



Department of Finance

Fiscal Year 2018 Financial Status Report

As of November 30, 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 November 30, 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
Revenues													
Local	\$ 25,988,972	\$ 78,869,499	\$ 1,864,563	\$ 1,184,997	\$ 3,484,033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,392,064
State	\$ 36,834,906	\$ 38,525,041	\$ 36,942,387	\$ 52,258,853	\$ 36,483,881	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	201,045,067
Federal	\$ 786,778	\$ -	\$ 23,064	\$ 178,282	\$ 14,949	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,003,072
Other	\$ 8,840	\$ 2,286,137	\$ 5,115,081	\$ 39	\$ 4,947	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	7,415,043
Total Revenues	63,619,496	119,680,676	43,945,094	53,622,170	39,987,809	-	-	-	-	-	-	-	320,855,246
Expenditures													
Salaries	\$ 37,480,521	\$ 26,166,303	\$ 27,881,876	\$ 27,767,968	\$ 27,872,751	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 147,169,419
Benefits	\$ 9,968,256	\$ 11,109,345	\$ 11,287,839	\$ 11,213,993	\$ 11,008,106	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,587,538
Purchase Services	\$ 14,690,553	\$ 29,536,701	\$ 20,781,922	\$ 20,072,740	\$ 19,036,859	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104,118,775
Materials & Supplies	\$ 715,595	\$ 1,957,289	\$ 3,323,519	\$ 1,616,805	\$ 2,193,282	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,806,490
Capital Outlay	\$ 70,520	\$ 642,511	\$ 539,771	\$ 377,484	\$ 306,521	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,936,807
Other Objects	\$ 40,674	\$ 3,622,300	\$ 51,981	\$ 48,009	\$ 70,870	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,833,834
Total Expenditures	62,966,118	73,034,449	63,866,908	61,097,000	60,488,389	-	-	-	-	-	-	-	321,452,864
Net Change in Cash	653,378	46,646,227	(19,921,815)	(7,474,829)	(20,500,579)	-	-	-	-	-	-	-	(597,618)

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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 November 30, 2017 the District has received revenue in the amount of \$320,855,246. The District will need to collect another \$408,746,627 to reach its target.

Figure 1: Forecasted Revenues and Actual Revenues

	FY ' 18 October Forecast	FY '18 Actual	Variance
Revenues			
Real Property Tax	\$ 185,321,705	\$ 95,638,599 (a)	(89,683,105.78)
State Foundation	457,405,351	\$ 192,270,693 (b)	(265,134,658)
Property Tax Homestead & Rollbacks	28,911,471	\$ 7,778,396	(21,133,075)
CAT Tax	115,990	\$ -	(115,990)
Interest	1,000,000	\$ 963,611	(36,389)
Medicaid	5,530,612	\$ 945,600	(4,585,012)
CEAP	9,468,700	\$ 6,303,191	(3,165,509)
Advances-In	4,557,000	\$ 5,111,000	554,000
Casino Receipts	1,918,554	\$ 995,978	(922,576)
Other Revenues	35,372,490	\$ 10,848,177	(24,524,313)
Total Revenues	729,601,873	320,855,246	(408,746,627.26)

Notes

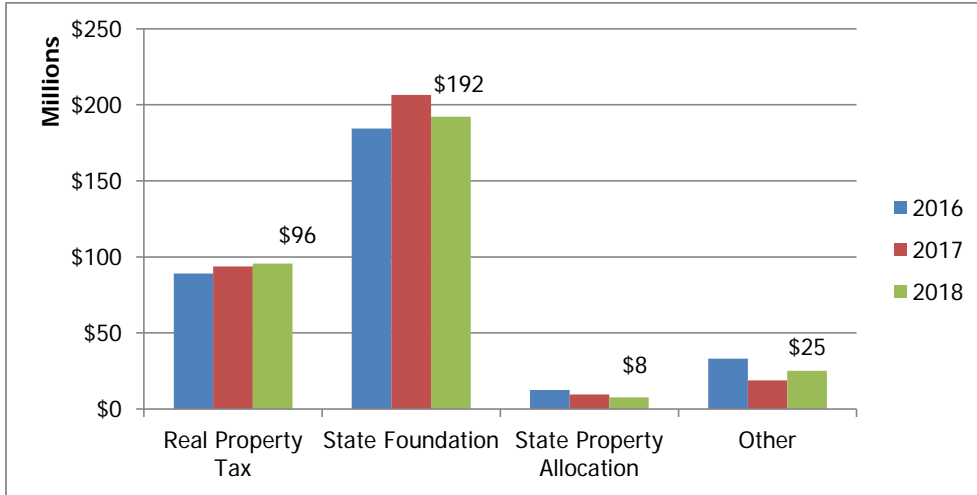
- (a) The District received \$212,991,820 in general property taxes in FY17 and is forecasting \$185,321,705 in FY18. Through November 30, 2017, the District has received \$95,638,599 in general property taxes.
- (b) The District will receive state funding in FY18 based on HB 49.

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

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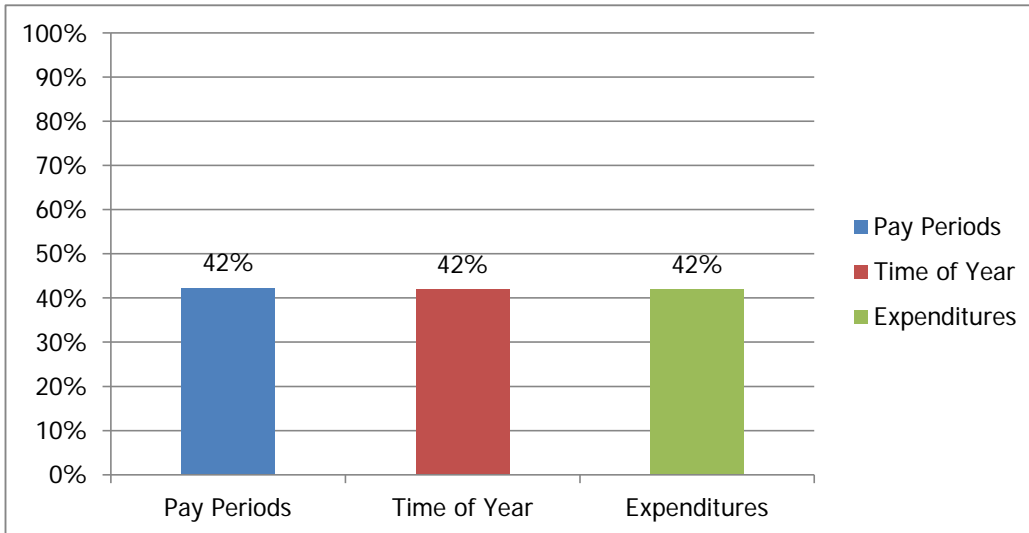
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Expenditure Summary

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 November 30, 2017.

Through November 30, 2017 the District has expended \$321,452,864 which reflects 42.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$37,768,354. A statistical spending range for the District is based on two analyses: first, time elapsed is five months, or 41.67%, of the fiscal year. Secondly, 11 of the 26, or 42.31%, of the total pay periods have passed. Figure 3 illustrates these points.

Figure 3: Expenditure Level Through November



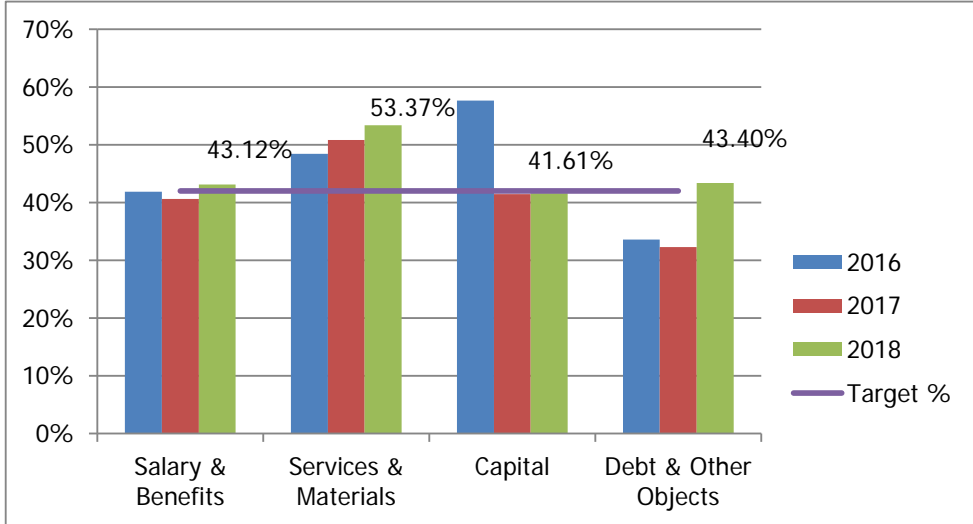
Overall, the District's expenditure level through November is on target based on the above analysis. As an examination of the categories of expenditures is performed, cyclical variances are noted between categories which related specifically to school opening activities.

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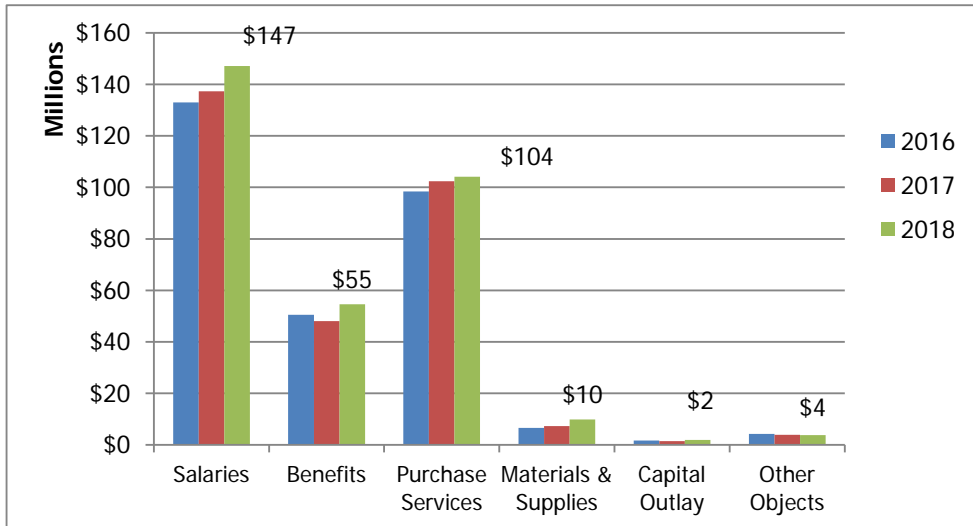
Figure 4 compares the various expenditure categories to the expected level and to the prior two years. Figure 5 provides the year to date expenditure level by category for the current year as well as the prior two. The three years of data will be beneficial for trend analysis performed throughout the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

Figure 4: % Spend to Budget for YTD Expenditures



Target percent of 41.67% is based on the # of months completed in the current year.

Figure 5: Expenditure by Category



Data labels represent figures for current FY

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As Figures 4 and 5 illustrate, overall salaries and fringe benefits are slightly higher than prior years. Salaries are slightly higher than prior years and we expect this trend to continue as we have budgeted to end the year slightly higher than last year due to an increase in total positions. Salaries averaged \$13.9 million in November which is equal to the \$13.9 million average in October. 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 53% 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 42% 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 November 30, 2017. Debt payments occur in July and April while the transfer of monies to other District funds will occur in June.

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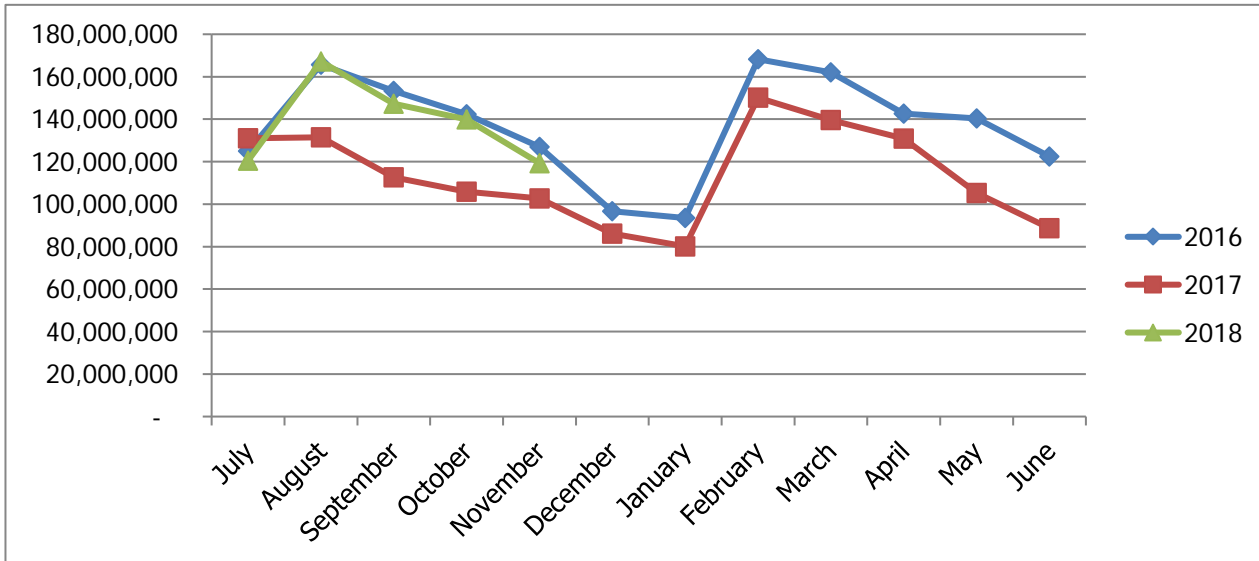
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Cash Balances

The cash balance as of November 30, 2017 is \$119,295,226. The unencumbered balance as of November 30, 2017 is \$81,526,872. See below for details.

	FY '18
Beginning Cash Balance	\$ 119,752,599
Total Revenues	320,855,246
Total Expenses	321,452,864
Revenue over Expenses	(597,618)
Total Payables	140,245
Ending Cash Balance	119,295,226
Encumbrances/Reserves	37,768,354
Unencumbered Balance	<u>\$ 81,526,872</u>

Figure 6: Cash Balances Last 3 Years





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

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First Day of Month: 11/01/2017

Last Day of Month: 11/30/2017

Company: Cleveland Metropolitan School District

Accounting Date for Operational Transaction	Supplier	Supplier Contract	Total Contract Amount
11/01/2017	Great Day! Tours Aka Cuyahoga Marketing Service, Inc.	CON-10006141: ATHLETIC TRANSPORTATION VARIOUS LOCATIONS	28,239.00
11/01/2017	Microimage Inc	CON-10006721: MicroImage: Special Education	45,000.00
11/08/2017	Educational Service Center Of Cuyahoga County	CON-10006269: CLV480	35,314.00
11/09/2017	Robert H. Peck	CON-10006282: Art-In-Residence	25,000.00
11/09/2017	eSpark, Inc.	CON-10006294: Orchard School	34,940.00
11/13/2017	Positive Education Program	CON-10006327: PEP Intervention Program	27,810.00
11/13/2017	The New Teacher Project, Inc.	CON-10006339: TNTP CMSD Principal Compensation Refinement	37,790.00
11/20/2017	Liquid Synergy, Inc.	CON-10006402: DJ Doc	48,088.30
11/20/2017	CRA International, Inc.	CON-10006460: Legal Services	34,465.00
11/27/2017	Martin Public Seating, LLC	CON-10006529: Martin Public Seating	33,926.88
11/27/2017	Reading Ramm	CON-10006540: Reading RAMM	27,653.67
11/27/2017	Max Teaching, Inc.	CON-10006541: Anton Grdina 1	28,000.00
11/27/2017	Great Day! Tours Aka Cuyahoga Marketing Service, Inc.	CON-10006553: ATHLETIC TRANSPORTATION TRIPS VARIOUS LOCATIONS	46,307.00
11/28/2017	Rahmberg, Stover & Assoc. LLC	CON-10006577: Rahmberg Stover & Assoc. - Talent Dept. consulting	30,000.00
11/28/2017	Berman Moving & Storage Inc.	CON-10006591: Additional Movers on AN AS NEEDED bases	45,000.00
11/29/2017	International Institute For Restorative Practices	CON-10006611: IIRP 2017-2018	33,915.00
11/30/2017	Solarwinds, Inc.	CON-10006628: Solar Winds License	46,087.50



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

Issued On or After: 11/01/2017
Issued On or Before: 11/30/2017

Issued Date	PO Number	Supplier	Total PO Amount
11/07/2017	PO-10003806	Hilton Cleveland Downtown	27,056.80
11/16/2017	WPO-0006067	Sherwin Williams	30,498.82
11/16/2017	PO-10005945	Garaventa (Canada) Ltd.	49,790.00
11/22/2017	PO-10006459	Pearson Learning	27,222.24
11/29/2017	PO-10006637	Martin Public Seating, LLC	31,137.72
11/30/2017	PO-10004959	Vista Higher Learning	36,750.60