



Department of Finance

Fiscal Year 2021 Financial Status Report

As of February 28, 2021

Cleveland Metropolitan School District (Cuyahoga County)
FY2021 MONTHLY OVERSIGHT MONITORING - Budget vs. Actual Variance Analysis

Actuals Through: February

Date Completed: 3/15/2021

		2020						2021						YTD Actual	YTD Estimated	YTD Variance	Remaining Estimates	YTD Actual + Remaining Estimates	Official Forecast/ Estimate	FY Variance		
		Jul Actual	Aug Actual	Sep Actual	Oct Actual	Nov Actual	Dec Actual	Jan Actual	Feb Estimate	Feb Actual	Feb Variance	Mar Estimate	Apr Estimate								May Estimate	Jun Estimate
REVENUES - OPERATIONAL																						
1.010	General Property Tax (Real Estate)	4,268,000	41,408,000	44,084,505	575,636	0	0	15,125,000	97,679,352	97,714,000	34,648	5,500,000	0	0	0	203,175,141	199,698,989	3,476,151	5,500,000	208,675,141	207,515,493	1%
1.020	Tangible Personal Property Tax	0	0	16,946,510	0	0	0	0	0	0	0	17,877,815	0	0	0	16,946,510	16,244,847	701,663	17,877,815	34,824,325	34,824,325	0%
1.035	Unrestricted State Grants-in-Aid	32,957,973	33,457,490	32,943,864	32,928,635	33,348,115	32,861,885	33,548,939	33,020,935	34,857,846	1,836,911	33,020,935	33,020,935	33,020,935	266,904,746	264,457,332	2,447,414	132,083,740	398,988,486	396,830,928	1%	
1.040	Restricted State Grants-in-Aid	4,388,306	4,388,306	4,388,307	4,388,306	4,388,306	4,388,306	4,388,306	4,569,278	4,388,306	(180,972)	4,569,278	4,569,278	4,569,278	35,106,450	36,060,667	(954,217)	18,277,113	53,383,563	53,844,220	-1%	
1.050	Property Tax Allocation	0	0	0	8,403,344	0	0	0	0	0	0	8,350,138	0	0	8,403,344	7,092,748	1,310,596	8,350,138	16,753,482	16,753,482	0%	
1.060	All Other Revenues	1,367,992	3,250,083	6,510,247	1,267,991	6,151,135	12,078,554	4,429,636	3,438,293	2,913,223	(525,070)	4,821,018	2,126,350	2,560,833	2,008,637	37,968,862	26,095,505	11,873,357	11,516,838	49,485,700	38,475,048	29%
TOTAL OPERATING REVENUE		42,982,271	82,503,879	104,873,432	47,563,912	43,887,556	49,328,746	57,491,881	138,707,858	139,873,375	1,165,517	65,789,046	39,716,563	48,501,184	39,598,850	568,505,053	549,650,088	18,854,965	193,605,644	762,110,697	748,243,495	2%

REVENUES - NON-OPERATING																					
2.050	Advances-In	0	0	5,224,518	271	0	0	0	0	0	0	0	0	0	5,224,789	5,224,518	271	0	5,224,789	5,224,518	0%
2.060	All Other Financing Sources	1,984	29,580	2,041	17,339	0	0	0	29,704	0	(29,704)	29,704	29,704	29,704	50,945	184,408	(133,464)	118,815	169,759	250,000	-32%
2.070 Total Other Financing Sources		1,984	29,580	5,226,559	17,610	0	0	0	29,704	0	(29,704)	29,704	29,704	29,704	5,275,734	5,408,926	(133,193)	118,815	5,394,548	5,474,518	-1%

2.080 TOTAL REVENUE	42,984,255	82,533,459	110,099,992	47,581,522	43,887,556	49,328,746	57,491,881	138,737,562	139,873,375	1,135,813	65,818,750	39,746,267	48,530,887	39,628,554	573,780,786	555,059,014	18,721,772	193,724,458	767,505,245	753,718,013	2%
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EXPENDITURES																						
										Cumulative Rev Variance>												
										18,721,772												
3.010	Personal Services	28,812,789	25,967,833	27,174,325	29,915,429	26,753,444	26,321,490	25,935,932	27,662,091	26,388,737	(1,273,354)	27,316,592	32,672,076	31,467,778	28,656,851	217,269,979	230,521,043	(13,251,064)	120,113,298	337,383,277	350,634,342	-4%
3.020	Benefits	12,001,262	12,220,631	13,265,589	11,071,278	11,202,542	10,978,700	11,603,263	11,328,195	12,935,327	1,607,132	11,214,586	10,976,605	10,807,174	8,407,183	95,278,591	88,010,860	7,267,731	41,405,547	136,684,138	138,387,420	-1%
3.030	Purchased Services	15,101,756	16,023,186	17,329,219	16,034,809	18,052,964	18,595,719	19,144,535	17,844,791	16,433,886	(1,410,905)	19,385,391	19,155,958	19,364,664	20,008,431	136,716,075	149,930,145	(13,214,070)	77,914,444	214,630,519	228,825,895	-6%
3.040	Supplies and Materials	472,866	535,094	1,117,000	1,398,763	1,817,835	983,564	348,806	973,704	656,884	(316,820)	1,168,665	912,375	1,023,181	1,204,578	7,330,812	14,799,635	(7,468,823)	4,308,799	11,639,611	12,427,958	-6%
3.050	Capital Outlay	56,721	64,721	9,863	56,927	54,902	31,937	69,118	197,667	60,288	(137,379)	248,391	303,520	487,682	193,313	404,477	4,038,847	(3,634,370)	1,232,906	1,637,383	1,379,910	19%
4.300	Other Objects	1,301,141	81,318	1,681,104	(14,084)	688,385	38,839	100,172	250,000	70,398	(179,602)	1,486,621	250,000	250,000	250,000	3,947,272	5,621,842	(1,674,570)	2,236,621	6,183,893	7,858,463	-21%
5.010	Operating Transfers-Out	0	0	600,000	0	0	0	0	0	0	0	0	0	1,000,000	600,000	0	600,000	1,000,000	1,600,000	1,600,000	0%	
5.020	Advances-Out	0	0	0	0	0	0	0	0	0	0	0	0	5,000,000	0	0	0	5,000,000	5,000,000	5,000,000	0%	
5.050 TOTAL EXPENDITURES		57,746,535	54,892,783	61,177,099	58,463,122	58,570,071	56,950,249	57,201,827	58,256,448	56,545,520	(1,710,928)	60,820,246	64,270,535	63,400,479	64,720,357	461,547,205	492,922,373	(31,375,167)	253,211,616	714,758,821	746,113,988	-4%
										Cumulative Exp Variance>												
										(31,375,167)												
6.010 Monthly Excess/Shortfall (rev.- exp.)		(14,762,280)	27,640,677	48,922,893	(10,881,600)	(14,682,515)	(7,621,503)	290,054	80,481,114	83,327,855	2,846,741	4,998,504	(24,524,268)	(14,869,591)	(25,091,803)	112,233,581	62,136,642	50,096,939	(59,487,157)	52,746,424		

Beginning Balance	37,861,509	23,099,229	50,739,906	99,662,799	88,781,199	74,098,684	66,477,181	19,517,036	66,767,235	47,250,199	99,998,151	104,996,655	80,472,387	65,602,796							FY Beginning Cash=>	37,861,509	
6.010 Cumulative Excess/Shortfall (rev.- exp.)	(14,762,280)	12,878,397	61,801,290	50,919,690	36,237,175	28,615,672	28,905,726		112,233,581												Current Cash=>	150,095,090	
Ending Cash Balance	23,099,229	50,739,906	99,662,799	88,781,199	74,098,684	66,477,181	66,767,235	99,998,151	150,095,090	50,096,939	104,996,655	80,472,387	65,602,796	40,510,993							Projected Ending Cash=>	90,607,933	
																					Using Assumed Remaining Estimates		
Encumbrances	15,285,205	19,039,928	17,104,283	27,678,379	27,195,683	23,810,733	24,778,447	16,000,000	27,761,168	11,761,168	16,000,000	16,000,000	16,000,000	16,000,000									
UNENCUMBERED CASH BALANCE		7,814,025	31,699,978	82,558,515	61,102,820	46,903,001	42,666,448	41,988,788	83,998,151	122,333,922	38,335,771	88,996,655	64,472,387	49,602,796	24,510,993								

*Projected total year is based on YTD actuals plus remaining monthly estimates. Timing of revenues and expenditures can make a significant swing in projections.

Notes-Monthly Significant Variances Between Estimated Amounts and Actual Amounts of Revenue and Expenditure Lines Above (Add monthly headings and lines as needed for all notes throughout the year for a cumulative history of significant variances):

Nov Notes: Personnel Services continues to trend under budget due to the hiring freeze that has been implemented by the District. Purchase Services continues to trend under budget because our Community School deduction is currently \$9M less than what is budgeted, we expect this number to increase slightly in the upcoming months, and our utility payments continue to lag behind what is expected. The District has initiated cost saving measures during the shutdown that has limited purchasing to only emergency needs, this has caused the other Non Payroll categories to trend under budget. Encumbrances are on par with the previous month because the ESC contract the District entered a contract (discussed in Oct) that we will pay down throughout the year for tuition costs.

Dec Notes: Personnel Services continues to trend under budget due to the hiring freeze that has been implemented by the District. In Purchased Services, the Community School deduction increased \$9 million over the past two months. The increase was caused by the State of Ohio updating information with current year figures and there has been an increase of 400 students attending charter schools from previous year. The current expected expenditures is currently on budget of what we expected on the beginning of the year. The District has initiated cost saving measures during the shutdown that has limited purchasing to only emergency needs, this has caused the other Non Payroll categories to trend under budget.

Jan Notes: The District received the first advance of the 1st half property tax collections due in March 2021. Personnel Services continues to trend under budget due to the hiring freeze that has been implemented by the District. Similar to the previous month, the charter school deduction has remained approximately at \$127 million. The current expected expenditures is currently on budget of what we expected on the beginning of the year. The District has initiated cost saving measures during the shutdown that has limited purchasing to only emergency needs, this has caused the other Non Payroll categories to trend under budget. Encumbrances are on par with the previous month because the ESC contract the District entered a contract (discussed in Oct) that we will pay down throughout the year for tuition costs.

Feb Notes: Feb Notes: The District received the second advance of the 1st half property tax collections due in March 2021. Collections on property taxes were 5% higher than the prior year. The District elected to pay the Workers' Compensation payment for the entirety of the year (instead of monthly) in the amount of \$1.45 million. This payment allowed the district to take advantage of the discount provided when paying annually. Personnel Services continues to trend under budget due to the hiring freeze that has been implemented by the District. Similar to the previous month, the charter school deduction has remained approximately at \$127 million. The current expected expenditures is currently on budget of what we expected on the beginning of the year. The District has initiated cost saving measures during the shutdown that has limited purchasing to only emergency needs, this has caused the other Non Payroll categories to trend under budget. Encumbrances are on par with the previous month because the ESC contract the District entered a contract (discussed in Oct) that we will pay down throughout the year for tuition costs.

CLEVELAND METROPOLITAN SCHOOL DISTRICT

MONTHLY FINANCIAL STATUS REPORT

Revenue Summary

The Cleveland Metropolitan School District is forecasted \$753,718,014 in revenue within the General Fund for the 2021 fiscal year as shown on Figure 1. As of February 28, 2021 the District has received revenue in the amount of \$573,780,787. The District will need to collect another \$179,937,227 to reach its target.

Figure 1: Forecasted Revenues and Actual Revenues

	<u>FY '21 Budget</u>	<u>FY '21 Actual</u>		<u>Balance</u>
Revenues				
General Property Tax	\$ 207,515,493	\$ 203,175,141	(a)	\$ (4,340,352)
Personal Property Tax	34,824,325	16,946,510	(b)	(17,877,815)
State Grants-in-Aid	450,675,148	302,011,198		(148,663,950)
Property Tax Allocation	16,753,482	8,403,344		(8,350,138)
Other Revenues	38,475,048	37,968,861		(506,187)
Advances In	5,224,518	5,224,788		270
Other Financing Sources	250,000	50,945		(199,055)
Total Revenues	<u>753,718,014</u>	<u>573,780,787</u>		<u>(179,937,227)</u>

*Negative balance represents amount remaining to be collected for the year, positive balances represent amount collected in excess of estimate. Numbers listed in green are **On Target** to meet or exceed forecast, those listed in red are **At Risk** of not meeting the forecast.*

Notes

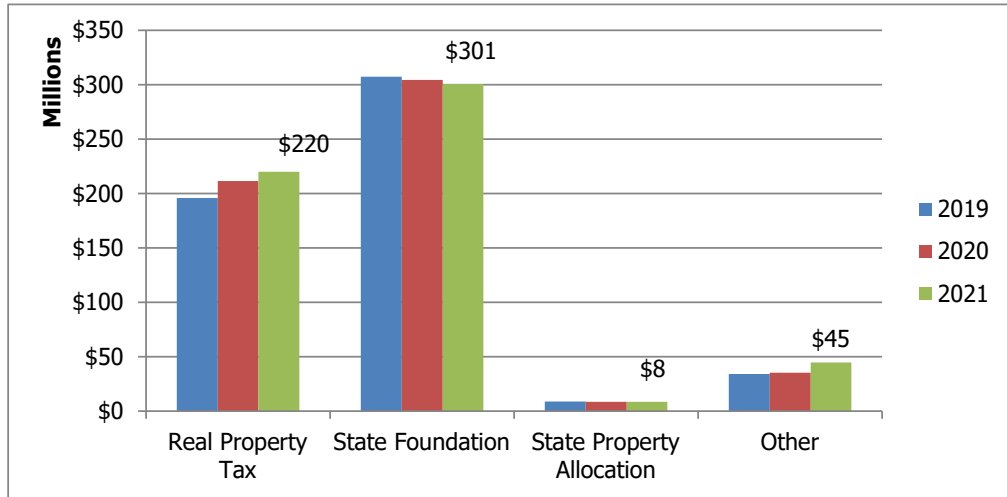
- (a) The District received \$203,175,141 in general property taxes in FY20 and forecasted \$207,515,493 in FY21. As of February 28, 2021 the District has received \$90,336,141.
- (b) The District will receive state funding in FY21 based on HB 305.

CLEVELAND METROPOLITAN SCHOOL DISTRICT

MONTHLY FINANCIAL STATUS REPORT

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

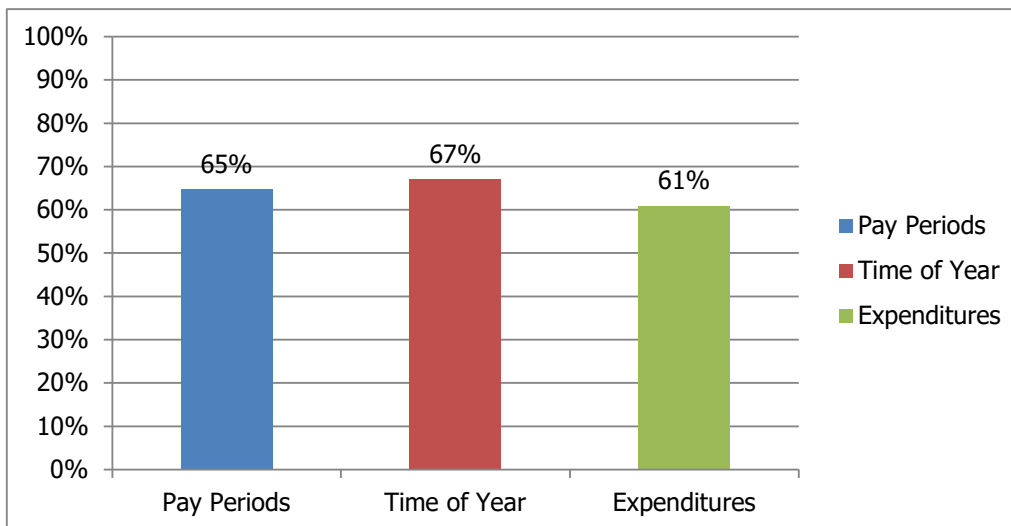
MONTHLY FINANCIAL STATUS REPORT

Expenditure Summary

For fiscal year 2021 the board passed a temporary appropriation of \$486,978,400, which is based on a full, planned appropriation of \$746,133,988. This budget, coupled with carryover encumbrances of \$15,791,407, resulted in a \$502,769,807 appropriation for FY 2021. The following information is a financial update of the status of this appropriation through February 28, 2021.

Through February 28, 2021 the District has expended \$461,547,204 which reflects 61.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$24,788,447. A statistical spending range for the District is based on two analyses: first, time elapsed is eight months, or 66.67%, of the fiscal year. Secondly, 33 of the 51, or 64.71%, of the total pay periods have passed. Figure 3 illustrates these points.

Figure 3: Expenditure Level Through February



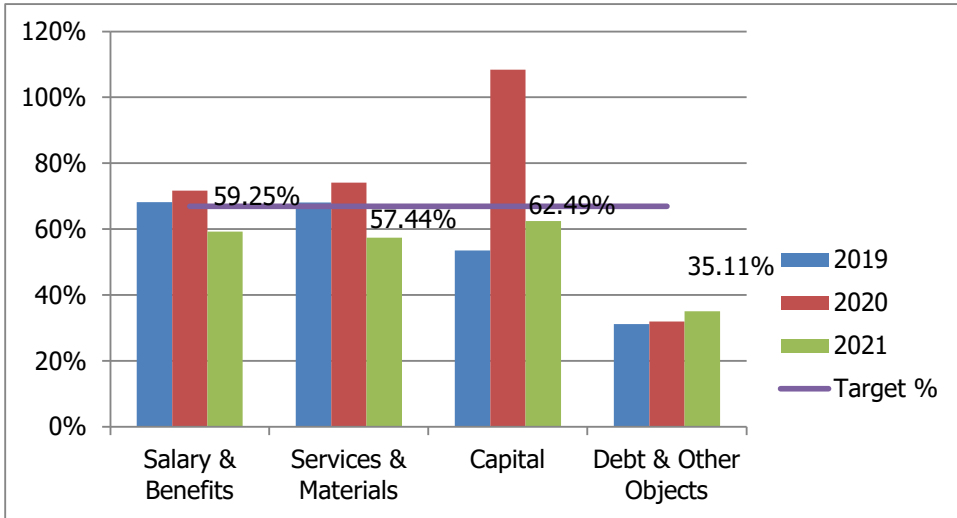
Overall, the District's expenditure level through February is slightly below target based on the above analysis. As an examination of the categories of expenditures is performed, cyclical variances are noted between categories which related specifically to school opening activities.

CLEVELAND METROPOLITAN SCHOOL DISTRICT

MONTHLY FINANCIAL STATUS REPORT

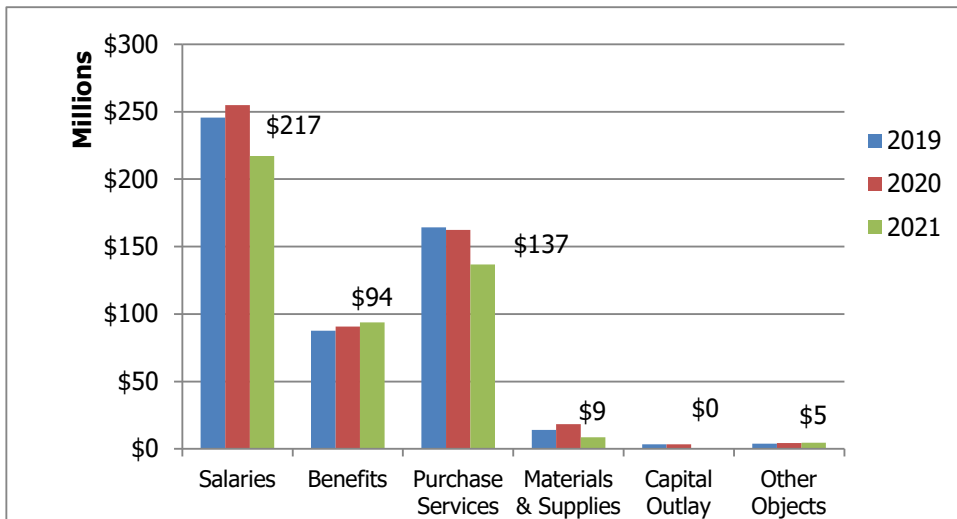
Figure 4 compares the various expenditure categories to the expected level and to the prior two years. Figure 5 provides the year to date expenditure level by category for the current year as well as the prior two. The three years of data will be beneficial for trend analysis performed throughout the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

Figure 4: % Spend to Budget for YTD Expenditures



Target percent of 66.67% 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 less than prior years. This is due to the timing of payroll periods and we expect this to flatten out as the year goes on. The trend line in Figure 4 is based on the time elapsed for the year. Health care costs are forecasted to increase 5.5% in FY 21 from FY 20.

The current year Purchased Services and Materials categories indicate a 57.44% encumbrance/expenditure level for this month.

The Capital encumbrance/expenditure level, whose budget comprises only .7% of the total General Fund budget, indicates a 62.49% 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 treasurer and auditor fees, and the transfer of monies to other District funds (as required by State regulations), is as expected as of February 28, 2021. Debt payments occur in July and April while the transfer of monies to other District funds will occur in June.

CLEVELAND METROPOLITAN SCHOOL DISTRICT

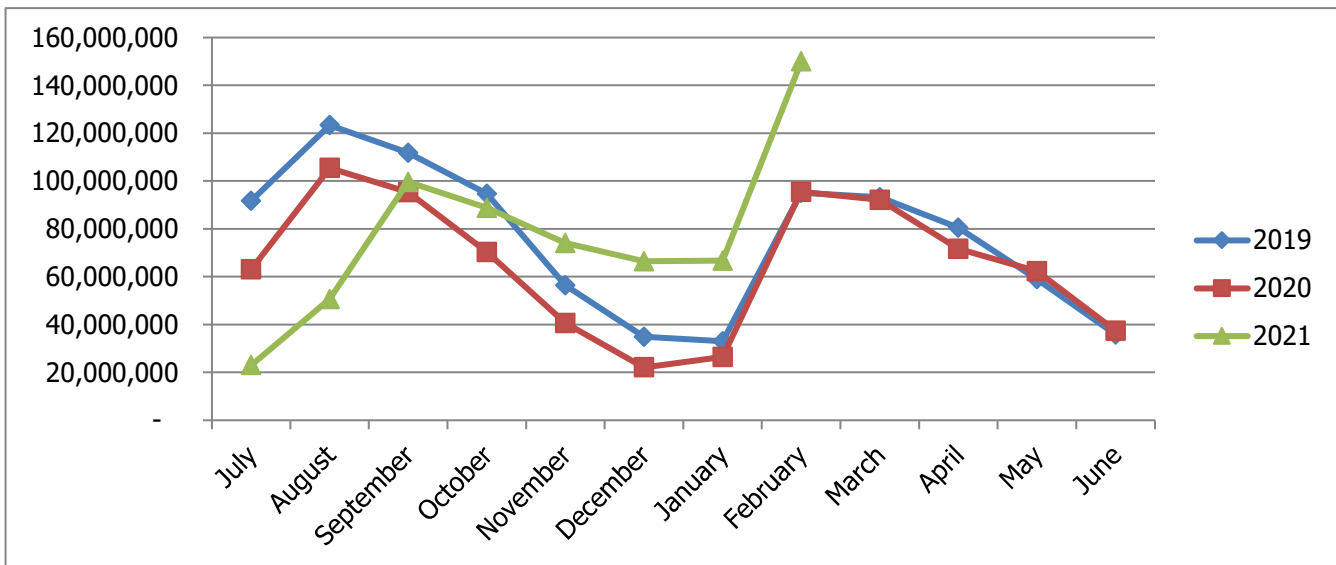
MONTHLY FINANCIAL STATUS REPORT

Cash Balances

The cash balance as of February 28, 2021 is \$150,095,092. The unencumbered balance as of February 28, 2021 is \$122,333,923. See below for details.

	FY '21
Beginning Cash Balance	\$ 37,861,509
Total Revenues	573,780,787
Total Expenses	461,547,204
Revenue over Expenses	112,233,583
Ending Cash Balance	150,095,092
Encumbrances/Reserves	27,761,168
Unencumbered Balance	<u>\$ 122,333,923</u>

Figure 6: Cash Balances Last 3 Years



CMSD Bank Reconciliation Summary

Period Ending: 2/28/2021

Bank Account	Bank Balance	Outstanding Checks	Other Reconciling Items	Book Balance
Key BAI2 Accounts				
Food Services (9871)	\$636,409.12			\$636,409.12
Student Activities (9912)	\$1,911,848.92			\$1,911,848.92
AP Concentration (4657)	\$3,714,435.32	\$8,777,855.19	\$190,217.90	(\$4,873,201.97)
Payroll Concentration (9905)	\$24,378.77	\$32,079.00		(\$7,700.23)
JP Morgan BAI2 Accounts				
CFAP 5 Savings (7389)	\$1,695,693.41			\$1,695,693.41
CFAP 6 Savings (7893)	\$585,889.82			\$585,889.82
CFAP 7 Savings (1988)	\$31,663.33			\$31,663.33
CFAP 8 Savings (2595)	\$1,925,608.81			\$1,925,608.81
Debt Service Savings (9974)	\$30,443.60			\$30,443.60
General Fund (4288)	\$2,107,340.87			\$2,107,340.87
LFI Savings (0022)	\$30,499.33			\$30,499.33
Star Accounts				
Star (1661)	\$209,888,839.54			\$209,888,839.54
Star Plus (6682)	\$552.89			\$552.89
State 7 (76013)	\$37,599.77			\$37,599.77
Star LFI	\$68,991,091.90			\$68,991,091.90
Other Accounts				
Fifth Third (3344)	\$122,729.23			\$122,729.23
PNC (9366)	\$3,392,971.18			\$3,392,971.18
Huntington Checking (6395)	\$32,669.70			\$32,669.70
Huntington MMAX (8274)	\$5.62			\$5.62
JP Morgan Metlife	\$230,160.80			\$230,160.80
Legal Dept (4124)	\$278.49			\$278.49
Lien (4380)	\$93,373.27			\$93,373.27
Lien (4420)	\$0.17			\$0.17
Lien (2080)	\$55,851.50			\$55,851.50
Lien (1500)	\$93,323.44			\$93,323.44
Lien (4400)	\$16,814.34			\$16,814.34
Lien (2050)	\$118,989.84			\$118,989.84
Investment Accounts				
BNY Mellon (6754)	\$35,589,665.71			\$35,589,665.71
Safekeeping CFAP 7 (3904)	\$0.00			\$0.00
Safekeeping General Fund	\$0.00			\$0.00
Safekeeping LFI (1268)	\$0.00			\$0.00
Total Bank Balance	\$331,359,128.69	\$8,809,934.19	\$190,217.90	\$322,739,412.40
			Cash Balance per Workday	\$322,739,412.40
			Difference	\$0.00



CMSD FNA Board Report - Receipts

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Fund: 001FD_L General Fund

Period: FY 2020 - 2021 - Feb

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

Start Date: 02/01/2021

End Date: 02/28/2021

Fund	Amount
001FD_L General Fund	(139,873,375.52)
Total	(139,873,375.52)



CMSD FNA Board Report - Expenditures

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Fund: 001FD_L General Fund

Period: FY 2020 - 2021 - Feb

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

Start Date: 02/01/2021

End Date: 02/28/2021

Fund	Exp Cat Hier	Expense Category	Amount
001FD_L General Fund	100SCH Personal Services - Employees Salaries and Wages	Personal Services - Employees Salaries and Wages	26,388,736.96
001FD_L General Fund	200SCH Employees' Retirement and Insurance Benefits	Employees' Retirement and Insurance Benefits	11,484,597.04
001FD_L General Fund	400SCH Purchased Services	Purchased Services	16,433,885.70
001FD_L General Fund	500SCH Supplies and Materials	Supplies and Materials	592,862.81
001FD_L General Fund	600SCH Capital Outlay	Capital Outlay	60,287.71
001FD_L General Fund	800SCH Other Objects	Other Objects	70,397.99
001FD_L General Fund	(Blank)	(Blank)	1,514,750.75
Total			56,545,518.96



CMSD FNA Board Report POs Issued in
Month Between \$25K and \$50K

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03/11/2021

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Issued On or After: 02/01/2021

Issued On or Before: 02/28/2021

Issued Date	PO Number	Supplier	Total PO Amount
02/01/2021	PO-10049118	Mcpc Incorporated	41,952.00
02/03/2021	PO-10049362	Apple Education Mailstop #198-Ed	33,186.00
02/05/2021	PO-10049472	Dell Computer Corp.	48,750.00
02/05/2021	PO-10049475	Dell Computer Corp.	34,110.00
02/17/2021	PO-10049643	Apple Education Mailstop #198-Ed	49,220.00
02/25/2021	PO-10048770	Govconnection Inc.	37,200.00
02/26/2021	PO-10049430	Logicalis, Inc.	37,519.21



**CMSD FNA Board Report Contracts Issued in
Month Between \$25K and \$50K**

Issued On or After: 02/01/2021

Issued On or Before: 02/28/2021

Accounting Date for Operational Transaction	Supplier	Supplier Contract	Total Contract Amount
02/01/2021	Invo Healthcare Associates LLC	CON-10026213: Speech & Language Pathology Services @ Various Nonpublic Schools	30,520.16
02/01/2021	Microimage Inc	CON-10025945: MicroImage 20-21	45,000.00
02/03/2021	Mac Installations & Consulting	CON-10026238: CLEVERTOUCH REMOVAL & INSTALL	35,466.00
02/03/2021	Masonry Restoration Maintenananc	CON-10026246: A.A. Benesch Exterior Masonry Repairs	34,995.00
02/03/2021	The New Teacher Project, Inc.	CON-10026360: Redesign - Whitney Young/ Luis Munoz Marin	31,800.00
02/10/2021	Casquejo Johnston, Luz Marie	CON-10026297: FY21 Montessori Support- Tremont	49,550.00
02/11/2021	Follett School Solutions, Inc. - Text Books	CON-10026312: Follett Library Automation 2021-2022	30,411.06
02/18/2021	Cleveland State University Cashier Office	CON-10026344: FY 2021 Fixed Rent Agreement	44,000.00
02/18/2021	Psi Affiliates, Inc.	CON-10026346: Psychological Services @ Various Nonpublic Schools	36,695.03
02/25/2021	Invo Healthcare Associates LLC	CON-10026403: Speech & Language Pathology Services @ Various Nonpublic Schools	44,392.96
02/25/2021	TIES - Teaching Institute For Excellence in STEM	CON-10026406: Garrett Morgan TIES Fablab	25,000.00
02/26/2021	G & G Inc.	CON-10026431: ESSER Grant-St John Lutheran	30,336.00