



Department of Finance

Fiscal Year 2018 Financial Status Report

As of February 28, 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 February 28, 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
Revenues													
Local	\$ 25,988,972	\$ 78,869,499	\$ 1,864,563	\$ 1,184,997	\$ 3,484,033	\$ 1,837,906	\$ 20,902,191	\$ 81,617,774	\$ -	\$ -	\$ -	\$ -	\$ 215,749,935
State	\$ 36,834,906	\$ 38,525,041	\$ 36,942,387	\$ 52,258,853	\$ 36,483,881	\$ 38,144,630	\$ 42,010,590	\$ 34,630,723	\$ -	\$ -	\$ -	\$ -	\$ 315,831,010
Federal	\$ 786,778	\$ -	\$ 23,064	\$ 178,282	\$ 14,949	\$ 16,955	\$ 33,840	\$ 41,779	\$ -	\$ -	\$ -	\$ -	\$ 1,095,646
Other	\$ 8,840	\$ 2,286,137	\$ 5,115,081	\$ 39	\$ 4,947	\$ 4,942	\$ -	\$ 36,389	\$ -	\$ -	\$ -	\$ -	\$ 7,456,374
Total Revenues	63,619,496	119,680,676	43,945,094	53,622,170	39,987,809	40,004,434	62,946,620	116,326,665	-	-	-	-	540,132,965
Expenditures													
Salaries	\$ 37,480,521	\$ 26,166,303	\$ 27,881,876	\$ 27,767,968	\$ 27,872,751	\$ 42,865,058	\$ 27,179,619	\$ 28,285,959	\$ -	\$ -	\$ -	\$ -	\$ 245,500,055
Benefits	\$ 9,968,256	\$ 11,109,345	\$ 11,287,839	\$ 11,213,993	\$ 11,008,106	\$ 10,713,007	\$ 11,900,944	\$ 11,593,579	\$ -	\$ -	\$ -	\$ -	\$ 88,795,069
Purchase Services	\$ 14,690,553	\$ 29,536,701	\$ 20,781,922	\$ 20,072,740	\$ 19,036,859	\$ 21,972,469	\$ 19,642,518	\$ 18,331,614	\$ -	\$ -	\$ -	\$ -	\$ 164,065,376
Materials & Supplies	\$ 715,595	\$ 1,957,289	\$ 3,323,519	\$ 1,616,805	\$ 2,193,282	\$ 2,634,175	\$ 2,413,128	\$ 1,349,348	\$ -	\$ -	\$ -	\$ -	\$ 16,203,140
Capital Outlay	\$ 70,520	\$ 642,511	\$ 539,771	\$ 377,484	\$ 306,521	\$ 1,208,326	\$ 172,114	\$ 81,175	\$ -	\$ -	\$ -	\$ -	\$ 3,398,422
Other Objects	\$ 40,674	\$ 3,622,300	\$ 51,981	\$ 48,009	\$ 70,870	\$ 157,498	\$ 429,441	\$ (395,934)	\$ -	\$ -	\$ -	\$ -	\$ 4,024,839
Total Expenditures	62,966,118	73,034,449	63,866,908	61,097,000	60,488,389	79,550,533	61,737,763	59,245,741	-	-	-	-	521,986,901
Net Change in Cash	653,378	46,646,227	(19,921,815)	(7,474,829)	(20,500,579)	(39,546,099)	1,208,857	57,080,924	-	-	1,208,857	-	18,146,064

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 February 28, 2018 the District has received revenue in the amount of \$540,122,761. The District will need to collect another \$189,479,112 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>			
Revenues				
Real Property Tax	\$ 185,321,705	\$ 194,551,599 (a)		9,229,894.22
State Foundation	457,405,351	\$ 306,128,058 (b)		(151,277,293)
Property Tax				
Homestead &				
Rollbacks	28,911,471	\$ 7,778,396		(21,133,075)
CAT Tax	115,990	\$ -		(115,990)
Interest	1,000,000	\$ 1,472,616		472,616
Medicaid	5,530,612	\$ 950,482		(4,580,130)
CEAP	9,468,700	\$ 8,611,509		(857,191)
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	\$ 13,594,545		(21,777,945)
Total Revenues	<u>729,601,873</u>	<u>540,122,761</u>		<u>(189,479,112.23)</u>

Notes

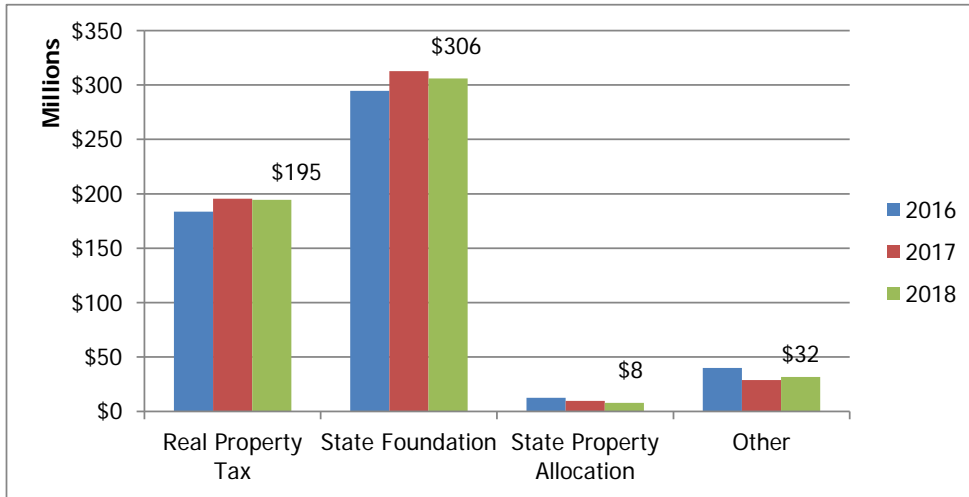
- (a) The District received \$212,991,820 in general property taxes in FY17 and is forecasting \$185,321,705 in FY18. Through February 28, 2018 the District has received \$194,551,599 in general property taxes.
- (b) The District will receive state funding in FY18 based on HB 49.

CLEVELAND METROPOLITAN SCHOOL DISTRICT

MONTHLY FINANCIAL STATUS REPORT

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

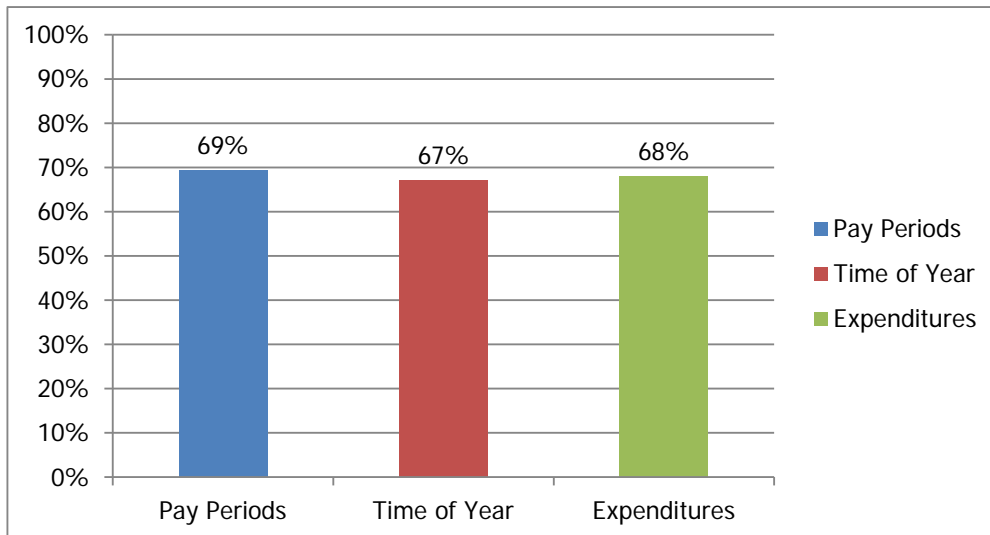
MONTHLY FINANCIAL STATUS REPORT

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 February 28, 2018.

Through February 28, 2018 the District has expended \$521,986,901 which reflects 68.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$23,027,883. A statistical spending range for the District is based on two analyses: first, time elapsed is eight months, or 66.67%, of the fiscal year. Secondly, 18 of the 26, or 69.23%, of the total pay periods have passed. Figure 3 illustrates these points.

Figure 3: Expenditure Level Through February



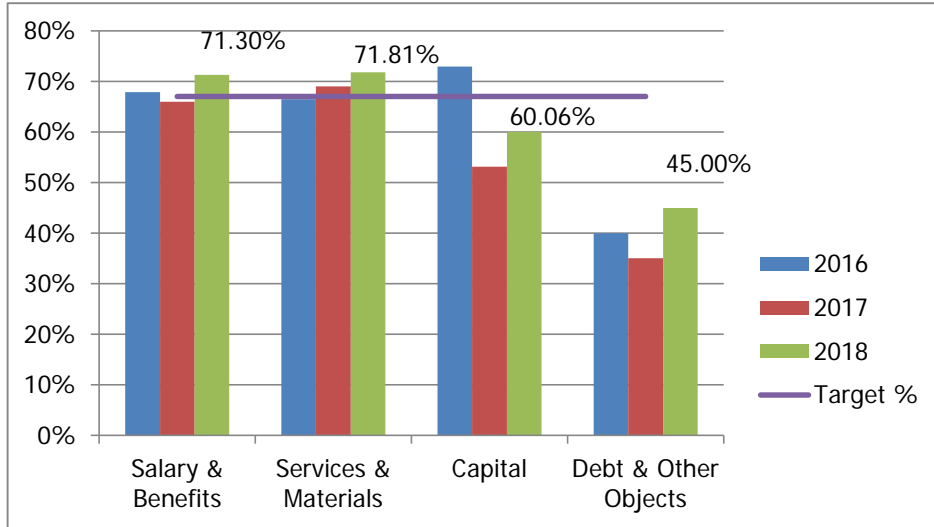
Overall, the District's expenditure level through February is trending slightly above target based on the above analysis. As an examination of the categories of expenditures is performed, cyclical variances are noted between categories which related specifically to school opening activities.

CLEVELAND METROPOLITAN SCHOOL DISTRICT

MONTHLY FINANCIAL STATUS REPORT

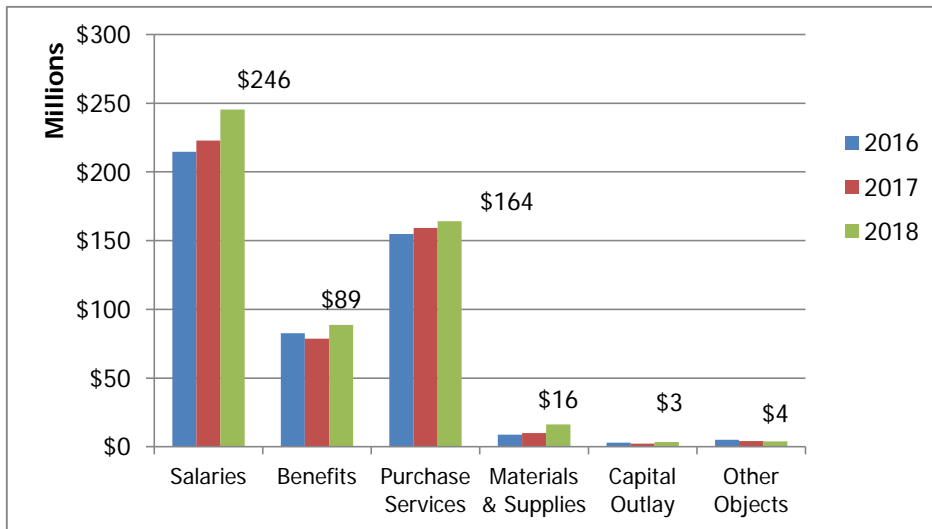
Figure 4 compares the various expenditure categories to the expected level and to the prior two years. Figure 5 provides the year to date expenditure level by category for the current year as well as the prior two. The three years of data will be beneficial for trend analysis performed throughout the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

Figure 4: % Spend to Budget for YTD Expenditures



Target percent of 66.67% 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 \$14.1 million in February which is slightly more than the \$13.6 million average in January. 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 71.8% 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 60% 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 February 28, 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

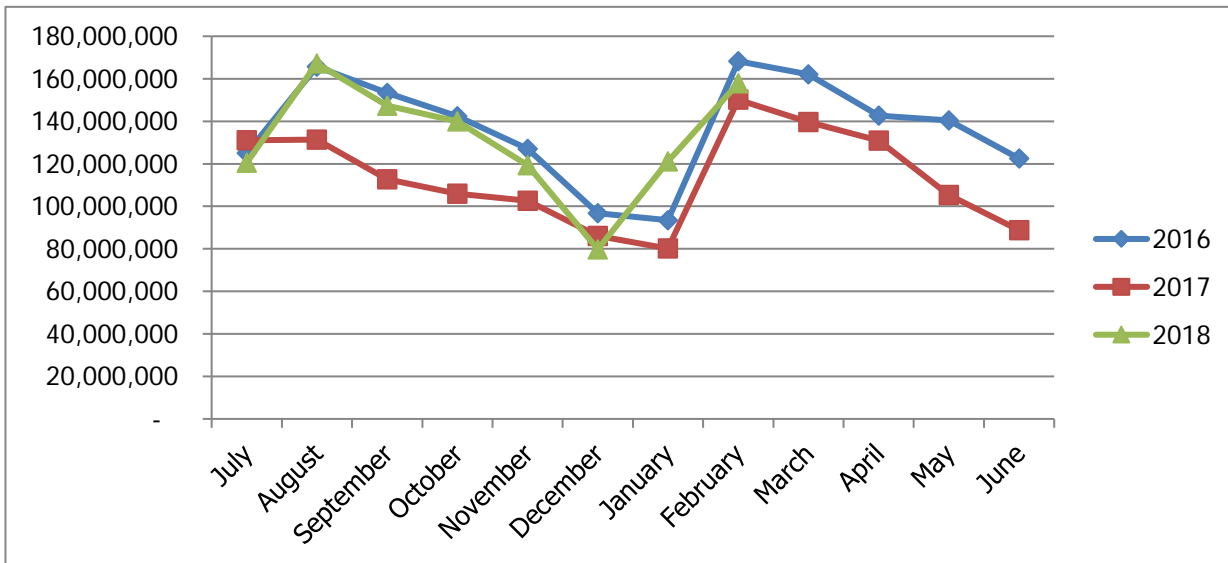
MONTHLY FINANCIAL STATUS REPORT

Cash Balances

The cash balance as of February 28, 2018 is \$157,829,819. The unencumbered balance as of February 28, 2018 is \$134,801,936. See below for details.

	FY '18
Beginning Cash Balance	\$ 119,752,599
Total Revenues	540,132,965
Total Expenses	521,986,901
Revenue over Expenses	18,146,064
Total Payables	19,931,156
Ending Cash Balance	157,829,819
Encumbrances/Reserves	23,027,883
Unencumbered Balance	<u>\$ 134,801,936</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: 02/01/2018

Last Day of Month: 02/28/2018

Company: Cleveland Metropolitan School District

Accounting Date for Operational Transaction	Supplier	Supplier Contract	Total Contract Amount
02/01/2018	Nowak Tour & Travel Inc	CON-10007835: Nowak Tours_CTAG Spring Break 3.2018	43,650.00
02/01/2018	Steps Behavioral Consulting Services LLC	CON-10008384: Invoice 2304	42,783.50
02/03/2018	A Shade Different LLC DBA Ny York Teztiles & Interiors	CON-10007903: Install window shades	32,500.00
02/03/2018	Relmec Mechanical LLC	CON-10007914: HVAC repair	29,072.94
02/05/2018	Uniglobe Travel Designers	CON-10007945: Group Travel - Solution Tree/PLC At Work Conference	37,017.00
02/06/2018	Zenith Systems, LLC	CON-10008018: JFK Room(s) 102, 235 and 325 Technology and Electrical	32,236.00
02/07/2018	Cleveland State University	CON-10008045: CCAS Tuition Payment for Cohort 2	26,317.20
02/12/2018	Twin Towers Training	CON-10008124: Twin Towers- Nathan Hale	30,000.00
02/13/2018	Uniglobe Travel Designers	CON-10008163: Hotel rooms SHAPE Conference	30,270.35
02/15/2018	Double Tree By Hilton Times Sq	CON-10008210: Professional Development	32,543.50
02/20/2018	International Institute For Restorative Practices	CON-10006611: IIRP 2017-2018	33,915.00
02/20/2018	Nyc Leadership Academy	CON-10008301: University Partnership Wallace Grant	35,000.00
02/21/2018	Ena Services LLC	CON-10008333: Payment for Unfunded Sites and Voice Services Invoices	38,908.82
02/21/2018	Ena Services LLC	CON-10008337: Telephone handsets: payment for unpaid/ unfunded sites FY 16-17 and FY 17-18	36,222.00
02/27/2018	Promise Academy	CON-10008432: Promise Academy Property Taxes Feb	48,964.77
02/27/2018	Stonebrook Montessori	CON-10008452: Stonebrook Property Tax Distribution Feb 2018	26,987.44
02/27/2018	Village Preparatory School Willard	CON-10008457: Village Prep Willard Property Tax Distribution Feb 2018	46,078.07
02/27/2018	The Intergenerational School	CON-10008460: The Intergenerational Property Tax Distribution Feb 2018	48,918.86
02/28/2018	Doubletree By Hilton Cleveland East/Beachwood	CON-10008482: Nicole Vitale - Room 208	32,354.40
02/28/2018	Lakeshore Intergenerational School	CON-10008487: Distribution of Property Tax Feb 2018	28,258.62
02/28/2018	Menlo Park Academy	CON-10008488: Distribution of Property Taxes Feb 2018	27,587.16
02/28/2018	LaLisa Anthony	CON-10008491: Data Analyst 2017/2018 School Year	26,250.00



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

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Page 1 of 1

Issued On or After: 02/01/2018
Issued On or Before: 02/28/2018

Issued Date	PO Number	Supplier	Total PO Amount
02/06/2018	PO-10009704	Tierney Brothers, Inc.	27,105.00
02/06/2018	PO-10009705	Tierney Brothers, Inc.	48,541.00
02/08/2018	PO-0526196	Pearson Assessments	44,131.79
02/08/2018	PO-10009808	Tierney Brothers, Inc.	40,527.00
02/15/2018	PO-10010189	Pearson Learning	25,755.43
02/16/2018	PO-10010279	National Food Group, Inc.	45,640.00
02/20/2018	PO-10010343	Tierney Brothers, Inc.	31,855.77
02/22/2018	PO-10010503	Intellinet Corporation	34,904.50
02/22/2018	PO-10010504	Apple Education Mailstop #198-Ed	29,994.00
02/23/2018	PO-10010581	Tierney Brothers, Inc.	28,117.00
02/28/2018	PO-10010838	Tierney Brothers, Inc.	25,122.00