



Austintown Local Schools

Monthly Financial Report

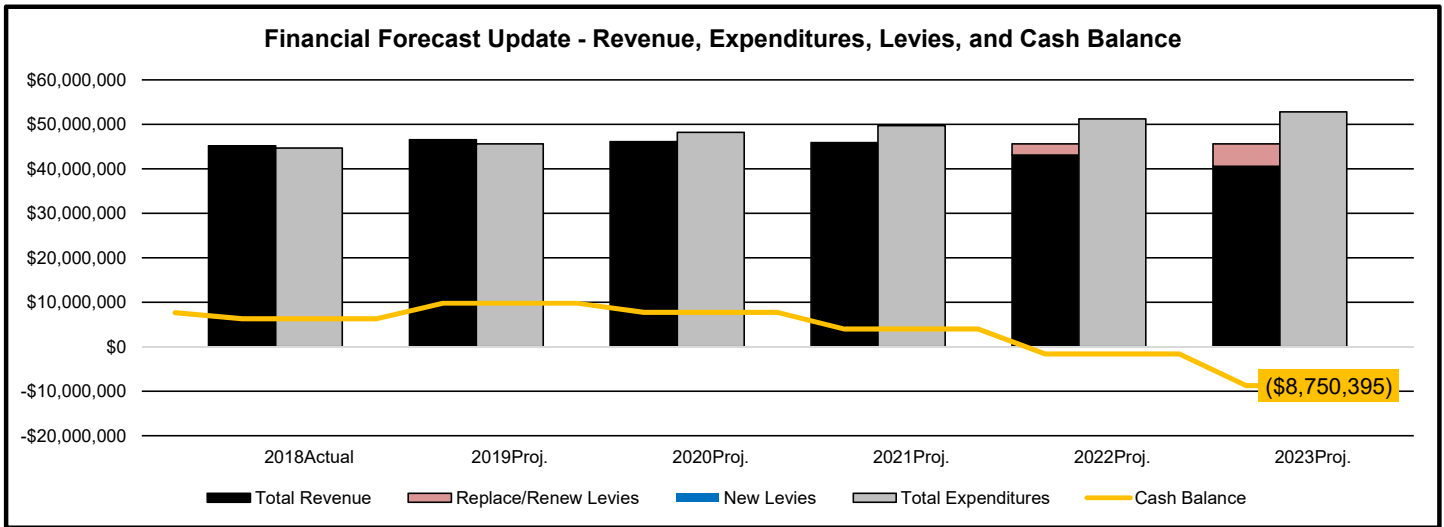
FY 2019 Cash Flow Activity Through: February

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Forecast Updated for Actual Results through February, 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)	979,470	(2,048,488)	(3,780,006)	(5,565,316)	(7,149,743)

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 February Compared to Previously Filed Forecast
Change In Line 7.02 Ending Cash Balance + Renewal Levies Resulting from Forecast Updated as of February

	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 February	9,793,159	7,744,671	3,964,665	(1,600,651)	(8,750,395)
Change	454,457	424,694	347,036	282,675	314,241
% of Cumulative Annual Budget	1.0%	0.5%	0.2%	0.1%	0.1%

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 actual 2018 values, which are slightly higher than projections. In addition, changes effecting special education tuition, interest income and state funding have also increased estimated revenues, while 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 \$2 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 five months to begin to reverse these trends and ensure fiscal stability for the district throughout the forecast period.

FY 19 Analysis of Month of February Actual and Estimated

February		Revenue		February	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
3,201,008	▼ (965,519)	-23.2%	Total Revenue	2,977,268	▲ 223,740
7.51%					
765,000	▼ (1,288,000)		Real Estate Taxes	765,000	-
-	-		Public Utility PP Taxes	-	-
-	-		Income Tax	-	-
1,794,673	▲ 91,910		State Revenue	1,797,268	▼ (2,595)
-	-		Prop Tax Allocation	-	-
641,335	▲ 232,732		Other Revenue	415,000	▲ 226,335
-	▼ (2,161)		Other Sources	-	-

February		Expenditures		February	
Actual Cash Flow For the Month	Actual Compared to Last Year			Estimated For the Month	Actual Compared to Estimated
3,157,716	▼ (61,457)	-1.9%	Total Expenditures	3,330,099	▼ (172,383)
-5.18%					
1,860,087	▼ (5,694)		Salaries	1,941,745	▼ (81,658)
364,602	▼ (30,955)		Benefits	369,920	▼ (5,318)
833,603	▲ 9,744		Purchased Services	873,860	▼ (40,257)
69,397	▼ (44,339)		Supplies	111,634	▼ (42,237)
794	▼ (15,660)		Capital	-	▲ 794
26,261	▲ 25,448		Other Expenses	27,000	▼ (739)
2,970	▲ 0		Other Uses & Debt	5,940	▼ (2,970)

Year-Over-Year Cash Balance Comparison

	FY 2018	FY 2019	Yr-Over-Yr Change
February, End of Month Cash Balance	7,508,698	7,883,084	374,386

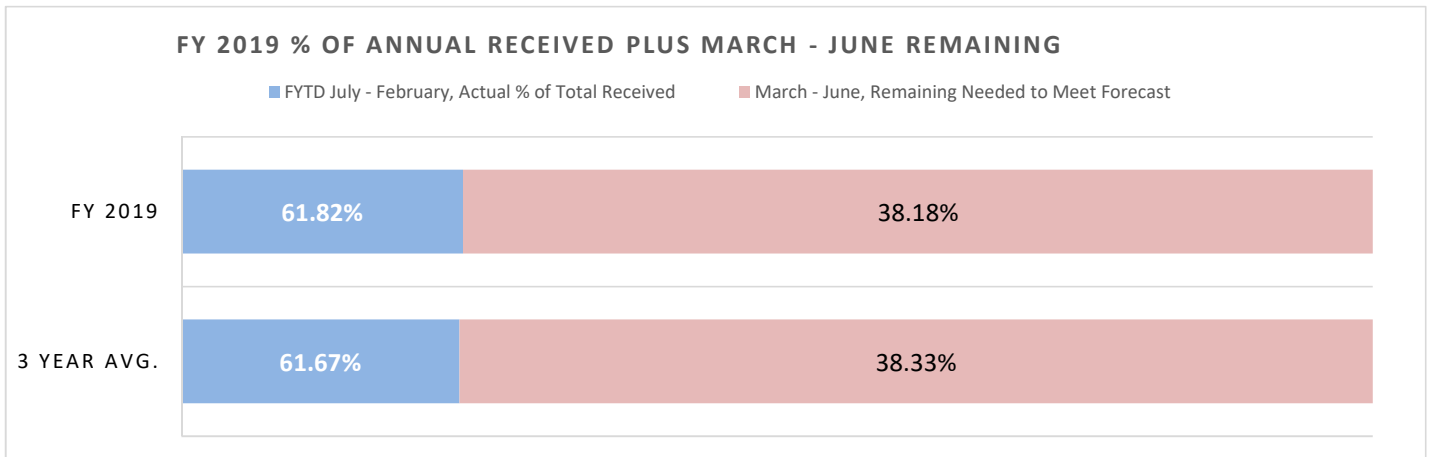
Revenue collections for the month of February are down 23.2% compared to the amount collected during the same month in the previous fiscal year. The majority of this decrease is due to the timing in which the County Auditor released real estate tax advances to the district. As the advances and tax settlement are received over the next four months, this variance is expected to be eliminated.

Increases in excess cost revenue, interest income and federal Medicaid reimbursements caused actual revenue received during the month of February to be 7.51% more than the amount estimated to be collected.

Expenditures for the month of February are down 1.9% compared to the amount expended during the same time period during the previous year. This decrease is due to the manner in which the Stark County C.O.G. billed for the health insurance premium holidays for the month and reductions in transportation supply expenses.

Actual expenditures for the month of February trended 5.18% lower than the estimated expenditure levels for the month. Reductions in substitute costs, tutoring stipends, transportation supply expenses and repair and maintenance costs for the month led to actual expenditures coming in under the budgeted amount.

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



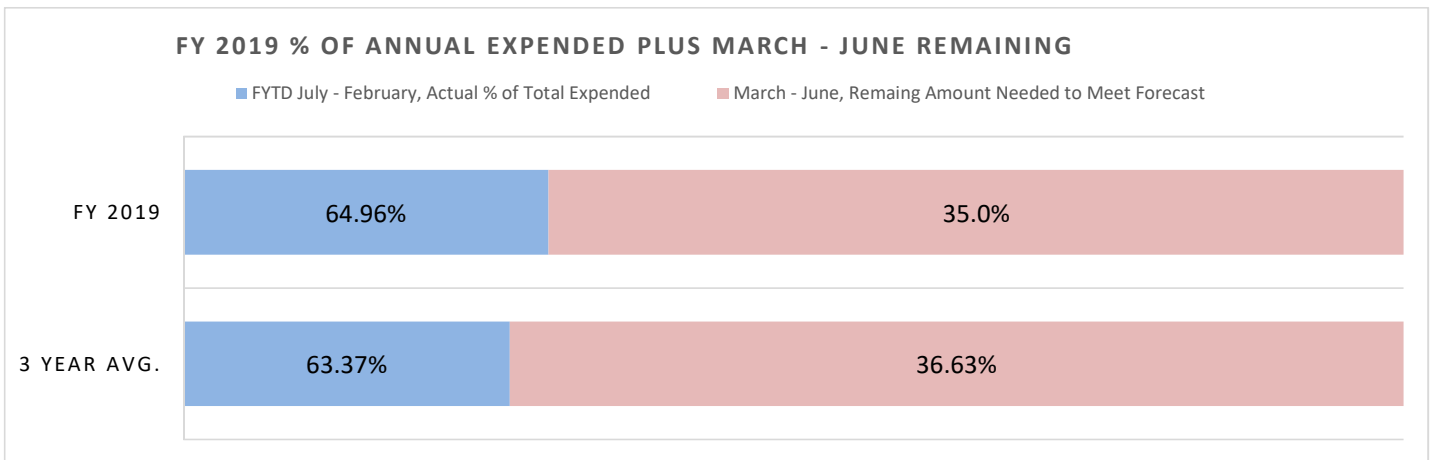
FY 19 Annual Revenue Forecast, FYTD Actual, and Remaining Cash Flow Estimate

July - June Annual			July - February		March - 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	
46,593,565	▲ 3.1%	Total Revenue	28,806,181	▲ 0.6%	17,787,385	▲ 6.9%	-
15,628,156	▼ -0.4%	Real Estate Taxes	8,232,330	▼ -12.7%	7,395,828	▲ 18.1%	▲ 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%	-
22,252,932	▲ 5.7%	State Funding	15,061,188	▲ 5.9%	7,191,744	▲ 5.0%	-
2,332,310	▼ -0.6%	Property Tax Allocation	1,164,816	▼ -1.5%	1,167,494	▲ 0.2%	-
4,980,376	▲ 4.9%	All Other Revenue	3,577,984	▲ 13.2%	1,402,391	▼ -11.6%	-
340,434	▼ -1.8%	Other Sources	330,386	▲ 45.5%	10,048	▼ -91.6%	-

The district is anticipating that total revenue will increase by 3.1% for the current fiscal year. To date, total revenue collections have exceeded the previous year by 0.6%. Increases in revenue due to the district changing how scholarship and STEM costs were posted, as well as increases in interest income, excess cost tuition revenue and Medicaid payments were offset by reductions in real estate collections, due to the timing of when advances were received.

The district is projecting that the change of scholarship and STEM tuition costs as an expense, rather than a reduction of revenue, will continue to cause increases in state funding for the remainder of the fiscal year. In addition, the timing difference due to when real estate tax advances are paid by the County will cause overall revenue to increase over the amount received in the previous year. A portion of this increase will be offset by decreases in open enrollment revenue for the remaining four months of the fiscal year.

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



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

July - June Annual		July - February		March - 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	
45,614,095	▲ 2.1%	29,630,716	▲ 1.0%	15,983,378	▲ 4.0%	▼ (1)
Total Expenditures						
23,832,355	▲ 3.7%	15,327,287	▲ 2.9%	8,505,067	▲ 5.1%	-
9,509,261	▼ -1.7%	6,710,377	▼ -2.9%	2,798,884	▲ 1.5%	-
11,067,235	▲ 18.4%	7,140,972	▲ 15.8%	3,926,262	▲ 23.3%	-
1,036,653	▼ -2.6%	625,862	▼ -21.5%	410,791	▲ 54.2%	-
(492,748)	< -100%	(493,359)	< -100%	611	▼ -99.9%	-
495,687	▲ 27.5%	298,786	▲ 49.0%	196,901	▲ 4.6%	-
165,652	▼ -15.7%	20,791	▼ -12.5%	144,861	▼ -15.4%	-

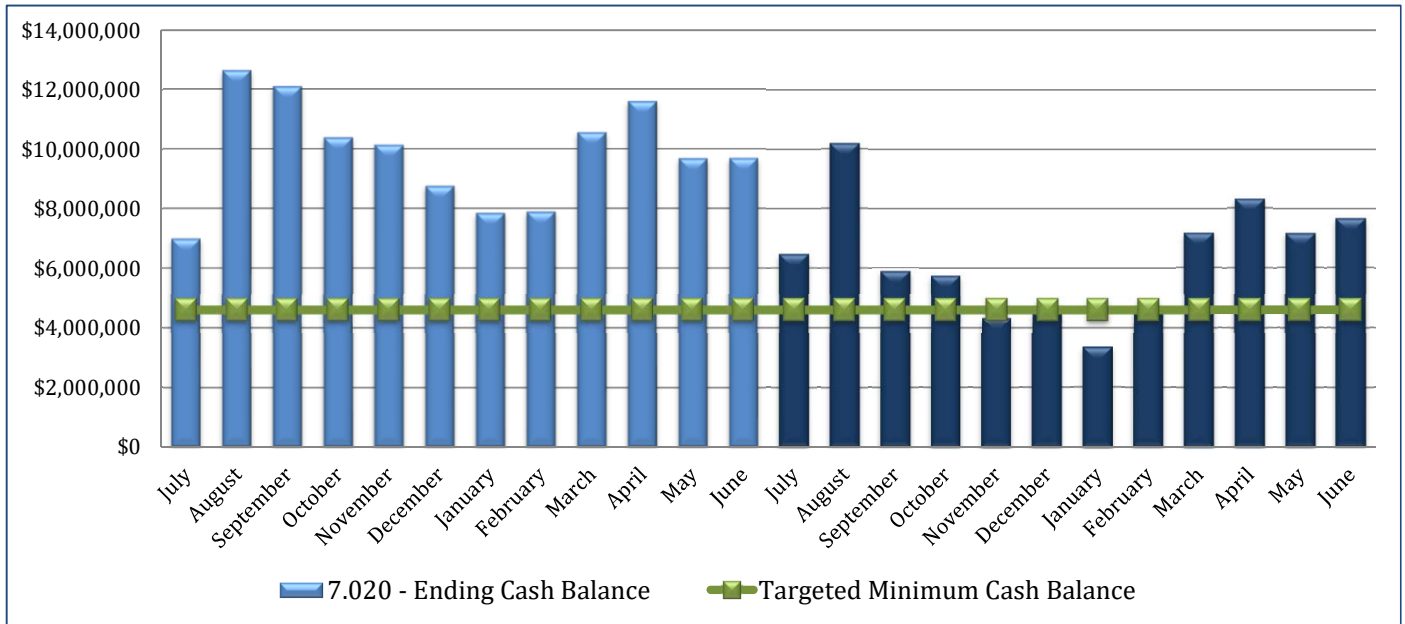
Note: Remaining Estimated Cash Flow, if realized, would result in total expenditures being -\$1 lower than forecast.

For fiscal year 2019, total expenditures are expected to exceed the prior year by 2.1%. 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, other tuition 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 up 1% for the first eight months of the fiscal year. This is mainly due to increases in wages, higher open enrollment tuition, legal costs and lease payments for the lighting renovation work.

For the remaining four months of the fiscal year, total expenditures are expected to increase by 4%.

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.

Austintown Local SD

SFPR Data

		Feb. #2				
Line		FYE 2014	FYE 2015	FYE 2016	FYE 2017	FY 2019
1	Formula ADM	4,894.16	4,812.61	4,698.53	4,599.77	4,462.92
			-1.67%	-2.37%	-2.10%	-2.98%
2	Resident / Adjusted Total ADM	4,994.38	4,911.99	4,803.43	4,721.83	4,590.52
			-1.65%	-2.21%	-1.70%	-2.78%
3	Resident ADM (District Educated)	4,526.06	4,376.33	4,199.20	4,067.55	3,876.82
			-3.31%	-4.05%	-3.14%	-4.69%
4	Total District Educated ADM	5,193.46	5,071.89	4,950.07	4,834.08	4,602.29
			-2.34%	-2.40%	-2.34%	-4.79%
5	Open Enrollment In ADM	667.40	695.56	750.87	766.53	725.47
			4.22%	7.95%	2.09%	-5.36%
6	Open Enrollment Out ADM	216.74	271.93	322.09	359.02	370.55
			25.46%	18.45%	11.47%	3.21%
7	Community School ADM	102.33	105.37	113.58	106.64	152.14
			2.97%	7.79%	-6.11%	42.67%
8	Scholarship ADM	23.98	34.02	37.43	36.04	31.39
			41.87%	10.02%	-3.71%	-12.90%
9	Career Tech ADM (Incl. Contract)	125.27	124.34	131.13	152.58	159.62
			-0.74%	5.46%	16.36%	4.61%
10	Limited English Proficient ADM	33.00	38.86	35.79	36.32	40.45
			17.76%	-7.90%	1.48%	11.37%
11	Economic Disadvantaged ADM	2,221.13	2,163.04	2,194.99	2,177.24	2,058.21
			-2.62%	1.48%	-0.81%	-5.47%
12	Economic Disadvantaged %	44.47%	44.04%	45.70%	46.11%	44.84%
			-0.98%	3.77%	0.91%	-2.76%
13	Special Education ADM	647.28	673.52	669.23	676.14	660.94
			4.05%	-0.64%	1.03%	-2.25%
						7.65%

* Contract JVS not available on SFPR in FY2015

Based on the latest SFPR data released by the Ohio Department of Education the district's resident enrollment has decreased by 1.41% since FY18 while the total number of students being educated in the district has declined by 3.27%. 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.