



Date: December 19, 2023
To: Monica Merritt, Superintendent
From: Jill Minnick, Chief Finance & Operations Officer
Deborah J. Piesz, Chief Finance & Operations Officer
Jody Malbon, Director of Finance and Accounting
Subject: Summary Financial Update for Period Ending November 30, 2023

Attached is the financial report as of November 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 November accounts for 42% 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 November 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 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 November is 33.51% 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 second State School Aid payment for this fiscal year as of November 30, 2023. The amounts for the current fiscal year will also be amended to reflect the current year's values. Please note that the prior year's actual values and final budget amendment for the year ended June 30, 2023 are inflated by the one-time section 147(c)2 payment totaling \$11,477,270, which has skewed the percentages slightly.
- **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 November 30 are 40.89% of budgeted amounts, which is about 4% 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. Please note that the prior year's actual values and final budget amendment for the year ended June 30, 2023 are inflated by the one-time section 147(c)2 payment totaling \$11,477,270, which has skewed the percentages slightly (from 34% to 38%).
- **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.
- **Maintenance & Operations** – Maintenance and Operations expenditures are trending higher than our three-year historical average due to higher-than-expected contracted services for outstanding work orders, including the expenditures for the 3 flood events that occurred over the summer due to inclement weather. In addition, both Maintenance and Operations and Security have spent their allocated equipment budgets faster this year than in prior years for a forklift, two mowers and security equipment.
- **School Activities** - Expenditures under this category are trending ahead of the three-year historical average due to payments for coaches and transportation costs higher than anticipated to date.
- **Salaries and Fringe Benefits** – These object categories are trending faster and higher than originally anticipated for the final placement and employee staff contracts in the current year that will be revised during the upcoming budget amendment. In addition, we may need to produce a second set of statements to account for the one-time MPSERS payment received and paid in the prior year to enhance the financial reporting.

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 NOVEMBER 30, 2023

	6/30/2023 ACTUAL	6/30/2024 ORIGINAL BUDGET	11/30/2023 PROJECTED BUDGET	11/30/2023 ACTUAL	Projected % of Budget	Actual % of Budget	Percentage Variance Favorable/ (Unfavorable)	Dollar Variance Favorable/ (Unfavorable)
REVENUE								
Local Sources	\$ 36,444,407	\$ 38,257,214	34,627,695	\$ 34,830,255	90.51%	91.04%	0.53%	\$ 202,560
State Sources	160,620,414 *	153,720,940	27,356,886	29,846,283	17.80%	19.42%	1.62%	2,489,397
Federal Sources	430,274	391,602	164,680	203,798	42.05%	52.04%	9.99%	39,118
Interdistrict Sources & other	11,118,941	11,286,798	4,272,208	3,332,517	37.85%	29.53%	-8.33%	(939,691)
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	\$ 66,421,526	\$ 68,259,125	31.97%	33.51%	1.54%	\$ 1,837,599
EXPENDITURES								
INSTRUCTION								
Basic Programs	\$ 108,727,696 *	\$ 99,515,742	\$ 36,588,074	\$ 41,037,606	36.77%	41.24%	-4.47%	\$ (4,449,532)
Added Needs	16,429,375	16,631,802	6,000,228	6,686,508	36.08%	40.20%	-4.13%	(686,280)
Adult Education	-	-	-	-	0.00%	0.00%	0.00%	-
Total Instruction	125,157,071	116,147,544	42,588,302	47,724,113	36.65%	41.09%	-4.44%	(5,135,811)
SUPPORTING SERVICES								
Pupil Support	15,725,434	18,152,142	6,959,222	7,142,475	38.34%	39.35%	-1.01%	(183,253)
Instructional Support	15,252,919	16,210,086	6,001,129	7,015,834	37.02%	43.28%	-6.26%	(1,014,705)
General Administration	1,142,336	1,109,553	375,944	492,575	33.88%	44.39%	-10.51%	(116,631)
School Administration	12,085,583	13,681,013	5,385,746	5,525,413	39.37%	40.39%	-1.02%	(139,667)
Business	1,914,315	2,074,364	923,579	943,170	44.52%	45.47%	-0.94%	(19,591)
Maintenance & Operations	18,598,494	19,121,748	7,527,323	8,484,321	39.37%	44.37%	-5.00%	(956,998)
Transportation	9,124,088	10,357,772	2,878,171	2,865,703	27.79%	27.67%	0.12%	12,468
Central Support Services	4,548,615	4,862,649	1,930,696	2,173,146	39.70%	44.69%	-4.99%	(242,450)
School Activities	2,372,357	2,624,637	618,908	961,178	23.58%	36.62%	-13.04%	(342,270)
Community Services	856,941	907,525	372,516	389,178	41.05%	42.88%	-1.84%	(16,662)
Facility Improvements	103,807	287,055	55,114	-	19.20%	0.00%	19.20%	55,114
Non-voted Debt Service	882,840	881,740	284,353	677,620	32.25%	76.85%	-44.60%	(393,267)
Total Supporting Services	82,607,729	90,270,284	33,312,701	36,670,613	36.43%	40.62%	-4.20%	(3,357,912)
TOTAL OPERATING EXPENDITURES	207,764,800	206,417,828	75,901,003	84,394,726	36.54%	40.89%	-4.34%	(8,493,723)
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	\$ 75,901,003	\$ 84,394,726	36.54%	40.89%	-4.34%	\$ (8,493,723)
NET CHANGE IN FUND BALANCE	1,093,908	(2,736,274)	(9,479,477)	(16,135,601)				(6,656,125)
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	\$ 64,113,008	\$ 69,378,358	37.43%	40.69%	-3.27%	\$ (5,265,350)
Purchased Services	21,784,082	23,318,954	7,594,714	8,902,187	32.57%	38.18%	-5.61%	(1,307,473)
Supplies & Materials	8,823,542	9,446,204	3,346,060	4,698,183	35.42%	49.74%	-14.31%	(1,352,124)
Capital Outlay & Equipment	1,016,638	1,342,280	213,456	364,037	15.90%	27.12%	-11.22%	(150,581)
Other Expenditures	1,456,807	1,818,382	633,766	1,051,962	34.85%	57.85%	-23.00%	(418,196)
TOTAL EXPENDITURES	\$ 207,764,800	\$ 206,417,828	\$ 75,901,003	\$ 84,394,726	36.54%	40.89%	-4.34%	\$ (8,493,723)

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* One Time MPSERS Payment totaling \$11,477,270 inflated both revenue and expenses in 2022/23 and affected the 3 year budget percentages

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

	6/30/2021 FINAL BUDGET	11/30/2020 ACTUAL	% of Budget	6/30/2022 FINAL BUDGET	11/30/2021 ACTUAL	% of Budget	6/30/2023 FINAL BUDGET	11/30/2022 ACTUAL	% of Budget	Average % of Budget
REVENUE										
Local Sources	\$ 32,249,433	\$ 29,328,210	90.9%	\$ 33,151,184	\$ 30,480,752	91.9%	\$ 36,420,840	\$ 32,287,832	88.7%	90.5%
State Sources	134,967,867	24,285,601	18.0%	138,960,471	25,696,450	18.5%	161,116,523 *	27,234,895	16.9%	17.8%
Federal Sources	204,808	9,021	4.4%	541,689	377,469	69.7%	418,957	218,153	52.1%	42.1%
Interdistrict Sources & other	10,794,510	4,428,841	41.0%	12,647,843	3,878,256	30.7%	10,899,205	4,562,636	41.9%	37.9%
Transfers from Other Funds	131,442	917	0.7%	144,842	-	0.0%	69,272	-	0.0%	0.2%
TOTAL REVENUE	\$ 178,348,060	\$ 58,052,590	32.6%	\$ 185,446,029	\$ 60,432,927	32.6%	\$ 208,924,797	\$ 64,303,515	30.8%	32.0%
EXPENDITURES										
INSTRUCTION										
Basic Programs	\$ 89,366,028	\$ 32,735,852	36.6%	\$ 96,193,496	\$ 38,119,359	39.6%	\$ 110,209,420 *	\$ 37,514,576	34.0%	36.8%
Added Needs	16,138,657	5,385,757	33.4%	15,779,625	6,086,132	38.6%	16,467,700	5,975,991	36.3%	36.1%
Adult Education	-	-	0.0%	-	-	0.0%	-	-	0.0%	0.0%
Total Instruction	105,504,685	38,121,609	36.1%	111,973,121	44,205,491	39.5%	126,677,120	43,490,567	34.3%	36.6%
SUPPORTING SERVICES										
Pupil Support	13,143,281	4,767,212	36.3%	16,356,798	5,936,080	36.3%	16,092,753	6,831,789	42.5%	38.3%
Instructional Support	11,199,607	4,274,244	38.2%	11,893,379	4,445,148	37.4%	15,626,236	5,551,012	35.5%	37.0%
General Administration	978,529	359,423	36.7%	1,023,067	305,442	29.9%	1,198,336	420,148	35.1%	33.9%
School Administration	11,203,510	4,430,370	39.5%	11,567,085	4,579,233	39.6%	12,684,290	4,942,658	39.0%	39.4%
Business	1,913,185	844,986	44.2%	1,931,603	870,452	45.1%	2,021,699	896,427	44.3%	44.5%
Maintenance & Operations	15,673,746	5,948,120	37.9%	17,798,757	6,811,009	38.3%	19,448,208	8,144,792	41.9%	39.4%
Transportation	8,080,951	1,752,645	21.7%	7,399,349	2,599,812	35.1%	9,554,948	2,535,728	26.5%	27.8%
Central Support Services	3,653,784	1,525,540	41.8%	3,873,839	1,493,065	38.5%	4,578,847	1,777,475	38.8%	39.7%
School Activities	2,649,782	788,832	29.8%	2,492,538	943,412	37.8%	2,785,060	86,977	3.1%	23.6%
Community Services	749,594	314,691	42.0%	823,309	338,926	41.2%	888,642	355,410	40.0%	41.0%
Facility Improvements	-	-	0.0%	3,798,130	165,989	4.4%	137,055	72,953	53.2%	19.2%
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	25,505,180	36.2%	79,968,070	28,803,007	36.0%	85,898,914 #	31,820,488	37.0%	36.4%
TOTAL OPERATING EXPENDITURES	175,928,173	63,626,789	36.2%	191,941,191	73,008,498	38.0%	212,576,034	75,311,055	35.4%	36.5%
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	\$ 63,626,789	36.2%	\$ 191,941,191	\$ 73,008,498	38.0%	\$ 212,576,034	\$ 75,311,055	35.4%	36.5%
NET CHANGE IN FUND BALANCE	2,419,887	(5,574,199)		(6,495,162)	(12,575,571)		(3,651,237)	(11,007,540)		
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	\$ 55,089,674	37.2%	\$ 159,131,597	\$ 62,270,560	39.1%	\$ 176,650,229	\$ 63,452,704	35.9%	37.4%
Purchased Services	18,660,873	5,652,892	30.3%	18,392,797	6,737,289	36.6%	22,972,981	7,071,942	30.8%	32.6%
Supplies & Materials	6,816,356	2,093,884	30.7%	8,137,209	2,966,502	36.5%	9,879,864	3,862,263	39.1%	35.4%
Capital Outlay & Equipment	613,358	59,921	9.8%	4,540,146	454,652	10.0%	1,427,832	398,709	27.9%	15.9%
Other Expenditures	1,858,290	730,418	39.3%	1,739,442	579,495	33.3%	1,645,128	525,437	31.9%	34.9%
TOTAL EXPENDITURES	\$ 175,928,173	\$ 63,626,789	36.2%	\$ 191,941,191	\$ 73,008,498	38.0%	\$ 212,576,034	\$ 75,311,055	35.4%	36.5%

* One Time MPSERS Payment totaling \$11,477,270 inflated both revenue and expenses in 2022/23 which affected the 3 year budget percentages