



CLEVELAND
METROPOLITAN
SCHOOL DISTRICT
Vision to Victory

**FY 2013-2014
FINANCIAL STATUS REPORT
AS OF
August 31, 2013**

Prepared by
FINANCE DEPARTMENT

The primary goal of the Cleveland Municipal School District is to become a premier school district in the United States of America.

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Summary

The following spreadsheet shows the revenue and expenditures by month for the General Funds as of August 31, 2013. The total revenues forecasted in the May five year forecast were \$655,862,788. The Board adopted a temporary budget for Fiscal Year 2014 for \$494,509,391. The temporary budget comprised of 50% of the annual salaries and benefits and 100% of all other objects. The annual budget will be adopted by the Board by October 1, 2013.

	July	August	September	October	November	December
Revenues:						
Property Taxes	\$31,651,422	\$48,273,485	\$0	\$0	\$0	\$0
State Foundation	35,191,520	35,309,934	0	0	0	0
State Property Allocation	0	0	0	0	0	0
Other	2,818,821	2,445,377	0	0	0	0
Total Revenues	69,661,763	86,028,796	0	0	0	0
Expenditures:						
Salaries	23,403,504	30,693,940	0	0	0	0
Benefits	12,075,492	5,639,866	0	0	0	0
Purchase Services	14,189,034	17,085,632	0	0	0	0
Materials and Supplies	170,243	594,158	0	0	0	0
Capital Outlay	30,516	230,110	0	0	0	0
Other Objects	627,813	51,925	0	0	0	0
Total Expenditures	50,496,602	54,295,631	0	0	0	0
Net Change in Cash	19,165,161	31,733,165	0	0	0	0

	January	February	March	April	May	June	Total
Revenues:							
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$79,924,907
State Foundation	0	0	0	0	0	0	70,501,454
State Property Allocation	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	5,264,198
Total Revenues	0	0	0	0	0	0	155,690,559
Expenditures:							
Salaries	0	0	0	0	0	0	54,097,444
Benefits	0	0	0	0	0	0	17,715,358
Purchase Services	0	0	0	0	0	0	31,274,666
Materials and Supplies	0	0	0	0	0	0	764,401
Capital Outlay	0	0	0	0	0	0	260,626
Other Objects	0	0	0	0	0	0	679,738
Total Expenditures	0	0	0	0	0	0	104,792,233
Net Change in Cash	0	0	0	0	0	0	50,898,326

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REVENUE

The Cleveland Municipal School District is forecasting **\$655,862,788** in revenue within the General Fund in the 2013-2014 fiscal year as shown on figure 1. As of **August 31, 2013** the District has received revenue in the amount of \$155,690,559. The District will need to collect another \$500,172,229 to reach its target.

Figure 1

FORECASTED REVENUES AND ACTUAL REVENUES

	Fiscal Year 2014 Forecast	Fiscal Year 2014 Actual	Over/ (Under)
Revenues			
Real Property Tax	\$186,922,272	\$79,867,738 (a)	(107,054,534)
Personal Property Tax	0	57,169 (a)	57,169
State Foundation	410,536,025	70,501,454 (b)	(340,034,571)
Property Tax Homestead and Rollbacks	17,970,000	0 (c)	(17,970,000)
CAT Tax	13,913,830	0 (c)	(13,913,830)
Interest	450,000	114,132 (c)	(335,868)
Medicaid	2,463,995	0 (c)	(2,463,995)
CEAP	1,000,000	0 (c)	(1,000,000)
Advances-In	0	0 (c)	0
Casino Receipts	1,969,844	978,053 (c)	(991,791)
Other Revenues	20,636,822	4,172,013 (c)	(16,464,809)
<i>Total Revenues</i>	<u>\$655,862,788</u>	<u>\$155,690,559</u>	<u>(\$500,172,229)</u>
	ON TARGET		
	AT RISK		

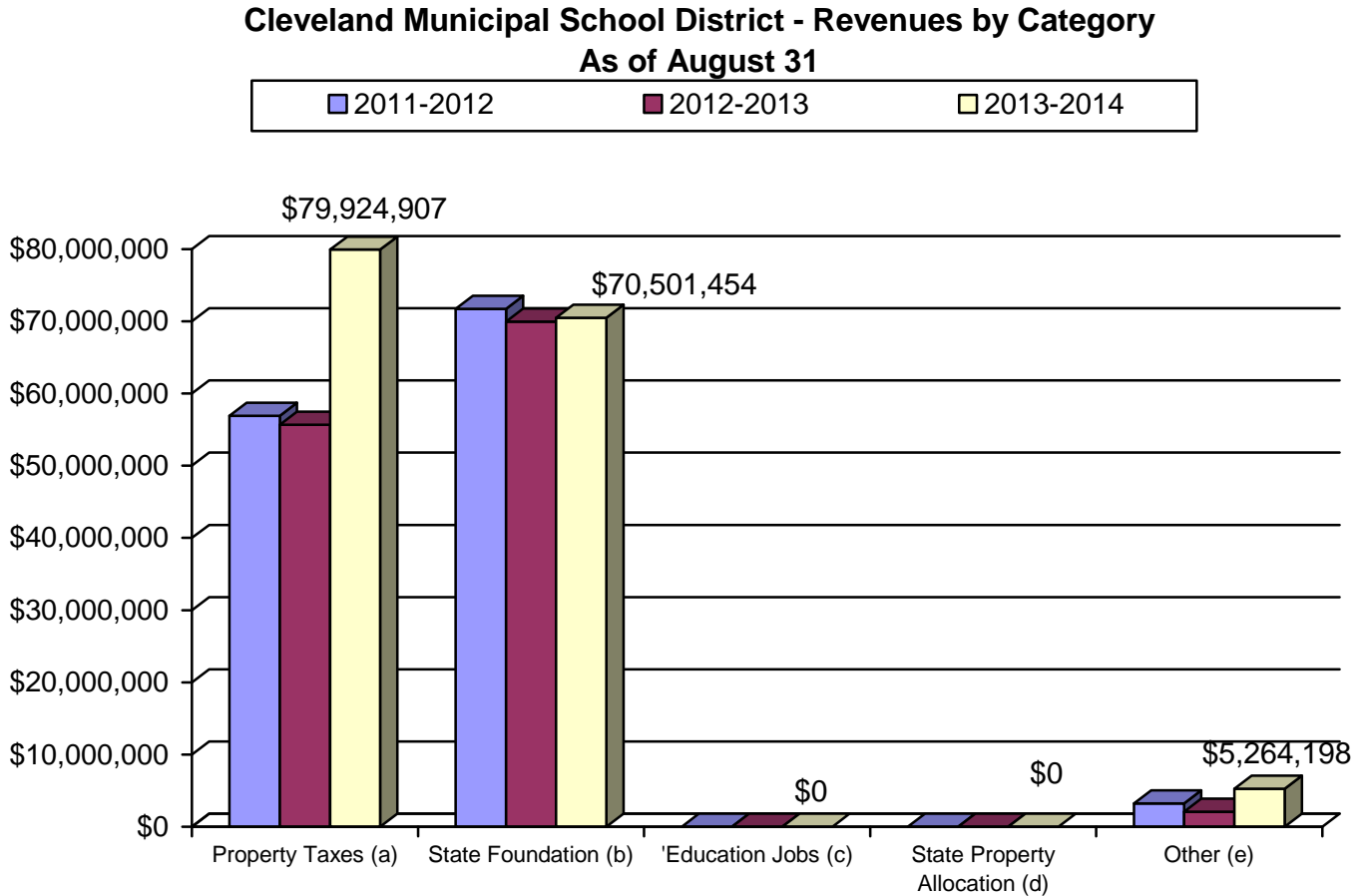
- (a) The District received \$174,589,722 in general real property taxes in FY13 and is forecasting \$186,922,272 in FY14. Through August 31, 2013 the District has received \$79,867,738 in general property taxes.
- (b) The District will receive state funding in FY14 based on HB 59.
- (c) These revenues have been received as anticipated.
- (d) An anticipated payment from an old settlement for Medicaid was not received in FY 13 but will be received in FY 14.

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Figure 2 compares revenue sources to the prior two years as of August 31. The three years of data will be beneficial for trend analysis performed throughout the year.

Figure 2



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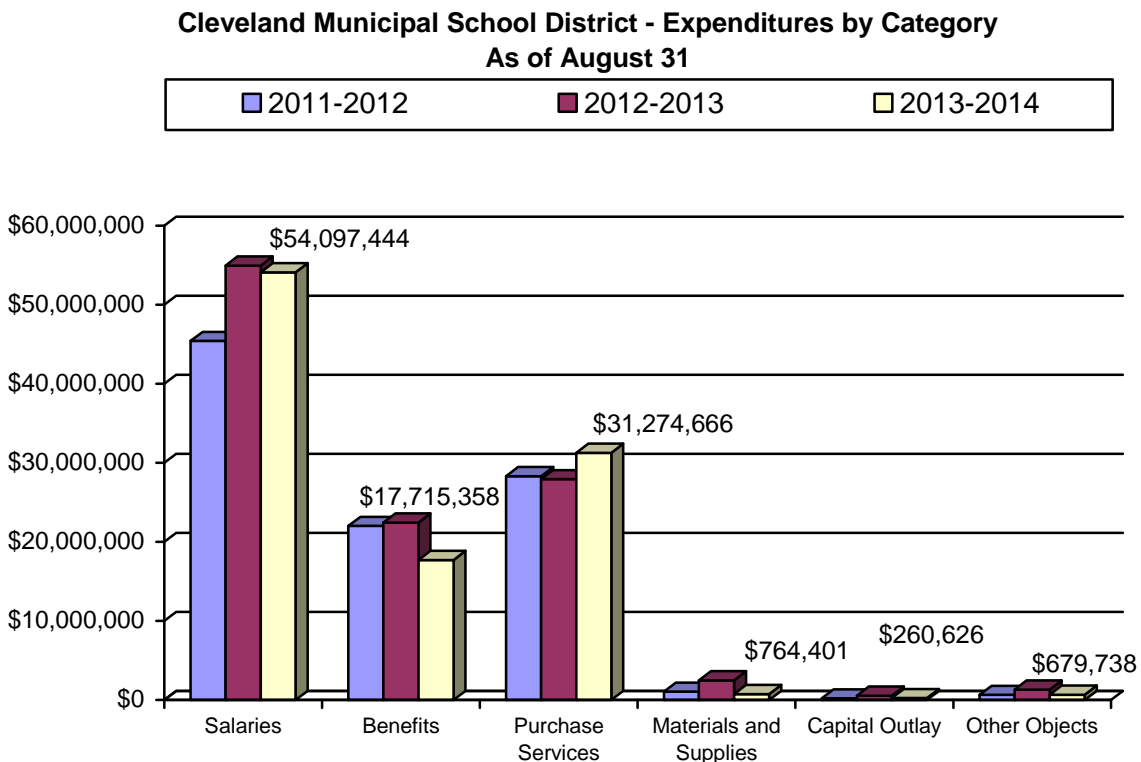
EXPENDITURES

The fiscal year 2014 adopted temporary General Fund budget for the District is \$481.5 million. This budget, coupled with carryover encumbrances of \$13.0 million, resulted in a \$494.5 million General Funds appropriation for FY 2014. The following information is a financial update of the status of this appropriation through August 31, 2013. The temporary budget comprised of 50% of the annual salaries and benefits and 100% of all other objects. The annual budget will be adopted by the Board by October 1, 2013.

Through August 31, 2013 the District has expended \$104.8 million and has outstanding encumbrances of \$22.2 million. This total of \$127.0 million reflects 25.67% of the District's total appropriation (see Exhibit A).

Figure 3 compares expenditure categories to the prior two years as of August 31. The three years of data will be beneficial for trend analysis performed throughout the year.

Figure 3



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As Figure 3 illustrates, overall salaries and fringe benefits are slightly lower than last year for this time of year. We will continue to closely monitor this area the remainder of the fiscal year. Salaries averaged \$10.2 million in August which compares favorably with the \$11.7 million average in July.

The current year Purchased Services and Materials categories are slightly higher than last year for this time of year. This is primarily due to do the community school pass through payment is higher in fiscal 2014 than 2013.

The Capital Outlay category is slightly lower than last year for this time due to timing of when the expenditures were paid. It should be noted that the vast majority of ongoing construction projects are accounted for in other funds and therefore not reflected in the encumbrances/expenditures above.

Finally, the debt service and other objects category of encumbrance/expenditures, which mainly reflects the payment of principal and interest for the energy conservation notes and QZAB notes, treasurer and auditor fees, and the transfer of monies to other District funds (as required by State regulations), is as expected as of August 31, 2013. Debt payments occur in July and April while the transfer of monies to other District funds occurs in June.

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CASH BALANCES

The cash balance as of August 31, 2013 is \$119,008,390. The unencumbered balance as of August 31, 2013 is \$96,837,782. See Figure 4 for details.

Figure 4

	FY 2014
Beginning Cash Balance	\$68,107,439
Total Revenues	155,690,559
Total Expenses	104,792,233
Revenue over Expenses	50,898,326
Total Payables	2,625
Ending Cash Balance	119,008,390
Encumbrances/Reserves	22,170,608
Unencumbered Balance	\$96,837,782

