



**Date:** February 19, 2024  
**To:** Monica Merritt, Superintendent  
**From:** Jill Minnick, Chief Finance & Operations Officer  
Jody Malbon, Director of Finance and Accounting  
**Subject:** Summary Financial Update for Period Ending January 31, 2024

Attached is the financial report as of January 31, 2024, which details the General Fund Original Budget vs. Actual with percentage of budget and variance at the function and object levels.

Although July through January accounts for 58.33% 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 January 31, 2024 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 January is 50.00% of the total budget. This percentage is higher than the three-year historical average. Please note the following:

- **Local Sources** – Local source revenues are trending higher than the three-year historical average primarily due to the 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 fourth State School Aid payment for this fiscal year as of January 31, 2024. 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 January 31 are 57.64% of budgeted amounts, which is about 5.56% 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.
- **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. Additionally, the purchase of transportation radios was preliminarily expensed to the general fund until approval of 31aa funds is received.
- **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 MPERS 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 balance 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 JANUARY 31, 2024**

	6/30/2023 AUDITED ACTUAL	6/30/2024 ORIGINAL BUDGET	1/31/2024 PROJECTED BUDGET	1/31/2024 ACTUAL	Projected % of Budget	Actual % of Budget	Percentage Variance Favorable/ (Unfavorable)	Dollar Variance Favorable/ (Unfavorable)
<b>REVENUE</b>								
Local Sources	\$ 36,444,407	\$ 38,257,214	35,446,577	\$ 35,533,598	92.65%	92.88%	0.23%	\$ 87,022
State Sources	160,620,414	153,720,940	53,882,040	58,145,908	35.05%	37.83%	2.77%	4,263,868
Federal Sources	430,274	391,602	174,011	203,798	44.44%	52.04%	7.61%	29,787
Interdistrict Sources & other *	11,118,941	11,286,798	5,703,795	7,904,722	50.54%	70.04%	19.50%	2,200,927
Transfers from Other Funds	244,672	25,000	58	46,273	0.23%	185.09%	184.86%	46,215
<b>TOTAL REVENUE</b>	<b>\$ 208,858,708</b>	<b>\$ 203,681,554</b>	<b>\$ 95,206,482</b>	<b>\$ 101,834,300</b>	<b>46.20%</b>	<b>50.00%</b>	<b>3.79%</b>	<b>\$ 6,627,819</b>
<b>EXPENDITURES</b>								
<b>INSTRUCTION</b>								
Basic Programs	\$ 108,727,696	\$ 99,515,742	\$ 52,193,343	\$ 57,589,097	52.45%	57.87%	-5.42%	\$ (5,395,754)
Added Needs	16,429,375	16,631,802	8,841,035	9,860,286	53.16%	59.29%	-6.13%	(1,019,251)
Adult Education	-	-	-	2,910	0.00%	0.00%	0.00%	(2,910)
<b>Total Instruction</b>	<b>125,157,071</b>	<b>116,147,544</b>	<b>61,034,378</b>	<b>67,452,292</b>	<b>52.52%</b>	<b>58.07%</b>	<b>-5.55%</b>	<b>(6,417,914)</b>
<b>SUPPORTING SERVICES</b>								
Pupil Support	15,725,434	18,152,142	10,147,739	10,225,432	55.90%	56.33%	-0.43%	(77,693)
Instructional Support	15,252,919	16,210,086	8,496,025	9,625,996	52.41%	59.38%	-6.97%	(1,129,971)
General Administration	1,142,336	1,109,553	493,584	853,319	44.48%	76.91%	-32.42%	(359,735)
School Administration	12,085,583	13,681,013	7,638,844	7,812,844	55.84%	57.11%	-1.27%	(174,000)
Business	1,914,315	2,074,364	1,178,634	1,235,268	56.82%	59.55%	-2.73%	(56,634)
Maintenance & Operations	18,598,494	19,121,748	10,222,091	12,075,229	53.46%	63.15%	-9.69%	(1,853,138)
Transportation	9,124,088	10,357,772	4,201,290	4,116,631	40.56%	39.74%	0.82%	84,659
Central Support Services	4,548,615	4,862,649	2,755,338	2,988,629	56.66%	61.46%	-4.80%	(233,291)
School Activities	2,372,357	2,624,637	1,108,641	1,328,138	42.24%	50.60%	-8.36%	(219,497)
Community Services	856,941	907,525	505,530	564,038	55.70%	62.15%	-6.45%	(58,508)
Facility Improvements	103,807	287,055	66,314	13,521	23.10%	4.71%	18.39%	52,793
Non-voted Debt Service	882,840	881,740	284,353	677,620	32.25%	76.85%	-44.60%	(393,267)
<b>Total Supporting Services</b>	<b>82,607,729</b>	<b>90,270,284</b>	<b>47,098,383</b>	<b>51,516,665</b>	<b>51.48%</b>	<b>57.07%</b>	<b>-5.59%</b>	<b>(4,418,282)</b>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>207,764,800</b>	<b>206,417,828</b>	<b>108,132,761</b>	<b>118,968,958</b>	<b>52.08%</b>	<b>57.64%</b>	<b>-5.56%</b>	<b>(10,836,197)</b>
<b>OTHER FINANCING USES</b>								
Transfers to Other Funds	-	-	-	-	0.00%	0.00%	0.00%	-
<b>Total Other Financing Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 207,764,800</b>	<b>\$ 206,417,828</b>	<b>\$ 108,132,761</b>	<b>\$ 118,968,958</b>	<b>52.08%</b>	<b>57.64%</b>	<b>-5.56%</b>	<b>\$ (10,836,197)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>1,093,908</b>	<b>(2,736,274)</b>	<b>(12,926,279)</b>	<b>(17,134,658)</b>				<b>(4,208,378)</b>
<b>BEGINNING FUND BALANCE</b>	<b>45,920,794</b>	<b>42,041,142</b>						
<b>ENDING FUND BALANCE</b>	<b>\$ 47,014,702</b>	<b>\$ 39,304,868</b>						
	22.6%	19.0%						

**Information Only:**

**OBJECT LEVEL EXPENDITURES**

Salaries & Fringe Benefits	\$ 174,683,731	\$ 170,492,008	\$ 92,290,878	\$ 98,985,905	53.87%	58.06%	-4.19%	\$ (6,695,027)
Purchased Services	21,784,082	23,318,954	10,336,606	11,992,390	44.33%	51.43%	-7.10%	(1,655,784)
Supplies & Materials	8,823,542	9,446,204	4,547,429	5,853,923	48.14%	61.97%	-13.83%	(1,306,494)
Capital Outlay & Equipment	1,016,638	1,342,280	285,253	1,067,589	21.25%	79.54%	-58.28%	(782,336)
Other Expenditures	1,456,807	1,818,382	672,596	1,069,151	36.99%	58.80%	-21.81%	(396,555)
<b>TOTAL EXPENDITURES</b>	<b>\$ 207,764,800</b>	<b>\$ 206,417,828</b>	<b>\$ 108,132,761</b>	<b>\$ 118,968,958</b>	<b>52.08%</b>	<b>57.64%</b>	<b>-5.56%</b>	<b>\$ (10,836,197)</b>

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

	6/30/2021 FINAL BUDGET	1/31/2021 ACTUAL	% of Budget	6/30/2022 FINAL BUDGET	1/31/2022 ACTUAL	% of Budget	6/30/2023 FINAL BUDGET	1/31/2023 ACTUAL	% of Budget	Average % of Budget
<b>REVENUE</b>										
Local Sources	\$ 32,249,433	\$ 29,880,821	92.7%	\$ 33,151,184	\$ 30,869,647	93.1%	\$ 36,420,840	\$ 33,575,216	92.2%	92.7%
State Sources	134,967,867	48,402,691	35.9%	138,960,471	50,272,398	36.2%	161,116,523	53,354,866	33.1%	35.1%
Federal Sources	204,808	18,090	8.8%	541,689	392,206	72.4%	418,957	218,153	52.1%	44.4%
Interdistrict Sources & other	10,794,510	5,884,940	54.5%	12,647,843	5,232,964	41.4%	10,899,205	6,072,281	55.7%	50.5%
Transfers from Other Funds	131,442	917	0.7%	144,842	-	0.0%	69,272	-	0.0%	0.2%
<b>TOTAL REVENUE</b>	<b>\$ 178,348,060</b>	<b>\$ 84,187,459</b>	<b>47.2%</b>	<b>\$ 185,446,029</b>	<b>\$ 86,767,215</b>	<b>46.8%</b>	<b>\$ 208,924,797</b>	<b>\$ 93,220,515</b>	<b>44.6%</b>	<b>46.2%</b>
<b>EXPENDITURES</b>										
<b>INSTRUCTION</b>										
Basic Programs	\$ 89,366,028	\$ 47,069,603	52.7%	\$ 96,193,496	\$ 54,072,941	56.2%	\$ 110,209,420	\$ 53,406,068	48.5%	52.4%
Added Needs	16,138,657	8,167,206	50.6%	15,779,625	8,810,445	55.8%	16,467,700	8,733,058	53.0%	53.2%
Adult Education	-	-	0.0%	-	-	0.0%	-	-	0.0%	0.0%
<b>Total Instruction</b>	<b>105,504,685</b>	<b>55,236,809</b>	<b>52.4%</b>	<b>111,973,121</b>	<b>62,883,386</b>	<b>56.2%</b>	<b>126,677,120</b>	<b>62,139,126</b>	<b>49.1%</b>	<b>52.5%</b>
<b>SUPPORTING SERVICES</b>										
Pupil Support	13,143,281	6,980,822	53.1%	16,356,798	8,682,816	53.1%	16,092,753	9,899,354	61.5%	55.9%
Instructional Support	11,199,607	6,076,728	54.3%	11,893,379	6,136,537	51.6%	15,626,236	8,028,956	51.4%	52.4%
General Administration	978,529	476,699	48.7%	1,023,067	414,800	40.5%	1,198,336	529,594	44.2%	44.5%
School Administration	11,203,510	6,309,192	56.3%	11,567,085	6,450,470	55.8%	12,684,290	7,030,389	55.4%	55.8%
Business	1,913,185	1,090,041	57.0%	1,931,603	1,119,556	58.0%	2,021,699	1,122,487	55.5%	56.8%
Maintenance & Operations	15,673,746	7,772,716	49.6%	17,798,757	9,582,302	53.8%	19,448,208	11,075,018	56.9%	53.5%
Transportation	8,080,951	2,908,596	36.0%	7,399,349	2,872,340	38.8%	9,554,948	4,478,698	46.9%	40.6%
Central Support Services	3,653,784	2,138,764	58.5%	3,873,839	2,142,903	55.3%	4,578,847	2,570,429	56.1%	56.7%
School Activities	2,649,782	1,101,137	41.6%	2,492,538	1,102,655	44.2%	2,785,060	1,139,794	40.9%	42.2%
Community Services	749,594	426,359	56.9%	823,309	458,652	55.7%	888,642	484,538	54.5%	55.7%
Facility Improvements	-	-	0.0%	3,798,130	167,941	4.4%	137,055	88,925	64.9%	23.1%
Non-voted Debt Service	1,177,519	499,116	42.4%	1,010,216	314,439	31.1%	882,840	205,120	23.2%	32.2%
<b>Total Supporting Services</b>	<b>70,423,488</b>	<b>35,780,170</b>	<b>50.8%</b>	<b>79,968,070</b>	<b>39,445,411</b>	<b>49.3%</b>	<b>85,898,914</b>	<b>46,653,301</b>	<b>54.3%</b>	<b>51.5%</b>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>175,928,173</b>	<b>91,016,979</b>	<b>51.7%</b>	<b>191,941,191</b>	<b>102,328,797</b>	<b>53.3%</b>	<b>212,576,034</b>	<b>108,792,427</b>	<b>51.2%</b>	<b>52.1%</b>
<b>OTHER FINANCING USES</b>										
Transfers to Other Funds	-	-	0.0%	-	-	0.0%	-	-	0.0%	0.0%
<b>Total Other Financing Uses</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 175,928,173</b>	<b>\$ 91,016,979</b>	<b>51.7%</b>	<b>\$ 191,941,191</b>	<b>\$ 102,328,797</b>	<b>53.3%</b>	<b>\$ 212,576,034</b>	<b>\$ 108,792,427</b>	<b>51.2%</b>	<b>52.1%</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>2,419,887</b>	<b>(6,829,520)</b>		<b>(6,495,162)</b>	<b>(15,561,582)</b>		<b>(3,651,237)</b>	<b>(15,571,913)</b>		
<b>BEGINNING FUND BALANCE</b>	<b>39,511,465</b>			<b>45,920,796</b>			<b>45,920,796</b>			
<b>ENDING FUND BALANCE</b>	<b>\$ 41,931,352</b>			<b>\$ 39,425,634</b>			<b>\$ 42,269,559</b>			
	23.83%			20.54%			19.88%			

**Information Only:**

<b>OBJECT LEVEL EXPENDITURES</b>										
Salaries & Fringe Benefits	\$ 147,979,296	\$ 79,405,969	53.7%	\$ 159,131,597	\$ 88,885,432	55.9%	\$ 176,650,229	\$ 92,030,217	52.1%	53.9%
Purchased Services	18,660,873	7,796,086	41.8%	18,392,797	8,345,364	45.4%	22,972,981	10,528,621	45.8%	44.3%
Supplies & Materials	6,816,356	2,968,234	43.5%	8,137,209	3,986,950	49.0%	9,879,864	5,125,529	51.9%	48.1%
Capital Outlay & Equipment	613,358	102,731	16.7%	4,540,146	508,169	11.2%	1,427,832	511,341	35.8%	21.3%
Other Expenditures	1,858,290	743,959	40.0%	1,739,442	602,882	34.7%	1,645,128	596,720	36.3%	37.0%
<b>TOTAL EXPENDITURES</b>	<b>\$ 175,928,173</b>	<b>\$ 91,016,979</b>	<b>51.7%</b>	<b>\$ 191,941,191</b>	<b>\$ 102,328,797</b>	<b>53.3%</b>	<b>\$ 212,576,034</b>	<b>\$ 108,792,427</b>	<b>51.2%</b>	<b>52.1%</b>