PCSD
Parma City School District

Public Relations
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In October 2016, the Parma City School District Board of Education acted upon recommendations from the district's business office and Treasurer to secure a 10-year Tax Anticipation Note (TANS) in the amount of $9,100,000. This Tax Anticipation Note was intended for various permanent improvement projects they envisioned needing to complete. TANS are short-term debt securities available to public entities to finance an immediate project that will later be repaid by future tax collections.

The district did not ultimately need all of the revenue generated from these TANS and, instead, saved approximately half of the original money for future needs. There is, however, a "shelf life" of the TANS; the IRS mandates that we spend 85% of the TANS money within three years of securing the funds or we will have to pay taxes on what remains.

To avoid the need to pay taxes on the TANS, we are allocating these funds to the purchase of long-term capital needs. Importantly, the TANS funds cannot be spent on salaries or other operating expenses; they can only be dedicated to capital resources with a lifespan of at least five years. Purchases for school sites will all be portable so that we can move them to different locations in the event that we elect to consolidate sites.

We are purchasing the following:

- 24 new school buses
  - Replacing models purchased in 2004-07
- 21st Century Classroom Furniture
  - Flexible, portable furniture that allows for student movement and collaboration
- MacBooks for staff and Apple TVs for classrooms
  - Already scheduled for purchase, allows for alternate allocation of permanent improvement budget
- Update three high school media centers
  - Flexible furniture to allow for more student collaboration
- Presentation Labs at each high school
  - 21st century environment for student presentations, projects

These purchases represent our continued commitment to fiscal responsibility. All of these TANS purchases address immediate and long-term needs for students and staff, or help us to reduce operating expenses. Further, all will remain viable regardless of the consolidation plan we ultimately choose to implement.

Public Relations
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