



Department of Finance

# Fiscal Year 2019 Financial Status Report

As of August 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 August 31, 2018. The total revenues forecasted in the May five year forecast were \$723,720,245 and expenditures were \$771,517,888. The adopted budget approved by the Board was \$795,148,749 plus carryover encumbrances of \$16,928,436 for a total appropriation of \$812,077,185.

	July	August	September	October	November	December	January	February	March	April	May	June	Total
<b>Revenues</b>													
Local	\$ 45,364,301	\$ 59,425,459	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 104,789,760
State	\$ 37,988,664	\$ 45,086,989	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83,075,652
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 112,186	\$ 83,751	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 195,937
<b>Total Revenues</b>	<b>83,465,151</b>	<b>104,596,199</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>188,061,350</b>
<b>Expenditures</b>													
Salaries	\$ 39,806,557	\$ 31,706,074	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 71,512,631
Benefits	\$ 8,682,987	\$ 12,038,310	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,721,297
Purchase Services	\$ 19,785,688	\$ 21,472,280	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,257,968
Materials & Supplies	\$ 819,582	\$ 3,166,411	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,985,993
Capital Outlay	\$ 421,806	\$ 429,155	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 850,961
Other Objects	\$ 129,701	\$ 3,849,239	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,978,940
<b>Total Expenditures</b>	<b>69,646,319</b>	<b>72,661,470</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>142,307,789</b>
<b>Net Change in Cash</b>	<b>13,818,832</b>	<b>31,934,729</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,753,561</b>

*The financial information included in this report is preliminary, unaudited and subject to revision upon completion of the District's closing and audit process*

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

## MONTHLY FINANCIAL STATUS REPORT

### Revenue Summary

The Cleveland Metropolitan School District is forecasting \$723,720,245 in revenue within the General Fund for the 2019 fiscal year as shown on Figure 1. As of August 31, 2018 the District has received revenue in the amount of \$188,061,350. The District will need to collect another \$535,658,895 to reach its target.

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

	FY ' 19 May 12 Month Forecast	FY '19 Actual	Balance
<b>Revenues</b>			
Real Property Tax	\$ 187,162,811	\$ 95,729,816 (a)	\$ 91,432,995
State Foundation	448,579,128	82,069,901 (b)	366,509,227
Property Tax			
Homestead &			
Rollbacks	30,287,124	-	30,287,124
CAT Tax	115,990	-	115,990
Interest	1,200,000	575,324	624,676
Medicaid	5,530,612	-	5,530,612
CEAP	9,468,700	2,359,927	7,108,773
Advances-In	4,000,000	-	4,000,000
Casino Receipts	1,918,554	1,005,751	912,803
Other Revenues	35,457,326	6,320,630	29,136,696
<b>Total Revenues</b>	<u>723,720,245</u>	<u>188,061,350</u>	<u>535,658,895</u>

Notes

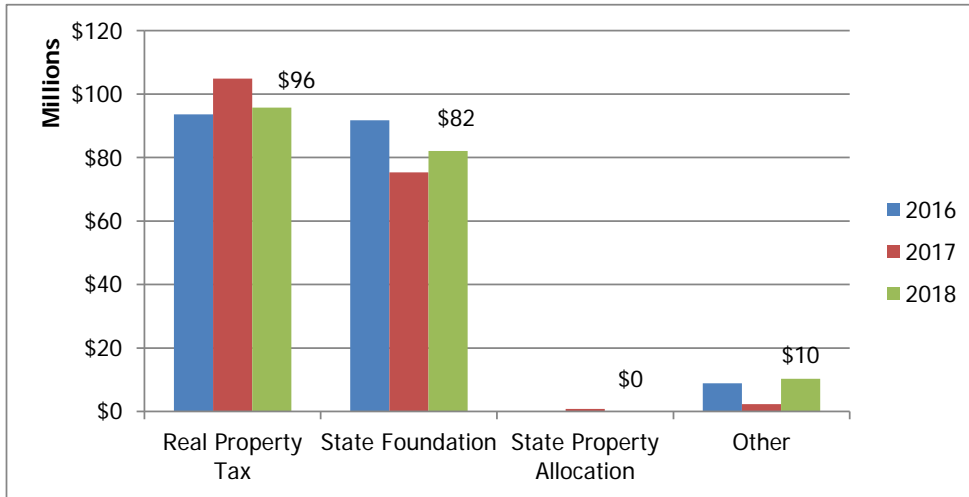
- (a) The District received \$219,694,578 in general property taxes in FY18 and is forecasting \$187,162,811 in FY19. As of August 31, 2018 the District received \$95,729,816 in general property taxes.
- (b) The District received state funding in FY19 based on HB 529.

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

## MONTHLY FINANCIAL STATUS REPORT

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

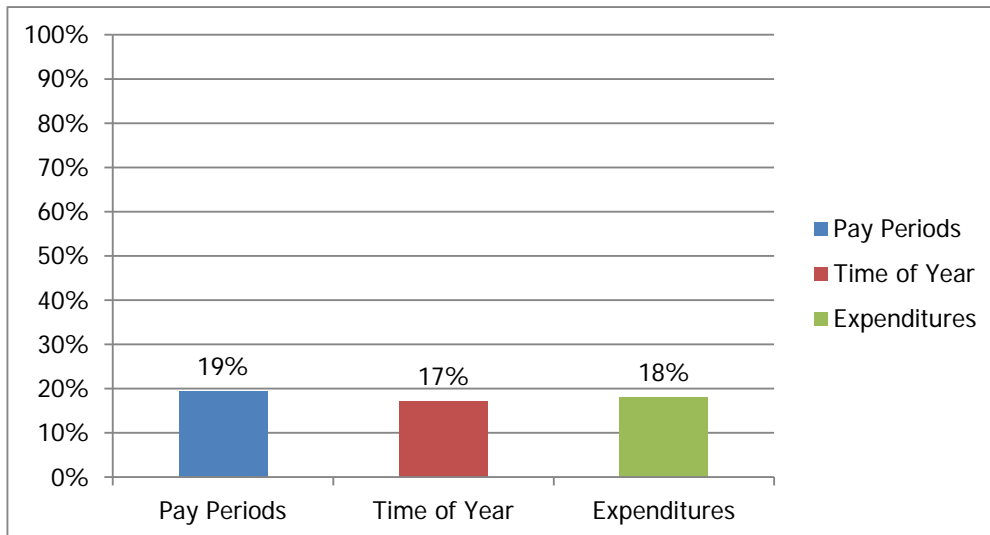
## MONTHLY FINANCIAL STATUS REPORT

### Expenditure Summary

The fiscal year 2019 adopted General Fund budget for the District is \$795,148,749. This budget, coupled with carryover encumbrances of \$16,928,436, resulted in a \$812,077,185 appropriation for FY 2019. The following information is a financial update of the status of this appropriation through August 31, 2018.

Through August 31, 2018 the District has expended \$142,307,789 which reflects 18.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$42,987,589. A statistical spending range for the District is based on two analyses: first, time elapsed is two months, or 16.67%, of the fiscal year. Secondly, 5 of the 26, or 19.23%, of the total pay periods have passed. Figure 3 illustrates these points.

Figure 3: Expenditure Level Through August



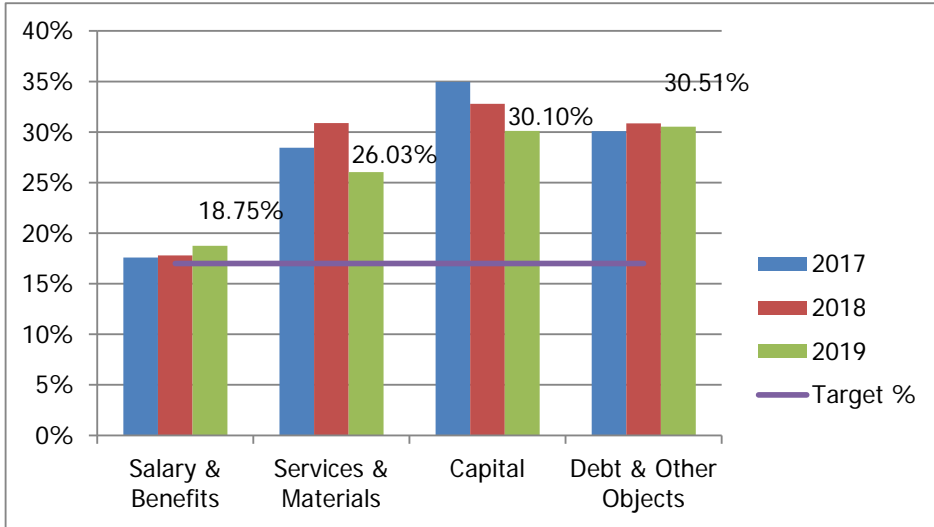
Overall, the District's expenditure level through August is trending slightly above target based on the above analysis. As an examination of the categories of expenditures is performed, cyclical variances are noted between categories which related specifically to school opening activities.

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

## MONTHLY FINANCIAL STATUS REPORT

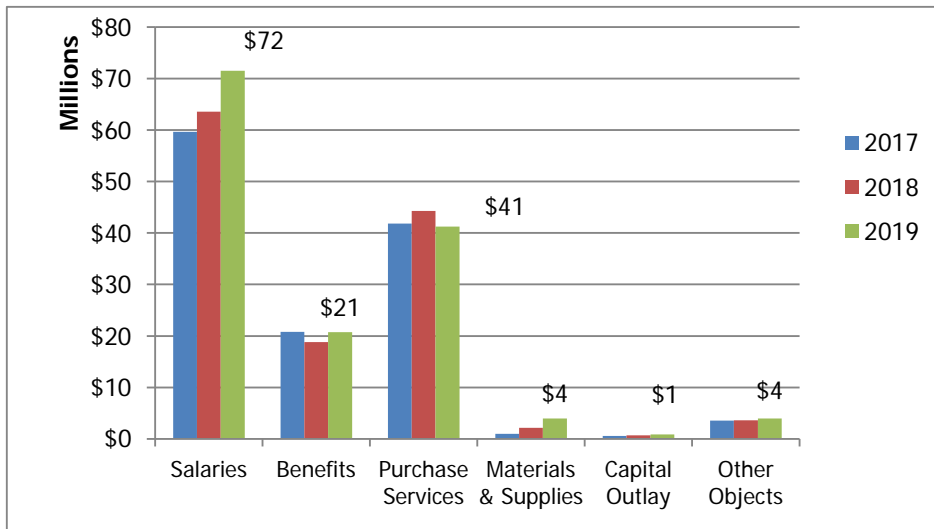
Figure 4 compares the various expenditure categories to the expected level and to the prior two years. Figure 5 provides the year to date expenditure level by category for the current year as well as the prior two. The three years of data will be beneficial for trend analysis performed throughout the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

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



Target percent of 16.67% 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 but are under budget. The trend line in Figure 4 is based on the time elapsed for the year and does not take into account that we had three payrolls in July. August payroll expense included a \$4.4 million stipend for teachers who earned an Accomplished rating in SY17-18. This stipend was not paid in August 2018, which has a relatively large impact in the year-to-year comparison. As the year progresses, we expect the salaries to more closely align with the trend line as well as the prior year numbers. Salaries averaged \$15.8 million in August which is greater than the \$13.2 million average in July. Health care costs are forecasted to increase 7.5% in FY 19 from FY 18.

The current year Purchased Services and Materials categories indicate a 26% 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 30% 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 August 31, 2018. Debt payments occur in July and April while the transfer of monies to other District funds will occur in June.



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

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09/17/2018  
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First Day of Month: 08/01/2018

Last Day of Month: 08/31/2018

Company: Cleveland Metropolitan School District

Accounting Date for Operational Transaction	Supplier	Supplier Contract	Total Contract Amount
08/07/2018	Peter Bandi Inc. The Ohio Connection	CON-10012255: 2018-2019 TRANSPORTATION FOR ALL CITY ARTS	30,000.00
08/08/2018	Scholastic	CON-10012277: Scholastic - Hannah Gibbons	28,485.00
08/09/2018	Alicia Carney	CON-10013105: AIR AGREEMENT 18-19	25,807.20
08/09/2018	India Burton	CON-10013106: ARTIST IN RESIDENCE 18-19	35,807.20
08/09/2018	Jessica L Spurlock	CON-10013107: ARTISTS IN RESIDENCE 18-19	35,807.20
08/10/2018	Educational Service Center Of Northeast Ohio	CON-10012305: Tuition NEO Office On line Learning	35,889.00
08/10/2018	Houghton Mifflin Harcourt	CON-10012311: HMH Math Solutions- East Clark	30,800.00
08/15/2018	Workday, Inc.	CON-10012417: Workday Deployment Tenant - 27 Pay Mitigation	36,000.00
08/16/2018	Open Tone Music LLC	CON-10012463: All-City 18-19: Open Tone (a)	32,025.00
08/17/2018	Open Tone Music LLC	CON-10012494: All-City 18-19: Open Tone (s)	40,000.00
08/20/2018	Sheela Das	CON-10012505: International Newcomers Academy - Music Residency	36,000.00
08/20/2018	Adrian Eisenhower	CON-10012517: Artist-In-Residence	31,500.00
08/20/2018	American Reading Company, Inc.	CON-10012523: American Reading Company 2nd qrt	35,700.00
08/22/2018	Psi Affiliates, Inc.	CON-10012567: Title I-Interdistrict Service Contract-Trinity	44,870.53
08/22/2018	William B Woods	CON-10012574: Artist-In-Residence	27,000.00
08/22/2018	Jessica Louisa Huizenga	CON-10012578: Educational Consulting	47,600.00
08/23/2018	Zenith Systems, LLC	CON-10012624: Davis Aerospace & Maritime - S&S	35,674.00
08/23/2018	adam whiting	CON-10012633: Artist-In-Residence	25,200.00
08/24/2018	Nsip, Sam Process	CON-10013034: SAMs Process: Multiple Schools	42,050.00
08/27/2018	Hanover Research Council, LLC	CON-10012676: Tech Support/Research Services	45,000.00
08/27/2018	Hilton Columbus Downtown	CON-10012685: Room Block for Reading Recovery Conference Feb. 2019	29,068.00
08/30/2018	Center For Arts Inspired Learning	CON-10012770: Center for Arts Inspired Learning - Mary B Martin	33,760.00
08/30/2018	Gaylea Prichard-Silvers	CON-10012792: Gaylea Prichard-Silvers for LWGS	33,810.00
08/30/2018	eSchool Solutons LLC	CON-10012793: 2018-19 Smartfind Service - Talent	32,678.00





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

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09/17/2018  
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Issued On or After: 08/01/2018  
Issued On or Before: 08/31/2018

Issued Date	PO Number	Supplier	Total PO Amount
08/07/2018	PO-10018869	Cuyahoga Community College Student Accounting Office	42,943.27
08/07/2018	PO-10019036	Easy Way Safety Services, Inc.	44,695.00
08/07/2018	PO-10019403	Produce Packaging, Inc.	36,105.00
08/07/2018	PO-10019404	Produce Packaging, Inc.	39,166.00
08/07/2018	PO-10019406	Produce Packaging, Inc.	27,977.05
08/07/2018	PO-10019627	Dell Computer Corp.	45,245.11
08/14/2018	PO-10019585	Project Lead The Way	38,454.00
08/14/2018	PO-10019829	Rettig Music Inc	38,267.50
08/27/2018	PO-10020396	Angeltrax	44,452.80
08/31/2018	PO-10020800	Tierney Brothers, Inc.	27,008.00