



Austintown Local Schools

# Monthly Financial Report

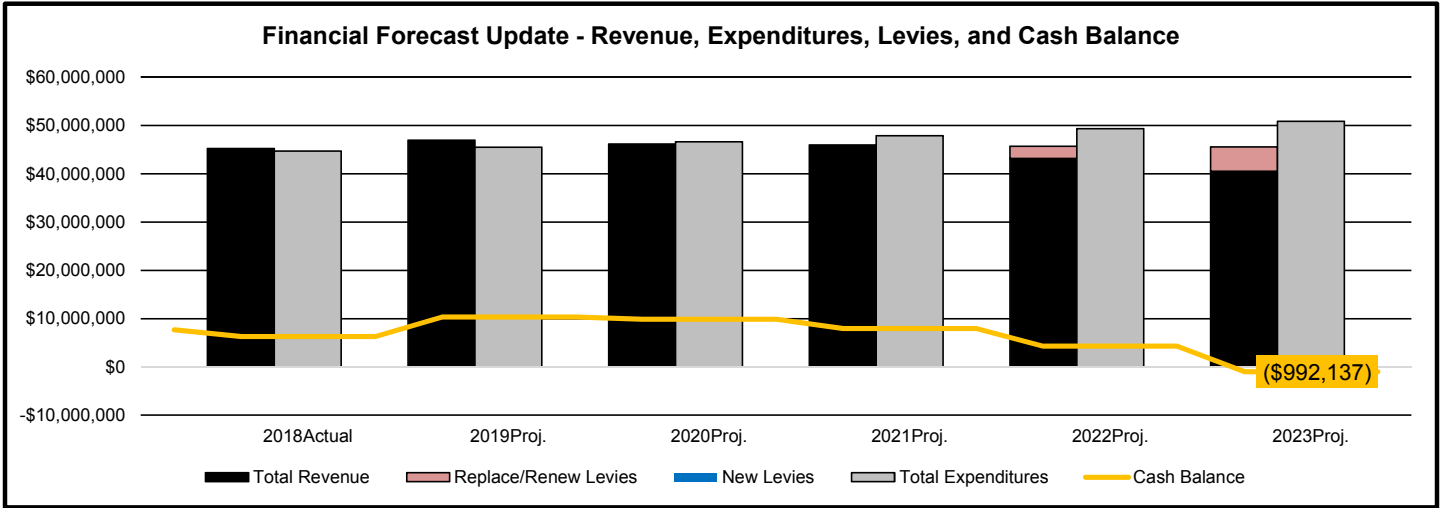
FY 2019 Cash Flow Activity Through: April

Ryan Ghizzoni, Treasurer/CFO

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**Forecast Updated for Actual Results through April, 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) | 1,489,351 | (469,036) | (1,926,136) | (3,649,038) | (5,250,966) |

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

|                               | 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 April  | 10,303,040                                       | 9,834,004 | 7,907,868 | 4,258,830   | (992,137)   |
| Change                        | 964,338  | 2,514,027 | 4,290,239 | 6,142,156   | 8,072,499   |
| % of Cumulative Annual Budget | 2.1%   | 2.7%      | 3.1%      | 3.3%        | 3.4%        |

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 interest income, excess costs billings, projected catastrophic reimbursements and state funding have also increased estimated revenues. A portion of these increases have been offset by increases in special education preschool expenses.

Due to anticipated deficit spending, the district has initiated a budget reduction plan that is included in the projections above. Even with those budget reductions included in next year's expense projections, the district is still estimating that it will be deficit spending during by \$469,036. This will lead to a negative cash balance by FY 2023 if no changes are made to the forecast trends.

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

| April                          |                              | Revenue |                         | April                   |                              |
|--------------------------------|------------------------------|---------|-------------------------|-------------------------|------------------------------|
| Actual Cash Flow For the Month | Actual Compared to Last Year |         |                         | Estimated For the Month | Actual Compared to Estimated |
| 4,011,521                      | ▲ 75,762                     | 1.9%    | <b>Total Revenue</b>    | 4,020,621               | ▼ (9,100)                    |
| -0.23%                         |                              |         |                         |                         |                              |
| 1,243,480                      | ▼ (643,520)                  |         | Real Estate Taxes       | 1,243,480               | -                            |
| 627,753                        | ▲ 627,753                    |         | Public Utility PP Taxes | 627,753                 | -                            |
| -                              | -                            |         | Income Tax              | -                       | -                            |
| 1,797,331                      | ▲ 108,331                    |         | State Revenue           | 1,800,204               | ▼ (2,873)                    |
| -                              | -                            |         | Prop Tax Allocation     | -                       | -                            |
| 342,957                        | ▼ (15,507)                   |         | Other Revenue           | 349,184                 | ▼ (6,227)                    |
| -                              | ▼ (1,295)                    |         | Other Sources           | -                       | -                            |

| April                          |                              | Expenditures |                           | April                   |                              |
|--------------------------------|------------------------------|--------------|---------------------------|-------------------------|------------------------------|
| Actual Cash Flow For the Month | Actual Compared to Last Year |              |                           | Estimated For the Month | Actual Compared to Estimated |
| 3,435,082                      | ▲ 183,151                    | 5.6%         | <b>Total Expenditures</b> | 3,350,908               | ▲ 84,174                     |
| 2.51%                          |                              |              |                           |                         |                              |
| 1,810,409                      | ▲ 174,612                    |              | Salaries                  | 1,835,000               | ▼ (24,591)                   |
| 356,943                        | ▼ (176,067)                  |              | Benefits                  | 372,000                 | ▼ (15,057)                   |
| 982,754                        | ▲ 102,647                    |              | Purchased Services        | 1,015,049               | ▼ (32,295)                   |
| 59,292                         | ▼ (33,574)                   |              | Supplies                  | 116,939                 | ▼ (57,647)                   |
| 50,035                         | ▼ (49,421)                   |              | Capital                   | 1,200                   | ▲ 48,835                     |
| 172,679                        | ▲ 164,953                    |              | Other Expenses            | 7,750                   | ▲ 164,929                    |
| 2,970                          | ▲ 0                          |              | Other Uses & Debt         | 2,970                   | ▲ 0                          |

### Year-Over-Year Cash Balance Comparison

|                                  | FY 2018    | FY 2019    | Yr-Over-Yr Change |
|----------------------------------|------------|------------|-------------------|
| April, End of Month Cash Balance | 10,325,120 | 12,686,198 | 2,361,079         |

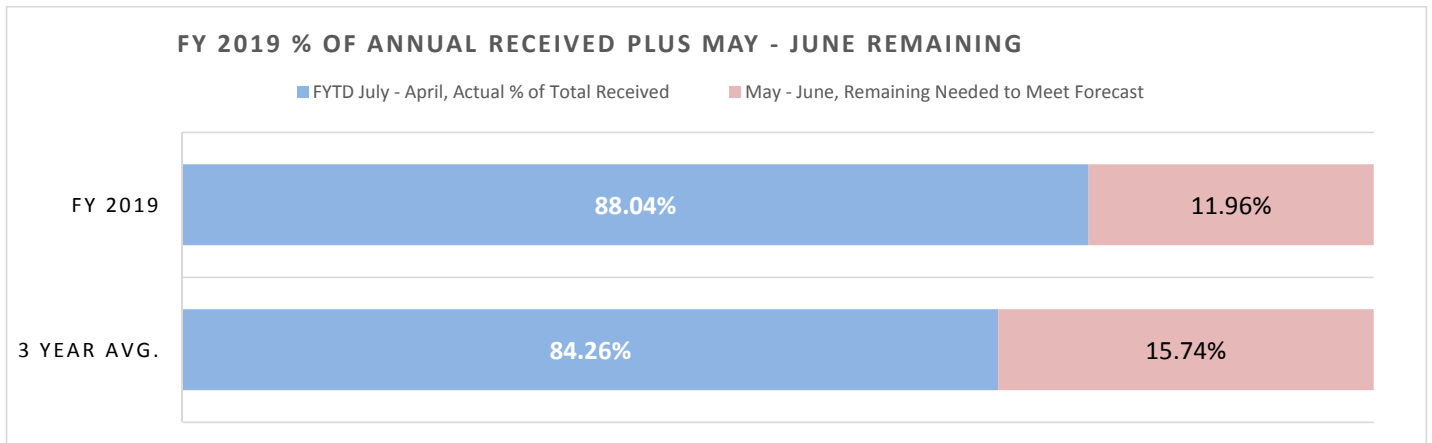
Revenue collections for the month of April are up 1.9% compared to the amount collected during the same month in the previous fiscal year. This increase is due to the timing in which the County Auditor released real estate tax advances to the district and year-over-year state revenue collections.

Actual revenue received during the month of April was within .23% of the amount estimated to be collected.

Expenditures for the month of April are up 5.6% compared to the amount expended during the same time period during the previous year. This increase is due to increases in tuition related expenses, including open enrollment, excess costs and tuition payments to other districts (SF14).

Actual expenditures for the month of April trended within 2.51% of the estimated expenditure levels for the month. The largest variance was in other expenses due to the County Auditor and Treasurer fees being paid earlier than expected.

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



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

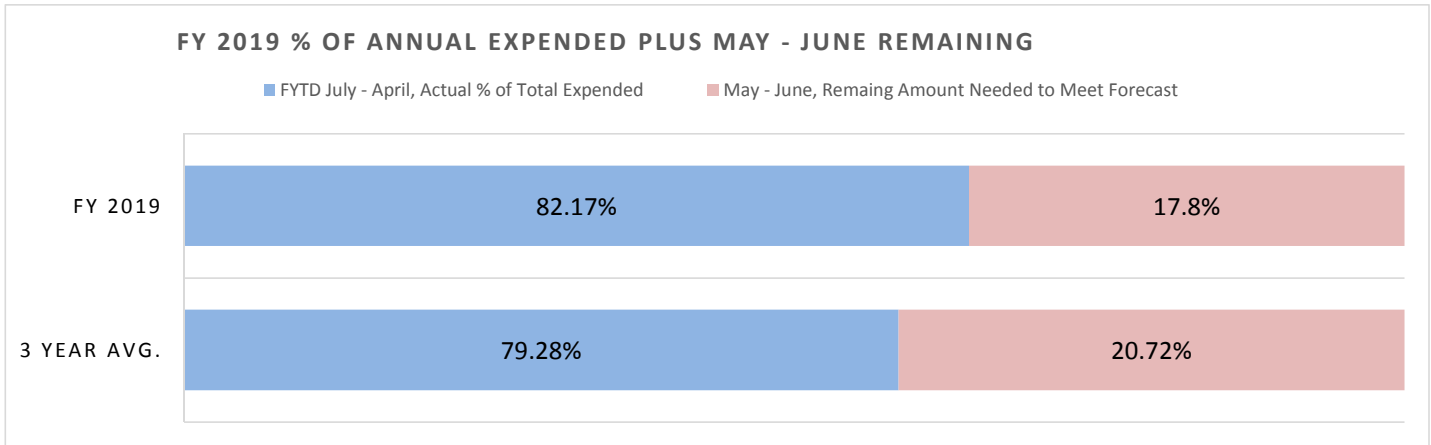
| July - June Annual   |            | July - April            |            | May - June                   |            | Remaining Cash Flow Estimate Over/(Under) Needed to Meet Forecast |
|----------------------|------------|-------------------------|------------|------------------------------|------------|---|
| Forecast Amount      | YOY Change | FYTD 2019 Actual Amount | YOY Change | Remaining Cash Flow Estimate | YOY Change |   |
| 46,934,079           | ▲ 3.8%     | 41,320,247              | ▲ 6.7%     | 5,613,833                    | ▼ -15.4%   | ▲ 1   |
| <b>Total Revenue</b> |            |                         |            |                              |            |   |
| 15,804,809           | ▲ 0.7%     | 15,804,810              | ▲ 2.8%     | 0                            | ▼ -100.0%  | -   |
| 1,067,230            | ▲ 5.9%     | 1,067,230               | > 100%     | -                            | ▼ -100.0%  | -   |
| -                    | 0.0%       | -                       | 0.0%       | -                            | 0.0%       | -   |
| 22,429,927           | ▲ 6.5%     | 18,649,651              | ▲ 6.0%     | 3,780,276                    | ▲ 8.8%     | -   |
| 2,332,310            | ▼ -0.6%    | 1,164,816               | ▼ -1.5%    | 1,167,494                    | ▲ 0.2%     | -   |
| 4,959,369            | ▲ 4.5%     | 4,302,177               | ▲ 9.5%     | 657,192                      | ▼ -19.5%   | -   |
| 340,434              | ▼ -1.8%    | 331,563                 | ▲ 44.8%    | 8,871                        | ▼ -92.5%   | -   |

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

The district is anticipating that total revenue will increase by 3.8% for the current fiscal year. To date, total revenue collections have exceeded the previous year by 6.7%. Increases in revenue were the result of the district changing how scholarship and STEM costs were posted, as well as the timing of real estate collections, higher interest income and increased federal Medicaid reimbursements.

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.

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



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

| July - June Annual        |            | July - April            |            | May - 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 |   |
| 45,444,728                | ▲ 1.7%     | 37,341,668              | ▲ 2.0%     | 8,103,062                    | ▲ 0.1%     | ▲ 2   |
| <b>Total Expenditures</b> |            |                         |            |                              |            |   |
| 23,797,898                | ▲ 3.5%     | 19,966,871              | ▲ 3.5%     | 3,831,027                    | ▲ 3.5%     | -   |
| 9,451,971                 | ▼ -2.3%    | 7,439,819               | ▼ -5.4%    | 2,012,152                    | ▲ 11.5%    | -   |
| 11,108,553                | ▲ 18.8%    | 9,130,286               | ▲ 17.5%    | 1,978,268                    | ▲ 25.1%    | -   |
| 923,128                   | ▼ -13.2%   | 737,169                 | ▼ -21.8%   | 185,959                      | ▲ 53.7%    | -   |
| (487,162)                 | <-100%     | (441,638)               | <-100%     | (45,524)                     | <-100%     | -   |
| 484,688                   | ▲ 24.7%    | 479,458                 | >100%      | 5,230                        | ▼ -97.1%   | -   |
| 165,652                   | ▼ -15.7%   | 29,702                  | ▼ 0.0%     | 135,951                      | ▼ -17.7%   | ▲ 1   |

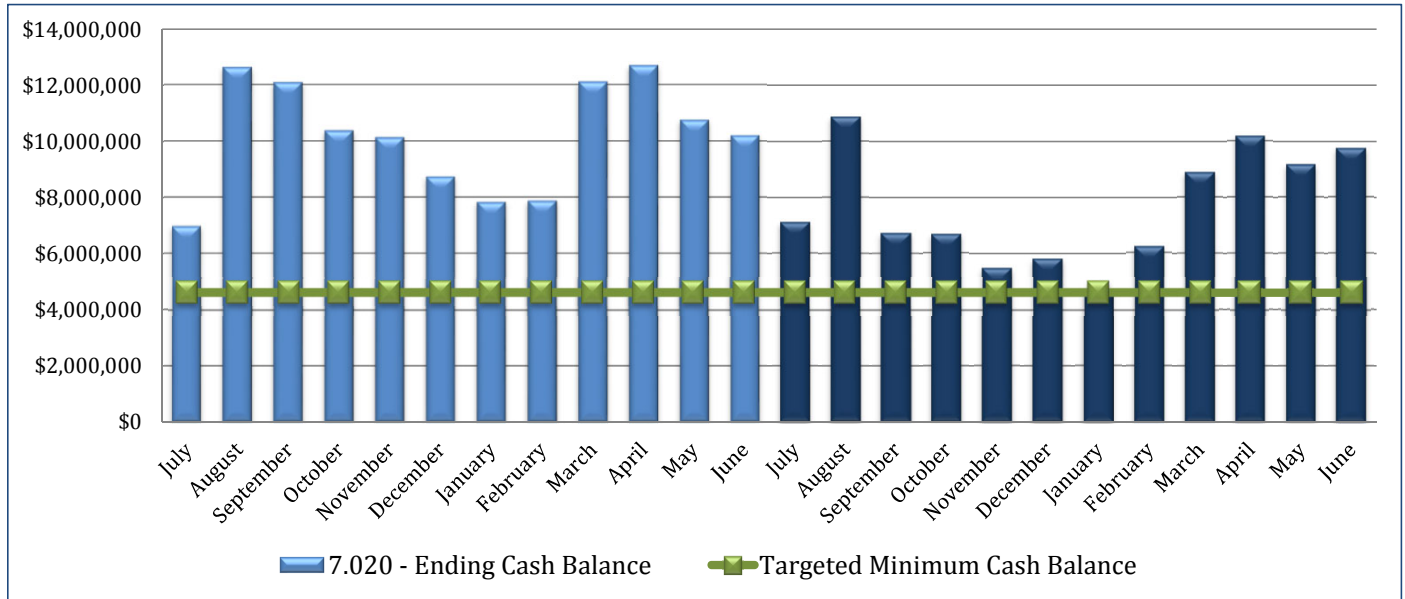
Note: Remaining Estimated Cash Flow, if realized, would result in total expenditures being \$2 higher than forecast.

For fiscal year 2019, total expenditures are expected to exceed the prior year by 1.7%. 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 expenses, excess cost tuition, lease purchase payments and contracted services 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 2% for the first ten months of the fiscal year. This is mainly due to increases in wages, higher open enrollment tuition, and lease payments for the lighting renovation work.

For the remaining four months of the fiscal year, total expenditures are expected to increase by .1%.

## 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**

|      |                                  | Apr. #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 | 4,453.41 |
|      |                                  |          | -1.67%   | -2.37%   | -2.10%   | -2.98%   | -0.21%   |
| 2    | Resident / Adjusted Total ADM    | 4,994.38 | 4,911.99 | 4,803.43 | 4,721.83 | 4,590.52 | 4,573.32 |
|      |                                  |          | -1.65%   | -2.21%   | -1.70%   | -2.78%   | -0.37%   |
| 3    | Resident ADM (District Educated) | 4,526.06 | 4,376.33 | 4,199.20 | 4,067.55 | 3,876.82 | 3,818.47 |
|      |                                  |          | -3.31%   | -4.05%   | -3.14%   | -4.69%   | -1.51%   |
| 4    | Total District Educated ADM      | 5,193.46 | 5,071.89 | 4,950.07 | 4,834.08 | 4,602.29 | 4,446.06 |
|      |                                  |          | -2.34%   | -2.40%   | -2.34%   | -4.79%   | -3.39%   |
| 5    | Open Enrollment In ADM           | 667.40   | 695.56   | 750.87   | 766.53   | 725.47   | 627.59   |
|      |                                  |          | 4.22%    | 7.95%    | 2.09%    | -5.36%   | -13.49%  |
| 6    | Open Enrollment Out ADM          | 216.74   | 271.93   | 322.09   | 359.02   | 370.55   | 425.50   |
|      |                                  |          | 25.46%   | 18.45%   | 11.47%   | 3.21%    | 14.83%   |
| 7    | Community School ADM             | 102.33   | 105.37   | 113.58   | 106.64   | 152.14   | 142.68   |
|      |                                  |          | 2.97%    | 7.79%    | -6.11%   | 42.67%   | -6.22%   |
| 8    | Scholarship ADM                  | 23.98    | 34.02    | 37.43    | 36.04    | 31.39    | 36.14    |
|      |                                  |          | 41.87%   | 10.02%   | -3.71%   | -12.90%  | 15.13%   |
| 9    | Career Tech ADM (Incl. Contract) | 125.27   | 124.34   | 131.13   | 152.58   | 159.62   | 150.53   |
|      |                                  |          | -0.74%   | 5.46%    | 16.36%   | 4.61%    | -5.69%   |
| 10   | Limited English Proficient ADM   | 33.00    | 38.86    | 35.79    | 36.32    | 40.45    | 42.16    |
|      |                                  |          | 17.76%   | -7.90%   | 1.48%    | 11.37%   | 4.23%    |
| 11   | Economic Disadvantaged ADM       | 2,221.13 | 2,163.04 | 2,194.99 | 2,177.24 | 2,058.21 | 2,091.05 |
|      |                                  |          | -2.62%   | 1.48%    | -0.81%   | -5.47%   | 1.60%    |
| 12   | Economic Disadvantaged %         | 44.47%   | 44.04%   | 45.70%   | 46.11%   | 44.84%   | 45.72%   |
|      |                                  |          | -0.98%   | 3.77%    | 0.91%    | -2.76%   | 1.98%    |
| 13   | Special Education ADM            | 647.28   | 673.52   | 669.23   | 676.14   | 660.94   | 719.09   |
|      |                                  |          | 4.05%    | -0.64%   | 1.03%    | -2.25%   | 8.80%    |

Based on the latest SFPR data released by the Ohio Department of Education the district's resident enrollment has decreased by 1.51% since FY18 while the total number of students being educated in the district has declined by 3.39%. 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.

The number of students designated as economically disadvantaged has increase by 33 students after dropping by 119 the previous year.