

Pelham Union Free School District Audit Presentation



**KNOW
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VALUE**

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Overview & Required Communications

- **Responsibility of Management and Those Charged With Governance (“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



Overview & Required Communications (Cont'd)

- **Our Responsibility**

- Deliverables

- Independent Auditor's Report

- Unmodified opinion
 - Yellowbook Report (report on controls and compliance)
 - Report on Compliance for each Major Federal Program

- Extraclassroom Activities Fund 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 23rd & 24th, 2022)
 - Fieldwork (July 11th -15th, 2022)
 - Completed (September 2nd, 2022)



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2022 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	\$ 78,180,000	\$ 78,180,000	\$ 79,016,345	\$ -	\$ 836,345
Expenditures	<u>75,185,673</u>	<u>75,356,099</u>	<u>71,975,516</u>	<u>694,792</u>	<u>2,685,791</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,994,327</u>	<u>2,823,901</u>	<u>7,040,829</u>	<u>(694,792)</u>	<u>3,522,136</u>
Other Financing Sources (Uses)					
Transfers in	1,650,000	1,650,000	-	-	(1,650,000)
Transfers out	<u>(6,519,453)</u>	<u>(6,519,453)</u>	<u>(6,502,726)</u>	<u>-</u>	<u>16,727</u>
Total Other Financing Sources (Uses)	<u>(4,869,453)</u>	<u>(4,869,453)</u>	<u>(6,502,726)</u>	<u>-</u>	<u>(1,633,273)</u>
Net Change in Fund Balance	(1,875,126)	(2,045,552)	538,103	<u>\$ (694,792)</u>	<u>\$ 1,888,863</u>
Fund Balance - Beginning	<u>1,875,126</u>	<u>2,045,552</u>	<u>20,715,446</u>		
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,253,549</u>		



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Major Revenues and Other Financing Sources

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>	<u>2021</u>
Property Tax	\$ 65,081,174	\$ 65,081,174	\$ 65,081,174	\$ -	\$ 63,266,103
School tax relief reimbursement	2,190,707	2,190,707	2,190,707	-	2,382,078
Non-property tax distribution from the County (Sales Tax)	950,000	950,000	1,216,066	266,066	1,062,585
Day school tuition	1,011,513	1,011,513	1,074,524	63,011	1,151,496
State Aid	8,617,933	8,617,933	8,840,212	222,279	7,419,057
Federal Aid	-	-	156,707	156,707	-
Transfers in - Debt Service Fund	<u>1,650,000</u>	<u>1,650,000</u>	<u>-</u>	<u>(1,650,000)</u>	<u>-</u>
Total Major Revenues and Other Financing Sources	79,501,327	79,501,327	78,559,390	(941,937)	75,281,319
Other Revenues	<u>328,673</u>	<u>328,673</u>	<u>456,955</u>	<u>128,282</u>	<u>528,080</u>
Total Revenues and Other Financing Sources	<u>\$ 79,830,000</u>	<u>\$ 79,830,000</u>	<u>\$ 79,016,345</u>	<u>\$ (813,655)</u>	<u>\$ 75,809,399</u>



3 Year Revenue History

	2022	2021	2020
Property Tax	\$ 65,081,174	\$ 63,266,103	\$ 60,854,326
School tax relief reimbursement	2,190,707	2,382,078	2,791,980
	<u>67,271,881</u>	<u>65,648,181</u>	<u>63,646,306</u>
Non-property tax distribution from the County (Sales Tax)	1,216,066	1,062,585	941,498
Day school tuition	1,074,524	1,151,496	1,161,382
State Aid	8,840,212	7,419,057	7,542,766
Federal Aid	156,707	8,920	-
Transfers in - Debt Service Fund	-	-	-
	<u>\$ 78,559,390</u>	<u>\$ 75,290,239</u>	<u>\$ 73,291,952</u>

Major Expenditures

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Encumbrances</u>	<u>Variance With Final Budget</u>	<u>2021</u>
Operation and maintenance of plant	\$ 6,111,171	\$ 6,171,771	\$ 5,144,463	\$ 442,922	\$ 584,386	\$ 5,559,831
Teaching - regular school	30,154,565	30,005,164	29,516,486	145,848	342,830	27,922,421
Programs for students with disabilities	7,397,339	7,507,840	6,983,683	15,918	508,239	6,764,680
Pupil transportation	1,318,970	1,318,970	1,163,732	-	155,238	935,946
Employee benefits	17,916,201	17,386,129	16,912,698	-	473,431	16,320,792
Transfers out	<u>6,519,453</u>	<u>6,519,453</u>	<u>6,502,726</u>	<u>-</u>	<u>16,727</u>	<u>7,958,450</u>
Total Major Expenditures and Other Financing Uses	69,417,699	68,909,327	66,223,788	604,688	2,080,851	65,462,120
Other Expenditures	<u>12,287,427</u>	<u>12,966,225</u>	<u>12,254,454</u>	<u>90,104</u>	<u>621,667</u>	<u>7,851,189</u>
Total Expenditures and Other Financing Uses	<u>\$ 81,705,126</u>	<u>\$ 81,875,552</u>	<u>\$ 78,478,242</u>	<u>\$ 694,792</u>	<u>\$ 2,702,518</u>	<u>\$ 73,313,309</u>

3 Year Expenditure History

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Operation and maintenance of plant	\$ 5,144,463	\$ 5,559,831	\$ 4,164,768
Teaching - regular school	29,516,486	27,922,421	27,753,716
Programs for students with disabilities	6,983,683	6,764,680	7,238,834
Pupil transportation	1,163,732	935,946	977,063
Employee benefits	16,912,698	16,320,792	15,969,482
Transfer out	<u>6,484,453</u>	<u>3,533,512</u>	<u>3,580,063</u>
	<u>\$ 66,205,515</u>	<u>\$ 61,037,182</u>	<u>\$ 59,683,926</u>



3 Year General Fund Balance Analysis

	2022	2021	2020
Nonspendable			
Prepaid expenditures	\$ 1,981,853	\$ 1,818,776	\$ 1,730,027
Restricted			
Tax certiorari	6,603,479	6,089,826	4,708,570
Unemployment benefits	154,767	154,717	154,663
Employee benefit accrued liability	317,508	256,443	189,640
ERS Retirement contributions	3,258,389	3,257,425	2,356,737
ERS Retirement contributions - for Subsequent year's expenditures	-	-	600,000
TRS Retirement contributions	2,121,541	2,120,935	1,408,786
Property damage	36,740	36,728	36,715
Repairs	587,980	587,789	587,613
Future capital projects	1,306,896	1,306,472	1,306,081
	<u>14,387,300</u>	<u>13,810,335</u>	<u>11,348,805</u>
Assigned			
Purchases on Order	694,792	1,425,126	1,417,534
Subsequent year's expenditures	820,000	450,000	655,000
	<u>1,514,792</u>	<u>1,875,126</u>	<u>2,072,534</u>
Unassigned	<u>3,369,604</u>	<u>3,211,209</u>	<u>3,067,990</u>
Total Fund Balance	<u>\$ 21,253,549</u>	<u>\$ 20,715,446</u>	<u>\$ 18,219,356</u>
% of Budget - Total	25.23%	25.80%	23.75%
% of Budget - Unassigned	4.00%	4.00%	4.00%



Other Fund Balances Analysis

	Capital Projects Fund	Debt Service Fund	School Lunch Fund	Special Purpose Fund	Permanent Fund	Total Other Funds
Fund balance - 6/30/2021	\$ 21,313,288	\$ 2,116,337	\$ 339,976	\$ 662,318	\$ 618,062	\$ 25,049,981
Revenues	-	4,945	791,527	411,625	201	1,208,298
Expenditures	14,022,911	6,484,453	589,764	558,193	-	21,655,321
Other Financing Sources	656,391	6,484,453	-	-	-	7,140,844
Fund balance - 6/30/2022	<u>\$ 7,946,768</u>	<u>\$ 2,121,282</u>	<u>\$ 541,739</u>	<u>\$ 515,750</u>	<u>\$ 618,263</u>	<u>\$ 11,743,802</u>



Outstanding Bonded Debt Summary

<u>Bonds Payable</u>	<u>Original Issue Amount</u>	<u>Outstanding Balance at 6/30/2022</u>
Refunding Bonds - 2016	\$ 17,150,000	\$ 11,555,000
Refunding Bonds - 2017	9,430,000	7,710,000
Reconstruction of School Buildings - 2018	3,000,000	2,080,000
Reconstruction of School Buildings - 2020	54,025,000	53,400,000
Refunding Bonds - 2020	2,435,000	1,995,000
	<u>\$ 86,040,000</u>	<u>\$ 76,740,000</u>

Long Term Debt Scheduled Payments

<u>Year Ending June 30,</u>	<u>Bonds</u>		<u>Leases</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 4,305,000	\$ 2,233,706	\$ 166,883	\$ 6,242
2024	4,500,000	2,027,906	193,754	4,519
2025	4,700,000	1,812,681	153,691	2,837
2026	4,900,000	1,609,681	158,060	1,267
2027	4,540,000	1,433,431	39,402	66
2028-2032	19,500,000	4,945,227	-	-
2033-2037	11,235,000	3,133,800	-	-
2038-2042	8,695,000	2,165,541	-	-
2043-2047	8,660,000	1,201,513	-	-
2048-2050	5,705,000	205,258	-	-
	<u>\$ 76,740,000</u>	<u>\$ 20,768,744</u>	<u>\$ 711,790</u>	<u>\$ 14,931</u>



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