



Austintown Local Schools

Monthly Financial Report

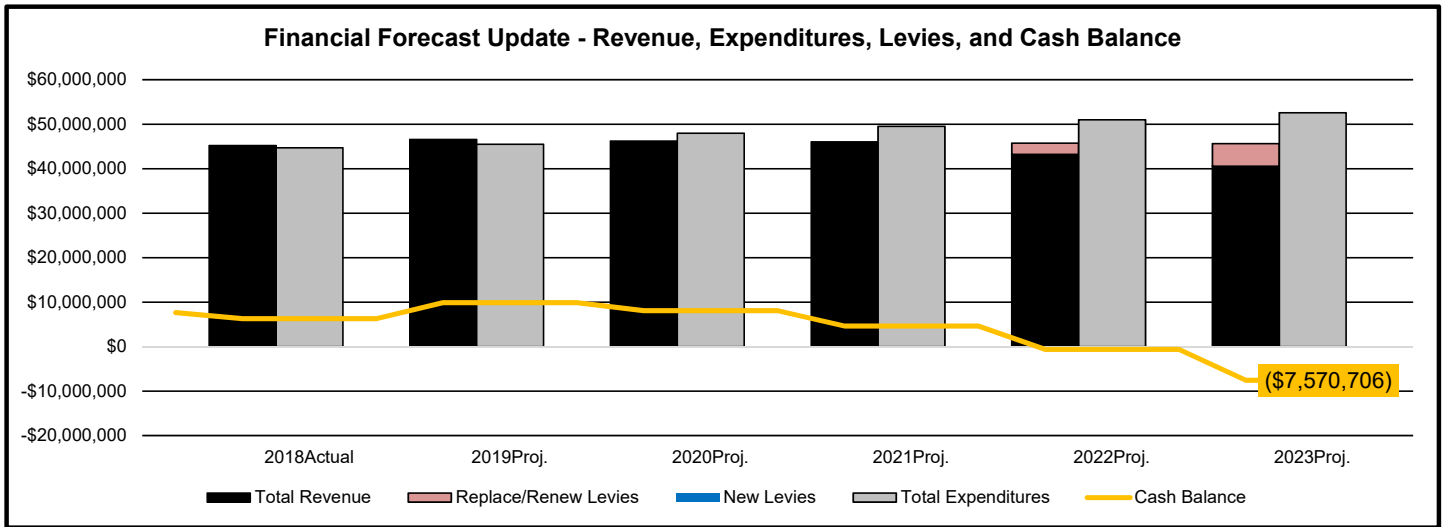
FY 2019 Cash Flow Activity Through: January

Ryan Ghizzoni, Treasurer/CFO

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Forecast Updated for Actual Results through January, 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)	1,075,236	(1,791,359)	(3,469,023)	(5,262,109)	(6,937,139)

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 January Compared to Previously Filed Forecast					
Change In Line 7.02 Ending Cash Balance + Renewal Levies Resulting from Forecast Updated as of January					
	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 January	9,888,925	8,097,566	4,628,543	(633,566)	(7,570,706)
Change	550,223	777,589	1,010,914	1,249,760	1,493,930
% of Cumulative Annual Budget	1.2%	0.8%	0.7%	0.6%	0.6%

Previous Forecast Date: 11/11/2018

Current five year forecast projections continue to trend better than the five year forecast that was approved by the Board of Education in October. Real Estate property values have been updated to reflect 2018 values. Overall, these values were slightly higher than projections, resulting in an increase in revenue. In addition, changes effecting special education tuition, interest income and state funding have also increased estimated revenues whiles decreases in salaries and community schools have slightly decreased expenditures.

Even with these improvements in revenue and expenditures trends, the district is still projected to begin deficit spending during the next fiscal year by more than \$1.7 million. This will lead to a negative cash balance by FY 2022 if no changes are made to the forecast trends. The district will need to research ways to either increase revenue or reduce expenditures within the next seven months to begin to reverse these trends and ensure fiscal stability for the district throughout the forecast period.

FY 19 Analysis of Month of January Actual and Estimated

January		Revenue		January	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
2,330,708	▲ 129,334	5.9%	Total Revenue	2,262,287	▲ 68,421
					3.02%
-	-		Real Estate Taxes	-	-
-	-		Public Utility PP Taxes	-	-
-	-		Income Tax	-	-
1,971,145	▲ 142,028		State Revenue	1,909,287	▲ 61,858
-	-		Prop Tax Allocation	-	-
357,014	▼ (15,130)		Other Revenue	353,000	▲ 4,014
2,549	▲ 2,435		Other Sources	-	▲ 2,549

January		Expenditures		January	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
3,236,590	▼ (404,003)	-11.1%	Total Expenditures	3,304,490	▼ (67,901)
					-2.05%
1,788,505	▲ 35,412		Salaries	1,791,639	▼ (3,133)
911,886	▲ 35,916		Benefits	920,000	▼ (8,114)
911,957	▲ 47,169		Purchased Services	938,882	▼ (26,925)
76,824	▼ (46,657)		Supplies	99,000	▼ (22,176)
(485,832)	▼ (486,378)		Capital	(485,000)	▼ (832)
33,249	▲ 13,506		Other Expenses	37,000	▼ (3,751)
-	▼ (2,970)		Other Uses & Debt	2,970	▼ (2,970)

Year-Over-Year Cash Balance Comparison

	FY 2018	FY 2019	Yr-Over-Yr Change
January, End of Month Cash Balance	6,561,344	8,346,778	1,785,434

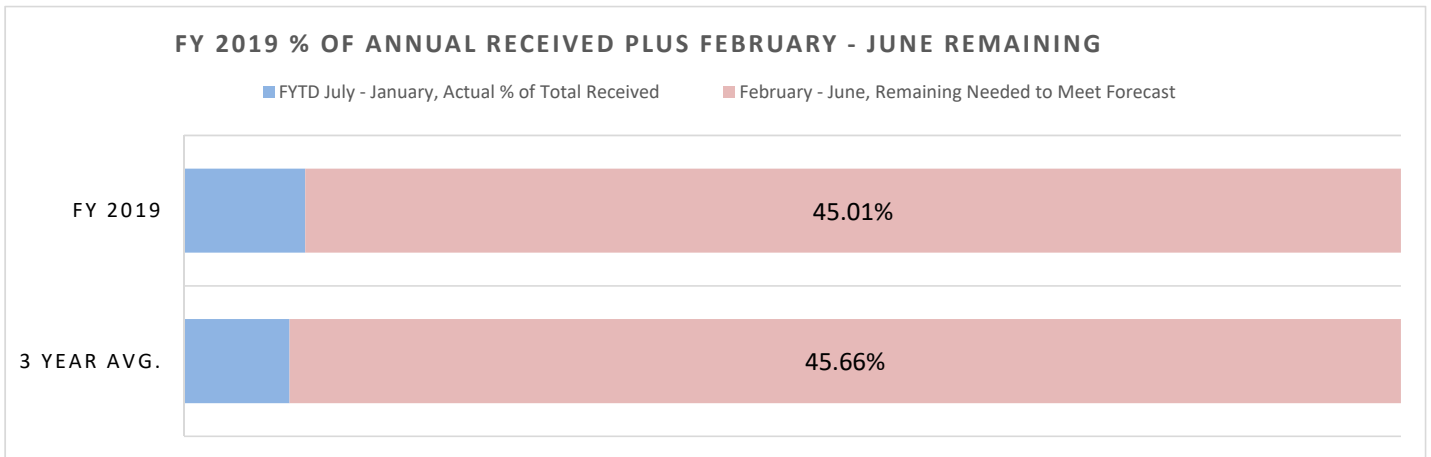
Revenue collections for the month of January are up 5.9% compared to the amount collected during the same month in the previous fiscal year. This increase is due to the district no longer charging scholarship tuition expenses as a reduction of revenue, resulting in an increase in year-over-year state funding .

The difference in timing of the percent of state foundation payment received by the State caused actual revenue received during the month of January to be 3% more than the amount estimated to be collected.

Expenditures for the month of January are down 11.1% compared to the amount expended during the same time period during the previous year. This decrease is due to the district receiving reimbursement for the lighting project costs that were financed through a lease-purchase agreement. The district had to expend the funds before it could receive the financing proceeds.

Actual expenditures for the month of January trended 2.05% less than the estimated expenditure levels for the month.

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



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

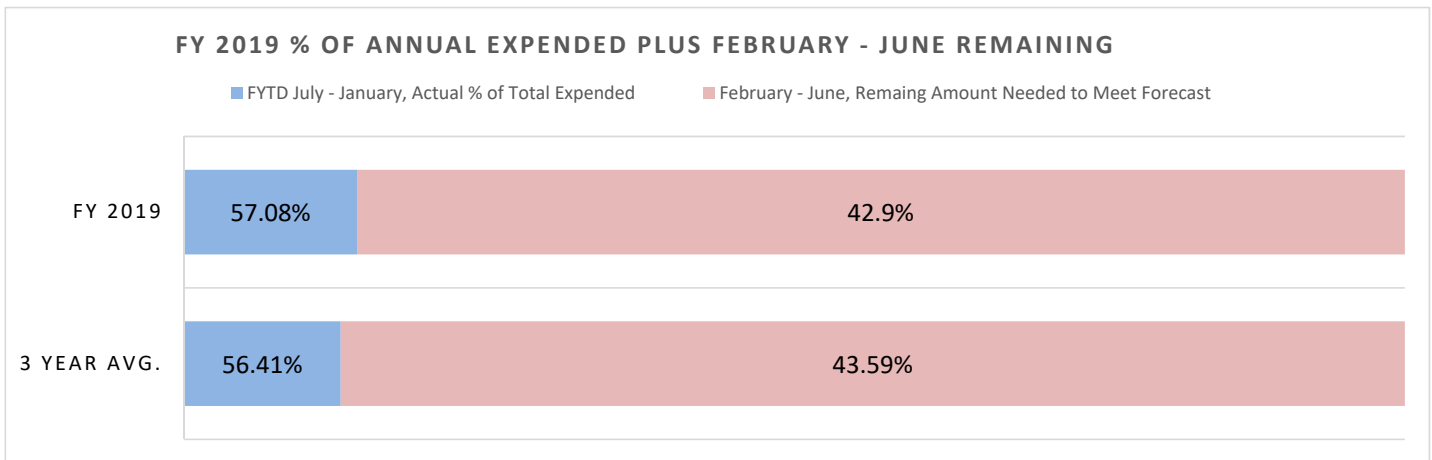
July - June Annual			July - January		February - June		Remaining Cash Flow Estimate Over/(Under) Needed to Meet Forecast
FY 2019 Forecast Amount	YOY Change		FYTD 2019 Actual Amount	YOY Change	Remaining Cash Flow Estimate	YOY Change	
46,564,665	▲ 3.0%	Total Revenue	25,605,173	▲ 4.7%	20,959,493	▲ 1.1%	▲ 2
15,628,156	▼ -0.4%	Real Estate Taxes	7,467,330	▲ 1.3%	8,160,828	▼ -1.9%	▲ 1
1,059,357	▲ 5.1%	Public Utility PP Taxes	439,477	▲ 4.3%	619,880	▲ 5.6%	-
-	0.0%	Income Tax	-	0.0%	-	0.0%	-
22,247,569	▲ 5.6%	State Funding	13,266,515	▲ 6.0%	8,981,054	▲ 5.0%	-
2,332,310	▼ -0.6%	Property Tax Allocation	1,164,816	▼ -1.5%	1,167,494	▲ 0.2%	-
4,956,839	▲ 4.4%	All Other Revenue	2,936,649	▲ 6.7%	2,020,190	▲ 1.2%	-
340,434	▼ -1.8%	Other Sources	330,386	▲ 46.9%	10,048	▼ -91.8%	-

Note: Remaining Estimated Cash Flow, if realized, would result in total revenue being \$2 higher than forecast.

The district is anticipating that total revenue will increase by 3% for the current fiscal year. To date, total revenue collections have exceeded the previous year by 4.7%. 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. In addition, other revenue collections have increased due to higher interest earnings and the district posting current year Medicaid payments to the General Fund.

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. However, decreases in open enrollment revenue and real estate tax collections are expected to offset a large portion of this increase for the remaining five months of the fiscal year.

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



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

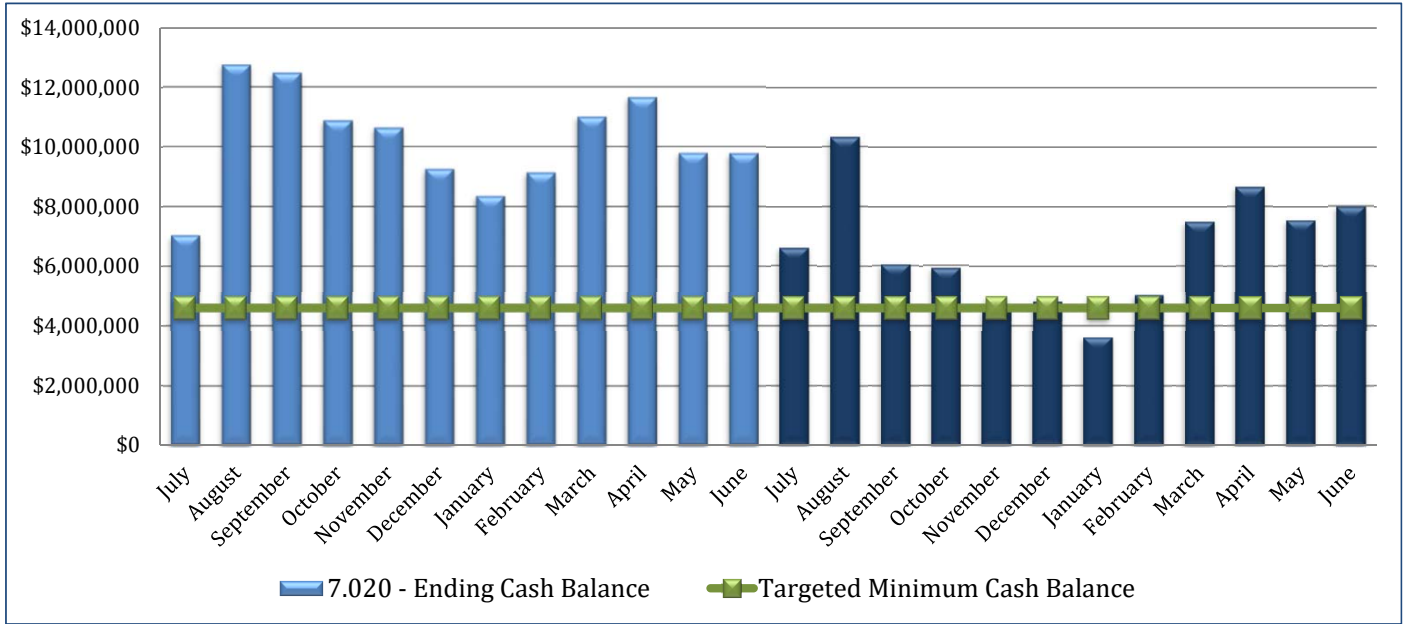
July - June Annual		July - January		February - June		Remaining Cash Flow Estimate Over/(Under) Needed to Meet Forecast
Forecast Amount	YOY Change	FYTD 2019 Actual Amount	YOY Change	Remaining Cash Flow Estimate	YOY Change	
45,489,429	▲ 1.8%	25,966,015	▼ -0.5%	19,523,414	▲ 5.0%	-
Total Expenditures						
23,691,465	▲ 3.1%	13,252,165	▲ 1.7%	10,439,300	▲ 4.9%	-
9,484,552	▼ -1.9%	6,335,105	▼ -2.8%	3,149,447	▼ -0.1%	-
11,033,497	▲ 18.0%	6,100,243	▲ 14.2%	4,933,254	▲ 23.0%	-
1,036,653	▼ -2.6%	482,310	▼ -29.5%	554,343	▲ 45.8%	-
(492,748)	<-100%	(494,154)	<-100%	1,406	▼ -99.8%	-
570,358	▲ 46.7%	272,525	▲ 36.4%	297,833	▲ 57.6%	-
165,652	▼ -15.7%	17,821	▼ -14.3%	147,831	▼ -15.1%	-

For fiscal year 2019, total expenditures are expected to exceed the prior year by 1.8%. 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 and legal expenses are also included in these projections. The refund of prior year capital outlay expenses with the lighting project lease proceeds will cause capital outlay expenditures to be a negative amount.

Year-to-date expenditures are down .5% for the first seven months of the fiscal year, this is mainly due to increases in wages, higher open enrollment tuition, electricity expenses, legal costs and lease payments for the lighting renovation work.

For the remaining five months of the fiscal year, total expenditures are expected to increase by 5%.

Monthly Cash Balance Projections



FY 2019
FY 2020

The district has an adequate cash balance through June of 2020. However, between November and January of FY 2020, the district's cash balance will fall 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 February 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					
		Jan #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	4,462.97	4,459.23
			-1.67%	-2.37%	-2.10%	-2.97%	-0.08%
2	Resident / Adjusted Total ADM	4,994.38	4,911.99	4,803.43	4,721.83	4,590.49	4,579.57
			-1.65%	-2.21%	-1.70%	-2.78%	-0.24%
3	Resident ADM (District Educated)	4,526.06	4,376.33	4,199.20	4,067.55	3,876.87	3,829.90
			-3.31%	-4.05%	-3.14%	-4.69%	-1.21%
4	Total District Educated ADM	5,193.46	5,071.89	4,950.07	4,834.08	4,602.35	4,463.29
			-2.34%	-2.40%	-2.34%	-4.79%	-3.02%
5	Open Enrollment In ADM	667.40	695.56	750.87	766.53	725.48	633.39
			4.22%	7.95%	2.09%	-5.36%	-12.69%
6	Open Enrollment Out ADM	216.74	271.93	322.09	359.02	370.55	424.42
			25.46%	18.45%	11.47%	3.21%	14.54%
7	Community School ADM	102.33	105.37	113.58	106.64	152.14	141.17
			2.97%	7.79%	-6.11%	42.67%	-7.21%
8	Scholarship ADM	23.98	34.02	37.43	36.04	31.40	33.65
			41.87%	10.02%	-3.71%	-12.87%	7.17%
9	Career Tech ADM (Incl. Contract)	125.27	124.34	131.13	152.58	159.53	150.43
			-0.74%	5.46%	16.36%	4.55%	-5.70%
10	Limited English Proficient ADM	33.00	38.86	35.79	36.32	40.45	41.89
			17.76%	-7.90%	1.48%	11.37%	3.56%
11	Economic Disadvantaged ADM	2,221.13	2,163.04	2,194.99	2,177.24	2,058.31	2,078.86
			-2.62%	1.48%	-0.81%	-5.46%	1.00%
12	Economic Disadvantaged %	44.47%	44.04%	45.70%	46.11%	44.84%	45.39%
			-0.98%	3.77%	0.91%	-2.76%	1.24%
13	Special Education ADM	647.28	673.52	669.23	676.14	660.97	708.83
			4.05%	-0.64%	1.03%	-2.24%	7.24%

Based on the latest SFPR data released by the Ohio Department of Education the district's resident enrollment has decreased by 1.21% since FY18 while the total number of students being educated in the district has declined by 3.02%. The district educated enrollment number decrease is larger than the resident educated number due to less students open enrolling into the school district and more resident students opting to enroll in other districts.