

# Methacton School District

Forecast 2020-2021

April 2021

# Forecasted Revenue

	Budget	Year to Date	Additional Revenue	Total Revenue	Surplus / (Deficit)
TOTAL LOCAL REVENUE	\$86,883,143.53	\$84,963,433.03	\$2,629,456.29	\$87,592,889.32	\$709,745.79
TOTAL STATE REVENUE	\$24,284,047.42	\$14,170,386.78	\$10,225,389.89	\$24,395,776.67	\$111,729.25
TOTAL FEDERAL REVENUE	\$623,009.82	\$634,483.43	\$252,217.61	\$886,701.04	\$263,691.22
TOTAL OTHER REVENUE	\$0.00	\$9,858.43	\$0.00	\$9,858.43	\$9,858.43
<b>Total</b>	<b>\$111,790,200.77</b>	<b>\$99,778,161.67</b>	<b>\$13,107,063.79</b>	<b>\$112,885,225.46</b>	<b>\$1,095,024.69</b>

## Key areas influencing the Revenue

Budget Item	Impact Amount	Reasoning
INTERIM REAL ESTATE TAX	\$849,078.25	Construction to CO increasing
School Safety and Security Grants	(\$399,134.00)	Due to COVID expenditures are delays
County Cares Grant	\$319,525.58	COVID #19 Grant 2
ESSER	\$193,463.00	Grant
INTEREST INCOME	(\$172,472.41)	Interest rates continue to be lower than anticipated
Other Cares	\$154,010.46	Grant
<b>Total</b>	<b>\$944,470.88</b>	

Revenue is forecasted to be \$112.9M, which is roughly \$1.1M above budget and primarily due to Interim Real Estate Taxes, Grants and Interest Income.

# Forecasted Revenue

Expenditures					
	Budget	Year to Date	Additional Expenditures	Total Expenditures	Surplus / (Deficit)
Salary	\$46,213,114.27	\$29,525,104.27	\$16,520,298.93	\$46,045,403.20	\$167,711.07
Benefits	\$30,628,490.21	\$20,523,381.15	\$9,556,599.26	\$30,079,980.41	\$548,509.80
Buildings	\$806,757.86	\$584,902.74	\$161,000.00	\$745,902.74	\$60,855.12
Departments	\$34,141,838.43	\$26,628,310.93	\$6,266,022.72	\$32,894,333.65	\$1,247,504.78
<b>Total</b>	<b>\$111,790,200.77</b>	<b>\$77,261,699.09</b>	<b>\$32,503,920.91</b>	<b>\$109,765,620.00</b>	<b>\$2,024,580.77</b>

## Key areas influencing the Expenditures

Budget Item	Impact Amount	Reasoning
Legal Fees	(\$946,005.50)	Legal Costs (RTK & Assessment Appeals)
Transportation	\$2,674,527.51	Savings due to COVID
Technology	(\$347,146.22)	Purchase of Chromebooks for 21-22 Fiscal Year
MEDICAL INSURANCE	\$264,915.55	Savings based on retirements, new hires and employee choices
Pupil Services	\$251,066.75	Savings due to COVID
<b>Total Expenditures &amp; Committed Funds</b>	<b>\$1,897,358.09</b>	

Transportation contributes the most savings to the forecasted expenses due to not providing full transportation from Aug – Dec. Legal expenses associated with assessment appeals and right to know request are the next larges contributor.



# Committed Funds

Committed Fund Expenditures					
	Budget	Year to Date	Additional Expenditures	Total Expenditures	Surplus / (Deficit)
Committed Fund Expenditure	\$0.00	(\$1,619,441.86)	(\$1,690,528.00)	(\$3,309,969.86)	(\$3,309,969.86)
<b>Committed Funds</b>		<b>Impact Amount</b>	<b>Reasoning</b>		
Esco Lease		(\$1,619,441.86)	Paid off Lease for long term savings		
NMTCC Lease		(\$1,190,528.00)	Paid off Lease for long term savings		
Fuel Tank		(\$500,000.00)	Funds committed to replace the fuel tanks in transportation center		
<b>Total Committed Fund Expenditures</b>		<b>(\$3,309,969.86)</b>			

The original plan was to committee \$500,000 for the fuel tank project and \$2.6M for PSERS. Because the PSERS figure was significantly less than projected, the decision was to de-commit these funds and use them to payoff the ESCO and NMTCC lease which reduced future budgets by removing the annual budgets.

# Forecasted Projection

	Approved 20/21Budget	Forecast	Variance F / (U)
Revenue	\$111,790,200.77	\$112,885,225.46	\$1,095,024.69
Expenditures	(\$111,790,200.77)	(\$109,765,620.00)	\$2,024,580.77
Surplus / Deficit	\$0.00	\$3,119,605.46	\$3,119,605.46
CF Expenditures	(\$500,000.00) <sup>1</sup>	(\$3,309,969.86) <sup>2</sup>	(\$2,809,969.86)
<b>Net Cash</b>	<b>(\$500,000.00)</b>	<b>(\$190,364.40)</b>	<b>\$309,635.60</b>

1 - \$500,000 was committed on 05/26/2020 for the Fuel Tank Project to be completed 20/21

2 - \$2,615,755.77 was committed for PSERS on 05/26/2020 and then decommitted and to be used in paying off both the ESCO Lease and the NMTCC Lease

Based on the approved budget for 2020-2021 there was the anticipation of a net fund reduction of \$500,000 for the fuel tank project. Because of PSERS being lower and the projected surplus the School District was able to reduce our funds by only \$190,364.40.

All while completing the fuel tank project and paying off both leases to save roughly \$270k in future budgets annually over the next 10 years.

# Forecasted Projection – Audit View

	2020-2021 Beg. Balance	Fuel Tank & Lease Payoff	Committed for Charter Schools	Forecasted Net Income	2020-2021 End Balance	Amt to Commit to stay at 7%	Est. Unassigned Limit
Non-Spendable	\$ 1,670,562.00				\$ 1,670,562.00		\$ 1,670,562.00
Committed for Facilities Master Plan	\$ 3,918,801.00				\$ 3,918,801.00	\$ 2,684,857.07	\$ 6,603,658.07
Committed for Transportation Fuel Tank Rplcmt	\$ 500,000.00	\$ (500,000.00)			\$ -		\$ -
Committed for PSERS	\$ 2,615,756.00	\$ (2,615,756.00)			\$ -		\$ -
Committed for Charter Schools			\$ 603,279.96		\$ 603,279.96		\$ 603,279.96
Unassigned Fund Balance	\$ 7,825,312.00	\$ 3,115,756.00	\$ (603,279.96)	\$ (190,364.40)	\$ 10,147,423.64	\$ (2,684,857.07)	\$ 7,462,566.57
Total Fund Balance	\$ 16,530,431.00	\$ -	\$ -	\$ (190,364.40)	\$ 16,340,066.60	\$ -	\$ 16,340,066.60

The above chart illustrates how the Total Fund Balance would flow based on the Forecast in our Audited Financials.

The chart also assumes that the amount in excess would be committed to Master Plan projects as an illustration only as no determination has been made on these funds at this time.