



Parma City School District

Five Year Forecast Financial Report

October, 2018

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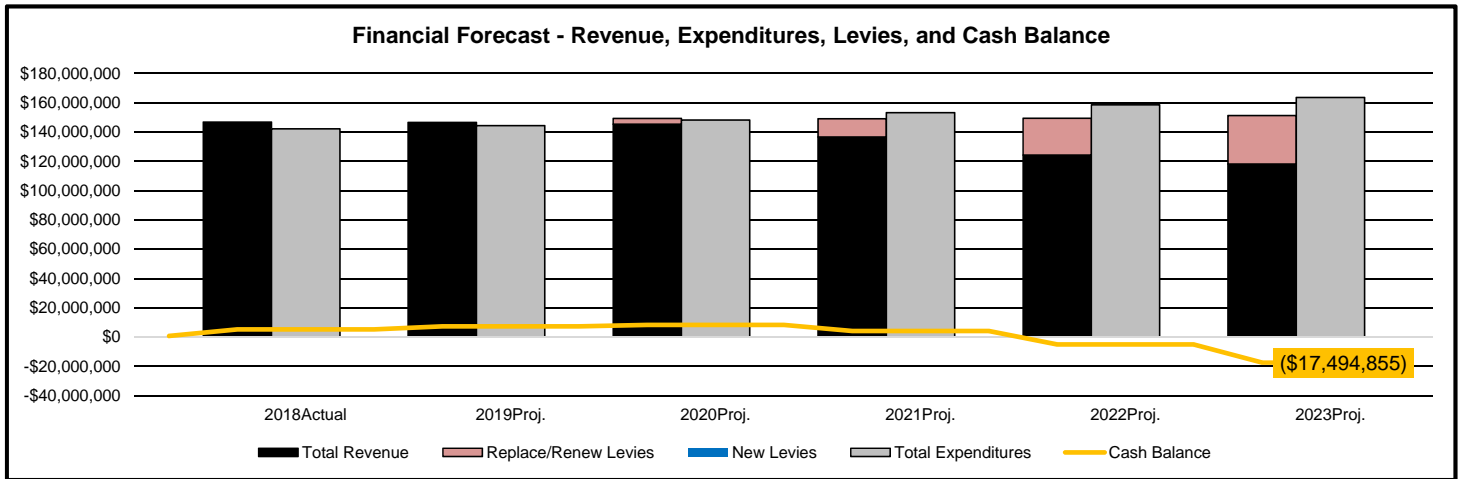
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Forecast Purpose/Objectives

Ohio Department of Education's purposes/objectives for the five-year forecast are:

1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate."
3. To provide a method for the Department of Education and Auditor of State to identify school districts with potential financial problems.

Forecast Methodology - This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year and while cash flow monitoring helps to identify unexpected variances no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.



Parma City School District

Financial Forecast

	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023
Beginning Balance	5,720,286	7,845,074	8,843,415	4,624,461	(4,593,990)
+ Revenue	146,506,426	145,356,267	136,571,793	124,254,922	118,167,761
+ Proposed Renew/Replacement Levies	-	3,880,954	12,449,608	25,092,614	33,047,922
+ Proposed New Levies	-	-	-	-	-
- Expenditures	(144,381,638)	(148,238,880)	(153,240,354)	(158,565,988)	(163,566,548)
= Revenue Surplus or Deficit	2,124,788	998,341	(4,218,953)	(9,218,452)	(12,350,865)
Ending Balance with renewal levies Note: Not Reduced for Encumbrances	7,845,074	8,843,415	4,624,461	(4,593,990)	(16,944,855)

Analysis Without Renewal Levies Included:

Revenue Surplus or Deficit w/o Levies	2,124,788	(2,882,613)	(16,668,561)	(34,311,066)	(45,398,787)
Ending Balance w/o Levies	7,845,074	4,962,461	(11,706,100)	(46,017,166)	(91,415,953)

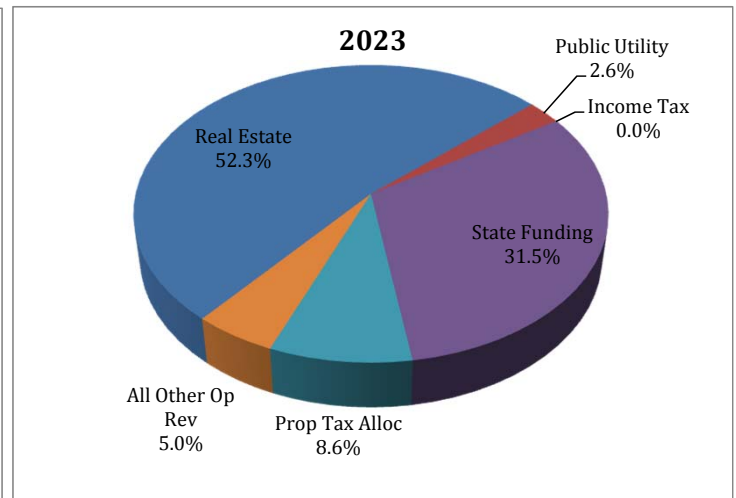
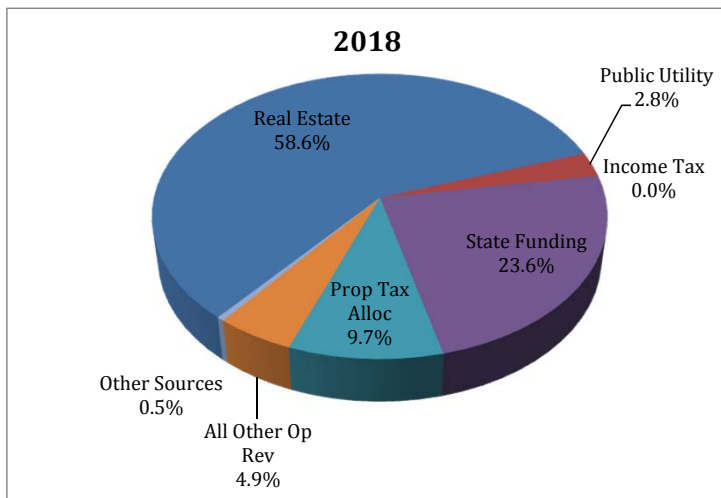
In recent years, the school district has experienced periods of revenue shortfalls that have led to a significant reduction in the cash balance and fiscal instability. This has resulted in the district having to take real estate tax advances from future fiscal years from the County Budget Commission to ensure adequate funds were available to meet operational needs, as well as, implement several different phases of budget reductions, with the latest occurring in May 2018 after a new money tax levy request was not successful.

The forecast projections included in this five year forecast include the staff and budget reductions that were outlined in the fiscal recovery plan approved by the Board of Education at the May 9, 2018 meeting. The implementation of these budget reductions in fiscal years 2019 and 2020, in addition to, the continuation of the budget reductions that have previously been implemented, will enable the school district to eliminate the need to request tax advances from the County Budget Commission. Due to educational needs, the district had to recall teachers from the RIF list causing an adjustments in the expenditure line item for salaries and benefits resulting in negative fund balances in fiscal year 2022 and 2023.

The surpluses in line 15.010 in fiscal years 2019, 2020 and 2021 are dependent on the continuation of tax revenue that is generated by four emergency levies. It is paramount that the renewal levies pass or the district will incur a negative fund balance of (\$91,415,953) in fiscal year 2023.

The following pages of this report outline the forecast assumptions that were used to produce the five year forecast.

Revenue Sources and Forecast Year-Over-Year Projected Overview



	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
Revenue:							
1.010-Real Estate	-0.97%	0.47%	2.47%	0.06%	0.37%	0.30%	0.74%
1.020-Public Utility	3400.37%	-0.45%	-0.85%	0.03%	-0.77%	-0.78%	-0.56%
1.030-Income Tax	n/a	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.035-State Funding	5.58%	1.58%	1.30%	-0.89%	-0.35%	7.77%	1.88%
1.040-Restricted Aid	89.91%	1.13%	1.25%	-0.79%	-0.52%	-19.81%	-3.75%
1.045-Restr Federal SFSF	-100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1.050-Property Tax Alloc	-0.53%	3.33%	0.86%	0.00%	0.71%	0.71%	1.12%
1.060-All Other Operating	14.29%	-20.76%	0.82%	0.82%	0.82%	0.82%	-3.50%
1.070-Total Revenue	1.53%	-0.07%	1.87%	-0.15%	0.22%	1.63%	0.70%
2.070-Total Other Sources	34.41%	-20.08%	0.00%	0.00%	0.00%	-100.00%	-24.02%
2.080-Total w/Other Srcs	1.50%	-0.17%	1.86%	-0.14%	0.22%	1.25%	0.60%

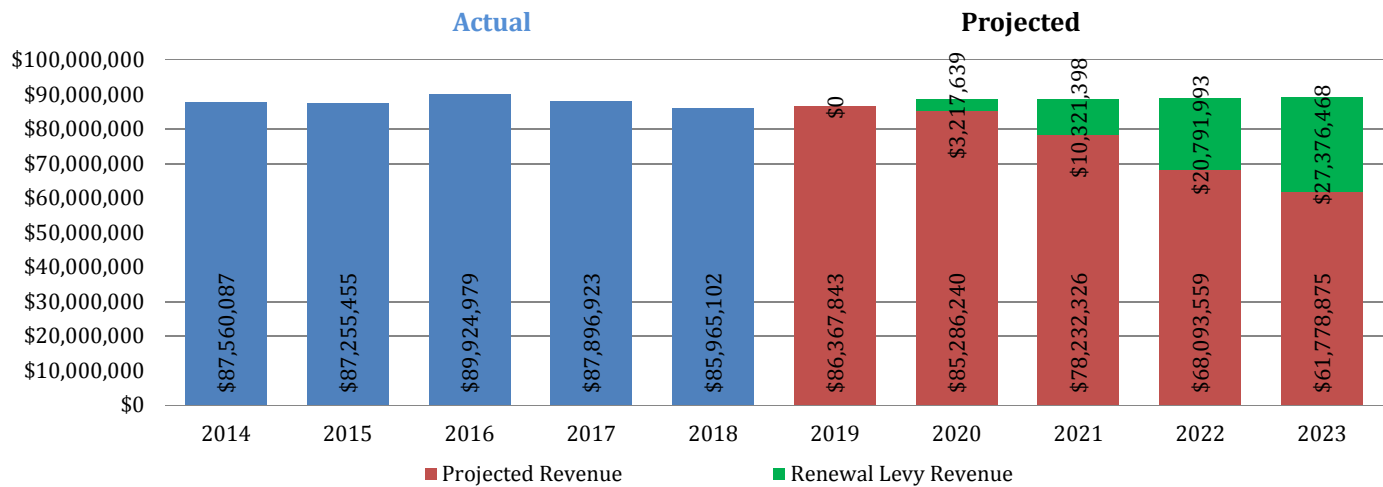
Over the past five years, the district has experienced an average annual increase of 1.53% in operating revenue. Based on current revenue projections, the district is expected to incur an average annual increase of .70% over the next five years.

The largest increase in revenue will be generated by growth in tuition payments from other districts, the receipt of federal Medicaid revenue, and property tax appeal settlements that are received into other operating revenue.

The district's two largest sources of revenue, real estate tax revenue and state aid revenue, are only expected to increase by minimal amounts over the next five years.

1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	85,965,102	86,367,843	88,503,879	88,553,724	88,885,552	89,155,343
YOY \$ Change	(1,931,821)	402,741	2,136,036	49,845	331,828	269,791
YOY % Change	-2.2%	0.5%	2.5%	0.1%	0.4%	0.3%

Percentage of Total Revenue	2018	2019	2020	2021	2022	2023
	58.6%	59.0%	59.3%	59.4%	59.5%	59.0%

Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change	
2017	1,933,301,450	7,677,940	52.46	0.07	55.39	0.18	99.9%
2018	2,142,631,619	209,330,169	47.63	(4.83)	51.07	(4.32)	99.0%
2019	2,140,731,619	(1,900,000)	47.68	0.04	51.25	0.19	99.8%
2020	2,138,831,619	(1,900,000)	47.72	0.04	51.45	0.19	99.8%
2021	2,272,149,855	133,318,236	44.96	(2.76)	50.52	(0.93)	99.8%
2022	2,272,149,855	-	44.96	-	50.52	-	99.8%

Real estate tax revenue represents the largest source of revenue for the General Fund at 59% of total revenue collected in FY19.

Over the past few years, real estate tax revenue levels have fluctuated due to the district taking advances of future year tax collections, in order to meet the operating needs of the district. Beginning in fiscal year 2018, the district stopped requesting additional tax advances from the County Budget Commission.

Other factors that caused reductions in the district's real estate tax collections are significant decreases in residential and commercial/industrial property values and repayments of previous year tax collections to property owners due to property tax appeals.

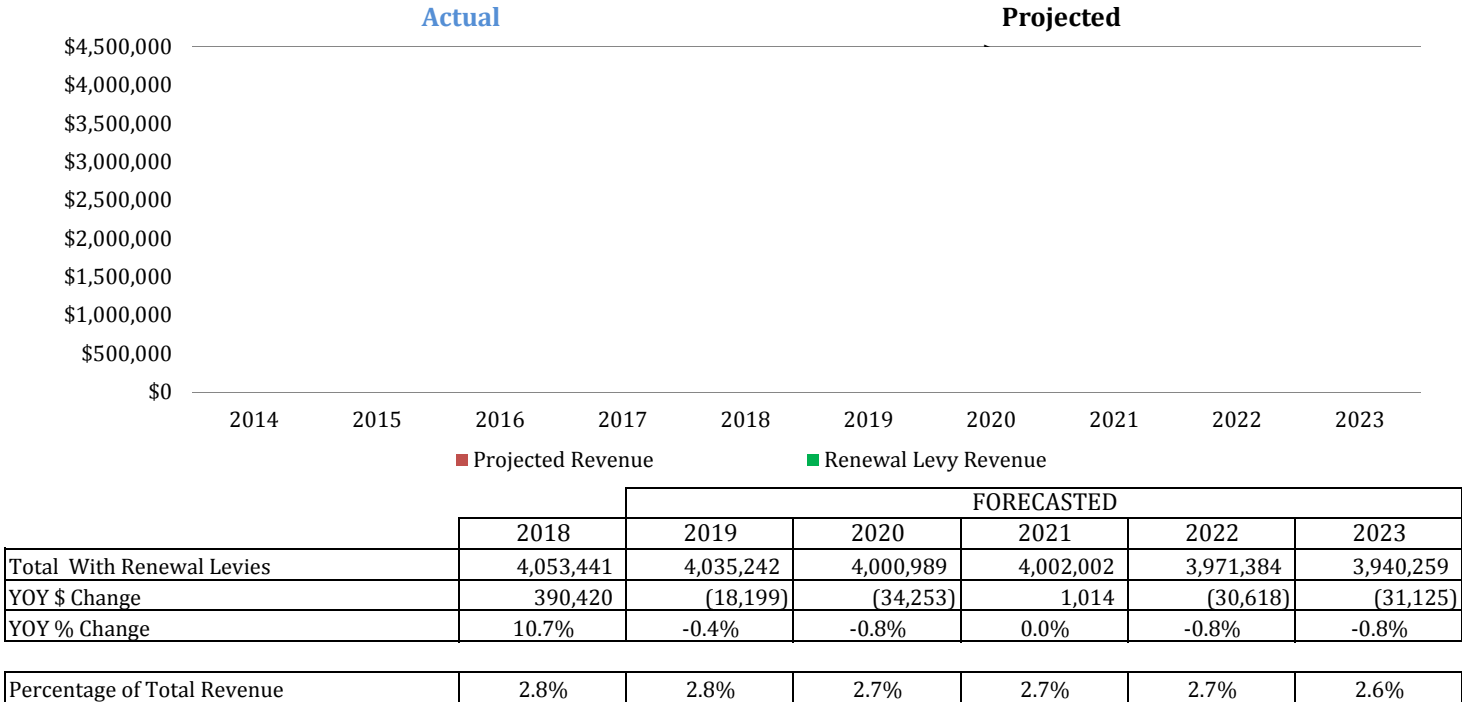
The Cuyahoga County Fiscal Office conducted a property revaluation in 2018 resulting in an average increase of 10% residential property values. The district is anticipating that commercial and industrial property values to decrease over the next four years due to property tax appeals and property revaluation. In addition, a large medical facility within the district was inadvertently classified as taxable by the County in tax year 2017. This property is expected to return to exempt status in tax year 2018 and the district will be required to repay approximately \$750,000 in taxes that were paid by the owner of the facility in fiscal year 2019.

The gross collection rate for tax years 2019 - 2021 is projected to be just under 100%.

**Projected % trends include renewal levies*

1.020 - Public Utility Personal Property

Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.



Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2017	56,472,580	3,629,560	72.86	0.05	100.0%
2018	56,472,580	-	70.84	(2.02)	100.0%
2019	56,472,580	-	70.86	0.02	100.0%
2020	56,472,580	-	70.88	0.02	100.0%
2021	56,472,580	-	69.77	(1.10)	100.0%
2022	56,472,580	-	69.77	-	100.0%

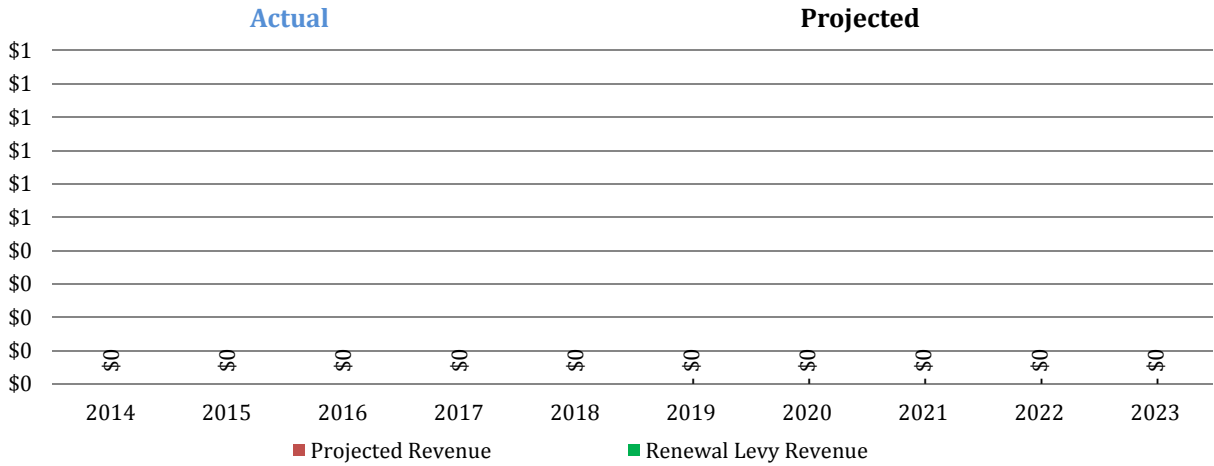
Public Utility - Personal Property tax revenue generates 2.8% of the district's overall revenue. For the purposes of this forecast, public utility-personal property tax revenue was reclassified to this revenue line item, beginning in 2014. Prior to 2014, it was received into the real estate revenue line.

Public utility values are expected to continue to grow over the next five years, but at a lower rate than that experienced in the past five fiscal years.

**Projected % trends include renewal levies*

1.030 - Income Tax

Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.



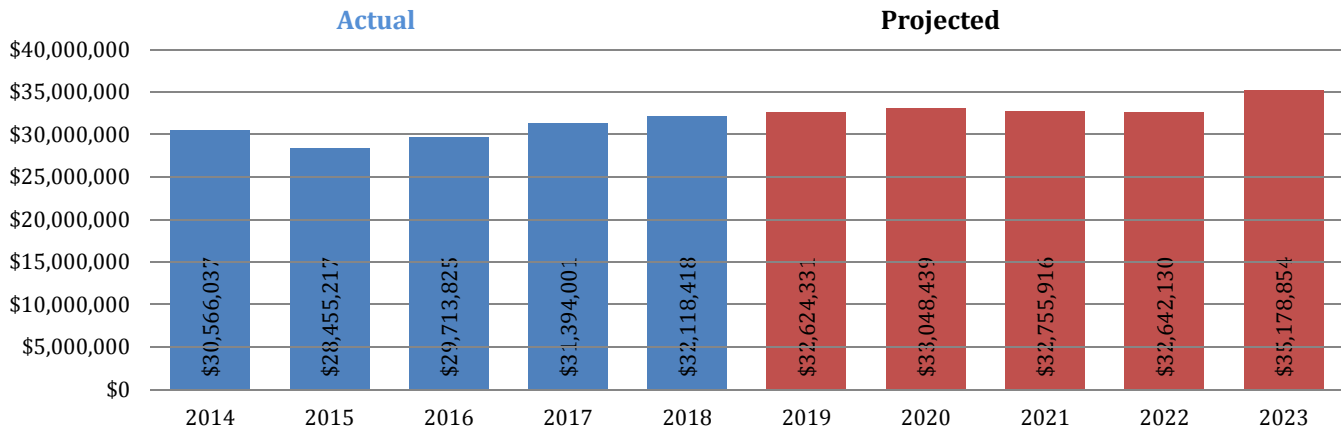
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	-	-	-	-	-	-
YOY \$ Change	-	-	-	-	-	-
YOY % Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Parma City School District does not have a school district income tax.

**Projected % trends include renewal levies*

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	32,118,418	32,624,331	33,048,439	32,755,916	32,642,130	35,178,854
YOY \$ Change	724,417	505,913	424,108	(292,523)	(113,786)	2,536,724
YOY % Change	2.3%	1.6%	1.3%	-0.9%	-0.3%	7.8%

Percentage of Total Revenue	21.9%	22.3%	22.1%	22.0%	21.9%	23.3%
Core Funding Per Pupil	6,010	6,020	6,100	6,200	6,300	6,020
State Share Index (SSI)	38.6%	38.6%	37.7%	37.7%	35.7%	35.7%
State Core Funding Per Pupil	2,321	2,325	2,299	2,337	2,247	2,148

Formula ADM (Funded Student Count)	11,684	11,453	11,151	10,953	10,822	10,723
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Funding Status	Capped	Capped	Formula	Formula	Guarantee	Guarantee
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The state's per pupil funding formula is the second largest form of revenue the district receives and generates 22.3% of the district's revenue. During the past five years, the district has seen this revenue source grow in four of the past five years.

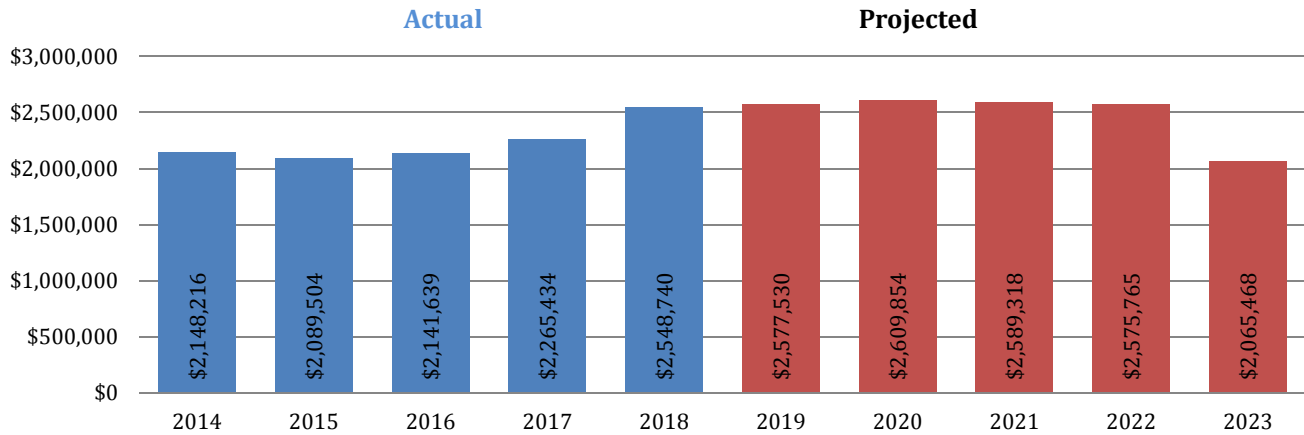
For the next two fiscal years, the district's state share is projected to be 38.6%, an increase of 1.2% from FY17. This is the ratio that determines how much of the \$6,010 (FY18) formula amount per pupil the district will receive from the state. For FY18 this amount calculates to about \$2,324 per pupil. However, due to funding increase limitations set by the State of Ohio, the district's total increase in base aid is restricted to no more 3% of the amount received in the previous fiscal year, also known as the funding cap. Based on current enrollment and property valuation projections, the school district will reach the funding cap in FY18 and FY19.

Even though current law only defines the funding formula for FY18 and FY19, the district used these same calculations to project FY20 to FY22 state funding levels. Using the current funding formula, the district will be on the formula in FY20 and FY21 and then be on the guarantee in fiscal years 2022 and fiscal year 2023.

Our state funding is dependent on our funding status. Currently, we are on the cap meaning that we are not fully funded based on the number of students enrolled. We receive 91% of the formula resulting in a \$1.5 million loss. If enrollment continues to fall, we will move off the cap and move to the formula where our funding is based on the number of students enrolled multiplied by a complex factor.

1.040 & 1.045 - Restricted Grants-in-Aid

Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.



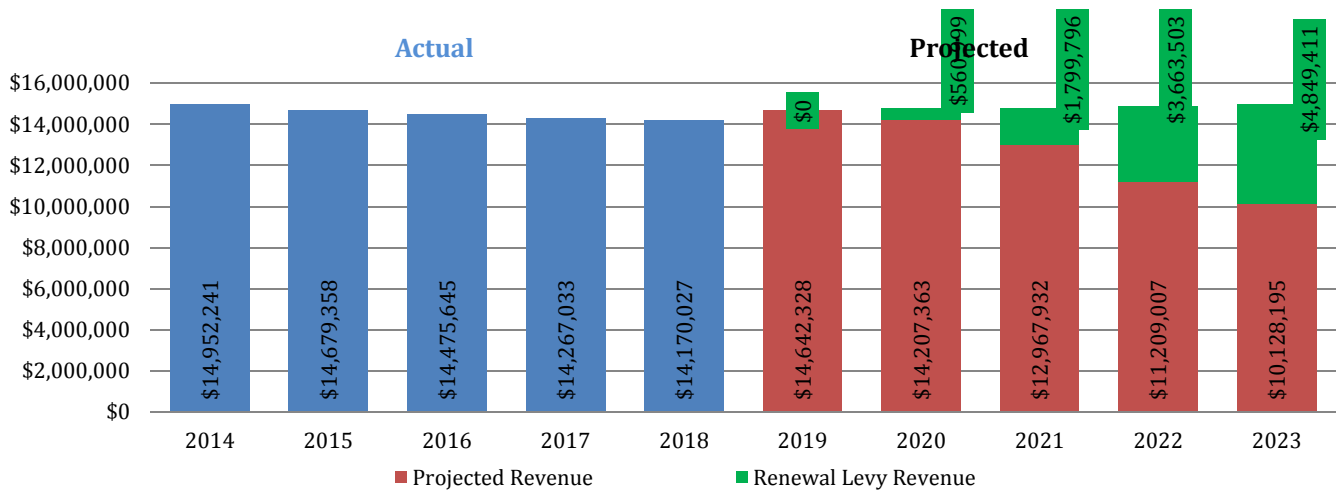
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	2,548,740	2,577,530	2,609,854	2,589,318	2,575,765	2,065,468
YOY \$ Change	283,306	28,790	32,324	(20,536)	(13,553)	(510,297)
YOY % Change	12.5%	1.1%	1.3%	-0.8%	-0.5%	-19.8%
Percentage of Total Revenue	1.7%	1.8%	1.7%	1.7%	1.7%	1.4%
Economic Disadvantaged Funding	1,075,005	1,108,115	1,140,439	1,119,903	1,106,349	1,096,053
Percentage of Disadvantaged Students	44.7%	44.7%	44.7%	44.7%	44.7%	44.7%

The Ohio Department of Education requires that the district classify a portion of the per pupil formula funding as restricted. This is funding for economic disadvantaged, career technical programs and catastrophic special education reimbursements. The restricted state funding category is 1.8% of the district's total revenue in FY19.

Prior to FY18, the district posted catastrophic special education reimbursements to the unrestricted grants-in-aid revenue line. Starting in the current fiscal year, these reimbursements will be posted to this revenue line and are expected to average \$500,000 annually over the next five years. Career technical funding is estimated to total \$969,415 annually and economic disadvantaged funding is expected to total \$1,078,167 in FY18 and grow slightly over the following four years.

1.050 - Property Tax Allocation

Includes funds received for Tangible Personal Property Tax Reimbursement, Electric Deregulation, Homestead and Rollback.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total With Renewal Levies	14,170,027	14,642,328	14,768,362	14,767,728	14,872,510	14,977,606
YOY \$ Change	(97,006)	472,301	126,034	(633)	104,782	105,096
YOY % Change	-0.7%	3.3%	0.9%	0.0%	0.7%	0.7%
Percentage of Total Revenue	9.7%	10.0%	9.9%	9.9%	10.0%	9.9%
% of Residential Real Estate 10% Rollback	10.27%	10.27%	10.27%	10.27%	10.27%	10.27%
% of Residential Real Estate 2.5% Rollback	2.18%	2.18%	2.18%	2.18%	2.18%	2.18%
% of Residential Real Estate Homestead	5.26%	5.26%	5.26%	5.26%	5.26%	5.26%

Property tax allocation (PTA) represents 10% of the district's overall general fund revenue in FY19 and is comprised of two types of revenue - homestead and rollback reimbursements from the state.

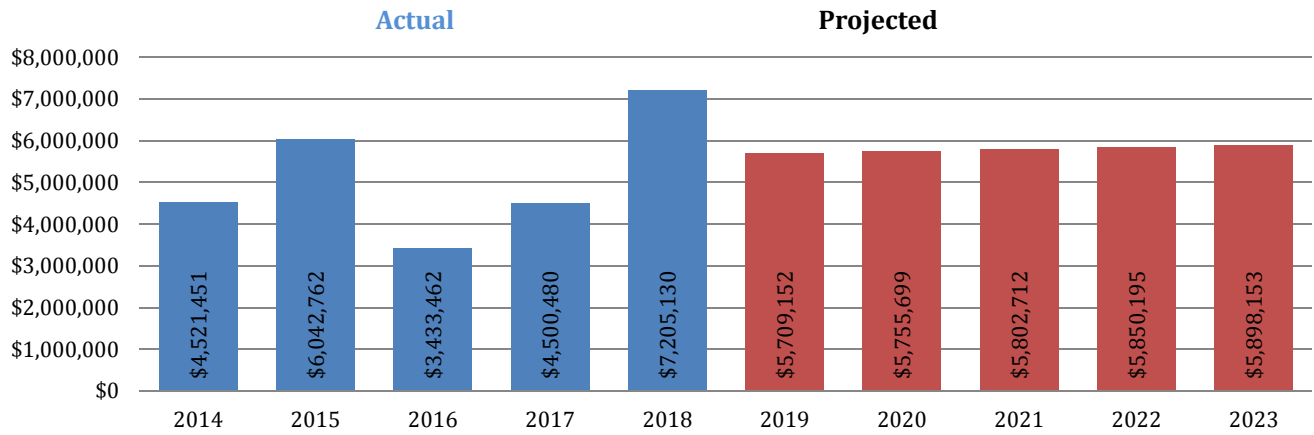
Homestead and rollback reimbursements are state reimbursements for local real estate tax credits (deductions). Local residential real estate taxes are reduced by rollback (12.5% for owner occupied houses) and also for homestead (disabled, senior citizens, etc.).

Rollback reimbursements are projected to total \$10,283,117 in FY19 and homestead reimbursements are expected to total \$4,349,177.

**Projected % trends include renewal levies*

1.060 - All Other Operating Revenues

Operating revenue sources not included in other lines; examples include tuition, fees, earnings on investments, rentals, and donations.

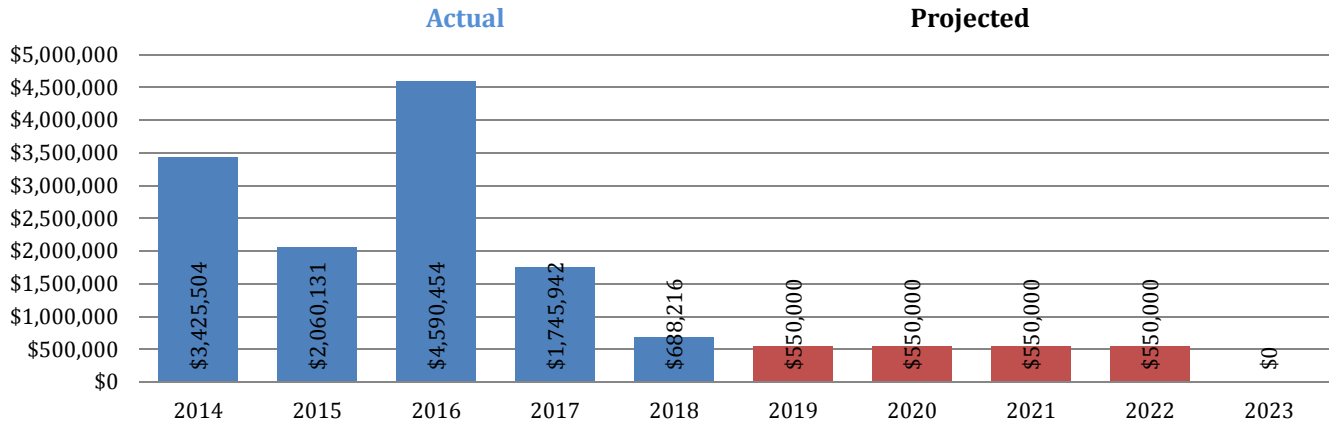


	2018	FORECASTED				
	2018	2019	2020	2021	2022	2023
Total	7,205,130	5,709,152	5,755,699	5,802,712	5,850,195	5,898,153
YOY \$ Change	2,704,650	(1,495,978)	46,547	47,013	47,483	47,958
YOY % Change	60.1%	-20.8%	0.8%	0.8%	0.8%	0.8%
Percentage of Total Revenue	4.9%	3.9%	3.9%	3.9%	3.9%	3.9%

All other revenue represented 3.9% of the district's total revenue in FY19. This section includes property tax settlements, Medicaid reimbursements and tuition revenues.

2.070 - Total Other Financing Sources

Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.

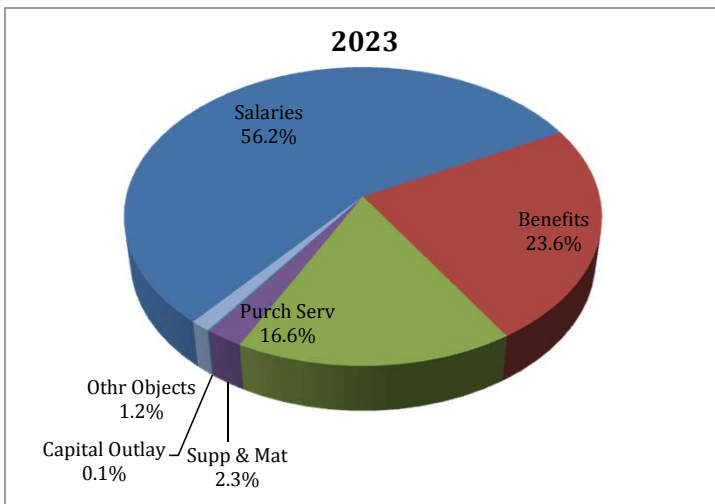
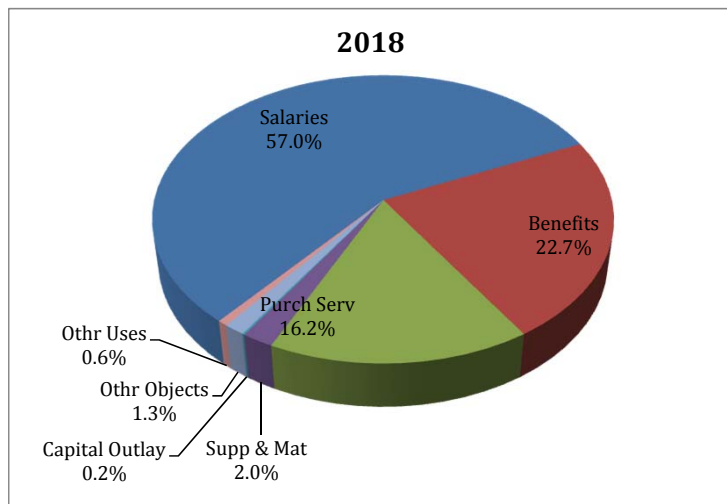


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	688,216	550,000	550,000	550,000	550,000	-
YOY \$ Change	(1,057,726)	(138,216)	-	-	-	(550,000)
YOY % Change	-60.6%	-20.1%	0.0%	0.0%	0.0%	-100.0%
Percentage of Total Revenue	0.5%	0.4%	0.4%	0.4%	0.4%	0.0%
Transfers In	34,978	-	-	-	-	-
Advances In	528,201	500,000	500,000	500,000	500,000	-

The district has had significant fluctuations in Other Financing Sources over the past few years. These fluctuations were caused by variances in year-over-year revenue generated from federal Medicaid reimbursements, workers' compensation refunds, utility expense refunds and vision premium payment refunds. Medicaid reimbursement was reclassified in FY18.

For the current fiscal year, advances to the General Fund will total \$460,077. For subsequent fiscal years, return of advances are projected at \$500,000.

Expenditure Categories and Forecast Year-Over-Year Projected Overview



	Prev. 5-Year Avg. Annual Change	PROJECTED					5-Year Avg. Annual Change
		Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	
Expenditures:							
3.010-Salaries	1.17%	-0.17%	2.62%	3.39%	3.49%	3.49%	2.56%
3.020-Benefits	3.69%	0.32%	3.52%	4.70%	4.87%	4.88%	3.66%
3.030-Purchased Services	1.96%	9.00%	2.01%	1.99%	1.99%	1.88%	3.37%
3.040-Supplies & Materials	-3.91%	22.10%	2.19%	2.21%	2.23%	2.25%	6.20%
3.050-Capital Outlay	75.42%	-20.72%	1.02%	1.02%	1.02%	1.02%	-3.33%
3.060-Intergov	n/a	n/a	n/a	n/a	n/a	n/a	n/a
4.010-4.060-Debt	-20.03%	n/a	n/a	n/a	n/a	n/a	n/a
4.300-Other Objects	-0.25%	-0.34%	1.04%	1.04%	1.03%	1.03%	0.76%
4.500-Total Expenditures	1.16%	1.84%	2.68%	3.39%	3.49%	3.48%	2.98%
5.040-Total Other Uses	31.39%	-44.13%	0.00%	0.00%	0.00%	-100.00%	-28.83%
5.050-Total w/Other Uses	1.13%	1.55%	2.67%	3.37%	3.48%	3.15%	2.85%

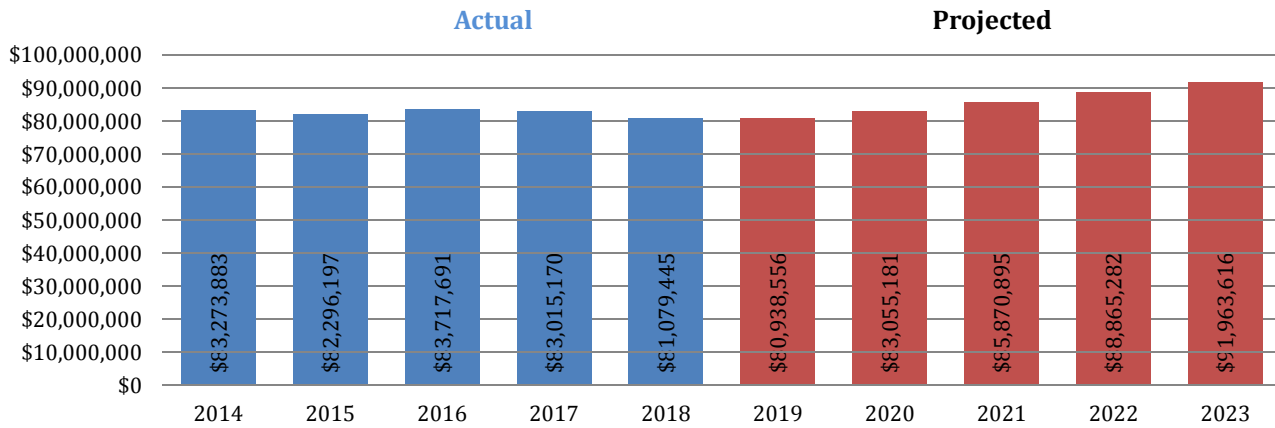
Over the past five years, the district's operating expenditures increased by an average of 1.16% annually. This increase was attributed to year-over year increases in salaries, increases in health insurance premiums and purchased services increasing in 2014 - 2016 before being reduced in 2017.

For the next five years, the district is projecting that operating expenses will increase of 2.98% annually. There are several factors that are expected to influence the average annual increase, including continued increases in salaries, health insurance premiums, tuition, and contracted services.

The following expenditure notes will detail the assumptions used to calculate the expenditure projections in the forecast.

3.010 - Personnel Services

Employee salaries and wages, including extended time, severance pay, supplemental contracts, etc.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	81,079,445	80,938,556	83,055,181	85,870,895	88,865,282	91,963,616
YOY \$ Change	(1,935,725)	(140,889)	2,116,625	2,815,714	2,994,387	3,098,334
YOY % Change	-2.3%	-0.2%	2.6%	3.4%	3.5%	3.5%
Percentage of Total Budget	57.0%	56.1%	56.0%	56.0%	56.0%	56.2%

The salaries expense category represents the largest portion of the district's budget at 56.1% of total general fund operating expenses in FY19.

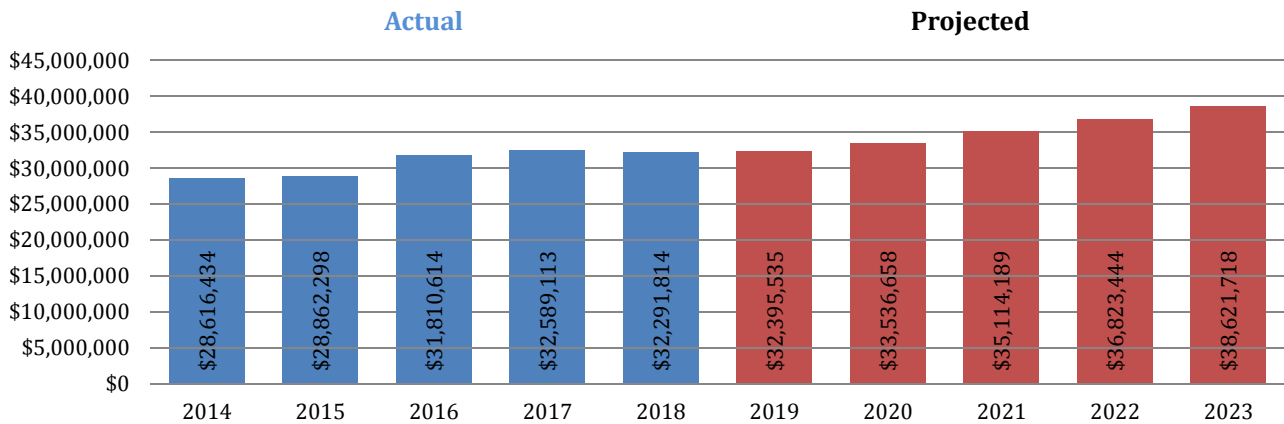
During the previous fiscal year, the district has been forced to reduce staffing levels due to revenue shortfalls. Due to educational needs, the district recalled employees to meet the educational levels of our students.

Certified substitute services were moved from personnel services to purchased services since the district contracted North Coast Shared Services Alliance. In fiscal year 2018, the district obtained subs using in-house services. The fill rate using in-house services was not an acceptable level.

For fiscal years 2019 to 2023, changes in the salary line item have been projected using estimated increases resulting from staff progression on the salary schedule, degree changes and increases due to inflationary pressures.

3.020 - Employees' Benefits

Retirement for all employees, Workers Compensation, early retirement incentives, Medicare, unemployment, pickup on pickup, and all health-related insurances.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	32,291,814	32,395,535	33,536,658	35,114,189	36,823,444	38,621,718
YOY \$ Change	(297,299)	103,721	1,141,123	1,577,531	1,709,255	1,798,274
YOY % Change	-0.9%	0.3%	3.5%	4.7%	4.9%	4.9%
Percentage of Total Budget	22.7%	22.4%	22.6%	22.9%	23.2%	23.6%

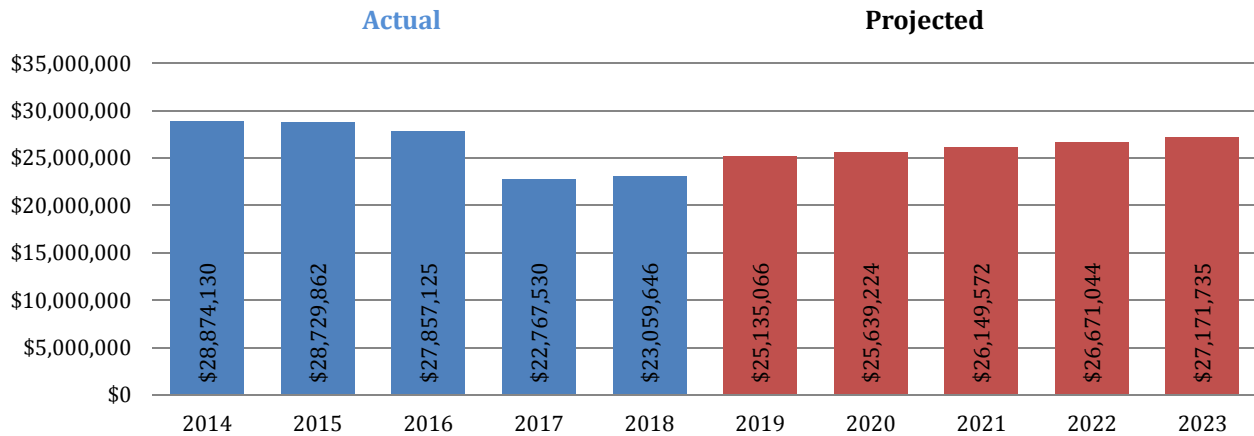
Health Insurance benefits and retirement related expenses are the district's second largest expense, representing 22.4% of the overall General Fund budget in FY19.

The reductions in staffing that occurred during the current fiscal year offset the annual increases in medical premiums that the district incurred. Based on the guidance provided from the district's health insurance broker, the annual health insurance premium were increased by 3.5% with an additional 6% annual increase in fiscal years 2020-2023.

Salary driven fringe benefits total about 17.88% of the annual salary expenses and include retirement costs, the SERS surcharge, Medicare and workers' compensation. Further reductions in benefit expenses have been included in these projections to account for the reduced salary driven benefit expenses that will be experienced, due to the reductions in staffing.

3.030 - Purchased Services

Amounts paid for personal services rendered by personnel who are not on the payroll of the school district, and other services which the school district may purchase.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	23,059,646	25,135,066	25,639,224	26,149,572	26,671,044	27,171,735
YOY \$ Change	292,116	2,075,420	504,158	510,348	521,472	500,691
YOY % Change	1.3%	9.0%	2.0%	2.0%	2.0%	1.9%
Percentage of Total Budget	16.2%	17.4%	17.3%	17.1%	16.8%	16.6%

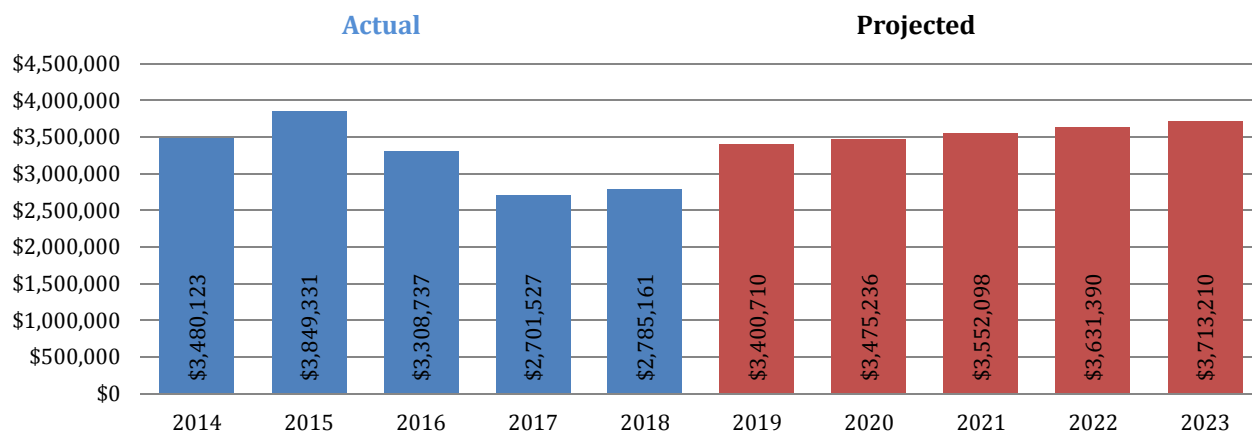
Purchased services represented 17.4% of the FY19 total General Fund expenditures and include contracted services, tuition related expenses and property services, such as, utilities and repairs/maintenance related costs.

For the current fiscal year, tuition related expenses, which represents 61% of all purchased services, will increase by \$329,414 due to charter school and special education costs. Increases in tuition expenses of approximately 2.36% annually are included in FY19 projections.

Certified substitute services were moved from personnel services to purchased services since the district contracted North Coast Shared Services Alliance. In fiscal year 2018, the district obtained subs using in-house services. The fill rate using in-house services was not an acceptable level.

3.040 - Supplies & Materials

Expenditures for general supplies, instructional materials including textbooks and media material, bus fuel and tires, and all other maintenance supplies.



	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	2,785,161	3,400,710	3,475,236	3,552,098	3,631,390	3,713,210
YOY \$ Change	83,634	615,549	74,526	76,862	79,292	81,820
YOY % Change	3.1%	22.1%	2.2%	2.2%	2.2%	2.3%
Percentage of Total Budget	2.0%	2.4%	2.3%	2.3%	2.3%	2.3%

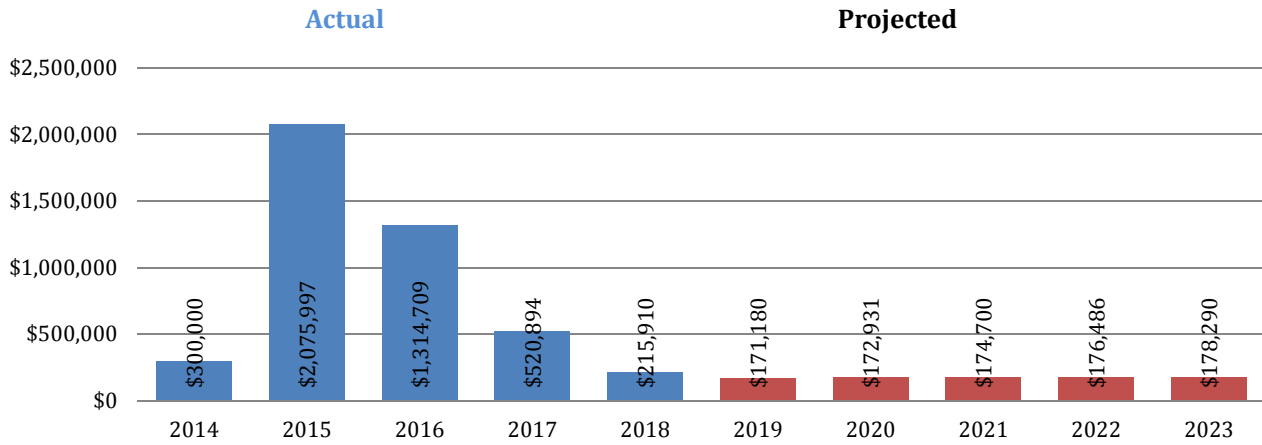
Supplies and materials represents 2.4% of the total General Fund budget in FY19.

Instructional and general supply costs represent the largest portion (51.2%) of all supplies and material expenses. During the current fiscal year, the district renewed up-front licenses for educational programs that have expired. This caused a \$244,524 increase in the textbook line item. The district anticipates these costs will increase by 1% annually for FY19-FY23.

Transportation related supply expenses represent the second largest portion (18.8%) of all supplies and materials. Over the past two fiscal years, the district has been able to reduce costs mainly due to lower fuel costs. Based on projected increases in fuel costs and the additional need for supplies, transportation costs are projected to increase by 18.1% in FY19.

3.050 - Capital Outlay

This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.

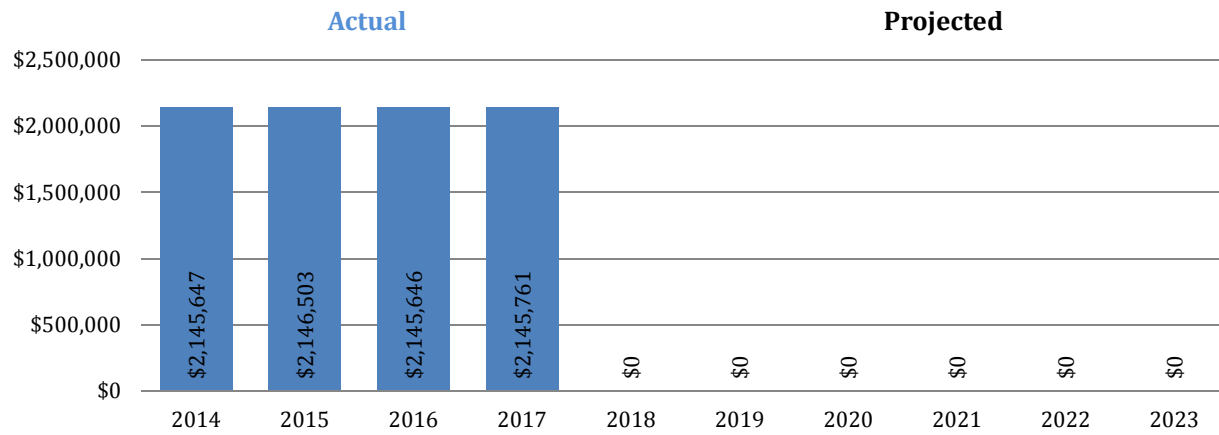


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	215,910	171,180	172,931	174,700	176,486	178,290
YOY \$ Change	(304,984)	(44,730)	1,751	1,769	1,786	1,804
YOY % Change	-58.6%	-20.7%	1.0%	1.0%	1.0%	1.0%
Percentage of Total Budget	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%

Over the past three years, the district has shifted the majority of these expenses to the Permanent Improvement Fund and FY19 capital outlay expenses are only expected to total \$171,180. Minimal inflationary growth is expected in future years.

3.060-4.060 - Intergovernmental & Debt

These lines account for pass through payments, as well as monies received by a district on behalf of another governmental entity, plus principal and interest payments for general fund borrowing.

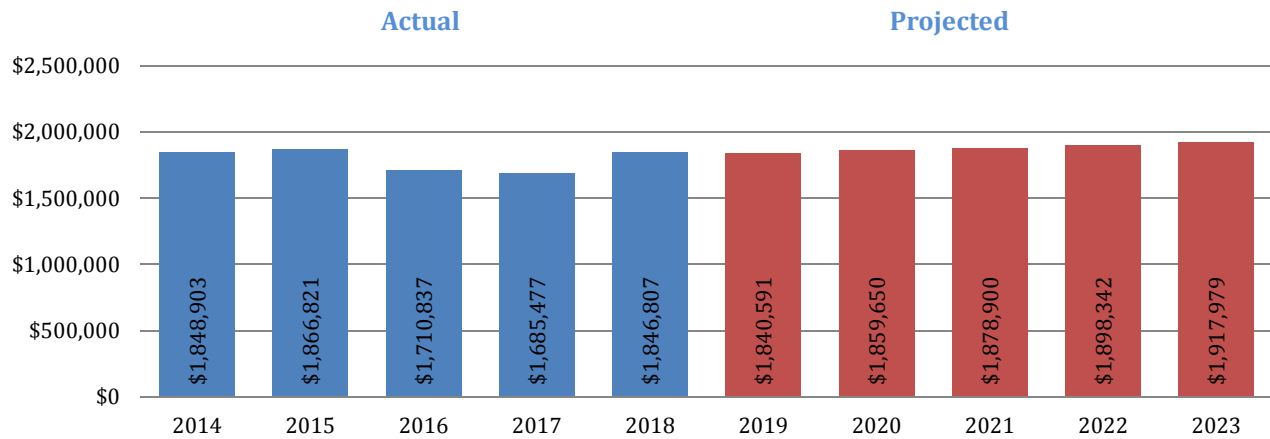


	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	-	-	-	-	-	-
YOY \$ Change	(2,145,761)	-	-	-	-	-
YOY % Change	-100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Percentage of Total Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Per the District's Fiscal Recovery Plan submitted to the Ohio Department of Education, the District began paying these expenses from the Permanent Improvement Fund beginning in FY 2018.

4.300 - Other Objects

Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.



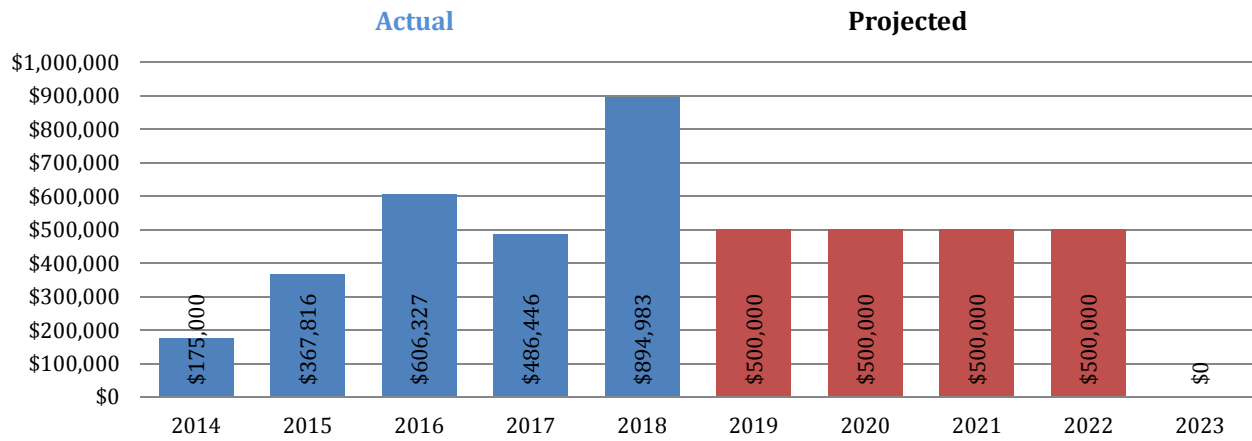
	FORECASTED					
	2018	2019	2020	2021	2022	2023
Total	1,846,807	1,840,591	1,859,650	1,878,900	1,898,342	1,917,979
YOY \$ Change	161,330	(6,216)	19,059	19,250	19,442	19,637
YOY % Change	9.6%	-0.3%	1.0%	1.0%	1.0%	1.0%
Percentage of Total Budget	1.3%	1.3%	1.3%	1.2%	1.2%	1.2%

Over 72.6% of the district's Other Object expenses are related to County Auditor and Treasurer Fees. These fees will stay relatively flat with three renewal levies coming up.

The remainder of this expense is related to bank charges, County ESC expenses and other dues and fees.

5.040 - Total Other Financing Uses

Operating transfers-out, advances out to other funds, and all other general fund financing uses.



	2018	FORECASTED				
	2018	2019	2020	2021	2022	2023
Total	894,983	500,000	500,000	500,000	500,000	-
YOY \$ Change	408,537	(394,983)	-	-	-	(500,000)
YOY % Change	84.0%	-44.1%	0.0%	0.0%	0.0%	-100.0%
Percentage of Total Budget	0.6%	0.3%	0.3%	0.3%	0.3%	0.0%
Transfers Out	23,828	-	-	-	-	-
Advances Out	431,446	500,000	500,000	500,000	500,000	-

Year-end advances for FY 2018 totaled \$431,446. Advances for the current and subsequent fiscal years are expected to total \$500,000 annually.

Parma City School District

Five Year Forecast

Fiscal Year:	Actual	FORECASTED				
	2018	2019	2020	2021	2022	2023
Revenue:						
1.010 - General Property Tax (Real Estate)	85,965,102	86,367,843	85,286,240	78,232,326	68,093,559	61,778,875
1.020 - Public Utility Personal Property	4,053,441	4,035,242	3,898,672	3,673,589	3,334,266	3,118,216
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	32,118,418	32,624,331	33,048,439	32,755,916	32,642,130	35,178,854
1.040 - Restricted Grants-in-Aid	2,548,740	2,577,530	2,609,854	2,589,318	2,575,765	2,065,468
1.050 - Property Tax Allocation	14,170,027	14,642,328	14,207,363	12,967,932	11,209,007	10,128,195
1.060 - All Other Operating Revenues	7,205,130	5,709,152	5,755,699	5,802,712	5,850,195	5,898,153
1.070 - Total Revenue	146,060,858	145,956,426	144,806,267	136,021,793	123,704,922	118,167,761
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	34,978	-	-	-	-	-
2.050 - Advances-In	528,201	500,000	500,000	500,000	500,000	-
2.060 - All Other Financing Sources	125,038	50,000	50,000	50,000	50,000	-
2.070 - Total Other Financing Sources	688,216	550,000	550,000	550,000	550,000	-
2.080 - Total Rev & Other Sources	146,749,074	146,506,426	145,356,267	136,571,793	124,254,922	118,167,761
Expenditures:						
3.010 - Personnel Services	81,079,445	80,938,556	83,055,181	85,870,895	88,865,282	91,963,616
3.020 - Employee Benefits	32,291,814	32,395,535	33,536,658	35,114,189	36,823,444	38,621,718
3.030 - Purchased Services	23,059,646	25,135,066	25,639,224	26,149,572	26,671,044	27,171,735
3.040 - Supplies and Materials	2,785,161	3,400,710	3,475,236	3,552,098	3,631,390	3,713,210
3.050 - Capital Outlay	215,910	171,180	172,931	174,700	176,486	178,290
3.060 - Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	1,846,807	1,840,591	1,859,650	1,878,900	1,898,342	1,917,979
4.500 - Total Expenditures	141,278,783	143,881,638	147,738,880	152,740,354	158,065,988	163,566,548
Other Financing Uses						
5.010 - Operating Transfers-Out	23,828	-	-	-	-	-
5.020 - Advances-Out	431,446	500,000	500,000	500,000	500,000	-
5.030 - All Other Financing Uses	439,709	-	-	-	-	-
5.040 - Total Other Financing Uses	894,983	500,000	500,000	500,000	500,000	-
5.050 - Total Exp and Other Financing Uses	142,173,767	144,381,638	148,238,880	153,240,354	158,565,988	163,566,548
6.010 - Excess of Rev Over/(Under) Exp	4,575,308	2,124,788	(2,882,613)	(16,668,561)	(34,311,066)	(45,398,787)
7.010 - Cash Balance July 1 (No Levies)	1,144,978	5,720,286	7,845,074	4,962,461	(11,706,100)	(46,017,166)
7.020 - Cash Balance June 30 (No Levies)	5,720,286	7,845,074	4,962,461	(11,706,100)	(46,017,166)	(91,415,953)
		Reservations				
8.010 - Estimated Encumbrances June 30	550,000	550,000	550,000	550,000	550,000	550,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	5,170,286	7,295,074	4,412,461	(12,256,100)	(46,567,166)	(91,965,953)
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies	-	-	3,880,954	12,449,608	25,092,614	33,047,922
11.030 - Cumulative Balance of Levies	-	-	3,880,954	16,330,562	41,423,176	74,471,098
12.010 - Fund Bal June 30 for Cert of Obligations	5,170,286	7,295,074	8,293,415	4,074,461	(5,143,990)	(17,494,855)
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	5,170,286	7,295,074	8,293,415	4,074,461	(5,143,990)	(17,494,855)