

Strongsville City Schools

Board Financial Report As Of:
December 31, 2016



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 \$2.8 million** through fiscal year 2016 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 **212 less positions** compared to FY 2017, a 23% decline keeping pace with declining enrollment. If enrollment decline continues, the School District projects to reduce 5 positions in FY 2018 and 9 positions in FY 2019.
 - FY 2016 – Reduced 24 positions (all funds). **(\$1.4 million in savings)**
 - FY 2017 – Reducing 26 positions (all funds). **(\$525 thousand in savings)**
 - FY 2018 – Reducing 5 positions (all funds). **(\$374 thousand in savings)**
 - FY 2019 – Reducing 9 positions (all funds). **(\$700 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. (See next slide)

- 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 November 2014, 2015, & 2016

	December	December	December	Monthly Change from	Fiscal Year to Date	Fiscal Year to Date	Fiscal Year to Date	YTD Change from Previous
	2014	2015	2015	Previous Year	2015	2016	2017	Fiscal Year
Revenue:								
Real Estate Taxes	0.00	0.00	0.00	0	22,134,163.28	22,613,790.15	23,105,930.30	492,140
Public Utility Personal Property Tax	0.00	0.00	0.00	0	0.00	15,779.95	2,988.39	(12,792)
State Aide - Unrestricted	796,153.98	864,771.50	787,606.85	(77,165)	4,968,352.82	5,006,889.22	5,088,740.13	81,851
State Aide - Restricted	5,491.14	4,992.35	5,390.21	398	32,947.34	32,017.54	32,162.75	145
Property Tax Allocation	0.00	0.00	0.00	0	4,910,780.74	4,155,356.16	3,454,613.14	(700,743)
All Other Revenues	<u>78,385.65</u>	<u>113,572.79</u>	<u>103,920.28</u>	<u>(9,653)</u>	<u>1,924,074.98</u>	<u>1,576,550.66</u>	<u>1,908,552.95</u>	<u>332,002</u>
Total Revenues	880,030.77	983,336.64	896,917.34	(86,419)	33,970,319.16	33,400,383.68	33,592,987.66	192,604
Expenditures:								
Salaries	3,148,933.40	3,267,633.10	3,421,056.00	153,423	19,561,601.85	20,115,505.19	19,532,837.00	(582,668)
Benefits	1,287,645.47	1,315,545.56	1,510,007.00	194,461	8,138,112.48	8,305,073.00	8,096,743.00	(208,330)
Purchased Services	444,395.22	491,891.38	615,450.00	123,559	3,032,409.58	3,187,854.22	3,407,936.00	220,082
Supplies and Materials	158,794.41	85,146.59	76,532.00	(8,615)	1,053,996.17	601,563.44	651,209.00	49,646
Capital Outlay	19,224.79	7,434.88	19,171.00	11,736	83,581.41	290,042.63	449,588.00	159,545
Other Objects	<u>370,713.58</u>	<u>14,720.48</u>	<u>11,415.00</u>	<u>(3,305)</u>	<u>971,468.09</u>	<u>1,017,858.73</u>	<u>1,013,274.00</u>	<u>(4,585)</u>
Total Expenditures	5,429,706.87	5,182,371.99	5,653,631.00	471,259	32,841,169.58	33,517,897.21	33,151,587.00	(366,310)
Excess of Revenue over (under)								
Expenditures	(4,549,676.10)	(4,199,035.35)	(4,756,713.66)		1,129,149.58	(117,513.53)	441,400.66	

Strongsville City Schools

- General Fund Revenues

Revenues

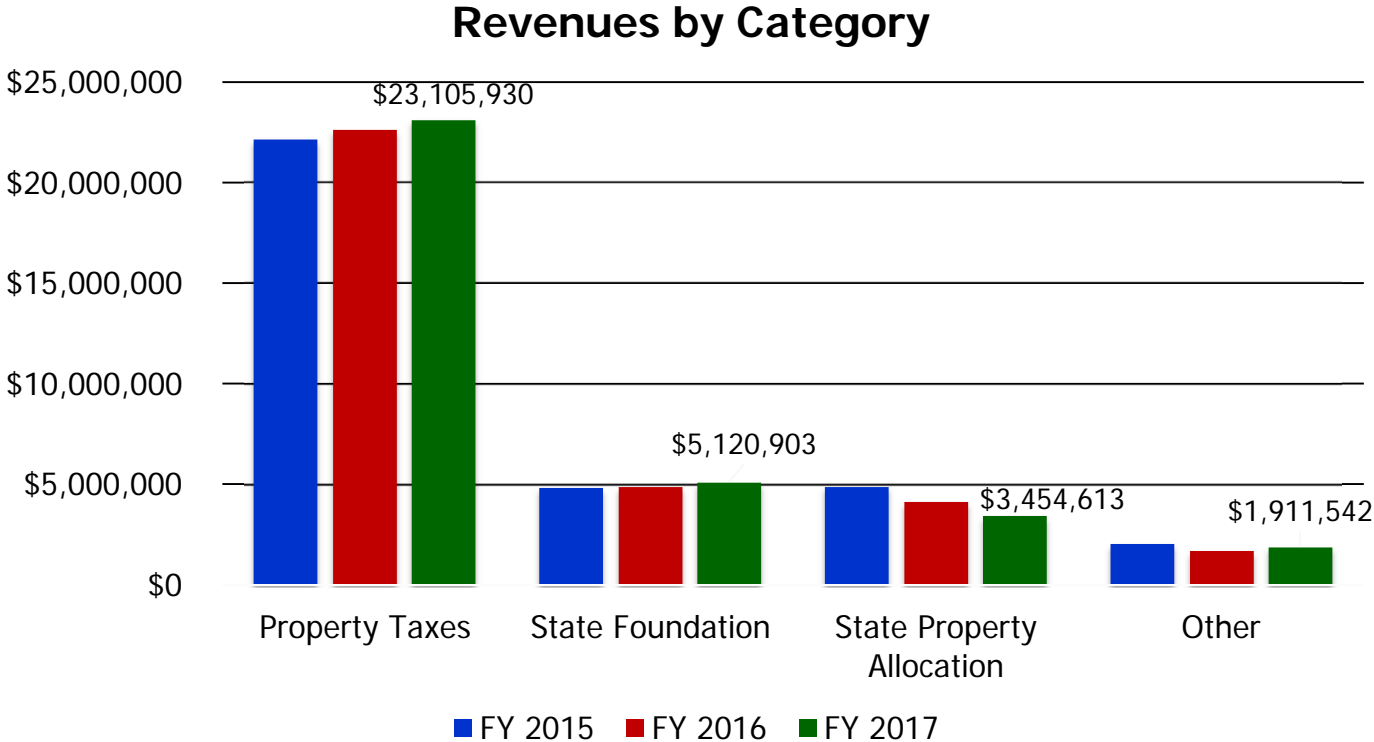
The Strongsville City Schools is forecasting **\$71,451,528** in revenue within the General Funds in the 2016-2017 fiscal year as shown on figure 1. As of **December 31, 2016** the District has received revenue in the amount of \$33,592,988. The District is projecting to receive \$37,970,570 in revenue from January-June for a total projected revenues of \$71,563,558, which would result in \$112,030 revenues above the initial forecast.

FORECASTED REVENUES AND ACTUAL REVENUES						
	A	B	C	D = (B+C)		D-A
	Fiscal Year	Fiscal Year	Projected	Projected		
	2017	2017	Revenue	Total		Over/
	Forecast	Actual	Jan - June	Revenue		(Under)
Revenues						
Real Property Tax	\$48,943,766	\$23,105,930	\$25,874,986	\$48,980,916	(a)	\$37,150
State Foundation	11,810,144	5,120,903	6,595,978	11,716,881	(b)	(93,263)
Property Tax Homestead and Rollbacks	6,046,413	3,025,897	3,032,508	6,058,405	(c)	11,992
Tangible Personal Property (TPP)	861,825	428,716	428,716	857,432	(c)	(4,393)
TIF Revenue	2,100,000	1,036,970	1,080,383	2,117,353	(d)	17,353
Casino Receipts	274,380	140,193	140,193	280,386	(c)	6,006
Interest	20,000	18,135	22,265	40,400	(c)	20,400
Other Revenues	590,000	257,061	386,605	643,666	(e)	53,666
Sports Pay to Participate	200,000	84,618	121,818	206,436	(c)	6,436
Tuition - From Other Districts	305,000	173,888	148,841	322,729	(c)	17,729
Tuition - Full Day Kindergarten	235,000	173,877	100,587	274,464	(c)	39,464
Tuition - Preschool	65,000	26,800	37,690	64,490	(c)	(510)
Total Revenues	\$71,451,528	\$33,592,988	\$37,970,570	\$71,563,558		\$112,030
						ON TARGET
						AT RISK

- The District received \$49,761,999 in general real property taxes in FY16 and has received \$48,943,766 in FY 17. The current collection rate for collection year 2016 increased from 96.6% to 97.5%.
- The District will receive state funding in FY17 based on HB 64.
- These revenues have been received as anticipated.
- The District received \$2,113,540 in TIF revenues in FY16 and is forecasting \$2,100,000 in FY 17.
- 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 December. The three years of data will be beneficial for trend analysis performed throughout the year.



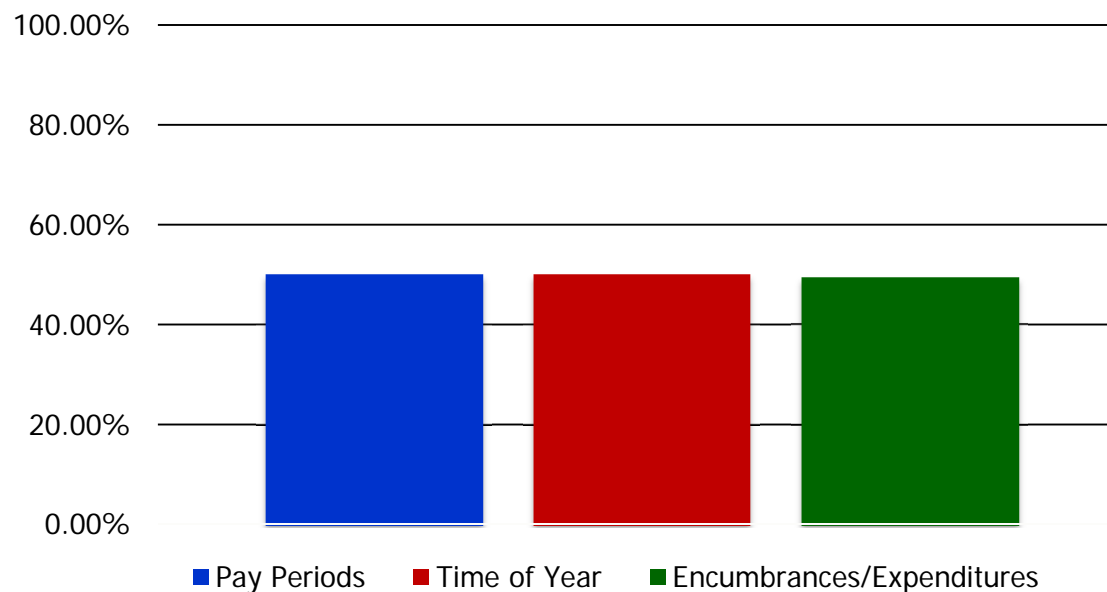
Strongsville City Schools

- General Fund Expenditures

Expenditures

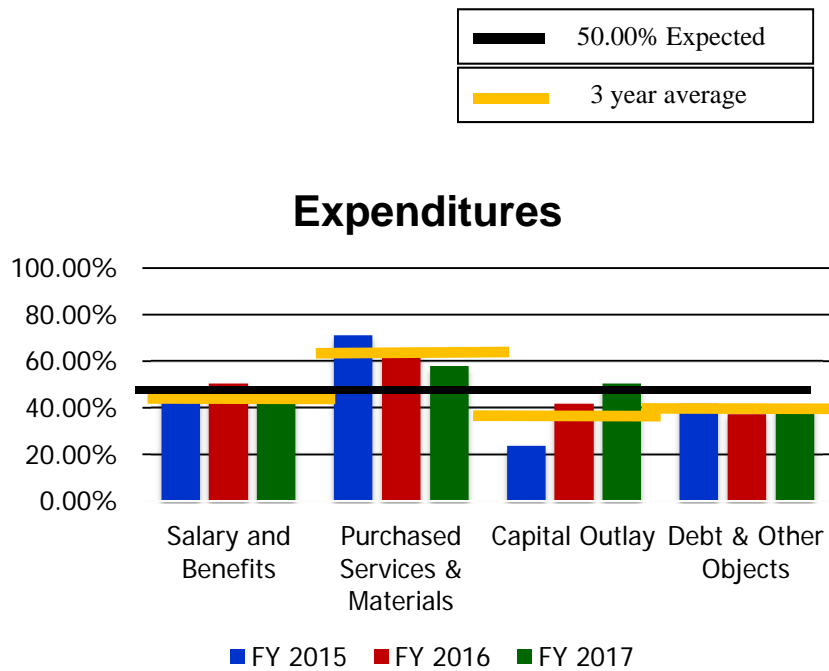
The fiscal year 2017 adopted General Fund budget for the District is \$72,154,895. This budget, coupled with carryover encumbrances of \$988,614, resulted in a \$73,143,509 General Funds appropriation for FY 2017. The following information is a financial update of the status of this appropriation through December 31, 2016.

Through December 31, 2016 the District has expended \$33,151,587 and has outstanding encumbrances of \$2,962,128. This total of \$36,113,715 reflects 49.37% of the District's total appropriation. A statistical spending range for the District is based on two analyses: first, time elapsed is six months or 50.0% of the fiscal year has passed. Secondly, twelve of twenty-four (12/24), or 50.0% of the total pay periods have passed.

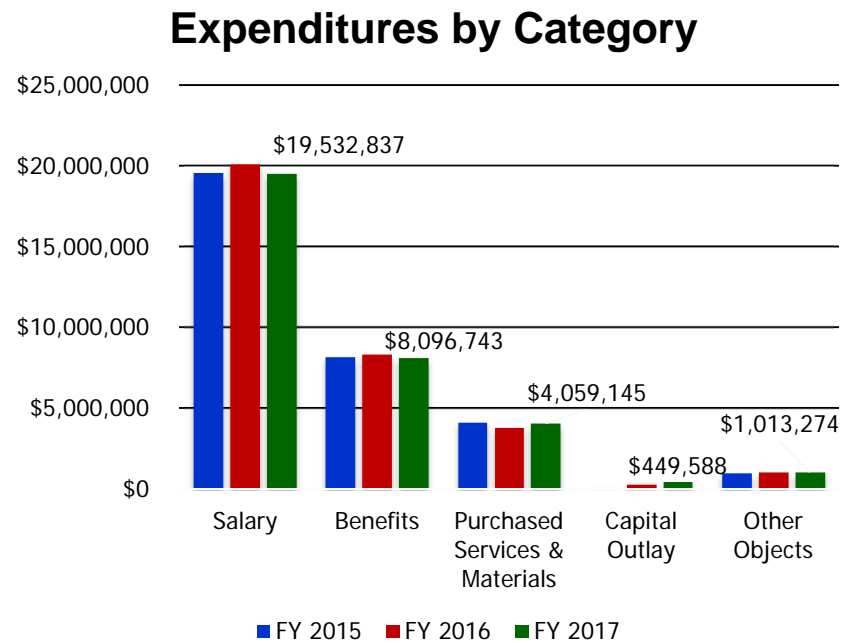


Expenditures Thru December 31

Percent Expended / Encumbered



Expenditures by Category



Strongsville City Schools

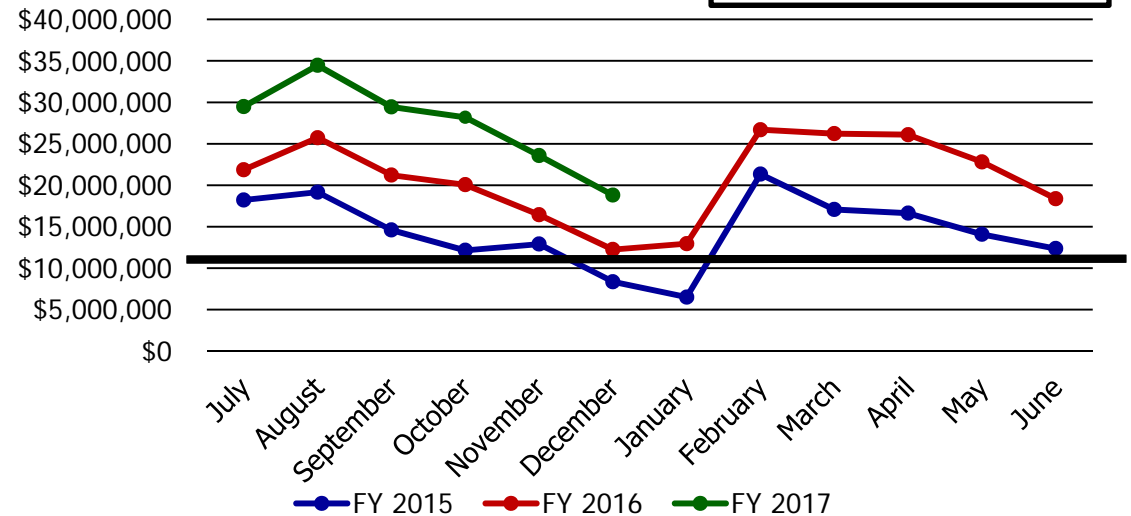
- General Fund Cash Balance

Cash Balance – General Fund

The cash balance as of December 31, 2016 is \$18,808,130. The unencumbered balance as of December 31, 2016 is \$15,846,002. 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 \$10,838,319. Currently the District is above this benchmark.

	FY 2017
Beginning Cash Balance	\$18,366,730
Total Revenues	33,592,987
Total Expenses	33,151,587
Revenue over Expenses	441,400
Ending Cash Balance	18,808,130
Encumbrances/Reserves	2,962,128
Unencumbered Balance	<u>\$15,846,002</u>

Cash Balances Last 3 Years



Strongsville City Schools

- Student Fee Balance

Student Fee Balance as of: January 12, 2017

- Schools had from September 19th - October 7th to distribute the fee notices. If fees are not paid by December 22, then we will deactivate their PASS accounts.

Number of Students	Outstanding Fee Balance		
1,373	\$114,212	Current Year	
353	\$57,410	Prior Year	
	<u>\$171,622</u>	Total	

- Of the \$171,622 total, \$114,212 or 67% is from the current year and the remaining \$57,410 or 33% is from prior years.
- Of the prior year balance, 70 students are on payment plan with an outstanding balance of \$15,586

Strongsville City Schools

- Questions?