



Department of Finance

Fiscal Year 2019 Financial Status Report

As of November 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 November 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
Revenues													
Local	\$ 45,364,301	\$ 59,425,459	\$ 3,707,526	\$ 13,547,652	\$ 2,757,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124,801,999
State	\$ 37,988,664	\$ 45,086,989	\$ 47,132,190	\$ 27,553,182	\$ 36,422,925	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 194,183,949
Federal	\$ -	\$ -	\$ -	\$ 3,584,092	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,584,092
Other	\$ 112,186	\$ 83,751	\$ 31,747	\$ 19,205	\$ 22,164	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 269,054
Total Revenues	83,465,151	104,596,199	50,871,463	44,704,131	39,202,150	-	-	-	-	-	-	-	322,839,094
Expenditures													
Salaries	\$ 43,733,611	\$ 32,023,582	\$ 25,990,552	\$ 29,229,054	\$ 43,948,650	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 174,925,448
Benefits	\$ 16,398,552	\$ 12,038,310	\$ 10,499,248	\$ 11,468,499	\$ 10,887,243	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 61,291,851
Purchase Services	\$ 19,975,880	\$ 21,624,756	\$ 23,848,863	\$ 18,266,474	\$ 19,862,145	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103,578,117
Materials & Supplies	\$ 237,278	\$ 2,949,598	\$ 1,369,140	\$ 2,362,757	\$ 1,900,763	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,819,535
Capital Outlay	\$ 700,703	\$ 440,987	\$ 332,654	\$ 820,738	\$ 469,660	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,764,742
Other Objects	\$ 133,663	\$ 3,855,529	\$ 69,838	\$ 102,810	\$ (14,056)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,147,784
Total Expenditures	81,179,687	72,932,761	62,110,295	62,250,331	77,054,404	-	-	-	-	-	-	-	355,527,478
Net Change in Cash	2,285,464	31,663,438	(11,238,831)	(17,546,200)	(37,852,255)	-	-	-	-	-	-	-	(32,688,384)

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

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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 November 30, 2018 the District has received revenue in the amount of \$322,839,094. The District will need to collect another \$416,500,345 to reach its target.

Figure 1: Forecasted Revenues and Actual Revenues

	FY ' 19 October 12 Month Forecast	FY '19 Actual		Balance
Revenues				
Real Property Tax	\$ 190,236,576	\$ 95,740,041 (a)		\$ 94,496,535
State Foundation	460,606,242	184,523,636 (b)		276,082,606
Property Tax				
Homestead &				
Rollbacks	31,183,975	8,654,562		22,529,413
CAT Tax	115,990	-		115,990
Interest	3,000,000	1,132,763		1,867,237
Medicaid	3,700,000	3,584,092		115,908
CEAP	9,500,000	6,965,304		2,534,696
Advances-In	4,000,000	-		4,000,000
Casino Receipts	1,918,554	1,005,751		912,803
Other Revenues	35,078,102	21,232,945		13,845,157
Total Revenues	<u>739,339,439</u>	<u>322,839,094</u>		<u>416,500,345</u>

Notes

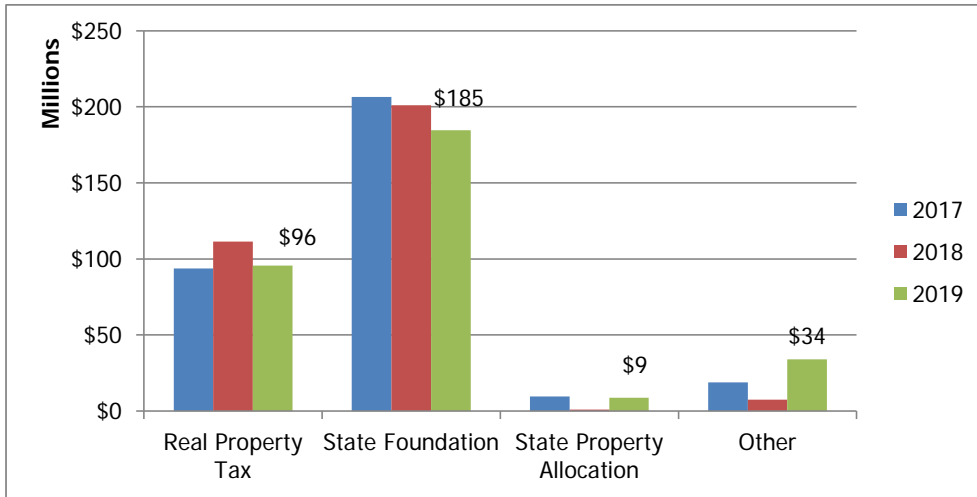
- (a) The District received \$219,694,578 in general property taxes in FY18 and is forecasting \$190,236,576 in FY19. As of November 30, 2018 the District received \$95,740,041 in general property taxes.
- (b) The District received state funding in FY19 based on HB 529.

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

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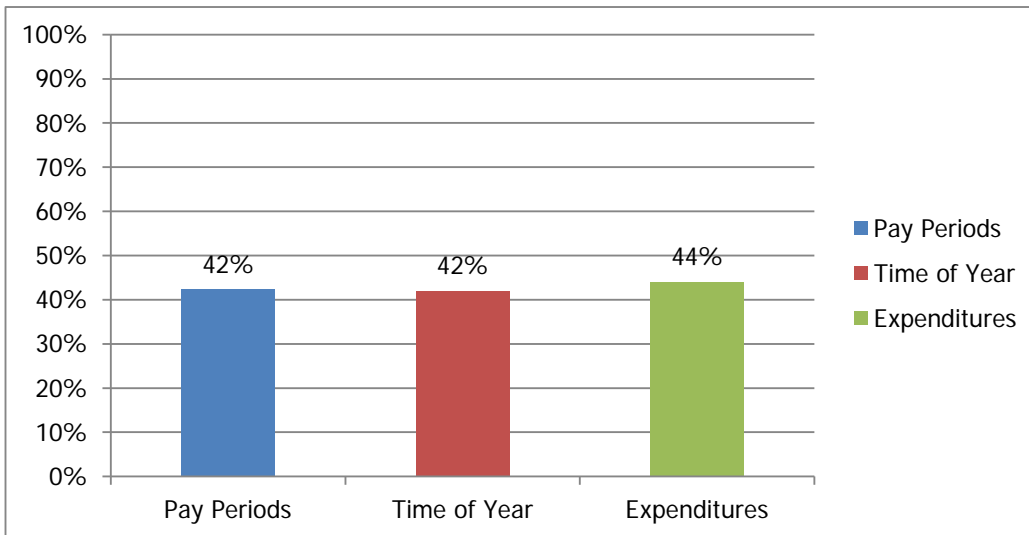
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Expenditure Summary

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 November 30, 2018.

Through November 30, 2018 the District has expended \$355,527,478 which reflects 44.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$34,458,480. A statistical spending range for the District is based on two analyses: first, time elapsed is five months, or 41.67%, of the fiscal year. Secondly, 11 of the 26, or 42.31%, of the total pay periods have passed. Figure 3 illustrates these points.

Figure 3: Expenditure Level Through November



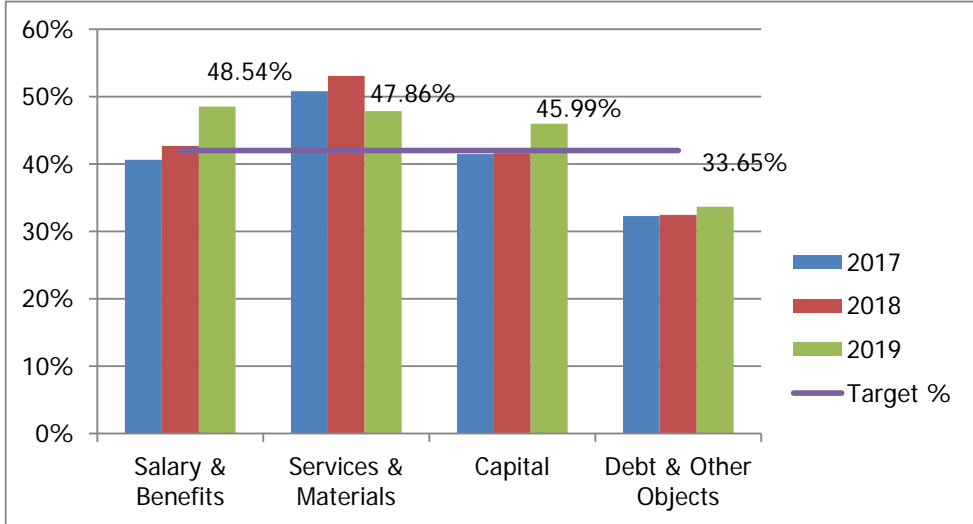
Overall, the District's expenditure level through November is trending slightly above target based on the above analysis. As an examination of the categories of expenditures is performed, cyclical variances are noted between categories which related specifically to school opening activities.

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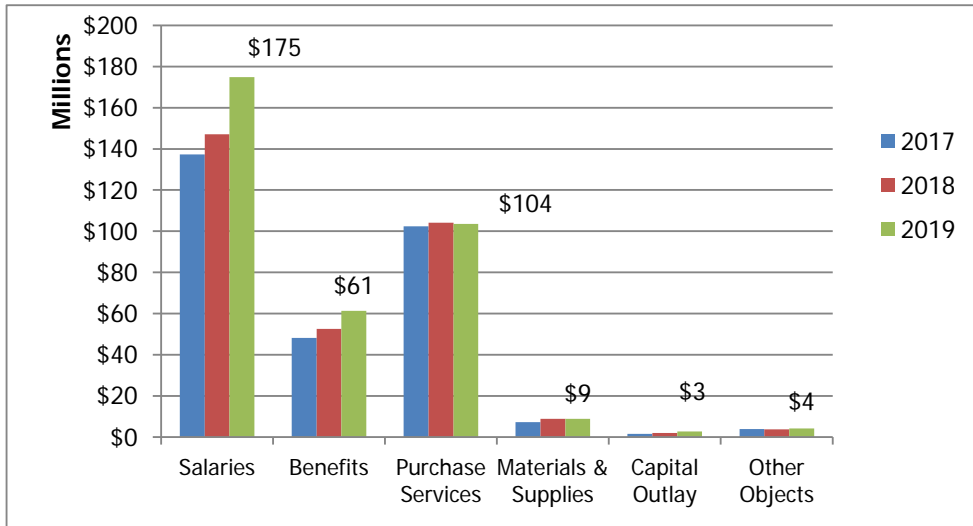
Figure 4 compares the various expenditure categories to the expected level and to the prior two years. Figure 5 provides the year to date expenditure level by category for the current year as well as the prior two. The three years of data will be beneficial for trend analysis performed throughout the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

Figure 4: % Spend to Budget for YTD Expenditures



Target percent of 41.67% is based on the # of months completed in the current year.

Figure 5: Expenditure by Category



Data labels represent figures for current FY

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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. There were three pays in November which resulted in higher total salary and benefits expenditures, although the average per pay stayed roughly the same. This third pay hit in December during 2017 and 2018 which accounts for a large portion of the increase in salaries & benefits for 2019. Salaries averaged \$14.6 million in September which is slightly more than the \$14.3 million average in October. 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 48% 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 46% 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 November 30, 2018. Debt payments occur in July and April while the transfer of monies to other District funds will occur in June.

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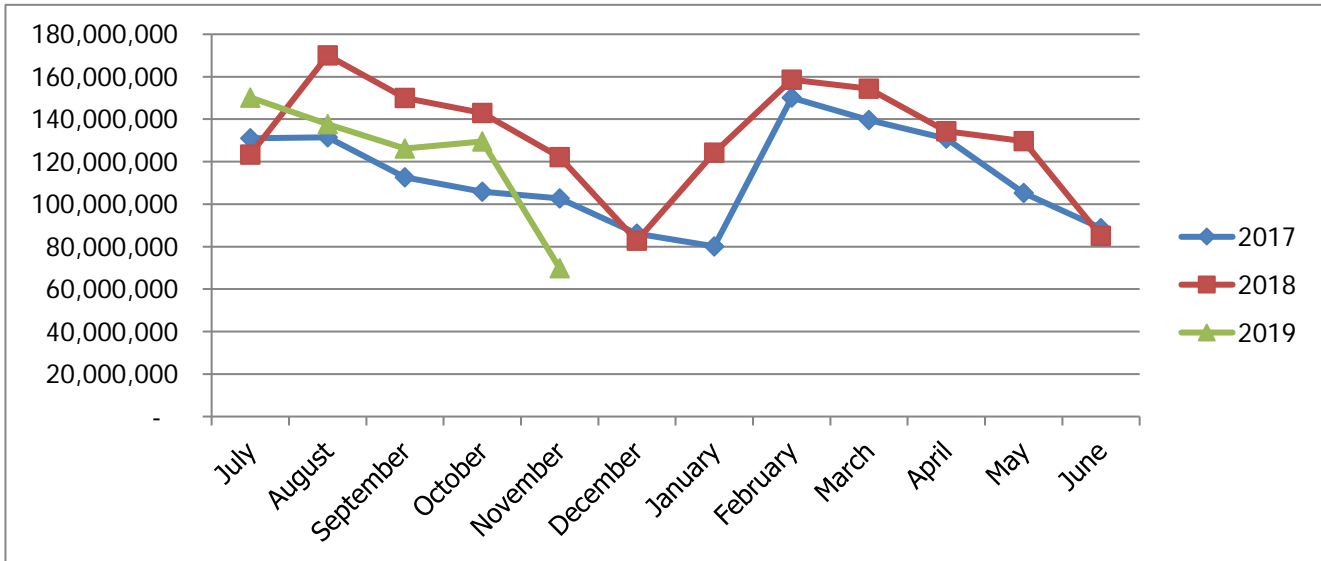
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Cash Balances

The cash balance as of November 30, 2018 is \$69,842,203. The unencumbered balance as of November 30, 2018 is \$35,383,723. See below for details.

	FY '19
Beginning Cash Balance	\$ 83,545,699
Total Revenues	322,839,094
Total Expenses	357,216,877
Revenue over Expenses	(34,377,783)
Total Payables	20,674,288
Ending Cash Balance	69,842,203
Encumbrances/Reserves	34,458,480
Unencumbered Balance	\$ 35,383,723

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: 11/01/2018

Last Day of Month: 11/30/2018

Company: Cleveland Metropolitan School District

Accounting Date for Operational Transaction	Supplier	Supplier Contract	Total Contract Amount
11/01/2018	SnapComms, Inc	CON-10013720: SnapComms App License	48,126.57
11/01/2018	Psi Affiliates, Inc.	CON-10014173: Psychological Services- Various Nonpublic Schools	27,328.61
11/01/2018	Monica Daniely dba Healthy Hair Academy LLC	CON-10014187: Healthy Hair	35,000.00
11/01/2018	Educational Service Center Of Northeast Ohio	CON-10014221: CLE 4012 and CLE 4013	38,450.00
11/02/2018	Doubletree By Hilton Cleveland EastBeachwood	CON-10014225: Nicole Vitale & Jacqueline Williams	36,356.00
11/05/2018	Cleveland State University	CON-10014234: TEACHing Cleveland Grant CMSD Induction Impact Analysis - CSU Center for Urban Education	28,929.23
11/06/2018	Disability Exam Consultants	CON-10014271: Fitness for Duty Exams - 2018-19	36,000.00
11/13/2018	Center For Arts Inspired Learning	CON-10014387: Refresh Collective@ MC2 STEM	28,955.00
11/28/2018	Burten Bell Carr Development	CON-10014614: Burten Bell Carr Development - Anton Grdina	25,000.00
11/28/2018	Center For Arts Inspired Learning	CON-10014619: Center for Arts Inspired Learning - William Cullen Bryant	40,000.00



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

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Issued On or After: 11/01/2018

Issued On or Before: 11/30/2018

Issued Date	PO Number	Supplier	Total PO Amount
11/02/2018	PO-10023978	Pearson Learning (Hold)	36,155.57
11/05/2018	PO-10023850	K12 Virtual Schools LLC	27,040.00
11/06/2018	PO-10023510	Trimark SS Kemp	36,303.04
11/07/2018	PO-10024037	Bauman Orchards Inc.	27,805.00
11/07/2018	PO-10024174	Scholastic Inc.	44,997.67
11/08/2018	PO-10024246	Follett School Solutions, Inc. - Text Books	37,571.50
11/09/2018	PO-10012256	Franklin Covey Client Sales Inc.	25,526.40
11/20/2018	PO-10024368	Edgenuity Inc.	32,950.00
11/28/2018	PO-10024976	Tierney Brothers, Inc.	42,710.00



Board Report - Receipts

Fund: 001FD_L General Fund

Period: FY 2018 - 2019 - Jun

Time Period: Last 24 Periods (from June) (Fiscal Year)

Start Date: 11/01/2018

End Date: 11/30/2018

Fund	Amount
001FD_L General Fund	(39,202,149.76)
Total	(39,202,149.76)