,989	20.89%	23.43%	-2.53%	(57,564)
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	\$ 207,764,800	\$ 206,417,828	\$ 48,298,425	\$ 48,355,989	20.89%	23.43%	-2.53%	\$ (57,564)
NET CHANGE IN FUND BALANCE	1,093,908	(2,736,274)	(18,202,264)	(14,619,297)				3,582,967
BEGINNING FUND BALANCE	40,947,234	42,041,142						
ENDING FUND BALANCE	\$ 42,041,142	\$ 39,304,868						
	20.2%	19.0%						

Information Only:

OBJECT LEVEL EXPENDITURES								
Salaries & Fringe Benefits	\$ 174,683,731	\$ 170,492,008	\$ 42,179,765	\$ 39,224,751	21.76%	23.01%	-1.24%	\$ 2,955,013
Purchased Services	21,784,082	23,318,954	\$ 3,834,883	5,521,699	16.45%	23.68%	-7.23%	(1,686,816)
Supplies & Materials	8,823,542	9,446,204	\$ 1,932,220	3,096,395	20.45%	32.78%	-12.32%	(1,164,175)
Capital Outlay & Equipment	1,016,638	1,342,280	\$ 106,296	301,222	7.92%	22.44%	-14.52%	(194,926)
Other Expenditures	1,456,807	1,818,382	\$ 245,261	211,921	13.49%	11.65%	1.83%	33,340
TOTAL EXPENDITURES	\$ 207,764,800	\$ 206,417,828	\$ 48,298,425	\$ 48,355,989	20.89%	23.43%	-2.53%	\$ (57,564)

PLYMOUTH-CANTON COMMUNITY SCHOOLS
GENERAL FUND BUDGETS
SEPTEMBER 30TH BUDGETS FOR YEARS ENDING 2021, 2022 & 2023

	6/30/2021 FINAL BUDGET	9/30/2020 ACTUAL	% of Budget	6/30/2022 FINAL BUDGET	9/30/2021 ACTUAL	% of Budget	6/30/2023 FINAL BUDGET	9/30/2022 ACTUAL	% of Budget	Average % of Budget
REVENUE										
Local Sources	\$ 32,249,433	\$ 25,996,067	80.6%	\$ 33,151,184	\$ 25,982,423	78.4%	\$ 36,420,840	\$ 27,665,710	76.0%	78.3%
State Sources	134,967,867	-	0.0%	138,960,471	-	0.0%	161,116,523	-	0.0%	0.0%
Federal Sources	204,808	-	0.0%	541,689	-	0.0%	418,957	-	0.0%	0.0%
Interdistrict Sources & other	10,794,510	384,508	3.6%	12,647,843	985	0.0%	10,899,205	1,656	0.0%	1.2%
Transfers from Other Funds	131,442	-	0.0%	144,842	-	0.0%	69,272	-	0.0%	0.0%
TOTAL REVENUE	\$ 178,348,060	\$ 26,380,575	14.8%	\$ 185,446,029	\$ 25,983,408	14.0%	\$ 208,924,797	\$ 27,667,366	13.2%	14.0%
EXPENDITURES										
INSTRUCTION										
Basic Programs	\$ 89,366,028	\$ 20,283,692	22.7%	\$ 96,193,496	\$ 22,727,657	23.6%	\$ 110,209,420	\$ 21,660,605	19.7%	22.0%
Added Needs	16,138,657	3,026,847	18.8%	15,779,625	3,275,731	20.8%	16,467,700	3,183,532	19.3%	19.6%
Adult Education	-	-	0.0%	-	-	0.0%	-	-	0.0%	0.0%
Total Instruction	105,504,685	23,310,538	22.1%	111,973,121	26,003,388	23.2%	126,677,120	24,844,137	19.6%	21.6%
SUPPORTING SERVICES										
Pupil Support	13,143,281	2,750,442	20.9%	16,356,798	3,116,056	19.1%	16,092,753	3,791,271	23.6%	21.2%
Instructional Support	11,199,607	2,450,146	21.9%	11,893,379	2,648,819	22.3%	15,626,236	2,903,933	18.6%	20.9%
General Administration	978,529	172,055	17.6%	1,023,067	187,732	18.3%	1,198,336	271,748	22.7%	19.5%
School Administration	11,203,510	2,560,649	22.9%	11,567,085	2,615,055	22.6%	12,684,290	2,796,874	22.0%	22.5%
Business	1,913,185	497,816	26.0%	1,931,603	426,590	22.1%	2,021,699	488,544	24.2%	24.1%
Maintenance & Operations	15,673,746	3,387,530	21.6%	17,798,757	3,895,135	21.9%	19,448,208	5,389,279	27.7%	23.7%
Transportation	8,080,951	393,970	4.9%	7,399,349	1,116,837	15.1%	9,554,948	645,411	6.8%	8.9%
Central Support Services	3,653,784	877,723	24.0%	3,873,839	863,265	22.3%	4,578,847	1,092,204	23.9%	23.4%
School Activities	2,649,782	212,152	8.0%	2,492,538	250,738	10.1%	2,785,060	281,162	10.1%	9.4%
Community Services	749,594	198,260	26.4%	823,309	195,659	23.8%	888,642	232,649	26.2%	25.5%
Facility Improvements	-	-	0.0%	3,798,130	-	0.0%	137,055	4,086	3.0%	1.0%
Non-Operating Debt Service	1,177,519	110,319	9.4%	1,010,216	110,319	10.9%	882,840	1,000	0.1%	6.8%
Total Supporting Services	70,423,488	13,611,063	19.3%	79,968,070	15,426,205	19.3%	85,898,914	17,898,160	20.8%	19.8%
TOTAL OPERATING EXPENDITURES	175,928,173	36,921,601	21.0%	191,941,191	41,429,593	21.6%	212,576,034	42,742,297	20.1%	20.9%
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	\$ 175,928,173	\$ 36,921,601	21.0%	\$ 191,941,191	\$ 41,429,593	21.6%	\$ 212,576,034	\$ 42,742,297	20.1%	20.9%
NET CHANGE IN FUND BALANCE	2,419,887	(10,541,026)		(6,495,162)	(15,446,185)		(3,651,237)	(15,074,931)		
BEGINNING FUND BALANCE	39,511,465			45,920,796			40,947,248			
ENDING FUND BALANCE	\$ 41,931,352			\$ 39,425,634			\$ 37,296,011			
	23.83%			20.54%			17.54%			

Information Only:

OBJECT LEVEL EXPENDITURES										
Salaries & Fringe Benefits	\$ 147,979,296	\$ 32,785,462	22.2%	\$ 159,131,597	\$ 36,258,902	22.8%	\$ 176,650,229	\$ 35,943,609	20.3%	21.8%
Purchased Services	18,660,873	2,540,207	13.6%	18,392,797	3,549,090	19.3%	22,972,981	3,773,881	16.4%	16.4%
Supplies & Materials	6,816,356	1,246,266	18.3%	8,137,209	1,368,568	16.8%	9,879,864	2,594,735	26.3%	20.5%
Capital Outlay & Equipment	613,358	42,321	6.9%	4,540,146	55,605	1.2%	1,427,832	223,206	15.6%	7.9%
Other Expenditures	1,858,290	307,345	16.5%	1,739,442	197,428	11.4%	1,645,128	206,866	12.6%	13.5%
TOTAL EXPENDITURES	\$ 175,928,173	\$ 36,921,601	21.0%	\$ 191,941,191	\$ 41,429,593	21.6%	\$ 212,576,034	\$ 42,742,297	20.1%	20.9%