

Department of Finance

Fiscal Year 2022 Financial Status Report

As of December 31, 2021

Cleveland Metropolitan School District (Cuyahoga County)

FY2022 MONTHLY OVERSIGHT MONITORING - Budget vs. Actual Variance Analysis

Actuals Through: December

Date Com	pleted: 12/31/2021				202	21						20	22			YTD	YTD	YTD	Remaining	YTD Actual +	Official	FY
REVENUES	- OPERATIONAL	Jul Actual	Aug Actual	Sep Actual	Oct Actual	Nov Actual	Dec Estimate	Dec Actual	Dec Variance	Jan Estimate	Feb Estimate	Mar Estimate	Apr Estimate	May Estimate	Jun Estimate	Actual	Estimated	Variance	Estimates	Remaining Estimates	Forecast/ Estimate	Variance
1.010	General Property Tax (Real Estate)	22,426,000	79,063,623	0	0	0	0	0	0	14,561,104	94,594,232	1,560,118	0	0	6,927,887	101,489,623	98,547,367	2,942,256	117,643,342	219,132,965	216,190,709	1%
1.020	Tangible Personal Property Tax	0	19,129,282	0	0	0	0	0	0	0	0	21,191,574	0	0	0	19,129,282	18,761,949	367,333	21,191,574	40,320,856	39,953,523	1%
1.035	Unrestricted State Grants-in-Aid	28,007,137	20,983,697	20,302,472	20,312,483	20,712,692	21,215,883	20,394,595	(821,288)	21,184,891	21,184,891	21,184,891	21,184,891	21,184,891	21,696,380	130,713,076	127,295,304	3,417,772	127,620,836	258,333,912	254,916,140	1%
1.040	Restricted State Grants-in-Aid	4,388,306	4,388,306	4,388,306	4,388,306	4,388,306	4,487,018	4,388,306	(98,712)	4,569,278	4,569,278	4,569,278	4,569,278	4,569,278	4,891,174	26,329,838	26,922,110	(592,272)	27,737,566	54,067,404	54,659,676	-1%
1.050	Property Tax Allocation	0	0	0	8,790,880	0	0		0	0	0	0	9,856,774	0	0	8,790,880	9,281,637	(490,757)	9,856,774	18,647,654	19,138,411	-3%
1.060	All Other Revenues	6,019,055	7,079,034	3,938,375	1,118,583	591,434	7,752,312	2,413,671	(5,338,640)	1,976,483	2,394,026	3,356,794	1,480,542	1,783,065	1,398,580	21,160,151	22,764,348	(1,604,197)	12,389,488	33,549,639	35,153,836	-5%
TOTAL OPE	RATING REVENUE	60,840,499	130,643,942	28,629,153	34,610,252	25,692,432	33,455,213	27,196,572	(6,258,641)	42,291,757	122,742,427	51,862,655	37,091,485	27,537,234	34,914,021	307,612,850	303,572,716	4,040,135	316,439,580	624,052,430	620,012,295	1%
REVENUES	- NON-OPERATING																					
2.050	Advances-In	0	0	0	0	0	5,000,000	0	(5,000,000)	0	0	0	0	0	0	0	5,000,000	(5,000,000)	0	0	5,000,000	-100%
2.060	All Other Financing Sources	2,976	6,034	630,651	4,488	0	20,833	0	(20,833)	29,704	29,704	14,185	705	705	0	644,149	124,998	519,151	75,002	719,151	200,000	260%
2.070 Total (Other Financing Sources	2,976	6,034	630,651	4,488	0	5,020,833	0	(5,020,833)	29,704	29,704	14,185	705	705	0	644,149	5,124,998	(4,480,849)	75,002	719,151	5,200,000	-86%
	2.080 TOTAL REVENUE	60,843,475	130,649,976	29,259,804	34,614,740	25,692,432	38,476,046	27,196,572	(11,279,474)	42,321,460	122,772,131	51,876,840	37,092,190	27,537,939	34,914,021	308,256,999	308,697,713	(440,714)	316,514,582	624,771,581	625,212,295	0%
EXPENDITU	IRES	Cumulative Rev Variance>							(440,714)													
	Personal Services	27,618,192	28,997,919	29,206,624	32,968,809	30,122,803	27,929,630	29,105,254	1,175,625	28,287,489	28,446,885	28,091,584	33,599,007	32,360,542	29,469,867	178,019,602	180,326,721	(2,307,119)	180,255,374	358,274,976	360,582,095	-1%
3.020	Benefits	12,470,700	11,602,685	11,920,250	12,151,781	11,124,117	12,262,078	11,146,416	(1,115,662)	14,164,655	12,936,446	12,806,709	12,534,942	12,341,457	9,600,741	70,415,949	73,404,568	(2,988,619)	74,384,951	144,800,900	147,789,519	-2%
3.030	Purchased Services	6,482,085	8,126,169	3,391,894	8,015,197	6,732,811	5,748,069	3,254,912	(2,493,157)	5,739,766	5,631,421	6,117,600	6,045,196	6,111,059	4,635,756	36,003,068	35,943,449	59,620	34,280,798	70,283,867	70,224,247	0%
3.040	Supplies and Materials	286,723	1,112,247	1,429,497	1,452,611	1,969,215	1,111,126	561,344	(549,782)	1,011,346	608,605	730,464	570,272	639,530	127,054	6,811,637	7,630,433	(818,795)	3,687,271	10,498,909	11,317,704	-7%
3.050	Capital Outlay	8,104	36,986	1,914,849	57,647	2,261,741	174,968	490,506	315,539	98,332	80,147	100,713	123,066	197,737	78,381	4,769,833	1,459,122	3,310,711	678,376	5,448,209	2,137,498	155%
4.300	Other Objects	2,186,756	2,608,889	29,169	247,168	13,553	249,035	36,216	(212,819)	249,035	249,035	1,480,882	249,035	249,035	249,035	5,121,750	5,102,070	19,679	2,726,057	7,847,806	7,828,127	0%
	ting Transfers-Out	0	0	0	0		0		0	0	0	0	0	0	1,000,000	0	0	0	1,000,000	1,000,000	1,000,000	0%
5.020 Advan		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 TOTA	L EXPENDITURES	49,052,560	52,484,895	47,892,283	54,893,213	52,224,239	47,474,905	44,594,649	(2,880,256)	49,550,622	47,952,539	49,327,952	53,121,519	51,899,360	50,160,834	301,141,840	303,866,363	(2,724,523)	302,012,828	603,154,667	605,879,190	0%
		Cumulative Exp Variance>							(2,724,523)													
6.010 Month	nly Excess/Shortfall (rev exp.)	11,790,915	78,165,081	(18,632,479)	(20,278,473)	(26,531,807)	(8,998,859)	(17,398,077)	(8,399,218)	(7,229,162)	74,819,591	2,548,888	(16,029,329)	(24,361,421)	(15,246,813)	7,115,160	4,831,351	2,283,809	14,501,754	21,616,914		
Beginning B	Palanco	116.430.258	128.221.173	206.386.254	187.753.775	167,475,301	116.676.433	140.943.494	24.267.061	107.677.574	100.448.412	175,268,003	177.816.891	161.787.562	137.426.141			EV Pogi	nning Cash=>	116.430.258		
	lative Excess/Shortfall (rev exp.)	11.790.915	89.955.996	71.323.517	51.045.043	24.513.236	110,070,433	7,115,160	24,207,001	107,077,374	100,440,412	173,200,003	177,010,091	101,707,302	137,420,141				urrent Cash=>	123,545,417		
			,,	,,-	, , , , , , , , ,	,,	107.677.574		45.007.044	100.448.412	475 000 000	477.040.004	404 707 500	407 400 444	122.179.328	Ī			nding Cash=>			
Ending Cash Balance		128,221,173	206,386,254	187,753,775	167,475,301	140,943,494	107,077,374	123,545,417	15,867,844	100,448,412	175,268,003	177,816,891	161,787,562	137,426,141	122,179,328		Hoine Ac	sumed Remain	_	138,047,171		
Encumbranc	es	26,930,443	31,231,265	32,357,586	29,573,584	27,859,519	16,000,000	25,332,763	9,332,763	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000		Using As	sumea kemain	ing Estimates			
UNENCUMBERED CASH BALANCE		101,290,730	175,154,989	155,396,189	137,901,717	113,083,975	91,677,574	98,212,654	6,535,080	84,448,412	159,268,003	161,816,891	145,787,562	121,426,141	106,179,328							

*Projected total year is based on YTD actuals plus remaining monthly estimates. Timing of revenues and expenditures can make a signicant 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):

Jul Notes: On the revenue side, there is a significant variance between the estimate and actual for Unrestricted State Grants. This category contains the revenue of the new State formula, there should be a correction to bring us back to our estimated amounts. Additionally on the revenue side, there was a positive variance in other revenue, this was a result in the District recieving our Medicaid reimbursement we expected to receive back in June. On the expenditure side, there was a positive variance in Personal Services and Other Objects. On the Purchased Services side this was a result in the District catching up on some passed due utility bills. In Other Objects, this variance was caused by the District paying all of its liability insurance for the entire year in July.

Aug Notes: In revenue, Property Tax collected for the 2nd half of calendar year of 2021 came in slightly above than what was expected. Our current collection rate increased less than 1% from the previous year. We are still monitoring the change in the state formula as it should be fully implemented in October. In expenses, all areas except Purchased Services came in below than its estimate. Purchased Services continue to be slightly above expectations because we have been catching up in some passed due utility bills

Sept Notes: In revenue, Other revenue exceed its September estimated because the District received about \$2.1 million in reimbursements from the Flats East Bank on past due tax reimbursements from the State Employee Retirement System regarding payments made from the previous fiscal year. On the Expense side, Salary and Benefits continue to come in right around their estimated amounts. The large variance in Capital Outlay was due to the IT department reallocating monies they originally had in their Purchased Services to the Capital Outlay line.

Oct. Notes: Overall revenue came in what was expected during the month. In November, the District will receive its Property Tax Allocation from the State and will record the Return of Advance from the Previous Year. On the expense side, all categories other than Purchased Services came in below the expected amount. Purchased Services was higher than expected as bills for out of district tuition started to roll in for the current fiscal year.

Nov. Notes: Overall revenue collection continues to be ~2% higher than forecasted. The State Foundation payments do not yet reflect the new Fair Student Funding formula. Overall expenses are on-track to the forecast.

Dec. Notes: Overall revenue collection continues to be on-track towards the forecast. The State Foundation payments do not yet reflect the new Fair Student Funding formula. The Advances In will occur in January. Overall expenses are running slightly below forecast.

MONTHLY FINANCIAL STATUS REPORT

Revenue Summary

The Cleveland Metropolitan School District is forecasted \$625,212,295 in revenue within the General Fund for Fiscal Year 2022 as shown on Figure 1. As of December 31, 2021 the District has received revenue in the amount of \$308,256,999. The District will need to collect another \$316,955,296 to reach its target.

Figure 1: Forecasted Revenues and Actual Revenues

	F۱	FY '22 Budget		Y '22 Actual		Balance	
Revenues					_1		
General Property Tax	\$	216,190,709	\$	101,489,623	(a)	\$	(114,701,086)
Personal Property Tax		39,953,523	\$	19,129,282	(b)		(20,824,241)
State Grants-in-Aid		309,575,816	\$	157,042,914			(152,532,902)
Property Tax Allocation		19,138,411	\$	8,790,880			(10,347,531)
Other Revenues		35,153,836	\$	21,160,151			(13,993,685)
Advances In		5,000,000	\$	-			(5,000,000)
Other Financing Sources		200,000	\$	644,149			444,149
Total Revenues		625,212,295		308,256,999			(316,955,296)

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.

<u>Notes</u>

- (a) The District received \$207,515,493 in general property taxes in FY21 and forecasted \$216,190,709 in FY22. As of December 31, 2021 the District has received \$101,489,623.
- (b) The District will receive state funding in FY22 based on HB 110; however, the formula has not yet been fully implemented.

MONTHLY FINANCIAL STATUS REPORT

Figure 2 below compares revenue sources to the prior two years as of December. The three years of data is beneficial for trend analysis performed throughout the year.

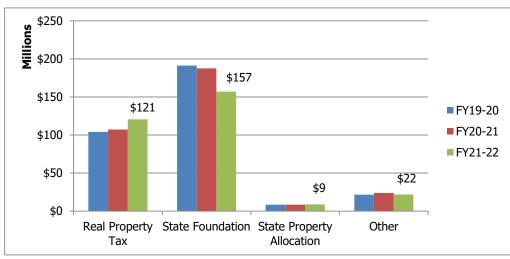


Figure 2: Revenue by Category

Data labels represent figures for current FY

Notes

- (a) Real Property Tax includes the additional 5.0 mills passed by votes through Issue 68.
- (b) The State Foundation no longer includes "pass-thru" revenue for charter schools and scholarships.

MONTHLY FINANCIAL STATUS REPORT

Expenditure Summary

For fiscal year 2022 the Board passed a full appropriation of \$605,879,190. This budget, coupled with carryover encumbrances of \$12,982,836, resulted in a \$618,862,026 appropriation for FY 2022. The following information is a financial update of the status of this appropriation through December 31, 2021.

Through December 31, 2021 the District has expended \$301,141,840 which reflects 49.00% of the District's total appropriation (see Exhibit A). The District also has outstanding encumbrances of \$25,332,763. A statistical spending range for the District is based on two analyses: first, time elapsed is six months, or 50.00%, of the fiscal year. Secondly, 25 of the 50, or 50.00%, of the total pay periods have passed. Figure 3 illustrates these points.

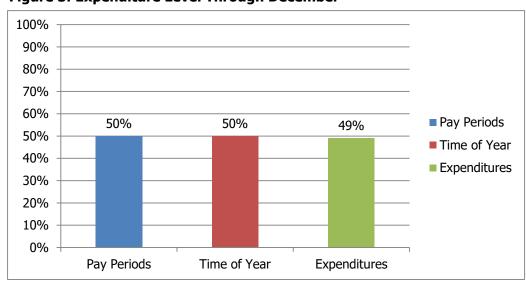


Figure 3: Expenditure Level Through December

Overall, the District's expenditure level through December is 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.

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 is beneficial for trend analysis performed throughout the year. Further discussion of these two figures is included on the following page.

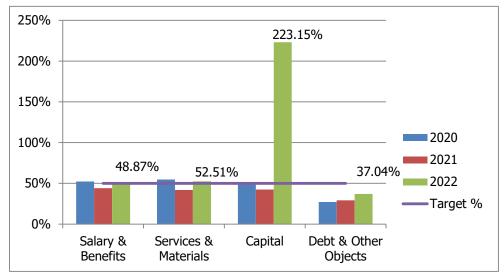


Figure 4: % Spend to Budget for YTD Expenditures

Target percent of 50.00% is based on the # of months completed in the current year.

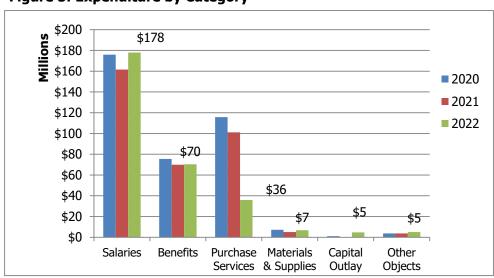


Figure 5: Expenditure by Category

^{*}Data labels represent figures for current FY*

MONTHLY FINANCIAL STATUS REPORT

As Figures 4 and 5 illustrate, overall salaries and fringe benefits are similar to prior years. The trend line in Figure 4 is based on the time elapsed for the year. Health care costs are forecasted to increase 6.5% in FY 22 from FY 21.

Purchased Services and Materials are, collectively, below budget year-to-date.

General Fund Capital expenditures are above budget because the General Fund was used to pay for 1:1 devices that will be reimbursed through a pandemic-related eRate program. The majority of other devices purchases and 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 year-today. Debt payments occur in July and April while the transfer of monies to other District funds will occur in June.

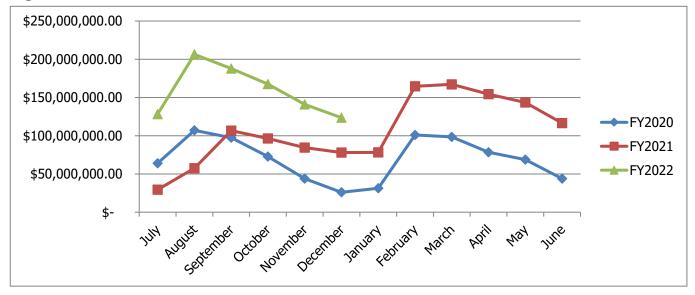
MONTHLY FINANCIAL STATUS REPORT

Cash Balances

The cash balance as of December 31, 2021 is \$123,545,417. The unencumbered balance as of December 31, 2021 is \$98,212,654.

	FY '22
Beginning Cash Balance	\$ 116,430,258
Total Revenues	\$ 308,256,999
Total Expenses	\$ 301,141,840
Revenue over Expenses	\$ 7,115,160
Ending Cash Balance	\$ 123,545,417
Encumbrances/Reserves	\$ 25,332,763
Unencumbered Balance	\$ 98,212,654

Figure 6: Cash Balances Last 3 Years



CMSD FNA Board Report - Receipts





Fund: 001FD_L General Fund Period: FY 2021 - 2022 - Jun Time Period: Current Period YTD

Start Date: 12/01/2021 End Date: 12/31/2021

Fund	Amount
001FD_L General Fund	(27,196,572.21)
Total	(27,196,572.21)

CMSD FNA Board Report - Expenditures





Fund: 001FD_L General Fund Period: FY 2021 - 2022 - Jun

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

Start Date: 12/01/2021 End Date: 12/31/2021

Fund	Exp Cat Hier	Expense Category	Amount
001FD_L General Fund	100SCH Personal Services - Employees Salaries and Wages	Personal Services - Employees Salaries and Wages	29,105,215.27
001FD_L General Fund	200SCH Employees' Retirement and Insurance Benefits	Employees' Retirement and Insurance Benefits	11,146,416.33
001FD_L General Fund	400SCH Purchased Services	Purchased Services	3,254,912.20
001FD_L General Fund	500SCH Supplies and Materials	Supplies and Materials	558,588.50
001FD_L General Fund	600SCH Capital Outlay	Capital Outlay	490,506.26
001FD_L General Fund	800SCH Other Objects	Other Objects	36,216.05
001FD_L General Fund	(Blank)	(Blank)	38.94
Total			44,591,893.55



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

Issued On or After: 12/01/2021 Issued On or Before: 12/31/2021

Accounting Date for Operational Transaction	Supplier	Supplier Contract	Total Contract Amount
12/02/2021	Versare Solutions LLC	CON-10029831: Room Dividers at John Adams & Design Lab	25,064.00
12/06/2021	Burten Bell Carr Development	CON-10029893: GW Carver School FY22 School Culture	49,000.00
12/06/2021	Edfocus Initiative	CON-10029879: Edfocus - Collinwood	31,200.00
12/10/2021	Wilkerson & Associates LPA	CON-10029971: Settlement Agreement, Release and Waiver	30,000.00
12/13/2021	Prismatic Services, Inc.	CON-10029978: Prismatic Mental Health Supplement Contract	25,400.00
12/20/2021	Star Concrete & Construction	CON-10030066: John Hay - Concrete flooring- \$48,750.00	48,750.00
12/20/2021	West Roofing System Inc	CON-10030065: Miles Park - Soffit Vent Replacement	38,825.00
12/22/2021	North Central Ohio Educational Service Center	CON-10030096: Dynamix project and strategic goals specialty	35,000.00
12/22/2021	Sarah Spengler dba Grace Partners, LLC	CON-10030099: 2022 Management Learning Series	36,000.00
12/28/2021	Arts Impact, Inc.	CON-10030109: Arts Impact - School of One	31,800.00
12/29/2021	Herb's Pumps Inc.	CON-10030127: Service Calls 2021/2022 FY	25,000.00



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

03:10 PM 02/07/2022 Page 1 of 1

Issued On or After: 12/01/2021 Issued On or Before: 12/31/2021

Issued Date	PO Number	Supplier	Total PO Amount
12/02/2021	PO-10059079	A&G Office Furniture, Inc.	25,948.00
12/13/2021	PO-10059983	CDW Government, Inc.	30,000.00
12/22/2021	PO-10059956	Stan Miller & Associates	28,531.44