



Department of Finance

# Fiscal Year 2018 Financial Status Report

As of December 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 December 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	\$ 3,484,033	\$ 1,837,906	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 113,229,970
State	\$ 36,834,906	\$ 38,525,041	\$ 36,942,387	\$ 52,258,853	\$ 36,483,881	\$ 38,144,630	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 239,189,697
Federal	\$ 786,778	\$ -	\$ 23,064	\$ 178,282	\$ 14,949	\$ 16,955	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,020,028
Other	\$ 8,840	\$ 2,286,137	\$ 5,115,081	\$ 39	\$ 4,947	\$ 4,942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,419,985
<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>39,987,809</b>	<b>40,004,434</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>360,859,680</b>
<b>Expenditures</b>													
Salaries	\$ 37,480,521	\$ 26,166,303	\$ 27,881,876	\$ 27,767,968	\$ 27,872,751	\$ 42,865,058	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 190,034,477
Benefits	\$ 9,968,256	\$ 11,109,345	\$ 11,287,839	\$ 11,213,993	\$ 11,008,106	\$ 10,713,007	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,300,545
Purchase Services	\$ 14,690,553	\$ 29,536,701	\$ 20,781,922	\$ 20,072,740	\$ 19,036,859	\$ 21,972,469	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,091,244
Materials & Supplies	\$ 715,595	\$ 1,957,289	\$ 3,323,519	\$ 1,616,805	\$ 2,193,282	\$ 2,634,175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,440,665
Capital Outlay	\$ 70,520	\$ 642,511	\$ 539,771	\$ 377,484	\$ 306,521	\$ 1,208,326	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,145,133
Other Objects	\$ 40,674	\$ 3,622,300	\$ 51,981	\$ 48,009	\$ 70,870	\$ 157,498	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,991,333
<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>60,488,389</b>	<b>79,550,533</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>401,003,397</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>(20,500,579)</b>	<b>(39,546,099)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(40,143,717)</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 December 31, 2017 the District has received revenue in the amount of \$360,859,680. The District will need to collect another \$368,742,193 to reach its target.

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

	FY ' 18 October Forecast	FY '18 Actual	Variance
<b>Revenues</b>			
Real Property Tax	\$ 185,321,705	\$ 95,638,599 (a)	(89,683,105.78)
State Foundation	457,405,351	\$ 230,415,323 (b)	(226,990,028)
Property Tax			
Homestead &			
Rollbacks	28,911,471	\$ 7,778,396	(21,133,075)
CAT Tax	115,990	\$ -	(115,990)
Interest	1,000,000	\$ 1,080,454	80,454
Medicaid	5,530,612	\$ 945,607	(4,585,005)
CEAP	9,468,700	\$ 7,530,694	(1,938,006)
Advances-In	4,557,000	\$ 5,111,000	554,000
Casino Receipts	1,918,554	\$ 995,978	(922,576)
Other Revenues	35,372,490	\$ 11,363,628	(24,008,862)
<b>Total Revenues</b>	<b>729,601,873</b>	<b>360,859,680</b>	<b>(368,742,192.90)</b>

#### Notes

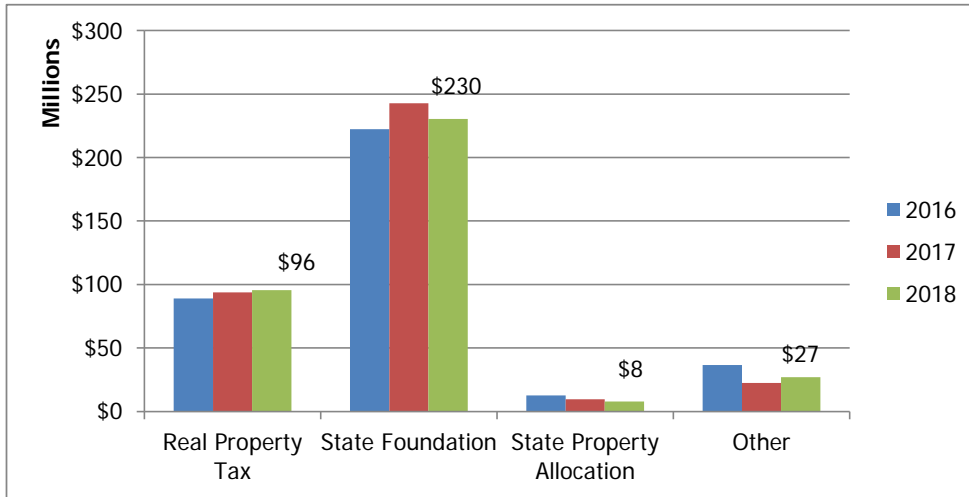
- (a) The District received \$212,991,820 in general property taxes in FY17 and is forecasting \$185,321,705 in FY18. Through November 30, 2017, the District has received \$95,638,599 in general property taxes.
- (b) The District will receive state funding in FY18 based on HB 49.

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

## 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\*

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

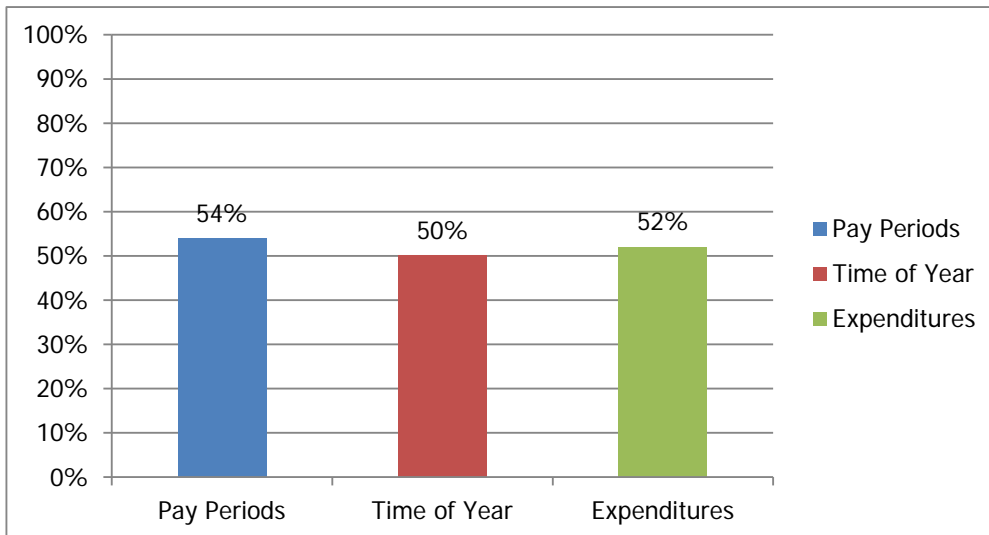
## MONTHLY FINANCIAL STATUS REPORT

### 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 December 31, 2017.

Through December 31, 2017 the District has expended \$401,003,397 which reflects 52.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$33,278,366. 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, 14 of the 26, or 53.85%, of the total pay periods have passed. Figure 3 illustrates these points.

Figure 3: Expenditure Level Through December



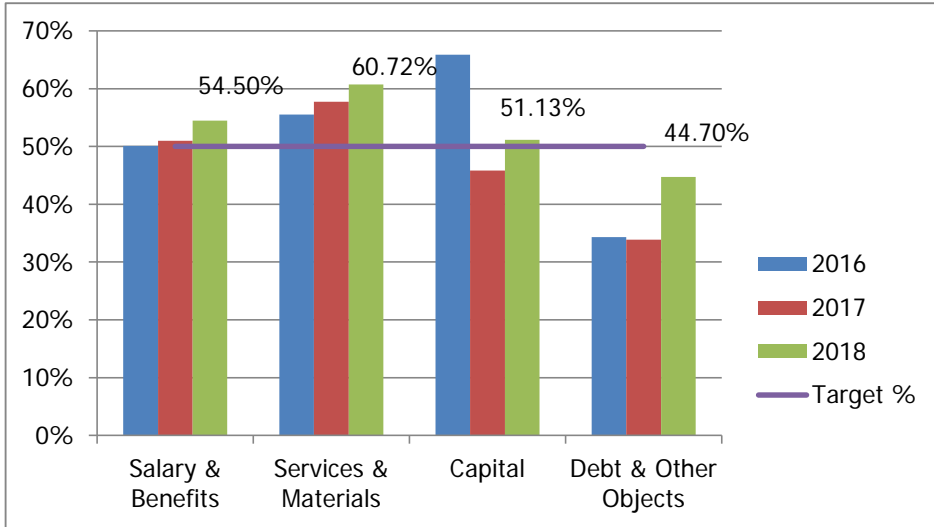
Overall, the District's expenditure level through December is trending slightly above target based on the above analysis. As an examination of the categories of expenditures is performed, cyclical variances are noted between categories which related specifically to school opening activities.

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

## MONTHLY FINANCIAL STATUS REPORT

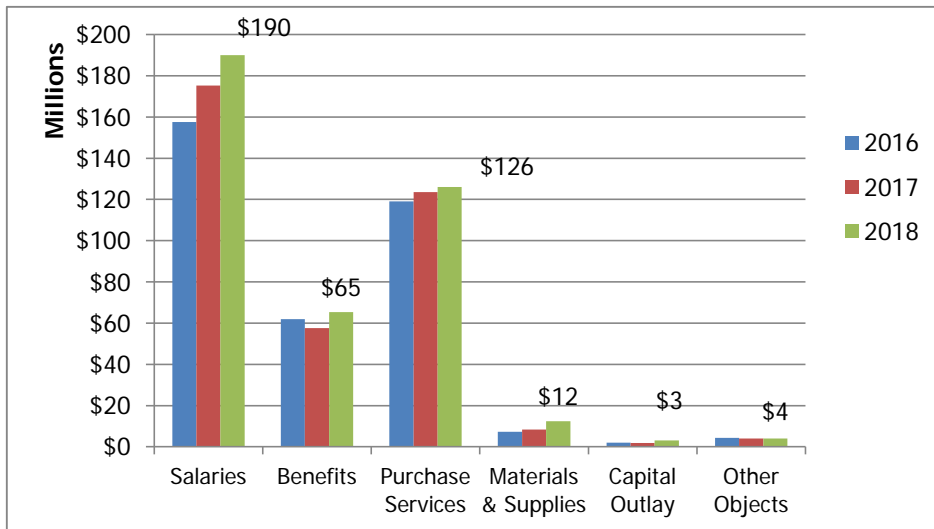
Figure 4 compares the various expenditure categories to the expected level and to the prior two years. Figure 5 provides the year to date expenditure level by category for the current year as well as the prior two. The three years of data will be beneficial for trend analysis performed throughout the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

**Figure 4: % Spend to Budget for YTD Expenditures**



Target percent of 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\*

# 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 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 \$14.3 million in December which is equal to the \$13.9 million average in November. 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 December 31, 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

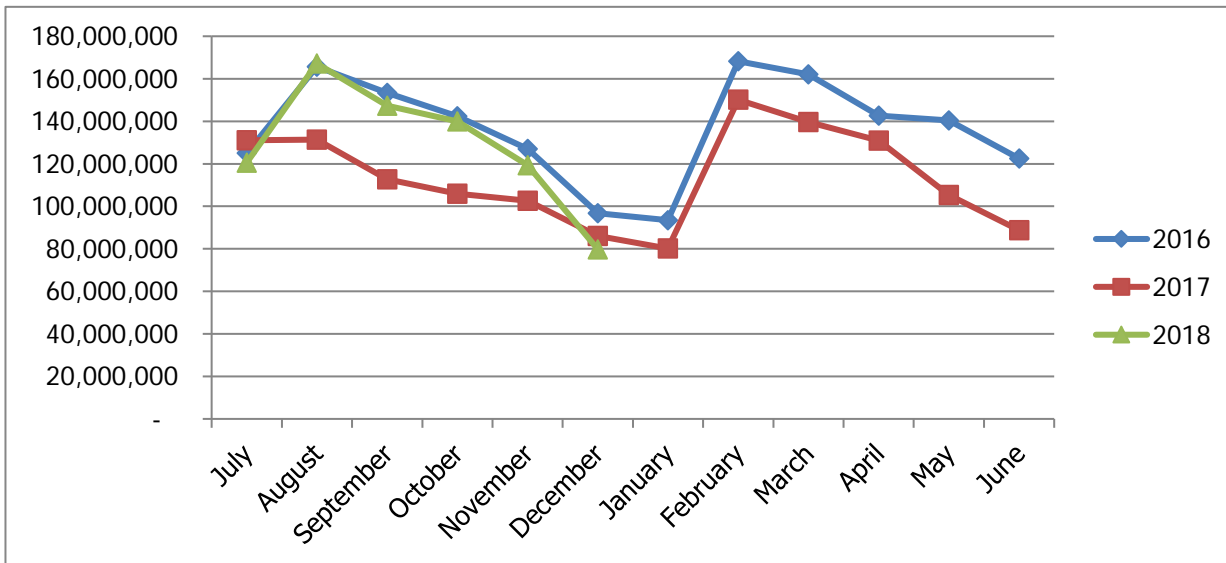
## MONTHLY FINANCIAL STATUS REPORT

### Cash Balances

The cash balance as of December 31, 2017 is \$79,781,285. The unencumbered balance as of December 31, 2017 is \$46,502,919. See below for details.

	FY '18
Beginning Cash Balance	\$ 119,752,599
Total Revenues	360,859,680
Total Expenses	401,003,397
Revenue over Expenses	(40,143,717)
Total Payables	172,403
Ending Cash Balance	79,781,285
Encumbrances/Reserves	33,278,366
Unencumbered Balance	<u>\$ 46,502,919</u>

**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: 12/01/2017

Last Day of Month: 12/31/2017

Company: Cleveland Metropolitan School District

Accounting Date for Operational Transaction	Supplier	Supplier Contract	Total Contract Amount
12/01/2017	Hughie's Audio-Visual Service	CON-10006656: ACA: 2017 Winter Concert Sound/Lighting Equipment Rental	25,465.00
12/01/2017	Invo Healthcare Associates LLC	CON-10007775: Speech & Language Pathology Services @ Various Nonpublic Schools	49,938.00
12/01/2017	Invo Healthcare Associates LLC	CON-10007776: Speech & Language Pathology Services @ Various Nonpublic Schools	49,938.00
12/01/2017	Invo Healthcare Associates LLC	CON-10007781: Speech & Language Pathology Services @ Various Nonpublic Schools	33,494.00
12/09/2017	Reliance Mechanical Corp	CON-10006779: Replace Little Theater RTU	37,800.00
12/14/2017	Io Education LLC	CON-10006853: Val-Ed principal Evaluation Survey	30,477.60
12/14/2017	Great Day! Tours Aka Cuyahoga Marketing Service, Inc.	CON-10006862: VARIOUS HIGH SCHOOL ATHLETIC TRIPS	28,284.00
12/14/2017	Jessica Louisa Huizenga	CON-10006868: Educational consulting	38,000.00
12/16/2017	Angelotta Landscaping, Inc	CON-10006938: Grounds upkeep-clear brush	28,860.00
12/18/2017	Harvey, Abens, Iosue Co., LPA	CON-10006966: Settlement	43,000.00
12/18/2017	Cdw Government, Inc.	CON-10006972: F5 Maintenance Renewal	49,300.00
12/20/2017	Friends of MC2 STEM High School	CON-10007007: Friends of MC2STEM	34,660.43
12/21/2017	Angeltrax	CON-10007043: Angeltrax	29,635.20
12/28/2017	The Kennedy Companies LLC	CON-10007082: Snowplowing Contract	44,650.00



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

Issued On or After: 12/01/2017  
Issued On or Before: 12/31/2017

Issued Date	PO Number	Supplier	Total PO Amount
12/05/2017	PO-0524422	Santillana Usa Publishing Co Inc.	25,148.05
12/05/2017	PO-10006963	Tierney Brothers, Inc.	26,688.00
12/07/2017	PO-10006873	Dell Computer Corp.	25,200.00
12/12/2017	PO-10007406	Martin Public Seating, LLC	33,926.88
12/15/2017	PO-10007635	Tierney Brothers, Inc.	39,615.00
12/19/2017	PO-10007801	Dell Computer Corp.	35,000.00
12/21/2017	PO-10007838	Trimark SS Kemp	29,255.00