

Department of Finance

Fiscal Year 2022 Financial Status Report

As of February 28, 2022

Cleveland Metropolitan School District (Cuyahoga County)

FY2022 MONTHLY OVERSIGHT MONITORING - Budget vs. Actual Variance Analysis

Actuals ⁻	Γhrough: February	2021					2022					YTD	YTD	YTD	Remaining	YTD Actual +	Official	FY				
REVENUE	S - OPERATIONAL	Jul Actual	Aug Actual	Sep Actual	Oct Actual	Nov Actual	Dec Actual	Jan Actual	Feb Estimate	Feb Actual	Feb Variance	Mar Estimate	Apr Estimate	May Estimate	Jun Estimate	Actual	Estimated	Variance	Estimates	Remaining Estimates	Forecast/ Estimate	Variance
1.010	General Property Tax (Real Estate)	22.426.000	79,063,623	0	0	0	0	21.794.000	94.594.232	90,834,000	(3,760,232)	1,560,118	0	0	6.927.887	214.117.623	207.702.704	6.414.919	8.488.006	222.605.629	216,190,709	3%
1.020	Tangible Personal Property Tax	0	19,129,282	0	0	0	0	0	0	0	0	21,191,574	0	0	0	19,129,282	18,761,949	367,333	21,191,574	40,320,856	39,953,523	1%
1.035	Unrestricted State Grants-in-Aid	28,007,137	20,983,697	20,302,472	20,312,483	20,712,692	20,394,595	29,539,866	21,184,891	19,102,732	(2,082,159)	21,184,891	21,184,891	21,184,891	21,696,380	179,355,675	169,665,087	9,690,588	85,251,053	264,606,728	254,916,140	4%
1.040	Restricted State Grants-in-Aid	4,388,306	4,388,306	4,388,306	4,388,306	4,388,306	4,388,306	18,411,610	4,569,278	3,695,856	(873,423)	4,569,278	4,569,278	4,569,278	4,891,174	48,437,304	36,060,667	12,376,637	18,599,009	67,036,313	54,659,676	23%
1.050	Property Tax Allocation	0	0	0	8,790,880	0	0	0	0	0	0	0	9,856,774	0	0	8,790,880	9,281,637	(490,757)	9,856,774	18,647,654	19,138,411	-3%
1.060	All Other Revenues	6,019,055	7,079,034	3,938,375	1,149,573	639,149	2,472,047	3,166,058	2,394,026	2,013,355	(380,670)	3,356,794	1,480,542	1,783,065	1,398,580	26,476,646	27,134,856	(658,210)	8,018,980	34,495,626	35,153,836	-2%
TOTAL OF	PERATING REVENUE	60,840,499	130,643,942	28,629,153	34,641,243	25,740,147	27,254,948	72,911,535	122,742,427	115,645,943	(7,096,484)	51,862,655	37,091,485	27,537,234	34,914,021	496,307,410	468,606,899	27,700,511	151,405,396	647,712,806	620,012,295	4%
REVENUE	S - NON-OPERATING																					
2.050	Advances-In	0	0	0	0	0	0	7,845,000	0	0	0	0	0	0	0	7,845,000	5,000,000	2,845,000	0	7,845,000	5,000,000	57%
2.060	All Other Financing Sources	2,976	6,034	630,651	4,488	0	0	0	29,704	0	(29,704)	14,185	705	705	0	644,149	184,405	459,744	15,595	659,743	200,000	230%
2.070 Tota	l Other Financing Sources	2,976	6,034	630,651	4,488	0	0	7,845,000	29,704	0	(29,704)	14,185	705	705	0	8,489,149	5,184,405	3,304,744	15,595	8,504,743	5,200,000	64%
	2.080 TOTAL REVENUE	60,843,475	130,649,976	29,259,804	34,645,731	25,740,147	27,254,948	80,756,535	122,772,131	115,645,943	(7,126,188)	51,876,840	37,092,190	27,537,939	34,914,021	504,796,558	473,791,304	31,005,254	151,420,991	656,217,549	625,212,295	5%
EXPENDIT	URES	Cumulative Rev Variance>									31,005,254											
3.010	Personal Services	27,437,771	28,905,988	29,030,028	32,774,691	29,977,776	29,002,929	27,511,137	28,446,885	29,676,302	1,229,417	28,091,584	33,599,007	32,360,542	29,469,867	234,316,623	237,061,095	(2,744,472)	123,521,000	357,837,623	360,582,095	-1%
3.020	Benefits	12,470,700	11,607,935	11,925,549	12,280,134	12,106,139	12,089,331	14,532,081	12,936,446	12,938,423	1,977	12,806,709	12,534,942	12,341,457	9,600,741	99,950,292	100,505,670	(555,378)	47,283,849	147,234,141	147,789,519	0%
3.030	Purchased Services	6,482,085	8,126,169	3,394,046	8,015,197	6,733,336	3,226,889	5,506,943	5,631,421	4,854,258	(777,163)	6,117,600	6,045,196	6,111,059	4,635,756	46,338,924	47,314,635	(975,712)	22,909,612	69,248,535	70,224,247	-1%
3.040	Supplies and Materials	286,723	1,112,247	1,427,283	1,452,611	1,969,146	561,145	(215,792)		660,300	51,695	730,464	570,272	639,530	127,054	7,253,663	9,250,384	(1,996,721)	2,067,320	9,320,983	11,317,704	-18%
3.050	Capital Outlay	8,104	36,986	1,914,849	57,647	2,261,741	490,506	953,146	80,147	59,959	(20,187)	100,713	123,066	197,737	78,381	5,782,939	1,637,601	4,145,338	499,897	6,282,836	2,137,498	194%
4.300	Other Objects rating Transfers-Out	2,186,781	2,608,889	29,169	255,837	38,748	36,436	58,548	249,035	404,785	155,750	1,480,882	249,035	249,035	249,035 1,000,000	5,619,193	5,600,140	19,053	2,227,987 1,000,000	7,847,180 1.000.000	7,828,127 1.000.000	0% 0%
5.020 Adva		0	0	0	0	0	0	0	0	0	0	0	0	0	5.000,000	0	0	0	5.000,000	5.000,000	5,000,000	0%
	AL EXPENDITURES	48.872.164	52.398.214	47.720.923	54.836.118	53.086.886	45.407.236	48.346.063	47.952.539	48.594.028	641.489	49.327.952	53.121.519	51.899.360	-,,	399.261.632	401.369.524	(2.107.892)	-,,	603.771.298	605.879.190	0%
	,	Cumulative Exp Variance>	,,,,,	, .,.	, , , , , ,	, ,		-,,	, , , , , , , , , , , , , , , , , , , ,		(2,107,892)	- /- /	, , , , , , , , , , , , , , , , , , , ,	, , , , , , , , , , , , , , , , , , , ,		, , , , , , , , , , , , , , , , , , , ,	, , , , , ,	() -) -)	, , , , , , , , , , , , , , , , , , , ,	, , , , , , , , , , , , , , , , , , , ,	, ,	
6.010 Mon	thly Excess/Shortfall (rev exp.)	11,971,311	78,251,762	(18,461,119)	(20,190,388)	(27,346,739)	(18,152,288)	32,410,472	74,819,591	67,051,915	(7,767,676)	2,548,888	(16,029,329)	(24,361,421)	(15,246,813)	105,534,926	72,421,780	33,113,146	(53,088,675)	52,446,251		
Beginning	Balance	116.430.258	128.401.569	206.653.331	188.192.212	168.001.824	140.655.085	122.502.797	100.448.412	154.913.269	54.464.857	175 268 003	177.816.891	161.787.562	137.426.141			FY Begi	nning Cash=>	116,430,258		
	ulative Excess/Shortfall (rev exp.)	11.971.311	90.223.073	71,761,954	51,571,566	24.224.828	6.072.540	38,483,011	100,110,112	105,534,926	0 1, 10 1,007	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,0.0,001	.01,707,002	107,120,111				rrent Cash=>	221,965,184		
Ending Ca	sh Balance	128,401,569	206.653.331	188.192.212	168,001,824	140,655,085	122,502,797	154,913,269	175.268.003	221.965.184	46,697,181	177.816.891	161.787.562	137.426.141	122,179,328			Projected E	nding Cash=>	168,876,509		
3		, , , , , , , , , , , , , , , , , , , ,	, ,		, , , , ,	, ,	, .			, , .							Using Ass	sumed Remain	ing Estimates	, ,		
Encumbrar	nces	26,930,443	31,231,265	32,357,586	29,573,584	27,859,519	25,332,763	24,759,773	16,000,000	26,231,792	10,231,792	16,000,000	16,000,000	16,000,000	16,000,000		ŭ		-			
UNENCUM	IBERED CASH BALANCE	101,471,126	175,422,066	155,834,626	138,428,240	112,795,566	97,170,034	130,153,496	159,268,003	195,733,392	36,465,389	161,816,891	145,787,562	121,426,141	106,179,328							

*Projected total year is based on YTD actuals plus remaining monthly estimates. Timing of revenues and expenditures can make a signicant swing in projections.

Notes-Monthly Significant Variances Between Estimated Amounts and Actual Amounts of Revenue and Expenditure Lines Above (Add monthly headings and lines as needed for all notes throughout the year for a cumulative history of significant variances):

Jul Notes: On the revenue side, there is a significant variance between the estimate and actual for Unrestricted State Grants. This category contains the revenue of the new State formula. As the state continues to enter the new State formula, there should be a correction to bring us back to our estimated amounts. Additionally on the revenue side, there was a positive variance in other revenue, this was a result in the District recieving our Medicaid reimbursement we expected to receive back in June. On the expenditure side, there was a positive variance in Personal Services, as the District continues to fill vacant positions, we would expect this to get closer to our variance. Also on the expenditure side, there was negative variance in Purchased Services and Other Objects. On the Purchased Services side this was a result in the District catching up on some passed due utility bills. In Other Objects, this variance was caused by the District paying all of its liability insurance for the entire year in July.

Aug Notes: In revenue, Property Tax collected for the 2nd half of calendar year of 2021 came in slightly above than what was expected. Our current collection rate increased less than 1% from the previous year. We are still monitoring the change in the state formula as it should be fully implemented in October. In expenses, all areas except Purchased Services came in below than its estimate. Purchased Services continue to be slightly above expectations because we have been catching up in some passed due utility bills

Sept Notes: In revenue, Other revenue exceed its September estimated because the District received about \$2.1 million in reimbursements from the Flats East Bank on past due tax reimbursements. Also, under Other Financing Sources, the District received a \$630,000 reimbursement from the State Employee Retirement System regarding payments made from the previous fiscal year. On the Expense side, Salary and Benefits continue to come in right around their estimated amounts. The large variance in Capital Outlay was due to the IT department reallocating monies they originally had in their Purchased Services to the Capital Outlay line.

Oct. Notes: Overall revenue came in what was expected during the month. In November, the District will receive its Property Tax Allocation from the State and will record the Return of Advance from the Previous Year. On the expense side, all categories other than Purchased Services came in below the expected amount. Purchased Services was higher than expected as bills for out of district tuition started to roll in for the current fiscal year.

Nov. Notes: Overall revenue collection continues to be ~2% higher than forecasted. The State Foundation payments do not yet reflect the new Fair Student Funding formula. Overall expenses are on-track to the forecast.

Dec. Notes: Overall revenue collection continues to be on-track towards the forecast. The State Foundation payments do not yet reflect the new Fair Student Funding formula. The Advances In will occur in January. Overall expenses are running slightly below forecast.

Jan. Notes: Revenue reflects our first payment under the HB110 Fair School Funding, a property tax advance, and the return of advances from grants. Expenditures were largely as predicted with some journaled expenses resulting in negative spending in supplies.

Feb. Notes: Revenue reflects a property tax advance, property tax 1st half settlement, and fluxuations in foundation funding. Overall, expenditures are below forecast.

MONTHLY FINANCIAL STATUS REPORT

Revenue Summary

The Cleveland Metropolitan School District is forecasting \$625,212,295 in revenue within the General Fund for Fiscal Year 2022 as shown on Figure 1. As of February 28, 2022 the District has received revenue in the amount of \$504,796,558. The District will need to collect another \$120,415,737 to reach its target.

Figure 1: Forecasted Revenues and Actual Revenues

	I	FY22 Budget	FY22 Actual		Balance
Revenues				•	
General Property Tax	\$	216,190,709	\$ 214,117,623	(a)	\$ (2,073,086)
Personal Property Tax		39,953,523	\$ 19,129,282	(b)	(20,824,241)
State Grants-in-Aid		309,575,816	\$ 227,792,978		(81,782,838)
Property Tax Allocation		19,138,411	\$ 8,790,880		(10,347,531)
Other Revenues		35,153,836	\$ 26,476,646		(8,677,190)
Advances In		5,000,000	\$ 7,845,000		2,845,000
Other Financing Sources		200,000	\$ 644,149		444,149
Total Revenues		625,212,295	504,796,558		(120,415,737)

Negative balance represents amount remaining to be collected for the year, positive balances represent amount collected in excess of estimate. Numbers listed in green are **On Target** to meet or exceed forecast, those listed in red are **At Risk** of not meeting the forecast.

Notes

- (a) The District received \$207,515,493 in general property taxes in FY21 and forecasted \$216,190,709 in FY22. As of February 28, 2022 the District has received \$214,117,623.
- (b) The District will receive state funding in FY22 based on the new HB110 funding formula.

MONTHLY FINANCIAL STATUS REPORT

Figure 2 below compares revenue sources to the prior two years as of February. The three years of data is beneficial for trend analysis performed throughout the year.

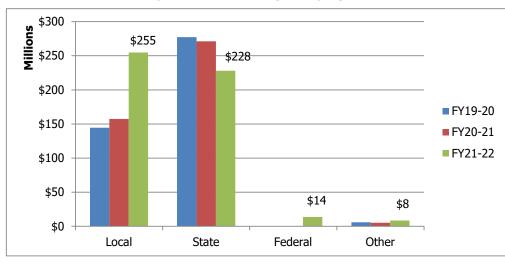


Figure 2: Revenue by Category

Data labels represent figures for current FY

Notes

- (a) Local (Property Tax) includes the additional 5.0 mills passed by votes through Issue 68.
- (b) The State Foundation no longer includes "pass-thru" revenue for charter schools and scholarships.

MONTHLY FINANCIAL STATUS REPORT

Expenditure Summary

For FY2022 the Board passed a full appropriation of \$605,879,190. This budget, coupled with carryover encumbrances of \$12,982,836, resulted in a \$618,862,026 appropriation for FY2022. The following information is a financial update of the status of this appropriation through February 28, 2022.

Through February 28, 2022 the District has expended \$399,261,632 which reflects 65.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$26,231,792. A statistical spending range for the District is based on two analyses: first, time elapsed is eight months, or 66.67%, of the fiscal year. Secondly, 33 of the 50, or 66.00%, of the total pay periods have passed. Figure 3 illustrates these points.

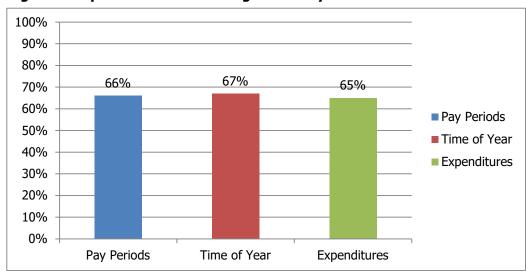


Figure 3: Expenditure Level Through February

Overall, the District's expenditure level through February is below target based on the above analysis. As an examination of the categories of expenditures is performed, cyclical variances are noted between categories which related specifically to school opening activities.

MONTHLY FINANCIAL STATUS REPORT

Figure 4 compares the various expenditure categories to the expected level and to the prior two years. Figure 5 provides the year to date expenditure level by category for the current year as well as the prior two. The three years of data is beneficial for trend analysis performed throughout the year. Further discussion of these two figures is included on the following page.

300% 270.55% 250% 200% 150% 2020 100% 65.75% 2021 65.72% 40.64% 2022 50% -Target % 0% Salary & Services & Capital Debt & Other **Benefits** Materials Objects

Figure 4: % Spend to Budget for YTD Expenditures

Target percent of 66.67% is based on the # of months completed in the current year.

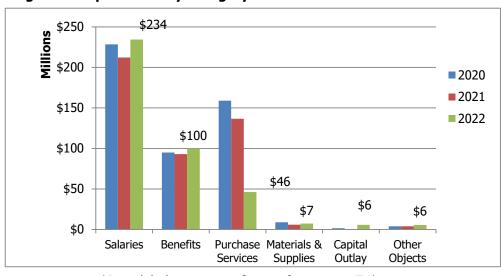


Figure 5: Expenditure by Category

Data labels represent figures for current FY

MONTHLY FINANCIAL STATUS REPORT

As Figures 4 and 5 illustrate, overall salaries and fringe benefits are similar to prior years. The trend line in Figure 4 is based on the time elapsed for the year. Health care costs are forecasted to increase 6.5% in FY 22 from FY 21.

Purchased Services and Materials are, collectively, below budget year-to-date.

General Fund Capital expenditures are above budget because the General Fund was used to pay for 1:1 devices that will be reimbursed through a pandemic-related eRate program. The majority of other devices purchases and on-going 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 treasurer and auditor fees and the transfer of monies to other District funds (as required by State regulations), is as expected year-today. Debt payments occur in July and April while the transfer of monies to other District funds will occur in June.

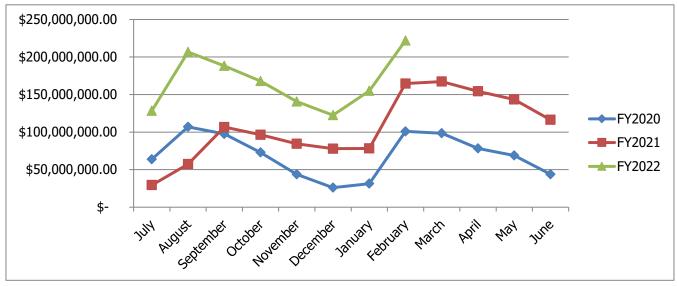
MONTHLY FINANCIAL STATUS REPORT

Cash Balances

The cash balance as of February 28, 2022 is \$221,965,184. The unencumbered balance as of February 28, 2022 is \$195,733,392.

	FY '22
Beginning Cash Balance	\$ 116,430,258
Total Revenues	\$ 504,796,558
Total Expenses	\$ 399,261,632
Revenue over Expenses	\$ 105,534,926
Ending Cash Balance	\$ 221,965,184
Encumbrances/Reserves	\$ 26,231,792
Unencumbered Balance	\$ 195,733,392

Figure 6: Cash Balances Last 3 Years



CMSD FNA Board Report - Receipts





Fund: 001FD_L General Fund Period: FY 2021 - 2022 - Jun Time Period: Current Period YTD

Start Date: 02/01/2022 End Date: 02/28/2022

Fund	Amount
001FD L General Fund	(115,645,943.14)
Total	(115,645,943.14)

CMSD FNA Board Report - Expenditures





Fund: 001FD_L General Fund Period: FY 2021 - 2022 - Jun

Time Period: Last 24 Periods (from June) (Fiscal Year)

Start Date: 02/01/2022 End Date: 02/28/2022

Fund	Exp Cat Hier	Expense Category	Amount
001FD_L General Fund	100SCH Personal Services - Employees Salaries and Wages	Personal Services - Employees Salaries and Wages	29,632,520.90
001FD_L General Fund	200SCH Employees' Retirement and Insurance Benefits	Employees' Retirement and Insurance Benefits	12,938,423.49
001FD_L General Fund	400SCH Purchased Services	Purchased Services	4,854,258.25
001FD_L General Fund	500SCH Supplies and Materials	Supplies and Materials	660,299.81
001FD_L General Fund	600SCH Capital Outlay	Capital Outlay	59,959.07
001FD_L General Fund	800SCH Other Objects	Other Objects	404,785.21
001FD_L General Fund	(Blank)	(Blank)	43,781.51
Total			48,594,028.24



CMSD FNA Board Report Contracts Issued in Month Between \$25K and \$50K

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Issued On or After: 02/01/2022 Issued On or Before: 02/28/2022

Accounting Date for Operational Transaction	Supplier	Supplier Contract	Total Contract Amount
02/03/2022	Antwan Steele dba Student Navigation	CON-10030560: Student Navigation - FDR	30,000.00
02/03/2022	Schindler Elevator Corp.	CON-10030568: Miles Park Piston Replacement February 2022	33,780.00
02/07/2022	Cleveland Hearing And Speech C Speech Center	CON-10030581: Interpreters Services	30,000.00
02/14/2022	Burges & Burges Strategists	CON-10031402: Burges Attendance Campaign 3-2022	25,000.00
02/17/2022	Candace Benson DBA Camp Tech Inc.	CON-10030785: A J Rickoff Camp Tech	36,000.00
02/17/2022	McKeon Education Group, Inc.	CON-10030778: Title I- Holy Name High School	32,323.00
02/24/2022	Gail T. Eichman	CON-10030870: Nicole Vitale	39,250.00
02/24/2022	The Cleanout Kings, LLC	CON-10030862: Cleanout Kings Snow Removal 2022 February Invoice 100047 100048	33,917.85
02/24/2022	Wells And Sons LLC	CON-10030863: Wells and Son Remaining Snow Plow February_March 2022	49,999.00
02/25/2022	Invo Healthcare Associates LLC	CON-10030874: Speech & Language Pathology Services @ Various Nonpublic Schools	40,577.41
02/25/2022	Then Design Arch Ltd DBA Cleve Educational Design Alliance	CON-10030892: Lakeside 1st Floor Design for 3 Classrooms	29,000.00
02/25/2022	Then Design Arch Ltd DBA Cleve Educational Design Alliance	CON-10030893: Booker Swing Site Design & Engineering	34,000.00



CMSD FNA Board Report POs Issued in Month Between \$25K and \$50K

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Issued On or After: 02/01/2022 Issued On or Before: 02/01/2022

Issued Date PO Number	Supplier	Total PO Amount
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