

Pelham Union Free School District Audit Presentation

**KNOW
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VALUE**

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Overview & Required Communications

- **Management and Those Charged With Governance Responsibility (“TCWG”)**
 - Selecting and implementing appropriate accounting policies
 - Fairly presenting the financial statements in accordance with U.S. GAAP
 - Establishing and maintaining effective internal control over financial reporting
 - Compliance with laws, regulations and provisions of contracts and agreements
 - Providing all financial records and related information to the auditors
 - Setting proper tone at the top



- **Our Responsibility**

- Deliverables

- Independent Auditor's Report
- Extraclassroom Activities Report
- Required Communications to TCWG
- Management Letter

- Communicate any fraud or illegal acts that are noted during the audit
(None noted)

- We encountered no difficulties in the conduct of our audit

- No uncorrected misstatements

- No disagreements with management

- Timeline

- Prelims (June 22nd & 23rd , 2021)
- Fieldwork (July 12th-16th , 2021)
- Completed (September 2, 2021)

2021 General Fund Revenues & Expenditures Compared to Budget

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance With Final Budget</u>
Revenues	\$ 75,100,295	\$ 75,100,295	\$ 75,809,399	\$ -	\$ 709,104
Expenditures	<u>74,092,327</u>	<u>74,340,568</u>	<u>69,614,940</u>	<u>1,425,126</u>	<u>3,300,502</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,007,968</u>	<u>759,727</u>	<u>6,194,459</u>	<u>(1,425,126)</u>	<u>4,009,606</u>
Other Financing Uses	<u>(3,680,502)</u>	<u>(3,458,234)</u>	<u>(3,698,369)</u>	<u>-</u>	<u>(240,135)</u>
Net Change in Fund Balance	<u>(2,672,534)</u>	<u>(2,698,507)</u>	<u>2,496,090</u>	<u>\$ (1,425,126)</u>	<u>\$ 3,769,471</u>
Fund Balance - Beginning	<u>2,672,534</u>	<u>2,698,507</u>	<u>18,219,356</u>		
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,715,446</u>		



Major Revenues and Other Financing Sources

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>	<u>2020</u>
Property Tax	\$ 63,266,103	\$ 63,266,103	\$ 63,266,103	\$ -	\$ 60,854,326
School tax relief reimbursement	2,382,079	2,382,079	2,382,078	(1)	2,791,980
Non-property tax distribution from the County (Sales Tax)	750,000	750,000	1,062,585	312,585	941,498
Day school tuition	1,115,088	1,115,088	1,151,496	36,408	1,161,382
State Aid	7,010,752	7,010,752	7,419,057	408,305	7,542,766
Other Financing Sources					
Transfer in - Debt Service Fund	344,705	344,705	-	(344,705)	-
	<u>\$ 74,868,727</u>	<u>\$ 74,868,727</u>	<u>\$ 75,281,319</u>	<u>\$ 412,592</u>	<u>\$ 73,291,952</u>
% of Total Revenues	<u>99.69%</u>	<u>99.69%</u>	<u>99.30%</u>		

5 Year Revenue History

	2021	2020	2019	2018	2017
Property Tax	\$ 63,266,103	\$ 60,854,326	\$ 57,914,832	\$ 56,330,270	\$ 54,789,529
School tax relief reimbursement	2,382,078	2,791,980	3,777,378	4,097,061	4,464,571
	<u>65,648,181</u>	<u>63,646,306</u>	<u>61,692,210</u>	<u>60,427,331</u>	<u>59,254,100</u>
Non-property tax distribution from the County (Sales Tax)	1,062,585	941,498	723,682	689,846	657,774
Day school tuition	1,151,496	1,161,382	1,072,199	949,576	1,280,778
State Aid	7,419,057	7,542,766	8,052,474	7,568,105	7,324,668
Transfer from debt service	-	-	200,000	-	-
	<u>\$ 75,281,319</u>	<u>\$ 73,291,952</u>	<u>\$ 71,740,565</u>	<u>\$ 69,634,858</u>	<u>\$ 68,517,320</u>

Major Expenditures

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance With Final Budget</u>	<u>2020</u>
Operation and maintenance of plant	\$ 6,748,011	\$ 7,039,111	\$ 5,559,831	\$ 365,754	\$ 1,113,526	\$ 4,164,768
Teaching - regular school	28,761,346	29,365,970	27,922,421	870,011	573,538	27,753,716
Programs for students with disabilities	7,307,073	7,040,684	6,764,680	515	275,489	7,238,834
Pupil transportation	1,330,679	1,080,779	935,946	-	144,833	977,063
Teachers' retirement	3,504,399	3,504,399	3,404,665	-	99,734	3,137,407
Health insurance	9,410,900	8,096,350	7,958,450	-	137,900	7,878,022
Transfer out - debt service	3,990,207	3,613,869	3,533,512	-	80,357	3,580,063
	<u>\$ 61,052,615</u>	<u>\$ 59,741,162</u>	<u>\$ 56,079,505</u>	<u>\$ 1,236,280</u>	<u>\$ 2,425,377</u>	<u>\$ 54,729,873</u>
% of Total Expenditures	<u>82.40%</u>	<u>80.36%</u>	<u>80.56%</u>			

5 Year Expenditure History

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Operation and maintenance of plant	\$ 5,559,831	\$ 4,164,768	\$ 4,475,582	\$ 5,206,438	\$ 5,730,870
Teaching - regular school	27,922,421	27,753,716	27,840,010	27,053,138	26,071,218
Programs for students with disabilities	6,764,680	7,238,834	7,152,506	7,000,400	6,870,543
Pupil transportation	935,946	977,063	1,199,104	1,046,723	1,186,752
Teachers' retirement	3,404,665	3,137,407	3,736,337	3,418,397	3,933,044
Health insurance	7,958,450	7,878,022	7,710,430	7,493,851	7,348,841
Transfer out - debt service	3,533,512	3,580,063	3,559,119	3,428,049	3,300,101
	<u>\$ 56,079,505</u>	<u>\$ 54,729,873</u>	<u>\$ 55,673,088</u>	<u>\$ 54,646,996</u>	<u>\$ 54,441,369</u>

5 Year General Fund Balance Analysis

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Nonspendable					
Prepaid expenditures	\$ 1,818,776	\$ 1,730,027	\$ 1,642,618	\$ 1,560,422	\$ 1,465,083
Restricted					
Tax certiorari	6,089,826	4,708,570	3,713,066	4,685,169	4,567,311
Unemployment benefits	154,717	154,663	154,114	153,242	152,926
Employee benefit accrued liability	256,443	189,640	189,065	171,736	178,403
ERS Retirement contributions	3,257,425	2,356,737	2,179,457	2,180,566	2,429,240
ERS Retirement contributions - for Subsequent year's expenditures	-	600,000	625,000	715,000	725,000
TRS Retirement contributions	2,120,935	1,408,786	700,784	-	-
Property damage	36,728	36,715	36,584	36,378	36,303
Repairs	587,789	587,613	586,938	586,060	585,184
Future capital projects	1,306,472	1,306,081	1,304,581	1,302,630	1,300,677
Future capital projects - for Subsequent year's expenditures	-	-	-	-	200,000
	<u>13,810,335</u>	<u>11,348,805</u>	<u>9,489,589</u>	<u>9,830,781</u>	<u>10,175,044</u>
Assigned					
Purchases on Order	1,425,126	1,417,534	325,495	617,605	723,776
Subsequent year's expenditures	450,000	655,000	700,000	810,000	1,396,780
	<u>1,875,126</u>	<u>2,072,534</u>	<u>1,025,495</u>	<u>1,427,605</u>	<u>2,120,556</u>
Unassigned	<u>3,211,209</u>	<u>3,067,990</u>	<u>2,997,191</u>	<u>2,946,009</u>	<u>2,911,197</u>
Total Fund Balance	<u>\$ 20,715,446</u>	<u>\$ 18,219,356</u>	<u>\$ 15,154,893</u>	<u>\$ 15,764,817</u>	<u>\$ 16,671,880</u>



Other Fund Balances Analysis

	Capital Projects Fund	Debt Service Fund	School Lunch Fund	Special Purpose Fund	Permanent Fund	Total Other Funds
Fund balance - 6/30/2020	\$ (10,596,442)	\$ 2,050,069	\$ 367,955	\$ 850,688	\$ 617,877	\$ (6,709,853)
Revenues	153,673	66,268	206,958	467,824	185	894,908
Expenditures	25,768,835	3,595,269	234,937	656,194	-	30,255,235
Other Financing Sources (Uses)	57,524,892	3,595,269	-	-	-	61,120,161
Fund balance (deficit) - 6/30/2021	<u>\$ 21,313,288</u>	<u>\$ 2,116,337</u>	<u>\$ 339,976</u>	<u>\$ 662,318</u>	<u>\$ 618,062</u>	<u>\$ 25,049,981</u>



Outstanding Debt Summary

<u>Bonds Payable</u>	<u>Original Issue Amount</u>	<u>Outstanding Balanc at 6/30/2021</u>
Refunding Bonds - 2016	\$ 17,150,000	\$ 12,770,000
Refunding Bonds - 2017	9,430,000	8,535,000
Reconstruction of School Buildings - 2018	3,000,000	2,265,000
Reconstruction of School Buildings - 2020	54,025,000	54,025,000
Refunding Bonds - 2020	2,435,000	2,435,000
	<u>\$ 86,040,000</u>	<u>\$ 80,030,000</u>

Long Term Debt Scheduled Payments

Year Ending June 30,	<u>Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 3,290,000	\$ 3,194,453
2023	4,305,000	2,233,706
2024	4,500,000	2,027,906
2025	4,700,000	1,812,681
2026	4,900,000	1,609,681
2027-2031	21,530,000	5,604,708
2032-2036	12,105,000	3,371,800
2037-2041	8,525,000	2,341,091
2042-2046	8,655,000	1,404,866
2047-2050	7,520,000	362,305
	<u>\$ 80,030,000</u>	<u>\$ 23,963,197</u>



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