



Date: December 5, 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 October 31, 2023

Attached is the financial report as of October 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 October accounts for 33% 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 October 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 October is 23.58% 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. The amount due to increases in property tax values above those budgeted will be amended in the mid-year budget amendment process.
- **State Sources** – State Aid Payments are received in 11 equal payments from October 2023 through August 2024; therefore, we have received the first State School Aid payment for this fiscal year as of October 31, 2023. The amounts for the current fiscal year will also be amended to reflect the current year values.
- **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 October are 31.95% of budgeted amounts, which is about 3% faster than the three-year historical average for this point in the fiscal year. Please note the following:

- **Instruction** – Instructional salary and benefit expenditures are trending ahead of the three-year historical average. We will review instructional placements, true up employee contracts and review those charged to federal and state programming as the year progresses and adjust the corresponding budgets accordingly as we proceed to the mid-year amendment.
- **Pupil Support and Instructional Support** – Expenditures under this category are trending higher than the three-year historical average due to salary and benefits costs for final staff placements and the timing of purchase services and supplies when compared to the districts three year historical average.
- **General Administration** – Expenditures under this category are trending higher than the historical average due to the amount of year to date contracted legal services when compared to prior years.
- **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 ahead of the three-year historical average due to additional routes added from the prior year and fuel costs greater than anticipated to date.
- **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 will be adjusted for the annual audited fund equity during the mid-year 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 OCTOBER 31, 2023

	6/30/2023 ACTUAL	6/30/2024 ORIGINAL BUDGET	10/31/2023 PROJECTED BUDGET	10/31/2023 ACTUAL	Projected % of Budget	Actual % of Budget	Percentage Variance Favorable/ (Unfavorable)	Dollar Variance Favorable/ (Unfavorable)
REVENUE								
Local Sources	\$ 36,444,407	\$ 38,257,214	33,249,117	\$ 34,352,181	86.91%	89.79%	2.88%	\$ 1,103,063
State Sources	160,620,414	153,720,940	11,600,899	12,004,321	7.55%	7.81%	0.26%	403,422
Federal Sources	430,274	391,602	158,930	176,801	40.58%	45.15%	4.56%	17,871
Interdistrict Sources & other *	11,118,941	11,286,798	1,136,027	1,439,006	10.07%	12.75%	2.68%	302,978
Transfers from Other Funds	244,672	25,000	58	46,273	0.23%	185.09%	184.86%	46,215
TOTAL REVENUE	\$ 208,858,708	\$ 203,681,554	\$ 46,145,033	\$ 48,018,581	21.88%	23.58%	1.69%	\$ 1,873,549
EXPENDITURES								
INSTRUCTION								
Basic Programs	\$ 108,727,696	\$ 99,515,742	\$ 29,557,062	\$ 32,517,597	29.70%	32.68%	-2.97%	\$ (2,960,535)
Added Needs	16,429,375	16,631,802	4,654,748	4,933,817	27.99%	29.66%	-1.68%	(279,069)
Adult Education	-	-	-	-	0.00%	0.00%	0.00%	-
Total Instruction	125,157,071	116,147,544	34,211,810	37,451,414	29.44%	32.24%	-2.80%	(3,239,604)
SUPPORTING SERVICES								
Pupil Support	15,725,434	18,152,142	5,422,204	5,545,315	29.87%	30.55%	-0.68%	(123,111)
Instructional Support	15,252,919	16,210,086	4,811,587	5,590,116	29.68%	34.49%	-4.80%	(778,529)
General Administration	1,142,336	1,109,553	276,064	389,219	24.88%	35.08%	-10.20%	(113,155)
School Administration	12,085,583	13,681,013	4,235,675	4,323,097	30.96%	31.60%	-0.64%	(87,422)
Business	1,914,315	2,074,364	714,102	796,742	34.43%	38.41%	-3.98%	(82,640)
Maintenance & Operations	18,598,494	19,121,748	5,901,737	7,121,818	30.86%	37.24%	-6.38%	(1,220,081)
Transportation	9,124,088	10,357,772	1,280,634	1,767,622	12.36%	17.07%	-4.70%	(486,988)
Central Support Services	4,548,615	4,862,649	1,532,244	1,839,266	31.51%	37.82%	-6.31%	(307,022)
School Activities	2,372,357	2,624,637	330,199	590,544	12.58%	22.50%	-9.92%	(260,345)
Community Services	856,941	907,525	299,244	323,677	32.97%	35.67%	-2.69%	(24,433)
Facility Improvements	103,807	287,055	51,564	-	17.96%	0.00%	17.96%	51,564
Non-voted Debt Service	882,840	881,740	284,353	205,120	32.25%	23.26%	8.99%	79,233
Total Supporting Services	82,607,729	90,270,284	25,139,607	28,492,536	27.48%	31.56%	-4.09%	(3,352,929)
TOTAL OPERATING EXPENDITURES	207,764,800	206,417,828	59,351,417	65,943,950	28.63%	31.95%	-3.32%	(6,592,533)
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	\$ 59,351,417	\$ 65,943,950	28.63%	31.95%	-3.32%	\$ (6,592,533)
NET CHANGE IN FUND BALANCE	1,093,908	(2,736,274)	(13,206,384)	(17,925,369)				(4,718,984)
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	\$ 50,943,965	\$ 54,158,147	29.76%	31.77%	-2.01%	\$ (3,214,182)
Purchased Services	21,784,082	23,318,954	4,916,219	6,908,202	21.08%	29.62%	-8.54%	(1,991,983)
Supplies & Materials	8,823,542	9,446,204	2,775,333	4,036,426	29.38%	42.73%	-13.35%	(1,261,093)
Capital Outlay & Equipment	1,016,638	1,342,280	166,022	401,108	12.37%	29.88%	-17.51%	(235,085)
Other Expenditures	1,456,807	1,818,382	549,876	440,066	30.24%	24.20%	6.04%	109,810
TOTAL EXPENDITURES	\$ 207,764,800	\$ 206,417,828	\$ 59,351,417	\$ 65,943,950	28.63%	31.95%	-3.32%	\$ (6,592,534)

**PLYMOUTH-CANTON COMMUNITY SCHOOLS
GENERAL FUND BUDGETS
OCTOBER 31ST BUDGETS FOR YEARS ENDING 2021, 2022 & 2023**

	6/30/2021 FINAL BUDGET	10/31/2020 ACTUAL	% of Budget	6/30/2022 FINAL BUDGET	10/31/2021 ACTUAL	% of Budget	6/30/2023 FINAL BUDGET	10/31/2022 ACTUAL	% of Budget	Average % of Budget
REVENUE										
Local Sources	\$ 32,249,433	\$ 29,182,565	90.5%	\$ 33,151,184	\$ 27,022,418	81.5%	\$ 36,420,840	\$ 32,314,527	88.7%	86.9%
State Sources	134,967,867	10,675,585	7.9%	138,960,471	10,720,687	7.7%	161,116,523	11,303,192	7.0%	7.5%
Federal Sources	204,808	-	0.0%	541,689	377,469	69.7%	418,957	218,153	52.1%	40.6%
Interdistrict Sources & other	10,794,510	1,468,076	13.6%	12,647,843	559,537	4.4%	10,899,205	1,326,554	12.2%	10.1%
Transfers from Other Funds	131,442	917	0.7%	144,842	-	0.0%	69,272	-	0.0%	0.2%
TOTAL REVENUE	\$ 178,348,060	\$ 41,327,143	23.2%	\$ 185,446,029	\$ 38,680,111	20.9%	\$ 208,924,797	\$ 45,162,427	21.6%	21.9%
EXPENDITURES										
INSTRUCTION										
Basic Programs	\$ 89,366,028	\$ 26,461,733	29.6%	\$ 96,193,496	\$ 31,431,248	32.7%	\$ 110,209,420	\$ 29,555,017	26.8%	29.7%
Added Needs	16,138,657	4,210,259	26.1%	15,779,625	4,807,706	30.5%	16,467,700	4,513,014	27.4%	28.0%
Adult Education	-	-	0.0%	-	-	0.0%	-	-	0.0%	0.0%
Total Instruction	105,504,685	30,671,992	29.1%	111,973,121	36,238,954	32.4%	126,677,120	34,068,031	26.9%	29.4%
SUPPORTING SERVICES										
Pupil Support	13,143,281	3,743,945	28.5%	16,356,798	4,626,242	28.3%	16,092,753	5,285,458	32.8%	29.9%
Instructional Support	11,199,607	3,350,340	29.9%	11,893,379	3,798,065	31.9%	15,626,236	4,250,170	27.2%	29.7%
General Administration	978,529	236,090	24.1%	1,023,067	249,561	24.4%	1,198,336	313,024	26.1%	24.9%
School Administration	11,203,510	3,496,275	31.2%	11,567,085	3,609,643	31.2%	12,684,290	3,864,599	30.5%	31.0%
Business	1,913,185	656,347	34.3%	1,931,603	626,284	32.4%	2,021,699	738,845	36.5%	34.4%
Maintenance & Operations	15,673,746	4,738,347	30.2%	17,798,757	5,207,815	29.3%	19,448,208	6,437,643	33.1%	30.9%
Transportation	8,080,951	883,930	10.9%	7,399,349	1,287,248	17.4%	9,554,948	836,704	8.8%	12.4%
Central Support Services	3,653,784	1,134,977	31.1%	3,873,839	1,230,828	31.8%	4,578,847	1,451,292	31.7%	31.5%
School Activities	2,649,782	265,798	10.0%	2,492,538	362,141	14.5%	2,785,060	367,135	13.2%	12.6%
Community Services	749,594	257,142	34.3%	823,309	259,241	31.5%	888,642	294,397	33.1%	33.0%
Facility Improvements	-	-	0.0%	3,798,130	25,071	0.7%	137,055	72,953	53.2%	18.0%
Non-voted Debt Service	1,177,519	499,117	42.4%	1,010,216	314,439	31.1%	882,840	205,120	23.2%	32.2%
Total Supporting Services	70,423,488	19,262,309	27.4%	79,968,070	21,596,578	27.0%	85,898,914	24,117,340	28.1%	27.5%
TOTAL OPERATING EXPENDITURES	175,928,173	49,934,301	28.4%	191,941,191	57,835,532	30.1%	212,576,034	58,185,371	27.4%	28.6%
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	\$ 49,934,301	28.4%	\$ 191,941,191	\$ 57,835,532	30.1%	\$ 212,576,034	\$ 58,185,371	27.4%	28.6%
NET CHANGE IN FUND BALANCE	2,419,887	(8,607,158)		(6,495,162)	(19,155,421)		(3,651,237)	(13,022,945)		
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	\$ 43,811,054	29.6%	\$ 159,131,597	\$ 50,038,504	31.4%	\$ 176,650,229	\$ 49,846,064	28.2%	29.8%
Purchased Services	18,660,873	3,718,947	19.9%	18,392,797	4,498,622	24.5%	22,972,981	4,332,656	18.9%	21.1%
Supplies & Materials	6,816,356	1,662,706	24.4%	8,137,209	2,536,816	31.2%	9,879,864	3,218,150	32.6%	29.4%
Capital Outlay & Equipment	613,358	30,187	4.9%	4,540,146	295,595	6.5%	1,427,832	366,579	25.7%	12.4%
Other Expenditures	1,858,290	711,407	38.3%	1,739,442	465,995	26.8%	1,645,128	421,923	25.6%	30.2%
TOTAL EXPENDITURES	\$ 175,928,173	\$ 49,934,301	28.4%	\$ 191,941,191	\$ 57,835,532	30.1%	\$ 212,576,034	\$ 58,185,371	27.4%	28.6%