



Department of Finance

Fiscal Year 2019 Financial Status Report

As of May 31, 2019

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 May 31, 2019. The total revenues forecasted in the May five year forecast were \$740,624,738 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 | \$ 45,352,286 | \$ 59,404,654 | \$ 3,695,178 | \$ 2,610,930 | \$ 2,676,050 | \$ 2,373,457 | \$ 18,343,047 | \$ 85,282,363 | \$ 25,363,969 | \$ 1,220,067 | \$ 8,789,048 | \$ - | \$ 255,111,049 |
| State | \$ 38,001,211 | \$ 45,118,018 | \$ 47,134,313 | \$ 38,489,904 | \$ 36,503,936 | \$ 37,704,983 | \$ 38,482,480 | \$ 36,901,515 | \$ 37,556,165 | \$ 47,831,209 | \$ 37,588,111 | \$ - | \$ 441,311,845 |
| Federal | \$ - | \$ - | \$ - | \$ 3,584,092 | \$ - | \$ 1,711 | \$ 161 | \$ 1,427 | \$ 1,769 | \$ 210 | \$ - | \$ - | \$ 3,589,370 |
| Other | \$ 112,186 | \$ 83,751 | \$ 31,747 | \$ 19,205 | \$ 22,164 | \$ 15,485 | \$ 4,024,271 | \$ 25,727 | \$ 19,254 | \$ 15,156 | \$ 34,237 | \$ - | \$ 4,403,184 |
| Total Revenues | 83,465,683 | 104,606,424 | 50,861,238 | 44,704,131 | 39,202,150 | 40,095,636 | 60,849,959 | 122,211,032 | 62,941,157 | 49,066,642 | 46,411,396 | - | 704,415,448 |
| Expenditures | | | | | | | | | | | | | |
| Salaries | \$ 39,884,295 | \$ 31,693,466 | \$ 25,990,552 | \$ 28,510,244 | \$ 43,948,650 | \$ 28,626,771 | \$ 27,579,544 | \$ 28,631,197 | \$ 28,589,753 | \$ 28,649,069 | \$ 30,409,455 | \$ - | \$ 342,512,997 |
| Benefits | \$ 10,604,463 | \$ 12,038,310 | \$ 10,499,248 | \$ 11,468,499 | \$ 10,887,243 | \$ 11,244,390 | \$ 12,749,265 | \$ 11,273,689 | \$ 11,718,904 | \$ 11,317,901 | \$ 13,042,628 | \$ - | \$ 126,844,540 |
| Purchase Services | \$ 19,970,093 | \$ 21,555,744 | \$ 23,851,153 | \$ 18,259,838 | \$ 19,858,249 | \$ 19,661,101 | \$ 20,322,876 | \$ 18,886,788 | \$ 19,618,333 | \$ 20,120,238 | \$ 23,109,382 | \$ - | \$ 225,213,794 |
| Materials & Supplies | \$ 4,086,594 | \$ 3,276,320 | \$ 1,725,741 | \$ 2,720,913 | \$ 2,278,341 | \$ 1,575,946 | \$ 1,732,666 | \$ 1,106,397 | \$ 1,367,597 | \$ 1,120,207 | \$ 938,295 | \$ - | \$ 21,929,017 |
| Capital Outlay | \$ 700,703 | \$ 442,154 | \$ 332,654 | \$ 820,738 | \$ 469,660 | \$ 395,088 | \$ 121,054 | \$ 143,057 | \$ 255,958 | \$ 425,551 | \$ 451,090 | \$ - | \$ 4,557,706 |
| Other Objects | \$ 54,248 | \$ 3,855,607 | \$ 69,838 | \$ 101,724 | \$ (14,056) | \$ 138,266 | \$ 175,684 | \$ 87,002 | \$ 3,337,246 | \$ 111,747 | \$ 86,378 | \$ - | \$ 8,003,684 |
| Total Expenditures | 75,300,396 | 72,861,600 | 62,469,185 | 61,881,956 | 77,428,086 | 61,641,563 | 62,681,089 | 60,128,131 | 64,887,791 | 61,744,712 | 68,037,228 | - | 729,061,737 |
| Net Change in Cash | 8,165,287 | 31,744,824 | (11,607,947) | (17,177,825) | (38,225,937) | (21,545,927) | (1,831,129) | 62,082,901 | (1,946,633) | (12,678,071) | (21,625,832) | - | (24,646,290) |

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 \$740,624,738 in revenue within the General Fund for the 2019 fiscal year as shown on Figure 1. As of May 31, 2019 the District has received revenue in the amount of \$704,415,448. The District will need to collect another \$36,209,290 to reach its target.

Figure 1: Forecasted Revenues and Actual Revenues

| | FY ' 19 May 12 Month Forecast | FY '19 Actual | | Balance |
|--|-------------------------------------|--------------------|--|-------------------|
| Revenues | | | | |
| Real Property Tax | \$ 191,173,569 | \$ 218,344,499 (a) | | \$ (27,170,930) |
| State Foundation | 454,184,304 | \$ 421,938,561 (b) | | 32,245,743 |
| Property Tax Homestead & Rollbacks | 31,532,281 | 17,029,060 | | 14,503,221 |
| CAT Tax | 115,990 | - | | 115,990 |
| Interest | 3,000,000 | 2,592,676 | | 407,324 |
| Medicaid | 3,700,000 | 3,589,370 | | 110,630 |
| CEAP | 12,000,000 | 12,918,028 | | (918,028) |
| Advances-In | 5,000,000 | 4,000,000 | | 1,000,000 |
| Casino Receipts | 1,918,554 | 1,945,361 | | (26,807) |
| Other Revenues | 38,000,040 | 22,057,891 | | 15,942,149 |
| Total Revenues | <u>740,624,738</u> | <u>704,415,448</u> | | <u>36,209,290</u> |

Notes

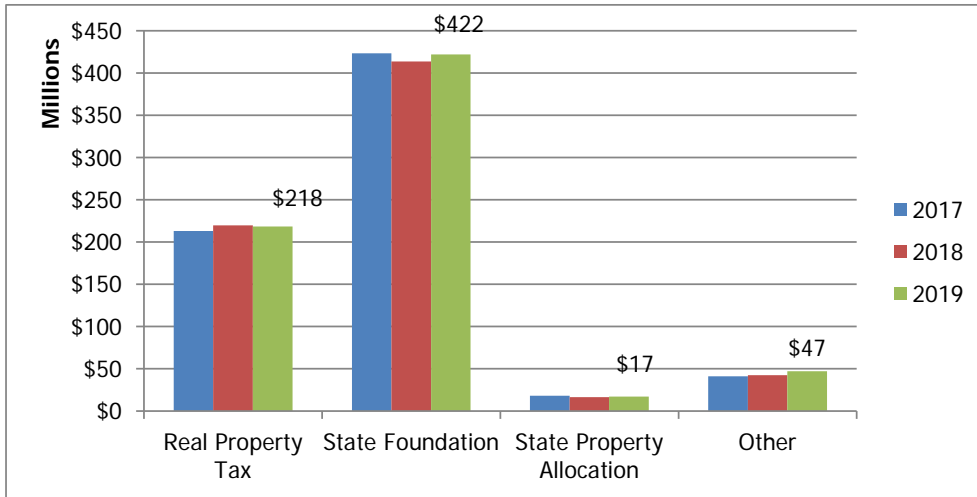
- (a) The District received \$219,694,578 in general property taxes in FY18 and forecasted \$190,236,576 in FY19. As of May31st, 2019 the District has received \$218,344,499 in general property taxes which exceeds the forecasted amount.
- (b) The District received state funding in FY19 based on HB 529.

CLEVELAND METROPOLITAN SCHOOL DISTRICT

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

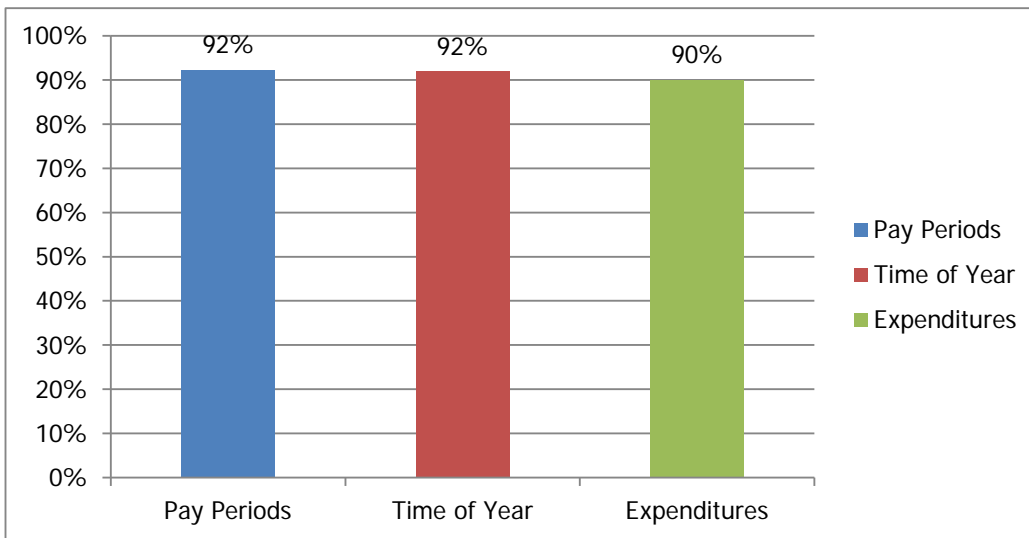
MONTHLY FINANCIAL STATUS REPORT

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 May 31, 2019.

Through May 31, 2019 the District has expended \$729,061,737 which reflects 90.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$23,365,776. A statistical spending range for the District is based on two analyses: first, time elapsed is eleven months, or 91.67%, of the fiscal year. Secondly, 24 of the 26, or 92.31%, of the total pay periods have passed. Figure 3 illustrates these points.

Figure 3: Expenditure Level Through May



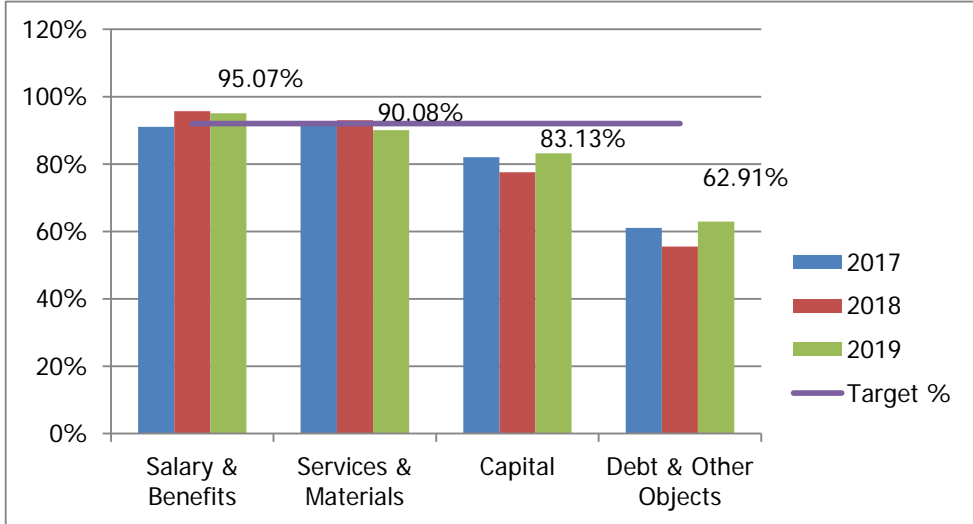
Overall, the District's expenditure level through May is trending slightly below target based on the above analysis. As an examination of the categories of expenditures is performed, cyclical variances are noted between categories which related specifically to school opening activities.

CLEVELAND METROPOLITAN SCHOOL DISTRICT

MONTHLY FINANCIAL STATUS REPORT

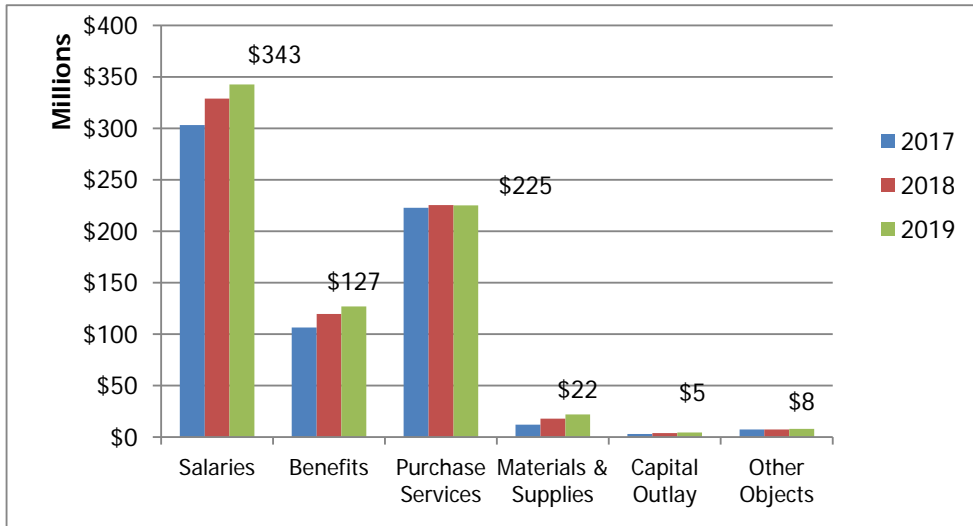
Figure 4 compares the various expenditure categories to the expected level and to the prior two years. Figure 5 provides the year to date expenditure level by category for the current year as well as the prior two. The three years of data will be beneficial for trend analysis performed throughout the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

Figure 4: % Spend to Budget for YTD Expenditures



Target percent of 91.67% 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

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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. Salary expense per pay averaged \$10.1 million in May which is less than the \$14.3 million average in April. This decrease is due to the May 31st pay being shifted to June for CTU members. Over the next few months we anticipate some variation in these averages as the pay cycle project is implemented. 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 90% 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 83% 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 May 31, 2019. Debt payments occur in July and April while the transfer of monies to other District funds will occur in June.

CLEVELAND METROPOLITAN SCHOOL DISTRICT

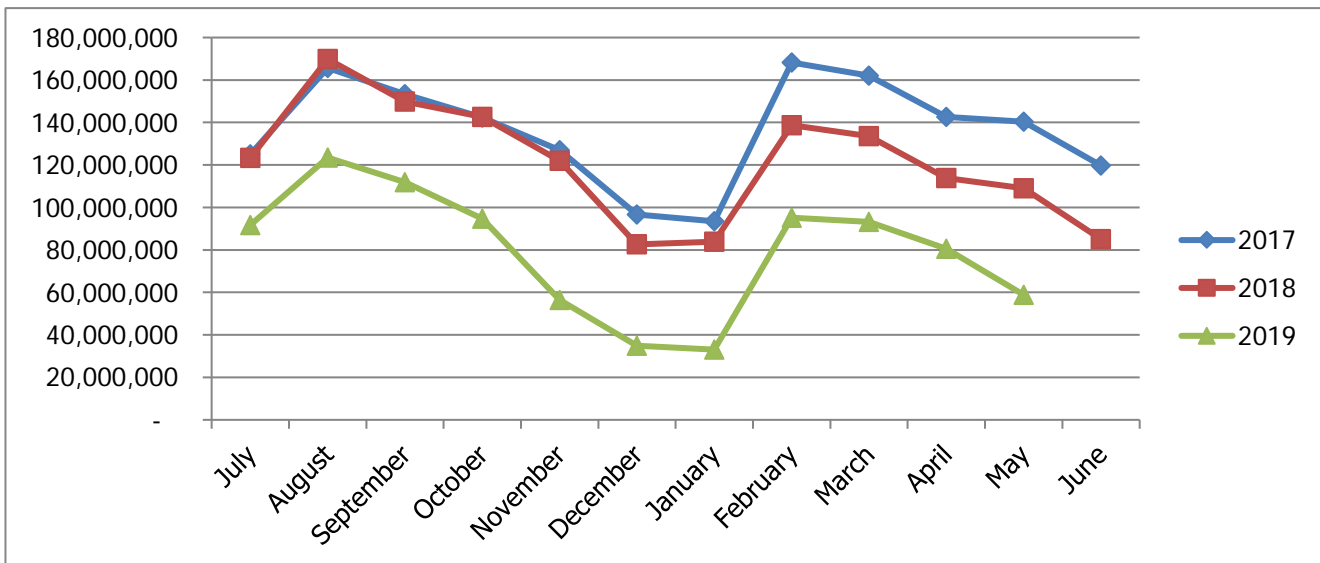
MONTHLY FINANCIAL STATUS REPORT

Cash Balances

The cash balance as of May 31, 2019 is \$58,899,409. The unencumbered balance as of May 31, 2019 is \$35,533,634. See below for details.

| | FY '19 |
|------------------------|----------------------|
| Beginning Cash Balance | \$ 83,545,699 |
| Total Revenues | 704,415,448 |
| Total Expenses | 729,061,737 |
| Revenue over Expenses | (24,646,290) |
| Ending Cash Balance | 58,899,409 |
| Encumbrances/Reserves | 23,365,776 |
| Unencumbered Balance | <u>\$ 35,533,634</u> |

Figure 6: Cash Balances Last 3 Years





CMSD FNA Board Report - Expenditures

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06/19/2019

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Fund: 001FD_L General Fund
 Period: FY 2018 - 2019 - Jun
 Time Period: Current Period YTD
 Start Date: 05/01/2019
 End Date: 05/31/2019

| Fund | Exp Cat Hier | Expense Category | Amount |
|----------------------|---|--|----------------------|
| 001FD_L General Fund | 100SCH Personal Services - Employees Salaries and Wages | Personal Services - Employees Salaries and Wages | 30,396,798.97 |
| 001FD_L General Fund | 200SCH Employees' Retirement and Insurance Benefits | Employees' Retirement and Insurance Benefits | 13,042,628.21 |
| 001FD_L General Fund | 400SCH Purchased Services | Purchased Services | 23,109,381.87 |
| 001FD_L General Fund | 500SCH Supplies and Materials | Supplies and Materials | (1,749,103.22) |
| 001FD_L General Fund | 600SCH Capital Outlay | Capital Outlay | 451,089.54 |
| 001FD_L General Fund | 800SCH Other Objects | Other Objects | 86,377.62 |
| 001FD_L General Fund | (Blank) | (Blank) | 2,700,054.99 |
| Total | | | 68,037,227.98 |



Board Report - Receipts

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06/10/2019

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Fund: 001FD_L General Fund
Period: FY 2018 - 2019 - Jun
Time Period: Current Period YTD
Start Date: 05/01/2019
End Date: 05/31/2019

| Fund | Amount |
|----------------------|-----------------|
| 001FD_L General Fund | (46,411,395.58) |
| Total | (46,411,395.58) |



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

Issued On or After: 05/01/2019
Issued On or Before: 05/31/2019

| Issued Date | PO Number | Supplier | Total PO Amount |
|-------------|-------------|--|-----------------|
| 05/04/2019 | PO-10032493 | Dell Computer Corp. | 49,678.16 |
| 05/06/2019 | PO-10032433 | Lakeshore Learning Materials | 30,003.75 |
| 05/06/2019 | PO-10032516 | Staples, INC DBA Staples Technology Solutions | 27,007.40 |
| 05/14/2019 | PO-10033162 | Staples, INC DBA Staples Technology Solutions | 29,477.64 |
| 05/17/2019 | PO-10033335 | The Equipment Guys, Inc. | 27,999.00 |
| 05/22/2019 | PO-10033561 | Mcgraw-Hill Global Education LLC | 29,332.12 |
| 05/22/2019 | PO-10033560 | CPM Educational Program | 26,115.00 |
| 05/22/2019 | PO-10033563 | Cdw Government, Inc. | 28,426.68 |
| 05/28/2019 | PO-10024325 | Apple Education Mailstop #198- Ed | 26,676.00 |



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

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06/10/2019
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First Day of Month: 05/01/2019

Last Day of Month: 05/31/2019

Company: Cleveland Metropolitan School District

| Accounting Date for Operational Transaction | Supplier | Supplier Contract | Total Contract Amount |
|---|---|--|-----------------------|
| 05/01/2019 | G & G Inc. | CON-10016250: COMPUTERS FOR THE USE OF THE STUDENTS IN THE NONPUBLIC | 31,949.90 |
| 05/01/2019 | Certif-A-Gift Company | CON-10016839: Certif-A-Gift Select-Your-Gift Reward Program | 49,500.00 |
| 05/01/2019 | Apple Education Mailstop #198-Ed | CON-10017058: Apple Professional Development | 27,000.00 |
| 05/01/2019 | American Institutue For Research In The Behavioral Sciences | CON-10017267: TDES Redesign Guidebook Development 2019 | 27,142.80 |
| 05/01/2019 | Impact Interactive LLC | CON-10017273: Benefits Dependent Eligibility Audit 2018-19 | 49,500.00 |
| 05/01/2019 | Nowak Tour & Travel Inc | CON-10017362: CTAG Spring Break Event (March 2019) | 47,384.00 |
| 05/01/2019 | Franklin Covey Client Sales Inc. | CON-10017406: Franklin Covey - Scranton | 30,292.34 |
| 05/01/2019 | Educational Service Center Of Northeast Ohio | CON-10017431: ESC - Harvey Rice | 25,000.00 |
| 05/01/2019 | BorderLAN Inc. DBA BorderLAN Security | CON-10017451: iBoss Web Content Filtering | 36,821.99 |
| 05/01/2019 | G & G Inc. | CON-10017580: ST. MARY BYZANTINE SCHOOL | 34,300.00 |
| 05/01/2019 | S.A. Comunale Co., Inc. | CON-10017628: Anton Grdina - Fire Pump Repairs | 25,039.60 |
| 05/01/2019 | Oneal Snow Removal LLC | CON-10017633: SNOW PLOW 2018_19 | 30,000.00 |
| 05/01/2019 | AAA Pipe Cleaning Corp | CON-10017647: Sewer drain line | 31,850.00 |
| 05/01/2019 | Psi Affiliates, Inc. | CON-10017727: Contract Name Psychological Services-Variou Nonpublic Schools | 30,002.06 |
| 05/01/2019 | The Achievement Network,Ltd. | CON-10017831: Anet - Clark | 33,000.00 |
| 05/01/2019 | City Of Cleveland Department Of Building And Housing | CON-10017954: BUILDING AND HOUSING CODES | 25,000.00 |
| 05/01/2019 | Lasting Impressions Events Rentals, LLC. | CON-10018144: Rock Your World With STEAM | 34,105.50 |
| 05/01/2019 | IBM Corporation | CON-10018191: AS400 Harware & Software Maintenance Renewal | 33,180.23 |
| 05/01/2019 | Positive Education Program | CON-10018265: March and April 2019 | 40,452.00 |
| 05/01/2019 | Multi-County Juvenile Attention System | CON-10018929: Oct, Dec 2018; Jan, Feb, Mar, Apr 201911 | 32,762.07 |
| 05/01/2019 | Schindler Elevator Corp. | CON-10018979: Schindler Elevator Jan_Sept 2019 | 43,000.00 |
| 05/01/2019 | Loudonville-Perrysville Exempted Village Sd | CON-10018991: MYA0000147, MYA0000168, MYA0000227 | 30,282.00 |
| 05/02/2019 | Drake Construction Co Inc | CON-10017866: 150 Windows | 39,334.80 |
| 05/02/2019 | G & G Inc. | CON-10017874: COMPUTERS AND/OR EQUIPMENT FOR THE USE OF THE STUDENTS IN THE NONPUBLIC SCHOOL | 45,058.80 |
| 05/06/2019 | G & G Inc. | CON-10017928: Title I - St Martin DePorres HS | 27,642.00 |
| 05/10/2019 | Sovereign Industries Inc. | CON-10018097: Summer Supplies | 37,895.49 |
| 05/13/2019 | G & G Inc. | CON-10018140: OUR LADY OF ANGELS ACTIVPANELS | 34,931.95 |
| 05/21/2019 | Doubletree By Hilton Cleveland East/Beachwood | CON-10018831: Principals Learning Institute Additional Services FY19 | 39,099.24 |
| 05/22/2019 | The Riley Law Firm LLC | CON-10018395: Renewal | 41,069.75 |



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

| Accounting Date for Operational Transaction | Supplier | Supplier Contract | Total Contract Amount |
|---|----------------------------------|---|-----------------------|
| 05/22/2019 | Kone, Inc. | CON-10018399: Elevator Maintenance Service | 40,500.00 |
| 05/22/2019 | Mcgraw-Hill Global Education LLC | CON-10018404: McGraw-Hill PD Support- Max Hayes | 34,561.99 |
| 05/24/2019 | G & G Inc. | CON-10018460: OUR LADY OF ANGELS - OPTIPLEX | 47,079.00 |
| 05/30/2019 | The Russell Flooring Company | CON-10018580: East Tech Annex - Floor Tile | 33,450.00 |
| 05/31/2019 | Apple Education Mailstop #198-Ed | CON-10018646: Apple Education PD - WCB 19/20 | 32,200.00 |