

AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO



Austintown Middle School

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

OHIO AUDITOR OF STATE
KEITH FABER



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

Members of the Board
Austintown Local School District
700 S Raccoon Road
Austintown, OH 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, 2020 through June 30, 2021. 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 black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

January 26, 2022

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ANNUAL
COMPREHENSIVE FINANCIAL REPORT

OF THE

AUSTINTOWN LOCAL
SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2021

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

700 S. RACCOON ROAD

AUSTINTOWN, OHIO 44515

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

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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INTRODUCTORY SECTION

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Austintown Local School District



700 South Raccoon Road • Austintown, OH 44515
Phone: 330.797.3900 ext. 1510
www.austintownschools.org

December 27, 2021

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

The Annual Comprehensive Financial Report (ACFR) of the Austintown Local School District (the “District”) for the fiscal year ended June 30, 2021 is hereby submitted. This ACFR 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 2021. 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 ACFR.

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, 2021, 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 85th largest in the State of Ohio among 609 public school districts and is the 2nd largest of the 14 school districts located within Mahoning County in terms of total enrollment. As of the most current school year (2020-2021), 4,157 students were enrolled in the District's four schools (one elementary, one intermediate, one middle and one high school). Approximately 120 District residents attend the Mahoning County Career and Technical Center.

The District employs 223 non-certified staff members and 352 certificated staff members. The certified staff members include 29 administrators and 292 full-time teachers. Of the 292 full-time member teaching staff, 74% have master's degrees. The District faculty has an average 14 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 (14.38%)
2. Mill Creek Park District (14.38%)
3. Austintown Township (98.67%)
4. Mahoning County Career and Technical Center (16.00%)
5. City of Youngstown (0.06%)

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 worked hard to continue to maintain a quality face-to-face instructional model during the COVID-19 pandemic. We have utilized Elementary and Secondary School Emergency Relief (ESSER) funding to close instructional gaps and to ensure our buildings were safe and sanitized. We focused need on the High Schools, which is our oldest and most dated building on campus, by striving to improve air quality standards throughout. The District and its leadership believe on-campus, face-to-face learning provides Austintown students with the best opportunity at success and will continue to provide its pupils with unlimited learning opportunities.

Capital Improvements - The District and its administration have determined what areas are in desperate need of improvements and renovation. Over the last two fiscal years, we have updated nearly 80% of the High School roof, put in new sidewalks at the High School, and resealed a majority of the District's parking lots. We also rerouted traffic within the campus to make bussing, both drop off and pick up, safer and less congested. This project included expanded parking, new sidewalks and a drive area for both bus and parent transporting students.

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 K-12. The District also is moving forward with expanding the self-contained STEM program, which now goes from 6th grade through 12th 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 Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020. 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 Annual Comprehensive 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 ACFR 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 large initial 'B'.

Blaise Karlovic, Treasurer

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

LIST OF PRINCIPAL OFFICERS
JUNE 30, 2021

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

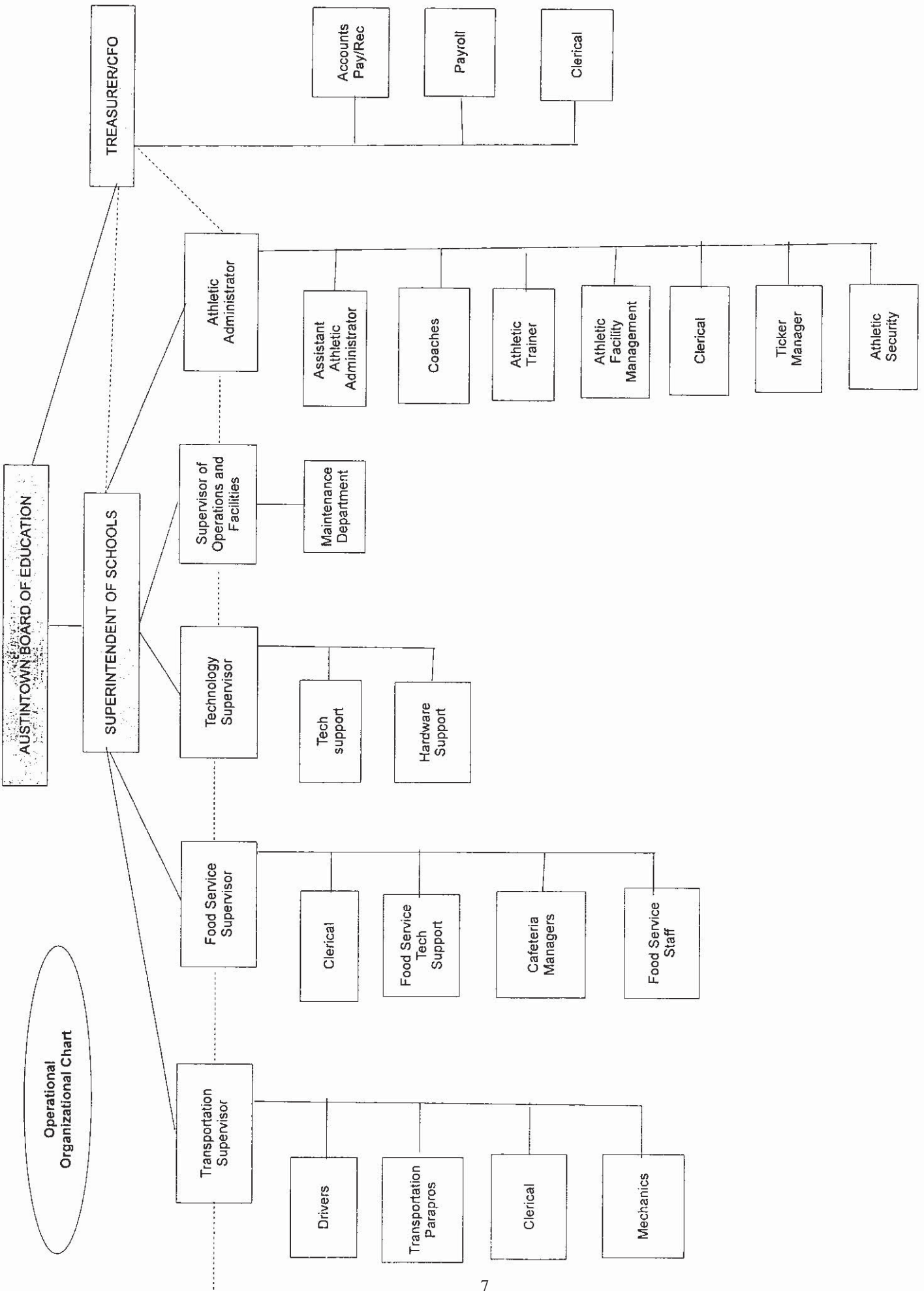
Superintendent	Mr. David Cappuzzello
Treasurer	Mr. Blaise Karolvic
Assistant Treasurer	Ms. Andrea Apisa

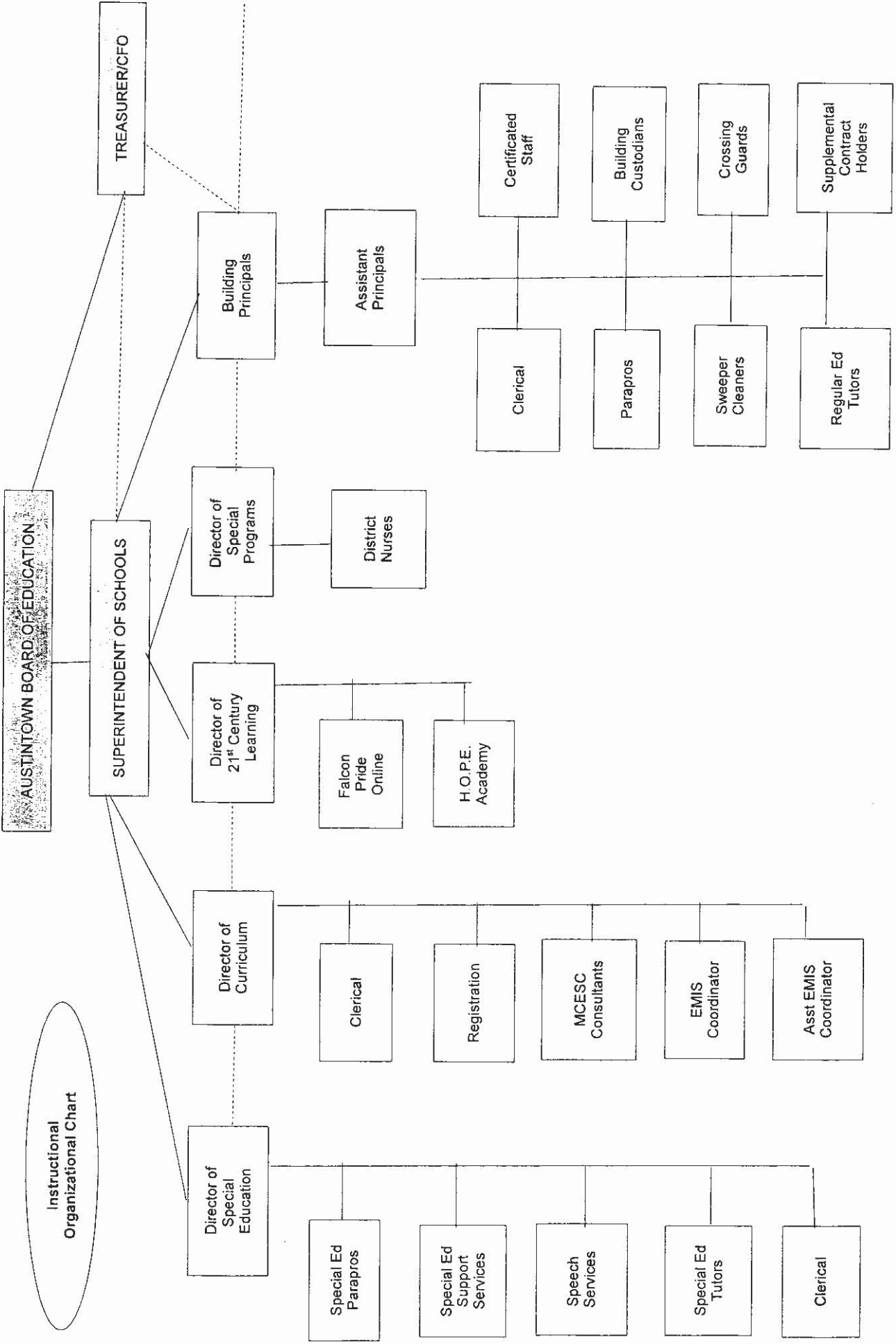
Central Office Instructional Administrative Staff

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





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, 2020

Christopher P. Morill

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, 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, 2021, 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, 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, 2021, 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 Matter

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 this matter.

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 27, 2021, 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 27, 2021

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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, 2021. 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 2021 are as follows:

- In total, net position increased \$117,047. Net position of governmental activities increased \$122,406, which represents a 5.74% increase from 2020's net position. Net position of business-type activities decreased \$5,359 or 48.76% from 2020's net position.
- General revenues accounted for \$44,163,598 in revenue or 75.99% of all governmental activities revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$13,957,589 or 24.01% of total governmental activities revenues.
- The District had \$57,998,781 in expenses related to governmental activities; only \$13,957,589 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 \$44,163,598 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 \$46,420,905 in revenues and other financing sources and \$45,465,814 in expenditures and other financing uses. The general fund's fund balance increased \$955,091 from \$8,850,965 to \$9,806,056.
- The bond retirement fund had \$3,880,176 in revenues and other financing sources and \$3,109,778 in expenditures. 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 \$770,398 from \$8,475,200 to a balance of \$9,245,598.
- Net position for the business-type activities decreased in 2021 by \$5,359. This decrease in net position was mainly due to the community center and summer school being closed for fiscal year 2021 because of the COVID-19 pandemic.

Using this Annual Comprehensive Financial Report (ACFR)

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, 2021**

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 2021?" 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, 2021**

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, 2021

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, 2021 and June 30, 2020.

	Net Position					
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<u>Assets</u>						
Current assets	\$ 60,944,311	\$ 57,060,749	\$ 5,909	\$ 12,573	\$ 60,950,220	\$ 57,073,322
Capital assets, net	<u>64,375,039</u>	<u>67,234,013</u>	<u>-</u>	<u>170</u>	<u>64,375,039</u>	<u>67,234,183</u>
Total assets	<u>125,319,350</u>	<u>124,294,762</u>	<u>5,909</u>	<u>12,743</u>	<u>125,325,259</u>	<u>124,307,505</u>
<u>Deferred outflows of resources</u>						
Unamortized deferred charges	1,248,019	1,419,695	-	-	1,248,019	1,419,695
Pension	8,655,105	8,780,370	21,150	42,916	8,676,255	8,823,286
OPEB	<u>1,220,632</u>	<u>893,499</u>	<u>9,871</u>	<u>13,039</u>	<u>1,230,503</u>	<u>906,538</u>
Total deferred outflows of resources	<u>11,123,756</u>	<u>11,093,564</u>	<u>31,021</u>	<u>55,955</u>	<u>11,154,777</u>	<u>11,149,519</u>
<u>Liabilities</u>						
Current liabilities	6,073,693	6,017,178	-	-	6,073,693	6,017,178
Long-term liabilities:						
Due within one year	1,698,581	1,778,697	-	-	1,698,581	1,778,697
Net pension liability	51,517,810	48,302,662	-	46,598	51,517,810	48,349,260
Net OPEB liability	3,719,908	4,448,861	-	1,816	3,719,908	4,450,677
Other amounts	<u>43,700,451</u>	<u>44,848,767</u>	<u>-</u>	<u>-</u>	<u>43,700,451</u>	<u>44,848,767</u>
Total liabilities	<u>106,710,443</u>	<u>105,396,165</u>	<u>-</u>	<u>48,414</u>	<u>106,710,443</u>	<u>105,444,579</u>
<u>Deferred inflows of resources</u>						
Property taxes	19,822,901	18,980,916	-	-	19,822,901	18,980,916
Pension	1,697,298	3,680,783	46,056	20,654	1,743,354	3,701,437
OPEB	<u>5,956,847</u>	<u>5,197,251</u>	<u>7,225</u>	<u>10,622</u>	<u>5,964,072</u>	<u>5,207,873</u>
Total deferred inflows of resources	<u>27,477,046</u>	<u>27,858,950</u>	<u>53,281</u>	<u>31,276</u>	<u>27,530,327</u>	<u>27,890,226</u>
<u>Net Position</u>						
Net investment in capital assets	24,805,967	26,050,250	-	170	24,805,967	26,050,420
Restricted	14,285,268	13,378,864	-	-	14,285,268	13,378,864
Unrestricted (deficit)	<u>(36,835,618)</u>	<u>(37,295,903)</u>	<u>(16,351)</u>	<u>(11,162)</u>	<u>(36,851,969)</u>	<u>(37,307,065)</u>
Total net position	<u>\$ 2,255,617</u>	<u>\$ 2,133,211</u>	<u>\$ (16,351)</u>	<u>\$ (10,992)</u>	<u>\$ 2,239,266</u>	<u>\$ 2,122,219</u>

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.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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.

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, 2021, the District's assets plus deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$2,239,266.

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.

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

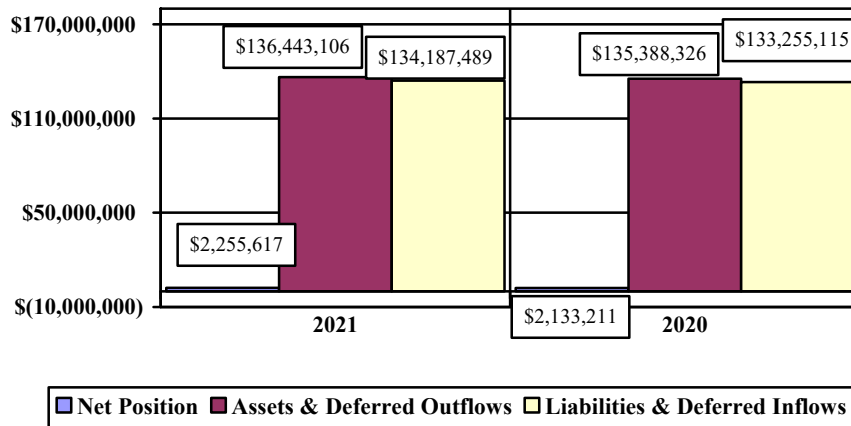
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

At year-end, capital assets represented 51.37% of total assets. Capital assets include, land, land improvements, buildings and improvements, furniture and equipment and vehicles. The District's net investment in capital assets at June 30, 2021 was \$24,805,967. These capital assets are used to provide services to the students and are not available for future spending.

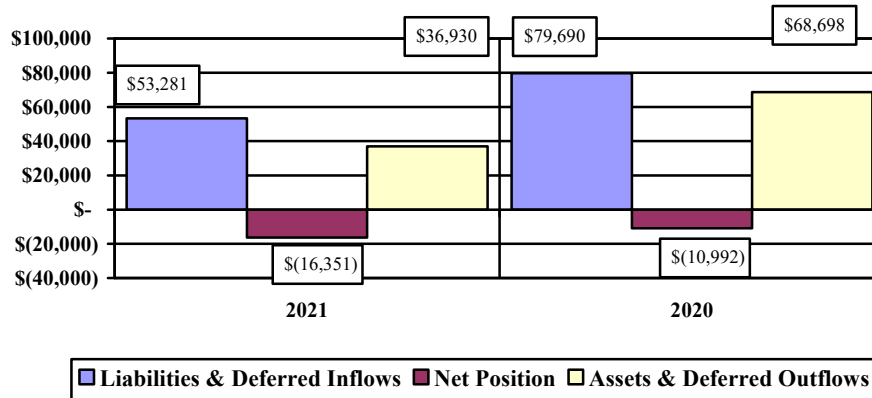
A portion of the District's net position, \$14,285,268, represents resources that are subject to external restriction on how they may be used. Of this amount, \$7,485,464 is restricted for debt service. The remaining balance of governmental activities unrestricted net position is a deficit balance of \$36,835,618.

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, 2021 and June 30, 2020.

Governmental – Net Position



Business-Type – Net Position



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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

The table below shows the changes in net position for fiscal year 2021 and 2020.

Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues:						
Charges for services and sales	\$ 4,109,538	\$ 4,807,247	\$ 240	\$ 430	\$ 4,109,778	\$ 4,807,677
Operating grants and contributions	9,848,051	7,397,630	2,642	-	9,850,693	7,397,630
Capital grants and contributions	-	25,000	-	-	-	25,000
General revenues:						
Property taxes	20,365,785	20,587,030	-	-	20,365,785	20,587,030
Unrestricted grants and entitlements	22,996,252	22,493,481	-	-	22,996,252	22,493,481
Investment earnings	(82,454)	1,173,443	-	-	(82,454)	1,173,443
Other	884,015	68,117	-	-	884,015	68,117
Total revenues	<u>58,121,187</u>	<u>56,551,948</u>	<u>2,882</u>	<u>430</u>	<u>58,124,069</u>	<u>56,552,378</u>

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Change in Net Position - (Continued)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Expenses						
Program expenses:						
Instruction:						
Regular	24,098,358	22,983,429	-	-	24,098,358	22,983,429
Special	7,666,563	6,833,743	-	-	7,666,563	6,833,743
Vocational	238,624	115,242	-	-	238,624	115,242
Other	4,219,079	4,294,211	-	-	4,219,079	4,294,211
Support services:						
Pupil	3,355,300	3,255,570	-	-	3,355,300	3,255,570
Instructional staff	1,190,606	1,104,416	-	-	1,190,606	1,104,416
Board of education	63,395	55,187	-	-	63,395	55,187
Administration	3,633,897	4,082,165	-	-	3,633,897	4,082,165
Fiscal	1,160,425	1,236,180	-	-	1,160,425	1,236,180
Business	4,856	3,034	-	-	4,856	3,034
Operations and maintenance	4,334,194	4,105,114	-	-	4,334,194	4,105,114
Pupil transportation	2,214,498	2,149,967	-	-	2,214,498	2,149,967
Central	283,262	289,084	-	-	283,262	289,084
Operation of non-instructional services:						
Food service operations	2,026,018	1,973,527	-	-	2,026,018	1,973,527
Other non-instructional services	8,778	546	-	-	8,778	546
Extracurricular activities	1,628,037	1,679,387	-	-	1,628,037	1,679,387
Interest and fiscal charges	1,872,891	1,850,562	-	-	1,872,891	1,850,562
Special enterprise	-	-	8,241	39,308	8,241	39,308
Total expenses	<u>57,998,781</u>	<u>56,011,364</u>	<u>8,241</u>	<u>39,308</u>	<u>58,007,022</u>	<u>56,050,672</u>
Excess (deficiency) of revenues over (under) expenses	<u>122,406</u>	<u>540,584</u>	<u>(5,359)</u>	<u>(38,878)</u>	<u>117,047</u>	<u>501,706</u>
Transfers	<u>-</u>	<u>(11,484)</u>	<u>-</u>	<u>11,484</u>	<u>-</u>	<u>-</u>
Changes in net position	122,406	529,100	(5,359)	(27,394)	117,047	501,706
Net position (deficit) at beginning of year	<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>
Net position (deficit) at end of year	<u>\$ 2,255,617</u>	<u>\$ 2,133,211</u>	<u>\$ (16,351)</u>	<u>\$ (10,992)</u>	<u>\$ 2,239,266</u>	<u>\$ 2,122,219</u>

Governmental Activities

For fiscal year 2021, the net position of the District's governmental activities increased \$122,406. Total governmental expenses of \$57,998,781 were offset by program revenues of \$13,957,589 and general revenues of \$44,163,598. Program revenues supported 24.07% of the total governmental expenses.

Overall, expenses of the governmental activities increased \$1,987,417 or 3.43%. This increase is primarily the result of an increase in COVID-19 related expenses during fiscal year 2021. The increase in operating grants and contributions offset this increased spending.

The primary sources of revenue for governmental activities are derived from property taxes and unrestricted grants and entitlements. These two revenue sources represent 74.61% of total governmental revenue. Real estate property is reappraised every six years.

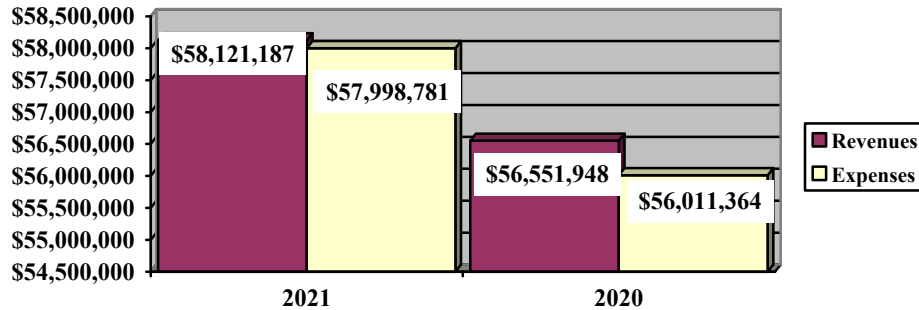
Investment earnings decreased due to a decline in the fair value of the District's investments and lower interest rates.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Miscellaneous revenue increased due to an approximately \$819,000 dividend from the Ohio Bureau of Workers' Compensation. The graph below presents the District's governmental activities revenue and expenses for fiscal year 2021 and 2020.

Governmental Activities - Revenues and Expenses



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 2021 and 2020. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

Governmental Activities

	Total Cost of Services 2021	Net Cost of Services 2021	Total Cost of Services 2020	Net Cost of Services 2020
Program expenses:				
Instruction:				
Regular	\$ 24,098,358	\$ 19,767,063	\$ 22,983,429	\$ 19,163,732
Special	7,666,563	3,247,724	6,833,743	2,556,353
Vocational	238,624	11,188	115,242	(95,811)
Other	4,219,079	4,219,079	4,294,211	4,294,211
Support services:				
Pupil	3,355,300	2,137,575	3,255,570	2,242,404
Instructional staff	1,190,606	909,201	1,104,416	914,581
Board of education	63,395	63,395	55,187	55,187
Administration	3,633,897	3,492,574	4,082,165	3,862,057
Fiscal	1,160,425	1,160,425	1,236,180	1,236,180
Business	4,856	4,856	3,034	3,034
Operations and maintenance	4,334,194	3,688,136	4,105,114	4,034,699
Pupil transportation	2,214,498	2,096,956	2,149,967	2,032,880
Central	283,262	269,772	289,084	280,103
Operation of non-instructional services:				
Food service operations	2,026,018	59,072	1,973,527	184,372
Other non-instructional services	8,778	949	546	(3,662)
Extracurricular activities	1,628,037	1,040,336	1,679,387	1,170,605
Interest and fiscal charges	1,872,891	1,872,891	1,850,562	1,850,562
Total expenses	\$ 57,998,781	\$ 44,041,192	\$ 56,011,364	\$ 43,781,487

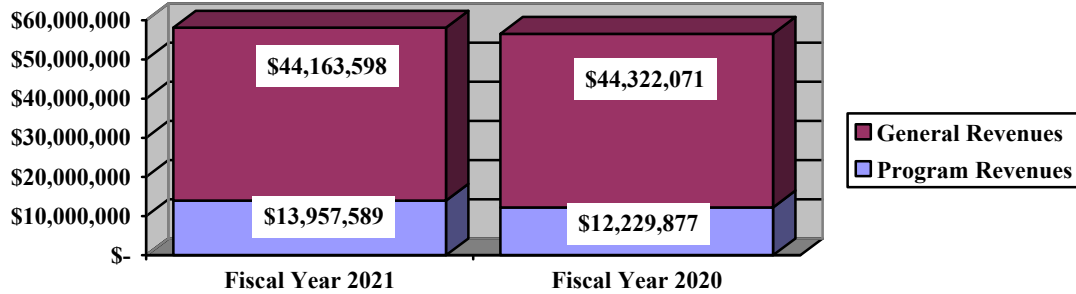
**AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

The dependence upon tax revenues during fiscal year 2021 for governmental activities is apparent, as 75.22% of 2021 instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 75.93%. The District’s taxpayers and unrestricted grants and entitlements from the State of Ohio, are the primary support for District’s students.

The graph below presents the District’s governmental activities revenue for fiscal years 2021 and 2020.

Governmental Activities - General and Program Revenues



Business-type Activities

Business-type activities include special enterprise operations. These programs had revenues of \$2,882 and expenses of \$8,241 for fiscal year 2021. 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 \$29,966,945, which is greater than last year’s total of \$26,945,898.

The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2021 and 2020.

	<u>Fund Balance</u> <u>June 30, 2021</u>	<u>Fund Balance</u> <u>June 30, 2020</u>	<u>Increase</u>
General	\$ 9,806,056	\$ 8,850,965	\$ 955,091
Bond retirement	9,245,598	8,475,200	770,398
Other governmental	<u>10,915,291</u>	<u>9,619,733</u>	<u>1,295,558</u>
Total	<u>\$ 29,966,945</u>	<u>\$ 26,945,898</u>	<u>\$ 3,021,047</u>

General Fund

The District’s general fund balance increased \$955,091. This increase was due to the District’s general fund revenues remaining greater than general fund expenditures for fiscal year 2021. 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, 2021

	<u>2021</u> <u>Amount</u>	<u>2020</u> <u>Amount</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Percentage</u> <u>Change</u>
<u>Revenues</u>				
Taxes	\$ 17,237,425	\$ 17,425,189	\$ (187,764)	(1.08) %
Intergovernmental	24,701,707	24,205,423	496,284	2.05 %
Other revenues	<u>4,450,713</u>	<u>4,757,112</u>	<u>(306,399)</u>	(6.44) %
Total	<u>\$ 46,389,845</u>	<u>\$ 46,387,724</u>	<u>\$ 2,121</u>	0.00 %

Intergovernmental revenue increased due to restoration of some cuts to the State Foundation program in fiscal year 2020 because of the COVID-19 pandemic. Other revenues decreased primarily due to a decrease in investment earnings due to lower interest rates.

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

	<u>2021</u> <u>Amount</u>	<u>2020</u> <u>Amount</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Percentage</u> <u>Change</u>
<u>Expenditures</u>				
Instruction	\$ 31,123,862	\$ 29,842,823	\$ 1,281,039	4.29 %
Support services	12,295,059	13,475,015	(1,179,956)	(8.76) %
Operation of non-instructional services	-	1,989	(1,989)	(100.00) %
Extracurricular activities	855,389	775,098	80,291	10.36 %
Facilities acquisition and construction	-	22,585	(22,585)	(100.00) %
Debt service	<u>152,890</u>	<u>156,688</u>	<u>(3,798)</u>	(2.42) %
Total	<u>\$ 44,427,200</u>	<u>\$ 44,274,198</u>	<u>\$ 153,002</u>	0.35 %

Instruction expenditures increased by roughly the same amount that support services expenditures decreased. The increase in instruction expenditures was primarily due to customary increases to salaries and benefits for the District's certified staff. Money received in special revenue grant funds were used to pay for more support services expenditures in fiscal year 2021. Facilities acquisition and construction expenditures decreased because the District did not undertake any major capital improvements in fiscal year 2021 from the general fund.

Bond Retirement Fund

The bond retirement fund had \$3,880,176 in revenues and other financing sources and \$3,109,778 in expenditures. This fund accounts for the District's accumulation of resources for and payment of long-term debt obligations. During fiscal year 2021, the fund balance of the bond retirement fund increased \$770,398 from \$8,475,200 to \$9,245,598. The primary reason for the increase in fund balance of the bond retirement fund is due to the \$785,000 mandatory sinking fund deposit made for the series 2010 Qualified School Construction Bonds (QSCBs).

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.

During the course of fiscal year 2021, 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.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

For the general fund, final budgeted revenues and other financing sources were \$47,536,620, which was increased from the original budgeted revenues and other financing sources estimate of \$44,890,419. This increase was due to an increase in estimated property tax revenue due to the increased assessed valuation. Also, changes in the State Foundation formula resulted in an estimated increase in intergovernmental revenue. Actual revenues and other financing sources for fiscal year 2021 were \$47,532,096. This represents a \$4,524 decrease from final budgeted revenues.

General fund original appropriations (appropriated expenditures plus other financing uses) of \$44,582,790 were increased to \$47,095,346 in the final budget. The increase in appropriations was due to the original budget being prepared using conservative assumptions related to COVID-19 and revenue. Once the District had more information about the financial impact of COVID-19 appropriations were increased. The actual budget basis expenditures and other financing uses for fiscal year 2021 totaled \$45,849,784, which was \$1,245,562 less than the final budget appropriations.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2021, the District had \$64,375,039 invested in land, land improvements, buildings and improvements, furniture and equipment and vehicles. All of this was reported in governmental activities.

The following table shows fiscal 2021 balances compared to restated 2020 balances:

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

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 844,054	\$ 844,054	\$ -	\$ -	\$ 844,054	\$ 844,054
Construction in progress	-	103,243	-	-	-	103,243
Land improvements	3,606,270	3,898,981	-	-	3,606,270	3,898,981
Building and improvements	58,230,418	60,334,271	-	-	58,230,418	60,334,271
Furniture and equipment	903,488	969,461	-	170	903,488	969,631
Vehicles	790,809	1,084,003	-	-	790,809	1,084,003
Total	\$ 64,375,039	\$ 67,234,013	\$ -	\$ 170	\$ 64,375,039	\$ 67,234,183

Capital assets of the governmental activities decreased \$2,858,974, which is due to capital outlays of \$128,453 being less than depreciation expense of \$2,958,887, and capital asset disposals of \$28,540 (net of accumulated depreciation). Capital assets of the business-type activities were fully depreciated.

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

Debt Administration

At June 30, 2021 the District had \$40,293,739 in a House Bill 264 loan, lease purchase obligation and general obligation bonds outstanding. Of this total, \$1,451,518 is due within one year and \$38,842,221 is due in greater than one year. The following table summarizes the bonds, lease purchase and loans outstanding.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Outstanding Debt, at Year End

	Governmental Activities 2021	Governmental Activities 2020
House Bill 264 loan	\$ 1,518	\$ 38,991
Lease purchase obligation	1,090,000	1,205,000
General obligation bonds	39,202,221	40,304,784
 Total	 \$ 40,293,739	 \$ 41,548,775

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 2021.

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, 2021 the District's overall legal debt margin was \$32,394,576 with an unvoted debt margin of \$674,100.

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

Current Financial Related Activities

Since 2013, the District has operated on a centrally located campus located off of Raccoon and Idaho Roads. Since last year, the District has started and finished many preventative maintenance projects to keep the campus in good working order. These include resealing most of the parking lots and roadways throughout campus. We have updated our athletic facilities including lighting at Greenwood Chevrolet Falcon Stadium, fencing at the baseball field and the addition of a new softball field located next to our baseball complex. We have also completed a sidewalk and curbing project at Fitch High School. It included replacing sidewalks and curbing for heavy traffic areas leading in and out of the High School.

Most recently, the District has completed two large projects that we had identified as high priority since 2019. We installed a new roadway and rerouted traffic through campus to make it safer for our students to arrive and be dismissed at the end of the day. Too often, we would have to close the roadway to traffic as we dismissed students to buses. The new configuration allows continued traffic flow during these times while making it safer for our students to exit and enter their buses. Lastly, we have finished replacing nearly 75% of the roof at Fitch High School, which is our oldest building on campus. Previous leaks led to numerous damage, including our High School Gym floor, which needed replaced due to the water damage created.

Due to COVID-19 concerns, the District is starting to replace all ceiling tiles at Fitch High School to improve air quality. We have also installed air-purifying units in all high school classrooms as well. We are currently in the process of soliciting quotes for a new air-handling unit at Austintown Middle School. The current unit is not large enough to handle the additional space added during the initial construction in 2007. We are hoping the upgrade will reduce break down time and maintenance costs.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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.

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

STATEMENT OF NET POSITION
JUNE 30, 2021

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets:			
Equity in pooled cash and investments	\$ 28,825,971	\$ 5,909	\$ 28,831,880
Receivables:			
Property taxes	22,430,068	-	22,430,068
Accounts	13,658	-	13,658
Accrued interest	31,609	-	31,609
Intergovernmental	910,483	-	910,483
Prepayments	110,774	-	110,774
Materials and supplies inventory	8,511	-	8,511
Inventory held for resale	27,130	-	27,130
Restricted assets:			
Cash with escrow agent	5,635,003	-	5,635,003
Net OPEB asset	2,951,104	-	2,951,104
Capital assets:			
Nondepreciable capital assets	844,054	-	844,054
Depreciable capital assets, net	63,530,985	-	63,530,985
Capital assets, net	64,375,039	-	64,375,039
Total assets	<u>125,319,350</u>	<u>5,909</u>	<u>125,325,259</u>
Deferred outflows of resources:			
Unamortized deferred charges on debt refunding	1,248,019	-	1,248,019
Pension	8,655,105	21,150	8,676,255
OPEB	1,220,632	9,871	1,230,503
Total deferred outflows of resources	<u>11,123,756</u>	<u>31,021</u>	<u>11,154,777</u>
Liabilities:			
Accounts payable	133,844	-	133,844
Accrued wages and benefits	4,753,007	-	4,753,007
Intergovernmental payable	195,031	-	195,031
Pension and postemployment benefits payable	664,501	-	664,501
Accrued interest payable	327,310	-	327,310
Long-term liabilities:			
Due within one year	1,698,581	-	1,698,581
Due in more than one year:			
Net pension liability	51,517,810	-	51,517,810
Net OPEB liability	3,719,908	-	3,719,908
Other amounts due in more than one year	43,700,451	-	43,700,451
Total liabilities	<u>106,710,443</u>	<u>-</u>	<u>106,710,443</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	19,822,901	-	19,822,901
Pension	1,697,298	46,056	1,743,354
OPEB	5,956,847	7,225	5,964,072
Total deferred inflows of resources	<u>27,477,046</u>	<u>53,281</u>	<u>27,530,327</u>
Net position:			
Net investment in capital assets	24,805,967	-	24,805,967
Restricted for:			
Capital projects	2,056,118	-	2,056,118
Classroom facilities maintenance	3,549,855	-	3,549,855
Debt service	7,485,464	-	7,485,464
State funded programs	1,458	-	1,458
Federally funded programs	148,991	-	148,991
Food service operations	543,354	-	543,354
Extracurricular activities	315,499	-	315,499
Other purposes	184,529	-	184,529
Unrestricted (deficit)	(36,835,618)	(16,351)	(36,851,969)
Total net position (deficit)	<u>\$ 2,255,617</u>	<u>\$ (16,351)</u>	<u>\$ 2,239,266</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, 2021

	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services and Sales</u>	<u>Operating Grants and Contributions</u>
Governmental activities:			
Instruction:			
Regular	\$ 24,098,358	\$ 3,181,880	\$ 1,149,415
Special	7,666,563	251,882	4,166,957
Vocational	238,624	-	227,436
Other	4,219,079	-	-
Support services:			
Pupil	3,355,300	-	1,217,725
Instructional staff	1,190,606	30,032	251,373
Board of education	63,395	-	-
Administration	3,633,897	50,471	90,852
Fiscal	1,160,425	-	-
Business	4,856	-	-
Operations and maintenance	4,334,194	-	646,058
Pupil transportation	2,214,498	21,928	95,614
Central	283,262	-	13,490
Operation of non-instructional services:			
Food service operations	2,026,018	152,875	1,814,071
Other non-instructional services	8,778	-	7,829
Extracurricular activities	1,628,037	420,470	167,231
Interest and fiscal charges	1,872,891	-	-
Total governmental activities	<u>57,998,781</u>	<u>4,109,538</u>	<u>9,848,051</u>
Business-type activities:			
Special enterprise	8,241	240	2,642
Totals	<u>\$ 58,007,022</u>	<u>\$ 4,109,778</u>	<u>\$ 9,850,693</u>

General revenues:

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

Change in net position

Net position (deficit) at beginning of year

Net position (deficit) at end of year

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

Governmental Activities	Business-Type Activities	Total
\$ (19,767,063)	\$ -	\$ (19,767,063)
(3,247,724)	-	(3,247,724)
(11,188)	-	(11,188)
(4,219,079)	-	(4,219,079)
(2,137,575)	-	(2,137,575)
(909,201)	-	(909,201)
(63,395)	-	(63,395)
(3,492,574)	-	(3,492,574)
(1,160,425)	-	(1,160,425)
(4,856)	-	(4,856)
(3,688,136)	-	(3,688,136)
(2,096,956)	-	(2,096,956)
(269,772)	-	(269,772)
(59,072)	-	(59,072)
(949)	-	(949)
(1,040,336)	-	(1,040,336)
(1,872,891)	-	(1,872,891)
<u>(44,041,192)</u>	<u>-</u>	<u>(44,041,192)</u>
-	(5,359)	(5,359)
<u>(44,041,192)</u>	<u>(5,359)</u>	<u>(44,046,551)</u>
17,290,215	-	17,290,215
2,824,361	-	2,824,361
251,209	-	251,209
22,996,252	-	22,996,252
(82,454)	-	(82,454)
884,015	-	884,015
<u>44,163,598</u>	<u>-</u>	<u>44,163,598</u>
122,406	(5,359)	117,047
<u>2,133,211</u>	<u>(10,992)</u>	<u>2,122,219</u>
<u>\$ 2,255,617</u>	<u>\$ (16,351)</u>	<u>\$ 2,239,266</u>

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

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	<u>General</u>	<u>Bond Retirement</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:				
Equity in pooled cash and investments	\$ 14,018,427	\$ 3,586,201	\$ 11,221,343	\$ 28,825,971
Receivables:				
Property taxes	19,214,783	2,945,253	270,032	22,430,068
Accounts	10,897	-	2,761	13,658
Accrued interest	31,609	-	-	31,609
Interfund loans	110	-	-	110
Intergovernmental	55,888	-	854,595	910,483
Prepayments	110,774	-	-	110,774
Materials and supplies inventory	-	-	8,511	8,511
Inventory held for resale	-	-	27,130	27,130
Due from other funds	485,076	-	-	485,076
Restricted assets:				
Cash with escrow agent	28,116	5,606,887	-	5,635,003
Total assets	<u>\$ 33,955,680</u>	<u>\$ 12,138,341</u>	<u>\$ 12,384,372</u>	<u>\$ 58,478,393</u>
Liabilities:				
Accounts payable	\$ 90,347	\$ -	\$ 43,497	\$ 133,844
Accrued wages and benefits	4,286,899	-	466,108	4,753,007
Compensated absences payable	64,678	-	-	64,678
Intergovernmental payable	188,209	-	6,822	195,031
Pension and postemployment benefits payable	554,550	-	109,951	664,501
Interfund loans payable	-	-	110	110
Due to other funds	-	-	485,076	485,076
Total liabilities	<u>5,184,683</u>	<u>-</u>	<u>1,111,564</u>	<u>6,296,247</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	16,935,476	2,645,893	241,532	19,822,901
Delinquent property tax revenue not available	1,943,210	246,850	23,707	2,213,767
Intergovernmental revenue not available	55,055	-	92,278	147,333
Accrued interest not available	31,200	-	-	31,200
Total deferred inflows of resources	<u>18,964,941</u>	<u>2,892,743</u>	<u>357,517</u>	<u>22,215,201</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	-	-	8,511	8,511
Prepays	110,774	-	-	110,774
Unclaimed monies	17,399	-	-	17,399
Restricted:				
Debt service	-	9,245,598	-	9,245,598
Capital improvements	28,116	-	2,056,118	2,084,234
Classroom facilities maintenance	-	-	3,526,148	3,526,148
Food service operations	-	-	618,177	618,177
State funded programs	-	-	1,458	1,458
Federally funded programs	-	-	141,115	141,115
Extracurricular activities	-	-	315,499	315,499
Other purposes	-	-	167,130	167,130
Committed:				
Capital improvements	-	-	3,218,124	3,218,124
Extracurricular activities	-	-	3,044	3,044
Assigned:				
Student instruction	52,417	-	-	52,417
Student and staff support	232,476	-	-	232,476
Capital improvements	-	-	1,000,000	1,000,000
Other purposes	253,754	-	-	253,754
Unassigned (deficit)	9,111,120	-	(140,033)	8,971,087
Total fund balances	<u>9,806,056</u>	<u>9,245,598</u>	<u>10,915,291</u>	<u>29,966,945</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 33,955,680</u>	<u>\$ 12,138,341</u>	<u>\$ 12,384,372</u>	<u>\$ 58,478,393</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, 2021

Total governmental fund balances		\$	29,966,945
<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.			64,375,039
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Property taxes receivable	\$	2,213,767	
Accrued interest receivable		31,200	
Intergovernmental receivable		147,333	
Total		147,333	2,392,300
Unamortized premiums on bonds issued are not recognized in the funds.			(2,205,573)
Unamortized amounts on refundings are not recognized in the funds.			1,248,019
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(327,310)
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		8,655,105	
Deferred inflows - pension		(1,697,298)	
Net pension liability		(51,517,810)	
Deferred outflows - OPEB		1,220,632	
Deferred inflows - OPEB		(5,956,847)	
Net OPEB asset		2,951,104	
Net OPEB liability		(3,719,908)	
Total		(3,719,908)	(50,065,022)
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		(39,202,221)	
Lease purchase obligation		(1,090,000)	
Compensated absences		(2,835,042)	
House Bill 264 loan		(1,518)	
Total		(43,128,781)	(43,128,781)
Net position of governmental activities			\$ 2,255,617

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, 2021

	<u>General</u>	<u>Bond Retirement</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes	\$ 17,237,425	\$ 2,816,100	\$ 250,729	\$ 20,304,254
Intergovernmental	24,701,707	1,192,695	6,697,162	32,591,564
Investment earnings	88,091	(167,233)	1,615	(77,527)
Tuition and fees	3,454,690	-	-	3,454,690
Extracurricular	50,771	-	282,749	333,520
Rental income	-	-	58,011	58,011
Charges for services	-	-	152,365	152,365
Contributions and donations	3,314	-	170,229	173,543
Miscellaneous	853,847	-	131,002	984,849
Total revenues	<u>46,389,845</u>	<u>3,841,562</u>	<u>7,743,862</u>	<u>57,975,269</u>
Expenditures:				
Current:				
Instruction:				
Regular	20,927,802	-	1,139,446	22,067,248
Special	5,768,727	-	1,569,022	7,337,749
Vocational	208,254	-	19,900	228,154
Other	4,219,079	-	-	4,219,079
Support services:				
Pupil	2,050,486	-	1,211,789	3,262,275
Instructional staff	788,714	-	289,207	1,077,921
Board of education	63,076	-	-	63,076
Administration	3,293,504	-	92,278	3,385,782
Fiscal	1,040,030	54,656	5,156	1,099,842
Business	2,608	-	-	2,608
Operations and maintenance	3,011,375	-	732,286	3,743,661
Pupil transportation	1,783,494	-	-	1,783,494
Central	261,772	-	18,252	280,024
Operation of non-instructional services:				
Food service operations	-	-	1,807,592	1,807,592
Other non-instructional services	-	-	8,514	8,514
Extracurricular activities	855,389	-	457,993	1,313,382
Facilities acquisition and construction	-	-	105,663	105,663
Debt service:				
Principal retirement	115,000	1,422,473	-	1,537,473
Interest and fiscal charges	37,890	1,632,649	-	1,670,539
Total expenditures	<u>44,427,200</u>	<u>3,109,778</u>	<u>7,457,098</u>	<u>54,994,076</u>
Excess of revenues over expenditures	<u>1,962,645</u>	<u>731,784</u>	<u>286,764</u>	<u>2,981,193</u>
Other financing sources (uses):				
Sale of assets	3,506	-	-	3,506
Insurance recoveries	27,554	-	-	27,554
Transfers in	-	38,614	1,000,000	1,038,614
Transfers (out)	(1,038,614)	-	-	(1,038,614)
Total other financing sources (uses)	<u>(1,007,554)</u>	<u>38,614</u>	<u>1,000,000</u>	<u>31,060</u>
Net change in fund balances	955,091	770,398	1,286,764	3,012,253
Fund balances at beginning of year	8,850,965	8,475,200	9,619,733	26,945,898
Change in reserve for inventory	-	-	8,794	8,794
Fund balances at end of year	<u>\$ 9,806,056</u>	<u>\$ 9,245,598</u>	<u>\$ 10,915,291</u>	<u>\$ 29,966,945</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, 2021

Net change in fund balances - total governmental funds	\$	3,012,253
<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	\$ 128,453	
Current year depreciation	(2,958,887)	
Total		(2,830,434)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		(28,540)
Governmental funds report expenditures for inventory when purchased. However, in the statement of activities, they are reported as an expense when consumed.		
		8,794
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	61,531	
Earnings on investments	(3,312)	
Intergovernmental	(227,809)	
Total		(169,590)
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.		
		1,537,473
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	2,867	
Accreted interest on capital appreciation bonds	(282,437)	
Amortization of bond premiums	248,894	
Amortization of deferred charges	(171,676)	
Total		(202,352)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	3,646,850	
OPEB	111,069	
Total		3,757,919
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	(5,003,778)	
OPEB	293,663	
Total		(4,710,115)
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.		
		(253,002)
Change in net position of governmental activities	\$	122,406

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, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Property taxes	\$ 16,646,335	\$ 17,710,760	\$ 17,710,760	\$ -
Intergovernmental	23,465,218	24,700,873	24,700,874	1
Investment earnings	535,610	215,860	210,530	(5,330)
Tuition and fees	3,525,173	3,436,072	3,436,817	745
Extracurricular	4,213	3,226	3,226	-
Rental income	1,402	-	-	-
Charges for services	553	-	-	-
Contributions and donations	1,573	601	601	-
Miscellaneous	15,899	19,305	19,365	60
Total revenues	<u>44,195,976</u>	<u>46,086,697</u>	<u>46,082,173</u>	<u>(4,524)</u>
Expenditures:				
Current:				
Instruction:				
Regular	20,540,176	21,824,813	21,039,317	785,496
Special	5,127,130	5,837,067	5,801,746	35,321
Vocational	107,406	192,177	185,860	6,317
Other	4,329,113	4,219,079	4,219,079	-
Support services:				
Pupil	2,112,301	1,939,490	1,934,751	4,739
Instructional staff	882,156	818,625	814,724	3,901
Board of education	50,554	77,124	67,124	10,000
Administration	3,815,340	3,408,548	3,343,199	65,349
Fiscal	1,225,907	1,080,110	1,074,959	5,151
Business	827	3,703	2,858	845
Operations and maintenance	3,542,666	3,730,774	3,489,665	241,109
Pupil transportation	1,889,275	1,959,602	1,872,428	87,174
Central	144,132	102,113	96,013	6,100
Extracurricular activities	792,733	869,447	869,447	-
Facilities acquisition and construction	23,074	-	-	-
Total expenditures	<u>44,582,790</u>	<u>46,062,672</u>	<u>44,811,170</u>	<u>1,251,502</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(386,814)</u>	<u>24,025</u>	<u>1,271,003</u>	<u>1,246,978</u>
Other financing sources (uses):				
Refund of prior year's expenditures	679,582	1,406,155	1,406,155	-
Transfers (out)	-	(32,674)	(1,038,614)	(1,005,940)
Advances in	1,526	12,708	12,708	-
Advances (out)	-	(1,000,000)	-	1,000,000
Insurance recoveries	3,330	27,554	27,554	-
Sale of assets	10,005	3,506	3,506	-
Total other financing sources (uses)	<u>694,443</u>	<u>417,249</u>	<u>411,309</u>	<u>(5,940)</u>
Net change in fund balance	307,629	441,274	1,682,312	1,241,038
Fund balance at beginning of year	11,382,365	11,382,365	11,382,365	-
Prior year encumbrances appropriated	599,701	599,701	599,701	-
Fund balance at end of year	<u>\$ 12,289,695</u>	<u>\$ 12,423,340</u>	<u>\$ 13,664,378</u>	<u>\$ 1,241,038</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2021

	Business-type Activities	Nonmajor Enterprise Fund
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 5,909	
Deferred outflows of resources:		
Pension	21,150	
OPEB	9,871	
Total deferred outflows of resources	31,021	
Deferred inflows of resources:		
Pension	46,056	
OPEB	7,225	
Total deferred inflows of resources	53,281	
Net position:		
Unrestricted (deficit)	(16,351)	
Total net position (deficit)	\$ (16,351)	

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, 2021

	Business-type Activities
	Nonmajor Enterprise Fund
Operating revenues:	
Tuition and fees	\$ 240
Operating expenses:	
Personal services	1,699
Materials and supplies	6,372
Depreciation	170
Total operating expenses	8,241
Operating loss	(8,001)
Nonoperating revenues:	
Contributions and donations	2,642
Change in net position	(5,359)
Net position (deficit) at beginning of year	(10,992)
Net position (deficit) at end of year	\$ (16,351)

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, 2021

	Business-type Activities
	Nonmajor Enterprise Funds
Cash flows from operating activities:	
Cash received from tuition and fees	\$ 500
Cash payments for materials and supplies	(6,372)
Net cash used in operating activities	(5,872)
Cash flows from noncapital financing activities:	
Cash received from contributions and donations	2,642
Net cash provided by noncapital financing activities	2,642
Net decrease in cash and investments	(3,230)
Cash and investments at beginning of year	9,139
Cash and investments at end of year	\$ 5,909
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (8,001)
Adjustments:	
Depreciation	170
Changes in assets, deferred outflows of resources and liabilities and deferred inflows of resources:	
Accounts receivable	260
Net OPEB asset	3,174
Deferred outflows of resources	24,934
Net pension liability	(46,598)
Net OPEB liability	(1,816)
Deferred inflows of resources	22,005
Net cash used in operating activities	\$ (5,872)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021

	<u>Custodial</u>
Assets:	
Equity in pooled cash and investments	\$ 126,834
Net position:	
Restricted for individuals, organizations and other governments	126,834
Total net position	\$ 126,834

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, 2021

	Custodial
Additions:	
Earnings on investments	\$ 360
Contributions and donations	17,770
Total additions	18,130
Deductions:	
Other custodial fund disbursements	6,480
Scholarships awarded	8,281
Total deductions	14,761
Change in net position	3,369
Net position at beginning of year	123,465
Net position at end of year	\$ 126,834

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, 2021**

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 223 non-certified and 352 certified personnel to provide services to approximately 4,140 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).

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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

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.

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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

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.

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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

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.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds. Fiduciary funds are reported using the economic resources measurement focus.

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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

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.

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, 2021, but which were levied to finance fiscal year 2022 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 15th and the filing by January 20th. The Budget Commission now requires an alternate tax budget be submitted by January 20th, which no longer requires specific Board approval.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

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.
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 2021. 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 2021, investments were limited to federal agency securities, U.S. Treasury notes, negotiable CDs commercial paper, 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
MAHONING COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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 2021, 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 transactions to \$250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$250 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 2021 amounted to \$88,091, which includes \$46,128 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.

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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

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>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities 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, 2021 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.

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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

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.

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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

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 other local grants and unclaimed monies.

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.

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 2021.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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

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 2021.

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.

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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2021, the District has applied GASB Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance." GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

Certain provisions contained in the following pronouncements were scheduled to be implemented for the fiscal year ended June 30, 2021. Due to the implementation of GASB Statement No. 95, the effective dates of certain provisions contained in these pronouncements are postponed until the fiscal year ended June 30, 2022:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*

For fiscal year 2021, the District has implemented GASB Statement No. 98, "The Annual Comprehensive Financial Report." GASB Statement No. 98 establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in general accepted accounting principles for state and local governments. The implementation of GASB Statement No. 98 did not have an effect on the financial statements of the District.

B. Deficit Fund Balances

Fund balances at June 30, 2021 included the following individual fund deficits:

<u>Nonmajor governmental funds</u>	<u>Deficit</u>
Title VI-B	\$ 117,775
Title I	22,258

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, 2021**

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.

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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

A. Cash on Hand

At fiscal year end, the District had \$100 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, \$5,606,887 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, \$28,116 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, 2021, the carrying amount of all District deposits was \$19,003,403. Based on the criteria described in GASB Statement No. 40, “Deposits and Investment Risk Disclosures”, as of June 30, 2021, \$19,198,014 of the District’s bank balance of \$19,448,014 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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

D. Investments

As of June 30, 2021, the District had the following investments and maturities:

Measurement/ <u>Investment type</u>	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	\$ 739,553	\$ -	\$ -	\$ -	\$ -	\$ 739,553
FFCB	912,750	-	-	-	-	912,750
FNMA	399,955	-	-	-	-	399,955
FHLMC	296,818	-	-	-	-	296,818
Commercial paper	1,089,627	1,089,627	-	-	-	-
Negotiable CD's	5,800,293	201,477	1,753,992	252,230	1,033,176	2,559,418
U.S Treasury notes	325,291	325,291	-	-	-	-
US Government money market	282,310	282,310	-	-	-	-
<i>Amortized Cost:</i>						
STAR Ohio	108,614	108,614	-	-	-	-
Total	<u>\$ 9,955,211</u>	<u>\$ 2,007,319</u>	<u>\$ 1,753,992</u>	<u>\$ 252,230</u>	<u>\$ 1,033,176</u>	<u>\$ 4,908,494</u>

The weighted average length to maturity of the District's investments is 2.05 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, commercial paper, 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. The District's investments in commercial paper were rated A-1 or A-1+ and P-1 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, U.S. Treasury notes and commercial paper 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, 2021

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, 2021:

Measurement/ <u>Investment type</u>	Measurement	
	<u>Value</u>	<u>% of Total</u>
<i>Fair Value:</i>		
FHLB	\$ 739,553	7.43
FFCB	912,750	9.17
FNMA	399,955	4.02
FHLMC	296,818	2.98
Commercial paper	1,089,627	10.95
Negotiable CD's	5,800,293	58.25
U.S. Treasury notes	325,291	3.27
US Government money market	282,310	2.84
<i>Amortized Cost:</i>		
STAR Ohio	<u>108,614</u>	<u>1.09</u>
Total	<u>\$ 9,955,211</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, 2021:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 19,003,403
Investments	9,955,211
Cash on hand	100
Cash with escrow agent	<u>5,635,003</u>
Total	<u>\$ 34,593,717</u>

<u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 34,460,974
Business type activities	5,909
Custodial funds	<u>126,834</u>
Total	<u>\$ 34,593,717</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 5 - INTERFUND TRANSACTIONS

- A. Interfund transfers for the year ended June 30, 2021, 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	\$ 38,614
Nonmajor governmental funds	<u>1,000,000</u>
	<u>\$ 1,038,614</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, 2021 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>\$ 110</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, 2021, as reported on the fund statements:

<u>Due to the general fund from:</u>	<u>Amount</u>
Nonmajor governmental funds	<u>\$ 485,076</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, 2021

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 2021 represent the collection of calendar year 2020 taxes. Real property taxes received in calendar year 2021 were levied after April 1, 2020, on the assessed values as of January 1, 2020, 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 2021 represent the collection of calendar year 2020 taxes. Public utility real and personal property taxes received in calendar year 2021 became a lien on December 31, 2019, were levied after April 1, 2020, 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, 2021, are available to finance fiscal year 2021 operations. The amount available as an advance at June 30, 2021 was \$336,097 in the general fund, \$52,510 in the bond retirement fund and \$4,793 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, 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. 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, 2021 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 of resources.

The assessed values upon which the fiscal year 2021 taxes were collected are:

	2020 Second Half Collections		2021 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 596,150,840	96.55	\$ 650,867,090	96.55
Public utility personal	<u>21,273,160</u>	<u>3.45</u>	<u>23,232,670</u>	<u>3.45</u>
Total	<u>\$ 617,424,000</u>	<u>100.00</u>	<u>\$ 674,099,760</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation				
Operations	\$ 54.60		\$ 54.60	
Debt service	5.10		4.90	
Classroom facilities maintenance	0.50		0.50	

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 7 - RECEIVABLES

Receivables at June 30, 2021 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:

Governmental activities:	<u>Amount</u>
Property taxes	\$ 22,430,068
Accounts	13,658
Intergovernmental	910,483
Accrued interest	31,609
Total receivables	<u>\$ 23,385,818</u>

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

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	<u>Balance</u> <u>06/30/20</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>06/30/21</u>
Governmental activities:				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 844,054	\$ -	\$ -	\$ 844,054
Construction in progress	<u>103,243</u>	<u>-</u>	<u>(103,243)</u>	<u>-</u>
Total capital assets, not being depreciated	<u>947,297</u>	<u>-</u>	<u>(103,243)</u>	<u>844,054</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	6,964,284	79,525	-	7,043,809
Buildings and improvements	87,210,092	-	-	87,210,092
Furniture and equipment	5,593,390	152,171	(29,524)	5,716,037
Vehicles	<u>4,044,770</u>	<u>-</u>	<u>-</u>	<u>4,044,770</u>
Total capital assets, being depreciated	<u>103,812,536</u>	<u>231,696</u>	<u>(29,524)</u>	<u>104,014,708</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(3,065,303)	(372,236)	-	(3,437,539)
Buildings and improvements	(26,875,821)	(2,103,853)	-	(28,979,674)
Furniture and equipment	(4,623,929)	(189,604)	984	(4,812,549)
Vehicles	<u>(2,960,767)</u>	<u>(293,194)</u>	<u>-</u>	<u>(3,253,961)</u>
Total accumulated depreciation	<u>(37,525,820)</u>	<u>(2,958,887)</u>	<u>984</u>	<u>(40,483,723)</u>
Governmental activities capital assets, net	<u>\$ 67,234,013</u>	<u>\$ (2,727,191)</u>	<u>\$ (131,783)</u>	<u>\$ 64,375,039</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8 - CAPITAL ASSETS - (Continued)

	Balance 06/30/20	Additions	Deductions	Balance 06/30/21
Business-type activities:				
Capital assets, being depreciated:				
Furniture/equipment	\$ 46,738	\$ -	\$ -	\$ 46,738
Less: accumulated depreciated	(46,568)	(170)	-	(46,738)
Total	\$ 170	\$ (170)	\$ -	\$ -

Depreciation expense was charged as follows:

	Amount
Governmental activities:	
<u>Instruction:</u>	
Regular	\$ 1,269,944
Special	195,821
Vocational	9,175
<u>Support services:</u>	
Pupil	45,560
Instructional staff	67,762
Administration	126,275
Fiscal	27,307
Business	2,248
Operations and maintenance	423,764
Pupil transportation	334,146
Food service operations	186,130
Extracurricular activities	270,755
Total governmental activities	2,958,887
Business-type activities:	
Community center	170
Total depreciation expense	\$ 2,959,057

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, 2021:

	Balance 6/30/20	Issued in 2021	Retired in 2021	Balance 6/30/21
House Bill 264 Loan	\$ 38,991	\$ -	\$ (37,473)	\$ 1,518

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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>
2022	<u>\$ 1,518</u>	<u>\$ 6</u>	<u>\$ 1,524</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 \$406,352 in accreted interest on the capital appreciation bonds has been included on the statement of net position at June 30, 2021.

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, 2021

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	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>\$ 5,110,000</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 2021 on the 2010 general obligation bonds:

	Balance 06/30/20	Additions	Reductions	Balance 06/30/21
<u>Series 2010</u>				
Capital appreciation bonds	\$ 140,000	\$ -	\$ -	\$ 140,000
Accreted interest	340,874	65,478	-	406,352
QSCBs	11,260,000	-	-	11,260,000
Total Series 2010	<u>\$ 11,740,874</u>	<u>\$ 65,478</u>	<u>\$ -</u>	<u>\$ 11,806,352</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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
2022	\$ -	\$ 599,820	\$ 599,820	\$ -	\$ -	\$ -
2023	-	599,820	599,820	-	-	-
2024	-	599,820	599,820	-	-	-
2025	-	599,820	599,820	-	-	-
2026	-	599,820	599,820	-	-	-
2027 - 2031	<u>11,260,000</u>	<u>899,730</u>	<u>12,159,730</u>	<u>140,000</u>	<u>1,465,000</u>	<u>1,605,000</u>
Total	<u>\$ 11,260,000</u>	<u>\$ 3,898,830</u>	<u>\$ 15,158,830</u>	<u>\$ 140,000</u>	<u>\$ 1,465,000</u>	<u>\$ 1,605,000</u>

- 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 \$1,275,869 in accreted interest on the capital appreciation bonds has been included on the statement of net position at June 30, 2021. The bonds will be retired through the bond retirement fund.

The following is a schedule of activity for fiscal year 2021 on the series 2012 refunding bonds:

	Balance <u>06/30/20</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>06/30/21</u>
Refunding bonds - series 2012:				
Current interest bonds	\$ 5,525,000	\$ -	\$ (1,240,000)	\$ 4,285,000
Capital appreciation bonds	685,000	-	-	685,000
Accreted interest	<u>1,058,910</u>	<u>216,959</u>	<u>-</u>	<u>1,275,869</u>
Total refunding bonds - series 2012	<u>\$ 7,268,910</u>	<u>\$ 216,959</u>	<u>\$ (1,240,000)</u>	<u>\$ 6,245,869</u>

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, 2021

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
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	-	49,687	49,687	325,000	1,250,000	1,575,000
2027	<u>1,590,000</u>	<u>24,844</u>	<u>1,614,844</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 4,285,000</u>	<u>\$ 339,563</u>	<u>\$ 4,624,563</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 2021 on the 2016 series refunding bonds:

	Balance 6/30/20	Additions	Reductions	Balance 6/30/21
Refunding bonds - series 2016:				
Current interest bonds	<u>\$ 8,690,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,690,000</u>

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, 2021

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
2022	\$ -	\$ 355,525	\$ 355,525
2023	-	355,525	355,525
2024	-	355,525	355,525
2025	-	355,525	355,525
2026	-	355,525	355,525
2027 - 2031	-	1,777,625	1,777,625
2032 - 2036	2,825,000	1,503,925	4,328,925
2037 - 2041	3,440,000	878,694	4,318,694
2042 - 2044	2,425,000	157,781	2,582,781
Total	\$ 8,690,000	\$ 6,095,650	\$ 14,785,650

- 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 2021 on the 2017 series refunding bonds:

	Balance <u>06/30/20</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>06/30/21</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.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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
2022	\$ -	\$ 144,262	\$ 144,262
2023	-	144,263	144,263
2024	-	144,262	144,262
2025	-	144,263	144,263
2026	-	144,262	144,262
2027 - 2031	-	721,313	721,313
2032 - 2036	1,220,000	625,825	1,845,825
2037 - 2041	1,465,000	371,037	1,836,037
2042 - 2044	1,035,000	67,256	1,102,256
Total	<u>\$ 3,720,000</u>	<u>\$ 2,506,743</u>	<u>\$ 6,226,743</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, 2021.

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 2021 on the 2020 series refunding bonds:

	Balance 06/30/20	Additions	Reductions	Balance 06/30/21
Refunding bonds- series 2020:				
Current interest bonds	<u>\$ 8,885,000</u>	<u>\$ -</u>	<u>\$ (145,000)</u>	<u>\$ 8,740,000</u>

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.

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.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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
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	5,000	321,310	326,310
2027 - 2031	<u>7,300,000</u>	<u>985,380</u>	<u>8,285,380</u>
Total	<u>\$ 8,740,000</u>	<u>\$ 2,749,780</u>	<u>\$ 11,489,780</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 \$28,116 on deposit with U.S. Bank (the fiscal agent) related to this lease-purchase agreement. The amount deposited is recorded as “restricted 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
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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
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	140,000	16,839	156,839
2027 - 2029	440,000	21,960	461,960
Total	<u>\$ 1,090,000</u>	<u>\$ 149,912</u>	<u>\$ 1,239,912</u>

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

	Balance 6/30/20	Additions	Reductions	Balance 6/30/21	Amounts Due in One Year
Governmental activities:					
Compensated absences payable	\$ 2,624,222	\$ 554,829	\$ (279,331)	\$ 2,899,720	\$ 247,063
Net pension liability	48,302,662	3,215,148	-	51,517,810	-
Net OPEB liability	4,448,861	-	(728,953)	3,719,908	-
Lease-purchase agreement	1,205,000	-	(115,000)	1,090,000	120,000
Loans payable	38,991	-	(37,473)	1,518	1,518
G.O. bonds payable	40,304,784	282,437	(1,385,000)	39,202,221	1,330,000
Total governmental activities long-term liabilities	<u>\$ 96,924,520</u>	<u>\$ 4,052,414</u>	<u>\$ (2,545,757)</u>	98,431,177	<u>\$ 1,698,581</u>
Add: Unamortized premium on bond issues				2,205,573	
Total on statement of net position				<u>\$ 100,636,750</u>	
Business-type activities:					
Net pension liability	\$ 46,598	\$ -	\$ (46,598)	\$ -	\$ -
Net OPEB liability	1,816	-	(1,816)	-	-
Total business-type activities long-term liabilities	<u>\$ 48,414</u>	<u>\$ -</u>	<u>\$ (48,414)</u>	<u>\$ -</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
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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, 2021, are a voted debt margin of \$32,394,576 (including available funds of \$9,245,598) and an unvoted debt margin of \$674,100.

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, 2021

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 2021, 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	\$ 177,531,882	\$ 5,000	\$ 177,531,882
Computers	-	500	-
Equipment	-	500	-
Automobile:			
Liability	1,000,000	-	-
Uninsured motorist	1,000,000	-	-
Medical payments	5,000	-	-
Liability:			
General	1,000,000	-	2,000,000
Fire damage	500,000	-	500,000
Employer's liability	1,000,000	-	1,000,000
Employee benefits	1,000,000	1,000	1,000,000
Sexual misconduct	1,000,000	-	1,000,000
Employment practices	1,000,000	2,500	1,000,000
Umbrella	3,000,000	-	3,000,000

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
MAHONING COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 12 - DEFINED BENEFIT PENSION PLANS

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability/Net OPEB Liability/Asset

Pensions and OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/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 net pension/OPEB liability (asset) represent the District's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/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 pensions/OPEB are financed; however, the District does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients.

The remainder of this note includes the required pension disclosures. See Note 13 for the required OPEB disclosures.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension/OPEB liability (asset)* 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 under Employers/Audit Resources.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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 start of a COLA for future retirees. For 2021, the COLA was 0.5%.

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, 2021, the allocation to pension, death benefits, and Medicare B was 14.0%.

The District's contractually required contribution to SERS was \$818,110 for fiscal year 2021. Of this amount, \$74,468 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description - Licensed teachers participate in STRS, 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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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 (CO) 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 of 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 and after termination of employment.

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 2021, 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 2021 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$2,828,740 for fiscal year 2021. Of this amount, \$478,964 is reported as pension and postemployment benefits payable.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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, 2020, 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	0.17296000%	0.17183718%	
Proportion of the net pension liability current measurement date	<u>0.16462080%</u>	<u>0.16791495%</u>	
Change in proportionate share	<u>-0.00833920%</u>	<u>-0.00392223%</u>	
Proportionate share of the net pension liability	\$ 10,888,367	\$ 40,629,443	\$ 51,517,810
Pension expense	\$ 883,474	\$ 4,120,874	\$ 5,004,348

At June 30, 2021, 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>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 21,150	\$ 91,161	\$ 112,311
Net difference between projected and actual earnings on pension plan investments	691,191	1,975,812	2,667,003
Changes of assumptions	-	2,181,018	2,181,018
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	1,808	67,265	69,073
Contributions subsequent to the measurement date	<u>818,110</u>	<u>2,828,740</u>	<u>3,646,850</u>
Total deferred outflows of resources	<u>\$ 1,532,259</u>	<u>\$ 7,143,996</u>	<u>\$ 8,676,255</u>

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ -	\$ 259,796	\$ 259,796
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>299,490</u>	<u>1,184,068</u>	<u>1,483,558</u>
Total deferred inflows of resources	<u>\$ 299,490</u>	<u>\$ 1,443,864</u>	<u>\$ 1,743,354</u>

\$3,646,850 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 fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2022	\$ (187,791)	\$ 884,882	\$ 697,091
2023	97,948	411,614	509,562
2024	288,103	856,960	1,145,063
2025	<u>216,399</u>	<u>717,936</u>	<u>934,335</u>
Total	<u>\$ 414,659</u>	<u>\$ 2,871,392</u>	<u>\$ 3,286,051</u>

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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2020, 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 investment expense, including inflation
Actuarial cost method	Entry age normal (level percent of payroll)

For 2020, 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 asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	1.85 %
US Equity	22.50	5.75
International Equity	22.50	6.50
Fixed Income	19.00	2.85
Private Equity	12.00	7.60
Real Assets	17.00	6.60
Multi-Asset Strategies	5.00	6.65
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 earnings 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.

**AUSTINTOWN LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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.

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 14,915,733	\$ 10,888,367	\$ 7,509,330

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2020, actuarial valuation are presented below:

	July 1, 2020
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, 2020, 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, 2020 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
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return **</u>
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>	

**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, 2020. 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, 2020. 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, 2020.

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:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
District's proportionate share of the net pension liability	\$ 57,849,254	\$ 40,629,443	\$ 26,037,088

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 13 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 12 for a description of the net OPEB liability (asset).

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 Annual Comprehensive Financial Report which can be obtained on SERS' website at 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, 2021, 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, pro-rated if less than a full year of service credit was earned. For fiscal year 2021, this amount was \$23,000. 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 2021, the District's surcharge obligation was \$111,069.

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 \$111,069 for fiscal year 2021. Of this amount, \$111,069 is reported as pension and postemployment benefits payable.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

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 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, 2021, 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, 2020, 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	0.17698010%	0.17183718%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.17116190%</u>	<u>0.16791495%</u>	
Change in proportionate share	<u>-0.00581820%</u>	<u>-0.00392223%</u>	
Proportionate share of the net OPEB liability	\$ 3,719,908	\$ -	\$ 3,719,908
Proportionate share of the net OPEB asset	\$ -	\$ 2,951,104	\$ 2,951,104
OPEB expense	\$ (92,745)	\$ (199,789)	\$ (292,534)

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

At June 30, 2021, 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>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 48,856	\$ 189,096	\$ 237,952
Net difference between projected and actual earnings on OPEB plan investments	41,918	103,427	145,345
Changes of assumptions	634,115	48,714	682,829
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	27,247	26,061	53,308
Contributions subsequent to the measurement date	<u>111,069</u>	<u>-</u>	<u>111,069</u>
Total deferred outflows of resources	<u>\$ 863,205</u>	<u>\$ 367,298</u>	<u>\$ 1,230,503</u>
	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 1,891,833	\$ 587,818	\$ 2,479,651
Changes of assumptions	93,695	2,803,056	2,896,751
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>487,989</u>	<u>99,681</u>	<u>587,670</u>
Total deferred inflows of resources	<u>\$ 2,473,517</u>	<u>\$ 3,490,555</u>	<u>\$ 5,964,072</u>

\$111,069 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 fiscal year ending June 30, 2022. 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:			
2022	\$ (371,585)	\$ (786,375)	\$ (1,157,960)
2023	(368,554)	(716,369)	(1,084,923)
2024	(369,045)	(691,814)	(1,060,859)
2025	(310,833)	(648,007)	(958,840)
2026	(218,566)	(137,177)	(355,743)
Thereafter	<u>(82,798)</u>	<u>(143,515)</u>	<u>(226,313)</u>
Total	<u>\$ (1,721,381)</u>	<u>\$ (3,123,257)</u>	<u>\$ (4,844,638)</u>

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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, 2020 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 investment expense, including inflation
Municipal bond index rate:	
Measurement date	2.45%
Prior measurement date	3.13%
Single equivalent interest rate, net of plan investment expense, including price inflation:	
Measurement date	2.63%
Prior measurement date	3.22%
Medical trend assumption:	
Measurement date	
Medicare	5.25 to 4.75%
Pre-Medicare	7.00 to 4.75%
Prior measurement date	
Medicare	5.25 to 4.75%
Pre-Medicare	7.00 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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	2.00 %	1.85 %
US Equity	22.50	5.75
International Equity	22.50	6.50
Fixed Income	19.00	2.85
Private Equity	12.00	7.60
Real Assets	17.00	6.60
Multi-Asset Strategies	5.00	6.65
Total	<u>100.00 %</u>	

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2020 was 2.63%. The discount rate used to measure total OPEB liability prior to June 30, 2019 was 3.22%. 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 2.45%, as of June 30, 2020 (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 3.13% was used as of June 30, 2019. 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 (1.63%) and higher (3.63%) than the current discount rate (2.63%). 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 (7.00% decreasing to 4.75%).

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 4,553,075	\$ 3,719,908	\$ 3,057,542

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 2,929,145	\$ 3,719,908	\$ 4,777,361

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2020, actuarial valuation, compared with July 1, 2019, are presented below:

	July 1, 2020		July 1, 2019	
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%	
Discount 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	5.00%	4.00%	5.87%	4.00%
Medicare	-6.69%	4.00%	4.93%	4.00%
Prescription Drug				
Pre-Medicare	6.50%	4.00%	7.73%	4.00%
Medicare	11.87%	4.00%	9.62%	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, 2020 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, 2021

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, 2019.

Benefit Term Changes Since the Prior Measurement Date - There was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year end 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return **</u>
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>	

**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, 2020. 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, 2020.

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, 2020, 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.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
District's proportionate share of the net OPEB asset	\$ 2,567,651	\$ 2,951,104	\$ 3,276,447

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 13 - DEFINED BENEFIT OPEB PLANS - (Continued)

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB asset	\$ 3,256,252	\$ 2,951,104	\$ 2,579,385

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:

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ 1,682,312
Net adjustment for revenue accruals	229,305
Net adjustment for expenditure accruals	489,157
Net adjustment for other sources/uses	(1,418,863)
Funds budgeted elsewhere	(242,042)
Adjustment for encumbrances	215,222
GAAP basis	\$ 955,091

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 unclaimed monies fund, the miscellaneous general funds, BWC fund and the public school support fund.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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, 2021.

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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 16 - SET ASIDES - (Continued)

	<u>Capital Improvements</u>
Set-aside balance June 30, 2020	\$ -
Current year set-aside requirement	791,508
Contributions in excess of the current fiscal year set-aside requirement	-
Current year qualifying expenditures	-
Excess qualified expenditures from prior years	-
Current year offsets	(1,349,875)
Waiver granted by ODE	<u>-</u>
Prior year offset from bond proceeds	<u>-</u>
Total	<u>\$ (558,367)</u>
Balance carried forward to fiscal year 2022	<u>\$ -</u>
Set-aside balance June 30, 2021	<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, 2021.

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	\$ 105,478
Other governmental	<u>489,270</u>
Total	<u>\$ 594,748</u>

NOTE 18 - TAX ABATEMENT AGREEMENTS ENTERED INTO BY OTHER GOVERNMENTS

Austintown Township has 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 \$678,517 during fiscal year 2021.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 19 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 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 pension and other employee benefits plan in which the District participate fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the District's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

NOTE 20 - SUBSEQUENT EVENT

For fiscal year 2022, District foundation funding received from the state of Ohio will be funded using a direct funding model. Under this new model, community school, STEM school and scholarship funding will be directly funded by the State of Ohio to the respective schools. For fiscal year 2021 and prior, the amounts related to students who were residents of the District were funded to the District who, in turn, made the payment to the respective school. For fiscal year 2021, the District reported \$1,879,146 in revenue and expenditures/expense related to these programs. This new funding system calculates a unique base cost and a unique "per-pupil local capacity amount" for each District. The District's state core foundation funding is then calculated. Any change in funding will be subject to a phase in percentage of 16.67 percent for fiscal year 2022 and 33.33 percent for fiscal year 2023.

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 PENSION LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST EIGHT FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net pension liability	0.16462080%	0.17296000%	0.17293380%	0.19221690%
District's proportionate share of the net pension liability	\$ 10,888,367	\$ 10,348,500	\$ 9,904,239	\$ 11,484,535
District's covered payroll	\$ 5,830,564	\$ 5,959,681	\$ 5,865,096	\$ 5,839,279
District's proportionate share of the net pension liability as a percentage of its covered payroll	186.75%	173.64%	168.87%	196.68%
Plan fiduciary net position as a percentage of the total pension liability	68.55%	70.85%	71.36%	69.50%

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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.18907220%	0.19587870%	0.19969300%	0.19969300%
\$ 13,838,340	\$ 11,177,028	\$ 10,106,349	\$ 11,875,102
\$ 5,866,479	\$ 5,896,973	\$ 5,802,677	\$ 5,446,647
235.89%	189.54%	174.17%	218.03%
62.98%	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 EIGHT FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net pension liability	0.16791495%	0.17183718%	0.17356329%	0.17246630%
District's proportionate share of the net pension liability	\$ 40,629,443	\$ 38,000,760	\$ 38,162,670	\$ 40,969,739
District's covered payroll	\$ 20,286,993	\$ 20,347,007	\$ 19,999,986	\$ 18,981,357
District's proportionate share of the net pension liability as a percentage of its covered payroll	200.27%	186.76%	190.81%	215.84%
Plan fiduciary net position as a percentage of the total pension liability	75.48%	77.40%	77.31%	75.30%

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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.17621474%	0.18598335%	0.18617722%	0.18617722%
\$ 58,984,385	\$ 51,400,358	\$ 45,284,743	\$ 53,942,890
\$ 18,417,907	\$ 19,404,250	\$ 19,022,169	\$ 19,473,131
320.26%	264.89%	238.06%	277.01%
66.80%	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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 818,110	\$ 816,279	\$ 804,557	\$ 791,788
Contributions in relation to the contractually required contribution	<u>(818,110)</u>	<u>(816,279)</u>	<u>(804,557)</u>	<u>(791,788)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 5,843,643	\$ 5,830,564	\$ 5,959,681	\$ 5,865,096
Contributions as a percentage of covered payroll	14.00%	14.00%	13.50%	13.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 817,499	\$ 821,307	\$ 777,221	\$ 804,251	\$ 753,816	\$ 744,324
<u>(817,499)</u>	<u>(821,307)</u>	<u>(777,221)</u>	<u>(804,251)</u>	<u>(753,816)</u>	<u>(744,324)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,839,279	\$ 5,866,479	\$ 5,896,973	\$ 5,802,677	\$ 5,446,647	\$ 5,534,007
14.00%	14.00%	13.18%	13.86%	13.84%	13.45%

**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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 2,828,740	\$ 2,840,179	\$ 2,848,581	\$ 2,799,998
Contributions in relation to the contractually required contribution	<u>(2,828,740)</u>	<u>(2,840,179)</u>	<u>(2,848,581)</u>	<u>(2,799,998)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 20,205,286	\$ 20,286,993	\$ 20,347,007	\$ 19,999,986
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 2,657,390	\$ 2,578,507	\$ 2,716,595	\$ 2,472,882	\$ 2,531,507	\$ 2,610,544
<u>(2,657,390)</u>	<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>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 18,981,357	\$ 18,417,907	\$ 19,404,250	\$ 19,022,169	\$ 19,473,131	\$ 20,081,108
14.00%	14.00%	14.00%	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 FIVE FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability	0.17116190%	0.17698010%	0.17565440%	0.19392350%
District's proportionate share of the net OPEB liability	\$ 3,719,908	\$ 4,450,677	\$ 4,873,128	\$ 5,204,397
District's covered payroll	\$ 5,830,564	\$ 5,959,681	\$ 5,865,096	\$ 5,839,279
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	63.80%	74.68%	83.09%	89.13%
Plan fiduciary net position as a percentage of the total OPEB liability	18.17%	15.57%	13.57%	12.46%

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

2017

0.19129859%

\$ 5,452,717

\$ 5,866,479

92.95%

11.49%

**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 FIVE FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability/asset	0.16791495%	0.17183718%	0.17356329%	0.17246630%
District's proportionate share of the net OPEB liability/(asset)	\$ (2,951,104)	\$ (2,846,036)	\$ (2,788,985)	\$ 6,728,999
District's covered payroll	\$ 20,286,993	\$ 20,347,007	\$ 19,999,986	\$ 18,981,357
District's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	14.55%	13.99%	13.94%	35.45%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	182.10%	174.70%	176.00%	47.10%

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

2017

0.17621474%

\$ 9,424,010

\$ 18,417,907

51.17%

37.30%

**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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 111,069	\$ 111,544	\$ 136,556	\$ 125,167
Contributions in relation to the contractually required contribution	<u>(111,069)</u>	<u>(111,544)</u>	<u>(136,556)</u>	<u>(125,167)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 5,843,643	\$ 5,830,564	\$ 5,959,681	\$ 5,865,096
Contributions as a percentage of covered payroll	1.90%	1.91%	2.29%	2.13%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 100,456	\$ 95,488	\$ 147,614	\$ 101,901	\$ 92,724	\$ 115,140
<u>(100,456)</u>	<u>(95,488)</u>	<u>(147,614)</u>	<u>(101,901)</u>	<u>(92,724)</u>	<u>(115,140)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,839,279	\$ 5,866,479	\$ 5,896,973	\$ 5,802,677	\$ 5,446,647	\$ 5,534,007
1.72%	1.63%	2.50%	1.76%	1.70%	2.08%

**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>2019</u>	<u>2018</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	\$ 20,205,286	\$ 20,286,993	\$ 20,347,007	\$ 19,999,986
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ -	\$ -	\$ -	\$ 194,278	\$ 194,731	\$ 200,811
-	-	-	(194,278)	(194,731)	(200,811)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 18,981,357	\$ 18,417,907	\$ 19,404,250	\$ 19,022,169	\$ 19,473,131	\$ 20,081,108
0.00%	0.00%	0.00%	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, 2021

PENSION

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 2019-2021.

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 2018-2021.

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 2019-2021.

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 2019-2021.

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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 2017-2021.

(Continued)

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

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

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%. For fiscal year 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.22% to 2.63% and (b) the municipal bond index rate decreased from 3.13% to 2.45%.

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 increased 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. For fiscal year 2021, the non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

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) 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. For fiscal year 2021, health care cost trend rates were changed to the following: medical pre-Medicare from 5.87% initial - 4.00% ultimate down to 5.00% initial - 4.00% ultimate; medical Medicare from 4.93% initial - 4.00% ultimate down to 9.62% initial - 4.00% ultimate up to 11.87% initial - 4.00% ultimate.

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**COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES**

**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.

Unclaimed Monies

Section 9.39, Revised Code

To account for unclaimed funds that are legally required to be maintained for five years.

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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Public School Support			
Total revenues and other sources	\$ 70,676	\$ 70,740	\$ 64
Total expenditures and other uses	<u>154,271</u>	<u>152,844</u>	<u>1,427</u>
Net change in fund balance	(83,595)	(82,104)	1,491
Fund balance at beginning of year	256,750	256,750	-
Prior year encumbrances appropriated	<u>691</u>	<u>691</u>	<u>-</u>
Fund balance at end of year	<u>\$ 173,846</u>	<u>\$ 175,337</u>	<u>\$ 1,491</u>
Miscellaneous General Fund			
Total revenues and other sources	\$ 1,815	\$ 1,815	\$ -
Total expenditures and other uses	<u>700</u>	<u>700</u>	<u>-</u>
Net change in fund balance	1,115	1,115	-
Fund balance at beginning of year	7,956	7,956	-
Prior year encumbrances appropriated	<u>252</u>	<u>252</u>	<u>-</u>
Fund balance at end of year	<u>\$ 9,323</u>	<u>\$ 9,323</u>	<u>\$ -</u>
BWC Rebate			
Total expenditures and other uses	<u>\$ 146,758</u>	<u>\$ 146,758</u>	<u>\$ -</u>
Net change in fund balance	(146,758)	(146,758)	-
Fund balance at beginning of year	<u>391,189</u>	<u>391,189</u>	<u>-</u>
Fund balance at end of year	<u>\$ 244,431</u>	<u>\$ 244,431</u>	<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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Unclaimed Monies			
Total revenues and other sources	\$ 4,145	\$ 4,145	\$ -
Net change in fund balance	4,145	4,145	-
Fund balance at beginning of year	<u>13,254</u>	<u>13,254</u>	<u>-</u>
Fund balance at end of year	<u>\$ 17,399</u>	<u>\$ 17,399</u>	<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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Bond Retirement			
Total revenues and other sources	\$ 3,340,314	\$ 3,340,314	\$ -
Total expenditures and other uses	<u>3,108,462</u>	<u>3,108,462</u>	<u>-</u>
Net change in fund balance	231,852	231,852	-
Fund balance at beginning of year	<u>3,354,349</u>	<u>3,354,349</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,586,201</u>	<u>\$ 3,586,201</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.

Supporting Effective Instruction 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.

Elementary and Secondary School Emergency Relief (ESSER) Catalog of Federal Domestic Assistance #84.425D

A fund used to account for emergency relief grants to school districts related to the COVID-19 pandemic. Restrictions include, but are not limited to, providing for coordination of preparedness and response efforts, training and professional development of staff, planning and coordination during long-term closure, and purchasing technology for students.

Coronavirus Relief Catalog of Federal Domestic Assistance #21.019

A fund used to cover costs that are necessary expenditures incurred due to the public health emergency related to the COVID-19 pandemic.

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

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, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Equity in pooled cash and investments	\$ 4,918,701	\$ 6,302,642	\$ 11,221,343
Receivables:			
Property taxes	270,032	-	270,032
Accounts	2,761	-	2,761
Intergovernmental	854,595	-	854,595
Materials and supplies inventory	8,511	-	8,511
Inventory held for resale	27,130	-	27,130
Total assets	<u>\$ 6,081,730</u>	<u>\$ 6,302,642</u>	<u>\$ 12,384,372</u>
Liabilities:			
Accounts payable	\$ 15,097	\$ 28,400	\$ 43,497
Accrued wages and benefits	466,108	-	466,108
Intergovernmental payable	6,822	-	6,822
Pension and postemployment benefits payable	109,951	-	109,951
Interfund loans payable	110	-	110
Due to other funds	485,076	-	485,076
Total liabilities	<u>1,083,164</u>	<u>28,400</u>	<u>1,111,564</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	241,532	-	241,532
Delinquent property tax revenue not available	23,707	-	23,707
Intergovernmental revenue not available	92,278	-	92,278
Total deferred inflows of resources	<u>357,517</u>	<u>-</u>	<u>357,517</u>
Fund balances:			
Nonspendable:			
Materials and supplies inventory	8,511	-	8,511
Restricted:			
Capital improvements	-	2,056,118	2,056,118
Classroom facilities maintenance	3,526,148	-	3,526,148
Food service operations	618,177	-	618,177
State funded programs	1,458	-	1,458
Federally funded programs	141,115	-	141,115
Extracurricular activities	315,499	-	315,499
Other purposes	167,130	-	167,130
Committed:			
Capital improvements	-	3,218,124	3,218,124
Extracurricular activities	3,044	-	3,044
Assigned:			
Capital improvements	-	1,000,000	1,000,000
Unassigned (deficit)	(140,033)	-	(140,033)
Total fund balances	<u>4,641,049</u>	<u>6,274,242</u>	<u>10,915,291</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 6,081,730</u>	<u>\$ 6,302,642</u>	<u>\$ 12,384,372</u>

**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, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Property taxes	\$ 250,729	\$ -	\$ 250,729
Intergovernmental	6,697,162	-	6,697,162
Investment earnings	1,615	-	1,615
Extracurricular	282,749	-	282,749
Rental income	58,011	-	58,011
Charges for services	152,365	-	152,365
Contributions and donations	170,229	-	170,229
Miscellaneous	131,002	-	131,002
Total revenues	<u>7,743,862</u>	<u>-</u>	<u>7,743,862</u>
Expenditures:			
Current:			
Instruction:			
Regular	1,139,446	-	1,139,446
Special	1,569,022	-	1,569,022
Vocational	19,900	-	19,900
Support services:			
Pupil	1,211,789	-	1,211,789
Instructional staff	289,207	-	289,207
Administration	92,278	-	92,278
Fiscal	5,156	-	5,156
Operations and maintenance	698,499	33,787	732,286
Central	18,252	-	18,252
Operation of non-instructional services:			
Food service operations	1,807,592	-	1,807,592
Other non-instructional services	8,514	-	8,514
Extracurricular activities	457,993	-	457,993
Facilities acquisition and construction	-	105,663	105,663
Total expenditures	<u>7,317,648</u>	<u>139,450</u>	<u>7,457,098</u>
Excess (deficiency) of revenues over (under) expenditures	<u>426,214</u>	<u>(139,450)</u>	<u>286,764</u>
Other financing sources:			
Transfers in	-	1,000,000	1,000,000
Net change in fund balances	426,214	860,550	1,286,764
Fund balances at beginning of year	4,206,041	5,413,692	9,619,733
Change in reserve for inventory	8,794	-	8,794
Fund balances at end of year	<u>\$ 4,641,049</u>	<u>\$ 6,274,242</u>	<u>\$ 10,915,291</u>

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	<u>Food Service</u>	<u>Other Grants</u>	<u>Miscellaneous Grants</u>	<u>Classroom Facilities Maintenance</u>
Assets:				
Equity in pooled cash and investments	\$ 756,354	\$ 167,917	\$ 4,334	\$ 3,521,355
Receivables:				
Property taxes	-	-	-	270,032
Accounts	-	-	-	-
Intergovernmental	29,943	-	-	-
Materials and supplies inventory	8,511	-	-	-
Inventory held for resale	27,130	-	-	-
Total assets	<u>\$ 821,938</u>	<u>\$ 167,917</u>	<u>\$ 4,334</u>	<u>\$ 3,791,387</u>
Liabilities:				
Accounts payable	\$ 3,462	\$ -	\$ -	\$ -
Accrued wages and benefits	140,189	787	-	-
Intergovernmental payable	1,341	-	1,290	-
Pension and postemployment benefits payable	50,258	-	-	-
Interfund loans payable	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>195,250</u>	<u>787</u>	<u>1,290</u>	<u>-</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	241,532
Delinquent property tax revenue not available	-	-	-	23,707
Intergovernmental revenue not available	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>265,239</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	8,511	-	-	-
Restricted:				
Classroom facilities maintenance	-	-	-	3,526,148
Food service operations	618,177	-	-	-
State funded programs	-	-	-	-
Federally funded programs	-	-	-	-
Extracurricular activities	-	-	-	-
Other purposes	-	167,130	-	-
Committed:				
Extracurricular activities	-	-	3,044	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficits)	<u>626,688</u>	<u>167,130</u>	<u>3,044</u>	<u>3,526,148</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 821,938</u>	<u>\$ 167,917</u>	<u>\$ 4,334</u>	<u>\$ 3,791,387</u>

<u>District Managed Student Activity</u>	<u>Student Managed Activity</u>	<u>Miscellaneous State Grants</u>	<u>Title VI-B</u>	<u>Title I</u>	<u>Supporting Effective Instruction</u>	<u>Miscellaneous Federal Grants</u>
\$ 216,747	\$ 109,680	\$ 1,458	\$ -	\$ -	\$ -	\$ 140,856
-	-	-	-	-	-	-
2,111	650	-	-	-	-	-
-	-	-	138,617	80,384	12,692	13,075
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 218,858</u>	<u>\$ 110,330</u>	<u>\$ 1,458</u>	<u>\$ 138,617</u>	<u>\$ 80,384</u>	<u>\$ 12,692</u>	<u>\$ 153,931</u>
\$ 11,635	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	137,139	55,388	5,202	10,688
-	-	-	1,734	620	45	99
1,944	-	-	16,804	7,833	982	955
110	-	-	-	-	-	-
-	-	-	41,792	15,463	1,531	-
<u>13,689</u>	<u>-</u>	<u>-</u>	<u>197,469</u>	<u>79,304</u>	<u>7,760</u>	<u>11,742</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	58,923	23,338	3,615	2,391
-	-	-	58,923	23,338	3,615	2,391
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	1,458	-	-	-	-
-	-	-	-	-	1,317	139,798
205,169	110,330	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	(117,775)	(22,258)	-	-
<u>205,169</u>	<u>110,330</u>	<u>1,458</u>	<u>(117,775)</u>	<u>(22,258)</u>	<u>1,317</u>	<u>139,798</u>
<u>\$ 218,858</u>	<u>\$ 110,330</u>	<u>\$ 1,458</u>	<u>\$ 138,617</u>	<u>\$ 80,384</u>	<u>\$ 12,692</u>	<u>\$ 153,931</u>

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2021

	<u>ESSER</u>	<u>Coronavirus Relief</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets:			
Equity in pooled cash and investments	\$ -	\$ -	\$ 4,918,701
Receivables:			
Property taxes	-	-	270,032
Accounts	-	-	2,761
Intergovernmental	575,873	4,011	854,595
Materials and supplies inventory	-	-	8,511
Inventory held for resale	-	-	27,130
Total assets	<u>\$ 575,873</u>	<u>\$ 4,011</u>	<u>\$ 6,081,730</u>
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 15,097
Accrued wages and benefits	116,715	-	466,108
Intergovernmental payable	1,693	-	6,822
Pension and postemployment benefits payable	31,175	-	109,951
Interfund loans payable	-	-	110
Due to other funds	426,290	-	485,076
Total liabilities	<u>575,873</u>	<u>-</u>	<u>1,083,164</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	-	-	241,532
Delinquent property tax revenue not available	-	-	23,707
Intergovernmental revenue not available	-	4,011	92,278
Total deferred inflows of resources	<u>-</u>	<u>4,011</u>	<u>357,517</u>
Fund balances:			
Nonspendable:			
Materials and supplies inventory	-	-	8,511
Restricted:			
Classroom facilities maintenance	-	-	3,526,148
Food service operations	-	-	618,177
State funded programs	-	-	1,458
Federally funded programs	-	-	141,115
Extracurricular activities	-	-	315,499
Other purposes	-	-	167,130
Committed:			
Extracurricular activities	-	-	3,044
Unassigned (deficit)	-	-	(140,033)
Total fund balances (deficits)	<u>-</u>	<u>-</u>	<u>4,641,049</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 575,873</u>	<u>\$ 4,011</u>	<u>\$ 6,081,730</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
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Food Service	Other Grants	Miscellaneous Grants	Classroom Facilities Maintenance
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ 250,729
Intergovernmental	1,810,956	8,740	-	91,302
Investment earnings	1,615	-	-	-
Extracurricular	-	-	-	-
Rental income	-	-	-	-
Charges for services	152,365	-	-	-
Contributions and donations	1,500	9,538	-	-
Miscellaneous	510	20,750	30,032	-
Total revenues	1,966,946	39,028	30,032	342,031
Expenditures:				
Current:				
Instruction:				
Regular	-	18,194	-	-
Special	-	-	-	-
Vocational	-	2,006	-	-
Support services:				
Pupil	-	2,532	-	-
Instructional staff	-	2,200	36,356	-
Administration	-	-	-	-
Fiscal	-	-	-	5,156
Operations and maintenance	-	-	-	62,823
Central	-	-	-	-
Operation of non-instructional services:				
Food service operations	1,807,592	-	-	-
Other non-instructional services	-	-	-	-
Extracurricular activities	800	-	-	-
Total expenditures	1,808,392	24,932	36,356	67,979
Net change in fund balances	158,554	14,096	(6,324)	274,052
Fund balances (deficits)				
at beginning of year	459,340	153,034	9,368	3,252,096
Change in reserve for inventory	8,794	-	-	-
Fund balances (deficits) at end of year	\$ 626,688	\$ 167,130	\$ 3,044	\$ 3,526,148

<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>Limited English Proficiency</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	7,200	1,264,913	-	907,612	5,556
-	-	-	-	-	-	-
201,739	81,010	-	-	-	-	-
58,011	-	-	-	-	-	-
-	-	-	-	-	-	-
159,191	-	-	-	-	-	-
62,739	16,971	-	-	-	-	-
<u>481,680</u>	<u>97,981</u>	<u>7,200</u>	<u>1,264,913</u>	<u>-</u>	<u>907,612</u>	<u>5,556</u>
-	-	-	219,217	-	-	-
-	-	-	-	-	757,543	-
-	-	-	-	-	-	-
-	-	-	810,719	-	-	-
-	-	-	-	-	130,654	5,556
-	-	-	-	-	92,278	-
-	-	-	-	-	-	-
-	-	-	156,089	-	-	-
-	-	7,200	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
373,158	84,035	-	-	-	-	-
<u>373,158</u>	<u>84,035</u>	<u>7,200</u>	<u>1,186,025</u>	<u>-</u>	<u>980,475</u>	<u>5,556</u>
108,522	13,946	-	78,888	-	(72,863)	-
96,647	96,384	-	(78,888)	1,458	(44,912)	-
-	-	-	-	-	-	-
<u>\$ 205,169</u>	<u>\$ 110,330</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,458</u>	<u>\$ (117,775)</u>	<u>\$ -</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, 2021

	<u>Title I</u>	<u>IDEA Handicapped Preschool</u>	<u>Supporting Effective Instruction</u>	<u>Miscellaneous Federal Grants</u>
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	847,439	14,880	133,520	100,523
Investment earnings	-	-	-	-
Extracurricular	-	-	-	-
Rental income	-	-	-	-
Charges for services	-	-	-	-
Contributions and donations	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>847,439</u>	<u>14,880</u>	<u>133,520</u>	<u>100,523</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	-	15,847	41,686
Special	765,779	14,880	-	30,820
Vocational	17,894	-	-	-
Support services:				
Pupil	128,962	-	-	89,544
Instructional staff	-	-	111,734	2,707
Administration	-	-	-	-
Fiscal	-	-	-	-
Operations and maintenance	-	-	-	-
Central	-	-	-	11,052
Operation of non-instructional services:				
Food service operations	-	-	-	-
Other non-instructional services	8,114	-	-	-
Extracurricular activities	-	-	-	-
Total expenditures	<u>920,749</u>	<u>14,880</u>	<u>127,581</u>	<u>175,809</u>
Net change in fund balances	(73,310)	-	5,939	(75,286)
Fund balances (deficits) at beginning of year	51,052	-	(4,622)	215,084
Change in reserve for inventory	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits) at end of year	<u>\$ (22,258)</u>	<u>\$ -</u>	<u>\$ 1,317</u>	<u>\$ 139,798</u>

ESSER	Coronavirus Relief	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ 250,729
1,256,686	247,835	6,697,162
-	-	1,615
-	-	282,749
-	-	58,011
-	-	152,365
-	-	170,229
-	-	131,002
<u>1,256,686</u>	<u>247,835</u>	<u>7,743,862</u>
832,352	12,150	1,139,446
-	-	1,569,022
-	-	19,900
-	180,032	1,211,789
-	-	289,207
-	-	92,278
-	-	5,156
423,934	55,653	698,499
-	-	18,252
-	-	1,807,592
400	-	8,514
-	-	457,993
<u>1,256,686</u>	<u>247,835</u>	<u>7,317,648</u>
-	-	426,214
-	-	4,206,041
-	-	8,794
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,641,049</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Food Service			
Total revenues and other sources	\$ 1,799,631	\$ 1,799,639	\$ 8
Total expenditures and other uses	<u>1,815,633</u>	<u>1,715,388</u>	<u>100,245</u>
Net change in fund balance	(16,002)	84,251	100,253
Fund balance at beginning of year	621,941	621,941	-
Prior year encumbrances appropriated	<u>2,813</u>	<u>2,813</u>	<u>-</u>
Fund balance at end of year	<u>\$ 608,752</u>	<u>\$ 709,005</u>	<u>\$ 100,253</u>
Other Grants			
Total revenues and other sources	\$ 39,028	\$ 39,028	\$ -
Total expenditures and other uses	<u>25,281</u>	<u>37,910</u>	<u>(12,629)</u>
Net change in fund balance	13,747	1,118	(12,629)
Fund balance at beginning of year	164,871	164,871	-
Prior year encumbrances appropriated	<u>1,345</u>	<u>1,345</u>	<u>-</u>
Fund balance at end of year	<u>\$ 179,963</u>	<u>\$ 167,334</u>	<u>\$ (12,629)</u>
Miscellaneous Grants			
Total revenues and other sources	\$ 30,032	\$ 30,032	\$ -
Total expenditures and other uses	<u>36,630</u>	<u>36,630</u>	<u>-</u>
Net change in fund balance	(6,598)	(6,598)	-
Fund balance at beginning of year	<u>10,932</u>	<u>10,932</u>	<u>-</u>
Fund balance at end of year	<u>\$ 4,334</u>	<u>\$ 4,334</u>	<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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Classroom Facilities Maintenance			
Total revenues and other sources	\$ 349,875	\$ 349,875	\$ -
Total expenditures and other uses	<u>74,652</u>	<u>69,653</u>	<u>4,999</u>
Net change in fund balance	275,223	280,222	4,999
Fund balance at beginning of year	3,235,569	3,235,569	-
Prior year encumbrances appropriated	<u>5,564</u>	<u>5,564</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,516,356</u>	<u>\$ 3,521,355</u>	<u>\$ 4,999</u>
District Managed Student Activity			
Total revenues and other sources	\$ 437,760	\$ 438,257	\$ 497
Total expenditures and other uses	<u>362,628</u>	<u>348,546</u>	<u>14,082</u>
Net change in fund balance	75,132	89,711	14,579
Fund balance at beginning of year	82,859	82,859	-
Prior year encumbrances appropriated	<u>649</u>	<u>649</u>	<u>-</u>
Fund balance at end of year	<u>\$ 158,640</u>	<u>\$ 173,219</u>	<u>\$ 14,579</u>
Student Managed Activities			
Total revenues and other sources	\$ 107,157	\$ 107,166	\$ 9
Total expenditures and other uses	<u>85,063</u>	<u>93,752</u>	<u>(8,689)</u>
Net change in fund balance	22,094	13,414	(8,680)
Fund balance at beginning of year	94,366	94,366	-
Prior year encumbrances appropriated	<u>1,900</u>	<u>1,900</u>	<u>-</u>
Fund balance at end of year	<u>\$ 118,360</u>	<u>\$ 109,680</u>	<u>\$ (8,680)</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
OneNet Subsidy			
Total revenues and other sources	\$ 7,200	\$ 7,200	\$ -
Total expenditures and other uses	<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>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Student Wellness and Success			
Total revenues and other sources	\$ 1,264,913	\$ 1,264,913	\$ -
Total expenditures and other uses	<u>1,354,698</u>	<u>1,354,698</u>	<u>-</u>
Net change in fund balance	(89,785)	(89,785)	-
Fund balance at beginning of year	<u>89,785</u>	<u>89,785</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Miscellaneous State Grants			
Fund balance at beginning of year	<u>\$ 1,458</u>	<u>\$ 1,458</u>	<u>\$ -</u>
Fund balance at end of year	<u><u>\$ 1,458</u></u>	<u><u>\$ 1,458</u></u>	<u><u>\$ -</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Title VI-B			
Total revenues and other sources	\$ 1,147,490	\$ 1,008,873	\$ (138,617)
Total expenditures and other uses	<u>1,083,216</u>	<u>986,391</u>	<u>96,825</u>
Net change in fund balance	64,274	22,482	(41,792)
Fund balance (deficit) at beginning of year	<u>(64,274)</u>	<u>(64,274)</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (41,792)</u>	<u>\$ (41,792)</u>
Limited English Proficiency			
Total revenues and other sources	\$ 5,556	\$ 5,556	\$ -
Total expenditures and other uses	<u>5,556</u>	<u>5,556</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance (deficit) at beginning of year	(7,300)	(7,300)	-
Prior year encumbrances appropriated	<u>7,300</u>	<u>7,300</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Title I			
Total revenues and other sources	\$ 1,321,841	\$ 963,736	\$ (358,105)
Total expenditures and other uses	<u>1,289,978</u>	<u>948,616</u>	<u>341,362</u>
Net change in fund balance	31,863	15,120	(16,743)
Fund balance (deficit) at beginning of year	(111,763)	(111,763)	-
Prior year encumbrances appropriated	<u>79,900</u>	<u>79,900</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (16,743)</u>	<u>\$ (16,743)</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
IDEA Handicapped Preschool			
Total revenues and other sources	\$ 14,880	\$ 14,880	\$ -
Total expenditures and other uses	<u>14,880</u>	<u>14,880</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Supporting Effective Instruction			
Total revenues and other sources	\$ 224,611	\$ 140,760	\$ (83,851)
Total expenditures and other uses	<u>219,048</u>	<u>137,575</u>	<u>81,473</u>
Net change in fund balance	5,563	3,185	(2,378)
Fund balance (deficit) at beginning of year	<u>(4,716)</u>	<u>(4,716)</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 847</u>	<u>\$ (1,531)</u>	<u>\$ (2,378)</u>
Miscellaneous Federal Grants			
Total revenues and other sources	\$ 149,499	\$ 93,881	\$ (55,618)
Total expenditures and other uses	<u>241,410</u>	<u>178,280</u>	<u>63,130</u>
Net change in fund balance	(91,911)	(84,399)	7,512
Fund balance at beginning of year	208,165	208,165	-
Prior year encumbrances appropriated	<u>9,947</u>	<u>9,947</u>	<u>-</u>
Fund balance at end of year	<u>\$ 126,201</u>	<u>\$ 133,713</u>	<u>\$ 7,512</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
ESSER			
Total revenues and other sources	\$ 3,651,164	\$ 680,813	\$ (2,970,351)
Total expenditures and other uses	<u>3,651,164</u>	<u>1,529,347</u>	<u>2,121,817</u>
Net change in fund balance	-	(848,534)	(848,534)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (848,534)</u>	<u>\$ (848,534)</u>
Coronavirus Relief			
Total revenues and other sources	\$ 376,839	\$ 247,835	\$ (129,004)
Total expenditures and other uses	<u>376,839</u>	<u>257,502</u>	<u>119,337</u>
Net change in fund balance	-	(9,667)	(9,667)
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>\$ (9,667)</u>	<u>\$ (9,667)</u>

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

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2021

	Permanent Improvement	Building	Capital Projects	Total Nonmajor Capital Projects Funds
Assets:				
Equity in pooled cash and investments	\$ 2,958,804	\$ 125,714	\$ 3,218,124	\$ 6,302,642
Liabilities:				
Accounts payable	\$ 28,400	\$ -	\$ -	\$ 28,400
Fund balances:				
Restricted:				
Capital improvements	1,930,404	125,714	-	2,056,118
Committed:				
Capital improvements	-	-	3,218,124	3,218,124
Assigned:				
Capital improvements	1,000,000	-	-	1,000,000
Total fund balances	2,930,404	125,714	3,218,124	6,274,242
Total liabilities and fund balances	\$ 2,958,804	\$ 125,714	\$ 3,218,124	\$ 6,302,642

**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, 2021

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Capital Projects</u>	<u>Total Nonmajor Capital Projects Funds</u>
Expenditures:				
Current:				
Support services:				
Operations and maintenance	\$ 33,787	\$ -	\$ -	\$ 33,787
Facilities acquisition and construction	25,046	-	80,617	105,663
Total expenditures	<u>58,833</u>	<u>-</u>	<u>80,617</u>	<u>139,450</u>
Excess of expenditures over revenues	<u>(58,833)</u>	<u>-</u>	<u>(80,617)</u>	<u>(139,450)</u>
Other financing sources:				
Transfers in	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
Net change in fund balances	941,167	-	(80,617)	860,550
Fund balances at beginning of year	<u>1,989,237</u>	<u>125,714</u>	<u>3,298,741</u>	<u>5,413,692</u>
Fund balances at end of year	<u>\$ 2,930,404</u>	<u>\$ 125,714</u>	<u>\$ 3,218,124</u>	<u>\$ 6,274,242</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Permanent Improvement			
Total revenues and other sources	\$ 1,000,000	\$ 1,000,000	\$ -
Total expenditures and other uses	<u>42,133</u>	<u>30,433</u>	<u>11,700</u>
Net change in fund balance	957,867	969,567	11,700
Fund balance at beginning of year	1,981,018	1,981,018	-
Prior year encumbrances appropriated	<u>8,219</u>	<u>8,219</u>	<u>-</u>
Fund balance at end of year	<u>\$ 2,947,104</u>	<u>\$ 2,958,804</u>	<u>\$ 11,700</u>
Building			
Fund balance at beginning of year	<u>\$ 125,714</u>	<u>\$ 125,714</u>	<u>\$ -</u>
Fund balance at end of year	<u>\$ 125,714</u>	<u>\$ 125,714</u>	<u>\$ -</u>
Capital Projects			
Total expenditures and other uses	<u>\$ 110,617</u>	<u>\$ 80,617</u>	<u>\$ 30,000</u>
Net change in fund balance	(110,617)	(80,617)	30,000
Fund balance at beginning of year	3,202,151	3,202,151	-
Prior year encumbrances appropriated	<u>96,590</u>	<u>96,590</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,188,124</u>	<u>\$ 3,218,124</u>	<u>\$ 30,000</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Special Enterprise			
Total revenues	\$ 3,142	\$ 3,142	\$ -
Total expenses	<u>6,742</u>	<u>6,372</u>	<u>370</u>
Net change in fund balance	(3,600)	(3,230)	370
Fund balance at beginning of year	<u>9,139</u>	<u>9,139</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 5,539</u></u>	<u><u>\$ 5,909</u></u>	<u><u>\$ 370</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 CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Tournament	Scholarship	Total Custodial Funds
Additions:			
Earnings on investments	\$ -	\$ 360	\$ 360
Contributions and donations	-	17,770	17,770
Total additions	-	18,130	18,130
Deductions:			
Other custodial fund disbursements	6,480	-	6,480
Scholarships awarded	-	8,281	8,281
Total deductions	6,480	8,281	14,761
Change in net position	(6,480)	9,849	3,369
Net position at beginning of year	6,480	116,985	123,465
Net position at end of year	\$ -	\$ 126,834	\$ 126,834

**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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Tournament			
Total revenues and other sources	\$ 48,081	\$ 48,081	\$ -
Total expenditures and other uses	<u>27,134</u>	<u>27,134</u>	<u>-</u>
Net change in fund balance	20,947	20,947	-
Fund balance at beginning of year	<u>6,480</u>	<u>6,480</u>	<u>-</u>
Fund balance at end of year	<u>\$ 27,427</u>	<u>\$ 27,427</u>	<u>\$ -</u>
Scholarship			
Total revenues and other sources	\$ 16,628	\$ 18,130	\$ 1,502
Total expenditures and other uses	<u>17,424</u>	<u>17,424</u>	<u>-</u>
Net change in fund balance	(796)	706	1,502
Fund balance at beginning of year	112,042	112,042	-
Prior year encumbrances appropriated	<u>14,086</u>	<u>14,086</u>	<u>-</u>
Fund balance at end of year	<u>\$ 125,332</u>	<u>\$ 126,834</u>	<u>\$ 1,502</u>

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STATISTICAL SECTION

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

STATISTICAL SECTION

This part of the Austintown Local School District's annual comprehensive 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.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	146-159
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	160-165
Debt Capacity 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.	166-169
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	170-171
Operating Information 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.	172-183

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

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Governmental activities:				
Net investment in capital assets	\$ 24,805,967	\$ 26,050,250	\$ 27,594,333	\$ 30,042,378
Restricted	14,285,268	13,378,864	12,076,768	11,108,296
Unrestricted (deficit)	(36,835,618)	(37,295,903)	(38,066,990)	(46,546,373)
Total governmental activities net position	<u>2,255,617</u>	<u>2,133,211</u>	<u>1,604,111</u>	<u>(5,395,699)</u>
Business-type activities:				
Investment in capital assets	-	170	511	852
Unrestricted	(16,351)	(11,162)	15,891	53,384
Total governmental activities net position	<u>(16,351)</u>	<u>(10,992)</u>	<u>16,402</u>	<u>54,236</u>
Primary government:				
Net investment in capital assets	24,805,967	26,050,420	27,594,844	30,043,230
Restricted	14,285,268	13,378,864	12,076,768	11,108,296
Unrestricted (deficit)	(36,851,969)	(37,307,065)	(38,051,099)	(46,492,989)
Total net position - primary government	<u>\$ 2,239,266</u>	<u>\$ 2,122,219</u>	<u>\$ 1,620,513</u>	<u>\$ (5,341,463)</u>

Source: District financial records.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 27,599,557	\$ 29,045,461	\$ 29,351,797	\$ 29,743,734	\$ 31,791,028	\$ 21,302,378
9,859,803	6,567,781	5,652,682	4,200,520	4,589,989	15,611,971
(66,369,267)	(52,464,252)	(56,462,790)	(58,365,762)	4,063,854	2,812,283
<u>(28,909,907)</u>	<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>
20,745	24,176	20,857	24,518	16,489	21,723
55,401	75,540	80,822	86,419	79,163	33,237
<u>76,146</u>	<u>99,716</u>	<u>101,679</u>	<u>110,937</u>	<u>95,652</u>	<u>54,960</u>
27,620,302	29,069,637	29,372,654	29,768,252	31,807,517	21,324,101
9,859,803	6,567,781	5,652,682	4,200,520	4,589,989	15,611,971
(66,313,866)	(52,388,712)	(56,381,968)	(58,279,343)	4,143,017	2,845,520
<u>\$ (28,833,761)</u>	<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>

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

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Expenses:				
Governmental activities:				
Instruction:				
Regular	\$ 24,098,358	\$ 22,983,429	\$ 19,218,005	\$ 10,424,769
Special	7,666,563	6,833,743	5,637,485	3,990,260
Vocational	238,624	115,242	167,764	57,871
Other	4,219,079	4,294,211	4,190,060	3,117,409
Support services:				
Pupil	3,355,300	3,255,570	2,911,631	1,767,133
Instructional staff	1,190,606	1,104,416	1,341,117	570,278
Board of education	63,395	55,187	49,783	70,354
Administration	3,633,897	4,082,165	3,399,037	2,194,107
Fiscal	1,160,425	1,236,180	999,999	659,954
Business	4,856	3,034	12,646	14,764
Operations and maintenance	4,334,194	4,105,114	4,069,824	3,237,215
Pupil transportation	2,214,498	2,149,967	2,040,927	1,277,316
Central	283,262	289,084	221,327	91,718
Operation of non-instructional services:				
Food service operations	2,026,018	1,973,527	1,902,154	1,334,301
Other non-instructional services	8,778	546	18,495	721
Extracurricular activities	1,628,037	1,679,387	1,401,546	729,298
Interest and fiscal charges	1,872,891	1,850,562	1,922,523	1,925,005
Total governmental activities expenses	<u>57,998,781</u>	<u>56,011,364</u>	<u>49,504,323</u>	<u>31,462,473</u>
Business-type activities:				
Special enterprise	8,241	39,308	69,784	38,028
Total business-type activities expenses	<u>8,241</u>	<u>39,308</u>	<u>69,784</u>	<u>38,028</u>
Total primary government expenses	<u>\$ 58,007,022</u>	<u>\$ 56,050,672</u>	<u>\$ 49,574,107</u>	<u>\$ 31,500,501</u>

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$	22,520,187	\$ 20,527,557	\$ 22,210,972	\$ 22,304,725	\$ 19,163,737	\$ 19,067,875
	6,262,278	5,500,588	6,134,578	6,170,417	5,922,687	6,170,894
	252,681	356,298	385,273	427,984	490,228	265,908
	2,923,523	2,925,009	2,441,428	2,150,753	2,064,679	1,735,218
	2,766,063	2,793,171	2,837,305	2,848,276	2,986,365	2,727,204
	1,047,596	945,108	997,171	759,210	1,512,809	1,276,998
	78,160	68,733	89,853	66,993	76,897	70,486
	4,577,641	4,380,475	4,398,169	4,332,735	3,910,556	3,611,879
	1,012,466	974,065	1,002,069	1,001,162	959,253	922,903
	3,816	3,299	2,404	2,252	2,766	1,579
	4,716,927	4,615,957	4,272,007	4,499,699	4,127,638	3,881,539
	2,256,766	2,026,410	2,125,452	1,886,764	2,104,974	2,524,356
	72,094	38,939	22,194	7,200	34,522	19,025
	2,059,632	2,208,041	2,578,874	2,556,366	2,478,956	2,175,771
	8,368	678	2,939	107,209	153,856	190,475
	1,164,038	1,224,315	1,129,455	1,176,115	1,031,889	1,021,988
	2,166,380	2,235,590	2,254,351	2,292,137	2,349,048	2,577,479
	<u>53,888,616</u>	<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>57,275</u>	<u>68,948</u>	<u>65,559</u>	<u>49,887</u>	<u>41,755</u>	<u>84,011</u>
	<u>57,275</u>	<u>68,948</u>	<u>65,559</u>	<u>49,887</u>	<u>41,755</u>	<u>84,011</u>
\$	<u>53,945,891</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>

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

CHANGES IN NET POSITION - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Program revenues:				
Governmental activities:				
Charges for services:				
Instruction:				
Regular	\$ 3,181,880	\$ 3,518,754	\$ 3,978,137	\$ 4,561,556
Special	251,882	269,015	215,536	112,746
Support services:				
Pupil	-	-	1,260	-
Instructional staff	30,032	25,348	16,743	27,946
Administration	50,471	123,725	209,648	188,500
Operations and maintenance	-	1,425	9,795	6,210
Pupil transportation	21,928	35,126	-	-
Operation of non-instructional services:				
Food service operations	152,875	423,881	653,123	653,104
Other non-instructional services	-	2,130	4,646	7,016
Extracurricular activities	420,470	407,843	496,763	375,041
Operating grants and contributions:				
Instruction:				
Regular	1,149,415	300,943	138,675	91,137
Special	4,166,957	4,008,375	3,513,144	4,061,080
Vocational	227,436	211,053	220,189	211,953
Support services:				
Pupil	1,217,725	1,013,166	4,398	32,710
Instructional staff	251,373	164,487	640,291	206,340
Administration	90,852	96,383	141,750	221,457
Fiscal	-	-	-	-
Operations and maintenance	646,058	68,990	25,658	1,671
Pupil transportation	95,614	81,961	73,232	119,307
Central	13,490	8,981	7,200	7,200
Operation of non-instructional services:				
Food service operations	1,814,071	1,340,274	1,457,471	1,412,865
Other non-instructional services	7,829	2,078	6,682	-
Extracurricular activities	167,231	100,939	2,055	9,242
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>13,957,589</u>	<u>12,229,877</u>	<u>11,843,246</u>	<u>12,405,890</u>
Business-type activities:				
Charges for services:				
Special enterprise	240	430	31,950	32,580
Operating grants and contributions:				
Special enterprise	2,642	-	-	-
Total business-type activities program revenues	<u>2,882</u>	<u>430</u>	<u>31,950</u>	<u>32,580</u>
Total primary government program revenues	<u>\$ 13,960,471</u>	<u>\$ 12,230,307</u>	<u>\$ 11,875,196</u>	<u>\$ 12,438,470</u>

	2017	2016	2015	2014	2013	2012
\$	4,771,471	\$ 4,637,764	\$ 4,262,415	\$ 4,207,608	\$ 3,555,056	\$ 3,262,906
	53,938	9,141	49,872	59,438	95,363	15,753
	440	3,360	6,335	25,901	150	-
	36,080	20,932	25,426	186	10,293	23,368
	215,261	227,544	223,013	231,750	266,897	229,342
	10,659	6,796	11,084	18,194	32,567	18,629
	4,386	-	40,130	40,967	50,950	4,484
	625,004	660,331	905,960	695,019	753,177	741,636
	766	987	1,164	4,957	776	769
	356,181	382,494	416,796	394,013	365,512	332,189
	109,087	103,752	94,951	93,764	91,927	143,448
	4,349,983	4,122,161	4,412,424	3,599,129	3,321,101	3,268,324
	211,637	44,814	27,143	29,347	69,315	69,315
	87,816	70,282	137,878	98,996	9,457	141,255
	213,661	221,806	244,042	230,462	231,297	452,485
	728,541	516,634	560,213	347,155	367,216	109,953
	448	142	1,261	1,496	429	7,553
	2,547	-	-	-	-	-
	102,217	69,048	86,915	107,458	121,610	242,773
	7,200	7,200	7,200	7,200	-	-
	1,480,306	1,401,261	1,309,934	1,344,807	1,389,443	1,273,355
	18,784	-	3,763	111,371	139,630	169,882
	1,712	1,933	5,907	1,109	2,883	13,501
	-	-	-	-	376,037	92,776
	-	-	1,017,866	-	-	-
	-	-	-	-	-	-
	-	165,000	-	-	-	-
	<u>13,388,125</u>	<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>
	33,705	41,985	56,301	65,172	62,417	64,885
	-	-	-	-	-	-
	<u>33,705</u>	<u>41,985</u>	<u>56,301</u>	<u>65,172</u>	<u>62,417</u>	<u>64,885</u>
\$	<u>13,421,830</u>	<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>

-- Continued

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

CHANGES IN NET POSITION - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net (expense)/revenue				
Governmental activities	\$ (44,041,192)	\$ (43,781,487)	\$ (37,661,077)	\$ (19,056,583)
Business-type activities	(5,359)	(38,878)	(37,834)	(5,448)
Total primary government net expense	<u>(44,046,551)</u>	<u>(43,820,365)</u>	<u>(37,698,911)</u>	<u>(19,062,031)</u>
General revenues and other changes in net position				
Governmental activities:				
Property taxes levied for:				
General purposes	17,290,215	17,474,796	16,946,575	16,866,792
Debt service	2,824,361	2,839,368	2,812,407	2,821,914
Classroom facilities maintenance	251,209	272,866	264,843	263,846
Grants and entitlements not restricted to specific programs	22,996,252	22,493,481	23,673,548	22,078,310
Grants and entitlements restricted for Ohio School Facilities Commission	-	-	-	-
Investment earnings	(82,454)	1,173,443	835,768	156,449
Gain on sale of capital assets	-	-	-	-
Miscellaneous	884,015	68,117	63,873	131,911
Transfers	-	(11,484)	-	-
Special item	-	-	-	-
Total governmental activities	<u>44,163,598</u>	<u>44,310,587</u>	<u>44,597,014</u>	<u>42,319,222</u>
Business-type activities:				
Miscellaneous	-	-	-	-
Transfers	-	11,484	-	-
Total business-type activities	<u>-</u>	<u>11,484</u>	<u>-</u>	<u>-</u>
Change in net position				
Governmental activities	122,406	529,100	6,935,937	23,262,639
Business-type activities	(5,359)	(27,394)	(37,834)	(5,448)
Total primary government	<u>\$ 117,047</u>	<u>\$ 501,706</u>	<u>\$ 6,898,103</u>	<u>\$ 23,257,191</u>

Source: District financial records.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ (40,500,491)	\$ (38,150,851)	\$ (39,032,802)	\$ (40,939,670)	\$ (38,119,774)	\$ (37,627,881)
(23,570)	(26,963)	(9,258)	15,285	20,662	(19,126)
<u>(40,524,061)</u>	<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>
16,475,545	16,518,175	16,077,123	15,398,511	15,557,798	15,764,653
2,723,873	2,728,615	2,703,334	2,725,756	2,737,581	2,780,185
258,588	259,979	250,259	246,618	244,149	249,048
22,180,062	22,224,730	22,772,715	21,208,581	20,008,694	20,556,806
-	793,118	-	-	-	-
20,548	8,710	5,633	3,479	28,692	124,079
1,484,030	-	-	-	-	-
75,219	249,825	186,935	53,352	281,099	18,140
-	(25,000)	-	-	(20,000)	(24,300)
-	-	-	(1,022,147)	-	-
<u>43,217,865</u>	<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>
-	-	-	-	30	1,146
-	25,000	-	-	20,000	24,300
-	25,000	-	-	20,030	25,446
2,717,374	4,607,301	2,963,197	(2,325,520)	718,239	1,840,730
(23,570)	(1,963)	(9,258)	15,285	40,692	6,320
<u>\$ 2,693,804</u>	<u>\$ 4,605,338</u>	<u>\$ 2,953,939</u>	<u>\$ (2,310,235)</u>	<u>\$ 758,931</u>	<u>\$ 1,847,050</u>

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

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General fund:				
Nonspendable	\$ 128,173	\$ 107,174	\$ 106,405	\$ 121,871
Restricted	28,116	28,114	28,073	1,429,684
Committed	-	-	22,585	727,417
Assigned	538,647	1,145,949	1,396,316	2,454,052
Unassigned	<u>9,111,120</u>	<u>7,569,728</u>	<u>5,273,565</u>	<u>920,739</u>
Total general fund	<u>\$ 9,806,056</u>	<u>\$ 8,850,965</u>	<u>\$ 6,826,944</u>	<u>\$ 5,653,763</u>
All other governmental funds:				
Nonspendable	\$ 8,511	\$ -	\$ -	\$ 4,085
Restricted	16,071,243	14,915,246	13,401,372	12,022,242
Committed	3,221,168	3,308,109	3,760,683	4,171,073
Assigned	1,000,000	-	-	-
Unassigned (deficit)	<u>(140,033)</u>	<u>(128,422)</u>	<u>(112,348)</u>	<u>(238,257)</u>
Total all other governmental funds	<u>\$ 20,160,889</u>	<u>\$ 18,094,933</u>	<u>\$ 17,049,707</u>	<u>\$ 15,959,143</u>

Source: District financial records.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 121,742	\$ 13,271	\$ 12,646	\$ 38,265	\$ 41,579	\$ 35,745
-	-	-	-	-	8,395
-	-	450,000	704,564	450,000	-
3,892,425	3,119,799	1,063,655	200,610	1,006,458	1,858,367
-	-	-	-	-	-
<u>\$ 4,014,167</u>	<u>\$ 3,133,070</u>	<u>\$ 1,526,301</u>	<u>\$ 943,439</u>	<u>\$ 1,498,037</u>	<u>\$ 1,902,507</u>
\$ 3,878	\$ -	\$ -	\$ 30,000	\$ 30,000	\$ 122,776
10,335,903	7,140,408	6,010,944	4,791,177	14,582,543	38,876,043
7,267,499	5,889,080	4,118,638	3,509,858	2,536,557	1,591,572
-	-	-	-	-	-
(224,302)	(271,792)	(353,842)	(62,812)	(172,212)	(173,051)
<u>\$ 17,382,978</u>	<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>

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

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Revenues				
Property taxes	\$ 20,304,254	\$ 20,532,615	\$ 20,052,316	\$ 19,815,070
Intergovernmental	32,591,564	29,836,775	30,202,679	28,852,570
Investment earnings	(77,527)	1,199,739	789,820	159,155
Tuition and fees	3,454,690	3,819,101	4,189,272	4,670,473
Extracurricular	333,520	449,329	655,131	536,357
Charges for services	152,365	424,278	612,589	654,095
Miscellaneous	1,216,403	277,307	464,852	159,612
Total revenues	<u>57,975,269</u>	<u>56,539,144</u>	<u>56,966,659</u>	<u>54,847,332</u>
Expenditures				
Current:				
Instruction:				
Regular	22,067,248	20,886,687	21,510,372	21,311,869
Special	7,337,749	6,597,101	6,177,407	6,434,344
Vocational	228,154	106,051	228,001	209,345
Other	4,219,079	4,294,211	4,190,060	3,117,409
Support services:				
Pupil	3,262,275	3,084,762	3,156,697	2,734,732
Instructional staff	1,077,921	1,077,379	1,464,510	986,245
Board of education	63,076	55,187	49,783	70,354
Administration	3,385,782	3,966,269	3,799,411	4,158,774
Fiscal	1,099,842	1,223,972	1,070,968	911,588
Business	2,608	786	10,397	14,764
Operations and maintenance	3,743,661	3,614,167	3,870,765	4,328,965
Pupil transportation	1,783,494	1,842,696	2,018,415	2,904,415
Central	280,024	288,009	221,327	91,718
Operation of non-instructional services:				
Food service operations	1,807,592	1,824,335	1,855,599	1,862,728
Other non-instructional services	8,514	3,866	18,495	6,439
Extracurricular activities	1,313,382	1,391,219	1,231,732	1,265,169
Facilities acquisitions and construction	105,663	375,275	832,291	2,878,241
Debt service:				
Principal retirement	1,537,473	1,325,208	1,281,481	1,100,004
Interest and fiscal charges	1,670,539	1,531,093	1,768,904	1,763,545
Issuance expenses	-	137,000	-	20,600
Total expenditures	<u>54,994,076</u>	<u>53,625,273</u>	<u>54,756,615</u>	<u>56,171,248</u>
Excess of revenues over (under) expenditures	\$ 2,981,193	\$ 2,913,871	\$ 2,210,044	\$ (1,323,916)

	2017	2016	2015	2014	2013	2012
\$	19,604,494	\$ 19,551,161	\$ 19,273,556	\$ 18,773,297	\$ 18,619,192	\$ 18,701,158
	29,046,615	29,513,040	30,510,006	27,355,981	28,339,511	40,813,291
	20,684	8,771	5,671	8,375	55,156	125,013
	4,821,064	4,641,463	4,309,814	4,263,800	3,650,462	3,263,694
	544,913	586,449	660,728	610,912	610,054	546,350
	625,770	661,318	905,124	695,849	753,953	742,405
	136,832	451,566	161,060	256,839	418,759	140,613
	<u>54,800,372</u>	<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>
	20,338,740	19,489,843	21,400,913	20,938,263	18,729,461	18,580,788
	5,894,953	5,351,774	6,051,218	5,930,474	5,819,119	6,091,849
	239,464	354,622	386,606	453,898	504,341	245,931
	2,923,523	2,925,009	2,441,428	2,150,753	2,064,679	1,735,218
	2,599,598	2,727,767	2,853,507	2,772,975	3,377,312	2,721,137
	949,414	872,949	903,498	624,205	1,416,437	1,186,546
	77,372	68,733	89,853	66,993	76,897	70,486
	4,308,218	4,318,853	4,400,906	4,157,479	3,823,407	3,523,827
	972,492	946,849	985,197	983,085	979,010	921,691
	3,816	3,299	2,404	2,252	2,766	1,579
	4,469,769	4,324,087	3,948,860	4,320,762	3,608,713	3,563,604
	1,912,685	1,803,446	3,065,357	1,729,875	1,930,052	2,408,338
	72,094	38,939	22,194	7,200	34,522	19,025
	1,891,961	2,053,105	2,460,143	2,328,982	2,481,898	2,092,702
	8,150	743	22,756	107,519	153,856	190,444
	1,008,919	1,109,372	1,002,985	964,507	894,706	911,501
	377,324	1,345,234	425,456	9,751,157	26,666,224	10,750,612
	1,008,596	952,232	1,120,976	1,754,757	1,343,595	1,060,015
	1,845,505	2,113,187	2,152,073	2,184,671	2,482,711	2,761,800
	241,192	-	-	-	-	260,989
	<u>51,143,785</u>	<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>
\$	3,656,587	\$ 4,613,725	\$ 2,089,629	\$ (9,264,754)	\$ (23,942,619)	\$ 5,234,442

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

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - (Continued)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Other financing sources (uses)				
Transfers in	\$ 1,038,614	\$ 97,674	\$ 161,445	\$ 545,251
Transfers (out)	(1,038,614)	(109,158)	(161,445)	(545,251)
Sale of assets	3,506	16,323	3,648	6,101
Insurance recoveries	27,554	3,330	15,710	77,448
Lease purchase agreement	-	-	-	1,450,000
Sale of bonds	-	8,885,000	-	-
Payment to refunded bond escrow agent	-	(9,867,740)	-	-
Premium on bonds	-	1,120,700	-	-
Total other financing sources (uses)	<u>31,060</u>	<u>146,129</u>	<u>19,358</u>	<u>1,533,549</u>
Net change in fund balances	<u>\$ 3,012,253</u>	<u>\$ 3,060,000</u>	<u>\$ 2,229,402</u>	<u>\$ 209,633</u>
Debt service as a percentage of noncapital expenditures	5.85%	5.35%	5.61%	5.50%

Source: District financial records.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 2,072,223	\$ 2,357,245	\$ 2,301,872	\$ 1,026,605	\$ 754,185	\$ 1,278,424
(2,072,223)	(2,382,245)	(2,301,872)	(1,026,605)	(774,185)	(1,298,424)
1,592,894	-	750	1,491	117,697	1,120
-	-	-	-	-	-
-	-	-	-	-	-
12,460,000	-	-	-	-	20,975,000
(12,874,460)	-	-	-	-	(23,431,421)
660,356	-	-	-	-	2,717,410
<u>1,838,790</u>	<u>(25,000)</u>	<u>750</u>	<u>1,491</u>	<u>97,697</u>	<u>242,109</u>
<u>\$ 5,495,377</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>
5.63%	6.19%	6.26%	7.55%	7.68%	7.88%

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

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN COLLECTION YEARS

Collection Year	Public Utility Personal (b)		Total		%	Total Direct Tax Rate
	Real Property (a) Assessed Value	Assessed Value	Assessed Value	Estimated Actual Value		
2021	\$ 650,867,090	\$ 23,232,670	\$ 674,099,760	\$ 1,952,550,937	34.52%	\$ 60.00
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

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			
2020/2021	\$ 14.80	\$ 20.30	\$ 2.00	\$ 2.10	\$ 48.20	\$ 4.90	\$ 0.50	\$ 6.40	\$ 60.00	
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	

Source: Ohio Department of Taxation

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

**PRINCIPAL PROPERTY TAX PAYERS
DECEMBER 31, 2019 AND DECEMBER 31, 2011**

December 31, 2019			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
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	<u>\$ 54,932,240</u>		<u>8.90%</u>

December 31, 2011			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
Central Park West Ltd.	\$ 4,007,470	1	0.69%
Wal-Mart Real Estate	3,364,210	2	0.58%
Austintown Plaza Ltd.	3,235,630	3	0.56%
West View Village Co.	3,197,090	4	0.55%
Hillbrook Apartments	2,548,340	5	0.44%
Westminister Associates	2,463,280	6	0.43%
35th Stross Associates	2,336,650	7	0.40%
Austintown Realty Co.	2,247,410	8	0.39%
Franklin LLC	2,119,660	9	0.37%
Austintown Properties Ltd.	1,813,830	10	0.31%
Total	<u>\$ 27,333,570</u>		<u>4.72%</u>

Source: Mahoning County Auditor's Office

Note: Information for December 31, 2020 is not available therefore December 31, 2019 will be presented.

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

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN CALENDAR YEARS**

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collection	Percent of Current Levy Collected
2020	N/A	N/A	N/A	N/A	N/A
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.

Delinquent Collection	Total Collection	Total Collection As a Percent of Total Levy
N/A	N/A	N/A
\$ 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**

Fiscal Year	Governmental Activities			(a) Total Primary Government	(b) Percentage of Personal Income	(b) Per Capita	(b) Per ADM
	General Obligation Bonds	H.B. 264 Loan	Lease Purchase Agreement				
2021	\$ 41,407,794	\$ 1,518	\$ 1,090,000	\$ 42,499,312	5.37%	\$ 1,436	\$ 10,224
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

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**

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Net Bonded Debt Per Capita
	General Obligation Bonds	Restricted for Debt Service	Net Bonded Debt		
2021	\$ 41,407,794	\$ 7,485,464	\$ 33,922,330	1.74%	\$ 1,146
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

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, 2021**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct:			
Austintown Local School District	\$ 42,499,312	100.00%	\$ 42,499,312
Total direct	<u>42,499,312</u>		<u>42,499,312</u>
Overlapping:			
Mahoning County	32,095,000	14.38%	4,615,261
Austintown Township	383,000	98.67%	377,906
City of Youngstown	11,660,000	0.06%	6,996
Mahoning County Career & Technical Center	2,443,824	16.00%	391,012
Total overlapping	<u>46,581,824</u>		<u>5,391,175</u>
Total direct and overlapping debt	<u>\$ 89,081,136</u>		<u>\$ 47,890,487</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

Fiscal Year	Unvoted Debt Limit	Voted Debt Limit	Total Debt Applicable to Limit	Debt Service Available Balance	Net Debt Applicable to Limit	Voted Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2021	\$ 674,100	\$ 60,668,978	\$ 37,520,000	\$ 9,245,598	\$ 28,274,402	\$ 32,394,576	46.60%
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%

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>
2021	29,594	\$ 26,735	\$ 791,195,590	\$ 45,242	4,157	7.6%	6.3%	6.1%
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%

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, 2020 AND DECEMBER 31, 2011

December 31, 2020			
Employer	Employees	Rank	Percentage of Total County Employment
Mercy Health Partners	2,200	1	2.42%
Mahoning County	1,600	2	1.76%
Youngstown State University	1,200	3	1.32%
VXI Global Solutions	1,050	4	1.15%
Infocision Management	1,050	5	1.15%
Youngstown City School District	1,000	6	1.10%
Southwoods Health	1,000	7	1.10%
Akron Children's Hospital	800	8	0.88%
Windsor House	750	9	0.82%
City of Youngstown	600	10	0.66%
Total	11,250		12.36%
Total County Employment	91,000		

December 31, 2011			
Employer	Employees	Rank	Percentage of Total County Employment
Humilty of Mary Health Partners	3,400	1	3.01%
Youngstown State University	2,125	2	1.88%
Mahoning County	1,482	3	1.31%
Diocese of Youngstown	1,200	4	1.06%
Infocision Management	1,075	5	0.95%
Youngstown City Schools	1,050	6	0.93%
Windsor House	1,050	7	0.93%
AT&T Call Center	1,010	8	0.89%
Austintown Local School District	585	9	0.52%
Boardman Local School District	420	10	0.37%
Total	13,397		11.85%
Total County Employment	112,900		

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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Administration	29.00	26.00	25.00	24.00
Certificated staff:				
Regular	237.00	247.00	251.00	260.00
Special	44.00	44.00	44.00	41.00
Vocational	-	-	-	-
Educational service personnel	-	-	-	-
Counseling	13.00	12.00	12.00	12.00
Library media	-	-	-	-
Curriculum specialist	-	-	-	-
Tutor	23.00	30.00	30.00	-
Other	-	-	-	-
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	5.00	-
Other technical	4.00	5.00	7.00	8.00
Office/clerical:				
Office clerical	23.00	20.00	17.00	17.00
Instructional paraprofessional	29.00	19.00	27.00	63.00
Other clerical	18.00	13.00	16.00	-
Other operations:				
Maintenance	6.00	6.00	2.00	3.00
Custodial/grounds	2.00	2.00	42.00	44.00
Transportation/drivers	43.00	43.00	51.00	54.00
Food service	43.00	47.00	51.00	51.00
Other	50.00	62.00	19.00	4.00
Total	575.00	587.00	605.00	587.00

Source: District records

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
20.00	21.00	20.00	20.00	21.00	20.00
243.00	241.00	251.50	250.50	249.00	246.00
39.00	28.00	33.00	35.00	34.00	36.00
2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	2.00	2.00	-	-
13.00	13.00	12.00	12.00	12.00	12.00
-	-	-	-	1.00	1.00
12.00	11.00	10.00	11.00	11.00	12.00
31.00	30.00	31.62	29.00	-	32.33
3.00	5.50	2.50	2.50	-	-
2.00	2.00	2.00	2.00	2.00	2.00
4.00	4.00	4.00	4.00	4.00	4.00
-	-	-	-	1.00	-
-	-	-	1.00	-	6.58
7.00	3.77	5.44	4.00	7.00	5.94
17.00	20.00	25.88	24.00	25.00	27.50
64.00	36.66	39.59	42.00	38.00	30.12
4.00	4.31	2.00	-	0.50	-
6.00	6.00	5.00	5.00	7.00	5.00
42.00	41.44	40.72	41.00	33.00	38.48
55.00	30.91	26.50	26.00	29.00	50.00
50.00	32.13	37.30	37.00	37.00	36.63
-	1.00	1.00	-	-	-
<u>615.00</u>	<u>534.72</u>	<u>554.05</u>	<u>550.00</u>	<u>513.50</u>	<u>567.58</u>

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

**OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2021	2020	2019	2018
Instruction:				
Regular and special				
Enrollment (students)	4,157	4,366	4,437	4,593
Graduates	356	364	381	413
Graduation rate	95.20%	94.30%	94.80%	92.90%
Support services:				
Board of education				
Regular meetings per year	12	12	12	12
Special meetings per year	N/A	N/A	N/A	16
Fiscal				
Nonpayroll checks issued				
	2,047	N/A	2,604	N/A
Operations and maintenance				
Square footage maintained				
	736,040	736,040	736,040	736,040
Pupil transportation				
Avg. students transported daily				
	2,334	N/A	2,964	N/A

Source: District records

Note: N/A indicates the information is unavailable.

2017	2016	2015	2014	2013	2012
4,950	4,947	4,935	5,350	5,285	5,322
360	393	428	405	353	362
91.80%	93.00%	92.00%	96.00%	93.00%	99.70%
12	12	12	12	12	12
6	9	8	10	8	8
2,943	2,880	3,168	3,459	3,472	3,391
736,040	838,640	838,640	937,983	843,247	843,247
2,857	3,228	3,300	3,138	3,117	N/A

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

CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Governmental activities:				
Land	\$ 844,054	\$ 844,054	\$ 844,054	\$ 844,054
Construction in progress	-	103,243	-	739,915
Land improvements	3,606,270	3,898,981	4,249,059	4,566,201
Buildings/improvements	58,230,418	60,334,271	62,387,576	63,398,459
Furniture/equipment	903,488	969,461	1,109,548	1,263,617
Vehicles	790,809	1,084,003	1,411,455	1,764,847
Textbooks	-	-	-	-
Total governmental activities capital assets, net	<u>\$ 64,375,039</u>	<u>\$ 67,234,013</u>	<u>\$ 70,001,692</u>	<u>\$ 72,577,093</u>
Business-type activities:				
Furniture/equipment	\$ -	\$ 170	\$ 511	\$ 852
Total business-type activities capital assets, net	<u>\$ -</u>	<u>\$ 170</u>	<u>\$ 511</u>	<u>\$ 852</u>
Primary government:				
Land	\$ 844,054	\$ 844,054	\$ 844,054	\$ 844,054
Construction in progress	-	103,243	-	739,915
Land improvements	3,606,270	3,898,981	4,249,059	4,566,201
Buildings/improvements	58,230,418	60,334,271	62,387,576	63,398,459
Furniture/equipment	903,488	969,631	1,110,059	1,264,469
Vehicles	790,809	1,084,003	1,411,455	1,764,847
Textbooks	-	-	-	-
Total primary government capital assets, net	<u>\$ 64,375,039</u>	<u>\$ 67,234,183</u>	<u>\$ 70,002,203</u>	<u>\$ 72,577,945</u>

Source: District financial records.

Notes: Amounts above are presented net of accumulated depreciation.

2017	2016	2015	2014	2013	2012
\$ 779,851	\$ 885,690	\$ 885,690	\$ 885,690	\$ 885,690	\$ 885,690
-	-	-	-	37,826,728	11,748,160
1,913,154	2,084,530	2,089,247	2,288,389	2,511,941	2,712,767
66,188,179	68,062,564	69,107,469	71,327,071	26,238,332	27,106,238
1,011,663	931,331	1,032,281	1,014,419	1,053,235	1,056,444
1,192,746	1,376,544	1,514,342	525,568	499,373	216,037
-	-	-	34,110	102,328	170,546
<u>\$ 71,085,593</u>	<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>\$ 20,745</u>	<u>\$ 24,176</u>	<u>\$ 20,857</u>	<u>\$ 24,518</u>	<u>\$ 16,489</u>	<u>\$ 21,723</u>
<u>\$ 20,745</u>	<u>\$ 24,176</u>	<u>\$ 20,857</u>	<u>\$ 24,518</u>	<u>\$ 16,489</u>	<u>\$ 21,723</u>
\$ 779,851	\$ 885,690	\$ 885,690	\$ 885,690	\$ 885,690	\$ 885,690
-	-	-	-	37,826,728	11,748,160
1,913,154	2,084,530	2,089,247	2,288,389	2,511,941	2,712,767
66,188,179	68,062,564	69,107,469	71,327,071	26,238,332	27,106,238
1,032,408	955,507	1,053,138	1,038,937	1,069,724	1,078,167
1,192,746	1,376,544	1,514,342	525,568	499,373	216,037
-	-	-	34,110	102,328	170,546
<u>\$ 71,106,338</u>	<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>

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

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Fitch High School (1968/'78/2000/2007)				
Square feet	262,048	262,048	262,048	262,048
Enrollment	1,280	1,428	1,349	1,417
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	990	1,016	1,061	1,109
Austintown Intermediate School (2013)				
Square feet	124,205	124,205	124,205	124,205
Enrollment	956	971	1,004	1,002
Austintown Elementary School (2013)				
Square feet	121,451	121,451	121,451	121,451
Enrollment	931	951	1,023	1,064
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.

2017	2016	2015	2014	2013	2012
262,048	262,048	262,048	262,048	262,048	262,048
1,627	1,582	1,510	1,739	1,680	1,659
-	102,600	102,600	102,600	102,600	102,600
-	-	-	-	-	-
174,688	174,688	174,688	174,688	174,688	174,688
1,158	1,191	1,222	1,316	1,315	1,315
124,205	124,205	124,205	124,205	-	-
1,096	1,125	1,148	1,142	-	-
121,451	121,451	121,451	121,451	-	-
1,069	1,049	1,055	1,153	-	-
-	-	-	-	89,485	89,485
-	-	-	-	768	806
-	-	-	32,958	32,958	32,958
-	-	-	-	-	-
-	-	-	33,013	33,013	33,013
-	-	-	-	361	373
35,136	35,136	35,136	35,136	35,136	35,136
-	-	-	-	303	307
-	-	-	-	61,435	61,435
-	-	-	-	501	503
-	-	-	33,372	33,372	33,372
-	-	-	-	357	359
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			
2021	\$ 51,786,064	\$ 12,458	\$ 56,125,890	\$ 13,502	4,157	-4.79%	292
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

Source: District records

(1) Debt service totals have been excluded.

Pupil/Teacher Ratio	Student Attendance Percentage
14.24	91.20%
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%

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

TEACHER EDUCATION AND EXPERIENCE
AS OF JUNE 30, 2021 AND JUNE 30, 2012

<u>Degree</u>	<u>June 30, 2021</u>		<u>June 30, 2012</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	18.15%	47	14.92%
Bachelor's Degree + 15	23	7.88%	38	12.06%
Master's Degree	70	23.97%	94	29.84%
Master's Degree + 15	37	12.67%	28	8.89%
Master's Degree + 30	109	37.33%	107	33.97%
Ph.D.	0	0.00%	1	0.32%
	<u>292</u>	<u>100.00%</u>	<u>315</u>	<u>100.00%</u>

<u>Years of Experience</u>	<u>June 30, 2021</u>		<u>June 30, 2012</u>	
	Number of Teachers	Percentage of Total	Number of Teachers	Percentage of Total
0 - 5 Years	55	18.84%	83	26.35%
6 - 10 Years	59	20.21%	55	17.46%
11 - 15 Years	74	25.34%	83	26.35%
16 - 20 Years	45	15.41%	28	8.89%
21 - 25 Years	47	16.10%	18	5.71%
26 - 42 Years	12	4.10%	48	15.24%
	<u>292</u>	<u>100.00%</u>	<u>315</u>	<u>100.00%</u>

Source: District personnel records

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

TEACHER SALARIES
LAST TEN FISCAL YEARS

Year	Teacher Salaries			
	BA Min.	Austintown MA Max.	Average	State Average
2021	\$ 33,462	\$ 77,579	\$ 59,884	N/A
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

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, 2021**

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

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AUSTINTOWN LOCAL SCHOOL DISTRICT
MAHONING COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM/CLUSTER TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION	TOTAL EXPENDITURES OF FEDERAL AWARDS
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through the Ohio Department of Education</i>			
Child Nutrition Cluster:			
COVID-19 - School Breakfast Program	10.553	COVID-19, 2021	\$ 819
National School Lunch Program	10.555	2021	4,514
COVID-19 - National School Lunch Program	10.555	COVID-19, 2021	6,830
National School Lunch Program - Food Donation	10.555	2021	170,968
Total National School Lunch Program			182,312
Summer Food Service Program for Children	10.559	2021	1,435,897
COVID-19 - Summer Food Service Program for Children	10.559	COVID-19, 2021	172,636
Total Summer Food Service Program for Children			1,608,533
Total Child Nutrition Cluster and U.S. Department of Agriculture			1,791,664
U.S. DEPARTMENT OF THE TREASURY			
<i>Passed Through the Ohio Department of Education</i>			
COVID-19 - Coronavirus Relief Fund - Urban School Districts	21.019	COVID-19, 2021	235,685
COVID-19 - Coronavirus Relief Fund - BrodbandOhio Connectivity	21.019	COVID-19, 2021	12,150
Total Coronavirus Relief Fund and U.S. Department of the Treasury			247,835
U.S. DEPARTMENT OF EDUCATION			
<i>Passed Through the Ohio Department of Education</i>			
Title I Grants to Local Educational Agencies	84.010	2020	167,861
Title I Grants to Local Educational Agencies	84.010A	84.010A, 2021	761,582
Title I Grants to Local Educational Agencies - Expanding Opportunities for Each Child Non-competitive Grant	84.010A	84.010A, 2021	17,894
Total Title I Grants to Local Educational Agencies			947,337
Special Education Cluster (IDEA):			
Special Education_Grants to States	84.027	2020	117,889
Special Education_Grants to States	84.027A	84.027A, 2021	868,501
Total Special Education_Grants to States and Special Education Cluster (IDEA)			986,390
Supporting Effective Instruction State Grants	84.367	2020	15,847
Supporting Effective Instruction State Grants	84.367A	84.367A, 2021	121,729
Total Supporting Effective Instruction State Grants			137,576
Student Support and Academic Enrichment Program	84.424	2020	3,185
Student Support and Academic Enrichment Program	84.424A	84.424A, 2021	90,858
Total Student Support and Academic Enrichment Program			94,043
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER I) Fund	84.425D	COVID-19, 84.425D, 2021	326,651
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER II) Fund	84.425D	COVID-19, 84.425D, 2022	741,451
Total Education Stabilization Fund			1,068,102
Total U.S. Department of Education			3,233,448
Total Federal Financial Assistance			\$ 5,272,947

The accompanying notes are an integral part of this schedule.

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

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1 – BASIS OF PRESENTATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the 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, 2021 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. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited to as to reimbursement.

NOTE 2 – DE MINIMIS COST RATE

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 Austintown Local School District has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 - CHILD NUTRITION CLUSTER

The Austintown Local School District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the Austintown Local School District assumes it expends federal monies first.

NOTE 4 – FOOD DONATION PROGRAM

The Austintown Local School District reports commodities consumed on the Schedule at the entitlement value. The Austintown Local School District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.

NOTE 5 – PASS-THROUGH FUNDS

The Austintown Local School District was awarded federal program allocations to be administered on their behalf by the Mahoning County Educational Service Center. For fiscal year 2021, the Austintown Local School District's allocations were as follows:

<u>Grant/Program Name</u>	<u>ALN</u>	<u>Reallocated to</u>	<u>Award Amount</u>
Special Education Preschool Grants	84.173A	Mahoning County Educational Service Center	\$ 14,880
English Language Acquisition State Grants	84.365A	Mahoning County Educational Service Center	\$ 3,984

**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, 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, 2021, 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 27, 2021, wherein we noted 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 27, 2021

Independent Auditor's Report on Compliance for Each 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 Each Major Federal Program

We have audited the Austintown Local School District's compliance with the types of compliance requirements described in the *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Austintown Local School District's major federal programs for the fiscal year ended June 30, 2021. The Austintown Local School District's major federal programs are 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 each of the Austintown Local School District's major federal programs 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 a 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 each major federal program. However, our audit does not provide a legal determination of the Austintown Local School District's compliance.

Opinion on Each 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 each of its major federal programs for the fiscal year ended June 30, 2021.

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 each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each 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, 2021, 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 27, 2021, which contained unmodified opinions on those financial statements. 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.

Julian & Grube, Inc.
December 27, 2021

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

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2021**

1. SUMMARY OF AUDITOR'S RESULTS		
<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 Programs (listed):</i>	Title I Grants to Local Educational Agencies (ALN 84.010); COVID-19 – Educational Stabilization Fund (ALN 84.425)
<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
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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 2/8/2022

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