

Moon Area School District Audit Presentation

Fiscal Year Ending June 30, 2016

Date: January 23, 2017

MaherDuessel
Certified Public Accountants



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Required Audit Communications

- Our Responsibilities under GAAS
- Adoption of GASB 72 & 79
- Significant Estimates and Disclosures for:
 - Net Pension Liability
 - OPEB liability
 - Legal Contingency
- Good cooperation from management and staff

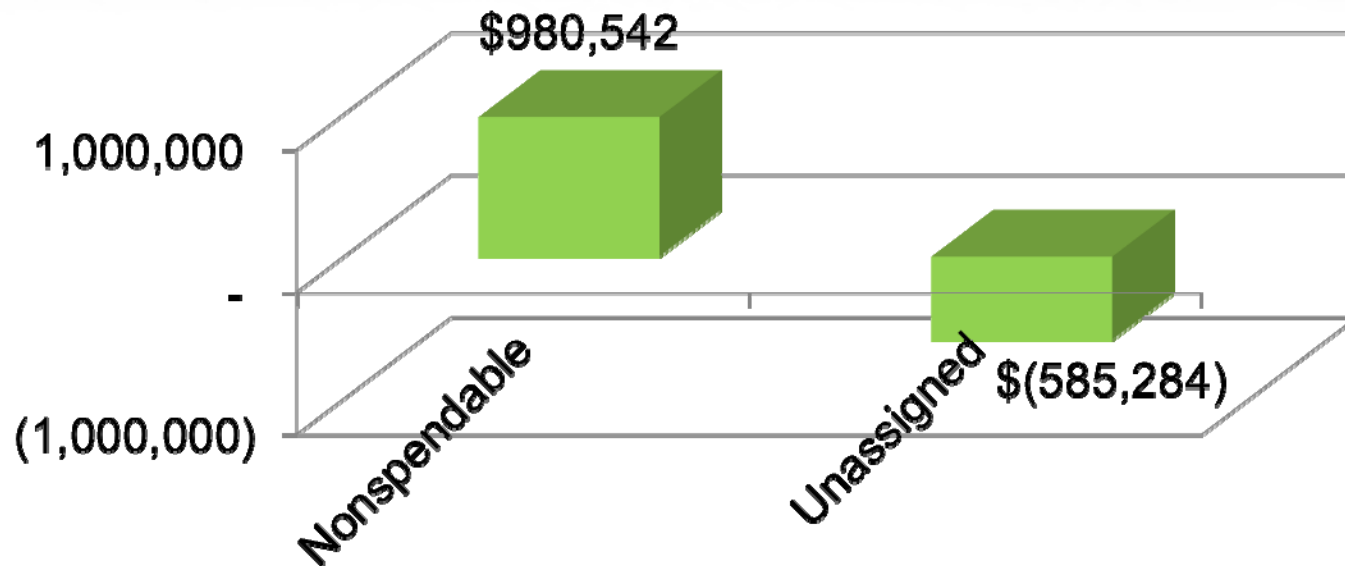
Financial Highlights – Governmental-Wide Activities

- Current Assets - \$13 million (largely cash and receivables)
- Capital Assets, net - \$135 million
- Current Liabilities - \$12 million (including bonds and lease payments due within 1 year of \$3.7m and accrued payroll of \$6.9m)
- Non-current Liabilities
 - Bonds payable, long term portion - \$141 million
 - Net Pension Liability - \$98 million
 - OPEB Liability - \$3.6 million (\$12.6m unfunded)
- Net Position
 - Net investment in Capital Assets - \$763,000
 - Unrestricted – (\$93 million)

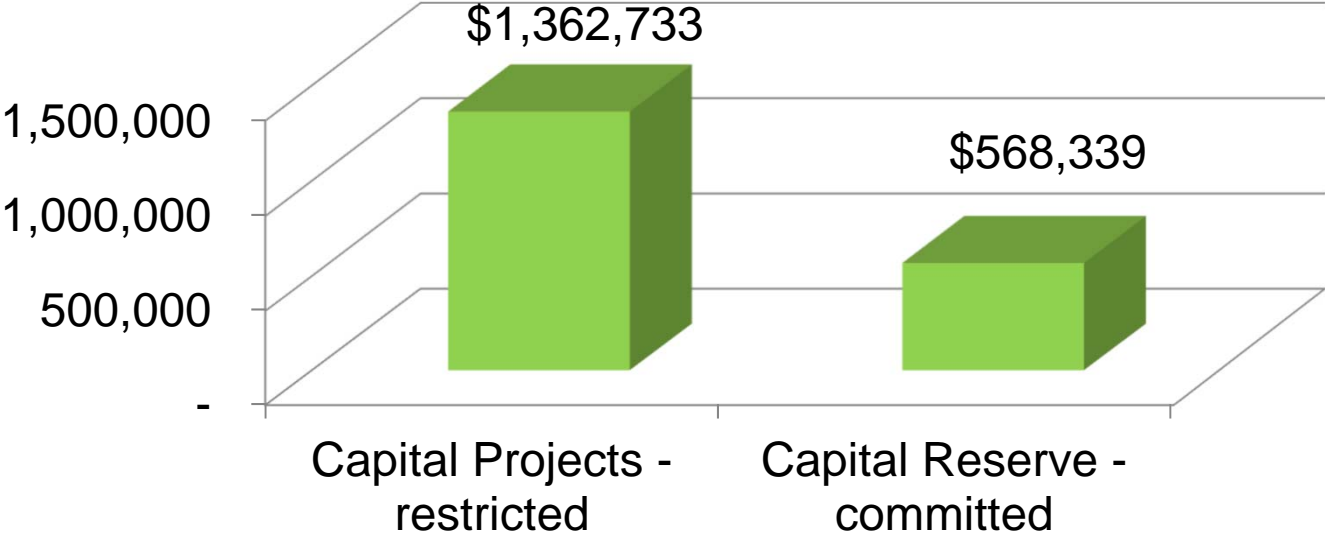
Breakdown of Fund Balance at 6.30.16

- Total Fund Balance of \$2.3 million
- Breakdown:
 - General Fund - \$395,000
 - \$4.4m loss in the current year
 - Capital Projects - \$1.4 million (restricted)
 - Capital Reserve - \$568,000 (committed)

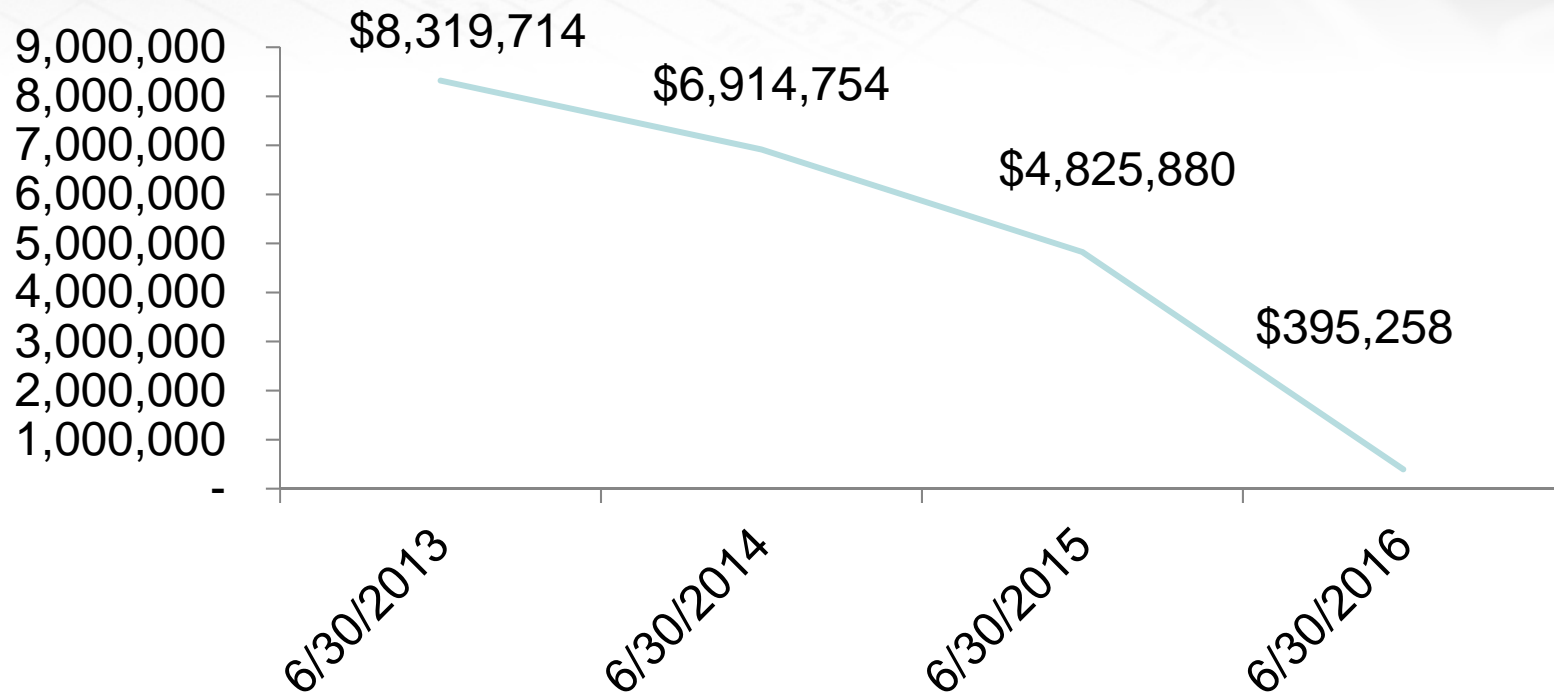
General Fund – Fund Balance Detail



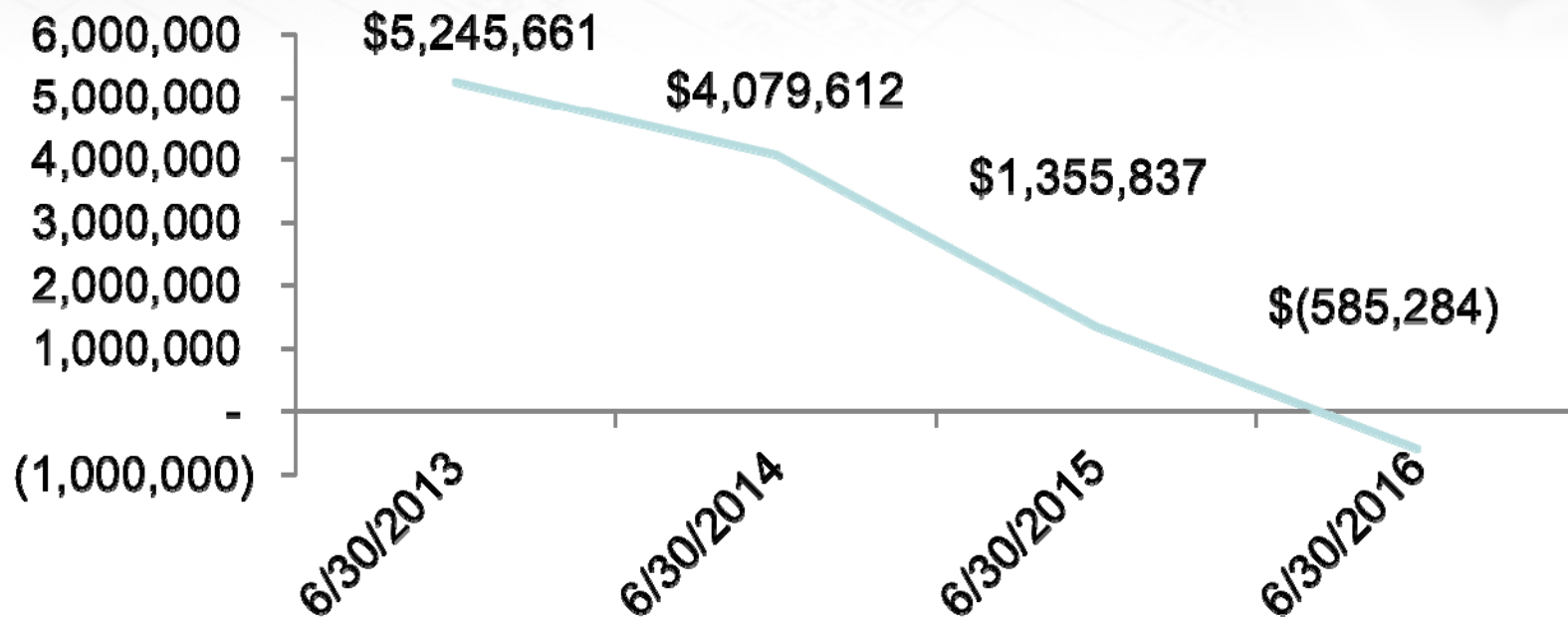
Other Fund Balance



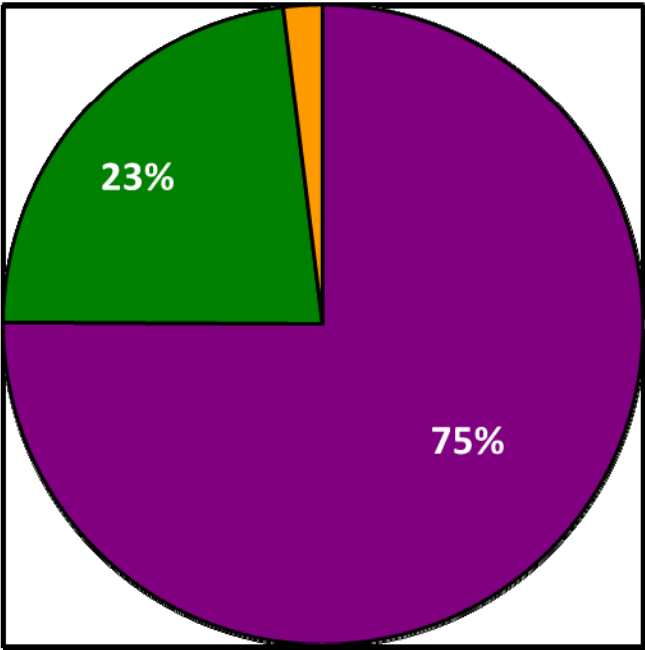
Total General Fund - Fund Balance Over Time



Unassigned Fund Balance Over Time

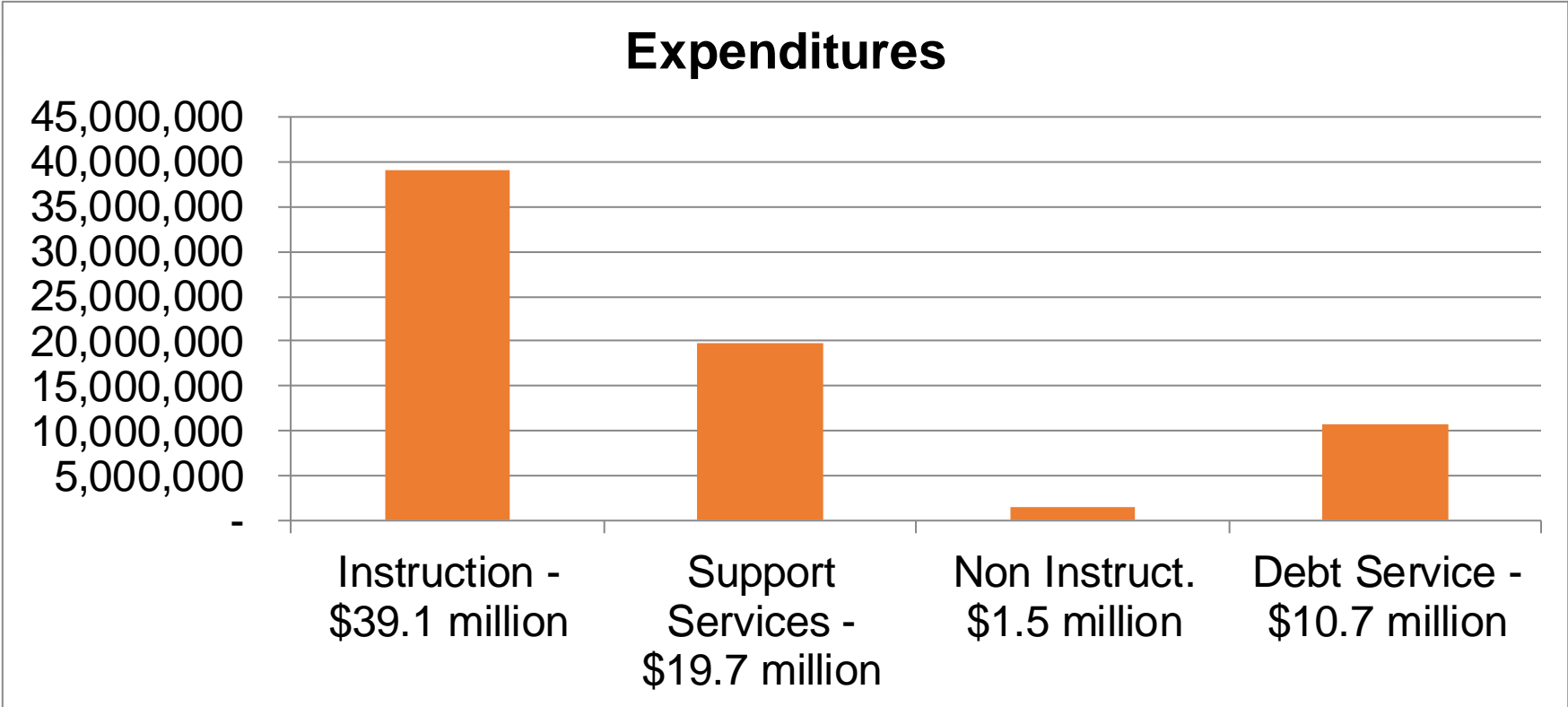


General Fund Revenues



- Local - \$50.8 million
- State - \$15.5 million
- Federal - \$1.3 million

General Fund Expenditures



Other Information

- Covered Payroll of over \$31 million for 2016/2017
- Historical and projected PSERS contribution rates:

08/09	6.68	4.00	0.76	4.76
09/10	7.35	4.00	0.78	4.78
10/11	8.08	5.00	0.64	5.64
11/12	8.12	8.00	0.65	8.65
12/13	8.66	11.50	0.86	12.36
13/14	8.57	16.00	0.93	16.93
14/15	8.46	20.50	0.90	21.40
15/16	8.38	25.00	0.84	25.84
16/17	8.31	29.20	0.83	30.03
17/18	7.70	31.74	0.83	32.57

- The chart below shows the 5-year projected employer contribution rates using the June 30, 2016 valuation.

PROJECTED EMPLOYER CONTRIBUTION RATES AND TOTAL EMPLOYER CONTRIBUTIONS		
* (Presumes a 7.25% rate of return)		
Fiscal Year Ending June	Total Employer Contribution Rate %	Projected Total Employer Contribution (thousands) \$
17/18	32.57	4,380,339
18/19	34.18	4,668,189
19/20	35.53	4,933,711
20/21	35.95	5,081,955
21/22	36.40	5,244,647

Other Items

- Schedule of Finding and Questioned Costs
 - No findings over federal awards
 - Finding 2016-001 - Material Audit Adjustments
- Management Letter
 - Comments from prior year addressed
 - Current Year Comments
 - Budgeting
 - General Fund Deficit

Contact Information

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