



Department of Finance

Fiscal Year 2020 Financial Status Report

As of October 31, 2019

CLEVELAND METROPOLITAN SCHOOL DISTRICT
MONTHLY FINANCIAL STATUS REPORT

Summary

The following spreadsheet shows the revenue and expenditures by month for the General Funds as of October 31, 2019. The total revenues forecasted in the October five year forecast were \$744,012,511 and expenditures were \$764,766,522. The adopted budget approved by the Board was \$764,766,522 plus carryover encumbrances of \$17,598,133 for a total appropriation of \$782,364,635.

	July	August	September	October	November	December	January	February	March	April	May	June	Total
Revenues													
Local	\$ 49,443,524	\$ 64,895,279	\$ 5,410,155	\$ 1,319,781	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 121,068,739
State	\$ 37,768,565	\$ 40,757,813	\$ 46,197,972	\$ 38,071,402	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 162,795,752
Federal	\$ -	\$ 19,106	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,106
Other	\$ 8,068	\$ 17,824	\$ 15,125	\$ 34,550	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,567
Total Revenues	87,220,157	105,690,021	51,623,251	39,425,733	-	283,959,163							
Expenditures													
Salaries	\$ 32,073,964	\$ 25,966,268	\$ 28,774,075	\$ 28,800,482	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 115,614,789
Benefits	\$ 11,472,897	\$ 12,226,059	\$ 13,952,059	\$ 12,804,237	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,455,251
Purchase Services	\$ 16,911,208	\$ 20,168,746	\$ 17,819,692	\$ 20,066,591	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74,966,237
Materials & Supplies	\$ 1,359,963	\$ 1,472,488	\$ 1,021,042	\$ 2,667,767	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,521,260
Capital Outlay	\$ 320,361	\$ 303,509	\$ 66,511	\$ 204,828	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 895,209
Other Objects	\$ 47,962	\$ 3,131,869	\$ 40,484	\$ 6,367	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,226,683
Total Expenditures	62,186,357	63,268,938	61,673,863	64,550,272	-	251,679,429							
Net Change in Cash	25,033,800	42,421,084	(10,050,611)	(25,124,539)	-	32,279,734							

The financial information included in this report is preliminary, unaudited and subject to revision upon completion of the District's closing and audit process

CLEVELAND METROPOLITAN SCHOOL DISTRICT

MONTHLY FINANCIAL STATUS REPORT

Revenue Summary

The Cleveland Metropolitan School District is forecasting \$744,012,511 in revenue within the General Fund for the 2020 fiscal year as shown on Figure 1. As of October 31, 2019 the District has received revenue in the amount of \$283,959,163. The District will need to collect another \$460,053,348 to reach its target.

Figure 1: Forecasted Revenues and Actual Revenues

	<u>FY '20 Budget</u>	<u>FY '20 Actual</u>		<u>Balance</u>
Revenues				
General Property Tax	\$ 192,578,338	\$ 88,099,048	(a)	\$ (104,479,290)
Personal Property Tax	32,764,939	15,844,861	(b)	(16,920,078)
State Grants-in-Aid	456,306,115	162,930,752		(293,375,363)
Property Tax Allocation	16,923,085	-		(16,923,085)
Other Revenues	38,490,034	17,084,503		(21,405,531)
Advances In	4,000,000	-		(4,000,000)
Other Financing Sources	2,950,000	-		(2,950,000)
Total Revenues	<u>744,012,511</u>	<u>283,959,163</u>		<u>(460,053,348)</u>

*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

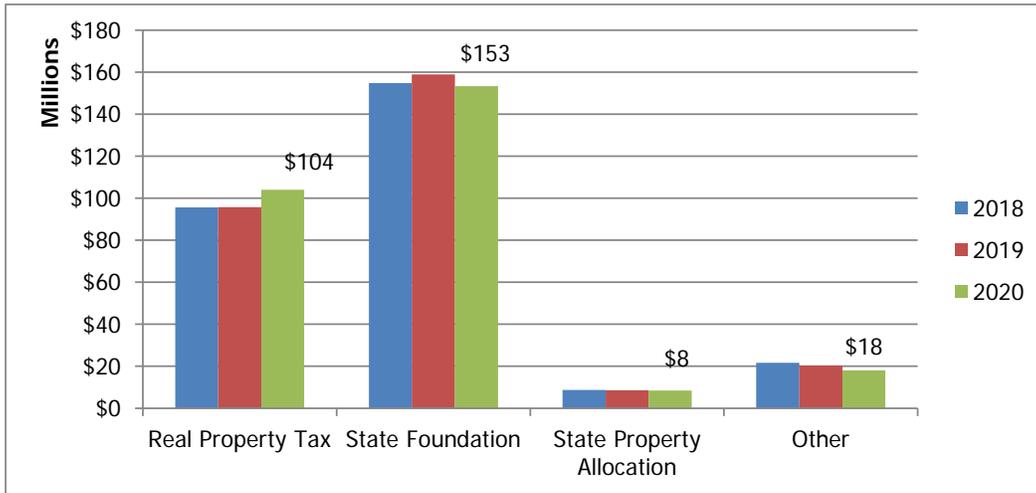
- (a) The District received \$204,844,499 in general property taxes in FY19 and is forecasted \$192,578,338 in FY20. As of October 31, 2019 the District has received \$88,099,048.
- (b) The District will receive state funding in FY20 based on HB 305.

CLEVELAND METROPOLITAN SCHOOL DISTRICT

MONTHLY FINANCIAL STATUS REPORT

Figure 2 below compares revenue sources to the prior two years as of October. 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

CLEVELAND METROPOLITAN SCHOOL DISTRICT

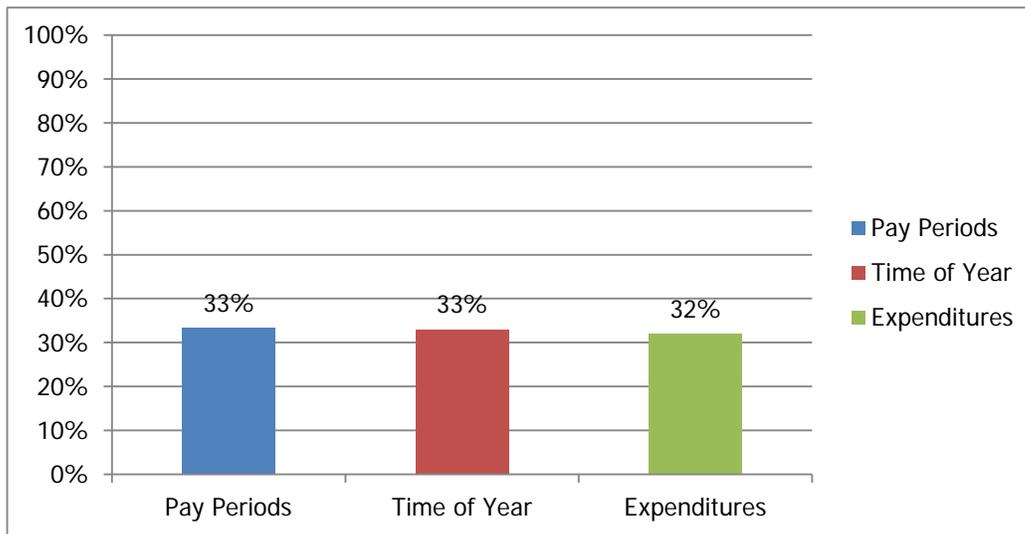
MONTHLY FINANCIAL STATUS REPORT

Expenditure Summary

The fiscal year 2020 General Fund budget for the District is \$764,766,522. This budget, coupled with carryover encumbrances of \$17,598,133, resulted in a \$782,364,635 appropriation for FY 2020. The following information is a financial update of the status of this appropriation through October 31, 2019.

Through October 31, 2019 the District has expended \$251,679,429 which reflects 32.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$31,741,472. A statistical spending range for the District is based on two analyses: first, time elapsed is four months, or 33.33%, of the fiscal year. Secondly, 17 of the 51, or 33.33%, of the total pay periods have passed. Figure 3 illustrates these points.

Figure 3: Expenditure Level Through October



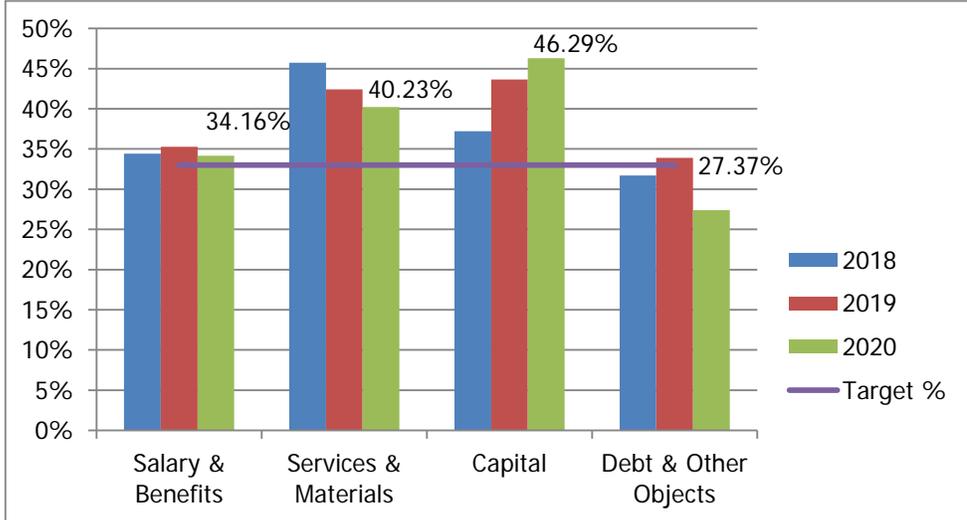
Overall, the District's expenditure level through October is trending slightly below target based on the above analysis. As an examination of the categories of expenditures is performed, cyclical variances are noted between categories which related specifically to school opening activities.

CLEVELAND METROPOLITAN SCHOOL DISTRICT

MONTHLY FINANCIAL STATUS REPORT

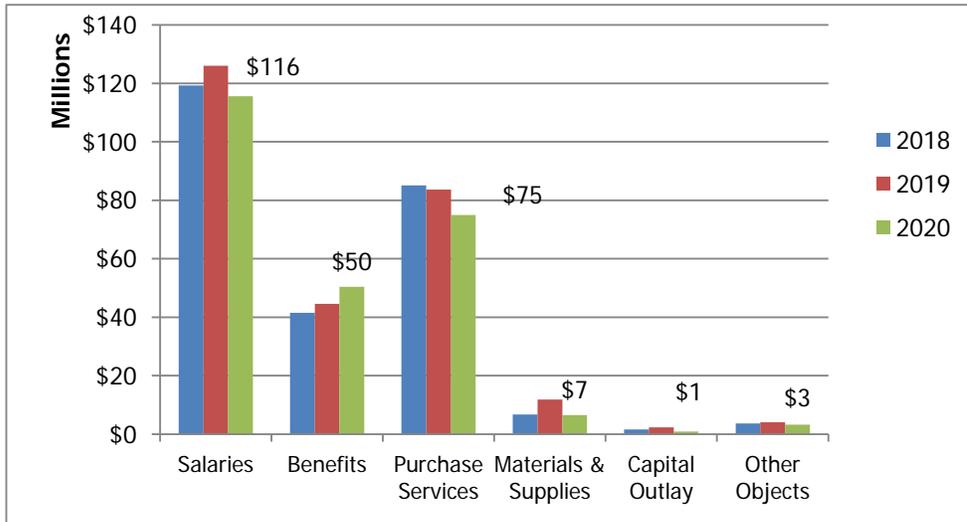
Figure 4 compares the various expenditure categories to the expected level and to the prior two years. Figure 5 provides the year to date expenditure level by category for the current year as well as the prior two. The three years of data will be beneficial for trend analysis performed throughout the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

Figure 4: % Spend to Budget for YTD Expenditures



Target percent of 33.33% is based on the # of months completed in the current year.

Figure 5: Expenditure by Category



Data labels represent figures for current FY

CLEVELAND METROPOLITAN SCHOOL DISTRICT

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 7.5% in FY 20 from FY 19.

The current year Purchased Services and Materials categories indicate a 40.2% encumbrance/expenditure level for this month.

The Capital encumbrance/expenditure level, whose budget comprises only .6% of the total General Fund budget, indicates a 46.3% 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 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 October 31, 2019. Debt payments occur in July and April while the transfer of monies to other District funds will occur in June.

CLEVELAND METROPOLITAN SCHOOL DISTRICT

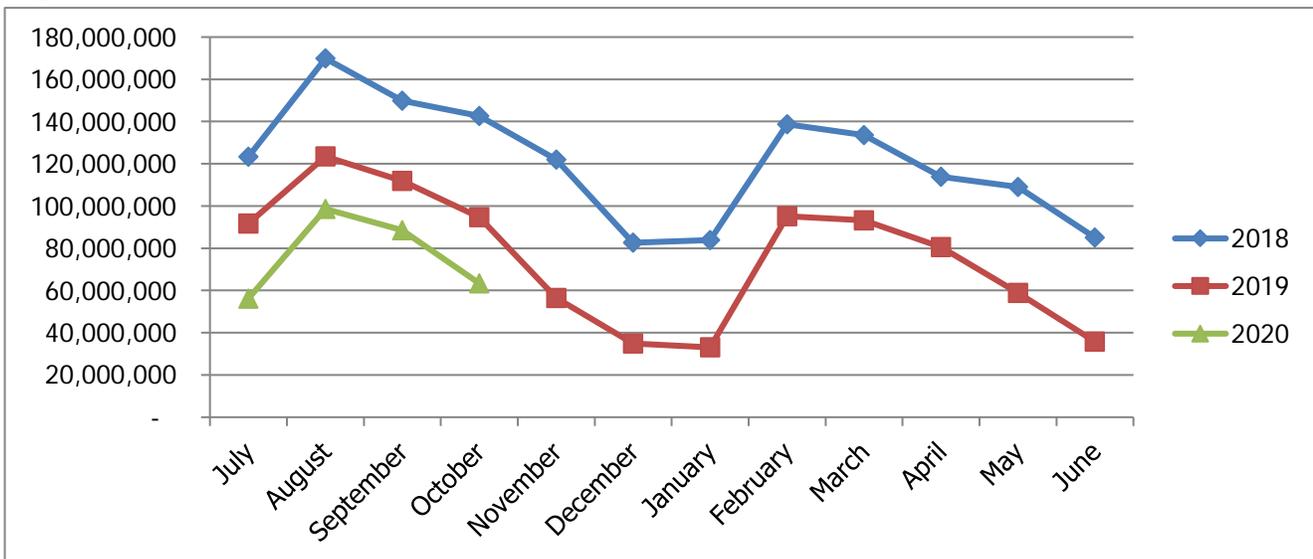
MONTHLY FINANCIAL STATUS REPORT

Cash Balances

The cash balance as of October 31, 2019 is \$63,432,620. The unencumbered balance as of October 31, 2019 is \$31,691,148. See below for details.

	FY '20
Beginning Cash Balance	\$ 31,152,886
Total Revenues	283,959,163
Total Expenses	251,679,429
Revenue over Expenses	32,279,734
Ending Cash Balance	63,432,620
Encumbrances/Reserves	31,741,472
Unencumbered Balance	<u>\$ 31,691,148</u>

Figure 6: Cash Balances Last 3 Years



CMSD Bank Reconciliation Summary

Period Ending: 10/31/2019

Bank Account	Bank Balance	Outstanding Checks	Other Reconciling Items	Book Balance
Key BAI2 Accounts				
Food Services (9871)	\$528,338.17			\$528,338.17
Student Activities (9912)	\$2,064,194.70			\$2,064,194.70
AP Concentration (4657)	\$5,522,214.61	(\$4,901,444.26)	(\$7,948.83)	\$612,821.52
Payroll Concentration (9905)	\$3,053,978.79	(\$31,351.54)		\$3,022,627.25
JP Morgan BAI2 Accounts				
CFAP 5 Savings (7389)	\$1,692,298.78			\$1,692,298.78
CFAP 6 Savings (7893)	\$1,084,390.63			\$1,084,390.63
CFAP 7 Savings (1988)	\$5,337,603.42			\$5,337,603.42
CFAP 8 Savings (2595)	\$1,921,753.88			\$1,921,753.88
Debt Service Savings (9974)	\$180,155.86			\$180,155.86
General Fund (4288)	\$5,073,618.81			\$5,073,618.81
LFI Savings (0022)	\$8,814,355.71			\$8,814,355.71
Star Accounts				
Star (1661)	\$75,920,323.08			\$75,920,323.08
Star Plus (6682)	\$2,517,307.17			\$2,517,307.17
State 7 (76013)	\$2,220,676.67			\$2,220,676.67
Star LFI	\$55,201,160.01			\$55,201,160.01
Other Accounts				
Fifth Third (3344)	\$161,095.07			\$161,095.07
PNC (9366)	\$3,389,674.98			\$3,389,674.98
Huntington Checking (6395)	\$14.00			\$14.00
Huntingon MMAX (8274)	\$32,456.18			\$32,456.18
JP Morgan Metlife	\$43,480.52			\$43,480.52
Legal Dept (4124)	\$278.49			\$278.49
Lien (4380)	\$92,742.05			\$92,742.05
Lien (4420)	\$0.17			\$0.17
Lien (2080)	\$55,473.68			\$55,473.68
Lien (1500)	\$92,692.60			\$92,692.60
Lien (4400)	\$16,701.82			\$16,701.82
Lien (2050)	\$118,187.35			\$118,187.35
Investment Accounts				
BNY Mellon (6754)	\$29,748,842.52			\$29,748,842.52
Safekeeping CFAP 7 (3904)	\$3,000,000.00			\$3,000,000.00
Safekeeping General Fund	\$36,205,018.79			\$36,205,018.79
Safekeeping LFI (1268)	\$6,715,000.00			\$6,715,000.00
Total Bank Balance	\$250,804,028.51	(\$4,932,795.80)	(\$7,948.83)	\$245,863,283.88
			Cash Balance per Workday	\$245,863,283.88
			Difference	\$0.00



CMSD FNA Board Report - Receipts

Fund: 001FD_L General Fund
Period: FY 2019 - 2020 - Jun
Time Period: Last 24 Periods (from June) (Fiscal Year)
Start Date: 10/01/2019
End Date: 10/31/2019

Fund	Amount
001FD_L General Fund	(39,425,733.45)
Total	(39,425,733.45)



CMSD FNA Board Report - Expenditures

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11/18/2019

Page 1 of 1

Fund: 001FD_L General Fund

Period: FY 2019 - 2020 - Jun

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

Start Date: 10/01/2019

End Date: 10/31/2019

Fund	Exp Cat Hier	Expense Category	Amount
001FD_L General Fund	100SCH Personal Services - Employees Salaries and Wages	Personal Services - Employees Salaries and Wages	28,797,525.79
001FD_L General Fund	200SCH Employees' Retirement and Insurance Benefits	Employees' Retirement and Insurance Benefits	12,804,236.61
001FD_L General Fund	400SCH Purchased Services	Purchased Services	20,066,590.66
001FD_L General Fund	500SCH Supplies and Materials	Supplies and Materials	2,437,444.27
001FD_L General Fund	600SCH Capital Outlay	Capital Outlay	204,827.96
001FD_L General Fund	800SCH Other Objects	Other Objects	6,367.26
001FD_L General Fund	(Blank)	(Blank)	233,279.47
Total			64,550,272.02



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

04:55 PM
11/08/2019
Page 1 of 1

Issued On or After: 10/01/2019
Issued On or Before: 10/31/2019

Accounting Date for Operational Transaction	Supplier	Supplier Contract	Total Contract Amount
10/01/2019	Life Safety Systems	CON-10020672: " SAFETY MANDATE "	35,240.00
10/01/2019	Paths Education Worldwide	CON-10020756: PATHS Curriculum PD FY 20 for Humanware	25,000.00
10/01/2019	Safety To Go	CON-10020098: Nicole Vitale & Hillary Thomas	49,999.00
10/01/2019	The Achievement Network,Ltd.	CON-10020817: Anet - Scranton	33,000.00
10/01/2019	The Achievement Network,Ltd.	CON-10020829: Anet - Clark	33,000.00
10/01/2019	The Achievement Network,Ltd.	CON-10021177: Anet - Louisa M Alcott	33,000.00
10/04/2019	Gartner, Inc.	CON-10020990: CEB Gartner Talent Subscription 2019-20	25,700.00
10/07/2019	The Achievement Network,Ltd.	CON-10021033: Anet - Orchard	33,000.00
10/08/2019	Chagrin Pet & Garden Supply	CON-10021039: Outdoor Equipment & Service	35,000.00
10/08/2019	Nsip, Sam Process	CON-10021053: NSIP, Sam Process FY20	42,100.00
10/08/2019	The Achievement Network,Ltd.	CON-10021041: Anet - Buhner	33,000.00
10/08/2019	The Achievement Network,Ltd.	CON-10021042: Anet - Joseph Gallagher	33,000.00
10/08/2019	The Literacy Cooperative	CON-10021069: Literacy Cooperative - GWC	28,800.00
10/09/2019	Newport Chemical And Equipment Co. Inc.	CON-10021099: Indoor Equipment	35,000.00
10/09/2019	The Achievement Network,Ltd.	CON-10021111: Anet - WC Bryant	33,000.00
10/11/2019	Allied Glass Services	CON-10021142: 1111 Admin. - Glass Door	32,500.00
10/11/2019	Drake Construction Co Inc	CON-10021144: 1111 Superior Admin. Bldg. 18th Floor	29,118.00
10/11/2019	Masonry Restoration Maintenanc	CON-10021155: James F. Rhodes - Chimney	30,013.00
10/14/2019	Momentum,LLC	CON-10021196: Momentum - East Clark	25,000.00
10/17/2019	Parma City School District	CON-10021274: Transportation	29,743.08



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

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11/08/2019

Page 1 of 1

Issued On or After: 10/01/2019

Issued On or Before: 10/31/2019

Issued Date	PO Number	Supplier	Total PO Amount
10/01/2019	PO-10037974	News-2-You,Inc	26,405.00
10/08/2019	PO-10039102	Tierney Brothers, Inc.	33,696.00
10/11/2019	PO-10039356	Staples, INC DBA Staples Technology Solutions	37,542.65
10/11/2019	PO-10039358	Staples, INC DBA Staples Technology Solutions	32,311.50
10/18/2019	PO-10039645	Staples, INC DBA Staples Technology Solutions	40,618.80
10/22/2019	PO-10039785	Dell Computer Corp.	29,427.37
10/22/2019	PO-10039445	Vinson Consulting, LLC	30,000.00
10/31/2019	PO-10040159	Staples, INC DBA Staples Technology Solutions	40,033.73