



PAFR

POPULAR ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDING JUNE 30, 2023





PARMA CITY SCHOOL DISTRICT

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TO THE CITIZENS OF THE PARMA CITY SCHOOL DISTRICT,

The Parma City School District (the "District") is fortunate to have supportive individuals, businesses and organizations who are partners with us in the education of our children.

As the steward of the community's investment in its schools, the District is committed to ensuring that all of our partners have easy access to an understanding of Parma City Schools finances.

It is our pleasure to offer our Parma City School District's Popular Annual Financial Report (PAFR). The PAFR is part of our commitment to transparency. It offers an easy to understand overview of the District's general operating activities as well as key financial trends and data. The PAFR contains highlights of the District finances. The information in this report is taken from the most recent fiscal year that ended June 30, 2023.

We operate our District primarily from the resources that are in our General Fund, which is the focus of this report. The PAFR is prepared on a cash basis of accounting. The information presented is unaudited and has been compiled by the District for this report.

Sincerely,

Sean Nuccio, CPA
Treasurer/Chief Financial Officer

SCHOOL BOARD

Angela N. Schwark
Steven Vaughn, President
Mark Ruda
Cynthia Lee Bratz, Vice President
Jack C. Krise, Jr. (not pictured)



RECEIPTS AND RESOURCES OVER DISBURSEMENTS AND SERVICES PROVIDED

The Financial Activity Statement below is shown on a cash-basis for the District's General Fund. This type of schedule, known in accounting terms as the income statement, provides a summary of the receipts and resources received by the District compared to the disbursements and services provided by the District.

RECEIPTS & RESOURCES <i>(shown in thousands)</i>	FY23	FY22	FY21	FY20
General Property – Real Estate	\$98,239	\$98,686	\$90,629	\$92,254
State Funding – Unrestricted	\$17,773	\$17,918	\$33,576	\$32,871
Property Tax Allocation	\$14,066	\$14,281	\$13,963	\$14,218
Other Operating Receipts	\$8,921	\$6,931	\$6,628	\$7,388
Public Utility Tax Receipts	\$5,151	\$5,014	\$4,679	\$4,442
State Funding – Restricted	\$3,822	\$3,776	\$2,777	\$2,824
Advances and Transfers	\$3,151	\$831	\$873	\$726
Other Resources	\$286	\$656	\$1,245	\$1,073
Total Receipts & Resources	\$151,409	\$148,093	\$154,370	\$155,796

DISBURSEMENTS & SERVICES PROVIDED <i>(shown in thousands)</i>	FY23	FY22	FY21	FY20
Instruction	\$92,703	\$84,595	\$101,583	\$99,425
Pupil Support	\$14,740	\$13,218	\$12,161	\$11,510
Instructional Staff Support	\$1,894	\$1,821	\$1,985	\$2,136
Board/Fiscal/Administration	\$14,951	\$14,132	\$14,855	\$14,009
Business Support	\$983	\$903	\$993	\$885
Plant Operations	\$9,369	\$8,922	\$8,470	\$9,052
Transportation	\$6,421	\$6,254	\$5,601	\$5,367
Central Support	\$1,924	\$2,080	\$1,927	\$1,717
Extracurricular	\$1,914	\$1,806	\$1,613	\$1,703
Facilities and Construction and Other	\$49	\$54	\$43	\$53
Advances and Transfers	\$2,763	\$3,145	\$824	\$872
Total Disbursements & Services Provided	\$147,711	\$136,930	\$150,055	\$146,729

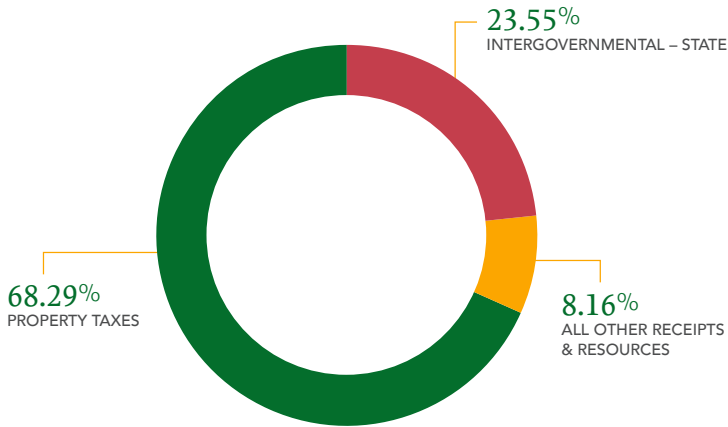
OUTSTANDING DEBT AT YEAR END—ALL FUNDS

The chart below captures the District's long-term obligations. In May 2006 and July 2007, the District issued House Bill 264 energy conservation loans for the purpose of improving energy conservation measures at school facilities. Final payment on the energy conservation loans was made in fiscal year 2023. In November 2016, the District issued \$9.1 million in tax anticipation notes for the purpose of paying costs of general permanent improvements. The tax anticipation notes will be repaid over ten years with the final payment being made in fiscal year 2027.

OUTSTANDING DEBT <i>(shown in thousands)</i>	FY23	FY22	FY21	FY20
Energy Conservation Loans:				
2006 Phase VIII & IX	–	–	–	\$306
2008 Phase X	–	\$112	\$329	\$537
Tax Anticipation Notes	\$3,945	\$4,865	\$5,760	\$6,630
Total Outstanding	\$3,945	\$4,977	\$6,089	\$7,473

GENERAL FUND RECEIPTS AND RESOURCES

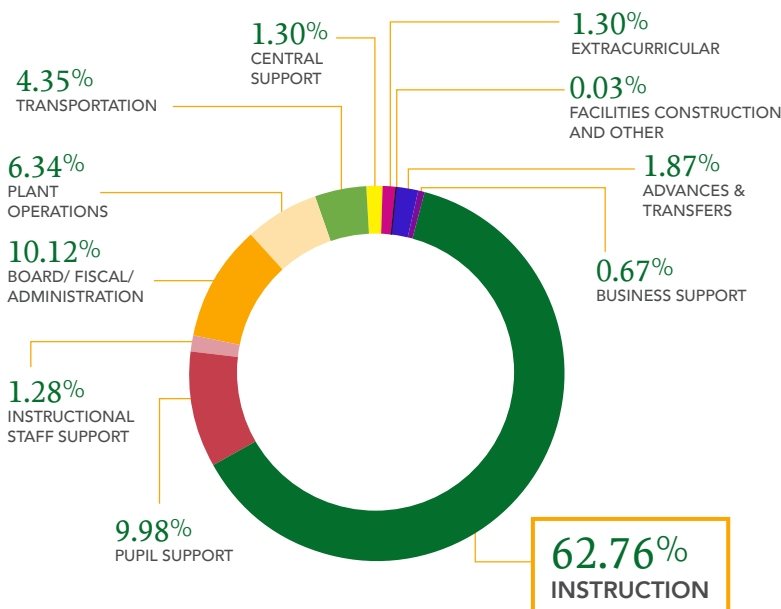
The graph below displays the cash-basis receipts and resources for the General Fund for fiscal year 2023.



\$151,409 TOTAL
RECEIPTS AND RESOURCES (shown in thousands)

GENERAL FUND DISBURSEMENTS AND SERVICES PROVIDED

The graph below displays the cash-basis disbursements and services provided for the General Fund for fiscal year 2023.



\$147,711 TOTAL
DISBURSEMENTS AND SERVICES (shown in thousands)

OUR DISBURSEMENTS AND SERVICES DEFINITIONS

INSTRUCTION is the largest disbursement category and relates to the direct instruction of our students. Students are directly impacted by expenditures from this category.

PLANT OPERATIONS disbursements relate to the safe and efficient environment of the school including building maintenance, grounds, and custodial services.

TRANSPORTATION disbursements relate to providing transportation (mostly by bus) to all students who live in the Parma City School District consistent with Board of Education policies and the laws of the State of Ohio.

BOARD/FISCAL/ADMINISTRATION costs represent those of the administration and Board of Education's operation of the District. Also included in this category are school building secretarial support, financial services, payroll, accounts payable and receivable, auditing, budgeting and reporting, and fringe benefits administration.

BUSINESS SUPPORT costs include business services such as risk management, construction management, central warehousing, courier services, and copy disbursements.

PUPIL SUPPORT areas comprise all guidance services, speech, hearing, occupational therapy, physical therapy, and psychological services.

INSTRUCTIONAL STAFF SUPPORT costs include library services, mentor teacher program, technology integration support, and literacy collaborative support.

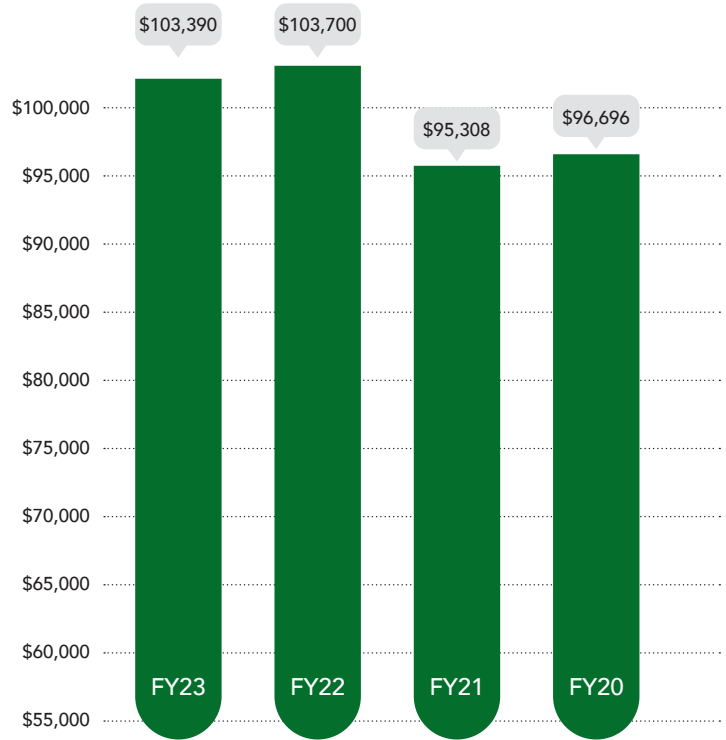
CENTRAL SUPPORT disbursements include community relations and technology maintenance staff, computer network maintenance contracts, district-wide postage costs, and electronic student records and informational services.

EXTRACURRICULAR disbursements account for the salaries and benefits of club advisors and athletic coaches. Includes subject, language, music, honor and sport related activities.

FACILITIES AND CONSTRUCTION AND OTHER include disbursements for building improvements, site improvements, installing or extending service systems and other built-in equipment, the acquisition of other capital assets, and other miscellaneous disbursements of the District.

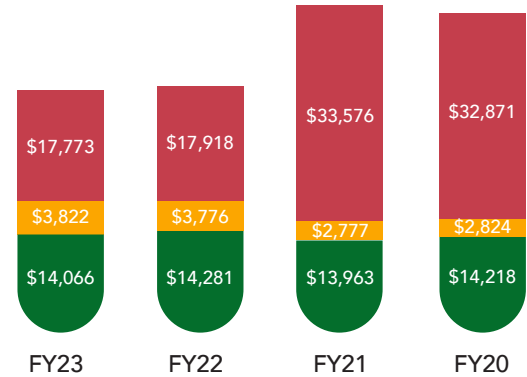
PROPERTY TAXES

To the right is a graph depicting the amount of cash collections received by the District from real estate and public utility personal property taxes. Property taxes provide the majority of the local revenue to operate and maintain our schools. Property tax rates are calculated in mills, each of which is one/one thousandth of assessed property value (i.e. one dollar for every \$1,000 assessed). The District's current millage of 71.20 includes 5.10 mills of continuing inside millage, 43.60 mills from four voted operating levies, 3.00 mills from two continuing permanent improvement levies, and 19.50 mills from four emergency levies. Without voter re-approval or replacement, the emergency levies will expire in years 2024 (3.80 mills), 2027 (4.50 mills), 2031 (7.20 mills), and 2032 (4.00 mills). Amounts shown in thousands.



STATE FUNDING

The chart to the right depicts the cash receipts for the District's General Fund from the State of Ohio. Monies received from the state are critical in running a fiscally solvent school district. The three primary components of state revenues are (1) unrestricted State Aid consisting of State Foundation, which is a formula calculation based upon student enrollment, whose use is not restricted, (2) restricted State Aid received through State Foundation whose use is restricted for specific purposes, and (3) property tax allocations, which include Homestead and Rollback payments, representing the portion of the tax bill paid by the state instead of by the taxpayer. Amounts shown in thousands.



- STATE FUNDING – UNRESTRICTED
- STATE FUNDING – RESTRICTED
- PROPERTY TAX ALLOCATION



PARMA CITY SCHOOL DISTRICT SNAPSHOT



750
TEACHERS



8,924
K-12 STUDENTS



15
TOTAL SCHOOLS
(SCHOOL YEAR 2022/2023)



61
FULL TIME BUS ROUTES



100
BUSES IN FLEET



3,463
STUDENTS BUSSED DAILY



17
VOCATIONAL/TECHNICAL
PROGRAMS OFFERED



209,997
BREAKFASTS SERVED
LAST YEAR



770,557
LUNCHES SERVED
LAST YEAR



UNBUNDLING THE TAX RATE

All tax rates for the District except inside millage are reduced as valuations increase. In accordance with House Bill 920, as property valuations increase during the triennial update and reappraisal periods, the voted millage is reduced in order to generate the same amount of tax revenue for the District as was received when each levy was initially approved by the voters. The chart below shows the difference in the District's "Gross" or voted tax rates, as compared to the "Effective" rates, which are what is being collected. The rates below are for the 2022 tax year collected in 2023.



TAX NEED ON HOMEOWNERS

TYPE	GROSS RATE	EFFECTIVE RATE
Inside – Operating	5.10	5.10
Voted – Operating	43.60	16.12
Emergency	19.50	19.50
Permanent Improvement	3.00	2.17
Total Rates	71.20	42.89

ASSESSED VALUES OF REAL PROPERTY

COLLECTION YEAR	AGRICULTURAL/RESIDENTIAL AND OTHER REAL ESTATE	PUBLIC UTILITY PERSONAL	TOTAL
2023	\$2,560,489,370	\$76,363,660	\$2,636,853,030
2022	\$2,563,914,350	\$72,393,730	\$2,636,308,080
2021	\$2,142,925,840	\$67,295,690	\$2,210,221,530
2020	\$2,134,439,830	\$62,775,140	\$2,197,214,970

TAX COMPARISON

Our effective tax rates as compared to neighboring districts.

SCHOOL	EFFECTIVE TAX RATE
Brooklyn CSD	47.63
Cleveland Municipal SD	45.75
Parma CSD	42.89
North Royalton CSD	39.50
Berea CSD	38.19
Brecksville-Broadview Heights CSD	36.99
Independence LSD	32.45
Cuyahoga Heights LSD	25.48

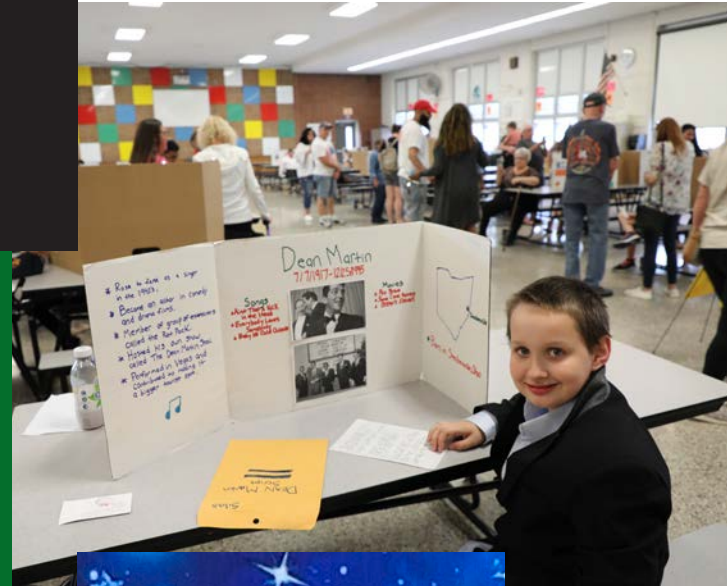
ECONOMIC DISADVANTAGED COMPARISON

Percentage of economic disadvantaged students comparison to neighboring districts (fiscal year 2022).

SCHOOL	PERCENTAGE
Cleveland Municipal SD	99.95
Brooklyn CSD	48.87
Parma CSD	31.94
Berea CSD	24.47
Cuyahoga Heights LSD	20.69
North Royalton CSD	11.11
Brecksville-Broadview Heights CSD	9.40
Independence LSD	5.05

OUR MISSION & VISION

We honor the uniqueness of each individual and embrace diverse backgrounds, values, and points of view to build a strong, inclusive community and to prepare students for lives in a multicultural society.



DISTRICT ACCOMPLISHMENTS

- Serve approximately 9,000 students in 15 schools in Parma, Parma Heights, and Seven Hills
- Offer a myriad of programs to meet individual students' needs and interests, including STEM education in grades Kindergarten through Seventh Grade
- Host 17 Career Technical Education programs on our campuses where students traditionally earn more industrial credentials than their peers in neighboring districts
- Partner with local colleges to offer courses for dual credit at all three of our high school campuses in school year 2022/2023
- Field highly competitive freshmen, junior varsity, and varsity sports programs at all six secondary campuses in school year 2022/2023



The District received a **four-star rating** on the State of Ohio Auditor's Star Rating System. A four-star rating means that the District is not only compliant but has implemented 5 or more best practices. It is the Highest Achievement in this Open and Transparent Government Award.



DISTRICT GOALS

- Increase student achievement
- Improve transparency across our communities
- Practice fiscal responsibility

