

Department of Finance

Fiscal Year 2021 Financial Status Report

As of December 31, 2020

Cleveland Metropolitan School District (Cuyahoga County)

FY2021 MONTHLY OVERSIGHT MONITORING - Budget vs. Actual Variance Analysis

Actuals Through: December

Actuals 1	Through: December																					
Date Cor	npleted: 1/15/2021			_	202							20	21			YTD YTD		YTD	Remaining	YTD Actual +	Official Forecast/	FY
		Jul	Aug	Sep	Oct	Nov	Dec Estimate	Dec	Dec Variance	Jan Estimate	Feb Estimate	Mar Estimate	Apr Estimate	May	Jun Estimate	Actual	Estimated	Variance	Ectimates	Estimates		Variance
	S - OPERATIONAL	Actual	Actual	Actual	Actual	Actual		Actual		7.000.000	20.000.000	74 470 050	,	Estimate		00 000 111	22 242 227	0.010.500	117 170 050	007 545 400	007 545 400	201
1.010	General Property Tax (Real Estate)	4,268,000	41,408,000	44,084,505	575,636	0	0	0	0	7,000,000	39,000,000	71,179,352	0	0	0	90,336,141	88,019,637	2,316,503	117,179,352	207,515,493	207,515,493	0%
1.020	Tangible Personal Property Tax	0	0	16,946,510	0	0	0	0	0	0	0	17,877,815	0	0	0	16,946,510	16,244,847	701,663	17,877,815	34,824,325	34,824,325	0%
1.035	Unrestricted State Grants-in-Aid	32,957,973	33,457,490	32,943,864	32,928,635	33,348,115	33,069,242	32,861,885	(207,357)	33,020,935	33,020,935	33,020,935	33,020,935	33,020,935	33,020,935	198,497,961	198,415,462	82,499	198,125,610		396,830,928	0%
1.040	Restricted State Grants-in-Aid	4,388,306	4,388,306	4,388,307	4,388,306	4,388,306	4,487,018	4,388,306	(98,712)	4,569,278	4,569,278	4,569,278	4,569,278	4,569,278	4,569,278	26,329,838	26,922,110	(592,272)	27,415,670	53,745,508	53,844,220	0%
1.050	Property Tax Allocation	0	0	0	8,403,344	0	0	0	0	0	0	0	0	8,350,138	0	0, 100,011	7,092,748	1,310,596	8,350,138	16,753,482	16,753,482	0%
1.060	All Other Revenues	1,367,992	3,250,083	6,510,247	1,267,991	6,151,135	2,133,849	12,078,554	9,944,705	2,838,619	5,438,293	2,821,018	2,126,350	2,560,833	2,008,637	30,626,003	19,818,593	10,807,410	17,793,750	48,419,753	38,475,048	26%
TOTAL OF	PERATING REVENUE	42,982,271	82,503,879	104,873,432	47,563,912	43,887,556	39,690,109	49,328,746	9,638,636	47,428,832	82,028,506	129,468,398	39,716,563	48,501,184	39,598,850	371,139,797	356,513,397	14,626,399	386,742,334	757,882,131	748,243,495	1%
REVENUE	S - NON-OPERATING																					
2.050 Adva	ances-In	0	0	5,224,518	271	0	0	0	0	0	0	0	0	0	0	5,224,789	5,224,518	271	0	5,224,789	5,224,518	0%
2.060 All O	ther Financing Sources	1,984	29,580	2,041	17,339	0	20,833	0	(20,833)	29,704	29,704	29,704	29,704	29,704	29,704	50,945	125,001	(74,056)	178,222	229,167	250,000	-8%
2.070 Tota	l Other Financing Sources	1,984	29,580	5,226,559	17,610	0	20,833	0	(20,833)	29,704	29,704	29,704	29,704	29,704	29,704	5,275,734	5,349,519	(73,785)	178,222	5,453,956	5,474,518	0%
	-																					
	2.080 TOTAL REVENUE	42,984,255	82,533,459	110,099,992	47,581,522	43,887,556	39,710,942	49,328,746	9,617,803	47,458,536	82,058,210	129,498,102	39,746,267	48,530,887	39,628,554	376,415,530	361,862,916	14,552,614	386,920,556	763,336,087	753,718,013	1%
EXPENDIT	TURES	Cumulative Rev Variance>							14,552,614													
3.010	Personal Services	28,812,789	25,967,833	27,174,325	29,915,429	26,753,444	27,159,106	26,321,490	(837,616)	27,507,092	27,662,091	27,316,592	32,672,076	31,467,778	28,656,851	164,945,310	175,351,860	(10,406,550)	175,282,482	340,227,791	350,634,342	-3%
3.020	Benefits	12,001,262	12,220,631	13,265,589	11,071,278	11,202,542	10,737,663	10,978,700	241,036	12,403,713	11,328,195	11,214,586	10,976,605	10,807,174	8,407,183	70,740,001	64,278,953	6,461,048	65,137,454	135,877,456	138,387,420	-2%
3.030	Purchased Services	15,101,756	16,023,186	17,329,219	16,034,809	18,052,964	18,214,423	18,595,719	381,296	18,188,112	17,844,791	19,385,391	19,155,958	19,364,664	20,008,431	101,137,653	113,897,242	(12,759,589)	113,947,347	215,085,000	228,825,895	-6%
3.040	Supplies and Materials	472,866	535,094	1,117,000	1,398,763	1,817,835	1,777,683	983,564	(794,119)	1,618,047	973,704	1,168,665	912,375	1,023,181	1,204,578	6,325,122	12,207,885	(5,882,763)	6,900,550	13,225,672	12,427,958	6%
3.050	Capital Outlay	56,721	64,721	9,863	56,927	54,902	431,526	31,937	(399,589)	242,519	197,667	248,391	303,520	487,682	193,313	275,071	3,598,661	(3,323,590)	1,673,093	1,948,163	1,379,910	41%
4.300	Other Objects	1,301,141	81,318	1,681,104	(14,084)	688,385	250,000	38,839	(211,161)	250,000	250,000	1,486,621	250,000	250,000	250,000	3,776,702	5,121,842	(1,345,140)	2,736,621	6,513,323	7,858,463	-17%
	rating Transfers-Out	0	0	600,000	0	0	0	0	0	0	0	0	0	0	1,000,000	600,000	0	600,000	1,000,000	1,600,000	1,600,000	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%
5.050 TOT	AL EXPENDITURES	57,746,535	54,892,783	61,177,099	58,463,122	58,570,071	58,570,402	56,950,249	(1,620,153)	60,209,483	58,256,448	60,820,246	64,270,535	63,400,479	64,720,357	347,799,859	374,456,442	(26,656,584)	371,677,546	719,477,405	746,113,988	-4%
		Cumulative Exp Variance>							(26,656,584)													
6.010 Mon	thly Excess/Shortfall (rev exp.)	(14,762,280)	27,640,677	48,922,893	(10,881,600)	(14,682,515)	(18,859,459)	(7,621,503)	11,237,956	(12,750,947)	23,801,762	68,677,856	(24,524,268)	(14,869,591)	(25,091,803)	28,615,672	(12,593,526)	41,209,198	15,243,010	43,858,682		j
Beginning	Balance	37,861,509	23,099,229	50,739,906	99,662,799	88,781,199	44,127,442	74,098,684	29,971,241	25,267,983	12,517,036	36,318,799	104,996,655	80,472,387	65,602,796			FY Begi	nning Cash=>	37,861,509		
6.010 Cum	ulative Excess/Shortfall (rev exp.)	(14,762,280)	12,878,397	61,801,290	50,919,690	36,237,175		28,615,672										Či	rrent Cash=>	66,477,181		
Ending Ca	sh Balance	23,099,229	50,739,906	99,662,799	88,781,199	74,098,684	25,267,983	66,477,181	41,209,198	12,517,036	36,318,799	104,996,655	80,472,387	65,602,796	40,510,993			Projected E	nding Cash=>	81,720,191		
		45 005 005	40.020.022	47 404 000	07.070.070	07.405.600	40,000,000	00 040 700	7 040 700	46,000,000	40,000,000	46,000,000	46,000,000	40,000,000	40,000,000		Using Ass	sumed Remain	ing Estimates			
Encumbrar	nces	15,285,205	19,039,928	17,104,283	27,678,379	27,195,683	16,000,000	23,810,733	7,810,733	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000							
UNENCUM	IBERED CASH BALANCE	7,814,025	31,699,978	82,558,515	61,102,820	46,903,001	9,267,983	42,666,448	33,398,465	(3,482,964)	20,318,799	88,996,655	64,472,387	49,602,796	24,510,993							

^{*}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):

Sept Notes: Other Revenue is currently showing that we are 5% (\$1.7M) behind what has been forecasted, this is due to a decrease in TIF collections from the PY. Personal Services for the third month in a row continues to trend below budget due to the hiring freeze that has been implemented by the District. Benefits is trending above budget due to two main reasons, through September the District has paid \$2 million extra in the employer share of SERS/STRS (we are monitoring this and will reach out to SERS/STRS about updating our foundation deduction) and health care continues to trend over budget. Purchase Services is trending below because of a few reasons, the community school deduction is currently trending \$4.9M under budget and utility costs continue to lag behind what is expected. The District has initated cost saving measures during the shutdown that has limited purchasing to only emergency needs, this has caused the other Non Payroll categories to trend under budget. Finally, in September the District transferred \$600,000 to fund 019 to cover a negative fund balance that was not in the May Forecast but will be in the updated November forecast.

Oct Notes: Other Revenue is currently trending 8% behind its estimate, this is due to the decrease in TIF Collections in the first half of the previous year. This will rebound in November due the to deposit of BWC refund of \$2.2M. Personal Services continues to trend under budget due to the hiring freeze that has been implemented by the District. For the first time of the year, Benefits were under the estimate for the year. Purchase Services continues to trend under budget because our Community School deduction is currently \$9M less than what is budgeted, we expect this number to increase slightly in the upcoming months, and our utility payments continue to lag behind what is expected. The District has initiated cost saving measures during the shutdown that has limited purchasing to only emergency needs, this has caused the other Non Payroll categories to trend under budget. Encumbrances saw a significant increase from the previous month because the District entered a contract with the ESC that we will pay down throughout the year for tuition costs.

Nov Notes: Personnel Services continues to trend under budget due to the hiring freeze that has been implemented by the District. Purchase Services continues to trend under budget because our Community School deduction is currently \$9M less than what is budgeted, we expect this number to increase slightly in the upcoming months, and our utility payments continue to lag behind what is expected. The District has initiated cost saving measures during the shutdown that has limited purchasing to only emergency needs, this has caused the other Non Payroll categories to trend under budget. Encumbrances are on par with the previous month because the ESC contract the District entered a contract (discussed in Oct) that we will pay down throughout the year for tuition costs.

Dec Notes:Personnel Services continues to trend under budget due to the hiring freeze that has been implemented by the District. In Purchased Services, the Community School deduction increased \$9 million over the past two months. The increase was caused by the State of Ohio updating information with current year figures and there has been an increase of 400 students attending charter schools from previous year. The current expected expenditures is currently on budget of what we expected on the beginning of the year. The District has initiated cost saving measures during the shutdown that has limited purchasing to only emergency needs, this has caused the other Non Payroll categories to trend under budget. Encumbrances are on par with the previous month because the ESC contract the District entered a contract (discussed in Oct) that we will pay down throughout the year for tuition costs.

MONTHLY FINANCIAL STATUS REPORT

Revenue Summary

The Cleveland Metropolitan School District is forecasted \$753,718,014 in revenue within the General Fund for the 2021 fiscal year as shown on Figure 1. As of December 31, 2020 the District has received revenue in the amount of \$376,415,530. The District will need to collect another \$377,302,484 to reach its target.

Figure 1: Forecasted Revenues and Actual Revenues

	FY	' '21 Budget	F	Y '21 Actual		Balance
Revenues						
General Property Tax	\$	207,515,493	\$	90,336,141	(a)	\$ (117,179,352)
Personal Property Tax		34,824,325	\$	16,946,510	(b)	(17,877,815)
State Grants-in-Aid		450,675,148		233,231,144		(217,444,004)
Property Tax Allocation		16,753,482		-		(16,753,482)
Other Revenues		38,475,048		30,626,003		(7,849,045)
Advances In		5,224,518		5,224,788		270
Other Financing Sources		250,000		50,945		(199,055)
Total Revenues		753,718,014		376,415,530		(377,302,484)

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 \$199,909,762 in general property taxes in FY20 and forecasted \$207,515,493 in FY21. As of December 31, 2020 the District has received \$90,336,141.
- (b) The District will receive state funding in FY21 based on HB 305.

MONTHLY FINANCIAL STATUS REPORT

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

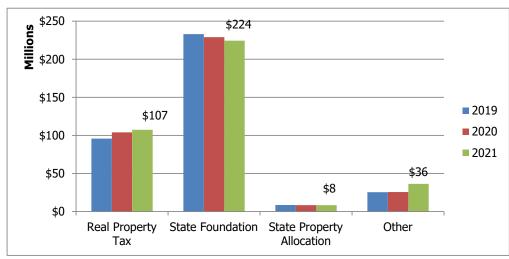


Figure 2: Revenue by Category

^{*}Data labels represent figures for current FY*

MONTHLY FINANCIAL STATUS REPORT

Expenditure Summary

For fiscal year 2021 the board passed a temporary appropriation of \$486,978,400, which is based on a full, planned appropriation of \$746,133,988. This budget, coupled with carryover encumbrances of \$15,791,407, resulted in a \$502,769,807 appropriation for FY 2021. The following information is a financial update of the status of this appropriation through December 31, 2020.

Through December 31, 2020 the District has expended \$347,799,859 which reflects 46.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$23,810,733. A statistical spending range for the District is based on two analyses: first, time elapsed is six months, or 50.00%, of the fiscal year. Secondly, 25 of the 51, or 49.02%, of the total pay periods have passed. Figure 3 illustrates these points.

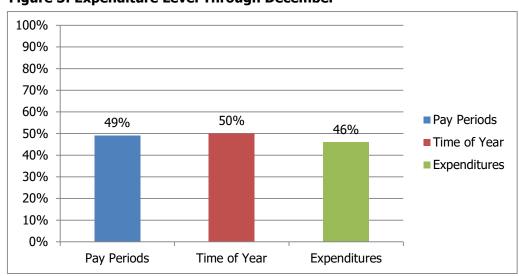


Figure 3: Expenditure Level Through December

Overall, the District's expenditure level through December is slightly 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 will be beneficial for trend analysis performed throughout the year. Further discussion of these two figures is included on the following page.

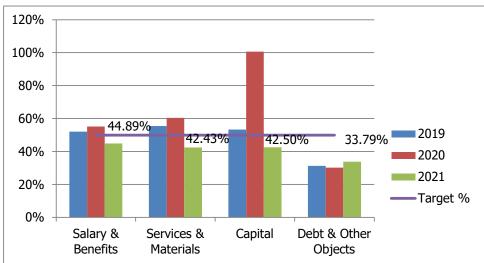


Figure 4: % Spend to Budget for YTD Expenditures

Target percent of 50.00% is based on the # of months completed in the current year.

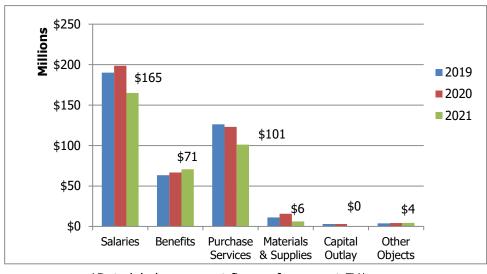


Figure 5: Expenditure by Category

Data labels represent figures for current FY

MONTHLY FINANCIAL STATUS REPORT

As Figures 4 and 5 illustrate, overall salaries and fringe benefits are less than prior years. This is due to the timing of payroll periods and we expect this to flatten out as the year goes on. The trend line in Figure 4 is based on the time elapsed for the year. Health care costs are forecasted to increase 5.5% in FY 21 from FY 20.

The current year Purchased Services and Materials categories indicate a 42.43% encumbrance/expenditure level for this month.

The Capital encumbrance/expenditure level, whose budget comprises only .7% of the total General Fund budget, indicates a 42.50% encumbrance/expenditure level for this month. It should be noted that the vast majority of 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 as of December 31, 2020. Debt payments occur in July and April while the transfer of monies to other District funds will occur in June.

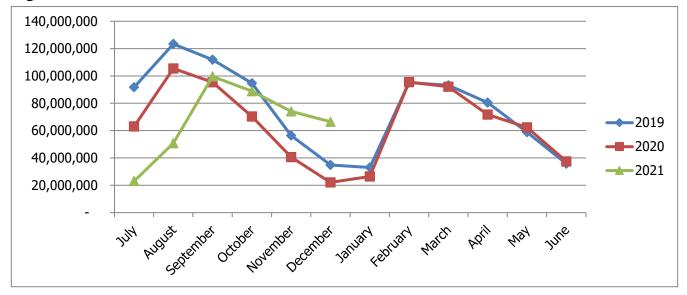
MONTHLY FINANCIAL STATUS REPORT

Cash Balances

The cash balance as of December 31, 2020 is \$66,477,180. The unencumbered balance as of December 31, 2020 is \$42,666,447. See below for details.

FY '21
\$ 37,861,509
376,415,530
347,799,859
28,615,671
66,477,180
23,810,733
\$ 42,666,447

Figure 6: Cash Balances Last 3 Years



CMSD Bank Reconciliation Summary

Period Ending: 12/31/2020

Bank Account	Bank Balance	Oustanding Checks	Other Reconciling Items	Book Balance
Key BAI2 Accounts				
Food Services (9871)	\$636,398.83			\$636,398.83
Student Activities (9912)	\$1,898,515.91			\$1,898,515.91
AP Concentration (4657)	\$11,959,315.29	\$6,717,881.69	\$267,801.21	\$5,509,234.81
Payroll Concentration (9905)	\$21,197.93	\$32,079.00		(\$10,881.07)
JP Morgan BAI2 Accounts				
CFAP 5 Savings (7389)	\$1,695,611.38			\$1,695,611.38
CFAP 6 Savings (7893)	\$585,861.48			\$585,861.48
CFAP 7 Savings (1988)	\$31,661.80			\$31,661.80
CFAP 8 Savings (2595)	\$1,925,515.65			\$1,925,515.65
Debt Service Savings (9974)	\$30,442.13			\$30,442.13
General Fund (4288)	\$108,590.55			\$108,590.55
LFI Savings (0022)	\$30,497.85			\$30,497.85
Star Accounts				
Star (1661)	\$92,883,872.37			\$92,883,872.37
Star Plus (6682)	\$552.89			\$552.89
State 7 (76013)	\$37,593.92			\$37,593.92
Star LFI	\$68,980,357.94			\$68,980,357.94
Other Accounts				
Fifth Third (3344)	\$123,183.67			\$123,183.67
PNC (9366)	\$3,393,016.32			\$3,393,016.32
Huntington Checking (6395)	\$32,669.70			\$32,669.70
Huntingon MMAX (8274)	\$5.62			\$5.62
JP Morgan Metlife	\$146,798.07			\$146,798.07
Legal Dept (4124)	\$278.49			\$278.49
Lien (4380)	\$93,371.41			\$93,371.41
Lien (4420)	\$0.17			\$0.17
Lien (2080)	\$55,850.26			\$55,850.26
Lien (1500)	\$93,321.58			\$93,321.58
Lien (4400)	\$16,814.34			\$16,814.34
Lien (2050)	\$118,987.98			\$118,987.98
Investment Accounts				
BNY Mellon (6754)	\$35,589,061.21			\$35,589,061.21
Safekeeping CFAP 7 (3904)	\$0.00			\$0.00
Safekeeping General Fund	\$1,994,862.22			\$1,994,862.22
Safekeeping LFI (1268)	\$0.00			\$0.00
Total Bank Balance	\$222,484,206.96	\$6,749,960.69	\$267,801.21	\$216,002,047.48
		Cash Bala	ance per Workday	\$216,002,047.48
			Difference	\$0.00



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

Issued On or After: 12/01/2020 Issued On or Before: 12/31/2020

Accounting Date for Operational Transaction	Supplier	Supplier Contract	Total Contract Amount
12/02/2020	Invo Healthcare Associates LLC	CON-10025802: Speech & Language Pathology Services @ Various Nonpublic Schools	49,248.44
12/03/2020	Education Elements, Inc.	CON-10025821: JFK Personalized Learning training	46,400.00
12/09/2020	Drake Construction Co Inc	CON-10025865: FOOD SERVICE EQUIPMENT	31,707.00
12/09/2020	G & G Inc.	CON-10025871: ESSER Grant-Metro Catholic	34,580.00
12/09/2020	The Wasserstrom Company	CON-10025867: FOOD SERVICE EQUIPMENT	34,484.97
12/15/2020	G & G Inc.	CON-10025922: ESSER Grant-St Rocco	28,324.40
12/16/2020	Psi Affiliates, Inc.	CON-10025941: Psychological Services @ Various Nonpublic Schools	34,530.44
12/16/2020	Qualtrics, LLC	CON-10025937: Qualtrics - Cloud services	49,400.00
12/18/2020	National Center for Montessori in the Public Sector	CON-10025954: National Center for Montessori in the Public Sector	37,800.00
12/23/2020	Breckenridge Kitchen Equipment & Design INC.	CON-10025982: KITCHEN EQUIPMENT	33,489.00
12/23/2020	Ryan Consulting Group, Inc.	CON-10025976: CTE-IT Help Desk- Services. SY 20-21.	36,750.00
12/29/2020	Postmaster Main Post Office Station	CON-10025987: Postage - Back to School Mailer- English & Spanish	25,484.15



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

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Issued On or After: 12/01/2020 Issued On or Before: 12/31/2020

Issued Date	PO Number	Supplier	Total PO Amount
12/02/2020	PO-10048418	Dell Computer Corp.	26,867.28
12/07/2020	PO-10048460	Howard Technology Solutions	49,976.00
12/10/2020	PO-10048567	Dell Computer Corp.	27,986.75
12/10/2020	PO-10048423	Howard Technology Solutions	29,493.00
12/10/2020	PO-10048542	Shi International Corp	36,490.25
12/10/2020	PO-10048545	Tierney Brothers, Inc.	48,378.00
12/22/2020	PO-10048480	Achieve 3000 Inc.	25,015.00
12/22/2020	PO-10048608	G & G Inc.	26,824.00
12/22/2020	PO-10048581	LearnZillion, Inc	25,950.00
12/24/2020	PO-10048687	CDW Government, Inc.	40,800.00

CMSD FNA Board Report - Receipts





Fund: 001FD_L General Fund Period: FY 2020 - 2021 - Dec Time Period: Current Period YTD

Start Date: 12/01/2020 End Date: 12/31/2020

Fund	Amount
001FD_L General Fund	(49,328,745.58)
Total	(49,328,745.58)

CMSD FNA Board Report - Expenditures





Fund: 001FD_L General Fund Period: FY 2020 - 2021 - Dec

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

Start Date: 12/01/2020 End Date: 12/31/2020

Fund	Exp Cat Hier	Expense Category	Amount
001FD_L General Fund	100SCH Personal Services - Employees Salaries and Wages	Personal Services - Employees Salaries and Wages	26,321,490.39
001FD_L General Fund	200SCH Employees' Retirement and Insurance Benefits	Employees' Retirement and Insurance Benefits	10,978,699.62
001FD_L General Fund	400SCH Purchased Services	Purchased Services	18,595,718.91
001FD_L General Fund	500SCH Supplies and Materials	Supplies and Materials	767,097.32
001FD_L General Fund	600SCH Capital Outlay	Capital Outlay	31,936.75
001FD_L General Fund	800SCH Other Objects	Other Objects	38,838.70
001FD_L General Fund	(Blank)	(Blank)	216,467.00
Total			56,950,248.69