

Strongsville City Schools

Board Financial Report As Of:
September 30, 2017



District Goals

1. Student Achievement and Growth

2. Financial Prudence

3. Community Engagement

Financial Prudence Throughout the Years

District Cost Savings Efforts - Past, Present, and Future:

Through the Districts proactive diligence, we were able to generate the following savings and efficiencies while still providing an exemplary educational experience for our students:

- Since 2010, the District eliminated six (6) buildings and repurposed one (1) building to save resources and **maximize educational offerings**.
 - Allen closed in 2010; Demolished in 2013.
 - Zellers closed in 2015; Repurposed in 2016
 - Drake, Albion, Center, OPS, and Board Office closed in June 2016; Demolished/Sold by 2017.
- During FY 14, the District switched to a fully insured health care plan. Since the switch, the District has **saved \$4.6 million** through fiscal year 2017 by being on a self-funded plan compared to a fully insured plan.

(Continued to next slide)

Financial Prudence Throughout the Years

District Cost Savings Efforts - Past, Present, and Future (*continued from previous slide*):

- Since 2009, there are **199 less positions** compared to FY 2018, a 22% decline keeping pace with declining enrollment. If enrollment decline continues, the School District projects to reduce 13 in FY 2019.
 - FY 2016 – Reduced 24 positions (all funds). **(\$1.4 million in savings)**
 - FY 2017 – Reducing 19 positions (all funds). **(\$500 thousand in savings)**
 - FY 2019 – Reducing 13 positions. **(\$800 thousand in savings)**

Note: The discrepancy in savings in FY 2017 compared to the other years is due to the type of positions that were reduced. In FY 16, 18, & 19, the majority of the reductions were teaching positions, while in FY 17, the majority of reductions were in Aides.
- Other Cost Efforts:
 - In FY 16, the District implemented Ohio Online Learning Program and now the Strongsville Academy to retain students in the District, which is projected to **save \$200K annually.**

Strongsville City Schools

- General Fund Summary

Monthly Comparison of Revenues & Expenditures September 2015, 2016, & 2017

	September 2015	September 2016	September 2017	Monthly Change from Previous Year	Fiscal Year to Date 2016	Fiscal Year to Date 2017	Fiscal Year to Date 2018	YTD Change from Previous Fiscal Year
Revenue:								
Real Estate Taxes	0.00	319,478.40	0.00	(319,478)	22,613,790.15	23,105,930.00	22,976,592.00	(129,338)
State Aide - Unrestricted	801,662.78	795,559.21	794,872.00	(687)	2,396,613.56	2,399,602.64	2,473,094.00	73,491
State Aide - Restricted	5,971.54	5,154.56	6,033.00	878	17,059.66	15,492.96	18,105.00	2,612
Property Tax Allocation	7,212.12	7,212.12	9,093.00	1,881	7,212.12	0.00	9,093.00	9,093
All Other Revenues	<u>63,159.56</u>	<u>30,638.06</u>	<u>97,039.00</u>	<u>66,401</u>	<u>1,438,849.48</u>	<u>1,690,776.92</u>	<u>2,450,748.00</u>	<u>759,971</u>
Total Revenues	878,006.00	1,158,042.35	907,037.00	(251,005)	26,473,524.97	27,211,802.52	27,927,632.00	715,829
Expenditures:								
Salaries	3,186,217.28	3,323,268.84	3,371,082.00	47,813	10,574,380.13	9,470,700.39	9,658,288.00	187,588
Benefits	1,689,895.26	1,426,988.66	1,291,427.00	(135,562)	4,372,202.66	4,087,533.78	4,021,540.00	(65,994)
Purchased Services	314,456.89	532,376.98	572,237.00	39,860	1,643,174.31	1,375,568.27	1,710,254.00	334,686
Supplies and Materials	120,178.62	132,814.03	92,433.00	(40,381)	361,203.24	309,851.40	320,653.00	10,802
Capital Outlay	67,175.95	315,995.64	178,589.00	(137,407)	218,757.94	335,919.57	337,486.00	1,566
Other Objects	<u>7,710.37</u>	<u>445,844.29</u>	<u>128,496.00</u>	<u>(317,348)</u>	<u>443,742.06</u>	<u>560,216.76</u>	<u>586,463.00</u>	<u>26,246</u>
Total Expenditures	5,385,634.37	6,177,288.44	5,634,264.00	(543,024)	17,613,460.34	16,139,790.17	16,634,684.00	494,894
Excess of Revenue over (under)								
Expenditures	(4,507,628.37)	(5,019,246.09)	(4,727,227.00)		8,860,064.63	11,072,012.35	11,292,948.00	

Strongsville City Schools

- General Fund Revenues

Revenues

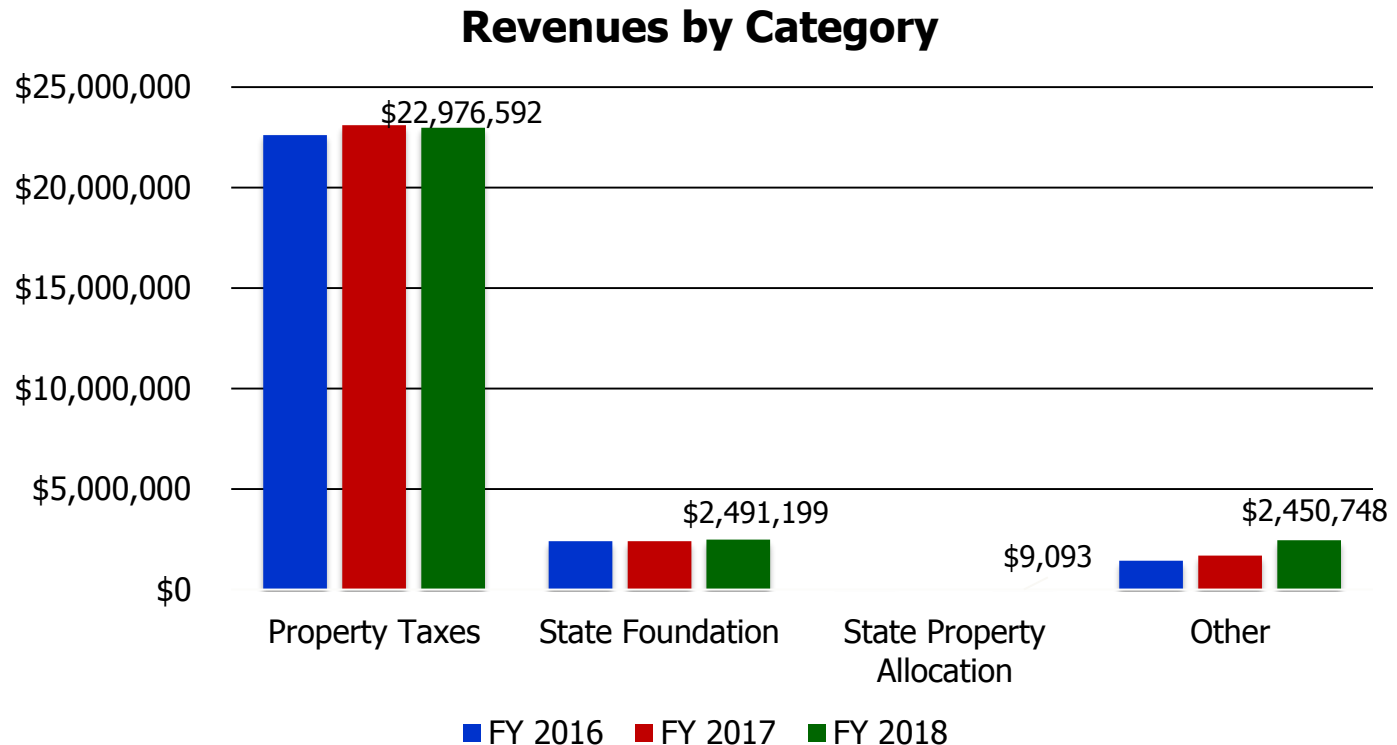
The Strongsville City Schools is forecasting **\$70,609,114** in revenue within the General Funds in the 2017-2018 fiscal year as shown on figure 1. As of **September 30, 2017** the District has received revenue in the amount of \$27,927,632 for FY 2018. The District is projecting to receive \$42,681,482 in revenue in the remaining months of the fiscal year for a total projected revenue of \$70,609,114. The October five year forecast was approved by the Board at the September 21, 2017 Board Meeting and can be viewed at www.strongnet.org, under the Treasurer's Department.

FORECASTED REVENUES AND ACTUAL REVENUES						
	A	B	C	D = (B+C)		D-A
	Fiscal Year	Fiscal Year	Projected	Projected		
	2018	2018	Revenue	Total		Over/
	Forecast	Actual	October - June	Revenue		(Under)
Revenues						
Real Property Tax	\$49,656,425	\$22,976,592	\$26,679,833	\$49,656,425	(a)	\$0
State Foundation	10,084,247	2,491,199	7,593,048	10,084,247	(b)	0
Property Tax Homestead and Rollbacks	6,091,588	9,093	6,082,495	6,091,588	(c)	0
Tangible Personal Property (TPP)	0	0	0	0	(c)	0
TIF Revenue	2,474,422	1,351,002	1,123,420	2,474,422	(d)	0
Casino Receipts	266,459	143,817	122,642	266,459	(c)	0
Interest	150,000	79,148	70,852	150,000	(c)	0
Other Revenues	764,000	292,171	471,829	764,000	(e)	0
Sports Pay to Participate	200,000	91,205	108,795	200,000	(c)	0
Tuition - From Other Districts	485,973	349,111	136,862	485,973	(c)	0
Tuition - Full Day Kindergarten	367,500	138,274	229,226	367,500	(c)	0
Tuition - Preschool	68,500	6,020	62,480	68,500	(c)	0
Total Revenues	\$70,609,114	\$27,927,632	\$42,681,482	\$70,609,114		\$0

- The District received \$50,647,884 in general real property taxes in FY17 and is anticipating to receive \$49,656,425 in FY 17. The current collection rate for collection year 2017 decreased from 97.5% to 97.0%.
- The District will receive state funding in FY18 based on HB 49.
- These revenues have been received as anticipated.
- The District received \$2,474,422 in TIF revenues in FY 18 compared to \$2,107,444 in FY17.
- Other revenues include cell tower commission, vending commission, sale of property, services provided to other schools, state catastrophic aid, federal medicaid, athletic trainer fees, refunds of prior year expenditures, and other miscellaneous receipts.

Revenues by Category

Figure 2 compares revenue sources to the prior two years as of September 30. The three years of data will be beneficial for trend analysis performed throughout the year.



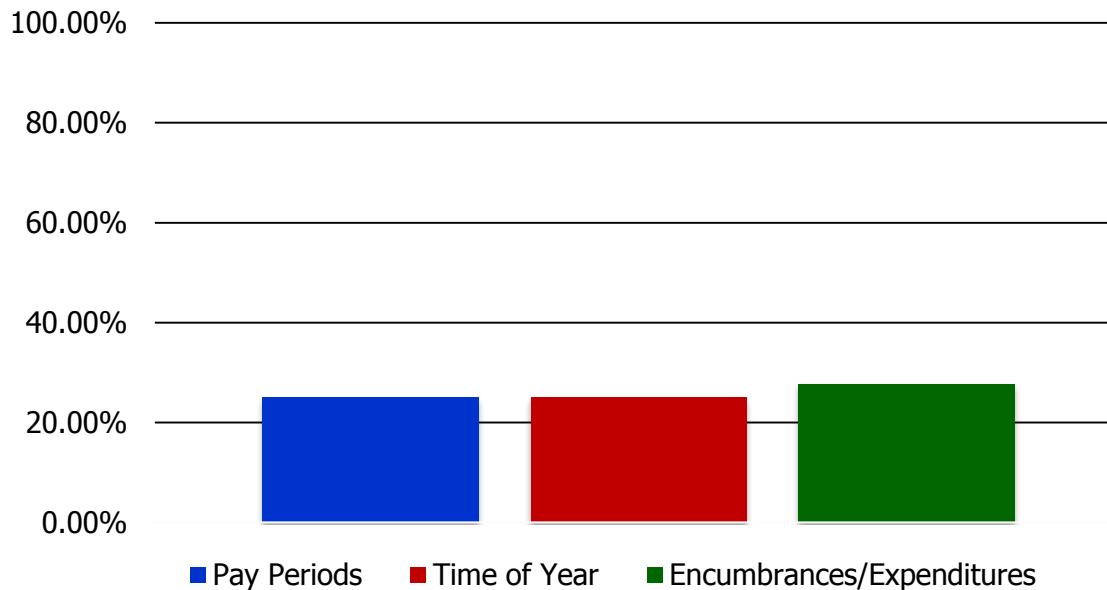
Strongsville City Schools

- General Fund Expenditures

Expenditures

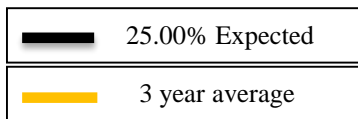
The fiscal year 2018 adopted General Fund budget for the District is **\$72,447,019**. This budget, coupled with carryover encumbrances of **\$1,187,263**, resulted in a **\$73,634,282** General Funds appropriation for FY 2018. The following information is a financial update of the status of this appropriation through September 30, 2017.

Through September 30, 2017 the District has expended \$16,634,684 and has outstanding encumbrances of \$3,804,249. This total of \$20,438,933 reflects 27.76% of the District's total appropriation. 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 has passed. Secondly, six of twenty-four (6/24), or 25.00% of the total pay periods have passed. Figure 3 illustrates these points.

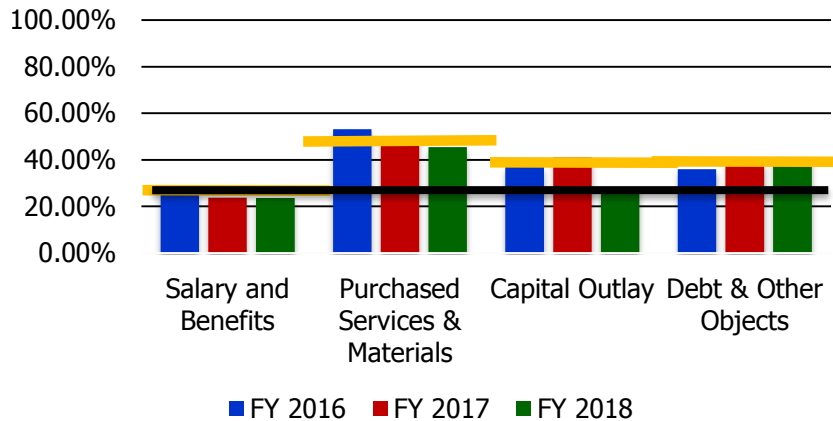


Expenditures Thru September

Percent Expended / Encumbered

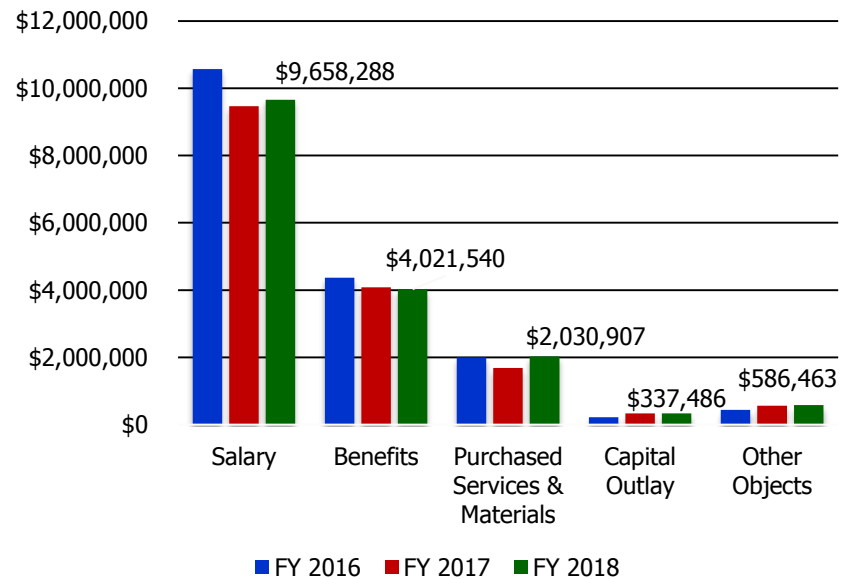


Expenditures



Expenditures by Category

Expenditures by Category



Strongsville City Schools

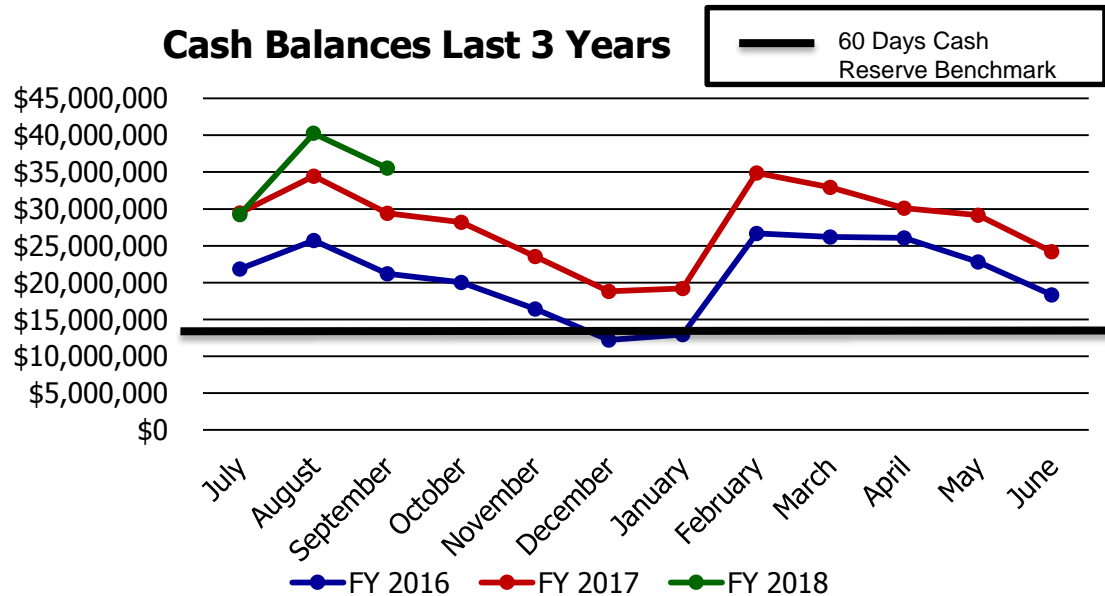
- General Fund Cash Balance

Cash Balance – General Fund

The cash balance as of September 30, 2017 is \$35,521,408. The unencumbered balance as of September 30, 2017 is \$31,717,158. Within the District’s 2020 Plan, the District established a cash reserve benchmark of having 60 days of operating cash on hand, which at this point in time is \$11,420,451. Currently the District is above this benchmark.

	FY 2018
Beginning Cash Balance	<u>\$24,228,459</u>
Total Revenues	27,927,632
Total Expenses	16,634,684
Revenue over Expenses	<u>11,292,948</u>
Ending Cash Balance	35,521,407
Encumbrances/Reserves	3,804,249
Unencumbered Balance	<u>\$31,717,158</u>

Cash Balances Last 3 Years



Strongsville City Schools

- Questions?