



Department of Finance

# Fiscal Year 2019 Financial Status Report

As of September 30, 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 September 30, 2018. The total revenues forecasted in the October five year forecast were \$739,339,439 and expenditures were \$787,021,749. 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	\$ 3,707,526	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 108,497,286
State	\$ 37,988,664	\$ 45,086,989	\$ 47,132,190	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,207,843
Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ 112,186	\$ 83,751	\$ 31,747	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 227,685
<b>Total Revenues</b>	<b>83,465,151</b>	<b>104,596,199</b>	<b>50,871,463</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>238,932,813</b>
<b>Expenditures</b>													
Salaries	\$ 39,806,557	\$ 31,706,074	\$ 25,988,067	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97,500,698
Benefits	\$ 8,682,987	\$ 12,038,310	\$ 10,121,120	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,842,417
Purchase Services	\$ 19,785,688	\$ 21,472,280	\$ 23,798,744	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,056,712
Materials & Supplies	\$ 819,582	\$ 3,166,411	\$ 2,125,614	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,111,607
Capital Outlay	\$ 421,806	\$ 429,155	\$ 321,608	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,172,568
Other Objects	\$ 129,701	\$ 3,849,239	\$ 66,313	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,045,253
<b>Total Expenditures</b>	<b>69,646,319</b>	<b>72,661,470</b>	<b>62,421,466</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>204,729,255</b>
<b>Net Change in Cash</b>	<b>13,818,832</b>	<b>31,934,729</b>	<b>(11,550,003)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,203,558</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 \$739,339,439 in revenue within the General Fund for the 2019 fiscal year as shown on Figure 1. As of September 30, 2018 the District has received revenue in the amount of \$238,922,588. The District will need to collect another \$500,416,851 to reach its target.

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

	FY ' 19 October 12 Month			
	Forecast	FY '19 Actual		Balance
<b>Revenues</b>				
Real Property Tax	\$ 190,236,576	\$ 95,740,041 (a)	\$	94,506,760
State Foundation	460,606,242	120,547,529 (b)		340,058,713
Property Tax				
Homestead &				
Rollbacks	31,183,975	8,654,562		22,529,413
CAT Tax	115,990	-		115,990
Interest	3,000,000	816,028		2,183,972
Medicaid	3,700,000	-		3,700,000
CEAP	9,500,000	4,266,207		5,233,793
Advances-In	4,000,000	-		4,000,000
Casino Receipts	1,918,554	1,005,751		912,803
Other Revenues	35,078,102	7,902,694		27,175,408
<b>Total Revenues</b>	<b>739,339,439</b>	<b>238,932,813</b>		<b>500,416,851</b>

#### Notes

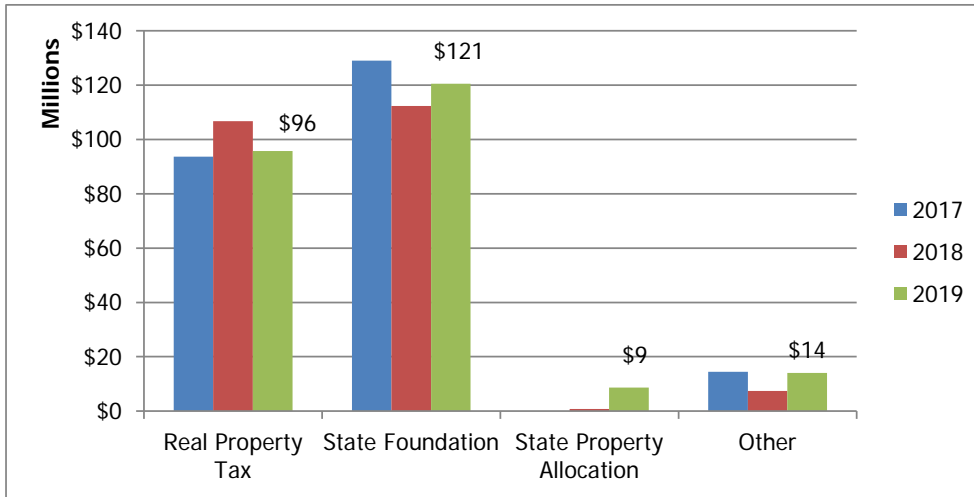
- (a) The District received \$219,694,578 in general property taxes in FY18 and is forecasting \$190,236,576 in FY19. As of September 30, 2018 the District received \$95,729,816 in general property taxes.
- (b) The District received state funding in FY19 based on HB 529.

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

## MONTHLY FINANCIAL STATUS REPORT

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

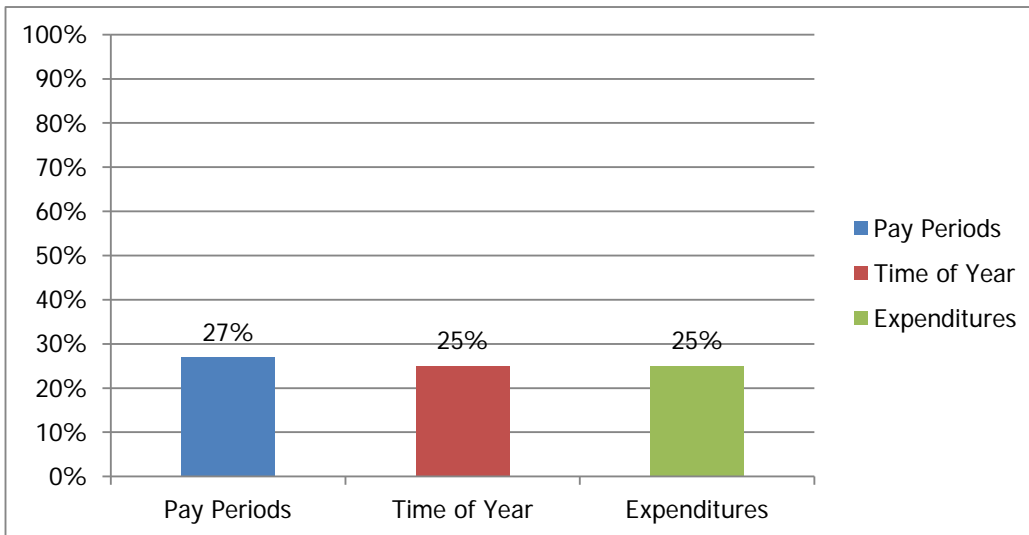
## MONTHLY FINANCIAL STATUS REPORT

### 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 September 30, 2018.

Through September 30, 2018 the District has expended \$204,729,255 which reflects 25.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$43,318,035. A statistical spending range for the District is based on two analyses: first, time elapsed is three months, or 25.00%, of the fiscal year. Secondly, 7 of the 26, or 26.92%, of the total pay periods have passed. Figure 3 illustrates these points.

Figure 3: Expenditure Level Through September



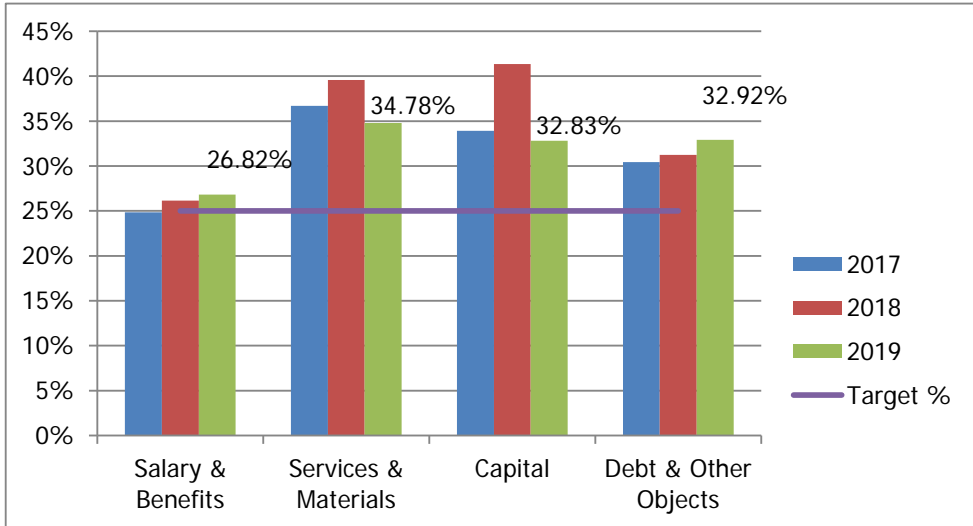
Overall, the District's expenditure level through September is on target based on the above analysis. As an examination of the categories of expenditures is performed, cyclical variances are noted between categories which related specifically to school opening activities.

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

## MONTHLY FINANCIAL STATUS REPORT

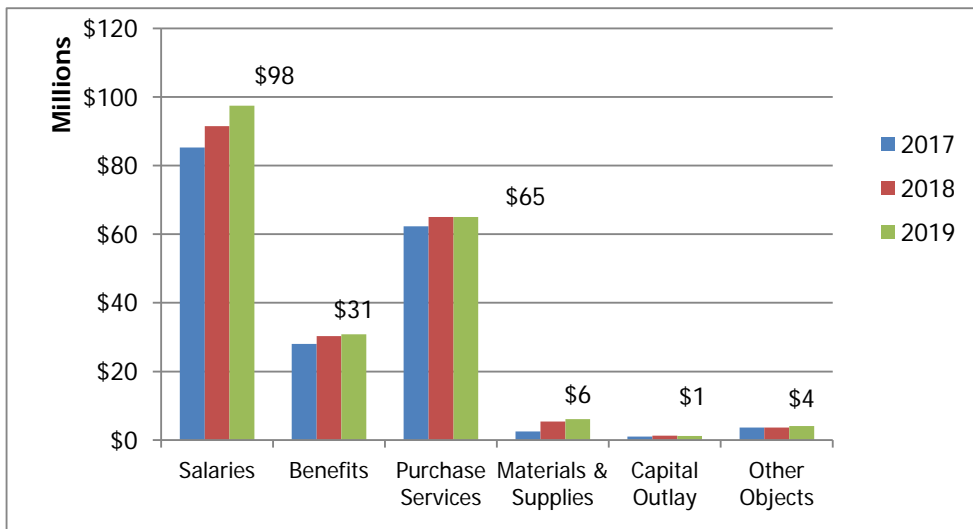
Figure 4 compares the various expenditure categories to the expected level and to the prior two years. Figure 5 provides the year to date expenditure level by category for the current year as well as the prior two. The three years of data will be beneficial for trend analysis performed throughout the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

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



Target percent of 25.00% 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 but this was anticipated and budgeted for. 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. Salaries averaged \$13.0 million in September which is less than the \$15.8 million average in August. The District received a \$2.9 million Impact Aid grant for students displaced by Hurricane Maria. In September, we moved salaries in this amount from the general fund to this grant. This resulted in a lower than average monthly salary amount. 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.

# CLEVELAND METROPOLITAN SCHOOL DISTRICT

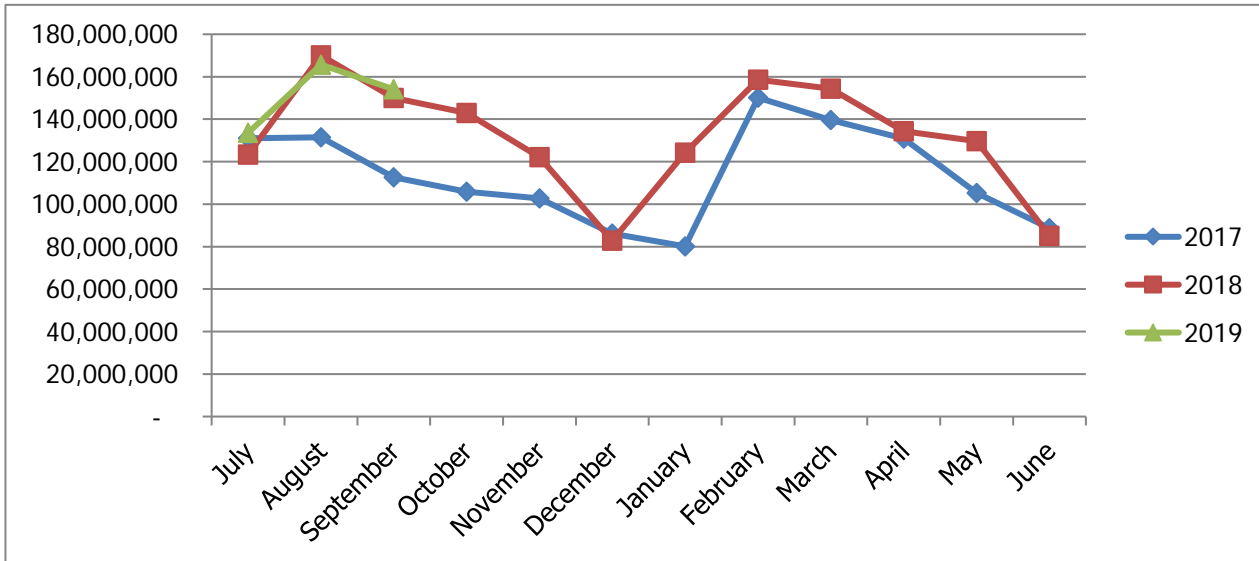
## MONTHLY FINANCIAL STATUS REPORT

### Cash Balances

The cash balance as of September 30, 2018 is \$154,152,290. The unencumbered balance as of September 30, 2018 is \$110,834,255. See below for details.

	FY '19
Beginning Cash Balance	\$ 119,752,599
Total Revenues	238,932,813
Total Expenses	204,729,255
Revenue over Expenses	34,203,558
Total Payables	196,133
Ending Cash Balance	154,152,290
Encumbrances/Reserves	43,318,035
Unencumbered Balance	\$ 110,834,255

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







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

03:17 PM  
10/15/2018  
Page 1 of 1

First Day of Month: 09/01/2018

Last Day of Month: 09/30/2018

Company: Cleveland Metropolitan School District

Accounting Date for Operational Transaction	Supplier	Supplier Contract	Total Contract Amount
09/01/2018	Hilton Columbus Downtown	CON-10012685: Room Block for Reading Recovery Conference Feb. 2019	29,068.00
09/01/2018	Alicia Carney	CON-10013105: AIR AGREEMENT 18-19	25,807.20
09/01/2018	India Burton	CON-10013106: ARTIST IN RESIDENCE 18-19	35,807.20
09/01/2018	Jessica L Spurlock	CON-10013107: ARTISTS IN RESIDENCE 18-19	35,807.20
09/01/2018	Cuyahoga Community Colleg Metro Campus	CON-10013170: CMSD/ Tri-C PArnt University Learning Series	30,300.00
09/01/2018	JOHNNY COCHRAN JR	CON-10013270: AIR CONTRACT 2018-19	25,807.20
09/01/2018	Mds Advisors Consulting Group LLC	CON-10013474: 18-19 Supplier Contract	32,000.00
09/01/2018	Bedford City School Dist Board Of Education	CON-10013601: FY 2017 Excess Cost for Pre School	39,314.11
09/05/2018	Grants Plus	CON-10012878: All-City 18-19: Grants Plus	33,000.00
09/05/2018	Package Boiler Systems & Hvac	CON-10012905: BOILER/HVAC REPAIRS	25,000.00
09/06/2018	Center For Arts Inspired Learning	CON-10012943: Center for Arts Inspired Learning - Newton D Baker	44,400.00
09/06/2018	Sam-Tom, Inc. DBA Royce Secur	CON-10012956: Security	49,500.00
09/06/2018	Lifetouch Publishing Inc.	CON-10012964: Photographic Services - S&S	43,000.00
09/07/2018	Squire Patton Boggs (US) LLP	CON-10013001: Settlement	25,000.00
09/10/2018	Construction Resources, Inc.	CON-10013017: Roof Replacement	38,500.00
09/10/2018	Blue Technologies Smart Solutions LLC	CON-10013038: OnBase Client Maintenance - Finance & Talent	27,794.61
09/11/2018	Progressive Arts Alliance	CON-10013104: X Block One -2	32,438.00
09/11/2018	Morton Salt. Inc.	CON-10013109: Morton Salt 2018_19	49,923.00
09/12/2018	Class Measures Inc.	CON-10013126: 2018-19 Class Measures	28,000.00
09/12/2018	Boys & Girls Club Of Cleveland	CON-10013129: BGC of Cleveland	47,793.04
09/12/2018	International Exposition Center	CON-10013132: Jacqueline Dietrich	31,392.53
09/20/2018	Meyer Design Inc Playground Equipment	CON-10013336: Buhner Landscaping	27,797.00
09/21/2018	Center For Arts Inspired Learning	CON-10013357: Center for Arts Inspired Learning - OH Perry	34,300.00
09/26/2018	Ena Services LLC	CON-10013442: Fiber Relocation includes: Site Survey, Engineering, Permitting, and Fiber Replacement	35,204.00



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

Issued On or After: 09/01/2018  
Issued On or Before: 09/30/2018

Issued Date	PO Number	Supplier	Total PO Amount
09/06/2018	PO-10020504	Houghton Mifflin Harcourt	41,390.40
09/20/2018	PO-10021839	CGB Tech Solutions Inc.	27,940.00
09/24/2018	PO-10021969	Rettig Music Inc	25,939.00
09/27/2018	PO-10021921	Channing L Bete Co Inc	26,913.06
09/27/2018	PO-10022194	Gopher Sport, Play With A Purpose, Moving Minds	47,665.60