



Department of Finance

# Fiscal Year 2018 Financial Status Report

As of October 31, 2017

**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, 2017. The total revenues forecasted in the October five year forecast were \$729,601,873 and expenditures were \$745,760,191. The adopted budget approved by the Board in October was \$749,399,999 plus carryover encumbrances of \$20,340,770 for a total appropriation of \$769,740,769.

	July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Revenues</b>													
Local	\$ 25,988,972	\$ 78,869,499	\$ 1,864,563	\$ 1,184,997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,908,031
State	\$ 36,834,906	\$ 38,525,041	\$ 36,942,387	\$ 52,258,853	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 164,561,187
Federal	\$ 786,778	\$ -	\$ 23,064	\$ 178,282	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 988,123
Other	\$ 8,840	\$ 2,286,137	\$ 5,115,081	\$ 39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,410,096
<b>Total Revenues</b>	<b>63,619,496</b>	<b>119,680,676</b>	<b>43,945,094</b>	<b>53,622,170</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>280,867,436</b>
<b>Expenditures</b>													
Salaries	\$ 37,480,521	\$ 26,166,303	\$ 27,881,876	\$ 27,767,968	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,296,668
Benefits	\$ 9,968,256	\$ 11,109,345	\$ 11,287,839	\$ 11,213,993	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,579,432
Purchase Services	\$ 14,690,553	\$ 29,536,701	\$ 20,781,922	\$ 20,072,740	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,081,915
Materials & Supplies	\$ 715,595	\$ 1,957,289	\$ 3,323,519	\$ 1,616,805	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,613,208
Capital Outlay	\$ 70,520	\$ 642,511	\$ 539,771	\$ 377,484	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,630,287
Other Objects	\$ 40,674	\$ 3,622,300	\$ 51,981	\$ 48,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,762,964
<b>Total Expenditures</b>	<b>62,966,118</b>	<b>73,034,449</b>	<b>63,866,908</b>	<b>61,097,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>260,964,475</b>
<b>Net Change in Cash</b>	<b>653,378</b>	<b>46,646,227</b>	<b>(19,921,815)</b>	<b>(7,474,829)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,902,961</b>

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

## MONTHLY FINANCIAL STATUS REPORT

### Revenue Summary

The Cleveland Metropolitan School District is forecasting \$729,601,873 in revenue within the General Fund for the 2018 fiscal year as shown on Figure 1. As of October 31, 2017 the District has received revenue in the amount of \$280,867,436. The District will need to collect another \$448,734,437 to reach its target.

**Figure 1: Forecasted Revenues and Actual Revenues**

	<u>FY ' 18 October</u>	<u>FY '18 Actual</u>	<u>Variance</u>
<b>Revenues</b>	<b>Forecast</b>		
Real Property Tax	\$ 185,321,705	\$ 95,638,599 (a)	(89,683,105.78)
State Foundation	457,405,351	\$ 154,827,245 (b)	(302,578,106)
Property Tax Homestead & Rollbacks	28,911,471	\$ 8,737,963	(20,173,508)
CAT Tax	115,990	\$ -	(115,990)
Interest	1,000,000	\$ 770,879	(229,121)
Medicaid	5,530,612	\$ 930,651	(4,599,961)
CEAP	9,468,700	\$ 3,796,304	(5,672,396)
Advances-In	4,557,000	\$ 5,111,000	554,000
Casino Receipts	1,918,554	\$ 995,978	(922,576)
Other Revenues	35,372,490	\$ 10,058,817	(25,313,673)
<b>Total Revenues</b>	<u>729,601,873</u>	<u>280,867,436</u>	<u>(448,734,436.67)</u>

Notes

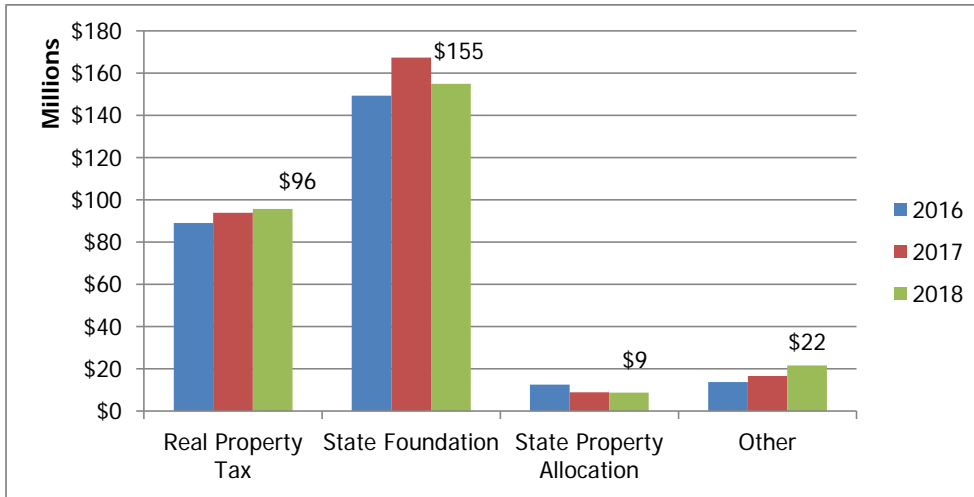
- (a) The District received \$212,991,820 in general property taxes in FY17 and is forecasting \$185,321,705 in FY18. Through October 31, 2017, the District has received \$95,638,599 in general property taxes.
- (b) The District will receive state funding in FY18 based on HB 49.

# 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

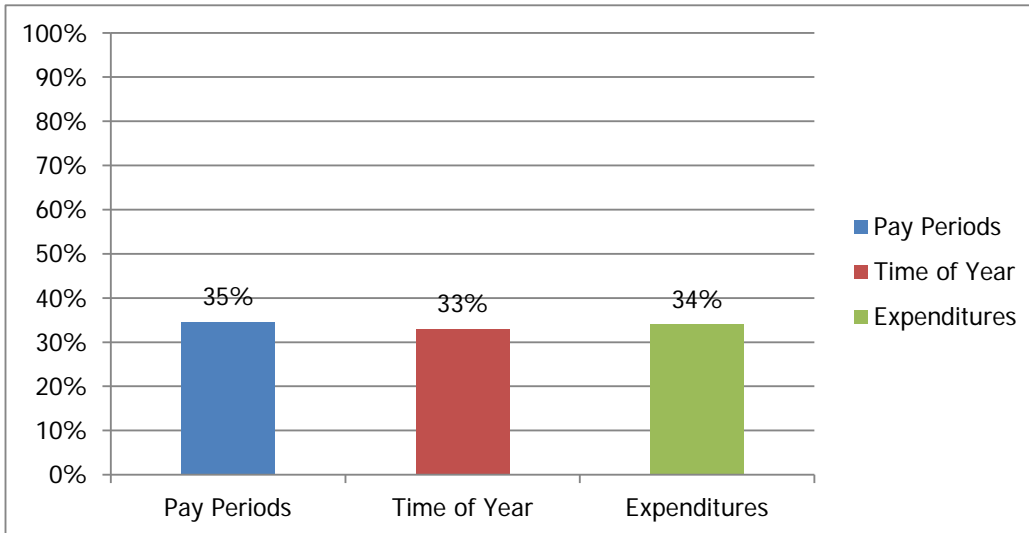
## MONTHLY FINANCIAL STATUS REPORT

### Expenditure Summary

The fiscal year 2018 adopted General Fund budget for the District is \$749,399,999. This budget, coupled with carryover encumbrances of \$20,340,770, resulted in a \$769,740,769 appropriation for FY 2018. The following information is a financial update of the status of this appropriation through October 31, 2017.

Through October 31, 2017 the District has expended \$260,964,475 which reflects 34.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$38,477,166. 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, 9 of the 26, or 34.62%, of the total pay periods have passed. Figure 3 illustrates these points.

Figure 3: Expenditure Level Through October



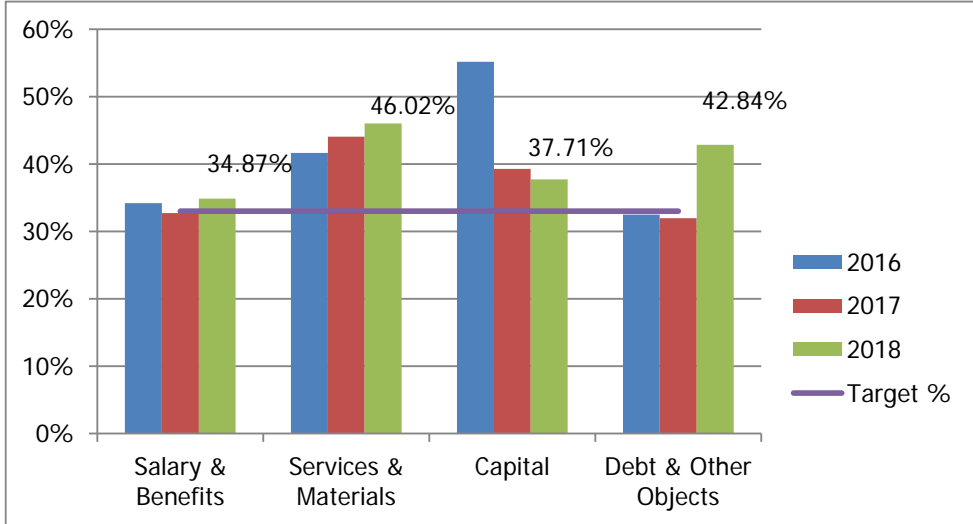
Overall, the District's expenditure level through October is trending slightly above target based on the above analysis. As an examination of the categories of expenditures is performed, cyclical variances are noted between categories which related specifically to school opening activities.

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

## MONTHLY FINANCIAL STATUS REPORT

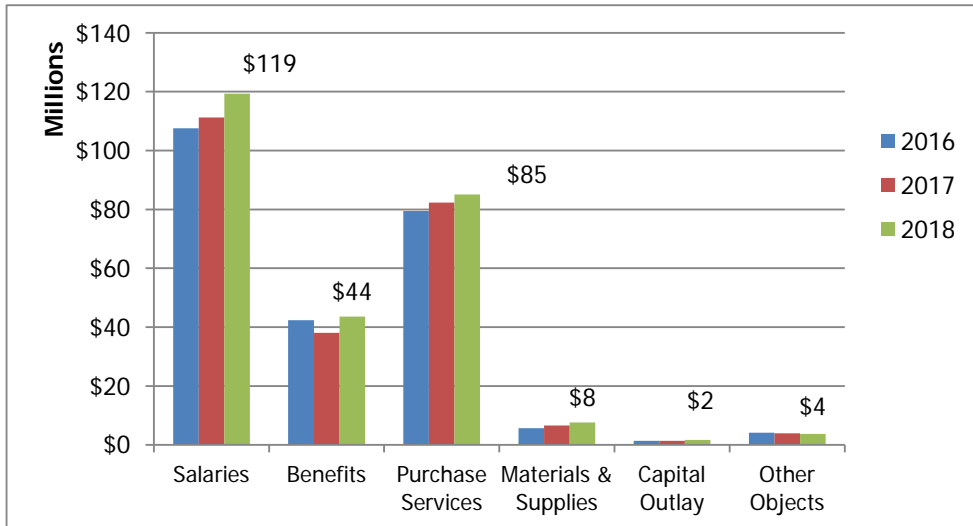
Figure 4 compares the various expenditure categories to the expected level and to the prior two years. Figure 5 provides the year to date expenditure level by category for the current year as well as the prior two. The three years of data will be beneficial for trend analysis performed throughout the 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 slightly higher than prior years. Salaries are slightly higher than last year for this time of year which is expected in the budget and primarily due to an increase in total employees and less open positions. We will continue to monitor this trend closely. Salaries averaged \$13.9 million in October which is equal to the \$13.9 million average in September. Fringe benefits are slightly higher than last year for this time of year. Health care costs are forecasted to increase 11.03% in FY 18 from FY 17.

The current year Purchased Services and Materials categories indicate a 46% encumbrance/expenditure level for this month. This is consistent with prior years and the cyclical nature of school operations.

The Capital encumbrance/expenditure level, whose budget comprises only .6% of the total General Fund budget, indicates a 37% 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 September 30, 2017. Debt payments occur in July and April while the transfer of monies to other District funds will occur in June.

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

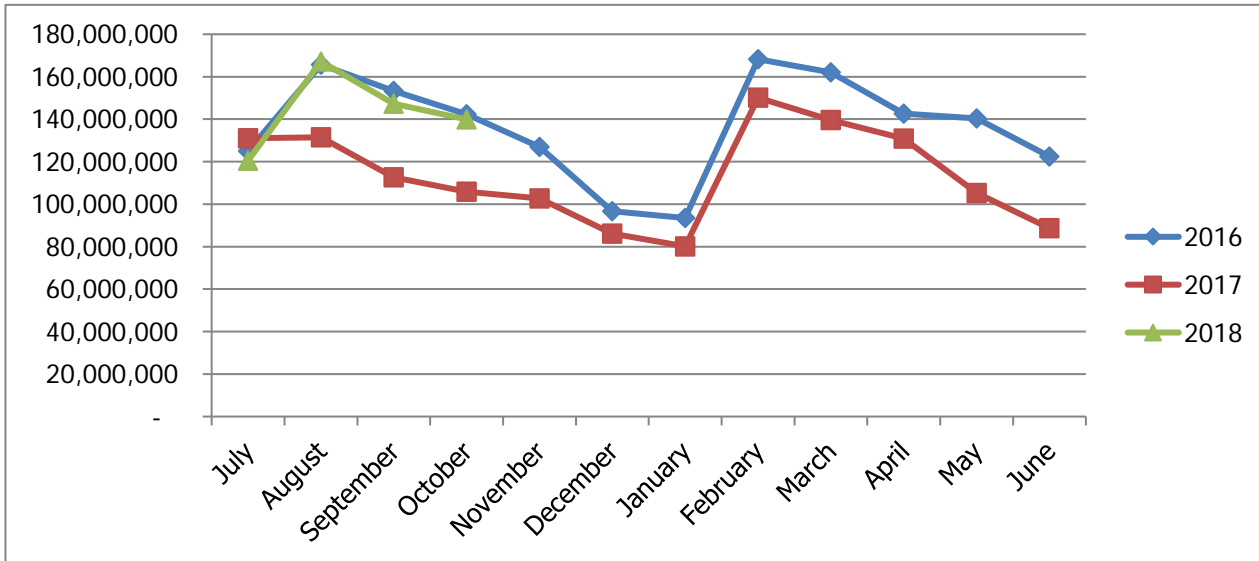
## MONTHLY FINANCIAL STATUS REPORT

### Cash Balances

The cash balance as of October 31, 2017 is \$139,986,806. The unencumbered balance as of October 31, 2017 is \$101,509,640. See below for details.

	FY '18
Beginning Cash Balance	\$ 119,752,599
Total Revenues	280,867,436
Total Expenses	260,964,475
Revenue over Expenses	19,902,961
Total Payables	331,246
Ending Cash Balance	139,986,806
Encumbrances/Reserves	38,477,166
Unencumbered Balance	\$ 101,509,640

**Figure 6: Cash Balances Last 3 Years**







Contracts Issued in Month Between \$25,000  
and \$50,000

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Page 1 of 1

First Day of Month: 10/01/2017

Last Day of Month: 10/31/2017

Company: Cleveland Metropolitan School District

Accounting Date for Operational Transaction	Supplier	Supplier Contract	Total Contract Amount
10/01/2017	Gaylea Prichard-Silvers	CON-10004864: Prichard-Silvers Instructional Consulting	46,305.00
10/01/2017	Psi Affiliates, Inc.	CON-10007235: Psychological Services-Variou Nonpublic Schools	33,041.76
10/02/2017	Ryan Consulting Group, Inc.	CON-10005182: Cart Project (TEMP & OT)	31,146.00
10/03/2017	Anita Terry	CON-10005227: Settlement Agreement	49,990.00
10/03/2017	Franklin Covey Client Sales Inc.	CON-10005234: Marion Sterling Leader In Me	25,156.56
10/03/2017	Franklin Covey Client Sales Inc.	CON-10005238: RG Jones Leader In Me	25,225.00
10/04/2017	Zenith Systems, LLC	CON-10005306: Cleveland High School for DigitalArts- Multiple Room Technology Cabling	39,709.00
10/04/2017	Zenith Systems, LLC	CON-10005311: Cleveland High School for Digital Arts: Fiber, Digital Signage and Devices	37,902.00
10/11/2017	Twin Towers Training	CON-10005508: Twin Towers Contract	29,400.00
10/13/2017	Cuyahoga Community College-Yta	CON-10005534: 2016-2017 TRI-C /YTA	33,907.35
10/17/2017	Reliance Mechanical Corp	CON-10005800: Chiller compressor	39,615.00
10/17/2017	Meyer Design Inc Playground Equipment	CON-10005803: Playground	44,545.00
10/19/2017	The Project Group LLC	CON-10005868: The Project Group	45,000.00
10/19/2017	Blackboard, Inc.	CON-10005889: Mobile Communications App	49,955.00
10/21/2017	Great Day! Tours Aka Cuyahoga Marketing Service, Inc.	CON-10005907: ATHLETIC TRANSPORTATION	36,275.00
10/25/2017	Audio Visual Services Group, Inc DBA PSAV	CON-10005998: CGCS Conference A/V Equipment	41,307.58
10/27/2017	Premise Solutions, LLC	CON-10006075: Premise - S&S	37,995.28
10/30/2017	Alicia Carney	CON-10006797: Artist in Residence	25,807.20
10/31/2017	Great Day! Tours Aka Cuyahoga Marketing Service, Inc.	CON-10006125: ATHLETIC TRANSPORTATION VARIOUS LOCATIONS	43,666.00



Purchase Orders Issued in Month Between  
\$25,000 and \$50,000

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Page 1 of 1

Issued On or After: 10/01/2017

Issued On or Before: 10/31/2017

Issued Date	PO Number	Supplier	Total PO Amount
10/11/2017	PO-0521886	Pasco Scientific	27,807.00
10/12/2017	PO-10004256	Cuyahoga Community College Student Accounting Office	28,434.73
10/17/2017	PO-10004689	Great Lakes Industrial Shoe Co	31,316.40
10/23/2017	PO-10004568	Interactive Health Technologies, LLC	44,615.00
10/30/2017	PO-10005345	Kaye Products Inc	27,618.92