



Date: June 18, 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 May 31, 2024

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

Although July through May accounts for 92% 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 May 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. Please note that the increase in total budgeted revenues and expenditures over the past three years has led to expected variances in the three-year historical percentages.

General Fund Revenues

The overall revenue received as of May is 78.78% of the total budget. This percentage is slightly higher than the three-year historical average. Please note the following:

- **Local Sources** – Local source revenues are trending slightly lower than the three-year historical average primarily due to the 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 received the eighth State School Aid payment for this fiscal year as of May 31, 2024. State revenues are trending slightly higher than the three-year average. 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 over three payments, spread throughout the school year.

- **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 May 31st are 89.85% of budgeted amounts, which is 1.9% faster than the three-year historical average for this point in the fiscal year. Please note that the increase in overall revenues and expenditures over the prior three years have produced expected variances. Going from expenditures of \$175M in FY21 to \$191M in FY22 to \$212M in FY23, a difference of \$37M, has led to lower three year-historical percentages than if the total budget had remained more consistent. Please also note the following:

- **Instruction** – Instructional salary and benefit expenditures are trending ahead of the three-year historical average. As stated above, the overall increase in budgeted expenditures over the three-year period lowered the average percentage. Expenditures are at 90.13% of the budgeted amount with 92% of the fiscal year completed. We believe the difference is attributable to the estimated encumbrances calculated for July and August accruals at the beginning of the year and carried forward each month to account for the accruals. We also note the timing of purchased services and supplies may cause timing differences.
- **General Administration** – Expenditures under this category are trending higher than the three-year historical average due to higher attorney fees and communications consulting fee – Byrum & Fisk.
- **Maintenance & Operations** – Maintenance and Operations expenditures are trending higher than our three-year historical average due to the timing of purchased services and supply expenses.

Net Change in Fund Balance

Overall, the net change in fund balance is tracking larger than the three-year average. In addition, the projected ending fund balance will be amended during the final budget 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 MAY 31, 2024

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	6/30/2023 AUDITED ACTUAL	6/30/2024 AMENDED BUDGET	5/31/2024 PROJECTED BUDGET	5/31/2024 ACTUAL	Projected % of Budget	Actual % of Budget	Percentage Variance Favorable/ (Unfavorable)	Dollar Variance Favorable/ (Unfavorable)
REVENUE								
Local Sources	\$ 36,444,407	\$ 38,615,512	37,617,225	36,960,097	97.41%	95.71%	-1.70%	\$ (657,128)
State Sources	160,620,414	162,188,954	118,670,761	121,218,313	73.17%	74.74%	1.57%	2,547,552
Federal Sources	430,274	391,602	393,289	423,672	100.43%	108.19%	7.76%	30,383
Interdistrict Sources & other *	11,118,941	14,114,549	11,870,735	10,998,183	84.10%	77.92%	-6.18%	(872,553)
Transfers from Other Funds	244,672	25,000	58	46,273	0.23%	185.09%	184.86%	46,215
TOTAL REVENUE	\$ 208,858,708	\$ 215,335,617	\$ 168,341,534	\$ 169,646,539	78.18%	78.78%	0.61%	\$ 1,094,470
EXPENDITURES								
INSTRUCTION								
Basic Programs	\$ 108,727,696	\$ 103,375,102	\$ 91,297,107	\$ 91,740,286	88.32%	88.75%	-0.43%	\$ (443,179)
Added Needs	16,429,375	16,836,382	14,708,044	16,575,228	87.36%	98.45%	-11.09%	(1,867,184)
Adult Education	-	-	-	29,443	0.00%	0.00%	0.00%	(29,443)
Total Instruction	125,157,071	120,211,484	106,005,151	108,344,957	88.16%	90.13%	-1.97%	(2,339,806)
SUPPORTING SERVICES								
Pupil Support	15,725,434	18,233,545	16,614,076	16,625,070	91.12%	91.18%	-0.06%	(10,994)
Instructional Support	15,252,919	16,513,175	14,280,917	15,463,382	86.48%	93.64%	-7.16%	(1,182,465)
General Administration	1,142,336	1,293,125	985,108	1,296,062	76.18%	100.23%	-24.05%	(310,954)
School Administration	12,085,583	13,696,947	12,161,925	12,324,722	88.79%	89.98%	-1.19%	(162,797)
Business	1,914,315	2,101,173	1,793,322	1,849,754	85.35%	88.03%	-2.69%	(56,432)
Maintenance & Operations	18,598,494	19,759,525	17,165,138	18,189,588	86.87%	92.05%	-5.18%	(1,024,450)
Transportation	9,124,088	11,699,939	10,040,833	9,103,811	85.82%	77.81%	8.01%	937,022
Central Support Services	4,548,615	5,074,804	4,594,545	4,717,050	90.54%	92.95%	-2.41%	(122,505)
School Activities	2,372,357	2,889,063	2,259,604	2,310,869	78.21%	79.99%	-1.77%	(51,265)
Community Services	856,941	1,112,612	984,570	945,756	88.49%	85.00%	3.49%	38,814
Facility Improvements	103,807	287,055	167,021	13,560	58.18%	4.72%	53.46%	153,461
Non-voted Debt Service	882,840	881,740	719,013	882,490	81.54%	100.09%	-18.54%	(163,477)
Total Supporting Services	82,607,729	93,542,703	81,766,072	83,722,113	87.66%	89.50%	-1.84%	(1,956,041)
TOTAL OPERATING EXPENDITURES	207,764,800	213,754,187	187,771,223	192,067,070	87.95%	89.85%	-1.90%	(4,295,847)
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	\$ 213,754,187	\$ 187,771,223	\$ 192,067,070	87.95%	89.85%	-1.90%	\$ (4,295,847)
NET CHANGE IN FUND BALANCE	1,093,908	1,581,430	(19,429,689)	(22,420,531)				(2,990,843)
BEGINNING FUND BALANCE	40,947,234	42,041,141						
ENDING FUND BALANCE	\$ 42,041,142	\$ 43,622,571						
	20.2%	20.4%						

Information Only:

OBJECT LEVEL EXPENDITURES

Salaries & Fringe Benefits	\$ 174,683,731	\$ 175,455,818	\$ 155,460,952	\$ 158,591,766	89.24%	90.39%	-1.15%	\$ (3,130,814)
Purchased Services	21,784,082	25,264,765	21,336,777	21,603,215	84.45%	85.51%	-1.05%	(266,438)
Supplies & Materials	8,823,542	10,094,997	8,700,393	9,029,014	86.19%	89.44%	-3.26%	(328,622)
Capital Outlay & Equipment	1,016,638	1,331,367	1,018,429	1,331,530	76.49%	100.01%	-23.52%	(313,101)
Other Expenditures	1,456,807	1,607,240	1,254,672	1,511,543	78.06%	94.05%	-15.98%	(256,871)
TOTAL EXPENDITURES	\$ 207,764,800	\$ 213,754,187	\$ 187,771,223	\$ 192,067,070	87.95%	89.85%	-1.90%	\$ (4,295,847)

**PLYMOUTH-CANTON COMMUNITY SCHOOLS
GENERAL FUND BUDGETS
MAY 31ST BUDGETS FOR YEARS ENDING 2020, 2021 & 2022**

	6/30/2021 FINAL BUDGET	5/31/2021 ACTUAL	% of Budget	6/30/2022 FINAL BUDGET	5/31/2022 ACTUAL	% of Budget	6/30/2023 FINAL BUDGET	5/31/2023 ACTUAL	% of Budget	Average % of Budget
REVENUE										
Local Sources	\$ 32,249,433	\$ 30,913,701	95.9%	\$ 33,151,184	\$ 32,793,868	98.9%	\$ 36,420,840	35,497,254	97.5%	97.41%
State Sources	134,967,867	98,573,305	73.0%	138,960,471	101,657,939	73.2%	161,116,523	118,120,941	73.3%	73.17%
Federal Sources	204,808	204,806	100.0%	541,689	549,735	101.5%	418,957	418,152	99.8%	100.43%
Interdistrict Sources & other	10,794,510	8,910,688	82.5%	12,647,843	11,291,360	89.3%	10,899,205	8,772,245	80.5%	84.10%
Transfers from Other Funds	131,442	917	0.7%	144,842	-	0.0%	69,272	-	0.0%	0.23%
TOTAL REVENUE	\$ 178,348,060	\$ 138,603,417	77.7%	\$ 185,446,029	\$ 146,292,901	78.9%	\$ 208,924,797	\$ 162,808,592	77.9%	78.18%
EXPENDITURES										
INSTRUCTION										
Basic Programs	\$ 89,366,028	\$ 79,098,615	88.5%	\$ 96,193,496	\$ 86,448,569	89.9%	\$ 110,209,420	\$ 95,406,903	86.6%	88.32%
Added Needs	16,138,657	13,744,840	85.2%	15,779,625	13,765,957	87.2%	16,467,700	14,766,601	89.7%	87.36%
Adult Education	-	-	0.0%	-	-	0.0%	-	-	0.0%	0.00%
Total Instruction	105,504,685	92,843,455	88.0%	111,973,121	100,214,526	89.5%	126,677,120	110,173,504	87.0%	88.16%
SUPPORTING SERVICES										
Pupil Support	13,143,281	11,803,598	89.8%	16,356,798	14,461,308	88.4%	16,092,753	15,309,982	95.1%	91.12%
Instructional Support	11,199,607	9,691,980	86.5%	11,893,379	10,470,590	88.0%	15,626,236	13,262,011	84.9%	86.48%
General Administration	978,529	767,301	78.4%	1,023,067	725,771	70.9%	1,198,336	948,923	79.2%	76.18%
School Administration	11,203,510	9,963,178	88.9%	11,567,085	10,273,096	88.8%	12,684,290	11,242,928	88.6%	88.79%
Business	1,913,185	1,567,364	81.9%	1,931,603	1,695,422	87.8%	2,021,699	1,745,710	86.3%	85.35%
Maintenance & Operations	15,673,746	13,295,763	84.8%	17,798,757	15,586,867	87.6%	19,448,208	17,155,178	88.2%	86.87%
Transportation	8,080,951	7,035,116	87.1%	7,399,349	6,586,700	89.0%	9,554,948	7,776,131	81.4%	85.82%
Central Support Services	3,653,784	3,333,074	91.2%	3,873,839	3,543,328	91.5%	4,578,847	4,071,444	88.9%	90.54%
School Activities	2,649,782	2,060,070	77.7%	2,492,538	2,038,048	81.8%	2,785,060	2,092,309	75.1%	78.21%
Community Services	749,594	714,138	95.3%	823,309	699,673	85.0%	888,642	757,322	85.2%	88.49%
Facility Improvements	-	-	0.0%	3,798,130	3,800,437	100.1%	137,055	102,095	74.5%	58.18%
Non-voted Debt Service	1,177,519	1,176,837	99.9%	1,010,216	992,159	98.2%	882,840	410,340	46.5%	81.54%
Total Supporting Services	70,423,488	61,408,419	87.2%	79,968,070	70,873,400	88.6%	85,898,914	74,874,373	87.2%	87.66%
TOTAL OPERATING EXPENDITURES	175,928,173	154,251,874	87.7%	191,941,191	171,087,926	89.1%	212,576,034	185,047,877	87.1%	87.95%
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	\$ 154,251,874	87.7%	\$ 191,941,191	\$ 171,087,926	89.1%	\$ 212,576,034	\$ 185,047,877	87.1%	88.0%
NET CHANGE IN FUND BALANCE	2,419,887	(15,648,457)		(6,495,162)	(24,795,025)		(3,651,237)	(22,239,285)		
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	\$ 130,852,766	88.4%	\$ 159,131,597	\$ 142,862,385	89.8%	\$ 176,650,229	\$ 155,687,416	88.1%	88.8%
Purchased Services	18,660,873	15,705,998	84.2%	18,392,797	15,365,468	83.5%	22,972,981	19,264,967	83.9%	83.9%
Supplies & Materials	6,816,356	5,743,613	84.3%	8,137,209	6,972,397	85.7%	9,879,864	8,160,665	82.6%	84.2%
Capital Outlay & Equipment	613,358	416,112	67.8%	4,540,146	4,488,989	98.9%	1,427,832	947,023	66.3%	77.7%
Other Expenditures	1,858,290	1,533,385	82.5%	1,739,442	1,398,687	80.4%	1,645,128	987,806	60.0%	74.3%
TOTAL EXPENDITURES	\$ 175,928,173	\$ 154,251,874	87.7%	\$ 191,941,191	\$ 171,087,926	89.1%	\$ 212,576,034	\$ 185,047,877	87.1%	88.0%