

**PARMA CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 1999**



**JIM PETRO**  
**AUDITOR OF STATE**  

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**STATE OF OHIO**



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**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 1999**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
Child Nutrition Cluster:						
Food Distribution Program	N/A	10.550	\$0	\$159,965	\$0	\$159,965
National School Breakfast	044636 05-PU-00	10.553	5,801	0	5,801	0
National School Lunch Program	044636 04-PU-00	10.555	805,376	0	805,376	0
<b>Total U.S. Department of Agriculture - Child Nutrition Cluster</b>			<b>811,177</b>	<b>159,965</b>	<b>811,177</b>	<b>159,965</b>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster:						
Special Education Grants to States	044636 BS-F98	84.027	106,704	0	191,139	0
	044636 BS-F99		694,387	0	543,536	0
	Total CFDA		801,091	0	734,675	0
Special Education - Preschool Grant	044636 PG-S1-98	84.173	10,027	0	30,113	0
	044636 PG-S1-99		85,328	0	65,334	0
	Total CFDA		95,355	0	95,447	0
<b>Total Special Education Cluster</b>			<b>896,446</b>	<b>0</b>	<b>830,122</b>	<b>0</b>
Adult Education- State Grant Program	044636 AB-S1-98C	84.002	0	0	8,920	0
	044636 AB-S1-99C		132,939	0	126,454	0
	Total CFDA		132,939	0	135,374	0
Title I	044636 C1-S1-98C	84.010	101,842	0	96,092	0
	044636 C1-S1-98		199,973	0	269,858	0
	044636 C1-S1-99		476,362	0	432,249	0
	Total CFDA		778,177	0	798,199	0
Vocational Education - Basic Grants to States	044636 20-C1-98	84.048	0	0	9,693	0
	044636 20-C1-99		132,230	0	128,012	0
	Total CFDA		132,230	0	137,705	0
Emergency Immigrant Education	N/A	84.162	0	0	8,417	0
	N/A		10,184	0	10,184	0
	Total CFDA		10,184	0	18,601	0

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 1999 (continued)**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
Safe and Drug Free Schools	044636 DR-S1-98	84.186	29,737	0	57,104	0
	044636 DR-S1-99		<u>71,204</u>	<u>0</u>	<u>45,113</u>	<u>0</u>
Total CFDA			100,941	0	102,217	0
Goals 2000	044636 G2-S2-96	84.276	96,900	0	35,629	0
Eisenhower Professional Development	044636 MS-S1-97C	84.281	0	0	26,171	0
	044636 MS-S1-98		39,516	0	21,498	0
	044636 MS-S1-99		<u>12,792</u>	<u>0</u>	<u>3,418</u>	<u>0</u>
Total CFDA			52,308	0	51,087	0
Innovative Educational Program Strategies	044636 C2-S1-97C	84.298	0	0	5,336	0
	044636 C2-S1-98		0	0	14,508	0
	044636 C2-S1-99		<u>75,196</u>	<u>0</u>	<u>53,708</u>	<u>0</u>
Total CFDA			75,196	0	73,552	0
<b>Total Department of Education</b>			<b><u>2,275,321</u></b>	<b><u>0</u></b>	<b><u>2,182,486</u></b>	<b><u>0</u></b>
<b><u>U.S. DEPARTMENT OF HUMAN SERVICES</u></b>						
<i>Passed Through Ohio Department of Education:</i>						
Child Care and Development Block Grant	N/A	93.575	82,190	0	74,950	0
	N/A		<u>113,629</u>	<u>0</u>	<u>63,534</u>	<u>0</u>
<b>Total U.S. Department of Human Services - Child Care and Development Block Grant</b>			<b><u>195,819</u></b>	<b><u>0</u></b>	<b><u>138,484</u></b>	<b><u>0</u></b>
<b>Totals</b>			<b><u>\$3,282,317</u></b>	<b><u>\$159,965</u></b>	<b><u>\$3,132,147</u></b>	<b><u>\$159,965</u></b>

The accompanying notes to this schedule are an integral part of this schedule.

**NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 1999**

**NOTE A — SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Expenditures (Schedule) summarizes activity of the District's federal award programs. The Schedule has been prepared on the cash basis of accounting. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

**NOTE B - FOOD DISTRIBUTION**

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the fair market value of the commodities received and consumed. Values may change from month to month and are entirely subjective. At June 30, 1999, the District had no significant food commodities in inventory.

**NOTE C - NATIONAL SCHOOL LUNCH AND SPECIAL MILK PROGRAM**

Federal monies received by the District for these programs are commingled with State grants and local revenues. It is assumed that federal monies are expended first.

N/A - Not applicable

CFDA - Catalog of Federal Domestic Assistance

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STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Lausche Building, 12<sup>th</sup> Floor  
615 Superior Avenue, NW  
Cleveland, Ohio 44113  
Telephone 216-787-3665  
800-626-2297  
Facsimile 216-787-3361  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY  
GOVERNMENT AUDITING STANDARDS**

Board of Education  
Parma City School District  
Cuyahoga County  
6726 Ridge Road  
Parma, Ohio 44129

We have audited the financial statements of the Parma City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 1999, and have issued our report thereon dated December 17, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance that we have reported to management of the District in a separate letter dated December 17, 1999.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 17, 1999.

This report is intended for the information and use of management, the Board of Education, the audit committee and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

**JIM PETRO**  
Auditor of State

December 17, 1999



STATE OF OHIO  
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

Lausche Building, 12<sup>th</sup> Floor  
615 Superior Avenue, NW  
Cleveland, Ohio 44113  
Telephone 216-787-3665  
800-626-2297  
Facsimile 216-787-3361  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR  
FEDERAL PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Education  
Parma City School District  
Cuyahoga County  
6726 Ridge Road  
Parma, Ohio 44129

### **Compliance**

We have audited the compliance of the Parma City School District, Cuyahoga County, Ohio, (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 1999. The District's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance occurred with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 1999.

### **Internal Control Over Compliance**

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. We noted other matters involving the internal control over financial compliance that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated December 17, 1999.

### **Schedule of Federal Awards Expenditures**

We have audited the general-purpose financial statements of the District as of and for the year ended June 30, 1999, and have issued our report thereon dated December 17, 1999. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying Schedule of Federal Awards Expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

This report is intended for the information and use of management, the Board of Education, the audit committee and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

**JIM PETRO**  
Auditor of State

December 17, 1999

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material non-compliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion?</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	1) Adult Education - State Grant Program/ CFDA # 84.002 2) Child Nutrition Cluster/ CFDA # 10.550/ 10.553/ 10.555
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: > \$100,000
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

NONE

**3. FINDINGS FOR FEDERAL AWARDS**

NONE

**STATUS OF PRIOR YEAR AUDIT FINDINGS**

Finding Number	Finding Summary	Fully Corrected	Not corrected, partially corrected, different corrective action taken; finding no longer valid; <b>Explain</b>
1998-10818-001	Year-End Reconciliation	Yes	
1998-10818-002	Ohio Revised Code Sections 5705.39, 5705.40	Yes	Materially corrected, included in management letter.
1998-10818-003	Ohio Revised Code Section 5705.41(D)	Yes	Materially corrected, included in management letter.
1998-10818-004	Findings Repaid Under Audit	Yes	

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FISCAL YEAR ENDED  
JUNE 30, 1999**

**PARMA CITY SCHOOL DISTRICT  
6726 RIDGE ROAD  
PARMA, OHIO 44129-5703**

# **Introductory Section**



**Parma City School District**  
*Parma, Ohio*

*Comprehensive Annual Financial Report*

*For the Fiscal Year Ended*  
*June 30, 1999*

*Issued by:*  
*Treasurer's Office*

*Daniel L. Wilson*  
*Chief Financial Officer*  
*and Budget Director*

**Parma City School District**  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended June 30, 1999*  
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# PARMA CITY SCHOOL DISTRICT

OFFICE OF THE TREASURER  
6726 Ridge Road • Parma, OH 44129  
(440) 885-2324 . FAX: (440) 885-8492

DANIEL L. WILSON  
Chief Financial Officer/Budget Director

December 17, 1999

Board of Education Members and Residents of Parma City School District;

We are pleased to submit to you the third annual Comprehensive Annual Financial Report (CAFR) of Parma City School District. This CAFR, which includes an opinion from the Auditor of the State of Ohio, conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the School District. This report will provide the taxpayers of Parma City School District with comprehensive financial data in a format enabling them to gain an understanding of the School District's financial affairs. Copies will be made available to the Parma Area Chamber of Commerce, the Parma Regional Library, major taxpayers, financial rating services and other interested parties.

The comprehensive annual financial report is presented in three sections as follows:

1. The Introductory Section, which contains a Title Page, Table of Contents, Letter of Transmittal, List of Principal Officials, Organizational Chart of the School District, and the GFOA Certificate of Achievement.
2. The Financial Section, which begins with the Report of Independent Accountants, includes the General Purpose Financial Statements and Notes that provide an overview of the School District's financial position and operating results, the Combining Statements by Fund Type, and other schedules that provide detailed information relative to the General Purpose Financial Statements.
3. The Statistical Section, which presents social and economic data, financial trends and the fiscal capacity of Parma City School District.

## ***School District Organization***

The Parma City School District is the tenth largest of the 611 school districts in the State of Ohio and the second largest of 31 school districts in Cuyahoga County. The School District provides education to 13,203 students in grades kindergarten through twelve. Additionally, the School District provides preschool, after school, adult and community education services to a large number of students. The Parma City School District is located in northeastern Ohio, approximately ten miles south of Lake Erie.

The Parma City School District serves the communities of Parma, Parma Heights and Seven Hills. The City of Parma is the largest of the three communities served by the Parma City School District. Within the boundaries of the City of Parma there are two high schools, two middle schools and twelve elementary schools. Within the City of Parma Heights, there is one high school and two elementary schools. Within the City of Seven Hills, there is one middle school and one elementary school.

Statutorily, the School District operates under the standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide education services prescribed by State and/or Federal agencies. The Board of Education is made up of five members elected at large, for overlapping four-year terms. The Board of Education elects its President and Vice President annually, and appoints two officials: the Superintendent, who serves as the Chief Executive Officer, and the Treasurer, who serves as the Chief Financial Officer.

**Kindergarten** The School District operates half-day kindergarten programs in fifteen elementary buildings. These programs are designed to prepare children for school, to develop social skills and to promote the foundation for future learning.

**Elementary** The elementary program provides subjects such as reading, language arts, mathematics, science, social studies, health education, music, art and physical education, stressing the basic skills in each subject area. An innovative hands-on science program was introduced in September 1994. James E. Hanna Elementary School has been designated as the Parma City School District's "Pilot Technology School."

**Middle School** The middle school education program provides a transition from elementary to senior high school. The "House" program places groups of students with teams of teachers to provide transition and individualized attention. The Board of Education unanimously adopted a series of Middle School recommendations on March 23, 1998.

**High School** The high school education program offers a wide array of curricular offerings in college preparatory and career preparatory courses. The high school honors program presents students with the opportunity for in-depth study and research in the areas of English, Mathematics, Social Studies, Science and Foreign Language.

### ***Additional Programs and Services***

**High School Athletics** Normandy, Parma Senior and Valley Forge High Schools compete in the Lake Erie League. All three high schools qualify for the highly competitive Division I classification. Fall, winter and spring varsity sports are available for students, including football, soccer, volleyball, track, cross country, basketball, baseball, softball, wrestling, tennis, golf, swimming, diving, softball and hockey. There are also ninth grade, junior varsity and middle school athletic programs offered. Cheerleading and flag corps are offered at all levels.

The School District owns and operates Byers Field, one of the premier athletic/entertainment complexes in Northeast Ohio. Byers Field is currently the largest stadium complex in the area with the exception of Jacobs Field and the Cleveland Browns Stadium, both located in downtown Cleveland and home of the Indians and Browns, respectively.

**Libraries** All school buildings have library/media centers. Printed, audio-visual and computer-based materials are available in an "open library" atmosphere where students are encouraged to use library skills to refine their critical thinking abilities as they search for information. The secondary schools have electronic circulation/cataloging systems. All schools have multi-media computer/CD-ROM workstations and modems. The School District received a grant from the State of Ohio to update and computerize all our school libraries and also to network our buildings with INFOHIO.

**Transportation** The transportation policy of the Parma City School District exceeds the State's minimum standards and allows kindergarten through eighth grade children, who live more than 1.5 miles from their schools, to be transported. The School District maintains a fleet of buses for this purpose, and has additional vehicles to transport disabled students. A computer program assigns students to the

appropriate bus route. Parents and students are informed by mail of appropriate bus number, time and location of street pick-up to school and drop-off for the return trip home.

**Music** Music training and courses are available at all elementary school buildings. Most elementary schools have a choir, orchestra and/or band. Middle schools offer choral and instrumental programs, while the high schools offer marching band, flag corps, orchestra, show choirs, string ensembles, choral and glee clubs and a variety of other musical experiences.

**Art** For the past thirty-two years, the School District has had the premier art program in the area. Our students are traditionally winners in the local scholastic art competitions and receive national recognition. Art classes are available to all grades.

**Computers** Computer education begins in kindergarten and continues through the 12<sup>th</sup> grade. All eighth and ninth grade students are required to take computer application classes. These courses focus on the use of the computer as a tool. Skills are applied in all curricular areas. Additionally, there are offerings in Business, Mathematics, Computer Graphics, Industrial Arts and Advanced Computer Applications. Some of the computer labs at the senior high schools are part of a cooperative agreement with Cuyahoga Community College.

**Certificated Staff** The average experience is 16.7 years, and 60.8 percent of the teaching staff have at least a Master's Degree. Textbook authors, doctorates, nationally known speakers and recognized experts in specific fields of study are among the School District's teachers and administrators. A blend of experienced staff along with many new teachers offers students of the Parma City School District one of the strongest faculties in the area.

### ***Programs of Special Interest***

**Job Placement** The School District maintains a year-round placement office to assist students seeking part-time or summer employment and to place graduating seniors seeking full-time employment. The placement office is among the most successful in the State, having placed over 20,000 young people in jobs over the past decade. The placement office is a cooperative effort of the Parma City School District system and the Ohio Bureau of Employment Services.

**Preschool** Preschool is available for children three to five years of age at Normandy High School and Thoreau Park Elementary School. Sessions are offered mornings and afternoons, either two or three days, for 2.5 hours per day. This program is self-funded and is not an expense of the School District's general fund.

**Daycare Center** This center, located at Normandy High School, provides care for children, ages six weeks to five years of age, and is open to employees and the general public. It is open on all regularly scheduled school days from 7 a.m. to 6 p.m. The program is self-funded and is not an expense to the School District's general fund.

**Extended Daycare** Extended daycare is available to parents of kindergarten through sixth grade students at thirteen elementary school buildings and provides activities from 7 a.m. until the start of the normal school day, and from the close of the school day until 6 p.m. This program is also self-funded and not an expense to the School District's general fund.

**Continuing Education** The School District offers an expansive continuing education program with nearly 10,000 community residents participating each year. There are a number of courses offered including high school graduation courses, new career field training and a variety of leisure and recreational activities.



***Apprenticeship Program*** As a service to employers of area industries and their employees, the Parma Community Education Department conducts related theory classes for apprentices in the following trades: industrial electricity, tool and die making, plumbing, pipe fitting, millwright, machinist, toolmaking, sheet metal working and welding.

***Parent Teacher Association (PTA)*** The Parma City School District boasts almost 5,500 parents, teachers and administrators as members of the School District's twenty-four PTA units. The PTA works with the School District on a wide variety of topics including parent education, advocacy training and a highly successful scholarship program, which are awarded to graduating seniors in the school system on an annual basis.

***High School Career Preparatory Program*** One and two-year vocational courses are available in twenty-five areas including Auto Body, Building and Property Maintenance, Carpentry, Commercial Art, Drafting, Electronics, Graphic Communications, Metal Fabrication, Child Care, Cosmetology, Culinary Arts, Health Occupations, Hospitality, Radio and TV Production, Office Services, Cooperative Marketing and Management, Executive Assistant, Automotive Service Technology and Accounting. Over ninety percent of vocational students work in related career fields after graduation. Currently, 34 percent of students participate in the vocational education program.

***High School College Preparatory Program*** The College Bound Program offers academically challenging courses for students planning to attend college. The course of study provides unrestricted admittance to a college of the student's choice. Parma City School District's recent graduates received over \$2 million in college scholarships. The School District offers advanced courses in English, foreign languages, mathematics, science and social studies. Currently, 52 percent of students participate in the college bound program.

***Special Education*** The Parma City School District provides education to all children with diversified needs, including multi handicapped, visually impaired, orthopedically handicapped/other health impaired, speech/language handicapped, severe behavior handicapped, developmentally handicapped or those with specific learning disabilities.

***Adult Basic Literacy Education*** Day and evening classes in English as a Second Language (ESL), Adult Basic Literacy Education (ABLE) and Graduate Equivalence Diploma (GED) are offered.

***Family Activities*** Free workshops are scheduled throughout the fiscal year with free childcare provided in areas including Family Math, Family Science, Attention Deficit Disorder, Motor and Language Development, Community Resources, Computer Skills, Homework Help Tips, Organizational Skills for Children, How to Talk to Professionals, Making Reading Fun, Middle School Movement and many more.

***Graduate Equivalence Diploma (GED) Testing*** The Parma City School's GED program is the fourth largest test center in the State of Ohio, with a pass rate of 85 percent. Additionally, people who prepare to take the test and meet requirements for test readiness have over a 90 percent chance of passing the GED test. Individuals must be 18 years old or older and formally withdrawn from school; however, 16 and 17-year-olds can be eligible with completion of an age waiver form. Individuals do not have to live in the Parma area. Anyone who passes the pretest will receive a waiver for the test fee. The GED test is offered at least twice a month throughout the fiscal year, and a graduation ceremony is held every June to honor those who participated in the program and passed the GED test.

### ***Reporting Entity***

The School District has reviewed its reporting entity in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up Parma City School District (the primary government) and its potential component units.

The City of Parma, City of Parma Heights, City of Seven Hills, Parma Regional Library and the Parent Teacher Association have not been included in the accompanying financial statements. The boards are not appointed by the School District, nor are they fiscally dependent on the School District. The School District participates in the Lakeshore Northeast Ohio Computer Association and Ohio Schools Council, both jointly governed organizations.

### ***Economic Condition And Outlook***

The City of Parma and the surrounding areas have a strong and stable economic base. In the last two decades apartment buildings have been constructed to accommodate the large number of families moving into Parma out of the more heavily populated Cleveland area.

With major employers including General Motors, Parma Community General Hospital and the Parma City School District, the area continues to flourish. Recent economic developments include the 1998 renovation of Parmatown Mall and a new Rini-Rego Marketplace (now a Giant Eagle), resulting in numerous new jobs for the area.

The involvement of local businesses and community groups in partnership with Parma City School District enhances the relationship between free enterprise and government entities.

### ***Major Initiatives***

As previously noted, the Board of Education adopted a series *Middle School recommendations* on March 23, 1998. The goal is to include sixth graders in the Middle Schools by no later than the year 2002, depending on facility review and capacity. Technology in the Middle Schools has been upgraded, and classroom space has been added on to the Shiloh facility.

The Community/Business/School (C/B/S) Partnership Program, which began in 1991 as a Superintendent's Business Advisory Committee, now has over thirty-five members on its steering committee, including representatives from community groups, local businesses, government, clergy and the Parma City School District. C/B/S partners have donated thousands of dollars in cash and in-kind materials and services to benefit the children of the Parma City School District. The C/B/S Council continues to forge important links throughout the School District and the communities served. Among our community partners are organizations like Cox Communications, General Motors, UCAR Carbon Company, Cuyahoga Community College, Bryant and Stratton College, the Veterans of Foreign Wars and Parma Community General Hospital, to name only a few.

The Parma City School District is proud of the fact that three schools have been designated as "*Venture Capital Schools*" by the Ohio Department of Education: Pearl Road Elementary School, Parma Senior High School and Green Valley Elementary School. The prestigious Venture Capital distinction provides a \$25,000 grant each year for a five-year period. The funding must be used for staff development purposes.

*Technology* has continued to play an important part in the growth of Parma City School District. The Director of Information Services, Network Services Specialist, and Computer Facilitator continue to upgrade the network and educate the staff respectively. The School District believes they will be Y2K compliant. The School District has continued work in all buildings in terms of increasing technology using SchoolNet Plus funding. Prior to 1999, all three high school computer facilities were upgraded and 180 new computers were installed at the three middle schools. In the near future, plans call for all School District buildings to be similarly equipped, providing the technology to lead our staff and students into the next millennium.

A *Local Professional Development Committee* was formed to set policy and review professional development goals for certification and license renewal for Parma City School District educators. The steering committee is comprised of ten members – five teachers, four administrators and one non-voting member.

Each individual school building has designed its own *Continuous Improvement Plan* which includes a Mission Statement to correlate with the comprehensive District Continuous Improvement Plan. These working documents will be periodically reviewed and updated as the school year progresses. These plans were developed with the input of community and staff, conducting needs assessments, analyzing test data and determining resources. The School District Continuous Improvement Plan was presented to the Urban Schools Initiative for review.

To assist with the development of Continuous Improvement Plans at each building, the School District once again contracted with the *Gordon S. Black Corporation* of Rochester, New York to conduct a survey of community members. By using the information provided by the survey, it is possible for Parma City Schools to establish priorities among potential improvements through identification of the “vital few” actions known to influence stakeholder satisfaction. Throughout the analysis the emphasis is on the improvements a school can make, and it is structured to facilitate the process of continuous improvement.

Parma City School District has been designated one of the twenty-one schools in the Urban School Initiative, a proposed method of improving the quality of educational practice, governance, and structure in Ohio Schools. Through this initiative, the School District also participates in the Urban University collaborative with Cleveland State University.

As part of the *Urban School Initiative*, the Parma City School District contracted with *Phi Delta Kappa International* to have the latter conduct a Performance Audit/Assessment of the School District. The Audit/Assessment Team looked for documentable evidence that the Parma City Schools were focused on the educational premise that all children can learn, and that learning takes precedence over all other activities.

Aggressive *Safety and Security* measures have been instituted including building motion detectors and a swipe card entry systems at many of the schools. This process continues to expand. Narcotic canine sweeps continue at the middle school and high school levels. The Department of Safety and Security made eighteen presentations to over 2400 parents, community members, staff members and students through their inservice program. The School District has adopted a “zero tolerance” for violence and drugs. New policies were initiated dealing with weapons, threats and intimidation on school grounds.

“*Images*,” a joint publication of the Parma City School District and the communities of Parma, Parma Heights and Seven Hills was developed to increase the communication between the cities and the school district as well as inform the greater public of the activities of both entities. This newsletter is published six times per year in each community.

## **Department Focus**

*Curriculum* Given the current focus on proficiency test scores and the state generated district/building level report cards, each building in the School District had designed a Continuous Improvement Plan (CIP). The CIPs were created at each building through a committee that included administrators, teachers and parents. Each CIP is a work in progress and provides the buildings with a blueprint to academic improvement.

At the elementary level, Elementary Continuous Improvement Plan (ECIP) was created, with a rigid focus on improving our fourth and sixth grade math proficiency scores. Through this plan, all fifteen elementary schools, working with the Director and Supervisors of the Curriculum Department have narrowed their focus and funneled their resources into improving math instruction. Extensive staff in-service training, facilitated by a professor from Baldwin Wallace College and other educators in the area, has lead to a review of the curriculum at the elementary level, and increased use of manipulatives for instruction, the implementation of discovery type lessons, an increase in the use of higher order thinking skills during lessons, and an increase in the collaboration efforts of teachers. This push at the elementary level will positively impact the middle school level and ultimately the high school level for K-12 academic improvement.

## ***Service Efforts***

The Parma City School District has developed a Curriculum Coordinating Council, a group that serves as a clearing house for decision-making in matters dealing with curriculum and instruction. This committee reviews curriculum and procedures under which students attend the schools. Grades, course offerings, and exam are all part of the Council's focus.

The Council is comprised of teachers, parents, administrators and community members. Additional functions of the Council include: conducting an on-going evaluation of the academic program's effectiveness; serving as a conduit through which trends and new concepts are shared; serving as a "think tank" for keeping the academic program on the cutting edge of educational practices and overseeing the work of subject are committees.

Teachers who serve on the Council receive supplemental pay calculated at the negotiated rate for curriculum writing. Membership was obtained for the group via application. Superintendent Marsha Harrison, with input from the administrative staff, makes final recommendations to the Board of Education. Executive Administrative Director of Curriculum and Instruction K-12 Anna Maria Tabernik chairs the Council.

The Superintendent and District Operations Council have set the stage to focus efforts on improving "customer service" this year. Our "customers" include students, parents, teachers and other staff members. Directors designed survey instruments and had the technology department print them on scanner-ready documents for easy compilation. Survey instruments went to teachers, monitors, classroom assistants, parents at every school level (elementary, middle and high school), parents of students in the vocational programs, and parents of new entrants. Later in the year we may survey students and non-school personnel. We will also survey school personnel to solicit feedback that is *central office department specific in order to develop a plan to better service our own employees from the central office*. Results will be tabulated and discussed at the District Operations Council and with the Board of Education members.

### *Future Projects*

Future goals of the Superintendent's "Agenda for the Future" include: expansion of programs for gifted students K-12, continuation of the technology initiative, creation of building safety and security committees, planning of the improvements for Green Valley, Dag Hammarskjold, Pearl Road, State Road and Thoreau Park Elementary Schools, and the promotion of highest possible achievements schools for students.

The Department of Safety and Security will expand the use of motion detectors to all school buildings throughout the system. A swipe card system of entry will be utilized at all elementary buildings. The use of police dogs to detect illegal substances in schools will be an ongoing procedure. The Department will continue to be a resource for administrators while partnering with local law enforcement agencies.

The School District was the first, among the Urban 21, to submit a grant proposal for "Alternative Schools" funding. Our goal is to reach out to best service some of our eighth/ninth graders who are at risk of retention and dropping out. This program would capitalize on the characteristics of a solid middle school teaming program, with the support of community and social service agencies.

The Department of Information Services is working with the Curriculum Department to enhance instruction through the use of technology. The group is working with data to identify student performance gaps so that we can target increasing achievement. A review of the current data, an examination of out courses of study, and an investigation into the technological resources now available to educators, will lead to the development of an "instructional technology integrated guide," complete with templates in different subject areas, listing materials to use, formative and summative assessment strategies to implement, and recommendations for staff development.

The Curriculum Department, in concert with the Business Department will conduct a facilities and enrollment study. With community input, we will examine plans to maximize use of our buildings, alleviate overcrowding in some buildings, accommodate enrollment projections for the next five years, and strengthen our concept of community and cluster schools. This will directly impact a recommendation listed in our Performance Audit.

### *Financial Update*

During the 1998-1999 fiscal year, the Board of Education engaged in significant activity relative to the fiscal management and business management of the school district. Below is a listing of significant activities:

<i>Activity</i>	<i>Activity Date</i>	<i>Activity Impact</i>
Changed Business Managers	February 1, 1999	New Business Manager with over 30 years experience
Accepted resignation of Treasurer	November 1998	Employed an experienced Interim Treasurer
Spending freeze imposed by Superintendent	January 26, 1999	
The five-year forecast adopted by the Board and filed with the State	April 12, 1999	

<i>Activity</i>	<i>Activity Date</i>	<i>Activity Impact</i>
Performance Audit with cost reduction recommendations received from Auditor of State	April 1999	
Staff and program reductions for the 1999-2000 Fiscal Year Approved by the Board	April 19, 1999 May 10, 1999	\$3,621,542 combined value of program reductions and revenue enhancements
Community survey results presented to the Board and Administration	May 19, 1999	
Decision by the Board to not pursue an August Levy	May 19, 1999	
Convened a Citizen's Financial Advisory Committee	June 23, 1999	
Fiscal year and books closed and balanced	July 16, 1999	
Employed Chief Financial Officer and Budget Director	July 26, 1999	New CFO with 26 years of experience, 10 in districts larger than Parma
Decision to place the two-mill permanent improvement and six-Mill operating levy on the November 2, 1999 ballot	August 16, 1999	
Awarded Certificate of Achievement for excellence and financial reporting by GFOA	August 28, 1999	
Board adopted response to Performance Audit filed with the State	October 25, 1999	55 percent of recommendations will be acted upon by December 31, 1999
Levy request defeated by electorate	November 2, 1999	
Board adopted reductions to educational programs and support services	November 15, 1999	\$2,339,862 in reductions effective January 24, 1999 and \$3,415,076 full-year value of reductions for 2000-2001
Board action to place the failed levy on the March 7, 2000 ballot	November 15, 1999	\$4,151,861 of additional reductions to programs and services effective with the 2000-2001 fiscal year if levy is not approved

The April 12, 1999 adoption of the first ever five-year Fiscal Forecast was a significant enhancement to the School District fiscal management philosophy. The five-year forecast was based upon the Board of Education stated goals of phasing out the reliance upon emergency levies and eliminating the need for future borrowing. The new Chief Financial Officer updated the five-year forecast in September 1999. The updated forecast recognized two significant financial transactions conducted by the Interim Treasurer. The first was the borrowing of first year proceeds from the November 1998 Emergency Levy Renewal in the amount of \$6,800,000. The second was the receipt of a special advance against second half real estate collections in the amount of \$5,682,600. The updated forecast predicted that the 1999-2000 fiscal year would end with a cash balance of \$6,258,881 and that the 2001-2002 fiscal year would end with the deficit of \$5,449,727. If the November 2, 1999 six million dollar operating levy had been approved, the updated forecast predicted balanced budgets through the 2001-2002 fiscal year.

The Fiscal Forecast was again updated following the Board of Education's November 15, 1999 actions to impose reductions in educational programs and support services. The newly updated forecast predicts a balanced budget through the 2000-2001 fiscal year. With the approval of the new levy in calendar year 2000, the 2001-2002 fiscal year budget will become virtually balanced. In addition to the approval of a new levy in calendar year 2000, if the expiring emergency levy is re-authorized in November 2000, the forecast predicts balanced budgets through the 2003-2004 fiscal year.

The School District is currently conducting an updated community survey to assist the Board of Education and Administration in making future fiscal management decisions, as well as the designing of an updated information program in preparation for the March levy.

### ***Financial Information***

***Internal Accounting and Budgetary Control*** The School District's accounting system is organized on a "fund" basis. Each fund (and account group) is a distinct self-balancing accounting entity. Reports for governmental operations are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Reports of the School District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

In developing the School District's accounting system much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The School District utilizes a fully automated accounting system as well as an automated system of control for payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board of Education adopts a temporary appropriation measure for that fiscal year. By Statute, permanent appropriations must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates. The School District adopts the permanent appropriation in September.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the object account level within a function and fund. All purchase order requests must be approved by the site administrator and certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

Each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. In addition, an online inquiry system is available at each cost center site. As an additional safeguard, all employees are covered by a blanket bond, and certain individuals in policy-making roles are covered by a separate, higher limit bond.

The basis of accounting and the various funds and account groups utilized by Parma City School District are fully described in Note 2 of the financial statements. Additional information on the School District's budgetary accounting can also be found in Note 2.

**General Governmental Functions** The following schedule presents a summary of governmental funds' revenues for the fiscal year ended June 30, 1999, and the percent of the total:

	1998 Amount	1999 Amount	Percent of Total	Change	Percent Change
<b>Revenues</b>					
Taxes	\$64,247,335	\$64,801,975	65.74 %	\$554,640	0.86 %
Intergovernmental	28,282,193	29,336,982	29.76	1,054,789	3.73
Interest	844,850	911,990	0.93	67,140	7.95
Charges for Services	198,905	227,820	0.23	28,915	14.54
Tuition and Fees	775,293	1,264,113	1.28	488,820	63.05
Extracurricular Activities	1,363,567	1,395,082	1.42	31,515	2.31
Rentals	106,463	84,629	0.09	(21,834)	(20.51)
Donations	165,202	85,301	0.09	(79,901)	(48.37)
Miscellaneous	1,367,485	460,166	0.46	(907,319)	(66.35)
<b>Total Revenues</b>	<b>\$97,351,293</b>	<b>\$98,568,058</b>	<b>100.00 %</b>	<b>\$1,216,765</b>	<b>1.25 %</b>

The most significant source of continuing revenue for the School District is taxes paid by the local property owners comprising over 65 percent of revenues. Intergovernmental revenues include the State's contribution in property tax rollbacks (10 percent on all property and an additional 2.5 percent for owner occupied homes), and subsidies for basic instruction and transportation. The increase in intergovernmental revenues is a result of additional grant money that the School District received in fiscal year 1999.

The decrease in miscellaneous revenues is a result of receiving a one time workers compensation payment in fiscal year 1998 due to over funding workers compensation at the State level.



The following schedule presents a summary of governmental funds' expenditures for the fiscal year ended June 30, 1999, and the percentage of the total:

Expenditures	1998 Amount	1999 Amount	Percent of Total	Change	Percent Change
<b>Current:</b>					
<b>Instruction:</b>					
Regular	\$43,504,689	\$44,493,411	44.03 %	\$988,722	2.27 %
Special	8,305,462	8,527,584	8.44	222,122	2.67
Vocational	1,432,552	1,589,698	1.57	157,146	10.97
Adult/Continuing	216,042	247,818	0.25	31,776	14.71
<b>Support Services:</b>					
Pupils	4,991,585	5,328,169	5.27	336,584	6.74
Instructional Staff	4,916,855	4,477,718	4.43	(439,137)	(8.93)
Board of Education	50,707	61,895	0.06	11,188	22.06
Administration	7,751,325	7,125,281	7.05	(626,044)	(8.08)
Fiscal	1,547,714	1,522,202	1.51	(25,512)	(1.65)
Business	796,169	760,549	0.75	(35,620)	(4.47)
Operation and Maintenance of Plant	9,879,885	9,632,433	9.53	(247,452)	(2.50)
Pupil Transportation	4,105,287	3,848,234	3.81	(257,053)	(6.26)
Central	1,094,231	1,033,112	1.02	(61,119)	(5.59)
Operation of Non-Instructional Services	3,098,375	3,537,697	3.50	439,322	14.18
Extracurricular Activities	1,956,788	2,200,277	2.18	243,489	12.44
Capital Outlay	981,663	1,299,669	1.29	318,006	32.39
<b>Debt Service:</b>					
Principal Retirement	5,415,000	4,925,000	4.87	(490,000)	(9.05)
Interest and Fiscal Charges	393,349	438,759	0.44	45,410	11.54
<b>Total Expenditures</b>	<b>\$100,437,678</b>	<b>\$101,049,506</b>	<b>100.00%</b>	<b>\$611,828</b>	<b>0.61 %</b>

The increase in regular instruction resulted from wage increases and the corresponding increase in benefits; however, this increase is smaller than normal as the result of a mid year spending freeze on non-salary and benefit accounts.

The decrease in instructional staff support services expenditures reflects the impact of a mid-year spending freeze on staff development activities.

The decrease in administration expenditures reflects a reduction in the number of administrative positions.

The decrease in debt service principal retirement reflects a reduction in cash flow borrowing.

**General Fund Balance** The fund balance of the general fund was (\$308,855) at June 30, 1999 compared to (\$944,249) at June 30, 1998.

**Financial Highlights - Enterprise Funds** Food service, adult continuing education and extended daycare/preschool are classified as enterprise operations since they resemble those activities found in private industry; management periodically desires to determine the amount of profit/loss resulting from operations that are significantly financed from user fees. In total, the enterprise funds had a net income of \$47,952 for the fiscal year ended June 30, 1999. Retained earnings in the enterprise funds was \$702,075 at June 30, 1999. The food service operation is the largest, and provides lunches to students, teachers and staff of the district. Adult continuing education provides upgrading and retraining courses for out-of-school youths and adults for the purpose of improving their skills and knowledge in their occupation or planned occupation. Extended daycare/preschool provides childcare services to parents enrolled in a vocational program.

***Financial Highlights - Fiduciary Funds*** The School District's only fiduciary funds are agency funds. The agency funds included in the School District's financial statements are Student Activities, PELL Program and Voluntary Benefits. These funds had assets totaling \$370,044 at June 30, 1999.

### ***Debt Administration***

At June 30, 1999, general obligation bonds outstanding totaled \$1,270,000. During fiscal year 1999, the School District issued one-year tax anticipation notes in the amounts of \$3,000,000 and \$6,800,000, a one-year energy conservation note in the amount of \$2,350,000 for the purpose of paying current expenses of the School District and implementing energy conservation measures at various School District buildings, and a \$370,000 one-year bond anticipation note for Byers Field improvements. The School District's overall legal debt margin was \$180,531,115 and the unvoted debt margin was \$2,028,762 at June 30, 1999.

### ***Cash Management***

Cash not needed for immediate use during the fiscal year was invested in a money market mutual fund, commercial paper, Federal Home Loan Bank notes, Federal National Mortgage Association notes, United States Treasury Notes, and State Treasurer's Asset Reserve of Ohio (STAR Ohio), a program administered by the Office of the Treasury of the State of Ohio. This program is a statewide investment pool offered to political subdivisions of the State of Ohio as a conservative means of investing in a portfolio of investment instruments. The total amount of interest earned during the fiscal year from all investments was \$911,990 and was credited to the general fund and special revenue funds.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) as well by qualified securities pledged by the institution holding the assets. By law financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must be equal to at least 110 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

### ***Risk Management***

The School District participates in the State Workers' Compensation plan and pays the premium based on a rate per \$100 of salaries. The School District is a member of Ohio Schools Council Workers' Compensation Group Rating Program.

For fiscal year 1999, the School District contracted with The Travelers Indemnity Company for property and casualty insurance. There is a \$10,000 deductible with a one hundred percent blanket, all risk policy. The Travelers Indemnity Company covers the boiler and machinery with a \$2,500 deductible and a \$30,000,000 limit.

The Travelers Property Casualty Group provides general liability protection with a \$1,000,000 single occurrence limit and \$2,000,000 aggregate and no deductible. The Travelers Property Casualty Group also provides a \$1,000,000 umbrella/excess liability policy. Vehicles are covered by The Travelers Property Casualty Group and hold a \$100 comprehensive and \$250 collision deductible. Automobile liability has a \$1,000,000 liability limit per accident.

National Union Fire Insurance Company protects school leaders' errors and omissions with a \$1,000,000 annual aggregate and \$2,500 deductible per occurrence.

## ***Pension Plans***

All School District employees are covered by the state-wide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS). The School District's employer contributions to both systems are based on a percentage of employees' salaries. State law requires the School District to pay the employer share as determined by each retirement system. See Notes 11 and 12 to the general purpose financial statements for complete details.

## ***General Fixed Assets***

The general fixed assets of the Parma City School District are used to carry on the main education and support function of the system and are not financial resources available for expenditure. The total general fixed assets at June 30, 1999, were \$88,945,349. Such assets are accounted for at historical cost. Depreciation is not recognized on the general fixed assets.

## ***Independent Audit***

State statutes require the School District to be subjected to an annual examination by an independent auditor. Independent auditor Jim Petro, Auditor of State, was selected to render an opinion on the School District's financial statements as of June 30, 1999. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Pursuant to statute, the State prescribed a uniform accounting system to standardize accounting classification and financial reporting for all governments in Ohio. The School District adopted and has been in conformance with that system beginning with its financial report for the 1999 fiscal year.

## ***Awards***

***GFOA Certificate of Achievement*** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Parma City School District for its comprehensive annual financial report for the year ended June 30, 1998. A Certificate of Achievement is valid for a period of one year only.

In order to be awarded a Certificate of Achievement or Certificate of Excellence, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR), whose content conforms to program standards. Such a report must satisfy both generally accepted accounting principle and applicable legal requirements.

This report will be submitted to the Government Finance Officers Association of the United States and Canada (GFOA) and to the Association of School Business Officials International (ASBO). It is felt that this report qualifies to earn GFOA's Certificate of Achievement for Excellence in Financial Reporting and ASBO's Certificate of Excellence in Financial Reporting. These Certificates are the highest forms of recognition available for governmental accounting and financial reporting. GFOA's certificate was awarded for the last year's report. Attainment of these Certificates represent a substantial accomplishment of any governmental entity. The School District did not submit their June 30, 1998 CAFR to ASBO.

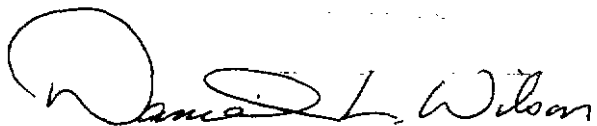
## ***Acknowledgments***

The publication of this CAFR represents an important achievement in the ability of the School District to provide significantly enhanced financial information and accountability to the taxpayers of the Parma City School District, its elected officials, management, staff and investors. This report is a continuation of the efforts of the Treasurer's Office to improve overall financial accounting, management and reporting capabilities.

The accomplishment of this report would not have been made possible without the assistance, support and efforts of the Treasurer's Office employees, various administrators, employees of the School District and the Local Government Services division of Auditor of State Jim Petro's office. Assistance from the County Auditor's office staff and outside agencies made possible the fair presentation of statistical data.

Sincere appreciation is extended to the Board of Education, where the commitment to excellence begins. Without their support, this report would not have been made possible.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Daniel L. Wilson". The signature is written in a cursive style with a large, prominent initial "D".

Daniel L. Wilson  
Chief Financial Officer and Budget Director  
Parma City School District

# ***Parma City School District***

## ***Principal Officials***

***June 30, 1999***

### **Board of Education**

Marilyn A. Coleman ..... President  
Karen S. Dendorfer ..... Vice-President  
John W. Decker ..... Member  
Kathleen A. Jedlicka (resigned June 30, 1999) ..... Member  
David Smallwood (appointed July 26, 1999) ..... Appointed Member  
Daniel P. Walsh ..... Member

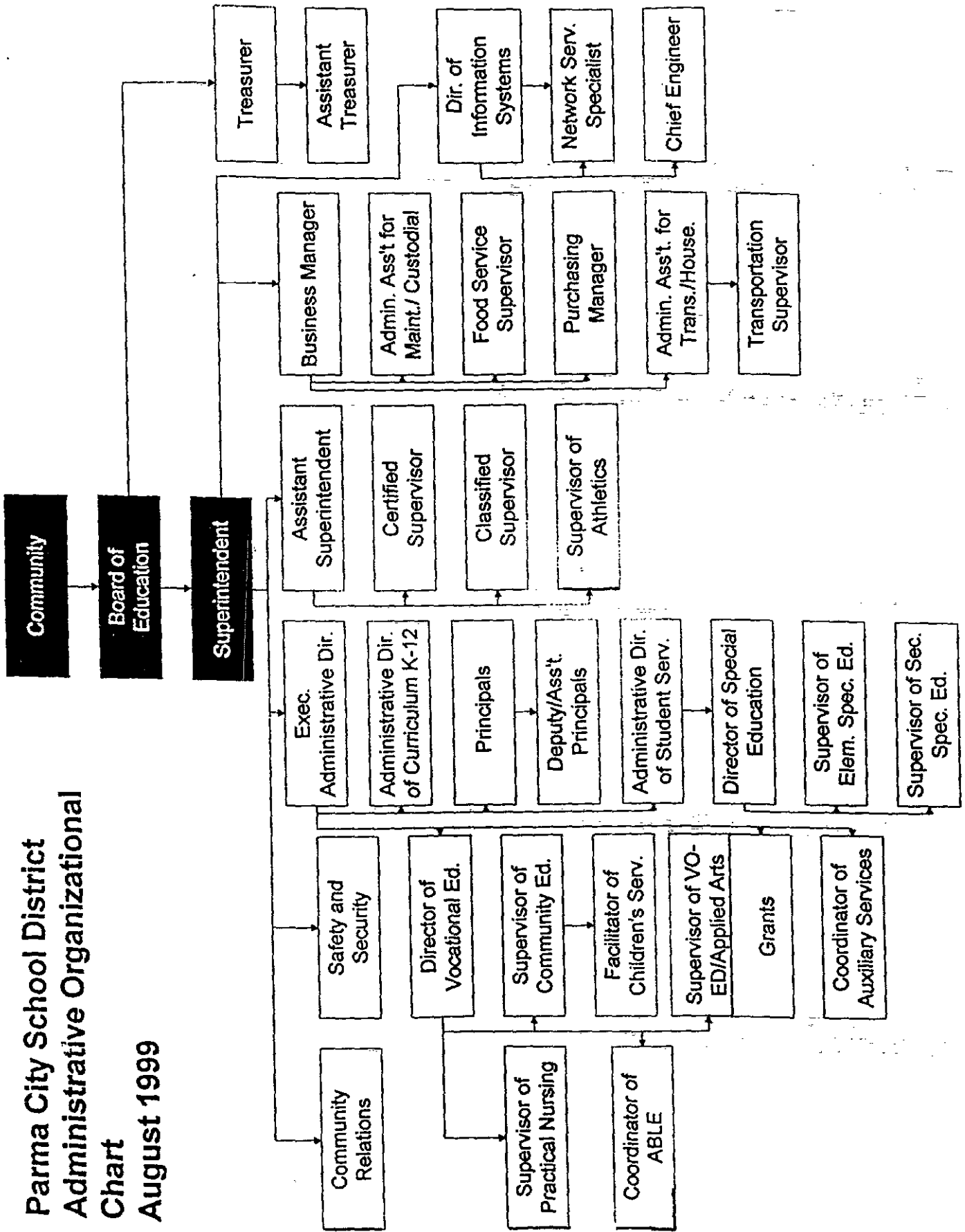
### **Treasurers**

Richard A. Cox ..... July 1998 - December 1998  
Patricia Greenwood ..... December 1998 - July 1999  
Daniel L. Wilson ..... July 26, 1999 - Present

### **Administration**

Marsha Harrison ..... Superintendent  
Sarah Sweeney ..... Assistant Superintendent  
Jim Stanton ..... Business Manager  
Michael Hartenstein ..... Director  
Anna Maria Tabernik ..... Executive Administrative Director

# Parma City School District Administrative Organizational Chart August 1999



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Parma City School District,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 1998.

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Cary Brubaker*  
President

*Jeffrey L. Esall*  
Executive Director

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# **Financial Section**



STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

Lausche Building, 12<sup>th</sup> Floor  
615 Superior Avenue, NW  
Cleveland, Ohio 44113  
Telephone 216-787-3665  
800-626-2297  
Facsimile 216-787-3361  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

## REPORT OF INDEPENDENT ACCOUNTANTS

Board of Education  
Parma City School District  
6726 Ridge Road  
Parma, Ohio 44129

We have audited the accompanying general-purpose financial statements of the Parma City School District, Cuyahoga County, Ohio (the District) as of and for the year ended June 30, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

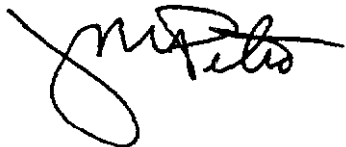
We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Parma City School District, Cuyahoga County, Ohio, as of June 30, 1999, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 1999 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the District, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the general-purpose financial statements taken as a whole.

We did not audit the data included in the statistical section of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro", written in a cursive style.

**JIM PETRO**  
Auditor of State

December 17, 1999

General Purpose  
Financial Statements

**Parma City School District**  
*Combined Balance Sheet*  
*All Fund Types and Account Groups*  
*June 30, 1999*

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Assets and Other Debits</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$9,595,834	\$2,532,643	\$1,698,461	\$1,436,799
Receivables:				
Taxes	64,080,550	0	661,404	0
Accounts	127,416	0	0	8,328
Intergovernmental	299,245	131,838	0	0
Due from Other Funds	0	0	55,741	0
Accrued Interest	29,674	0	0	0
Interfund	332,810	0	0	0
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	320,585	2,513	0	0
Prepaid Items	119,325	0	0	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	1,695,427	0	0	0
Fixed Assets (net, where applicable, of accumulated depreciation)	0	0	0	0
<b>Other Debits</b>				
Amount Available in Debt Service Fund for Retirement of Long-Term General Obligations	0	0	0	0
Amount to be Provided from General Government Resources	0	0	0	0
<b>Total Assets and Other Debits</b>	<b>\$76,600,866</b>	<b>\$2,666,994</b>	<b>\$2,415,606</b>	<b>\$1,445,127</b>

Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations	
Enterprise	Agency			
\$974,743	\$370,044	\$0	\$0	\$16,608,524
0	0	0	0	64,741,954
21,802	0	0	0	157,546
18,399	0	0	0	449,482
0	0	0	0	55,741
0	0	0	0	29,674
0	0	0	0	332,810
100,543	0	0	0	100,543
0	0	0	0	323,098
0	0	0	0	119,325
0	0	0	0	1,695,427
122,482	0	88,945,349	0	89,067,831
0	0	0	1,932,492	1,932,492
0	0	0	12,535,582	12,535,582
<u>\$1,237,969</u>	<u>\$370,044</u>	<u>\$88,945,349</u>	<u>\$14,468,074</u>	<u>\$188,150,029</u>

(continued)

**Parma City School District**  
*Combined Balance Sheet*  
*All Fund Types and Account Groups (continued)*  
 June 30, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Liabilities, Fund Equity and Other Credits</b>				
<b>Liabilities</b>				
Accounts Payable	\$196,692	\$109,990	\$0	\$454,979
Accrued Wages Payable	5,991,791	282,242	0	0
Compensated Absences Payable	66,660	0	0	0
Interfund Payable	0	171,602	0	90,748
Intergovernmental Payable	1,895,729	94,211	0	0
Due to Other Funds	0	0	0	55,741
Deferred Revenue	61,905,847	0	483,114	0
Due to Students	0	0	0	0
Accrued Interest Payable	53,002	0	0	0
Notes Payable	6,800,000	0	0	0
Energy Conservation Bonds Payable	0	0	0	0
School Building Bonds Payable	0	0	0	0
<b>Total Liabilities</b>	<b>76,909,721</b>	<b>658,045</b>	<b>483,114</b>	<b>601,468</b>
<b>Fund Equity and Other Credits</b>				
Investment in General Fixed Assets	0	0	0	0
Retained Earnings:				
Unreserved	0	0	0	0
Fund Balance (Deficit):				
Reserved for Encumbrances	330,572	666,845	0	205,584
Reserved for Bus Purchase	71,279	0	0	0
Reserved for Inventory	320,585	2,513	0	0
Reserved for Property Taxes	2,156,765	0	175,684	0
Reserved for Capital Improvements	16,943	0	0	0
Reserved for Unclaimed Monies	41,780	0	0	0
Reserved for Budget Stabilization	1,607,205	0	0	0
Unreserved, Undesignated	(4,853,984)	1,339,591	1,756,808	638,075
<b>Total Fund Equity (Deficit) and Other Credits</b>	<b>(308,855)</b>	<b>2,008,949</b>	<b>1,932,492</b>	<b>843,659</b>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b>\$76,600,866</b>	<b>\$2,666,994</b>	<b>\$2,415,606</b>	<b>\$1,445,127</b>

See accompanying notes to the general purpose financial statements

Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations	
Enterprise	Agency			
\$754	\$0	\$0	\$0	\$762,415
206,400	0	0	0	6,480,433
92,328	0	0	9,446,361	9,605,349
0	70,460	0	0	332,810
221,804	0	0	1,031,713	3,243,457
0	0	0	0	55,741
14,608	0	0	0	62,403,569
0	299,584	0	0	299,584
0	0	0	0	53,002
0	0	0	2,720,000	9,520,000
0	0	0	1,045,000	1,045,000
0	0	0	225,000	225,000
<u>535,894</u>	<u>370,044</u>	<u>0</u>	<u>14,468,074</u>	<u>94,026,360</u>
0	0	88,945,349	0	88,945,349
702,075	0	0	0	702,075
0	0	0	0	1,203,001
0	0	0	0	71,279
0	0	0	0	323,098
0	0	0	0	2,332,449
0	0	0	0	16,943
0	0	0	0	41,780
0	0	0	0	1,607,205
0	0	0	0	(1,119,510)
<u>702,075</u>	<u>0</u>	<u>88,945,349</u>	<u>0</u>	<u>94,123,669</u>
<u>\$1,237,969</u>	<u>\$370,044</u>	<u>\$88,945,349</u>	<u>\$14,468,074</u>	<u>\$188,150,029</u>



**Parma City School District**  
*Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances  
All Governmental Fund Types  
For the Fiscal Year Ended June 30, 1999*

	General	Special Revenue	Debt Service
<b>Revenues</b>			
Taxes	\$63,020,703	\$0	\$1,781,272
Intergovernmental	21,765,657	6,649,921	365,665
Interest	830,043	81,947	0
Charges for Services	227,649	171	0
Tuition and Fees	1,264,048	65	0
Extracurricular Activities	148,116	1,246,966	0
Rentals	84,629	0	0
Donations	32	55,269	0
Miscellaneous	374,509	13,226	0
<b>Total Revenues</b>	<b>87,715,386</b>	<b>8,047,565</b>	<b>2,146,937</b>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	44,133,968	359,443	0
Special	7,615,961	911,623	0
Vocational	1,513,457	76,241	0
Adult/Continuing	96,144	151,674	0
Support Services:			
Pupils	4,770,713	557,456	0
Instructional Staff	3,951,499	526,219	0
Board of Education	61,895	0	0
Administration	7,014,282	110,999	0
Fiscal	1,506,763	0	15,439
Business	760,549	0	0
Operation and Maintenance of Plant	9,632,358	75	0
Pupil Transportation	3,843,673	4,561	0
Central	990,954	42,158	0
Operation of Non-Instructional Services	851	3,536,846	0
Extracurricular Activities	980,437	1,219,840	0
Capital Outlay	49,834	4,379	0
Debt Service:			
Principal Retirement	0	0	4,925,000
Interest and Fiscal Charges	134,342	0	288,939
<b>Total Expenditures</b>	<b>87,057,680</b>	<b>7,501,514</b>	<b>5,229,378</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>657,706</b>	<b>546,051</b>	<b>(3,082,441)</b>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Fixed Assets	43,665	0	0
Proceeds of Notes	1,535	0	2,350,000
Operating Transfers In	0	58,568	94,951
Operating Transfers Out	(97,058)	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(51,858)</b>	<b>58,568</b>	<b>2,444,951</b>
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	<b>605,848</b>	<b>604,619</b>	<b>(637,490)</b>
<b>Fund Balances (Deficit) Beginning of Year - Restated (See Note 3)</b>	<b>(944,249)</b>	<b>1,408,243</b>	<b>2,569,982</b>
<b>Increase (Decrease) in Reserve for Inventory</b>	<b>29,546</b>	<b>(3,913)</b>	<b>0</b>
<b>Fund Balances (Deficit) End of Year</b>	<b>(\$308,855)</b>	<b>\$2,008,949</b>	<b>\$1,932,492</b>

See accompanying notes to the general purpose financial statements

Capital Projects	Totals (Memorandum Only)
\$0	\$64,801,975
555,739	29,336,982
0	911,990
0	227,820
0	1,264,113
0	1,395,082
0	84,629
30,000	85,301
72,431	460,166
<u>658,170</u>	<u>98,568,058</u>
0	44,493,411
0	8,527,584
0	1,589,698
0	247,818
0	5,328,169
0	4,477,718
0	61,895
0	7,125,281
0	1,522,202
0	760,549
0	9,632,433
0	3,848,234
0	1,033,112
0	3,537,697
0	2,200,277
1,245,456	1,299,669
0	4,925,000
15,478	438,759
<u>1,260,934</u>	<u>101,049,506</u>
<u>(602,764)</u>	<u>(2,481,448)</u>
0	43,665
370,000	2,721,535
155,960	309,479
(212,421)	(309,479)
<u>313,539</u>	<u>2,765,200</u>
(289,225)	283,752
1,132,884	4,166,860
0	25,633
<u>\$843,659</u>	<u>\$4,476,245</u>

**Parma City School District**  
*Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual  
All Governmental Fund Types  
For the Fiscal Year Ended June 30, 1999*

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$64,430,886	\$64,430,886	\$0
Intergovernmental	21,734,782	21,734,782	0
Interest	0	840,878	840,878
Charges for Services	180,206	227,649	47,443
Tuition and Fees	188,885	1,226,455	1,037,570
Extracurricular Activities	144,931	148,116	3,185
Rentals	82,241	82,241	0
Donations	0	32	32
Miscellaneous	153,388	292,645	139,257
<i>Total Revenues</i>	<u>86,915,319</u>	<u>88,983,684</u>	<u>2,068,365</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	47,764,964	45,734,385	2,030,579
Special	7,699,286	7,695,749	3,537
Vocational	1,530,429	1,497,569	32,860
Adult/Continuing	98,293	98,176	117
Support Services:			
Pupils	4,793,530	4,781,566	11,964
Instructional Staff	4,152,392	3,998,111	154,281
Board of Education	61,023	59,078	1,945
Administration	7,191,923	7,118,447	73,476
Fiscal	1,672,670	1,515,518	157,152
Business	939,609	752,131	187,478
Operation and Maintenance of Plant	9,820,909	9,458,066	362,843
Pupil Transportation	3,810,728	3,748,458	62,270
Central	1,260,894	1,053,400	207,494
Operation of Non-Instructional Services	3,576	869	2,707
Extracurricular Activities	960,015	906,424	53,591
Capital Outlay	79,000	75,790	3,210
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>91,839,241</u>	<u>88,493,737</u>	<u>3,345,504</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(4,923,922)</u>	<u>489,947</u>	<u>5,413,869</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Fixed Assets	43,665	43,665	0
Proceeds of Notes	9,800,000	9,801,535	1,535
Refund of Prior Year Receipt	(49)	0	49
Advances In	0	28,136	28,136
Advances Out	(234,214)	(262,350)	(28,136)
Operating Transfers In	1,600,000	0	(1,600,000)
Operating Transfers Out	(4,697,404)	(3,097,058)	1,600,346
<i>Total Other Financing Sources (Uses)</i>	<u>6,511,998</u>	<u>6,513,928</u>	<u>1,930</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>1,588,076</u>	<u>7,003,875</u>	<u>5,415,799</u>
<i>Fund Balances Beginning of Year</i>	<u>2,464,719</u>	<u>2,464,719</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>1,359,537</u>	<u>1,359,537</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$5,412,332</u>	<u>\$10,828,131</u>	<u>\$5,415,799</u>

Special Revenue Funds			Debt Service Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$4,960,616	\$4,960,616	\$0
6,650,492	6,634,365	(16,127)	176,570	365,665	189,095
62,951	81,947	18,996	0	0	0
171	171	0	0	0	0
55	65	10	0	0	0
1,278,959	1,246,966	(31,993)	0	0	0
0	0	0	0	0	0
53,678	55,269	1,591	0	0	0
10,450	13,226	2,776	0	0	0
8,056,756	8,032,009	(24,747)	5,137,186	5,326,281	189,095
604,183	425,035	179,148	0	0	0
1,064,360	993,810	70,550	0	0	0
69,887	69,887	0	0	0	0
215,912	145,326	70,586	0	0	0
781,118	575,646	205,472	0	0	0
705,301	575,933	129,368	0	0	0
0	0	0	0	0	0
128,058	109,225	18,833	0	0	0
0	0	0	16,287	15,439	848
0	0	0	0	0	0
500	75	425	0	0	0
4,561	4,561	0	0	0	0
82,535	46,174	36,361	0	0	0
4,648,394	4,308,283	340,111	0	0	0
1,499,441	1,317,277	182,164	0	0	0
5,500	4,379	1,121	0	0	0
0	0	0	11,431,928	11,425,000	6,928
0	0	0	421,999	421,013	986
9,809,750	8,575,611	1,234,139	11,870,214	11,861,452	8,762
(1,752,994)	(543,602)	1,209,392	(6,733,028)	(6,535,171)	197,857
0	0	0	0	0	0
0	0	0	2,720,000	2,720,000	0
0	0	0	0	0	0
143,466	171,602	28,136	0	0	0
0	(28,136)	(28,136)	0	0	0
97,109	58,568	(38,541)	3,284,046	3,094,951	(189,095)
(49,109)	0	49,109	(189,095)	0	189,095
191,466	202,034	10,568	5,814,951	5,814,951	0
(1,561,528)	(341,568)	1,219,960	(918,077)	(720,220)	197,857
1,385,605	1,385,605	0	2,418,681	2,418,681	0
564,087	564,087	0	0	0	0
\$388,164	\$1,608,124	\$1,219,960	\$1,500,604	\$1,698,461	\$197,857

(continued)

**Parma City School District**  
*Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual  
All Governmental Fund Types (continued)  
For the Fiscal Year Ended June 30, 1999*

	Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$0	\$0	\$0
Intergovernmental	515,628	555,739	40,111
Interest	0	0	0
Charges for Services	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Rentals	0	0	0
Donations	30,000	30,000	0
Miscellaneous	63,371	71,783	8,412
<i>Total Revenues</i>	<u>608,999</u>	<u>657,522</u>	<u>48,523</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	0	0	0
Special	1,500	1,500	0
Vocational	0	0	0
Adult/Continuing	0	0	0
Support Services:			
Pupils	0	0	0
Instructional Staff	703,647	616,846	86,801
Board of Education	0	0	0
Administration	0	0	0
Fiscal	0	0	0
Business	0	0	0
Operation and Maintenance of Plant	3,508	3,508	0
Pupil Transportation	0	0	0
Central	349,945	349,945	0
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	285	285	0
Capital Outlay	606,163	591,138	15,025
Debt Service:			
Principal Retirement	2,190	0	2,190
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>1,667,238</u>	<u>1,563,222</u>	<u>104,016</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,058,239)</u>	<u>(905,700)</u>	<u>152,539</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Fixed Assets	0	0	0
Proceeds of Notes	0	0	0
Refund of Prior Year Receipt	0	0	0
Advances In	90,748	90,748	0
Advances Out	0	0	0
Operating Transfers In	155,960	155,960	0
Operating Transfers Out	(212,421)	(212,421)	0
<i>Total Other Financing Sources (Uses)</i>	<u>34,287</u>	<u>34,287</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>(1,023,952)</u>	<u>(871,413)</u>	<u>152,539</u>
<i>Fund Balances Beginning of Year</i>	986,532	986,532	0
Prior Year Encumbrances Appropriated	661,117	661,117	0
<i>Fund Balances End of Year</i>	<u>\$623,697</u>	<u>\$776,236</u>	<u>\$152,539</u>

See accompanying notes to the general purpose financial statements

Totals (Memorandum Only)

Revised Budget	Actual	Variance Favorable (Unfavorable)
\$69,391,502	\$69,391,502	\$0
29,077,472	29,290,551	213,079
62,951	922,825	859,874
180,377	227,820	47,443
188,940	1,226,520	1,037,580
1,423,890	1,395,082	(28,808)
82,241	82,241	0
83,678	85,301	1,623
227,209	377,654	150,445
<u>100,718,260</u>	<u>102,999,496</u>	<u>2,281,236</u>
48,369,147	46,159,420	2,209,727
8,765,146	8,691,059	74,087
1,600,316	1,567,456	32,860
314,205	243,502	70,703
5,574,648	5,357,212	217,436
5,561,340	5,190,890	370,450
61,023	59,078	1,945
7,319,981	7,227,672	92,309
1,688,957	1,530,957	158,000
939,609	752,131	187,478
9,824,917	9,461,649	363,268
3,815,289	3,753,019	62,270
1,693,374	1,449,519	243,855
4,651,970	4,309,152	342,818
2,459,741	2,223,986	235,755
690,663	671,307	19,356
11,434,118	11,425,000	9,118
421,999	421,013	986
<u>115,186,443</u>	<u>110,494,022</u>	<u>4,692,421</u>
<u>(14,468,183)</u>	<u>(7,494,526)</u>	<u>6,973,657</u>
43,665	43,665	0
12,520,000	12,521,535	1,535
(49)	0	49
234,214	290,486	56,272
(234,214)	(290,486)	(56,272)
5,137,115	3,309,479	(1,827,636)
(5,148,029)	(3,309,479)	1,838,550
<u>12,552,702</u>	<u>12,565,200</u>	<u>12,498</u>
(1,915,481)	5,070,674	6,986,155
7,255,537	7,255,537	0
2,584,741	2,584,741	0
<u>\$7,924,797</u>	<u>\$14,910,952</u>	<u>\$6,986,155</u>

**Parma City School District**  
*Combined Statement of Revenues,  
 Expenses and Changes in Retained Earnings  
 Proprietary Fund Type  
 For the Fiscal Year Ended June 30, 1999*

	<b>Enterprise</b>
<b>Operating Revenues</b>	
Tuition and Fees	\$1,887,007
Sales	1,899,523
	<b>3,786,530</b>
 <b>Operating Expenses</b>	
Salaries and Wages	2,171,271
Fringe Benefits	641,624
Purchased Services	274,867
Materials and Supplies	341,016
Cost of Sales	1,237,456
Other	7,173
Depreciation	17,793
	<b>4,691,200</b>
<i>Total Operating Expenses</i>	<b>4,691,200</b>
<i>Operating Loss</i>	<b>(904,670)</b>
 <b>Non-Operating Revenues</b>	
Donated Commodities	159,965
Operating Grants	792,657
	<b>952,622</b>
<i>Total Non-Operating Revenues</i>	<b>952,622</b>
<i>Net Income</i>	<b>47,952</b>
<i>Retained Earnings Beginning of Year</i>	<b>654,123</b>
<i>Retained Earnings End of Year</i>	<b>\$702,075</b>

See accompanying notes to the general purpose financial statements

**Parma City School District**  
*Combined Statement of Cash Flows*  
*Proprietary Fund Type*  
For the Fiscal Year Ended June 30, 1999

	Enterprise
<i>Increase (Decrease) in Cash and Cash Equivalents</i>	
<b>Cash Flows from Operating Activities</b>	
Cash Received from Customers	\$3,803,106
Cash Payments to Suppliers for Goods and Services	(1,757,961)
Cash Payments to Employees for Services	(2,061,013)
Cash Payments for Employee Benefits	(627,633)
Other Cash Payments	(7,173)
	(650,674)
<i>Net Cash Used for Operating Activities</i>	(650,674)
<b>Cash Flows from Noncapital Financing Activities</b>	
Operating Grants Received	890,960
<b>Cash Flows from Capital and Related Financing Activities</b>	
Payments for Capital Acquisitions	(30,997)
	209,289
<i>Net Increase in Cash and Cash Equivalents</i>	209,289
<i>Cash and Cash Equivalents Beginning of Year</i>	765,454
<i>Cash and Cash Equivalents End of Year</i>	\$974,743
<b>Reconciliation of Operating Loss to Net Cash Used for Operating Activities</b>	
<i>Operating Loss</i>	(\$904,670)
<i>Adjustments:</i>	
Depreciation Expense	17,793
Donated Commodities	159,965
<i>(Increase) Decrease in Assets:</i>	
Accounts Receivable	16,576
Inventory Held for Resale	(25,853)
<i>Increase (Decrease) in Liabilities:</i>	
Accounts Payable	(38,734)
Accrued Wages Payable	141,914
Compensated Absences Payable	(30,958)
Intergovernmental Payable	13,293
	253,996
<i>Total Adjustments</i>	253,996
<i>Net Cash Used for Operating Activities</i>	(\$650,674)

See accompanying notes to the general purpose financial statements



**Parma City School District**  
*Combined Statement of Revenues, Expenses  
and Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual  
Proprietary Fund Type  
For the Fiscal Year Ended June 30, 1999*

	Enterprise		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
<b>Revenues</b>			
Tuition and Fees	\$1,867,098	\$1,903,583	\$36,485
Sales	1,934,963	1,899,523	(35,440)
Operating Grants	853,808	890,960	37,152
<i>Total Revenues</i>	<u>4,655,869</u>	<u>4,694,066</u>	<u>38,197</u>
<b>Expenses</b>			
Salaries and Wages	2,120,051	2,061,013	59,038
Fringe Benefits	741,080	627,633	113,447
Purchased Services	346,677	277,407	69,270
Materials and Supplies	1,674,481	1,497,611	176,870
Capital Outlay	62,371	32,276	30,095
Other	13,384	8,068	5,316
<i>Total Expenses</i>	<u>4,958,044</u>	<u>4,504,008</u>	<u>454,036</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(302,175)	190,058	492,233
<i>Fund Equity Beginning of Year</i>	657,286	657,286	0
Prior Year Encumbrances Appropriated	108,168	108,168	0
<i>Fund Equity End of Year</i>	<u>\$463,279</u>	<u>\$955,512</u>	<u>\$492,233</u>

See accompanying notes to the general purpose financial statements

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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**Note 1 - Description of the School District and Reporting Entity**

Parma City School District (School District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally-elected five-member Board form of government and provides educational services as mandated by state and/or federal agencies. This Board of Education controls the School District's twenty-four instructional/support facilities staffed by 834 noncertified and 979 certificated full time teaching personnel who provide services to 13,203 students and other community members.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards and agencies that are not legally separate from the School District. For Parma City School District, this includes general operations, food service, adult continuing education, preschool and student related activities of the School District. The following activities are also included within the reporting entity.

***Nonpublic Schools*** Within the School District boundaries, Bethany Lutheran, Community Elementary, Parma Heights Christian Academy and Bethel Christian Academy are operated independently, whereas Holy Family, Incarnate Word Academy, Holy Name High School, St. Anthony of Padua, St. Bridget, St. Charles, St. Columbkille, St. Francis de Sales, St. John Bosco, Padua Franciscan High School and St. Josaphat are operated through the Cleveland Catholic Diocese. Current State legislation provides funding to these nonpublic schools. These monies are received and disbursed on behalf of the nonpublic schools by the treasurer of the School District, as directed by the nonpublic school. The activity of these State monies is reflected in a special revenue fund for financial reporting purposes.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt or the levying of taxes for the organization. The School District has no component units.

The following entities which perform activities within the School District boundaries for the benefit of its residents are excluded from the accompanying financial statements because the School District is not financially accountable for these entities nor are they fiscally dependent on the School District.

***Cities of Parma, Parma Heights and Seven Hills*** The city governments of Parma, Parma Heights and Seven Hills are separate bodies politic and corporate. A mayor and council are elected independent of any School District relationships and administer the provision of traditional city services. Council acts as the taxing and budgeting authority for these city services.

***Parent Teacher Association*** The School District is not involved in the budgeting or management, is not responsible for any debt and has no influence over the organization.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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The School District is associated with the Lakeshore Northeast Ohio Computer Association and Ohio Schools Council Association, both jointly governed organizations. These organizations are discussed in Note 18 to the general purpose financial statements.

**Note 2 - Summary of Significant Accounting Policies**

The financial statements of Parma City School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its proprietary activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

**A. Basis Of Presentation - Fund Accounting**

The School District uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain School District functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

For financial statement presentation purposes, the various funds of the School District are grouped into the following generic fund types under the broad fund categories governmental, proprietary and fiduciary.

**Governmental Fund Types** Governmental funds are those through which most governmental functions of the School District are financed. The acquisition, use and balances of the School District's expendable financial resources and the related current liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The following are the School District's governmental fund types:

**General Fund** The general fund is the operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

**Special Revenue Funds** Special revenue funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.

**Debt Service Fund** The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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**Capital Projects Funds** Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

**Proprietary Fund Type** Proprietary funds are used to account for the School District's ongoing activities which are similar to those found in the private sector. The following is the School District's proprietary fund type:

**Enterprise Funds** Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**Fiduciary Fund Types** Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The School District's only fiduciary funds are agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**Account Groups** To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term obligations related to specific funds and those of a general nature, the following account groups are used:

**General Fixed Assets Account Group** This account group is established to account for all fixed assets of the School District, other than those accounted for in the proprietary funds.

**General Long-Term Obligations Account Group** This account group is established to account for all long-term obligations of the School District except those accounted for in the proprietary funds.

**B. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The proprietary fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental funds and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. "Measurable" means the amount of the transaction which can be determined and "available"

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the School District is sixty days after year end.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: rentals, tuition, grants, interest and student fees.

The School District reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In the subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Property taxes measurable as of June 30, 1999, and delinquent property taxes whose availability is indeterminable and which are intended to finance fiscal year 2000 operations have been recorded as deferred revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the proprietary fund type. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

**C. Budgetary Data**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control has been established by the Board of Education at the object level within each fund and function. Any budgetary modifications at this level may only be made by a resolution of the Board of Education.

Advances in and advances out are not required to be budgeted since they represent a temporary cash flow resource and are intended to be repaid.

**Tax Budget** Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing or increased tax rates. By no later than January 20, the Board-adopted budget is filed with the County Budget Commission for rate determination.

**Estimated Resources** By April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the commission's certificate of estimated resources which states the projected revenue of each fund. Prior to June 30, the School District must revise its budget

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 1999.

**Appropriations** Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution is legally enacted by the Board of Education. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the School District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission. Any revisions that alter the total of any fund appropriations or alter total function appropriations within a fund, or alter object appropriations within functions, must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. During the fiscal year, several supplemental appropriations were legally enacted; however, none of these amendments were significant. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds, other than agency funds, consistent with statutory provisions.

**Encumbrances** As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Encumbrances plus expenditures may not legally exceed appropriations at the legal level of control. On the GAAP basis, encumbrances outstanding at fiscal year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds and reported in the notes to the financial statements for proprietary funds.

**Lapsing of Appropriations** At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated.

**D. Cash and Cash Equivalents**

To improve cash management, all cash received by the School District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through School District records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the balance sheet.

During fiscal year 1999, investments were limited to STAROhio, a money market mutual fund, commercial paper, Federal Home Loan Bank Notes, Federal National Mortgage Association Notes, and United States Treasury Notes. These investments are reported at fair value which is based on quoted market prices.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 1999.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 1999 amounted to \$830,043 which includes \$302,913 assigned from other School District funds.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents.

***E. Inventory***

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Reported material and supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets. Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

***F. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 1999, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

***G. Restricted Assets***

Restricted assets in the general fund represent cash and cash equivalents whose use is limited by legal requirements. Restricted assets include unexpended revenues restricted for the purchase of buses, and amounts required by statute to be set-aside by the School District for the acquisition or construction of capital assets and to create a reserve for budget stabilization. See Note 22 for the calculation of the year-end restricted asset balance and the corresponding fund balance reserves.

***H. Fixed Assets and Depreciation***

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction costs are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds are capitalized in the respective fund. All fixed assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the dates received. The School District maintains a capitalization threshold of five hundred dollars. The School District does not possess any infrastructure. Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of general fixed assets is also not capitalized.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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Assets in the general fixed assets account group are not depreciated. Depreciation of furniture and equipment in the proprietary fund types is computed using the straight-line method over an estimated useful life of ten years. Improvements to fund fixed assets are depreciated over the remaining useful lives of the related fixed assets.

**I. Intergovernmental Revenues**

For governmental funds, intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursement basis, are recorded as receivables and revenues when measurable and available. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred. Other than commodities, grants and entitlements for proprietary fund operations are recognized as non-operating revenues in the accounting period in which they are earned and became measurable.

The School District currently participates in several State and federal programs, categorized as follows:

**Entitlements**

***General Fund***

State Property Tax Relief  
State Foundation Program  
School Bus Purchase

***Special Revenue Funds***

Disadvantaged Pupil Impact Aid

**Non-Reimbursable Grants**

***Special Revenue Funds***

Title VIB  
Parent Mentor Grant  
Eisenhower Grant  
Vocational Education  
Emergency Immigrant Education Assistance Grant  
Title I  
Title VI  
Drug Free Schools  
Preschool  
Educational Management Information System  
Professional Development  
Venture Capital  
Adult Basic Education  
Auxiliary Services  
Martha Holden Jennings Foundation  
Goals 2000 Grants  
***Capital Projects Funds***  
School Net Plus

**Reimbursable Grants**

***General Fund***

Driver Education

***Capital Projects Funds***

Vocational Education Equipment



**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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***Proprietary Funds***

National School Breakfast Program  
National School Lunch Program  
Government Donated Commodities

Grants and entitlements received in governmental funds amounted to 30 percent of governmental fund revenue during the 1999 fiscal year.

***J. Interfund Assets/Liabilities***

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables."

***K. Compensated Absences***

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for classified employees, certified employees and administrators after 14 years of current service with the School District.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using available expendable resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term obligations account group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

***L. Accrued Liabilities and Long-Term Obligations***

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the general long-term obligations account group to the extent that they will not be paid with current expendable available financial resources. Payments made more than sixty days after year end are generally considered not to have been paid with current available financial resources. Bonds and long-term notes are recognized as a liability of the general long-term obligations account group until due.

Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate proprietary funds.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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Under Ohio law, a debt retirement fund may be created and used for the payment of bond anticipation notes. Generally accepted accounting principles requires the reporting of the liability in the funds that received the proceeds. To comply with GAAP reporting requirements, the activity of the School District's debt service fund has been split among the appropriate funds. Debt service fund resources used to pay both principal and interest have also been allocated accordingly.

***M. Interfund Transactions***

Quasi-external transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

***N. Fund Balance Reserves***

The School District reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, inventories of supplies and materials, property taxes, budget stabilization, capital acquisition, school bus purchases, and unclaimed monies.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute. The reserve for budget stabilization represents money required to be set-aside by statute to protect against cyclical changes in revenues and expenditures. Under Ohio law, unclaimed money must be held for five years before it becomes available for appropriation. Money not yet held for the five year period is presented as reserved.

***O. Estimates***

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

***P. Contributed Capital***

Contributed capital represents resources from other funds, other governments and private sources provided to the proprietary funds that are not subject to repayment. These assets are recorded at their fair market value on the date contributed. Depreciation on those assets acquired or constructed with contributed resources is expensed and closed to unreserved retained earnings at year end.

Because the School District did not prepare financial statements in accordance with generally accepted accounting principles prior to fiscal year 1997, the exact amount of contributed capital cannot be determined. No contributed capital was supplied by the School District or other agencies on inception of the enterprise funds. Start-up costs were funded through advances which were subsequently reimbursed to the advancing fund. Therefore, no contributed capital has been reported.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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**Q. Total Columns on General Purpose Financial Statements**

Total columns on the general purpose financial statements are captioned "Totals (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**Note 3 - Restatement of Prior Year Balances**

In the prior year, inventory and taxes receivable in the general fund were overstated. Cash was also misallocated between funds. These changes in reporting had the following effects on fund balance as it was previously reported as of June 30, 1998.

	<u>General</u>
Fund Balance at June 30, 1998	(\$35,034)
Tax Receivable Adjustment	(628,681)
Cash Adjustment	32,366
Materials and Supplies Inventory	(312,900)
Restated Fund Balance at July 1, 1998	(\$944,249)

Due to the cash adjustment, agency fund assets and liabilities as of June 30, 1998, decreased from \$291,050 to \$258,684.

These changes decreased excess of revenues and other financing sources over expenditures and other financing uses as previously reported in the general fund for the year ended June 30, 1998 from \$1,816,759 to \$1,188,078.

**Note 4 - Accountability and Compliance**

**A. Fund Deficits**

The following funds had deficit fund balances at June 30, 1999:

	<u>Deficit Fund Balances</u>
General	\$308,855
Special Revenue Funds:	
Title I	119,773
Adult Basic Education	7,373
Vocational Education	8,116
Emergency Immigrant Education Assistance Grant	2,212

The deficit in the general fund resulted from accrued liabilities. State entitlement monies received in July and August is sufficient to cover this deficit and will be used to liquidate these liabilities. To address this deficit the School District placed a levy on the ballot on November 2, 1999. This levy did not pass. A new levy is being placed on the March 2000 ballot.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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The deficits in the special revenue funds resulted from accrued liabilities and expenditures exceeding revenues. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

**B. Legal Compliance**

Contrary to Section 5705.39, Ohio Revised Code, the following funds had appropriations in excess of estimated revenues and carryover balances:

Fund	Estimated Revenue Plus Carryover Balances	Appropriations	Excess
Special Revenue Funds:			
Title VIB	\$833,411	\$833,564	(\$153)
Vocational Education	122,091	141,925	(19,834)
School Age Child Care Grant	155,600	158,113	(2,513)
Scholarship	25,286	25,303	(17)

Actual expenditures were not in excess of actual revenues.

**Note 5 - Budgetary Basis of Accounting**

While the School District is reporting financial position, results of operations and changes in fund balance/retained earnings on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual, All Governmental Fund Types and the Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual, Proprietary Fund Type are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types and as note disclosures in the proprietary fund types (GAAP basis).
4. For proprietary funds, the acquisition and construction of capital assets are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
5. Proceeds from and principal payment on bond and tax anticipation notes are reported on the operating statement (budget basis) rather than on the balance sheet (GAAP basis).

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
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6. The School District repays short-term note debt from the debt service fund (budget basis) as opposed to the fund that received the proceeds (GAAP basis). Debt service fund resources used to pay both principal and interest have been allocated accordingly.

The following tables summarize the adjustments necessary to reconcile the GAAP and budgetary basis statements by fund type:

Excess of Revenues and Other Financing Sources  
Over (Under) Expenditures and Other Financing Uses  
All Governmental Fund Types

	General	Special Revenue	Debt Service	Capital Projects
GAAP Basis	\$605,848	\$604,619	(\$637,490)	(\$289,225)
Revenue Accruals	4,489,664	(15,556)	(26,989)	(648)
Revenue for Debt	(3,206,333)	0	3,206,333	0
Note Proceeds	9,800,000	0	370,000	(370,000)
Transfers In for Debt	0	0	3,000,000	0
Advances In	28,136	171,602	0	90,748
Unrecorded Cash	(15,033)	0	0	0
Expenditure Accruals	(1,096,647)	(149,578)	0	342,534
Debt Service:				
Principal	0	0	(6,500,000)	0
Interest	116,333	0	(132,074)	15,741
Transfers Out for Debt	(3,000,000)	0	0	0
Advances Out	(262,350)	(28,136)	0	0
Encumbrances	(455,743)	(924,519)	0	(660,563)
Budget Basis	<u>\$7,003,875</u>	<u>(\$341,568)</u>	<u>(\$720,220)</u>	<u>(\$871,413)</u>

Net Income/Excess of Revenues Over Expenses  
Proprietary Fund Type

	Enterprise
GAAP Basis	\$47,952
Revenue Accruals	114,879
Expense Accruals	59,662
Capital Outlay	(30,997)
Depreciation Expense	17,793
Encumbrances	(19,231)
Budget Basis	<u>\$190,058</u>

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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**Note 6 - Deposits and Investments**

State statutes classify monies held by the School District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the School District Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current two year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including pass book accounts.

Protection of School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio);

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
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7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

*Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.*

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements."

**Deposits** At fiscal year end, the carrying amount of the School District's deposits was \$10,580,783 and the bank balance was \$12,698,644. \$100,050 of the bank balance was covered by federal depository insurance. \$12,598,594 was uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance by the financial institution with federal requirements could potentially subject the School District to a successful claim by the FDIC.

**Investments** Investments are categorized to give an indication of the level of risk assumed by the School District at fiscal year end. Category 1 includes investments that are insured or registered or for which the securities are held by the School District or its agent in the School District's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the School District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District's name. The School District's investment in STAROhio, an investment pool operated by the Ohio State Treasurer, and Money Market Mutual Funds are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

	Category 2	Fair Value
Commercial Paper	\$1,243,278	\$1,243,278
Federal Home Loan Bank Notes	1,734,875	1,734,875
Federal National Mortgage Association Notes	738,600	738,600
United States Treasury Notes	1,232,190	1,232,190
Money Market Mutual Fund		48,801
STAROhio		2,725,424
<b>Total</b>	<b>\$4,948,943</b>	<b>\$7,723,168</b>

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and investments on the combined financial statements and the classification per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement 9	\$18,303,951	\$0
Investments:		
Money Market Mutual Fund	(48,801)	48,801
Commercial Paper	(1,243,278)	1,243,278
Federal Home Loan Bank Notes	(1,734,875)	1,734,875
Federal National Mortgage Association Notes	(738,600)	738,600
United States Treasury Notes	(1,232,190)	1,232,190
STAROhio	(2,725,424)	2,725,424
GASB Statement 3	\$10,580,783	\$7,723,168

**Note 7 - Property Taxes**

Property taxes are levied and assessed on a calendar year basis while the school district fiscal year runs from July through June. First half tax collections are received by the school district in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real, public utility and tangible personal property located in the school district. Property tax revenue received during calendar 1999 for real and public utility property taxes represents collections of calendar 1998 taxes. Property tax payments received during calendar 1999 for tangible personal property (other than public utility property) is for calendar 1999 taxes.

1999 real property taxes are levied after April 1, 1999, on the assessed value as of January 1, 1999, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at thirty-five percent of true value. 1999 public utility property taxes became a lien December 31, 1998, are levied after April 1, 1999 and are collected in 2000 with real property taxes.

1999 tangible personal property taxes are levied after April 1, 1998, on the value as of December 31, 1998. Collections are made in 1999. Tangible personal property assessments are twenty-five percent of true value.



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*Notes to the General Purpose Financial Statements*  
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	1998 Second Half Collections		1999 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/ Residential and Other Real Estate	\$1,839,312,510	90.44 %	\$1,836,066,750	90.50 %
Public Utility Personal	73,452,990	3.62	71,855,030	3.54
Tangible Personal Property	120,861,764	5.94	120,840,696	5.96
<b>Total</b>	<b>\$2,033,627,264</b>	<b>100.00 %</b>	<b>\$2,028,762,476</b>	<b>100.00 %</b>
 Tax rate per \$1,000 of assessed valuation		 \$53.60		 \$53.40

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30 and are intended to finance the fiscal year in which they are paid. This year, the June 1999 tangible personal property tax settlement was not received until July 1999.

The School District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 1999, are available to finance fiscal year 1999 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding, the late settlement of personal property taxes and real property, personal property and public utility taxes which became measurable as of June 30, 1999. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 1999 was \$2,332,449 and is recognized as revenue. \$2,156,765 was available to the general fund and \$175,684 was available to the debt service fund.

**Note 8 - Receivables**

Receivables at June 30, 1999, consisted of taxes, accounts (rent and tuition), interfund and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

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A summary of the principal items of intergovernmental receivables follows:

<u>Intergovernmental Receivables</u>	<u>Amounts</u>
<b>General Fund:</b>	
Excess Costs	\$178,272
Tuition and Fees	89,973
Community Alternative Funding	31,000
<b>Total General Fund</b>	<b>299,245</b>
<b>Special Revenue Funds:</b>	
Parent Mentor Grant	25,000
Vocational Education	19,835
School Age Child Care	47,221
Career Development	37,982
Economic Education Grant	1,800
<b>Total Special Revenue Funds</b>	<b>131,838</b>
<b>Enterprise Funds:</b>	
Food Service	18,399
<b>Total Intergovernmental Receivables</b>	<b>\$449,482</b>

**Note 9 - Fixed Assets**

A summary of the enterprise funds' fixed assets at June 30, 1999, follows:

Furniture and Equipment	\$2,025,709
Less: accumulated depreciation	(1,903,227)
<b>Net Fixed Assets</b>	<b>\$122,482</b>

A summary of the changes in general fixed assets during fiscal year 1999 follows:

	Balance 6/30/98	Increase	Decreases	Balance 6/30/99
Land and Land Improvements	\$3,914,049	\$94,951	\$0	\$4,009,000
Buildings	50,379,861	958,321	0	51,338,182
Furniture and Equipment	26,785,926	575,897	137,162	27,224,661
Vehicles	6,374,454	0	948	6,373,506
<b>Total General Fixed Assets</b>	<b>\$87,454,290</b>	<b>\$1,629,169</b>	<b>\$138,110</b>	<b>\$88,945,349</b>

**Note 10 - Risk Management**

**A. Property and Liability**

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For fiscal year 1999, the School

**Parma City School District**  
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District contracted with the following insurance companies for the various insurances that the School Districts participates in.

Company	Type of Coverage	Limit	Deductible
The Travelers Property Casualty Group	Auto Liability	\$1,000,000	\$250
	Uninsured Motorist	2,000,000	0
	Medical Payments per person	5,000	0
The Travelers Property Casualty Group	Property Coverage		
	Blanket Building and Contents	182,773,000	10,000
The Travelers Property Casualty Group	Boiler and Machinery	30,000,000	2,500
The Travelers Property Casualty Group	Comprehensive General Liability		
	Bodily Injury & Property Damage	1,000,000	0
	Personal Injury	1,000,000	0
	General Aggregate	2,000,000	0
	Medical (any one person)	5,000	0
The Travelers Property Casualty Group	Umbrella Liability	1,000,000	10,000
National Union Fire Insurance Company	Errors and Omissions	1,000,000	2,500
The Travelers Property Casualty Group	Mobile Classroom	1,000,000	250
The Travelers Property Casualty Group	Modular Classroom		
	Unit Coverage	\$753,000	\$250
	Contents Coverage	147,000	250
The Travelers Property Casualty Group	Musical Instruments	197,485	0
The Travelers Property Casualty Group	Bond Coverage (each person)	25,000	0

Settled claims have not exceeded this commercial coverage in any of the past three years and there have been no significant reductions in insurance coverage from last year.

***B. Workers' Compensation***

The School District participates in the Ohio Schools Council Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Acordia provides administrative, cost control and actuarial services to the GRP.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
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**Note 11 - Defined Benefit Pension Plans**

***A. School Employees Retirement System***

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 45 N. Fourth Street, Columbus, Ohio 43215-3634.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 1999, 7.7 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 1998, 9.02 percent was used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$1,112,011, \$1,357,860 and \$1,386,880, respectively; 43.9 percent has been contributed for fiscal year 1999 and 100 percent for fiscal years 1998 and 1997. \$623,162 representing the unpaid contribution for fiscal year 1999, is recorded as a liability within the respective funds and the general long-term obligations account group.

***B. State Teachers Retirement System***

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system. STRS provides retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3371.

For the fiscal year ended June 30, 1999, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District was required to contribute 14 percent; 6 percent was the portion used to fund pension obligations. For fiscal year 1998, the portion used to fund pension obligations was 10.5 percent. Contribution rates are established by STRS, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$3,014,574, \$5,007,356 and \$5,537,412, respectively; 84.45 percent has been contributed for fiscal year 1999 and 100 percent for fiscal years 1998 and 1997. \$468,761 represents the unpaid contribution for fiscal year 1999 and is recorded as a liability within the respective funds.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
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**Note 12 - Postemployment Benefits**

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are on a pay-as-you-go basis.

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 1999, the STRS Board allocated employer contributions equal to 8 percent of covered payroll to the Health Care Reserve Fund, an increase from 3.5 percent for fiscal year 1998. For the School District, this amount equaled \$4,019,432 for fiscal year 1999.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 1998, (the latest information available) the balance in the Fund was \$2,156 million. For the year ended June 30, 1998, net health care costs paid by STRS were \$219,224,000 and STRS had 91,999 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 1999, employer contributions to fund health care benefits were 6.30 percent of covered payroll, an increase from 4.98 percent for fiscal year 1998. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 1999, the minimum pay was established at \$12,400. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 1999 fiscal year equaled \$1,176,970.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 125 percent of the annual health care expenses. Expenses for health care for the fiscal year ended June 30, 1998 (the latest information available), were \$111,900,575 and the target level was \$139.9 million. At June 30, 1998, SERS had net assets available for payment of health care benefits of \$160.3 million. SERS has approximately 50,000 participants currently receiving health care benefits.

**Note 13 - Other Employee Benefits**

**A. Compensated Absences**

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn up to twenty-five days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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employment. Teachers and administrators who are not on a twelve month contract do not earn vacation time.

Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month of service or fifteen days for each completed year of service. There is no limit on the maximum number of sick leave days that may be accumulated.

Upon retirement, certificated employees with less than fourteen years of service will be paid a sum equal to one-fourth of unused sick leave to a maximum of thirty days. Upon separation, certificated employees with fourteen years of service or more, hired prior to May 1, 1996, will receive a lump sum payment for total sick leave accumulation, up to a maximum accumulation of seventy-five days. Any certificated employee with a balance of greater than 240 days will also receive an additional ten percent of accrued and unused sick leave above the 240 days. Certificated employees with fourteen years of service or more, hired after May 1, 1996, will receive a lump sum payment for one-fourth of accrued and unused sick leave up to a maximum accumulation of ninety days.

Effective January 1, 1996, classified employees with fourteen years of service or more will be paid a sum upon separation equal to the value of the percentages below, to a maximum of seventy-five days:

Accrued and Unused Sick Days	Maximum Days Paid Upon Separation
0 - 50 days at 20%	10.0
51 - 100 days at 25%	12.5
101 - 150 days at 30%	15.0
151 - 200 days at 35%	17.5
201 - 250 days at 40%	20.0
	<u>75.0</u>

***B. Insurance Benefits***

The School District provides life insurance and accidental death and dismemberment insurance through Canada Life Assurance Company. Certificated employees working two and one-half hours or more per day and administrators receive \$50,000 term life and accidental death and dismemberment coverage. Classified employees who work four to six hours per day receive \$20,000 coverage, and those who work six hours or more per day receive \$30,000 coverage for term life insurance and accidental death and dismemberment.

The School District also provides medical/surgical, dental and vision insurance to all eligible employees primarily through Medical Mutual of Ohio.

**Parma City School District**  
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**Note 14 - Note Debt**

The School District's note activity, including amounts outstanding and interest rates, is as follows:

	Balance 6/30/98	Additions	Deletions	Balance 6/30/99
<b>General Fund:</b>				
Tax anticipation - 3.92% Spending Reserve	\$3,090,000	\$0	(\$3,090,000)	\$0
Tax anticipation Note - 3.50%	0	3,000,000	(3,000,000)	0
Tax Anticipation Note - 4.60%	0	6,800,000	0	6,800,000
<b>Permanent Improvements:</b>				
Byers Field Improvement - 3.85%	410,000	0	(410,000)	0
<b>Totals</b>	<b><u>\$3,500,000</u></b>	<b><u>\$9,800,000</u></b>	<b><u>(\$6,500,000)</u></b>	<b><u>\$6,800,000</u></b>

The notes are backed by the full faith and credit of Parma City School District and mature within one year. The note liability is reflected in the fund which received the proceeds and which will repay the debt. The \$6,800,000 tax anticipation note was issued at a premium of \$1,535.

**Note 15 - Long-Term Obligations**

Changes in long-term obligations of the School District during fiscal year 1999, were as follows:

	Principal Outstanding 6/30/98	Additions	Deductions	Principal Outstanding 6/30/99
<b>Bond Anticipation Notes:</b>				
School Facilities Improvement Note- 4.47%	\$4,475,000	\$0	(\$4,475,000)	\$0
Byers Field Improvement Note - 5.50%	0	370,000	0	370,000
HB 264 Energy Conservation - 3.93%	0	2,350,000	0	2,350,000
<b>Total Bond and Tax Anticipation Notes:</b>	<b><u>4,475,000</u></b>	<b><u>2,720,000</u></b>	<b><u>(4,475,000)</u></b>	<b><u>2,720,000</u></b>
<b>General Obligation Bonds:</b>				
1979 School Building - 6.0%	450,000	0	(225,000)	225,000
1992 Energy Conservation - 3.7% - 6.15%	1,270,000	0	(225,000)	1,045,000
<b>Total General Obligation Bonds Payable</b>	<b><u>1,720,000</u></b>	<b><u>0</u></b>	<b><u>(450,000)</u></b>	<b><u>1,270,000</u></b>
<b>Other Long-Term Obligations:</b>				
Intergovernmental Payable	1,119,702	1,031,713	(1,119,702)	1,031,713
Compensated Absences Payable	10,059,918	0	(613,557)	9,446,361
<b>Total General Long-Term Obligations</b>	<b><u>\$17,374,620</u></b>	<b><u>\$3,751,713</u></b>	<b><u>(\$6,658,259)</u></b>	<b><u>\$14,468,074</u></b>

On July 15, 1999, the School District issued bonds in the amount of \$2,485,000 and the proceeds were used to refinance the \$370,000 Byers Field Note and the \$2,350,000 House Bill 264 Energy Conservation Note. Therefore, these notes have been presented in the general long-term obligations account group. Both outstanding notes matured on July 15, 1999, the total principal and interest payment to retire these notes was \$2,812,603.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
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The general obligation bonds will be paid from the debt service fund. The intergovernmental payable represents contractually required pension contributions paid outside the available period and will be paid from the fund from which the person is paid. Compensated absences will be paid from the fund from which the person is paid. For compensated absences, additions and deletions are shown net since it is impractical to determine these amounts separately.

The School District's overall legal debt margin was \$180,531,115 with an unvoted debt margin of \$2,028,762 at June 30, 1999. Principal and interest requirements to retire general obligation bonds outstanding at June 30, 1999, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2000	\$465,000	\$62,263	\$527,263
2001	250,000	41,238	291,238
2002	270,000	25,695	295,695
2003	285,000	8,764	293,764
Total	<u>\$1,270,000</u>	<u>\$137,960</u>	<u>\$1,407,960</u>

**Note 16 - Interfund Receivables/Payables**

At June 30, 1999, interfund receivable/payable consist of the following:

	Interfund Receivable	Interfund Payable
General Fund	<u>\$332,810</u>	<u>\$0</u>
Special Revenue Funds:		
Title I	0	100,000
Vocational Education	0	19,836
Career Development	0	49,966
Economic Education Grant	0	1,800
Total Special Revenue Funds	<u>0</u>	<u>171,602</u>
Power Up Grant Capital Projects Fund	<u>0</u>	<u>90,748</u>
Voluntary Benefits Agency Fund	<u>0</u>	<u>70,460</u>
Total All Funds	<u>\$332,810</u>	<u>\$332,810</u>

At June 30, 1999, Due from other funds and Due to other funds consist of the following:

	Due from	Due to
Debt Service Fund	\$55,741	\$0
Permanent Improvements Capital Projects Fund	<u>0</u>	<u>55,741</u>
Total All Funds	<u>\$55,741</u>	<u>\$55,741</u>



**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

**Note 17 - Segment Information for Enterprise Funds**

The School District maintains three enterprise funds to account for the operations of food service, adult continuing education and extended daycare/preschool. The table below reflects in a summarized format the more significant financial data relating to the enterprise funds of the School District as of and for the fiscal year ended June 30, 1999.

	Food Service	Adult Continuing Education	Extended Daycare/ Preschool	Total Enterprise Funds
Operating Revenues	\$1,899,523	\$704,289	\$1,182,718	\$3,786,530
Depreciation	7,925	6,069	3,799	17,793
Operating Loss	(787,493)	(114,422)	(2,755)	(904,670)
Donated Commodities	159,965	0	0	159,965
Operating Grants	759,940	32,717	0	792,657
Net Income (Loss)	132,412	(81,705)	(2,755)	47,952
Fixed Asset Additions	1,750	15,947	13,300	30,997
Fixed Asset Deletions	3,469	0	0	3,469
Net Working Capital	310,399	25,824	332,432	668,655
Total Assets	539,397	157,806	540,766	1,237,969
Long-Term Compensated Absences Payable	85,279	2,921	862	89,062
Total Equity	269,938	73,847	358,290	702,075
Encumbrances Outstanding	0	3,483	15,748	19,231

**Note 18 - Jointly Governed Organizations**

**Lakeshore Northeast Ohio Computer Association** The Lakeshore Northeast Ohio Computer Association (LNOCA) is a jointly governed computer service bureau among eleven public school districts. The primary function of LNOCA is to provide data services to the eleven member districts. Major areas of service provided by LNOCA include accounting, payroll, inventory, career guidance services, handicapped student tracking, pupil scheduling, attendance reporting and grade reporting. Each school is represented on the LNOCA Board of Directors by its superintendent. Each year, the Board of Directors elects a Chairman, a Vice Chairman and a Recording Secretary. The Treasurer of the fiscal agent is a nonvoting, ex-officio member of the Board of Directors. The Cuyahoga County Educational Service Center serves as the fiscal agent of LNOCA. Each school district supports LNOCA based upon a per pupil charge dependent upon the software packages used. Financial information can be obtained by contacting the Treasurer of the fiscal agent at 5700 West Canal Road, Valley View, OH 44125.

**Ohio Schools Council Association** The Ohio Schools Council Association (Council) is a jointly governed organization among eighty-two School Districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. The Council sponsors an

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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insurance purchasing plan in which the School District participates. The School District also participates in the Ohio Schools Council Workers' Compensation Group Rating Program. Each district supports the Council by an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. The School District participates in the Council's electric purchase program which was implemented during fiscal year 1999. This program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating for an eight year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

Energy Acquisition Corp., a non-profit corporation with a self-appointing board, issued \$119,140,000 in debt to purchase eight years of electricity from Cleveland Electric Illuminating (CEI) for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates the agreement, the School District is required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corp. Financial information can be obtained by contacting the Treasurer at the Ohio Schools Council at 6376 Mill Road, Broadview Heights, Ohio 44147.

**Note 19 -State School Funding Decision**

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the Ohio General Assembly to design a plan to remedy the perceived defects in the system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to the School District. During the fiscal year ended June 30, 1999, the School District received \$12,804,834 of school foundation support for its general fund.

Also, the Court declared the spending reserve borrowing program unconstitutional. The spending reserve program allowed the School District to borrow against amounts anticipated to be collected from tangible personal property taxes after the School District's June 30 fiscal year end. During the fiscal year ended June 30, 1999, the School District did not borrow under this program. However, they repaid \$3,090,000 million borrowed in fiscal year 1998. Historically, the School District has relied on this borrowing to meet their cash flow needs at the end of each fiscal year. State statute has recently been amended to gradually decrease the annual amount that may be borrowed under this program.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the Ohio General Assembly in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County has reviewed the new laws and, in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State has appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. At this time, the Ohio Supreme Court has not rendered an opinion on this issue. The decision of the Court of Common Pleas in Perry County has been stayed by the Ohio Supreme Court, and, as such, school districts are still operating under the laws that the Common Pleas Court declared unconstitutional.

As of the date of these financial statements, the School District is unable to determine what effect, if any, this ongoing litigation will have on its future State funding under these programs and on its financial operations.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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**Note 20 - Contingencies**

**A. Grants**

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 1999.

**B. Litigation**

The School District is party to legal proceedings. The School District's management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the School District.

**Note 21 - Year 2000 Issue**

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect the School District's operations.

The School District has completed an inventory of computer systems and other equipment necessary to conducting School District operations and has identified such systems as being financial reporting, payroll and employee benefits, and educational statistics reporting (through the State's Education Management and Information System (EMIS)).

Cuyahoga County collects property taxes for distribution to the School District. Cuyahoga County is responsible for remediating the tax collection system.

The School District uses the State of Ohio Uniform School Accounting System software for its financial reporting and the State of Ohio Uniform School Payroll System software for its payroll and employee benefits. The State is responsible for remediating these systems.

The Northwest Ohio Computer Association, State Software Development Team states,

"The payroll processing software supported with the OECN State Software is compliant with the Year 2000, beginning with the September 1997 release of USPS V4.0.

The accounting software supported with the OECN State Software will be compliant with the Year 2000, beginning with the June 1998 release of USAS V6.1.

The equipment inventory and vehicle inventory system software supported with OECN State software will be compliant with the Year 2000, beginning with the December 1998 release of SAAS V2.0.

The education management information system software supported with the OECN State Software will be compliant with the Year 2000, beginning with the September 1998 release of EMIS V1.7."

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

The State of Ohio distributes a substantial sum of money to the School District in the form of "Foundation" payments. Further, the State processes a significant amount of financial and non-financial information about the School District through EMIS. The State is responsible for remediating these systems.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until year 2000 and thereafter. Management cannot assure that the School District is or will be Year 2000 ready, that the School District's remediation efforts will be successful in whole or in part, or that parties with whom the School District does business will be year 2000 ready.

**Note 22 - Set-Aside Calculations and Fund Reserves**

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years. The School District is also required to set aside money for budget stabilization. The School District also receives State grant monies for bus purchases. Amounts remaining at year end are also reported as restricted assets with a corresponding reserve of fund balance.

The following cash basis information describes the change in the year-end set-aside amounts for textbooks, capital acquisition, and budget stabilization. Disclosure of this information is required by State statute.

	Textbooks	Capital Acquisition	Budget Stabilization	Totals
Set-aside Cash Balance as of June 30, 1998	\$0	\$0	\$939,583	\$939,583
Current Year Set-aside Requirement	1,335,243	1,335,243	667,622	3,338,108
Current Year Offsets	(185,722)	0	0	(185,722)
Qualifying Disbursements	(1,965,501)	(1,318,300)	0	(3,283,801)
<b>Total</b>	<b>(\$815,980)</b>	<b>\$16,943</b>	<b>\$1,607,205</b>	<b>\$808,168</b>
Cash Balance Carried Forward to FY 2000	\$0	\$16,943	\$1,607,205	\$1,624,148
Amount restricted for bus purchases				71,279
<b>Total Restricted Assets</b>				<b>\$1,695,427</b>

Although the School District had offsets and qualifying disbursements during the year that reduced the set-aside amounts to below zero, these extra amounts may not be used to reduce the set-aside requirements of future years. Negative amounts are therefore not presented as being carried forward to the next fiscal year.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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**Note 23 - Subsequent Events**

On July 15, 1999, a \$2,485,000 bond was issued at an interest rate ranging from 5.0 to 5.5 percent interest for 10 years. This bond refinanced the 1999, \$370,000, 5.5 percent Byers Field Improvement and the 1997, \$2,350,000, 3.93 percent House Bill 264 Energy Conservation Notes outstanding at June 30, 1999.

Combining, Individual Fund  
and Account Group  
Statements and Schedules

## **General Fund**

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The general fund is the operating fund of the School District and is used to account for all financial resources except those required to be accounted for in other funds.

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$64,430,886	\$64,430,886	\$0
Intergovernmental	21,734,782	21,734,782	0
Interest	0	840,878	840,878
Charges for Services	180,206	227,649	47,443
Tuition and Fees	188,885	1,226,455	1,037,570
Extracurricular Activities	144,931	148,116	3,185
Rentals	82,241	82,241	0
Donations	0	32	32
Miscellaneous	153,388	292,645	139,257
<b>Total Revenues</b>	<b>86,915,319</b>	<b>88,983,684</b>	<b>2,068,365</b>
<b>Expenditures</b>			
<b>Current:</b>			
<i>Instruction:</i>			
<i>Regular:</i>			
Salaries and Wages	35,399,219	33,582,944	1,816,275
Fringe Benefits	9,472,239	9,460,927	11,312
Purchased Services	1,080,721	995,706	85,015
Materials and Supplies	1,327,144	1,236,812	90,332
Capital Outlay - New	203,829	203,470	359
Capital Outlay - Replacement	30,908	30,883	25
Other	250,904	223,643	27,261
<b>Total Regular</b>	<b>47,764,964</b>	<b>45,734,385</b>	<b>2,030,579</b>
<i>Special:</i>			
Salaries and Wages	5,995,059	5,994,704	355
Fringe Benefits	1,674,833	1,672,331	2,502
Purchased Services	3,654	3,645	9
Materials and Supplies	20,222	20,178	44
Capital Outlay - New	5,518	4,891	627
<b>Total Special</b>	<b>7,699,286</b>	<b>7,695,749</b>	<b>3,537</b>
<i>Vocational:</i>			
Salaries and Wages	1,086,389	1,069,620	16,769
Fringe Benefits	270,166	262,733	7,433
Purchased Services	22,086	16,793	5,293
Materials and Supplies	42,242	39,296	2,946
Capital Outlay - New	97,994	97,975	19
Capital Outlay - Replacement	11,552	11,152	400
<b>Total Vocational</b>	<b>\$1,530,429</b>	<b>\$1,497,569</b>	<b>\$32,860</b>

(continued)



**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Adult/Continuing:			
Salaries and Wages	\$82,165	\$82,093	\$72
Fringe Benefits	16,128	16,083	45
<b>Total Adult/Continuing</b>	<b>98,293</b>	<b>98,176</b>	<b>117</b>
<b>Total Instruction</b>	<b>57,092,972</b>	<b>55,025,879</b>	<b>2,067,093</b>
Support Services:			
Pupils:			
Salaries and Wages	3,558,244	3,549,357	8,887
Fringe Benefits	985,286	983,244	2,042
Purchased Services	129,660	129,660	0
Materials and Supplies	119,565	118,530	1,035
Capital Outlay - New	775	775	0
<b>Total Pupils</b>	<b>4,793,530</b>	<b>4,781,566</b>	<b>11,964</b>
Instructional Staff:			
Salaries and Wages	2,632,476	2,533,931	98,545
Fringe Benefits	754,627	754,500	127
Purchased Services	578,340	543,386	34,954
Materials and Supplies	129,071	110,383	18,688
Capital Outlay - New	49,878	49,874	4
Capital Outlay - Replacement	4,000	3,689	311
Other	4,000	2,348	1,652
<b>Total Instructional Staff</b>	<b>4,152,392</b>	<b>3,998,111</b>	<b>154,281</b>
Board of Education:			
Salaries and Wages	40,680	40,621	59
Fringe Benefits	2,208	2,064	144
Purchased Services	10,775	9,343	1,432
Materials and Supplies	760	470	290
Other	6,600	6,580	20
<b>Total Board of Education</b>	<b>61,023</b>	<b>59,078</b>	<b>1,945</b>
Administration:			
Salaries and Wages	4,813,844	4,813,481	363
Fringe Benefits	1,812,440	1,812,109	331
Purchased Services	366,345	303,397	62,948
Materials and Supplies	118,240	109,190	9,050
Capital Outlay - New	6,702	6,537	165
Capital Outlay - Replacement	73,152	72,726	426
Other	1,200	1,007	193
<b>Total Administration</b>	<b>\$7,191,923</b>	<b>\$7,118,447</b>	<b>\$73,476</b>

(continued)

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Fiscal:</b>			
Salaries and Wages	\$372,496	\$360,830	\$11,666
Fringe Benefits	172,508	116,129	56,379
Purchased Services	141,069	141,054	15
Materials and Supplies	8,500	720	7,780
Capital Outlay - New	1,746	1,746	0
Capital Outlay - Replacement	1,696	1,670	26
Other	974,655	893,369	81,286
<b>Total Fiscal</b>	<b>1,672,670</b>	<b>1,515,518</b>	<b>157,152</b>
<b>Business:</b>			
Salaries and Wages	513,077	423,616	89,461
Fringe Benefits	181,309	114,373	66,936
Purchased Services	55,670	48,876	6,794
Materials and Supplies	82,250	78,898	3,352
Other	107,303	86,368	20,935
<b>Total Business</b>	<b>939,609</b>	<b>752,131</b>	<b>187,478</b>
<b>Operation and Maintenance of Plant:</b>			
Salaries and Wages	3,963,104	3,961,752	1,352
Fringe Benefits	1,324,991	1,247,954	77,037
Purchased Services	3,354,420	3,218,089	136,331
Materials and Supplies	764,857	701,653	63,204
Capital Outlay - New	1,500	694	806
Capital Outlay - Replacement	12,162	6,114	6,048
Other	399,875	321,810	78,065
<b>Total Operation and Maintenance of Plant</b>	<b>9,820,909</b>	<b>9,458,066</b>	<b>362,843</b>
<b>Pupil Transportation:</b>			
Salaries and Wages	2,260,838	2,259,757	1,081
Fringe Benefits	803,404	778,617	24,787
Purchased Services	430,226	430,173	53
Materials and Supplies	273,260	242,870	30,390
Other	43,000	37,041	5,959
<b>Total Pupil Transportation</b>	<b>\$3,810,728</b>	<b>\$3,748,458</b>	<b>\$62,270</b>

(continued)

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Central:			
Salaries and Wages	\$439,253	\$438,778	\$475
Fringe Benefits	182,150	131,854	50,296
Purchased Services	206,532	206,166	366
Materials and Supplies	318,246	261,889	56,357
Capital Outlay - New	100,000	0	100,000
Capital Outlay - Replacement	14,713	14,713	0
<b>Total Central</b>	<b>1,260,894</b>	<b>1,053,400</b>	<b>207,494</b>
<b>Total Support Services</b>	<b>33,703,678</b>	<b>32,484,775</b>	<b>1,218,903</b>
Operation of Non-Instructional Services:			
Community Service:			
Salaries and Wages	560	321	239
Fringe Benefits	3,016	548	2,468
<b>Total Operation of Non-Instructional Services</b>	<b>3,576</b>	<b>869</b>	<b>2,707</b>
Extracurricular Activities:			
Academic and Subject Oriented Activities:			
Salaries and Wages	121,192	121,103	89
Fringe Benefits	19,193	19,080	113
Other	51,530	38,666	12,864
<b>Total Academic and Subject Oriented Activities</b>	<b>191,915</b>	<b>178,849</b>	<b>13,066</b>
Sports Oriented Activities:			
Salaries and Wages	496,833	496,507	326
Fringe Benefits	92,784	80,211	12,573
Purchased Services	24,900	24,900	0
Materials and Supplies	7,500	6,881	619
Other	22,500	0	22,500
<b>Total Sports Oriented Activities</b>	<b>\$644,517</b>	<b>\$608,499</b>	<b>\$36,018</b>

(continued)

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
School and Public Service			
Co-Curricular Activities:			
Salaries and Wages	\$105,251	\$101,934	\$3,317
Fringe Benefits	16,332	16,067	265
Other	2,000	1,075	925
Total School and Public Service Co-Curricular Activities	123,583	119,076	4,507
Total Extracurricular Activities	960,015	906,424	53,591
Capital Outlay:			
Building Acquisition and Construction Services:			
Purchased Services	79,000	75,790	3,210
<i>Total Expenditures</i>	91,839,241	88,493,737	3,345,504
<i>Excess of Revenues Over (Under) Expenditures</i>	(4,923,922)	489,947	5,413,869
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Fixed Assets	43,665	43,665	0
Proceeds of Notes	9,800,000	9,801,535	1,535
Refund of Prior Year Receipt	(49)	0	49
Advances In	0	28,136	28,136
Advances Out	(234,214)	(262,350)	(28,136)
Operating Transfers In	1,600,000	0	(1,600,000)
Operating Transfers Out	(4,697,404)	(3,097,058)	1,600,346
<i>Total Other Financing Sources (Uses)</i>	6,511,998	6,513,928	1,930
<i>Excess of Revenues and Other Financing   Sources Over Expenditures and   Other Financing Uses</i>	1,588,076	7,003,875	5,415,799
<i>Fund Balance Beginning of Year</i>	2,464,719	2,464,719	0
Prior Year Encumbrances Appropriated	1,359,537	1,359,537	0
<i>Fund Balance End of Year</i>	\$5,412,332	\$10,828,131	\$5,415,799

## Special Revenue Funds

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Special revenue funds are established to account for revenues from specific sources which legally, or otherwise, are restricted for specific purposes. Descriptions of the School District's special revenue funds follow:

**Auxiliary Services Fund** This fund accounts for grant monies which provide services and materials to pupils attending non-public schools within the School District.

**Public School Support Fund** This fund accounts for school site sales revenue and expenditures for field trips, assemblies, and other activity costs.

**Title VIB Fund** This fund accounts for Federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

**Title I Fund** This fund accounts for Federal monies used to assist the School District in meeting the special needs of educationally deprived children.

**Disadvantaged Pupil Impact Aid Fund** This fund accounts for State monies for disadvantaged pupil impact aid.

**Parent Mentor Grant Fund** This fund accounts for State monies used to educate, include and provide guidance to parents of special education students.

**District Managed Student Activities Fund** This fund accounts for gate receipts and other revenues from athletic events and all costs (except supplemental coaching contracts) of the School District's athletic program.

**Goals 2000 Fund** This fund accounts for Federal monies used for preparing students and teachers for the proficiency test.

**Textbook Subsidy Fund** This fund accounts for State monies used to purchase textbooks.

**Adult Basic Education Fund** This fund accounts for Federal monies used to provide reading, writing, and math competency programs for adults that do not have a high school diploma.

**Vocational Education Fund** This fund accounts for monies used for the development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and disabled persons, exemplary programs, cooperative education, construction of area vocational school ancillary services, research, advisory committees and work study projects.

**School Age Child Care Grant Fund** This fund accounts for monies from Ohio Department of Education used for start up costs in offering child care to children in the School District.

**Career Development Fund** This fund accounts for State monies used for developing, researching, implementing, and evaluating career enhancement programs.

(continued)

## **Special Revenue Funds**

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**Title VI Fund** This fund accounts for Federal monies which support the implementation of computer education programs, gifted and talented programs, in-service training and staff development.

**Drug Free Schools Fund** This fund accounts for Federal revenues which support the implementation of drug abuse education and prevention programs.

**Professional Development Fund** This fund accounts for State monies to assist teachers in gaining new skills and becoming familiar with new teaching methodologies.

**Post Secondary Education Fund** this fund accounts for State monies used to pay tuition costs for high school students to who participate in college level courses.

**Preschool Grant Fund** This fund accounts for Federal revenues used for speech therapy services and instructional supplies used in preschool programs.

**Other** Small Special Revenue Funds operated by the School District and subsidized in part by local, state and federal monies as well as miscellaneous sources. These funds are as follows:

**Scholarship Fund  
Eisenhower Grant Fund  
Venture Capital Fund  
Other Grants Fund  
Managed Information Systems Fund  
School Account Network Fund  
Disadvantaged Pupil Program Fund  
Economic Education Grant Fund  
Emergency Immigrant Education Assistance Grant Fund**

**Parma City School District**  
*Combining Balance Sheet*  
*All Special Revenue Funds*  
 June 30, 1999

	Auxiliary Services	Public School Support	Title VIB	Title I
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$633,023	\$461,071	\$152,084	\$52,903
Intergovernmental Receivable	0	0	0	0
Materials and Supplies Inventory	0	2,513	0	0
<i>Total Assets</i>	<u>\$633,023</u>	<u>\$463,584</u>	<u>\$152,084</u>	<u>\$52,903</u>
<b>Liabilities</b>				
Accounts Payable	\$48,171	\$2,506	\$964	\$913
Accrued Wages Payable	112,552	0	41,351	54,855
Interfund Payable	0	0	0	100,000
Intergovernmental Payable	39,788	808	14,256	16,908
<i>Total Liabilities</i>	<u>200,511</u>	<u>3,314</u>	<u>56,571</u>	<u>172,676</u>
<b>Fund Equity</b>				
Fund Balance (Deficit):				
Reserved for Encumbrances	432,512	40,369	24,495	3,605
Reserved for Inventory	0	2,513	0	0
Unreserved, Undesignated	0	417,388	71,018	(123,378)
<i>Total Fund Equity (Deficit)</i>	<u>432,512</u>	<u>460,270</u>	<u>95,513</u>	<u>(119,773)</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$633,023</u>	<u>\$463,584</u>	<u>\$152,084</u>	<u>\$52,903</u>

<u>Disadvantaged Pupil Impact Aid</u>	<u>Parent Mentor Grant</u>	<u>District Managed Student Activities</u>	<u>Goals 2000</u>	<u>Textbook Subsidy</u>	<u>Adult Basic Education</u>
\$193,341	\$221,075	\$77,534	\$125,401	\$128,205	\$6,485
0	25,000	0	0	0	0
0	0	0	0	0	0
<u>\$193,341</u>	<u>\$246,075</u>	<u>\$77,534</u>	<u>\$125,401</u>	<u>\$128,205</u>	<u>\$6,485</u>
\$0	\$3,108	\$3,142	\$16,731	\$23,735	\$0
18,654	5,194	833	776	0	10,559
0	0	0	0	0	0
5,456	2,393	256	236	0	3,299
<u>24,110</u>	<u>10,695</u>	<u>4,231</u>	<u>17,743</u>	<u>23,735</u>	<u>13,858</u>
752	9,042	11,627	1,552	57,138	0
0	0	0	0	0	0
168,479	226,338	61,676	106,106	47,332	(7,373)
<u>169,231</u>	<u>235,380</u>	<u>73,303</u>	<u>107,658</u>	<u>104,470</u>	<u>(7,373)</u>
<u>\$193,341</u>	<u>\$246,075</u>	<u>\$77,534</u>	<u>\$125,401</u>	<u>\$128,205</u>	<u>\$6,485</u>

(continued)



**Parma City School District**  
*Combining Balance Sheet*  
*All Special Revenue Funds (continued)*  
*June 30, 1999*

	Vocational Education	School Age Child Care Grant	Career Development	Title VI
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$4,219	\$80,649	\$43,706	\$21,489
Intergovernmental Receivable	19,835	47,221	37,982	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$24,054</u>	<u>\$127,870</u>	<u>\$81,688</u>	<u>\$21,489</u>
<b>Liabilities</b>				
Accounts Payable	\$600	\$6,536	\$1,891	\$141
Accrued Wages Payable	9,075	3,528	5,707	0
Interfund Payable	19,836	0	49,966	0
Intergovernmental Payable	2,659	954	1,717	0
<i>Total Liabilities</i>	<u>32,170</u>	<u>11,018</u>	<u>59,281</u>	<u>141</u>
<b>Fund Equity</b>				
Fund Balance (Deficit):				
Reserved for Encumbrances	3,619	0	41,819	2,398
Reserved for Inventory	0	0	0	0
Unreserved, Undesignated	(11,735)	116,852	(19,412)	18,950
<i>Total Fund Equity (Deficit)</i>	<u>(8,116)</u>	<u>116,852</u>	<u>22,407</u>	<u>21,348</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$24,054</u>	<u>\$127,870</u>	<u>\$81,688</u>	<u>\$21,489</u>

Drug Free Schools	Professional Development	Post Secondary Education	Preschool Grant	Other	Totals
\$26,094	\$49,905	\$65,255	\$19,994	\$170,210	\$2,532,643
0	0	0	0	1,800	131,838
0	0	0	0	0	2,513
<u>\$26,094</u>	<u>\$49,905</u>	<u>\$65,255</u>	<u>\$19,994</u>	<u>\$172,010</u>	<u>\$2,666,994</u>
\$189	\$100	\$0	\$0	\$1,263	\$109,990
8,608	1,472	0	4,866	4,212	282,242
0	0	0	0	1,800	171,602
2,332	429	0	1,506	1,214	94,211
<u>11,129</u>	<u>2,001</u>	<u>0</u>	<u>6,372</u>	<u>8,489</u>	<u>658,045</u>
1,900	15,862	2,163	5,214	12,778	666,845
0	0	0	0	0	2,513
<u>13,065</u>	<u>32,042</u>	<u>63,092</u>	<u>8,408</u>	<u>150,743</u>	<u>1,339,591</u>
<u>14,965</u>	<u>47,904</u>	<u>65,255</u>	<u>13,622</u>	<u>163,521</u>	<u>2,008,949</u>
<u>\$26,094</u>	<u>\$49,905</u>	<u>\$65,255</u>	<u>\$19,994</u>	<u>\$172,010</u>	<u>\$2,666,994</u>

**Parma City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*All Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Auxiliary Services	Public School Support	Title VIB	Title I
<b>Revenues</b>				
Intergovernmental	\$3,110,235	\$0	\$746,739	\$629,068
Interest	46,910	32,460	0	0
Charges for Services	0	171	0	0
Tuition and Fees	0	65	0	0
Extracurricular Activities	0	920,189	0	0
Donations	0	4,601	0	0
Misellaneous	0	0	0	0
<b>Total Revenues</b>	<b>3,157,145</b>	<b>957,486</b>	<b>746,739</b>	<b>629,068</b>
<b>Expenditures</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	0	3,233	0	0
Special	0	8,864	192,970	612,203
Vocational	0	0	0	0
Adult/Continuing	0	0	0	0
<b>Support Services:</b>				
Pupils	0	81	60,181	0
Instructional Staff	0	0	336,018	16,419
Administration	0	415	99,595	4,353
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	4,561	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	3,206,704	0	0	74,475
Extracurricular Activities	0	851,325	0	0
Capital Outlay	0	4,379	0	0
<b>Total Expenditures</b>	<b>3,206,704</b>	<b>872,858</b>	<b>688,764</b>	<b>707,450</b>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(49,559)</i>	<i>84,628</i>	<i>57,975</i>	<i>(78,382)</i>
<b>Other Financing Sources</b>				
Operating Transfers In	0	96	0	0
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i>	<i>(49,559)</i>	<i>84,724</i>	<i>57,975</i>	<i>(78,382)</i>
<i>Fund Balances (Deficit) Beginning of Year</i>	<i>482,071</i>	<i>379,459</i>	<i>37,538</i>	<i>(41,391)</i>
Increase in Reserve for Inventory	0	(3,913)	0	0
<b>Fund Balances (Deficit) End of Year</b>	<b>\$432,512</b>	<b>\$460,270</b>	<b>\$95,513</b>	<b>(\$119,773)</b>

Disadvantaged Pupil Impact Aid	Parent Mentor Grant	District Managed Student Activities	Goals 2000	Textbook Subsidy	Adult Basic Education
\$398,351	\$347,000	\$0	\$210,529	\$185,722	\$132,939
0	0	2,577	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	326,777	0	0	0
0	0	0	0	0	0
0	0	13,226	0	0	0
<u>398,351</u>	<u>347,000</u>	<u>342,580</u>	<u>210,529</u>	<u>185,722</u>	<u>132,939</u>
69,172	0	0	24,127	156,577	0
88,330	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	118,203
175,460	22,232	0	0	0	20,279
0	0	0	21,798	0	4,071
0	0	0	0	0	0
75	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	86,027	0	47,110	0	0
0	0	368,125	0	0	0
0	0	0	0	0	0
<u>333,037</u>	<u>108,259</u>	<u>368,125</u>	<u>93,035</u>	<u>156,577</u>	<u>142,553</u>
65,314	238,741	(25,545)	117,494	29,145	(9,614)
0	0	57,858	0	0	0
65,314	238,741	32,313	117,494	29,145	(9,614)
103,917	(3,361)	40,990	(9,836)	75,325	2,241
0	0	0	0	0	0
<u>\$169,231</u>	<u>\$235,380</u>	<u>\$73,303</u>	<u>\$107,658</u>	<u>\$104,470</u>	<u>(\$7,373)</u>

(continued)

**Parma City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*All Special Revenue Funds (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Vocational Education	School Age Child Care Grant	Career Development	Title VI
<b>Revenues</b>				
Intergovernmental	\$132,231	\$126,601	\$120,153	\$75,196
Interest	0	0	0	0
Charges for Services	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Donations	0	2,810	0	0
Misellaneous	0	0	0	0
<i>Total Revenues</i>	<u>132,231</u>	<u>129,411</u>	<u>120,153</u>	<u>75,196</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	0	2,006	33,962
Special	0	0	0	0
Vocational	54,861	0	21,380	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupils	40,639	0	1,447	0
Instructional Staff	7,143	0	63,084	0
Administration	3,316	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Central	38,055	0	0	0
Operation of Non-Instructional Services	0	83,793	0	29,780
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>144,014</u>	<u>83,793</u>	<u>87,917</u>	<u>63,742</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(11,783)</u>	<u>45,618</u>	<u>32,236</u>	<u>11,454</u>
<b>Other Financing Sources</b>				
Operating Transfers In	0	0	0	0
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i>	<u>(11,783)</u>	<u>45,618</u>	<u>32,236</u>	<u>11,454</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>3,667</u>	<u>71,234</u>	<u>(9,829)</u>	<u>9,894</u>
Increase in Reserve for Inventory	0	0	0	0
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$8,116)</u>	<u>\$116,852</u>	<u>\$22,407</u>	<u>\$21,348</u>

Drug Free Schools	Professional Development	Post Secondary Education	Preschool Grant	Other	Totals
\$71,204	\$69,443	\$67,210	\$66,913	\$160,387	\$6,649,921
0	0	0	0	0	81,947
0	0	0	0	0	171
0	0	0	0	0	65
0	0	0	0	0	1,246,966
0	0	0	0	47,858	55,269
0	0	0	0	0	13,226
<u>71,204</u>	<u>69,443</u>	<u>67,210</u>	<u>66,913</u>	<u>208,245</u>	<u>8,047,565</u>
0	5,253	0	0	65,113	359,443
0	0	0	8,178	1,078	911,623
0	0	0	0	0	76,241
0	0	28,911	0	4,560	151,674
104,288	0	0	42,930	89,919	557,456
237	31,767	0	41,654	4,028	526,219
0	0	0	3,320	0	110,999
0	0	0	0	0	75
0	0	0	0	0	4,561
0	0	0	0	4,103	42,158
6,632	2,325	0	0	0	3,536,846
0	0	0	0	390	1,219,840
0	0	0	0	0	4,379
<u>111,157</u>	<u>39,345</u>	<u>28,911</u>	<u>96,082</u>	<u>169,191</u>	<u>7,501,514</u>
(39,953)	30,098	38,299	(29,169)	39,054	546,051
0	0	0	0	614	58,568
(39,953)	30,098	38,299	(29,169)	39,668	604,619
54,918	17,806	26,956	42,791	123,853	1,408,243
0	0	0	0	0	(3,913)
<u>\$14,965</u>	<u>\$47,904</u>	<u>\$65,255</u>	<u>\$13,622</u>	<u>\$163,521</u>	<u>\$2,008,949</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Auxiliary Services Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$3,119,380	\$3,119,380	\$0
Interest	46,910	46,910	0
<i>Total Revenues</i>	<u>3,166,290</u>	<u>3,166,290</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Community Service:			
Salaries and Wages	1,286,710	1,286,710	0
Fringe Benefits	378,591	378,591	0
Purchased Services	1,019,902	1,019,902	0
Materials and Supplies	1,256,899	1,256,899	0
Capital Outlay - New	12,503	12,503	0
<i>Total Expenditures</i>	<u>3,954,605</u>	<u>3,954,605</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(788,315)	(788,315)	0
<i>Fund Balance Beginning of Year</i>	535,192	535,192	0
Prior Year Encumbrances Appropriated	253,123	253,123	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Public School Support Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Interest	\$13,464	\$32,460	\$18,996
Charges for Services	171	171	0
Tuition and Fees	55	65	10
Extracurricular Activities	939,548	920,189	(19,359)
Donations	4,202	4,601	399
<b>Total Revenues</b>	<b>957,440</b>	<b>957,486</b>	<b>46</b>
<b>Expenditures</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular:</b>			
Materials and Supplies	3,233	3,233	0
<b>Special:</b>			
Other	9,228	9,228	0
<b>Total Instruction</b>	<b>12,461</b>	<b>12,461</b>	<b>0</b>
<b>Support Services:</b>			
<b>Pupils:</b>			
Purchased Services	81	81	0
<b>Administration:</b>			
Materials and Supplies	415	415	0
<b>Pupil Transportation:</b>			
Other	4,561	4,561	0
<b>Total Support Services</b>	<b>5,057</b>	<b>5,057</b>	<b>0</b>
<b>Extracurricular Activities:</b>			
<b>Academic and Subject Oriented Activities:</b>			
Materials and Supplies	30,963	27,451	3,512
Other	215,375	188,907	26,468
<b>Total Academic and Subject Oriented Activities</b>	<b>246,338</b>	<b>216,358</b>	<b>29,980</b>
<b>Occupation Oriented Activities:</b>			
Materials and Supplies	8,974	4,486	4,488
<b>Sports Oriented Activities:</b>			
Other	\$3,200	\$2,528	\$672

(continued)



**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Support Fund (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
School and Public Service			
Co-Curricular Activities:			
Salaries and Wages	\$160	\$160	\$0
Fringe Benefits	24	24	0
Purchased Services	5,500	5,270	230
Materials and Supplies	790,985	698,621	92,364
<b>Total School and Public Service</b>	<b>796,669</b>	<b>704,075</b>	<b>92,594</b>
<b>Total Extracurricular Activities</b>	<b>1,055,181</b>	<b>927,447</b>	<b>127,734</b>
Capital Outlay:			
Purchased Services	5,500	4,379	1,121
<b>Total Expenditures</b>	<b>1,078,199</b>	<b>949,344</b>	<b>128,855</b>
<i>Excess of Revenues Over (Under) Expenditures</i>	(120,759)	8,142	128,901
<b>Other Financing Sources</b>			
Operating Transfers In	0	96	96
<i>Excess of Revenues and Other Financing</i> <i>Sources (Over) Under Expenditures</i>	(120,759)	8,238	128,997
<i>Fund Balance Beginning of Year</i>	344,598	344,598	0
Prior Year Encumbrances Appropriated	64,552	64,552	
<b>Fund Balance End of Year</b>	<b>\$288,391</b>	<b>\$417,388</b>	<b>\$128,997</b>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VIB Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$747,739	\$747,739	\$0
<b>Expenditures</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular:</b>			
Salaries and Wages	267	0	267
Fringe Benefits	263	0	263
<b>Total Regular</b>	530	0	530
<b>Special:</b>			
Salaries and Wages	133,442	103,200	30,242
Fringe Benefits	32,279	29,746	2,533
Materials and Supplies	71,527	71,479	48
Capital Outlay - New	20,493	20,474	19
<b>Total Special</b>	257,741	224,899	32,842
<b>Total Instruction</b>	258,271	224,899	33,372
<b>Support Services:</b>			
<b>Pupils:</b>			
Salaries and Wages	28,522	27,374	1,148
Fringe Benefits	9,045	2,965	6,080
Purchased Services	16,178	16,128	50
Materials and Supplies	19,259	18,145	1,114
<b>Total Pupils</b>	73,004	64,612	8,392
<b>Instructional Staff:</b>			
Salaries and Wages	260,037	227,954	32,083
Fringe Benefits	123,258	89,825	33,433
Purchased Services	6,057	5,206	851
Materials and Supplies	250	0	250
<b>Total Instructional Staff</b>	389,602	322,985	66,617
<b>Administration:</b>			
Salaries and Wages	60,701	54,387	6,314
Fringe Benefits	27,083	21,208	5,875
Purchased Services	9,737	4,685	5,052
Materials and Supplies	14,362	14,353	9
Capital Outlay - New	804	743	61
<b>Total Administration</b>	112,687	95,376	17,311
<b>Total Support Services</b>	575,293	482,973	92,320
<b>Total Expenditures</b>	833,564	707,872	125,692
<b>Excess of Revenues Over (Under) Expenditures</b>	(85,825)	39,867	125,692
<b>Fund Balance Beginning of Year</b>	75,805	75,805	0
<b>Prior Year Encumbrances Appropriated</b>	9,867	9,867	0
<b>Fund Balance (Deficit) End of Year</b>	(\$153)	\$125,539	\$125,692

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title I Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$629,068	\$629,068	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Salaries and Wages	487,474	487,474	0
Fringe Benefits	132,560	122,138	10,422
Purchased Services	35,871	35,662	209
Materials and Supplies	16,043	16,043	0
Total Instruction	671,948	661,317	10,631
Support Services:			
Instructional Staff:			
Salaries and Wages	8,172	2,304	5,868
Fringe Benefits	1,691	353	1,338
Purchased Services	6,769	6,769	0
Materials and Supplies	7,797	7,797	0
Total Instructional Staff	24,429	17,223	7,206
Administration:			
Purchased Services	1,932	1,932	0
Materials and Supplies	5,276	4,417	859
Total Administration	7,208	6,349	859
Total Support Services	31,637	23,572	8,065
Operation of Non-Instructional Services:			
Community Service:			
Salaries and Wages	57,975	57,975	0
Fringe Benefits	10,645	10,645	0
Materials and Supplies	100	100	0
Total Operation of Non-Instructional Services	68,720	68,720	0
<b>Total Expenditures</b>	<b>772,305</b>	<b>753,609</b>	<b>18,696</b>
<i>Excess of Revenues Under Expenditures</i>	<i>(143,237)</i>	<i>(124,541)</i>	<i>18,696</i>
<b>Other Financing Sources (Uses)</b>			
Advances In	100,000	100,000	0
Operating Transfers In	49,109	0	(49,109)
Operating Transfers Out	(49,109)	0	49,109
<b>Total Other Financing Sources (Uses)</b>	<b>100,000</b>	<b>100,000</b>	<b>0</b>
<i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i>	<i>(43,237)</i>	<i>(24,541)</i>	<i>18,696</i>
<i>Fund Balance Beginning of Year</i>	<i>52,128</i>	<i>52,128</i>	<i>0</i>
Prior Year Encumbrances Appropriated	20,798	20,798	0
<b>Fund Balance End of Year</b>	<b>\$29,689</b>	<b>\$48,385</b>	<b>\$18,696</b>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Disadvantaged Pupil Impact Aid Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$434,312	\$398,351	(\$35,961)
<b>Expenditures</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular:</b>			
Salaries and Wages	86,011	44,804	41,207
Fringe Benefits	42,070	18,358	23,712
<b>Total Regular</b>	<u>128,081</u>	<u>63,162</u>	<u>64,919</u>
<b>Special:</b>			
Salaries and Wages	45,359	32,006	13,353
Fringe Benefits	12,310	5,632	6,678
Materials and Supplies	13,914	8,328	5,586
Capital Outlay - New	39,632	38,443	1,189
<b>Total Special</b>	<u>111,215</u>	<u>84,409</u>	<u>26,806</u>
<b>Total Instruction</b>	<u>239,296</u>	<u>147,571</u>	<u>91,725</u>
<b>Support Services:</b>			
<b>Pupils:</b>			
Salaries and Wages	218,657	109,456	109,201
Fringe Benefits	39,020	21,313	17,707
Purchased Services	39,047	30,533	8,514
Materials and Supplies	1,449	731	718
Capital Outlay - New	151	0	151
<b>Total Pupils</b>	<u>298,324</u>	<u>162,033</u>	<u>136,291</u>
<b>Operation and Maintenance of Plant:</b>			
Purchased Services	500	75	425
<b>Total Support Services</b>	<u>298,824</u>	<u>162,108</u>	<u>136,716</u>
<b>Total Expenditures</b>	<u>538,120</u>	<u>309,679</u>	<u>228,441</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	(103,808)	88,672	192,480
<b>Fund Balance Beginning of Year</b>	101,952	101,952	0
<b>Prior Year Encumbrances Appropriated</b>	1,965	1,965	0
<b>Fund Balance End of Year</b>	<u>\$109</u>	<u>\$192,589</u>	<u>\$192,480</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Parent Mentor Grant Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$322,000	\$322,000	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Pupils:			
Salaries and Wages	17,875	17,094	781
Fringe Benefits	3,225	2,629	596
Purchased Services	5,157	4,467	690
Materials and Supplies	1,739	1,163	576
Capital Outlay - New	425	160	265
<b>Total Support Services</b>	<b>28,421</b>	<b>25,513</b>	<b>2,908</b>
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	125,676	34,767	90,909
Fringe Benefits	17,325	7,295	10,030
Purchased Services	106,150	30,565	75,585
Materials and Supplies	28,300	2,219	26,081
Capital Outlay - New	19,548	16,263	3,285
<b>Total Operation of Non-Instructional Services</b>	<b>296,999</b>	<b>91,109</b>	<b>205,890</b>
<b>Total Expenditures</b>	<b>325,420</b>	<b>116,622</b>	<b>208,798</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(3,420)</b>	<b>205,378</b>	<b>208,798</b>
<b>Fund Balance Beginning of Year</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>3,420</b>	<b>3,420</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$0</b>	<b>\$208,798</b>	<b>\$208,798</b>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*District Managed Student Activities Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Interest	\$2,577	\$2,577	\$0
Extracurricular Activities	339,411	326,777	(12,634)
Miscellaneous	10,450	13,226	2,776
<i>Total Revenues</i>	<u>352,438</u>	<u>342,580</u>	<u>(9,858)</u>
<b>Expenditures</b>			
Current:			
Extracurricular Activities:			
Sports Oriented Activities:			
Salaries and Wages	8,316	8,316	0
Fringe Benefits	1,825	1,825	0
Purchased Services	277,921	258,698	19,223
Materials and Supplies	115,428	92,000	23,428
Capital Outlay - New	6,000	3,488	2,512
Other	34,380	25,113	9,267
<i>Total Expenditures</i>	<u>443,870</u>	<u>389,440</u>	<u>54,430</u>
<i>Excess of Revenues Under Expenditures</i>	(91,432)	(46,860)	44,572
<b>Other Financing Sources</b>			
Operating Transfers In	48,000	57,858	9,858
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i>	(43,432)	10,998	54,430
<i>Fund Balance Beginning of Year</i>	31,648	31,648	0
Prior Year Encumbrances Appropriated	20,119	20,119	0
<i>Fund Balance End of Year</i>	<u>\$8,335</u>	<u>\$62,765</u>	<u>\$54,430</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Goals 2000 Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$210,529	\$210,529	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	33,970	15,516	18,454
Fringe Benefits	6,097	1,602	4,495
Purchased Services	5,868	5,868	0
Materials and Supplies	15,000	365	14,635
Total Instruction	60,935	23,351	37,584
Support Services:			
Instructional Staff:			
Purchased Services	35,000	22,398	12,602
Materials and Supplies	15,000	6,208	8,792
Total Support Services	50,000	28,606	21,394
Operation of Non-Instructional Services:			
Community Service:			
Salaries and Wages	25,988	0	25,988
Fringe Benefits	5,038	0	5,038
Purchased Services	69,811	65,490	4,321
Total Operation of Non-Instructional Services	100,837	65,490	35,347
<i>Total Expenditures</i>	211,772	117,447	94,325
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,243)	93,082	94,325
<i>Fund Balance Beginning of Year</i>	14,036	14,036	0
<i>Fund Balance End of Year</i>	\$12,793	\$107,118	\$94,325

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Textbook Subsidy Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$185,722	\$185,722	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	278,622	231,290	47,332
<i>Excess of Revenues Under Expenditures</i>	(92,900)	(45,568)	47,332
<i>Fund Balance (Deficit) Beginning of Year</i>	(6,948)	(6,948)	0
<i>Prior Year Encumbrances Appropriated</i>	99,848	99,848	0
<i>Fund Balance End of Year</i>	\$0	\$47,332	\$47,332



**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Adult Basic Education Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$132,939	\$132,939	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Adult/Continuing:			
Salaries and Wages	90,730	89,455	1,275
Fringe Benefits	14,857	14,358	499
Purchased Services	300	0	300
Materials and Supplies	5,922	5,879	43
Total Instruction	111,809	109,692	2,117
Support Services:			
Pupils:			
Salaries and Wages	19,503	15,981	3,522
Fringe Benefits	4,163	3,340	823
Total Pupils	23,666	19,321	4,345
Instructional Staff:			
Purchased Services	4,444	4,421	23
Materials and Supplies	1,700	1,700	0
Capital Outlay - New	138	138	0
Other	103	103	0
Total Instructional Staff	6,385	6,362	23
Total Support Services	30,051	25,683	4,368
<b>Total Expenditures</b>	141,860	135,375	6,485
<i>Excess of Revenues Under Expenditures</i>	(8,921)	(2,436)	6,485
<i>Fund Balance Beginning of Year</i>	5,699	5,699	0
Prior Year Encumbrances Appropriated	3,222	3,222	0
<b>Fund Balance End of Year</b>	\$0	\$6,485	\$6,485

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Vocational Education Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$111,763	\$131,597	\$19,834
<b>Expenditures</b>			
Current:			
Instruction:			
Vocational:			
Salaries and Wages	41,085	41,085	0
Fringe Benefits	9,458	9,458	0
Total Instruction	50,543	50,543	0
Support Services:			
Pupils:			
Salaries and Wages	20,147	20,147	0
Fringe Benefits	4,000	4,000	0
Purchased Services	14,606	14,606	0
Materials and Supplies	2,849	2,849	0
Total Pupils	41,602	41,602	0
Instructional Staff:			
Salaries and Wages	1,020	1,020	0
Fringe Benefits	170	170	0
Purchased Services	6,166	6,166	0
Materials and Supplies	1,360	1,360	0
Total Instructional Staff	8,716	8,716	0
Administration:			
Salaries and Wages	2,000	2,000	0
Materials and Supplies	1,765	1,765	0
Total Administration	3,765	3,765	0
Central:			
Salaries and Wages	26,369	26,369	0
Fringe Benefits	6,052	6,052	0
Purchased Services	2,383	2,383	0
Materials and Supplies	2,495	2,495	0
Total Central	37,299	37,299	0
Total Support Services	91,382	91,382	0
<b>Total Expenditures</b>	141,925	141,925	0
<i>Excess of Revenues Under Expenditures</i>	(\$30,162)	(\$10,328)	\$19,834 (continued)

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Vocational Education Fund (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Other Financing Sources (Uses)</b>			
Advances In	\$634	\$19,836	\$19,202
Advances Out	0	(19,202)	(19,202)
<i>Total Other Financing Sources (Uses)</i>	<u>634</u>	<u>634</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i>	(29,528)	(9,694)	19,834
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Prior Year Encumbrances Appropriated</i>	<u>9,694</u>	<u>9,694</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$19,834)</u>	<u>\$0</u>	<u>\$19,834</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 School Age Child Care Grant Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$79,380	\$79,380	\$0
Donations	2,810	2,810	0
<i>Total Revenues</i>	<u>82,190</u>	<u>82,190</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Community Service:			
Salaries and Wages	27,455	27,455	0
Fringe Benefits	4,590	3,917	673
Purchased Services	126,068	43,579	82,489
<i>Total Expenditures</i>	<u>158,113</u>	<u>74,951</u>	<u>83,162</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(75,923)	7,239	83,162
<i>Fund Balance Beginning of Year</i>	70,820	70,820	0
<i>Prior Year Encumbrances Appropriated</i>	2,590	2,590	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$2,513)</u>	<u>\$80,649</u>	<u>\$83,162</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Career Development Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$82,171	\$82,171	\$0
<b>Expenditures</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular:</b>			
Salaries and Wages	1,557	1,557	0
Fringe Benefits	251	251	0
<b>Total Regular</b>	<u>1,808</u>	<u>1,808</u>	<u>0</u>
<b>Vocational:</b>			
Salaries and Wages	16,000	16,000	0
Fringe Benefits	3,344	3,344	0
<b>Total Vocational</b>	<u>19,344</u>	<u>19,344</u>	<u>0</u>
<b>Total Instruction</b>	<u>21,152</u>	<u>21,152</u>	<u>0</u>
<b>Support Services:</b>			
<b>Pupils:</b>			
Purchased Services	3,019	3,019	0
Materials and Supplies	10,170	10,170	0
<b>Total Pupils</b>	<u>13,189</u>	<u>13,189</u>	<u>0</u>
<b>Instructional Staff:</b>			
Salaries and Wages	39,724	39,724	0
Fringe Benefits	12,445	12,445	0
Purchased Services	5,607	5,607	0
Materials and Supplies	9,738	9,738	0
Capital Outlay - New	33,523	33,523	0
<b>Total Instructional Staff</b>	<u>101,037</u>	<u>101,037</u>	<u>0</u>
<b>Total Support Services</b>	<u>114,226</u>	<u>114,226</u>	<u>0</u>
<b>Total Expenditures</b>	<u>135,378</u>	<u>135,378</u>	<u>0</u>
<b>Excess of Revenues Under Expenditures</b>	<u>(53,207)</u>	<u>(53,207)</u>	<u>0</u>
<b>Other Financing Sources (Uses)</b>			
Advances In	42,832	49,966	7,134
Advances Out	0	(7,134)	(7,134)
<b>Total Other Financing Sources (Uses)</b>	<u>42,832</u>	<u>42,832</u>	<u>0</u>
<b>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</b>	<u>(10,375)</u>	<u>(10,375)</u>	<u>0</u>
<b>Fund Balance Beginning of Year</b>	0	0	0
<b>Prior Year Encumbrances Appropriated</b>	<u>10,375</u>	<u>10,375</u>	<u>0</u>
<b>Fund Balance End of Year</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VI Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$75,196	\$75,196	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	33,962	33,962	0
Operation of Non-Instructional Services:			
Community Service:			
Materials and Supplies	40,770	36,871	3,899
Capital Outlay - New	9,500	5,258	4,242
Total Operation of Non-Instructional Services	50,270	42,129	8,141
<i>Total Expenditures</i>	84,232	76,091	8,141
<i>Excess of Revenues Under Expenditures</i>	(9,036)	(895)	8,141
<i>Fund Balance Beginning of Year</i>	39	39	0
Prior Year Encumbrances Appropriated	19,806	19,806	0
<i>Fund Balance End of Year</i>	\$10,809	\$18,950	\$8,141

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Drug Free Schools Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$100,941	\$100,941	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Pupils:			
Salaries and Wages	107,215	85,959	21,256
Purchased Services	9,375	6,940	2,435
Materials and Supplies	2,808	2,808	0
Total Pupils	119,398	95,707	23,691
Instructional Staff:			
Purchased Services	500	237	263
Total Support Services	119,898	95,944	23,954
Operation of Non-Instructional Services:			
Community Service:			
Materials and Supplies	8,412	8,361	51
<i>Total Expenditures</i>	128,310	104,305	24,005
<i>Excess of Revenues Under Expenditures</i>	(27,369)	(3,364)	24,005
<i>Fund Balance Beginning of Year</i>	23,013	23,013	0
Prior Year Encumbrances Appropriated	4,356	4,356	0
<i>Fund Balance End of Year</i>	\$0	\$24,005	\$24,005

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Professional Development Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$69,443	\$69,443	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	6,000	4,113	1,887
Fringe Benefits	1,080	600	480
Total Instruction	7,080	4,713	2,367
Support Services:			
Instructional Staff:			
Salaries and Wages	24,530	10,589	13,941
Fringe Benefits	2,172	1,641	531
Purchased Services	39,690	32,980	6,710
Materials and Supplies	9,081	1,162	7,919
Total Support Services	75,473	46,372	29,101
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	5,493	2,918	2,575
Total Expenditures	88,046	54,003	34,043
Excess of Revenues Over (Under) Expenditures	(18,603)	15,440	34,043
Fund Balance Beginning of Year	17,632	17,632	0
Prior Year Encumbrances Appropriated	971	971	0
Fund Balance End of Year	\$0	\$34,043	\$34,043



**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Post Secondary Education Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$94,166	\$94,166	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Adult/Continuing:			
Purchased Services	34,300	0	34,300
Materials and Supplies	31,500	29,368	2,132
Capital Outlay - New	13,000	1,706	11,294
<i>Total Expenditures</i>	<u>78,800</u>	<u>31,074</u>	<u>47,726</u>
<i>Excess of Revenues Over Expenditures</i>	15,366	63,092	47,726
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$15,366</u>	<u>\$63,092</u>	<u>\$47,726</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Preschool Grant Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$95,356	\$95,356	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Materials and Supplies	7,794	7,668	126
Capital Outlay - New	5,660	5,515	145
Total Instruction	13,454	13,183	271
Support Services:			
Pupils:			
Salaries and Wages	21,963	19,287	2,676
Fringe Benefits	8,923	5,078	3,845
Purchased Services	20,179	19,646	533
Total Pupils	51,065	44,011	7,054
Instructional Staff:			
Salaries and Wages	29,307	29,307	0
Fringe Benefits	15,605	10,841	4,764
Total Instructional Staff	44,912	40,148	4,764
Administration:			
Purchased Services	3,983	3,320	663
Total Support Services	99,960	87,479	12,481
<b>Total Expenditures</b>	113,414	100,662	12,752
<i>Excess of Revenues Under Expenditures</i>	(18,058)	(5,306)	12,752
<i>Fund Balance Beginning of Year</i>	9,213	9,213	0
Prior Year Encumbrances Appropriated	10,873	10,873	0
<i>Fund Balance End of Year</i>	\$2,028	\$14,780	\$12,752

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Scholarship Fund*  
*For the Fiscal Year Ended June 30, 1999*

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Donations	\$2,500	\$3,800	\$1,300
<b>Expenditures</b>			
Current:			
Instruction:			
Adult/Continuing:			
Other	<u>25,303</u>	<u>4,560</u>	<u>20,743</u>
<i>Excess of Revenues Under Expenditures</i>	(22,803)	(760)	22,043
<i>Fund Balance Beginning of Year</i>	22,786	22,786	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$17)</u>	<u>\$22,026</u>	<u>\$22,043</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Eisenhower Grant Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$51,292	\$51,292	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	12,608	9,451	3,157
Fringe Benefits	2,880	1,558	1,322
Purchased Services	21,537	12,652	8,885
Materials and Supplies	17,097	12,771	4,326
Capital Outlay - New	13,153	4,621	8,532
Total Instruction	67,275	41,053	26,222
Operation of Non-Instructional Services:			
Community Service:			
Purchased Services	4,945	0	4,945
<i>Total Expenditures</i>	<u>72,220</u>	<u>41,053</u>	<u>31,167</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(20,928)	10,239	31,167
<i>Fund Balance Beginning of Year</i>	32,100	32,100	0
Prior Year Encumbrances Appropriated	1,654	1,654	0
<i>Fund Balance End of Year</i>	<u>\$12,826</u>	<u>\$43,993</u>	<u>\$31,167</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Venture Capital Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$50,000	\$50,000	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	4,411	4,411	0
Fringe Benefits	664	664	0
Total Instruction	5,075	5,075	0
Support Services:			
Pupils:			
Salaries and Wages	21,043	9,247	11,796
Fringe Benefits	2,125	1,386	739
Purchased Services	58,145	54,891	3,254
Materials and Supplies	21,350	19,908	1,442
Capital Outlay - New	252	252	0
Total Support Services	102,915	85,684	17,231
<i>Total Expenditures</i>	107,990	90,759	17,231
<i>Excess of Revenues Under Expenditures</i>	(57,990)	(40,759)	17,231
<i>Fund Balance Beginning of Year</i>	38,624	38,624	0
Prior Year Encumbrances Appropriated	19,474	19,474	0
<i>Fund Balance End of Year</i>	\$108	\$17,339	\$17,231

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Other Grants Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Donations	\$44,166	\$44,058	(\$108)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	1,000	831	169
Fringe Benefits	167	142	25
Materials and Supplies	1,445	1,445	0
Capital Outlay - New	4,786	4,786	0
Total Regular	7,398	7,204	194
Special:			
Materials and Supplies	774	774	0
Total Instruction	8,172	7,978	194
Support Services:			
Pupils:			
Salaries and Wages	304	0	304
Fringe Benefits	80	0	80
Purchased Services	4,993	1,463	3,530
Materials and Supplies	2,582	936	1,646
Total Pupils	7,959	2,399	5,560
Instructional Staff:			
Purchased Services	106	106	0
Materials and Supplies	2,929	2,929	0
Total Instructional Staff	3,035	3,035	0
Central:			
Purchased Services	2,030	1,231	799
Other	1,850	245	1,605
Total Central	3,880	1,476	2,404
Total Support Services	14,874	6,910	7,964
<i>Total Expenditures</i>	23,046	14,888	8,158
<i>Excess of Revenues Over Expenditures</i>	21,120	29,170	8,050
<b>Other Financing Sources</b>			
Operating Transfers In	0	614	614
<i>Excess of Revenues and Other Financing Sources Over Expenditures</i>	21,120	29,784	8,664
<i>Fund Balance Beginning of Year</i>	8,408	8,408	0
Prior Year Encumbrances Appropriated	699	699	0
<i>Fund Balance End of Year</i>	\$30,227	\$38,891	\$8,664

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Managed Information Systems Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$36,911	\$36,911	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Central:			
Salaries and Wages	24,982	1,434	23,548
Fringe Benefits	4,149	380	3,769
Purchased Services	500	0	500
Capital Outlay - New	7,280	1,140	6,140
Capital Outlay - Replacement	4,445	4,445	0
<i>Total Expenditures</i>	41,356	7,399	33,957
<i>Excess of Revenues Over (Under) Expenditures</i>	(4,445)	29,512	33,957
<i>Fund Balance Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	4,445	4,445	0
<i>Fund Balance End of Year</i>	\$0	\$33,957	\$33,957

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 School Account Network Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff:			
Materials and Supplies	602	602	0
<i>Excess of Revenues Under Expenditures</i>	(602)	(602)	0
<i>Fund Balance Beginning of Year</i>	53	53	0
Prior Year Encumbrances Appropriated	549	549	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0



**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Disadvantaged Pupil Program Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Extracurricular Activities:			
School and Public Service			
Co-Curricular Activities:			
Materials and Supplies	390	390	0
<i>Excess of Revenues Under Expenditures</i>	(390)	(390)	0
<i>Fund Balance Beginning of Year</i>	390	390	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Economic Education Grant Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$12,000	\$12,000	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Pupils:			
Fringe Benefits	4	4	0
Purchased Services	3,471	3,471	0
Materials and Supplies	9,602	9,602	0
Total Pupils	13,077	13,077	0
Instructional Staff:			
Purchased Services	610	610	0
<i>Total Expenditures</i>	13,687	13,687	0
<i>Excess of Revenues Under Expenditures</i>	(1,687)	(1,687)	0
<b>Other Financing Sources (Uses)</b>			
Advances In	0	1,800	1,800
Advances Out	0	(1,800)	(1,800)
<i>Total Other Financing Sources (Uses)</i>	0	0	0
<i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i>	(1,687)	(1,687)	0
<i>Fund Balance Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	1,687	1,687	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Emergency Immigrant Education Assistance Grant Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$10,184	\$10,184	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	10,184	10,184	0
Support Services:			
Pupils:			
Salaries and Wages	7,200	7,200	0
Fringe Benefits	1,217	1,217	0
Total Support Services	8,417	8,417	0
<i>Total Expenditures</i>	18,601	18,601	0
<i>Excess of Revenues Under Expenditures</i>	(8,417)	(8,417)	0
<i>Fund Balance Beginning of Year</i>	8,417	8,417	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*All Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$6,650,492	\$6,634,365	(\$16,127)
Interest	62,951	81,947	18,996
Charges for Services	171	171	0
Tuition and Fees	55	65	10
Extracurricular Activities	1,278,959	1,246,966	(31,993)
Donations	53,678	55,269	1,591
Miscellaneous	10,450	13,226	2,776
<b>Total Revenues</b>	<b>8,056,756</b>	<b>8,032,009</b>	<b>(24,747)</b>
<b>Expenditures</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular:</b>			
Salaries and Wages	156,008	90,867	65,141
Fringe Benefits	53,472	23,175	30,297
Purchased Services	30,638	21,753	8,885
Materials and Supplies	346,126	279,833	66,293
Capital Outlay - New	17,939	9,407	8,532
<b>Total Regular</b>	<b>604,183</b>	<b>425,035</b>	<b>179,148</b>
<b>Special:</b>			
Salaries and Wages	666,275	622,680	43,595
Fringe Benefits	177,149	157,516	19,633
Purchased Services	35,871	35,662	209
Materials and Supplies	110,052	104,292	5,760
Capital Outlay - New	65,785	64,432	1,353
Other	9,228	9,228	0
<b>Total Special</b>	<b>1,064,360</b>	<b>993,810</b>	<b>70,550</b>
<b>Vocational:</b>			
Salaries and Wages	57,085	57,085	0
Fringe Benefits	12,802	12,802	0
<b>Total Vocational</b>	<b>69,887</b>	<b>69,887</b>	<b>0</b>
<b>Adult/Continuing:</b>			
Salaries and Wages	90,730	89,455	1,275
Fringe Benefits	14,857	14,358	499
Purchased Services	34,600	0	34,600
Materials and Supplies	37,422	35,247	2,175
Capital Outlay - New	13,000	1,706	11,294
Other	25,303	4,560	20,743
<b>Total Adult/Continuing</b>	<b>215,912</b>	<b>145,326</b>	<b>70,586</b>
<b>Total Instruction</b>	<b>\$1,954,342</b>	<b>\$1,634,058</b>	<b>\$320,284</b> (continued)

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*All Special Revenue Funds (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Support Services:</b>			
<b>Pupils:</b>			
Salaries and Wages	\$462,429	\$311,745	\$150,684
Fringe Benefits	71,802	41,932	29,870
Purchased Services	174,251	155,245	19,006
Materials and Supplies	71,808	66,312	5,496
Capital Outlay - New	828	412	416
<b>Total Pupils</b>	<b>781,118</b>	<b>575,646</b>	<b>205,472</b>
<b>Instructional Staff:</b>			
Salaries and Wages	362,790	310,898	51,892
Fringe Benefits	155,341	115,275	40,066
Purchased Services	104,949	84,500	20,449
Materials and Supplies	48,457	31,496	16,961
Capital Outlay - New	33,661	33,661	0
Other	103	103	0
<b>Total Instructional Staff</b>	<b>705,301</b>	<b>575,933</b>	<b>129,368</b>
<b>Administration:</b>			
Salaries and Wages	62,701	56,387	6,314
Fringe Benefits	27,083	21,208	5,875
Purchased Services	15,652	9,937	5,715
Materials and Supplies	21,818	20,950	868
Capital Outlay - New	804	743	61
<b>Total Administration</b>	<b>128,058</b>	<b>109,225</b>	<b>18,833</b>
<b>Operation and Maintenance of Plant:</b>			
Purchased Services	500	75	425
<b>Pupil Transportation:</b>			
Other	4,561	4,561	0
<b>Central:</b>			
Salaries and Wages	51,351	27,803	23,548
Fringe Benefits	10,201	6,432	3,769
Purchased Services	4,913	3,614	1,299
Materials and Supplies	2,495	2,495	0
Capital Outlay - New	7,280	1,140	6,140
Capital Outlay - Replacement	4,445	4,445	0
Other	1,850	245	1,605
<b>Total Central</b>	<b>82,535</b>	<b>46,174</b>	<b>36,361</b>
<b>Total Support Services</b>	<b>\$1,702,073</b>	<b>\$1,311,614</b>	<b>\$390,459</b> (continued)

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*All Special Revenue Funds (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Operation of Non-Instructional Services:</b>			
<b>Community Service:</b>			
Salaries and Wages	\$1,523,804	\$1,406,907	\$116,897
Fringe Benefits	416,189	400,448	15,741
Purchased Services	1,332,369	1,162,454	169,915
Materials and Supplies	1,334,481	1,304,450	30,031
Capital Outlay - New	41,551	34,024	7,527
<b>Total Operation of Non-Instructional Services</b>	<b>4,648,394</b>	<b>4,308,283</b>	<b>340,111</b>
<b>Extracurricular Activities:</b>			
<b>Academic and Subject Oriented Activities:</b>			
Salaries and Wages	8,476	8,476	0
Fringe Benefits	1,849	1,849	0
Purchased Services	283,421	263,968	19,453
Materials and Supplies	946,740	822,948	123,792
Capital Outlay - New	6,000	3,488	2,512
Other	252,955	216,548	36,407
<b>Total Extracurricular Activities</b>	<b>1,499,441</b>	<b>1,317,277</b>	<b>182,164</b>
<b>Capital Outlay:</b>			
<b>Building Acquisition and Construction Services:</b>			
Purchased Services	5,500	4,379	1,121
<b>Total Expenditures</b>	<b>9,809,750</b>	<b>8,575,611</b>	<b>1,234,139</b>
<b>Excess of Revenues Under Expenditures</b>	<b>(1,752,994)</b>	<b>(543,602)</b>	<b>1,209,392</b>
<b>Other Financing Sources (Uses)</b>			
Advances In	143,466	171,602	28,136
Advances Out	0	(28,136)	(28,136)
Operating Transfers In	97,109	58,568	(38,541)
Operating Transfers Out	(49,109)	0	49,109
<b>Total Other Financing Sources (Uses)</b>	<b>191,466</b>	<b>202,034</b>	<b>10,568</b>
<b>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</b>	<b>(1,561,528)</b>	<b>(341,568)</b>	<b>1,219,960</b>
<b>Fund Balances Beginning of Year</b>	<b>1,385,605</b>	<b>1,385,605</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>564,087</b>	<b>564,087</b>	<b>0</b>
<b>Fund Balances End of Year</b>	<b>\$388,164</b>	<b>\$1,608,124</b>	<b>\$1,219,960</b>

## Debt Service Fund

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The debt service fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Since there is only one debt service fund and the level of budgetary control is not greater than that presented in the combined financial statements, no additional financial statements are presented here.

## Capital Projects Funds

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Capital projects funds account for the acquisition, construction or improvement of capital facilities other than those financed by proprietary and trust funds.

**Permanent Improvements Fund** This fund accounts for financial resources used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds.

**Turf Replacement Fund** This fund accounts for monies used for rebuilding, restoring and improving Byers Field.

**Vocational Education Equipment Fund** This fund accounts for grant money used to purchase vocational education equipment.

**School Net Fund** This fund accounts for grant money used to purchase computer hardware and software.

**Power Up Grant Fund** This fund accounts for grant monies expended to make wiring in the classrooms technology ready.

**Security Equipment Fund** This fund accounts for State grant monies used to purchase security equipment for various school buildings.



**Parma City School District**  
*Combining Balance Sheet*  
*All Capital Projects Funds*  
*June 30, 1999*

	Permanent Improvements	Turf Replacement	Vocational Education Equipment	School Net
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$610,748	\$51,396	\$27,613	\$430,692
Accounts Receivable	8,328	0	0	0
<i>Total Assets</i>	<u>\$619,076</u>	<u>\$51,396</u>	<u>\$27,613</u>	<u>\$430,692</u>
<b>Liabilities</b>				
Accounts Payable	\$25,425	\$0	\$0	\$227,112
Interfund Payable	0	0	0	0
Due to Other Funds	55,741	0	0	0
<i>Total Liabilities</i>	<u>81,166</u>	<u>0</u>	<u>0</u>	<u>227,112</u>
<b>Fund Equity</b>				
Fund Balance:				
Reserved for Encumbrances	15,008	0	0	78,289
Unreserved, Undesignated (Deficit)	522,902	51,396	27,613	125,291
<i>Total Fund Equity</i>	<u>537,910</u>	<u>51,396</u>	<u>27,613</u>	<u>203,580</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$619,076</u>	<u>\$51,396</u>	<u>\$27,613</u>	<u>\$430,692</u>

Power Up Grant	Security Equipment	Totals
\$315,566	\$784	\$1,436,799
0	0	8,328
<u>\$315,566</u>	<u>\$784</u>	<u>\$1,445,127</u>
\$202,442	\$0	\$454,979
90,748	0	90,748
0	0	55,741
<u>293,190</u>	<u>0</u>	<u>601,468</u>
111,503	784	205,584
(89,127)	0	638,075
<u>22,376</u>	<u>784</u>	<u>843,659</u>
<u>\$315,566</u>	<u>\$784</u>	<u>\$1,445,127</u>

**Parma City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*All Capital Projects Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Permanent Improvements	Turf Replacement	Vocational Education Equipment
<b>Revenues</b>			
Intergovernmental	\$0	\$0	\$27,613
Donations	30,000	0	0
Miscellaneous	58,731	13,700	0
<i>Total Revenues</i>	<u>88,731</u>	<u>13,700</u>	<u>27,613</u>
<b>Expenditures</b>			
Capital Outlay	494,175	0	0
Debt Service: Interest and Fiscal Charges	15,478	0	0
<i>Total Expenditures</i>	<u>509,653</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(420,922)</u>	<u>13,700</u>	<u>27,613</u>
<b>Other Financing Sources</b>			
Proceeds of Notes	370,000	0	0
Operating Transfers In	0	0	0
Operating Transfers Out	(212,421)	0	0
<i>Total Other Financing Sources</i>	<u>157,579</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i>	<u>(263,343)</u>	<u>13,700</u>	<u>27,613</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>801,253</u>	<u>37,696</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$537,910</u>	<u>\$51,396</u>	<u>\$27,613</u>

School Net	Power Up Grant	Security Equipment	Totals
\$383,278	\$143,348	\$1,500	\$555,739
0	0	0	30,000
0	0	0	72,431
<u>383,278</u>	<u>143,348</u>	<u>1,500</u>	<u>658,170</u>
508,330	238,442	4,509	1,245,456
0	0	0	15,478
<u>508,330</u>	<u>238,442</u>	<u>4,509</u>	<u>1,260,934</u>
<u>(125,052)</u>	<u>(95,094)</u>	<u>(3,009)</u>	<u>(602,764)</u>
0	0	0	370,000
38,490	117,470	0	155,960
0	0	0	(212,421)
<u>38,490</u>	<u>117,470</u>	<u>0</u>	<u>313,539</u>
(86,562)	22,376	(3,009)	(289,225)
<u>290,142</u>	<u>0</u>	<u>3,793</u>	<u>1,132,884</u>
<u>\$203,580</u>	<u>\$22,376</u>	<u>\$784</u>	<u>\$843,659</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Permanent Improvements Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Donations	\$30,000	\$30,000	\$0
Miscellaneous	50,000	58,083	8,083
<i>Total Revenues</i>	<u>80,000</u>	<u>88,083</u>	<u>8,083</u>
<b>Expenditures</b>			
Capital Outlay:			
Architecture and Engineering Services:			
Purchased Services	65,715	65,705	10
Building Acquisition and Construction Services:			
Purchased Services	26,391	11,391	15,000
Capital Outlay - Replacement	9,945	9,945	0
Total Building Acquisition and Construction Services	<u>36,336</u>	<u>21,336</u>	<u>15,000</u>
Building Improvement Services:			
Purchased Services	32,778	32,778	0
Capital Outlay - New	471,334	471,319	15
Total Building Improvement Services	<u>504,112</u>	<u>504,097</u>	<u>15</u>
Total Capital Outlay	<u>606,163</u>	<u>591,138</u>	<u>15,025</u>
Debt Service:			
Byers Field Improvement Note:			
Principal Retirement	2,190	0	2,190
<i>Total Expenditures</i>	<u>608,353</u>	<u>591,138</u>	<u>17,215</u>
<i>Excess of Revenues Under Expenditures</i>	(528,353)	(503,055)	25,298
<b>Other Financing Sources</b>			
Operating Transfers Out	(212,421)	(212,421)	0
<i>Excess of Revenues and Other Financing Sources Under Expenditures</i>	(740,774)	(715,476)	25,298
<i>Fund Balance Beginning of Year</i>	836,916	836,916	0
Prior Year Encumbrances Appropriated	448,875	448,875	0
<i>Fund Balance End of Year</i>	<u>\$545,017</u>	<u>\$570,315</u>	<u>\$25,298</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Turf Replacement Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Miscellaneous	\$13,371	\$13,700	\$329
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	13,371	13,700	329
<i>Fund Balance Beginning of Year</i>	<u>37,696</u>	<u>37,696</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$51,067</u>	<u>\$51,396</u>	<u>\$329</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Vocational Education Equipment*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$27,613	\$27,613	\$0
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	27,613	27,613	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$27,613</u>	<u>\$27,613</u>	<u>\$0</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 School Net Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$344,788	\$383,278	\$38,490
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff:			
Salaries and Wages	11,250	404	10,846
Fringe Benefits	1,700	131	1,569
Purchased Services	21,069	1,696	19,373
Materials and Supplies	72,290	57,785	14,505
Capital Outlay - New	597,338	556,830	40,508
<i>Total Expenditures</i>	703,647	616,846	86,801
<i>Excess of Revenues Under Expenditures</i>	(358,859)	(233,568)	125,291
<b>Other Financing Uses</b>			
Operating Transfers In	38,490	38,490	0
<i>Excess of Revenues Under Expenditures and Other Financing Sources</i>	(320,369)	(195,078)	125,291
<i>Fund Balance Beginning of Year</i>	111,635	111,635	0
Prior Year Encumbrances Appropriated	208,734	208,734	0
<i>Fund Balance End of Year</i>	\$0	\$125,291	\$125,291



**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Power Up Grant Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$141,727	\$143,348	\$1,621
<b>Expenditures</b>			
Current:			
Support Services:			
Central:			
Purchased Services	349,945	349,945	0
<i>Excess of Revenues Under Expenditures</i>	(208,218)	(206,597)	1,621
<b>Other Financing Sources</b>			
Advances In	90,748	90,748	0
Operating Transfers In	117,470	117,470	0
<i>Total Other Financing Sources</i>	208,218	208,218	0
<i>Excess of Revenues and Other Financing Sources Over Expenditures</i>	0	1,621	1,621
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$1,621	\$1,621

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Security Equipment Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$1,500	\$1,500	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Materials and Supplies	1,500	1,500	0
Support Services:			
Operation and Maintenance of Plant:			
Capital Outlay - New	3,508	3,508	0
Extracurricular Activities:			
School and Public Service			
Co-Curricular Activities:			
Materials and Supplies	285	285	0
<i>Total Expenditures</i>	5,293	5,293	0
<i>Excess of Revenues Under Expenditures</i>	(3,793)	(3,793)	0
<i>Fund Balance Beginning of Year</i>	285	285	0
Prior Year Encumbrances Appropriated	3,508	3,508	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*All Capital Projects Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$515,628	\$555,739	\$40,111
Donations	30,000	30,000	0
Miscellaneous	63,371	71,783	8,412
<i>Total Revenues</i>	<u>608,999</u>	<u>657,522</u>	<u>48,523</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Materials and Supplies	1,500	1,500	0
Support Services:			
Instructional Staff:			
Salaries and Wages	11,250	404	10,846
Fringe Benefits	1,700	131	1,569
Purchased Services	21,069	1,696	19,373
Materials and Supplies	72,290	57,785	14,505
Capital Outlay - New	597,338	556,830	40,508
Total Instructional Staff	<u>703,647</u>	<u>616,846</u>	<u>86,801</u>
Operation and Maintenance of Plant:			
Capital Outlay - New	3,508	3,508	0
Central:			
Purchased Services	349,945	349,945	0
Total Support Services	<u>1,057,100</u>	<u>970,299</u>	<u>86,801</u>
Extracurricular Activities:			
Materials and Supplies	285	285	0
Capital Outlay:			
Architectural and Engineering Services:			
Purchased Services	65,715	65,705	10
Building Acquisition and Construction Services:			
Purchased Services	26,391	11,391	15,000
Capital Outlay - New	0	0	0
Capital Outlay - Replacement	9,945	9,945	0
Total Building Acquisition and Construction Services:	<u>36,336</u>	<u>21,336</u>	<u>15,000</u>
Building Improvement Services:			
Purchased Services	32,778	32,778	0
Capital Outlay - New	471,334	471,319	15
Total Building Improvement Services	<u>504,112</u>	<u>504,097</u>	<u>15</u>
<b>Total Capital Outlay</b>	<u>\$606,163</u>	<u>\$591,138</u>	<u>\$15,025</u>

(continued)

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*All Capital Projects Funds (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Debt Service:			
Principal Retirement	\$2,190	\$0	\$2,190
<i>Total Expenditures</i>	<u>1,667,238</u>	<u>1,563,222</u>	<u>104,016</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,058,239)</u>	<u>(905,700)</u>	<u>152,539</u>
<b>Other Financing Sources</b>			
Advances In	90,748	90,748	0
Operating Transfers In	155,960	155,960	0
Operating Transfers Out	(212,421)	(212,421)	0
<i>Total Other Financing Sources (Uses)</i>	<u>34,287</u>	<u>34,287</u>	<u>0</u>
<i>Excess of Revenues and Other Financing   Sources Under Expenditures</i>	<u>(1,023,952)</u>	<u>(871,413)</u>	<u>152,539</u>
<i>Fund Balances Beginning of Year</i>	986,532	986,532	0
Prior Year Encumbrances Appropriated	<u>661,117</u>	<u>661,117</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$623,697</u>	<u>\$776,236</u>	<u>\$152,539</u>

## **Enterprise Funds**

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Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**Food Service Fund** This fund accounts for the financial transactions related to the food service operations of the School District.

**Adult Continuing Education Fund** This fund accounts for revenues and expenses involved in upgrading and retraining out-of-school youths and adults for the purpose of improving their skills and knowledge in their occupation or planned occupation as well as providing educational services including preschool.

**Extended Daycare/Preschool Fund** This fund accounts for revenues and expenses involved in providing childcare services to parents enrolled in a vocational program.

**Parma City School District**  
*Combining Balance Sheet*  
*All Enterprise Funds*  
*June 30, 1999*

	Food Service	Adult Continuing Education	Extended Daycare/ Preschool	Totals
<b>Assets</b>				
<b>Current Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$375,637	\$106,862	\$492,244	\$974,743
Accounts Receivable	0	0	21,802	21,802
Intergovernmental Receivable	18,399	0	0	18,399
Inventory Held For Resale	100,543	0	0	100,543
<i>Total Current Assets</i>	494,579	106,862	514,046	1,115,487
Fixed Assets (Net of Accumulated Depreciation)	44,818	50,944	26,720	122,482
<i>Total Assets</i>	<u>\$539,397</u>	<u>\$157,806</u>	<u>\$540,766</u>	<u>\$1,237,969</u>
<b>Liabilities and Fund Equity</b>				
<b>Current Liabilities</b>				
Accounts Payable	\$0	\$414	\$340	\$754
Accrued Wages Payable	78,677	54,277	73,446	206,400
Compensated Absences Payable	3,266	0	0	3,266
Intergovernmental Payable	87,629	26,347	107,828	221,804
Deferred Revenue	14,608	0	0	14,608
<i>Total Current Liabilities</i>	184,180	81,038	181,614	446,832
<b>Long-Term Liabilities</b>				
Compensated Absences Payable	85,279	2,921	862	89,062
<i>Total Liabilities</i>	269,459	83,959	182,476	535,894
<b>Fund Equity</b>				
Retained Earnings	269,938	73,847	358,290	702,075
<i>Total Liabilities and Fund Equity</i>	<u>\$539,397</u>	<u>\$157,806</u>	<u>\$540,766</u>	<u>\$1,237,969</u>

**Parma City School District**  
*Combining Statement of Revenues, Expenses and Changes in Retained Earnings*  
*All Enterprise Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Food Service	Adult Continuing Education	Extended Daycare/ Preschool	Totals
<b>Operating Revenues</b>				
Tuition and Fees	\$0	\$704,289	\$1,182,718	\$1,887,007
Sales	1,899,523	0	0	1,899,523
<i>Total Operating Revenues</i>	<u>1,899,523</u>	<u>704,289</u>	<u>1,182,718</u>	<u>3,786,530</u>
<b>Operating Expenses</b>				
Salaries and Wages	846,622	532,147	792,502	2,171,271
Fringe Benefits	348,362	124,098	169,164	641,624
Purchased Services	91,812	88,662	94,393	274,867
Materials and Supplies	154,839	63,240	122,937	341,016
Cost of Sales	1,237,456	0	0	1,237,456
Other	0	4,495	2,678	7,173
Depreciation	7,925	6,069	3,799	17,793
<i>Total Operating Expenses</i>	<u>2,687,016</u>	<u>818,711</u>	<u>1,185,473</u>	<u>4,691,200</u>
<i>Operating Loss</i>	<u>(787,493)</u>	<u>(114,422)</u>	<u>(2,755)</u>	<u>(904,670)</u>
<b>Non-Operating Revenues</b>				
Donated Commodities	159,965	0	0	159,965
Operating Grants	759,940	32,717	0	792,657
<i>Total Non-Operating Revenues</i>	<u>919,905</u>	<u>32,717</u>	<u>0</u>	<u>952,622</u>
<i>Net Income (Loss)</i>	132,412	(81,705)	(2,755)	47,952
<i>Retained Earnings Beginning of Year</i>	<u>137,526</u>	<u>155,552</u>	<u>361,045</u>	<u>654,123</u>
<i>Retained Earnings End of Year</i>	<u>\$269,938</u>	<u>\$73,847</u>	<u>\$358,290</u>	<u>\$702,075</u>

**Parma City School District**  
*Combining Statement of Cash Flows*  
*All Enterprise Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Food Service	Adult Continuing Education	Extended Daycare/ Preschool	Totals
<b><i>Increase (Decrease) in Cash and Cash Equivalents</i></b>				
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$1,899,523	\$742,667	\$1,160,916	\$3,803,106
Cash Payments to Suppliers for Goods and Services	(1,350,812)	(175,025)	(232,124)	(1,757,961)
Cash Payments to Employees for Services	(785,630)	(541,984)	(733,399)	(2,061,013)
Cash Payments for Employee Benefits	(354,987)	(124,470)	(148,176)	(627,633)
Other Cash Payments	0	(4,495)	(2,678)	(7,173)
<b><i>Net Cash Provided By (Used for) Operating Activities</i></b>	<b>(591,906)</b>	<b>(103,307)</b>	<b>44,539</b>	<b>(650,674)</b>
<b>Cash Flows from Noncapital Financing Activities</b>				
Operating Grants Received	852,157	38,803	0	890,960
<b>Cash Flows from Capital and Related Financing Activities</b>				
Payments for Capital Acquisitions	(1,750)	(15,947)	(13,300)	(30,997)
<b>Net Increase (Decrease) in Cash and Cash Equivalent</b>	<b>258,501</b>	<b>(80,451)</b>	<b>31,239</b>	<b>209,289</b>
<b><i>Cash and Cash Equivalents Beginning of Year</i></b>	<b>117,136</b>	<b>187,313</b>	<b>461,005</b>	<b>765,454</b>
<b><i>Cash and Cash Equivalents End of Year</i></b>	<b>\$375,637</b>	<b>\$106,862</b>	<b>\$492,244</b>	<b>\$974,743</b>
<b>Reconciliation of Operating Loss to Net Cash Provided By (Used for) Operating Activities</b>				
<b><i>Operating Loss</i></b>	<b>(\$787,493)</b>	<b>(\$114,422)</b>	<b>(\$2,755)</b>	<b>(\$904,670)</b>
<b><i>Adjustments:</i></b>				
Depreciation Expense	7,925	6,069	3,799	17,793
Donated Commodities	159,965	0	0	159,965
<b><i>(Increase) Decrease in Assets:</i></b>				
Accounts Receivable	0	38,378	(21,802)	16,576
Inventory Held for Resale	(25,853)	0	0	(25,853)
<b><i>Increase (Decrease) in Liabilities:</i></b>				
Accounts Payable	(817)	(23,123)	(14,794)	(38,734)
Accrued Wages Payable	69,873	13,800	58,241	141,914
Compensated Absences Payable	(8,881)	(22,939)	862	(30,958)
Intergovernmental Payable	(6,625)	(1,070)	20,988	13,293
<b>Total Adjustments</b>	<b>195,587</b>	<b>11,115</b>	<b>47,294</b>	<b>253,996</b>
<b><i>Net Cash Provided By (Used for) Operating Activities</i></b>	<b>(\$591,906)</b>	<b>(\$103,307)</b>	<b>\$44,539</b>	<b>(\$650,674)</b>



**Parma City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Food Service Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Sales	\$1,934,963	\$1,899,523	(\$35,440)
Operating Grants	816,717	852,157	35,440
<i>Total Revenues</i>	<u>2,751,680</u>	<u>2,751,680</u>	<u>0</u>
<b>Expenses</b>			
Food Service Operations:			
Salaries and Wages	785,991	785,630	361
Fringe Benefits	366,303	354,987	11,316
Purchased Services	93,667	91,812	1,855
Materials and Supplies	1,316,259	1,259,000	57,259
Capital Outlay - New	5,556	1,750	3,806
Other	2,025	0	2,025
<i>Total Expenses</i>	<u>2,569,801</u>	<u>2,493,179</u>	<u>76,622</u>
<i>Excess of Revenues Over Expenses</i>	181,879	258,501	76,622
<i>Fund Equity Beginning of Year</i>	88,429	88,429	0
Prior Year Encumbrances Appropriated	28,707	28,707	0
<i>Fund Equity End of Year</i>	<u>\$299,015</u>	<u>\$375,637</u>	<u>\$76,622</u>

**Parma City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Adult Continuing Education Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Tuition and Fees	\$716,544	\$742,667	\$26,123
Operating Grants	37,091	38,803	1,712
<i>Total Revenues</i>	<u>753,635</u>	<u>781,470</u>	<u>27,835</u>
<b>Expenses</b>			
Adult Continuing Education:			
Salaries and Wages	545,760	541,984	3,776
Fringe Benefits	125,703	124,470	1,233
Purchased Services	96,234	91,201	5,033
Materials and Supplies	98,723	87,307	11,416
Capital Outlay - New	22,196	15,947	6,249
Other	5,370	4,495	875
<i>Total Expenses</i>	<u>893,986</u>	<u>865,404</u>	<u>28,582</u>
<i>Excess of Revenues Under Expenses</i>	(140,351)	(83,934)	56,417
<i>Fund Equity Beginning of Year</i>	147,377	147,377	0
Prior Year Encumbrances Appropriated	39,936	39,936	0
<i>Fund Equity End of Year</i>	<u>\$46,962</u>	<u>\$103,379</u>	<u>\$56,417</u>

**Parma City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Extended Daycare/Preschool Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Tuition and Fees	\$1,150,554	\$1,160,916	\$10,362
<b>Expenses</b>			
Extended Daycare/Preschool:			
Salaries and Wages	788,300	733,399	54,901
Fringe Benefits	249,074	148,176	100,898
Purchased Services	156,776	94,394	62,382
Materials and Supplies	259,499	151,304	108,195
Capital Outlay	34,619	14,579	20,040
Other	5,989	3,573	2,416
<i>Total Expenses</i>	1,494,257	1,145,425	348,832
<i>Excess of Revenues Over (Under) Expenses</i>	(343,703)	15,491	359,194
<i>Fund Equity Beginning of Year</i>	421,480	421,480	0
Prior Year Encumbrances Appropriated	39,525	39,525	0
<i>Fund Equity End of Year</i>	\$117,302	\$476,496	\$359,194

**Parma City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*All Enterprise Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Tuition and Fees	\$1,867,098	\$1,903,583	\$36,485
Sales	1,934,963	1,899,523	(35,440)
Operating Grants	853,808	890,960	37,152
<b>Total Revenues</b>	<b>4,655,869</b>	<b>4,694,066</b>	<b>38,197</b>
<b>Expenses</b>			
<b>Salaries and Wages:</b>			
Food Service Operations	785,991	785,630	361
Adult/Continuing Education	545,760	541,984	3,776
Extended Daycare/Preschool	788,300	733,399	54,901
<b>Total Salaries and Wages</b>	<b>2,120,051</b>	<b>2,061,013</b>	<b>59,038</b>
<b>Fringe Benefits:</b>			
Food Service Operations	366,303	354,987	11,316
Adult/Continuing Education	125,703	124,470	1,233
Extended Daycare/Preschool	249,074	148,176	100,898
<b>Total Fringe Benefits</b>	<b>741,080</b>	<b>627,633</b>	<b>113,447</b>
<b>Purchased Services:</b>			
Food Service Operations	93,667	91,812	1,855
Adult/Continuing Education	96,234	91,201	5,033
Extended Daycare/Preschool	156,776	94,394	62,382
<b>Total Purchased Services</b>	<b>346,677</b>	<b>277,407</b>	<b>69,270</b>
<b>Materials and Supplies:</b>			
Food Service Operations	1,316,259	1,259,000	57,259
Adult/Continuing Education	98,723	87,307	11,416
Extended Daycare/Preschool	259,499	151,304	108,195
<b>Total Materials and Supplies</b>	<b>1,674,481</b>	<b>1,497,611</b>	<b>176,870</b>
<b>Capital Outlay - New:</b>			
Food Service Operations	5,556	1,750	3,806
Adult/Continuing Education	22,196	15,947	6,249
Extended Daycare/Preschool	34,619	14,579	20,040
<b>Total Capital Outlay - New</b>	<b>\$62,371</b>	<b>\$32,276</b>	<b>\$30,095</b>

(continued)

**Parma City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*All Enterprise Funds (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Other:			
Food Service Operations	\$2,025	\$0	\$2,025
Adult/Continuing Education	5,370	4,495	875
Extended Daycare/Preschool	5,989	3,573	2,416
Total Other	13,384	8,068	5,316
<i>Total Expenses</i>	4,958,044	4,504,008	454,036
<i>Excess of Revenues Over Expenses</i>	(302,175)	190,058	492,233
<i>Fund Equity Beginning of Year</i>	657,286	657,286	0
Prior Year Encumbrances Appropriated	108,168	108,168	0
<i>Fund Equity End of Year</i>	\$463,279	\$955,512	\$492,233

## Fiduciary Fund Type

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Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and other funds.

### Agency Funds

**Student Activities Fund** This fund reflects resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

**PELL Program Fund** This fund accounts for the financial activity of Federal pass-through grants for nursing students. The School District acts as fiscal agent for the PELL Program.

**Voluntary Benefits Fund** This fund accounts for monies withheld from part-time employees paychecks for insurance.

**Parma City School District**  
*Combining Statement of Changes in Assets and Liabilities*  
*All Agency Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Balance 6/30/98	Additions	Reductions	Balance 6/30/99
<b>Student Activities</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$251,334	\$736,376	\$688,126	\$299,584
<b>Liabilities</b>				
Due to Students	\$251,334	\$736,376	\$688,126	\$299,584
 <b>PELL Program</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$5,792	\$0	\$5,792	\$0
<b>Liabilities</b>				
Due to Students	\$5,792	\$0	\$5,792	\$0
 <b>Voluntary Benefits</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,558	\$70,963	\$2,061	\$70,460
<b>Liabilities</b>				
Undistributed Monies	\$1,558	\$70,963	\$72,521	\$0
Interfund Payable	0	70,460	0	70,460
<b>Total Liabilities</b>	<b>\$1,558</b>	<b>\$141,423</b>	<b>\$72,521</b>	<b>\$70,460</b>
 <b>All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$258,684	\$807,339	\$695,979	\$370,044
<b>Liabilities</b>				
Undistributed Monies	\$1,558	\$70,963	\$72,521	\$0
Interfund Payable	0	70,460	0	70,460
Due to Students	257,126	736,376	693,918	299,584
<b>Total Liabilities</b>	<b>\$258,684</b>	<b>\$877,799</b>	<b>\$766,439</b>	<b>\$370,044</b>

## **General Fixed Assets Account Group**

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The general fixed assets account group is used to account for all land and land improvements, buildings, furniture and equipment, and vehicles not used in the operations of the proprietary funds.



**Parma City School District**  
*Schedule of General Fixed Assets*  
*By Function and Type*  
*June 30, 1999*

Function	Total	Land and Land Improvements	Buildings	Furniture and Equipment	Vehicles
Instruction	\$78,303,510	\$2,642,537	\$50,163,079	\$25,497,894	\$0
Support Services:					
Administration	1,193,752	12,611	106,255	1,074,886	0
Operation and Maintenance of Plant	3,455,222	0	971,289	417,481	2,066,452
Pupil Transportation	4,465,772	10,486	0	148,232	4,307,054
Extracurricular Activities	1,527,093	1,343,366	97,559	86,168	0
<i>Total General Fixed Assets</i>	<u>\$88,945,349</u>	<u>\$4,009,000</u>	<u>\$51,338,182</u>	<u>\$27,224,661</u>	<u>\$6,373,506</u>

**Parma City School District**  
*Schedule of Changes in General Fixed Assets*  
*By Function*  
*For the Fiscal Year Ended June 30, 1999*

Function	General Fixed Assets June 30, 1998	Increases	Decreases	General Fixed Assets June 30, 1999
Instruction	\$77,864,775	\$575,897	\$137,162	\$78,303,510
Support Services:				
Administration	1,193,752	0	0	1,193,752
Operation and Maintenance of Plant	2,496,901	958,321	0	3,455,222
Pupil Transportation	4,466,720	0	948	4,465,772
Extracurricular Activities	1,432,142	94,951	0	1,527,093
<i>Total General Fixed Assets</i>	<u>\$87,454,290</u>	<u>\$1,629,169</u>	<u>\$138,110</u>	<u>\$88,945,349</u>

**Parma City School District**  
*Schedule of General Fixed Assets*  
*By Source*  
*June 30, 1999*

**General Fixed Assets**

Land and Land Improvements	\$4,009,000
Buildings	51,338,182
Furniture and Equipment	27,224,661
Vehicles	<u>6,373,506</u>

*Total General Fixed Assets* \$88,945,349

**Investments in General Fixed Assets**

Acquisitions since July 1, 1997:

General Fund and General Fund Transfers	\$2,775,380
Capital Projects Funds	1,563,124

Acquisitions prior to June 30, 1996 84,606,845

*Total Investment in General Fixed Assets* \$88,945,349

# **Statistical Section**

Parma City School District  
General Governmental  
Expenditures by Function (1)  
Last Ten Fiscal Years (2)

	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Current:										
Instruction:										
Regular	\$44,493,411	\$43,504,689	\$41,889,510	\$39,531,630	\$35,761,981	\$35,829,261	\$33,230,316	\$31,555,469	\$29,866,635	\$27,839,240
Special	8,527,584	8,305,462	7,599,446	6,795,596	6,765,411	6,881,955	6,363,054	5,985,065	5,646,804	4,904,149
Vocational	1,589,698	1,432,552	2,869,507	2,790,477	2,993,552	3,000,646	2,984,943	3,044,250	2,875,864	2,747,926
Adult/Continuing	247,818	216,042	92,813	59,859	76,874	75,062	79,310	109,380	57,636	668,621
Support Services:										
Pupils	5,328,169	4,991,585	4,028,395	3,836,412	3,622,234	3,521,235	3,250,990	3,163,821	3,119,788	2,832,952
Instructional Staff	4,477,718	4,916,855	6,051,766	5,804,758	5,153,497	5,678,561	5,811,298	5,635,987	4,901,962	4,409,164
Board of Education	61,895	50,707	42,645	35,102	28,267	16,839	13,811	14,400	13,250	12,681
Administration	7,125,281	7,751,325	6,370,159	6,909,985	5,663,714	7,451,106	5,663,830	5,655,538	4,457,061	5,185,981
Fiscal	1,522,202	1,547,714	1,269,908	1,228,812	1,138,983	1,178,899	1,012,142	1,087,692	1,025,369	888,404
Business	760,549	796,169	730,366	662,027	556,751	545,632	534,106	519,701	477,168	418,130
Operation and Maintenance of Plant	9,632,433	9,879,885	9,341,167	9,784,581	8,776,964	11,892,095	9,873,577	10,923,832	8,251,601	7,634,922
Pupil Transportation	3,848,234	4,105,287	4,314,313	4,176,923	3,170,391	3,482,098	3,610,817	3,767,090	3,594,945	2,765,911
Central	1,033,112	1,094,231	669,706	737,068	650,053	662,428	651,039	768,661	814,371	571,534
Operation of Non-Instructional Services	3,537,697	3,098,375	3,356,742	311,580	185,888	1,703	0	2,505,818	2,570,078	2,388,017
Extracurricular Activities	2,200,277	1,956,788	1,134,324	1,141,567	1,066,396	943,998	954,201	1,511,916	1,229,318	1,175,837
Capital Outlay	1,299,669	981,663	2,535,087	164,803	235,241	355,966	534,248	317,384	1,493,176	832,893
Debt Service	5,363,759	5,808,349	823,052	6,387,025	10,457,905	5,299,148	2,715,051	6,636,553	3,451,593	3,910,954
<b>Total</b>	<b>\$101,049,506</b>	<b>\$100,437,678</b>	<b>\$93,118,906</b>	<b>\$90,358,205</b>	<b>\$86,304,102</b>	<b>\$86,816,632</b>	<b>\$77,282,753</b>	<b>\$83,202,557</b>	<b>\$73,846,619</b>	<b>\$69,187,316</b>

Source: School District Financial Records

- (1) Includes general, special revenue, debt service and capital projects funds
- (2) 1997 - 1999 reported on a GAAP basis; all other on cash basis

Parma City School District  
 General Governmental  
 Revenues by Source (1)  
 Last Ten Fiscal Years (2)

	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Taxes	\$64,801,975	\$64,247,335	\$60,468,806	\$59,185,386	\$55,089,148	\$50,114,932	\$50,731,599	\$48,829,284	\$44,080,175	\$40,006,505
Intergovernmental	29,336,982	28,282,193	25,771,382	22,659,448	21,264,995	20,130,816	21,672,022	21,779,660	21,732,705	21,241,911
Interest	911,990	844,850	619,757	598,791	421,276	310,553	329,825	555,951	838,020	1,133,631
Charges for Services	227,820	198,905	0	0	0	0	0	0	0	0
Tuition and Fees	1,264,113	775,293	1,589,170	1,351,686	1,105,915	2,065,409	2,088,849	1,007,012	1,456,885	1,752,976
Extracurricular Activities	1,395,082	1,363,567	1,297,212	445,945	956,860	449,098	303,504	890,221	774,512	790,069
Rentals	84,629	106,463	225,652	0	0	0	0	0	0	0
Donations	85,301	165,202	164,724	0	0	0	0	0	0	0
Miscellaneous	460,166	1,367,485	157,211	2,171,542	1,206,486	1,139,629	992,763	973,958	969,869	964,705
Total	\$98,568,058	\$97,351,293	\$90,294,114	\$86,412,798	\$80,044,680	\$74,210,437	\$76,118,562	\$74,036,086	\$69,852,166	\$65,889,797

Source: School District Financial Records

- (1) Includes general, special revenue, debt service and capital projects funds
- (2) 1997 - 1999 reported on a GAAP basis; all other on cash basis

**Parma City School District**  
**Property Tax Levies and Collections**  
**Real and Public Utility Taxes (1)**  
**Last Ten Calendar Years**

Collection Year	Current Levy	Delinquent Levy (2)	Total Levy	Current Collection	Percent of Current Levy Collected	Delinquent Collection	Total Collection	Total Collection As a Percent of Current Levy
1998	\$65,486,432	\$1,800,863	\$67,287,295	\$64,014,755	97.8%	\$520,400	\$64,535,155	98.5%
1997	62,814,822	2,743,578	65,558,400	61,276,304	97.6	449,874	61,726,178	98.3
1996	62,114,518	2,695,718	64,810,236	61,136,494	98.4	624,822	61,761,316	99.4
1995	61,983,601	2,290,421	64,274,022	60,919,043	98.3	432,011	61,351,054	99.0
1994	50,847,617	2,194,639	53,042,256	49,837,373	98.0	655,263	50,492,636	99.3
1993	50,953,611	2,062,454	53,016,065	49,944,343	98.0	491,597	50,435,940	99.0
1992	50,260,556	1,576,319	51,836,875	49,254,411	98.0	476,199	49,730,610	98.9
1991	47,648,808	1,072,731	48,721,539	46,950,685	98.5	423,282	47,373,967	99.4
1990	38,734,216	996,039	39,730,255	38,041,009	98.2	556,613	38,597,622	99.6
1989	37,989,095	765,272	38,754,367	37,496,330	98.7	337,908	37,834,238	99.6

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.

(2) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.

**Parma City School District**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Calendar Years*

Collection Year	Agricultural and Residential Real Estate	Other Real Estate	Public Utility Personal	Tangible Personal	Total Assessed Value	Estimated Actual Value (1)	Ratio
1999	\$1,492,634,760	\$343,431,990	\$71,855,030	\$120,840,696	\$2,028,762,476	\$5,810,921,220	34.9
1998	1,486,223,910	353,088,600	73,452,990	120,861,764	2,033,627,264	5,810,363,611	35.0
1997	1,367,851,700	329,054,660	75,265,490	113,614,115	1,885,785,965	5,388,289,311	35.0
1996	1,362,121,220	319,723,780	77,879,960	111,345,314	1,871,070,274	5,339,152,640	35.0
1995	1,359,834,070	334,374,050	83,560,620	111,012,183	1,888,780,923	5,345,507,702	35.3
1994	1,167,991,340	289,088,250	78,473,210	109,869,397	1,645,422,197	4,691,736,233	35.1
1993	1,160,882,600	290,057,740	78,557,450	112,763,487	1,642,261,277	4,685,867,607	35.0
1992	1,156,462,350	292,798,110	79,114,090	109,435,270	1,637,809,820	4,651,551,431	35.2
1991	965,053,190	240,586,780	75,553,710	127,200,499	1,408,394,179	4,001,655,077	35.2
1990	958,958,500	233,188,500	71,276,560	151,631,859	1,415,055,419	4,018,953,200	35.2

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis because this is the manner in which the information is maintained by the County Auditor.

(1) This amount is calculated based on the following percentages:

Real estate is assessed at 35 percent of actual value.

Public utility personal is assessed at 88 percent of actual value, in 1990 it was assessed at 100 percent of actual value.

Tangible personal property is assessed at 25 percent of actual value for 1995 through 1999.



**Parma City School District**  
*Property Tax Rates - Direct and Overlapping Governments*  
*(per \$1,000 Assessed Valuation)*  
*Last Ten Calendar Years*

Collection Year	School Levy	County Levy	City Levy	Total Levy	Debt Service Included in Total Levy		
					School	County	City
1999	\$53.40	\$16.70	\$7.10	\$77.20	\$0.70	\$0.72	\$0.20
1998	53.60	16.60	7.10	77.30	0.70	0.72	0.20
1997	54.20	18.00	7.10	79.30	0.70	0.90	0.20
1996	54.00	18.00	7.10	79.10	0.60	0.87	0.20
1995	54.10	18.20	7.10	79.40	0.78	0.76	0.20
1994	51.70	17.80	4.10	73.60	0.99	0.68	0.44
1993	51.80	17.80	4.10	73.70	0.87	0.71	0.44
1992	51.70	17.80	4.10	73.60	0.87	0.80	0.44
1991	53.50	17.80	4.20	75.50	0.88	0.87	0.30
1990	47.00	16.30	4.20	67.50	0.88	0.80	0.30

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

**Parma City School District**  
*Ratio of Net General Obligation Bonded Debt to  
 Assessed Value and Net General Obligation Bonded Debt Per Capita  
 Last Ten Years*

Year	Net General Obligation Bonded Debt	Assessed Value	Population	Ratio of Net Debt to Assessed Value	Net Debt Per Capita
1999	\$0	\$2,028,762,476	124,340	0.00 %	\$0
1998	0	2,033,627,264	124,340	0.00	0
1997	660,596	1,885,785,965	121,240	0.04	5
1996	1,597,328	1,871,070,274	118,127	0.09	14
1995	1,352,037	1,888,780,923	118,919	0.07	11
1994	1,586,461	1,645,422,197	119,918	0.10	13
1993	2,843,314	1,642,261,277	119,581	0.17	24
1992	1,471,375	1,637,809,820	120,224	0.09	12
1991	1,437,989	1,408,394,179	120,846	0.10	12
1990	1,530,349	1,415,055,419	121,663	0.11	13

Source: Cuyahoga County Auditor, School District Financial Records and the Cleveland Plain Dealer.  
 N/A - Not Available

**Parma City School District**  
*Computation of Legal Debt Margin*  
*June 30, 1999*

Assessed Valuation (1999)	<u>\$2,028,762,476</u>
Overall Debt Limit - 9% of Assessed Value (1)	<u>\$182,588,623</u>
Outstanding Debt:	
Tax Anticipation Note	6,800,000
Bond Anticipation Notes	2,350,000
Byers Field Note	370,000
General Obligation Bonds	225,000
School Building Energy Conservation Bond	1,045,000
Less: Amount Available in Debt Service Fund	<u>(1,932,492)</u>
Total Outstanding Debt	8,857,508
Less Exemptions:	
Tax Anticipation Note	<u>6,800,000</u>
Amount of Debt Applicable to Debt Limit	<u>2,057,508</u>
<i>Overall Debt Margin</i>	<u>\$180,531,115</u>
Unvoted Debt Limit - .10% of Assessed Value (1)	\$2,028,762
Amount of Debt Applicable	<u>0</u>
<i>Unvoted Debt Margin</i>	<u>\$2,028,762</u>
Additional Limit for Unvoted Energy Conservation Bonds:	
Debt Limit - 1% of Assessed Valuation	\$20,287,625
Energy Conservation Bonds	<u>(3,395,000)</u>
<i>Additonal Unvoted Debt Margin</i>	<u>\$16,892,625</u>

Source: Cuyahoga County Auditor and School District Financial Records

(1) Ohio Bond Law sets an overall limit of 9% for all debt and 1/10 of 1% for unvoted debt.

**Parma City School District**  
*Computation of Direct and Overlapping General Obligation Bonded Debt*  
*December 31, 1998*

Jurisdiction	General Obligation Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
Parma City School District	\$1,270,000	100.00 %	\$1,270,000
City of Parma	21,763,998	100.00	21,763,998
City of Parma Heights	2,071,289	100.00	2,071,289
City of Seven Hills	4,172,750	100.00	4,172,750
Cuyahoga County	554,064,636	8.15	45,156,268
R.T.A.	102,945,000	8.15	8,390,018
Total			<u>\$82,824,322</u>

Source: Cuyahoga County Auditor and City of Parma Finance Department, City of Parma Heights Finance Department and City of Seven Hills Finance Department - Data is presented on a calendar year basis (including School District) because that is the manner in which the information is maintained by both the County Auditor and the City Finance Department.

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 1998 collection year.

**Parma City School District**  
*Ratio of Annual Debt Service Expenditures For*  
*General Obligation Bonded Debt to Total General Governmental Expenditures*  
*Last Ten Fiscal Years*

Year	Principal	Interest	Total Debt Service	Total Governmental Fund Expenditures	Ratio of Debt Service to Governmental Fund Expenditures (Percentages)
1999	\$450,000	\$102,406	\$552,406	\$101,049,506	0.55 %
1998	440,000	114,401	554,401	100,437,678	0.55
1997	430,000	138,740	568,740	93,118,906	0.61
1996	420,000	162,336	582,336	90,358,205	0.64
1995	410,000	184,682	594,682	86,304,102	0.69
1994	405,000	205,628	610,628	86,816,632	0.70
1993	225,000	242,659	467,659	77,282,753	0.61
1992	225,000	114,750	339,750	83,202,557	0.41
1991	225,000	128,250	353,250	73,846,619	0.48
1990	225,000	141,750	366,750	69,187,316	0.53

Source: School District Financial Records

**Parma City School District**  
*Demographic Statistics*  
*Last Ten Years*

Year	Cuyahoga County Population	Parma City Population	Parma Heights City Population	Seven Hills City Population	School Enrollment	Unemployment Rate (1)
1999	N/A	N/A	N/A	N/A	13,203	4.9 %
1998	1,398,169	89,000	23,000	12,340	12,737	3.9
1997	1,398,169	87,900	21,000	12,340	12,631	4.6
1996	1,398,169	85,006	20,865	12,256	12,531	4.7
1995	1,412,140	85,721	20,897	12,301	12,658	4.9
1994	1,412,140	86,471	21,107	12,340	12,760	5.3
1993	1,412,140	86,239	21,090	12,252	12,680	7.6
1992	1,412,140	86,735	21,230	12,259	12,986	6.3
1991	1,404,286	87,233	21,348	12,265	12,314	5.2
1990	1,404,286	87,876	21,448	12,339	12,342	5.8

Source: Information in this table was provided by the Citizens League Research Institute and the Ohio Employment Services Bureau, Labor Market Analyst.

(1) Represents Cuyahoga County  
 N/A - Not Available

**Parma City School District**  
*Property Value, Industrial Employment and Financial Institution Deposits*  
*Last Ten Years*

Year	Estimated Actual Property Value (Real Estate Only)	Industrial Employment (1)	Financial Institution Deposits (000's) Banks (2)
1998	\$5,255,178,600	637,400	\$56,770,353
1997	4,848,303,886	643,800	53,941,971 (3)
1996	4,805,271,429	644,200	27,068,211
1995	4,840,594,629	636,300	22,458,573
1994	4,163,084,543	625,700	20,885,453
1993	4,145,543,829	628,100	21,009,421
1992	4,140,744,171	636,000	19,379,203
1991	3,444,685,629	647,400	18,392,243
1990	3,406,134,286	696,000	18,403,806
1989	3,389,030,086	678,800	17,118,217

Source: Ohio Bureau of Employment Services  
 Federal Reserve Bank of Cleveland

- (1) Represents Cuyahoga County
- (2) Represents deposits made to all banks headquartered in Cuyahoga County
- (3) Large increase in deposits due to Key Bank becoming a single charter.

**Parma City School District**  
*Principal Taxpayers*  
*Real Estate and Public Utility Personal Tax*  
*June 30, 1999*

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
Albert B. Ratner Trust	\$28,499,180	1.49 %
Cleveland Electric Illuminating Company	28,026,770	1.47
Ohio Bell Telephone Company	23,173,290	1.21
General Motors	15,306,590	0.80
Columbia Gas of Ohio Incorporated	14,277,730	0.75
Paris Julius Company	8,008,000	0.42
Ohio Bell Telephone Company	6,727,680	0.35
Genesis Holding Corporation	5,442,500	0.29
VCAR Carbon Company	4,370,210	0.23
May Stores Seventy Four Corporation	3,927,000	0.21
<i>Total</i>	<u>\$137,758,950</u>	<u>7.22 %</u>
<i>Total Real and Public Utility Personal Assessed Value</i>	<u>\$1,907,921,780</u>	

Source: Cuyahoga County Auditor

(1) Assessed values are for 1999.



**Parma City School District**  
*Principal Taxpayers*  
**Tangible Personal Property Tax**  
*June 30, 1999*

Name of Taxpayer	Assessed Value (1)	Percent of Tangible Assessed Value
General Motors Corporation	\$33,755,370	27.93 %
MTD Products Incorporated	10,436,830	8.64
K Mart Corporation	2,310,720	1.91
First National Supermarkets	2,262,590	1.87
Triad Metal Products Company	2,037,950	1.69
May Department Stores Company	2,010,000	1.66
Southwest Ford Sales Company	1,751,770	1.45
JC Penney Company	1,549,550	1.28
Spitzer Buick Incorporated	1,489,260	1.23
Bob Gillingham Ford Incorporated	1,474,140	1.22
Riser Foods Company	1,438,590	1.20
<i>Total</i>	<u>\$60,516,770</u>	<u>50.08 %</u>
<i>Tangible Assessed Value</i>	<u>\$120,840,696</u>	

Source: Cuyahoga County Auditor

(1) Assessed values are for 1999.

**Parma City School District**  
*Enrollment Statistics*  
*Last Ten Fiscal Years*

<u>Year</u>	<u>General Fund Expenditures (1)</u>	<u>Average Daily Membership</u>	<u>Per Pupil Cost</u>
1999	\$87,057,680	13,203	\$6,594
1998	86,587,392	12,737	6,798
1997	83,270,435	12,631	6,593
1996	81,329,638	12,531	6,490
1995	76,102,848	12,658	6,012
1994	77,849,771	12,760	6,101
1993	71,539,424	12,680	5,642
1992	68,688,215	12,986	5,289
1991	62,833,721	12,314	5,103
1990	58,197,684	12,342	4,715

Source: School District Financial Records

(1) 1997 - 1999 reported on a GAAP basis;  
all other on cash basis

**Parma City School District**  
*Teacher Education and Experience*  
 June 30, 1999

Degree	Number of Teachers	Percentage of Total
Bachelor's Degree	120	12.26 %
Bachelor's + 12 hours	79	8.07
Bachelor's + 24 hours	119	12.16
Bachelor's + 36 hours	66	6.74
Master's Degree	238	24.31
Master's Degree + 12 hours	112	11.44
Master's Degree + 24 hours	70	7.15
Master's Degree + 36 hours	69	7.05
Master's Degree + 48 hours	95	9.70
Doctorate's Degree	9	0.92
Doctorate's Degree + 12	2	0.20
<b>Total</b>	<b>979</b>	<b>100.00 %</b>

Total Years of Experience	Number of Teachers	Percentage of Total
0 - 5	199	20.34 %
6 - 10	197	20.11
11 and over	583	59.55
	<b>979</b>	<b>100.00 %</b>

Source: School District Personnel Records

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# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FISCAL YEAR ENDED  
JUNE 30, 1999**

**PARMA CITY SCHOOL DISTRICT  
6726 RIDGE ROAD  
PARMA, OHIO 44129-5703**

# **Introductory Section**

**Parma City School District**  
*Parma, Ohio*

*Comprehensive Annual Financial Report*

*For the Fiscal Year Ended*  
*June 30, 1999*

*Issued by:*  
*Treasurer's Office*

*Daniel L. Wilson*  
*Chief Financial Officer*  
*and Budget Director*

**Parma City School District**  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended June 30, 1999*  
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# PARMA CITY SCHOOL DISTRICT

OFFICE OF THE TREASURER  
6726 Ridge Road • Parma, OH 44129  
(440) 885-2324 . FAX: (440) 885-8492

DANIEL L. WILSON  
Chief Financial Officer/Budget Director

December 17, 1999

Board of Education Members and Residents of Parma City School District;

We are pleased to submit to you the third annual Comprehensive Annual Financial Report (CAFR) of Parma City School District. This CAFR, which includes an opinion from the Auditor of the State of Ohio, conforms to generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the School District. This report will provide the taxpayers of Parma City School District with comprehensive financial data in a format enabling them to gain an understanding of the School District's financial affairs. Copies will be made available to the Parma Area Chamber of Commerce, the Parma Regional Library, major taxpayers, financial rating services and other interested parties.

The comprehensive annual financial report is presented in three sections as follows:

1. The Introductory Section, which contains a Title Page, Table of Contents, Letter of Transmittal, List of Principal Officials, Organizational Chart of the School District, and the GFOA Certificate of Achievement.
2. The Financial Section, which begins with the Report of Independent Accountants, includes the General Purpose Financial Statements and Notes that provide an overview of the School District's financial position and operating results, the Combining Statements by Fund Type, and other schedules that provide detailed information relative to the General Purpose Financial Statements.
3. The Statistical Section, which presents social and economic data, financial trends and the fiscal capacity of Parma City School District.

## ***School District Organization***

The Parma City School District is the tenth largest of the 611 school districts in the State of Ohio and the second largest of 31 school districts in Cuyahoga County. The School District provides education to 13,203 students in grades kindergarten through twelve. Additionally, the School District provides preschool, after school, adult and community education services to a large number of students. The Parma City School District is located in northeastern Ohio, approximately ten miles south of Lake Erie.

The Parma City School District serves the communities of Parma, Parma Heights and Seven Hills. The City of Parma is the largest of the three communities served by the Parma City School District. Within the boundaries of the City of Parma there are two high schools, two middle schools and twelve elementary schools. Within the City of Parma Heights, there is one high school and two elementary schools. Within the City of Seven Hills, there is one middle school and one elementary school.

Statutorily, the School District operates under the standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide education services prescribed by State and/or Federal agencies. The Board of Education is made up of five members elected at large, for overlapping four-year terms. The Board of Education elects its President and Vice President annually, and appoints two officials: the Superintendent, who serves as the Chief Executive Officer, and the Treasurer, who serves as the Chief Financial Officer.

**Kindergarten** The School District operates half-day kindergarten programs in fifteen elementary buildings. These programs are designed to prepare children for school, to develop social skills and to promote the foundation for future learning.

**Elementary** The elementary program provides subjects such as reading, language arts, mathematics, science, social studies, health education, music, art and physical education, stressing the basic skills in each subject area. An innovative hands-on science program was introduced in September 1994. James E. Hanna Elementary School has been designated as the Parma City School District's "Pilot Technology School."

**Middle School** The middle school education program provides a transition from elementary to senior high school. The "House" program places groups of students with teams of teachers to provide transition and individualized attention. The Board of Education unanimously adopted a series of Middle School recommendations on March 23, 1998.

**High School** The high school education program offers a wide array of curricular offerings in college preparatory and career preparatory courses. The high school honors program presents students with the opportunity for in-depth study and research in the areas of English, Mathematics, Social Studies, Science and Foreign Language.

### ***Additional Programs and Services***

**High School Athletics** Normandy, Parma Senior and Valley Forge High Schools compete in the Lake Erie League. All three high schools qualify for the highly competitive Division I classification. Fall, winter and spring varsity sports are available for students, including football, soccer, volleyball, track, cross country, basketball, baseball, softball, wrestling, tennis, golf, swimming, diving, softball and hockey. There are also ninth grade, junior varsity and middle school athletic programs offered. Cheerleading and flag corps are offered at all levels.

The School District owns and operates Byers Field, one of the premier athletic/entertainment complexes in Northeast Ohio. Byers Field is currently the largest stadium complex in the area with the exception of Jacobs Field and the Cleveland Browns Stadium, both located in downtown Cleveland and home of the Indians and Browns, respectively.

**Libraries** All school buildings have library/media centers. Printed, audio-visual and computer-based materials are available in an "open library" atmosphere where students are encouraged to use library skills to refine their critical thinking abilities as they search for information. The secondary schools have electronic circulation/cataloging systems. All schools have multi-media computer/CD-ROM workstations and modems. The School District received a grant from the State of Ohio to update and computerize all our school libraries and also to network our buildings with INFOHIO.

**Transportation** The transportation policy of the Parma City School District exceeds the State's minimum standards and allows kindergarten through eighth grade children, who live more than 1.5 miles from their schools, to be transported. The School District maintains a fleet of buses for this purpose, and has additional vehicles to transport disabled students. A computer program assigns students to the

appropriate bus route. Parents and students are informed by mail of appropriate bus number, time and location of street pick-up to school and drop-off for the return trip home.

**Music** Music training and courses are available at all elementary school buildings. Most elementary schools have a choir, orchestra and/or band. Middle schools offer choral and instrumental programs, while the high schools offer marching band, flag corps, orchestra, show choirs, string ensembles, choral and glee clubs and a variety of other musical experiences.

**Art** For the past thirty-two years, the School District has had the premier art program in the area. Our students are traditionally winners in the local scholastic art competitions and receive national recognition. Art classes are available to all grades.

**Computers** Computer education begins in kindergarten and continues through the 12<sup>th</sup> grade. All eighth and ninth grade students are required to take computer application classes. These courses focus on the use of the computer as a tool. Skills are applied in all curricular areas. Additionally, there are offerings in Business, Mathematics, Computer Graphics, Industrial Arts and Advanced Computer Applications. Some of the computer labs at the senior high schools are part of a cooperative agreement with Cuyahoga Community College.

**Certificated Staff** The average experience is 16.7 years, and 60.8 percent of the teaching staff have at least a Master's Degree. Textbook authors, doctorates, nationally known speakers and recognized experts in specific fields of study are among the School District's teachers and administrators. A blend of experienced staff along with many new teachers offers students of the Parma City School District one of the strongest faculties in the area.

### ***Programs of Special Interest***

**Job Placement** The School District maintains a year-round placement office to assist students seeking part-time or summer employment and to place graduating seniors seeking full-time employment. The placement office is among the most successful in the State, having placed over 20,000 young people in jobs over the past decade. The placement office is a cooperative effort of the Parma City School District system and the Ohio Bureau of Employment Services.

**Preschool** Preschool is available for children three to five years of age at Normandy High School and Thoreau Park Elementary School. Sessions are offered mornings and afternoons, either two or three days, for 2.5 hours per day. This program is self-funded and is not an expense of the School District's general fund.

**Daycare Center** This center, located at Normandy High School, provides care for children, ages six weeks to five years of age, and is open to employees and the general public. It is open on all regularly scheduled school days from 7 a.m. to 6 p.m. The program is self-funded and is not an expense to the School District's general fund.

**Extended Daycare** Extended daycare is available to parents of kindergarten through sixth grade students at thirteen elementary school buildings and provides activities from 7 a.m. until the start of the normal school day, and from the close of the school day until 6 p.m. This program is also self-funded and not an expense to the School District's general fund.

**Continuing Education** The School District offers an expansive continuing education program with nearly 10,000 community residents participating each year. There are a number of courses offered including high school graduation courses, new career field training and a variety of leisure and recreational activities.

***Apprenticeship Program*** As a service to employers of area industries and their employees, the Parma Community Education Department conducts related theory classes for apprentices in the following trades: industrial electricity, tool and die making, plumbing, pipe fitting, millwright, machinist, toolmaking, sheet metal working and welding.

***Parent Teacher Association (PTA)*** The Parma City School District boasts almost 5,500 parents, teachers and administrators as members of the School District's twenty-four PTA units. The PTA works with the School District on a wide variety of topics including parent education, advocacy training and a highly successful scholarship program, which are awarded to graduating seniors in the school system on an annual basis.

***High School Career Preparatory Program*** One and two-year vocational courses are available in twenty-five areas including Auto Body, Building and Property Maintenance, Carpentry, Commercial Art, Drafting, Electronics, Graphic Communications, Metal Fabrication, Child Care, Cosmetology, Culinary Arts, Health Occupations, Hospitality, Radio and TV Production, Office Services, Cooperative Marketing and Management, Executive Assistant, Automotive Service Technology and Accounting. Over ninety percent of vocational students work in related career fields after graduation. Currently, 34 percent of students participate in the vocational education program.

***High School College Preparatory Program*** The College Bound Program offers academically challenging courses for students planning to attend college. The course of study provides unrestricted admittance to a college of the student's choice. Parma City School District's recent graduates received over \$2 million in college scholarships. The School District offers advanced courses in English, foreign languages, mathematics, science and social studies. Currently, 52 percent of students participate in the college bound program.

***Special Education*** The Parma City School District provides education to all children with diversified needs, including multi handicapped, visually impaired, orthopedically handicapped/other health impaired, speech/language handicapped, severe behavior handicapped, developmentally handicapped or those with specific learning disabilities.

***Adult Basic Literacy Education*** Day and evening classes in English as a Second Language (ESL), Adult Basic Literacy Education (ABLE) and Graduate Equivalence Diploma (GED) are offered.

***Family Activities*** Free workshops are scheduled throughout the fiscal year with free childcare provided in areas including Family Math, Family Science, Attention Deficit Disorder, Motor and Language Development, Community Resources, Computer Skills, Homework Help Tips, Organizational Skills for Children, How to Talk to Professionals, Making Reading Fun, Middle School Movement and many more.

***Graduate Equivalence Diploma (GED) Testing*** The Parma City School's GED program is the fourth largest test center in the State of Ohio, with a pass rate of 85 percent. Additionally, people who prepare to take the test and meet requirements for test readiness have over a 90 percent chance of passing the GED test. Individuals must be 18 years old or older and formally withdrawn from school; however, 16 and 17-year-olds can be eligible with completion of an age waiver form. Individuals do not have to live in the Parma area. Anyone who passes the pretest will receive a waiver for the test fee. The GED test is offered at least twice a month throughout the fiscal year, and a graduation ceremony is held every June to honor those who participated in the program and passed the GED test.

### ***Reporting Entity***

The School District has reviewed its reporting entity in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up Parma City School District (the primary government) and its potential component units.

The City of Parma, City of Parma Heights, City of Seven Hills, Parma Regional Library and the Parent Teacher Association have not been included in the accompanying financial statements. The boards are not appointed by the School District, nor are they fiscally dependent on the School District. The School District participates in the Lakeshore Northeast Ohio Computer Association and Ohio Schools Council, both jointly governed organizations.

### ***Economic Condition And Outlook***

The City of Parma and the surrounding areas have a strong and stable economic base. In the last two decades apartment buildings have been constructed to accommodate the large number of families moving into Parma out of the more heavily populated Cleveland area.

With major employers including General Motors, Parma Community General Hospital and the Parma City School District, the area continues to flourish. Recent economic developments include the 1998 renovation of Parmatown Mall and a new Rini-Rego Marketplace (now a Giant Eagle), resulting in numerous new jobs for the area.

The involvement of local businesses and community groups in partnership with Parma City School District enhances the relationship between free enterprise and government entities.

### ***Major Initiatives***

As previously noted, the Board of Education adopted a series *Middle School recommendations* on March 23, 1998. The goal is to include sixth graders in the Middle Schools by no later than the year 2002, depending on facility review and capacity. Technology in the Middle Schools has been upgraded, and classroom space has been added on to the Shiloh facility.

The Community/Business/School (C/B/S) Partnership Program, which began in 1991 as a Superintendent's Business Advisory Committee, now has over thirty-five members on its steering committee, including representatives from community groups, local businesses, government, clergy and the Parma City School District. C/B/S partners have donated thousands of dollars in cash and in-kind materials and services to benefit the children of the Parma City School District. The C/B/S Council continues to forge important links throughout the School District and the communities served. Among our community partners are organizations like Cox Communications, General Motors, UCAR Carbon Company, Cuyahoga Community College, Bryant and Stratton College, the Veterans of Foreign Wars and Parma Community General Hospital, to name only a few.

The Parma City School District is proud of the fact that three schools have been designated as "*Venture Capital Schools*" by the Ohio Department of Education: Pearl Road Elementary School, Parma Senior High School and Green Valley Elementary School. The prestigious Venture Capital distinction provides a \$25,000 grant each year for a five-year period. The funding must be used for staff development purposes.



*Technology* has continued to play an important part in the growth of Parma City School District. The Director of Information Services, Network Services Specialist, and Computer Facilitator continue to upgrade the network and educate the staff respectively. The School District believes they will be Y2K compliant. The School District has continued work in all buildings in terms of increasing technology using SchoolNet Plus funding. Prior to 1999, all three high school computer facilities were upgraded and 180 new computers were installed at the three middle schools. In the near future, plans call for all School District buildings to be similarly equipped, providing the technology to lead our staff and students into the next millennium.

A *Local Professional Development Committee* was formed to set policy and review professional development goals for certification and license renewal for Parma City School District educators. The steering committee is comprised of ten members – five teachers, four administrators and one non-voting member.

Each individual school building has designed its own *Continuous Improvement Plan* which includes a Mission Statement to correlate with the comprehensive District Continuous Improvement Plan. These working documents will be periodically reviewed and updated as the school year progresses. These plans were developed with the input of community and staff, conducting needs assessments, analyzing test data and determining resources. The School District Continuous Improvement Plan was presented to the Urban Schools Initiative for review.

To assist with the development of Continuous Improvement Plans at each building, the School District once again contracted with the *Gordon S. Black Corporation* of Rochester, New York to conduct a survey of community members. By using the information provided by the survey, it is possible for Parma City Schools to establish priorities among potential improvements through identification of the “vital few” actions known to influence stakeholder satisfaction. Throughout the analysis the emphasis is on the improvements a school can make, and it is structured to facilitate the process of continuous improvement.

Parma City School District has been designated one of the twenty-one schools in the Urban School Initiative, a proposed method of improving the quality of educational practice, governance, and structure in Ohio Schools. Through this initiative, the School District also participates in the Urban University collaborative with Cleveland State University.

As part of the *Urban School Initiative*, the Parma City School District contracted with *Phi Delta Kappa International* to have the latter conduct a Performance Audit/Assessment of the School District. The Audit/Assessment Team looked for documentable evidence that the Parma City Schools were focused on the educational premise that all children can learn, and that learning takes precedence over all other activities.

Aggressive *Safety and Security* measures have been instituted including building motion detectors and a swipe card entry systems at many of the schools. This process continues to expand. Narcotic canine sweeps continue at the middle school and high school levels. The Department of Safety and Security made eighteen presentations to over 2400 parents, community members, staff members and students through their inservice program. The School District has adopted a “zero tolerance” for violence and drugs. New policies were initiated dealing with weapons, threats and intimidation on school grounds.

“*Images*,” a joint publication of the Parma City School District and the communities of Parma, Parma Heights and Seven Hills was developed to increase the communication between the cities and the school district as well as inform the greater public of the activities of both entities. This newsletter is published six times per year in each community.

## **Department Focus**

*Curriculum* Given the current focus on proficiency test scores and the state generated district/building level report cards, each building in the School District had designed a Continuous Improvement Plan (CIP). The CIPs were created at each building through a committee that included administrators, teachers and parents. Each CIP is a work in progress and provides the buildings with a blueprint to academic improvement.

At the elementary level, Elementary Continuous Improvement Plan (ECIP) was created, with a rigid focus on improving our fourth and sixth grade math proficiency scores. Through this plan, all fifteen elementary schools, working with the Director and Supervisors of the Curriculum Department have narrowed their focus and funneled their resources into improving math instruction. Extensive staff in-service training, facilitated by a professor from Baldwin Wallace College and other educators in the area, has lead to a review of the curriculum at the elementary level, and increased use of manipulatives for instruction, the implementation of discovery type lessons, an increase in the use of higher order thinking skills during lessons, and an increase in the collaboration efforts of teachers. This push at the elementary level will positively impact the middle school level and ultimately the high school level for K-12 academic improvement.

## ***Service Efforts***

The Parma City School District has developed a Curriculum Coordinating Council, a group that serves as a clearing house for decision-making in matters dealing with curriculum and instruction. This committee reviews curriculum and procedures under which students attend the schools. Grades, course offerings, and exam are all part of the Council's focus.

The Council is comprised of teachers, parents, administrators and community members. Additional functions of the Council include: conducting an on-going evaluation of the academic program's effectiveness; serving as a conduit through which trends and new concepts are shared; serving as a "think tank" for keeping the academic program on the cutting edge of educational practices and overseeing the work of subject are committees.

Teachers who serve on the Council receive supplemental pay calculated at the negotiated rate for curriculum writing. Membership was obtained for the group via application. Superintendent Marsha Harrison, with input from the administrative staff, makes final recommendations to the Board of Education. Executive Administrative Director of Curriculum and Instruction K-12 Anna Maria Tabernik chairs the Council.

The Superintendent and District Operations Council have set the stage to focus efforts on improving "customer service" this year. Our "customers" include students, parents, teachers and other staff members. Directors designed survey instruments and had the technology department print them on scanner-ready documents for easy compilation. Survey instruments went to teachers, monitors, classroom assistants, parents at every school level (elementary, middle and high school), parents of students in the vocational programs, and parents of new entrants. Later in the year we may survey students and non-school personnel. We will also survey school personnel to solicit feedback that is *central office department specific in order to develop a plan to better service our own employees from the central office*. Results will be tabulated and discussed at the District Operations Council and with the Board of Education members.

### *Future Projects*

Future goals of the Superintendent's "Agenda for the Future" include: expansion of programs for gifted students K-12, continuation of the technology initiative, creation of building safety and security committees, planning of the improvements for Green Valley, Dag Hammarskjold, Pearl Road, State Road and Thoreau Park Elementary Schools, and the promotion of highest possible achievements schools for students.

The Department of Safety and Security will expand the use of motion detectors to all school buildings throughout the system. A swipe card system of entry will be utilized at all elementary buildings. The use of police dogs to detect illegal substances in schools will be an ongoing procedure. The Department will continue to be a resource for administrators while partnering with local law enforcement agencies.

The School District was the first, among the Urban 21, to submit a grant proposal for "Alternative Schools" funding. Our goal is to reach out to best service some of our eighth/ninth graders who are at risk of retention and dropping out. This program would capitalize on the characteristics of a solid middle school teaming program, with the support of community and social service agencies.

The Department of Information Services is working with the Curriculum Department to enhance instruction through the use of technology. The group is working with data to identify student performance gaps so that we can target increasing achievement. A review of the current data, an examination of out courses of study, and an investigation into the technological resources now available to educators, will lead to the development of an "instructional technology integrated guide," complete with templates in different subject areas, listing materials to use, formative and summative assessment strategies to implement, and recommendations for staff development.

The Curriculum Department, in concert with the Business Department will conduct a facilities and enrollment study. With community input, we will examine plans to maximize use of our buildings, alleviate overcrowding in some buildings, accommodate enrollment projections for the next five years, and strengthen our concept of community and cluster schools. This will directly impact a recommendation listed in our Performance Audit.

### *Financial Update*

During the 1998-1999 fiscal year, the Board of Education engaged in significant activity relative to the fiscal management and business management of the school district. Below is a listing of significant activities:

<i>Activity</i>	<i>Activity Date</i>	<i>Activity Impact</i>
Changed Business Managers	February 1, 1999	New Business Manager with over 30 years experience
Accepted resignation of Treasurer	November 1998	Employed an experienced Interim Treasurer
Spending freeze imposed by Superintendent	January 26, 1999	
The five-year forecast adopted by the Board and filed with the State	April 12, 1999	

<i>Activity</i>	<i>Activity Date</i>	<i>Activity Impact</i>
Performance Audit with cost reduction recommendations received from Auditor of State	April 1999	
Staff and program reductions for the 1999-2000 Fiscal Year Approved by the Board	April 19, 1999 May 10, 1999	\$3,621,542 combined value of program reductions and revenue enhancements
Community survey results presented to the Board and Administration	May 19, 1999	
Decision by the Board to not pursue an August Levy	May 19, 1999	
Convened a Citizen's Financial Advisory Committee	June 23, 1999	
Fiscal year and books closed and balanced	July 16, 1999	
Employed Chief Financial Officer and Budget Director	July 26, 1999	New CFO with 26 years of experience, 10 in districts larger than Parma
Decision to place the two-mill permanent improvement and six-Mill operating levy on the November 2, 1999 ballot	August 16, 1999	
Awarded Certificate of Achievement for excellence and financial reporting by GFOA	August 28, 1999	
Board adopted response to Performance Audit filed with the State	October 25, 1999	55 percent of recommendations will be acted upon by December 31, 1999
Levy request defeated by electorate	November 2, 1999	
Board adopted reductions to educational programs and support services	November 15, 1999	\$2,339,862 in reductions effective January 24, 1999 and \$3,415,076 full-year value of reductions for 2000-2001
Board action to place the failed levy on the March 7, 2000 ballot	November 15, 1999	\$4,151,861 of additional reductions to programs and services effective with the 2000-2001 fiscal year if levy is not approved

The April 12, 1999 adoption of the first ever five-year Fiscal Forecast was a significant enhancement to the School District fiscal management philosophy. The five-year forecast was based upon the Board of Education stated goals of phasing out the reliance upon emergency levies and eliminating the need for future borrowing. The new Chief Financial Officer updated the five-year forecast in September 1999. The updated forecast recognized two significant financial transactions conducted by the Interim Treasurer. The first was the borrowing of first year proceeds from the November 1998 Emergency Levy Renewal in the amount of \$6,800,000. The second was the receipt of a special advance against second half real estate collections in the amount of \$5,682,600. The updated forecast predicted that the 1999-2000 fiscal year would end with a cash balance of \$6,258,881 and that the 2001-2002 fiscal year would end with the deficit of \$5,449,727. If the November 2, 1999 six million dollar operating levy had been approved, the updated forecast predicted balanced budgets through the 2001-2002 fiscal year.

The Fiscal Forecast was again updated following the Board of Education's November 15, 1999 actions to impose reductions in educational programs and support services. The newly updated forecast predicts a balanced budget through the 2000-2001 fiscal year. With the approval of the new levy in calendar year 2000, the 2001-2002 fiscal year budget will become virtually balanced. In addition to the approval of a new levy in calendar year 2000, if the expiring emergency levy is re-authorized in November 2000, the forecast predicts balanced budgets through the 2003-2004 fiscal year.

The School District is currently conducting an updated community survey to assist the Board of Education and Administration in making future fiscal management decisions, as well as the designing of an updated information program in preparation for the March levy.

### ***Financial Information***

***Internal Accounting and Budgetary Control*** The School District's accounting system is organized on a "fund" basis. Each fund (and account group) is a distinct self-balancing accounting entity. Reports for governmental operations are presented on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Reports of the School District's proprietary operations are presented on the accrual basis whereby revenues are recognized when earned and expenses when incurred.

In developing the School District's accounting system much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The School District utilizes a fully automated accounting system as well as an automated system of control for payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board of Education adopts a temporary appropriation measure for that fiscal year. By Statute, permanent appropriations must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates. The School District adopts the permanent appropriation in September.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the object account level within a function and fund. All purchase order requests must be approved by the site administrator and certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

Each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. In addition, an online inquiry system is available at each cost center site. As an additional safeguard, all employees are covered by a blanket bond, and certain individuals in policy-making roles are covered by a separate, higher limit bond.

The basis of accounting and the various funds and account groups utilized by Parma City School District are fully described in Note 2 of the financial statements. Additional information on the School District's budgetary accounting can also be found in Note 2.

**General Governmental Functions** The following schedule presents a summary of governmental funds' revenues for the fiscal year ended June 30, 1999, and the percent of the total:

	1998 Amount	1999 Amount	Percent of Total	Change	Percent Change
<b>Revenues</b>					
Taxes	\$64,247,335	\$64,801,975	65.74 %	\$554,640	0.86 %
Intergovernmental	28,282,193	29,336,982	29.76	1,054,789	3.73
Interest	844,850	911,990	0.93	67,140	7.95
Charges for Services	198,905	227,820	0.23	28,915	14.54
Tuition and Fees	775,293	1,264,113	1.28	488,820	63.05
Extracurricular Activities	1,363,567	1,395,082	1.42	31,515	2.31
Rentals	106,463	84,629	0.09	(21,834)	(20.51)
Donations	165,202	85,301	0.09	(79,901)	(48.37)
Miscellaneous	1,367,485	460,166	0.46	(907,319)	(66.35)
<b>Total Revenues</b>	<b>\$97,351,293</b>	<b>\$98,568,058</b>	<b>100.00 %</b>	<b>\$1,216,765</b>	<b>1.25 %</b>

The most significant source of continuing revenue for the School District is taxes paid by the local property owners comprising over 65 percent of revenues. Intergovernmental revenues include the State's contribution in property tax rollbacks (10 percent on all property and an additional 2.5 percent for owner occupied homes), and subsidies for basic instruction and transportation. The increase in intergovernmental revenues is a result of additional grant money that the School District received in fiscal year 1999.

The decrease in miscellaneous revenues is a result of receiving a one time workers compensation payment in fiscal year 1998 due to over funding workers compensation at the State level.

The following schedule presents a summary of governmental funds' expenditures for the fiscal year ended June 30, 1999, and the percentage of the total:

Expenditures	1998 Amount	1999 Amount	Percent of Total	Change	Percent Change
<b>Current:</b>					
<b>Instruction:</b>					
Regular	\$43,504,689	\$44,493,411	44.03 %	\$988,722	2.27 %
Special	8,305,462	8,527,584	8.44	222,122	2.67
Vocational	1,432,552	1,589,698	1.57	157,146	10.97
Adult/Continuing	216,042	247,818	0.25	31,776	14.71
<b>Support Services:</b>					
Pupils	4,991,585	5,328,169	5.27	336,584	6.74
Instructional Staff	4,916,855	4,477,718	4.43	(439,137)	(8.93)
Board of Education	50,707	61,895	0.06	11,188	22.06
Administration	7,751,325	7,125,281	7.05	(626,044)	(8.08)
Fiscal	1,547,714	1,522,202	1.51	(25,512)	(1.65)
Business	796,169	760,549	0.75	(35,620)	(4.47)
Operation and Maintenance of Plant	9,879,885	9,632,433	9.53	(247,452)	(2.50)
Pupil Transportation	4,105,287	3,848,234	3.81	(257,053)	(6.26)
Central	1,094,231	1,033,112	1.02	(61,119)	(5.59)
Operation of Non-Instructional Services	3,098,375	3,537,697	3.50	439,322	14.18
Extracurricular Activities	1,956,788	2,200,277	2.18	243,489	12.44
Capital Outlay	981,663	1,299,669	1.29	318,006	32.39
<b>Debt Service:</b>					
Principal Retirement	5,415,000	4,925,000	4.87	(490,000)	(9.05)
Interest and Fiscal Charges	393,349	438,759	0.44	45,410	11.54
<b>Total Expenditures</b>	<b>\$100,437,678</b>	<b>\$101,049,506</b>	<b>100.00%</b>	<b>\$611,828</b>	<b>0.61 %</b>

The increase in regular instruction resulted from wage increases and the corresponding increase in benefits; however, this increase is smaller than normal as the result of a mid year spending freeze on non-salary and benefit accounts.

The decrease in instructional staff support services expenditures reflects the impact of a mid-year spending freeze on staff development activities.

The decrease in administration expenditures reflects a reduction in the number of administrative positions.

The decrease in debt service principal retirement reflects a reduction in cash flow borrowing.

**General Fund Balance** The fund balance of the general fund was (\$308,855) at June 30, 1999 compared to (\$944,249) at June 30, 1998.

**Financial Highlights - Enterprise Funds** Food service, adult continuing education and extended daycare/preschool are classified as enterprise operations since they resemble those activities found in private industry; management periodically desires to determine the amount of profit/loss resulting from operations that are significantly financed from user fees. In total, the enterprise funds had a net income of \$47,952 for the fiscal year ended June 30, 1999. Retained earnings in the enterprise funds was \$702,075 at June 30, 1999. The food service operation is the largest, and provides lunches to students, teachers and staff of the district. Adult continuing education provides upgrading and retraining courses for out-of-school youths and adults for the purpose of improving their skills and knowledge in their occupation or planned occupation. Extended daycare/preschool provides childcare services to parents enrolled in a vocational program.

***Financial Highlights - Fiduciary Funds*** The School District's only fiduciary funds are agency funds. The agency funds included in the School District's financial statements are Student Activities, PELL Program and Voluntary Benefits. These funds had assets totaling \$370,044 at June 30, 1999.

### ***Debt Administration***

At June 30, 1999, general obligation bonds outstanding totaled \$1,270,000. During fiscal year 1999, the School District issued one-year tax anticipation notes in the amounts of \$3,000,000 and \$6,800,000, a one-year energy conservation note in the amount of \$2,350,000 for the purpose of paying current expenses of the School District and implementing energy conservation measures at various School District buildings, and a \$370,000 one-year bond anticipation note for Byers Field improvements. The School District's overall legal debt margin was \$180,531,115 and the unvoted debt margin was \$2,028,762 at June 30, 1999.

### ***Cash Management***

Cash not needed for immediate use during the fiscal year was invested in a money market mutual fund, commercial paper, Federal Home Loan Bank notes, Federal National Mortgage Association notes, United States Treasury Notes, and State Treasurer's Asset Reserve of Ohio (STAR Ohio), a program administered by the Office of the Treasury of the State of Ohio. This program is a statewide investment pool offered to political subdivisions of the State of Ohio as a conservative means of investing in a portfolio of investment instruments. The total amount of interest earned during the fiscal year from all investments was \$911,990 and was credited to the general fund and special revenue funds.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC) as well by qualified securities pledged by the institution holding the assets. By law financial institutions may establish a collateral pool to cover all public deposits. The face value of the pooled collateral must be equal to at least 110 percent of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

### ***Risk Management***

The School District participates in the State Workers' Compensation plan and pays the premium based on a rate per \$100 of salaries. The School District is a member of Ohio Schools Council Workers' Compensation Group Rating Program.

For fiscal year 1999, the School District contracted with The Travelers Indemnity Company for property and casualty insurance. There is a \$10,000 deductible with a one hundred percent blanket, all risk policy. The Travelers Indemnity Company covers the boiler and machinery with a \$2,500 deductible and a \$30,000,000 limit.

The Travelers Property Casualty Group provides general liability protection with a \$1,000,000 single occurrence limit and \$2,000,000 aggregate and no deductible. The Travelers Property Casualty Group also provides a \$1,000,000 umbrella/excess liability policy. Vehicles are covered by The Travelers Property Casualty Group and hold a \$100 comprehensive and \$250 collision deductible. Automobile liability has a \$1,000,000 liability limit per accident.

National Union Fire Insurance Company protects school leaders' errors and omissions with a \$1,000,000 annual aggregate and \$2,500 deductible per occurrence.



## ***Pension Plans***

All School District employees are covered by the state-wide School Employees Retirement System of Ohio (SERS) or the State Teachers Retirement System (STRS). The School District's employer contributions to both systems are based on a percentage of employees' salaries. State law requires the School District to pay the employer share as determined by each retirement system. See Notes 11 and 12 to the general purpose financial statements for complete details.

## ***General Fixed Assets***

The general fixed assets of the Parma City School District are used to carry on the main education and support function of the system and are not financial resources available for expenditure. The total general fixed assets at June 30, 1999, were \$88,945,349. Such assets are accounted for at historical cost. Depreciation is not recognized on the general fixed assets.

## ***Independent Audit***

State statutes require the School District to be subjected to an annual examination by an independent auditor. Independent auditor Jim Petro, Auditor of State, was selected to render an opinion on the School District's financial statements as of June 30, 1999. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. Pursuant to statute, the State prescribed a uniform accounting system to standardize accounting classification and financial reporting for all governments in Ohio. The School District adopted and has been in conformance with that system beginning with its financial report for the 1999 fiscal year.

## ***Awards***

***GFOA Certificate of Achievement*** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Parma City School District for its comprehensive annual financial report for the year ended June 30, 1998. A Certificate of Achievement is valid for a period of one year only.

In order to be awarded a Certificate of Achievement or Certificate of Excellence, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR), whose content conforms to program standards. Such a report must satisfy both generally accepted accounting principle and applicable legal requirements.

This report will be submitted to the Government Finance Officers Association of the United States and Canada (GFOA) and to the Association of School Business Officials International (ASBO). It is felt that this report qualifies to earn GFOA's Certificate of Achievement for Excellence in Financial Reporting and ASBO's Certificate of Excellence in Financial Reporting. These Certificates are the highest forms of recognition available for governmental accounting and financial reporting. GFOA's certificate was awarded for the last year's report. Attainment of these Certificates represent a substantial accomplishment of any governmental entity. The School District did not submit their June 30, 1998 CAFR to ASBO.

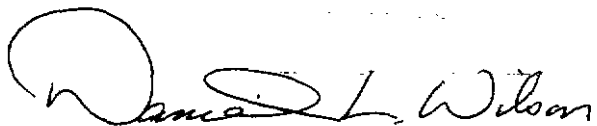
## ***Acknowledgments***

The publication of this CAFR represents an important achievement in the ability of the School District to provide significantly enhanced financial information and accountability to the taxpayers of the Parma City School District, its elected officials, management, staff and investors. This report is a continuation of the efforts of the Treasurer's Office to improve overall financial accounting, management and reporting capabilities.

The accomplishment of this report would not have been made possible without the assistance, support and efforts of the Treasurer's Office employees, various administrators, employees of the School District and the Local Government Services division of Auditor of State Jim Petro's office. Assistance from the County Auditor's office staff and outside agencies made possible the fair presentation of statistical data.

Sincere appreciation is extended to the Board of Education, where the commitment to excellence begins. Without their support, this report would not have been made possible.

Respectfully submitted,

A handwritten signature in black ink that reads "Daniel L. Wilson". The signature is written in a cursive style with a large, prominent initial "D".

Daniel L. Wilson  
Chief Financial Officer and Budget Director  
Parma City School District

# ***Parma City School District***

## ***Principal Officials***

***June 30, 1999***

### **Board of Education**

Marilyn A. Coleman ..... President  
Karen S. Dendorfer ..... Vice-President  
John W. Decker ..... Member  
Kathleen A. Jedlicka (resigned June 30, 1999) ..... Member  
David Smallwood (appointed July 26, 1999) ..... Appointed Member  
Daniel P. Walsh ..... Member

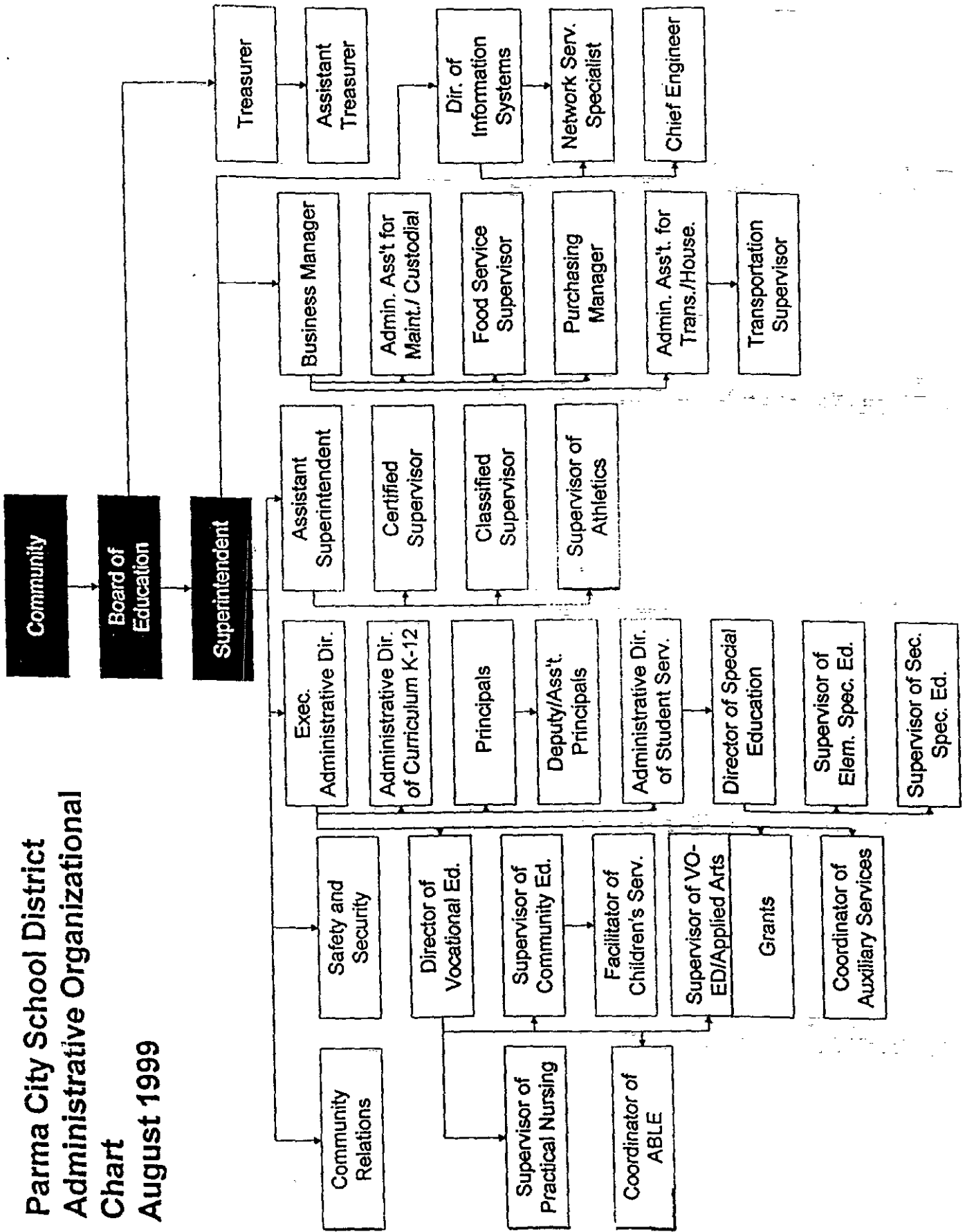
### **Treasurers**

Richard A. Cox ..... July 1998 - December 1998  
Patricia Greenwood ..... December 1998 - July 1999  
Daniel L. Wilson ..... July 26, 1999 - Present

### **Administration**

Marsha Harrison ..... Superintendent  
Sarah Sweeney ..... Assistant Superintendent  
Jim Stanton ..... Business Manager  
Michael Hartenstein ..... Director  
Anna Maria Tabernik ..... Executive Administrative Director

# Parma City School District Administrative Organizational Chart August 1999



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Parma City School District,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 1998.

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Cary Brubaker*  
President

*Jeffrey L. Esall*  
Executive Director

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# **Financial Section**



STATE OF OHIO  
OFFICE OF THE AUDITOR  

---

JIM PETRO, AUDITOR OF STATE

Lausche Building, 12<sup>th</sup> Floor  
615 Superior Avenue, NW  
Cleveland, Ohio 44113  
Telephone 216-787-3665  
800-626-2297  
Facsimile 216-787-3361  
[www.auditor.state.oh.us](http://www.auditor.state.oh.us)

## REPORT OF INDEPENDENT ACCOUNTANTS

Board of Education  
Parma City School District  
6726 Ridge Road  
Parma, Ohio 44129

We have audited the accompanying general-purpose financial statements of the Parma City School District, Cuyahoga County, Ohio (the District) as of and for the year ended June 30, 1999, as listed in the table of contents. These general-purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

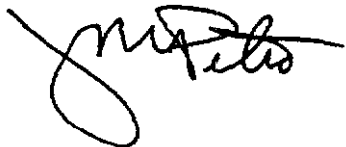
In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Parma City School District, Cuyahoga County, Ohio, as of June 30, 1999, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 1999 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the District, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the general-purpose financial statements taken as a whole.



We did not audit the data included in the statistical section of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large loop at the end.

**JIM PETRO**  
Auditor of State

December 17, 1999

General Purpose  
Financial Statements

**Parma City School District**  
*Combined Balance Sheet*  
*All Fund Types and Account Groups*  
*June 30, 1999*

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Assets and Other Debits</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$9,595,834	\$2,532,643	\$1,698,461	\$1,436,799
Receivables:				
Taxes	64,080,550	0	661,404	0
Accounts	127,416	0	0	8,328
Intergovernmental	299,245	131,838	0	0
Due from Other Funds	0	0	55,741	0
Accrued Interest	29,674	0	0	0
Interfund	332,810	0	0	0
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	320,585	2,513	0	0
Prepaid Items	119,325	0	0	0
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	1,695,427	0	0	0
Fixed Assets (net, where applicable, of accumulated depreciation)	0	0	0	0
<b>Other Debits</b>				
Amount Available in Debt Service Fund for Retirement of Long-Term General Obligations	0	0	0	0
Amount to be Provided from General Government Resources	0	0	0	0
<b>Total Assets and Other Debits</b>	<b>\$76,600,866</b>	<b>\$2,666,994</b>	<b>\$2,415,606</b>	<b>\$1,445,127</b>

Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations	
Enterprise	Agency			
\$974,743	\$370,044	\$0	\$0	\$16,608,524
0	0	0	0	64,741,954
21,802	0	0	0	157,546
18,399	0	0	0	449,482
0	0	0	0	55,741
0	0	0	0	29,674
0	0	0	0	332,810
100,543	0	0	0	100,543
0	0	0	0	323,098
0	0	0	0	119,325
0	0	0	0	1,695,427
122,482	0	88,945,349	0	89,067,831
0	0	0	1,932,492	1,932,492
0	0	0	12,535,582	12,535,582
<u>\$1,237,969</u>	<u>\$370,044</u>	<u>\$88,945,349</u>	<u>\$14,468,074</u>	<u>\$188,150,029</u>

(continued)

**Parma City School District**  
*Combined Balance Sheet*  
*All Fund Types and Account Groups (continued)*  
June 30, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
<b>Liabilities, Fund Equity and Other Credits</b>				
<b>Liabilities</b>				
Accounts Payable	\$196,692	\$109,990	\$0	\$454,979
Accrued Wages Payable	5,991,791	282,242	0	0
Compensated Absences Payable	66,660	0	0	0
Interfund Payable	0	171,602	0	90,748
Intergovernmental Payable	1,895,729	94,211	0	0
Due to Other Funds	0	0	0	55,741
Deferred Revenue	61,905,847	0	483,114	0
Due to Students	0	0	0	0
Accrued Interest Payable	53,002	0	0	0
Notes Payable	6,800,000	0	0	0
Energy Conservation Bonds Payable	0	0	0	0
School Building Bonds Payable	0	0	0	0
<b>Total Liabilities</b>	<b>76,909,721</b>	<b>658,045</b>	<b>483,114</b>	<b>601,468</b>
<b>Fund Equity and Other Credits</b>				
Investment in General Fixed Assets	0	0	0	0
Retained Earnings:				
Unreserved	0	0	0	0
Fund Balance (Deficit):				
Reserved for Encumbrances	330,572	666,845	0	205,584
Reserved for Bus Purchase	71,279	0	0	0
Reserved for Inventory	320,585	2,513	0	0
Reserved for Property Taxes	2,156,765	0	175,684	0
Reserved for Capital Improvements	16,943	0	0	0
Reserved for Unclaimed Monies	41,780	0	0	0
Reserved for Budget Stabilization	1,607,205	0	0	0
Unreserved, Undesignated	(4,853,984)	1,339,591	1,756,808	638,075
<b>Total Fund Equity (Deficit) and Other Credits</b>	<b>(308,855)</b>	<b>2,008,949</b>	<b>1,932,492</b>	<b>843,659</b>
<b>Total Liabilities, Fund Equity and Other Credits</b>	<b>\$76,600,866</b>	<b>\$2,666,994</b>	<b>\$2,415,606</b>	<b>\$1,445,127</b>

See accompanying notes to the general purpose financial statements

Proprietary Fund Type	Fiduciary Fund Type	Account Groups		Totals (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations	
Enterprise	Agency			
\$754	\$0	\$0	\$0	\$762,415
206,400	0	0	0	6,480,433
92,328	0	0	9,446,361	9,605,349
0	70,460	0	0	332,810
221,804	0	0	1,031,713	3,243,457
0	0	0	0	55,741
14,608	0	0	0	62,403,569
0	299,584	0	0	299,584
0	0	0	0	53,002
0	0	0	2,720,000	9,520,000
0	0	0	1,045,000	1,045,000
0	0	0	225,000	225,000
<u>535,894</u>	<u>370,044</u>	<u>0</u>	<u>14,468,074</u>	<u>94,026,360</u>
0	0	88,945,349	0	88,945,349
702,075	0	0	0	702,075
0	0	0	0	1,203,001
0	0	0	0	71,279
0	0	0	0	323,098
0	0	0	0	2,332,449
0	0	0	0	16,943
0	0	0	0	41,780
0	0	0	0	1,607,205
0	0	0	0	(1,119,510)
<u>702,075</u>	<u>0</u>	<u>88,945,349</u>	<u>0</u>	<u>94,123,669</u>
<u>\$1,237,969</u>	<u>\$370,044</u>	<u>\$88,945,349</u>	<u>\$14,468,074</u>	<u>\$188,150,029</u>

**Parma City School District**  
*Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances  
All Governmental Fund Types  
For the Fiscal Year Ended June 30, 1999*

	General	Special Revenue	Debt Service
<b>Revenues</b>			
Taxes	\$63,020,703	\$0	\$1,781,272
Intergovernmental	21,765,657	6,649,921	365,665
Interest	830,043	81,947	0
Charges for Services	227,649	171	0
Tuition and Fees	1,264,048	65	0
Extracurricular Activities	148,116	1,246,966	0
Rentals	84,629	0	0
Donations	32	55,269	0
Miscellaneous	374,509	13,226	0
<b>Total Revenues</b>	<b>87,715,386</b>	<b>8,047,565</b>	<b>2,146,937</b>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	44,133,968	359,443	0
Special	7,615,961	911,623	0
Vocational	1,513,457	76,241	0
Adult/Continuing	96,144	151,674	0
Support Services:			
Pupils	4,770,713	557,456	0
Instructional Staff	3,951,499	526,219	0
Board of Education	61,895	0	0
Administration	7,014,282	110,999	0
Fiscal	1,506,763	0	15,439
Business	760,549	0	0
Operation and Maintenance of Plant	9,632,358	75	0
Pupil Transportation	3,843,673	4,561	0
Central	990,954	42,158	0
Operation of Non-Instructional Services	851	3,536,846	0
Extracurricular Activities	980,437	1,219,840	0
Capital Outlay	49,834	4,379	0
Debt Service:			
Principal Retirement	0	0	4,925,000
Interest and Fiscal Charges	134,342	0	288,939
<b>Total Expenditures</b>	<b>87,057,680</b>	<b>7,501,514</b>	<b>5,229,378</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>657,706</b>	<b>546,051</b>	<b>(3,082,441)</b>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Fixed Assets	43,665	0	0
Proceeds of Notes	1,535	0	2,350,000
Operating Transfers In	0	58,568	94,951
Operating Transfers Out	(97,058)	0	0
<b>Total Other Financing Sources (Uses)</b>	<b>(51,858)</b>	<b>58,568</b>	<b>2,444,951</b>
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	<b>605,848</b>	<b>604,619</b>	<b>(637,490)</b>
<b>Fund Balances (Deficit) Beginning of Year - Restated (See Note 3)</b>	<b>(944,249)</b>	<b>1,408,243</b>	<b>2,569,982</b>
<b>Increase (Decrease) in Reserve for Inventory</b>	<b>29,546</b>	<b>(3,913)</b>	<b>0</b>
<b>Fund Balances (Deficit) End of Year</b>	<b>(\$308,855)</b>	<b>\$2,008,949</b>	<b>\$1,932,492</b>

See accompanying notes to the general purpose financial statements

Capital Projects	Totals (Memorandum Only)
\$0	\$64,801,975
555,739	29,336,982
0	911,990
0	227,820
0	1,264,113
0	1,395,082
0	84,629
30,000	85,301
72,431	460,166
<u>658,170</u>	<u>98,568,058</u>
0	44,493,411
0	8,527,584
0	1,589,698
0	247,818
0	5,328,169
0	4,477,718
0	61,895
0	7,125,281
0	1,522,202
0	760,549
0	9,632,433
0	3,848,234
0	1,033,112
0	3,537,697
0	2,200,277
1,245,456	1,299,669
0	4,925,000
15,478	438,759
<u>1,260,934</u>	<u>101,049,506</u>
<u>(602,764)</u>	<u>(2,481,448)</u>
0	43,665
370,000	2,721,535
155,960	309,479
(212,421)	(309,479)
<u>313,539</u>	<u>2,765,200</u>
(289,225)	283,752
1,132,884	4,166,860
0	25,633
<u>\$843,659</u>	<u>\$4,476,245</u>



**Parma City School District**  
*Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual  
All Governmental Fund Types  
For the Fiscal Year Ended June 30, 1999*

	General Fund		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$64,430,886	\$64,430,886	\$0
Intergovernmental	21,734,782	21,734,782	0
Interest	0	840,878	840,878
Charges for Services	180,206	227,649	47,443
Tuition and Fees	188,885	1,226,455	1,037,570
Extracurricular Activities	144,931	148,116	3,185
Rentals	82,241	82,241	0
Donations	0	32	32
Miscellaneous	153,388	292,645	139,257
<i>Total Revenues</i>	<u>86,915,319</u>	<u>88,983,684</u>	<u>2,068,365</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	47,764,964	45,734,385	2,030,579
Special	7,699,286	7,695,749	3,537
Vocational	1,530,429	1,497,569	32,860
Adult/Continuing	98,293	98,176	117
Support Services:			
Pupils	4,793,530	4,781,566	11,964
Instructional Staff	4,152,392	3,998,111	154,281
Board of Education	61,023	59,078	1,945
Administration	7,191,923	7,118,447	73,476
Fiscal	1,672,670	1,515,518	157,152
Business	939,609	752,131	187,478
Operation and Maintenance of Plant	9,820,909	9,458,066	362,843
Pupil Transportation	3,810,728	3,748,458	62,270
Central	1,260,894	1,053,400	207,494
Operation of Non-Instructional Services	3,576	869	2,707
Extracurricular Activities	960,015	906,424	53,591
Capital Outlay	79,000	75,790	3,210
Debt Service:			
Principal Retirement	0	0	0
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>91,839,241</u>	<u>88,493,737</u>	<u>3,345,504</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(4,923,922)</u>	<u>489,947</u>	<u>5,413,869</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Fixed Assets	43,665	43,665	0
Proceeds of Notes	9,800,000	9,801,535	1,535
Refund of Prior Year Receipt	(49)	0	49
Advances In	0	28,136	28,136
Advances Out	(234,214)	(262,350)	(28,136)
Operating Transfers In	1,600,000	0	(1,600,000)
Operating Transfers Out	(4,697,404)	(3,097,058)	1,600,346
<i>Total Other Financing Sources (Uses)</i>	<u>6,511,998</u>	<u>6,513,928</u>	<u>1,930</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>1,588,076</u>	<u>7,003,875</u>	<u>5,415,799</u>
<i>Fund Balances Beginning of Year</i>	<u>2,464,719</u>	<u>2,464,719</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>1,359,537</u>	<u>1,359,537</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$5,412,332</u>	<u>\$10,828,131</u>	<u>\$5,415,799</u>

Special Revenue Funds			Debt Service Fund		
Revised Budget	Actual	Variance Favorable (Unfavorable)	Revised Budget	Actual	Variance Favorable (Unfavorable)
\$0	\$0	\$0	\$4,960,616	\$4,960,616	\$0
6,650,492	6,634,365	(16,127)	176,570	365,665	189,095
62,951	81,947	18,996	0	0	0
171	171	0	0	0	0
55	65	10	0	0	0
1,278,959	1,246,966	(31,993)	0	0	0
0	0	0	0	0	0
53,678	55,269	1,591	0	0	0
10,450	13,226	2,776	0	0	0
<u>8,056,756</u>	<u>8,032,009</u>	<u>(24,747)</u>	<u>5,137,186</u>	<u>5,326,281</u>	<u>189,095</u>
604,183	425,035	179,148	0	0	0
1,064,360	993,810	70,550	0	0	0
69,887	69,887	0	0	0	0
215,912	145,326	70,586	0	0	0
781,118	575,646	205,472	0	0	0
705,301	575,933	129,368	0	0	0
0	0	0	0	0	0
128,058	109,225	18,833	0	0	0
0	0	0	16,287	15,439	848
0	0	0	0	0	0
500	75	425	0	0	0
4,561	4,561	0	0	0	0
82,535	46,174	36,361	0	0	0
4,648,394	4,308,283	340,111	0	0	0
1,499,441	1,317,277	182,164	0	0	0
5,500	4,379	1,121	0	0	0
0	0	0	11,431,928	11,425,000	6,928
0	0	0	421,999	421,013	986
<u>9,809,750</u>	<u>8,575,611</u>	<u>1,234,139</u>	<u>11,870,214</u>	<u>11,861,452</u>	<u>8,762</u>
<u>(1,752,994)</u>	<u>(543,602)</u>	<u>1,209,392</u>	<u>(6,733,028)</u>	<u>(6,535,171)</u>	<u>197,857</u>
0	0	0	0	0	0
0	0	0	2,720,000	2,720,000	0
0	0	0	0	0	0
143,466	171,602	28,136	0	0	0
0	(28,136)	(28,136)	0	0	0
97,109	58,568	(38,541)	3,284,046	3,094,951	(189,095)
(49,109)	0	49,109	(189,095)	0	189,095
<u>191,466</u>	<u>202,034</u>	<u>10,568</u>	<u>5,814,951</u>	<u>5,814,951</u>	<u>0</u>
(1,561,528)	(341,568)	1,219,960	(918,077)	(720,220)	197,857
1,385,605	1,385,605	0	2,418,681	2,418,681	0
564,087	564,087	0	0	0	0
<u>\$388,164</u>	<u>\$1,608,124</u>	<u>\$1,219,960</u>	<u>\$1,500,604</u>	<u>\$1,698,461</u>	<u>\$197,857</u>

(continued)

**Parma City School District**  
*Combined Statement of Revenues, Expenditures  
and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual  
All Governmental Fund Types (continued)  
For the Fiscal Year Ended June 30, 1999*

	Capital Projects Funds		
	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$0	\$0	\$0
Intergovernmental	515,628	555,739	40,111
Interest	0	0	0
Charges for Services	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Rentals	0	0	0
Donations	30,000	30,000	0
Miscellaneous	63,371	71,783	8,412
<i>Total Revenues</i>	<u>608,999</u>	<u>657,522</u>	<u>48,523</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	0	0	0
Special	1,500	1,500	0
Vocational	0	0	0
Adult/Continuing	0	0	0
Support Services:			
Pupils	0	0	0
Instructional Staff	703,647	616,846	86,801
Board of Education	0	0	0
Administration	0	0	0
Fiscal	0	0	0
Business	0	0	0
Operation and Maintenance of Plant	3,508	3,508	0
Pupil Transportation	0	0	0
Central	349,945	349,945	0
Operation of Non-Instructional Services	0	0	0
Extracurricular Activities	285	285	0
Capital Outlay	606,163	591,138	15,025
Debt Service:			
Principal Retirement	2,190	0	2,190
Interest and Fiscal Charges	0	0	0
<i>Total Expenditures</i>	<u>1,667,238</u>	<u>1,563,222</u>	<u>104,016</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,058,239)</u>	<u>(905,700)</u>	<u>152,539</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Fixed Assets	0	0	0
Proceeds of Notes	0	0	0
Refund of Prior Year Receipt	0	0	0
Advances In	90,748	90,748	0
Advances Out	0	0	0
Operating Transfers In	155,960	155,960	0
Operating Transfers Out	(212,421)	(212,421)	0
<i>Total Other Financing Sources (Uses)</i>	<u>34,287</u>	<u>34,287</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses</i>	<u>(1,023,952)</u>	<u>(871,413)</u>	<u>152,539</u>
<i>Fund Balances Beginning of Year</i>	986,532	986,532	0
Prior Year Encumbrances Appropriated	661,117	661,117	0
<i>Fund Balances End of Year</i>	<u>\$623,697</u>	<u>\$776,236</u>	<u>\$152,539</u>

See accompanying notes to the general purpose financial statements

Totals (Memorandum Only)

Revised Budget	Actual	Variance Favorable (Unfavorable)
\$69,391,502	\$69,391,502	\$0
29,077,472	29,290,551	213,079
62,951	922,825	859,874
180,377	227,820	47,443
188,940	1,226,520	1,037,580
1,423,890	1,395,082	(28,808)
82,241	82,241	0
83,678	85,301	1,623
227,209	377,654	150,445
<u>100,718,260</u>	<u>102,999,496</u>	<u>2,281,236</u>
48,369,147	46,159,420	2,209,727
8,765,146	8,691,059	74,087
1,600,316	1,567,456	32,860
314,205	243,502	70,703
5,574,648	5,357,212	217,436
5,561,340	5,190,890	370,450
61,023	59,078	1,945
7,319,981	7,227,672	92,309
1,688,957	1,530,957	158,000
939,609	752,131	187,478
9,824,917	9,461,649	363,268
3,815,289	3,753,019	62,270
1,693,374	1,449,519	243,855
4,651,970	4,309,152	342,818
2,459,741	2,223,986	235,755
690,663	671,307	19,356
11,434,118	11,425,000	9,118
421,999	421,013	986
<u>115,186,443</u>	<u>110,494,022</u>	<u>4,692,421</u>
<u>(14,468,183)</u>	<u>(7,494,526)</u>	<u>6,973,657</u>
43,665	43,665	0
12,520,000	12,521,535	1,535
(49)	0	49
234,214	290,486	56,272
(234,214)	(290,486)	(56,272)
5,137,115	3,309,479	(1,827,636)
(5,148,029)	(3,309,479)	1,838,550
<u>12,552,702</u>	<u>12,565,200</u>	<u>12,498</u>
(1,915,481)	5,070,674	6,986,155
7,255,537	7,255,537	0
2,584,741	2,584,741	0
<u>\$7,924,797</u>	<u>\$14,910,952</u>	<u>\$6,986,155</u>

**Parma City School District**  
*Combined Statement of Revenues,  
 Expenses and Changes in Retained Earnings  
 Proprietary Fund Type  
 For the Fiscal Year Ended June 30, 1999*

	<u>Enterprise</u>
<b>Operating Revenues</b>	
Tuition and Fees	\$1,887,007
Sales	1,899,523
	<u>3,786,530</u>
<i>Total Operating Revenues</i>	
<b>Operating Expenses</b>	
Salaries and Wages	2,171,271
Fringe Benefits	641,624
Purchased Services	274,867
Materials and Supplies	341,016
Cost of Sales	1,237,456
Other	7,173
Depreciation	17,793
	<u>4,691,200</u>
<i>Total Operating Expenses</i>	
<i>Operating Loss</i>	<u>(904,670)</u>
<b>Non-Operating Revenues</b>	
Donated Commodities	159,965
Operating Grants	792,657
	<u>952,622</u>
<i>Total Non-Operating Revenues</i>	
<i>Net Income</i>	47,952
<i>Retained Earnings Beginning of Year</i>	<u>654,123</u>
<i>Retained Earnings End of Year</i>	<u>\$702,075</u>

See accompanying notes to the general purpose financial statements

**Parma City School District**  
*Combined Statement of Cash Flows*  
*Proprietary Fund Type*  
For the Fiscal Year Ended June 30, 1999

	Enterprise
<i>Increase (Decrease) in Cash and Cash Equivalents</i>	
<b>Cash Flows from Operating Activities</b>	
Cash Received from Customers	\$3,803,106
Cash Payments to Suppliers for Goods and Services	(1,757,961)
Cash Payments to Employees for Services	(2,061,013)
Cash Payments for Employee Benefits	(627,633)
Other Cash Payments	(7,173)
	(650,674)
<i>Net Cash Used for Operating Activities</i>	
<b>Cash Flows from Noncapital Financing Activities</b>	
Operating Grants Received	890,960
<b>Cash Flows from Capital and Related Financing Activities</b>	
Payments for Capital Acquisitions	(30,997)
	209,289
<i>Net Increase in Cash and Cash Equivalents</i>	
<i>Cash and Cash Equivalents Beginning of Year</i>	765,454
	\$974,743
<b>Reconciliation of Operating Loss to Net Cash Used for Operating Activities</b>	
<i>Operating Loss</i>	(\$904,670)
<i>Adjustments:</i>	
Depreciation Expense	17,793
Donated Commodities	159,965
<i>(Increase) Decrease in Assets:</i>	
Accounts Receivable	16,576
Inventory Held for Resale	(25,853)
<i>Increase (Decrease) in Liabilities:</i>	
Accounts Payable	(38,734)
Accrued Wages Payable	141,914
Compensated Absences Payable	(30,958)
Intergovernmental Payable	13,293
	253,996
<i>Total Adjustments</i>	
<i>Net Cash Used for Operating Activities</i>	(\$650,674)

See accompanying notes to the general purpose financial statements

**Parma City School District**  
*Combined Statement of Revenues, Expenses  
and Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual  
Proprietary Fund Type  
For the Fiscal Year Ended June 30, 1999*

	Enterprise		Variance Favorable (Unfavorable)
	Revised Budget	Actual	
<b>Revenues</b>			
Tuition and Fees	\$1,867,098	\$1,903,583	\$36,485
Sales	1,934,963	1,899,523	(35,440)
Operating Grants	853,808	890,960	37,152
<i>Total Revenues</i>	<u>4,655,869</u>	<u>4,694,066</u>	<u>38,197</u>
<b>Expenses</b>			
Salaries and Wages	2,120,051	2,061,013	59,038
Fringe Benefits	741,080	627,633	113,447
Purchased Services	346,677	277,407	69,270
Materials and Supplies	1,674,481	1,497,611	176,870
Capital Outlay	62,371	32,276	30,095
Other	13,384	8,068	5,316
<i>Total Expenses</i>	<u>4,958,044</u>	<u>4,504,008</u>	<u>454,036</u>
<i>Excess of Revenues Over (Under) Expenses</i>	(302,175)	190,058	492,233
<i>Fund Equity Beginning of Year</i>	657,286	657,286	0
Prior Year Encumbrances Appropriated	108,168	108,168	0
<i>Fund Equity End of Year</i>	<u>\$463,279</u>	<u>\$955,512</u>	<u>\$492,233</u>

See accompanying notes to the general purpose financial statements

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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**Note 1 - Description of the School District and Reporting Entity**

Parma City School District (School District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally-elected five-member Board form of government and provides educational services as mandated by state and/or federal agencies. This Board of Education controls the School District's twenty-four instructional/support facilities staffed by 834 noncertified and 979 certificated full time teaching personnel who provide services to 13,203 students and other community members.

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards and agencies that are not legally separate from the School District. For Parma City School District, this includes general operations, food service, adult continuing education, preschool and student related activities of the School District. The following activities are also included within the reporting entity.

***Nonpublic Schools*** Within the School District boundaries, Bethany Lutheran, Community Elementary, Parma Heights Christian Academy and Bethel Christian Academy are operated independently, whereas Holy Family, Incarnate Word Academy, Holy Name High School, St. Anthony of Padua, St. Bridget, St. Charles, St. Columbkille, St. Francis de Sales, St. John Bosco, Padua Franciscan High School and St. Josaphat are operated through the Cleveland Catholic Diocese. Current State legislation provides funding to these nonpublic schools. These monies are received and disbursed on behalf of the nonpublic schools by the treasurer of the School District, as directed by the nonpublic school. The activity of these State monies is reflected in a special revenue fund for financial reporting purposes.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt or the levying of taxes for the organization. The School District has no component units.

The following entities which perform activities within the School District boundaries for the benefit of its residents are excluded from the accompanying financial statements because the School District is not financially accountable for these entities nor are they fiscally dependent on the School District.

***Cities of Parma, Parma Heights and Seven Hills*** The city governments of Parma, Parma Heights and Seven Hills are separate bodies politic and corporate. A mayor and council are elected independent of any School District relationships and administer the provision of traditional city services. Council acts as the taxing and budgeting authority for these city services.

***Parent Teacher Association*** The School District is not involved in the budgeting or management, is not responsible for any debt and has no influence over the organization.



**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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The School District is associated with the Lakeshore Northeast Ohio Computer Association and Ohio Schools Council Association, both jointly governed organizations. These organizations are discussed in Note 18 to the general purpose financial statements.

**Note 2 - Summary of Significant Accounting Policies**

The financial statements of Parma City School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its proprietary activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

***A. Basis Of Presentation - Fund Accounting***

The School District uses funds and account groups to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain School District functions or activities.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

For financial statement presentation purposes, the various funds of the School District are grouped into the following generic fund types under the broad fund categories governmental, proprietary and fiduciary.

***Governmental Fund Types*** Governmental funds are those through which most governmental functions of the School District are financed. The acquisition, use and balances of the School District's expendable financial resources and the related current liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The following are the School District's governmental fund types:

***General Fund*** The general fund is the operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

***Special Revenue Funds*** Special revenue funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes.

***Debt Service Fund*** The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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**Capital Projects Funds** Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

**Proprietary Fund Type** Proprietary funds are used to account for the School District's ongoing activities which are similar to those found in the private sector. The following is the School District's proprietary fund type:

**Enterprise Funds** Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**Fiduciary Fund Types** Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. The School District's only fiduciary funds are agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**Account Groups** To make a clear distinction between fixed assets related to specific funds and those of general government, and between long-term obligations related to specific funds and those of a general nature, the following account groups are used:

**General Fixed Assets Account Group** This account group is established to account for all fixed assets of the School District, other than those accounted for in the proprietary funds.

**General Long-Term Obligations Account Group** This account group is established to account for all long-term obligations of the School District except those accounted for in the proprietary funds.

**B. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The proprietary fund type is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental funds and agency funds. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. "Measurable" means the amount of the transaction which can be determined and "available"

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. The available period for the School District is sixty days after year end.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available: rentals, tuition, grants, interest and student fees.

The School District reports deferred revenues on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period. In the subsequent period, when both revenue recognition criteria are met, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized. Property taxes measurable as of June 30, 1999, and delinquent property taxes whose availability is indeterminable and which are intended to finance fiscal year 2000 operations have been recorded as deferred revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

The accrual basis of accounting is utilized for reporting purposes by the proprietary fund type. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue. Unused donated commodities are reported as deferred revenue.

**C. Budgetary Data**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control has been established by the Board of Education at the object level within each fund and function. Any budgetary modifications at this level may only be made by a resolution of the Board of Education.

Advances in and advances out are not required to be budgeted since they represent a temporary cash flow resource and are intended to be repaid.

**Tax Budget** Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing or increased tax rates. By no later than January 20, the Board-adopted budget is filed with the County Budget Commission for rate determination.

**Estimated Resources** By April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the commission's certificate of estimated resources which states the projected revenue of each fund. Prior to June 30, the School District must revise its budget

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 1999.

**Appropriations** Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution is legally enacted by the Board of Education. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the School District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission. Any revisions that alter the total of any fund appropriations or alter total function appropriations within a fund, or alter object appropriations within functions, must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. During the fiscal year, several supplemental appropriations were legally enacted; however, none of these amendments were significant. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds, other than agency funds, consistent with statutory provisions.

**Encumbrances** As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Encumbrances plus expenditures may not legally exceed appropriations at the legal level of control. On the GAAP basis, encumbrances outstanding at fiscal year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds and reported in the notes to the financial statements for proprietary funds.

**Lapsing of Appropriations** At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated.

***D. Cash and Cash Equivalents***

To improve cash management, all cash received by the School District is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through School District records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the balance sheet.

During fiscal year 1999, investments were limited to STAROhio, a money market mutual fund, commercial paper, Federal Home Loan Bank Notes, Federal National Mortgage Association Notes, and United States Treasury Notes. These investments are reported at fair value which is based on quoted market prices.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 1999.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 1999 amounted to \$830,043 which includes \$302,913 assigned from other School District funds.

For purposes of the combined statement of cash flows and for presentation on the combined balance sheet, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents.

***E. Inventory***

Inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. Reported material and supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets. Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

***F. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 1999, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

***G. Restricted Assets***

Restricted assets in the general fund represent cash and cash equivalents whose use is limited by legal requirements. Restricted assets include unexpended revenues restricted for the purchase of buses, and amounts required by statute to be set-aside by the School District for the acquisition or construction of capital assets and to create a reserve for budget stabilization. See Note 22 for the calculation of the year-end restricted asset balance and the corresponding fund balance reserves.

***H. Fixed Assets and Depreciation***

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction costs are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. Fixed assets utilized in the proprietary funds are capitalized in the respective fund. All fixed assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the dates received. The School District maintains a capitalization threshold of five hundred dollars. The School District does not possess any infrastructure. Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of general fixed assets is also not capitalized.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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Assets in the general fixed assets account group are not depreciated. Depreciation of furniture and equipment in the proprietary fund types is computed using the straight-line method over an estimated useful life of ten years. Improvements to fund fixed assets are depreciated over the remaining useful lives of the related fixed assets.

**I. Intergovernmental Revenues**

For governmental funds, intergovernmental revenues, such as entitlements and grants awarded on a non-reimbursement basis, are recorded as receivables and revenues when measurable and available. Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred. Other than commodities, grants and entitlements for proprietary fund operations are recognized as non-operating revenues in the accounting period in which they are earned and became measurable.

The School District currently participates in several State and federal programs, categorized as follows:

**Entitlements**

***General Fund***

State Property Tax Relief  
State Foundation Program  
School Bus Purchase

***Special Revenue Funds***

Disadvantaged Pupil Impact Aid

**Non-Reimbursable Grants**

***Special Revenue Funds***

Title VIB  
Parent Mentor Grant  
Eisenhower Grant  
Vocational Education  
Emergency Immigrant Education Assistance Grant  
Title I  
Title VI  
Drug Free Schools  
Preschool  
Educational Management Information System  
Professional Development  
Venture Capital  
Adult Basic Education  
Auxiliary Services  
Martha Holden Jennings Foundation  
Goals 2000 Grants

***Capital Projects Funds***

School Net Plus

**Reimbursable Grants**

***General Fund***

Driver Education

***Capital Projects Funds***

Vocational Education Equipment

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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***Proprietary Funds***

National School Breakfast Program  
National School Lunch Program  
Government Donated Commodities

Grants and entitlements received in governmental funds amounted to 30 percent of governmental fund revenue during the 1999 fiscal year.

***J. Interfund Assets/Liabilities***

Receivables and payables resulting from transactions between funds for services provided or goods received are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables."

***K. Compensated Absences***

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for classified employees, certified employees and administrators after 14 years of current service with the School District.

For governmental funds, the current portion of unpaid compensated absences is the amount expected to be paid using available expendable resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The remainder is reported in the general long-term obligations account group. In proprietary funds, the entire amount of compensated absences is reported as a fund liability.

***L. Accrued Liabilities and Long-Term Obligations***

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, contractually required pension contributions and special termination benefits that will be paid from governmental funds are reported as a liability in the general long-term obligations account group to the extent that they will not be paid with current expendable available financial resources. Payments made more than sixty days after year end are generally considered not to have been paid with current available financial resources. Bonds and long-term notes are recognized as a liability of the general long-term obligations account group until due.

Long-term debt and other obligations financed by proprietary funds are reported as liabilities in the appropriate proprietary funds.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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Under Ohio law, a debt retirement fund may be created and used for the payment of bond anticipation notes. Generally accepted accounting principles requires the reporting of the liability in the funds that received the proceeds. To comply with GAAP reporting requirements, the activity of the School District's debt service fund has been split among the appropriate funds. Debt service fund resources used to pay both principal and interest have also been allocated accordingly.

***M. Interfund Transactions***

Quasi-external transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

***N. Fund Balance Reserves***

The School District reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, inventories of supplies and materials, property taxes, budget stabilization, capital acquisition, school bus purchases, and unclaimed monies.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute. The reserve for budget stabilization represents money required to be set-aside by statute to protect against cyclical changes in revenues and expenditures. Under Ohio law, unclaimed money must be held for five years before it becomes available for appropriation. Money not yet held for the five year period is presented as reserved.

***O. Estimates***

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

***P. Contributed Capital***

Contributed capital represents resources from other funds, other governments and private sources provided to the proprietary funds that are not subject to repayment. These assets are recorded at their fair market value on the date contributed. Depreciation on those assets acquired or constructed with contributed resources is expensed and closed to unreserved retained earnings at year end.

Because the School District did not prepare financial statements in accordance with generally accepted accounting principles prior to fiscal year 1997, the exact amount of contributed capital cannot be determined. No contributed capital was supplied by the School District or other agencies on inception of the enterprise funds. Start-up costs were funded through advances which were subsequently reimbursed to the advancing fund. Therefore, no contributed capital has been reported.



**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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**Q. Total Columns on General Purpose Financial Statements**

Total columns on the general purpose financial statements are captioned "Totals (Memorandum Only)" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**Note 3 - Restatement of Prior Year Balances**

In the prior year, inventory and taxes receivable in the general fund were overstated. Cash was also misallocated between funds. These changes in reporting had the following effects on fund balance as it was previously reported as of June 30, 1998.

	<u>General</u>
Fund Balance at June 30, 1998	(\$35,034)
Tax Receivable Adjustment	(628,681)
Cash Adjustment	32,366
Materials and Supplies Inventory	(312,900)
Restated Fund Balance at July 1, 1998	(\$944,249)

Due to the cash adjustment, agency fund assets and liabilities as of June 30, 1998, decreased from \$291,050 to \$258,684.

These changes decreased excess of revenues and other financing sources over expenditures and other financing uses as previously reported in the general fund for the year ended June 30, 1998 from \$1,816,759 to \$1,188,078.

**Note 4 - Accountability and Compliance**

**A. Fund Deficits**

The following funds had deficit fund balances at June 30, 1999:

	<u>Deficit Fund Balances</u>
General	\$308,855
Special Revenue Funds:	
Title I	119,773
Adult Basic Education	7,373
Vocational Education	8,116
Emergency Immigrant Education Assistance Grant	2,212

The deficit in the general fund resulted from accrued liabilities. State entitlement monies received in July and August is sufficient to cover this deficit and will be used to liquidate these liabilities. To address this deficit the School District placed a levy on the ballot on November 2, 1999. This levy did not pass. A new levy is being placed on the March 2000 ballot.

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The deficits in the special revenue funds resulted from accrued liabilities and expenditures exceeding revenues. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

**B. Legal Compliance**

Contrary to Section 5705.39, Ohio Revised Code, the following funds had appropriations in excess of estimated revenues and carryover balances:

Fund	Estimated Revenue Plus Carryover Balances	Appropriations	Excess
Special Revenue Funds:			
Title VIB	\$833,411	\$833,564	(\$153)
Vocational Education	122,091	141,925	(19,834)
School Age Child Care Grant	155,600	158,113	(2,513)
Scholarship	25,286	25,303	(17)

Actual expenditures were not in excess of actual revenues.

**Note 5 - Budgetary Basis of Accounting**

While the School District is reporting financial position, results of operations and changes in fund balance/retained earnings on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual, All Governmental Fund Types and the Combined Statement of Revenues, Expenses and Changes in Fund Equity - Budget (Non-GAAP Basis) and Actual, Proprietary Fund Type are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as a reservation of fund balance for governmental fund types and as note disclosures in the proprietary fund types (GAAP basis).
4. For proprietary funds, the acquisition and construction of capital assets are reported on the operating statement (budget basis) rather than as balance sheet transactions (GAAP basis).
5. Proceeds from and principal payment on bond and tax anticipation notes are reported on the operating statement (budget basis) rather than on the balance sheet (GAAP basis).

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6. The School District repays short-term note debt from the debt service fund (budget basis) as opposed to the fund that received the proceeds (GAAP basis). Debt service fund resources used to pay both principal and interest have been allocated accordingly.

The following tables summarize the adjustments necessary to reconcile the GAAP and budgetary basis statements by fund type:

Excess of Revenues and Other Financing Sources  
Over (Under) Expenditures and Other Financing Uses  
All Governmental Fund Types

	General	Special Revenue	Debt Service	Capital Projects
GAAP Basis	\$605,848	\$604,619	(\$637,490)	(\$289,225)
Revenue Accruals	4,489,664	(15,556)	(26,989)	(648)
Revenue for Debt	(3,206,333)	0	3,206,333	0
Note Proceeds	9,800,000	0	370,000	(370,000)
Transfers In for Debt	0	0	3,000,000	0
Advances In	28,136	171,602	0	90,748
Unrecorded Cash	(15,033)	0	0	0
Expenditure Accruals	(1,096,647)	(149,578)	0	342,534
Debt Service:				
Principal	0	0	(6,500,000)	0
Interest	116,333	0	(132,074)	15,741
Transfers Out for Debt	(3,000,000)	0	0	0
Advances Out	(262,350)	(28,136)	0	0
Encumbrances	(455,743)	(924,519)	0	(660,563)
Budget Basis	<u>\$7,003,875</u>	<u>(\$341,568)</u>	<u>(\$720,220)</u>	<u>(\$871,413)</u>

Net Income/Excess of Revenues Over Expenses  
Proprietary Fund Type

	Enterprise
GAAP Basis	\$47,952
Revenue Accruals	114,879
Expense Accruals	59,662
Capital Outlay	(30,997)
Depreciation Expense	17,793
Encumbrances	(19,231)
Budget Basis	<u>\$190,058</u>

**Parma City School District**  
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**Note 6 - Deposits and Investments**

State statutes classify monies held by the School District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the School District Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current two year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including pass book accounts.

Protection of School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAROhio);

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7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred and eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

*Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.*

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements."

**Deposits** At fiscal year end, the carrying amount of the School District's deposits was \$10,580,783 and the bank balance was \$12,698,644. \$100,050 of the bank balance was covered by federal depository insurance. \$12,598,594 was uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance by the financial institution with federal requirements could potentially subject the School District to a successful claim by the FDIC.

**Investments** Investments are categorized to give an indication of the level of risk assumed by the School District at fiscal year end. Category 1 includes investments that are insured or registered or for which the securities are held by the School District or its agent in the School District's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the School District's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the School District's name. The School District's investment in STAROhio, an investment pool operated by the Ohio State Treasurer, and Money Market Mutual Funds are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

	Category 2	Fair Value
Commercial Paper	\$1,243,278	\$1,243,278
Federal Home Loan Bank Notes	1,734,875	1,734,875
Federal National Mortgage Association Notes	738,600	738,600
United States Treasury Notes	1,232,190	1,232,190
Money Market Mutual Fund		48,801
STAROhio		2,725,424
<b>Total</b>	<b>\$4,948,943</b>	<b>\$7,723,168</b>

**Parma City School District**  
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The classification of cash and cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. A reconciliation between the classifications of cash and investments on the combined financial statements and the classification per GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement 9	\$18,303,951	\$0
Investments:		
Money Market Mutual Fund	(48,801)	48,801
Commercial Paper	(1,243,278)	1,243,278
Federal Home Loan Bank Notes	(1,734,875)	1,734,875
Federal National Mortgage Association Notes	(738,600)	738,600
United States Treasury Notes	(1,232,190)	1,232,190
STAROhio	(2,725,424)	2,725,424
GASB Statement 3	<u>\$10,580,783</u>	<u>\$7,723,168</u>

**Note 7 - Property Taxes**

Property taxes are levied and assessed on a calendar year basis while the school district fiscal year runs from July through June. First half tax collections are received by the school district in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real, public utility and tangible personal property located in the school district. Property tax revenue received during calendar 1999 for real and public utility property taxes represents collections of calendar 1998 taxes. Property tax payments received during calendar 1999 for tangible personal property (other than public utility property) is for calendar 1999 taxes.

1999 real property taxes are levied after April 1, 1999, on the assessed value as of January 1, 1999, the lien date. Assessed values are established by State law at thirty-five percent of appraised market value.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at thirty-five percent of true value. 1999 public utility property taxes became a lien December 31, 1998, are levied after April 1, 1999 and are collected in 2000 with real property taxes.

1999 tangible personal property taxes are levied after April 1, 1998, on the value as of December 31, 1998. Collections are made in 1999. Tangible personal property assessments are twenty-five percent of true value.

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	1998 Second Half Collections		1999 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/ Residential and Other Real Estate	\$1,839,312,510	90.44 %	\$1,836,066,750	90.50 %
Public Utility Personal	73,452,990	3.62	71,855,030	3.54
Tangible Personal Property	120,861,764	5.94	120,840,696	5.96
<b>Total</b>	<b>\$2,033,627,264</b>	<b>100.00 %</b>	<b>\$2,028,762,476</b>	<b>100.00 %</b>
 Tax rate per \$1,000 of assessed valuation		 \$53.60		 \$53.40

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30 and are intended to finance the fiscal year in which they are paid. This year, the June 1999 tangible personal property tax settlement was not received until July 1999.

The School District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 1999, are available to finance fiscal year 1999 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding, the late settlement of personal property taxes and real property, personal property and public utility taxes which became measurable as of June 30, 1999. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 1999 was \$2,332,449 and is recognized as revenue. \$2,156,765 was available to the general fund and \$175,684 was available to the debt service fund.

**Note 8 - Receivables**

Receivables at June 30, 1999, consisted of taxes, accounts (rent and tuition), interfund and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

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A summary of the principal items of intergovernmental receivables follows:

<u>Intergovernmental Receivables</u>	<u>Amounts</u>
<b>General Fund:</b>	
Excess Costs	\$178,272
Tuition and Fees	89,973
Community Alternative Funding	31,000
<b>Total General Fund</b>	<b>299,245</b>
<b>Special Revenue Funds:</b>	
Parent Mentor Grant	25,000
Vocational Education	19,835
School Age Child Care	47,221
Career Development	37,982
Economic Education Grant	1,800
<b>Total Special Revenue Funds</b>	<b>131,838</b>
<b>Enterprise Funds:</b>	
Food Service	18,399
<b>Total Intergovernmental Receivables</b>	<b>\$449,482</b>

**Note 9 - Fixed Assets**

A summary of the enterprise funds' fixed assets at June 30, 1999, follows:

Furniture and Equipment	\$2,025,709
Less: accumulated depreciation	(1,903,227)
<b>Net Fixed Assets</b>	<b>\$122,482</b>

A summary of the changes in general fixed assets during fiscal year 1999 follows:

	Balance 6/30/98	Increase	Decreases	Balance 6/30/99
Land and Land Improvements	\$3,914,049	\$94,951	\$0	\$4,009,000
Buildings	50,379,861	958,321	0	51,338,182
Furniture and Equipment	26,785,926	575,897	137,162	27,224,661
Vehicles	6,374,454	0	948	6,373,506
<b>Total General Fixed Assets</b>	<b>\$87,454,290</b>	<b>\$1,629,169</b>	<b>\$138,110</b>	<b>\$88,945,349</b>

**Note 10 - Risk Management**

**A. Property and Liability**

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For fiscal year 1999, the School



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District contracted with the following insurance companies for the various insurances that the School Districts participates in.

Company	Type of Coverage	Limit	Deductible
The Travelers Property Casualty Group	Auto Liability	\$1,000,000	\$250
	Uninsured Motorist	2,000,000	0
	Medical Payments per person	5,000	0
The Travelers Property Casualty Group	Property Coverage		
	Blanket Building and Contents	182,773,000	10,000
The Travelers Property Casualty Group	Boiler and Machinery	30,000,000	2,500
The Travelers Property Casualty Group	Comprehensive General Liability		
	Bodily Injury & Property Damage	1,000,000	0
	Personal Injury	1,000,000	0
	General Aggregate	2,000,000	0
	Medical (any one person)	5,000	0
The Travelers Property Casualty Group	Umbrella Liability	1,000,000	10,000
National Union Fire Insurance Company	Errors and Omissions	1,000,000	2,500
The Travelers Property Casualty Group	Mobile Classroom	1,000,000	250
The Travelers Property Casualty Group	Modular Classroom		
	Unit Coverage	\$753,000	\$250
	Contents Coverage	147,000	250
The Travelers Property Casualty Group	Musical Instruments	197,485	0
The Travelers Property Casualty Group	Bond Coverage (each person)	25,000	0

Settled claims have not exceeded this commercial coverage in any of the past three years and there have been no significant reductions in insurance coverage from last year.

***B. Workers' Compensation***

The School District participates in the Ohio Schools Council Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Acordia provides administrative, cost control and actuarial services to the GRP.

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**Note 11 - Defined Benefit Pension Plans**

***A. School Employees Retirement System***

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 45 N. Fourth Street, Columbus, Ohio 43215-3634.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 1999, 7.7 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 1998, 9.02 percent was used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$1,112,011, \$1,357,860 and \$1,386,880, respectively; 43.9 percent has been contributed for fiscal year 1999 and 100 percent for fiscal years 1998 and 1997. \$623,162 representing the unpaid contribution for fiscal year 1999, is recorded as a liability within the respective funds and the general long-term obligations account group.

***B. State Teachers Retirement System***

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system. STRS provides retirement and disability benefits, annual cost-of-living adjustments, and death and survivor benefits to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information for STRS. That report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215-3371.

For the fiscal year ended June 30, 1999, plan members were required to contribute 9.3 percent of their annual covered salaries. The School District was required to contribute 14 percent; 6 percent was the portion used to fund pension obligations. For fiscal year 1998, the portion used to fund pension obligations was 10.5 percent. Contribution rates are established by STRS, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's required contributions for pension obligations to STRS for the fiscal years ended June 30, 1999, 1998, and 1997 were \$3,014,574, \$5,007,356 and \$5,537,412, respectively; 84.45 percent has been contributed for fiscal year 1999 and 100 percent for fiscal years 1998 and 1997. \$468,761 represents the unpaid contribution for fiscal year 1999 and is recorded as a liability within the respective funds.

**Parma City School District**  
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**Note 12 - Postemployment Benefits**

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired non-certified employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are on a pay-as-you-go basis.

All STRS benefit recipients and sponsored dependents are eligible for health care coverage. The STRS Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 1999, the STRS Board allocated employer contributions equal to 8 percent of covered payroll to the Health Care Reserve Fund, an increase from 3.5 percent for fiscal year 1998. For the School District, this amount equaled \$4,019,432 for fiscal year 1999.

STRS pays health care benefits from the Health Care Reserve Fund. At June 30, 1998, (the latest information available) the balance in the Fund was \$2,156 million. For the year ended June 30, 1998, net health care costs paid by STRS were \$219,224,000 and STRS had 91,999 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 1999, employer contributions to fund health care benefits were 6.30 percent of covered payroll, an increase from 4.98 percent for fiscal year 1998. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 1999, the minimum pay was established at \$12,400. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 1999 fiscal year equaled \$1,176,970.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 125 percent of the annual health care expenses. Expenses for health care for the fiscal year ended June 30, 1998 (the latest information available), were \$111,900,575 and the target level was \$139.9 million. At June 30, 1998, SERS had net assets available for payment of health care benefits of \$160.3 million. SERS has approximately 50,000 participants currently receiving health care benefits.

**Note 13 - Other Employee Benefits**

**A. Compensated Absences**

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn up to twenty-five days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of

**Parma City School District**  
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employment. Teachers and administrators who are not on a twelve month contract do not earn vacation time.

Teachers, administrators and classified employees earn sick leave at the rate of one and one-fourth days per month of service or fifteen days for each completed year of service. There is no limit on the maximum number of sick leave days that may be accumulated.

Upon retirement, certificated employees with less than fourteen years of service will be paid a sum equal to one-fourth of unused sick leave to a maximum of thirty days. Upon separation, certificated employees with fourteen years of service or more, hired prior to May 1, 1996, will receive a lump sum payment for total sick leave accumulation, up to a maximum accumulation of seventy-five days. Any certificated employee with a balance of greater than 240 days will also receive an additional ten percent of accrued and unused sick leave above the 240 days. Certificated employees with fourteen years of service or more, hired after May 1, 1996, will receive a lump sum payment for one-fourth of accrued and unused sick leave up to a maximum accumulation of ninety days.

Effective January 1, 1996, classified employees with fourteen years of service or more will be paid a sum upon separation equal to the value of the percentages below, to a maximum of seventy-five days:

Accrued and Unused Sick Days	Maximum Days Paid Upon Separation
0 - 50 days at 20%	10.0
51 - 100 days at 25%	12.5
101 - 150 days at 30%	15.0
151 - 200 days at 35%	17.5
201 - 250 days at 40%	20.0
	<u>75.0</u>

***B. Insurance Benefits***

The School District provides life insurance and accidental death and dismemberment insurance through Canada Life Assurance Company. Certificated employees working two and one-half hours or more per day and administrators receive \$50,000 term life and accidental death and dismemberment coverage. Classified employees who work four to six hours per day receive \$20,000 coverage, and those who work six hours or more per day receive \$30,000 coverage for term life insurance and accidental death and dismemberment.

The School District also provides medical/surgical, dental and vision insurance to all eligible employees primarily through Medical Mutual of Ohio.

**Parma City School District**  
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**Note 14 - Note Debt**

The School District's note activity, including amounts outstanding and interest rates, is as follows:

	Balance 6/30/98	Additions	Deletions	Balance 6/30/99
<b>General Fund:</b>				
Tax anticipation - 3.92% Spending Reserve	\$3,090,000	\$0	(\$3,090,000)	\$0
Tax anticipation Note - 3.50%	0	3,000,000	(3,000,000)	0
Tax Anticipation Note - 4.60%	0	6,800,000	0	6,800,000
<b>Permanent Improvements:</b>				
Byers Field Improvement - 3.85%	410,000	0	(410,000)	0
<b>Totals</b>	<b><u>\$3,500,000</u></b>	<b><u>\$9,800,000</u></b>	<b><u>(\$6,500,000)</u></b>	<b><u>\$6,800,000</u></b>

The notes are backed by the full faith and credit of Parma City School District and mature within one year. The note liability is reflected in the fund which received the proceeds and which will repay the debt. The \$6,800,000 tax anticipation note was issued at a premium of \$1,535.

**Note 15 - Long-Term Obligations**

Changes in long-term obligations of the School District during fiscal year 1999, were as follows:

	Principal Outstanding 6/30/98	Additions	Deductions	Principal Outstanding 6/30/99
<b>Bond Anticipation Notes:</b>				
School Facilities Improvement Note- 4.47%	\$4,475,000	\$0	(\$4,475,000)	\$0
Byers Field Improvement Note - 5.50%	0	370,000	0	370,000
HB 264 Energy Conservation - 3.93%	0	2,350,000	0	2,350,000
<b>Total Bond and Tax Anticipation Notes:</b>	<b><u>4,475,000</u></b>	<b><u>2,720,000</u></b>	<b><u>(4,475,000)</u></b>	<b><u>2,720,000</u></b>
<b>General Obligation Bonds:</b>				
1979 School Building - 6.0%	450,000	0	(225,000)	225,000
1992 Energy Conservation - 3.7% - 6.15%	1,270,000	0	(225,000)	1,045,000
<b>Total General Obligation Bonds Payable</b>	<b><u>1,720,000</u></b>	<b><u>0</u></b>	<b><u>(450,000)</u></b>	<b><u>1,270,000</u></b>
<b>Other Long-Term Obligations:</b>				
Intergovernmental Payable	1,119,702	1,031,713	(1,119,702)	1,031,713
Compensated Absences Payable	10,059,918	0	(613,557)	9,446,361
<b>Total General Long-Term Obligations</b>	<b><u>\$17,374,620</u></b>	<b><u>\$3,751,713</u></b>	<b><u>(\$6,658,259)</u></b>	<b><u>\$14,468,074</u></b>

On July 15, 1999, the School District issued bonds in the amount of \$2,485,000 and the proceeds were used to refinance the \$370,000 Byers Field Note and the \$2,350,000 House Bill 264 Energy Conservation Note. Therefore, these notes have been presented in the general long-term obligations account group. Both outstanding notes matured on July 15, 1999, the total principal and interest payment to retire these notes was \$2,812,603.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
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The general obligation bonds will be paid from the debt service fund. The intergovernmental payable represents contractually required pension contributions paid outside the available period and will be paid from the fund from which the person is paid. Compensated absences will be paid from the fund from which the person is paid. For compensated absences, additions and deletions are shown net since it is impractical to determine these amounts separately.

The School District's overall legal debt margin was \$180,531,115 with an unvoted debt margin of \$2,028,762 at June 30, 1999. Principal and interest requirements to retire general obligation bonds outstanding at June 30, 1999, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2000	\$465,000	\$62,263	\$527,263
2001	250,000	41,238	291,238
2002	270,000	25,695	295,695
2003	285,000	8,764	293,764
Total	<u>\$1,270,000</u>	<u>\$137,960</u>	<u>\$1,407,960</u>

**Note 16 - Interfund Receivables/Payables**

At June 30, 1999, interfund receivable/payable consist of the following:

	Interfund Receivable	Interfund Payable
General Fund	<u>\$332,810</u>	<u>\$0</u>
Special Revenue Funds:		
Title I	0	100,000
Vocational Education	0	19,836
Career Development	0	49,966
Economic Education Grant	0	1,800
Total Special Revenue Funds	<u>0</u>	<u>171,602</u>
Power Up Grant Capital Projects Fund	<u>0</u>	<u>90,748</u>
Voluntary Benefits Agency Fund	<u>0</u>	<u>70,460</u>
Total All Funds	<u>\$332,810</u>	<u>\$332,810</u>

At June 30, 1999, Due from other funds and Due to other funds consist of the following:

	Due from	Due to
Debt Service Fund	\$55,741	\$0
Permanent Improvements Capital Projects Fund	<u>0</u>	<u>55,741</u>
Total All Funds	<u>\$55,741</u>	<u>\$55,741</u>

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

**Note 17 - Segment Information for Enterprise Funds**

The School District maintains three enterprise funds to account for the operations of food service, adult continuing education and extended daycare/preschool. The table below reflects in a summarized format the more significant financial data relating to the enterprise funds of the School District as of and for the fiscal year ended June 30, 1999.

	Food Service	Adult Continuing Education	Extended Daycare/ Preschool	Total Enterprise Funds
Operating Revenues	\$1,899,523	\$704,289	\$1,182,718	\$3,786,530
Depreciation	7,925	6,069	3,799	17,793
Operating Loss	(787,493)	(114,422)	(2,755)	(904,670)
Donated Commodities	159,965	0	0	159,965
Operating Grants	759,940	32,717	0	792,657
Net Income (Loss)	132,412	(81,705)	(2,755)	47,952
Fixed Asset Additions	1,750	15,947	13,300	30,997
Fixed Asset Deletions	3,469	0	0	3,469
Net Working Capital	310,399	25,824	332,432	668,655
Total Assets	539,397	157,806	540,766	1,237,969
Long-Term Compensated Absences Payable	85,279	2,921	862	89,062
Total Equity	269,938	73,847	358,290	702,075
Encumbrances Outstanding	0	3,483	15,748	19,231

**Note 18 - Jointly Governed Organizations**

**Lakeshore Northeast Ohio Computer Association** The Lakeshore Northeast Ohio Computer Association (LNOCA) is a jointly governed computer service bureau among eleven public school districts. The primary function of LNOCA is to provide data services to the eleven member districts. Major areas of service provided by LNOCA include accounting, payroll, inventory, career guidance services, handicapped student tracking, pupil scheduling, attendance reporting and grade reporting. Each school is represented on the LNOCA Board of Directors by its superintendent. Each year, the Board of Directors elects a Chairman, a Vice Chairman and a Recording Secretary. The Treasurer of the fiscal agent is a nonvoting, ex-officio member of the Board of Directors. The Cuyahoga County Educational Service Center serves as the fiscal agent of LNOCA. Each school district supports LNOCA based upon a per pupil charge dependent upon the software packages used. Financial information can be obtained by contacting the Treasurer of the fiscal agent at 5700 West Canal Road, Valley View, OH 44125.

**Ohio Schools Council Association** The Ohio Schools Council Association (Council) is a jointly governed organization among eighty-two School Districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. The Council sponsors an

**Parma City School District**  
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insurance purchasing plan in which the School District participates. The School District also participates in the Ohio Schools Council Workers' Compensation Group Rating Program. Each district supports the Council by an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. The School District participates in the Council's electric purchase program which was implemented during fiscal year 1999. This program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating for an eight year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

Energy Acquisition Corp., a non-profit corporation with a self-appointing board, issued \$119,140,000 in debt to purchase eight years of electricity from Cleveland Electric Illuminating (CEI) for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates the agreement, the School District is required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corp. Financial information can be obtained by contacting the Treasurer at the Ohio Schools Council at 6376 Mill Road, Broadview Heights, Ohio 44147.

**Note 19 -State School Funding Decision**

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the Ohio General Assembly to design a plan to remedy the perceived defects in the system. Declared unconstitutional was the State's "school foundation program", which provides significant amounts of monetary support to the School District. During the fiscal year ended June 30, 1999, the School District received \$12,804,834 of school foundation support for its general fund.

Also, the Court declared the spending reserve borrowing program unconstitutional. The spending reserve program allowed the School District to borrow against amounts anticipated to be collected from tangible personal property taxes after the School District's June 30 fiscal year end. During the fiscal year ended June 30, 1999, the School District did not borrow under this program. However, they repaid \$3,090,000 million borrowed in fiscal year 1998. Historically, the School District has relied on this borrowing to meet their cash flow needs at the end of each fiscal year. State statute has recently been amended to gradually decrease the annual amount that may be borrowed under this program.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the Ohio General Assembly in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County has reviewed the new laws and, in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State has appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. At this time, the Ohio Supreme Court has not rendered an opinion on this issue. The decision of the Court of Common Pleas in Perry County has been stayed by the Ohio Supreme Court, and, as such, school districts are still operating under the laws that the Common Pleas Court declared unconstitutional.

As of the date of these financial statements, the School District is unable to determine what effect, if any, this ongoing litigation will have on its future State funding under these programs and on its financial operations.



**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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**Note 20 - Contingencies**

**A. Grants**

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 1999.

**B. Litigation**

The School District is party to legal proceedings. The School District's management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the School District.

**Note 21 - Year 2000 Issue**

The Year 2000 issue is the result of shortcomings in many electronic data processing systems and other equipment that may adversely affect the School District's operations.

The School District has completed an inventory of computer systems and other equipment necessary to conducting School District operations and has identified such systems as being financial reporting, payroll and employee benefits, and educational statistics reporting (through the State's Education Management and Information System (EMIS)).

Cuyahoga County collects property taxes for distribution to the School District. Cuyahoga County is responsible for remediating the tax collection system.

The School District uses the State of Ohio Uniform School Accounting System software for its financial reporting and the State of Ohio Uniform School Payroll System software for its payroll and employee benefits. The State is responsible for remediating these systems.

The Northwest Ohio Computer Association, State Software Development Team states,

"The payroll processing software supported with the OECN State Software is compliant with the Year 2000, beginning with the September 1997 release of USPS V4.0.

The accounting software supported with the OECN State Software will be compliant with the Year 2000, beginning with the June 1998 release of USAS V6.1.

The equipment inventory and vehicle inventory system software supported with OECN State software will be compliant with the Year 2000, beginning with the December 1998 release of SAAS V2.0.

The education management information system software supported with the OECN State Software will be compliant with the Year 2000, beginning with the September 1998 release of EMIS V1.7."

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

The State of Ohio distributes a substantial sum of money to the School District in the form of "Foundation" payments. Further, the State processes a significant amount of financial and non-financial information about the School District through EMIS. The State is responsible for remediating these systems.

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until year 2000 and thereafter. Management cannot assure that the School District is or will be Year 2000 ready, that the School District's remediation efforts will be successful in whole or in part, or that parties with whom the School District does business will be year 2000 ready.

**Note 22 - Set-Aside Calculations and Fund Reserves**

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years. The School District is also required to set aside money for budget stabilization. The School District also receives State grant monies for bus purchases. Amounts remaining at year end are also reported as restricted assets with a corresponding reserve of fund balance.

The following cash basis information describes the change in the year-end set-aside amounts for textbooks, capital acquisition, and budget stabilization. Disclosure of this information is required by State statute.

	Textbooks	Capital Acquisition	Budget Stabilization	Totals
Set-aside Cash Balance as of June 30, 1998	\$0	\$0	\$939,583	\$939,583
Current Year Set-aside Requirement	1,335,243	1,335,243	667,622	3,338,108
Current Year Offsets	(185,722)	0	0	(185,722)
Qualifying Disbursements	(1,965,501)	(1,318,300)	0	(3,283,801)
<b>Total</b>	<b>(\$815,980)</b>	<b>\$16,943</b>	<b>\$1,607,205</b>	<b>\$808,168</b>
Cash Balance Carried Forward to FY 2000	\$0	\$16,943	\$1,607,205	\$1,624,148
Amount restricted for bus purchases				71,279
<b>Total Restricted Assets</b>				<b>\$1,695,427</b>

Although the School District had offsets and qualifying disbursements during the year that reduced the set-aside amounts to below zero, these extra amounts may not be used to reduce the set-aside requirements of future years. Negative amounts are therefore not presented as being carried forward to the next fiscal year.

**Parma City School District**  
*Notes to the General Purpose Financial Statements*  
*For the Fiscal Year Ended June 30, 1999*

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**Note 23 - Subsequent Events**

On July 15, 1999, a \$2,485,000 bond was issued at an interest rate ranging from 5.0 to 5.5 percent interest for 10 years. This bond refinanced the 1999, \$370,000, 5.5 percent Byers Field Improvement and the 1997, \$2,350,000, 3.93 percent House Bill 264 Energy Conservation Notes outstanding at June 30, 1999.

Combining, Individual Fund  
and Account Group  
Statements and Schedules

## **General Fund**

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The general fund is the operating fund of the School District and is used to account for all financial resources except those required to be accounted for in other funds.

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$64,430,886	\$64,430,886	\$0
Intergovernmental	21,734,782	21,734,782	0
Interest	0	840,878	840,878
Charges for Services	180,206	227,649	47,443
Tuition and Fees	188,885	1,226,455	1,037,570
Extracurricular Activities	144,931	148,116	3,185
Rentals	82,241	82,241	0
Donations	0	32	32
Miscellaneous	153,388	292,645	139,257
<b>Total Revenues</b>	<b>86,915,319</b>	<b>88,983,684</b>	<b>2,068,365</b>
<b>Expenditures</b>			
<b>Current:</b>			
<i>Instruction:</i>			
<i>Regular:</i>			
Salaries and Wages	35,399,219	33,582,944	1,816,275
Fringe Benefits	9,472,239	9,460,927	11,312
Purchased Services	1,080,721	995,706	85,015
Materials and Supplies	1,327,144	1,236,812	90,332
Capital Outlay - New	203,829	203,470	359
Capital Outlay - Replacement	30,908	30,883	25
Other	250,904	223,643	27,261
<b>Total Regular</b>	<b>47,764,964</b>	<b>45,734,385</b>	<b>2,030,579</b>
<i>Special:</i>			
Salaries and Wages	5,995,059	5,994,704	355
Fringe Benefits	1,674,833	1,672,331	2,502
Purchased Services	3,654	3,645	9
Materials and Supplies	20,222	20,178	44
Capital Outlay - New	5,518	4,891	627
<b>Total Special</b>	<b>7,699,286</b>	<b>7,695,749</b>	<b>3,537</b>
<i>Vocational:</i>			
Salaries and Wages	1,086,389	1,069,620	16,769
Fringe Benefits	270,166	262,733	7,433
Purchased Services	22,086	16,793	5,293
Materials and Supplies	42,242	39,296	2,946
Capital Outlay - New	97,994	97,975	19
Capital Outlay - Replacement	11,552	11,152	400
<b>Total Vocational</b>	<b>\$1,530,429</b>	<b>\$1,497,569</b>	<b>\$32,860</b>

(continued)

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Adult/Continuing:			
Salaries and Wages	\$82,165	\$82,093	\$72
Fringe Benefits	16,128	16,083	45
<b>Total Adult/Continuing</b>	<b>98,293</b>	<b>98,176</b>	<b>117</b>
<b>Total Instruction</b>	<b>57,092,972</b>	<b>55,025,879</b>	<b>2,067,093</b>
Support Services:			
Pupils:			
Salaries and Wages	3,558,244	3,549,357	8,887
Fringe Benefits	985,286	983,244	2,042
Purchased Services	129,660	129,660	0
Materials and Supplies	119,565	118,530	1,035
Capital Outlay - New	775	775	0
<b>Total Pupils</b>	<b>4,793,530</b>	<b>4,781,566</b>	<b>11,964</b>
Instructional Staff:			
Salaries and Wages	2,632,476	2,533,931	98,545
Fringe Benefits	754,627	754,500	127
Purchased Services	578,340	543,386	34,954
Materials and Supplies	129,071	110,383	18,688
Capital Outlay - New	49,878	49,874	4
Capital Outlay - Replacement	4,000	3,689	311
Other	4,000	2,348	1,652
<b>Total Instructional Staff</b>	<b>4,152,392</b>	<b>3,998,111</b>	<b>154,281</b>
Board of Education:			
Salaries and Wages	40,680	40,621	59
Fringe Benefits	2,208	2,064	144
Purchased Services	10,775	9,343	1,432
Materials and Supplies	760	470	290
Other	6,600	6,580	20
<b>Total Board of Education</b>	<b>61,023</b>	<b>59,078</b>	<b>1,945</b>
Administration:			
Salaries and Wages	4,813,844	4,813,481	363
Fringe Benefits	1,812,440	1,812,109	331
Purchased Services	366,345	303,397	62,948
Materials and Supplies	118,240	109,190	9,050
Capital Outlay - New	6,702	6,537	165
Capital Outlay - Replacement	73,152	72,726	426
Other	1,200	1,007	193
<b>Total Administration</b>	<b>\$7,191,923</b>	<b>\$7,118,447</b>	<b>\$73,476</b>

(continued)

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Fiscal:</b>			
Salaries and Wages	\$372,496	\$360,830	\$11,666
Fringe Benefits	172,508	116,129	56,379
Purchased Services	141,069	141,054	15
Materials and Supplies	8,500	720	7,780
Capital Outlay - New	1,746	1,746	0
Capital Outlay - Replacement	1,696	1,670	26
Other	974,655	893,369	81,286
<b>Total Fiscal</b>	<b>1,672,670</b>	<b>1,515,518</b>	<b>157,152</b>
<b>Business:</b>			
Salaries and Wages	513,077	423,616	89,461
Fringe Benefits	181,309	114,373	66,936
Purchased Services	55,670	48,876	6,794
Materials and Supplies	82,250	78,898	3,352
Other	107,303	86,368	20,935
<b>Total Business</b>	<b>939,609</b>	<b>752,131</b>	<b>187,478</b>
<b>Operation and Maintenance of Plant:</b>			
Salaries and Wages	3,963,104	3,961,752	1,352
Fringe Benefits	1,324,991	1,247,954	77,037
Purchased Services	3,354,420	3,218,089	136,331
Materials and Supplies	764,857	701,653	63,204
Capital Outlay - New	1,500	694	806
Capital Outlay - Replacement	12,162	6,114	6,048
Other	399,875	321,810	78,065
<b>Total Operation and Maintenance of Plant</b>	<b>9,820,909</b>	<b>9,458,066</b>	<b>362,843</b>
<b>Pupil Transportation:</b>			
Salaries and Wages	2,260,838	2,259,757	1,081
Fringe Benefits	803,404	778,617	24,787
Purchased Services	430,226	430,173	53
Materials and Supplies	273,260	242,870	30,390
Other	43,000	37,041	5,959
<b>Total Pupil Transportation</b>	<b>\$3,810,728</b>	<b>\$3,748,458</b>	<b>\$62,270</b>

(continued)



**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Central:			
Salaries and Wages	\$439,253	\$438,778	\$475
Fringe Benefits	182,150	131,854	50,296
Purchased Services	206,532	206,166	366
Materials and Supplies	318,246	261,889	56,357
Capital Outlay - New	100,000	0	100,000
Capital Outlay - Replacement	14,713	14,713	0
<b>Total Central</b>	<b>1,260,894</b>	<b>1,053,400</b>	<b>207,494</b>
<b>Total Support Services</b>	<b>33,703,678</b>	<b>32,484,775</b>	<b>1,218,903</b>
Operation of Non-Instructional Services:			
Community Service:			
Salaries and Wages	560	321	239
Fringe Benefits	3,016	548	2,468
<b>Total Operation of Non-Instructional Services</b>	<b>3,576</b>	<b>869</b>	<b>2,707</b>
Extracurricular Activities:			
Academic and Subject Oriented Activities:			
Salaries and Wages	121,192	121,103	89
Fringe Benefits	19,193	19,080	113
Other	51,530	38,666	12,864
<b>Total Academic and Subject Oriented Activities</b>	<b>191,915</b>	<b>178,849</b>	<b>13,066</b>
Sports Oriented Activities:			
Salaries and Wages	496,833	496,507	326
Fringe Benefits	92,784	80,211	12,573
Purchased Services	24,900	24,900	0
Materials and Supplies	7,500	6,881	619
Other	22,500	0	22,500
<b>Total Sports Oriented Activities</b>	<b>\$644,517</b>	<b>\$608,499</b>	<b>\$36,018</b>

(continued)

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
School and Public Service			
Co-Curricular Activities:			
Salaries and Wages	\$105,251	\$101,934	\$3,317
Fringe Benefits	16,332	16,067	265
Other	2,000	1,075	925
Total School and Public Service Co-Curricular Activities	123,583	119,076	4,507
Total Extracurricular Activities	960,015	906,424	53,591
Capital Outlay:			
Building Acquisition and Construction Services:			
Purchased Services	79,000	75,790	3,210
<i>Total Expenditures</i>	91,839,241	88,493,737	3,345,504
<i>Excess of Revenues Over (Under) Expenditures</i>	(4,923,922)	489,947	5,413,869
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Fixed Assets	43,665	43,665	0
Proceeds of Notes	9,800,000	9,801,535	1,535
Refund of Prior Year Receipt	(49)	0	49
Advances In	0	28,136	28,136
Advances Out	(234,214)	(262,350)	(28,136)
Operating Transfers In	1,600,000	0	(1,600,000)
Operating Transfers Out	(4,697,404)	(3,097,058)	1,600,346
<i>Total Other Financing Sources (Uses)</i>	6,511,998	6,513,928	1,930
<i>Excess of Revenues and Other Financing   Sources Over Expenditures and   Other Financing Uses</i>	1,588,076	7,003,875	5,415,799
<i>Fund Balance Beginning of Year</i>	2,464,719	2,464,719	0
Prior Year Encumbrances Appropriated	1,359,537	1,359,537	0
<i>Fund Balance End of Year</i>	\$5,412,332	\$10,828,131	\$5,415,799

## Special Revenue Funds

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Special revenue funds are established to account for revenues from specific sources which legally, or otherwise, are restricted for specific purposes. Descriptions of the School District's special revenue funds follow:

**Auxiliary Services Fund** This fund accounts for grant monies which provide services and materials to pupils attending non-public schools within the School District.

**Public School Support Fund** This fund accounts for school site sales revenue and expenditures for field trips, assemblies, and other activity costs.

**Title VIB Fund** This fund accounts for Federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

**Title I Fund** This fund accounts for Federal monies used to assist the School District in meeting the special needs of educationally deprived children.

**Disadvantaged Pupil Impact Aid Fund** This fund accounts for State monies for disadvantaged pupil impact aid.

**Parent Mentor Grant Fund** This fund accounts for State monies used to educate, include and provide guidance to parents of special education students.

**District Managed Student Activities Fund** This fund accounts for gate receipts and other revenues from athletic events and all costs (except supplemental coaching contracts) of the School District's athletic program.

**Goals 2000 Fund** This fund accounts for Federal monies used for preparing students and teachers for the proficiency test.

**Textbook Subsidy Fund** This fund accounts for State monies used to purchase textbooks.

**Adult Basic Education Fund** This fund accounts for Federal monies used to provide reading, writing, and math competency programs for adults that do not have a high school diploma.

**Vocational Education Fund** This fund accounts for monies used for the development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and disabled persons, exemplary programs, cooperative education, construction of area vocational school ancillary services, research, advisory committees and work study projects.

**School Age Child Care Grant Fund** This fund accounts for monies from Ohio Department of Education used for start up costs in offering child care to children in the School District.

**Career Development Fund** This fund accounts for State monies used for developing, researching, implementing, and evaluating career enhancement programs.

(continued)

## **Special Revenue Funds**

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**Title VI Fund** This fund accounts for Federal monies which support the implementation of computer education programs, gifted and talented programs, in-service training and staff development.

**Drug Free Schools Fund** This fund accounts for Federal revenues which support the implementation of drug abuse education and prevention programs.

**Professional Development Fund** This fund accounts for State monies to assist teachers in gaining new skills and becoming familiar with new teaching methodologies.

**Post Secondary Education Fund** this fund accounts for State monies used to pay tuition costs for high school students to who participate in college level courses.

**Preschool Grant Fund** This fund accounts for Federal revenues used for speech therapy services and instructional supplies used in preschool programs.

**Other** Small Special Revenue Funds operated by the School District and subsidized in part by local, state and federal monies as well as miscellaneous sources. These funds are as follows:

**Scholarship Fund  
Eisenhower Grant Fund  
Venture Capital Fund  
Other Grants Fund  
Managed Information Systems Fund  
School Account Network Fund  
Disadvantaged Pupil Program Fund  
Economic Education Grant Fund  
Emergency Immigrant Education Assistance Grant Fund**

**Parma City School District**  
*Combining Balance Sheet*  
*All Special Revenue Funds*  
 June 30, 1999

	Auxiliary Services	Public School Support	Title VIB	Title I
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$633,023	\$461,071	\$152,084	\$52,903
Intergovernmental Receivable	0	0	0	0
Materials and Supplies Inventory	0	2,513	0	0
<i>Total Assets</i>	<u>\$633,023</u>	<u>\$463,584</u>	<u>\$152,084</u>	<u>\$52,903</u>
<b>Liabilities</b>				
Accounts Payable	\$48,171	\$2,506	\$964	\$913
Accrued Wages Payable	112,552	0	41,351	54,855
Interfund Payable	0	0	0	100,000
Intergovernmental Payable	39,788	808	14,256	16,908
<i>Total Liabilities</i>	<u>200,511</u>	<u>3,314</u>	<u>56,571</u>	<u>172,676</u>
<b>Fund Equity</b>				
Fund Balance (Deficit):				
Reserved for Encumbrances	432,512	40,369	24,495	3,605
Reserved for Inventory	0	2,513	0	0
Unreserved, Undesignated	0	417,388	71,018	(123,378)
<i>Total Fund Equity (Deficit)</i>	<u>432,512</u>	<u>460,270</u>	<u>95,513</u>	<u>(119,773)</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$633,023</u>	<u>\$463,584</u>	<u>\$152,084</u>	<u>\$52,903</u>

<u>Disadvantaged Pupil Impact Aid</u>	<u>Parent Mentor Grant</u>	<u>District Managed Student Activities</u>	<u>Goals 2000</u>	<u>Textbook Subsidy</u>	<u>Adult Basic Education</u>
\$193,341	\$221,075	\$77,534	\$125,401	\$128,205	\$6,485
0	25,000	0	0	0	0
0	0	0	0	0	0
<u>\$193,341</u>	<u>\$246,075</u>	<u>\$77,534</u>	<u>\$125,401</u>	<u>\$128,205</u>	<u>\$6,485</u>
\$0	\$3,108	\$3,142	\$16,731	\$23,735	\$0
18,654	5,194	833	776	0	10,559
0	0	0	0	0	0
5,456	2,393	256	236	0	3,299
<u>24,110</u>	<u>10,695</u>	<u>4,231</u>	<u>17,743</u>	<u>23,735</u>	<u>13,858</u>
752	9,042	11,627	1,552	57,138	0
0	0	0	0	0	0
168,479	226,338	61,676	106,106	47,332	(7,373)
<u>169,231</u>	<u>235,380</u>	<u>73,303</u>	<u>107,658</u>	<u>104,470</u>	<u>(7,373)</u>
<u>\$193,341</u>	<u>\$246,075</u>	<u>\$77,534</u>	<u>\$125,401</u>	<u>\$128,205</u>	<u>\$6,485</u>

(continued)

**Parma City School District**  
*Combining Balance Sheet*  
*All Special Revenue Funds (continued)*  
*June 30, 1999*

	Vocational Education	School Age Child Care Grant	Career Development	Title VI
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$4,219	\$80,649	\$43,706	\$21,489
Intergovernmental Receivable	19,835	47,221	37,982	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$24,054</u>	<u>\$127,870</u>	<u>\$81,688</u>	<u>\$21,489</u>
<b>Liabilities</b>				
Accounts Payable	\$600	\$6,536	\$1,891	\$141
Accrued Wages Payable	9,075	3,528	5,707	0
Interfund Payable	19,836	0	49,966	0
Intergovernmental Payable	2,659	954	1,717	0
<i>Total Liabilities</i>	<u>32,170</u>	<u>11,018</u>	<u>59,281</u>	<u>141</u>
<b>Fund Equity</b>				
Fund Balance (Deficit):				
Reserved for Encumbrances	3,619	0	41,819	2,398
Reserved for Inventory	0	0	0	0
Unreserved, Undesignated	(11,735)	116,852	(19,412)	18,950
<i>Total Fund Equity (Deficit)</i>	<u>(8,116)</u>	<u>116,852</u>	<u>22,407</u>	<u>21,348</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$24,054</u>	<u>\$127,870</u>	<u>\$81,688</u>	<u>\$21,489</u>

Drug Free Schools	Professional Development	Post Secondary Education	Preschool Grant	Other	Totals
\$26,094	\$49,905	\$65,255	\$19,994	\$170,210	\$2,532,643
0	0	0	0	1,800	131,838
0	0	0	0	0	2,513
<u>\$26,094</u>	<u>\$49,905</u>	<u>\$65,255</u>	<u>\$19,994</u>	<u>\$172,010</u>	<u>\$2,666,994</u>
\$189	\$100	\$0	\$0	\$1,263	\$109,990
8,608	1,472	0	4,866	4,212	282,242
0	0	0	0	1,800	171,602
2,332	429	0	1,506	1,214	94,211
<u>11,129</u>	<u>2,001</u>	<u>0</u>	<u>6,372</u>	<u>8,489</u>	<u>658,045</u>
1,900	15,862	2,163	5,214	12,778	666,845
0	0	0	0	0	2,513
<u>13,065</u>	<u>32,042</u>	<u>63,092</u>	<u>8,408</u>	<u>150,743</u>	<u>1,339,591</u>
<u>14,965</u>	<u>47,904</u>	<u>65,255</u>	<u>13,622</u>	<u>163,521</u>	<u>2,008,949</u>
<u>\$26,094</u>	<u>\$49,905</u>	<u>\$65,255</u>	<u>\$19,994</u>	<u>\$172,010</u>	<u>\$2,666,994</u>



**Parma City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*All Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Auxiliary Services	Public School Support	Title VIB	Title I
<b>Revenues</b>				
Intergovernmental	\$3,110,235	\$0	\$746,739	\$629,068
Interest	46,910	32,460	0	0
Charges for Services	0	171	0	0
Tuition and Fees	0	65	0	0
Extracurricular Activities	0	920,189	0	0
Donations	0	4,601	0	0
Misellaneous	0	0	0	0
<b>Total Revenues</b>	<b>3,157,145</b>	<b>957,486</b>	<b>746,739</b>	<b>629,068</b>
<b>Expenditures</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	0	3,233	0	0
Special	0	8,864	192,970	612,203
Vocational	0	0	0	0
Adult/Continuing	0	0	0	0
<b>Support Services:</b>				
Pupils	0	81	60,181	0
Instructional Staff	0	0	336,018	16,419
Administration	0	415	99,595	4,353
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	4,561	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	3,206,704	0	0	74,475
Extracurricular Activities	0	851,325	0	0
Capital Outlay	0	4,379	0	0
<b>Total Expenditures</b>	<b>3,206,704</b>	<b>872,858</b>	<b>688,764</b>	<b>707,450</b>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(49,559)</i>	<i>84,628</i>	<i>57,975</i>	<i>(78,382)</i>
<b>Other Financing Sources</b>				
Operating Transfers In	0	96	0	0
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i>	<i>(49,559)</i>	<i>84,724</i>	<i>57,975</i>	<i>(78,382)</i>
<i>Fund Balances (Deficit) Beginning of Year</i>	<i>482,071</i>	<i>379,459</i>	<i>37,538</i>	<i>(41,391)</i>
Increase in Reserve for Inventory	0	(3,913)	0	0
<b>Fund Balances (Deficit) End of Year</b>	<b>\$432,512</b>	<b>\$460,270</b>	<b>\$95,513</b>	<b>(\$119,773)</b>

Disadvantaged Pupil Impact Aid	Parent Mentor Grant	District Managed Student Activities	Goals 2000	Textbook Subsidy	Adult Basic Education
\$398,351	\$347,000	\$0	\$210,529	\$185,722	\$132,939
0	0	2,577	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	326,777	0	0	0
0	0	0	0	0	0
0	0	13,226	0	0	0
<u>398,351</u>	<u>347,000</u>	<u>342,580</u>	<u>210,529</u>	<u>185,722</u>	<u>132,939</u>
69,172	0	0	24,127	156,577	0
88,330	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	118,203
175,460	22,232	0	0	0	20,279
0	0	0	21,798	0	4,071
0	0	0	0	0	0
75	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	86,027	0	47,110	0	0
0	0	368,125	0	0	0
0	0	0	0	0	0
<u>333,037</u>	<u>108,259</u>	<u>368,125</u>	<u>93,035</u>	<u>156,577</u>	<u>142,553</u>
65,314	238,741	(25,545)	117,494	29,145	(9,614)
0	0	57,858	0	0	0
65,314	238,741	32,313	117,494	29,145	(9,614)
103,917	(3,361)	40,990	(9,836)	75,325	2,241
0	0	0	0	0	0
<u>\$169,231</u>	<u>\$235,380</u>	<u>\$73,303</u>	<u>\$107,658</u>	<u>\$104,470</u>	<u>(\$7,373)</u>

(continued)

**Parma City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*All Special Revenue Funds (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Vocational Education	School Age Child Care Grant	Career Development	Title VI
<b>Revenues</b>				
Intergovernmental	\$132,231	\$126,601	\$120,153	\$75,196
Interest	0	0	0	0
Charges for Services	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Donations	0	2,810	0	0
Misellaneous	0	0	0	0
<i>Total Revenues</i>	<u>132,231</u>	<u>129,411</u>	<u>120,153</u>	<u>75,196</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	0	2,006	33,962
Special	0	0	0	0
Vocational	54,861	0	21,380	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupils	40,639	0	1,447	0
Instructional Staff	7,143	0	63,084	0
Administration	3,316	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Central	38,055	0	0	0
Operation of Non-Instructional Services	0	83,793	0	29,780
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>144,014</u>	<u>83,793</u>	<u>87,917</u>	<u>63,742</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(11,783)</u>	<u>45,618</u>	<u>32,236</u>	<u>11,454</u>
<b>Other Financing Sources</b>				
Operating Transfers In	0	0	0	0
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i>	<u>(11,783)</u>	<u>45,618</u>	<u>32,236</u>	<u>11,454</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>3,667</u>	<u>71,234</u>	<u>(9,829)</u>	<u>9,894</u>
Increase in Reserve for Inventory	0	0	0	0
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$8,116)</u>	<u>\$116,852</u>	<u>\$22,407</u>	<u>\$21,348</u>

Drug Free Schools	Professional Development	Post Secondary Education	Preschool Grant	Other	Totals
\$71,204	\$69,443	\$67,210	\$66,913	\$160,387	\$6,649,921
0	0	0	0	0	81,947
0	0	0	0	0	171
0	0	0	0	0	65
0	0	0	0	0	1,246,966
0	0	0	0	47,858	55,269
0	0	0	0	0	13,226
<u>71,204</u>	<u>69,443</u>	<u>67,210</u>	<u>66,913</u>	<u>208,245</u>	<u>8,047,565</u>
0	5,253	0	0	65,113	359,443
0	0	0	8,178	1,078	911,623
0	0	0	0	0	76,241
0	0	28,911	0	4,560	151,674
104,288	0	0	42,930	89,919	557,456
237	31,767	0	41,654	4,028	526,219
0	0	0	3,320	0	110,999
0	0	0	0	0	75
0	0	0	0	0	4,561
0	0	0	0	4,103	42,158
6,632	2,325	0	0	0	3,536,846
0	0	0	0	390	1,219,840
0	0	0	0	0	4,379
<u>111,157</u>	<u>39,345</u>	<u>28,911</u>	<u>96,082</u>	<u>169,191</u>	<u>7,501,514</u>
(39,953)	30,098	38,299	(29,169)	39,054	546,051
0	0	0	0	614	58,568
(39,953)	30,098	38,299	(29,169)	39,668	604,619
54,918	17,806	26,956	42,791	123,853	1,408,243
0	0	0	0	0	(3,913)
<u>\$14,965</u>	<u>\$47,904</u>	<u>\$65,255</u>	<u>\$13,622</u>	<u>\$163,521</u>	<u>\$2,008,949</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Auxiliary Services Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$3,119,380	\$3,119,380	\$0
Interest	46,910	46,910	0
<i>Total Revenues</i>	<u>3,166,290</u>	<u>3,166,290</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Community Service:			
Salaries and Wages	1,286,710	1,286,710	0
Fringe Benefits	378,591	378,591	0
Purchased Services	1,019,902	1,019,902	0
Materials and Supplies	1,256,899	1,256,899	0
Capital Outlay - New	12,503	12,503	0
<i>Total Expenditures</i>	<u>3,954,605</u>	<u>3,954,605</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(788,315)	(788,315)	0
<i>Fund Balance Beginning of Year</i>	535,192	535,192	0
Prior Year Encumbrances Appropriated	253,123	253,123	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Public School Support Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Interest	\$13,464	\$32,460	\$18,996
Charges for Services	171	171	0
Tuition and Fees	55	65	10
Extracurricular Activities	939,548	920,189	(19,359)
Donations	4,202	4,601	399
<i>Total Revenues</i>	<u>957,440</u>	<u>957,486</u>	<u>46</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	3,233	3,233	0
Special:			
Other	9,228	9,228	0
<i>Total Instruction</i>	<u>12,461</u>	<u>12,461</u>	<u>0</u>
Support Services:			
Pupils:			
Purchased Services	81	81	0
Administration:			
Materials and Supplies	415	415	0
Pupil Transportation:			
Other	4,561	4,561	0
<i>Total Support Services</i>	<u>5,057</u>	<u>5,057</u>	<u>0</u>
Extracurricular Activities:			
Academic and Subject Oriented Activities:			
Materials and Supplies	30,963	27,451	3,512
Other	215,375	188,907	26,468
<i>Total Academic and Subject Oriented Activities</i>	<u>246,338</u>	<u>216,358</u>	<u>29,980</u>
Occupation Oriented Activities:			
Materials and Supplies	8,974	4,486	4,488
Sports Oriented Activities:			
Other	\$3,200	\$2,528	\$672

(continued)

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Support Fund (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
School and Public Service			
Co-Curricular Activities:			
Salaries and Wages	\$160	\$160	\$0
Fringe Benefits	24	24	0
Purchased Services	5,500	5,270	230
Materials and Supplies	790,985	698,621	92,364
<b>Total School and Public Service</b>	<b>796,669</b>	<b>704,075</b>	<b>92,594</b>
<b>Total Extracurricular Activities</b>	<b>1,055,181</b>	<b>927,447</b>	<b>127,734</b>
Capital Outlay:			
Purchased Services	5,500	4,379	1,121
<b>Total Expenditures</b>	<b>1,078,199</b>	<b>949,344</b>	<b>128,855</b>
<i>Excess of Revenues Over (Under) Expenditures</i>	(120,759)	8,142	128,901
<b>Other Financing Sources</b>			
Operating Transfers In	0	96	96
<i>Excess of Revenues and Other Financing</i> <i>Sources (Over) Under Expenditures</i>	(120,759)	8,238	128,997
<i>Fund Balance Beginning of Year</i>	344,598	344,598	0
Prior Year Encumbrances Appropriated	64,552	64,552	
<b>Fund Balance End of Year</b>	<b>\$288,391</b>	<b>\$417,388</b>	<b>\$128,997</b>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VIB Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$747,739	\$747,739	\$0
<b>Expenditures</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular:</b>			
Salaries and Wages	267	0	267
Fringe Benefits	263	0	263
<b>Total Regular</b>	530	0	530
<b>Special:</b>			
Salaries and Wages	133,442	103,200	30,242
Fringe Benefits	32,279	29,746	2,533
Materials and Supplies	71,527	71,479	48
Capital Outlay - New	20,493	20,474	19
<b>Total Special</b>	257,741	224,899	32,842
<b>Total Instruction</b>	258,271	224,899	33,372
<b>Support Services:</b>			
<b>Pupils:</b>			
Salaries and Wages	28,522	27,374	1,148
Fringe Benefits	9,045	2,965	6,080
Purchased Services	16,178	16,128	50
Materials and Supplies	19,259	18,145	1,114
<b>Total Pupils</b>	73,004	64,612	8,392
<b>Instructional Staff:</b>			
Salaries and Wages	260,037	227,954	32,083
Fringe Benefits	123,258	89,825	33,433
Purchased Services	6,057	5,206	851
Materials and Supplies	250	0	250
<b>Total Instructional Staff</b>	389,602	322,985	66,617
<b>Administration:</b>			
Salaries and Wages	60,701	54,387	6,314
Fringe Benefits	27,083	21,208	5,875
Purchased Services	9,737	4,685	5,052
Materials and Supplies	14,362	14,353	9
Capital Outlay - New	804	743	61
<b>Total Administration</b>	112,687	95,376	17,311
<b>Total Support Services</b>	575,293	482,973	92,320
<b>Total Expenditures</b>	833,564	707,872	125,692
<b>Excess of Revenues Over (Under) Expenditures</b>	(85,825)	39,867	125,692
<b>Fund Balance Beginning of Year</b>	75,805	75,805	0
<b>Prior Year Encumbrances Appropriated</b>	9,867	9,867	0
<b>Fund Balance (Deficit) End of Year</b>	(\$153)	\$125,539	\$125,692



**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title I Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$629,068	\$629,068	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Salaries and Wages	487,474	487,474	0
Fringe Benefits	132,560	122,138	10,422
Purchased Services	35,871	35,662	209
Materials and Supplies	16,043	16,043	0
Total Instruction	671,948	661,317	10,631
Support Services:			
Instructional Staff:			
Salaries and Wages	8,172	2,304	5,868
Fringe Benefits	1,691	353	1,338
Purchased Services	6,769	6,769	0
Materials and Supplies	7,797	7,797	0
Total Instructional Staff	24,429	17,223	7,206
Administration:			
Purchased Services	1,932	1,932	0
Materials and Supplies	5,276	4,417	859
Total Administration	7,208	6,349	859
Total Support Services	31,637	23,572	8,065
Operation of Non-Instructional Services:			
Community Service:			
Salaries and Wages	57,975	57,975	0
Fringe Benefits	10,645	10,645	0
Materials and Supplies	100	100	0
Total Operation of Non-Instructional Services	68,720	68,720	0
<b>Total Expenditures</b>	<b>772,305</b>	<b>753,609</b>	<b>18,696</b>
<i>Excess of Revenues Under Expenditures</i>	<i>(143,237)</i>	<i>(124,541)</i>	<i>18,696</i>
<b>Other Financing Sources (Uses)</b>			
Advances In	100,000	100,000	0
Operating Transfers In	49,109	0	(49,109)
Operating Transfers Out	(49,109)	0	49,109
<b>Total Other Financing Sources (Uses)</b>	<b>100,000</b>	<b>100,000</b>	<b>0</b>
<i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i>	<i>(43,237)</i>	<i>(24,541)</i>	<i>18,696</i>
<i>Fund Balance Beginning of Year</i>	<i>52,128</i>	<i>52,128</i>	<i>0</i>
Prior Year Encumbrances Appropriated	20,798	20,798	0
<b>Fund Balance End of Year</b>	<b>\$29,689</b>	<b>\$48,385</b>	<b>\$18,696</b>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Disadvantaged Pupil Impact Aid Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$434,312	\$398,351	(\$35,961)
<b>Expenditures</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular:</b>			
Salaries and Wages	86,011	44,804	41,207
Fringe Benefits	42,070	18,358	23,712
<b>Total Regular</b>	128,081	63,162	64,919
<b>Special:</b>			
Salaries and Wages	45,359	32,006	13,353
Fringe Benefits	12,310	5,632	6,678
Materials and Supplies	13,914	8,328	5,586
Capital Outlay - New	39,632	38,443	1,189
<b>Total Special</b>	111,215	84,409	26,806
<b>Total Instruction</b>	239,296	147,571	91,725
<b>Support Services:</b>			
<b>Pupils:</b>			
Salaries and Wages	218,657	109,456	109,201
Fringe Benefits	39,020	21,313	17,707
Purchased Services	39,047	30,533	8,514
Materials and Supplies	1,449	731	718
Capital Outlay - New	151	0	151
<b>Total Pupils</b>	298,324	162,033	136,291
<b>Operation and Maintenance of Plant:</b>			
Purchased Services	500	75	425
<b>Total Support Services</b>	298,824	162,108	136,716
<b>Total Expenditures</b>	538,120	309,679	228,441
<b>Excess of Revenues Over (Under) Expenditures</b>	(103,808)	88,672	192,480
<b>Fund Balance Beginning of Year</b>	101,952	101,952	0
<b>Prior Year Encumbrances Appropriated</b>	1,965	1,965	0
<b>Fund Balance End of Year</b>	\$109	\$192,589	\$192,480

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Parent Mentor Grant Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$322,000	\$322,000	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Pupils:			
Salaries and Wages	17,875	17,094	781
Fringe Benefits	3,225	2,629	596
Purchased Services	5,157	4,467	690
Materials and Supplies	1,739	1,163	576
Capital Outlay - New	425	160	265
<b>Total Support Services</b>	<b>28,421</b>	<b>25,513</b>	<b>2,908</b>
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	125,676	34,767	90,909
Fringe Benefits	17,325	7,295	10,030
Purchased Services	106,150	30,565	75,585
Materials and Supplies	28,300	2,219	26,081
Capital Outlay - New	19,548	16,263	3,285
<b>Total Operation of Non-Instructional Services</b>	<b>296,999</b>	<b>91,109</b>	<b>205,890</b>
<b>Total Expenditures</b>	<b>325,420</b>	<b>116,622</b>	<b>208,798</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(3,420)</b>	<b>205,378</b>	<b>208,798</b>
<b>Fund Balance Beginning of Year</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>3,420</b>	<b>3,420</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$0</b>	<b>\$208,798</b>	<b>\$208,798</b>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*District Managed Student Activities Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Interest	\$2,577	\$2,577	\$0
Extracurricular Activities	339,411	326,777	(12,634)
Miscellaneous	10,450	13,226	2,776
<i>Total Revenues</i>	<u>352,438</u>	<u>342,580</u>	<u>(9,858)</u>
<b>Expenditures</b>			
Current:			
Extracurricular Activities:			
Sports Oriented Activities:			
Salaries and Wages	8,316	8,316	0
Fringe Benefits	1,825	1,825	0
Purchased Services	277,921	258,698	19,223
Materials and Supplies	115,428	92,000	23,428
Capital Outlay - New	6,000	3,488	2,512
Other	34,380	25,113	9,267
<i>Total Expenditures</i>	<u>443,870</u>	<u>389,440</u>	<u>54,430</u>
<i>Excess of Revenues Under Expenditures</i>	(91,432)	(46,860)	44,572
<b>Other Financing Sources</b>			
Operating Transfers In	48,000	57,858	9,858
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i>	(43,432)	10,998	54,430
<i>Fund Balance Beginning of Year</i>	31,648	31,648	0
Prior Year Encumbrances Appropriated	20,119	20,119	0
<i>Fund Balance End of Year</i>	<u>\$8,335</u>	<u>\$62,765</u>	<u>\$54,430</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Goals 2000 Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$210,529	\$210,529	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	33,970	15,516	18,454
Fringe Benefits	6,097	1,602	4,495
Purchased Services	5,868	5,868	0
Materials and Supplies	15,000	365	14,635
Total Instruction	60,935	23,351	37,584
Support Services:			
Instructional Staff:			
Purchased Services	35,000	22,398	12,602
Materials and Supplies	15,000	6,208	8,792
Total Support Services	50,000	28,606	21,394
Operation of Non-Instructional Services:			
Community Service:			
Salaries and Wages	25,988	0	25,988
Fringe Benefits	5,038	0	5,038
Purchased Services	69,811	65,490	4,321
Total Operation of Non-Instructional Services	100,837	65,490	35,347
<i>Total Expenditures</i>	211,772	117,447	94,325
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,243)	93,082	94,325
<i>Fund Balance Beginning of Year</i>	14,036	14,036	0
<i>Fund Balance End of Year</i>	\$12,793	\$107,118	\$94,325

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Textbook Subsidy Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$185,722	\$185,722	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	278,622	231,290	47,332
<i>Excess of Revenues Under Expenditures</i>	(92,900)	(45,568)	47,332
<i>Fund Balance (Deficit) Beginning of Year</i>	(6,948)	(6,948)	0
<i>Prior Year Encumbrances Appropriated</i>	99,848	99,848	0
<i>Fund Balance End of Year</i>	\$0	\$47,332	\$47,332

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Adult Basic Education Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$132,939	\$132,939	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Adult/Continuing:			
Salaries and Wages	90,730	89,455	1,275
Fringe Benefits	14,857	14,358	499
Purchased Services	300	0	300
Materials and Supplies	5,922	5,879	43
Total Instruction	111,809	109,692	2,117
Support Services:			
Pupils:			
Salaries and Wages	19,503	15,981	3,522
Fringe Benefits	4,163	3,340	823
Total Pupils	23,666	19,321	4,345
Instructional Staff:			
Purchased Services	4,444	4,421	23
Materials and Supplies	1,700	1,700	0
Capital Outlay - New	138	138	0
Other	103	103	0
Total Instructional Staff	6,385	6,362	23
Total Support Services	30,051	25,683	4,368
<b>Total Expenditures</b>	141,860	135,375	6,485
<i>Excess of Revenues Under Expenditures</i>	(8,921)	(2,436)	6,485
<i>Fund Balance Beginning of Year</i>	5,699	5,699	0
Prior Year Encumbrances Appropriated	3,222	3,222	0
<b>Fund Balance End of Year</b>	\$0	\$6,485	\$6,485

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Vocational Education Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$111,763	\$131,597	\$19,834
<b>Expenditures</b>			
Current:			
Instruction:			
Vocational:			
Salaries and Wages	41,085	41,085	0
Fringe Benefits	9,458	9,458	0
Total Instruction	50,543	50,543	0
Support Services:			
Pupils:			
Salaries and Wages	20,147	20,147	0
Fringe Benefits	4,000	4,000	0
Purchased Services	14,606	14,606	0
Materials and Supplies	2,849	2,849	0
Total Pupils	41,602	41,602	0
Instructional Staff:			
Salaries and Wages	1,020	1,020	0
Fringe Benefits	170	170	0
Purchased Services	6,166	6,166	0
Materials and Supplies	1,360	1,360	0
Total Instructional Staff	8,716	8,716	0
Administration:			
Salaries and Wages	2,000	2,000	0
Materials and Supplies	1,765	1,765	0
Total Administration	3,765	3,765	0
Central:			
Salaries and Wages	26,369	26,369	0
Fringe Benefits	6,052	6,052	0
Purchased Services	2,383	2,383	0
Materials and Supplies	2,495	2,495	0
Total Central	37,299	37,299	0
Total Support Services	91,382	91,382	0
<b>Total Expenditures</b>	141,925	141,925	0
<i>Excess of Revenues Under Expenditures</i>	(\$30,162)	(\$10,328)	\$19,834 (continued)



**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Vocational Education Fund (continued)  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Other Financing Sources (Uses)</b>			
Advances In	\$634	\$19,836	\$19,202
Advances Out	0	(19,202)	(19,202)
<i>Total Other Financing Sources (Uses)</i>	<u>634</u>	<u>634</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i>	(29,528)	(9,694)	19,834
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Prior Year Encumbrances Appropriated</i>	<u>9,694</u>	<u>9,694</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$19,834)</u>	<u>\$0</u>	<u>\$19,834</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 School Age Child Care Grant Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$79,380	\$79,380	\$0
Donations	2,810	2,810	0
<i>Total Revenues</i>	<u>82,190</u>	<u>82,190</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Community Service:			
Salaries and Wages	27,455	27,455	0
Fringe Benefits	4,590	3,917	673
Purchased Services	126,068	43,579	82,489
<i>Total Expenditures</i>	<u>158,113</u>	<u>74,951</u>	<u>83,162</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(75,923)	7,239	83,162
<i>Fund Balance Beginning of Year</i>	70,820	70,820	0
<i>Prior Year Encumbrances Appropriated</i>	2,590	2,590	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$2,513)</u>	<u>\$80,649</u>	<u>\$83,162</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Career Development Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$82,171	\$82,171	\$0
<b>Expenditures</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular:			
Salaries and Wages	1,557	1,557	0
Fringe Benefits	251	251	0
Total Regular	1,808	1,808	0
Vocational:			
Salaries and Wages	16,000	16,000	0
Fringe Benefits	3,344	3,344	0
Total Vocational	19,344	19,344	0
Total Instruction	21,152	21,152	0
<b>Support Services:</b>			
Pupils:			
Purchased Services	3,019	3,019	0
Materials and Supplies	10,170	10,170	0
Total Pupils	13,189	13,189	0
Instructional Staff:			
Salaries and Wages	39,724	39,724	0
Fringe Benefits	12,445	12,445	0
Purchased Services	5,607	5,607	0
Materials and Supplies	9,738	9,738	0
Capital Outlay - New	33,523	33,523	0
Total Instructional Staff	101,037	101,037	0
Total Support Services	114,226	114,226	0
Total Expenditures	135,378	135,378	0
Excess of Revenues Under Expenditures	(53,207)	(53,207)	0
<b>Other Financing Sources (Uses)</b>			
Advances In	42,832	49,966	7,134
Advances Out	0	(7,134)	(7,134)
Total Other Financing Sources (Uses)	42,832	42,832	0
Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	(10,375)	(10,375)	0
Fund Balance Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	10,375	10,375	0
Fund Balance End of Year	\$0	\$0	\$0

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VI Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$75,196	\$75,196	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	33,962	33,962	0
Operation of Non-Instructional Services:			
Community Service:			
Materials and Supplies	40,770	36,871	3,899
Capital Outlay - New	9,500	5,258	4,242
Total Operation of Non-Instructional Services	50,270	42,129	8,141
<i>Total Expenditures</i>	84,232	76,091	8,141
<i>Excess of Revenues Under Expenditures</i>	(9,036)	(895)	8,141
<i>Fund Balance Beginning of Year</i>	39	39	0
Prior Year Encumbrances Appropriated	19,806	19,806	0
<i>Fund Balance End of Year</i>	\$10,809	\$18,950	\$8,141

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Drug Free Schools Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$100,941	\$100,941	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Pupils:			
Salaries and Wages	107,215	85,959	21,256
Purchased Services	9,375	6,940	2,435
Materials and Supplies	2,808	2,808	0
Total Pupils	119,398	95,707	23,691
Instructional Staff:			
Purchased Services	500	237	263
Total Support Services	119,898	95,944	23,954
Operation of Non-Instructional Services:			
Community Service:			
Materials and Supplies	8,412	8,361	51
<i>Total Expenditures</i>	128,310	104,305	24,005
<i>Excess of Revenues Under Expenditures</i>	(27,369)	(3,364)	24,005
<i>Fund Balance Beginning of Year</i>	23,013	23,013	0
Prior Year Encumbrances Appropriated	4,356	4,356	0
<i>Fund Balance End of Year</i>	\$0	\$24,005	\$24,005

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Professional Development Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$69,443	\$69,443	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	6,000	4,113	1,887
Fringe Benefits	1,080	600	480
Total Instruction	7,080	4,713	2,367
Support Services:			
Instructional Staff:			
Salaries and Wages	24,530	10,589	13,941
Fringe Benefits	2,172	1,641	531
Purchased Services	39,690	32,980	6,710
Materials and Supplies	9,081	1,162	7,919
Total Support Services	75,473	46,372	29,101
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	5,493	2,918	2,575
Total Expenditures	88,046	54,003	34,043
Excess of Revenues Over (Under) Expenditures	(18,603)	15,440	34,043
Fund Balance Beginning of Year	17,632	17,632	0
Prior Year Encumbrances Appropriated	971	971	0
Fund Balance End of Year	\$0	\$34,043	\$34,043

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Post Secondary Education Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$94,166	\$94,166	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Adult/Continuing:			
Purchased Services	34,300	0	34,300
Materials and Supplies	31,500	29,368	2,132
Capital Outlay - New	13,000	1,706	11,294
<i>Total Expenditures</i>	<u>78,800</u>	<u>31,074</u>	<u>47,726</u>
<i>Excess of Revenues Over Expenditures</i>	15,366	63,092	47,726
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$15,366</u>	<u>\$63,092</u>	<u>\$47,726</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Preschool Grant Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$95,356	\$95,356	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Materials and Supplies	7,794	7,668	126
Capital Outlay - New	5,660	5,515	145
Total Instruction	13,454	13,183	271
Support Services:			
Pupils:			
Salaries and Wages	21,963	19,287	2,676
Fringe Benefits	8,923	5,078	3,845
Purchased Services	20,179	19,646	533
Total Pupils	51,065	44,011	7,054
Instructional Staff:			
Salaries and Wages	29,307	29,307	0
Fringe Benefits	15,605	10,841	4,764
Total Instructional Staff	44,912	40,148	4,764
Administration:			
Purchased Services	3,983	3,320	663
Total Support Services	99,960	87,479	12,481
<b>Total Expenditures</b>	113,414	100,662	12,752
<i>Excess of Revenues Under Expenditures</i>	(18,058)	(5,306)	12,752
<i>Fund Balance Beginning of Year</i>	9,213	9,213	0
Prior Year Encumbrances Appropriated	10,873	10,873	0
<b>Fund Balance End of Year</b>	\$2,028	\$14,780	\$12,752



**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Scholarship Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Donations	\$2,500	\$3,800	\$1,300
<b>Expenditures</b>			
Current:			
Instruction:			
Adult/Continuing:			
Other	25,303	4,560	20,743
<i>Excess of Revenues Under Expenditures</i>	(22,803)	(760)	22,043
<i>Fund Balance Beginning of Year</i>	22,786	22,786	0
Prior Year Encumbrances Appropriated	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	(\$17)	\$22,026	\$22,043

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Eisenhower Grant Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$51,292	\$51,292	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	12,608	9,451	3,157
Fringe Benefits	2,880	1,558	1,322
Purchased Services	21,537	12,652	8,885
Materials and Supplies	17,097	12,771	4,326
Capital Outlay - New	13,153	4,621	8,532
Total Instruction	67,275	41,053	26,222
Operation of Non-Instructional Services:			
Community Service:			
Purchased Services	4,945	0	4,945
<i>Total Expenditures</i>	<i>72,220</i>	<i>41,053</i>	<i>31,167</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(20,928)</i>	<i>10,239</i>	<i>31,167</i>
<i>Fund Balance Beginning of Year</i>	<i>32,100</i>	<i>32,100</i>	<i>0</i>
Prior Year Encumbrances Appropriated	1,654	1,654	0
<i>Fund Balance End of Year</i>	<i>\$12,826</i>	<i>\$43,993</i>	<i>\$31,167</i>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Venture Capital Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$50,000	\$50,000	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	4,411	4,411	0
Fringe Benefits	664	664	0
Total Instruction	5,075	5,075	0
Support Services:			
Pupils:			
Salaries and Wages	21,043	9,247	11,796
Fringe Benefits	2,125	1,386	739
Purchased Services	58,145	54,891	3,254
Materials and Supplies	21,350	19,908	1,442
Capital Outlay - New	252	252	0
Total Support Services	102,915	85,684	17,231
<i>Total Expenditures</i>	107,990	90,759	17,231
<i>Excess of Revenues Under Expenditures</i>	(57,990)	(40,759)	17,231
<i>Fund Balance Beginning of Year</i>	38,624	38,624	0
Prior Year Encumbrances Appropriated	19,474	19,474	0
<i>Fund Balance End of Year</i>	\$108	\$17,339	\$17,231

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Other Grants Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Donations	\$44,166	\$44,058	(\$108)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	1,000	831	169
Fringe Benefits	167	142	25
Materials and Supplies	1,445	1,445	0
Capital Outlay - New	4,786	4,786	0
Total Regular	7,398	7,204	194
Special:			
Materials and Supplies	774	774	0
Total Instruction	8,172	7,978	194
Support Services:			
Pupils:			
Salaries and Wages	304	0	304
Fringe Benefits	80	0	80
Purchased Services	4,993	1,463	3,530
Materials and Supplies	2,582	936	1,646
Total Pupils	7,959	2,399	5,560
Instructional Staff:			
Purchased Services	106	106	0
Materials and Supplies	2,929	2,929	0
Total Instructional Staff	3,035	3,035	0
Central:			
Purchased Services	2,030	1,231	799
Other	1,850	245	1,605
Total Central	3,880	1,476	2,404
Total Support Services	14,874	6,910	7,964
<i>Total Expenditures</i>	23,046	14,888	8,158
<i>Excess of Revenues Over Expenditures</i>	21,120	29,170	8,050
<b>Other Financing Sources</b>			
Operating Transfers In	0	614	614
<i>Excess of Revenues and Other Financing Sources Over Expenditures</i>	21,120	29,784	8,664
<i>Fund Balance Beginning of Year</i>	8,408	8,408	0
Prior Year Encumbrances Appropriated	699	699	0
<i>Fund Balance End of Year</i>	\$30,227	\$38,891	\$8,664

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Managed Information Systems Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$36,911	\$36,911	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Central:			
Salaries and Wages	24,982	1,434	23,548
Fringe Benefits	4,149	380	3,769
Purchased Services	500	0	500
Capital Outlay - New	7,280	1,140	6,140
Capital Outlay - Replacement	4,445	4,445	0
<i>Total Expenditures</i>	41,356	7,399	33,957
<i>Excess of Revenues Over (Under) Expenditures</i>	(4,445)	29,512	33,957
<i>Fund Balance Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	4,445	4,445	0
<i>Fund Balance End of Year</i>	\$0	\$33,957	\$33,957

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 School Account Network Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff:			
Materials and Supplies	602	602	0
<i>Excess of Revenues Under Expenditures</i>	(602)	(602)	0
<i>Fund Balance Beginning of Year</i>	53	53	0
Prior Year Encumbrances Appropriated	549	549	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Disadvantaged Pupil Program Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Extracurricular Activities:			
School and Public Service			
Co-Curricular Activities:			
Materials and Supplies	390	390	0
<i>Excess of Revenues Under Expenditures</i>	(390)	(390)	0
<i>Fund Balance Beginning of Year</i>	390	390	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Economic Education Grant Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$12,000	\$12,000	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Pupils:			
Fringe Benefits	4	4	0
Purchased Services	3,471	3,471	0
Materials and Supplies	9,602	9,602	0
Total Pupils	13,077	13,077	0
Instructional Staff:			
Purchased Services	610	610	0
<i>Total Expenditures</i>	13,687	13,687	0
<i>Excess of Revenues Under Expenditures</i>	(1,687)	(1,687)	0
<b>Other Financing Sources (Uses)</b>			
Advances In	0	1,800	1,800
Advances Out	0	(1,800)	(1,800)
<i>Total Other Financing Sources (Uses)</i>	0	0	0
<i>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</i>	(1,687)	(1,687)	0
<i>Fund Balance Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	1,687	1,687	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0



**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Emergency Immigrant Education Assistance Grant Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$10,184	\$10,184	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	10,184	10,184	0
Support Services:			
Pupils:			
Salaries and Wages	7,200	7,200	0
Fringe Benefits	1,217	1,217	0
Total Support Services	8,417	8,417	0
<i>Total Expenditures</i>	18,601	18,601	0
<i>Excess of Revenues Under Expenditures</i>	(8,417)	(8,417)	0
<i>Fund Balance Beginning of Year</i>	8,417	8,417	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*All Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$6,650,492	\$6,634,365	(\$16,127)
Interest	62,951	81,947	18,996
Charges for Services	171	171	0
Tuition and Fees	55	65	10
Extracurricular Activities	1,278,959	1,246,966	(31,993)
Donations	53,678	55,269	1,591
Miscellaneous	10,450	13,226	2,776
<b>Total Revenues</b>	<b>8,056,756</b>	<b>8,032,009</b>	<b>(24,747)</b>
<b>Expenditures</b>			
<b>Current:</b>			
<b>Instruction:</b>			
<b>Regular:</b>			
Salaries and Wages	156,008	90,867	65,141
Fringe Benefits	53,472	23,175	30,297
Purchased Services	30,638	21,753	8,885
Materials and Supplies	346,126	279,833	66,293
Capital Outlay - New	17,939	9,407	8,532
<b>Total Regular</b>	<b>604,183</b>	<b>425,035</b>	<b>179,148</b>
<b>Special:</b>			
Salaries and Wages	666,275	622,680	43,595
Fringe Benefits	177,149	157,516	19,633
Purchased Services	35,871	35,662	209
Materials and Supplies	110,052	104,292	5,760
Capital Outlay - New	65,785	64,432	1,353
Other	9,228	9,228	0
<b>Total Special</b>	<b>1,064,360</b>	<b>993,810</b>	<b>70,550</b>
<b>Vocational:</b>			
Salaries and Wages	57,085	57,085	0
Fringe Benefits	12,802	12,802	0
<b>Total Vocational</b>	<b>69,887</b>	<b>69,887</b>	<b>0</b>
<b>Adult/Continuing:</b>			
Salaries and Wages	90,730	89,455	1,275
Fringe Benefits	14,857	14,358	499
Purchased Services	34,600	0	34,600
Materials and Supplies	37,422	35,247	2,175
Capital Outlay - New	13,000	1,706	11,294
Other	25,303	4,560	20,743
<b>Total Adult/Continuing</b>	<b>215,912</b>	<b>145,326</b>	<b>70,586</b>
<b>Total Instruction</b>	<b>\$1,954,342</b>	<b>\$1,634,058</b>	<b>\$320,284</b> (continued)

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*All Special Revenue Funds (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Support Services:</b>			
<b>Pupils:</b>			
Salaries and Wages	\$462,429	\$311,745	\$150,684
Fringe Benefits	71,802	41,932	29,870
Purchased Services	174,251	155,245	19,006
Materials and Supplies	71,808	66,312	5,496
Capital Outlay - New	828	412	416
<b>Total Pupils</b>	<b>781,118</b>	<b>575,646</b>	<b>205,472</b>
<b>Instructional Staff:</b>			
Salaries and Wages	362,790	310,898	51,892
Fringe Benefits	155,341	115,275	40,066
Purchased Services	104,949	84,500	20,449
Materials and Supplies	48,457	31,496	16,961
Capital Outlay - New	33,661	33,661	0
Other	103	103	0
<b>Total Instructional Staff</b>	<b>705,301</b>	<b>575,933</b>	<b>129,368</b>
<b>Administration:</b>			
Salaries and Wages	62,701	56,387	6,314
Fringe Benefits	27,083	21,208	5,875
Purchased Services	15,652	9,937	5,715
Materials and Supplies	21,818	20,950	868
Capital Outlay - New	804	743	61
<b>Total Administration</b>	<b>128,058</b>	<b>109,225</b>	<b>18,833</b>
<b>Operation and Maintenance of Plant:</b>			
Purchased Services	500	75	425
<b>Pupil Transportation:</b>			
Other	4,561	4,561	0
<b>Central:</b>			
Salaries and Wages	51,351	27,803	23,548
Fringe Benefits	10,201	6,432	3,769
Purchased Services	4,913	3,614	1,299
Materials and Supplies	2,495	2,495	0
Capital Outlay - New	7,280	1,140	6,140
Capital Outlay - Replacement	4,445	4,445	0
Other	1,850	245	1,605
<b>Total Central</b>	<b>82,535</b>	<b>46,174</b>	<b>36,361</b>
<b>Total Support Services</b>	<b>\$1,702,073</b>	<b>\$1,311,614</b>	<b>\$390,459</b> (continued)

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*All Special Revenue Funds (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Operation of Non-Instructional Services:</b>			
<b>Community Service:</b>			
Salaries and Wages	\$1,523,804	\$1,406,907	\$116,897
Fringe Benefits	416,189	400,448	15,741
Purchased Services	1,332,369	1,162,454	169,915
Materials and Supplies	1,334,481	1,304,450	30,031
Capital Outlay - New	41,551	34,024	7,527
<b>Total Operation of Non-Instructional Services</b>	<b>4,648,394</b>	<b>4,308,283</b>	<b>340,111</b>
<b>Extracurricular Activities:</b>			
<b>Academic and Subject Oriented Activities:</b>			
Salaries and Wages	8,476	8,476	0
Fringe Benefits	1,849	1,849	0
Purchased Services	283,421	263,968	19,453
Materials and Supplies	946,740	822,948	123,792
Capital Outlay - New	6,000	3,488	2,512
Other	252,955	216,548	36,407
<b>Total Extracurricular Activities</b>	<b>1,499,441</b>	<b>1,317,277</b>	<b>182,164</b>
<b>Capital Outlay:</b>			
<b>Building Acquisition and Construction Services:</b>			
Purchased Services	5,500	4,379	1,121
<b>Total Expenditures</b>	<b>9,809,750</b>	<b>8,575,611</b>	<b>1,234,139</b>
<b>Excess of Revenues Under Expenditures</b>	<b>(1,752,994)</b>	<b>(543,602)</b>	<b>1,209,392</b>
<b>Other Financing Sources (Uses)</b>			
Advances In	143,466	171,602	28,136
Advances Out	0	(28,136)	(28,136)
Operating Transfers In	97,109	58,568	(38,541)
Operating Transfers Out	(49,109)	0	49,109
<b>Total Other Financing Sources (Uses)</b>	<b>191,466</b>	<b>202,034</b>	<b>10,568</b>
<b>Excess of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses</b>	<b>(1,561,528)</b>	<b>(341,568)</b>	<b>1,219,960</b>
<b>Fund Balances Beginning of Year</b>	<b>1,385,605</b>	<b>1,385,605</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>564,087</b>	<b>564,087</b>	<b>0</b>
<b>Fund Balances End of Year</b>	<b>\$388,164</b>	<b>\$1,608,124</b>	<b>\$1,219,960</b>

## Debt Service Fund

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The debt service fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Since there is only one debt service fund and the level of budgetary control is not greater than that presented in the combined financial statements, no additional financial statements are presented here.

## Capital Projects Funds

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Capital projects funds account for the acquisition, construction or improvement of capital facilities other than those financed by proprietary and trust funds.

**Permanent Improvements Fund** This fund accounts for financial resources used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds.

**Turf Replacement Fund** This fund accounts for monies used for rebuilding, restoring and improving Byers Field.

**Vocational Education Equipment Fund** This fund accounts for grant money used to purchase vocational education equipment.

**School Net Fund** This fund accounts for grant money used to purchase computer hardware and software.

**Power Up Grant Fund** This fund accounts for grant monies expended to make wiring in the classrooms technology ready.

**Security Equipment Fund** This fund accounts for State grant monies used to purchase security equipment for various school buildings.

**Parma City School District**  
*Combining Balance Sheet*  
*All Capital Projects Funds*  
*June 30, 1999*

	Permanent Improvements	Turf Replacement	Vocational Education Equipment	School Net
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$610,748	\$51,396	\$27,613	\$430,692
Accounts Receivable	8,328	0	0	0
<i>Total Assets</i>	<u>\$619,076</u>	<u>\$51,396</u>	<u>\$27,613</u>	<u>\$430,692</u>
<b>Liabilities</b>				
Accounts Payable	\$25,425	\$0	\$0	\$227,112
Interfund Payable	0	0	0	0
Due to Other Funds	55,741	0	0	0
<i>Total Liabilities</i>	<u>81,166</u>	<u>0</u>	<u>0</u>	<u>227,112</u>
<b>Fund Equity</b>				
Fund Balance:				
Reserved for Encumbrances	15,008	0	0	78,289
Unreserved, Undesignated (Deficit)	522,902	51,396	27,613	125,291
<i>Total Fund Equity</i>	<u>537,910</u>	<u>51,396</u>	<u>27,613</u>	<u>203,580</u>
<i>Total Liabilities and Fund Equity</i>	<u>\$619,076</u>	<u>\$51,396</u>	<u>\$27,613</u>	<u>\$430,692</u>

Power Up Grant	Security Equipment	Totals
\$315,566	\$784	\$1,436,799
0	0	8,328
<u>\$315,566</u>	<u>\$784</u>	<u>\$1,445,127</u>
\$202,442	\$0	\$454,979
90,748	0	90,748
0	0	55,741
<u>293,190</u>	<u>0</u>	<u>601,468</u>
111,503	784	205,584
(89,127)	0	638,075
<u>22,376</u>	<u>784</u>	<u>843,659</u>
<u>\$315,566</u>	<u>\$784</u>	<u>\$1,445,127</u>



**Parma City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*All Capital Projects Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Permanent Improvements	Turf Replacement	Vocational Education Equipment
<b>Revenues</b>			
Intergovernmental	\$0	\$0	\$27,613
Donations	30,000	0	0
Miscellaneous	58,731	13,700	0
<i>Total Revenues</i>	<u>88,731</u>	<u>13,700</u>	<u>27,613</u>
<b>Expenditures</b>			
Capital Outlay	494,175	0	0
Debt Service: Interest and Fiscal Charges	15,478	0	0
<i>Total Expenditures</i>	<u>509,653</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(420,922)</u>	<u>13,700</u>	<u>27,613</u>
<b>Other Financing Sources</b>			
Proceeds of Notes	370,000	0	0
Operating Transfers In	0	0	0
Operating Transfers Out	(212,421)	0	0
<i>Total Other Financing Sources</i>	<u>157,579</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues and Other Financing Sources Over (Under) Expenditures</i>	<u>(263,343)</u>	<u>13,700</u>	<u>27,613</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>801,253</u>	<u>37,696</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$537,910</u>	<u>\$51,396</u>	<u>\$27,613</u>

School Net	Power Up Grant	Security Equipment	Totals
\$383,278	\$143,348	\$1,500	\$555,739
0	0	0	30,000
0	0	0	72,431
<u>383,278</u>	<u>143,348</u>	<u>1,500</u>	<u>658,170</u>
508,330	238,442	4,509	1,245,456
0	0	0	15,478
<u>508,330</u>	<u>238,442</u>	<u>4,509</u>	<u>1,260,934</u>
<u>(125,052)</u>	<u>(95,094)</u>	<u>(3,009)</u>	<u>(602,764)</u>
0	0	0	370,000
38,490	117,470	0	155,960
0	0	0	(212,421)
<u>38,490</u>	<u>117,470</u>	<u>0</u>	<u>313,539</u>
(86,562)	22,376	(3,009)	(289,225)
<u>290,142</u>	<u>0</u>	<u>3,793</u>	<u>1,132,884</u>
<u>\$203,580</u>	<u>\$22,376</u>	<u>\$784</u>	<u>\$843,659</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Permanent Improvements Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Donations	\$30,000	\$30,000	\$0
Miscellaneous	50,000	58,083	8,083
<i>Total Revenues</i>	<u>80,000</u>	<u>88,083</u>	<u>8,083</u>
<b>Expenditures</b>			
Capital Outlay:			
Architecture and Engineering Services:			
Purchased Services	65,715	65,705	10
Building Acquisition and Construction Services:			
Purchased Services	26,391	11,391	15,000
Capital Outlay - Replacement	9,945	9,945	0
Total Building Acquisition and Construction Services	<u>36,336</u>	<u>21,336</u>	<u>15,000</u>
Building Improvement Services:			
Purchased Services	32,778	32,778	0
Capital Outlay - New	471,334	471,319	15
Total Building Improvement Services	<u>504,112</u>	<u>504,097</u>	<u>15</u>
Total Capital Outlay	<u>606,163</u>	<u>591,138</u>	<u>15,025</u>
Debt Service:			
Byers Field Improvement Note:			
Principal Retirement	2,190	0	2,190
<i>Total Expenditures</i>	<u>608,353</u>	<u>591,138</u>	<u>17,215</u>
<i>Excess of Revenues Under Expenditures</i>	(528,353)	(503,055)	25,298
<b>Other Financing Sources</b>			
Operating Transfers Out	(212,421)	(212,421)	0
<i>Excess of Revenues and Other Financing Sources Under Expenditures</i>	(740,774)	(715,476)	25,298
<i>Fund Balance Beginning of Year</i>	836,916	836,916	0
Prior Year Encumbrances Appropriated	448,875	448,875	0
<i>Fund Balance End of Year</i>	<u>\$545,017</u>	<u>\$570,315</u>	<u>\$25,298</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Turf Replacement Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Miscellaneous	\$13,371	\$13,700	\$329
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	13,371	13,700	329
<i>Fund Balance Beginning of Year</i>	<u>37,696</u>	<u>37,696</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$51,067</u>	<u>\$51,396</u>	<u>\$329</u>

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Vocational Education Equipment*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$27,613	\$27,613	\$0
<b>Expenditures</b>	0	0	0
<i>Excess of Revenues Over Expenditures</i>	27,613	27,613	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$27,613	\$27,613	\$0

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*School Net Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$344,788	\$383,278	\$38,490
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff:			
Salaries and Wages	11,250	404	10,846
Fringe Benefits	1,700	131	1,569
Purchased Services	21,069	1,696	19,373
Materials and Supplies	72,290	57,785	14,505
Capital Outlay - New	597,338	556,830	40,508
<i>Total Expenditures</i>	703,647	616,846	86,801
<i>Excess of Revenues Under Expenditures</i>	(358,859)	(233,568)	125,291
<b>Other Financing Uses</b>			
Operating Transfers In	38,490	38,490	0
<i>Excess of Revenues Under Expenditures and Other Financing Sources</i>	(320,369)	(195,078)	125,291
<i>Fund Balance Beginning of Year</i>	111,635	111,635	0
Prior Year Encumbrances Appropriated	208,734	208,734	0
<i>Fund Balance End of Year</i>	\$0	\$125,291	\$125,291

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes  
 In Fund Balance - Budget (Non-GAAP Basis) and Actual  
 Power Up Grant Fund  
 For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$141,727	\$143,348	\$1,621
<b>Expenditures</b>			
Current:			
Support Services:			
Central:			
Purchased Services	349,945	349,945	0
<i>Excess of Revenues Under Expenditures</i>	(208,218)	(206,597)	1,621
<b>Other Financing Sources</b>			
Advances In	90,748	90,748	0
Operating Transfers In	117,470	117,470	0
<i>Total Other Financing Sources</i>	208,218	208,218	0
<i>Excess of Revenues and Other Financing Sources Over Expenditures</i>	0	1,621	1,621
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$1,621	\$1,621

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Security Equipment Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$1,500	\$1,500	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Materials and Supplies	1,500	1,500	0
Support Services:			
Operation and Maintenance of Plant:			
Capital Outlay - New	3,508	3,508	0
Extracurricular Activities:			
School and Public Service			
Co-Curricular Activities:			
Materials and Supplies	285	285	0
<i>Total Expenditures</i>	5,293	5,293	0
<i>Excess of Revenues Under Expenditures</i>	(3,793)	(3,793)	0
<i>Fund Balance Beginning of Year</i>	285	285	0
Prior Year Encumbrances Appropriated	3,508	3,508	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0



**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*All Capital Projects Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Intergovernmental	\$515,628	\$555,739	\$40,111
Donations	30,000	30,000	0
Miscellaneous	63,371	71,783	8,412
<i>Total Revenues</i>	<u>608,999</u>	<u>657,522</u>	<u>48,523</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Materials and Supplies	1,500	1,500	0
Support Services:			
Instructional Staff:			
Salaries and Wages	11,250	404	10,846
Fringe Benefits	1,700	131	1,569
Purchased Services	21,069	1,696	19,373
Materials and Supplies	72,290	57,785	14,505
Capital Outlay - New	597,338	556,830	40,508
Total Instructional Staff	<u>703,647</u>	<u>616,846</u>	<u>86,801</u>
Operation and Maintenance of Plant:			
Capital Outlay - New	3,508	3,508	0
Central:			
Purchased Services	349,945	349,945	0
Total Support Services	<u>1,057,100</u>	<u>970,299</u>	<u>86,801</u>
Extracurricular Activities:			
Materials and Supplies	285	285	0
Capital Outlay:			
Architectural and Engineering Services:			
Purchased Services	65,715	65,705	10
Building Acquisition and Construction Services:			
Purchased Services	26,391	11,391	15,000
Capital Outlay - New	0	0	0
Capital Outlay - Replacement	9,945	9,945	0
Total Building Acquisition and Construction Services:	<u>36,336</u>	<u>21,336</u>	<u>15,000</u>
Building Improvement Services:			
Purchased Services	32,778	32,778	0
Capital Outlay - New	471,334	471,319	15
Total Building Improvement Services	<u>504,112</u>	<u>504,097</u>	<u>15</u>
<b>Total Capital Outlay</b>	<u>\$606,163</u>	<u>\$591,138</u>	<u>\$15,025</u>

(continued)

**Parma City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balances - Budget (Non-GAAP Basis) and Actual*  
*All Capital Projects Funds (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Debt Service:			
Principal Retirement	\$2,190	\$0	\$2,190
<i>Total Expenditures</i>	<u>1,667,238</u>	<u>1,563,222</u>	<u>104,016</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,058,239)</u>	<u>(905,700)</u>	<u>152,539</u>
<b>Other Financing Sources</b>			
Advances In	90,748	90,748	0
Operating Transfers In	155,960	155,960	0
Operating Transfers Out	(212,421)	(212,421)	0
<i>Total Other Financing Sources (Uses)</i>	<u>34,287</u>	<u>34,287</u>	<u>0</u>
<i>Excess of Revenues and Other Financing   Sources Under Expenditures</i>	<u>(1,023,952)</u>	<u>(871,413)</u>	<u>152,539</u>
<i>Fund Balances Beginning of Year</i>	986,532	986,532	0
Prior Year Encumbrances Appropriated	<u>661,117</u>	<u>661,117</u>	<u>0</u>
<i>Fund Balances End of Year</i>	<u>\$623,697</u>	<u>\$776,236</u>	<u>\$152,539</u>

## **Enterprise Funds**

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Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**Food Service Fund** This fund accounts for the financial transactions related to the food service operations of the School District.

**Adult Continuing Education Fund** This fund accounts for revenues and expenses involved in upgrading and retraining out-of-school youths and adults for the purpose of improving their skills and knowledge in their occupation or planned occupation as well as providing educational services including preschool.

**Extended Daycare/Preschool Fund** This fund accounts for revenues and expenses involved in providing childcare services to parents enrolled in a vocational program.

**Parma City School District**  
*Combining Balance Sheet*  
*All Enterprise Funds*  
*June 30, 1999*

	Food Service	Adult Continuing Education	Extended Daycare/ Preschool	Totals
<b>Assets</b>				
<b>Current Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$375,637	\$106,862	\$492,244	\$974,743
Accounts Receivable	0	0	21,802	21,802
Intergovernmental Receivable	18,399	0	0	18,399
Inventory Held For Resale	100,543	0	0	100,543
<b>Total Current Assets</b>	<b>494,579</b>	<b>106,862</b>	<b>514,046</b>	<b>1,115,487</b>
Fixed Assets (Net of Accumulated Depreciation)	44,818	50,944	26,720	122,482
<b>Total Assets</b>	<b>\$539,397</b>	<b>\$157,806</b>	<b>\$540,766</b>	<b>\$1,237,969</b>
<b>Liabilities and Fund Equity</b>				
<b>Current Liabilities</b>				
Accounts Payable	\$0	\$414	\$340	\$754
Accrued Wages Payable	78,677	54,277	73,446	206,400
Compensated Absences Payable	3,266	0	0	3,266
Intergovernmental Payable	87,629	26,347	107,828	221,804
Deferred Revenue	14,608	0	0	14,608
<b>Total Current Liabilities</b>	<b>184,180</b>	<b>81,038</b>	<b>181,614</b>	<b>446,832</b>
<b>Long-Term Liabilities</b>				
Compensated Absences Payable	85,279	2,921	862	89,062
<b>Total Liabilities</b>	<b>269,459</b>	<b>83,959</b>	<b>182,476</b>	<b>535,894</b>
<b>Fund Equity</b>				
Retained Earnings	269,938	73,847	358,290	702,075
<b>Total Liabilities and Fund Equity</b>	<b>\$539,397</b>	<b>\$157,806</b>	<b>\$540,766</b>	<b>\$1,237,969</b>

**Parma City School District**  
*Combining Statement of Revenues, Expenses and Changes in Retained Earnings*  
*All Enterprise Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Food Service	Adult Continuing Education	Extended Daycare/ Preschool	Totals
<b>Operating Revenues</b>				
Tuition and Fees	\$0	\$704,289	\$1,182,718	\$1,887,007
Sales	1,899,523	0	0	1,899,523
<i>Total Operating Revenues</i>	<u>1,899,523</u>	<u>704,289</u>	<u>1,182,718</u>	<u>3,786,530</u>
<b>Operating Expenses</b>				
Salaries and Wages	846,622	532,147	792,502	2,171,271
Fringe Benefits	348,362	124,098	169,164	641,624
Purchased Services	91,812	88,662	94,393	274,867
Materials and Supplies	154,839	63,240	122,937	341,016
Cost of Sales	1,237,456	0	0	1,237,456
Other	0	4,495	2,678	7,173
Depreciation	7,925	6,069	3,799	17,793
<i>Total Operating Expenses</i>	<u>2,687,016</u>	<u>818,711</u>	<u>1,185,473</u>	<u>4,691,200</u>
<i>Operating Loss</i>	<u>(787,493)</u>	<u>(114,422)</u>	<u>(2,755)</u>	<u>(904,670)</u>
<b>Non-Operating Revenues</b>				
Donated Commodities	159,965	0	0	159,965
Operating Grants	759,940	32,717	0	792,657
<i>Total Non-Operating Revenues</i>	<u>919,905</u>	<u>32,717</u>	<u>0</u>	<u>952,622</u>
<i>Net Income (Loss)</i>	132,412	(81,705)	(2,755)	47,952
<i>Retained Earnings Beginning of Year</i>	<u>137,526</u>	<u>155,552</u>	<u>361,045</u>	<u>654,123</u>
<i>Retained Earnings End of Year</i>	<u>\$269,938</u>	<u>\$73,847</u>	<u>\$358,290</u>	<u>\$702,075</u>

**Parma City School District**  
*Combining Statement of Cash Flows*  
*All Enterprise Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Food Service	Adult Continuing Education	Extended Daycare/ Preschool	Totals
<b><i>Increase (Decrease) in Cash and Cash Equivalents</i></b>				
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$1,899,523	\$742,667	\$1,160,916	\$3,803,106
Cash Payments to Suppliers for Goods and Services	(1,350,812)	(175,025)	(232,124)	(1,757,961)
Cash Payments to Employees for Services	(785,630)	(541,984)	(733,399)	(2,061,013)
Cash Payments for Employee Benefits	(354,987)	(124,470)	(148,176)	(627,633)
Other Cash Payments	0	(4,495)	(2,678)	(7,173)
<b><i>Net Cash Provided By (Used for) Operating Activities</i></b>	<b>(591,906)</b>	<b>(103,307)</b>	<b>44,539</b>	<b>(650,674)</b>
<b>Cash Flows from Noncapital Financing Activities</b>				
Operating Grants Received	852,157	38,803	0	890,960
<b>Cash Flows from Capital and Related Financing Activities</b>				
Payments for Capital Acquisitions	(1,750)	(15,947)	(13,300)	(30,997)
<b>Net Increase (Decrease) in Cash and Cash Equivalent</b>	<b>258,501</b>	<b>(80,451)</b>	<b>31,239</b>	<b>209,289</b>
<b><i>Cash and Cash Equivalents Beginning of Year</i></b>	<b>117,136</b>	<b>187,313</b>	<b>461,005</b>	<b>765,454</b>
<b><i>Cash and Cash Equivalents End of Year</i></b>	<b>\$375,637</b>	<b>\$106,862</b>	<b>\$492,244</b>	<b>\$974,743</b>
<b>Reconciliation of Operating Loss to Net Cash Provided By (Used for) Operating Activities</b>				
<b><i>Operating Loss</i></b>	<b>(\$787,493)</b>	<b>(\$114,422)</b>	<b>(\$2,755)</b>	<b>(\$904,670)</b>
<b><i>Adjustments:</i></b>				
Depreciation Expense	7,925	6,069	3,799	17,793
Donated Commodities	159,965	0	0	159,965
<b><i>(Increase) Decrease in Assets:</i></b>				
Accounts Receivable	0	38,378	(21,802)	16,576
Inventory Held for Resale	(25,853)	0	0	(25,853)
<b><i>Increase (Decrease) in Liabilities:</i></b>				
Accounts Payable	(817)	(23,123)	(14,794)	(38,734)
Accrued Wages Payable	69,873	13,800	58,241	141,914
Compensated Absences Payable	(8,881)	(22,939)	862	(30,958)
Intergovernmental Payable	(6,625)	(1,070)	20,988	13,293
<b>Total Adjustments</b>	<b>195,587</b>	<b>11,115</b>	<b>47,294</b>	<b>253,996</b>
<b><i>Net Cash Provided By (Used for) Operating Activities</i></b>	<b>(\$591,906)</b>	<b>(\$103,307)</b>	<b>\$44,539</b>	<b>(\$650,674)</b>

**Parma City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Food Service Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Sales	\$1,934,963	\$1,899,523	(\$35,440)
Operating Grants	816,717	852,157	35,440
<i>Total Revenues</i>	<u>2,751,680</u>	<u>2,751,680</u>	<u>0</u>
<b>Expenses</b>			
Food Service Operations:			
Salaries and Wages	785,991	785,630	361
Fringe Benefits	366,303	354,987	11,316
Purchased Services	93,667	91,812	1,855
Materials and Supplies	1,316,259	1,259,000	57,259
Capital Outlay - New	5,556	1,750	3,806
Other	2,025	0	2,025
<i>Total Expenses</i>	<u>2,569,801</u>	<u>2,493,179</u>	<u>76,622</u>
<i>Excess of Revenues Over Expenses</i>	181,879	258,501	76,622
<i>Fund Equity Beginning of Year</i>	88,429	88,429	0
Prior Year Encumbrances Appropriated	28,707	28,707	0
<i>Fund Equity End of Year</i>	<u>\$299,015</u>	<u>\$375,637</u>	<u>\$76,622</u>

**Parma City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Adult Continuing Education Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Tuition and Fees	\$716,544	\$742,667	\$26,123
Operating Grants	37,091	38,803	1,712
<i>Total Revenues</i>	<u>753,635</u>	<u>781,470</u>	<u>27,835</u>
<b>Expenses</b>			
Adult Continuing Education:			
Salaries and Wages	545,760	541,984	3,776
Fringe Benefits	125,703	124,470	1,233
Purchased Services	96,234	91,201	5,033
Materials and Supplies	98,723	87,307	11,416
Capital Outlay - New	22,196	15,947	6,249
Other	5,370	4,495	875
<i>Total Expenses</i>	<u>893,986</u>	<u>865,404</u>	<u>28,582</u>
<i>Excess of Revenues Under Expenses</i>	(140,351)	(83,934)	56,417
<i>Fund Equity Beginning of Year</i>	147,377	147,377	0
Prior Year Encumbrances Appropriated	39,936	39,936	0
<i>Fund Equity End of Year</i>	<u>\$46,962</u>	<u>\$103,379</u>	<u>\$56,417</u>



**Parma City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Extended Daycare/Preschool Fund*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Tuition and Fees	\$1,150,554	\$1,160,916	\$10,362
<b>Expenses</b>			
Extended Daycare/Preschool:			
Salaries and Wages	788,300	733,399	54,901
Fringe Benefits	249,074	148,176	100,898
Purchased Services	156,776	94,394	62,382
Materials and Supplies	259,499	151,304	108,195
Capital Outlay	34,619	14,579	20,040
Other	5,989	3,573	2,416
<i>Total Expenses</i>	1,494,257	1,145,425	348,832
<i>Excess of Revenues Over (Under) Expenses</i>	(343,703)	15,491	359,194
<i>Fund Equity Beginning of Year</i>	421,480	421,480	0
Prior Year Encumbrances Appropriated	39,525	39,525	0
<i>Fund Equity End of Year</i>	\$117,302	\$476,496	\$359,194

**Parma City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*All Enterprise Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Tuition and Fees	\$1,867,098	\$1,903,583	\$36,485
Sales	1,934,963	1,899,523	(35,440)
Operating Grants	853,808	890,960	37,152
<b>Total Revenues</b>	<b>4,655,869</b>	<b>4,694,066</b>	<b>38,197</b>
<b>Expenses</b>			
<b>Salaries and Wages:</b>			
Food Service Operations	785,991	785,630	361
Adult/Continuing Education	545,760	541,984	3,776
Extended Daycare/Preschool	788,300	733,399	54,901
<b>Total Salaries and Wages</b>	<b>2,120,051</b>	<b>2,061,013</b>	<b>59,038</b>
<b>Fringe Benefits:</b>			
Food Service Operations	366,303	354,987	11,316
Adult/Continuing Education	125,703	124,470	1,233
Extended Daycare/Preschool	249,074	148,176	100,898
<b>Total Fringe Benefits</b>	<b>741,080</b>	<b>627,633</b>	<b>113,447</b>
<b>Purchased Services:</b>			
Food Service Operations	93,667	91,812	1,855
Adult/Continuing Education	96,234	91,201	5,033
Extended Daycare/Preschool	156,776	94,394	62,382
<b>Total Purchased Services</b>	<b>346,677</b>	<b>277,407</b>	<b>69,270</b>
<b>Materials and Supplies:</b>			
Food Service Operations	1,316,259	1,259,000	57,259
Adult/Continuing Education	98,723	87,307	11,416
Extended Daycare/Preschool	259,499	151,304	108,195
<b>Total Materials and Supplies</b>	<b>1,674,481</b>	<b>1,497,611</b>	<b>176,870</b>
<b>Capital Outlay - New:</b>			
Food Service Operations	5,556	1,750	3,806
Adult/Continuing Education	22,196	15,947	6,249
Extended Daycare/Preschool	34,619	14,579	20,040
<b>Total Capital Outlay - New</b>	<b>\$62,371</b>	<b>\$32,276</b>	<b>\$30,095</b>

(continued)

**Parma City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*All Enterprise Funds (continued)*  
*For the Fiscal Year Ended June 30, 1999*

	Revised Budget	Actual	Variance Favorable (Unfavorable)
Other:			
Food Service Operations	\$2,025	\$0	\$2,025
Adult/Continuing Education	5,370	4,495	875
Extended Daycare/Preschool	5,989	3,573	2,416
Total Other	13,384	8,068	5,316
<i>Total Expenses</i>	4,958,044	4,504,008	454,036
<i>Excess of Revenues Over Expenses</i>	(302,175)	190,058	492,233
<i>Fund Equity Beginning of Year</i>	657,286	657,286	0
Prior Year Encumbrances Appropriated	108,168	108,168	0
<i>Fund Equity End of Year</i>	\$463,279	\$955,512	\$492,233

## Fiduciary Fund Type

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Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and other funds.

### Agency Funds

**Student Activities Fund** This fund reflects resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

**PELL Program Fund** This fund accounts for the financial activity of Federal pass-through grants for nursing students. The School District acts as fiscal agent for the PELL Program.

**Voluntary Benefits Fund** This fund accounts for monies withheld from part-time employees paychecks for insurance.

**Parma City School District**  
*Combining Statement of Changes in Assets and Liabilities*  
*All Agency Funds*  
*For the Fiscal Year Ended June 30, 1999*

	Balance 6/30/98	Additions	Reductions	Balance 6/30/99
<b>Student Activities</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$251,334	\$736,376	\$688,126	\$299,584
<b>Liabilities</b>				
Due to Students	\$251,334	\$736,376	\$688,126	\$299,584
 <b>PELL Program</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$5,792	\$0	\$5,792	\$0
<b>Liabilities</b>				
Due to Students	\$5,792	\$0	\$5,792	\$0
 <b>Voluntary Benefits</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,558	\$70,963	\$2,061	\$70,460
<b>Liabilities</b>				
Undistributed Monies	\$1,558	\$70,963	\$72,521	\$0
Interfund Payable	0	70,460	0	70,460
<b>Total Liabilities</b>	<b>\$1,558</b>	<b>\$141,423</b>	<b>\$72,521</b>	<b>\$70,460</b>
 <b>All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$258,684	\$807,339	\$695,979	\$370,044
<b>Liabilities</b>				
Undistributed Monies	\$1,558	\$70,963	\$72,521	\$0
Interfund Payable	0	70,460	0	70,460
Due to Students	257,126	736,376	693,918	299,584
<b>Total Liabilities</b>	<b>\$258,684</b>	<b>\$877,799</b>	<b>\$766,439</b>	<b>\$370,044</b>

## **General Fixed Assets Account Group**

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The general fixed assets account group is used to account for all land and land improvements, buildings, furniture and equipment, and vehicles not used in the operations of the proprietary funds.

**Parma City School District**  
*Schedule of General Fixed Assets*  
*By Function and Type*  
*June 30, 1999*

Function	Total	Land and Land Improvements	Buildings	Furniture and Equipment	Vehicles
Instruction	\$78,303,510	\$2,642,537	\$50,163,079	\$25,497,894	\$0
Support Services:					
Administration	1,193,752	12,611	106,255	1,074,886	0
Operation and Maintenance of Plant	3,455,222	0	971,289	417,481	2,066,452
Pupil Transportation	4,465,772	10,486	0	148,232	4,307,054
Extracurricular Activities	1,527,093	1,343,366	97,559	86,168	0
<i>Total General Fixed Assets</i>	<u>\$88,945,349</u>	<u>\$4,009,000</u>	<u>\$51,338,182</u>	<u>\$27,224,661</u>	<u>\$6,373,506</u>

**Parma City School District**  
*Schedule of Changes in General Fixed Assets*  
*By Function*  
*For the Fiscal Year Ended June 30, 1999*

Function	General Fixed Assets June 30, 1998	Increases	Decreases	General Fixed Assets June 30, 1999
Instruction	\$77,864,775	\$575,897	\$137,162	\$78,303,510
Support Services:				
Administration	1,193,752	0	0	1,193,752
Operation and Maintenance of Plant	2,496,901	958,321	0	3,455,222
Pupil Transportation	4,466,720	0	948	4,465,772
Extracurricular Activities	1,432,142	94,951	0	1,527,093
<i>Total General Fixed Assets</i>	<u>\$87,454,290</u>	<u>\$1,629,169</u>	<u>\$138,110</u>	<u>\$88,945,349</u>



**Parma City School District**  
*Schedule of General Fixed Assets*  
*By Source*  
*June 30, 1999*

**General Fixed Assets**

Land and Land Improvements	\$4,009,000
Buildings	51,338,182
Furniture and Equipment	27,224,661
Vehicles	<u>6,373,506</u>

*Total General Fixed Assets* \$88,945,349

**Investments in General Fixed Assets**

Acquisitions since July 1, 1997:

General Fund and General Fund Transfers	\$2,775,380
Capital Projects Funds	1,563,124

Acquisitions prior to June 30, 1996 84,606,845

*Total Investment in General Fixed Assets* \$88,945,349

# **Statistical Section**

Parma City School District  
General Governmental  
Expenditures by Function (1)  
Last Ten Fiscal Years (2)

	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Current:										
Instruction:										
Regular	\$44,493,411	\$43,504,689	\$41,889,510	\$39,531,630	\$35,761,981	\$35,829,261	\$33,230,316	\$31,555,469	\$29,866,635	\$27,839,240
Special	8,527,584	8,305,462	7,599,446	6,795,596	6,765,411	6,881,955	6,363,054	5,985,065	5,646,804	4,904,149
Vocational	1,589,698	1,432,552	2,869,507	2,790,477	2,993,552	3,000,646	2,984,943	3,044,250	2,875,864	2,747,926
Adult/Continuing	247,818	216,042	92,813	59,859	76,874	75,062	79,310	109,380	57,636	668,621
Support Services:										
Pupils	5,328,169	4,991,585	4,028,395	3,836,412	3,622,234	3,521,235	3,250,990	3,163,821	3,119,788	2,832,952
Instructional Staff	4,477,718	4,916,855	6,051,766	5,804,758	5,153,497	5,678,561	5,811,298	5,635,987	4,901,962	4,409,164
Board of Education	61,895	50,707	42,645	35,102	28,267	16,839	13,811	14,400	13,250	12,681
Administration	7,125,281	7,751,325	6,370,159	6,909,985	5,663,714	7,451,106	5,663,830	5,655,538	4,457,061	5,185,981
Fiscal	1,522,202	1,547,714	1,269,908	1,228,812	1,138,983	1,178,899	1,012,142	1,087,692	1,025,369	888,404
Business	760,549	796,169	730,366	662,027	556,751	545,632	534,106	519,701	477,168	418,130
Operation and Maintenance of Plant	9,632,433	9,879,885	9,341,167	9,784,581	8,776,964	11,892,095	9,873,577	10,923,832	8,251,601	7,634,922
Pupil Transportation	3,848,234	4,105,287	4,314,313	4,176,923	3,170,391	3,482,098	3,610,817	3,767,090	3,594,945	2,765,911
Central	1,033,112	1,094,231	669,706	737,068	650,053	662,428	651,039	768,661	814,371	571,534
Operation of Non-Instructional Services	3,537,697	3,098,375	3,356,742	311,580	185,888	1,703	0	2,505,818	2,570,078	2,388,017
Extracurricular Activities	2,200,277	1,956,788	1,134,324	1,141,567	1,066,396	943,998	954,201	1,511,916	1,229,318	1,175,837
Capital Outlay	1,299,669	981,663	2,535,087	164,803	235,241	355,966	534,248	317,384	1,493,176	832,893
Debt Service	5,363,759	5,808,349	823,052	6,387,025	10,457,905	5,299,148	2,715,051	6,636,553	3,451,593	3,910,954
<b>Total</b>	<b>\$101,049,506</b>	<b>\$100,437,678</b>	<b>\$93,118,906</b>	<b>\$90,358,205</b>	<b>\$86,304,102</b>	<b>\$86,816,632</b>	<b>\$77,282,753</b>	<b>\$83,202,557</b>	<b>\$73,846,619</b>	<b>\$69,187,316</b>

Source: School District Financial Records

- (1) Includes general, special revenue, debt service and capital projects funds
- (2) 1997 - 1999 reported on a GAAP basis; all other on cash basis

Parma City School District  
 General Governmental  
 Revenues by Source (1)  
 Last Ten Fiscal Years (2)

	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990
Taxes	\$64,801,975	\$64,247,335	\$60,468,806	\$59,185,386	\$55,089,148	\$50,114,932	\$50,731,999	\$48,839,384	\$44,080,175	\$40,005,505
Intergovernmental	29,336,982	28,282,193	25,771,582	22,659,448	21,264,995	20,130,816	21,672,022	21,779,660	21,732,705	21,241,911
Interest	911,990	844,850	619,757	598,791	421,276	310,553	329,825	555,951	838,020	1,133,631
Charges for Services	227,830	198,905	0	0	0	0	0	0	0	0
Tuition and Fees	1,264,113	775,293	1,589,170	1,351,686	1,105,915	2,065,409	2,088,849	1,007,012	1,456,885	1,752,976
Extracurricular Activities	1,395,082	1,363,567	1,297,212	445,945	956,860	449,098	303,304	890,221	774,512	790,069
Rentals	84,629	186,465	225,652	0	0	0	0	0	0	0
Donations	85,301	165,202	164,724	0	0	0	0	0	0	0
Miscellaneous	460,166	1,367,885	157,211	2,171,542	1,206,486	1,139,629	992,763	973,958	969,869	964,705
<b>Total</b>	<b>\$98,568,058</b>	<b>\$97,351,293</b>	<b>\$90,294,114</b>	<b>\$86,412,798</b>	<b>\$80,044,680</b>	<b>\$74,210,437</b>	<b>\$76,118,562</b>	<b>\$74,036,086</b>	<b>\$69,852,166</b>	<b>\$65,889,797</b>

Source: School District Financial Records

- (1) Includes general, special revenue, debt service and capital projects funds  
 (2) 1997 - 1999 reported on a GAAP basis; all other on cash basis

**Parma City School District**  
**Property Tax Levies and Collections**  
**Real and Public Utility Taxes (1)**  
**Last Ten Calendar Years**

Collection Year	Current Levy	Delinquent Levy (2)	Total Levy	Current Collection	Percent of Current Levy Collected	Delinquent Collection	Total Collection	Total Collection As a Percent of Current Levy
1998	\$65,486,432	\$1,800,863	\$67,287,295	\$64,014,755	97.8%	\$520,400	\$64,535,155	98.5%
1997	62,814,822	2,743,578	65,558,400	61,276,304	97.6	449,874	61,726,178	98.3
1996	62,114,518	2,695,718	64,810,236	61,136,494	98.4	624,822	61,761,316	99.4
1995	61,983,601	2,290,421	64,274,022	60,919,043	98.3	432,011	61,351,054	99.0
1994	50,847,617	2,194,639	53,042,256	49,837,373	98.0	655,263	50,492,636	99.3
1993	50,953,611	2,062,454	53,016,065	49,944,343	98.0	491,597	50,435,940	99.0
1992	50,260,556	1,576,319	51,836,875	49,254,411	98.0	476,199	49,730,610	98.9
1991	47,648,808	1,072,731	48,721,539	46,950,685	98.5	423,282	47,373,967	99.4
1990	38,734,216	996,039	39,730,255	38,041,009	98.2	556,613	38,597,622	99.6
1989	37,989,095	765,272	38,754,367	37,496,330	98.7	337,908	37,834,238	99.6

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.

(2) This amount cannot be calculated based on other information in this statistical table because of retroactive additions and reductions which are brought on in one lump sum.

**Parma City School District**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Calendar Years*

Collection Year	Agricultural and Residential Real Estate	Other Real Estate	Public Utility Personal	Tangible Personal	Total Assessed Value	Estimated Actual Value (1)	Ratio
1999	\$1,492,634,760	\$343,431,990	\$71,855,030	\$120,840,696	\$2,028,762,476	\$5,810,921,220	34.9
1998	1,486,223,910	353,088,600	73,452,990	120,861,764	2,033,627,264	5,810,363,611	35.0
1997	1,367,851,700	329,054,660	75,265,490	113,614,115	1,885,785,965	5,388,289,311	35.0
1996	1,362,121,220	319,723,780	77,879,960	111,345,314	1,871,070,274	5,339,152,640	35.0
1995	1,359,834,070	334,374,050	83,560,620	111,012,183	1,888,780,923	5,345,507,702	35.3
1994	1,167,991,340	289,088,250	78,473,210	109,869,397	1,645,422,197	4,691,736,233	35.1
1993	1,160,882,600	290,057,740	78,557,450	112,763,487	1,642,261,277	4,685,867,607	35.0
1992	1,156,462,350	292,798,110	79,114,090	109,435,270	1,637,809,820	4,651,551,431	35.2
1991	965,053,190	240,586,780	75,553,710	127,200,499	1,408,394,179	4,001,655,077	35.2
1990	958,958,500	233,188,500	71,276,560	151,631,859	1,415,055,419	4,018,953,200	35.2

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis because this is the manner in which the information is maintained by the County Auditor.

(1) This amount is calculated based on the following percentages:

Real estate is assessed at 35 percent of actual value.

Public utility personal is assessed at 88 percent of actual value, in 1990 it was assessed at 100 percent of actual value.

Tangible personal property is assessed at 25 percent of actual value for 1995 through 1999.

**Parma City School District**  
*Property Tax Rates - Direct and Overlapping Governments*  
*(per \$1,000 Assessed Valuation)*  
*Last Ten Calendar Years*

Collection Year	School Levy	County Levy	City Levy	Total Levy	Debt Service Included in Total Levy			
					School	County	City	
1999	\$53.40	\$16.70	\$7.10	\$77.20	\$0.70	\$0.72	\$0.20	\$1.62
1998	53.60	16.60	7.10	77.30	0.70	0.72	0.20	1.62
1997	54.20	18.00	7.10	79.30	0.70	0.90	0.20	1.80
1996	54.00	18.00	7.10	79.10	0.60	0.87	0.20	1.67
1995	54.10	18.20	7.10	79.40	0.78	0.76	0.20	1.74
1994	51.70	17.80	4.10	73.60	0.99	0.68	0.44	2.11
1993	51.80	17.80	4.10	73.70	0.87	0.71	0.44	2.02
1992	51.70	17.80	4.10	73.60	0.87	0.80	0.44	2.11
1991	53.50	17.80	4.20	75.50	0.88	0.87	0.30	2.05
1990	47.00	16.30	4.20	67.50	0.88	0.80	0.30	1.98

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

**Parma City School District**  
*Ratio of Net General Obligation Bonded Debt to  
 Assessed Value and Net General Obligation Bonded Debt Per Capita  
 Last Ten Years*

Year	Net General Obligation Bonded Debt	Assessed Value	Population	Ratio of Net Debt to Assessed Value	Net Debt Per Capita
1999	\$0	\$2,028,762,476	124,340	0.00 %	\$0
1998	0	2,033,627,264	124,340	0.00	0
1997	660,596	1,885,785,965	121,240	0.04	5
1996	1,597,328	1,871,070,274	118,127	0.09	14
1995	1,352,037	1,888,780,923	118,919	0.07	11
1994	1,586,461	1,645,422,197	119,918	0.10	13
1993	2,843,314	1,642,261,277	119,581	0.17	24
1992	1,471,375	1,637,809,820	120,224	0.09	12
1991	1,437,989	1,408,394,179	120,846	0.10	12
1990	1,530,349	1,415,055,419	121,663	0.11	13

Source: Cuyahoga County Auditor, School District Financial Records and the Cleveland Plain Dealer.  
 N/A - Not Available



**Parma City School District**  
*Computation of Legal Debt Margin*  
*June 30, 1999*

Assessed Valuation (1999)	\$2,028,762,476
Overall Debt Limit - 9% of Assessed Value (1)	<u>\$182,588,623</u>
Outstanding Debt:	
Tax Anticipation Note	6,800,000
Bond Anticipation Notes	2,350,000
Byers Field Note	370,000
General Obligation Bonds	225,000
School Building Energy Conservation Bond	1,045,000
Less: Amount Available in Debt Service Fund	<u>(1,932,492)</u>
Total Outstanding Debt	8,857,508
Less Exemptions:	
Tax Anticipation Note	<u>6,800,000</u>
Amount of Debt Applicable to Debt Limit	<u>2,057,508</u>
<i>Overall Debt Margin</i>	<u><u>\$180,531,115</u></u>
Unvoted Debt Limit - .10% of Assessed Value (1)	\$2,028,762
Amount of Debt Applicable	<u>0</u>
<i>Unvoted Debt Margin</i>	<u><u>\$2,028,762</u></u>
Additional Limit for Unvoted Energy Conservation Bonds:	
Debt Limit - 1% of Assessed Valuation	\$20,287,625
Energy Conservation Bonds	<u>(3,395,000)</u>
<i>Additonal Unvoted Debt Margin</i>	<u><u>\$16,892,625</u></u>

Source: Cuyahoga County Auditor and School District Financial Records

(1) Ohio Bond Law sets an overall limit of 9% for all debt and 1/10 of 1% for unvoted debt.

**Parma City School District**  
*Computation of Direct and Overlapping General Obligation Bonded Debt*  
*December 31, 1998*

Jurisdiction	General Obligation Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
Parma City School District	\$1,270,000	100.00 %	\$1,270,000
City of Parma	21,763,998	100.00	21,763,998
City of Parma Heights	2,071,289	100.00	2,071,289
City of Seven Hills	4,172,750	100.00	4,172,750
Cuyahoga County	554,064,636	8.15	45,156,268
R.T.A.	102,945,000	8.15	8,390,018
Total			<u>\$82,824,322</u>

Source: Cuyahoga County Auditor and City of Parma Finance Department, City of Parma Heights Finance Department and City of Seven Hills Finance Department - Data is presented on a calendar year basis (including School District) because that is the manner in which the information is maintained by both the County Auditor and the City Finance Department.

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 1998 collection year.

**Parma City School District**  
*Ratio of Annual Debt Service Expenditures For*  
*General Obligation Bonded Debt to Total General Governmental Expenditures*  
*Last Ten Fiscal Years*

Year	Principal	Interest	Total Debt Service	Total Governmental Fund Expenditures	Ratio of Debt Service to Governmental Fund Expenditures (Percentages)
1999	\$450,000	\$102,406	\$552,406	\$101,049,506	0.55 %
1998	440,000	114,401	554,401	100,437,678	0.55
1997	430,000	138,740	568,740	93,118,906	0.61
1996	420,000	162,336	582,336	90,358,205	0.64
1995	410,000	184,682	594,682	86,304,102	0.69
1994	405,000	205,628	610,628	86,816,632	0.70
1993	225,000	242,659	467,659	77,282,753	0.61
1992	225,000	114,750	339,750	83,202,557	0.41
1991	225,000	128,250	353,250	73,846,619	0.48
1990	225,000	141,750	366,750	69,187,316	0.53

Source: School District Financial Records

**Parma City School District**  
*Demographic Statistics*  
*Last Ten Years*

Year	Cuyahoga County Population	Parma City Population	Parma Heights City Population	Seven Hills City Population	School Enrollment	Unemployment Rate (1)
1999	N/A	N/A	N/A	N/A	13,203	4.9 %
1998	1,398,169	89,000	23,000	12,340	12,737	3.9
1997	1,398,169	87,900	21,000	12,340	12,631	4.6
1996	1,398,169	85,006	20,865	12,256	12,531	4.7
1995	1,412,140	85,721	20,897	12,301	12,658	4.9
1994	1,412,140	86,471	21,107	12,340	12,760	5.3
1993	1,412,140	86,239	21,090	12,252	12,680	7.6
1992	1,412,140	86,735	21,230	12,259	12,986	6.3
1991	1,404,286	87,233	21,348	12,265	12,314	5.2
1990	1,404,286	87,876	21,448	12,339	12,342	5.8

Source: Information in this table was provided by the Citizens League Research Institute and the Ohio Employment Services Bureau, Labor Market Analyst.

(1) Represents Cuyahoga County  
 N/A - Not Available

**Parma City School District**  
*Property Value, Industrial Employment and Financial Institution Deposits*  
*Last Ten Years*

Year	Estimated Actual Property Value (Real Estate Only)	Industrial Employment (1)	Financial Institution Deposits (000's) Banks (2)
1998	\$5,255,178,600	637,400	\$56,770,353
1997	4,848,303,886	643,800	53,941,971 (3)
1996	4,805,271,429	644,200	27,068,211
1995	4,840,594,629	636,300	22,458,573
1994	4,163,084,543	625,700	20,885,453
1993	4,145,543,829	628,100	21,009,421
1992	4,140,744,171	636,000	19,379,203
1991	3,444,685,629	647,400	18,392,243
1990	3,406,134,286	696,000	18,403,806
1989	3,389,030,086	678,800	17,118,217

Source: Ohio Bureau of Employment Services  
 Federal Reserve Bank of Cleveland

- (1) Represents Cuyahoga County
- (2) Represents deposits made to all banks headquartered in Cuyahoga County
- (3) Large increase in deposits due to Key Bank becoming a single charter.

**Parma City School District**  
*Principal Taxpayers*  
*Real Estate and Public Utility Personal Tax*  
*June 30, 1999*

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
Albert B. Ratner Trust	\$28,499,180	1.49 %
Cleveland Electric Illuminating Company	28,026,770	1.47
Ohio Bell Telephone Company	23,173,290	1.21
General Motors	15,306,590	0.80
Columbia Gas of Ohio Incorporated	14,277,730	0.75
Paris Julius Company	8,008,000	0.42
Ohio Bell Telephone Company	6,727,680	0.35
Genesis Holding Corporation	5,442,500	0.29
VCAR Carbon Company	4,370,210	0.23
May Stores Seventy Four Corporation	3,927,000	0.21
<i>Total</i>	<u>\$137,758,950</u>	<u>7.22 %</u>
<i>Total Real and Public Utility Personal Assessed Value</i>	<u>\$1,907,921,780</u>	

Source: Cuyahoga County Auditor

(1) Assessed values are for 1999.

**Parma City School District**  
*Principal Taxpayers*  
**Tangible Personal Property Tax**  
*June 30, 1999*

Name of Taxpayer	Assessed Value (1)	Percent of Tangible Assessed Value
General Motors Corporation	\$33,755,370	27.93 %
MTD Products Incorporated	10,436,830	8.64
K Mart Corporation	2,310,720	1.91
First National Supermarkets	2,262,590	1.87
Triad Metal Products Company	2,037,950	1.69
May Department Stores Company	2,010,000	1.66
Southwest Ford Sales Company	1,751,770	1.45
JC Penney Company	1,549,550	1.28
Spitzer Buick Incorporated	1,489,260	1.23
Bob Gillingham Ford Incorporated	1,474,140	1.22
Riser Foods Company	1,438,590	1.20
<i>Total</i>	<u>\$60,516,770</u>	<u>50.08 %</u>
<i>Tangible Assessed Value</i>	<u>\$120,840,696</u>	

Source: Cuyahoga County Auditor

(1) Assessed values are for 1999.

**Parma City School District**  
*Enrollment Statistics*  
*Last Ten Fiscal Years*

<u>Year</u>	<u>General Fund Expenditures (1)</u>	<u>Average Daily Membership</u>	<u>Per Pupil Cost</u>
1999	\$87,057,680	13,203	\$6,594
1998	86,587,392	12,737	6,798
1997	83,270,435	12,631	6,593
1996	81,329,638	12,531	6,490
1995	76,102,848	12,658	6,012
1994	77,849,771	12,760	6,101
1993	71,539,424	12,680	5,642
1992	68,688,215	12,986	5,289
1991	62,833,721	12,314	5,103
1990	58,197,684	12,342	4,715

Source: School District Financial Records

(1) 1997 - 1999 reported on a GAAP basis;  
all other on cash basis



**Parma City School District**  
*Teacher Education and Experience*  
 June 30, 1999

Degree	Number of Teachers	Percentage of Total
Bachelor's Degree	120	12.26 %
Bachelor's + 12 hours	79	8.07
Bachelor's + 24 hours	119	12.16
Bachelor's + 36 hours	66	6.74
Master's Degree	238	24.31
Master's Degree + 12 hours	112	11.44
Master's Degree + 24 hours	70	7.15
Master's Degree + 36 hours	69	7.05
Master's Degree + 48 hours	95	9.70
Doctorate's Degree	9	0.92
Doctorate's Degree + 12	2	0.20
<b>Total</b>	<b>979</b>	<b>100.00 %</b>

Total Years of Experience	Number of Teachers	Percentage of Total
0 - 5	199	20.34 %
6 - 10	197	20.11
11 and over	583	59.55
	<b>979</b>	<b>100.00 %</b>

Source: School District Personnel Records

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STATE OF OHIO  
OFFICE OF THE AUDITOR  

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JIM PETRO, AUDITOR OF STATE

88 East Broad Street  
P.O. Box 1140  
Columbus, Ohio 43216-1140  
Telephone 614-466-4514  
800-282-0370  
Facsimile 614-466-4490

**PARMA CITY SCHOOL DISTRICT**

**CUYAHOGA COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JANUARY 13, 2000**