

Strongsville City Schools

Board Financial Report As Of:
April 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 \$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 **206 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 20 positions (all funds). **(\$500 thousand in savings)**
 - FY 2019 – Reducing 13 positions (all funds). **(\$1.0 million 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

April 2015, 2016, & 2017

	April 2015	April 2016	April 2017	Monthly Change from Previous Year	Fiscal Year to Date 2015	Fiscal Year to Date 2016	Fiscal Year to Date 2017	YTD Change from Previous Fiscal Year
Revenue:								
Real Estate Taxes	2,451,201.27	0.00	67,474.76	67,475	47,352,843.02	49,239,219.10	50,402,883.53	1,163,664
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	777,125.59	1,897,300.05	2,586,919.43	689,619	8,323,586.91	9,475,436.83	10,318,470.91	843,034
State Aide - Restricted	6,019.17	4,239.37	7,387.57	3,148	62,504.48	52,605.74	61,685.95	9,080
Property Tax Allocation	7,245.34	3,018,374.86	9,093.07	(3,009,282)	4,918,026.08	7,173,731.02	3,463,706.21	(3,710,025)
All Other Revenues	<u>2,083,548.08</u>	<u>97,301.63</u>	<u>156,572.56</u>	<u>59,271</u>	<u>4,259,833.52</u>	<u>3,259,331.68</u>	<u>3,406,610.75</u>	<u>147,279</u>
Total Revenues	5,325,139.45	5,017,215.91	2,827,447.39	(2,189,769)	64,916,794.01	69,216,104.32	67,656,345.74	(1,559,759)
Expenditures:								
Salaries	3,088,853.48	3,115,275.91	3,328,328.81	213,053	33,320,411.10	32,612,788.97	32,669,054.31	56,265
Benefits	1,578,788.24	1,271,155.75	1,293,082.85	21,927	14,005,092.12	13,410,105.92	13,253,736.93	(156,369)
Purchased Services	508,294.52	613,342.37	391,979.16	(221,363)	5,151,990.38	5,341,131.26	5,344,737.51	3,606
Supplies and Materials	120,114.11	83,413.08	564,828.62	481,416	1,405,535.47	982,527.06	1,560,038.06	577,511
Capital Outlay	26,715.49	28,492.87	3,982.05	(24,511)	176,327.57	347,950.65	607,735.81	259,785
Other Objects	<u>450,034.80</u>	<u>25,881.07</u>	<u>49,953.69</u>	<u>24,073</u>	<u>1,457,984.77</u>	<u>2,790,513.77</u>	<u>2,468,759.11</u>	<u>(321,755)</u>
Total Expenditures	5,772,800.64	5,137,561.05	5,632,155.18	494,594	55,517,341.41	55,485,017.63	55,904,061.73	419,044
Excess of Revenue over (under)								
Expenditures	(447,661.19)	(120,345.14)	(2,804,707.79)		9,399,452.60	13,731,086.69	11,752,284.01	

Strongsville City Schools

- General Fund Revenues

Revenues

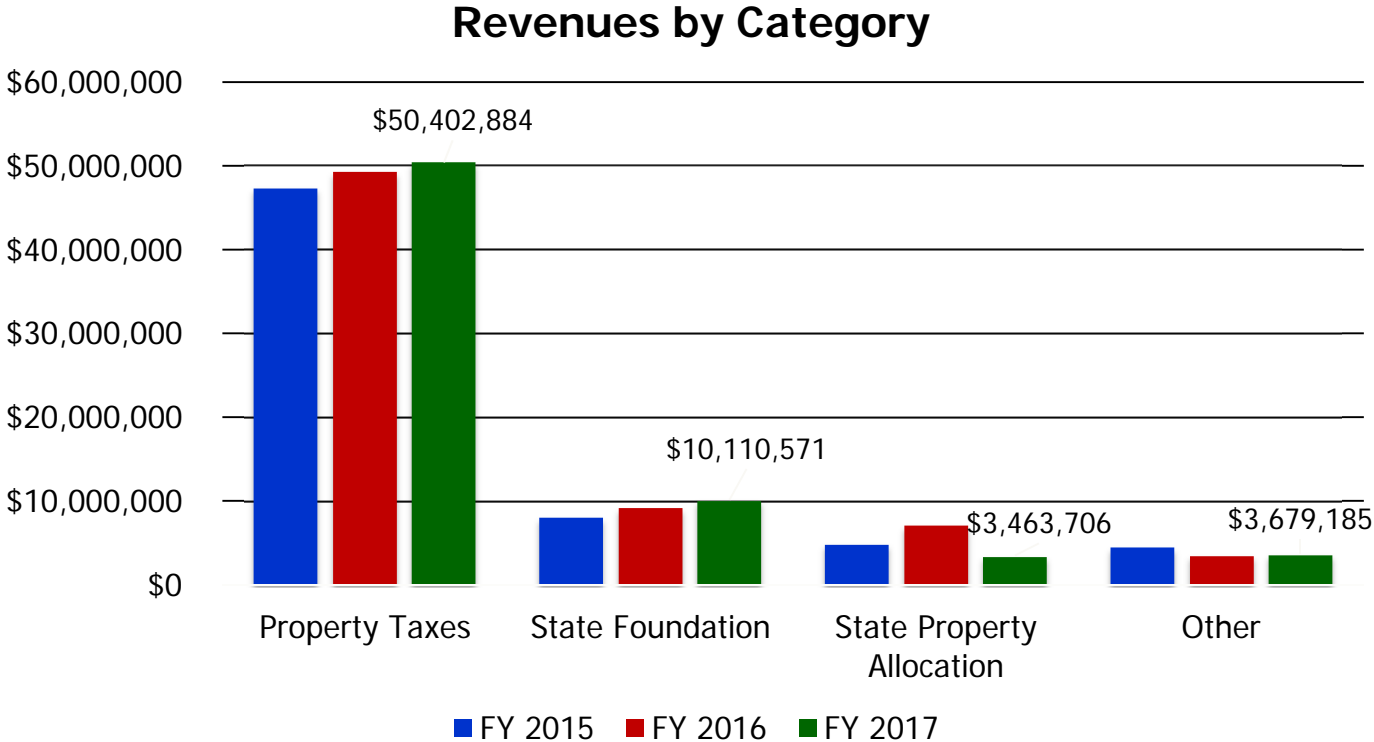
As of the October 2016 financial forecast, the Strongsville City Schools is forecasting **\$71,451,528** in revenue within the General Funds in the 2016-2017 fiscal year as shown on figure 1. As of **April 30, 2017** the District has received revenue in the amount of \$67,656,346. The District is projecting to receive \$5,847,284 in revenue from May-June for a total projected revenues of \$73,503,630, which would result in \$2,052,102 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	May - June	Revenue		(Under)
Revenues						
Real Property Tax	\$48,943,766	\$50,402,884	\$245,000	\$50,647,884	(a)	\$1,704,118
State Foundation	11,810,144	10,110,571	1,583,818	11,694,389	(b)	(115,755)
Property Tax Homestead and Rollbacks	6,046,413	3,034,990	3,021,067	6,056,057	(c)	9,644
Tangible Personal Property (TPP)	861,825	428,716	428,716	857,432	(c)	(4,393)
TIF Revenue	2,100,000	2,107,444	0	2,107,444	(d)	7,444
Casino Receipts	274,380	269,586	0	269,586	(c)	(4,794)
Interest	20,000	128,361	7,954	136,315	(c)	116,315
Other Revenues	590,000	392,335	369,079	761,414	(e)	171,414
Sports Pay to Participate	200,000	228,001	0	228,001	(c)	28,001
Tuition - From Other Districts	305,000	221,401	146,450	367,851	(c)	62,851
Tuition - Full Day Kindergarten	235,000	267,977	38,900	306,877	(c)	71,877
Tuition - Preschool	65,000	64,080	6,300	70,380	(c)	5,380
Total Revenues	\$71,451,528	\$67,656,346	\$5,847,284	\$73,503,630		\$2,052,102

- a) The District received \$49,761,999 in general real property taxes in FY16 and is anticipating to receive \$50,647,884 in FY 17. The current collection rate for collection year 2016 increased from 96.6% to 97.5%.
- b) The District will receive state funding in FY17 based on HB 64.
- c) These revenues have been received as anticipated.
- d) The District received \$2,107,444 in TIF revenues in FY 17 compared to \$2,113,540 in FY16.
- e) 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 April 30. The three years of data will be beneficial for trend analysis performed throughout the year.



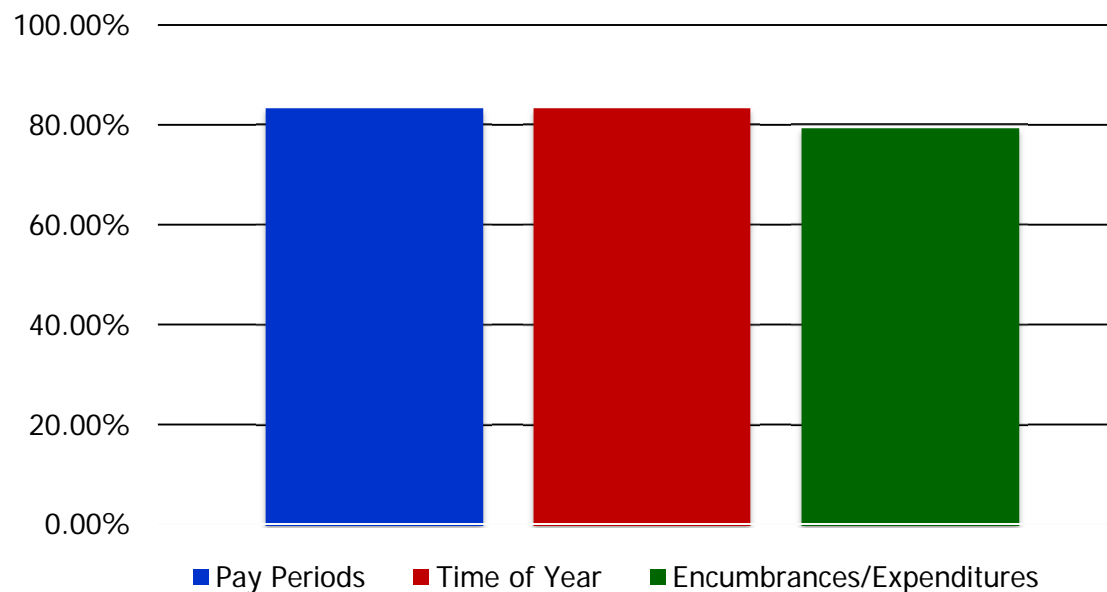
Strongsville City Schools

- General Fund Expenditures

Expenditures

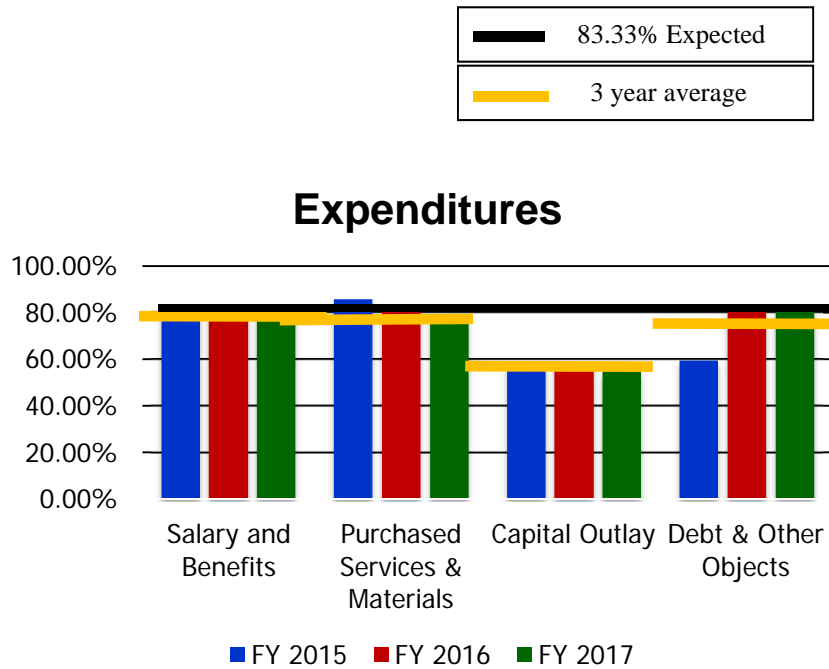
The fiscal year 2017 adopted General Fund budget for the District is \$72,154,895. This budget, coupled with carryover encumbrances of \$988,614, resulted in a \$73,143,509 General Funds appropriation for FY 2017. The following information is a financial update of the status of this appropriation through April 30, 2017.

Through April 30, 2017 the District has expended \$55,904,062 and has outstanding encumbrances of \$2,084,960. This total of \$57,989,022 reflects 79.28% of the District's total appropriation. A statistical spending range for the District is based on two analyses: first, time elapsed is ten months or 83.33% of the fiscal year has passed. Secondly, twenty of twenty-four (20/24), or 83.33% of the total pay periods have passed.

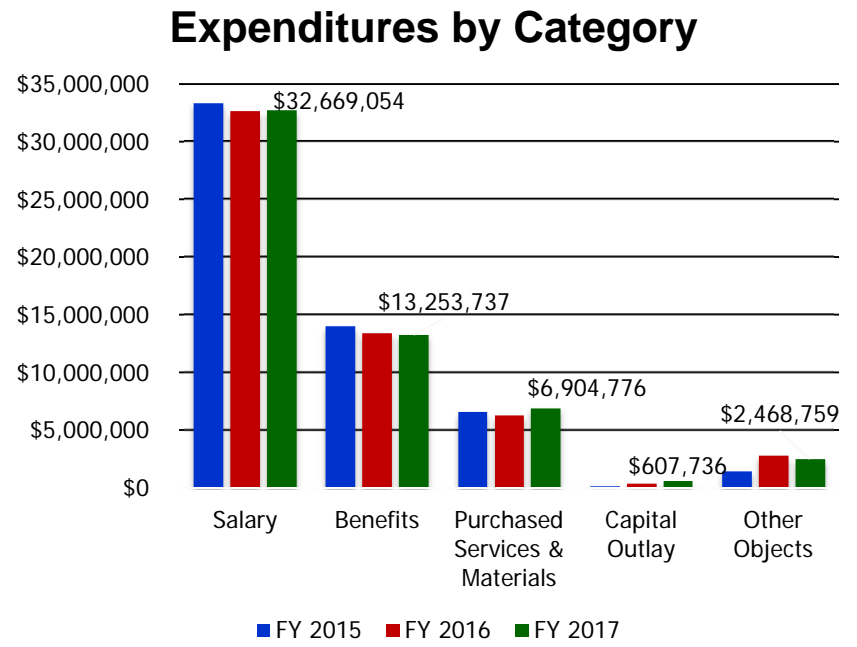


Expenditures Thru April

Percent Expended / Encumbered



Expenditures by Category



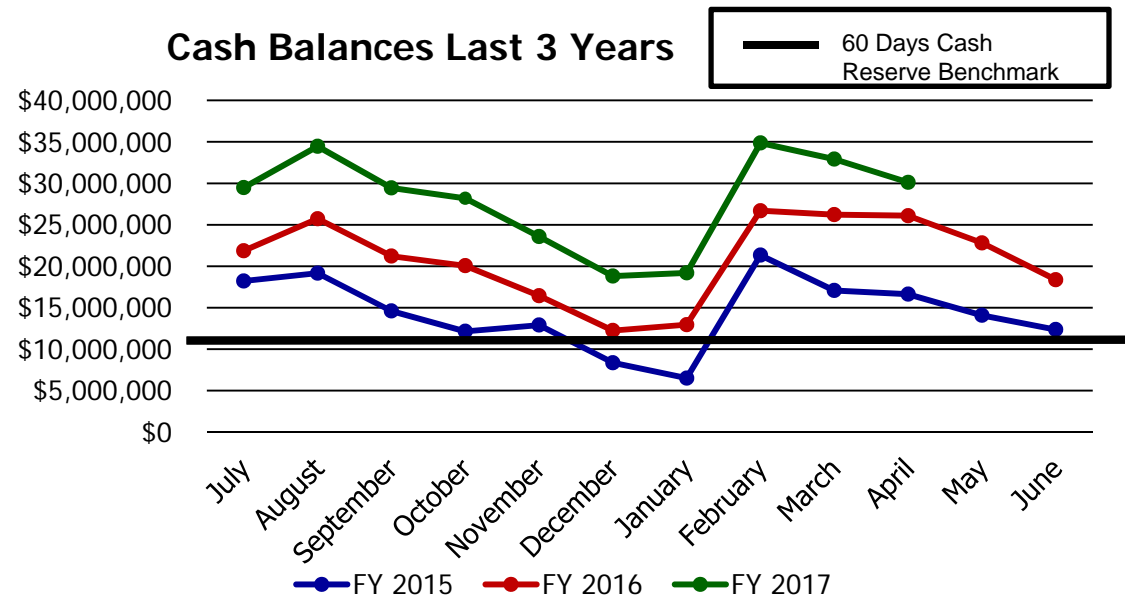
Strongsville City Schools

- General Fund Cash Balance

Cash Balance – General Fund

The cash balance as of April 30, 2017 is \$30,119,014. The unencumbered balance as of April 30, 2017 is \$28,034,054. 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 \$11,053,326. Currently the District is above this benchmark.

	FY 2017
Beginning Cash Balance	<u>\$18,366,730</u>
Total Revenues	67,656,346
Total Expenses	55,904,062
Revenue over Expenses	<u>11,752,284</u>
Ending Cash Balance	30,119,014
Encumbrances/Reserves	2,084,960
Unencumbered Balance	<u><u>\$28,034,054</u></u>



Strongsville City Schools

- Questions?