



Department of Finance

# Fiscal Year 2018 Financial Status Report

As of January 31, 2018

**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 January 31, 2018. 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	\$ 20,902,191	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 134,132,161
State	\$ 36,834,906	\$ 38,525,041	\$ 36,942,387	\$ 52,258,853	\$ 36,483,881	\$ 38,144,630	\$ 39,974,252	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 279,163,949
Federal	\$ 786,778	\$ -	\$ 23,064	\$ 178,282	\$ 14,949	\$ 16,955	\$ 33,840	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,053,867
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>60,910,283</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>421,769,963</b>
<b>Expenditures</b>													
Salaries	\$ 37,480,521	\$ 26,166,303	\$ 27,881,876	\$ 27,767,968	\$ 27,872,751	\$ 42,865,058	\$ 27,179,619	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 217,214,096
Benefits	\$ 9,968,256	\$ 11,109,345	\$ 11,287,839	\$ 11,213,993	\$ 11,008,106	\$ 10,713,007	\$ 11,900,944	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 77,201,490
Purchase Services	\$ 14,690,553	\$ 29,536,701	\$ 20,781,922	\$ 20,072,740	\$ 19,036,859	\$ 21,972,469	\$ 19,642,518	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 145,733,762
Materials & Supplies	\$ 715,595	\$ 1,957,289	\$ 3,323,519	\$ 1,616,805	\$ 2,193,282	\$ 2,634,175	\$ 2,413,128	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,853,793
Capital Outlay	\$ 70,520	\$ 642,511	\$ 539,771	\$ 377,484	\$ 306,521	\$ 1,208,326	\$ 172,114	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,317,247
Other Objects	\$ 40,674	\$ 3,622,300	\$ 51,981	\$ 48,009	\$ 70,870	\$ 157,498	\$ 429,441	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,420,774
<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>61,737,763</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>462,741,160</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>(827,481)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(40,971,197)</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 January 31, 2018 the District has received revenue in the amount of \$421,748,282. The District will need to collect another \$307,853,591 to reach its target.

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

	<u>FY ' 18 October</u>	<u>FY '18 Actual</u>		<u>Variance</u>
	<u>Forecast</u>			
<b>Revenues</b>				
Real Property Tax	\$ 185,321,705	\$ 114,303,599 (a)		(71,018,105.78)
State Foundation	457,405,351	\$ 269,460,997 (b)		(187,944,354)
Property Tax				
Homestead &				
Rollbacks	28,911,471	\$ 7,778,396		(21,133,075)
CAT Tax	115,990	\$ -		(115,990)
Interest	1,000,000	\$ 1,396,557		396,557
Medicaid	5,530,612	\$ 950,482		(4,580,130)
CEAP	9,468,700	\$ 8,544,999		(923,701)
Advances-In	4,557,000	\$ 5,111,000		554,000
Casino Receipts	1,918,554	\$ 1,924,556		6,002
Other Revenues	35,372,490	\$ 12,277,695		(23,094,795)
<b>Total Revenues</b>	<u>729,601,873</u>	<u>421,748,282</u>		<u>(307,853,591.40)</u>

#### Notes

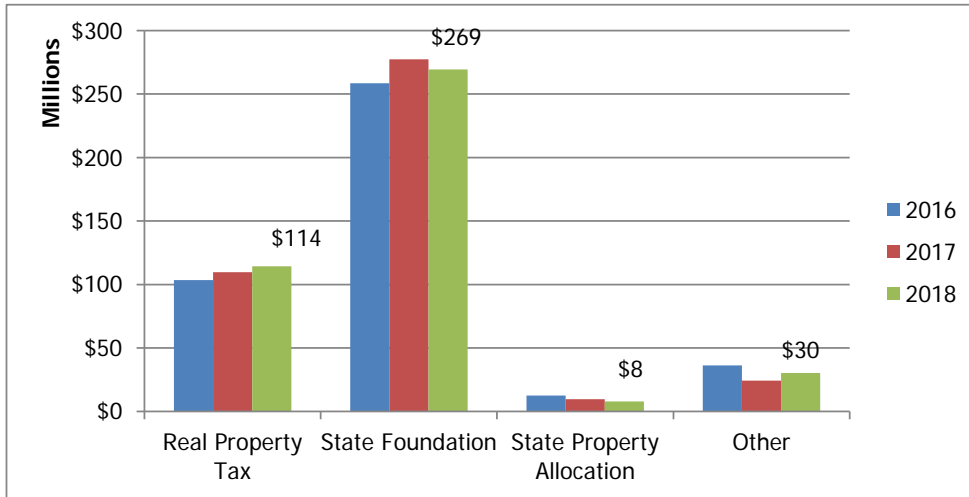
- (a) The District received \$212,991,820 in general property taxes in FY17 and is forecasting \$185,321,705 in FY18. Through January 31, 2018 the District has received \$114,303,599 in general property taxes.
- (b) The District will receive state funding in FY18 based on HB 49.

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

## MONTHLY FINANCIAL STATUS REPORT

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

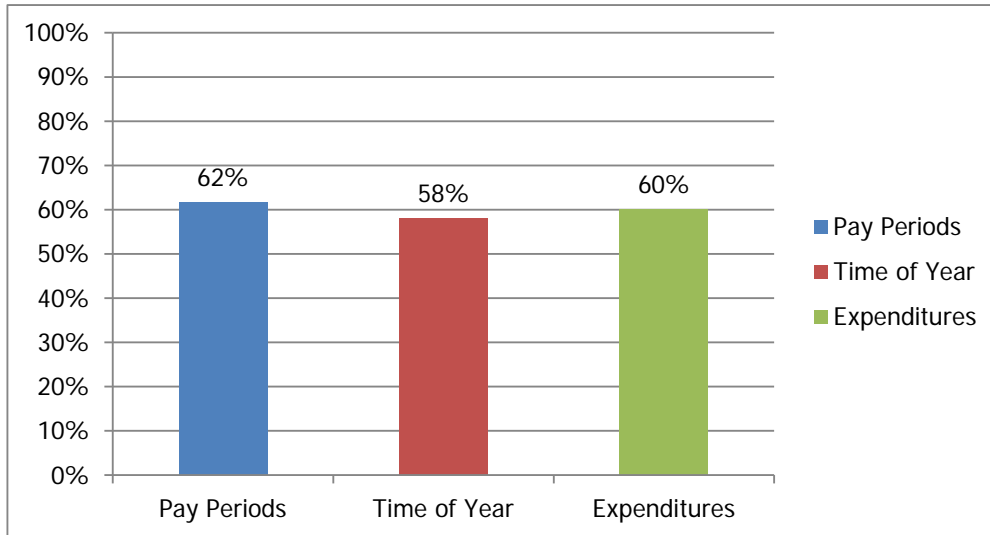
## MONTHLY FINANCIAL STATUS REPORT

### 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 January 31, 2018.

Through January 31, 2018 the District has expended \$462,741,160 which reflects 60.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$25,032,249. A statistical spending range for the District is based on two analyses: first, time elapsed is seven months, or 58.33%, of the fiscal year. Secondly, 16 of the 26, or 61.54%, of the total pay periods have passed. Figure 3 illustrates these points.

Figure 3: Expenditure Level Through January



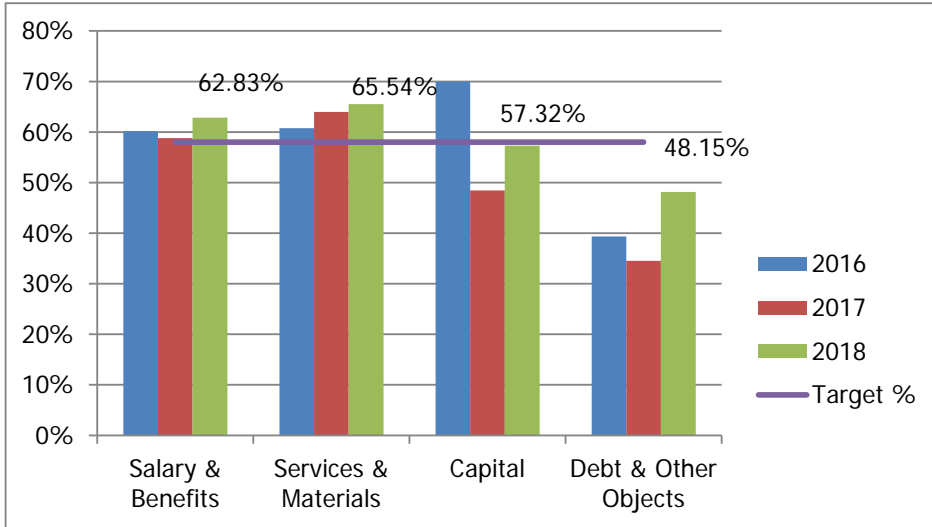
Overall, the District's expenditure level through January is trending slightly above target based on the above analysis. As an examination of the categories of expenditures is performed, cyclical variances are noted between categories which related specifically to school opening activities.

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

## MONTHLY FINANCIAL STATUS REPORT

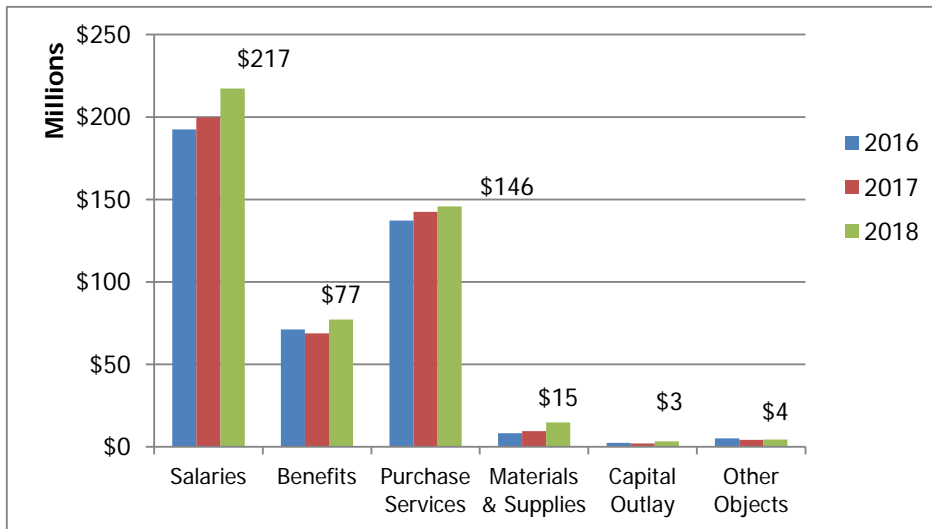
Figure 4 compares the various expenditure categories to the expected level and to the prior two years. Figure 5 provides the year to date expenditure level by category for the current year as well as the prior two. The three years of data will be beneficial for trend analysis performed throughout the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

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



Target percent of 58.33% 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 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 \$13.6 million in January which is slightly less than the \$14.3 million average in December. 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 65% 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 57% 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 January 31, 2018. Debt payments occur in July and April while the transfer of monies to other District funds will occur in June.

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

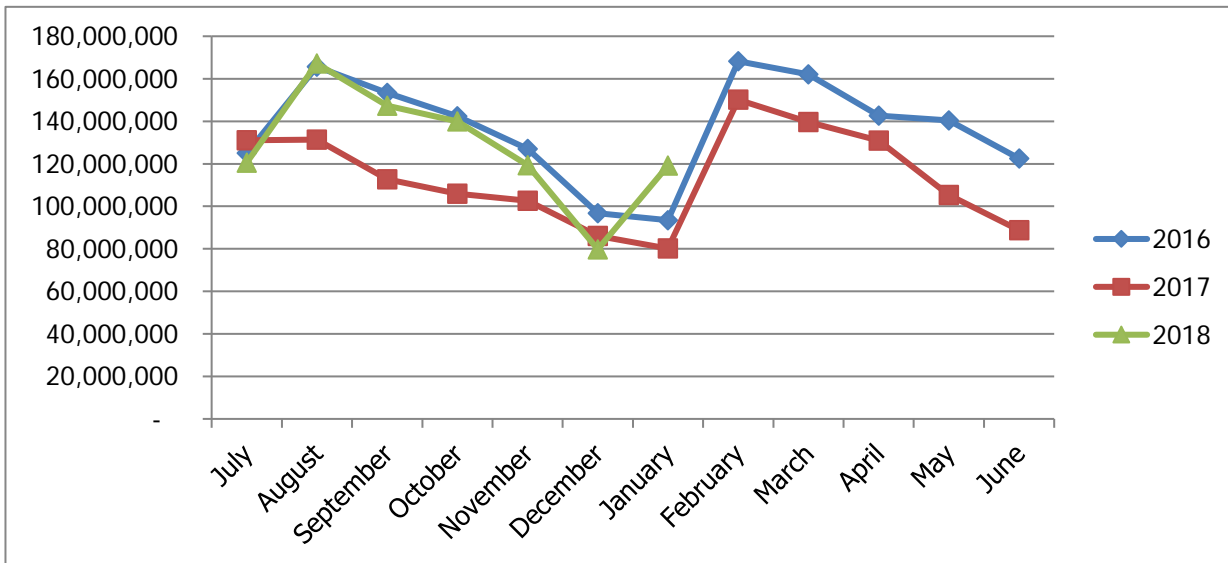
## MONTHLY FINANCIAL STATUS REPORT

### Cash Balances

The cash balance as of January 31, 2018 is \$119,132,063. The unencumbered balance as of January 31, 2018 is \$94,099,814. See below for details.

	FY '18
Beginning Cash Balance	\$ 119,752,599
Total Revenues	421,769,963
Total Expenses	462,741,160
Revenue over Expenses	(40,971,197)
Total Payables	40,350,662
Ending Cash Balance	119,132,063
Encumbrances/Reserves	25,032,249
Unencumbered Balance	<u>\$ 94,099,814</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: 01/01/2018

Last Day of Month: 01/31/2018

Company: Cleveland Metropolitan School District

Accounting Date for Operational Transaction	Supplier	Supplier Contract	Total Contract Amount
01/01/2018	Thyssenkrupp Elevator	CON-10000796: PO 0507136	28,640.00
01/04/2018	Premise Solutions, LLC	CON-10007171: Premise Solutions - S&S	26,581.56
01/04/2018	eSchool Solutons LLC	CON-10007182: eSchool Solutions / SmartFind	30,717.96
01/10/2018	Paladin Protective Systems Inc	CON-10007254: Fire Alarm inspections	25,059.47
01/10/2018	Relmec Mechanical LLC	CON-10007292: AHU 1, 2 &3 heating repairs	38,260.00
01/10/2018	Thomson Reuters - West	CON-10007302: Clear Renewal- 5 year (60 months)	27,000.00
01/11/2018	Great Day! Tours Aka Cuyahoga Marketing Service, Inc.	CON-10007353: VARIOUS HIGH SCHOOL ATHLETIC TRIPS	40,355.00
01/16/2018	Educational Service Center Of Northeast Ohio	CON-10008376: CLE3985, Capstone Dec/Jan	47,016.66
01/17/2018	Kone, Inc.	CON-10007447: August Work	27,380.59
01/17/2018	Doubletree By Hilton Cleveland East/Beachwood	CON-10007463: Pre-K - 3 Teachers / Conference	31,476.00
01/19/2018	Aseelah N. Shareef	CON-10007519: Rock Your Word With STEAM	25,000.00
01/23/2018	Mindsteps Inc	CON-10007572: Mindsteps: Glenville	25,000.00
01/23/2018	Shape America	CON-10007595: SHAPE Registration for Employees	40,353.60
01/25/2018	Scholastic Inc,	CON-10007642: Scholastic INC.- Hannah Gibbons- Professional Learning Seminar	38,000.00
01/30/2018	Fungame Sports	CON-10007760: School of One - 2018 Social Emotional Learning	40,000.00
01/30/2018	Nowak Tour & Travel Inc	CON-10007774: Nowak Tours Almira Middle School New York City Field Trip	30,850.00
01/31/2018	Powerschool Group LLC	CON-10007816: eSchoolPlus - Family App	25,290.00
01/31/2018	Cleveland Sight Center	CON-10007825: Invoice 120117	42,000.00
01/31/2018	Cleveland Clinic Children's Hospital DBA Center Of Autism	CON-10008202: FY18 Reynaldo Solis	44,995.36



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

Issued On or After: 01/01/2018  
Issued On or Before: 01/31/2018

Issued Date	PO Number	Supplier	Total PO Amount
01/05/2018	PO-10007859	Treasurer, State Of Ohio Nslp Commodity Distribution Account	42,932.67
01/05/2018	PO-10007878	Treasurer, State Of Ohio Nslp Commodity Distribution Account	45,791.83
01/10/2018	PO-10002665	Heinemann	42,721.88
01/10/2018	PO-10008266	Dell Computer Corp.	34,425.00
01/16/2018	PO-10008155	Heinemann	31,942.40
01/18/2018	PO-0523534	R82, Inc.	30,588.58
01/24/2018	PO-10008872	Apple Education Mailstop #198-Ed	41,325.90
01/25/2018	PO-0507164	Lakeside Supply Co	46,721.17
01/25/2018	PO-10007065	School Nurse Supply Inc.	25,109.70
01/25/2018	PO-10008950	Levy Premium Foodservice Lp	26,961.00
01/30/2018	PO-10007962	Scholastic Book Clubs Inc	37,734.43