



Department of Finance

# Fiscal Year 2018 Financial Status Report

As of March 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 March 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	\$ 81,617,774	\$ 23,887,456	\$ -	\$ -	\$ -	\$ 239,637,391
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	\$ 36,787,284	\$ -	\$ -	\$ -	\$ 352,618,294
Federal	\$ 786,778	\$ -	\$ 23,064	\$ 178,282	\$ 14,949	\$ 16,955	\$ 33,840	\$ 41,779	\$ 29,703	\$ -	\$ -	\$ -	\$ 1,125,350
Other	\$ 8,840	\$ 2,286,137	\$ 5,115,081	\$ 39	\$ 4,947	\$ 4,942	\$ -	\$ 36,389	\$ 13,960	\$ -	\$ -	\$ -	\$ 7,470,334
<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>62,946,620</b>	<b>116,326,665</b>	<b>60,718,404</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>600,851,369</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	\$ 28,285,959	\$ 28,107,028	\$ -	\$ -	\$ -	\$ 273,607,083
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	\$ 10,636,624	\$ -	\$ -	\$ -	\$ 99,431,692
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	\$ 22,631,769	\$ -	\$ -	\$ -	\$ 186,697,145
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	\$ 1,086,629	\$ -	\$ -	\$ -	\$ 17,289,769
Capital Outlay	\$ 70,520	\$ 642,511	\$ 539,771	\$ 377,484	\$ 306,521	\$ 1,208,326	\$ 172,114	\$ 81,175	\$ 140,619	\$ -	\$ -	\$ -	\$ 3,539,041
Other Objects	\$ 40,674	\$ 3,622,300	\$ 51,981	\$ 48,009	\$ 70,870	\$ 157,498	\$ 429,441	\$ (395,934)	\$ 3,275,938	\$ -	\$ -	\$ -	\$ 7,300,777
<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>59,245,741</b>	<b>65,878,607</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>587,865,508</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>1,208,857</b>	<b>57,080,924</b>	<b>(5,160,204)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,985,861</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 March 31, 2018 the District has received revenue in the amount of \$598,761,337. The District will need to collect another \$130,840,536 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	\$ 211,568,578 (a)		26,246,872.87
State Foundation	457,405,351	\$ 342,915,342 (b)		(114,490,009)
Property Tax				
Homestead &				
Rollbacks	28,911,471	\$ 7,778,396		(21,133,075)
CAT Tax	115,990	\$ -		(115,990)
Interest	1,000,000	\$ 1,850,812		850,812
Medicaid	5,530,612	\$ 950,482		(4,580,130)
CEAP	9,468,700	\$ 5,869,916		(3,598,784)
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	\$ 20,792,254		(14,580,236)
<b>Total Revenues</b>	<u>729,601,873</u>	<u>598,761,337</u>		<u>(130,840,536.13)</u>

#### Notes

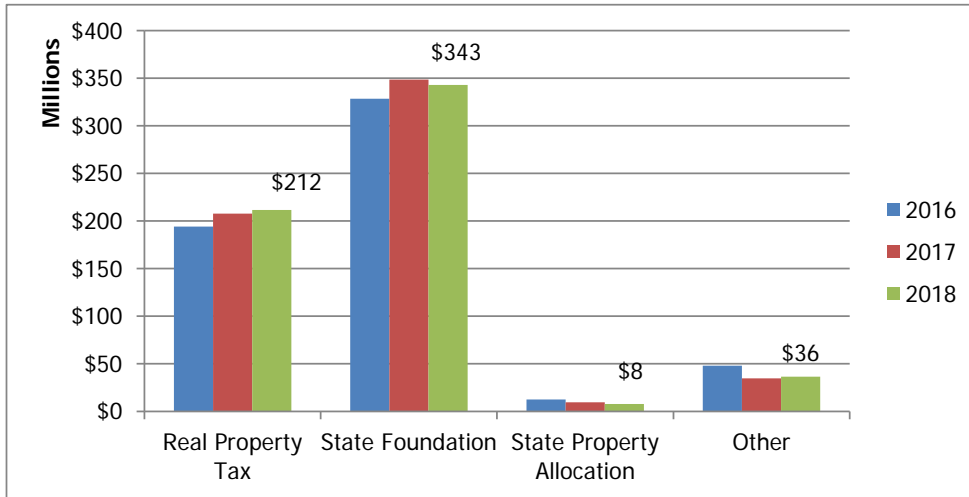
- (a) The District received \$212,991,820 in general property taxes in FY17 and is forecasting \$185,321,705 in FY18. Through March 31, 2018 the District has received \$211,568,578 in general property taxes.
- (b) The District will receive state funding in FY18 based on HB 49.

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

## MONTHLY FINANCIAL STATUS REPORT

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

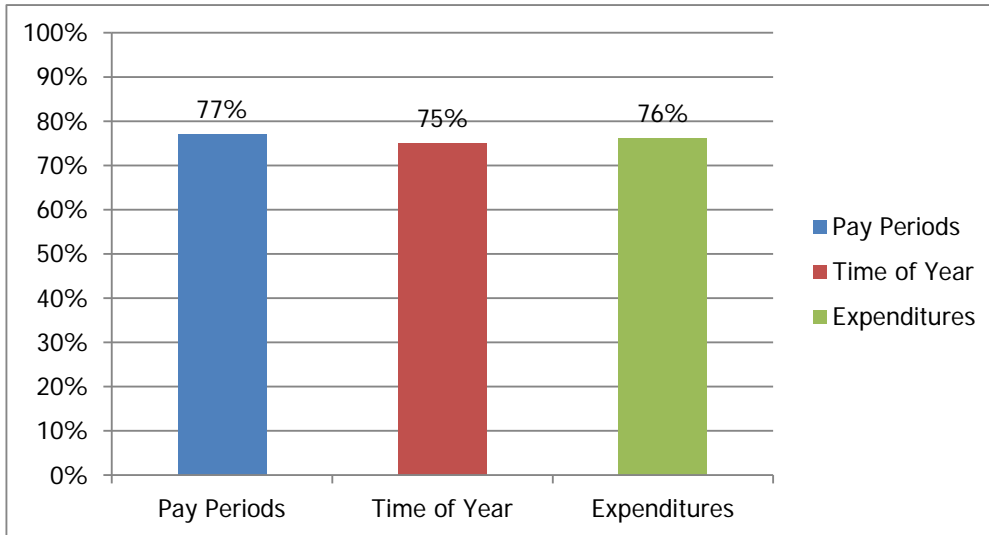
## MONTHLY FINANCIAL STATUS REPORT

### 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 March 31, 2018.

Through March 31, 2018 the District has expended \$587,865,508 which reflects 76.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$21,210,021. A statistical spending range for the District is based on two analyses: first, time elapsed is nine months, or 75.00%, of the fiscal year. Secondly, 20 of the 26, or 76.92%, of the total pay periods have passed. Figure 3 illustrates these points.

Figure 3: Expenditure Level Through March



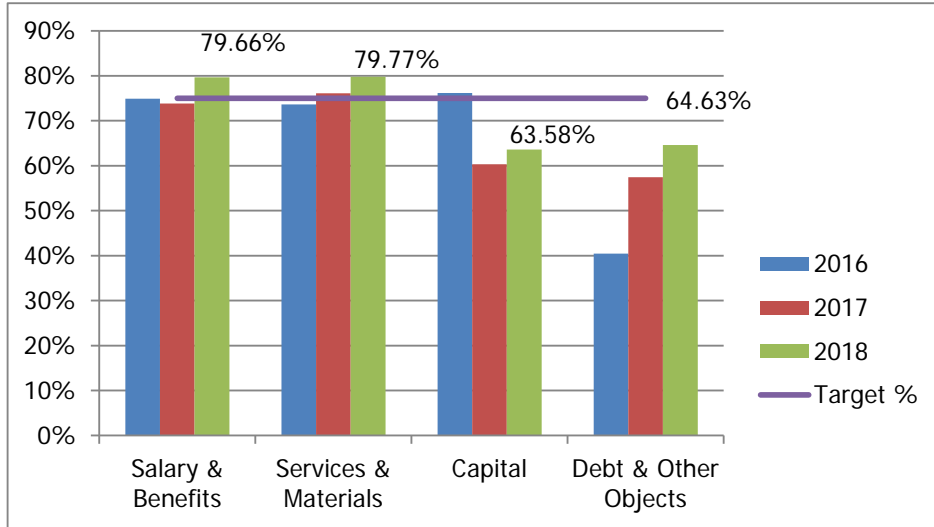
Overall, the District's expenditure level through March is trending slightly above target based on the above analysis. As an examination of the categories of expenditures is performed, cyclical variances are noted between categories which related specifically to school opening activities.

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

## MONTHLY FINANCIAL STATUS REPORT

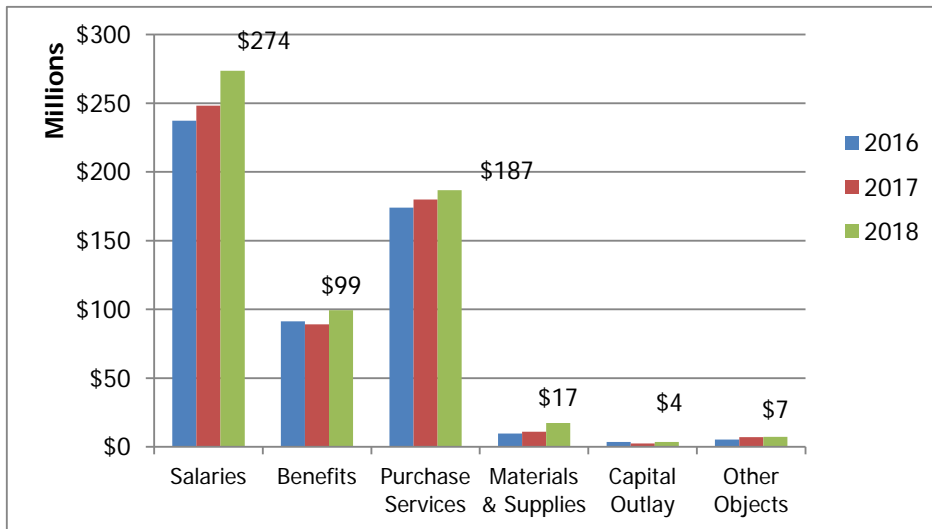
Figure 4 compares the various expenditure categories to the expected level and to the prior two years. Figure 5 provides the year to date expenditure level by category for the current year as well as the prior two. The three years of data will be beneficial for trend analysis performed throughout the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

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



Target percent of 75.00% 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 \$14.1 million in March which is equal to the \$14.1 million average in February. 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 80% 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 64% 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 March 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

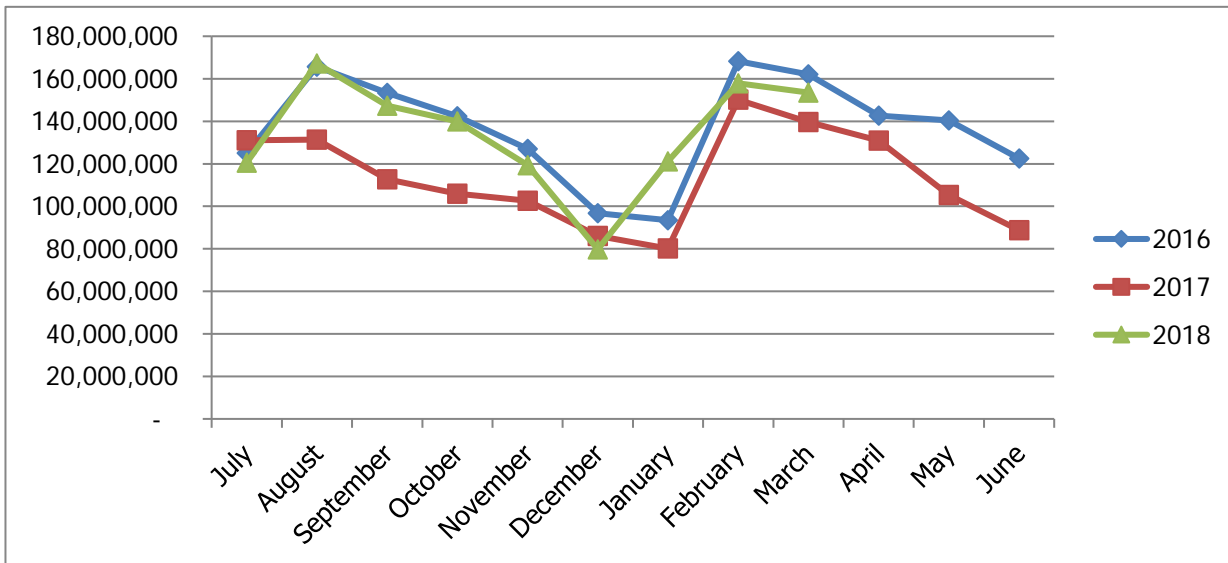
## MONTHLY FINANCIAL STATUS REPORT

### Cash Balances

The cash balance as of March 31, 2018 is \$153,519,327. The unencumbered balance as of March 31, 2018 is \$132,309,306. See below for details.

	FY '18
Beginning Cash Balance	\$ 119,752,599
Total Revenues	600,851,369
Total Expenses	587,865,508
Revenue over Expenses	12,985,861
Total Payables	20,780,867
Ending Cash Balance	153,519,327
Encumbrances/Reserves	21,210,021
Unencumbered Balance	<u>\$ 132,309,306</u>

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







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

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04/19/2018  
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First Day of Month: 03/01/2018

Last Day of Month: 03/31/2018

Company: Cleveland Metropolitan School District

Accounting Date for Operational Transaction	Supplier	Supplier Contract	Total Contract Amount
03/05/2018	Psi Affiliates, Inc.	CON-10008566: Psychological Services @ Various Nonpublic School	26,520.36
03/06/2018	Peter Bandi Inc. The Ohio Connection	CON-10008625: VARIOUS ATHLETIC TRIPS	32,130.00
03/06/2018	Great Day! Tours Aka Cuyahoga Marketing Service, Inc.	CON-10008628: VARIOUS ATHLETIC TRIPS	49,862.00
03/07/2018	Supplyworks	CON-10008657: Supplies	30,000.00
03/08/2018	Building Blocks Education	CON-10008692: K-8 Redesign Program, PD and Workshop - K-8 Redesign	47,000.00
03/09/2018	Agm Energy Services, LLC	CON-10008697: Campus Intl HS - System Integration	27,617.90
03/19/2018	Create Inc.	CON-10008845: C.A.L.M. Program	28,900.00
03/19/2018	Smartsheet Inc.	CON-10008853: Smart Sheet Upgrade	27,375.00
03/20/2018	McMahon Masonry Restoration Ltd.	CON-10008878: Emergency- canopy collapse	27,838.27
03/20/2018	Citizens Academy	CON-10008888: Partnering Community Schools 1st half	27,306.98
03/20/2018	Citizens Academy East	CON-10008889: Partnering Community Schools for 1st half	25,407.86
03/21/2018	The Law Office of Ryan J. Sears LLC	CON-10008902: Settlement	49,000.00
03/21/2018	Village Preparatory School	CON-10008912: Partnering Community Schools for 1st half	26,854.21
03/22/2018	Village Prep School - Woodland	CON-10008943: Partnering Community Schools for 1st half	30,465.44
03/22/2018	Northeast Ohio College Prep	CON-10008958: Partnering Community Schools for 1st half	32,972.83
03/22/2018	Project Love	CON-10008959: Project Love /Values in Action	28,000.00
03/23/2018	Horizon Educational Services, Inc.	CON-10008975: Partnering Community Schools for 1st half	28,328.84
03/23/2018	Intellinet Corporation	CON-10008985: UPS PM Services/APPStream Support	41,418.17
03/27/2018	Great Day! Tours Aka Cuyahoga Marketing Service, Inc.	CON-10009068: VARIOUS ATHLETIC TRIPS BLANKET CONTRACT	29,711.00
03/29/2018	IBM Corporation	CON-10009127: AS/400 Tape Library	33,654.60



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

Issued On or After: 03/01/2018  
Issued On or Before: 03/31/2018

Issued Date	PO Number	Supplier	Total PO Amount
03/05/2018	PO-10011025	Tierney Brothers, Inc.	42,810.00
03/07/2018	PO-10011183	Apple Education Mailstop #198-Ed	35,039.85
03/09/2018	PO-10010961	Decor Group International	30,000.00
03/09/2018	PO-10010967	Image Matters, Inc.	25,200.00
03/09/2018	PO-10011006	Cuyahoga Community College Student Accounting Office	44,442.13
03/09/2018	PO-10011188	Shearer Equipment	27,733.80
03/13/2018	PO-10011430	Tierney Brothers, Inc.	39,463.00
03/13/2018	PO-10011474	Microsoft Corporation	39,052.00
03/20/2018	PO-10010997	Cerni Motor Sales, Inc.	32,064.48
03/21/2018	PO-10004579	Therapy Shoppe	33,536.79
03/21/2018	PO-10011954	Stan Miller & Associates	36,139.06
03/23/2018	PO-10012043	Tierney Brothers, Inc.	29,079.99
03/26/2018	PO-10012191	Apple Education Mailstop #198-Ed	26,447.00
03/27/2018	PO-10012290	Office Depot - Acct. 10798088	27,898.40
03/29/2018	PO-10012335	Buckeye Educational Systems	47,110.33