



PLYMOUTH-CANTON
COMMUNITY SCHOOLS
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Finance & Operations Committee

January 18, 2024

MINUTES

Meeting called to order by: Member Christenson at 5:01 p.m.

Board of Ed members present: Christenson, Picard (Kehoe absent)

District staff: Merritt, Minnick, Malbon, Tyszkiewicz, Gruszczynski, Stanford, Jory

Citizen Reps: Roderique **SVA Rep:** N. Vakde, E. Lin **Others present:** John Johnston

Presenter(s): Bill Bowman/Great Northern Consulting

Public Comments – Community member John Johnson comments that he enjoys attending the subcommittee meetings. He is interested in finding out more about the student to administrator ratio. It seems to him that there have been a lot of administrator positions created in recent years. He is aware that federal funding for some positions will end soon, and he is interested in knowing the plan for P-CCS. He is concerned because a few of the neighboring districts are having financial problems for this reason, and he doesn't want P-CCS to fall into the same situation. Mr. Tyszkiewicz shares that the agenda for Tuesday evening's Board meeting includes a Human Resources Department presentation which addresses that topic.

Approval of Prior Meeting Minutes – December 21, 2023 - approved.

Revised Tanger Property Final & Best Offers (Discussion) – Mr. Bowman is here to update the Committee regarding the Tanger Property sale. Mr. Bowman gives the committee an overview of the process thus far. On January 12, 2024 the "Final and Best" offers were opened. We received three proposals. Mr. Bowman discusses each of the proposals received. The highest offer was from Infinity Homes.

On Monday, Infinity Homes is scheduled to meet with Northville Township, discuss their proposal, and see if it fits into the township masterplan. Mr. Bowman feels that the Infinity Homes plan has a good chance because the unit designs have what the township wants, and the density fits into the township guidelines. Mr. Bowman feels that it is better to talk through these topics now, and explore all options, before we move forward with any purchase agreement and incur legal fees.

Purchase of Six (6) Combi Ovens for P-CEP Kitchens – Ms. Stanford, Assistant Director of Nutrition Services, and Mr. Tyszkiewicz, Assistant Superintendent of Student Services, are here to request to purchase six new Combi Ovens, providing for two ovens at each of the P-CEP kitchens. Presently, Canton and Salem have ovens and Plymouth has a steamer. The existing ovens are still in working order, and will be moved to Pioneer and East Middle Schools. This equipment adheres to the guidelines in the State of Michigan Food Service Administration Memo and appears on the State Approved Food Service Equipment List. We are recommending that we purchase this equipment from Stafford Smith, whose quote includes moving the existing ovens to the middle schools, based on the Wayne RESA GoPro pricing consortium. The cost of this upgrade totals \$157,123.30, which will be paid with excess fund balance in the Food Service Fund. We are required to spend down these funds, and one of the ways we do that is with equipment upgrades. Installation is planned for the summer of 2024.

Approval for Jill Minnick to Serve on MILAF+ Board of Trustees – Ms. Minnick currently serves as the Vice-President of the MILAF+ (the Michigan Liquid Asset Fund Plus) Board of Trustees, and as such it is required that the P-CCS Board of Education resolve to approve of her continued work on this Board. P-CCS has invested bond proceeds into the MILAF fund in the past, as well as most other school districts in the State of Michigan. Ms. Minnick has been serving on the MILAF+ Board since 2020, and her term is set to expire in 2025 unless she is reelected. The objective of the MILAF Board is provide an investment option that is secure, assure liquidity of funds if needed, and to maximize investment returns for school districts and municipalities across the state.

Financial Statements as of December 31, 2023 – Ms. Malbon, Director of Finance & Accounting, presents the Summary Financial Update for the period ending December 31, 2023. Although July 1 through December 31 accounts for 50% 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 December 31, 2023 budget, and compared that to the actual results to indicate variances to you and the Board of Education. The overall revenue received as of December 31st is 41.34% of the total budget. This percentage is higher than the three-year historical average. This is due to the timing of local and property tax revenue collections. Please note, 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. The overall expenditures through December 31 are 49.46% of budgeted amounts, which is about 5% faster than the three-year historical average for this point in the fiscal year. Instructional salary and benefit expenditures are trending ahead of the three-year historical average due to salary and benefits costs for final staff placements and the timing of purchased services and supplies. 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 three flood events that occurred over the summer. Additionally, the purchase of transportation

radios was preliminarily expensed to the general fund until approval of 31aa funds is received. Again, 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%). It is also noted that the costs associated with the replacement of the synthetic turf damaged in the recent flooding will initially impact the general fund, but will be offset when we receive the reimbursement from the insurance company. We have received confirmation the cost of the turf will be covered in full.

Mr. Roderique asks about the current status of the ESSER funds. Ms. Malbon shares that we have exhausted the ESSER I and II funds, and the only funds we have remaining are the 11t equalization funds, and we have drawn down about 65% of those. The bulk of those funds are spent on salaries and benefits for the TOSA teachers and cleaning assistants. The remainder of the 11t funds will be spent on summer programming. All of the funds must be spent by September 30th.

Supt. Merritt asks the Board members for an update on the Non-Homestead Tax Levy Renewal effort. This issue will appear on the February 27th, 2024 presidential primary ballot. She reminds the committee that the district administration is not allowed to tell voters which way to vote, but we can provide factual information to the community via mailings, digital communications, and the district website. Only a citizen's committee can positively promote voting in favor of the issue.

Adjourned: **5:45 p.m.**