



Austintown Local Schools

# Monthly Financial Report

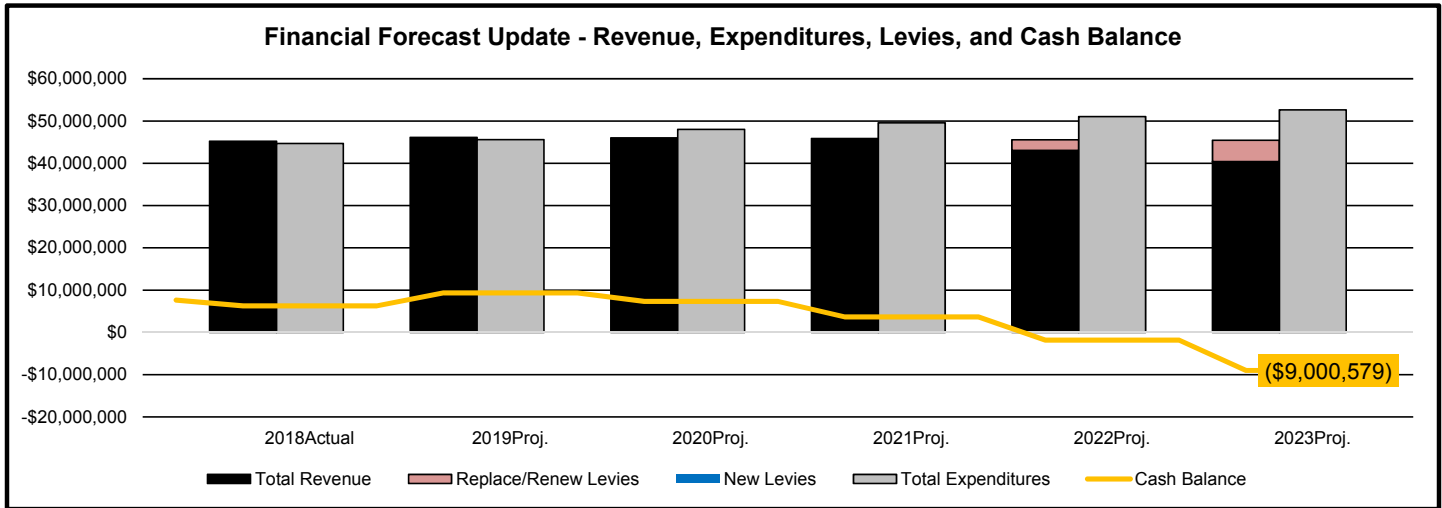
FY 2019 Cash Flow Activity Through: October

Ryan Ghizzoni, Treasurer/CFO

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## Forecast Updated for Actual Results through October, F.Y. 2019



### Projected Revenue Surplus/(Shortfall) by Year

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Revenue Over/(Under)					
Expenditures (Line 6.01)	533,025	(2,004,714)	(3,688,337)	(5,486,944)	(7,167,298)

Note: The above forecast may reflect updates due to actual cash flow results or other internal/external variables.

Includes Applicable Renewal Levies

### Trend Forecast Updated Through FYTD October Compared to Previously Filed Forecast Change In Line 7.02 Ending Cash Balance + Renewal Levies Resulting from Forecast Updated as of October

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Ending Cash Balance at:	Ending Cash Balance (Line 7.02) + Renewal Levies				
Previous Forecast	9,338,702	7,319,977	3,617,629	(1,883,326)	(9,064,636)
Updated Forecast as of October	9,346,714	7,342,000	3,653,663	(1,833,281)	(9,000,579)
Change	8,012	22,023	36,034	50,045	64,057
% of Cumulative Annual Budget	0.0%	0.0%	0.0%	0.0%	0.0%

Previous Forecast Date: 11/11/2018

Current five year forecast projections are in alignment with the five year forecast that was approved by the Board of Education in October. Minimal changes effecting other revenue have slightly increased current revenue projections over the Board approved forecast.

As noted in the October forecast, if revenue and expenditures continue to follow current trends, the district will begin deficit spending next fiscal year by more than \$2 million. The district will need to research ways to either increase revenue or reduce expenditures within the next eight months to reverse these trends and ensure fiscal stability for the district for the forecast period.

## FY 19 Analysis of Month of October Actual and Estimated

October		Revenue		October	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
2,212,918	▼ (717,984)	-24.5%	<b>Total Revenue</b>	2,250,499	▼ (37,582)
					-1.67%
-	▼ (254,385)		Real Estate Taxes	-	-
-	▼ (421,209)		Public Utility PP Taxes	-	-
-	-		Income Tax	-	-
1,661,082	▼ (203,684)		State Revenue	1,712,499	▼ (51,418)
-	-		Prop Tax Allocation	-	-
551,861	▲ 163,364		Other Revenue	538,000	▲ 13,861
(25)	▼ (2,070)		Other Sources	-	▼ (25)

October		Expenditures		October	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
3,815,812	▲ 30,918	0.8%	<b>Total Expenditures</b>	3,592,792	▲ 223,020
					6.21%
1,761,476	▼ (44,336)		Salaries	1,780,000	▼ (18,524)
895,052	▲ 6,806		Benefits	895,000	▲ 52
816,318	▼ (3,426)		Purchased Services	800,000	▲ 16,318
86,586	▼ (23,530)		Supplies	109,822	▼ (23,236)
228,077	▲ 218,847		Capital	5,000	▲ 223,077
25,334	▼ (123,440)		Other Expenses	-	▲ 25,334
2,969	▼ (1)		Other Uses & Debt	2,970	▼ (1)

### Year-Over-Year Cash Balance Comparison

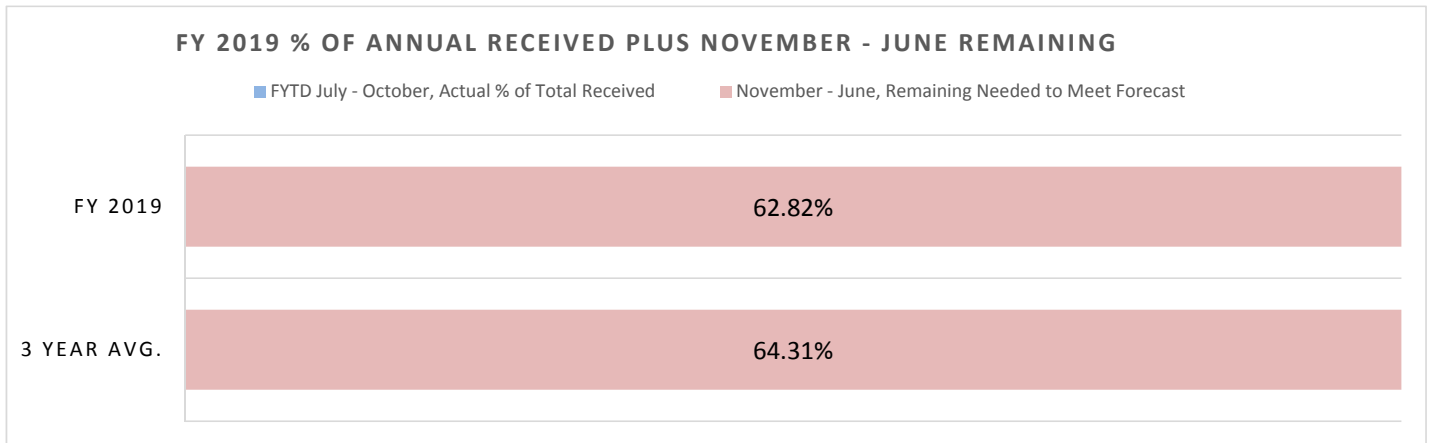
	FY 2018	FY 2019	Yr-Over-Yr Change
October, End of Month Cash Balance	9,684,255	10,875,955	1,191,700

Revenue collected during the month of October are 16.9% lower than the amount collected in the previous fiscal year. The majority of this decrease is due to the district posting the real estate settlement in October during the previous school year. For the current fiscal year, this revenue was posted in September.

The actual revenue received during the month of October was 1.67% less than the amount estimated to be collected. This is mainly due to the timing of when state revenue payments were paid by the O.D.E.

Expenditures for the month of October are 5.1% higher than the amount expended during the same time period during the previous year. This increase was due to the district making payments on the lighting project that is wrapping up. The district will receive reimbursement for these expenses from the bank that financed the project within the next two months, offsetting the costs. The timing of the payment for this project vs. the reimbursement receipt from the bank also caused actual expenditures to exceed estimates for the month.

## FY 19 Actual July - October Received As Percentage of Annual Total Revenue



## FY 19 Annual Revenue Forecast, FYTD Actual, and Remaining Cash Flow Estimate

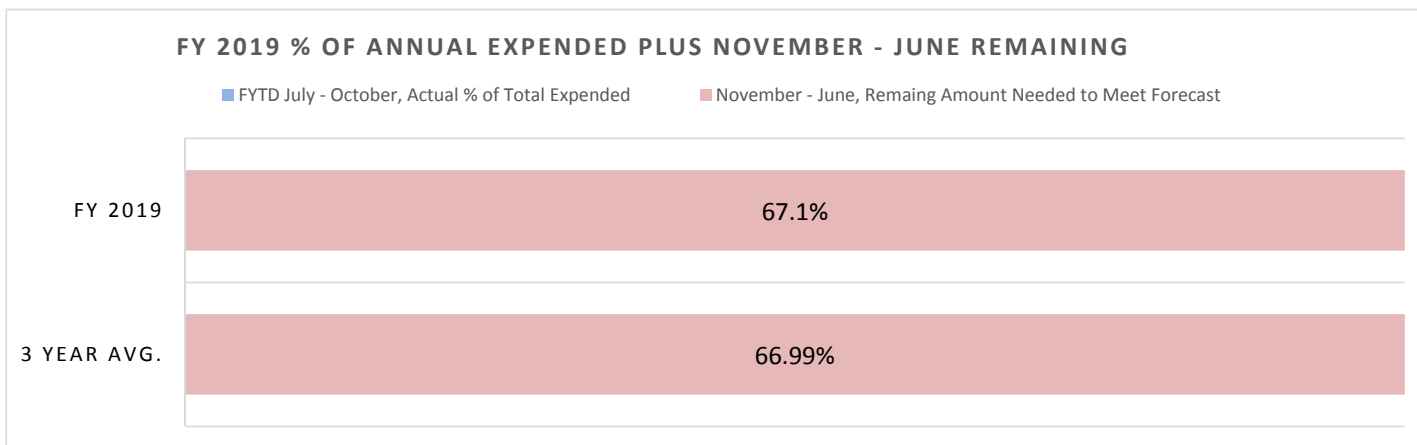
July - June Annual				July - October		November - June		Remaining Cash Flow Estimate Over/(Under) Needed to Meet Forecast
Forecast Amount	YOY Change			FYTD 2019 Actual Amount	YOY Change	Remaining Cash Flow Estimate	YOY Change	
46,111,120	▲ 2.0%	<b>Total Revenue</b>		17,145,458	▲ 2.7%	28,972,920	▲ 1.6%	▲ 7,257
15,584,724	▼ -0.7%	Real Estate Taxes		7,467,330	▲ 1.3%	8,117,395	▼ -2.4%	-
1,059,356	▲ 5.1%	Public Utility PP Taxes		439,477	▲ 4.3%	619,879	▲ 5.6%	-
-	0.0%	Income Tax		-	0.0%	-	0.0%	-
22,196,080	▲ 5.4%	State Funding		7,557,780	▲ 4.0%	14,638,300	▲ 6.1%	-
2,331,814	▼ -0.7%	Property Tax Allocation		-	0.0%	2,331,814	▼ -0.7%	-
4,622,158	▼ -2.6%	All Other Revenue		1,612,807	▼ -1.0%	3,016,608	▼ -3.2%	▲ 7,257
316,988	▼ -8.6%	Other Sources		68,064	> 100%	248,924	▼ -27.0%	-

Note: Remaining Estimated Cash Flow, if realized, would result in total revenue being \$7,257 higher than forecast.

The district is anticipating that total revenue will increase by 2% for the current fiscal year. To date, total revenue collections have exceeded the previous year by 2.7%. This increase is mainly due to the district changing the posting of scholarship and STEM costs as an expenditure for the current fiscal year rather than a reduction of revenue, as it was posted in the previous fiscal year.

The district is projecting that the change of scholarship and STEM tuition costs will also cause increases in state funding for the remainder of the fiscal year. Decreases in open enrollment revenue and real estate tax collections are expected to offset a portion of this increase for the remaining eight months of the fiscal year.

### FY 19 Actual July - October Expended As Percentage of Annual Total Expenditures



### FY 19 Annual Expenditure Forecast, FYTD Actual, and Remaining Cash Flow Estimate

July - June Annual		July - October		November - June		Remaining Cash Flow Estimate Over/(Under) Needed to Meet Forecast
FY 2019 Forecast Amount	YOY Change	FYTD 2019 Actual Amount	YOY Change	Remaining Cash Flow Estimate	YOY Change	
45,578,095	▲ 2.0%	14,977,122	▼ -1.6%	30,547,218	▲ 3.6%	▼ (53,756)
<b>Total Expenditures</b>						
23,736,044	▲ 3.3%	7,681,943	▲ 0.9%	16,054,101	▲ 4.4%	-
9,478,282	▼ -2.0%	3,704,774	▲ 2.1%	5,773,508	▼ -4.5%	-
11,237,835	▲ 20.2%	3,235,205	▲ 6.8%	7,948,885	▲ 25.8%	▼ (53,745)
1,061,209	▼ -0.3%	286,441	▼ -38.0%	774,768	▲ 28.7%	-
(492,748)	< -100%	(140,697)	< -100%	(352,051)	< -100%	-
391,821	▲ 0.8%	197,575	▲ 17.8%	194,246	▼ -12.1%	-
165,652	▼ -15.7%	11,880	▼ 0.0%	153,760	▼ -16.0%	▼ (12)

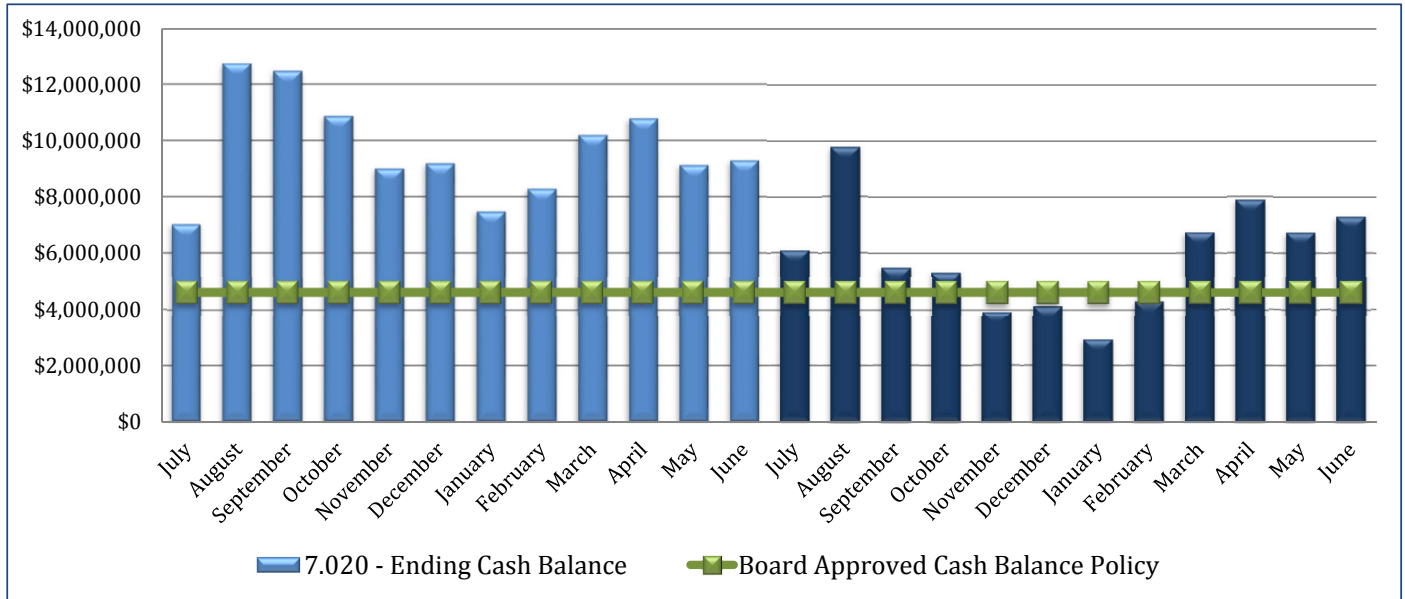
Note: Remaining Estimated Cash Flow, if realized, would result in total expenditures being -\$53,756 lower than forecast.

For fiscal year 2019, total expenditures are expected to exceed the prior year by 2%. A large factor in this increase was mentioned on the previous page. Due to the district posting STEM and scholarship tuition as an expenditure during the current school year, rather than as a reduction of revenue, purchased service expenses will increase by more than \$1.1 million. Projected increases in open enrollment tuition expenses of \$283,339 are also included in these projections.

Year-to-date expenditures are down 1.6% for the first four months of the fiscal year, this is in part due to the district receiving the first part of the financing for the lighting project. This resulted in a negative for the capital expenditure line item. In addition, year-to-date supplies are down 38% compared to the previous year.

For the remaining eight months of the fiscal year, total expenditures are expected to increase by 3.6%.

## Monthly Cash Balance Projections



**FY 2019** **FY 2020**

The district has an adequate cash balance through June of 2020. However, between November and February, the district's cash balance will follow below the targeted minimum cash balance level. This is the first indicator that the district's overall cash balance is beginning to be stressed. Beginning in March of 2020 and continuing through the remainder of the fiscal year, the cash balance goes above this level, as the real estate tax revenue for the second half of the fiscal year is collected.

**State Funding Enrollment Analysis  
Year-Over-Year Change per ODE SFPR**

**Austintown Local SD**

		SFPR Data					
		Oct #2					
Line		FYE 2014	FYE 2015	FYE 2016	FYE 2017	FYE 2018	FY 2019
1	Formula ADM	4,894.16	4,812.61	4,698.53	4,599.77	4,462.92	4,442.24
			-1.67%	-2.37%	-2.10%	-2.98%	-0.46%
2	Resident / Adjusted Total ADM	4,994.38	4,911.99	4,803.43	4,721.83	4,590.52	4,564.78
			-1.65%	-2.21%	-1.70%	-2.78%	-0.56%
3	Resident ADM (District Educated)	4,526.06	4,376.33	4,199.20	4,067.55	3,876.82	3,825.38
			-3.31%	-4.05%	-3.14%	-4.69%	-1.33%
4	Total District Educated ADM	5,193.46	5,071.89	4,950.07	4,834.08	4,602.29	4,470.73
			-2.34%	-2.40%	-2.34%	-4.79%	-2.86%
5	Open Enrollment In ADM	667.40	695.56	750.87	766.53	725.47	645.35
			4.22%	7.95%	2.09%	-5.36%	-11.04%
6	Open Enrollment Out ADM	216.74	271.93	322.09	359.02	370.55	416.98
			25.46%	18.45%	11.47%	3.21%	12.53%
7	Community School ADM	102.33	105.37	113.58	106.64	152.14	137.28
			2.97%	7.79%	-6.11%	42.67%	-9.77%
8	Scholarship ADM	23.98	34.02	37.43	36.04	31.39	31.97
			41.87%	10.02%	-3.71%	-12.90%	1.85%
9	Career Tech ADM (Incl. Contract)	125.27	124.34	131.13	152.58	159.62	153.17
			-0.74%	5.46%	16.36%	4.61%	-4.04%
10	Limited English Proficient ADM	33.00	38.86	35.79	36.32	40.45	40.77
			17.76%	-7.90%	1.48%	11.37%	0.79%
11	Economic Disadvantaged ADM	2,221.13	2,163.04	2,194.99	2,177.24	2,058.21	2,045.40
			-2.62%	1.48%	-0.81%	-5.47%	-0.62%
12	Economic Disadvantaged %	44.47%	44.04%	45.70%	46.11%	44.84%	44.81%
			-0.98%	3.77%	0.91%	-2.76%	-0.06%
13	Special Education ADM	647.28	673.52	669.23	676.14	660.94	694.57
			4.05%	-0.64%	1.03%	-2.25%	5.09%

\* Contract JVS not available on SFPR in FY2015

**Definitions**

- Line 1 - Formula ADM: Number of students used in the per pupil funding calculations, includes students that are open enrollment out but not in open enrollment in. Also includes Community School, Scholarship, plus 20% of CTC students.
- Line 2 - Resident/Adjusted Total ADM: Includes resident students, including open enrollment out but not in, also resident community school or
- Line 3 -- Resident ADM (District Educated): The mathematical result of Line 2 less open enrollment out, community school, and scholarship.
- Line 4 - Total District Educated ADM: The mathematical results of Line 3 plus open enrollment in.
- Line 5 -- Open Enrollment in ADM: Students educated at/by district but resident of another district.
- Line 6 -- Open Enrollment Out ADM: District resident students attending another public school district.
- Line 7 -- Community School ADM: District resident students attending a community school.
- Line 8 -- Scholarship ADM: District resident students utilizing scholarship to attend elsewhere.
- Line 9 -- Career Tech ADM: Students, including contracted, attending a career technical school.
- Line 10 -- Limited English Proficient ADM
- Line 11 -- Economic Disadvantaged ADM
- Line 12 -- Percentage of Students Identified Economic Disadvantaged
- Line 13 -- Special Education ADM: Number of students in any special education weighting.

October was the first month in the fiscal year that the O.D.E. starting using actual fiscal year data to calculate the state funding amount for the district.

Comparing this data to the previous fiscal years, the following observations have been made.

- In each of the last five years, the resident students within the district boundaries have decreased from the previous year, as well as, the the number of resident students being educated in the district. For the current year, the percentage decrease is smaller than the previous years. As the fiscal year progresses, this number is expected to increase due to a transient students leaving.
- Currently, charter school student enrollment is down, resident students going to other districts has increased and other district students attending the district is down.