

**AUSTINTOWN LOCAL SCHOOL DISTRICT**  
**MAHONING COUNTY, OHIO**



*Austintown Middle School*

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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COMPREHENSIVE  
ANNUAL FINANCIAL REPORT

OF THE

AUSTINTOWN LOCAL  
SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2020

PREPARED BY  
TREASURER'S DEPARTMENT  
BLAISE KARLOVIC, TREASURER/CFO

700 S. RACCOON ROAD

AUSTINTOWN, OHIO 44515

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OHIO AUDITOR OF STATE  
KEITH FABER



88 East Broad Street  
Columbus, Ohio 43215  
IPARepor@ohioauditor.gov  
(800) 282-0370

Board of Education  
Austintown Local School District  
700 South Raccoon Road  
Austintown, Ohio 44515

We have reviewed the *Independent Auditor's Report* of Austintown Local School District, Mahoning County, prepared by Julian & Grube, Inc., for the audit period July 1, 2019 through June 30, 2020. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Austintown Local School District is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

February 04, 2021

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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# Austintown Local School District



700 South Raccoon Road • Austintown, OH 44515  
Phone: 330.797.3900 ext. 1510  
[www.austintownschools.org](http://www.austintownschools.org)

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December 21, 2020

Members of the Board of Education and Residents of the  
Austintown Local School District

The Comprehensive Annual Financial Report (CAFR) of the Austintown Local School District (the “District”) for the fiscal year ended June 30, 2020 is hereby submitted. This CAFR includes financial statements and other financial and statistical data and conforms to accounting principles generally accepted in the United States of America (GAAP) as they apply to governmental entities. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District’s financial activities have been included.

Management of the District is responsible for establishing and maintaining internal control designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of costs and benefits requires estimates and judgments by management.

State statute requires an annual audit by independent accountants. The firm of Julian & Grube, Inc. conducted the audit for fiscal year 2020. The audit has been conducted in accordance with generally accepted auditing standards, generally accepted government auditing standards, and includes a review of internal controls and test of compliance with Federal and State laws and regulations. The Independent Auditor’s Report is included in this CAFR.

As a part of the District’s independent audit, tests are made to determine the adequacy of the internal controls, including that portion related to Federal financial assistance programs, as well as to determine that the school district has complied with applicable laws and regulations. The results of the District’s independent audit for the fiscal year ended June 30, 2020, provided no instances of material weaknesses in the internal controls or significant violations of applicable laws and regulations.

This transmittal letter is designed to provide historical information about the District, as well as complement the required Management’s Discussion and Analysis (MD&A). Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements. The District’s MD&A, which focuses on the government-wide statements, can be found immediately following the Independent Auditor’s Report.

## ***Profile of Austintown Local School District***

The District ranks as the 62<sup>nd</sup> largest in the State of Ohio among 612 public school districts and is the 2<sup>nd</sup> largest of the 14 school districts located within Mahoning County in terms of total enrollment. As of the most current school year (2019-2020), 4,366 students were enrolled in the District's four schools (one elementary, one intermediate, one middle and one high school). Approximately 130 District residents attend the Mahoning County Career and Technical Center.

The District employs 238 non-certified staff members and 321 certificated staff members. The certified staff members include 30 administrators and 291 full-time teachers. Of the 291 full-time member teaching staff, 72% have master's degrees. The District faculty has an average 13 years of teaching experience. Classroom teachers at all levels are supported by specialists in reading, guidance, art, music and physical education. The District's Pupil Personnel Services include school health and psychological services, pupil appraisal, counseling and guidance services, and speech-language and hearing services at all levels.

The District's curriculum, based on the Ohio Common Core Standards, offers a wide range of electives and comprehensive courses of study in college preparatory, vocational and alternative programs. The District has begun a Science, Technology, Engineering & Math (STEM) program at both the middle school and high school level. Our College in High School program continues to grow, giving students the opportunity to earn college credit along with their high school credit. The District has a rich history and tradition in music and the arts along with a high caliber athletic program. Students are offered a large range of extracurricular programs, beginning in the elementary grades with the after-school enrichment program. All District schools have media centers, lunch programs and multipurpose rooms or gyms for student activities. The District is very fortunate to have a supportive Parent Teacher Association (PTA) program at each building and a PTA council at the District level. The District is working on several areas to encourage parent involvement at all building levels.

## ***Overlapping Governmental Entities***

The major political subdivisions or other governmental entities that overlap the territory of the District are listed below. The stated percentage is that percentage of the tax valuation of the overlapping entity that is located within the District.

1. Mahoning County (14.54%)
2. Mill Creek Park District (14.594)
3. Austintown Township (98.66%)
4. Mahoning County Career and Technical Center (16.15%)
5. City of Youngstown (0.07%)

Each of these entities operates independently, with its own separate budget, taxing power, and sources of revenue.

## ***Economic Conditions and Outlook***

The District is located in Mahoning County in northeastern Ohio, approximately 75 miles southeast of the City of Cleveland. The District's approximately 25.0 square miles encompasses most of the territory of Austintown Township. The District is in the Youngstown-Warren Metropolitan Statistical Area, which is comprised of Columbiana, Mahoning and Trumbull Counties.

The District's general area is served by diversified transportation facilities. Immediate access is available to several State and U.S. highways and to interstate highways I-76, I-80 and I-680, and Rt. 11. The District is adjacent to areas served by Conrail and Amtrak, and is served by passenger air service at Youngstown Municipal Airport, located near the City of Youngstown.

Within 75 miles of the District, there are approximately 11,700 manufacturing plants, 12,500 wholesale distribution centers, and 46 Fortune 500 industrial, service, and corporate world headquarters. Employment in the Youngstown-Warren Metropolitan Statistical Area is primarily comprised of the manufacturing sector, largely in the automobile and steel industries. Since the mid 1980's, there has been an overall decrease in employment in the manufacturing sector, which has been offset by an increase in employment in the non-manufacturing sector.

Major commercial banks with offices within the District include Chase, Citizens Bank, Farmers National Bank, First National Bank, Home Savings and Loan, Huntington Bank, Key Bank, Talmer Bank and Trust, Woodforest National; along with Associated School Employees Credit Union, Edison Financial Credit Union and Seven Seventeen Credit Union.

Two daily newspapers, The Vindicator and Warren Tribune Chronicle, serve the District. The District falls within the broadcast area of eight television stations and twenty one AM and FM radio stations. The District also operates a cable television channel which broadcasts school information on Channel 19.

Within commuting distance are several public and private two-year and four-year colleges and universities providing a wide range of educational facilities and opportunities. These include Youngstown State University, a public four-year university in the City of Youngstown with a full-time enrollment of over 13,500, Kent State University, The University of Akron, Penn State University (Sharon, Pennsylvania Branch), Mount Union College, Walsh University, Eastern Gateway Community College and Northeastern Ohio Universities College of Medicine.

A number of hospital and several adult and adolescent residential treatment centers are located in the area of the Youngstown-Warren Metropolitan Statistical Area.

Mahoning County provides numerous golf, tennis and swimming facilities all accessible to residents of the District.

There are many cultural activities available in the County including the Butler Institute of American Art, the Arms Museum, the Youngstown Playhouse and Youth Theatre, Easy Street Productions and the Youngstown Symphony Center. Youngstown State University also provides art, music and plays. The Covelli Center is Northeast Ohio's newest event arena. It opened in 2005 and is centrally located in downtown Youngstown. The arena seats 5,700 and is home to the Youngstown Phantoms, an ice hockey team. The center also hosts various concerts and performances, including such acts as Elton John, Carrie Underwood, and Disney-on-Ice. The Mahoning Scrappers, a minor league baseball team, is located in nearby Niles, Ohio and has many family activities during their summer season. The Canfield Fair (Mahoning County's fair) is the largest county fair in Ohio and offers many activities for the youth and families in the area. Many cultural activities are within driving distance in the greater Cleveland and Pittsburgh areas. Professional basketball, baseball, football and hockey teams are also located in the cities of Cleveland and Pittsburgh.

### ***Budgetary Controls***

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the certificate of estimated resources and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than custodial funds, are legally required to be budgeted and appropriated. The primary level of budgetary control required by the Ohio Administrative Code is at the fund level. The level of budgetary control imposed by the District (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level for all funds. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to succeeding years and are not re-appropriated.

### ***Long-Term Financial Planning***

The District prepares a five-year financial forecast annually for use as a tool for long range planning. The five-year forecast contains projected local and state revenues, spending patterns within each area of the budget, and cash balances in the District's operating fund. The five-year forecast provides early warning signs of potential financial problems.

The District uses the five-year forecast to provide a basis for making financial decisions, including the construction of the annual budget, adjustments to staffing levels, collective bargaining, and the placement of tax levies on the ballot.

### ***Major Initiatives for the Year***

The District has recently completed Strategic Planning through a program developed by the Ohio School Boards Association. District staff and community members met multiple times during the year to develop goals for the District for coming years. The Strategic Planning Committee developed a new vision for the District. “The Austintown Local School District is a united community with a proud legacy and a progressive approach to education.” A new mission statement was also developed. “We provide an inspiring education that strengthens and prepares our students for unlimited future opportunities.”

The District developed four goals:

1. *Academic* - Employ research-based strategies leading to all students achieving at or above grade-level state expectations.
2. *Communication* - Communicate effectively in a timely manner with a clear and concise message.
3. *Customer Service* - Establish positive relationships with students, staff and community.
4. *Finances* - Demonstrate fiscal responsibility to the Austintown community.

*Capital Improvements* – The District continues to work on the implementation and updating of the capital improvement plan. Most recently, the District completed an LED lighting replacement project and a complete renovation and upgrade to the football stadium, auxiliary soccer field and baseball field. This included replacing the grass surface with turf at the baseball and auxiliary soccer field, as well as, replacing the existing turf at the football stadium. Lighting was also added or replaced at all of these fields.

*Community* – The community of Austintown is centrally located between Pittsburgh and Cleveland and has direct access to the main interstates that run through Northeast Ohio including the Ohio Turnpike and interstate 76. The township is fortunate to have access to great recreational opportunities, including the Mill Creek Park Metro Park Bike path, a 206 acre park, as well as, five smaller neighborhood parks.

### ***Major Initiatives for the Future***

The District continues to invest in the one-on-one device program for all students in grades 6-12, as well as expand the available technology for students in grades K-5. The District also is moving forward with expanding the self-contained STEM program, which now goes from 6<sup>th</sup> grade through 12<sup>th</sup> grade. The District feels this is an investment in the academic success of our students. Professional development opportunities are available to staff to help them integrate this technology in their classroom. The District believes this is necessary for student success on state assessments. The District has invested in the science of reading professional development for reading teachers in grades K-5. A comprehensive reading curriculum has been adopted for grades 3-5 and is currently being purchased. The District is looking to adopt and purchase a comprehensive reading curriculum for grades K-2

### ***Use of this Report***

The report is published to provide to the Board of Education, as well as to our citizens and other interested persons, detailed information concerning the financial condition of the District, with particular emphasis placed on the utilization of resources during the past fiscal year. It is also intended that this report will serve as a guide in formulating policies and in conducting the District’s future day-to-day activities. We believe the information, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the District’s financial affairs have been included.

In today’s bond market environment, it is increasingly important that public agencies prepare soundly conceived annual financial reports which are independently audited by a qualified firm or agency. It has become almost required practice that such reports be prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), and the major bond rating agencies review the data presented in such reports before determining a public agency’s bond rating.



Use of this report by the various departments of the District is encouraged when furnishing information. Copies of this report are being placed in the public library for use by the general public.

***Award***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Austintown Local School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report that conforms to program standards. Such a report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA.

***Acknowledgments***

It is with great pride and pleasure that we submit this CAFR for review and wish to express appreciation to the members of the Board of Education for supporting us in this endeavor and other members of the Treasurer's office who contributed time and effort in completing this project. We would also like to acknowledge our consultant, Julian & Grube, Inc., who provided us with expert technical assistance in all phases of preparing the report and the cooperation of the team from Julian & Grube, Inc., who conducted a thorough audit of our finances.

Sincerely,

A handwritten signature in blue ink that reads "Blaise E. Karlovic". The signature is written in a cursive style with a horizontal line underneath the name.

---

Blaise Karlovic, Treasurer

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

LIST OF PRINCIPAL OFFICERS  
JUNE 30, 2020

***Board of Education***

<u>Name</u>	Began Service As Board Member <u>January 1</u>	Present Term Expires <u>December 31</u>	Vocation in Private <u>Life</u>
Ms. Kathy Mock	2010	2021	Retired Educator
Mr. Harold Porter**	2012	2023	Business Owner
Ms. Kim Smrek	2020	2023	Accountant
Ms. Robin Krempasky	2018	2021	Retired Educator
Mr. Don Sherwood*	2018	2021	Business Owner

\* President

\*\* Vice President

***Central Office Administrative Staff***

Superintendent	Mr. David Cappuzzello
Treasurer	Mr. Blaise Karolvic
Assistant Treasurer	Ms. Andrea Apisa

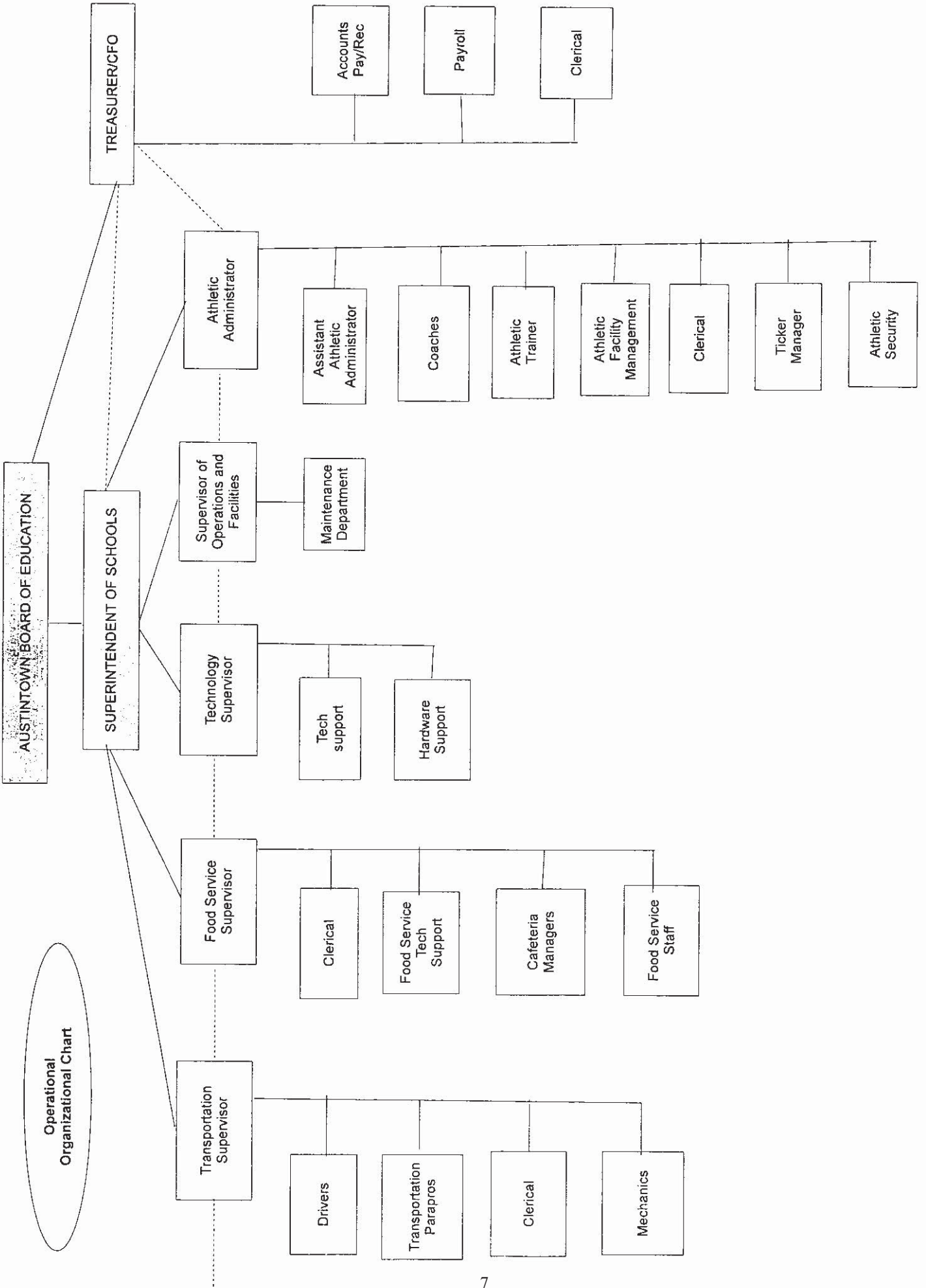
***Central Office Instructional Administrative Staff***

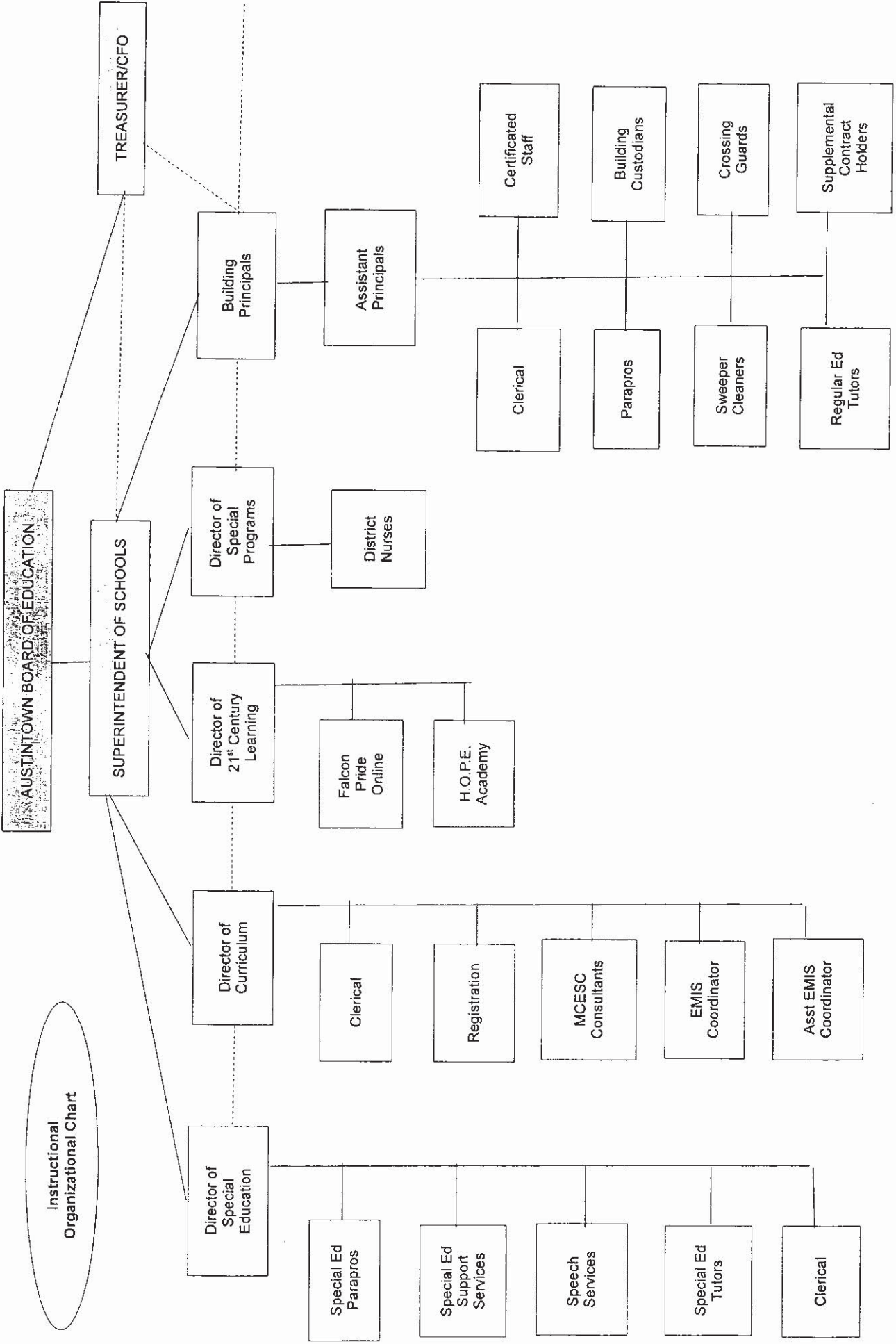
Director of Curriculum & Instruction	Dr. William Young
Director of Pupil Services	Mr. Christopher Berni
Director of Special Education	Ms. Sandra Thorndike

***District Administrative Support Team***

Operations and Facilities Supervisor	Mr. Matt Bostian
Transportation Director	Ms. Angie Mraz
Director of Technology	Mr. Thomas Ventresco
Athletic Director	Mr. James Penk
Food Service Director	Ms. Alexis Weber
Director of Human Resources	Ms. Janet Polish
EMIS Coordinator	Mr. Rory Tiedeman

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Instructional Organizational Chart



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Austintown Local School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morrill*

Executive Director/CEO

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# **FINANCIAL SECTION**

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## Independent Auditor's Report

Austintown Local School District  
Mahoning County  
700 South Racoon Road  
Austintown, Ohio 44515

To the Board of Education:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Austintown Local School District, Mahoning County, Ohio, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Austintown Local School District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Austintown Local School District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Austintown Local School District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Austintown Local School District, Mahoning County, Ohio, as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the general fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matters***

As described in Note 3 to the financial statements, in 2020, the Austintown Local School District adopted new accounting guidance, GASBS No. 84, *Fiduciary Activities*. As described in Note 19 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Austintown Local School District. Our opinions are not modified with respect to these matters.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, and schedules of net pension and other post-employment benefit assets and liabilities and pension and other post-employment benefit contributions* listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Austintown Local School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2020, on our consideration of the Austintown Local School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Austintown Local School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Austintown Local School District's internal control over financial reporting and compliance.

*Julian & Grube, Inc.*

Julian & Grube, Inc.  
December 21, 2020

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

The management's discussion and analysis of Austintown Local School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, the notes to the basic financial statements and basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for 2020 are as follows:

- In total, net position increased \$501,706. Net position of governmental activities increased \$529,100, which represents a 32.98% increase from 2019's restated net position. Net position of business-type activities decreased \$27,394 or 167.02% from 2019's restated net position.
- General revenues accounted for \$44,322,071 in revenue or 78.37% of all governmental activities revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$12,229,877 or 21.63% of total governmental activities revenues.
- The District had \$56,011,364 in expenses related to governmental activities; only \$12,229,877 of these expenses were offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$44,322,071 were adequate to provide for these programs.
- The District's major governmental funds are the general fund and bond retirement fund. The general fund had \$46,407,377 in revenues and other financing sources and \$44,383,356 in expenditures and other financing uses. The general fund's fund balance increased \$2,024,021 from \$6,826,944 to \$8,850,965.
- The bond retirement fund had \$14,491,257 in revenues and other financing sources and \$12,753,166 in expenditures and other financing uses. This fund accounts for the District's accumulation of resources for and payment of long-term debt obligations. The fund balance of the bond retirement fund increased \$1,738,091 from \$6,737,109 to a balance of \$8,475,200.
- Net position for the business-type activities decreased in 2020 by \$27,394. This decrease in net position was mainly due to the community center and summer school being closed for most of fiscal year 2020 because of the COVID-19 pandemic.

**Using this Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net position and statement of activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the general fund and bond retirement fund are by far the most significant funds, and the only governmental funds reported as major funds.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Reporting the District as a Whole**

***Statement of Net Position and the Statement of Activities***

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2020?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows, liabilities, deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current fund's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in that position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the statement of net position and the statement of activities, the District is divided into two distinct kinds of activities:

Governmental activities - Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities and food service.

Business-type activities - These services are provided on a charge for goods or services basis to recover all or a significant portion of the expenses of the goods or services provided. The District's special enterprise operations are reported as business activities.

**Reporting the District's Most Significant Funds**

***Fund Financial Statements***

Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund and bond retirement fund.

***Governmental Funds***

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements.

***Proprietary Funds***

Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match information provided in the statements for the District as a whole.



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**Reporting the District's Fiduciary Responsibilities**

The District is the trustee, or fiduciary, for its scholarship programs. The District also acts in a trustee capacity as an agent for individuals and private organizations. These activities are reported in custodial funds. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

***Required Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability and net OPEB liability/asset.

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**The District as a Whole**

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position at June 30, 2020 and June 30, 2019. Governmental activities net position at June 30, 2019 has been restated due to the implementation of GASB Statement No. 84.

	<b>Net Position</b>					
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>Restated 2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>Restated 2019</u>
<b><u>Assets</u></b>						
Current assets	\$ 57,060,749	\$ 54,904,868	\$ 12,573	\$ 54,898	\$ 57,073,322	\$ 54,959,766
Capital assets, net	67,234,013	70,001,692	170	511	67,234,183	70,002,203
Total assets	<u>124,294,762</u>	<u>124,906,560</u>	<u>12,743</u>	<u>55,409</u>	<u>124,307,505</u>	<u>124,961,969</u>
<b><u>Deferred outflows of resources</u></b>						
Unamortized deferred charges	1,419,695	1,489,307	-	-	1,419,695	1,489,307
Pension	8,780,370	12,189,247	42,916	67,813	8,823,286	12,257,060
OPEB	893,499	593,067	13,039	15,857	906,538	608,924
Total deferred outflows of resources	<u>11,093,564</u>	<u>14,271,621</u>	<u>55,955</u>	<u>83,670</u>	<u>11,149,519</u>	<u>14,355,291</u>
<b><u>Liabilities</u></b>						
Current liabilities	6,017,178	6,427,294	-	31,229	6,017,178	6,458,523
Long-term liabilities:						
Due within one year	1,778,697	1,705,151	-	-	1,778,697	1,705,151
Net pension liability	48,302,662	47,993,068	46,598	73,841	48,349,260	48,066,909
Net OPEB liability	4,448,861	4,867,556	1,816	5,572	4,450,677	4,873,128
Other amounts	44,848,767	46,235,349	-	-	44,848,767	46,235,349
Total liabilities	<u>105,396,165</u>	<u>107,228,418</u>	<u>48,414</u>	<u>110,642</u>	<u>105,444,579</u>	<u>107,339,060</u>
<b><u>Deferred inflows of resources</u></b>						
Property taxes	18,980,916	19,651,985	-	-	18,980,916	19,651,985
Pension	3,680,783	5,402,419	20,654	4,513	3,701,437	5,406,932
OPEB	5,197,251	5,363,925	10,622	7,522	5,207,873	5,371,447
Total deferred inflows of resources	<u>27,858,950</u>	<u>30,418,329</u>	<u>31,276</u>	<u>12,035</u>	<u>27,890,226</u>	<u>30,430,364</u>
<b><u>Net Position</u></b>						
Net investment in capital assets	26,050,250	27,594,333	170	511	26,050,420	27,594,844
Restricted	13,378,864	12,076,768	-	-	13,378,864	12,076,768
Unrestricted (deficit)	<u>(37,295,903)</u>	<u>(38,066,990)</u>	<u>(11,162)</u>	<u>15,891</u>	<u>(37,307,065)</u>	<u>(38,051,099)</u>
Total net position	<u>\$ 2,133,211</u>	<u>\$ 1,604,111</u>	<u>\$ (10,992)</u>	<u>\$ 16,402</u>	<u>\$ 2,122,219</u>	<u>\$ 1,620,513</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

The net pension liability is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability/asset is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net OPEB asset.

GASB standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the District's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service.
2. Minus plan assets available to pay these benefits.

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

In accordance with GASB 68 and GASB 75, the District’s statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan’s *change* in net pension liability and net OPEB liability/asset, respectively, not accounted for as deferred inflows/outflows.

Over time, net position can serve as a useful indicator of a District’s financial position. At June 30, 2020, the District’s assets plus deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$2,122,219.

Deferred outflows of resources related to pension decreased primarily due to changes in assumptions by the State Teachers Retirement System (STRS).

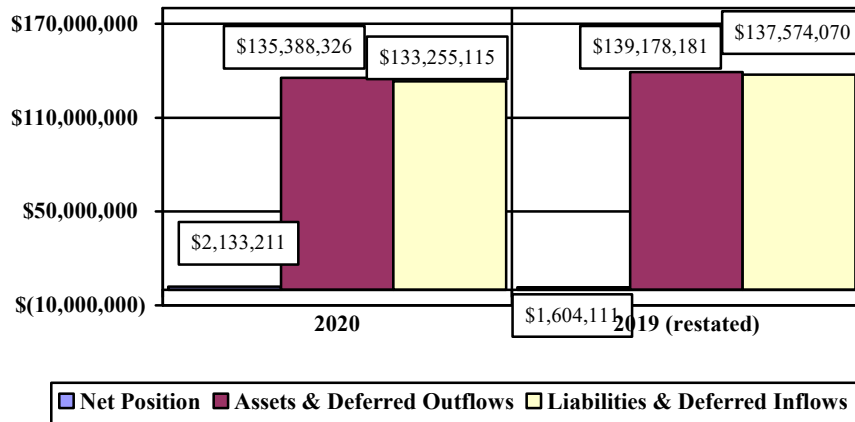
Total assets include a net OPEB asset reported by STRS.

At year-end, capital assets represented 54.09% of total assets. Capital assets include, land, construction in progress, land improvements, buildings and improvements, furniture and equipment and vehicles. The District’s net investment in capital assets at June 30, 2020 was \$26,050,420. These capital assets are used to provide services to the students and are not available for future spending.

A portion of the District’s net position, \$13,378,864, represents resources that are subject to external restriction on how they may be used. Of this amount, \$6,986,643 is restricted for debt service. The remaining balance of governmental activities unrestricted net position is a deficit balance of \$37,295,903.

The graphs below present the District’s governmental and business-type assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at June 30, 2020 and June 30, 2019. Net position of the governmental activities at June 30, 2019 has been restated due to the implementation of GASB Statement No. 84.

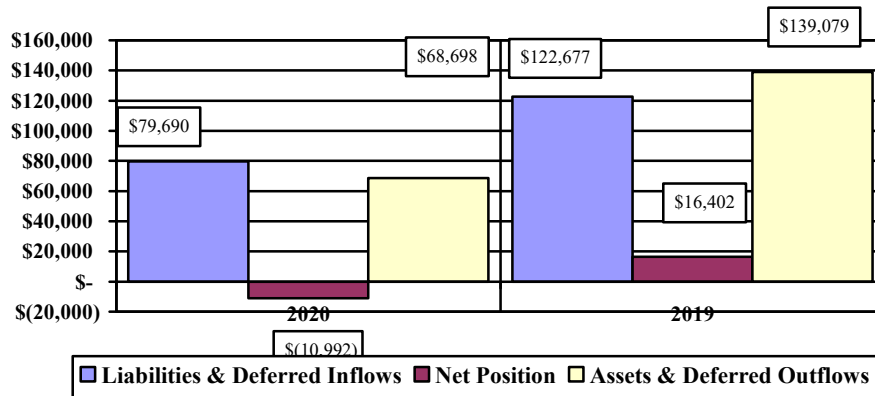
**Governmental – Net Position**



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Business-Type – Net Position**



The table below shows the changes in net position for fiscal year 2020 and 2019. Net position of the governmental activities at June 30, 2019 has been restated due to the implementation of GASB Statement No. 84.

**Change in Net Position**

	Governmental Activities		Business-type Activities		Total	
	2020	Restated 2019	2020	2019	2020	Restated 2019
<b>Revenues</b>						
<b>Program revenues:</b>						
Charges for services and sales	\$ 4,807,247	\$ 5,585,651	\$ 430	\$ 31,950	\$ 4,807,677	\$ 5,617,601
Operating grants and contributions	7,397,630	6,230,745	-	-	7,397,630	6,230,745
Capital grants and contributions	25,000	26,850	-	-	25,000	26,850
<b>General revenues:</b>						
Property taxes	20,587,030	20,023,825	-	-	20,587,030	20,023,825
Unrestricted grants and entitlements	22,493,481	23,673,548	-	-	22,493,481	23,673,548
Investment earnings	1,173,443	835,768	-	-	1,173,443	835,768
Other	68,117	64,377	-	-	68,117	64,377
<b>Total revenues</b>	<b>56,551,948</b>	<b>56,440,764</b>	<b>430</b>	<b>31,950</b>	<b>56,552,378</b>	<b>56,472,714</b>

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Change in Net Position - (Continued)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>Restated 2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>Restated 2019</u>
<b>Expenses</b>						
Program expenses:						
Instruction:						
Regular	22,983,429	19,218,005	-	-	22,983,429	19,218,005
Special	6,833,743	5,637,485	-	-	6,833,743	5,637,485
Vocational	115,242	167,764	-	-	115,242	167,764
Other	4,294,211	4,190,060	-	-	4,294,211	4,190,060
Support services:						
Pupil	3,255,570	2,911,631	-	-	3,255,570	2,911,631
Instructional staff	1,104,416	1,341,117	-	-	1,104,416	1,341,117
Board of education	55,187	49,783	-	-	55,187	49,783
Administration	4,082,165	3,399,037	-	-	4,082,165	3,399,037
Fiscal	1,236,180	999,999	-	-	1,236,180	999,999
Business	3,034	12,646	-	-	3,034	12,646
Operations and maintenance	4,105,114	4,069,824	-	-	4,105,114	4,069,824
Pupil transportation	2,149,967	2,040,927	-	-	2,149,967	2,040,927
Central	289,084	221,327	-	-	289,084	221,327
Operation of non-instructional services:						
Food service operations	1,973,527	1,902,154	-	-	1,973,527	1,902,154
Other non-instructional services	546	18,495	-	-	546	18,495
Extracurricular activities	1,679,387	1,401,546	-	-	1,679,387	1,401,546
Interest and fiscal charges	1,850,562	1,922,523	-	-	1,850,562	1,922,523
Special enterprise	-	-	39,308	69,784	39,308	69,784
Total expenses	<u>56,011,364</u>	<u>49,504,323</u>	<u>39,308</u>	<u>69,784</u>	<u>56,050,672</u>	<u>49,574,107</u>
Transfers	<u>(11,484)</u>	<u>-</u>	<u>11,484</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net position	529,100	6,936,441	(27,294)	(37,834)	501,806	6,898,607
Net position at beginning of year (restated)	<u>1,604,111</u>	<u>(5,332,330)</u>	<u>16,402</u>	<u>54,236</u>	<u>1,620,513</u>	<u>(5,278,094)</u>
Net position at end of year	<u>\$ 2,133,211</u>	<u>\$ 1,604,111</u>	<u>\$ (10,892)</u>	<u>\$ 16,402</u>	<u>\$ 2,122,319</u>	<u>\$ 1,620,513</u>

**Governmental Activities**

For fiscal year 2020, the net position of the District's governmental activities increased \$529,100. Total governmental expenses of \$56,011,364 were offset by program revenues of \$12,229,877 and general revenues of \$44,322,071. Program revenues supported 21.83% of the total governmental expenses.

Overall, expenses of the governmental activities increased \$6,507,041 or 13.15%. This increase is primarily the result of an increase in pension expense and OPEB expense in fiscal year 2020.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

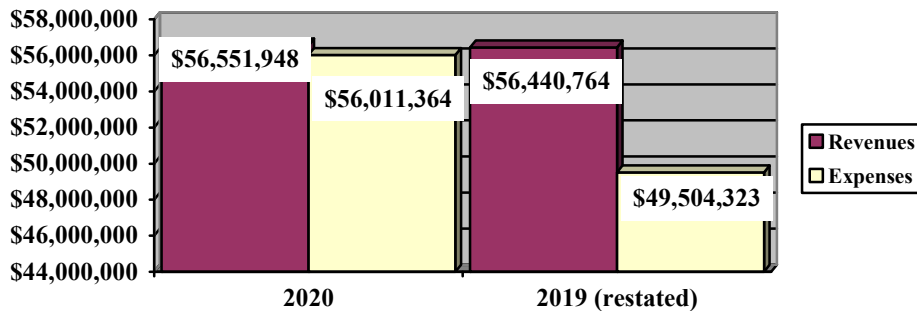
**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

On an accrual basis, the District reported \$5,739,765 and \$3,085,103 in pension expense for governmental activities for fiscal year 2020 and 2019, respectively. In addition, the District reported (\$829,145) and (\$5,909,552) in OPEB expense for governmental activities for fiscal year 2020 and 2019, respectively. The increase in both the net pension expense and the OPEB expense from fiscal year 2019 to fiscal year 2020 was \$7,735,069. This increase is primarily the result of the benefit changes by the retirement systems. Fluctuations in the pension and OPEB expense makes it difficult to compare financial information between years. Pension and OPEB expense are components of program expenses reported on the statement of activities.

The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements. These two revenue sources represent 76.18% of total governmental revenue. Real estate property is reappraised every six years.

The graph below presents the District’s governmental activities revenue and expenses for fiscal year 2020 and 2019. Amounts for fiscal year 2019 have been restated due to the implementation of GASB Statement No. 84.

**Governmental Activities - Revenues and Expenses**



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2020 and 2019. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. Amounts for 2019 have been restated due to the implementation of GASB Statement No. 84.

**Governmental Activities**

	Total Cost of Services <u>2020</u>	Net Cost of Services <u>2020</u>	Restated Total Cost of Services <u>2019</u>	Restated Net Cost of Services <u>2019</u>
Program expenses:				
Instruction:				
Regular	\$ 22,983,429	\$ 19,163,732	\$ 19,218,005	\$ 15,101,193
Special	6,833,743	2,556,353	5,637,485	1,908,805
Vocational	115,242	(95,811)	167,764	(52,425)
Other	4,294,211	4,294,211	4,190,060	4,190,060
Support services:				
Pupil	3,255,570	2,242,404	2,911,631	2,905,973
Instructional staff	1,104,416	914,581	1,341,117	684,083
Board of education	55,187	55,187	49,783	49,783
Administration	4,082,165	3,862,057	3,399,037	3,047,639
Fiscal	1,236,180	1,236,180	999,999	999,999
Business	3,034	3,034	12,646	12,646
Operations and maintenance	4,105,114	4,034,699	4,069,824	4,034,371
Pupil transportation	2,149,967	2,032,880	2,040,927	1,966,896
Central	289,084	280,103	221,327	214,127
Operation of non-instructional services:				
Food service operations	1,973,527	184,372	1,902,154	(208,440)
Other non-instructional services	546	(3,662)	18,495	7,167
Extracurricular activities	1,679,387	1,170,605	1,401,546	876,677
Interest and fiscal charges	<u>1,850,562</u>	<u>1,850,562</u>	<u>1,922,523</u>	<u>1,922,523</u>
Total expenses	<u>\$ 56,011,364</u>	<u>\$ 43,781,487</u>	<u>\$ 49,504,323</u>	<u>\$ 37,661,077</u>

The dependence upon tax revenues during fiscal year 2020 for governmental activities is apparent, as 75.73% of 2020 instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 78.17%. The District's taxpayers and unrestricted grants and entitlements from the State of Ohio, are the primary support for District's students.

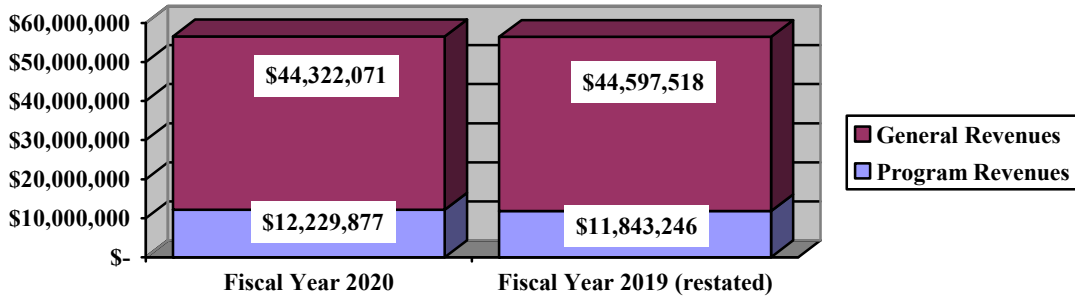


**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

The graph below presents the District's governmental activities revenue for fiscal years 2020 and 2019. Amounts for fiscal year 2019 have been restated due to the implementation of GASB Statement No. 84.

**Governmental Activities - General and Program Revenues**



**Business-type Activities**

Business-type activities include special enterprise operations. These programs had revenues of \$430, expenses of \$39,308 and transfers in of \$11,484 for fiscal year 2020. The District's business-type activities receive no support from tax revenues.

**The District's Funds**

The District's governmental funds reported a combined fund balance of \$26,945,898, which is greater than last year's restated total of \$23,876,651.

The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2020 and 2019.

	Fund Balance <u>June 30, 2020</u>	Restated Fund Balance <u>June 30, 2019</u>	Increase <u>(Decrease)</u>
General	\$ 8,850,965	\$ 6,826,944	\$ 2,024,021
Bond retirement	8,475,200	6,737,109	1,738,091
Other governmental	<u>9,619,733</u>	<u>10,312,598</u>	<u>(692,865)</u>
Total	<u>\$ 26,945,898</u>	<u>\$ 23,876,651</u>	<u>\$ 3,069,247</u>

**General Fund**

The District's general fund balance increased \$2,024,021. This increase was due to the District's decrease in expenditures in fiscal year 2020. The table that follows assists in illustrating the revenues of the general fund.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>2020</u> <u>Amount</u>	<u>2019</u> <u>Amount</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Percentage</u> <u>Change</u>
<b><u>Revenues</u></b>				
Taxes	\$ 17,425,189	\$ 16,966,327	\$ 458,862	2.70 %
Intergovernmental	24,205,423	25,355,057	(1,149,634)	(4.53) %
Other revenues	<u>4,757,112</u>	<u>5,288,446</u>	<u>(531,334)</u>	(10.05) %
Total	<u>\$ 46,387,724</u>	<u>\$ 47,609,830</u>	<u>\$ (1,222,106)</u>	(2.57) %

Taxes increased 2.70% over fiscal year 2019. Intergovernmental revenue decreased due to cuts to the State Foundation program because of the COVID-19 pandemic. Other revenues decreased primarily due to a decrease in tuition revenues because of less students participating in open enrollment.

The table that follows assists in illustrating the expenditures of the general fund.

	<u>2020</u> <u>Amount</u>	<u>2019</u> <u>Amount</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Percentage</u> <u>Change</u>
<b><u>Expenditures</u></b>				
Instruction	\$ 29,842,823	\$ 30,263,297	\$ (420,474)	(1.39) %
Support services	13,475,015	14,394,076	(919,061)	(6.38) %
Operation of non-instructional services	1,989	12,291	(10,302)	(83.82) %
Extracurricular activities	775,098	736,932	38,166	5.18 %
Facilities acquisition and construction	22,585	708,613	(686,028)	(96.81) %
Debt service	<u>156,688</u>	<u>179,457</u>	<u>(22,769)</u>	(12.69) %
Total	<u>\$ 44,274,198</u>	<u>\$ 46,294,666</u>	<u>\$ (2,020,468)</u>	(4.36) %

The most significant decrease in expenditures during fiscal year 2020 was for support services. Because of the pandemic, school buildings were closed from mid-March through the end of the fiscal year. This resulted in lower operations and maintenance costs and lower costs in pupil transportation. The District was also able to offset some pupil support expenditures that were previously reported in the general fund by funding them through grants in the special revenue funds. Facilities acquisition and construction expenditures decreased because the District did not undertake any major capital improvements in fiscal year 2020 from the general fund.

***Bond Retirement Fund***

The bond retirement fund had \$14,491,257 in revenues and other financing sources and \$12,753,166 in expenditures and other financing uses. This fund accounts for the District's accumulation of resources for and payment of long-term debt obligations. During fiscal year 2020, the fund balance of the bond retirement fund increased \$1,738,091 from \$6,737,109 to \$8,475,200. The primary reason for the increase in fund balance of the bond retirement fund is due to the \$775,000 mandatory sinking fund deposit made for the series 2010 Qualified School Construction Bonds (QSCBs) and the associated investment earnings on the sinking fund.

***General Fund Budgeting Highlights***

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

During the course of fiscal year 2020, the District amended its general fund budget numerous times, none significant. The District uses budgeting systems to tightly control local budgets but provide flexibility for management.

For the general fund, final budgeted revenues and other financing sources were \$46,447,812, which was decreased from the original budgeted revenues and other financing sources estimate of \$46,685,657. This decrease was due to changes in the State Foundation formula which resulted in an estimated decrease in intergovernmental revenue. Actual revenues and other financing sources for fiscal year 2020 were \$46,466,709. This represents a \$18,897 increase from final budgeted revenues.

General fund original appropriations (appropriated expenditures plus other financing uses) of \$47,320,402 were increased to \$47,326,301 in the final budget. The actual budget basis expenditures and other financing uses for fiscal year 2020 totaled \$45,743,663, which was \$1,582,938 less than the final budget appropriations.

**Capital Assets and Debt Administration**

*Capital Assets*

At the end of fiscal year 2020, the District had \$67,234,183 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment and vehicles. Of this total, \$66,286,716 was reported in governmental activities and \$170 was reported in business-type activities.

The following table shows fiscal 2020 balances compared to restated 2019 balances:

**Capital Assets at June 30  
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Land	\$ 844,054	\$ 844,054	\$ -	\$ -	\$ 844,054	\$ 844,054
Construction in progress	103,243	-	-	-	103,243	-
Land improvements	3,898,981	4,249,059	-	-	3,898,981	4,249,059
Building and improvements	60,334,271	62,387,576	-	-	60,334,271	62,387,576
Furniture and equipment	969,461	1,109,548	170	511	969,631	1,110,059
Vehicles	<u>1,084,003</u>	<u>1,411,455</u>	<u>-</u>	<u>-</u>	<u>1,084,003</u>	<u>1,411,455</u>
<b>Total</b>	<u>\$ 67,234,013</u>	<u>\$ 70,001,692</u>	<u>\$ 170</u>	<u>\$ 511</u>	<u>\$ 67,234,183</u>	<u>\$ 70,002,203</u>

Capital assets of the governmental activities decreased \$2,767,679, which is due to capital outlays of \$234,096 being less than depreciation expense of \$3,001,775. Capital assets of the business-type activities decreased \$341, which is due to depreciation expense in the current year.

See Note 8 to the basic financial statements for detail on the District's capital assets.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

***Debt Administration***

At June 30, 2020 the District had \$41,548,775 in a House Bill 264 loan, lease purchase obligation and general obligation bonds outstanding. Of this total, \$1,534,520 is due within one year and \$40,014,255 is due in greater than one year. The following table summarizes the bonds, lease purchase and loans outstanding.

	<b>Outstanding Debt, at Year End</b>	
	Governmental Activities <u>2020</u>	Governmental Activities <u>2019</u>
House Bill 264 loan	\$ 38,991	\$ 69,199
Lease purchase obligation	1,205,000	1,320,000
General obligation bonds	<u>40,304,784</u>	<u>41,234,207</u>
 Total	 <u>\$ 41,548,775</u>	 <u>\$ 42,623,406</u>

During fiscal 2004, the District issued \$26,000,000 in current interest and capital appreciation bonds. The bonds bear an annual interest rate of 2.00% - 5.13% and mature on December 1, 2030. These bonds were refunded during fiscal year 2012. The 2012 refunding bonds were partially refunded during fiscal year 2020.

The District issued a House Bill 264 loan to provide for energy improvements to various District buildings. The House Bill 264 loan bears an interest rate of 4.75% and matures on October 1, 2021.

During fiscal year 2011, the District issued \$26,680,000 in general obligation bonds. The bonds bear interest rates ranging from 2% to 6% and mature on November 1, 2047. The Build America Bonds portion of these bonds were refunded during fiscal year 2017.

During fiscal year 2018, the District entered into a \$1,450,000 lease purchase agreement. The lease purchase agreement bears an interest rate of 3.302% and matures on December 1, 2028.

At June 30, 2020 the District's overall legal debt margin was \$25,138,360 with an unvoted debt margin of \$617,424.

See Note 9 to the basic financial statements for more detail on the District's long-term obligations.

**Current Financial Related Activities**

The District has completed two building projects. Austintown Middle School for grades 6-8 opened in 2007. This replaced an original high school that was converted into a middle school, and realigned the District to include an intermediate school.

Austintown Elementary and Austintown Intermediate Schools for grades K-2 and 3-5 opened in 2013. These two buildings replaced the intermediate school and four elementary schools. All District schools are now on one campus property. All of the replaced buildings have been demolished except for the former Lynn Kirk Elementary. It is still being used for District offices (Food Service, Registration, EMIS, and Special Education) and Mahoning County ESC programs (preschool and special education).

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

For both building projects, the community passed bond issues. The Elementary/Intermediate schools project was in a partnership with the Ohio Facilities Construction Commission (OFCC) with the state paying 47% of the cost.

The current high school was built in the late 1960's. This building has served the District well, however, it is in need of upgrades and repairs. The Board of Education is conducting studies as to the best way to handle this issue for the long-term success of the District.

The COVID-19 pandemic will be an important factor in financial decisions for the foreseeable future.

The District is financially sound. The District relies on property tax revenues and state foundation funds to provide the resources necessary to support and maintain educational programs.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mr. Blaise Karlovic, Treasurer, Austintown Local School District, 700 S. Raccoon Road, Austintown, Ohio 44515.

**BASIC  
FINANCIAL STATEMENTS**

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF NET POSITION  
JUNE 30, 2020

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Assets:</b>			
Equity in pooled cash and investments. . . . .	\$ 26,150,940	\$ 9,139	\$ 26,160,079
Receivables:			
Property taxes . . . . .	22,086,952	-	22,086,952
Accounts . . . . .	24,079	260	24,339
Accrued interest . . . . .	34,512	-	34,512
Intergovernmental . . . . .	783,403	-	783,403
Prepayments . . . . .	93,920	-	93,920
Inventory held for resale. . . . .	26,847	-	26,847
Restricted assets:			
Cash with escrow agent . . . . .	5,017,234	-	5,017,234
Net OPEB asset . . . . .	2,842,862	3,174	2,846,036
Capital assets:			
Nondepreciable capital assets . . . . .	947,297	-	947,297
Depreciable capital assets, net. . . . .	66,286,716	170	66,286,886
Capital assets, net . . . . .	<u>67,234,013</u>	<u>170</u>	<u>67,234,183</u>
Total assets. . . . .	<u>124,294,762</u>	<u>12,743</u>	<u>124,307,505</u>
<b>Deferred outflows of resources:</b>			
Unamortized deferred charges on debt refunding	1,419,695	-	1,419,695
Pension . . . . .	8,780,370	42,916	8,823,286
OPEB . . . . .	893,499	13,039	906,538
Total deferred outflows of resources . . . . .	<u>11,093,564</u>	<u>55,955</u>	<u>11,149,519</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	107,449	-	107,449
Accrued wages and benefits . . . . .	4,617,587	-	4,617,587
Intergovernmental payable . . . . .	268,319	-	268,319
Pension and postemployment benefits payable.	693,646	-	693,646
Accrued interest payable . . . . .	330,177	-	330,177
Long-term liabilities:			
Due within one year. . . . .	1,778,697	-	1,778,697
Due in more than one year:			
Net pension liability . . . . .	48,302,662	46,598	48,349,260
Net OPEB liability . . . . .	4,448,861	1,816	4,450,677
Other amounts due in more than one year .	44,848,767	-	44,848,767
Total liabilities . . . . .	<u>105,396,165</u>	<u>48,414</u>	<u>105,444,579</u>
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year. . .	18,980,916	-	18,980,916
Pension . . . . .	3,680,783	20,654	3,701,437
OPEB . . . . .	5,197,251	10,622	5,207,873
Total deferred inflows of resources . . . . .	<u>27,858,950</u>	<u>31,276</u>	<u>27,890,226</u>
<b>Net position:</b>			
Net investment in capital assets . . . . .	26,050,250	170	26,050,420
Restricted for:			
Capital projects . . . . .	2,143,065	-	2,143,065
Classroom facilities maintenance . . . . .	3,275,323	-	3,275,323
Debt service. . . . .	6,986,643	-	6,986,643
Locally funded programs . . . . .	153,034	-	153,034
State funded programs. . . . .	1,458	-	1,458
Federally funded programs . . . . .	245,536	-	245,536
Student activities . . . . .	193,031	-	193,031
Other purposes . . . . .	380,774	-	380,774
Unrestricted (deficit) . . . . .	<u>(37,295,903)</u>	<u>(11,162)</u>	<u>(37,307,065)</u>
Total net position (deficit) . . . . .	<u>\$ 2,133,211</u>	<u>\$ (10,992)</u>	<u>\$ 2,122,219</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Governmental activities:</b>				
Instruction:				
Regular . . . . .	\$ 22,983,429	\$ 3,518,754	\$ 300,943	\$ -
Special . . . . .	6,833,743	269,015	4,008,375	-
Vocational . . . . .	115,242	-	211,053	-
Other . . . . .	4,294,211	-	-	-
Support services:				
Pupil . . . . .	3,255,570	-	1,013,166	-
Instructional staff . . . . .	1,104,416	25,348	164,487	-
Board of education . . . . .	55,187	-	-	-
Administration . . . . .	4,082,165	123,725	96,383	-
Fiscal . . . . .	1,236,180	-	-	-
Business . . . . .	3,034	-	-	-
Operations and maintenance . . . . .	4,105,114	1,425	68,990	-
Pupil transportation . . . . .	2,149,967	35,126	81,961	-
Central . . . . .	289,084	-	8,981	-
Operation of non-instructional services:				
Food service operations . . . . .	1,973,527	423,881	1,340,274	25,000
Other non-instructional services . . . . .	546	2,130	2,078	-
Extracurricular activities . . . . .	1,679,387	407,843	100,939	-
Interest and fiscal charges . . . . .	1,850,562	-	-	-
Total governmental activities . . . . .	<u>56,011,364</u>	<u>4,807,247</u>	<u>7,397,630</u>	<u>25,000</u>
<b>Business-type activities:</b>				
Special enterprise . . . . .	<u>39,308</u>	<u>430</u>	<u>-</u>	<u>-</u>
Totals . . . . .	<u>\$ 56,050,672</u>	<u>\$ 4,807,677</u>	<u>\$ 7,397,630</u>	<u>\$ 25,000</u>

<b>General revenues:</b>	
Property taxes levied for:	
General purposes . . . . .	
Debt service . . . . .	
Classroom facilities maintenance . . . . .	
Grants and entitlements not restricted to specific programs . . . . .	
Investment earnings . . . . .	
Miscellaneous . . . . .	
Total general revenues . . . . .	
Transfers . . . . .	
Change in net position . . . . .	
<b>Net position at beginning of year (restated) . . . . .</b>	
<b>Net position at end of year . . . . .</b>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**Net (Expense) Revenue  
and Changes in Net Position**

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ (19,163,732)	\$ -	\$ (19,163,732)
(2,556,353)	-	(2,556,353)
95,811	-	95,811
(4,294,211)	-	(4,294,211)
(2,242,404)	-	(2,242,404)
(914,581)	-	(914,581)
(55,187)	-	(55,187)
(3,862,057)	-	(3,862,057)
(1,236,180)	-	(1,236,180)
(3,034)	-	(3,034)
(4,034,699)	-	(4,034,699)
(2,032,880)	-	(2,032,880)
(280,103)	-	(280,103)
(184,372)	-	(184,372)
3,662	-	3,662
(1,170,605)	-	(1,170,605)
(1,850,562)	-	(1,850,562)
<u>(43,781,487)</u>	<u>-</u>	<u>(43,781,487)</u>
-	(38,878)	(38,878)
<u>(43,781,487)</u>	<u>(38,878)</u>	<u>(43,820,365)</u>
17,474,796	-	17,474,796
2,839,368	-	2,839,368
272,866	-	272,866
22,493,481	-	22,493,481
1,173,443	-	1,173,443
68,117	-	68,117
<u>44,322,071</u>	<u>-</u>	<u>44,322,071</u>
<u>(11,484)</u>	<u>11,484</u>	<u>-</u>
529,100	(27,394)	501,706
1,604,111	16,402	1,620,513
<u>\$ 2,133,211</u>	<u>\$ (10,992)</u>	<u>\$ 2,122,219</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2020

	<b>General</b>	<b>Bond Retirement</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Assets:</b>				
Equity in pooled cash and investments. . . . .	\$ 12,850,735	\$ 3,354,349	\$ 9,945,856	\$ 26,150,940
Receivables:				
Property taxes. . . . .	18,807,797	2,991,810	287,345	22,086,952
Accounts . . . . .	3,902	-	20,177	24,079
Accrued interest . . . . .	34,512	-	-	34,512
Interfund loans . . . . .	12,819	-	-	12,819
Intergovernmental. . . . .	338,216	-	445,187	783,403
Prepayments. . . . .	93,920	-	-	93,920
Inventory held for resale. . . . .	-	-	26,847	26,847
Due from other funds . . . . .	100,853	-	-	100,853
Restricted assets:				
Cash with escrow agent. . . . .	28,114	4,989,120	-	5,017,234
Total assets . . . . .	<u>\$ 32,270,868</u>	<u>\$ 11,335,279</u>	<u>\$ 10,725,412</u>	<u>\$ 54,331,559</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 92,317	\$ -	\$ 15,132	\$ 107,449
Accrued wages and benefits . . . . .	4,079,972	-	537,615	4,617,587
Compensated absences payable . . . . .	37,335	-	4,847	42,182
Intergovernmental payable . . . . .	258,357	-	9,962	268,319
Pension and postemployment benefits payable. . . . .	580,829	-	112,817	693,646
Interfund loans payable. . . . .	-	-	12,819	12,819
Due to other funds . . . . .	-	-	100,853	100,853
Total liabilities. . . . .	<u>5,048,810</u>	<u>-</u>	<u>794,045</u>	<u>5,842,855</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year. . . . .	16,107,945	2,621,490	251,481	18,980,916
Delinquent property tax revenue not available. . . . .	1,890,420	238,589	23,227	2,152,236
Intergovernmental revenue not available. . . . .	338,216	-	36,926	375,142
Accrued interest not available. . . . .	34,512	-	-	34,512
Total deferred inflows of resources . . . . .	<u>18,371,093</u>	<u>2,860,079</u>	<u>311,634</u>	<u>21,542,806</u>
<b>Fund balances:</b>				
Nonspendable:				
Prepays. . . . .	93,920	-	-	93,920
Unclaimed monies. . . . .	13,254	-	-	13,254
Restricted:				
Debt service . . . . .	-	8,475,200	-	8,475,200
Capital improvements . . . . .	28,114	-	2,114,951	2,143,065
Classroom facilities maintenance . . . . .	-	-	3,252,096	3,252,096
Food service operations . . . . .	-	-	459,340	459,340
Targeted academic assistance . . . . .	-	-	51,052	51,052
Extracurricular activities. . . . .	-	-	193,031	193,031
Other purposes. . . . .	-	-	369,576	369,576
Committed:				
Capital improvements . . . . .	-	-	3,298,741	3,298,741
Extracurricular. . . . .	-	-	9,368	9,368
Assigned:				
Student and staff support. . . . .	746,552	-	-	746,552
Other purposes. . . . .	399,397	-	-	399,397
Unassigned (deficit). . . . .	7,569,728	-	(128,422)	7,441,306
Total fund balances . . . . .	<u>8,850,965</u>	<u>8,475,200</u>	<u>9,619,733</u>	<u>26,945,898</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 32,270,868</u>	<u>\$ 11,335,279</u>	<u>\$ 10,725,412</u>	<u>\$ 54,331,559</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2020

<b>Total governmental fund balances</b>		\$	26,945,898
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			67,234,013
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Property taxes receivable	\$	2,152,236	
Accrued interest receivable		34,512	
Intergovernmental receivable		375,142	
Total			2,561,890
Unamortized premiums on bonds issued are not recognized in the funds.			(2,454,467)
Unamortized amounts on refundings are not recognized in the funds.			1,419,695
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(330,177)
The net pension/OPEB assets & liabilities are not due and payable in the current period; therefore, the assets & liabilities and related deferred inflows/outflows are not reported in governmental funds.			
Deferred outflows - pension		8,780,370	
Deferred inflows - pension		(3,680,783)	
Net pension liability		(48,302,662)	
Deferred outflows - OPEB		893,499	
Deferred inflows - OPEB		(5,197,251)	
Net OPEB asset		2,842,862	
Net OPEB liability		(4,448,861)	
Total			(49,112,826)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General obligation bonds		(40,304,784)	
Lease purchase obligation		(1,205,000)	
Compensated absences		(2,582,040)	
House Bill 264 loan		(38,991)	
Total			(44,130,815)
<b>Net position of governmental activities</b>		<b>\$</b>	<b><u>2,133,211</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>General</u>	<u>Bond Retirement</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ 17,425,189	\$ 2,835,386	\$ 272,040	\$ 20,532,615
Tuition. . . . .	3,631,421	-	-	3,631,421
Transportation fees. . . . .	35,126	-	-	35,126
Earnings on investments . . . . .	746,677	443,698	9,364	1,199,739
Charges for services . . . . .	562	-	423,716	424,278
Extracurricular. . . . .	135,892	-	313,437	449,329
Classroom materials and fees . . . . .	152,554	-	-	152,554
Other local revenues . . . . .	54,880	-	222,427	277,307
Intergovernmental - intermediate . . . . .	-	-	51,000	51,000
Intergovernmental - state . . . . .	23,703,590	405,759	1,049,373	25,158,722
Intergovernmental - federal . . . . .	501,833	768,040	3,357,180	4,627,053
Total revenues . . . . .	<u>46,387,724</u>	<u>4,452,883</u>	<u>5,698,537</u>	<u>56,539,144</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular. . . . .	20,244,298	-	642,389	20,886,687
Special . . . . .	5,198,263	-	1,398,838	6,597,101
Vocational . . . . .	106,051	-	-	106,051
Other . . . . .	4,294,211	-	-	4,294,211
Support services:				
Pupil . . . . .	1,963,665	-	1,121,097	3,084,762
Instructional staff . . . . .	881,123	-	196,256	1,077,379
Board of education . . . . .	55,187	-	-	55,187
Administration . . . . .	3,857,375	-	108,894	3,966,269
Fiscal . . . . .	1,170,530	48,813	4,629	1,223,972
Business. . . . .	786	-	-	786
Operations and maintenance . . . . .	3,436,087	-	178,080	3,614,167
Pupil transportation . . . . .	1,840,079	-	2,617	1,842,696
Central . . . . .	270,183	-	17,826	288,009
Operation of non-instructional services				
Food service operations. . . . .	-	-	1,824,335	1,824,335
Other non-instructional services. . . . .	1,989	-	1,877	3,866
Extracurricular activities. . . . .	775,098	-	616,121	1,391,219
Facilities acquisition and construction . . . . .	22,585	-	352,690	375,275
Debt service:				
Principal retirement. . . . .	115,000	1,210,208	-	1,325,208
Interest and fiscal charges. . . . .	41,688	1,489,405	-	1,531,093
Issuance costs. . . . .	-	137,000	-	137,000
Total expenditures. . . . .	<u>44,274,198</u>	<u>2,885,426</u>	<u>6,465,649</u>	<u>53,625,273</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>2,113,526</u>	<u>1,567,457</u>	<u>(767,112)</u>	<u>2,913,871</u>
<b>Other financing sources (uses):</b>				
Premium on refunding bonds . . . . .	-	1,120,700	-	1,120,700
Sale of refunding bonds. . . . .	-	8,885,000	-	8,885,000
Sale of capital assets . . . . .	16,323	-	-	16,323
Transfers in. . . . .	-	32,674	65,000	97,674
Transfers (out) . . . . .	(109,158)	-	-	(109,158)
Insurance recoveries . . . . .	3,330	-	-	3,330
Payment to refunding bond escrow agent . . . . .	-	(9,867,740)	-	(9,867,740)
Total other financing sources (uses) . . . . .	<u>(89,505)</u>	<u>170,634</u>	<u>65,000</u>	<u>146,129</u>
Net change in fund balances . . . . .	2,024,021	1,738,091	(702,112)	3,060,000
<b>Fund balances at beginning of year (restated) . . . . .</b>	<b>6,826,944</b>	<b>6,737,109</b>	<b>10,312,598</b>	<b>23,876,651</b>
<b>Increase in reserve for inventory . . . . .</b>	<b>-</b>	<b>-</b>	<b>9,247</b>	<b>9,247</b>
<b>Fund balances at end of year. . . . .</b>	<u><b>\$ 8,850,965</b></u>	<u><b>\$ 8,475,200</b></u>	<u><b>\$ 9,619,733</b></u>	<u><b>\$ 26,945,898</b></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

<b>Net change in fund balances - total governmental funds</b>	\$	3,060,000
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 234,096	
Current year depreciation	(3,001,775)	
Total	(2,767,679)	(2,767,679)
Governmental funds report expenditures for inventory when purchased. However, in the statement of activities, they are reported as an expense when consumed.		
		9,247
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	54,415	
Earnings on investments	(16,932)	
Intergovernmental	130,096	
Total	167,579	167,579
Repayment of bond, lease purchase and loan principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
		1,325,208
Issuance of refunding bonds are recorded as other financing sources in the funds; however, in the statement of activities, they are not reported as other financing sources as they increase liabilities on the statement of net position.		
		(8,885,000)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	3,652,958	
OPEB	111,498	
Total	3,764,456	3,764,456
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the statement of activities		
Pension	(5,722,470)	
OPEB	832,749	
Total	(4,889,721)	(4,889,721)
Payment to refunded bond escrow agent for the retirement of bonds is an other financing use in the governmental funds but the payment reduces long-term liabilities on the statement of net position. Deferred charges related to bond refundings are amortized over the life of the issuance in the statement of activities. The following refunding transactions occurred during the year:		
Bonds refunded	8,885,000	
Deferred charges on refundings	982,740	
Total	9,867,740	\$ 9,867,740

-- Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Premiums on bonds related to the issuance of refunding bonds are amortized over the life of the issuance in the statement of activities.	\$	(1,120,700)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
Decrease in accrued interest payable	\$	5,535
Accreted interest on capital appreciation bonds		(250,577)
Amortization of bond premiums		199,387
Amortization of deferred charges		(136,814)
Total		(182,469)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		180,439
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b>529,100</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ 17,004,007	\$ 16,917,377	\$ 16,917,377	\$ -
Tuition. . . . .	3,649,627	3,631,034	3,631,421	387
Transportation fees. . . . .	35,199	35,020	35,126	106
Earnings on investments . . . . .	563,769	560,897	564,657	3,760
Charges for services . . . . .	565	562	562	-
Extracurricular. . . . .	4,304	4,282	4,282	-
Classroom materials and fees . . . . .	61,027	60,716	61,382	666
Other local revenues . . . . .	19,407	19,308	19,789	481
Intergovernmental - state . . . . .	23,781,114	23,659,959	23,659,959	-
Intergovernmental - federal . . . . .	857,274	852,907	860,303	7,396
Total revenues . . . . .	<u>45,976,293</u>	<u>45,742,062</u>	<u>45,754,858</u>	<u>12,796</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	21,599,929	21,602,758	20,887,521	715,237
Special. . . . .	4,833,680	4,834,313	5,164,594	(330,281)
Vocational. . . . .	149,469	149,488	110,979	38,509
Other. . . . .	4,187,056	4,187,605	4,294,211	(106,606)
Support services:				
Pupil. . . . .	3,086,408	3,086,812	2,187,694	899,118
Instructional staff . . . . .	801,682	801,787	895,570	(93,783)
Board of education . . . . .	183,532	183,556	74,381	109,175
Administration. . . . .	3,760,955	3,761,448	3,932,526	(171,078)
Fiscal . . . . .	1,047,266	1,047,403	1,207,039	(159,636)
Business . . . . .	36,082	36,087	786	35,301
Operations and maintenance. . . . .	4,462,026	4,462,611	3,935,913	526,698
Pupil transportation . . . . .	2,267,422	2,267,719	1,972,778	294,941
Central. . . . .	120,684	120,700	151,239	(30,539)
Extracurricular activities . . . . .	761,629	761,729	796,689	(34,960)
Facilities acquisition and construction . . . . .	22,582	22,585	22,585	-
Total expenditures . . . . .	<u>47,320,402</u>	<u>47,326,601</u>	<u>45,634,505</u>	<u>1,692,096</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(1,344,109)</u>	<u>(1,584,539)</u>	<u>120,353</u>	<u>1,704,892</u>
<b>Other financing sources (uses):</b>				
Refund of prior year's expenditures . . . . .	694,184	690,647	690,647	-
Transfers (out) . . . . .	-	-	(109,158)	(109,158)
Advances in . . . . .	1,559	1,551	1,551	-
Insurance recoveries . . . . .	3,347	3,330	3,330	-
Sale of capital assets . . . . .	10,274	10,222	16,323	6,101
Total other financing sources (uses) . . . . .	<u>709,364</u>	<u>705,750</u>	<u>602,693</u>	<u>(103,057)</u>
Net change in fund balance . . . . .	(634,745)	(878,789)	723,046	1,601,835
<b>Fund balance at beginning of year . . . . .</b>	<b>9,743,582</b>	<b>9,743,582</b>	<b>9,743,582</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>915,737</b>	<b>915,737</b>	<b>915,737</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b><u>\$ 10,024,574</u></b>	<b><u>\$ 9,780,530</u></b>	<b><u>\$ 11,382,365</u></b>	<b><u>\$ 1,601,835</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF NET POSITION  
PROPRIETARY FUND  
JUNE 30, 2020

	<b>Business-type Activities</b>	<b>Nonmajor Enterprise Fund</b>
<b>Assets:</b>		
Current assets:		
Equity in pooled cash and investments . . . . .	\$	9,139
Receivables:		
Accounts . . . . .		260
Total current assets . . . . .		9,399
Noncurrent assets:		
Net OPEB asset. . . . .		3,174
Depreciable capital assets, net . . . . .		170
Total noncurrent assets. . . . .		3,344
Total assets. . . . .		12,743
<b>Deferred outflows of resources:</b>		
Pension . . . . .		42,916
OPEB . . . . .		13,039
Total deferred outflows of resources . . . . .		55,955
<b>Liabilities:</b>		
Long-term liabilities:		
Net pension liability. . . . .		46,598
Net OPEB liability. . . . .		1,816
Total long-term liabilities . . . . .		48,414
Total liabilities . . . . .		48,414
<b>Deferred inflows of resources:</b>		
Pension . . . . .		20,654
OPEB . . . . .		10,622
Total deferred inflows of resources . . . . .		31,276
<b>Net position:</b>		
Investment in capital assets . . . . .		170
Unrestricted (deficit) . . . . .		(11,162)
Total net position (deficit) . . . . .	\$	(10,992)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<b>Business-type Activities</b>
	<b>Nonmajor Enterprise Fund</b>
<b>Operating revenues:</b>	
Tuition and fees . . . . .	\$ 430
<b>Operating expenses:</b>	
Personal services . . . . .	34,878
Contractual services . . . . .	2,276
Materials and supplies . . . . .	132
Other . . . . .	1,681
Depreciation . . . . .	341
Total operating expenses . . . . .	39,308
Operating loss . . . . .	(38,878)
Transfer in . . . . .	11,484
Change in net position . . . . .	(27,394)
<b>Net position at beginning of year . . . . .</b>	<b>16,402</b>
<b>Net position (deficit) at end of year . . . . .</b>	<b>\$ (10,992)</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<b>Business-type Activities</b>
	<b>Nonmajor Enterprise Fund</b>
<b>Cash flows from operating activities:</b>	
Cash received from tuition and fees . . . . .	\$ 720
Cash payments for personal services. . . . .	(48,755)
Cash payments for contractual services . . . . .	(2,276)
Cash payments for materials and supplies . . . . .	(132)
Cash payments for other expenses . . . . .	(1,681)
	(52,124)
Net cash used in operating activities . . . . .	(52,124)
<b>Cash flows from noncapital financing activities:</b>	
Cash received from transfers in . . . . .	11,484
	11,484
Net cash provided by noncapital financing activities. . . . .	11,484
Net decrease in cash and investments . . . . .	(40,640)
<b>Cash and investments at beginning of year . . .</b>	<b>49,779</b>
<b>Cash and investments at end of year . . . . .</b>	<b>\$ 9,139</b>
	9,139
<b>Reconciliation of operating loss to net cash used in operating activities:</b>	
Operating loss . . . . .	\$ (38,878)
Adjustments:	
Depreciation. . . . .	341
Changes in assets, deferred outflows of resources and liabilities and deferred inflows of resources:	
Change in accounts receivable. . . . .	290
Change in net OPEB asset. . . . .	1,395
Change in deferred outflows. . . . .	27,715
Change in accrued wages and benefits. . . . .	(24,028)
Change in pension and postemployment payable. . .	(7,201)
Change in net pension liability. . . . .	(27,243)
Change in net OPEB liability. . . . .	(3,756)
Change in deferred inflows. . . . .	19,241
	19,241
Net cash used in operating activities. . . . .	<b>\$ (52,124)</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2020

	<u>Custodial</u>
<b>Assets:</b>	
Equity in pooled cash and investments. . . . .	\$ 132,608
<b>Liabilities:</b>	
Accounts payable . . . . .	<u>9,143</u>
<b>Net position:</b>	
Restricted for individuals, organizations and other governments . . .	<u>123,465</u>
Total net position. . . . .	<u>\$ 123,465</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<b>Custodial</b>
<b>Additions:</b>	
Earnings on investments . . . . .	\$ 2,055
Contributions and donations . . . . .	19,256
Extracurricular collections for OHSAA. . . . .	800
<b>Total additions.</b> . . . . .	<b>22,111</b>
 <b>Deductions:</b>	
Scholarships awarded. . . . .	24,769
Change in net position . . . . .	(2,658)
<b>Net position at beginning of year (restated)</b> . . . . .	<b>126,123</b>
<b>Net position at end of year</b> . . . . .	<b>\$ 123,465</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT**

Austintown Local School District (the “District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is governed by a locally elected five member Board of Education (the “Board”) which provides educational services.

The District is staffed by 238 non-certified and 321 certified personnel to provide services to approximately 4,366 students and other community members.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's significant accounting policies are described below.

**A. Reporting Entity**

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34”. The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only those of the District (the primary government).

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

The following organizations are described due to their relationship with the District:

*JOINTLY GOVERNED ORGANIZATIONS*

Area Cooperative Computerized Educational Service System

Area Cooperative Computerized Educational Service System (ACCESS), a not-for-profit computer service, is jointly governed by 24 districts within Mahoning and Columbiana counties. ACCESS is governed by an assembly consisting of the superintendents of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the assembly. Members of ACCESS are assessed annual user fees and periodic capital improvement fees based on their average daily membership. The members have an ongoing financial interest in ACCESS; however, they do not have an equity interest. Financial information can be obtained from the Treasurer for the Mahoning County Educational Service Center, who serves as fiscal agent, at 7300 North Palmyra Road, Canfield, Ohio 44406.

Mahoning County Career & Technical Center

The Mahoning County Career & Technical Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of representatives from the participating school districts' elected boards, which possesses its own budgeting and taxing authority. To obtain financial information, write to the Treasurer of the Career & Technical Center, at 7300 North Palmyra Road, Canfield, Ohio 44406.

*PUBLIC ENTITY RISK POOLS*

Stark County Schools Council of Governments

The Stark County Schools Council of Governments (Council) is a shared risk pool created pursuant to State statute for the purpose of administering health care and dental benefits. The Council is governed by an Assembly which consists of one representative from each participating school district (usually the superintendent or designee). The Assembly elects officers for one year terms to serve on the Board of Directors. The Assembly exercises control over the operation of the Council. All Council revenues are generated from charges for services received from the participating school districts, based on the established premiums for the insurance plans. Each school district reserves the right to terminate the plan in whole or in part, at any time. If it is terminated, no further contributions will be made, but the benefits under the insurance contract shall be paid in accordance with the terms of the contract. Financial information can be obtained from the Treasurer for the Stark County Educational Service Center, who serves as fiscal agent, at 6057 Strip Avenue NW, North Canton, Ohio 44720.

**B. Fund Accounting**

The District uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

*GOVERNMENTAL FUNDS*

Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The following are the District's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Bond retirement fund - The bond retirement fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources when the government is obligated in some manner for payment.

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, and (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

*PROPRIETARY FUNDS*

Proprietary fund reporting focuses on changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise funds or internal service funds. The District has no internal service funds.

Enterprise fund - The enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The District's enterprise fund accounts for community center and summer school operations.

*FIDUCIARY FUNDS*

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: private-purpose trust funds, investment trust funds, pension trust funds and custodial funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District has no trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The District's custodial funds account for Ohio High School Athletic Association (OHSAA) tournament monies and scholarship programs in which the District has no administrative involvement.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**C. Basis of Presentation and Measurement Focus**

Government-wide Financial Statements - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflow of resources associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the special enterprise fund are tuition and fees. Operating expenses for the enterprise fund include personal services, contractual services, materials and supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

**D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting on the fund financial statements. Proprietary and fiduciary funds also use the accrual basis of accounting.

Revenues - Exchange and Nonexchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes available as an advance, interest, tuition, grants, student fees and rentals.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. See Notes 12 and 13 for deferred outflows of resources related to the District's net pension liability and net OPEB liability/asset, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2020, but which were levied to finance fiscal year 2021 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

See Notes 12 and 13 for deferred inflows of resources related to the District's net pension liability and net OPEB liability/asset, respectively. This deferred inflow of resources is only reported on the government-wide statement of net position.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as donated commodities revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of costs, such as depreciation and amortization, are not recognized in governmental funds.

**E. Budgets**

The District is required by State statute to adopt an annual appropriated cash basis budget for all funds. The specific timetable for the fiscal year is as follows:

1. The Mahoning County Budget Commission voted to waive the requirement that school districts adopt a tax budget as required by Section 5705.28 of the Ohio Revised Code, by January 15<sup>th</sup> and the filing by January 20<sup>th</sup>. The Budget Commission now requires an alternate tax budget be submitted by January 20<sup>th</sup>, which no longer requires specific Board approval.
2. Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's certificate of estimated resources which states the projected revenue of each fund. Prior to July 1, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate in effect when the final appropriations were passed by the Board of Education.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

3. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund level of expenditures, which is the legal level of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year). Although the legal level of budgetary control was established at the fund level of expenditures, the District has elected to present the budgetary statement comparison at the fund and function level of expenditures for the general fund. Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriation total.
4. Any revisions that alter the total of any fund appropriation must be approved by the Board of Education.
5. Formal budgetary integration is employed as a management control device during the year for all funds consistent with the general obligation bond indenture and other statutory provisions. All funds completed the year within the amount of their legally authorized cash basis appropriation.
6. Appropriation amounts are as originally adopted, or as amended by the Board of Education through the year by supplemental appropriations which either reallocated or increased the original appropriated amounts. All supplemental appropriations were legally enacted by the Board during fiscal year 2020. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board of Education during the fiscal year.
7. Unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be re-appropriated. Expenditures plus encumbrances may not legally exceed budgeted appropriations at the fund level.

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

**F. Cash and Investments**

To improve cash management, cash received by the District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the basic financial statements.

During fiscal year 2020, investments were limited to federal agency securities, U.S. Treasury notes, negotiable CDs, a U.S. government money market and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for investments in STAR Ohio, investments are reported at fair value, which is based on quoted market prices.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The District measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For fiscal year 2020, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund or by policy of the Board of Education. Interest revenue credited to the general fund during fiscal 2020 amounted to \$746,677, which includes \$413,521 assigned from other District funds.

For purposes of the statement of cash flows and for presentation on the statement of net position, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

An analysis of the District's investment account at year end is provided in Note 4.

**G. Inventory**

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the purchase method on the fund statements and using the consumption method on the government-wide statements.

Inventories held for resale consist of donated food and purchased food.

**H. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements. Capital assets utilized by the proprietary fund are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The District maintains a capitalization threshold of \$4,000 for its capital assets. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

All reported capital assets, except land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	Governmental Activities <u>Estimated Lives</u>	Business-Type Activities <u>Estimated Lives</u>
Land improvements	10 - 30 years	N/A
Building/improvements	10 - 40 years	N/A
Furniture/equipment	5 - 20 years	5 - 20 years
Vehicles	8 - 15 years	N/A

**I. Compensated Absences**

Compensated absences of the District consist of vacation leave and sick leave to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the District and the employee.

In accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences", a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination (severance) payments. A liability for sick leave is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, all employees age fifty or greater with at least ten years of service were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2020 and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**J. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits. Bonds, lease purchase agreements and long-term loans are recognized as a liability in the fund financial statements when due.

**K. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

*Nonspendable* - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

*Restricted* - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

*Committed* - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District Board of Education (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned* - Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Board of Education has by resolution authorized the treasurer to assign fund balance. The Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments general only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

*Unassigned* - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**L. Net Position**

Net position represents the difference between assets and deferred outflows, and liabilities and deferred inflows. The net position component “net investment in capital assets,” consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes includes amounts restricted for food service operations.

The District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**M. Prepayments**

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase, and the expenditure/expense is reported in the year in which services are consumed.

**N. Estimates**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**O. Unamortized Bond Premium and Deferred Charges on Refunding**

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds. A reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 9.H.

For advance refundings resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow or inflow of resources on the statement of net position.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**P. Capital Contributions**

Capital contributions in proprietary fund financial statements arise from outside contributions of capital assets, or from grants, or outside contributions of resources restricted to capital acquisition and construction. The enterprise fund did not receive any capital contributions from governmental funds during fiscal year 2020.

**Q. Restricted Assets**

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. See Note 9.B. for further detail on restricted assets related to the bond sinking fund deposits with fiscal agent. See Note 9.G. for further detail on restricted assets related to the lease-purchase agreement deposits with fiscal agent.

**R. Interfund Activity**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**S. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. The District had no extraordinary or special items during fiscal year 2020.

**T. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund loans receivable/payable." Interfund loans that are used to cover negative cash balances are classified as "due to/from other funds". These amounts are eliminated in the governmental activities column on the statement of net position.

**U. Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability, net OPEB asset, deferred outflows of resources and deferred inflows of resources related pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**V. Fair Value**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

For fiscal year 2020, the District has implemented GASB Statement No. 84, “*Fiduciary Activities*” and GASB Statement No. 90, “*Majority Equity Interests - an amendment to GASB Statements No. 14 and No. 61*”.

GASB Statement No. 84 establishes specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business-type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the District will no longer be reporting agency funds. The District reviewed its agency and private-purpose trust funds and certain funds will be reported in the new fiduciary classification of custodial funds, while other funds have been reclassified as governmental funds. These fund reclassifications resulted in the restatement of the District’s financial statements.

GASB Statement No. 90 improves the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government’s holding of the equity interest meets the definition of an investment. The implementation of GASB Statement No. 90 did not have an effect on the financial statements of the District.

**B. Restatement of Net Position and Fund Balances**

The implementation of GASB Statement No. 84 had the following effect on fund balance as reported at June 30, 2019:

	<u>General</u>	<u>Bond Retirement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund Balance as previously reported	\$ 6,826,944	\$ 6,737,109	\$ 10,239,921	\$ 23,803,974
GASB Statement No. 84	<u>-</u>	<u>-</u>	<u>72,677</u>	<u>72,677</u>
Restated Fund Balance, at June 30, 2019	<u>\$ 6,826,944</u>	<u>\$ 6,737,109</u>	<u>\$ 10,312,598</u>	<u>\$ 23,876,651</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

The implementation of GASB Statement No. 84 pronouncement had the following effect on the net position as reported at June 30, 2019:

	Governmental Activities	Business-type Activities
Net position as previously reported	\$ 1,531,434	\$ 16,402
GASB Statement No. 84	72,677	-
Restated net position at June 30, 2019	\$ 1,604,111	\$ 16,402

Due to the implementation of GASB Statement No. 84, the new classification of custodial funds is reporting a beginning net position of \$126,123. Also, related to the implementation of GASB Statement No. 84, the District will no longer be reporting agency funds and will not currently be reporting any private-purpose trust funds. At June 30, 2019, agency funds reported assets and liabilities of \$78,357. At June 30, 2019, private-purpose trust funds reported net position of \$120,443.

**C. Deficit Fund Balances**

Fund balances at June 30, 2020 included the following individual fund deficits:

<u>Nonmajor governmental funds</u>	<u>Deficit</u>
Student success and wellness	\$ 78,888
Title VI-B	44,912
Improving teacher quality	4,622

The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

State statutes classify monies held by the District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the District treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made on through eligible institutions;
7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio); and
8. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days and two hundred seventy days, respectively, from the purchase date in an amount not to exceed forty percent of the interim monies available for investment at any one time if training requirements have been met.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

Protection of the deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

**A. Cash on Hand**

At fiscal year end, the District had \$200 in undeposited cash on hand which is included on the financial statements of the District as part of “equity in pooled cash and investments”.

**B. Cash with Escrow Agent**

At fiscal year-end, \$4,989,120 was on deposit with a fiscal agent for required sinking fund deposits relating to the District’s general obligation bonds. These funds are not included in “deposits with financial institutions” below.

At fiscal year-end, \$28,114 was on deposit with a fiscal agent for the District’s lease purchase obligation. These funds are not included in “deposits with financial institutions” below.

**C. Deposits with Financial Institutions**

At June 30, 2020, the carrying amount of all District deposits was \$17,079,990. Based on the criteria described in GASB Statement No. 40, “Deposits and Investment Risk Disclosures”, as of June 30, 2020, \$16,976,898 of the District’s bank balance of \$17,226,898 was exposed to custodial risk as discussed below, while \$250,000 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the District’s and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**D. Investments**

As of June 30, 2020, the District had the following investments and maturities:

Measurement/ Investment type	Measurement Value	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
<i>Fair Value:</i>						
FHLB	\$ 936,346	\$ -	\$ 549,330	\$ -	\$ -	\$ 387,016
FFCB	1,399,654	-	-	-	-	1,399,654
Negotiable CD's	5,669,608	-	504,329	204,591	1,792,398	3,168,290
U.S Treasury notes	1,082,117	753,766	-	328,351	-	-
US Government money market	16,331	16,331	-	-	-	-
<i>Amortized Cost:</i>						
STAR Ohio	108,441	108,441	-	-	-	-
Total	<u>\$ 9,212,497</u>	<u>\$ 878,538</u>	<u>\$ 1,053,659</u>	<u>\$ 532,942</u>	<u>\$ 1,792,398</u>	<u>\$ 4,954,960</u>

The weighted average length to maturity of the District's investments is 2.38 years.

The District's investments in U.S. Government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The District's investments in federal agency securities, negotiable CD's and U.S. Treasury notes are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

*Interest Rate Risk:* Interest rate risk arises as potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District's investment policy limits investment portfolio maturities to five years or less.

*Credit Risk:* The District's investments in federal agency securities and U.S. Treasury notes were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Standard & Poor's has assigned STAR Ohio and the U.S. Government money market funds an AAAM money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District's investments in negotiable CD's are not rated. The District's investment policy does not specifically address credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities and U.S. Treasury notes are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in the District's name. The District's investments in negotiable CD's are insured by the FDIC. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

*Concentration of Credit Risk:* The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2020:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% of Total</u>
<i>Fair Value:</i>		
FHLB	\$ 936,346	10.16
FFCB	1,399,654	15.19
Negotiable CD's	5,669,608	61.54
U.S. Treasury notes	1,082,117	11.75
US Government money market	16,331	0.18
<i>Amortized Cost:</i>		
STAR Ohio	<u>108,441</u>	<u>1.18</u>
Total	<u>\$ 9,212,497</u>	<u>100.00</u>

**E. Reconciliation of Cash and Investments to the Statement of Net Position**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2020:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 17,079,990
Investments	9,212,497
Cash on hand	200
Cash with escrow agent	<u>5,017,234</u>
Total	<u>\$ 31,309,921</u>

<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 31,168,174
Business type activities	9,139
Custodial funds	<u>132,608</u>
Total	<u>\$ 31,309,921</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 5 - INTERFUND TRANSACTIONS**

- A.** Interfund transfers for the year ended June 30, 2020, consisted of the following, as reported on the fund financial statements:

<u>Transfers from the general fund to:</u>	<u>Amount</u>
Bond retirement fund	\$ 32,674
Nonmajor governmental funds	65,000
Nonmajor enterprise funds	11,484
	<u>\$ 109,158</u>

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers between governmental funds are eliminated on the government-wide financial statements.

- B.** Interfund balances at June 30, 2020 as reported on the fund statements, consist of the following individual interfund loans receivable and payable:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor governmental funds	<u>\$ 12,819</u>

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received. All interfund balances are expected to be repaid within one year.

Interfund balances between governmental funds are eliminated on the government-wide financial statements.

- C.** Interfund balances consisted of the following due to/from other funds at June 30, 2020, as reported on the fund statements:

<u>Due to the general fund from:</u>	<u>Amount</u>
Nonmajor governmental funds	<u>\$ 100,853</u>

The primary purpose of the interfund loans due to the general fund is to cover negative cash balances in the nonmajor governmental funds. These negative cash balances are allowable under Ohio Revised Code Section 3315.20. The interfund balances will be repaid once the anticipated revenues are received.

Amounts due to/from other funds between governmental funds are eliminated on the government-wide financial statements.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 6 - PROPERTY TAXES**

Property taxes are levied and assessed on a calendar year basis while the District fiscal year runs from July through June. First half tax collections are received by the District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2020 represent the collection of calendar year 2019 taxes. Real property taxes received in calendar year 2020 were levied after April 1, 2019, on the assessed values as of January 1, 2019, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2020 represent the collection of calendar year 2019 taxes. Public utility real and personal property taxes received in calendar year 2020 became a lien on December 31, 2018, were levied after April 1, 2019, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Mahoning County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2020, are available to finance fiscal year 2020 operations. The amount available as an advance at June 30, 2020 was \$809,432 in the general fund, \$131,731 in the bond retirement fund and \$12,637 in the classroom facilities maintenance fund, a nonmajor governmental fund. This amount is recorded as revenue. The amount available as an advance at June 30, 2019 was \$301,620 in the general fund, \$49,566 in the bond retirement fund and \$4,714 in the classroom facilities maintenance fund, a nonmajor governmental fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2020 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

On the accrual basis of accounting, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis of accounting the revenue has been reported as a deferred inflow.



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 6 - PROPERTY TAXES - (Continued)**

The assessed values upon which the fiscal year 2020 taxes were collected are:

	2019 Second Half Collections		2020 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 595,990,520	96.78	\$ 596,150,840	96.55
Public utility personal	<u>19,854,550</u>	<u>3.22</u>	<u>21,273,160</u>	<u>3.45</u>
Total	<u>\$ 615,845,070</u>	<u>100.00</u>	<u>\$ 617,424,000</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation				
Operations	\$ 54.60		\$ 54.60	
Debt service	5.20		5.10	
Classroom facilities maintenance	0.50		0.50	

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2020 consisted of taxes, accrued interest, accounts (billings for user charged services and student fees) and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds.

A summary of the principal items of receivables reported on the statement of net position follows:

<b>Governmental activities:</b>	<u>Amount</u>
Taxes	\$ 22,086,952
Accounts	24,079
Intergovernmental	783,403
Accrued interest	<u>34,512</u>
Total governmental activities	22,928,946
<b>Business-type activities:</b>	
Accounts	<u>260</u>
Total receivables	<u>\$ 22,929,206</u>

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 8 - CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2020, was as follows:

	Restated Balance <u>06/30/19</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>06/30/20</u>
<b>Governmental activities:</b>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 844,054	\$ -	\$ -	\$ 844,054
Construction in progress	-	103,243	-	103,243
Total capital assets, not being depreciated	<u>844,054</u>	<u>103,243</u>	<u>-</u>	<u>947,297</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	6,944,314	19,970	-	6,964,284
Buildings and improvements	87,158,810	51,282	-	87,210,092
Furniture and equipment	5,533,789	59,601	-	5,593,390
Vehicles	4,081,927	-	(37,157)	4,044,770
Total capital assets, being depreciated	<u>103,718,840</u>	<u>130,853</u>	<u>(37,157)</u>	<u>103,812,536</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(2,695,255)	(370,048)	-	(3,065,303)
Buildings and improvements	(24,771,234)	(2,104,587)	-	(26,875,821)
Furniture and equipment	(4,424,241)	(199,688)	-	(4,623,929)
Vehicles	(2,670,472)	(327,452)	37,157	(2,960,767)
Total accumulated depreciation	<u>(34,561,202)</u>	<u>(3,001,775)</u>	<u>37,157</u>	<u>(37,525,820)</u>
Governmental activities capital assets, net	<u>\$ 70,001,692</u>	<u>\$ (2,767,679)</u>	<u>\$ -</u>	<u>\$ 67,234,013</u>
	Balance <u>06/30/19</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>06/30/20</u>
<b>Business-type activities:</b>				
<i>Capital assets, being depreciated:</i>				
Furniture/equipment	\$ 46,738	\$ -	\$ -	\$ 46,738
Less: accumulated depreciated	(46,227)	(341)	-	(46,568)
Total	<u>\$ 511</u>	<u>\$ (341)</u>	<u>\$ -</u>	<u>\$ 170</u>

At June 30, 2019, the District has removed the fully depreciated balance of textbooks of \$2,502,063 in the governmental activities due to a change in capital asset policy.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 8 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged as follows:

<b>Governmental activities:</b>	<u>Amount</u>
<u>Instruction:</u>	
Regular	\$ 1,280,835
Special	195,853
Vocational	9,191
<u>Support services:</u>	
Pupil	64,718
Instructional staff	70,270
Administration	126,310
Fiscal	27,307
Business	2,248
Operations and maintenance	432,837
Pupil Transportation	335,889
Food service operations	187,016
Extracurricular activities	<u>269,301</u>
Total governmental activities	3,001,775
<b>Business-type activities:</b>	
Community center	<u>341</u>
Total depreciation expense	<u>\$ 3,002,116</u>

**NOTE 9 - LONG-TERM OBLIGATIONS**

- A. The District has a House Bill 264 loan to provide for energy improvements to various District buildings. The primary source of repayment of this obligation is through energy savings as a result of the improvements. The loan was issued on October 5, 2006 and matures on October 1, 2021. The loan bears an interest rate of 4.75%. Payments of principal and interest relating to these liabilities are recorded as expenditures in the bond retirement fund.

The following is a description of the District's House Bill 264 loan outstanding as of June 30, 2020:

	<u>Balance</u>		<u>Issued</u>		<u>Retired</u>		<u>Balance</u>
	<u>6/30/19</u>		<u>in 2020</u>		<u>in 2020</u>		<u>6/30/20</u>
House Bill 264 Loan	\$ 69,199	\$	-	\$	(30,208)	\$	38,991

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

The following is a summary of the District's future annual debt service requirements to maturity for the House Bill 264 loan:

<u>Fiscal Year Ending</u>	<u>Principal on Loan</u>	<u>Interest on Loan</u>	<u>Total</u>
2021	\$ 34,520	\$ 1,124	\$ 35,644
2022	<u>4,471</u>	<u>24</u>	<u>4,495</u>
Total	<u>\$ 38,991</u>	<u>\$ 1,148</u>	<u>\$ 40,139</u>

- B.** On September 1, 2010, the District issued general obligation classroom facilities improvement bonds, in the amount of \$26,680,000, for constructing, adding to, renovating, remodeling, furnishing, equipping, and improving District buildings. The bond issue included tax exempt current interest serial bonds, tax exempt capital appreciation bonds, term Build America Bonds (BABs) and Qualified School Construction Bonds (QSCBs) in the amount of \$2,625,000, \$140,000, \$12,655,000 and \$11,260,000, respectively. The bonds were issued for a thirty-eight year period, with final maturity during fiscal year 2048. The bonds will be retired through the bond retirement fund.

The interest rate on the tax exempt current interest bonds is 2.00%. The tax exempt capital appreciation bonds mature on November 1, 2028 (approximate initial offering yield to maturity 4.75%), November 1, 2029 (approximate initial offering yield to maturity 4.85%), and November 1, 2030 (approximate initial offering yield to maturity 4.95%), at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$1,605,000. A total of \$340,874 in accreted interest on the capital appreciation bonds has been included on the statement of net position at June 30, 2020.

On December 21, 2016, the District issued \$8,690,000 (series 2016 refunding bonds) to refund a portion of the BABs. This refunded debt is considered defeased (in-substance) and accordingly has been removed from the statement of net position.

On February 22, 2017, the District issued \$3,770,000 (series 2017 refunding bonds) to refund a portion of the BABs. This refunded debt is considered defeased (in-substance) and accordingly has been removed from the statement of net position.

The QSCBs bear an interest rate of 5.327% and mature September 1, 2027. The District is required to make mandatory sinking fund deposits (consisting of cash and/or U.S. Treasury obligations) on September 1, in the following years and in the following amounts (in each case equal to the value of any cash deposits, plus the stated principal value at maturity of any U.S. Treasury obligations plus any interest to be paid thereon through and including the maturity date) except the final principal payment date shall be the maturity date:

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

September 1 of year	Amounts Due	Amounts Deposited
2014	\$ 670,000	\$ 670,000
2015	695,000	695,000
2016	705,000	705,000
2017	715,000	715,000
2018	765,000	765,000
2019	775,000	775,000
2020	785,000	-
2021	815,000	-
2022	830,000	-
2023	840,000	-
2024	895,000	-
2025	905,000	-
2026	915,000	-
	<u>\$ 10,310,000</u>	<u>\$ 4,325,000</u>

The amount deposited is recorded as “restricted cash with escrow agent” on the basic financial statements.

The District receives a reimbursement from the United States Treasury equal to 100% of the lesser of the interest payments on the QSCBs or the federal tax credits that would have otherwise been available to the holders of the QSCBs. The District records this reimbursement as federal intergovernmental revenue in the bond retirement fund.

The following is a schedule of activity for fiscal year 2020 on the 2010 general obligation bonds:

	Balance 06/30/19	Additions	Reductions	Balance 06/30/20
<u>Series 2010</u>				
Capital appreciation bonds	\$ 140,000	\$ -	\$ -	\$ 140,000
Accreted interest	283,249	57,625	-	340,874
QSCBs	<u>11,260,000</u>	<u>-</u>	<u>-</u>	<u>11,260,000</u>
Total Series 2010	<u>\$ 11,683,249</u>	<u>\$ 57,625</u>	<u>\$ -</u>	<u>\$ 11,740,874</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

The following is a summary of the future debt service requirements to maturity for the 2010 general obligation bonds:

Fiscal Year Ended	QSCBs			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ -	\$ 599,820	\$ 599,820	\$ -	\$ -	\$ -
2022	-	599,820	599,820	-	-	-
2023	-	599,820	599,820	-	-	-
2024	-	599,820	599,820	-	-	-
2025	-	599,820	599,820	-	-	-
2026 - 2030	11,260,000	1,499,550	12,759,550	95,000	975,000	1,070,000
2031	-	-	-	45,000	490,000	535,000
<b>Total</b>	<b>\$ 11,260,000</b>	<b>\$ 4,498,650</b>	<b>\$ 15,758,650</b>	<b>\$ 140,000</b>	<b>\$ 1,465,000</b>	<b>\$ 1,605,000</b>

C. On June 13, 2012, the District issued general obligation bonds (series 2012 refunding bonds) to advance refund the callable portion of the series 2004 current interest general obligation bonds. The issuance proceeds of \$23,431,421 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

On May 11, 2020, the District issued \$8,885,000 (series 2020 refunding bonds) to refund a portion of the series 2012 refunding bonds. This refunded debt is considered defeased (in-substance) and accordingly has been removed from the statement of net position.

The 2012 refunding issue is comprised of both current interest bonds, par value \$20,290,000, and capital appreciation bonds, par value \$685,000. The interest rate on the current interest bonds ranges from 2.00-5.00%. The capital appreciation bonds mature on December 1, 2024 (approximate initial offering yield to maturity 3.5%), and December 1, 2025 (approximate initial offering yield to maturity 3.6%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$3,130,000. A total of \$1,058,910 in accreted interest on the capital appreciation bonds has been included on the statement of net position at June 30, 2020. The bonds will be retired through the bond retirement fund.

The following is a schedule of activity for fiscal year 2020 on the series 2012 refunding bonds:

	Balance 06/30/19	Additions	Reductions	Balance 06/30/20
Refunding bonds - series 2012:				
Current interest bonds	\$ 15,590,000	\$ -	\$ (10,065,000)	\$ 5,525,000
Capital appreciation bonds	685,000	-	-	685,000
Accreted interest	865,958	192,952	-	1,058,910
<b>Total refunding bonds - series 2012</b>	<b>\$ 17,140,958</b>	<b>\$ 192,952</b>	<b>\$ (10,065,000)</b>	<b>\$ 7,268,910</b>

The reacquisition price exceeded the net carrying amount of the old debt by \$2,450,398. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

Interest payments on the current interest bonds are due June 1 and December 1 each year. The final maturity stated on the issue is December 1, 2026.

The following is a summary of the future debt service requirements to maturity for the series 2012 refunding bonds:

Fiscal Year Ended	Current Interest Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 1,240,000	\$ 126,150	\$ 1,366,150	\$ -	\$ -	\$ -
2022	1,325,000	98,844	1,423,844	-	-	-
2023	1,370,000	66,813	1,436,813	-	-	-
2024	-	49,687	49,687	-	-	-
2025	-	49,688	49,688	360,000	1,195,000	1,555,000
2026-2027	1,590,000	74,531	1,664,531	325,000	1,250,000	1,575,000
Total	<u>\$ 5,525,000</u>	<u>\$ 465,713</u>	<u>\$ 5,990,713</u>	<u>\$ 685,000</u>	<u>\$ 2,445,000</u>	<u>\$ 3,130,000</u>

- D.** On December 21, 2016, the District issued general obligation bonds (series 2016 refunding bonds) to refund a portion of the BABs. The issuance proceeds of \$8,998,249 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

The 2016 refunding issue is comprised of current interest bonds, par value \$8,690,000. The interest rate on the current interest bonds ranges from 4.00-4.25%. The bonds will be retired through the bond retirement fund.

The following is a schedule of activity for fiscal year 2020 on the 2016 series refunding bonds:

	Balance <u>6/30/19</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>6/30/20</u>
Refunding bonds - series 2016:				
Current interest bonds	\$ 8,690,000	\$ -	\$ -	\$ 8,690,000

The net carrying amount of the old debt exceeded the reacquisition price by \$53,732. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt.

Interest payments on the current interest bonds are due May 1 and November 1 each year. The final maturity stated on the issue is November 1, 2043.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

The following is a summary of the future debt service requirements to maturity for the series 2016 refunding bonds:

Fiscal Year Ended	Current Interest Bonds		
	Principal	Interest	Total
2021	\$ -	\$ 355,525	\$ 355,525
2022	-	355,525	355,525
2023	-	355,525	355,525
2024	-	355,525	355,525
2025	-	355,525	355,525
2026 - 2030	-	1,777,625	1,777,625
2031 - 2035	2,215,000	1,604,725	3,819,725
2036 - 2040	3,305,000	1,014,525	4,319,525
2041 - 2044	3,170,000	276,675	3,446,675
<b>Total</b>	<b>\$ 8,690,000</b>	<b>\$ 6,451,175</b>	<b>\$ 15,141,175</b>

- E. On February 22, 2017, the District issued general obligation bonds (series 2017 refunding bonds) to refund a portion of the BABs. The issuance proceeds of \$3,876,211 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

The 2017 refunding issue is comprised of current interest bonds, par value \$3,770,000. The interest rate on the current interest bonds ranges from 0.93-4.25%. The bonds will be retired through the bond retirement fund.

The following is a schedule of activity for fiscal year 2020 on the 2017 series refunding bonds:

	Balance <u>06/30/19</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>06/30/20</u>
Refunding bonds- series 2017:				
Current interest bonds	\$ 3,720,000	\$ -	\$ -	\$ 3,720,000

The reacquisition price exceeded the net carrying amount of the old debt by \$20,832. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt.

Interest payments on the current interest bonds are due May 1 and November 1 each year. The final maturity stated on the issue is November 1, 2043.



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

The following is a summary of the future debt service requirements to maturity for the series 2017 refunding bonds:

Fiscal Year Ended	Current Interest Bonds		
	Principal	Interest	Total
2021	\$ -	\$ 144,263	\$ 144,263
2022	-	144,262	144,262
2023	-	144,263	144,263
2024	-	144,262	144,262
2025	-	144,263	144,263
2026 - 2030	-	721,312	721,312
2031 - 2035	960,000	662,300	1,622,300
2036 - 2040	1,410,000	428,538	1,838,538
2041 - 2044	<u>1,350,000</u>	<u>117,543</u>	<u>1,467,543</u>
Total	<u>\$ 3,720,000</u>	<u>\$ 2,651,006</u>	<u>\$ 6,371,006</u>

- F. On May 11, 2020, the District issued general obligation bonds (series 2020 refunding bonds) to advance refund a portion of the series 2012 current interest general obligation refunding bonds. The issuance proceeds of \$9,867,740 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The principal balance outstanding of the defeased bonds was \$8,885,000 at June 30, 2020.

The refunding issue is comprised of current interest bonds, par value \$8,885,000. The interest rate on the current interest bonds is 4.40%. The bonds will be retired through the bond retirement fund.

The following is a schedule of activity for fiscal year 2020 on the 2020 series refunding bonds:

	Balance <u>06/30/19</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>06/30/20</u>
Refunding bonds- series 2020:				
Current interest bonds	\$ -	\$ 8,885,000	\$ -	\$ 8,885,000

The reacquisition price exceeded the net carrying amount of the old debt by \$892,781. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt. This advance refunding was undertaken to reduce total debt service payments by \$342,251 and resulted in an economic gain of \$291,316.

Interest payments on the current interest bonds are due June 1 and December 1 each year. The final maturity stated on the issue is December 1, 2030.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

The following is a summary of the future debt service requirements to maturity for the series 2020 refunding bonds:

Fiscal Year Ended	Current Interest Bonds		
	Principal	Interest	Total
2021	\$ 145,000	\$ 387,750	\$ 532,750
2022	5,000	384,450	389,450
2023	5,000	384,230	389,230
2024	1,420,000	352,880	1,772,880
2025	5,000	321,530	326,530
2026 - 2030	5,310,000	1,262,800	6,572,800
2031	1,995,000	43,890	2,038,890
Total	<u>\$ 8,885,000</u>	<u>\$ 3,137,530</u>	<u>\$ 12,022,530</u>

- G.** On May 3, 2018, the District entered into a lease-purchase financing agreement with U.S. Bancorp Government Leasing and Finance, Inc. (Bank). The proceeds of the lease-purchase agreement of \$1,450,000 will be used to pay for various energy saving improvements to the District's facilities. The agreement bears an interest rate of 3.302%. Interest payments are due on June 1 and December 1 each year. The final stated maturity on the lease-purchase agreement is December 1, 2028. The lease-purchase agreement will be retired through the general fund. Lease-purchase payments have been reclassified and are reflected as debt service expenditures in the fund financial statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

At fiscal year end, the District had \$28,114 on deposit with U.S. Bank (the fiscal agent) related to this lease-purchase agreement. The amount deposited is recorded as "cash with escrow agent" on the basic financial statements.

The lease-purchase agreement is considered a direct borrowing. Direct borrowings have terms negotiated directly between the District and the lender and are not offered for public sale. In conjunction with the lease-purchase agreement, the District and the Bank have entered into a Ground Lease agreement whereby the District has leased to the Bank, under a Base Lease, the Project Site and the Bank has subleased the Project Site, and the facilities already located and/or to be constructed thereon (the "Project Facilities") back to the District under the terms of the lease-purchase agreement. The Project Site and Project Facilities are collateral for the debt as, in the event of default or "Nonappropriation of Funds", the Bank shall have all legal and equitable rights to take possession of the Project Site and Project Facilities and/or assign the Base Lease. The lease purchase agreement has no significant finance-related terms related to events of default, termination events, or subjective acceleration clauses except to state that there shall be no right under any circumstances to accelerate the maturities of base rent payments or otherwise declare any base rent not then past due or in default to be immediately due and payable.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

The following is a summary of the future debt service requirements to maturity for the lease-purchase agreement:

Fiscal Year Ended	Lease-Purchase Agreement		
	Principal	Interest	Total
2021	\$ 115,000	\$ 37,890	\$ 152,890
2022	120,000	34,011	154,011
2023	125,000	29,966	154,966
2024	130,000	25,756	155,756
2025	135,000	21,380	156,380
2026 - 2029	580,000	38,799	618,799
Total	<u>\$ 1,205,000</u>	<u>\$ 187,802</u>	<u>\$ 1,392,802</u>

**H.** The changes in the District's long-term obligations during the year consist of the following:

	Balance 6/30/19	Additions	Reductions	Balance 6/30/20	Amounts Due in One Year
<b>Governmental activities:</b>					
Compensated absences payable	\$ 2,868,402	\$ 204,969	\$ (449,149)	\$ 2,624,222	\$ 244,177
Net pension liability	47,993,068	451,362	(141,768)	48,302,662	-
Net OPEB liability	4,867,556	-	(418,695)	4,448,861	-
Lease-purchase agreement	1,320,000	-	(115,000)	1,205,000	115,000
Loans payable	69,199	-	(30,208)	38,991	34,520
G.O. bonds payable	41,234,207	9,135,577	(10,065,000)	40,304,784	1,385,000
Total governmental activities long-term liabilities	<u>\$ 98,352,432</u>	<u>\$ 9,791,908</u>	<u>\$ (11,219,820)</u>	96,924,520	<u>\$ 1,778,697</u>
Add: Unamortized premium on bond issues				2,454,467	
Total on statement of net position				<u>\$ 99,378,987</u>	
<b>Business-type activities:</b>					
Net pension liability	\$ 73,841	\$ -	\$ (27,243)	\$ 46,598	\$ -
Net OPEB liability	5,572	-	(3,756)	1,816	-
Total business-type activities long-term liabilities	<u>\$ 79,413</u>	<u>\$ -</u>	<u>\$ (30,999)</u>	<u>\$ 48,414</u>	<u>\$ -</u>

Compensated absences will be paid from the fund from which the employee is paid, which, for the District, is primarily the general fund, food service fund, Title VI-B fund and Title I fund.

The District's net pension liability and net OPEB liability are discussed in Notes 12 and 13, respectively. The District pays obligations related to employee compensation from the fund benefitting from their service, which for the District, is primarily the general fund.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

**I. Legal Debt Margin**

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2020, are a voted debt margin of \$25,138,360 (including available funds of \$8,475,200) and an unvoted debt margin of \$617,424.

**NOTE 10 - COMPENSATED ABSENCES**

Employees earn vacation at rates specified under State of Ohio law and based on credited service. Teachers and some administrators do not earn vacation time. Administrators, clerical, technical, and maintenance and operations employees with one or more years of service are entitled to vacation ranging from 5 to 25 days. Employees with less than one year of service earn one vacation day per month worked, not to exceed five days. Unused vacation is not cumulative to the next year.

All employees are entitled to a sick leave credit equal to one and one-quarter days for each month of service (earned on a pro-rata basis for less than full-time employees). This sick leave will either be absorbed by time off due to illness or injury or, within certain limitations, be paid to the employee upon retirement. The amount paid to an employee upon retirement is limited to one-quarter of the accumulated sick leave to a maximum payout of 168 days and ten percent of remaining days for certified employees and classified employees.

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 11 - RISK MANAGEMENT**

**A. Property, Fleet, and Liability Insurance**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2020, the District contracted with Ohio Casualty for property, automobile, liability and umbrella insurance.

	<u>Per Occurrence</u>	<u>Deductibles</u>	<u>Annual Aggregate</u>
Property:			
Building and contents - replacement cost	\$ -	\$ 5,000	\$ -
Computers	-	500	-
Equipment	-	500	-
Automobile:			
Liability	-	-	1,000,000
Uninsured motorist	-	-	350,000
Medical payments	-	-	5,000
Liability:			
General	1,000,000	-	2,000,000
Fire damage	-	-	300,000
Employer's liability	-	-	1,000,000
Employee benefits	-	1,000	1,000,000
Sexual misconduct	1,000,000	-	1,000,000
Employment practices	-	2,500	1,000,000
Umbrella	1,000,000	-	1,000,000

Settled claims have not exceeded this commercial coverage for the past three years and there has not been a significant reduction in coverage from the prior year.

**B. Employee Health Benefits**

The District has contracted with Stark County Schools Council of Governments (a shared risk pool) (Note 2) to provide employee medical/surgical and dental benefits. Rates are set through an annual calculation process. The District pays a monthly contribution which is placed in a common fund from which claim payments are made for all participating districts. The District's Board of Education pays 93% of medical/surgical premiums for certified and administrative employees and 90% for classified employees. Employees are responsible for the remaining 7% and 10% respectively.

The dental coverage is administered by Medical Mutual of Ohio; a third party administrator. The District pays 100% of dental premiums.

Claims are paid for all participants regardless of claims flow. Upon termination, all District claims would be paid without regard to the District's account balance. The Directors have the right to hold monies for an exiting district subsequent to the settlement of all expenses and claims.

**C. Workers' Compensation**

Workers' compensation coverage is provided by the State of Ohio. The District pays the Bureau of Workers' Compensation a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 12 - DEFINED BENEFIT PENSION PLANS**

***Net Pension Liability***

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the District’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

The Ohio Revised Code limits the District’s obligation for this liability to annually required payments. The District cannot control benefit terms or the manner in which pensions are financed; however, the District does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in pension and postemployment benefits payable on both the accrual and modified accrual bases of accounting.

***Plan Description - School Employees Retirement System (SERS)***

Plan Description - The District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS’ fiduciary net position. That report can be obtained by visiting the SERS website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire after August 1, 2017
Full benefits	Age 65 with 5 years of services credit; or Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially reduced benefits	Age 60 with 5 years of service credit; or Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

\* Members with 25 years of service credit as of August 1, 2017 will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.2% for the first thirty years of service and 2.5% for years of service credit over 30. Final average salary is the average of the highest three years of salary.

Effective January 1, 2018, SERS cost-of-living adjustment (COLA) changed from a fixed 3% annual increase to one based on the Consumer Price Index (CPI-W) with a cap of 2.5% and a floor of 0%. SERS also has the authority to award or suspend the COLA, or to adjust the COLA above or below CPI-W. SERS suspended the COLA increases for 2018, 2019 and 2020 for current retirees, and confirmed their intent to implement a four-year waiting period for the state of a COLA for future retirees.

Funding Policy - Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10% for plan members and 14% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2020, the allocation to pension, death benefits, and Medicare B was 14.0%.

The District's contractually required contribution to SERS was \$816,279 for fiscal year 2020. Of this amount, \$78,542 is reported as pension and postemployment benefits payable.

***Plan Description - State Teachers Retirement System (STRS)***

Plan Description - Licensed teachers participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS website at [www.strsoh.org](http://www.strsoh.org).

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017, the cost-of-living adjustment was reduced to zero. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 28 years of service, or 33 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

The DC Plan allows members to place all their member contributions and 9.53% of the 14% employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.47% of the 14% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12% of the 14% member rate goes to the DC Plan and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

New members who choose the DC Plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For fiscal year 2020, plan members were required to contribute 14% of their annual covered salary. The District was required to contribute 14%; the entire 14% was the portion used to fund pension obligations. The fiscal year 2020 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$2,840,179 for fiscal year 2020. Of this amount, \$503,560 is reported as pension and postemployment benefits payable.



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the projected contributions of all participating entities.

Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.17293380%	0.17356329%	
Proportion of the net pension liability current measurement date	<u>0.17296000%</u>	<u>0.17183718%</u>	
Change in proportionate share	<u>0.00002620%</u>	<u>-0.00172611%</u>	
Proportionate share of the net pension liability	\$ 10,348,500	\$ 38,000,760	\$ 48,349,260
Pension expense	\$ 1,158,313	\$ 4,581,452	\$ 5,739,765

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 262,417	\$ 309,392	\$ 571,809
Changes of assumptions	-	4,463,922	4,463,922
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	30,199	100,898	131,097
Contributions subsequent to the measurement date	<u>816,279</u>	<u>2,840,179</u>	<u>3,656,458</u>
Total deferred outflows of resources	<u>\$ 1,108,895</u>	<u>\$ 7,714,391</u>	<u>\$ 8,823,286</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ -	\$ 164,497	\$ 164,497
Net difference between projected and actual earnings on pension plan investments	132,839	1,857,268	1,990,107
Difference between District contributions and proportionate share of contributions/ change in proportionate share	<u>217,790</u>	<u>1,329,043</u>	<u>1,546,833</u>
Total deferred inflows of resources	<u>\$ 350,629</u>	<u>\$ 3,350,808</u>	<u>\$ 3,701,437</u>

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**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

\$3,656,458 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	SERS	STRS	Total
2021	\$ 104,232	\$ 1,514,414	\$ 1,618,646
2022	(228,736)	177,183	(51,553)
2023	(8,841)	(312,364)	(321,205)
2024	75,332	144,171	219,503
<b>Total</b>	<b>\$ (58,013)</b>	<b>\$ 1,523,404</b>	<b>\$ 1,465,391</b>

***Actuarial Assumptions - SERS***

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2019, are presented below:

Wage inflation	3.00%
Future salary increases, including inflation	3.50% to 18.20%
COLA or ad hoc COLA	2.50%
Investment rate of return	7.50% net of investments expense, including inflation
Actuarial cost method	Entry age normal (level percent of payroll)

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**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

For 2019, the mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates. Mortality among disabled members was based upon the RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	1.00 %	0.50 %
US Equity	22.50	4.75
International Equity	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	10.00	3.00
Total	<u>100.00 %</u>	

**Discount Rate** - The total pension liability was calculated using the discount rate of 7.50%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.50%). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%), or one percentage point higher (8.50%) than the current rate.

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**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 14,501,948	\$ 10,348,500	\$ 6,865,314

***Actuarial Assumptions - STRS***

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2019, actuarial valuation are presented below:

	July 1, 2019
Inflation	2.50%
Projected salary increases	12.50% at age 20 to 2.50% at age 65
Investment rate of return	7.45%, net of investment expenses, including inflation
Payroll increases	3.00%
Cost-of-living adjustments (COLA)	0.00%

For the July 1, 2019, actuarial valuation, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the July 1, 2019 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

STRS Ohio's investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation*	Long-Term Expected Real Rate of Return **
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	100.00 %	

\*Target weights will be phased in over a 24-month period concluding on July 1, 2019.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)**

\*\*10-Year geometric nominal returns, which include the real rate of return and inflation of 2.25% and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

**Discount Rate** - The discount rate used to measure the total pension liability was 7.45% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2019. Therefore, the long-term expected rate of return on pension plan investments of 7.45% was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2019.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.45%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.45%) or one-percentage-point higher (8.45%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 55,533,877	\$ 38,000,760	\$ 23,158,078

**NOTE 13 - DEFINED BENEFIT OPEB PLANS**

***Net OPEB Liability/Asset***

The net OPEB liability/asset reported on the statement of net position represents a liability/asset to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability/asset represents the District's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB liability/asset calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

The Ohio Revised Code limits the District's obligation for this liability to annually required payments. The District cannot control benefit terms or the manner in which OPEB are financed; however, the District does receive the benefit of employees' services in exchange for compensation including OPEB.

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**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability/asset. Resulting adjustments to the net OPEB liability/asset would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's unfunded/funded benefits is presented as a long-term *net OPEB liability* or *net OPEB asset* on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in pension and postemployment benefits payable on both the accrual and modified accrual bases of accounting.

***Plan Description - School Employees Retirement System (SERS)***

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2020, SERS did not allocate any employer contributions to post-employment health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, prorated if less than a full year of service credit was earned. For fiscal year 2020, this amount was \$19,600. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2020, the District's surcharge obligation was \$111,544.

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**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$111,544 for fiscal year 2020. Of this amount, \$111,544 is reported as pension and postemployment benefits payable.

***Plan Description - State Teachers Retirement System (STRS)***

Plan Description - The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2021. The Plan is included in the report of STRS which can be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

Funding Policy - Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14% of covered payroll. For the fiscal year ended June 30, 2020, STRS did not allocate any employer contributions to post-employment health care.

***OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability/asset was measured as of June 30, 2019, and the total OPEB liability/asset used to calculate the net OPEB liability/asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability/asset was based on the District's share of contributions to the respective retirement systems relative to the contributions of all participating entities.

Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.17565440%	0.17356329%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.17698010%</u>	<u>0.17183718%</u>	
Change in proportionate share	<u>0.00132570%</u>	<u>-0.00172611%</u>	
Proportionate share of the net OPEB liability	\$ 4,450,677	\$ -	\$ 4,450,677
Proportionate share of the net OPEB asset	\$ -	\$ 2,846,036	\$ 2,846,036
OPEB expense	\$ 69,595	\$ (898,740)	\$ (829,145)

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**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 65,331	\$ 258,014	\$ 323,345
Net difference between projected and actual earnings on OPEB plan investments	10,685	-	10,685
Changes of assumptions	325,071	59,824	384,895
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	43,492	32,577	76,069
Contributions subsequent to the measurement date	<u>111,544</u>	<u>-</u>	<u>111,544</u>
Total deferred outflows of resources	<u>\$ 556,123</u>	<u>\$ 350,415</u>	<u>\$ 906,538</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 977,783	\$ 144,797	\$ 1,122,580
Net difference between projected and actual earnings on pension plan investments	-	178,750	178,750
Changes of assumptions	249,401	3,120,348	3,369,749
Difference between District contributions and proportionate share of contributions/ change in proportionate share	<u>412,296</u>	<u>124,498</u>	<u>536,794</u>
Total deferred inflows of resources	<u>\$ 1,639,480</u>	<u>\$ 3,568,393</u>	<u>\$ 5,207,873</u>

\$111,544 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/asset in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2021	\$ (332,686)	\$ (706,770)	\$ (1,039,456)
2022	(218,518)	(706,770)	(925,288)
2023	(215,384)	(635,127)	(850,511)
2024	(215,893)	(610,001)	(825,894)
2025	(157,544)	(565,836)	(723,380)
Thereafter	<u>(54,875)</u>	<u>6,526</u>	<u>(48,349)</u>
Total	<u>\$ (1,194,900)</u>	<u>\$ (3,217,978)</u>	<u>\$ (4,412,878)</u>



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**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

***Actuarial Assumptions - SERS***

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2019 are presented below:

Wage inflation	3.00%
Future salary increases, including inflation	3.50% to 18.20%
Investment rate of return	7.50% net of investments expense, including inflation
Municipal bond index rate:	
Measurement date	3.13%
Prior measurement date	3.62%
Single equivalent interest rate, net of plan investment expense, including price inflation:	
Measurement date	3.22%
Prior measurement date	3.70%
Medical trend assumption:	
Measurement date	
Medicare	5.25 to 4.75%
Pre-Medicare	7.00 to 4.75%
Prior measurement date	
Medicare	5.375 to 4.75%
Pre-Medicare	7.25 to 4.75%

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120% of male rates and 110% of female rates. RP-2000 Disabled Mortality Table with 90% for male rates and 100% for female rates set back five years.

The most recent experience study was completed for the five year period ended June 30, 2015.

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**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50%, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2015 five-year experience study, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00 %	0.50 %
US Equity	22.50	4.75
International Equity	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	10.00	3.00
Total	<u>100.00 %</u>	

**Discount Rate** - The discount rate used to measure the total OPEB liability at June 30, 2019 was 3.22%. The discount rate used to measure total OPEB liability prior to June 30, 2019 was 3.70%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00% of projected covered employee payroll each year, which includes a 1.50% payroll surcharge and 0.50% of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.13%, as of June 30, 2019 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. A municipal bond rate of 3.62% was used as of June 30, 2018. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

**Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates** - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.22%) and higher (4.22%) than the current discount rate (3.22%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.75%) and higher (8.00% decreasing to 5.75%) than the current rate.

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**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 5,402,278	\$ 4,450,677	\$ 3,694,043

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 3,565,894	\$ 4,450,677	\$ 5,624,570

***Actuarial Assumptions - STRS***

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2019, actuarial valuation, compared with July 1, 2018, are presented below:

	July 1, 2019		July 1, 2018	
Inflation	2.50%		2.50%	
Projected salary increases	12.50% at age 20 to 2.50% at age 65		12.50% at age 20 to 2.50% at age 65	
Investment rate of return	7.45%, net of investment expenses, including inflation		7.45%, net of investment expenses, including inflation	
Payroll increases	3.00%		3.00%	
Cost-of-living adjustments (COLA)	0.00%		0.00%	
Discounted rate of return	7.45%		7.45%	
Blended discount rate of return	N/A		N/A	
Health care cost trends	Initial	Ultimate	Initial	Ultimate
Medical				
Pre-Medicare	5.87%	4.00%	6.00%	4.00%
Medicare	4.93%	4.00%	5.00%	4.00%
Prescription Drug				
Pre-Medicare	7.73%	4.00%	8.00%	4.00%
Medicare	9.62%	4.00%	-5.23%	4.00%

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2019 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

**Assumption Changes Since the Prior Measurement Date** - There were no changes in assumptions since the prior measurement date of June 30, 2018.

**Benefit Term Changes Since the Prior Measurement Date** - There was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944% to 1.984% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation*	Long-Term Expected Real Rate of Return **
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	<u>100.00 %</u>	

\* Target weights will be phased in over a 24-month period concluding on July 1, 2019.

\*\*10-Year geometric nominal returns, which include the real rate of return and inflation of 2.25% and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

**Discount Rate** - The discount rate used to measure the total OPEB asset was 7.45% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.45% was used to measure the total OPEB asset as of June 30, 2019.

**Sensitivity of the District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate** - The following table represents the net OPEB asset as of June 30, 2019, calculated using the current period discount rate assumption of 7.45%, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.45%) or one percentage point higher (8.45%) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)**

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB asset	\$ 2,428,525	\$ 2,846,036	\$ 3,197,065
	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB asset	\$ 3,227,274	\$ 2,846,036	\$ 2,379,112

**NOTE 14 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenues, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); and,
- (d) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 14 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

**Net Change in Fund Balance**

	<u>General fund</u>
Budget basis	\$ 723,046
Net adjustment for revenue accruals	388,043
Net adjustment for expenditure accruals	1,028,682
Net adjustment for other sources/uses	(691,997)
Funds budgeted elsewhere	(23,454)
Adjustment for encumbrances	599,701
GAAP basis	<u>\$ 2,024,021</u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the miscellaneous general funds, BWC fund and the public school support fund.

**NOTE 15 - CONTINGENCIES**

**A. Grants**

The District receives significant financial assistance from numerous Federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds; however, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District at June 30, 2020.

**B. Litigation**

The District is a party to legal proceedings seeking damages or injunctive relief generally incidental to its operations and spending projects. The District management is of the opinion that disposition of the claim and legal proceedings will not have a material effect, if any, on the financial condition of the District.

**NOTE 16 - SET ASIDES**

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

The following cash-basis information describes the change in the fiscal year-end set-aside amount for capital improvements. Disclosure of this information is required by State statute.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 16 - SET ASIDES - (Continued)**

	<u>Capital Improvements</u>
Set-aside balance June 30, 2019	\$ -
Current year set-aside requirement	829,740
Contributions in excess of the current fiscal year set-aside requirement	-
Current year qualifying expenditures	-
Excess qualified expenditures from prior years	-
Current year offsets	(354,531)
Waiver granted by ODE	
Prior year offset from bond proceeds	<u>(475,209)</u>
Total	<u>\$ -</u>
Balance carried forward to fiscal year 2021	<u>\$ -</u>
Set-aside balance June 30, 2020	<u>\$ -</u>

During fiscal year 2011, the District issued \$26,680,000 in capital related school improvement bonds. These proceeds may be used to reduce the capital improvements set-aside amount to below zero for future years. The amount presented for prior year offset from bond proceeds is limited to an amount needed to reduce the capital improvements set-aside balance to \$0. The District is responsible for tracking the amount of bond proceeds that may be used as an offset in future periods, which was \$24,132,261 at June 30, 2020.

**NOTE 17 - OTHER COMMITMENTS**

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 487,568
Other governmental	<u>206,992</u>
Total	<u>\$ 694,560</u>

**NOTE 18 - TAX ABATEMENT AGREEMENTS ENTERED INTO BY OTHER GOVERNMENTS**

Austintown Township have entered into agreements with local businesses for the abatement for property taxes to bring jobs and economic development into the area. These agreements affect the property tax receipts collected and distributed to the District. As a result of the agreements, the District's property tax revenues were reduced by \$341,329 during fiscal year 2020.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 19 - COVID-19**

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. The District's investment portfolio and the investments of the pension and other employee benefit plans are subject to increased market volatility, which could result in a significant decline in fair value, consistent with the general decline in financial markets. However, because the values of individual investments fluctuate with market conditions, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the District's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.



REQUIRED SUPPLEMENTARY INFORMATION

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST SEVEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net pension liability	0.17296000%	0.17293380%	0.19221690%	0.18907220%
District's proportionate share of the net pension liability	\$ 10,348,500	\$ 9,904,239	\$ 11,484,535	\$ 13,838,340
District's covered payroll	\$ 5,959,681	\$ 5,865,096	\$ 5,839,279	\$ 5,866,479
District's proportionate share of the net pension liability as a percentage of its covered payroll	173.64%	168.87%	196.68%	235.89%
Plan fiduciary net position as a percentage of the total pension liability	70.85%	71.36%	69.50%	62.98%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>
0.19587870%	0.19969300%	0.19969300%
\$ 11,177,028	\$ 10,106,349	\$ 11,875,102
\$ 5,896,973	\$ 5,802,677	\$ 5,446,647
189.54%	174.17%	218.03%
69.16%	71.70%	65.52%

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST SEVEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net pension liability	0.17183718%	0.17356329%	0.17246630%	0.17621474%
District's proportionate share of the net pension liability	\$ 38,000,760	\$ 38,162,670	\$ 40,969,739	\$ 58,984,385
District's covered payroll	\$ 20,347,007	\$ 19,999,986	\$ 18,981,357	\$ 18,417,907
District's proportionate share of the net pension liability as a percentage of its covered payroll	186.76%	190.81%	215.84%	320.26%
Plan fiduciary net position as a percentage of the total pension liability	77.40%	77.31%	75.30%	66.80%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>
0.18598335%	0.18617722%	0.18617722%
\$ 51,400,358	\$ 45,284,743	\$ 53,942,890
\$ 19,404,250	\$ 19,022,169	\$ 19,473,131
264.89%	238.06%	277.01%
72.10%	74.70%	69.30%

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 816,279	\$ 804,557	\$ 791,788	\$ 817,499
Contributions in relation to the contractually required contribution	<u>(816,279)</u>	<u>(804,557)</u>	<u>(791,788)</u>	<u>(817,499)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 5,830,564	\$ 5,959,681	\$ 5,865,096	\$ 5,839,279
Contributions as a percentage of covered payroll	14.00%	13.50%	13.50%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 821,307	\$ 777,221	\$ 804,251	\$ 753,816	\$ 744,324	\$ 703,667
<u>(821,307)</u>	<u>(777,221)</u>	<u>(804,251)</u>	<u>(753,816)</u>	<u>(744,324)</u>	<u>(703,667)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,866,479	\$ 5,896,973	\$ 5,802,677	\$ 5,446,647	\$ 5,534,007	\$ 5,597,987
14.00%	13.18%	13.86%	13.84%	13.45%	12.57%



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 2,840,179	\$ 2,848,581	\$ 2,799,998	\$ 2,657,390
Contributions in relation to the contractually required contribution	<u>(2,840,179)</u>	<u>(2,848,581)</u>	<u>(2,799,998)</u>	<u>(2,657,390)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 20,286,993	\$ 20,347,007	\$ 19,999,986	\$ 18,981,357
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 2,578,507	\$ 2,716,595	\$ 2,472,882	\$ 2,531,507	\$ 2,610,544	\$ 2,596,057
<u>(2,578,507)</u>	<u>(2,716,595)</u>	<u>(2,472,882)</u>	<u>(2,531,507)</u>	<u>(2,610,544)</u>	<u>(2,596,057)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 18,417,907	\$ 19,404,250	\$ 19,022,169	\$ 19,473,131	\$ 20,081,108	\$ 19,969,669
14.00%	14.00%	13.00%	13.00%	13.00%	13.00%

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST FOUR FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability	0.17698010%	0.17565440%	0.19392350%	0.19129859%
District's proportionate share of the net OPEB liability	\$ 4,450,677	\$ 4,873,128	\$ 5,204,397	\$ 5,452,717
District's covered payroll	\$ 5,959,681	\$ 5,865,096	\$ 5,839,279	\$ 5,866,479
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	74.68%	83.09%	89.13%	92.95%
Plan fiduciary net position as a percentage of the total OPEB liability	15.57%	13.57%	12.46%	11.49%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY/ASSET  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST FOUR FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability/asset	0.17183718%	0.17356329%	0.17246630%	0.17621474%
District's proportionate share of the net OPEB liability/(asset)	\$ (2,846,036)	\$ (2,788,985)	\$ 6,728,999	\$ 9,424,010
District's covered payroll	\$ 20,347,007	\$ 19,999,986	\$ 18,981,357	\$ 18,417,907
District's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	13.99%	13.94%	35.45%	51.17%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	174.70%	176.00%	47.10%	37.30%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 111,544	\$ 136,556	\$ 125,167	\$ 100,456
Contributions in relation to the contractually required contribution	<u>(111,544)</u>	<u>(136,556)</u>	<u>(125,167)</u>	<u>(100,456)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 5,830,564	\$ 5,959,681	\$ 5,865,096	\$ 5,839,279
Contributions as a percentage of covered payroll	1.91%	2.29%	2.13%	1.72%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 95,488	\$ 147,614	\$ 101,901	\$ 92,724	\$ 115,140	\$ 167,477
<u>(95,488)</u>	<u>(147,614)</u>	<u>(101,901)</u>	<u>(92,724)</u>	<u>(115,140)</u>	<u>(167,477)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,866,479	\$ 5,896,973	\$ 5,802,677	\$ 5,446,647	\$ 5,534,007	\$ 5,597,987
1.63%	2.50%	1.76%	1.70%	2.08%	2.99%

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2019</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 20,286,993	\$ 20,347,007	\$ 19,999,986	\$ 18,981,357
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ -	\$ -	\$ 194,278	\$ 194,731	\$ 200,811	\$ 199,697
-	-	(194,278)	(194,731)	(200,811)	(199,697)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 18,417,907	\$ 19,404,250	\$ 19,022,169	\$ 19,473,131	\$ 20,081,108	\$ 19,969,669
0.00%	0.00%	1.00%	1.00%	1.00%	1.00%



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

PENSION

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*SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO*

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017. For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%. There were no changes in benefit terms from the amounts previously reported for fiscal years 2019-2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2018-2020.

*STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO*

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017. For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero. There were no changes in benefit terms from amounts previously reported for fiscal years 2019-2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017. For fiscal year 2018, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2019-2020.

(Continued)

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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*SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO*

Changes in benefit terms: There were no changes in benefit terms from the amounts previously reported for fiscal years 2017-2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017. For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, (h) the municipal bond index rate increased from 2.92% to 3.56% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98% to 3.63%. For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate increased from 3.63% to 3.70%, (b) the health care cost trend rates for Medicare were changed from a range of 5.50%-5.00% to a range of 5.375%-4.75% and Pre-Medicare were changed from a range of 7.50%-5.00% to a range of 7.25%-4.75%, (c) the municipal bond index rate increased from 3.56% to 3.62% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63% to 3.70%. For fiscal year 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.70% to 3.22%, (b) the health care cost trend rates for Medicare were changed from a range of 5.375%-4.75% to a range of 5.25%-4.75% and Pre-Medicare were changed from a range of 7.25%-4.75% to a range of 7.00%-4.75%, (c) the municipal bond index rate decreased from 3.62% to 3.13% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70% to 3.22%.

*STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO*

Changes in benefit terms: There were no changes in benefit terms from the amounts previously reported for fiscal year 2017. For fiscal year 2018, STRS reduced the subsidy multiplier for non-Medicare benefit recipients from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. For fiscal year 2019, STRS increased the subsidy multiplier for non-Medicare benefit recipients from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020. For fiscal year 2020, STRS increase the subsidy percentage from 1.944% to 1.984% effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017. For fiscal year 2018, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB), (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) the percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs. For fiscal year 2019, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and (b) decrease in health care cost trend rates from 6.00%-11.00% initial; 4.50% ultimate down to Medical Pre-Medicare 6.00% and Medicare 5.00% initial; 4.00% ultimate and Prescription Drug Pre-Medicare 8.00% and Medicare (5.23%) initial; 4.00% ultimate. For fiscal year 2020, health care cost trend rates were changed to the following: Medical Pre-Medicare from 6.00% initial - 4.00% ultimate down to 5.87% initial - 4.00% ultimate; Medical Medicare from 5.00% initial - 4.00% ultimate down to 4.93% initial - 4.00% ultimate; Prescription Drug Pre-Medicare from 8.00% initial - 4.00% ultimate down to 7.73% initial - 4.00% ultimate and (5.23%) initial - 4.00% ultimate up to 9.62% initial - 4.00% ultimate.

**COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES**

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**MAJOR GOVERNMENTAL FUND**

**General Fund**

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio. A budgetary statement for the general fund is presented as part of the basic financial statements. The level of detail presented in that statement is greater than the legal level of budgetary control; therefore, a separate additional schedule is not presented.

Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis):

***Public School Support***

Section 5705.12, Revised Code

To account for specific local revenue sources (other than taxes) generated by individual school buildings (e.g. sale of pictures, profits from vending machines, etc.) Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

***Miscellaneous General Fund***

Section 5705.12, Revised Code

A fund used to account for miscellaneous programs, such as independent study and various other instructional programs funded by fees.

***BWC Rebate***

Section 5705.13, Revised Code

A fund to account for rebates received from the Ohio Bureau of Workers' Compensation.

**OTHER MAJOR GOVERNMENTAL FUNDS**

***Bond Retirement***

Section 5705.09, Revised Code

The bond retirement debt service fund is used to account for the accumulation of resources for and the payment of general obligation bond principal and interest and certain other long-term obligations for governmental resources when the District is obligated in some manner for the payment.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Public School Support</b>				
Total revenues and other sources . . . . .	\$ 324,419	\$ 223,765	\$ 224,375	\$ 610
Total expenditures and other uses . . . . .	<u>194,377</u>	<u>157,826</u>	<u>150,751</u>	<u>7,075</u>
Net change in fund balance . . . . .	130,042	65,939	73,624	7,685
Fund balance at beginning of year. . . . .	180,790	180,790	180,790	-
Prior year encumbrances appropriated. . . . .	<u>2,336</u>	<u>2,336</u>	<u>2,336</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 313,168</u>	<u>\$ 249,065</u>	<u>\$ 256,750</u>	<u>\$ 7,685</u>
<b>Miscellaneous General Fund</b>				
Total revenues and other sources . . . . .	\$ 10,225	\$ 5,963	\$ 5,963	\$ -
Total expenditures and other uses . . . . .	<u>10,228</u>	<u>4,866</u>	<u>4,866</u>	<u>-</u>
Net change in fund balance . . . . .	(3)	1,097	1,097	-
Fund balance at beginning of year. . . . .	6,631	6,631	6,631	-
Prior year encumbrances appropriated. . . . .	<u>228</u>	<u>228</u>	<u>228</u>	<u>-</u>
Fund balance (deficit) at end of year. . . . .	<u>\$ 6,856</u>	<u>\$ 7,956</u>	<u>\$ 7,956</u>	<u>\$ -</u>
<b>BWC Rebate</b>				
Total revenues and other sources . . . . .	\$ 163,000	\$ 98,568	\$ 98,568	\$ -
Total expenditures and other uses . . . . .	<u>476,000</u>	<u>281,900</u>	<u>199,045</u>	<u>82,855</u>
Net change in fund balance . . . . .	(313,000)	(183,332)	(100,477)	82,855
Fund balance at beginning of year. . . . .	491,666	491,666	491,666	-
Fund balance at end of year . . . . .	<u>\$ 178,666</u>	<u>\$ 308,334</u>	<u>\$ 391,189</u>	<u>\$ 82,855</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Bond Retirement</b>				
Total revenues and other sources . . . . .	\$ 3,533,813	\$ 3,488,951	\$ 3,488,951	\$ -
Total expenditures and other uses . . . . .	<u>3,199,479</u>	<u>3,051,723</u>	<u>3,051,723</u>	<u>-</u>
Net change in fund balance . . . . .	334,334	437,228	437,228	-
Fund balance at beginning of year. . . . .	<u>2,917,121</u>	<u>2,917,121</u>	<u>2,917,121</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ 3,251,455</u></u>	<u><u>\$ 3,354,349</u></u>	<u><u>\$ 3,354,349</u></u>	<u><u>\$ -</u></u>

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**NONMAJOR GOVERNMENTAL FUNDS**

**Nonmajor Special Revenue Funds**

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. A description of the District's special revenue funds follows:

***Food Service*** Section 3313.81, Revised Code

A fund used to record financial transactions related to food service operations.

***Other Grants*** Section 5705.09, Revised Code

A fund used to account for the proceeds of specific revenue sources, except for State and federal grants that are legally restricted to expenditures for specified purposes.

***Miscellaneous Grants*** Section 5705.12, Revised Code

A fund provided to account for the proceeds of specific local revenue sources, except for State and federal grants that are legally restricted for specified purposes. This fund is used to account for the District's DARE and Channel 19 programs.

***Classroom Facilities Maintenance*** Section 3318.06, Revised Code

A fund used to account for the proceeds of a levy for the maintenance of facilities.

***District Managed Student Activity*** Section 3313.062, Revised Code

A fund provided to account for those student activity programs which have student participation in the activity but do not have student management of the programs. This fund would usually include athletic programs but could also include the band, cheerleaders, flag corps, and other similar types of activities.

***Student Managed Activity*** Section 3313.062, Revised Code

A fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer, and faculty advisor.

***OneNet Subsidy*** Current Budget Bill appropriation line item 200-426

A fund provided to account for money appropriated for Ohio Educational Computer Network (OECN) connections.

***Student Wellness and Success*** Section 3317.26, Revised Code

This fund accounts for state monies that are restricted for specific purposes related to student wellness including mental health services, services for homeless youth, services for child welfare involved youth, community liaisons, physical health care services, mentoring programs, family engagement and support services, city connects programming, professional development regarding the provision of trauma informed care, and professional development regarding cultural competence.

***Miscellaneous State Grants*** Section 5705.09, Revised Code

A fund used to account for various monies received from state agencies which are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the Auditor of State.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO  
GOVERNMENTAL FUND DESCRIPTIONS**

**Nonmajor Special Revenue Funds - (Continued)**

***Title VI-B*** Catalog of Federal Domestic Assistance #84.027

To account for federal monies which assist states in the identification of handicapped children, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

***Limited English Proficiency*** Catalog of Federal Domestic Assistance #84.365

A fund used to account for federal monies to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency.

***Title I*** Catalog of Federal Domestic Assistance #84.010

To provide financial assistance to state and local educational agencies to meet the special needs of educationally deprived children. Included are the Even Start and Comprehensive School Reform programs.

***IDEA Handicapped Preschool*** Catalog of Federal Domestic Assistance #84.173

A fund used to account for federal monies used for the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

***Improving Teacher Quality*** Catalog of Federal Domestic Assistance #84.367

A fund used to account for monies to hire additional classroom teachers in grades one through three so that the number of students per teacher will be reduced.

***Miscellaneous Federal Grants*** Catalog of Federal Domestic Assistance #84 and #94

A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. A separate cost center must be used for each grant and be approved by the Auditor of State.

**Nonmajor Capital Projects Funds**

Capital projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or trust funds. A description of the District's capital projects funds follows:

***Permanent Improvement*** Section 5705.12, Revised Code

A fund provided to account for all transactions related to the acquiring, constructing, or improving of such permanent improvements as are authorized by Chapter 5705, Revised Code.

***Building*** Section 5705.09, Revised Code

This fund is used to account for monies received and expended in connection with the renovation and construction of District buildings.

***Capital Projects*** Section 5705.13, Revised Code

A fund used to accumulate money for one or more capital projects.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2020

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>			
Equity in pooled cash and investments. . . . .	\$ 4,532,164	\$ 5,413,692	\$ 9,945,856
Receivables:			
Taxes . . . . .	287,345	-	287,345
Accounts. . . . .	20,177	-	20,177
Intergovernmental . . . . .	445,187	-	445,187
Inventory held for resale. . . . .	26,847	-	26,847
<b>Total assets. . . . .</b>	<b>\$ 5,311,720</b>	<b>\$ 5,413,692</b>	<b>\$ 10,725,412</b>
<b>Liabilities:</b>			
Accounts payable. . . . .	\$ 15,132	\$ -	\$ 15,132
Accrued wages and benefits . . . . .	537,615	-	537,615
Compensated absences payable . . . . .	4,847	-	4,847
Pension and postemployment benefits payable. . . . .	112,817	-	112,817
Intergovernmental payable . . . . .	9,962	-	9,962
Interfund loans payable. . . . .	12,819	-	12,819
Due to other funds. . . . .	100,853	-	100,853
<b>Total liabilities. . . . .</b>	<b>794,045</b>	<b>-</b>	<b>794,045</b>
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year . . . . .	251,481	-	251,481
Delinquent property tax revenue not available . . . . .	23,227	-	23,227
Intergovernmental revenue not available . . . . .	36,926	-	36,926
<b>Total deferred inflows of resources . . . . .</b>	<b>311,634</b>	<b>-</b>	<b>311,634</b>
<b>Fund balances:</b>			
Restricted:			
Capital improvements. . . . .	-	2,114,951	2,114,951
Classroom facilities maintenance . . . . .	3,252,096	-	3,252,096
Food service operations. . . . .	459,340	-	459,340
Targeted academic assistance. . . . .	51,052	-	51,052
Extracurricular . . . . .	193,031	-	193,031
Other purposes . . . . .	369,576	-	369,576
Committed:			
Capital improvements. . . . .	-	3,298,741	3,298,741
Extracurricular . . . . .	9,368	-	9,368
Unassigned (deficit). . . . .	(128,422)	-	(128,422)
<b>Total fund balances. . . . .</b>	<b>4,206,041</b>	<b>5,413,692</b>	<b>9,619,733</b>
<b>Total liabilities, deferred inflows and fund balances . . . . .</b>	<b>\$ 5,311,720</b>	<b>\$ 5,413,692</b>	<b>\$ 10,725,412</b>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>			
From local sources:			
Taxes . . . . .	\$ 272,040	\$ -	\$ 272,040
Earnings on investments . . . . .	9,364	-	9,364
Charges for services . . . . .	423,716	-	423,716
Extracurricular . . . . .	313,437	-	313,437
Other local revenue . . . . .	222,427	-	222,427
Intergovernmental - Intermediate . . . . .	51,000	-	51,000
Intergovernmental - State . . . . .	1,049,373	-	1,049,373
Intergovernmental - Federal . . . . .	3,357,180	-	3,357,180
Total revenues . . . . .	<u>5,698,537</u>	<u>-</u>	<u>5,698,537</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular . . . . .	306,057	336,332	642,389
Special . . . . .	1,398,838	-	1,398,838
Support services:			
Pupil . . . . .	1,121,097	-	1,121,097
Instructional staff . . . . .	196,256	-	196,256
Administration . . . . .	108,894	-	108,894
Fiscal . . . . .	4,629	-	4,629
Operations and maintenance . . . . .	124,558	53,522	178,080
Pupil transportation . . . . .	2,617	-	2,617
Central . . . . .	17,826	-	17,826
Operation of non-instructional services:			
Food service operations . . . . .	1,824,335	-	1,824,335
Other non-instructional services . . . . .	1,877	-	1,877
Extracurricular activities . . . . .	616,121	-	616,121
Facilities acquisition and construction . . . . .	4,795	347,895	352,690
Total expenditures . . . . .	<u>5,727,900</u>	<u>737,749</u>	<u>6,465,649</u>
Excess of expenditures over revenues . . . . .	<u>(29,363)</u>	<u>(737,749)</u>	<u>(767,112)</u>
<b>Other financing sources:</b>			
Transfers in . . . . .	65,000	-	65,000
Total other financing sources . . . . .	<u>65,000</u>	<u>-</u>	<u>65,000</u>
Net change in fund balances . . . . .	35,637	(737,749)	(702,112)
<b>Fund balances at beginning of year (restated).</b>	4,161,157	6,151,441	10,312,598
<b>Increase in reserve for inventory . . . . .</b>	9,247	-	9,247
<b>Fund balances at end of year . . . . .</b>	<u>\$ 4,206,041</u>	<u>\$ 5,413,692</u>	<u>\$ 9,619,733</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2020

	<u>Food Service</u>	<u>Other Grants</u>	<u>Miscellaneous Grants</u>	<u>Classroom Facilities Maintenance</u>
<b>Assets:</b>				
Equity in pooled cash and investments. . . .	\$ 624,754	\$ 166,216	\$ 10,932	\$ 3,241,133
Receivables:				
Taxes. . . . .	-	-	-	287,345
Accounts. . . . .	-	-	-	-
Intergovernmental. . . . .	33,604	-	-	-
Inventory held for resale. . . . .	26,847	-	-	-
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
Total assets. . . . .	<u>\$ 685,205</u>	<u>\$ 166,216</u>	<u>\$ 10,932</u>	<u>\$ 3,528,478</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 3,900	\$ -	\$ -	\$ 1,674
Accrued wages and benefits . . . . .	145,003	473	-	-
Compensated absences payable . . . . .	4,847	-	-	-
Pension and postemployment benefits payable. . . . .	69,174	-	-	-
Intergovernmental payable . . . . .	2,941	-	1,564	-
Interfund loans payable . . . . .	-	12,709	-	-
Due to other funds. . . . .	-	-	-	-
Total liabilities. . . . .	<u>225,865</u>	<u>13,182</u>	<u>1,564</u>	<u>1,674</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year. . . .	-	-	-	251,481
Delinquent property tax revenue not available. . . .	-	-	-	23,227
Intergovernmental revenue not available . . . . .	-	-	-	-
Total deferred inflows of resources. . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>274,708</u>
<b>Fund balances:</b>				
Restricted:				
Classroom facilities maintenance. . . . .	-	-	-	3,252,096
Food service operations. . . . .	459,340	-	-	-
Targeted academic assistance. . . . .	-	-	-	-
Extracurricular. . . . .	-	-	-	-
Other purposes. . . . .	-	153,034	-	-
Committed:				
Extracurricular. . . . .	-	-	9,368	-
Unassigned (deficit). . . . .	-	-	-	-
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
Total fund balances (deficits) . . . . .	<u>459,340</u>	<u>153,034</u>	<u>9,368</u>	<u>3,252,096</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 685,205</u>	<u>\$ 166,216</u>	<u>\$ 10,932</u>	<u>\$ 3,528,478</u>

<u>District Managed Student Activity</u>	<u>Student Managed Activity</u>	<u>Student Wellness and Success</u>	<u>Miscellaneous State Grants</u>	<u>Title VI-B</u>	<u>Title I</u>	<u>Improving Teacher Quality</u>
\$ 83,508	\$ 96,266	\$ 89,785	\$ 1,458	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
20,059	118	-	-	-	-	-
-	-	-	-	182,163	201,118	21,410
-	-	-	-	-	-	-
<u>\$ 103,567</u>	<u>\$ 96,384</u>	<u>\$ 89,785</u>	<u>\$ 1,458</u>	<u>\$ 182,163</u>	<u>\$ 201,118</u>	<u>\$ 21,410</u>
\$ 6,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	150,238	-	142,911	80,433	14,588
-	-	-	-	-	-	-
-	-	15,755	-	17,029	9,057	1,482
-	-	2,680	-	1,653	938	153
110	-	-	-	-	-	-
-	-	-	-	64,274	31,863	4,716
<u>6,920</u>	<u>-</u>	<u>168,673</u>	<u>-</u>	<u>225,867</u>	<u>122,291</u>	<u>20,939</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	1,208	27,775	5,093
-	-	-	-	<u>1,208</u>	<u>27,775</u>	<u>5,093</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	51,052	-
96,647	96,384	-	-	-	-	-
-	-	-	1,458	-	-	-
-	-	-	-	-	-	-
-	-	(78,888)	-	(44,912)	-	(4,622)
<u>96,647</u>	<u>96,384</u>	<u>(78,888)</u>	<u>1,458</u>	<u>(44,912)</u>	<u>51,052</u>	<u>(4,622)</u>
<u>\$ 103,567</u>	<u>\$ 96,384</u>	<u>\$ 89,785</u>	<u>\$ 1,458</u>	<u>\$ 182,163</u>	<u>\$ 201,118</u>	<u>\$ 21,410</u>

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2020

	<b>Miscellaneous Federal Grants</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Assets:</b>		
Equity in pooled cash and investments. . . . .	\$ 218,112	\$ 4,532,164
Receivables:		
Taxes. . . . .	-	287,345
Accounts. . . . .	-	20,177
Intergovernmental . . . . .	6,892	445,187
Inventory held for resale. . . . .	-	26,847
Total assets. . . . .	\$ 225,004	\$ 5,311,720
<b>Liabilities:</b>		
Accounts payable . . . . .	\$ 2,748	\$ 15,132
Accrued wages and benefits . . . . .	3,969	537,615
Compensated absences payable . . . . .	-	4,847
Pension and postemployment benefits payable. . . . .	320	112,817
Intergovernmental payable . . . . .	33	9,962
Interfund loans payable . . . . .	-	12,819
Due to other funds. . . . .	-	100,853
Total liabilities. . . . .	7,070	794,045
<b>Deferred inflows of resources:</b>		
Property taxes levied for the next fiscal year. . . . .	-	251,481
Delinquent property tax revenue not available. . . . .	-	23,227
Intergovernmental revenue not available . . . . .	2,850	36,926
Total deferred inflows of resources. . . . .	2,850	311,634
<b>Fund balances:</b>		
Restricted:		
Classroom facilities maintenance. . . . .	-	3,252,096
Food service operations. . . . .	-	459,340
Targeted academic assistance. . . . .	-	51,052
Extracurricular. . . . .	-	193,031
Other purposes. . . . .	215,084	369,576
Committed:		
Extracurricular. . . . .	-	9,368
Unassigned (deficit). . . . .	-	(128,422)
Total fund balances (deficits) . . . . .	215,084	4,206,041
Total liabilities, deferred inflows and fund balances	\$ 225,004	\$ 5,311,720

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Food Service</u>	<u>Other Grants</u>	<u>Miscellaneous Grants</u>	<u>Classroom Facilities Maintenance</u>
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ -	\$ -	\$ -	\$ 272,040
Earnings on investments . . . . .	9,364	-	-	-
Charges for services . . . . .	423,716	-	-	-
Extracurricular . . . . .	-	-	-	-
Other local revenues . . . . .	2,405	21,276	32,848	-
Intergovernmental - Intermediate . . . . .	5,000	46,000	-	-
Intergovernmental - State . . . . .	23,954	-	-	90,414
Intergovernmental - Federal . . . . .	1,299,716	-	-	-
Total revenues . . . . .	<u>1,764,155</u>	<u>67,276</u>	<u>32,848</u>	<u>362,454</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	-	46,525	-	-
Special . . . . .	-	411	-	-
Support services:				
Pupil . . . . .	-	380	-	-
Instructional staff . . . . .	-	1,794	36,048	-
Administration . . . . .	-	-	-	-
Fiscal . . . . .	-	-	-	4,629
Operations and maintenance . . . . .	-	-	-	49,212
Pupil transportation . . . . .	-	1,124	-	-
Central . . . . .	-	-	-	-
Operation of non-instructional services:				
Food service operations . . . . .	1,799,335	-	-	-
Other non-instructional services . . . . .	-	-	-	-
Extracurricular activities . . . . .	30,525	-	-	-
Facilities acquisition and construction . . . . .	-	-	-	4,795
Total expenditures . . . . .	<u>1,829,860</u>	<u>50,234</u>	<u>36,048</u>	<u>58,636</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(65,705)</u>	<u>17,042</u>	<u>(3,200)</u>	<u>303,818</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	-	-	-	-
Total other financing sources . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	(65,705)	17,042	(3,200)	303,818
<b>Fund balances (deficits)</b>				
at beginning of year (restated) . . . . .	515,798	135,992	12,568	2,948,278
Increase in reserve for inventory . . . . .	9,247	-	-	-
<b>Fund balances (deficits) at end of year . . .</b>	<u>\$ 459,340</u>	<u>\$ 153,034</u>	<u>\$ 9,368</u>	<u>\$ 3,252,096</u>

<u>District Managed Student Activity</u>	<u>Student Managed Activity</u>	<u>OneNet Subsidy</u>	<u>Student Wellness and Success</u>	<u>Miscellaneous State Grants</u>	<u>Title VI-B</u>	<u>Title I</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
213,138	100,299	-	-	-	-	-
153,740	12,158	-	-	-	-	-
-	-	-	-	-	-	-
-	-	7,200	927,805	-	-	-
-	-	-	-	-	991,508	849,877
<u>366,878</u>	<u>112,457</u>	<u>7,200</u>	<u>927,805</u>	<u>-</u>	<u>991,508</u>	<u>849,877</u>
-	-	-	166,985	-	-	-
-	-	-	-	-	737,419	503,421
-	-	-	764,853	-	-	264,587
-	-	-	-	-	139,447	-
-	-	-	-	-	96,008	-
-	-	-	-	-	-	-
-	-	-	74,855	491	-	-
435	1,058	-	-	-	-	-
-	-	7,200	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	1,877
497,904	87,692	-	-	-	-	-
-	-	-	-	-	-	-
<u>498,339</u>	<u>88,750</u>	<u>7,200</u>	<u>1,006,693</u>	<u>491</u>	<u>972,874</u>	<u>769,885</u>
<u>(131,461)</u>	<u>23,707</u>	<u>-</u>	<u>(78,888)</u>	<u>(491)</u>	<u>18,634</u>	<u>79,992</u>
<u>65,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>65,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(66,461)	23,707	-	(78,888)	(491)	18,634	79,992
163,108	72,677	-	-	1,949	(63,546)	(28,940)
-	-	-	-	-	-	-
<u>\$ 96,647</u>	<u>\$ 96,384</u>	<u>\$ -</u>	<u>\$ (78,888)</u>	<u>\$ 1,458</u>	<u>\$ (44,912)</u>	<u>\$ 51,052</u>

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<b>IDEA Handicapped Preschool</b>	<b>Improving Teacher Quality</b>	<b>Miscellaneous Federal Grants</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Revenues:</b>				
From local sources:				
Taxes . . . . .	\$ -	\$ -	\$ -	\$ 272,040
Earnings on investments . . . . .	-	-	-	9,364
Charges for services . . . . .	-	-	-	423,716
Extracurricular . . . . .	-	-	-	313,437
Other local revenues . . . . .	-	-	-	222,427
Intergovernmental - Intermediate . . . . .	-	-	-	51,000
Intergovernmental - State . . . . .	-	-	-	1,049,373
Intergovernmental - Federal . . . . .	14,987	126,754	74,338	3,357,180
<b>Total revenues . . . . .</b>	<b>14,987</b>	<b>126,754</b>	<b>74,338</b>	<b>5,698,537</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	-	92,547	-	306,057
Special . . . . .	14,987	-	142,600	1,398,838
Support services:				
Pupil . . . . .	-	-	91,277	1,121,097
Instructional staff . . . . .	-	18,967	-	196,256
Administration . . . . .	-	-	12,886	108,894
Fiscal . . . . .	-	-	-	4,629
Operations and maintenance . . . . .	-	-	-	124,558
Pupil transportation . . . . .	-	-	-	2,617
Central . . . . .	-	-	10,626	17,826
Operation of non-instructional services:				
Food service operations . . . . .	-	-	25,000	1,824,335
Other non-instructional services . . . . .	-	-	-	1,877
Extracurricular activities . . . . .	-	-	-	616,121
Facilities acquisition and construction . . . . .	-	-	-	4,795
<b>Total expenditures . . . . .</b>	<b>14,987</b>	<b>111,514</b>	<b>282,389</b>	<b>5,727,900</b>
Excess (deficiency) of revenues over (under) expenditures . . . . .	-	15,240	(208,051)	(29,363)
<b>Other financing sources:</b>				
Transfers in . . . . .	-	-	-	65,000
<b>Total other financing sources . . . . .</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>65,000</b>
Net change in fund balances . . . . .	-	15,240	(208,051)	35,637
<b>Fund balances (deficits)</b>				
at beginning of year (restated) . . . . .	-	(19,862)	423,135	4,161,157
<b>Increase in reserve for inventory . . . . .</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,247</b>
<b>Fund balances (deficits) at end of year . . . . .</b>	<b>\$ -</b>	<b>\$ (4,622)</b>	<b>\$ 215,084</b>	<b>\$ 4,206,041</b>

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Food Service</b>				
Total revenues and other sources . . . . .	\$ 1,829,657	\$ 1,580,511	\$ 1,580,776	\$ 265
Total expenditures and other uses . . . . .	<u>1,834,246</u>	<u>2,172,481</u>	<u>1,609,330</u>	<u>563,151</u>
Net change in fund balance . . . . .	(4,589)	(591,970)	(28,554)	563,416
Fund balance at beginning of year. . . . .	598,441	598,441	598,441	-
Prior year encumbrances appropriated. . . . .	<u>52,054</u>	<u>52,054</u>	<u>52,054</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 645,906</u>	<u>\$ 58,525</u>	<u>\$ 621,941</u>	<u>\$ 563,416</u>
<b>Other Grants</b>				
Total revenues and other sources . . . . .	\$ 78,921	\$ 69,226	\$ 69,226	\$ -
Total expenditures and other uses . . . . .	<u>40,124</u>	<u>51,981</u>	<u>51,981</u>	<u>-</u>
Net change in fund balance . . . . .	38,797	17,245	17,245	-
Fund balance at beginning of year. . . . .	141,598	141,598	141,598	-
Prior year encumbrances appropriated. . . . .	<u>6,028</u>	<u>6,028</u>	<u>6,028</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 186,423</u>	<u>\$ 164,871</u>	<u>\$ 164,871</u>	<u>\$ -</u>
<b>Miscellaneous Grants</b>				
Total revenues and other sources . . . . .	\$ 106,300	\$ 27,764	\$ 32,848	\$ 5,084
Total expenditures and other uses . . . . .	<u>115,029</u>	<u>40,402</u>	<u>40,402</u>	<u>-</u>
Net change in fund balance . . . . .	(8,729)	(12,638)	(7,554)	5,084
Fund balance at beginning of year. . . . .	9,457	9,457	9,457	-
Prior year encumbrances appropriated. . . . .	<u>9,029</u>	<u>9,029</u>	<u>9,029</u>	<u>-</u>
Fund balance (deficit) at end of year . . . . .	<u>\$ 9,757</u>	<u>\$ 5,848</u>	<u>\$ 10,932</u>	<u>\$ 5,084</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Classroom Facilities Maintenance</b>				
Total revenues and other sources . . . . .	\$ 358,139	\$ 354,532	\$ 354,532	\$ -
Total expenditures and other uses . . . . .	<u>2,623,287</u>	<u>2,623,287</u>	<u>62,527</u>	<u>2,560,760</u>
Net change in fund balance . . . . .	(2,265,148)	(2,268,755)	292,005	2,560,760
Fund balance at beginning of year. . . . .	2,935,277	2,935,277	2,935,277	-
Prior year encumbrances appropriated. . . . .	<u>8,287</u>	<u>8,287</u>	<u>8,287</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 678,416</u>	<u>\$ 674,809</u>	<u>\$ 3,235,569</u>	<u>\$ 2,560,760</u>
<b>District Managed Student Activity</b>				
Total revenues and other sources . . . . .	\$ 550,271	\$ 425,707	\$ 425,652	\$ (55)
Total expenditures and other uses . . . . .	<u>527,540</u>	<u>509,258</u>	<u>507,228</u>	<u>2,030</u>
Net change in fund balance . . . . .	22,731	(83,551)	(81,576)	1,975
Fund balance at beginning of year. . . . .	138,217	138,217	138,217	-
Prior year encumbrances appropriated. . . . .	<u>26,218</u>	<u>26,218</u>	<u>26,218</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 187,166</u>	<u>\$ 80,884</u>	<u>\$ 82,859</u>	<u>\$ 1,975</u>
<b>Student Managed Activities</b>				
Total revenues and other sources . . . . .	\$ 142,050	\$ 114,311	\$ 114,281	\$ (30)
Total expenditures and other uses . . . . .	<u>146,946</u>	<u>94,260</u>	<u>92,592</u>	<u>1,668</u>
Net change in fund balance . . . . .	(4,896)	20,051	21,689	1,638
Fund balance at beginning of year. . . . .	61,036	61,036	61,036	-
Prior year encumbrances appropriated. . . . .	<u>11,641</u>	<u>11,641</u>	<u>11,641</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 67,781</u>	<u>\$ 92,728</u>	<u>\$ 94,366</u>	<u>\$ 1,638</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>OneNet Subsidy</b>				
Total revenues and other sources . . . . .	\$ 7,200	\$ 7,200	\$ 7,200	\$ -
Total expenditures and other uses . . . . .	<u>7,200</u>	<u>7,200</u>	<u>7,200</u>	<u>-</u>
Net change in fund balance . . . . .	-	-	-	-
Fund balance at beginning of year. . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Student Wellness and Success</b>				
Total revenues and other sources . . . . .	\$ -	\$ 927,805	\$ 927,805	\$ -
Total expenditures and other uses . . . . .	<u>-</u>	<u>927,805</u>	<u>838,020</u>	<u>89,785</u>
Net change in fund balance . . . . .	-	-	89,785	89,785
Fund balance at beginning of year. . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 89,785</u></u>	<u><u>\$ 89,785</u></u>
<b>Miscellaneous State Grants</b>				
Total revenues and other sources . . . . .	\$ 4,529	\$ 4,529	\$ 4,529	\$ -
Total expenditures and other uses . . . . .	<u>3,664</u>	<u>3,664</u>	<u>2,206</u>	<u>1,458</u>
Net change in fund balance . . . . .	865	865	2,323	1,458
Fund balance (deficit) at beginning of year. . .	(3,605)	(3,605)	(3,605)	-
Prior year encumbrances appropriated. . . . .	<u>2,740</u>	<u>2,740</u>	<u>2,740</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,458</u></u>	<u><u>\$ 1,458</u></u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Title VI-B</b>				
Total revenues and other sources . . . . .	\$ 1,231,834	\$ 1,205,953	\$ 1,023,790	\$ (182,163)
Total expenditures and other uses . . . . .	<u>1,137,983</u>	<u>1,112,102</u>	<u>994,213</u>	<u>117,889</u>
Net change in fund balance . . . . .	93,851	93,851	29,577	(64,274)
Fund balance (deficit) at beginning of year. . .	<u>(93,851)</u>	<u>(93,851)</u>	<u>(93,851)</u>	<u>-</u>
Fund balance (deficit) at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (64,274)</u></u>	<u><u>\$ (64,274)</u></u>
<b>Limited English Proficiency</b>				
Total revenues and other sources . . . . .	\$ -	\$ 7,327	\$ -	\$ (7,327)
Total expenditures and other uses . . . . .	<u>-</u>	<u>7,327</u>	<u>7,300</u>	<u>27</u>
Net change in fund balance . . . . .	-	-	(7,300)	(7,300)
Fund balance at beginning of year. . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (7,300)</u></u>	<u><u>\$ (7,300)</u></u>
<b>Title I</b>				
Total revenues and other sources . . . . .	\$ 972,928	\$ 1,218,582	\$ 771,932	\$ (446,650)
Total expenditures and other uses . . . . .	<u>925,215</u>	<u>1,142,763</u>	<u>835,982</u>	<u>306,781</u>
Net change in fund balance . . . . .	47,713	75,819	(64,050)	(139,869)
Fund balance (deficit) at beginning of year. . .	(51,000)	(51,000)	(51,000)	-
Prior year encumbrances appropriated. . . . .	<u>3,287</u>	<u>3,287</u>	<u>3,287</u>	<u>-</u>
Fund balance (deficit) at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ 28,106</u></u>	<u><u>\$ (111,763)</u></u>	<u><u>\$ (139,869)</u></u>



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>IDEA Handicapped Preschool</b>				
Total revenues and other sources . . . . .	\$ -	\$ 14,987	\$ 14,987	\$ -
Total expenditures and other uses . . . . .	<u>-</u>	<u>14,987</u>	<u>14,987</u>	<u>-</u>
Net change in fund balance . . . . .	-	-	-	-
Fund balance at beginning of year. . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Improving Teacher Quality</b>				
Total revenues and other sources . . . . .	\$ 186,924	\$ 217,545	\$ 129,624	\$ (87,921)
Total expenditures and other uses . . . . .	<u>174,907</u>	<u>205,528</u>	<u>123,170</u>	<u>82,358</u>
Net change in fund balance . . . . .	12,017	12,017	6,454	(5,563)
Fund balance (deficit) at beginning of year. . .	<u>(11,170)</u>	<u>(11,170)</u>	<u>(11,170)</u>	<u>-</u>
Fund balance (deficit) at end of year . . . . .	<u><u>\$ 847</u></u>	<u><u>\$ 847</u></u>	<u><u>\$ (4,716)</u></u>	<u><u>\$ (5,563)</u></u>
<b>Miscellaneous Federal Grants</b>				
Total revenues and other sources . . . . .	\$ 116,249	\$ 157,028	\$ 74,330	\$ (82,698)
Total expenditures and other uses . . . . .	<u>489,649</u>	<u>533,098</u>	<u>293,216</u>	<u>239,882</u>
Net change in fund balance . . . . .	(373,400)	(376,070)	(218,886)	157,184
Fund deficit at beginning of year. . . . .	410,018	410,018	410,018	-
Prior year encumbrances appropriated. . . . .	<u>17,033</u>	<u>17,033</u>	<u>17,033</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ 53,651</u></u>	<u><u>\$ 50,981</u></u>	<u><u>\$ 208,165</u></u>	<u><u>\$ 157,184</u></u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2020

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Capital Projects</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Assets:</b>				
Equity in pooled cash and investments . . . . .	\$ 1,989,237	\$ 125,714	\$ 3,298,741	\$ 5,413,692
Total assets. . . . .	<u>\$ 1,989,237</u>	<u>\$ 125,714</u>	<u>\$ 3,298,741</u>	<u>\$ 5,413,692</u>
<b>Fund balances:</b>				
Restricted:				
Capital improvements. . . . .	\$ 1,989,237	\$ 125,714	\$ -	\$ 2,114,951
Committed:				
Capital improvements. . . . .	<u>-</u>	<u>-</u>	<u>3,298,741</u>	<u>3,298,741</u>
Total fund balances . . . . .	<u>1,989,237</u>	<u>125,714</u>	<u>3,298,741</u>	<u>5,413,692</u>
Total liabilities and fund balances . . . . .	<u>\$ 1,989,237</u>	<u>\$ 125,714</u>	<u>\$ 3,298,741</u>	<u>\$ 5,413,692</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Capital Projects</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	\$ -	\$ -	\$ 336,332	\$ 336,332
Support services:				
Operations and maintenance . . .	53,522	-	-	53,522
Facilities acquisition and construction .	234,853	-	113,042	347,895
Total expenditures . . . . .	<u>288,375</u>	<u>-</u>	<u>449,374</u>	<u>737,749</u>
Net change in fund balances . . . . .	(288,375)	-	(449,374)	(737,749)
<b>Fund balances at beginning of year .</b>	<u>2,277,612</u>	<u>125,714</u>	<u>3,748,115</u>	<u>6,151,441</u>
<b>Fund balances at end of year . . . .</b>	<u><u>\$ 1,989,237</u></u>	<u><u>\$ 125,714</u></u>	<u><u>\$ 3,298,741</u></u>	<u><u>\$ 5,413,692</u></u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Permanent Improvement</b>				
Total expenditures and other uses . . . . .	\$ 2,277,612	\$ 2,277,612	\$ 296,594	\$ 1,981,018
Net change in fund balance . . . . .	(2,277,612)	(2,277,612)	(296,594)	1,981,018
Fund balance at beginning of year. . . . .	2,277,612	2,277,612	2,277,612	-
Fund balance at end of year . . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,981,018</u>	<u>\$ 1,981,018</u>
<b>Building</b>				
Total expenditures and other uses . . . . .	\$ 125,714	\$ 125,714	\$ -	\$ 125,714
Net change in fund balance . . . . .	(125,714)	(125,714)	-	125,714
Fund balance at beginning of year. . . . .	125,714	125,714	125,714	-
Fund balance at end of year . . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,714</u>	<u>\$ 125,714</u>
<b>Capital Projects</b>				
Total revenues and other sources . . . . .	\$ 5,000	\$ -	\$ -	\$ -
Total expenditures and other uses . . . . .	3,168,656	3,168,656	545,964	2,622,692
Net change in fund balance . . . . .	(3,163,656)	(3,168,656)	(545,964)	2,622,692
Fund balance at beginning of year. . . . .	3,739,459	3,739,459	3,739,459	-
Prior year encumbrances appropriated. . . . .	8,656	8,656	8,656	-
Fund balance at end of year . . . . .	<u>\$ 584,459</u>	<u>\$ 579,459</u>	<u>\$ 3,202,151</u>	<u>\$ 2,622,692</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**PROPRIETARY FUND DESCRIPTIONS**

**Nonmajor Enterprise Fund**

Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation and indirect costs) of providing goods or services to the students or general public on a continuing basis are financed or recovered quickly through user charges. This fund can also account for operations where the school board has decided that periodic determination of revenues earned, expenses incurred, and income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

***Special Enterprise***

Section 5705.12, Revised Code

A fund to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation and direct costs) of providing goods or services to the students or general public on a continuing basis are financed or recovered primarily through user charges. This fund can also account for operations where the school board has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. This fund accounts for the programs of the community center and summer school. The District maintains only one enterprise fund, therefore combining statements schedules are not required.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Special Enterprise</b>				
Total revenues . . . . .	\$ 29,250	\$ 10,523	\$ 10,523	\$ -
Total expenses . . . . .	<u>16,278</u>	<u>51,163</u>	<u>51,163</u>	<u>-</u>
Net change in fund balance . . . . .	12,972	(40,640)	(40,640)	-
Fund balance at beginning of year. . . . .	49,716	49,716	49,716	-
Prior year encumbrances appropriated. . . . .	<u>63</u>	<u>63</u>	<u>63</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 62,751</u>	<u>\$ 9,139</u>	<u>\$ 9,139</u>	<u>\$ -</u>

AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO

**FIDUCIARY FUND DESCRIPTIONS**

**Fiduciary Funds**

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. The District does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

**Custodial Funds**

***Tournament***

Section 5705.12, Revised Code

A fund provided to account for monies for Ohio High School Athletic Association (OHSAA) tournaments.

***Scholarship***

Section 5705.09, Revised Code

A fund provided to account for monies set aside from endowments for scholarships for students enrolled in the District in which the District has no administrative involvement. The principal and income from such a fund may be expended.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
JUNE 30, 2020

	<b>Tournament</b>	<b>Scholarship</b>	<b>Total Custodial Funds</b>
<b>Assets:</b>			
Equity in pooled cash and investments . . . . .	\$ 6,480	\$ 126,128	\$ 132,608
<b>Liabilities:</b>			
Accounts payable . . . . .	-	9,143	9,143
<b>Net position:</b>			
Restricted for individuals, organizations and other governments. . . . .	6,480	116,985	123,465
Total net position . . . . .	\$ 6,480	\$ 116,985	\$ 123,465



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<b>Tournament</b>	<b>Scholarship</b>	<b>Total Custodial Funds</b>
<b>Additions:</b>			
Earnings on investments . . . . .	\$ -	\$ 2,055	\$ 2,055
Contributions and donations. . . . .	-	19,256	19,256
Extracurricular collections for OHSAA. . . . .	800	-	800
Total additions . . . . .	800	21,311	22,111
<b>Deductions</b>			
Scholarships awarded . . . . .	-	24,769	24,769
Total deductions . . . . .	-	24,769	24,769
Change in net position . . . . .	800	(3,458)	(2,658)
<b>Net position at beginning of year (restated). . . . .</b>	<b>5,680</b>	<b>120,443</b>	<b>126,123</b>
<b>Net position at end of year. . . . .</b>	<b>\$ 6,480</b>	<b>\$ 116,985</b>	<b>\$ 123,465</b>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Tournament</b>				
Total revenues and other sources . . . . .	\$ 95,150	\$ 12,597	\$ 12,597	\$ -
Total expenditures and other uses . . . . .	<u>20,393</u>	<u>11,797</u>	<u>11,797</u>	<u>-</u>
Net change in fund balance . . . . .	74,757	800	800	-
Fund balance at beginning of year. . . . .	<u>5,680</u>	<u>5,680</u>	<u>5,680</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ 80,437</u></u>	<u><u>\$ 6,480</u></u>	<u><u>\$ 6,480</u></u>	<u><u>\$ -</u></u>
<b>Scholarship</b>				
Total revenues and other sources . . . . .	\$ 20,955	\$ 32,280	\$ 34,565	\$ 2,285
Total expenditures and other uses . . . . .	<u>33,560</u>	<u>42,111</u>	<u>33,512</u>	<u>8,599</u>
Net change in fund balance . . . . .	(12,605)	(9,831)	1,053	10,884
Fund balance at beginning of year. . . . .	110,043	110,043	110,043	-
Prior year encumbrances appropriated. . . . .	<u>14,200</u>	<u>14,200</u>	<u>14,200</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ 111,638</u></u>	<u><u>\$ 114,412</u></u>	<u><u>\$ 125,296</u></u>	<u><u>\$ 10,884</u></u>

# **STATISTICAL SECTION**

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STATISTICAL SECTION

This part of the Austintown Local School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	<b>150-163</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	<b>164-169</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	<b>170-173</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	<b>174-175</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	<b>176-187</b>

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>	<u>2017</u>
<b>Governmental activities:</b>				
Net investment in capital assets	\$ 26,050,250	\$ 27,594,333	\$ 30,042,378	\$ 27,599,557
Restricted	13,378,864	12,076,768	11,108,296	9,859,803
Unrestricted (deficit)	(37,295,903)	(38,066,990)	(46,546,373)	(66,369,267)
Total governmental activities net position	<u>2,133,211</u>	<u>1,604,111</u>	<u>(5,395,699)</u>	<u>(28,909,907)</u>
<b>Business-type activities:</b>				
Investment in capital assets	170	511	852	20,745
Unrestricted	(11,162)	15,891	53,384	55,401
Total governmental activities net position	<u>(10,992)</u>	<u>16,402</u>	<u>54,236</u>	<u>76,146</u>
<b>Primary government:</b>				
Net investment in capital assets	26,050,420	27,594,844	30,043,230	27,620,302
Restricted	13,378,864	12,076,768	11,108,296	9,859,803
Unrestricted (deficit)	(37,307,065)	(38,051,099)	(46,492,989)	(66,313,866)
Total net position - primary government	<u>\$ 2,122,219</u>	<u>\$ 1,620,513</u>	<u>\$ (5,341,463)</u>	<u>\$ (28,833,761)</u>

**Source:** District financial records.

**Note:** (1) 2019 amounts have been restated due to the implementation of GASB Statement No. 84.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 29,045,461	\$ 29,351,797	\$ 29,743,734	\$ 31,791,028	\$ 21,302,378	\$ 11,061,480
6,567,781	5,652,682	4,200,520	4,589,989	15,611,971	26,787,374
(52,464,252)	(56,462,790)	(58,365,762)	4,063,854	2,812,283	627,175
<u>(16,851,010)</u>	<u>(21,458,311)</u>	<u>(24,421,508)</u>	<u>40,444,871</u>	<u>39,726,632</u>	<u>38,476,029</u>
24,176	20,857	24,518	16,489	21,723	24,231
75,540	80,822	86,419	79,163	33,237	24,409
<u>99,716</u>	<u>101,679</u>	<u>110,937</u>	<u>95,652</u>	<u>54,960</u>	<u>48,640</u>
29,069,637	29,372,654	29,768,252	31,807,517	21,324,101	11,085,711
6,567,781	5,652,682	4,200,520	4,589,989	15,611,971	26,787,374
(52,388,712)	(56,381,968)	(58,279,343)	4,143,017	2,845,520	651,584
<u>\$ (16,751,294)</u>	<u>\$ (21,356,632)</u>	<u>\$ (24,310,571)</u>	<u>\$ 40,540,523</u>	<u>\$ 39,781,592</u>	<u>\$ 38,524,669</u>



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>	<u>2017</u>
<b>Expenses:</b>				
Governmental activities:				
Instruction:				
Regular	\$ 22,983,429	\$ 19,218,005	\$ 10,424,769	\$ 22,520,187
Special	6,833,743	5,637,485	3,990,260	6,262,278
Vocational	115,242	167,764	57,871	252,681
Other	4,294,211	4,190,060	3,117,409	2,923,523
Support services:				
Pupil	3,255,570	2,911,631	1,767,133	2,766,063
Instructional staff	1,104,416	1,341,117	570,278	1,047,596
Board of education	55,187	49,783	70,354	78,160
Administration	4,082,165	3,399,037	2,194,107	4,577,641
Fiscal	1,236,180	999,999	659,954	1,012,466
Business	3,034	12,646	14,764	3,816
Operations and maintenance	4,105,114	4,069,824	3,237,215	4,716,927
Pupil transportation	2,149,967	2,040,927	1,277,316	2,256,766
Central	289,084	221,327	91,718	72,094
Operation of non-instructional services:				
Food service operations	1,973,527	1,902,154	1,334,301	2,059,632
Other non-instructional services	546	18,495	721	8,368
Extracurricular activities	1,679,387	1,401,546	729,298	1,164,038
Interest and fiscal charges	1,850,562	1,922,523	1,925,005	2,166,380
Total governmental activities expenses	<u>56,011,364</u>	<u>49,504,323</u>	<u>31,462,473</u>	<u>53,888,616</u>
Business-type activities:				
Special enterprise	39,308	69,784	38,028	57,275
Total business-type activities expenses	<u>39,308</u>	<u>69,784</u>	<u>38,028</u>	<u>57,275</u>
Total primary government expenses	<u>\$ 56,050,672</u>	<u>\$ 49,574,107</u>	<u>\$ 31,500,501</u>	<u>\$ 53,945,891</u>

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	20,527,557	\$ 22,210,972	\$ 22,304,725	\$ 19,163,737	\$ 19,067,875	\$ 19,873,586
	5,500,588	6,134,578	6,170,417	5,922,687	6,170,894	5,880,047
	356,298	385,273	427,984	490,228	265,908	233,553
	2,925,009	2,441,428	2,150,753	2,064,679	1,735,218	1,788,380
	2,793,171	2,837,305	2,848,276	2,986,365	2,727,204	2,848,283
	945,108	997,171	759,210	1,512,809	1,276,998	1,466,491
	68,733	89,853	66,993	76,897	70,486	78,862
	4,380,475	4,398,169	4,332,735	3,910,556	3,611,879	3,711,310
	974,065	1,002,069	1,001,162	959,253	922,903	869,790
	3,299	2,404	2,252	2,766	1,579	51,035
	4,615,957	4,272,007	4,499,699	4,127,638	3,881,539	3,992,828
	2,026,410	2,125,452	1,886,764	2,104,974	2,524,356	2,691,538
	38,939	22,194	7,200	34,522	19,025	7,278
	2,208,041	2,578,874	2,556,366	2,478,956	2,175,771	1,960,212
	678	2,939	107,209	153,856	190,475	158,420
	1,224,315	1,129,455	1,176,115	1,031,889	1,021,988	983,310
	2,235,590	2,254,351	2,292,137	2,349,048	2,577,479	2,621,249
	<u>50,824,233</u>	<u>52,884,494</u>	<u>52,589,997</u>	<u>49,370,860</u>	<u>48,241,577</u>	<u>49,216,172</u>
	<u>68,948</u>	<u>65,559</u>	<u>49,887</u>	<u>41,755</u>	<u>84,011</u>	<u>89,222</u>
	<u>68,948</u>	<u>65,559</u>	<u>49,887</u>	<u>41,755</u>	<u>84,011</u>	<u>89,222</u>
\$	<u>50,893,181</u>	<u>\$ 52,950,053</u>	<u>\$ 52,639,884</u>	<u>\$ 49,412,615</u>	<u>\$ 48,325,588</u>	<u>\$ 49,305,394</u>

- - Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>	<u>2017</u>
<b>Program revenues:</b>				
Governmental activities:				
Charges for services:				
Instruction:				
Regular	\$ 3,518,754	\$ 3,978,137	\$ 4,561,556	\$ 4,771,471
Special	269,015	215,536	112,746	53,938
Support services:				
Pupil	-	1,260	-	440
Instructional staff	25,348	16,743	27,946	36,080
Administration	123,725	209,648	188,500	215,261
Operations and maintenance	1,425	9,795	6,210	10,659
Pupil transportation	35,126	-	-	4,386
Operation of non-instructional services:				
Food service operations	423,881	653,123	653,104	625,004
Other non-instructional services	2,130	4,646	7,016	766
Extracurricular activities	407,843	496,763	375,041	356,181
Operating grants and contributions:				
Instruction:				
Regular	300,943	138,675	91,137	109,087
Special	4,008,375	3,513,144	4,061,080	4,349,983
Vocational	211,053	220,189	211,953	211,637
Other	-	-	-	-
Support services:				
Pupil	1,013,166	4,398	32,710	87,816
Instructional staff	164,487	640,291	206,340	213,661
Administration	96,383	141,750	221,457	728,541
Fiscal	-	-	-	448
Operations and maintenance	68,990	25,658	1,671	2,547
Pupil transportation	81,961	73,232	119,307	102,217
Central	8,981	7,200	7,200	7,200
Operation of non-instructional services:				
Food service operations	1,340,274	1,457,471	1,412,865	1,480,306
Other non-instructional services	2,078	6,682	-	18,784
Extracurricular activities	100,939	2,055	9,242	1,712
Capital grants and contributions:				
Support services:				
Pupil	-	-	-	-
Pupil transportation	-	-	-	-
Operation of non-instructional services:				
Food service operations	25,000	-	36,841	-
Extracurricular activities	-	26,850	61,968	-
Total governmental program revenues	<u>12,229,877</u>	<u>11,843,246</u>	<u>12,405,890</u>	<u>13,388,125</u>
Business-type activities:				
Charges for services:				
Special enterprise	430	31,950	32,580	33,705
Total primary government program revenues	<u>\$ 12,230,307</u>	<u>\$ 11,875,196</u>	<u>\$ 12,438,470</u>	<u>\$ 13,421,830</u>

	2016	2015	2014	2013	2012	2011
\$	4,637,764	\$ 4,262,415	\$ 4,207,608	\$ 3,555,056	\$ 3,262,906	\$ 2,124,828
	9,141	49,872	59,438	95,363	15,753	11,547
	3,360	6,335	25,901	150	-	9,847
	20,932	25,426	186	10,293	23,368	-
	227,544	223,013	231,750	266,897	229,342	238,817
	6,796	11,084	18,194	32,567	18,629	15,006
	-	40,130	40,967	50,950	4,484	-
	660,331	905,960	695,019	753,177	741,636	804,368
	987	1,164	4,957	776	769	888
	382,494	416,796	394,013	365,512	332,189	404,993
	103,752	94,951	93,764	91,927	143,448	1,132,693
	4,122,161	4,412,424	3,599,129	3,321,101	3,268,324	3,389,195
	44,814	27,143	29,347	69,315	69,315	69,315
	-	-	-	-	-	73,374
	70,282	137,878	98,996	9,457	141,255	206,905
	221,806	244,042	230,462	231,297	452,485	494,611
	516,634	560,213	347,155	367,216	109,953	1,781,995
	142	1,261	1,496	429	7,553	4,148
	-	-	-	-	-	-
	69,048	86,915	107,458	121,610	242,773	126,652
	7,200	7,200	7,200	-	-	-
	1,401,261	1,309,934	1,344,807	1,389,443	1,273,355	1,149,164
	-	3,763	111,371	139,630	169,882	178,227
	1,933	5,907	1,109	2,883	13,501	608
	-	-	-	376,037	92,776	-
	-	1,017,866	-	-	-	-
	-	-	-	-	-	-
	165,000	-	-	-	-	-
	<u>12,673,382</u>	<u>13,851,692</u>	<u>11,650,327</u>	<u>11,251,086</u>	<u>10,613,696</u>	<u>12,217,181</u>
	41,985	56,301	65,172	62,417	64,885	65,915
\$	<u>12,715,367</u>	<u>\$ 13,907,993</u>	<u>\$ 11,715,499</u>	<u>\$ 11,313,503</u>	<u>\$ 10,678,581</u>	<u>\$ 12,283,096</u>

-- Continued

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>	<u>2017</u>
<b>Net (expense)/revenue</b>				
Governmental activities	\$ (43,781,487)	\$ (37,661,077)	\$ (19,056,583)	\$ (40,500,491)
Business-type activities	(38,878)	(37,834)	(5,448)	(23,570)
Total primary government net expense	<u>(43,820,365)</u>	<u>(37,698,911)</u>	<u>(19,062,031)</u>	<u>(40,524,061)</u>
<b>General revenues and other changes in net position</b>				
Governmental activities:				
Property taxes levied for:				
General purposes	17,474,796	16,946,575	16,866,792	16,475,545
Debt service	2,839,368	2,812,407	2,821,914	2,723,873
Classroom facilities maintenance	272,866	264,843	263,846	258,588
Grants and entitlements not restricted to specific programs	22,493,481	23,673,548	22,078,310	22,180,062
Grants and entitlements restricted for Ohio School Facilities Commission	-	-	-	-
Investment earnings	1,173,443	835,768	156,449	20,548
Gain on sale of capital assets	-	-	-	1,484,030
Miscellaneous	68,117	63,873	131,911	75,219
Transfers	(11,484)	-	-	-
Special item	-	-	-	-
Total governmental activities	<u>44,310,587</u>	<u>44,597,014</u>	<u>42,319,222</u>	<u>43,217,865</u>
Business-type activities:				
Miscellaneous	-	-	-	-
Transfers	11,484	-	-	-
Total business-type activities	<u>11,484</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in net position</b>				
Governmental activities	529,100	6,935,937	23,262,639	2,717,374
Business-type activities	(27,394)	(37,834)	(5,448)	(23,570)
Total primary government	<u>\$ 501,706</u>	<u>\$ 6,898,103</u>	<u>\$ 23,257,191</u>	<u>\$ 2,693,804</u>

**Source:** District financial records.

**Note:** (1) 2019 amounts have been restated due to the implementation of GASB Statement No. 84.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ (38,150,851)	\$ (39,032,802)	\$ (40,939,670)	\$ (38,119,774)	\$ (37,627,881)	\$ (36,998,991)
(26,963)	(9,258)	15,285	20,662	(19,126)	(23,307)
<u>(38,177,814)</u>	<u>(39,042,060)</u>	<u>(40,924,385)</u>	<u>(38,099,112)</u>	<u>(37,647,007)</u>	<u>(37,022,298)</u>
16,518,175	16,077,123	15,398,511	15,557,798	15,764,653	15,860,458
2,728,615	2,703,334	2,725,756	2,737,581	2,780,185	2,314,189
259,979	250,259	246,618	244,149	249,048	161,560
22,224,730	22,772,715	21,208,581	20,008,694	20,556,806	20,634,581
793,118	-	-	-	-	23,661,484
8,710	5,633	3,479	28,692	124,079	334,362
-	-	-	-	-	-
249,825	186,935	53,352	281,099	18,140	24,228
(25,000)	-	-	(20,000)	(24,300)	(5,000)
-	-	(1,022,147)	-	-	-
<u>42,758,152</u>	<u>41,995,999</u>	<u>38,614,150</u>	<u>38,838,013</u>	<u>39,468,611</u>	<u>62,985,862</u>
-	-	-	30	1,146	-
25,000	-	-	20,000	24,300	5,000
<u>25,000</u>	<u>-</u>	<u>-</u>	<u>20,030</u>	<u>25,446</u>	<u>5,000</u>
4,607,301	2,963,197	(2,325,520)	718,239	1,840,730	25,986,871
(1,963)	(9,258)	15,285	40,692	6,320	(18,307)
<u>\$ 4,605,338</u>	<u>\$ 2,953,939</u>	<u>\$ (2,310,235)</u>	<u>\$ 758,931</u>	<u>\$ 1,847,050</u>	<u>\$ 25,968,564</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>	<u>2017</u>
<b>General fund:</b>				
Nonspendable	\$ 107,174	\$ 106,405	\$ 121,871	\$ 121,742
Restricted	28,114	28,073	1,429,684	-
Committed	-	22,585	727,417	-
Assigned	1,145,949	1,396,316	2,454,052	3,892,425
Unassigned	<u>7,569,728</u>	<u>5,273,565</u>	<u>920,739</u>	<u>-</u>
Total general fund	<u>\$ 8,850,965</u>	<u>\$ 6,826,944</u>	<u>\$ 5,653,763</u>	<u>\$ 4,014,167</u>
<b>All other governmental funds:</b>				
Nonspendable	\$ -	\$ -	\$ 4,085	\$ 3,878
Restricted	14,915,246	13,401,372	12,022,242	10,335,903
Committed	3,308,109	3,760,683	4,171,073	7,267,499
Unassigned (deficit)	<u>(128,422)</u>	<u>(112,348)</u>	<u>(238,257)</u>	<u>(224,302)</u>
Total all other governmental funds	<u>\$ 18,094,933</u>	<u>\$ 17,049,707</u>	<u>\$ 15,959,143</u>	<u>\$ 17,382,978</u>

**Source:** District financial records.

**Note:** (1) Amounts for 2019 have been restated due to the implementation of GASB Statement No. 84.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 13,271	\$ 12,646	\$ 38,265	\$ 41,579	\$ 35,745	\$ 35,538
-	-	-	-	8,395	71,058
-	450,000	704,564	450,000	-	-
3,119,799	1,063,655	200,610	1,006,458	1,858,367	457,516
-	-	-	-	-	82,512
<u>\$ 3,133,070</u>	<u>\$ 1,526,301</u>	<u>\$ 943,439</u>	<u>\$ 1,498,037</u>	<u>\$ 1,902,507</u>	<u>\$ 646,624</u>
\$ -	\$ -	\$ 30,000	\$ 30,000	\$ 122,776	\$ 34,390
7,140,408	6,010,944	4,791,177	14,582,543	38,876,043	35,690,765
5,889,080	4,118,638	3,509,858	2,536,557	1,591,572	479,417
(271,792)	(353,842)	(62,812)	(172,212)	(173,051)	(3,510)
<u>\$ 12,757,696</u>	<u>\$ 9,775,740</u>	<u>\$ 8,268,223</u>	<u>\$ 16,976,888</u>	<u>\$ 40,417,340</u>	<u>\$ 36,201,062</u>



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>	<u>2017</u>
<b>Revenues</b>				
From local sources:				
Taxes	\$ 20,532,615	\$ 20,052,316	\$ 19,815,070	\$ 19,604,494
Tuition	3,631,421	4,023,613	4,493,718	4,641,407
Transportation fees	35,126	-	-	-
Charges for services	424,278	612,589	654,095	625,770
Earnings on investments	1,199,739	789,820	159,155	20,684
Extracurricular	449,329	655,131	536,357	544,913
Classroom materials and fees	152,554	165,659	176,755	179,657
Other local revenues	277,307	464,852	159,612	136,832
Intergovernmental - intermediate	51,000	38,224	45,925	25,499
Intergovernmental - state	25,158,722	25,144,498	24,089,206	24,321,803
Intergovernmental - federal	4,627,053	5,019,957	4,717,439	4,699,313
Total revenues	<u>56,539,144</u>	<u>56,966,659</u>	<u>54,847,332</u>	<u>54,800,372</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	20,886,687	21,510,372	21,311,869	20,338,740
Special	6,597,101	6,177,407	6,434,344	5,894,953
Vocational	106,051	228,001	209,345	239,464
Other	4,294,211	4,190,060	3,117,409	2,923,523
Support services:				
Pupil	3,084,762	3,156,697	2,734,732	2,599,598
Instructional staff	1,077,379	1,464,510	986,245	949,414
Board of education	55,187	49,783	70,354	77,372
Administration	3,966,269	3,799,411	4,158,774	4,308,218
Fiscal	1,223,972	1,070,968	911,588	972,492
Business	786	10,397	14,764	3,816
Operations and maintenance	3,614,167	3,870,765	4,328,965	4,469,769
Pupil transportation	1,842,696	2,018,415	2,904,415	1,912,685
Central	288,009	221,327	91,718	72,094
Operation of non-instructional services:				
Food service operations	1,824,335	1,855,599	1,862,728	1,891,961
Other non-instructional services	3,866	18,495	6,439	8,150
Extracurricular activities	1,391,219	1,231,732	1,265,169	1,008,919
Facilities acquisitions and construction	375,275	832,291	2,878,241	377,324
Debt service:				
Principal retirement	1,325,208	1,281,481	1,100,004	1,008,596
Interest and fiscal charges	1,531,093	1,768,904	1,763,545	1,845,505
Issuance expenses	137,000	-	20,600	241,192
Total expenditures	<u>53,625,273</u>	<u>54,756,615</u>	<u>56,171,248</u>	<u>51,143,785</u>
Excess of revenues over (under) expenditures	\$ 2,913,871	\$ 2,210,044	\$ (1,323,916)	\$ 3,656,587

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	19,551,161	\$ 19,273,556	\$ 18,773,297	\$ 18,619,192	\$ 18,701,158	\$ 18,027,724
	4,437,048	4,094,944	4,080,360	3,505,796	3,132,701	2,014,999
	-	-	-	-	-	-
	661,318	905,124	695,849	753,953	742,405	805,256
	8,771	5,671	8,375	55,156	125,013	306,037
	586,449	660,728	610,912	610,054	546,350	584,360
	204,415	214,870	183,440	144,666	130,993	121,393
	451,566	161,060	256,839	418,759	140,613	151,326
	27,069	26,307	18,000	17,810	55,704	16,309
	25,072,726	24,766,225	22,870,197	23,595,375	35,497,924	28,860,425
	4,413,245	5,717,474	4,467,784	4,726,326	5,259,663	6,159,747
	<u>55,413,768</u>	<u>55,825,959</u>	<u>51,965,053</u>	<u>52,447,087</u>	<u>64,332,524</u>	<u>57,047,576</u>
	19,489,843	21,400,913	20,938,263	18,729,461	18,580,788	19,360,689
	5,351,774	6,051,218	5,930,474	5,819,119	6,091,849	5,791,048
	354,622	386,606	453,898	504,341	245,931	236,402
	2,925,009	2,441,428	2,150,753	2,064,679	1,735,218	1,788,380
	2,727,767	2,853,507	2,772,975	3,377,312	2,721,137	2,835,923
	872,949	903,498	624,205	1,416,437	1,186,546	1,334,236
	68,733	89,853	66,993	76,897	70,486	78,862
	4,318,853	4,400,906	4,157,479	3,823,407	3,523,827	3,697,590
	946,849	985,197	983,085	979,010	921,691	873,475
	3,299	2,404	2,252	2,766	1,579	66,035
	4,324,087	3,948,860	4,320,762	3,608,713	3,563,604	3,814,778
	1,803,446	3,065,357	1,729,875	1,930,052	2,408,338	2,473,669
	38,939	22,194	7,200	34,522	19,025	7,278
	2,053,105	2,460,143	2,328,982	2,481,898	2,092,702	1,874,849
	743	22,756	107,519	153,856	190,444	158,420
	1,109,372	1,002,985	964,507	894,706	911,501	879,926
	1,345,234	425,456	9,751,157	26,666,224	10,750,612	1,671,462
	952,232	1,120,976	1,754,757	1,343,595	1,060,015	27,273,657
	2,113,187	2,152,073	2,184,671	2,482,711	2,761,800	2,182,301
	-	-	-	-	260,989	399,577
	<u>50,800,043</u>	<u>53,736,330</u>	<u>61,229,807</u>	<u>76,389,706</u>	<u>59,098,082</u>	<u>76,798,557</u>
\$	4,613,725	\$ 2,089,629	\$ (9,264,754)	\$ (23,942,619)	\$ 5,234,442	\$ (19,750,981)

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - (Continued)  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>	<u>2017</u>
<b>Other financing sources (uses)</b>				
Transfers in	\$ 97,674	\$ 161,445	\$ 545,251	\$ 2,072,223
Transfers (out)	(109,158)	(161,445)	(545,251)	(2,072,223)
Sale of assets	16,323	3,648	6,101	1,592,894
Insurance recoveries	3,330	15,710	77,448	-
Lease purchase agreement	-	-	1,450,000	-
Sale of bonds	8,885,000	-	-	12,460,000
Sale of notes	-	-	-	-
Payment to refunded bond escrow agent	(9,867,740)	-	-	(12,874,460)
Premium on bonds	1,120,700	-	-	660,356
Premium on notes	-	-	-	-
Total other financing sources (uses)	<u>146,129</u>	<u>19,358</u>	<u>1,533,549</u>	<u>1,838,790</u>
Net change in fund balances	<u>\$ 3,060,000</u>	<u>\$ 2,229,402</u>	<u>\$ 209,633</u>	<u>\$ 5,495,377</u>
Debt service as a percentage of noncapital expenditures	5.35%	5.61%	5.50%	5.63%

**Source:** District financial records.

**Note:** (1) Amounts for 2019 have been restated due to the implementation of GASB Statement No.84.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 2,357,245	\$ 2,301,872	\$ 1,026,605	\$ 754,185	\$ 1,278,424	\$ 644,744
(2,382,245)	(2,301,872)	(1,026,605)	(774,185)	(1,298,424)	(649,744)
-	750	1,491	117,697	1,120	3,040
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	20,975,000	26,680,000
-	-	-	-	-	26,682,099
-	-	-	-	(23,431,421)	-
-	-	-	-	2,717,410	566,162
-	-	-	-	-	91,253
<u>(25,000)</u>	<u>750</u>	<u>1,491</u>	<u>97,697</u>	<u>242,109</u>	<u>54,017,554</u>
<u>\$ 4,588,725</u>	<u>\$ 2,090,379</u>	<u>\$ (9,263,263)</u>	<u>\$ (23,844,922)</u>	<u>\$ 5,476,551</u>	<u>\$ 34,266,573</u>
6.19%	6.26%	7.55%	7.68%	7.88%	39.18%

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN COLLECTION YEARS

Collection Year	Public Utility		Total			Total Direct Tax Rate
	Real Property (a) Assessed Value	Personal (b) Assessed Value	Assessed Value	Estimated Actual Value	%	
2020	\$ 596,150,840	\$ 21,273,160	\$ 617,424,000	\$ 1,788,380,754	34.52%	\$ 60.20
2019	595,990,520	19,854,550	615,845,070	1,782,248,257	34.55%	60.30
2018	595,386,870	18,797,940	614,184,810	1,776,297,103	34.58%	60.40
2017	582,745,890	18,048,740	600,794,630	1,737,183,217	34.58%	60.40
2016	590,722,110	16,716,740	607,438,850	1,754,644,417	34.62%	60.30
2015	571,626,360	16,499,530	588,125,890	1,699,216,291	34.61%	60.40
2014	577,611,960	14,654,570	592,266,530	1,708,938,166	34.66%	60.60
2013	568,931,040	13,376,760	582,307,800	1,679,024,297	34.68%	60.60
2012	566,485,580	12,301,240	578,786,820	1,667,735,189	34.70%	60.60
2011	595,580,890	11,788,190	607,369,080	1,748,812,446	34.73%	60.40

**Source:** Mahoning County Auditor's Office

(a) The assessed value of real property is fixed at 35% of true value.

(b) The assessed value of public utility personal property is fixed at 25% of true value.

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

DIRECT AND OVERLAPPING PROPERTY TAX RATES  
(RATE PER \$1,000 OF ASSESSED VALUE)  
LAST TEN FISCAL YEARS

Tax Year/ Collection Year	Overlapping Rates				Direct Rates					
	Mahoning County	Austintown Township	Park District	Career Center	Voted			Unvoted	Total	
					General	Bond	Capital			
2019/2020	\$ 14.80	\$ 20.30	\$ 2.00	\$ 2.10	\$ 48.20	\$ 5.10	\$ 0.50	\$ 6.40	\$ 60.20	
2018/2019	14.30	20.30	2.00	2.10	48.20	5.20	0.50	6.40	60.30	
2017/2018	14.30	19.50	2.00	2.10	48.20	5.30	0.50	6.40	60.40	
2016/2017	14.30	19.50	2.00	2.10	48.20	5.30	0.50	6.40	60.40	
2015/2016	13.30	19.00	1.75	2.10	48.20	5.20	0.50	6.40	60.30	
2014/2015	13.70	19.00	1.75	2.10	48.20	5.30	0.50	6.40	60.40	
2013/2014	13.70	19.00	1.75	2.10	48.20	5.50	0.50	6.40	60.60	
2012/2013	13.70	19.00	1.75	2.10	48.20	5.50	0.50	6.40	60.60	
2011/2012	13.70	18.60	1.75	2.10	48.20	5.50	0.50	6.40	60.60	
2010/2011	13.70	18.10	1.75	2.10	48.20	5.30	0.50	6.40	60.40	

Source: Ohio Department of Taxation

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

PRINCIPAL PROPERTY TAX PAYERS  
DECEMBER 31, 2019 AND DECEMBER 31, 2010

<b>December 31, 2019</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Taxable Assessed Value</b>
Ohio Edison	\$ 13,048,730	1	2.11%
GLP Capital	10,960,300	2	1.78%
American Transmission Systems Inc.	5,997,410	3	0.97%
Youngstown Victoria LLC	5,131,790	4	0.83%
Central Park West Ltd.	4,667,770	5	0.76%
East Ohio Gas	4,177,350	6	0.68%
Austintown Plaza Ltd.	3,179,100	7	0.51%
Wal-Mart Real Estate	2,696,210	8	0.44%
Hillbrook Apartments Associates LLC	2,544,580	9	0.41%
Austinwoods Properties Ltd.	2,529,000	10	0.41%
Total	\$ 54,932,240		8.90%

<b>December 31, 2010</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Taxable Assessed Value</b>
P&S Equities	\$ 3,966,450	1	0.65%
Wal-Mart Real Estate	3,369,380	2	0.55%
Hillbrook Apartments	2,504,530	3	0.41%
Westminster Associates	2,372,480	4	0.39%
35th Stouss Associates	2,351,960	5	0.39%
West View Village Co.	2,139,380	6	0.35%
Austintown Realty Co.	2,094,720	7	0.34%
Austintown Properties Ltd.	1,813,770	8	0.30%
Austintown Associates	1,715,740	9	0.28%
55 West LLC	1,708,150	10	0.28%
Total	\$ 24,036,560		3.94%

**Source:** Mahoning County Auditor's Office



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN CALENDAR YEARS**

<b>Tax Year/ Collection Year</b>	<b>Current Levy</b>	<b>Delinquent Levy</b>	<b>Total Levy</b>	<b>Current Collection</b>	<b>Percent of Current Levy Collected</b>
2019	\$ 22,820,952	\$ 1,497,628	\$ 24,318,580	\$ 21,962,903	96.24%
2018	22,770,467	1,470,240	24,240,707	22,277,588	97.84%
2017	22,672,202	1,479,690	24,151,892	22,128,162	97.60%
2016	22,455,504	2,110,050	24,565,554	21,903,040	97.54%
2015	22,171,449	2,122,271	24,293,720	21,600,555	97.43%
2014	21,820,755	2,031,694	23,852,449	21,218,934	97.24%
2013	21,678,771	2,359,579	24,038,350	20,995,075	96.85%
2012	21,561,681	2,376,596	23,938,277	20,820,233	96.56%
2011	21,778,746	2,937,700	24,716,446	20,981,142	96.34%

**Source:** Mahoning County Auditor's Office

**Note:** N/A indicates that the information was not available.

<u>Delinquent Collection</u>	<u>Total Collection</u>	<u>Total Collection As a Percent of Total Levy</u>
\$ 613,944	\$ 22,576,847	92.84%
584,071	22,861,659	94.31%
593,835	22,721,997	94.08%
643,356	22,546,396	91.78%
847,877	22,448,432	92.40%
847,878	22,066,812	92.51%
713,760	21,708,835	90.31%
N/A	20,820,233	86.97%
758,253	21,739,395	87.96%

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Governmental Activities</b>				<b>(a) Total Primary Government</b>	<b>(b) Percentage of Personal Income</b>	<b>(b) Per Capita</b>	<b>(b) Per ADM</b>
	<b>General Obligation Bonds</b>	<b>Asbestos Abatement Loan</b>	<b>H.B. 264 Loan</b>	<b>Lease Purchase Agreement</b>				
2020	\$ 42,759,251	\$ -	\$ 38,991	\$ 1,205,000	\$ 44,003,242	5.79%	\$ 1,377	\$ 10,079
2019	43,682,899	-	69,199	1,320,000	45,072,098	5.93%	1,411	10,158
2018	44,772,894	-	100,680	1,450,000	46,323,574	6.10%	1,450	10,086
2017	45,837,957	-	130,684	-	45,968,641	6.05%	1,439	9,287
2016	46,608,720	-	159,280	-	46,768,000	6.15%	1,464	9,454
2015	47,541,287	-	186,512	-	47,727,799	5.95%	1,494	9,671
2014	48,663,517	-	212,488	-	48,876,005	6.09%	1,530	9,136
2013	50,415,620	-	237,245	-	50,652,865	6.31%	1,586	9,584
2012	52,029,204	-	260,840	-	52,290,044	6.52%	1,637	9,825
2011	50,710,395	12,562	283,293	-	51,006,250	6.71%	1,485	9,891

**Sources:**

(a) See notes to the financial statements regarding the District's outstanding debt information.

(b) See schedule " Demographic and Economic Statistic, Last Ten Fiscal Years" for personal income, population and enrollment information.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>General Bonded Debt Outstanding</b>			<b>Percentage of Actual Taxable Value of Property</b>	<b>Net Bonded Debt Per Capita</b>
	<b>General Obligation Bonds</b>	<b>Restricted for Debt Service</b>	<b>Net Bonded Debt</b>		
2020	\$ 42,759,251	\$ 6,986,643	\$ 35,772,608	2.00%	\$ 1,120
2019	43,682,899	5,489,881	38,193,018	2.14%	1,196
2018	44,772,894	4,377,513	40,395,381	2.27%	1,264
2017	45,837,957	3,478,150	42,359,807	2.44%	1,326
2016	46,608,720	2,566,938	44,041,782	2.51%	1,379
2015	47,541,287	1,983,082	45,558,205	2.68%	1,426
2014	48,663,517	1,547,615	47,115,902	2.76%	1,475
2013	50,415,620	1,434,114	48,981,506	2.92%	1,533
2012	52,029,204	1,728,489	50,300,715	3.02%	1,575
2011	50,710,395	1,477,084	49,233,311	2.82%	1,433

**Note:** Details regarding the District's outstanding debt can be found in the notes to the financial statements.

**Note:** The portion specific of restricted debt service to principal and interest cannot be determined. The entire balance may be applied to principal.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2020**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Direct:</b>			
Austintown Local School District	\$ 44,003,242	100.00%	\$ 44,003,242
Total direct	<u>44,003,242</u>		<u>44,003,242</u>
<b>Overlapping:</b>			
Mahoning County	31,775,000	14.54%	4,620,085
Austintown Township	440,000	98.66%	434,104
City of Youngstown	13,060,000	0.07%	9,142
Mahoning County Career & Technical Center	2,514,999	16.15%	406,172
Total overlapping	<u>47,789,999</u>		<u>5,469,503</u>
Total direct and overlapping debt	<u>\$ 91,793,241</u>		<u>\$ 49,472,745</u>

**Source:** Ohio Municipal Advisory Council

**Note:** Percent applicable to Austintown Local School District calculated using assessed valuation of the District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

<b>Fiscal Year</b>	<b>Unvoted Debt Limit</b>	<b>Voted Debt Limit</b>	<b>Total Debt Applicable to Limit</b>	<b>Debt Service Available Balance</b>	<b>Net Debt Applicable to Limit</b>	<b>Voted Legal Debt Margin</b>	<b>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</b>
2020	\$ 617,424	\$ 55,568,160	\$ 38,905,000	\$ 8,475,200	\$ 30,429,800	\$ 25,138,360	54.76%
2019	615,845	55,426,056	40,085,000	6,737,109	33,347,891	22,078,165	60.17%
2018	614,185	55,276,633	41,205,000	5,397,757	35,807,243	19,469,390	64.78%
2017	600,795	54,071,517	42,275,000	4,321,085	37,953,915	16,117,602	70.19%
2016	607,439	54,669,497	43,450,000	3,267,783	40,182,217	14,487,280	73.50%
2015	588,126	52,931,330	44,375,000	2,537,605	41,837,395	11,093,935	79.04%
2014	592,267	53,303,988	45,470,000	1,894,989	43,575,011	9,728,977	81.75%
2013	582,308	52,407,702	46,875,000	1,929,474	44,945,526	7,462,176	85.76%
2012	578,787	52,090,814	48,195,000	1,751,057	46,443,943	5,646,871	89.16%
2011	607,369	54,663,217	49,220,000	1,578,608	47,641,392	7,021,825	87.15%

**Source:** Mahoning County Auditor and District financial records

**Note:** Ohio bond law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt.

**Note:** Voted debt margins are determined without reference to applicable monies in the District's debt service fund.

**Note:** Debt service available balance is the fund balance of the Bond Retirement fund at fiscal year end.

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income (2)</u>	<u>Personal Income (5)</u>	<u>Median Family Income (2)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rates (4)</u>		
						<u>Mahoning County</u>	<u>Ohio</u>	<u>United States</u>
2020	31,947	\$ 23,787	\$ 759,923,289	\$ 30,311	4,366	13.2%	11.1%	11.2%
2019	31,947	23,787	759,923,289	30,311	4,437	5.7%	4.0%	3.7%
2018	31,947	23,787	759,923,289	30,311	4,593	6.2%	4.5%	4.0%
2017	31,947	23,787	759,923,289	30,311	4,950	6.6%	5.0%	4.3%
2016	31,947	23,787	759,923,289	30,311	4,947	5.9%	5.0%	4.9%
2015	31,947	25,113	802,285,011	30,311	4,935	5.9%	5.2%	5.3%
2014	31,947	25,113	802,285,011	30,311	5,350	6.2%	5.5%	6.1%
2013	31,947	25,113	802,285,011	30,311	5,285	8.3%	7.2%	7.6%
2012	31,947	25,113	802,285,011	30,125	5,322	7.9%	7.2%	8.2%
2011	34,352	22,141	760,587,632	28,917	5,157	9.9%	8.8%	9.2%

**Sources:**

(1 & 2) U. S. Census Bureau

(3) District records

(4) Bureau of Labor Statistics, U.S. Department of Labor

(5) Per capita personal income multiplied by population

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

PRINCIPAL EMPLOYERS IN MAHONING COUNTY  
DECEMBER 31, 2019 AND DECEMBER 31, 2010

<b>December 31, 2019</b>			
<b>Employer</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>
Mercy Health Partners	3,000	1	3.09%
Youngstown City School District	1,791	2	1.84%
Mahoning County	1,600	3	1.65%
Youngstown State University	1,200	4	1.23%
VXI Global Solutions	1,100	5	1.13%
City of Youngstown	1,063	6	1.09%
Infocision Management	1,050	7	1.08%
Windsor House	850	8	0.87%
Austintown Local School District	800	9	0.82%
Akron Children's Hospital	800	10	0.82%
<b>Total</b>	<b>13,254</b>		<b>13.62%</b>
<b>Total County Employment</b>	<b>97,200</b>		
<b>December 31, 2010</b>			
<b>Employer</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>
Forum Health	3,616	1	3.54%
Humility of Mary Health Partners	3,420	2	3.35%
Youngstown State University	2,134	3	2.09%
Mahoning County	1,735	4	1.70%
Youngstown City School District	1,100	5	1.08%
Infocision Management	1,040	6	1.02%
City of Youngstown	782	7	0.77%
U.S. Postal Service	740	8	0.72%
Austintown Local School District	586	9	0.57%
Boardman Local School District	422	10	0.41%
<b>Total</b>	<b>15,575</b>		<b>15.25%</b>
<b>Total County Employment</b>	<b>102,200</b>		

**Source:** Mahoning County Auditor's Office

**Note:** Information on principal employers at the City level could not be obtained; therefore, information at the County level will be disclosed.



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

STAFFING STATISTICS  
FULL TIME EQUIVALENTS (FTE) BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

<u>Type</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Administration	26.00	25.00	24.00	20.00
Certificated staff:				
Regular	247.00	251.00	260.00	243.00
Special	44.00	44.00	41.00	39.00
Vocational	-	-	-	2.00
Educational service personnel	-	-	-	1.00
Counseling	12.00	12.00	12.00	13.00
Library media	-	-	-	-
Curriculum specialist	-	-	-	12.00
Tutor	30.00	30.00	-	31.00
Other	-	-	-	3.00
Professional staff:				
Nursing	2.00	2.00	2.00	2.00
Speech therapist	4.00	4.00	4.00	4.00
Technology:				
Library technician	-	-	-	-
Library aide	5.00	5.00	-	-
Other technical	5.00	7.00	8.00	7.00
Office/clerical:				
Office clerical	20.00	17.00	17.00	17.00
Instructional paraprofessional	19.00	27.00	63.00	64.00
Other clerical	13.00	16.00	-	4.00
Other operations:				
Maintenance	6.00	2.00	3.00	6.00
Custodial/grounds	2.00	42.00	44.00	42.00
Transportation/drivers	43.00	51.00	54.00	55.00
Food service	47.00	51.00	51.00	50.00
Other	62.00	19.00	4.00	-
<b>Total</b>	<b>587.00</b>	<b>605.00</b>	<b>587.00</b>	<b>615.00</b>

**Source:** District records

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
21.00	20.00	20.00	21.00	20.00	20.00
241.00	251.50	250.50	249.00	246.00	249.00
28.00	33.00	35.00	34.00	36.00	38.00
2.00	2.00	2.00	2.00	2.00	2.00
1.00	2.00	2.00	-	-	-
13.00	12.00	12.00	12.00	12.00	12.00
-	-	-	1.00	1.00	2.00
11.00	10.00	11.00	11.00	12.00	12.00
30.00	31.62	29.00	-	32.33	25.10
5.50	2.50	2.50	-	-	-
2.00	2.00	2.00	2.00	2.00	3.00
4.00	4.00	4.00	4.00	4.00	4.00
-	-	-	1.00	-	-
-	-	1.00	-	6.58	5.49
3.77	5.44	4.00	7.00	5.94	2.47
20.00	25.88	24.00	25.00	27.50	33.68
36.66	39.59	42.00	38.00	30.12	20.96
4.31	2.00	-	0.50	-	-
6.00	5.00	5.00	7.00	5.00	5.00
41.44	40.72	41.00	33.00	38.48	38.81
30.91	26.50	26.00	29.00	50.00	51.69
32.13	37.30	37.00	37.00	36.63	33.90
1.00	1.00	-	-	-	3.00
<u>534.72</u>	<u>554.05</u>	<u>550.00</u>	<u>513.50</u>	<u>567.58</u>	<u>562.10</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

<b>Function</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Instruction:				
Regular and special				
Enrollment (students)	4,366	4,437	4,593	4,950
Graduates	N/A	381	413	360
Graduation rate	N/A	94.80%	92.90%	91.80%
Support services:				
Board of education				
Regular meetings per year	12	12	12	12
Special meetings per year	N/A	N/A	16	6
Fiscal				
Nonpayroll checks issued	N/A	2,604	N/A	2,943
Operations and maintenance				
Square footage maintained	736,040	736,040	736,040	736,040
Pupil transportation				
Avg. students transported daily	N/A	2,964	N/A	2,857

**Source:** District records

**Note:** N/A indicates the information is unavailable.

<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
4,947	4,935	5,350	5,285	5,322	5,157
393	428	405	353	362	369
93.00%	92.00%	96.00%	93.00%	99.70%	98.50%
12	12	12	12	12	12
9	8	10	8	8	12
2,880	3,168	3,459	3,472	3,391	3,872
838,640	838,640	937,983	843,247	843,247	843,247
3,228	3,300	3,138	3,117	N/A	3,486

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

CAPITAL ASSET STATISTICS  
LAST TEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Governmental activities:</b>				
Land	\$ 844,054	\$ 844,054	\$ 844,054	\$ 779,851
Construction in progress	103,243	-	739,915	-
Land improvements	3,898,981	4,249,059	4,566,201	1,913,154
Buildings/improvements	60,334,271	62,387,576	63,398,459	66,188,179
Furniture/equipment	969,461	1,109,548	1,263,617	1,011,663
Vehicles	1,084,003	1,411,455	1,764,847	1,192,746
Textbooks	-	-	-	-
Total governmental activities capital assets, net	<u>\$ 67,234,013</u>	<u>\$ 70,001,692</u>	<u>\$ 72,577,093</u>	<u>\$ 71,085,593</u>
<b>Business-type activities:</b>				
Furniture/equipment	\$ 170	\$ 511	\$ 852	\$ 20,745
Total business-type activities capital assets, net	<u>\$ 170</u>	<u>\$ 511</u>	<u>\$ 852</u>	<u>\$ 20,745</u>
<b>Primary government:</b>				
Land	\$ 844,054	\$ 844,054	\$ 844,054	\$ 779,851
Construction in progress	103,243	-	739,915	-
Land improvements	3,898,981	4,249,059	4,566,201	1,913,154
Buildings/improvements	60,334,271	62,387,576	63,398,459	66,188,179
Furniture/equipment	969,631	1,110,059	1,264,469	1,032,408
Vehicles	1,084,003	1,411,455	1,764,847	1,192,746
Textbooks	-	-	-	-
Total primary government capital assets, net	<u>\$ 67,234,183</u>	<u>\$ 70,002,203</u>	<u>\$ 72,577,945</u>	<u>\$ 71,106,338</u>

**Source:** District financial records.

**Notes:** Amounts above are presented net of accumulated depreciation.

<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
\$ 885,690	\$ 885,690	\$ 885,690	\$ 885,690	\$ 885,690	\$ 833,477
-	-	-	37,826,728	11,748,160	1,324,118
2,084,530	2,089,247	2,288,389	2,511,941	2,712,767	2,913,593
68,062,564	69,107,469	71,327,071	26,238,332	27,106,238	28,005,809
931,331	1,032,281	1,014,419	1,053,235	1,056,444	1,165,238
1,376,544	1,514,342	525,568	499,373	216,037	218,981
-	-	34,110	102,328	170,546	238,764
<u>\$ 73,340,659</u>	<u>\$ 74,629,029</u>	<u>\$ 76,075,247</u>	<u>\$ 69,117,627</u>	<u>\$ 43,895,882</u>	<u>\$ 34,699,980</u>
<u>\$ 24,176</u>	<u>\$ 20,857</u>	<u>\$ 24,518</u>	<u>\$ 16,489</u>	<u>\$ 21,723</u>	<u>\$ 24,231</u>
<u>\$ 24,176</u>	<u>\$ 20,857</u>	<u>\$ 24,518</u>	<u>\$ 16,489</u>	<u>\$ 21,723</u>	<u>\$ 24,231</u>
\$ 885,690	\$ 885,690	\$ 885,690	\$ 885,690	\$ 885,690	\$ 833,477
-	-	-	37,826,728	11,748,160	1,324,118
2,084,530	2,089,247	2,288,389	2,511,941	2,712,767	2,913,593
68,062,564	69,107,469	71,327,071	26,238,332	27,106,238	28,005,809
955,507	1,053,138	1,038,937	1,069,724	1,078,167	1,189,469
1,376,544	1,514,342	525,568	499,373	216,037	218,981
-	-	34,110	102,328	170,546	238,764
<u>\$ 73,364,835</u>	<u>\$ 74,649,886</u>	<u>\$ 76,099,765</u>	<u>\$ 69,134,116</u>	<u>\$ 43,917,605</u>	<u>\$ 34,724,211</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Fitch High School (1968/'78/2000/2007)				
Square feet	262,048	262,048	262,048	262,048
Enrollment	1,428	1,349	1,417	1,627
Austintown Middle School (1914/'22/'26/'46/'54/2002) (Mahoning Avenue Building)				
Square feet	-	-	-	-
Enrollment	-	-	-	-
Austintown Middle School (2008) (Racoon Road Building)				
Square feet	174,688	174,688	174,688	174,688
Enrollment	1,016	1,061	1,109	1,158
Austintown Intermediate School (2013)				
Square feet	124,205	124,205	124,205	124,205
Enrollment	971	1,004	1,002	1,096
Austintown Elementary School (2013)				
Square feet	121,451	121,451	121,451	121,451
Enrollment	951	1,023	1,064	1,069
Frank Ohl Intermediate School (1960/'61/'92/2007)				
Square feet	-	-	-	-
Enrollment	-	-	-	-
Davis Elementary (1954/'57/2002)				
Square feet	-	-	-	-
Enrollment	-	-	-	-
Lloyd Elementary (1954/'57/'92)				
Square feet	-	-	-	-
Enrollment	-	-	-	-
Lynn Kirk Elementary (1958/'60)				
Square feet	35,136	35,136	35,136	35,136
Enrollment	-	-	-	-
Watson Elementary (1961)				
Square feet	-	-	-	-
Enrollment	-	-	-	-
Woodside Elementary (1948/'57)				
Square feet	-	-	-	-
Enrollment	-	-	-	-
District Board Office (2008)				
Square feet	3,512	3,512	3,512	3,512
Community Fitness Center (1999/2001)				
Square feet	15,000	15,000	15,000	15,000

**Source:** District records

**Notes:** Year of original construction and subsequent additions are in parentheses.

The original Austintown Middle School was replaced with the new Austintown Middle School for the 07-08 school year.

Davis Elementary was permanently closed on August 1, 2008.

Frank Ohl Intermediate School and Watson Elementary were demolished in fiscal year 2014.

Davis, Lloyd, and Woodside Elementaries were demolished in fiscal year 2015.

The original Austintown Middle School was sold during fiscal year 2017.

<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
262,048	262,048	262,048	262,048	262,048	262,048
1,582	1,510	1,739	1,680	1,659	1,622
102,600	102,600	102,600	102,600	102,600	102,600
-	-	-	-	-	-
174,688	174,688	174,688	174,688	174,688	174,688
1,191	1,222	1,316	1,315	1,315	1,211
124,205	124,205	124,205	-	-	-
1,125	1,148	1,142	-	-	-
121,451	121,451	121,451	-	-	-
1,049	1,055	1,153	-	-	-
-	-	-	89,485	89,485	89,485
-	-	-	768	806	816
-	-	32,958	32,958	32,958	32,958
-	-	-	-	-	-
-	-	33,013	33,013	33,013	33,013
-	-	-	361	373	366
35,136	35,136	35,136	35,136	35,136	35,136
-	-	-	303	307	303
-	-	-	61,435	61,435	61,435
-	-	-	501	503	496
-	-	33,372	33,372	33,372	33,372
-	-	-	357	359	343
3,512	3,512	3,512	3,512	3,512	3,512
15,000	15,000	15,000	15,000	15,000	15,000



**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

OPERATING STATISTICS  
LAST TEN FISCAL YEARS

Fiscal Year	General Government		Governmental Activities (2)		Enrollment	Percent Change	Teaching Staff
	Expenditures (1)	Cost per pupil	Expenses (1)	Cost per pupil			
2020	\$ 50,631,972	\$ 11,597	\$ 54,160,802	\$ 12,405	4,366	-1.60%	291
2019	51,706,230	11,653	47,581,800	10,724	4,437	-3.40%	295
2018	53,287,099	11,602	29,537,468	6,431	4,593	-7.21%	319
2017	48,048,492	9,707	51,722,236	10,449	4,950	0.06%	318
2016	47,734,624	9,649	48,588,643	9,822	4,947	0.24%	314
2015	50,463,281	10,226	50,630,143	10,259	4,935	-7.76%	319
2014	57,290,379	10,708	50,297,860	9,401	5,350	1.23%	319
2013	72,563,400	13,730	47,021,812	8,897	5,285	-0.70%	317
2012	55,015,278	10,337	45,664,098	8,580	5,322	3.20%	315
2011	46,943,022	9,103	46,594,923	9,035	5,157	0.47%	322

**Source:** District records

(1) Debt service totals have been excluded.

<b>Pupil/Teacher Ratio</b>	<b>Student Attendance Percentage</b>
15.00	95.50%
15.04	93.60%
14.40	94.00%
15.57	93.60%
15.75	94.30%
15.47	94.20%
16.77	94.40%
16.67	93.90%
16.90	95.00%
16.02	95.20%

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

TEACHER EDUCATION AND EXPERIENCE  
AS OF JUNE 30, 2020 AND JUNE 30, 2011

<u>Degree</u>	<u>June 30, 2020</u>		<u>June 30, 2011</u>	
	Number of Teachers	Percentage of Total	Number of Teachers	Percentage of Total
Non-Degree	0	0.00%	0	0.00%
Bachelor's Degree	53	18.21%	41	12.73%
Bachelor's Degree + 15	13	4.47%	53	16.46%
Master's Degree	32	11.00%	89	27.64%
Master's Degree + 15	40	13.75%	31	9.63%
Master's Degree + 30	152	52.23%	107	33.23%
Ph.D.	1	0.34%	1	0.31%
	<u>291</u>	<u>100.00%</u>	<u>322</u>	<u>100.00%</u>

<u>Years of Experience</u>	<u>June 30, 2020</u>		<u>June 30, 2011</u>	
	Number of Teachers	Percentage of Total	Number of Teachers	Percentage of Total
0 - 5 Years	64	21.99%	84	26.09%
6 - 10 Years	51	17.53%	53	16.46%
11 - 15 Years	55	18.90%	79	24.53%
16 - 20 Years	47	16.15%	28	8.70%
21 - 25 Years	62	21.31%	21	6.52%
26 - 42 Years	12	4.12%	57	17.70%
	<u>291</u>	<u>100.00%</u>	<u>322</u>	<u>100.00%</u>

**Source:** District personnel records

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

TEACHER SALARIES  
LAST TEN FISCAL YEARS

<b>Teacher Salaries</b>					
<b>Year</b>	<b>Austintown</b>			<b>State</b>	
	<b>BA Min.</b>	<b>MA Max.</b>	<b>Average</b>	<b>Average</b>	
2020	\$ 33,131	\$ 76,812	\$ 58,286	N/A	
2019	32,481	75,305	55,019	N/A	
2018	31,844	73,828	N/A	N/A	
2017	31,529	73,107	53,043	\$ 58,849	
2016	31,217	72,393	51,663	57,153	
2015	31,217	72,393	52,443	56,748	
2014	30,620	71,028	51,187	55,916	
2013	30,317	70,335	51,659	56,307	
2012	29,737	69,009	51,891	56,715	
2011	29,737	69,009	51,784	56,715	

**Sources:** District records and Ohio Department of Education

**Note:** N/A indicates the information is unavailable.

**AUSTINTOWN LOCAL SCHOOL DISTRICT**  
**MAHONING COUNTY, OHIO**

**SINGLE AUDIT**

**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2020**

**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	(C) PASS-THROUGH GRANT NUMBER	(A) CASH FEDERAL DISBURSEMENTS
<b>U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION</b>			
<b>Child Nutrition Cluster:</b>			
(E) School Breakfast Program	10.553	2020	\$ 149,456
(E) School Breakfast Program - COVID-19	10.553	2020	13,365
<b>Total School Breakfast Program</b>			<u>162,821</u>
(E) National School Lunch Program	10.555	2020	598,884
(E) National School Lunch Program - COVID-19	10.555	2020	49,638
(D) National School Lunch Program - Food Donation	10.555	2020	171,146
<b>Total National School Lunch Program</b>			<u>819,668</u>
(E) Summer Food Service Program for Children	10.559	2020	68,381
(E) Summer Food Service Program for Children - COVID-19	10.559	2020	236,433
<b>Total Summer Food Service Program for Children</b>			<u>304,814</u>
<b>Total Child Nutrition Cluster</b>			<u>1,287,303</u>
(E) Child Nutrition Discretionary Grants Limited Availability	10.579	2020	25,000
<b>Total U.S. Department of Agriculture</b>			<u>1,312,303</u>
<b>U.S. DEPARTMENT OF EDUCATION PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION</b>			
Title I Grants to Local Educational Agencies	84.010	2019	72,940
Title I Grants to Local Educational Agencies	84.010	2020	683,141
<b>Total Title I Grants to Local Educational Agencies</b>			<u>756,081</u>
<b>Special Education Cluster (IDEA):</b>			
Special Education_Grants to States	84.027	2019	157,330
Special Education_Grants to States	84.027	2020	836,883
<b>Total Special Education_Grants to States</b>			<u>994,213</u>
Special Education_Preschool Grants	84.173	2020	14,987
<b>Total Special Education Cluster (IDEA)</b>			<u>1,009,200</u>
(F) Supporting Effective Instruction State Grants	84.367	2019	27,503
Supporting Effective Instruction State Grants	84.367	2020	95,667
<b>Total Supporting Effective Instruction State Grants</b>			<u>123,170</u>
(F) Student Support and Academic Enrichment Program	84.424	2019	6,197
Student Support and Academic Enrichment Program	84.424	2020	46,839
<b>Total Student Support and Academic Enrichment Program</b>			<u>53,036</u>
<b>Total U.S. Department of Education</b>			<u>1,941,487</u>
<b>Total Federal Financial Assistance</b>			<u>\$ 3,253,790</u>

**Notes to the Schedule of Expenditures of Federal Awards:**

- (A) This schedule includes the federal award activity of the Austintown Local School District under programs of the federal government for the fiscal year ended June 30, 2020 and is prepared in accordance with the cash basis of accounting. The information on this schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Austintown Local School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Austintown Local School District.
- (B) CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. The District has not elected to use the 10% de minimis indirect cost rate.
- (C) OAKS did not assign pass-through numbers for fiscal year 2020.
- (D) The Food Donation Program is a non-cash, in kind, federal grant. Commodities are reported at the entitlement value.
- (E) Commingled with state and local revenue from sales of breakfast and lunches; assumed expenditures were made on a first-in, first-out basis.
- (F) Federal regulations require schools to obligate certain federal awards by June 30. However, with the Ohio Department of Education's consent, School District's can transfer unobligated amounts to the subsequent fiscal year or a similar program. During fiscal year 2020, the Austintown Local School District, with the Ohio Department of Education's consent, transferred \$6,865 from Title IV-A Student Support and Academic Enrichment Program to Supporting Effective Instruction State Grants.

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**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other  
Matters Based on an Audit of Financial Statements Performed in Accordance with  
*Government Auditing Standards***

Austintown Local School District  
Mahoning County  
700 South Racoon Road  
Austintown, Ohio 44515

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Austintown Local School District, Mahoning County, Ohio, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Austintown Local School District's basic financial statements, and have issued our report thereon dated December 21, 2020, wherein we noted as described in Note 3 to the financial statements, the Austintown Local School District adopted GASBS No. 84, *Fiduciary Activities*. Furthermore, as described in Note 19 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Austintown Local School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Austintown Local School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Austintown Local School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Austintown Local School District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Austintown Local School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Austintown Local School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Austintown Local School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.  
December 21, 2020

**Independent Auditor's Report on Compliance for the Major Program and on Internal Control Over  
Compliance and on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

Austintown Local School District  
Mahoning County  
700 South Racoon Road  
Austintown, Ohio 44515

To the Board of Education:

***Report on Compliance for the Major Federal Program***

We have audited the Austintown Local School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Austintown Local School District's major federal program for the fiscal year ended June 30, 2020. The Austintown Local School District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the Austintown Local School District's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program occurred. An audit includes examining, on a test basis, evidence about the Austintown Local School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Austintown Local School District's compliance.

***Opinion on the Major Federal Program***

In our opinion, the Austintown Local School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the fiscal year ended June 30, 2020.

***Report on Internal Control over Compliance***

Management of the Austintown Local School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Austintown Local School District's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Austintown Local School District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

***Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance***

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Austintown Local School District, as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Austintown Local School District's basic financial statements. We issued our report thereon dated December 21, 2020, which contained unmodified opinions on those financial statements. Our opinion also explained that the Austintown Local School District adopted *GASBS No. 84* during the fiscal year. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Julian & Grube, Inc.  
December 21, 2020

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**AUSTINTOWN LOCAL SCHOOL DISTRICT  
MAHONING COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
JUNE 30, 2020**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Program's Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §200.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Program (listed):</i>	Child Nutrition Cluster
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: > \$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

**2. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

# OHIO AUDITOR OF STATE KEITH FABER



**AUSTINTOWN LOCAL SCHOOL DISTRICT**

**MAHONING COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 2/16/2021**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)