

Mary Taylor, CPA
Auditor of State

PARMA CITY SCHOOL DISTRICT
CUYAHOGA COUNTY

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**PARMA CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2007**

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed Through Ohio Department of Education:</i>						
Child Nutrition Cluster:						
Food Distribution Program	N/A	10.550	\$0	\$247,649	\$0	\$247,649
National School Breakfast	044636-05PU-2006	10.553	3,310	0	3,310	0
	044636-05PU-2007		12,063	0	12,063	0
Total CFDA			15,373	0	15,373	0
National School Lunch Program	044636-LLP4-2006	10.555	321,263	0	321,263	0
	044636-LLP4-2007		727,038	0	727,038	0
Total CFDA			1,048,301	0	1,048,301	0
Total U.S. Department of Agriculture - Nutrition Cluster			1,063,674	247,649	1,063,674	247,649
U.S. DEPARTMENT OF EDUCATION						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster:						
Special Education Grants to States	044636-6BSF-2006	84.027	43,140	0	516,575	0
	044636-6BSD-2007		66,950	0	70,960	0
	044636-6BSF-2007		3,237,106	0	3,195,052	0
Total CFDA			3,347,196	0	3,782,587	0
Special Education - Preschool Grant	044636-PGS1-2006	84.173	1,842	0	26,933	0
	044636-PGS1-2007		95,427	0	115,516	0
Total CFDA			97,269	0	142,449	0
Total Special Education Cluster			3,444,465	0	3,925,036	0
Adult Education- State Grant Program	044636-ABS1-2005	84.002	12,000	0	12,000	0
	044636-ABS1-2006		0	0	(16,098)	0
	044636-ABS1-2007		149,877	0	152,133	0
Total CFDA			161,877	0	148,035	0
Grants to Local Educational Agencies (ESEA Title I)	044636-C1S1-2005	84.010	0	0	7,651	0
	044636-C1S1-2006		0	0	20,771	0
	044636-C1S1-2006		194,287	0	231,921	0
	044636-C1S1-2007		94,090	0	54,170	0
	044636-C1S1-2007		1,043,875	0	1,077,106	0
Total CFDA			1,332,252	0	1,391,619	0
Education Technology State Grants	044636-TJS1-2006	84.318	1,871	0	9,712	0
	044636-TJS1-2007		25,209	0	33,286	0
Total CFDA			27,080	0	42,998	0
Innovative Educational Program Strategies	044636-C2S1-2006	84.298	(5,711)	0	(9,721)	0
	044636-C2S1-2007		5,711	0	0	0
	044636-C2S1-2007		5,726	0	28,187	0
Total CFDA			5,726	0	18,466	0
Drug-Free Schools Grant	044636-DRS1-2006	84.186	(674)	0	(4,905)	0
	044636-DRS1-2007		674	0	0	0
	044636-DRS1-2007		38,771	0	73,766	0
Total CFDA			38,771	0	68,861	0
Vocational Education - Basic Grants to States	044636-20C1-2006	84.048	0	0	37,439	0
	044636-20C1-2007		184,405	0	154,480	0
Total CFDA			184,405	0	191,919	0
English Language Acquisition Grant	044636 T3S1-2006	84.365	0	0	(6,965)	0
	044636 T3S2-2006		64	0	435	0
	044636 T3S1-2007		90,919	0	84,148	0
			90,983	0	77,618	0
Title II-A - Improving Teacher Quality	044636 TRS1-2006	84.367	108,745	0	58,704	0
	044636 TRS1-2007		337,816	0	327,463	0
Total CFDA			446,561	0	386,167	0
Total U.S. Department of Education			5,732,120	0	6,250,719	0
U.S. DEPARTMENT OF HUMAN SERVICES						
<i>Passed Through Ohio Department of Education:</i>						
Child Care and Development Block Grant	N/A	93.575	0	0	80,611	0
Total CFDA			0	0	80,611	0
Refugee and Entrant Assistance	RIS1-2007	93.576	3,000	0	3,000	0
Total CFDA			3,000	0	3,000	0
Total U.S. Department of Human Services			3,000	0	83,611	0

PARMA CITY SCHOOL DISTRICT
CUYAHOGA COUNTY

SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2007
(Continued)

Federal Grantor/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. Department of Justice						
<i>Direct Program</i>						
Gang Resistance Education and Training	N/A	16.737	15,304	0	39,944	0
	Total CFDA		15,304	0	39,944	0
Total U.S. Department of Justice			15,304	0	39,944	0
Totals			\$6,814,098	\$247,649	\$7,437,948	\$247,649

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

**PARMA CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
JUNE 30, 2007**

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Receipts and Expenditures (the 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 basic 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, 2007, the District had no significant food commodities in inventory.

NOTE C – NATIONAL SCHOOL LUNCH PROGRAM

Cash receipts from the U.S. Department of Agriculture are co-mingled with State grants and local monies. It is assumed federal monies are expended first.

NOTE D – FEDERAL TRANSFERS

The Ohio Department of Education (ODE) transferred federal grant monies from grant year 2006 to grant year 2007 for the Innovative Educational Program Strategies Grant (CFDA #84.298) and the Drug Free Schools Grant (CFDA #84.186). These transfers appear as negative receipts in the 2006 grant year and as positive receipts in the 2007 grant year. These transfers by ODE allowed the District to extend the availability period for expenditure of these receipts.

NOTE E – NEGATIVE DISBURSEMENTS

Negative disbursements reported in the Schedule represent expenditures originally recorded in one grant year and reclassified to other grant year(s).

CFDA – Catalog of Federal Domestic Assistance.

N/A – Not applicable.

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Parma City School District
Cuyahoga County
5311 Longwood Avenue
Parma, Ohio 44134

To the Board of Education:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Parma City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 17, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more than inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted certain matters that we reported to the District's management in a separate letter dated December 17, 2007.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain noncompliance or other matters that we reported to the District's management in a separate letter dated December 17, 2007.

We intend this report solely for the information and use of management, the Board of Education, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

December 17, 2007



Mary Taylor, CPA

Auditor of State

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

Board of Education
Parma City School District
Cuyahoga County
5311 Longwood Avenue
Parma, Ohio 44134

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 apply to each of its major federal programs for the year ended June 30, 2007. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. 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 auditing standards generally accepted in the United States of America; 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 reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe 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 apply to each of its major federal programs for the year ended June 30, 2007.

In a separate letter to the District's management dated December 17, 2007, we reported other matters related to federal noncompliance not requiring inclusion in this report.

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the 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 directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that the District's internal control will not prevent or detect more than inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Federal Awards Receipts and Expenditures Schedule

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Parma City School District (the District) as of and for the year ended June 30, 2007, and have issued our report thereon dated December 17, 2007. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of federal awards receipts and expenditures provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of management, the Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

December 17, 2007

**PARMA CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2007**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Nutrition Cluster—CFDA #10.553 and #10.555 Title I—CFDA #84.010
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

**PARMA CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2007
(CONTINUED)**

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

Comprehensive Annual Financial Report

Year Ended June 30, 2007

BRUCE BASALLA

Chief Financial Officer / Budget Director



5311 LONGWOOD AVENUE • PARMA, OHIO 44134

Parma City School District, Ohio

Comprehensive Annual Financial Report

For The Fiscal Year Ended June 30, 2007

Prepared by:

Chief Financial Officer/Budget Director

Bruce Basalla

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Introductory Section



Parma City School District, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2007
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Administration

Sarah Zatik, Ed.D., Superintendent
Christina Dinklocker, Ed.D., Deputy Supt.
Bruce Basalla, Chief Financial Officer
Mark Daniels, Business Manager



Parma City School District
Serving Parma, Parma Heights and Seven Hills

Board of Education

Rosemary C. Gulick, President
Karen S. Dendorfer, Vice President
Cynthia Lee Bratz
J. Kevin Kelley
Kathleen A. Petro

December 17, 2007

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

We are pleased to present the eleventh annual Comprehensive Annual Financial Report (CAFR) for the Parma City School District. This CAFR conforms to Generally Accepted Accounting Principles (GAAP) as applicable to government entities and includes the reporting model as promulgated by GASB Statement No. 34.

This report enables the School District to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP basis, and Ohio Revised Code Section 117.38 which requires all school districts to file unaudited general purpose external financial statements with the Auditor of State within 150 days of fiscal year end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

State statutes require the School District to be subjected to an annual examination by the Auditor of State. The Auditor of State's office rendered an opinion on the School District's financial statements as of June 30, 2007, and the Independent Accountants' Report on the basic financial statements is included in the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent accountant's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

Parma City School District is the eleventh largest of the 612 school districts in the State of Ohio and the second largest of 31 school districts in Cuyahoga County. The School District provides education to 13,049 students in grades kindergarten through twelve. The average pupil/teacher ratio for fiscal year 2007 was 19.5 to 1. Additionally, the School District provides preschool, after school, twilight and summer school 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 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 three officials: the Superintendent, who serves as the Chief Executive Officer; the Treasurer, who serves as the Chief Financial Officer; and the Business Manager.

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

Elementary The elementary school program provides students with exposure to reading, language arts, mathematics, science, social studies, health, music, art and physical education. Basic skill development is the key, and problem solving has been a focus in the mathematics area. Science is taught in a hands-on manner at our fifteen elementary schools, and manipulative models are used extensively in the math classes. Currently, our elementary schools service students in kindergarten through grade six. Fifteen buildings receive reading and math remediation services through Title I staff members. Half of our elementary schools now participate in a conflict resolution program, and most of the elementary schools are now serviced by the Parma Police Department through the D.A.R.E. program.

Middle School The middle school program centers around the “house” concept whereby students are assigned to teams with core academic teachers to ease the transition from elementary school to middle school. Students participate in interdisciplinary units of study to enhance instruction. Our middle schools offer an array of exploratory courses, such as: art, family and consumer sciences, health, physical education, French, Spanish, computer keyboarding and industrial technology where students use the latest technology. Currently, our middle schools service students only in grades seven and eight. Each middle school has two guidance counselors that offer students critical support when needed, a comprehensive group guidance program and a conflict resolution program called “Peace Makers.”

Transitional Learning Center - Alternative School - Grade 9 The Transitional Learning Center (TLC) is an alternative school program targeted for ninth graders. The program runs like a middle school “team” and focuses on instruction through hands on lessons and interdisciplinary units. Students are closely monitored for performance and attendance. Parents sign a contract to be involved with the school and to work with their son/daughter toward excellence.

High School The School District has three comprehensive high schools of over 1,200 students each. The high school educational program offers students a wide array of curricular offerings in college preparatory and career preparatory courses. Students must earn twenty-one credits in order to be eligible for graduation and must pass the high school graduation tests. Each high school offers courses at the regular student achievement level and at the honors and advanced placement levels. The “honors” program presents students with opportunities for in-depth study and research in the subjects of English, math, science, social studies and foreign language. In addition, the high schools offer Advanced Placement courses in every core subject and art for students who can meet the challenges of a college level course requiring the use of higher level thinking skills and self-discipline. High school courses have been expanded to include course offerings in business, computer science, art, music, family and consumer sciences, and physical education. A well-rounded, well-educated student is our goal. A comprehensive guidance program (individual and group) is maintained at each high school. A home liaison works with targeted students at the high school level and intercedes with their families when needed. Again this year, through drug free school monies, the high schools were able to hire drug and alcohol intervention specialists to work with students with substance abuse issues.

Additional Programs and Services

High School Athletics Normandy, Parma Senior and Valley Forge High Schools compete in the Pioneer Athletic Conference. 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 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. A new state-of-the-art artificial surface was installed during the summer of 2002, and an extensive scoreboard system was installed in the summer of 2007.

Transportation The transportation policy of the Parma City School District exceeds the State's minimum standards and allows kindergarten through eighth grade students 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.

Certified Staff The average experience of the certified staff is 13.5 years and 64.1 percent of the certified staff has a master's or doctorate degree. Textbook authors, doctorates, nationally known speakers and recognized experts in specific fields of study are among the School District's teachers and administrators. Along with many new teachers, a blend of experienced staff offer students of the Parma City School District one of the strongest faculties in the area.

Programs of Special Interest

Media Center Program Each school has its own library/media center. These centers provide students with access to books, magazines, CDs, Internet access, and computers to work on research papers or to just stay in touch with the changes around the world. Printed, audio-visual and computer based materials are available in an "open" atmosphere where students are encouraged to use library skills. All schools have multi-media computer workstations.

Music Program Music training and courses are available at all elementary school buildings. Students in these fifteen schools have the choice to participate in choir, band or orchestra. Middle schools offer choral and instrumental programs, while the three high schools work hard to "encourage" students to perform. Students at this level can participate in the marching band, flag corps, orchestra, show choir, string ensembles, choral and glee clubs, and a variety of other musical experiences.

Art Program The School District has increased the amount of time devoted to art instruction at the elementary level. At the middle school, a student takes art to appreciate the complexity of the offerings at the high school level. In high school, students can take photography, sketch, graphic design, computer graphics, jewelry, ceramics, and more to become well rounded in the arts. Traditionally, students from the high school win in local scholarship art competitions and have received national recognition for their talent.

Computer Instruction Computer education and exposure to individual productivity programs begins in the kindergarten and continues into high school. Ohio's SchoolNet funding has played a very large part in getting computers into our elementary classrooms. Seventh and eighth graders take courses in introductory keyboarding and program usage. These programs focus on the use of the computer as a tool for instruction. Skills are then generalized and applied in all curricular areas. Additionally, there are offerings in business, mathematics, industrial arts and other subjects that stress using the computer as a tool for productivity. Each high school also has a separate "computer resource lab" with a designated "instructor" to support projects assigned in other classes and to assist students with organization.

Special Education Program All children in the Parma City School District are serviced through the educational programs provided. Services to children with diversified needs include multi-handicap, speech/language handicap, cognitive disability, severe emotional disturbance, visual impairment, orthopedic handicap/other health impairment, specific learning disability, autistic, traumatic brain injury and the gifted program. Students are placed in the least restrictive environment in which they can learn and are serviced according to the plan identified on the IEP (Individualized Education Plan). The schools provide inclusion classes at every grade level that permit challenged students to work alongside other students with the support of specialized instruction. Some students need to be served in a pull out fashion for short-term intervention, while still others need more complete supervision and instruction. A full spectrum of services is provided based on the needs of the students.

Gifted Program Serving students identified as gifted in the area of Superior Cognitive Ability in grades 3 – 6, the Able Learner Program (ALP) is a one-day per week pull-out program located within Parma Senior High School. The major curricular emphasis is the development of thinking competencies and skills which will help students identify value and develop their specific abilities, gifts and /or talents.

In the third and fourth grades, students are taught problem solving strategies along with creative thinking. Fifth and sixth graders use learning centers and the Future Problem-Solving Program as they further apply those skills learned in third and fourth grade. These students also practice organization and self-directed learning. In addition, the School District employs a K-12 gifted education supervisor as well as middle school and high school teachers of the gifted.

ALP is a continuum of services provided for gifted and high ability students in the Parma City School District including Honors and AP classes, Post Secondary Enrollment Options and various enrichment opportunities.

High School Career Preparatory Program The high schools offer one and two-year career-technology courses in many areas. Currently students can take courses in cooperative business education, cooperative marketing and management, executive assistant, office services, cosmetology, culinary arts, medical professions/dental technologies, hospitality and facility care services, radio and TV production, auto collision, construction trades, carpentry, visual communications, tech-prep automotive service technology, and occupational work experience, and networking (CISCO) academy. Some of these programs allow the students to earn college credit while still in high school. About 29 percent of the high school students participate in career-technology course programming. The School District continues to re-evaluate every career-technology program for validity in the work world and for upgrading as a result of technology advances.

High School College Preparatory Program The College bound program offers academically challenging courses for students planning to attend college. A student following this course pathway can gain unrestricted access to most colleges since qualifications are met on a general and extensive level. Students can also generally meet the requirements to obtain an "honors" diploma from the State Department of Education. Approximately 60 percent of the students in the School District participate in post secondary programs, including the challenging Advanced Placement Program through which they can earn college credit for high school course work. Students also enroll in post-secondary options through our local colleges and universities.

First Step Program The Arlington School First Step Preschool Program is sponsored by the Parma City School District and is designed to provide early intervention for children with disabilities, between the ages of three and six, identified as having special needs. Children who qualify for these services demonstrate significant delays in one or more areas of development. Areas of disability include physical/orthopedic impairment, speech/language delays, cognitive delays, significant behavioral impairments, delays in social and/or emotional development, visual or hearing impairments and medically fragile children. Special Education services are individualized for each child, and the children are taught through developmentally appropriate curriculum and a multi-sensory approach. Support services are provided by a speech-language pathologist, an occupational therapist, a physical therapist and a school psychologist.

Daycare Center Program The Parma City School District sponsors a self supported tuition based Day Care Center located at Normandy High School. The Center opens at 7 a.m. and closes at 6 p.m. Children between the ages of six weeks and five years old are cared for at the Center. The morning portion of the daily schedule includes a preschool component. The Center is licensed by the Ohio Department of Education and inspected by the Cuyahoga County Board of Health. The Center is staffed with certificated and trained caregivers. Tuition varies depending upon the age of the child and number of days needed. The Center follows the school calendar.

Extended Daycare Program The Parma City School District sponsors a self-supported, tuition-based Extended Day Care and Kindergarten Extended Day Care program. The Extended Day Care program is available in elementary schools from 6:00 a.m. to 9:15 a.m. and 3:00 p.m. to 6:00 p.m. and open to any child enrolled in those buildings. The Kindergarten Extended Day Care program is offered at a limited number of school buildings and operates from 11:45 a.m. to 6:00 p.m. These programs provide child care for children kindergarten through sixth grade on regularly scheduled school days. Tuition is based upon number of scheduled days.

Adult Basic Literacy Education Day and evening classes in English Speakers of Other Languages (ESOL), Adult Basic Literacy Education (ABLE) and the Graduate Equivalence Diploma (GED) are offered. Grant money is available to support the program. Expenditures are monitored closely so that the program can run in the black with no drain on the general fund budget.

Graduate Equivalence Diploma (GED) Testing The Parma City School's GED program is one of the top test centers in the State of Ohio, testing 662 students in fiscal year 2007 with a passage rate of 75 percent. Individuals who prepare to take the test and meet requirements for test readiness have over a 90.0 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 to participate in this program. Anyone who passes the pretest will receive a waiver for the test fee. The GED test is offered at least six times a month throughout the fiscal year. A recognition ceremony is held annually to honor those who participated in the program.

LOCAL ECONOMY

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 comprehensive renovation of Parmatown Mall which included the addition of a Wal-Mart store.

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

LONG-TERM FINANCIAL PLANNING

The Board of Education is committed to long-term planning as is evidenced by its policy 6210 “Fiscal Accounting and Reporting”, 6220 “Tax Budget”, and 6231 “Appropriations and Spending Plan”. These policies state the following:

Budget planning is an integral part of program planning so that the annual operating budget may effectively express and implement all programs and activities of the School District. Budget planning is a year-round process involving broad participation by administrators, teachers, and other personnel throughout the School District. The spending plan shall set forth all revenues available for appropriation during such year; the nature and amount of expenses to be incurred during the year.

The Treasurer is responsible for preparing financial forecasts for at least four years beyond the current fiscal year and any other financial reports required by law or by State agencies.

The budget reflects the School District’s goals, objectives and programs. The budget shall be designed to carry out School District operations in a thorough and efficient manner, maintain facilities properly and honor continuing obligations of the Board. Any changes or alterations in programs are approved by vote of the Board.

The budget is prepared by January 1 of each year and covers the period from July 1 to June 30 of the succeeding year.

RELEVANT FINANCIAL POLICIES

The Parma City Schools Board of Education has developed a practice of establishing appropriations based only on anticipated revenues as certified by the County Budget Commission and the Ohio Department of Education. The Board of Education has revenues of three mills from the passage of permanent improvement levies to retire debt of past School District improvements plus the funding of future capital projects.

MAJOR INITIATIVES

The driving force of education in the Parma City School District is our continuous improvement planning process. Currently all departments and schools in our School District are required to submit a continuous improvement plan (CIP) for review at the beginning of every school year to both the Deputy Superintendent of School Operations and the Director of Academic Services. Our continuous improvement process involves all departments and schools in the Parma City School District. These CIP plans serve the purpose of outlining specific goals and objectives pertinent to each building and school that will work to improve student achievement.

Upon receiving the data driven District-wide objectives, buildings then begin the writing of their individual plans. Each plan affords our schools the opportunity to address the needs of their community while at the same time incorporating the District vision. The writing of CIP plans is completed by school and department teams designated by building administration. Writing teams often consist of administration, faculty, community business partners, students, and parents. Upon review by the Deputy Superintendent, plans are then submitted to the Board of Education for approval. The details and rigor of this process has recently received national accolades by receiving the Magna Award from the National School Boards’ Association. The Parma City School District was also the cover story for the Ohio School Boards Association November 2005 Issue of the Journal.

Several recent School District initiatives continue to have a positive impact upon our School District. The Staff Development department is continuing a comprehensive staff development plan for the School District. The plan has facilitated District-wide initiatives in the areas of special education and literacy, provided assistance with a Leadership Academy for all certified and classified administrators, arranged for principals to attend the SMART Consortium Principal's Academy on leadership, and supported individual building initiatives ranging from work on site-based management, to curriculum mapping, to review of best instructional practices. The School District has also launched a highly aggressive program of staff training in research-based classroom practice.

The School District is committed to providing students in grades kindergarten through fourth grade with a solid literacy program. This initiative is in line with those of the Ohio Department of Education. Two literacy specialists have been hired to work full time with elementary teachers on what to teach and how to teach with regard to literacy. The specialists also hold classes after school to explain the core language arts curriculum to interested colleagues and to focus on action research in an effort to help interested teachers improve their delivery of instruction. The School District also employs a science specialist and two mathematics specialists.

The Department of Safety and Security has expanded the use of motion detectors to all school buildings. A swipe card system of entry is utilized for exclusive employee entry to all buildings. Police dogs are used to detect illegal substances in the schools in an ongoing procedure. The Department has developed a District crisis plan and worked with administrators to develop individual building crisis plans. The Department works closely with the three local police departments to provide students with a safe and secure environment throughout the school day. Since the September 11th terrorist attack, all security procedures and crisis plans have been reviewed and updated.

The School District is participating in the Urban School Initiative (USI) through the Ohio Department of Education (ODE) with twenty other urban districts. Attendance at Urban Congress meetings and subcommittees studying proficiency, literacy, science and math is promoted. In addition, through the USI noted above, the School District is working with Cleveland State University and four inner ring urban districts (Cleveland, East Cleveland, Cleveland Heights-University Heights, and Euclid) through the Urban Collaborative, funded by the Jennings Foundation. The focus is on researching issues of concern to the districts and seeking solutions that will positively impact student achievement.

The Community/Business/Schools (CBS) Partnership Program is a major success story of the School District. Initiated in 1991, this program has over ten members on its steering committee, including representatives from community groups, local businesses, and the School District. It serves as an advisory committee to the Superintendent. The different businesses partner with individual schools to provide financial support as well as support for programs in other ways. General Motors, Cox Communications, Cuyahoga Community College, Bryant and Stratton College, the VFW, and Parma Community General Hospital are some of the CBS business partners active with the School District.

Communication with employees and stakeholders in the community continues through the publication of "Images" and "Images Online." "Images" is a publication from the Superintendent. It was developed to inform the greater public of the activities of the district. It is published five times per year and mailed to local residents. The "Images Online" is the weekly e-publication that is created by the School District and distributed to all employees. The Superintendent discusses current initiatives, highlights outstanding employees, and recaps student performance.

AWARDS AND ACKNOWLEDGEMENTS

Awards This is the eleventh Comprehensive Annual Financial Report published by Parma City School District. The 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 and ASBO's certificates were awarded for last year's report. Attainment of these Certificates represents a substantial accomplishment for any governmental entity.

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 principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA and 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.

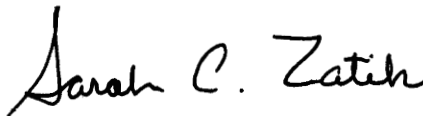
The accomplishment of this report would not have been made possible without the assistance, support and efforts of the Treasurer's Office employees, various administrators, employees of the School District and the Local Government Services Section of the Auditor of State's office. Assistance from the 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 possible.

Respectfully submitted,



Bruce Basalla
Chief Financial Officer/Budget Director
Parma City School District



Dr. Sarah C. Zatik
Superintendent
Parma City School District

Parma City School District
Principal Officials
June 30, 2007

Board of Education

Rosemary C. Gulick..... President
Karen S. Dendorfer..... Vice-President
Cynthia Lee Bratz.....Member
J. Kevin KelleyMember
Kathleen A. Petro.....Member

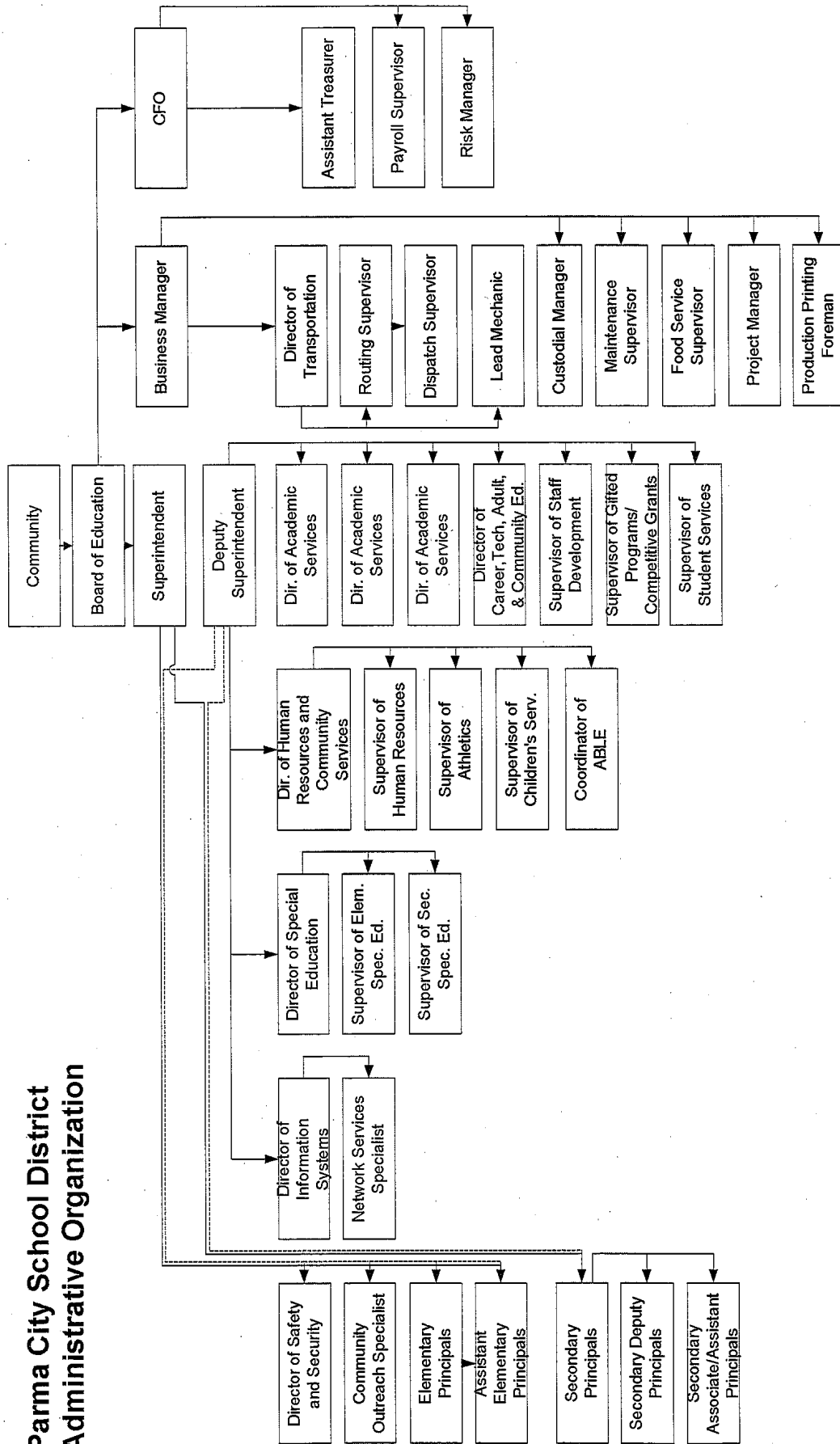
Chief Financial Officer/Budget Director

Bruce Basalla

Administration

Dr. Sarah C. Zatik..... Superintendent
Dr. Christina M. Dinklocker..... Deputy Superintendent
Mark Daniels Business Manager

Parma City School District Administrative Organization



**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

PARMA CITY SCHOOL DISTRICT, OHIO

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2006

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director

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, 2006

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.



Oliver S. Cox

President

Jeffrey R. Emer

Executive Director



Financial Section





Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Parma City School District
Cuyahoga County
5311 Longwood Avenue
Parma, Ohio 44134

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Parma City School District, Cuyahoga County, Ohio (the District), as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Parma City School District, Cuyahoga County, Ohio, as of June 30, 2007, and the respective changes in financial position and, where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2007, 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 grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

December 17, 2007

Parma City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

The discussion and analysis of Parma City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2007. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2007 are as follows:

- Total net assets increased \$7.3 million, an increase of \$7.0 million in Governmental Activities and an increase of \$0.3 million in Business-Type Activities.
- General revenues accounted for \$134.6 million in revenue or 89.02 percent of all revenues for all Governmental Activities. Program specific revenues in the form of charges for services and sales and operating grants and contributions accounted for \$16.6 million or 10.98 percent of total revenues of \$151.2 million.
- Total program expenses were \$144.2 million in Governmental Activities and \$4.6 million in Business-Type Activities.
- Outstanding long-term debt decreased by \$4.2 million to \$53.6 million.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Parma City School District as an entire operating entity. The statements begin at a summary level and expand to detailed financial activities.

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the entire School District, presenting both an aggregate view of the School District's current finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements present how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant governmental funds with all other nonmajor funds presented in total in one column. The general fund is the most significant fund.

Reporting the School District as a Whole

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as an entity looks at all financial transactions and asks the question, "How did we do financially during the 2007 fiscal year?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

Parma City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

These two statements report the School District's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. Changes to our net assets are a direct result of property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, mandated educational programs, state funding, student enrollment, and general inflation.

In the Statement of Net Assets and the Statement of Activities, the School District is divided into two major activities:

- **Governmental Activities** – Most of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities and general administration.
- **Business-Type Activities** – These services are provided on a fee basis to recover all of the expenses of the goods or services provided. The School District's business-type activities are food service, adult continuing education and extended daycare/preschool.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 8. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for its financial transactions. However, these fund financial statements concentrate on the School District's most significant funds. The School District's major governmental funds are the general fund, the bond retirement debt service fund, the permanent improvement capital projects fund and the building capital projects fund.

Governmental Funds Most of the School District's activities are reported in governmental funds, which accounts for flow of money into and out of those funds and the year-end balances available for spending in future years. These funds are reported using modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps the reader determine the amount of financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Parma City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

The School District as a Whole

The Statement of Net Assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net assets for 2007 compared to 2006:

(Table 1)
Net Assets
(In millions)

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Assets						
Current and Other Assets	\$130.2	\$145.4	\$1.2	\$1.0	\$131.4	\$146.4
Capital Assets, Net	66.8	52.1	0.1	0.1	66.9	52.2
Total Assets	197.0	197.5	1.3	1.1	198.3	198.6
Liabilities						
Current and Other Liabilities	94.9	99.4	0.1	0.2	95.0	99.6
Long-Term Liabilities:						
Due Within One Year	5.5	4.8	0.0	0.0	5.5	4.8
Due in More than One Year	58.4	62.1	0.1	0.1	58.5	62.2
Total Liabilities	158.8	166.3	0.2	0.3	159.0	166.6
Net Assets						
Invested in Capital						
Assets, Net of Debt	15.1	10.8	0.1	0.1	15.2	10.9
Restricted						
Capital Projects	3.1	6.5	0.0	0.0	3.1	6.5
Debt Service	1.3	0.2	0.0	0.0	1.3	0.2
Other Purpose	2.3	2.0	0.0	0.0	2.3	2.0
Unrestricted	16.4	11.7	1.0	0.7	17.4	12.4
Total Net Assets	\$38.2	\$31.2	\$1.1	\$0.8	\$39.3	\$32.0

Total assets of governmental activities decreased \$0.5 million. This decrease was due mainly to cash and cash equivalents decreasing \$16.8 million while both intergovernmental receivables and capital assets increased by \$0.9 million and \$14.7 million, respectively. The decrease in cash and cash equivalents and increase in capital assets are directly related to the capital improvements made by the School District during the fiscal year.

Total liabilities for governmental activities decreased \$7.5 million. This decrease was due mainly to decreased contracts payable of \$2.5 million, decreased deferred revenue of \$2.1 million, and decreased long-term liabilities of \$3.0 million. The decrease of \$2.5 million in contracts payable is due to the majority of the construction project being completed during fiscal year 2007. The decrease of \$3.0 million in long-term liabilities is a direct result of the fiscal year 2007 debt payments being made.

The net impact for governmental activities was an increase of net assets by \$7.0 million.

Parma City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

Table 2 shows the changes in net assets for the fiscal year 2007 for both our governmental activities and our business-type activities.

Table 2
Change in Net Assets
(In millions)

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues						
Program Revenues:						
Charges for Services and Sales	\$4.8	\$5.2	\$3.6	\$3.5	\$8.4	\$8.7
Operating Grants and Contributions	11.8	11.9	1.3	1.3	13.1	13.2
<i>Total Program Revenues</i>	<u>16.6</u>	<u>17.1</u>	<u>4.9</u>	<u>4.8</u>	<u>21.5</u>	<u>21.9</u>
General Revenues:						
Property Taxes	94.7	83.8	0.0	0.0	94.7	83.8
Grants and Entitlements	35.4	32.8	0.0	0.0	35.4	32.8
Investment Earnings	2.7	1.8	0.0	0.0	2.7	1.8
Miscellaneous	1.8	1.2	0.0	0.0	1.8	1.2
<i>Total General Revenues</i>	<u>134.6</u>	<u>119.6</u>	<u>0.0</u>	<u>0.0</u>	<u>134.6</u>	<u>119.6</u>
Total Revenues	<u>151.2</u>	<u>136.7</u>	<u>4.9</u>	<u>4.8</u>	<u>156.1</u>	<u>141.5</u>
Program Expenses						
Instruction	81.6	78.2	0.0	0.0	81.6	78.2
Support Services:						
Pupil and Instructional Staff	14.0	13.2	0.0	0.0	14.0	13.2
Board of Education, Administration, Fiscal and Business	13.8	14.8	0.0	0.0	13.8	14.8
Operation and Maintenance of Plant	16.9	13.6	0.0	0.0	16.9	13.6
Pupil Transportation	6.3	6.2	0.0	0.0	6.3	6.2
Central	1.7	1.6	0.0	0.0	1.7	1.6
Operation of Non-Instructional Services	4.5	4.1	0.0	0.0	4.5	4.1
Enterprise Operations	0.0	0.0	4.6	4.6	4.6	4.6
Extracurricular Activities	3.4	3.1	0.0	0.0	3.4	3.1
Interest and Fiscal Charges	2.0	1.7	0.0	0.0	2.0	1.7
Total Program Expenses	<u>144.2</u>	<u>136.5</u>	<u>4.6</u>	<u>4.6</u>	<u>148.8</u>	<u>141.1</u>
Change in Net Assets	7.0	0.2	0.3	0.2	7.3	0.4
<i>Net Assets Beginning of Year</i>	<u>31.2</u>	<u>31.0</u>	<u>0.8</u>	<u>0.6</u>	<u>32.0</u>	<u>31.6</u>
<i>Net Assets End of Year</i>	<u>\$38.2</u>	<u>\$31.2</u>	<u>\$1.1</u>	<u>\$0.8</u>	<u>\$39.3</u>	<u>\$32.0</u>

Total governmental activities net assets increased \$7.0 million. Property taxes increased \$10.9 million due to the passage of a new 4.9 mill continuing operating levy passed in 2005 and the county reappraisal of property; grants and entitlements increased \$2.6 million due to a general increase of Federal and State grants from the prior fiscal year.

The increase of \$3.4 million in instructional program expenses and \$0.8 million in pupil and instructional staff expenses reflects both the increased cost of wages and benefits.

Parma City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

The unusual nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. As a result of legislation enacted in 1976, the overall revenue generated by a voted tax levy does not increase as a result of inflation. As an example, a homeowner with a home valued at \$100,000 (Assessed value of \$35,000) and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the homes were reappraised and increased to \$200,000 (assessed value of \$70,000) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Our School District, which is dependent upon property taxes, is hampered by a lack of revenue growth and must periodically ask the voters to increase property taxes to maintain a constant level of service. Property taxes made up 62.6 percent of revenues for governmental activities for Parma Schools in fiscal year 2007.

The largest Governmental Activities program expense remains instruction, comprising 56.6 percent of total expenses. When combined with pupils and instructional support these categories make up 66.3 percent of expenses.

Management recognizes a continued loss of personal property tax revenue due to the continued phase-out of personal property tax and phase-in of public utility deregulation as well as board of revision and board of tax appeal decisions.

Interest expense was attributable to the outstanding bonds and notes and borrowing for capital projects.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, (services supported by tax revenue and unrestricted State entitlements), the total cost of services and the net cost of services.

Table 3
 Governmental Activities
 (In millions)

	Total Cost of Services 2007	Net Cost of Services 2007	Total Cost of Services 2006	Net Cost of Services 2006
Instruction	\$81.6	\$75.5	\$78.2	\$71.5
Support Services:				
Pupils and Instructional Staff	14.0	10.9	13.2	10.4
Board of Education, Administration				
Fiscal and Business	13.8	12.6	14.8	13.7
Operation and Maintenance	16.9	16.5	13.6	13.0
Pupil Transportation	6.3	5.9	6.2	5.9
Central	1.7	1.5	1.6	1.4
Operating of Non-Instructional Services	4.5	0.1	4.1	(0.3)
Extracurricular Activities	3.4	2.6	3.1	2.1
Interest and Fiscal Charges	2.0	2.0	1.7	1.7
Total	\$144.2	\$127.6	\$136.5	\$119.4

Parma City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

The dependence upon tax revenues for governmental activities is apparent. Over 90 percent of instruction activities are supported through taxes and other general revenues. Our three communities are responsible for the primary support for Parma City School District students.

Business-Type Activities

Business-type activities include the food service, adult continuing education, and extended daycare/preschool programs.

Overall net assets increased \$.3 million in 2007. Business-type activities cash positions have allowed individual business-type activities to absorb additional program expenses over the last three years.

The School District's Funds

Information about the School District's major funds starts on page 16. These funds are accounted for using the modified accrual basis of accounting. The general fund had total revenues of \$130.5 million and expenditures of \$126.4 million. The net change in fund balance for the year was an increase of \$4.5 million. This change was due to increased revenues from taxes and the constant monitoring of expenditures throughout the year.

The bond retirement debt service fund had total revenues of \$4.0 million and expenditures of \$3.6 million. The net change in fund balance for the year was an increase of \$0.4 million.

The permanent improvement capital projects fund had total revenues of \$2.5 million and expenditures of \$11.5 million. The net change in fund balance for the year was a decrease of \$8.3 million. This change was due to the completion of many of the capital projects throughout the School District.

The building capital projects fund had total revenues of \$0.4 million and total expenditures of \$8.6 million. The net change in fund balance for the year was a decrease of \$8.2 million. This change was due to the completion of many of the capital projects throughout the School District.

General Fund Budgeting Highlights

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

During the course of fiscal year 2007, the School District amended its general fund budget several times to allow for an additional advance to the permanent improvement fund and other less significant amendments.

For the general fund, original and final budget basis estimated revenues were \$130.6 million and \$126.7 million, respectively. This decrease of \$3.9 was due to a reduction in anticipated property taxes, intergovernmental and extracurricular activities revenues throughout the fiscal year. Total actual revenues were \$128.1 million.

Parma City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

Final appropriations for the general fund increased by \$1.5 million from the original appropriations due to the inclusion of additional appropriations supported by revenues generated by a new 4.9 mill continuing operating levy passed in May 2005 and other revenue sources such as investment income. Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$128.4 million.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2007 the School District had \$66.9 million invested in land, land improvements, buildings and improvements, furniture and equipment, vehicles, and construction in progress, \$66.8 million of which is in governmental activities. Table 4 shows fiscal 2007 balances compared to 2006:

Table 4
 Capital Assets at June 30
 (Net of Depreciation)
 (In millions)

	Governmental Activities		Business-Type Activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$5.1	\$5.1	\$0.0	\$0.0	\$5.1	\$5.1
Land Improvements	8.1	7.7	0.0	0.0	8.1	7.7
Buildings and Improvements	44.1	29.8	0.0	0.0	44.1	29.8
Furniture and Equipment	3.5	2.1	0.1	0.1	3.6	2.2
Vehicles	2.6	2.5	0.0	0.0	2.6	2.5
Construction in Progress	3.4	5.0	0.0	0.0	3.4	5.0
Totals	\$66.8	\$52.2	\$0.1	\$0.1	\$66.9	\$52.3

The \$3.4 million in construction in progress resulted from District-wide permanent improvement projects paid for by debt issued by the District for this purpose. For fiscal year 2007, an Ohio law required school districts to set aside three percent of certain revenues for capital improvements and an additional three percent for textbooks and other instructional materials. For fiscal year 2007, this amounted to \$2.0 million for each set aside. For fiscal year 2007, the School District had qualifying disbursements or offsets exceeding these requirements. See Note 7 to the basic financial statements for additional information on capital assets.

Debt

At June 30, 2007 the School District had \$53.6 million in bonds, notes, loans, and certificates of participation outstanding, \$4.7 million due within one year. The debt will be serviced with tax revenue from the March 2000 2.0 mill permanent improvement levy, the May 2005 1.0 mill permanent improvement levy, and general property tax revenue. Table 5 summarizes the outstanding debt.

Parma City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

Table 5
 Outstanding Debt, at Year End
 (In millions)

	Governmental Activities	
	2007	2006
1999 Byers Field General Obligation Bonds	\$0.7	\$1.0
2002 Construction Note	13.0	14.9
2006 Construction Note	10.2	11.0
2006 Construction Note Unamortized Premium	0.1	0.2
2003 Energy Conservation Loan (Phase IV)	1.7	1.9
2004 Energy Conservation Loan (Phase V)	5.2	5.6
2004 Energy Conservation Loan (Phase VI)	4.6	4.9
2005 Energy Conservation Loan (Phase VII)	2.3	2.4
2006 Energy Conservation Loan (Phase VIII & IX)	3.3	3.4
2006 Certificates of Participation	12.6	12.6
2006 Certificates of Participation Unamortized Discount	(0.1)	(0.1)
Totals	\$53.6	\$57.8

The 1999 energy conservation note and Byers Field note were combined and converted to a 10 year bond, now referred to as the Byers Field bond, which will mature in 2008.

The 2002 construction note for capital repairs and improvements will mature in 2012.

In late 2002, the School District borrowed \$2.2 million for a HB 264 Energy Conservation project. The loan will be paid off in 2016.

In 2004, the School District borrowed \$12.3 million for two HB 264 Energy Conservation projects. One loan will be paid off in 2017 and the other loan will be paid off in 2019.

In 2005, the School District borrowed \$2.5 million for a HB 264 Energy Conservation project. The loan will be paid off in 2020.

In 2006, the School District borrowed \$11.0 million in a construction note, \$3.5 million in an energy conservation loan, and \$12.6 million in certificates of participation. The construction note is to provide for the general ongoing permanent improvements of the School District and will be paid off in 2015. The energy conservation loan is for two HB 264 Energy Conservation projects and will be paid off in 2021. The certificates of participation were issued for capital improvements to several school buildings and will be paid off in 2017.

At June 30, 2007, the School District's overall legal debt margin was \$223.7 million with an unvoted debt margin of \$2.5 million. See Note 13 to the basic financial statements for additional information on debt.

Parma City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

School District Outlook

The Board of Education and administration have implemented fiscal management disciplines that utilize a variety of formal plans. We are working within the five-year budget plan, the five-year capital repairs and renovations plan, the five-year enrollment projections, and the Auditor of State's performance audit. A new money issue was passed in May 2005 generating \$11.6 million annually starting in January 2006. The School District will need to pass a renewal levy by December 31, 2008, also a levy for additional operating revenues will need to be passed sometime in calendar 2008.

Significant legislative and judicial actions continue to occur that will have a major impact on our School District. We believe that the ultimate resolution of funding reform is still sometime away. The downturn in the economy has put pressures on both the State budget as well as our local School District budget. We are concerned that the State may not have the ability to fully fund the previously approved subsidies for primary and secondary education in the State budget. We are also concerned that the local tax base may be weakened as a result of the current economic conditions and therefore negatively impact local tax revenues. The ongoing legislative efforts to support the existence of community (charter) schools come at the expense of our current State subsidy. For fiscal year 2007, \$3,364,625 was deducted from our State subsidy and redirected to local community (charter) schools. Our School District has been impacted by the continuing national trend of rapidly escalating employee benefit cost.

The Parma City School District has committed itself to a fiscal discipline based on long-term plans as well as a commitment to full disclosure of financial information and utilization of the highest standards of financial reporting.

Contacting the School District Fiscal Management

This financial report was designed to comply with the most current reporting requirements and is intended to provide our parents, citizens, taxpayers, investors and creditors an understanding of the School District's financial position. Bruce G. Basalla, Chief Financial Officer, can be contacted at the Parma City School District, 5311 Longwood Avenue, Parma, Ohio 44134 or by email at basallab@parmacityschools.org.

Basic Financial Statements

Parma City School District

Statement of Net Assets

June 30, 2007

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$30,232,083	\$1,277,267	\$31,509,350
Accounts Receivable	842,797	78,239	921,036
Accrued Interest Receivable	123,711	0	123,711
Intergovernmental Receivable	1,546,850	298,131	1,844,981
Prepaid Items	115,851	0	115,851
Internal Balances	446,890	(446,890)	0
Materials and Supplies Inventory	337,667	0	337,667
Inventory Held for Resale	0	18,522	18,522
Property Taxes Receivable	95,953,081	0	95,953,081
Deferred Charges	641,730	0	641,730
Nondepreciable Capital Assets	8,516,446	0	8,516,446
Depreciable Capital Assets, Net	58,270,922	127,199	58,398,121
<i>Total Assets</i>	<u>197,028,028</u>	<u>1,352,468</u>	<u>198,380,496</u>
Liabilities			
Accounts Payable	2,204,141	5,133	2,209,274
Contracts Payable	414,790	0	414,790
Accrued Wages and Benefits	9,311,992	39,613	9,351,605
Intergovernmental Payable	4,601,684	94,927	4,696,611
Deferred Revenue	78,191,743	0	78,191,743
Accrued Interest Payable	198,385	0	198,385
Long-Term Liabilities:			
Due Within One Year	5,457,438	2,932	5,460,370
Due In More Than One Year	58,384,041	98,021	58,482,062
<i>Total Liabilities</i>	<u>158,764,214</u>	<u>240,626</u>	<u>159,004,840</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	15,120,924	127,199	15,248,123
Restricted for:			
Capital Projects	3,127,777	0	3,127,777
Debt Service	1,297,997	0	1,297,997
Public School Support	501,146	0	501,146
Local Grants	477,739	0	477,739
District Managed Student Activities	298,838	0	298,838
Auxiliary Services	236,790	0	236,790
Miscellaneous State Grants	131,016	0	131,016
Title VI-B Grant	181,855	0	181,855
Title I Grant	234,199	0	234,199
Other Purposes	217,317	0	217,317
Unrestricted	16,438,216	984,643	17,422,859
<i>Total Net Assets</i>	<u>\$38,263,814</u>	<u>\$1,111,842</u>	<u>\$39,375,656</u>

See accompanying notes to the basic financial statements

Parma City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2007

	Program Revenues		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions
Governmental Activities			
Instruction:			
Regular	\$60,424,634	\$1,859,167	\$634,226
Special	17,425,594	489,815	2,322,351
Vocational	3,617,757	117,904	6,284
Adult/Continuing	119,114	274	713,695
Support Services:			
Pupils	7,576,597	220,874	861,409
Instructional Staff	6,377,228	148,167	1,807,269
Board of Education	1,024,815	33,201	0
Administration	9,604,845	338,752	684,465
Fiscal	2,343,337	73,680	0
Business	818,024	37,417	0
Operation and Maintenance of Plant	16,914,869	394,311	32,741
Pupil Transportation	6,263,119	223,157	109,860
Central	1,717,231	51,975	134,860
Operation of Non-Instructional Services	4,506,655	887	4,435,583
Extracurricular Activities	3,391,752	809,359	26,002
Interest and Fiscal Charges	2,043,222	0	0
<i>Total Governmental Activities</i>	<u>144,168,793</u>	<u>4,798,940</u>	<u>11,768,745</u>
Business-Type Activities			
Food Service	3,240,847	2,350,372	1,157,325
Adult Continuing Education	122,192	55,416	46,215
Extended Day Care/Preschool	1,226,085	1,163,561	94,727
<i>Total Business-Type Activities</i>	<u>4,589,124</u>	<u>3,569,349</u>	<u>1,298,267</u>
<i>Totals</i>	<u><u>\$148,757,917</u></u>	<u><u>\$8,368,289</u></u>	<u><u>\$13,067,012</u></u>

General Revenues

Property Taxes Levied for:

General Purposes

Debt Service

Capital Projects

Grants and Entitlements not

Restricted to Specific Programs

Investment Earnings

Gain on Sale of Capital Assets

Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$57,931,241)	\$0	(\$57,931,241)
(14,613,428)	0	(14,613,428)
(3,493,569)	0	(3,493,569)
594,855	0	594,855
(6,494,314)	0	(6,494,314)
(4,421,792)	0	(4,421,792)
(991,614)	0	(991,614)
(8,581,628)	0	(8,581,628)
(2,269,657)	0	(2,269,657)
(780,607)	0	(780,607)
(16,487,817)	0	(16,487,817)
(5,930,102)	0	(5,930,102)
(1,530,396)	0	(1,530,396)
(70,185)	0	(70,185)
(2,556,391)	0	(2,556,391)
(2,043,222)	0	(2,043,222)
(127,601,108)	0	(127,601,108)
0	266,850	266,850
0	(20,561)	(20,561)
0	32,203	32,203
0	278,492	278,492
(127,601,108)	278,492	(127,322,616)
89,252,646	0	89,252,646
4,086,494	0	4,086,494
1,340,604	0	1,340,604
35,384,277	0	35,384,277
2,690,152	0	2,690,152
6,234	1,791	8,025
1,851,352	5,315	1,856,667
134,611,759	7,106	134,618,865
7,010,651	285,598	7,296,249
31,253,163	826,244	32,079,407
\$38,263,814	\$1,111,842	\$39,375,656

Parma City School District

Balance Sheet

Governmental Funds

June 30, 2007

	General	Bond Retirement Debt Service	Permanent Improvement Capital Projects	Building Capital Projects	Other Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$18,321,902	\$1,590,587	\$5,130,875	\$2,398,683	\$2,790,036
Accounts Receivable	833,950	0	4,002	0	4,845
Accrued Interest Receivable	114,009	0	0	0	9,702
Intergovernmental Receivable	0	0	0	0	1,546,850
Prepaid Items	115,851	0	0	0	0
Interfund Receivable	4,008,356	0	0	0	0
Materials and Supplies Inventory	337,667	0	0	0	0
Property Taxes Receivable	89,980,944	3,579,491	2,392,646	0	0
<i>Total Assets</i>	<u>\$113,712,679</u>	<u>\$5,170,078</u>	<u>\$7,527,523</u>	<u>\$2,398,683</u>	<u>\$4,351,433</u>
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$856,802	\$0	\$664,052	\$27,857	\$655,430
Contracts Payable	56,475	0	126,706	231,609	0
Accrued Wages and Benefits	8,802,851	0	3,171	0	505,970
Intergovernmental Payable	4,331,947	0	4,169	0	265,568
Interfund Payable	0	617,823	1,607,654	0	1,335,989
Deferred Revenue	78,131,579	3,093,639	2,059,296	0	910,545
<i>Total Liabilities</i>	<u>92,179,654</u>	<u>3,711,462</u>	<u>4,465,048</u>	<u>259,466</u>	<u>3,673,502</u>
Fund Balances					
Reserved for Encumbrances	1,600,314	0	2,013,301	1,781,120	642,613
Reserved for Property Taxes	11,954,664	485,852	323,409	0	0
Unreserved, Undesignated (Deficit)					
Reported in:					
General Fund	7,978,047	0	0	0	0
Special Revenue Funds	0	0	0	0	774,765
Debt Service Fund	0	972,764	0	0	0
Capital Projects Funds	0	0	725,765	358,097	(739,447)
<i>Total Fund Balances</i>	<u>21,533,025</u>	<u>1,458,616</u>	<u>3,062,475</u>	<u>2,139,217</u>	<u>677,931</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$113,712,679</u>	<u>\$5,170,078</u>	<u>\$7,527,523</u>	<u>\$2,398,683</u>	<u>\$4,351,433</u>

See accompanying notes to the basic financial statements

Parma City School District
*Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
June 30, 2007*

Total Governmental Funds	Total Governmental Fund Balances	\$28,871,264
\$30,232,083	<i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
842,797	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
123,711	Capital Assets, not being depreciated	8,516,446
1,546,850	Capital Assets, being depreciated	130,851,233
115,851	Accumulated Depreciation	<u>(72,580,311)</u>
4,008,356	Total	66,787,368
337,667	Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
95,953,081	Delinquent Property Taxes	4,783,012
\$133,160,396	Grants	910,545
	Tuition and Fees	<u>309,759</u>
	Total	6,003,316
	Bond issuance costs reported as an expenditure in the funds are allocated as an expense over the life of the debt on a full accrual basis:	
	Issuance costs	653,228
	Amount expensed	<u>(11,498)</u>
	Total	641,730
	In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	
		(198,385)
	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
	General Obligation Bonds Payable	(665,000)
	Notes Payable	(23,200,000)
	Premium on Notes	(144,290)
	Loans Payable	(17,116,119)
	Certificates of Participation Payable	(12,580,000)
	Discount on Certificates of Participation	92,416
	Capital Lease Payable	(1,058,682)
	Compensated Absences	<u>(9,169,804)</u>
	Total	<u>(63,841,479)</u>
	<i>Net Assets of Governmental Activities</i>	<u><u>\$38,263,814</u></u>

Parma City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2007

	General	Bond Retirement Debt Service	Permanent Improvement Capital Projects	Building Capital Projects	Other Governmental Funds
Revenues					
Property Taxes	\$88,184,079	\$4,039,403	\$1,465,941	\$0	\$0
Intergovernmental	35,385,798	0	644,503	0	10,666,486
Interest	2,088,121	0	187,566	312,507	101,958
Tuition and Fees	1,900,255	0	0	0	550
Extracurricular Activities	211,748	0	0	0	749,889
Rentals	343,597	0	4,002	0	0
Charges for Services	1,699,078	0	0	0	32,102
Contributions and Donations	39,045	0	0	0	30,618
Miscellaneous	693,894	0	224,084	86,071	847,303
<i>Total Revenues</i>	<u>130,545,615</u>	<u>4,039,403</u>	<u>2,526,096</u>	<u>398,578</u>	<u>12,428,906</u>
Expenditures					
Current:					
Instruction:					
Regular	57,211,074	0	0	0	678,294
Special	15,155,190	0	0	0	2,313,415
Vocational	3,626,727	0	0	0	6,277
Adult/Continuing	8,444	0	0	0	109,864
Support Services:					
Pupils	6,712,082	0	0	0	868,734
Instructional Staff	4,518,647	0	0	0	1,827,999
Board of Education	1,022,754	0	0	0	0
Administration	10,430,948	0	0	0	686,352
Fiscal	2,254,587	0	0	0	0
Business	1,144,960	0	0	0	0
Operation and Maintenance of Plant	12,040,103	0	0	0	41,301
Pupil Transportation	5,924,486	0	0	0	76,235
Central	1,577,303	0	0	0	134,437
Operation of Non-Instructional Services	27,316	0	0	0	4,454,581
Extracurricular Activities	1,768,520	0	0	0	1,469,664
Capital Outlay	514,509	0	11,272,309	8,607,746	8,652
Debt Service:					
Principal Retirement	1,600,851	2,750,000	0	0	0
Interest and Fiscal Charges	837,857	893,848	244,219	0	0
<i>Total Expenditures</i>	<u>126,376,358</u>	<u>3,643,848</u>	<u>11,516,528</u>	<u>8,607,746</u>	<u>12,675,805</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,169,257</u>	<u>395,555</u>	<u>(8,990,432)</u>	<u>(8,209,168)</u>	<u>(246,899)</u>
Other Financing Sources (Uses)					
Inception of Capital Lease	411,145	0	653,621	0	0
Sale of Capital Assets	22,357	0	0	0	150
Transfers In	0	0	12,550	0	101,523
Transfers Out	(114,073)	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>319,429</u>	<u>0</u>	<u>666,171</u>	<u>0</u>	<u>101,673</u>
<i>Net Change in Fund Balances</i>	4,488,686	395,555	(8,324,261)	(8,209,168)	(145,226)
<i>Fund Balances Beginning of Year</i>	<u>17,044,339</u>	<u>1,063,061</u>	<u>11,386,736</u>	<u>10,348,385</u>	<u>823,157</u>
<i>Fund Balances End of Year</i>	<u>\$21,533,025</u>	<u>\$1,458,616</u>	<u>\$3,062,475</u>	<u>\$2,139,217</u>	<u>\$677,931</u>

See accompanying notes to the basic financial statements

Parma City School District
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2007*

Total Governmental Funds	Net Change in Fund Balances - Total Governmental Funds	(\$11,794,414)
	<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
\$93,689,423	Governmental funds report capital outlays as expenditures.	
46,696,787	However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	
2,690,152	Capital Asset Additions	17,666,417
1,900,805	Current Year Depreciation	(3,027,683)
961,637	Total	14,638,734
347,599		
1,731,180	Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.	(16,273)
69,663		
1,851,352	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
	Delinquent Property Taxes	990,321
149,938,598	Grants	386,572
	Tuition and Fees	(142,281)
	Total	1,234,612
57,889,368	Repayment of bond, loan, and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	4,350,851
17,468,605		
3,633,004	Compensated absences reported in the statement of activities do not require the use of current financial resources and therefore are not reported as an expenditure in governmental funds.	(270,795)
118,308		
7,580,816	In the statement of activities, interest is accrued on outstanding debt. Debt premiums, debt discounts, and debt issuance costs are amortized over the term of the debt, whereas in governmental funds an interest expenditure is reported when due and premiums, discounts, and bond issuance costs are reported when the debt is due.	
6,346,646	Accrued Interest	(13,563)
1,022,754	Amortization of Debt Premiums	16,032
11,117,300	Amortization of Debt Discounts	(8,402)
2,254,587	Amortization of Issuance Costs	(61,365)
1,144,960	Total	(67,298)
12,081,404	Inception of a capital lease is an other financing source in the governmental funds, but increases liabilities in governmental activities.	(1,064,766)
6,000,721		
1,711,740	<i>Change in Net Assets of Governmental Activities</i>	\$7,010,651
4,481,897		
3,238,184		
20,403,216		
4,350,851		
1,975,924		
162,820,285		
(12,881,687)		
1,064,766		
22,507		
114,073		
(114,073)		
1,087,273		
(11,794,414)		
40,665,678		
\$28,871,264		

Parma City School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Property Taxes	\$87,000,000	\$86,500,000	\$86,299,137	(\$200,863)
Intergovernmental	36,000,000	35,500,000	35,385,798	(114,202)
Interest	2,000,000	1,750,000	1,862,486	112,486
Tuition and Fees	2,000,000	1,750,000	1,906,555	156,555
Extracurricular Activities	2,606,977	221,028	211,748	(9,280)
Rentals	120,000	120,000	108,104	(11,896)
Charges for Services	214,750	214,750	1,699,078	1,484,328
Contributions and Donations	69,153	73,253	44,545	(28,708)
Miscellaneous	567,800	547,145	611,075	63,930
<i>Total Revenues</i>	130,578,680	126,676,176	128,128,526	1,452,350
Expenditures				
Current:				
Instruction:				
Regular	58,278,072	58,919,561	58,256,105	663,456
Special	15,422,694	15,388,126	15,206,355	181,771
Vocational	4,010,164	3,970,474	3,721,390	249,084
Adult/Continuing	4,710	10,035	8,444	1,591
Support Services:				
Pupils	7,620,921	7,044,016	6,729,709	314,307
Instructional Staff	4,279,161	4,826,093	4,653,399	172,694
Board of Education	739,618	1,042,402	1,003,954	38,448
Administration	10,242,152	10,677,302	10,487,548	189,754
Fiscal	2,881,611	2,682,569	2,296,579	385,990
Business	1,290,058	1,427,622	1,264,177	163,445
Operation and Maintenance of Plant	12,636,271	13,084,424	12,424,601	659,823
Pupil Transportation	7,302,473	6,810,252	6,412,681	397,571
Central	2,045,385	1,859,069	1,739,209	119,860
Operation of Non-Instructional Services	28,262	30,908	27,605	3,303
Extracurricular Activities	1,498,535	1,844,831	1,788,512	56,319
Capital Outlay	117,768	298,554	129,569	168,985
Debt Service:				
Principal Retirement	1,447,846	1,447,846	1,447,846	0
Interest and Fiscal Charges	824,574	824,574	824,574	0
<i>Total Expenditures</i>	130,670,275	132,188,658	128,422,257	3,766,401
<i>Excess of Revenues Under Expenditures</i>	(91,595)	(5,512,482)	(293,731)	5,218,751
Other Financing Sources (Uses)				
Sale of Capital Assets	60,000	60,000	22,357	(37,643)
Advances In	2,500,000	2,000,000	1,375,000	(625,000)
Advances Out	(350,000)	(1,712,583)	(1,436,000)	276,583
Transfers In	50,000	50,000	0	(50,000)
Transfers Out	(250,000)	(255,871)	(114,073)	141,798
<i>Total Other Financing Sources (Uses)</i>	2,010,000	141,546	(152,716)	(294,262)
<i>Net Change in Fund Balance</i>	1,918,405	(5,370,936)	(446,447)	4,924,489
<i>Fund Balance Beginning of Year</i>	14,600,836	14,600,836	14,600,836	0
Prior Year Encumbrances Appropriated	1,751,661	1,751,661	1,751,661	0
<i>Fund Balance End of Year</i>	\$18,270,902	\$10,981,561	\$15,906,050	\$4,924,489

See accompanying notes to the basic financial statements

Parma City School District
Statement of Fund Net Assets
Enterprise Funds
June 30, 2007

Assets	
<i>Current Assets:</i>	
Equity in Pooled Cash and Cash Equivalents	\$1,277,267
Accounts Receivable	78,239
Intergovernmental Receivable	298,131
Inventory Held for Resale	18,522
	<hr/>
<i>Total Current Assets</i>	1,672,159
<i>Noncurrent Assets:</i>	
Capital Assets, Net	127,199
	<hr/>
<i>Total Assets</i>	1,799,358
	<hr/>
Liabilities	
<i>Current Liabilities:</i>	
Accounts Payable	5,133
Accrued Wages and Benefits	39,613
Compensated Absences Payable	2,932
Intergovernmental Payable	94,927
Interfund Payable	446,890
	<hr/>
<i>Total Current Liabilities</i>	589,495
<i>Long-Term Liabilities:</i>	
Compensated Absences Payable	98,021
	<hr/>
<i>Total Liabilities</i>	687,516
	<hr/>
Net Assets	
Invested in Capital Assets	127,199
Unrestricted	984,643
	<hr/>
<i>Total Net Assets</i>	\$1,111,842
	<hr/> <hr/>

See accompanying notes to the basic financial statements

Parma City School District
*Statement of Revenues,
Expenses and Changes in Fund Net Assets
Enterprise Funds
For the Fiscal Year Ended June 30, 2007*

Operating Revenues	
Tuition	\$1,218,977
Sales	2,350,372
Miscellaneous	5,315
	3,574,664
<i>Total Operating Revenues</i>	
	3,574,664
Operating Expenses	
Salaries	1,841,692
Fringe Benefits	769,771
Purchased Services	350,177
Materials and Supplies	195,903
Cost of Sales	1,401,345
Depreciation	21,185
Other	9,051
	4,589,124
<i>Total Operating Expenses</i>	
	4,589,124
<i>Operating Loss</i>	
	(1,014,460)
Non-Operating Revenues	
Operating Grants	1,298,267
Gain on Sale of Capital Assets	1,791
	1,300,058
<i>Total Non-Operating Revenues</i>	
	1,300,058
<i>Change in Net Assets</i>	
	285,598
<i>Net Assets Beginning of Year</i>	
	826,244
<i>Net Assets End of Year</i>	
	\$1,111,842

See accompanying notes to the basic financial statements

Parma City School District
Statement of Cash Flows
Enterprise Funds
For the Fiscal Year Ended June 30, 2007

Increase (Decrease) in Cash and Cash Equivalents

Cash Flows from Operating Activities

Cash Received from Customers	\$3,570,616
Other Cash Receipts	5,315
Cash Payments to Employees for Services	(1,836,376)
Cash Payments for Employee Benefits	(781,890)
Cash Payments for Goods and Services	(1,961,778)
Other Cash Payments	(9,051)

<i>Net Cash Used for Operating Activities</i>	<u>(1,013,164)</u>
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Cash Flows from Noncapital

Financing Activities

Operating Grants Received	1,255,217
Advances In	25,000

<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>1,280,217</u>
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**Cash Flows from Capital and
Related Financing Activities**

Proceeds from Sale of Capital Assets	1,791
Payments for Capital Acquisitions	(34,047)

<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(32,256)</u>
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<i>Net Increase in Cash and Cash Equivalents</i>	234,797
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<i>Cash and Cash Equivalents Beginning of Year</i>	<u>1,042,470</u>
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<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$1,277,267</u></u>
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(continued)

Parma City School District
Statement of Cash Flows
Enterprise Funds (continued)
For the Fiscal Year Ended June 30, 2007

**Reconciliation of Operating Loss to Net Cash
Used for Operating Activities**

Operating Loss	(\$1,014,460)
Adjustments:	
Depreciation	21,185
(Increase) Decrease in Assets:	
Accounts Receivable	1,267
Inventory Held for Resale	(3,040)
Increase (Decrease) in Liabilities:	
Accounts Payable	3,228
Accrued Wages and Benefits	5,316
Compensated Absences Payable	1,988
Intergovernmental Payable	<u>(28,648)</u>
<i>Net Cash Used for Operating Activities</i>	<u><u>(\$1,013,164)</u></u>

See accompanying notes to the basic financial statements

Parma City School District
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2007

Assets

Equity in Pooled Cash and Cash Equivalents	<u>\$1,162,129</u>
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Liabilities

Undistributed Monies	\$701,217
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Due to Students	<u>460,912</u>
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<i>Total Liabilities</i>	<u>\$1,162,129</u>
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See accompanying notes to the basic financial statements

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

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 federal agencies. This Board of Education controls the School District's twenty-four instructional/support facilities staffed by 814 noncertified and 946 certificated full time teaching personnel who provide services to 13,049 students and other community members.

Reporting Entity

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 schools. These transactions are reported as a governmental activity of the School District.

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 does not have any 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 Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

The School District participates in three jointly governed organizations. These organizations are the Lakeshore Northeast Ohio Computer Association, the Northeast Ohio Network for Educational Technology and Ohio Schools Council Association, all jointly governed organizations. These organizations are discussed in Note 14 of the basic 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 governmental and business-type activities and to its enterprise funds unless those pronouncements conflict with or contradict GASB pronouncements. The School District has elected not to apply FASB statements and interpretations issued after November 30, 1989, to its business-type activities and enterprise funds. The more significant of the School District's accounting policies are described below.

A. Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type activities of the School District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities and for three business-type activities of the School District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The fiduciary funds are reported by type.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

B. Fund Accounting

The School District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. The funds of the School District are divided into three categories: governmental, proprietary and fiduciary.

Governmental Funds Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

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.

Bond Retirement Debt Service Fund The bond retirement fund is used to account for the accumulation of property tax revenues for, and the payment of, general obligation bonds issued for energy conservation.

Permanent Improvement Capital Projects Fund The permanent improvement capital projects fund accounts for taxes and other revenue to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds.

Building Capital Projects Fund The building capital projects fund accounts for debt proceeds and other revenue to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds.

The other governmental funds of the School District account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Fund Type Proprietary funds focus on the determination of operating income, changes in net assets, financial position and cash flows and are classified as either enterprise or internal service. The School District only has enterprise funds.

Enterprise Funds Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The School District's enterprise funds are used to account for food service operations, adult continuing education operations and extended daycare/preschool operations.

Fiduciary Fund Type Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only fiduciary funds are agency funds which reflect resources that either belong to the student bodies of the various schools for student activities or that are withheld from part-time employees' paychecks for insurance.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net assets.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of revenues, expenses and changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the statements presented for the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Measurable means the amount of transaction can be determined. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year-end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: property taxes available as an advance, interest, tuition, grants, fees and rentals.

Deferred Revenue Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2007, but which were levied to finance fiscal year 2008 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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 governmental funds.

E. Cash and Cash Equivalents

To improve cash management, cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as "equity in pooled cash and cash equivalents."

During fiscal year 2007, investments were limited to Federal National Mortgage Association Notes, Federal Home Loan Mortgage Corporation Notes, Federal Home Loan Bank Bonds and Notes and STAROhio. 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 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, 2007.

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 2007 amounted to \$2,088,121 which includes \$1,630,344 assigned from other School District funds.

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 presented on the financial statements as cash equivalents.

F. Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used.

Inventories consist of purchased food and school supplies held for resale, and materials and supplies held for consumption.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2007, 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.

H. Deferred Charges

On government-wide financial statements, bond issuance costs are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond issuance costs are reported as an expenditure on the governmental fund financial statements when incurred.

I. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The School District was able to estimate the historical cost for the initial reporting of assets by backtrending (i.e., estimating the current replacement cost of the asset to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year.) Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of one thousand 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.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	20 years	N/A
Buildings and Improvements	20-50 years	10-30 years
Furniture and Equipment	5-15 years	10-15 years
Vehicles	10 years	10 years
Textbooks	5 years	N/A

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

J. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans and unpaid amounts for interfund services are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

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 employer 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.

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. 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 fund financial statements only to the extent that they are due for the payment during the current fiscal year. Bonds, loans, and capital leases are recognized as a liability on the governmental fund financial statements when due.

M. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide statement of net assets reports \$6,704,674 of restricted net assets, none of which is restricted by enabling legislation. Net assets restricted for other purposes include student activities, special education, computer networking, and programs to help students prepare for the proficiency test.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

The School District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

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 and property taxes.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute.

O. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales and fees for food service, adult continuing education and extended daycare/preschool programs. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. All revenue and expenses not meeting these definitions are reported as non-operating.

P. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

Q. Internal Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

R. Estimates

The preparation of 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.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

S. Budgetary Data

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. The Chief Financial Officer/Budget Director has been given the authority to allocate Board appropriations to the function and object levels.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Chief Financial Officer/Budget Director. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the amended certificate that were in effect at the time the final appropriations were passed by the Board of Education.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated revenues by fund. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year.

Note 3 – Accountability

Fund balances at June 30, 2007, included the following individual fund deficits:

Special Revenue Funds	
Disadvantaged Pupil Impact Aid	(\$13)
Alternative Schools	(168,937)
Adult Basic Education	(12,164)
Title I	(2,624)
Title V	(10,147)
Drug Free Schools	(43,604)
Preschool Grant	(41,831)
Capital Projects Fund	
Turf Replacement	(763,556)

The special revenue funds' deficits are due to adjustments for accrued liabilities. The capital project fund's deficit is due to an interfund payable to the general fund. The general fund is liable for any deficit in these funds and provides operating transfers when cash is required, rather than when accruals occur.

The adult continuing education enterprise fund had deficit net assets of \$214,750 at June 30, 2007. Management is currently analyzing their operations to determine appropriate steps to alleviate the deficit.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 4 - Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations and changes in fund balance 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 Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual, General Fund is 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 that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Unreported cash represents amounts received but not included as revenue on the budgetary statements, but which are reported on the operating statement prepared using GAAP.
5. Investments are reported at fair value (GAAP basis) rather than cost (budget basis).
6. Advances-In and Advances-Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements on a fund type basis for the general fund.

Net Change in Fund Balance	
GAAP Basis	\$4,488,686
Net Adjustment for Revenue Accruals	(2,987,839)
Advances In	1,375,000
Beginning Fair Value Adjustment for Investments	51,738
Ending Fair Value Adjustment for Investments	107,867
Net Adjustment for Expenditure Accruals	262,099
Advances Out	(1,436,000)
Adjustment for Encumbrances	<u>(2,307,998)</u>
Budget Basis	<u><u>(\$446,447)</u></u>

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 5 – Deposits and Investments

Monies held by the School District are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the School District treasury. Active 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 has identified as not required for use within the current five 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 passbook accounts.

Interim monies held by the School District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, 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 obligation or security 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;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio); and
8. Commercial paper and banker's acceptances if training requirements have been met.

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. Investments may only be made through specified dealers and institutions.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Deposits

Custodial Credit Risk. Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At fiscal year end, \$2,945,080 of the School District's bank balance of \$3,145,080 was exposed to custodial credit risk because it was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

The School District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the School District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Investments

As of June 30, 2007, the School District had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years) Less than 1</u>
Federal National Mortgage Association Notes	\$4,373,201	\$4,373,201
Federal Home Loan Mortgage Corporation Notes	2,439,055	2,439,055
Federal Home Loan Bank Bonds and Notes	2,022,942	2,022,942
STAROhio	21,760,382	21,760,382
Total Investments	<u>\$30,595,580</u>	<u>\$30,595,580</u>

All investments are in an internal investment pool.

Interest Rate Risk. The School District has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and that an investment must be purchased with the expectation that it will be held to maturity.

Credit Risk. The Federal National Mortgage Association Notes, Federal Home Loan Mortgage Corporation Notes and Federal Home Loan Bank Bonds and Notes carry a rating of AAA by Standard and Poor's. STAROhio carries a rating of AAA by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The School District has no policy regarding credit risk other than statutory guidelines which limit investment choices.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Federal National Mortgage Association Notes, Federal Home Loan Mortgage Corporation Notes, and the Federal Home Loan Bank Bonds and Notes are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department or agent but not in the School District's name. The School District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

Concentration of Credit Risk. The School District places no limit on the amount it may invest in any one issuer. The following is the School District's allocation as of June 30, 2007:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
Federal National Mortgage Association Notes	14.30 %
Federal Home Loan Mortgage Corporation Notes	7.97
Federal Home Loan Bank Bonds and Notes	6.61
STAROhio	71.12

Note 6 - 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 (used in business) located in the School District. Real property tax revenue received in calendar 2007 represents collections of calendar year 2006 taxes. Real property taxes received in calendar year 2007 were levied after April 1, 2006, on the assessed value listed as of January 1, 2006, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. 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.

Public utility property tax revenue received in calendar 2007 represents collections of calendar year 2006 taxes. Public utility real and tangible personal property taxes received in calendar year 2007 became a lien December 31, 2005, were levied after April 1, 2006 and are collected in 2007 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar 2007 (other than public utility property) represents the collection of 2007 taxes. Tangible personal property taxes received in calendar year 2007 were levied after April 1, 2006, on the value as of December 31, 2006. In prior years, tangible personal property was assessed at twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008 and zero for 2009. Payments 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

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

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. This year, the June 2007 tangible personal property tax settlement was not received until July 2007.

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, 2007, are available to finance fiscal year 2007 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2007 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 and the personal property tax settlements were levied to finance current fiscal year operations and are reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2007 was \$11,954,664 in the general fund, \$485,852 in the bond retirement debt service fund, and \$323,409 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2006, was \$9,626,890 in the general fund, \$380,891 in the bond retirement debt service fund and \$695,728 in the permanent improvement capital projects fund.

The late tax settlement made by the County for fiscal year 2007 was \$204,460 in the general fund and \$9,941 in the permanent improvement capital projects fund.

On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been deferred.

The assessed values upon which the fiscal year 2007 taxes were collected are:

	2006 Second Half Collections		2007 First Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential and Other Real Estate	\$2,235,041,270	93.82 %	\$2,450,547,260	95.23 %
Public Utility Personal	40,541,500	1.70	39,949,200	1.55
Tangible Personal Property	106,774,595	4.48	82,841,440	3.22
Total	\$2,382,357,365	100.00 %	\$2,573,337,900	100.00 %
Tax rate per \$1,000 of assessed valuation	\$65.20		\$64.70	

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 7 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2007, was as follows:

	Balance 6/30/2006	Additions	Deletions	Balance 6/30/2007
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$5,096,730	\$0	\$0	5,096,730
Construction in Progress	5,046,706	3,419,716	(5,046,706)	3,419,716
<i>Total Capital Assets, not being depreciated</i>	<u>10,143,436</u>	<u>3,419,716</u>	<u>(5,046,706)</u>	<u>8,516,446</u>
<i>Capital Assets, being depreciated:</i>				
Land Improvements	12,246,302	879,923	0	13,126,225
Buildings and Improvements	77,423,240	16,096,984	(17,629)	93,502,595
Furniture and Equipment	10,699,371	1,872,460	(740,444)	11,831,387
Vehicles	7,217,976	444,040	(756,127)	6,905,889
Textbooks	5,678,148	0	(193,011)	5,485,137
<i>Total Capital Assets, being depreciated</i>	<u>113,265,037</u>	<u>19,293,407</u>	<u>(1,707,211)</u>	<u>130,851,233</u>
Less Accumulated Depreciation:				
Land Improvements	(4,576,012)	(469,873)	0	(5,045,885)
Buildings and Improvements	(47,664,536)	(1,730,043)	1,356	(49,393,223)
Furniture and Equipment	(8,605,416)	(429,069)	740,444	(8,294,041)
Vehicles	(4,719,454)	(398,698)	756,127	(4,362,025)
Textbooks	(5,678,148)	0	193,011	(5,485,137)
Total Accumulated Depreciation	<u>(71,243,566)</u>	<u>(3,027,683)*</u>	<u>1,690,938</u>	<u>(72,580,311)</u>
Total Capital Assets, being depreciated, net	<u>42,021,471</u>	<u>16,265,724</u>	<u>(16,273)</u>	<u>58,270,922</u>
Governmental Activities Capital Assets, Net	<u>\$52,164,907</u>	<u>\$19,685,440</u>	<u>(\$5,062,979)</u>	<u>\$66,787,368</u>

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,383,802
Special	29,444
Vocational	15,614
Adult/Continuing	806
Support Services:	
Pupils	42,453
Instructional Staff	9,661
Board of Education	1,818
Administration	64,352
Fiscal	2,913
Business	92,730
Operation and Maintenance of Plant	917,333
Pupil Transportation	236,605
Central	5,712
Operation of Non-Instructional Services	48,091
Extracurricular Activities	176,349
Total Depreciation Expense	<u>\$3,027,683</u>

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

	Balance 6/30/2006	Additions	Deletions	Balance 6/30/2007
Business-Type Activities				
Buildings and Improvements	\$8,000	\$0	\$0	\$8,000
Furniture and Equipment	1,466,900	34,047	(7,382)	1,493,565
Vehicles	23,132	0	0	23,132
Totals at Historical Cost	1,498,032	34,047	(7,382)	1,524,697
Less Accumulated Depreciation:				
Buildings and Improvements	(1,200)	(160)	0	(1,360)
Furniture and Equipment	(1,376,712)	(18,712)	7,382	(1,388,042)
Vehicles	(5,783)	(2,313)	0	(8,096)
Total Accumulated Depreciation	(1,383,695)	(21,185)**	7,382	(1,397,498)
Business-Type Activities Capital Asset, Net	\$114,337	\$12,862	\$0	\$127,199

** Depreciation expense was charged to business-type activities as follows:

Food Service	\$18,526
Adult Continuing Education	1,487
Extended Daycare/Preschool	1,172
Total Depreciation Expense	\$21,185

Note 8 - Receivables

Receivables at June 30, 2007, 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 fiscal year guarantee of federal funds. All receivables except for delinquent property taxes are expected to be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

Governmental Activities	Amounts
Other Grants	\$344,367
Auxiliary Services	76,068
Ohio Reads	3,889
Alternative Schools	26,932
State Grants	12,027
Adult Basic Education	6,400
Title VI-B	516,357
Title I	379,770
Title VI	20,050
Preschool Grant	59,223
Title VI-R	74,877
Other Special Revenue	26,890
Total Governmental Activities	\$1,546,850

(continued)

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Business-Type Activities	
Food Service	\$268,099
Adult Education	12,465
Extended Day Care/Preschool	17,567
Total Business-Type Activities	\$298,131

Note 9 - Risk Management

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. At June 30, 2007, the School District contracted with the following insurance companies:

Company	Type of Coverage	Limit	Deductible
Indiana Insurance Company	Auto Liability	\$1,000,000	N/A
	Comprehensive General Liability		
	General Liability	1,000,000	N/A
	Personal Injury	1,000,000	N/A
	General Aggregate	2,000,000	N/A
	Errors and Omissions	1,000,000	25,000
	School Leaders' Error and Omissions	1,000,000	10,000
	Property Coverage		
	Blanket Building and Contents	258,589,726	25,000

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.

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Note 10 - Pension Plans

A. School Employees Retirement System

The School District contributes to the School Employees Retirement System (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, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3476.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Plan members are required to contribute 10 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 2007, 10.68 percent of annual covered salary was the portion 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, 2007, 2006 and 2005 were \$2,057,601, \$1,902,742, and \$1,786,361, respectively; 38.81 percent has been contributed for fiscal year 2007 and 100 percent for fiscal years 2006 and 2005.

B. State Teachers Retirement System

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad Street, Columbus, OH 43215-3371, by calling (614) 227-4090, or by visiting the STRS Ohio website at www.strsoh.org.

New members have a choice of three retirement plans: a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

For the fiscal year ended June 30, 2007, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2006, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

The School District's required contributions for pension obligations to the DB Plan for the fiscal years ended June 30, 2007, 2006, and 2005 were \$8,244,660, \$8,251,789, and \$7,924,611, respectively; 81.20 percent has been contributed for fiscal year 2007 and 100 percent for fiscal years 2006 and 2005. Contributions to the DC and Combined Plans for fiscal year 2007 were \$95,723 made by the School District and \$261,637 made by the plan members.

Note 11 - 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.

STRS retirees who participated in the DB or Combined plans and their 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. All 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, 2007, the STRS Board allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. For the School District, this amount equaled \$634,205 for fiscal year 2007.

STRS pays health care benefits from the Health Care Stabilization Fund. At June 30, 2006, (the latest information available), the balance in the Fund was \$3.5 billion. For the fiscal year ended June 30, 2006, net health care costs paid by STRS were \$282,743,000 and STRS had 119,184 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. All retirees and beneficiaries are required to pay a portion of their premium for health care. The portion is based on years of service, Medicare eligibility, and retirement status.

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, 2007, employer contributions to fund health care benefits were 3.32 percent of covered payroll, compared to 3.42 percent of covered payroll for fiscal year 2006. 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 2007, the minimum pay was established at \$35,800. However, the surcharge is capped at two percent of each employer's SERS salaries. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2007 fiscal year equaled \$910,072.

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 150 percent of the projected claims less premium contributions for the next fiscal year. Expenses for health care for the fiscal year ended June 30, 2006, (the latest information available), were \$158,751,207. At June 30, 2006, SERS had net assets available for payment of health care benefits of \$295.6 million. SERS has 59,492 participants eligible to receive benefits.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 12 - Other Employee Benefits

A. *Compensated Absences*

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees and administrators who are on twelve month contracts earn up to twenty-five days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to classified employees and administrators who are on twelve month contracts upon termination of 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, certified employees with less than fourteen years of service with the School District are paid a sum equal to one-fourth of their unused sick leave balance times their daily rate up to a maximum of thirty days. Upon separation, certified employees with fourteen years of service or more with the School District, hired prior to May 1, 1996, receive a lump sum payment for their total accumulated sick leave balance times their daily rate, up to a maximum accumulation of sixty days. Any certified employee with a balance of greater than 150 days also receives an additional ten percent of accrued and unused sick leave above the 150 days. Certified employees with fourteen years of service or more, hired after May 1, 1996, receive a lump sum payment for one-fourth of their accrued and unused sick leave times their daily rate up to a maximum accumulation of ninety days.

Classified employees with fourteen years of service or more with the School District are paid a sum upon separation (regardless of whether retiring) equal to the value of the percentages below, to a maximum of 82.5 days:

Accrued and Unused Sick Days	Maximum Days Paid Upon Separation
0 - 50 days at 22%	11.0
51 - 100 days at 27%	13.5
101 - 146 days at 35%	16.0
147 - 197 days at 40%	20.0
198 - 242 days at 50%	22.0
	<u>82.5</u>

B. *Insurance Benefits*

The School District provides life insurance and accidental death and dismemberment insurance through Anthem Life. Certified 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 insurance, prescription drug coverage, and vision insurance through Anthem Blue Cross and Blue Shield and dental insurance through MetLife to all eligible employees.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 13 - Long-Term Obligations

The original issue date, interest rate, original issue amount and date of maturity of each of the School District's bonds and note follows:

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
Byers Field General Obligation Bonds - 1999	5.5400%	\$2,485,000	December 1, 2008
Construction Note - 2002	3.6036%	20,000,000	December 1, 2012
Construction Note - 2006	3.0000%	11,000,000	December 1, 2015
Energy Conservation Loan - 2003 (Phase IV)	3.0000-4.7500%	2,240,000	December 28, 2016
Energy Conservation Loan - 2004 (Phase V)	4.6000%	6,817,000	June 28, 2017
Energy Conservation Loan - 2004 (Phase VI)	4.3900%	5,477,606	April 23, 2019
Energy Conservation Loan - 2005 (Phase VII)	4.4900%	2,500,000	February 18, 2020
Energy Conservation Loan - 2006 (Phases VIII & IX)	4.3500%	3,458,570	May 31, 2021
Certificates of Participation - 2006	4.0000%	12,580,000	December 1, 2017

The changes in the School District's long-term obligations during the year consist of the following:

	Principal Outstanding 6/30/2006	Additions	(Reductions)	Principal Outstanding 6/30/2007	Amount Due in One Year
Governmental Activities:					
1999 Byers Field General Obligation Bonds	\$970,000	\$0	(\$305,000)	\$665,000	\$325,000
2002 Construction Note	14,950,000	0	(1,930,000)	13,020,000	1,990,000
2006 Construction Note	11,000,000	0	(820,000)	10,180,000	990,000
Unamortized Premium on Construction Note	160,322	0	(16,032)	144,290	0
2003 Energy Conservation Loan (Phase IV)	1,871,000	0	(138,000)	1,733,000	142,000
2004 Energy Conservation Loan (Phase V)	5,613,000	0	(423,000)	5,190,000	435,000
2004 Energy Conservation Loan (Phase VI)	4,936,317	0	(288,793)	4,647,524	301,610
2005 Energy Conservation Loan (Phase VII)	2,380,078	0	(125,366)	2,254,712	131,059
2006 Energy Conservation Loan (Phases VIII & IX)	3,458,570	0	(167,687)	3,290,883	175,061
2006 Certificates of Participation	12,580,000	0	0	12,580,000	165,000
Unamortized Discount on Certificates of Participation	(100,818)	0	8,402	(92,416)	0
Capital Lease	146,921	1,064,766	(153,005)	1,058,682	200,662
Compensated Absences	8,899,009	697,409	(426,614)	9,169,804	602,046
Total Governmental Activities	\$66,864,399	\$1,762,175	(\$4,785,095)	\$63,841,479	\$5,457,438
Business-Type Activities:					
Compensated Absences	\$98,965	\$6,124	(\$4,136)	\$100,953	\$2,932

On July 15, 1999, the School District issued bonds in the amount of \$2,485,000. The proceeds were used to repay the \$370,000 Byers Field bond anticipation note and the \$2,350,000 House Bill 264 Energy Conservation Note.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

In December 2002, June 2003, April 2004, February 2005, and May 2006, the School District issued energy conservation loans in the amounts of \$2,240,000, \$6,817,000, \$5,477,606, \$2,500,000, and \$3,458,570, respectively. The proceeds were and are going to be used to renovate school facilities in order to improve energy conservation measures.

The 2002 construction note is being used for the purpose of acquiring, constructing, enlarging and renovating certain property of the School District. This note will be repaid over 10 years.

The 2006 construction note is being used for the purpose of providing for the general ongoing permanent improvements of the School District. This note will be repaid over 11 years.

In June 2006, the School District entered a lease agreement with the Parma CSD Leasing Corporation for the purpose of constructing, furnishing, improving and equipping Parma Senior High School, Valley Forge Senior High School, Pleasant Valley Elementary School and Greenbriar Middle School. The Parma CSD Leasing Corporation entered an agreement with a trustee through which it assigned and transferred its rights, title, and interest under the lease to Huntington National Bank as Trustee. The Trustee issued Certificates of Participation in the lease agreement enabling holders of the Certificates to receive a portion of the semiannual lease payments. The Certificates of Participation will be repaid over 12 years with principal payment beginning in fiscal year 2008.

The note liability will be paid from the bond retirement fund. The certificates of participation will be paid from the permanent improvement capital projects fund. The general obligation bonds, energy conservation loans and capital leases will be paid from the general fund. Compensated absences will be paid from the general fund and the food service, adult continuing education and extended daycare/preschool enterprise funds.

The School District's overall legal debt margin was \$223,652,818 with an unvoted debt margin of \$2,476,213 at June 30, 2007. Principal and interest requirements to retire the debt outstanding at June 30, 2007, are as follows:

Fiscal Year Ending June 30,	General Obligation Bonds		Construction Notes		Energy Conservation Loans	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$325,000	\$27,889	\$2,980,000	\$806,902	\$1,184,730	\$734,645
2009	340,000	9,435	3,065,000	711,389	1,231,764	687,223
2010	0	0	3,170,000	607,660	1,282,001	635,300
2011	0	0	3,275,000	484,156	1,335,495	581,202
2012	0	0	3,415,000	350,506	1,393,301	522,653
2013-2017	0	0	7,295,000	460,901	7,945,755	1,632,394
2018-2021	0	0	0	0	2,743,073	219,493
Total	\$665,000	\$37,324	\$23,200,000	\$3,421,514	\$17,116,119	\$5,012,910

(continued)

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Fiscal Year Ending June 30,	Certificates of Participation		Total	
	Principal	Interest	Principal	Interest
2008	\$165,000	\$494,925	\$4,654,729	\$2,064,361
2009	180,000	488,025	4,816,764	1,896,072
2010	180,000	480,825	4,632,001	1,723,785
2011	190,000	473,425	4,800,495	1,538,783
2012	200,000	465,625	5,008,301	1,338,784
2013-2017	9,990,000	1,602,737	25,230,755	3,696,032
2018-2021	1,675,000	33,500	4,418,074	252,993
Total	<u>\$12,580,000</u>	<u>\$4,039,062</u>	<u>\$53,561,119</u>	<u>\$12,510,810</u>

Note 14 - Jointly Governed Organizations

A. Lakeshore Northeast Ohio Computer Association

The Lakeshore Northeast Ohio Computer Association (LNOCA) is a jointly governed computer service bureau that was formed for the purpose of providing data services to the seventeen 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. In fiscal year 2007, the School District paid \$49,318 to LNOCA. Financial information can be obtained by contacting the Treasurer of the fiscal agent at 5700 West Canal Road, Valley View, OH 44125.

B. Northeast Ohio Network for Educational Technology

The Northeast Ohio Network for Educational Technology (NEONET) is the computer service organization or Data Acquisition Site (DAS) used by the School District. NEONET is a jointly governed organization among twenty-one school districts and the Summit County Educational Service Center. The Summit County Educational Service Center acts as the fiscal agent for the consortium. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The Board of Directors consists of member district superintendents and treasurers. The manager/director is a permanent, non-voting member of the board of directors. Each school district's control is limited to its representation on the board. The Board of Directors exercise total control over the operations of the association including budgeting, appropriating, contracting and designating management. All association revenues are generated from charges for services and State funding. The School District does not retain an ongoing financial interest or an ongoing financial responsibility in NEONET. Payments to NEONET are made from the general fund. During the current fiscal year, the School District paid \$189,336 to NEONET. Financial information can be obtained by writing to the Summit County Educational Service Center, 420 Washington Avenue, Suite 200, Cuyahoga Falls, Ohio 44221.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

C. Ohio Schools Council Association

The Ohio Schools Council Association (Council) is a jointly governed organization among 108 school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying 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. In fiscal year 2007, the School District paid \$5,670 to the Council. Financial information can be obtained by contacting Dr. David A. Cottrell, the Executive Director of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The School District participates in the Council's electric purchase program which was implemented during fiscal year 1998. 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 its agreement, the district is required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corp.

The School District also participates in the Council's prepaid natural gas program which was implemented during fiscal year 1999. This program allows school districts to purchase natural gas at reduced rates, if the school districts will commit to participating for a twelve year period. The participants make monthly payments based on estimated usage. Each month these estimated payments are compared to their actual usage and any necessary adjustments are made.

The City of Hamilton, a municipal corporation and political subdivision duly organized and existing under the laws of the State of Ohio, issued \$89,450,000 in debt to purchase twelve years of natural gas from CMS Energy Corporation for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates its agreement, the district is entitled to recover that amount, if any, of its contributions to the operating fund which are not encumbered for its share of program administrative costs.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 15 - Set-Asides

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 fiscal year end or offset by similarly restricted resources received during the year must be held in cash at fiscal year end and carried forward to be used for the same purposes in future years.

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

	Textbooks Instructional Materials Reserve	Capital Improvement Reserve
	<u> </u>	<u> </u>
Set-aside Reserve Balance as of June 30, 2006	(\$1,411,413)	\$0
Current Year Set-aside Requirement	1,968,733	1,968,733
Offsets During the Fiscal Year	0	(2,730,696)
Qualifying Disbursements	<u>(2,510,366)</u>	<u>(773,673)</u>
Totals	<u>(\$1,953,046)</u>	<u>(\$1,535,636)</u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u>(\$1,953,046)</u>	<u>\$0</u>
Set-aside Reserve Balance as of June 30, 2007	<u>\$0</u>	<u>\$0</u>

The School District had qualifying disbursements during the fiscal year that reduced the textbook set-aside amount below zero. This extra amount may be used to reduce the set-aside requirements of future fiscal years. Although the School District had qualifying disbursements and offsets during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirement for future years. This negative balance is therefore not presented as being carried forward to future years.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 16 - Interfund Transactions

Interfund balances at June 30, 2007, consist of the following individual fund receivables and payables:

	Interfund Receivable	Interfund Payable
General Fund	\$4,008,356	\$0
Debt Service Fund:		
Bond Retirement	0	617,823
Special Revenue Funds:		
Public School Support	0	16,400
Auxiliary Services	0	15,235
Disadvantaged Pupil Impact Aid	0	13
Alternative Schools	0	162,000
Adult Basic Education	0	5,000
Title VI-B	0	154,012
Vocational Education	0	25,297
Title VI	0	15,000
Drug Free Schools	0	36,000
Preschool Grant	0	47,000
Title VI-R	0	26,000
Other Special Revenue Funds	0	7,682
<i>Total Special Revenue Funds</i>	0	509,639
Capital Projects Funds:		
Permanent Improvement	0	1,607,654
Turf Replacement	0	826,350
<i>Total Capital Projects Funds</i>	0	2,434,004
Enterprise Funds:		
Adult Continuing Education	0	276,487
Extended Daycare/Preschool	0	170,403
<i>Total Enterprise Funds</i>	0	446,890
Total All Funds	\$4,008,356	\$4,008,356

Interfund payables in the special revenue funds are due to the timing of the receipt of grant monies received by the various funds. The payable in the bond retirement is related to debt payments, to be repaid with tax revenues. The capital projects payable is due to the start of improvement projects before the permanent improvement tax levy collections began. Interfund payables exist in the enterprise funds due to the timing of the receipt of various revenue sources. All balances are expected to be paid next fiscal year except for the advances between the general fund and the turf replacement capital projects and adult continuing education enterprise funds.

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Transfers made during the year ended June 30, 2007 were as follows:

<u>Transfers To</u>	<u>Transfer From</u> <u>General Fund</u>
Permanent Improvement Fund	\$12,550
Nonmajor Funds	101,523
Total	<u>\$114,073</u>

The transfers are to move unrestricted balances to support programs and projects accounted for in other funds.

Note 17 - Contingencies

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are 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 disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2007.

B. Litigation

The School District is party to legal proceedings. The School Board is of the opinion that the ultimate disposition of the current proceeding will not have a material effect, if any, on the financial condition of the School District.

Note 18 - Capital Leases

The School District had entered into capital leases for copier machines and fax machines. The final payments for these leases were made in fiscal year 2007. In fiscal year 2007, the School District entered into two new capital leases for copier/fax machines and for a Docutech 180 HLC production printer. These leases meet the criteria of a capital lease as defined by FASB Statement No. 13, "Accounting for Leases." The leased equipment is reported as a group in governmental activities at a cost of \$1,106,981; accumulated depreciation through June 30, 2007 amounted to \$103,263 leaving a book value of \$1,003,718. The agreements provide for minimum, annual lease payments as follows:

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

	Governmental Activities
2008	\$245,331
2009	230,967
2010	230,967
2011	230,968
2012	194,768
2013	50,294
Total Minimum Lease Payments	1,183,295
Less: Amounts Representing Interest	(124,613)
Present Value of Minimum Lease Payments	\$1,058,682

Note 19 – Contractual Commitments

At June 30, 2007, the School District had the following outstanding contractual commitments for various improvements:

Contractor	Contract Amount Outstanding
Carron Asphalt Paving, Inc.	\$808,060
Erie Affiliates, Inc.	650,856
Daktronics, Inc.	609,855
Jance Construction	565,453
Charles Schulz Building Company, Inc.	525,579
M&M Restoration	408,595
Precision Engineering & Contracting, Inc.	229,427
London Road Electric Company	209,000
Erie Affiliates, Inc.	177,170
Specialized Construction	154,100
John F. Gallagher Company	120,230
Schirmer Construction Company	110,800
Apex Construction	102,234
P J Ellis Electric Company, Inc.	92,470
Flooring Specialties	83,327
Jance Construction	77,000
Jance Construction	70,000
Whitmer Company	49,275
Schirmer Construction Company	47,900
Ellis Brothers Electrical, Ltd.	46,601
Standard Contracting	38,000
Precision Environmental Company	23,840
Imperial Heating and Cooling	11,288
Platform Cement	7,840
Total	\$5,218,900

Parma City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 20 – Subsequent Event

In July 2007, the School District issued an energy conservation loan in the amount of \$2,511,519 with the proceeds to be used to renovate school facilities in order to improve energy conservation measures.

Combining Statements and Individual Fund Schedules

Fund Descriptions - Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

To account for revenues from specific sources which legally, otherwise, are restricted to expenditures for specific purposes.

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

Other Grants Fund – This fund accounts for several miscellaneous scholarships that the School District receives and disburses during the year.

District Managed Student Activity 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.

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

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

Network Connectivity Fund – This fund accounts for State monies to operate and develop the School District's computer networking system.

Ohio Reads Fund – This fund accounts for State monies used for discovering and helping students who have reading deficiencies.

Alternative Schools Fund – This fund accounts for State monies for misbehaving students who cannot function in a regular classroom.

State Grants Fund – This fund accounts for several miscellaneous State grants that the School District receives and disburses during the year.

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.

Title VI-B 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.

(continued)

Fund Descriptions – Nonmajor Governmental Funds (continued)

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.

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

Title V Fund - This fund accounts for Federal monies which support the implementation of a variety of programs such as computer education, gifted and talented programs and in-service and staff development.

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

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

Title VI-R Fund – This fund accounts for Federal monies used for preparing students and teachers for the proficiency test.

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

Scholarship Fund
Venture Capital Fund
Managed Information Systems Fund
Entry Year Grant Fund
School Net Subsidy Grant Fund
Summer Intervention Fund
Vocational Education Enhancements Fund
Poverty Aid Fund
Limited English Proficiency Grant Fund
Federal Refugee Children Fund

(continued)

Fund Descriptions - Nonmajor Governmental Funds (continued)

Nonmajor Capital Projects Funds

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

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

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

Parma City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2007

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$2,703,133	\$86,903	\$2,790,036
Accounts Receivable	4,845	0	4,845
Accrued Interest Receivable	9,702	0	9,702
Intergovernmental Receivable	1,546,850	0	1,546,850
<i>Total Assets</i>	<u>\$4,264,530</u>	<u>\$86,903</u>	<u>\$4,351,433</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$655,430	\$0	\$655,430
Accrued Wages and Benefits	505,970	0	505,970
Intergovernmental Payable	265,568	0	265,568
Interfund Payable	509,639	826,350	1,335,989
Deferred Revenue	910,545	0	910,545
<i>Total Liabilities</i>	<u>2,847,152</u>	<u>826,350</u>	<u>3,673,502</u>
Fund Balances			
Reserved for Encumbrances	642,613	0	642,613
Unreserved, Undesignated (Deficit)			
Reported in:			
Special Revenue Funds	774,765	0	774,765
Capital Projects Funds	0	(739,447)	(739,447)
<i>Total Fund Balances (Deficit)</i>	<u>1,417,378</u>	<u>(739,447)</u>	<u>677,931</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$4,264,530</u>	<u>\$86,903</u>	<u>\$4,351,433</u>

Parma City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2007

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Intergovernmental	\$10,666,486	\$0	\$10,666,486
Interest	101,958	0	101,958
Tuition and Fees	550	0	550
Extracurricular Activities	749,889	0	749,889
Charges for Services	32,102	0	32,102
Contributions and Donations	30,618	0	30,618
Miscellaneous	831,383	15,920	847,303
<i>Total Revenues</i>	<u>12,412,986</u>	<u>15,920</u>	<u>12,428,906</u>
Expenditures			
Current:			
Instruction:			
Regular	678,294	0	678,294
Special	2,313,415	0	2,313,415
Vocational	6,277	0	6,277
Adult/Continuing	109,864	0	109,864
Support Services:			
Pupils	868,734	0	868,734
Instructional Staff	1,827,999	0	1,827,999
Administration	686,352	0	686,352
Operation and Maintenance of Plant	41,301	0	41,301
Pupil Transportation	76,235	0	76,235
Central	134,437	0	134,437
Operation of Non-Instructional Services	4,454,581	0	4,454,581
Extracurricular Activities	1,469,664	0	1,469,664
Capital Outlay	8,652	0	8,652
<i>Total Expenditures</i>	<u>12,675,805</u>	<u>0</u>	<u>12,675,805</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(262,819)</u>	<u>15,920</u>	<u>(246,899)</u>
Other Financing Sources			
Sale of Capital Assets	150	0	150
Transfers In	101,523	0	101,523
<i>Total Other Financing Sources</i>	<u>101,673</u>	<u>0</u>	<u>101,673</u>
<i>Net Change in Fund Balances</i>	(161,146)	15,920	(145,226)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>1,578,524</u>	<u>(755,367)</u>	<u>823,157</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$1,417,378</u>	<u>(\$739,447)</u>	<u>\$677,931</u>

Parma City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2007

	Public School Support	Other Grants	District Managed Student Activity	Auxiliary Services
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$564,081	\$150,738	\$313,649	\$953,501
Accounts Receivable	550	4,295	0	0
Accrued Interest Receivable	5,940	0	3,762	0
Intergovernmental Receivable	0	344,367	0	76,068
<i>Total Assets</i>	<u>\$570,571</u>	<u>\$499,400</u>	<u>\$317,411</u>	<u>\$1,029,569</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$52,850	\$8,566	\$16,668	\$415,679
Accrued Wages and Benefits	0	5,040	0	136,584
Intergovernmental Payable	175	8,055	1,905	44,987
Interfund Payable	16,400	0	0	15,235
Deferred Revenue	0	329,362	0	76,068
<i>Total Liabilities</i>	<u>69,425</u>	<u>351,023</u>	<u>18,573</u>	<u>688,553</u>
Fund Balances				
Reserved for Encumbrances	25,046	16,443	4,725	379,407
Unreserved, Undesignated (Deficit)	476,100	131,934	294,113	(38,391)
<i>Total Fund Balances (Deficit)</i>	<u>501,146</u>	<u>148,377</u>	<u>298,838</u>	<u>341,016</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$570,571</u>	<u>\$499,400</u>	<u>\$317,411</u>	<u>\$1,029,569</u>

Disadvantaged Pupil Impact Aid	Network Connectivity	Ohio Reads	Alternative Schools	State Grants	Adult Basic Education	Title VI-B
\$0	\$32,655	\$4,067	\$939	\$122,641	\$435	\$201,437
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	3,889	26,932	12,027	6,400	516,357
<u>\$0</u>	<u>\$32,655</u>	<u>\$7,956</u>	<u>\$27,871</u>	<u>\$134,668</u>	<u>\$6,835</u>	<u>\$717,794</u>
\$0	\$26,595	\$2,198	\$371	\$278	\$74	\$76,714
0	0	0	21,914	1,508	1,421	134,443
0	0	1,082	10,678	1,866	6,104	99,569
13	0	0	162,000	0	5,000	154,012
0	0	3,889	1,845	12,027	6,400	147,794
<u>13</u>	<u>26,595</u>	<u>7,169</u>	<u>196,808</u>	<u>15,679</u>	<u>18,999</u>	<u>612,532</u>
0	6,060	1,869	186	1,395	80	128,529
(13)	0	(1,082)	(169,123)	117,594	(12,244)	(23,267)
<u>(13)</u>	<u>6,060</u>	<u>787</u>	<u>(168,937)</u>	<u>118,989</u>	<u>(12,164)</u>	<u>105,262</u>
<u>\$0</u>	<u>\$32,655</u>	<u>\$7,956</u>	<u>\$27,871</u>	<u>\$134,668</u>	<u>\$6,835</u>	<u>\$717,794</u>

(continued)

Parma City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2007

	Vocational Education	Title I	Title V	Drug Free Schools
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$53,815	\$56,151	\$3,458	\$1,542
Accounts Receivable	0	0	0	0
Accrued Interest Receivable	0	0	0	0
Intergovernmental Receivable	0	379,770	20,050	0
<i>Total Assets</i>	<u>\$53,815</u>	<u>\$435,921</u>	<u>\$23,508</u>	<u>\$1,542</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$3,367	\$15,189	\$893	\$93
Accrued Wages and Benefits	0	138,058	0	6,624
Intergovernmental Payable	255	48,475	272	2,429
Interfund Payable	25,297	0	15,000	36,000
Deferred Revenue	0	236,823	17,490	0
<i>Total Liabilities</i>	<u>28,919</u>	<u>438,545</u>	<u>33,655</u>	<u>45,146</u>
Fund Balances				
Reserved for Encumbrances	26,942	22,911	1,481	794
Unreserved, Undesignated (Deficit)	<u>(2,046)</u>	<u>(25,535)</u>	<u>(11,628)</u>	<u>(44,398)</u>
<i>Total Fund Balances (Deficit)</i>	<u>24,896</u>	<u>(2,624)</u>	<u>(10,147)</u>	<u>(43,604)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$53,815</u>	<u>\$435,921</u>	<u>\$23,508</u>	<u>\$1,542</u>

Preschool Grant	Title VI-R	Other	Total Nonmajor Special Revenue Funds
\$29,078	\$31,486	\$183,460	\$2,703,133
0	0	0	4,845
0	0	0	9,702
59,223	74,877	26,890	1,546,850
<u>\$88,301</u>	<u>\$106,363</u>	<u>\$210,350</u>	<u>\$4,264,530</u>
\$27,598	\$451	\$7,846	\$655,430
6,544	44,721	9,113	505,970
2,938	22,068	14,710	265,568
47,000	26,000	7,682	509,639
46,052	12,285	20,510	910,545
<u>130,132</u>	<u>105,525</u>	<u>59,861</u>	<u>2,847,152</u>
699	831	25,215	642,613
(42,530)	7	125,274	774,765
<u>(41,831)</u>	<u>838</u>	<u>150,489</u>	<u>1,417,378</u>
<u>\$88,301</u>	<u>\$106,363</u>	<u>\$210,350</u>	<u>\$4,264,530</u>

Parma City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2007

	Public School Support	Other Grants	District Managed Student Activity	Auxiliary Services
Revenues				
Intergovernmental	\$0	\$44,195	\$0	\$3,590,419
Interest	24,503	0	11,915	65,540
Tuition and Fees	550	0	0	0
Extracurricular Activities	410,550	0	339,339	0
Charges for Services	587	1,425	30,090	0
Contributions and Donations	26,002	4,616	0	0
Miscellaneous	558,256	250,225	22,855	0
<i>Total Revenues</i>	<u>1,020,448</u>	<u>300,461</u>	<u>404,199</u>	<u>3,655,959</u>
Expenditures				
Current:				
Instruction:				
Regular	0	26,695	0	0
Special	6,630	1,000	0	0
Vocational	0	0	0	0
Adult/Continuing	0	1,934	0	0
Support Services:				
Pupils	0	185,202	0	0
Instructional Staff	0	3,399	0	0
Administration	3,436	99,325	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	22,024	0
Central	0	8,191	0	0
Operation of Non-Instructional Services	0	0	0	3,676,267
Extracurricular Activities	1,015,312	0	454,352	0
Capital Outlay	8,652	0	0	0
<i>Total Expenditures</i>	<u>1,034,030</u>	<u>325,746</u>	<u>476,376</u>	<u>3,676,267</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(13,582)</u>	<u>(25,285)</u>	<u>(72,177)</u>	<u>(20,308)</u>
Other Financing Sources				
Sale of Capital Assets	150	0	0	0
Transfers In	0	0	97,000	0
<i>Total Other Financing Sources</i>	<u>150</u>	<u>0</u>	<u>97,000</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(13,432)</u>	<u>(25,285)</u>	<u>24,823</u>	<u>(20,308)</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>514,578</u>	<u>173,662</u>	<u>274,015</u>	<u>361,324</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$501,146</u>	<u>\$148,377</u>	<u>\$298,838</u>	<u>\$341,016</u>

Disadvantaged Pupil Impact Aid	Network Connectivity	Ohio Reads	Alternative Schools	State Grants	Adult Basic Education	Title VI-B
\$0	\$66,000	\$43,996	\$249,027	\$121,412	\$161,877	\$3,715,760
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
47	0	0	0	0	0	0
47	66,000	43,996	249,027	121,412	161,877	3,715,760
0	0	14,009	151,351	0	0	26,478
0	0	0	0	55,666	0	1,034,542
0	0	0	0	0	0	0
0	0	0	0	0	106,855	0
0	0	0	29,594	24,060	39,559	235,766
0	0	26,001	0	29,740	0	1,443,184
0	0	0	85,351	501	0	464,531
0	0	0	0	0	0	0
0	0	0	0	0	0	54,211
0	59,940	0	0	0	0	0
0	0	0	0	0	0	467,741
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	59,940	40,010	266,296	109,967	146,414	3,726,453
47	6,060	3,986	(17,269)	11,445	15,463	(10,693)
0	0	0	0	0	0	0
2,942	0	393	0	0	0	0
2,942	0	393	0	0	0	0
2,989	6,060	4,379	(17,269)	11,445	15,463	(10,693)
(3,002)	0	(3,592)	(151,668)	107,544	(27,627)	115,955
(\$13)	\$6,060	\$787	(\$168,937)	\$118,989	(\$12,164)	\$105,262

(continued)

Parma City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2007

	Vocational Education	Title I	Title V	Drug Free Schools
Revenues				
Intergovernmental	\$184,405	\$1,475,200	\$8,285	\$38,770
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>184,405</u>	<u>1,475,200</u>	<u>8,285</u>	<u>38,770</u>
Expenditures				
Current:				
Instruction:				
Regular	0	0	0	0
Special	0	1,125,020	0	0
Vocational	6,277	0	0	0
Adult/Continuing	0	0	0	0
Support Services:				
Pupils	132,670	2,089	0	65,871
Instructional Staff	41,114	47,507	1,996	0
Administration	0	30,374	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Central	4,151	0	0	0
Operation of Non-Instructional Services	0	203,309	5,697	2,066
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>184,212</u>	<u>1,408,299</u>	<u>7,693</u>	<u>67,937</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>193</u>	<u>66,901</u>	<u>592</u>	<u>(29,167)</u>
Other Financing Sources				
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	0	0
<i>Total Other Financing Sources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	193	66,901	592	(29,167)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>24,703</u>	<u>(69,525)</u>	<u>(10,739)</u>	<u>(14,437)</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$24,896</u></u>	<u><u>(\$2,624)</u></u>	<u><u>(\$10,147)</u></u>	<u><u>(\$43,604)</u></u>

Preschool Grant	Title VI-R	Other	Total Nonmajor Special Revenue Funds
\$110,441	\$484,635	\$372,064	\$10,666,486
0	0	0	101,958
0	0	0	550
0	0	0	749,889
0	0	0	32,102
0	0	0	30,618
0	0	0	831,383
110,441	484,635	372,064	12,412,986
0	298,890	160,871	678,294
19,788	0	70,769	2,313,415
0	0	0	6,277
0	0	1,075	109,864
65,853	0	88,070	868,734
59,908	120,842	54,308	1,827,999
500	0	2,334	686,352
0	41,301	0	41,301
0	0	0	76,235
0	0	62,155	134,437
10,384	88,311	806	4,454,581
0	0	0	1,469,664
0	0	0	8,652
156,433	549,344	440,388	12,675,805
(45,992)	(64,709)	(68,324)	(262,819)
0	0	0	150
0	0	1,188	101,523
0	0	1,188	101,673
(45,992)	(64,709)	(67,136)	(161,146)
4,161	65,547	217,625	1,578,524
(\$41,831)	\$838	\$150,489	\$1,417,378

Parma City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2007

	<u>Turf Replacement</u>	<u>School Net</u>	<u>Total Nonmajor Capital Projects Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$62,794	\$24,109	\$86,903
Liabilities and Fund Balances			
Liabilities			
Interfund Payable	\$826,350	\$0	\$826,350
Fund Balances			
Unreserved, Undesignated (Deficit)	(763,556)	24,109	(739,447)
<i>Total Liabilities and Fund Balances</i>	<u>\$62,794</u>	<u>\$24,109</u>	<u>\$86,903</u>

Parma City School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Capital Projects Funds

For the Fiscal Year Ended June 30, 2007

	<u>Turf Replacement</u>	<u>School Net</u>	<u>Total Nonmajor Capital Projects Funds</u>
Revenues			
Miscellaneous	\$15,920	\$0	\$15,920
Expenditures			
	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	15,920	0	15,920
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(779,476)</u>	<u>24,109</u>	<u>(755,367)</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$763,556)</u>	<u>\$24,109</u>	<u>(\$739,447)</u>

Fund Descriptions - Nonmajor Proprietary Funds

Nonmajor Enterprise Funds

Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services.

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 the educational programs offered to the community to enhance their education and complete their general education diploma (GED) qualifications.

Extended Daycare/Preschool Fund - This fund accounts for the funds used to provide day care and preschool programs for children of the staff and community.

Parma City School District
Combining Statement of Fund Net Assets
Nonmajor Enterprise Funds
June 30, 2007

	Food Service	Adult Continuing Education	Extended Daycare/ Preschool	Total Nonmajor Enterprise Funds
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Cash Equivalents	\$965,020	\$46,651	\$265,596	\$1,277,267
Accounts Receivable	4,453	8,284	65,502	78,239
Intergovernmental Receivable	268,099	12,465	17,567	298,131
Inventory Held for Resale	18,522	0	0	18,522
<i>Total Current Assets</i>	1,256,094	67,400	348,665	1,672,159
<i>Noncurrent Assets:</i>				
Capital Assets, Net	111,332	7,064	8,803	127,199
<i>Total Assets</i>	1,367,426	74,464	357,468	1,799,358
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	3,608	949	576	5,133
Accrued Wages and Benefits	27,021	1,737	10,855	39,613
Compensated Absences Payable	2,710	174	48	2,932
Intergovernmental Payable	54,789	4,034	36,104	94,927
Interfund Payable	0	276,487	170,403	446,890
<i>Total Current Liabilities</i>	88,128	283,381	217,986	589,495
<i>Long-Term Liabilities:</i>				
Compensated Absences Payable	90,574	5,833	1,614	98,021
<i>Total Liabilities</i>	178,702	289,214	219,600	687,516
Net Assets				
Invested in Capital Assets	111,332	7,064	8,803	127,199
Unrestricted (Deficit)	1,077,392	(221,814)	129,065	984,643
<i>Total Net Assets (Deficit)</i>	\$1,188,724	(\$214,750)	\$137,868	\$1,111,842

Parma City School District
*Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2007*

	Food Service	Adult Continuing Education	Extended Daycare/ Preschool	Total Nonmajor Enterprise Funds
Operating Revenues				
Tuition	\$0	\$55,416	\$1,163,561	\$1,218,977
Sales	2,350,372	0	0	2,350,372
Miscellaneous	0	0	5,315	5,315
<i>Total Operating Revenues</i>	<u>2,350,372</u>	<u>55,416</u>	<u>1,168,876</u>	<u>3,574,664</u>
Operating Expenses				
Salaries	1,070,921	80,622	690,149	1,841,692
Fringe Benefits	580,924	25,626	163,221	769,771
Purchased Services	46,119	4,998	299,060	350,177
Materials and Supplies	116,920	9,459	69,524	195,903
Cost of Sales	1,401,345	0	0	1,401,345
Depreciation	18,526	1,487	1,172	21,185
Other	6,092	0	2,959	9,051
<i>Total Operating Expenses</i>	<u>3,240,847</u>	<u>122,192</u>	<u>1,226,085</u>	<u>4,589,124</u>
<i>Operating Loss</i>	<u>(890,475)</u>	<u>(66,776)</u>	<u>(57,209)</u>	<u>(1,014,460)</u>
Non-Operating Revenues				
Operating Grants	1,157,325	46,215	94,727	1,298,267
Gain on Sale of Capital Assets	1,791	0	0	1,791
<i>Total Non-Operating Revenues</i>	<u>1,159,116</u>	<u>46,215</u>	<u>94,727</u>	<u>1,300,058</u>
<i>Change in Net Assets</i>	268,641	(20,561)	37,518	285,598
<i>Net Assets (Deficit) Beginning of Year</i>	<u>920,083</u>	<u>(194,189)</u>	<u>100,350</u>	<u>826,244</u>
<i>Net Assets (Deficit) End of Year</i>	<u><u>\$1,188,724</u></u>	<u><u>(\$214,750)</u></u>	<u><u>\$137,868</u></u>	<u><u>\$1,111,842</u></u>

Parma City School District
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2007

	Food Service	Adult Continuing Education	Extended Daycare/ Preschool	Total Nonmajor Enterprise Funds
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Customers	\$2,348,030	\$65,343	\$1,157,243	\$3,570,616
Other Cash Receipts	0	0	5,315	5,315
Cash Payments to Employees for Services	(1,061,832)	(80,588)	(693,956)	(1,836,376)
Cash Payments for Employee Benefits	(581,690)	(26,384)	(173,816)	(781,890)
Cash Payments for Goods and Services	(1,563,692)	(14,497)	(383,589)	(1,961,778)
Other Cash Payments	(6,092)	0	(2,959)	(9,051)
<i>Net Cash Used for Operating Activities</i>	<u>(865,276)</u>	<u>(56,126)</u>	<u>(91,762)</u>	<u>(1,013,164)</u>
Cash Flows from Noncapital Financing Activities				
Operating Grants Received	1,102,580	33,750	118,887	1,255,217
Advances In	0	25,000	0	25,000
<i>Net Cash Provided by Noncapital Financing Activities</i>	<u>1,102,580</u>	<u>58,750</u>	<u>118,887</u>	<u>1,280,217</u>
Cash Flows from Capital and Related Financing Activities				
Gain on Sale of Capital Assets	1,791	0	0	1,791
Payments for Capital Acquisitions	(34,047)	0	0	(34,047)
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(32,256)</u>	<u>0</u>	<u>0</u>	<u>(32,256)</u>
<i>Net Increase in Cash and Cash Equivalents</i>	205,048	2,624	27,125	234,797
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>759,972</u>	<u>44,027</u>	<u>238,471</u>	<u>1,042,470</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$965,020</u></u>	<u><u>\$46,651</u></u>	<u><u>\$265,596</u></u>	<u><u>\$1,277,267</u></u>

(continued)

Parma City School District
Combining Statement of Cash Flows
Nonmajor Enterprise Funds (continued)
For the Fiscal Year Ended June 30, 2007

	Food Service	Adult Continuing Education	Extended Daycare/ Preschool	Total Nonmajor Enterprise Funds
Reconciliation of Operating Loss to Net Cash Used for Operating Activities				
Operating Loss	(\$890,475)	(\$66,776)	(\$57,209)	(\$1,014,460)
Adjustments:				
Depreciation	18,526	1,487	1,172	21,185
(Increase) Decrease in Assets:				
Accounts Receivable	(2,342)	9,927	(6,318)	1,267
Inventory Held for Resale	(3,040)	0	0	(3,040)
Increase (Decrease) in Liabilities:				
Accounts Payable	3,399	(40)	(131)	3,228
Accrued Wages and Benefits	9,089	34	(3,807)	5,316
Compensated Absences Payable	2,960	(626)	(346)	1,988
Intergovernmental Payable	(3,393)	(132)	(25,123)	(28,648)
<i>Net Cash Used for Operating Activities</i>	<u>(\$865,276)</u>	<u>(\$56,126)</u>	<u>(\$91,762)</u>	<u>(\$1,013,164)</u>

Fund Descriptions - 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.

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, 2007

	Balance 06/30/06	Additions	Deductions	Balance 06/30/07
<i>Student Activities</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$426,318	\$1,023,098	\$988,504	\$460,912
Liabilities				
Due to Students	\$426,318	\$1,023,098	\$988,504	\$460,912
<i>Voluntary Benefits</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$605,733	\$222,408	\$126,924	\$701,217
Liabilities				
Undistributed Monies	\$605,733	\$222,408	\$126,924	\$701,217
<i>Total - All Agency Funds</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,032,051	\$1,245,506	\$1,115,428	\$1,162,129
Liabilities				
Undistributed Monies	\$605,733	\$222,408	\$126,924	\$701,217
Due to Students	426,318	1,023,098	988,504	460,912
<i>Total Liabilities</i>	\$1,032,051	\$1,245,506	\$1,115,428	\$1,162,129

**Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes
in Fund Balance/Fund Equity – Budget (Non-GAAP Basis) and Actual**

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, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget	Actual	
Revenues				
Property Taxes	\$87,000,000	\$86,500,000	\$86,299,137	(\$200,863)
Intergovernmental	36,000,000	35,500,000	35,385,798	(114,202)
Interest	2,000,000	1,750,000	1,862,486	112,486
Tuition and Fees	2,000,000	1,750,000	1,906,555	156,555
Extracurricular Activities	2,606,977	221,028	211,748	(9,280)
Rentals	120,000	120,000	108,104	(11,896)
Charges for Services	214,750	214,750	1,699,078	1,484,328
Contributions and Donations	69,153	73,253	44,545	(28,708)
Miscellaneous	567,800	547,145	611,075	63,930
<i>Total Revenues</i>	<u>130,578,680</u>	<u>126,676,176</u>	<u>128,128,526</u>	<u>1,452,350</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries	38,912,523	38,398,797	38,068,685	330,112
Fringe Benefits	14,408,467	14,808,821	14,698,411	110,410
Purchased Services	2,264,308	2,548,371	2,533,225	15,146
Materials and Supplies	2,028,426	2,407,948	2,288,980	118,968
Capital Outlay - New	426,166	504,292	478,537	25,755
Other	238,182	251,332	188,267	63,065
Total Regular	<u>58,278,072</u>	<u>58,919,561</u>	<u>58,256,105</u>	<u>663,456</u>
Special:				
Salaries	10,970,350	10,905,350	10,792,555	112,795
Fringe Benefits	4,229,876	4,204,876	4,144,229	60,647
Purchased Services	152,756	174,595	173,460	1,135
Materials and Supplies	69,112	86,449	81,982	4,467
Capital Outlay - New	600	16,256	14,109	2,147
Other	0	600	20	580
Total Special	<u>15,422,694</u>	<u>15,388,126</u>	<u>15,206,355</u>	<u>181,771</u>
Vocational:				
Salaries and Wages	2,782,539	2,613,759	2,413,694	200,065
Fringe Benefits	842,597	922,880	898,265	24,615
Purchased Services	76,217	57,825	57,473	352
Materials and Supplies	161,564	236,098	212,269	23,829
Capital Outlay - New	1,053	13,070	12,866	204
Capital Outlay - Replacement	146,194	126,842	126,823	19
Total Vocational	<u>\$4,010,164</u>	<u>\$3,970,474</u>	<u>\$3,721,390</u>	<u>\$249,084</u>

(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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Adult/Continuing:				
Materials and Supplies	\$210	\$685	\$375	\$310
Other	4,500	9,350	8,069	1,281
Total Adult/Continuing	4,710	10,035	8,444	1,591
Total Instruction	77,715,640	78,288,196	77,192,294	1,095,902
Support Services:				
Pupils:				
Salaries	4,526,320	4,596,320	4,536,070	60,250
Fringe Benefits	2,636,319	1,967,212	1,713,673	253,539
Purchased Services	417,317	431,092	431,067	25
Materials and Supplies	40,965	47,315	46,822	493
Capital Outlay - New	0	2,077	2,077	0
Total Pupils	7,620,921	7,044,016	6,729,709	314,307
Instructional Staff:				
Salaries	2,403,000	2,775,322	2,686,797	88,525
Fringe Benefits	1,003,310	1,103,310	1,078,875	24,435
Purchased Services	617,050	652,729	611,171	41,558
Materials and Supplies	193,277	209,002	196,674	12,328
Capital Outlay - New	58,524	61,097	61,090	7
Capital Outlay - Replacement	0	5,000	0	5,000
Other	4,000	19,633	18,792	841
Total Instructional Staff	4,279,161	4,826,093	4,653,399	172,694
Board of Education:				
Salaries	89,000	89,000	81,436	7,564
Fringe Benefits	20,458	21,458	21,208	250
Purchased Services	626,557	916,817	887,507	29,310
Materials and Supplies	2,403	2,403	2,199	204
Capital Outlay - New	1,000	1,000	0	1,000
Other	200	11,724	11,604	120
Total Board of Education	739,618	1,042,402	1,003,954	38,448
Administration:				
Salaries	6,866,300	7,082,800	7,031,234	51,566
Fringe Benefits	3,021,019	3,183,424	3,140,688	42,736
Purchased Services	220,553	267,150	202,567	64,583
Materials and Supplies	124,411	134,316	105,013	29,303
Capital Outlay - New	5,000	2,802	2,136	666
Capital Outlay - Replacement	1,500	400	0	400
Other	3,369	6,410	5,910	500
Total Administration	\$10,242,152	\$10,677,302	\$10,487,548	\$189,754

(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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	
Fiscal:				
Salaries	\$505,300	\$605,300	\$530,125	\$75,175
Fringe Benefits	745,792	504,792	253,902	250,890
Purchased Services	377,167	122,152	95,423	26,729
Materials and Supplies	15,891	25,391	23,651	1,740
Capital Outlay - New	3,591	58,841	42,581	16,260
Capital Outlay - Replacement	1,120	1,120	116	1,004
Other	1,232,750	1,364,973	1,350,781	14,192
Total Fiscal	2,881,611	2,682,569	2,296,579	385,990
Business:				
Salaries	514,000	564,000	528,077	35,923
Fringe Benefits	220,563	225,563	221,305	4,258
Purchased Services	87,308	91,837	78,462	13,375
Materials and Supplies	352,197	429,882	327,644	102,238
Capital Outlay - New	110,990	110,990	106,256	4,734
Other	5,000	5,350	2,433	2,917
Total Business	1,290,058	1,427,622	1,264,177	163,445
Operation and Maintenance of Plant:				
Salaries	5,112,041	4,838,041	4,587,529	250,512
Fringe Benefits	2,275,360	2,058,360	2,007,662	50,698
Purchased Services	4,124,475	5,026,610	4,676,098	350,512
Materials and Supplies	674,480	685,263	683,821	1,442
Capital Outlay - New	82,651	142,109	141,392	717
Capital Outlay - Replacement	57,472	64,615	64,477	138
Other	309,792	269,426	263,622	5,804
Total Operation and Maintenance of Plant	12,636,271	13,084,424	12,424,601	659,823
Pupil Transportation:				
Salaries	4,300,500	3,650,500	3,310,606	339,894
Fringe Benefits	1,435,401	1,609,366	1,557,881	51,485
Purchased Services	647,277	642,935	638,892	4,043
Materials and Supplies	800,181	798,828	797,356	1,472
Other	119,114	108,623	107,946	677
Total Pupil Transportation	7,302,473	6,810,252	6,412,681	397,571
Central:				
Salaries	833,846	670,846	569,506	101,340
Fringe Benefits	251,895	262,895	261,034	1,861
Purchased Services	432,363	419,466	411,743	7,723
Materials and Supplies	404,893	368,789	367,846	943
Capital Outlay - New	110,581	128,608	120,912	7,696
Other	11,807	8,465	8,168	297
Total Central	2,045,385	1,859,069	1,739,209	119,860
Total Support Services	\$49,037,650	\$49,453,749	\$47,011,857	\$2,441,892

(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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	\$22,000	\$22,000	\$21,840	\$160
Fringe Benefits	3,212	4,212	3,550	662
Materials and Supplies	50	696	420	276
Other	3,000	4,000	1,795	2,205
Total Operation of Non-Instructional Services	28,262	30,908	27,605	3,303
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries and Wages	109,000	218,736	209,940	8,796
Fringe Benefits	31,154	39,166	34,314	4,852
Purchased Services	44,113	66,841	66,044	797
Materials and Supplies	72,678	78,581	68,477	10,104
Total Academic and Subject Oriented Activities	256,945	403,324	378,775	24,549
Occupation Oriented Activities:				
Materials and Supplies	1,000	1,000	161	839
Sport Oriented Activities:				
Salaries and Wages	889,730	971,010	964,720	6,290
Fringe Benefits	174,993	189,993	187,169	2,824
Purchased Services	33,000	33,000	33,000	0
Total Sport Oriented Activities	1,097,723	1,194,003	1,184,889	9,114
School and Public Service Co-Curricular Activities:				
Salaries and Wages	106,700	181,700	173,213	8,487
Fringe Benefits	26,207	31,207	28,531	2,676
Materials and Supplies	625	725	200	525
Other	9,335	32,872	22,743	10,129
Total School and Public Service Co-Curricular Activities	142,867	246,504	224,687	21,817
Total Extracurricular Activities	1,498,535	1,844,831	1,788,512	56,319
Capital Outlay:				
Building Improvement Services:				
Purchased Services	95,786	276,182	108,243	167,939
Materials and Supplies	13,330	13,330	12,284	1,046
Total Building Improvement Services	109,116	289,512	120,527	168,985
Other Facilities Acquisition and Construction Services:				
Purchased Services	8,652	9,042	9,042	0
Total Capital Outlay	\$117,768	\$298,554	\$129,569	\$168,985

(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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	
Debt Service:				
Principal Retirement	\$1,447,846	\$1,447,846	\$1,447,846	\$0
Interest and Fiscal Charges	824,574	824,574	824,574	0
Total Debt Service	<u>2,272,420</u>	<u>2,272,420</u>	<u>2,272,420</u>	<u>0</u>
<i>Total Expenditures</i>	<u>130,670,275</u>	<u>132,188,658</u>	<u>128,422,257</u>	<u>3,766,401</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(91,595)</u>	<u>(5,512,482)</u>	<u>(293,731)</u>	<u>5,218,751</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	60,000	60,000	22,357	(37,643)
Advances In	2,500,000	2,000,000	1,375,000	(625,000)
Advances Out	(350,000)	(1,712,583)	(1,436,000)	276,583
Transfers In	50,000	50,000	0	(50,000)
Transfers Out	(250,000)	(255,871)	(114,073)	141,798
<i>Total Other Financing Sources (Uses)</i>	<u>2,010,000</u>	<u>141,546</u>	<u>(152,716)</u>	<u>(294,262)</u>
<i>Net Change in Fund Balance</i>	1,918,405	(5,370,936)	(446,447)	4,924,489
<i>Fund Balance Beginning of Year</i>	14,600,836	14,600,836	14,600,836	0
Prior Year Encumbrances Appropriated	<u>1,751,661</u>	<u>1,751,661</u>	<u>1,751,661</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$18,270,902</u></u>	<u><u>\$10,981,561</u></u>	<u><u>\$15,906,050</u></u>	<u><u>\$4,924,489</u></u>

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Revised Budget</u>		
Revenues				
Property Taxes	\$3,175,000	\$3,175,000	\$3,934,442	\$759,442
Expenditures				
Debt Service:				
Principal Retirement	2,000,000	2,750,000	2,750,000	0
Interest and Fiscal Charges	0	893,848	893,848	0
<i>Total Expenditures</i>	<u>2,000,000</u>	<u>3,643,848</u>	<u>3,643,848</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,175,000</u>	<u>(468,848)</u>	<u>290,594</u>	<u>759,442</u>
Other Financing Uses				
Advances Out	0	(275,000)	0	275,000
Transfers Out	0	(41,404)	0	41,404
<i>Total Other Financing Uses</i>	<u>0</u>	<u>(316,404)</u>	<u>0</u>	<u>316,404</u>
<i>Net Change in Fund Balance</i>	1,175,000	(785,252)	290,594	1,075,846
<i>Fund Balance Beginning of Year</i>	<u>1,299,996</u>	<u>1,299,996</u>	<u>1,299,996</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$2,474,996</u>	<u>\$514,744</u>	<u>\$1,590,590</u>	<u>\$1,075,846</u>

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Property Taxes	\$2,000,000	\$2,000,000	\$1,859,290	(\$140,710)
Intergovernmental	750,000	750,000	644,503	(105,497)
Interest	200,000	200,000	187,566	(12,434)
Miscellaneous	397,920	553,582	224,084	(329,498)
<i>Total Revenues</i>	<u>3,347,920</u>	<u>3,503,582</u>	<u>2,915,443</u>	<u>(588,139)</u>
Expenditures				
Current:				
Support Services:				
Fiscal:				
Other	83,000	236,824	94,593	142,231
Business:				
Salaries	82,700	82,700	81,647	1,053
Fringe Benefits	38,871	38,871	35,704	3,167
Capital Outlay - New	30,000	30,000	30,000	0
Total Business	<u>151,571</u>	<u>151,571</u>	<u>147,351</u>	<u>4,220</u>
Operation and Maintenance of Plant:				
Capital Outlay - New	4,237,922	3,550,591	3,549,220	1,371
Other	2,500	36,021	36,021	0
Total Operation and Maintenance of Plant	<u>4,240,422</u>	<u>3,586,612</u>	<u>3,585,241</u>	<u>1,371</u>
Pupil Transportation				
Capital Outlay - New	125,000	150,000	0	150,000
Capital Outlay - Replacement	366,906	386,906	386,906	0
Total Pupil Transportation	<u>491,906</u>	<u>536,906</u>	<u>386,906</u>	<u>150,000</u>
Central				
Purchased Services	55,701	55,701	0	55,701
Total Support Services	<u>5,022,600</u>	<u>4,567,614</u>	<u>4,214,091</u>	<u>353,523</u>
Capital Outlay:				
Building Acquisition and Construction Services:				
Capital Outlay - New	184,093	305,191	296,560	8,631
Building Improvement Services:				
Purchased Services	1,335,092	1,772,268	1,614,083	158,185
Materials and Supplies	545	545	0	545
Capital Outlay - New	5,447,736	9,086,704	8,123,546	963,158
Other	6,415	13,166	3,962	9,204
Total Building Improvement Services	<u>6,789,788</u>	<u>10,872,683</u>	<u>9,741,591</u>	<u>1,131,092</u>
Total Capital Outlay	<u>\$6,973,881</u>	<u>\$11,177,874</u>	<u>\$10,038,151</u>	<u>\$1,139,723</u>

(continued)

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund (continued)
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Debt Service:				
Interest and Fiscal Charges	\$470,546	\$470,546	\$244,219	\$226,327
<i>Total Expenditures</i>	<u>12,467,027</u>	<u>16,216,034</u>	<u>14,496,461</u>	<u>1,719,573</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(9,119,107)</u>	<u>(12,712,452)</u>	<u>(11,581,018)</u>	<u>1,131,434</u>
Other Financing Sources				
Advances In	2,000,000	4,000,000	1,000,000	(3,000,000)
Transfers In	1,000,000	1,000,000	12,550	(987,450)
<i>Total Other Financing Sources</i>	<u>3,000,000</u>	<u>5,000,000</u>	<u>1,012,550</u>	<u>(3,987,450)</u>
<i>Net Change in Fund Balance</i>	<u>(6,119,107)</u>	<u>(7,712,452)</u>	<u>(10,568,468)</u>	<u>(2,856,016)</u>
<i>Fund Balance Beginning of Year</i>	7,577,514	7,577,514	7,577,514	0
Prior Year Encumbrances Appropriated	<u>5,467,027</u>	<u>5,467,027</u>	<u>5,467,027</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,925,434</u></u>	<u><u>\$5,332,089</u></u>	<u><u>\$2,476,073</u></u>	<u><u>(\$2,856,016)</u></u>

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Building Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Interest	\$0	\$300,000	\$312,507	\$12,507
Miscellaneous	0	7,267,541	86,071	(7,181,470)
<i>Total Revenues</i>	0	7,567,541	398,578	(7,168,963)
Expenditures				
Current:				
Support Services:				
Operation and Maintenance of Plant:				
Purchased Services	1,670,506	2,142,873	2,135,577	7,296
Capital Outlay:				
Building Improvement Services:				
Capital Outlay - New	9,513,394	10,070,880	9,735,329	335,551
Other	0	14,000	1,015	12,985
Total Capital Outlay	9,513,394	10,084,880	9,736,344	348,536
<i>Total Expenditures</i>	11,183,900	12,227,753	11,871,921	355,832
<i>Net Change in Fund Balance</i>	(11,183,900)	(4,660,212)	(11,473,343)	(6,813,131)
<i>Fund Balance Beginning of Year</i>	4,660,313	4,660,313	4,660,313	0
Prior Year Encumbrances Appropriated	7,183,900	7,183,900	7,183,900	0
<i>Fund Balance End of Year</i>	\$660,313	\$7,184,001	\$370,870	(\$6,813,131)

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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Interest	\$30,000	\$30,000	\$21,829	(\$8,171)
Extracurricular Activities	430,990	400,990	410,550	9,560
Charges for Services	800	800	587	(213)
Contributions and Donations	16,925	16,925	26,002	9,077
Miscellaneous	651,285	605,771	558,256	(47,515)
<i>Total Revenues</i>	<u>1,130,000</u>	<u>1,054,486</u>	<u>1,017,224</u>	<u>(37,262)</u>
Expenditures				
Current:				
Instruction:				
Special:				
Other	4,100	13,100	6,626	6,474
Support Services:				
Administration:				
Materials and Supplies	1,750	1,750	619	1,131
Fiscal:				
Other	0	2,590	0	2,590
<i>Total Support Services</i>	<u>1,750</u>	<u>4,340</u>	<u>619</u>	<u>3,721</u>
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Purchased Services	6,598	31,798	30,248	1,550
Materials and Supplies	23,937	18,537	12,673	5,864
Other	406,813	334,926	280,823	54,103
<i>Total Academic and Subject Oriented Activities</i>	<u>437,348</u>	<u>385,261</u>	<u>323,744</u>	<u>61,517</u>
Occupational Oriented Activities:				
Materials and Supplies	1,776	1,776	0	1,776
School and Public Service				
Co-Curricular Activities:				
Purchased Services	223,143	199,443	121,947	77,496
Materials and Supplies	892,722	791,539	543,098	248,441
Capital Outlay - New	42,205	86,978	46,695	40,283
Other	68,565	76,487	24,816	51,671
<i>Total School and Public Service Co-Curricular Activities</i>	<u>1,226,635</u>	<u>1,154,447</u>	<u>736,556</u>	<u>417,891</u>
<i>Total Extracurricular Activities</i>	<u>\$1,665,759</u>	<u>\$1,541,484</u>	<u>\$1,060,300</u>	<u>\$481,184</u>

(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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Revised Budget</u>		
Capital Outlay:				
Building Improvement Services:				
Purchased Services	\$12,683	\$12,683	\$8,689	\$3,994
<i>Total Expenditures</i>	<u>1,684,292</u>	<u>1,571,607</u>	<u>1,076,234</u>	<u>495,373</u>
<i>Excess of Revenues Under Expenditures</i>	(554,292)	(517,121)	(59,010)	458,111
Other Financing Source				
Sale of Capital Assets	<u>0</u>	<u>0</u>	<u>150</u>	<u>150</u>
<i>Net Change in Fund Balance</i>	(554,292)	(517,121)	(58,860)	458,261
<i>Fund Balance Beginning of Year</i>	517,324	517,324	517,324	0
Prior Year Encumbrances Appropriated	<u>42,378</u>	<u>42,378</u>	<u>42,378</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$5,410</u></u>	<u><u>\$42,581</u></u>	<u><u>\$500,842</u></u>	<u><u>\$458,261</u></u>

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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Intergovernmental	\$15,000	\$16,000	\$33,065	\$17,065
Charges for Services	1,000	1,000	1,425	425
Contributions and Donations	0	1,000	4,616	3,616
Miscellaneous	192,000	271,670	245,930	(25,740)
<i>Total Revenues</i>	<u>208,000</u>	<u>289,670</u>	<u>285,036</u>	<u>(4,634)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries	1,703	7,136	2,734	4,402
Fringe Benefits	291	1,676	444	1,232
Purchased Services	3,500	8,500	8,047	453
Materials and Supplies	40	12,683	9,913	2,770
Capital Outlay - New	5,697	20,272	18,046	2,226
Total Regular	<u>11,231</u>	<u>50,267</u>	<u>39,184</u>	<u>11,083</u>
Special:				
Materials and Supplies	<u>0</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
Vocational:				
Salaries and Wages	2,567	2,567	0	2,567
Fringe Benefits	433	433	0	433
Total Vocational	<u>3,000</u>	<u>3,000</u>	<u>0</u>	<u>3,000</u>
Adult/Continuing:				
Salaries and Wages	0	6,542	1,712	4,830
Fringe Benefits	0	1,130	288	842
Total Adult/Continuing	<u>0</u>	<u>7,672</u>	<u>2,000</u>	<u>5,672</u>
Total Instruction	<u>14,231</u>	<u>61,939</u>	<u>42,184</u>	<u>19,755</u>
Support Services:				
Pupils:				
Salaries	0	105,809	96,422	9,387
Fringe Benefits	0	50,796	32,616	18,180
Purchased Services	4,674	56,405	33,975	22,430
Materials and Supplies	0	18,669	9,660	9,009
Capital Outlay - New	0	12,809	7,603	5,206
Total Pupils	<u>\$4,674</u>	<u>\$244,488</u>	<u>\$180,276</u>	<u>\$64,212</u>

(continued)

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Other Grants Fund (continued)
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With
	<u>Original Budget</u>	<u>Revised Budget</u>		Final Budget Positive (Negative)
Instructional Staff:				
Salaries	\$7,525	\$10,080	\$2,583	\$7,497
Fringe Benefits	1,225	2,087	362	1,725
Purchased Services	3,395	3,395	0	3,395
Materials and Supplies	1,550	1,853	307	1,546
Total Instructional Staff	<u>13,695</u>	<u>17,415</u>	<u>3,252</u>	<u>14,163</u>
Administration:				
Salaries	0	53,666	53,100	566
Fringe Benefits	0	30,577	22,494	8,083
Purchased Services	0	15,000	15,000	0
Capital Outlay - New	0	5,000	4,571	429
Total Administration	<u>0</u>	<u>104,243</u>	<u>95,165</u>	<u>9,078</u>
Central:				
Salaries	0	3,986	0	3,986
Fringe Benefits	0	703	0	703
Purchased Services	1,200	15,020	5,451	9,569
Materials and Supplies	1,181	6,322	2,619	3,703
Other	0	2,079	1,452	627
Total Central	<u>2,381</u>	<u>28,110</u>	<u>9,522</u>	<u>18,588</u>
Total Support Services	<u>20,750</u>	<u>394,256</u>	<u>288,215</u>	<u>106,041</u>
Total Expenditures	<u>34,981</u>	<u>456,195</u>	<u>330,399</u>	<u>125,796</u>
Net Change in Fund Balance	173,019	(166,525)	(45,363)	121,162
Fund Balance Beginning of Year	166,849	166,849	166,849	0
Prior Year Encumbrances Appropriated	4,981	4,981	4,981	0
Fund Balance End of Year	<u>\$344,849</u>	<u>\$5,305</u>	<u>\$126,467</u>	<u>\$121,162</u>

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
District Managed Student Activity Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Interest	\$4,000	\$4,000	\$10,633	\$6,633
Extracurricular Activities	395,025	345,025	339,339	(5,686)
Charges for Services	30,000	30,000	30,215	215
Miscellaneous	102,975	43,975	23,134	(20,841)
<i>Total Revenues</i>	<u>532,000</u>	<u>423,000</u>	<u>403,321</u>	<u>(19,679)</u>
Expenditures				
Current:				
Support Services:				
Pupil Transportation:				
Purchased Services	25,000	25,000	22,024	2,976
Extracurricular Activities:				
Sports Oriented Activities:				
Salaries and Wages	54,185	54,485	36,949	17,536
Fringe Benefits	9,466	9,670	5,750	3,920
Purchased Services	412,934	402,897	207,387	195,510
Materials and Supplies	170,403	165,536	129,921	35,615
Capital Outlay - New	32,000	46,300	43,599	2,701
Capital Outlay - Replacement	2,000	2,000	0	2,000
Other	69,865	69,965	41,085	28,880
Total Extracurricular Activities	<u>750,853</u>	<u>750,853</u>	<u>464,691</u>	<u>286,162</u>
<i>Total Expenditures</i>	<u>775,853</u>	<u>775,853</u>	<u>486,715</u>	<u>289,138</u>
<i>Excess of Revenues Under Expenditures</i>	(243,853)	(352,853)	(83,394)	269,459
Other Financing Source				
Transfers In	81,000	81,000	97,000	16,000
<i>Net Change in Fund Balance</i>	(162,853)	(271,853)	13,606	285,459
<i>Fund Balance Beginning of Year</i>	271,996	271,996	271,996	0
Prior Year Encumbrances Appropriated	10,497	10,497	10,497	0
<i>Fund Balance End of Year</i>	<u>\$119,640</u>	<u>\$10,640</u>	<u>\$296,099</u>	<u>\$285,459</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Revised Budget</u>		
Revenues				
Intergovernmental	\$3,900,000	\$4,432,878	\$3,590,419	(\$842,459)
Interest	100,000	100,000	65,540	(34,460)
<i>Total Revenues</i>	<u>4,000,000</u>	<u>4,532,878</u>	<u>3,655,959</u>	<u>(876,919)</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	0	859,218	842,082	17,136
Fringe Benefits	2,070	458,850	382,316	76,534
Purchased Services	366,189	1,524,968	1,501,601	23,367
Materials and Supplies	472,567	1,417,119	1,375,306	41,813
Capital Outlay - New	17,203	403,688	403,202	486
<i>Total Expenditures</i>	<u>858,029</u>	<u>4,663,843</u>	<u>4,504,507</u>	<u>159,336</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,141,971</u>	<u>(130,965)</u>	<u>(848,548)</u>	<u>(717,583)</u>
Other Financing Uses				
Advances Out	0	(175,000)	(175,000)	0
Transfers Out	0	(378,854)	0	378,854
<i>Total Other Financing Uses</i>	<u>0</u>	<u>(553,854)</u>	<u>(175,000)</u>	<u>378,854</u>
<i>Net Change in Fund Balance</i>	3,141,971	(684,819)	(1,023,548)	(338,729)
<i>Fund Balance Beginning of Year</i>	685,278	685,278	685,278	0
Prior Year Encumbrances Appropriated	497,606	497,606	497,606	0
<i>Fund Balance End of Year</i>	<u>\$4,324,855</u>	<u>\$498,065</u>	<u>\$159,336</u>	<u>(\$338,729)</u>

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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues	\$0	\$0	\$0	\$0
Expenditures	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
Other Financing Sources (Uses)				
Advances Out	(60,000)	(60,000)	(60,000)	0
Transfers In	4,200	4,200	2,942	(1,258)
<i>Total Other Financing Sources (Uses)</i>	(55,800)	(55,800)	(57,058)	(1,258)
<i>Net Change in Fund Balance</i>	(55,800)	(55,800)	(57,058)	(1,258)
<i>Fund Balance Beginning of Year</i>	57,045	57,045	57,045	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$1,245</u>	<u>\$1,245</u>	<u>(\$13)</u>	<u>(\$1,258)</u>

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Network Connectivity Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Intergovernmental	\$66,000	\$66,000	\$66,000	\$0
Expenditures				
Current:				
Support Services:				
Central:				
Capital Outlay - New	66,000	66,000	66,000	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<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
Ohio Reads Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Intergovernmental	\$42,700	\$46,700	\$43,996	(\$2,704)
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	9,405	9,404	9,404	0
Materials and Supplies	9,887	9,887	9,887	0
Total Instruction	19,292	19,291	19,291	0
Support Services:				
Instructional Staff:				
Salaries	259	19,085	19,085	0
Fringe Benefits	51	2,909	2,909	0
Purchased Services	2,200	2,200	2,200	0
Materials and Supplies	1,000	1,000	1,000	0
Capital Outlay - New	1,000	995	995	0
Total Support Services	4,510	26,189	26,189	0
<i>Total Expenditures</i>	23,802	45,480	45,480	0
<i>Excess of Revenues Over (Under) Expenditures</i>	18,898	1,220	(1,484)	(2,704)
Other Financing Sources (Uses)				
Advances Out	0	(20,000)	(20,000)	0
Transfers In	0	0	393	393
Transfers Out	0	(2,000)	0	2,000
<i>Total Other Financing Sources (Uses)</i>	0	(22,000)	(19,607)	2,393
<i>Net Change in Fund Balance</i>	18,898	(20,780)	(21,091)	(311)
<i>Fund Balance Beginning of Year</i>	17,604	17,604	17,604	0
Prior Year Encumbrances Appropriated	3,487	3,487	3,487	0
<i>Fund Balance End of Year</i>	\$39,989	\$311	\$0	(\$311)

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Alternative Schools Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Intergovernmental	\$218,300	\$223,400	\$223,940	\$540
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries	55,009	120,828	120,828	0
Fringe Benefits	57,472	45,739	45,739	0
Total Instruction	112,481	166,567	166,567	0
Support Services:				
Pupils:				
Salaries	11,750	15,804	15,804	0
Fringe Benefits	19,549	13,900	13,900	0
Total Pupils	31,299	29,704	29,704	0
Administration:				
Salaries	94,162	66,602	66,602	0
Fringe Benefits	32,980	22,574	22,574	0
Total Administration	127,142	89,176	89,176	0
Total Support Services	158,441	118,880	118,880	0
<i>Total Expenditures</i>	270,922	285,447	285,447	0
<i>Excess of Revenues Under Expenditures</i>	(52,622)	(62,047)	(61,507)	540
Other Financing Sources (Uses)				
Advances In	162,000	162,000	162,000	0
Advances Out	0	(110,000)	(110,000)	0
<i>Total Other Financing Sources (Uses)</i>	162,000	52,000	52,000	0
<i>Net Change in Fund Balance</i>	109,378	(10,047)	(9,507)	540
<i>Fund Balance Beginning of Year</i>	9,694	9,694	9,694	0
Prior Year Encumbrances Appropriated	381	381	381	0
<i>Fund Balance End of Year</i>	\$119,453	\$28	\$568	\$540

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
State Grants Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Intergovernmental	\$245,463	\$120,463	\$121,412	\$949
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries	8,338	17,376	16,835	541
Fringe Benefits	761	3,210	3,188	22
Purchased Services	2,000	2,000	1,741	259
Materials and Supplies	500	700	500	200
Capital Outlay - New	2,500	500	73	427
Total Regular	14,099	23,786	22,337	1,449
Special:				
Purchased Services	11,705	61,180	59,475	1,705
Total Instruction	25,804	84,966	81,812	3,154
Support Services:				
Pupils:				
Salaries	7,381	21,981	19,607	2,374
Fringe Benefits	325	4,568	4,208	360
Purchased Services	8	510	502	8
Materials and Supplies	30	30	30	0
Total Pupils	7,744	27,089	24,347	2,742
Instructional Staff:				
Purchased Services	914	26,374	25,489	885
Materials and Supplies	2,008	7,973	7,344	629
Total Instructional Staff	2,922	34,347	32,833	1,514
Administration:				
Salaries	250	500	250	250
Fringe Benefits	42	84	42	42
Purchased Services	200	198	198	0
Total Administration	\$492	\$782	\$490	\$292

(continued)

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
State Grants Fund (continued)
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Revised Budget</u>		
Operation and Maintenance of Plant:				
Purchased Services	\$1	\$1	\$0	\$1
Materials and Supplies	120	120	0	120
Total Operation and Maintenance of Plant	121	121	0	121
Total Support Services	11,279	62,339	57,670	4,669
<i>Total Expenditures</i>	<u>37,083</u>	<u>147,305</u>	<u>139,482</u>	<u>7,823</u>
<i>Net Change in Fund Balance</i>	208,380	(26,842)	(18,070)	8,772
<i>Fund Balance Beginning of Year</i>	136,387	136,387	136,387	0
Prior Year Encumbrances Appropriated	2,651	2,651	2,651	0
<i>Fund Balance End of Year</i>	<u>\$347,418</u>	<u>\$112,196</u>	<u>\$120,968</u>	<u>\$8,772</u>

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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Intergovernmental	\$161,000	\$162,300	\$161,877	(\$423)
Expenditures				
Current:				
Instruction:				
Adult/Continuing:				
Salaries	4,196	91,033	91,033	0
Fringe Benefits	8	15,718	15,718	0
Purchased Services	10	783	783	0
Materials and Supplies	3	564	564	0
Total Instruction	4,217	108,098	108,098	0
Support Services:				
Pupils:				
Salaries	2,026	25,615	25,615	0
Fringe Benefits	45	8,608	8,608	0
Purchased Services	7	783	783	0
Materials and Supplies	5	273	273	0
Capital Outlay - New	0	4,662	4,662	0
Other	0	150	150	0
Total Support Services	2,083	40,091	40,091	0
<i>Total Expenditures</i>	6,300	148,189	148,189	0
<i>Excess of Revenues Over Expenditures</i>	154,700	14,111	13,688	(423)
Other Financing Sources (Uses)				
Advances In	5,000	5,000	5,000	0
Advances Out	0	(20,000)	(20,000)	0
<i>Total Other Financing Sources (Uses)</i>	5,000	(15,000)	(15,000)	0
<i>Net Change in Fund Balance</i>	159,700	(889)	(1,312)	(423)
<i>Fund Balance Beginning of Year</i>	1,523	1,523	1,523	0
Prior Year Encumbrances Appropriated	70	70	70	0
<i>Fund Balance End of Year</i>	\$161,293	\$704	\$281	(\$423)

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget	Actual	
Revenues				
Intergovernmental	\$3,880,000	\$3,609,700	\$3,347,197	(\$262,503)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries	4,000	21,475	21,475	0
Fringe Benefits	432	3,829	3,829	0
Total Regular	4,432	25,304	25,304	0
Special:				
Salaries	22,391	298,735	298,735	0
Fringe Benefits	6,007	85,038	85,038	0
Purchased Services	79,667	461,445	460,244	1,201
Materials and Supplies	236,078	228,165	228,165	0
Capital Outlay - New	813	48,284	48,284	0
Total Special	344,956	1,121,667	1,120,466	1,201
Total Instruction	349,388	1,146,971	1,145,770	1,201
Support Services:				
Pupils:				
Salaries	12,822	116,024	116,024	0
Fringe Benefits	9,357	39,354	39,354	0
Purchased Services	0	41,500	41,500	0
Materials and Supplies	40,986	18,656	18,656	0
Capital Outlay - New	155,430	200,617	200,617	0
Total Pupils	218,595	416,151	416,151	0
Instructional Staff:				
Salaries	81,324	803,493	803,493	0
Fringe Benefits	113,980	565,836	565,836	0
Purchased Services	0	16,438	16,438	0
Materials and Supplies	532	30,410	30,410	0
Capital Outlay - New	0	9,947	9,947	0
Total Instructional Staff	195,836	1,426,124	1,426,124	0
Administration:				
Salaries	41,552	302,387	302,387	0
Fringe Benefits	27,785	130,934	130,934	0
Purchased Services	4,208	16,551	16,551	0
Materials and Supplies	11,000	10,998	10,998	0
Capital Outlay - New	3,056	10,899	10,899	0
Total Administration	\$87,601	\$471,769	\$471,769	\$0

(continued)

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-B Fund (continued)
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget	Actual	
Pupil Transportation:				
Salaries	\$0	\$11,029	\$11,029	\$0
Fringe Benefits	0	21,707	21,707	0
Purchased Services	0	21,000	21,000	0
Total Pupil Transportation	0	53,736	53,736	0
Total Support Services	502,032	2,367,780	2,367,780	0
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	0	334,878	334,878	0
Fringe Benefits	0	66,736	66,736	0
Purchased Services	0	64,224	64,224	0
Materials and Supplies	2,920	3,434	3,434	0
Total Operation of Non-Instructional Services	2,920	469,272	469,272	0
<i>Total Expenditures</i>	<i>854,340</i>	<i>3,984,023</i>	<i>3,982,822</i>	<i>1,201</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>3,025,660</i>	<i>(374,323)</i>	<i>(635,625)</i>	<i>(261,302)</i>
Other Financing Sources (Uses)				
Advances In	120,000	120,000	120,000	0
Advances Out	0	(120,000)	(120,000)	0
<i>Total Other Financing Sources (Uses)</i>	<i>120,000</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Net Change in Fund Balance</i>	<i>3,145,660</i>	<i>(374,323)</i>	<i>(635,625)</i>	<i>(261,302)</i>
<i>Fund Balance Beginning of Year</i>	<i>374,381</i>	<i>374,381</i>	<i>374,381</i>	<i>0</i>
Prior Year Encumbrances Appropriated	262,446	262,446	262,446	0
<i>Fund Balance End of Year</i>	<i>\$3,782,487</i>	<i>\$262,504</i>	<i>\$1,202</i>	<i>(\$261,302)</i>

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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Intergovernmental	\$195,000	\$194,700	\$184,405	(\$10,295)
Expenditures				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	1,473	5,397	5,397	0
Fringe Benefits	246	813	813	0
Total Instruction	1,719	6,210	6,210	0
Support Services:				
Pupils:				
Purchased Services	0	2,403	2,403	0
Capital Outlay - New	32,036	165,198	165,198	0
Total Pupils	32,036	167,601	167,601	0
Instructional Staff:				
Purchased Services	0	19,000	19,000	0
Materials and Supplies	1,305	22,768	22,768	0
Total Instructional Staff	1,305	41,768	41,768	0
Central:				
Purchased Services	2,379	6,649	6,649	0
Total Support Services	35,720	216,018	216,018	0
<i>Total Expenditures</i>	37,439	222,228	222,228	0
<i>Excess of Revenues Over (Under) Expenditures</i>	157,561	(27,528)	(37,823)	(10,295)
Other Financing Use				
Advances Out	0	(75,000)	(75,000)	0
<i>Net Change in Fund Balance</i>	157,561	(102,528)	(112,823)	(10,295)
<i>Fund Balance Beginning of Year</i>	102,205	102,205	102,205	0
Prior Year Encumbrances Appropriated	34,124	34,124	34,124	0
<i>Fund Balance End of Year</i>	\$293,890	\$33,801	\$23,506	(\$10,295)

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, 2007

	Budgeted Amounts		Actual	Variance with
	Original Budget	Revised Budget		Final Budget
				Positive (Negative)
Revenues				
Intergovernmental	\$1,413,000	\$1,376,000	\$1,332,253	(\$43,747)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries	39,510	761,654	761,654	0
Fringe Benefits	24,269	299,078	299,078	0
Purchased Services	2,601	1,181	1,181	0
Materials and Supplies	85,150	65,966	65,966	0
Capital Outlay - New	9,292	9,697	9,697	0
Total Instruction	160,822	1,137,576	1,137,576	0
Support Services:				
Pupils				
Purchased Services	4,808	2,340	2,340	0
Instructional Staff:				
Salaries	12,000	0	0	0
Fringe Benefits	2,000	0	0	0
Purchased Services	52,553	47,196	47,196	0
Materials and Supplies	14,501	1,001	811	190
Total Instructional Staff	81,054	48,197	48,007	190
Administration:				
Salaries	10,189	19,601	19,601	0
Fringe Benefits	45	11,048	11,048	0
Materials and Supplies	4,528	3,340	3,338	2
Total Administration	14,762	33,989	33,987	2
Total Support Services	100,624	84,526	84,334	192
Operation of Non-Instructional Services:				
Community Services:				
Salaries	19,289	111,784	111,784	0
Fringe Benefits	7,002	32,770	32,770	0
Purchased Services	27,221	54,992	54,295	697
Materials and Supplies	18,042	8,886	8,755	131
Total Operation of Non-Instructional Services	71,554	208,432	207,604	828
Total Expenditures	\$333,000	\$1,430,534	\$1,429,514	\$1,020

(continued)

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I Fund (continued)
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
<i>Excess of Revenues Over (Under) Expenditures</i>	\$1,080,000	(\$54,534)	(\$97,261)	(\$42,727)
Other Financing Use				
Advances Out	0	(350,000)	(350,000)	0
<i>Net Change in Fund Balance</i>	1,080,000	(404,534)	(447,261)	(42,727)
<i>Fund Balance Beginning of Year</i>	384,809	384,809	384,809	0
Prior Year Encumbrances Appropriated	80,708	80,708	80,708	0
<i>Fund Balance End of Year</i>	<u>\$1,545,517</u>	<u>\$60,983</u>	<u>\$18,256</u>	<u>(\$42,727)</u>

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title V Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Intergovernmental	\$11,300	\$8,800	\$5,725	(\$3,075)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries	500	1,480	1,480	0
Fringe Benefits	1,925	5,839	5,839	0
Purchased Services	3,132	259	102	157
Total Instruction	5,557	7,578	7,421	157
Support Services:				
Instructional Staff				
Purchased Services	500	1,500	1,500	0
Materials and Supplies	500	788	788	0
Total Support Services	1,000	2,288	2,288	0
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	816	2,439	2,436	3
Materials and Supplies	3,483	8,369	7,499	870
Capital Outlay - New	500	1,249	1,196	53
Total Operation of Non-Instructional Services	4,799	12,057	11,131	926
<i>Total Expenditures</i>	11,356	21,923	20,840	1,083
<i>Excess of Revenues Under Expenditures</i>	(56)	(13,123)	(15,115)	(1,992)
Other Financing Sources (Uses)				
Advances In	15,000	15,000	15,000	0
Advances Out	0	(10,000)	(10,000)	0
<i>Total Other Financing Sources (Uses)</i>	15,000	5,000	5,000	0
<i>Net Change in Fund Balance</i>	14,944	(8,123)	(10,115)	(1,992)
<i>Fund Balance Beginning of Year</i>	8,167	8,167	8,167	0
Prior Year Encumbrances Appropriated	3,031	3,031	3,031	0
<i>Fund Balance End of Year</i>	\$26,142	\$3,075	\$1,083	(\$1,992)

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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Intergovernmental	\$74,000	\$74,700	\$38,770	(\$35,930)
Expenditures				
Current:				
Support Services:				
Pupils:				
Salaries	0	44,926	44,926	0
Fringe Benefits	91	20,991	20,991	0
Total Support Services	91	65,917	65,917	0
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	1,644	3,738	3,738	0
<i>Total Expenditures</i>	1,735	69,655	69,655	0
<i>Excess of Revenues Over (Under) Expenditures</i>	72,265	5,045	(30,885)	(35,930)
Other Financing Sources (Uses)				
Advances In	0	0	36,000	36,000
Advances Out	0	(20,000)	(20,000)	0
<i>Total Other Financing Sources (Uses)</i>	0	(20,000)	16,000	36,000
<i>Net Change in Fund Balance</i>	72,265	(14,955)	(14,885)	70
<i>Fund Balance Beginning of Year</i>	14,571	14,571	14,571	0
Prior Year Encumbrances Appropriated	1,061	1,061	1,061	0
<i>Fund Balance End of Year</i>	<u>\$87,897</u>	<u>\$677</u>	<u>\$747</u>	<u>\$70</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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Intergovernmental	\$129,000	\$113,000	\$97,270	(\$15,730)
Expenditures				
Current:				
Instruction:				
Special:				
Materials and Supplies	54,396	31,603	31,603	0
Support Services:				
Pupils:				
Salaries	394	12,947	12,947	0
Fringe Benefits	934	6,695	6,695	0
Materials and Supplies	2,651	12,440	12,235	205
Capital Outlay - New	1,226	36,157	36,001	156
Total Pupils	5,205	68,239	67,878	361
Instructional Staff:				
Salaries	6,122	41,842	41,842	0
Fringe Benefits	2,129	12,278	12,278	0
Materials and Supplies	0	5,768	5,768	0
Total Instructional Staff	8,251	59,888	59,888	0
Administration:				
Purchased Services	0	566	520	46
Total Support Services	13,456	128,693	128,286	407
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	0	9,516	9,516	0
Materials and Supplies	0	1,716	1,248	468
Total Community Services	0	11,232	10,764	468
<i>Total Expenditures</i>	67,852	171,528	170,653	875
<i>Excess of Revenues Over (Under) Expenditures</i>	61,148	(58,528)	(73,383)	(14,855)
Other Financing Sources (Uses)				
Advances In	47,000	47,000	47,000	0
Advances Out	0	(35,000)	(35,000)	0
<i>Total Other Financing Sources (Uses)</i>	\$47,000	\$12,000	\$12,000	\$0

(continued)

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Preschool Grant Fund (continued)
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original Budget</u>	<u>Revised Budget</u>		Final Budget Positive (Negative)
<i>Net Change in Fund Balance</i>	\$108,148	(\$46,528)	(\$61,383)	(\$14,855)
<i>Fund Balance Beginning of Year</i>	46,544	46,544	46,544	0
Prior Year Encumbrances Appropriated	<u>15,714</u>	<u>15,714</u>	<u>15,714</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$170,406</u>	<u>\$15,730</u>	<u>\$875</u>	<u>(\$14,855)</u>

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-R Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Intergovernmental	\$598,700	\$494,732	\$488,948	(\$5,784)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries	31,871	228,364	227,907	457
Fringe Benefits	20,513	74,338	73,421	917
Total Instruction	52,384	302,702	301,328	1,374
Support Services:				
Instructional Staff:				
Salaries	11,246	89,314	89,314	0
Fringe Benefits	12,683	31,836	31,024	812
Materials and Supplies	461	439	439	0
Total Instructional Staff	24,390	121,589	120,777	812
Operation and Maintenance of Plant				
Salaries	0	33,819	31,520	2,299
Fringe Benefits	0	6,553	5,425	1,128
Purchased Services	0	1,000	0	1,000
Materials and Supplies	0	3,172	2,999	173
Total Operation and Maintenance of Plant	0	44,544	39,944	4,600
Total Support Services	24,390	166,133	160,721	5,412
Operation of Non-Instructional Services:				
Community Services:				
Salaries	0	80,612	80,611	1
Purchased Services	6,139	3,642	3,091	551
Materials and Supplies	797	4,692	1,793	2,899
Capital Outlay - New	2,427	3,427	3,366	61
Total Operation of Non-Instructional Services	9,363	92,373	88,861	3,512
<i>Total Expenditures</i>	86,137	561,208	550,910	10,298
<i>Excess of Revenues Over (Under) Expenditures</i>	\$512,563	(\$66,476)	(\$61,962)	\$4,514

(continued)

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-R Fund (continued)
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Revised Budget</u>		
Other Financing Sources (Uses)				
Advances In	\$26,000	\$26,000	\$26,000	\$0
Advances Out	0	(195,000)	(195,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>26,000</u>	<u>(169,000)</u>	<u>(169,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	538,563	(235,476)	(230,962)	4,514
<i>Fund Balance Beginning of Year</i>	255,849	255,849	255,849	0
Prior Year Encumbrances Appropriated	<u>5,410</u>	<u>5,410</u>	<u>5,410</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$799,822</u>	<u>\$25,783</u>	<u>\$30,297</u>	<u>\$4,514</u>

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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Revised Budget</u>		
Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures				
Current:				
Instruction:				
Adult/Continuing:				
Materials and Supplies	90	90	75	15
Other	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,090</u>	<u>1,090</u>	<u>1,075</u>	<u>15</u>
<i>Net Change in Fund Balance</i>	(1,090)	(1,090)	(1,075)	15
<i>Fund Balance Beginning of Year</i>	<u>12,728</u>	<u>12,728</u>	<u>12,728</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$11,638</u></u>	<u><u>\$11,638</u></u>	<u><u>\$11,653</u></u>	<u><u>\$15</u></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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Revised Budget</u>		
Revenues	\$0	\$0	\$0	\$0
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	1,925	1,925	1,925	0
<i>Fund Balance End of Year</i>	<u>\$1,925</u>	<u>\$1,925</u>	<u>\$1,925</u>	<u>\$0</u>

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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Revised Budget</u>		
Revenues				
Intergovernmental	\$43,000	\$43,000	\$43,874	\$874
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Capital Outlay - New	45,830	63,767	63,767	0
Central:				
Salaries	50,000	52,275	49,072	3,203
Fringe Benefits	14,195	16,748	13,431	3,317
Total Central	64,195	69,023	62,503	6,520
<i>Total Expenditures</i>	110,025	132,790	126,270	6,520
<i>Net Change in Fund Balance</i>	(67,025)	(89,790)	(82,396)	7,394
<i>Fund Balance Beginning of Year</i>	104,163	104,163	104,163	0
Prior Year Encumbrances Appropriated	5,863	5,863	5,863	0
<i>Fund Balance End of Year</i>	<u>\$43,001</u>	<u>\$20,236</u>	<u>\$27,630</u>	<u>\$7,394</u>

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Entry Year Grant Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Intergovernmental	\$40,000	\$40,000	\$40,899	\$899
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries	29,293	29,293	29,293	0
Fringe Benefits	5,107	5,107	5,107	0
Total Regular	34,400	34,400	34,400	0
Support Services:				
Pupils				
Materials and Supplies	4,000	1,766	1,766	0
Administration				
Salaries	0	2,129	2,129	0
Fringe Benefits	0	557	557	0
Total Administration	0	2,686	2,686	0
Total Support Services	4,000	4,452	4,452	0
<i>Total Expenditures</i>	38,400	38,852	38,852	0
<i>Excess of Revenues Over Expenditures</i>	1,600	1,148	2,047	899
Other Financing Source				
Transfers In	2,000	2,000	1,188	(812)
<i>Net Change in Fund Balance</i>	3,600	3,148	3,235	87
<i>Fund Balance Beginning of Year</i>	63,499	63,499	63,499	0
<i>Fund Balance End of Year</i>	\$67,099	\$66,647	\$66,734	\$87

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
School Net Subsidy Grant Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget	Actual	
Revenues				
Intergovernmental	\$8,700	\$8,700	\$8,700	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries	0	1,253	989	264
Fringe Benefits	0	447	447	0
Purchased Services	6,474	13,153	13,153	0
<i>Total Expenditures</i>	6,474	14,853	14,589	264
<i>Net Change in Fund Balance</i>	2,226	(6,153)	(5,889)	264
<i>Fund Balance Beginning of Year</i>	6,153	6,153	6,153	0
<i>Fund Balance End of Year</i>	\$8,379	\$0	\$264	\$264

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Summer Intervention Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries	39,950	49,453	49,453	0
Special:				
Salaries	50	48	48	0
<i>Total Expenditures</i>	40,000	49,501	49,501	0
<i>Excess of Revenues Under Expenditures</i>	(40,000)	(49,501)	(49,501)	0
Other Financing Uses				
Advances Out	0	(40,000)	(40,000)	0
<i>Net Change in Fund Balance</i>	(40,000)	(89,501)	(89,501)	0
<i>Fund Balance Beginning of Year</i>	89,501	89,501	89,501	0
<i>Fund Balance End of Year</i>	\$49,501	\$0	\$0	\$0

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Vocational Education Enhancements Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues	\$0	\$0	\$0	\$0
Expenditures	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
Other Financing Uses				
Advances Out	(20,000)	(20,000)	(20,000)	0
<i>Net Change in Fund Balance</i>	(20,000)	(20,000)	(20,000)	0
<i>Fund Balance Beginning of Year</i>	24,379	24,379	24,379	0
<i>Fund Balance End of Year</i>	<u>\$4,379</u>	<u>\$4,379</u>	<u>\$4,379</u>	<u>\$0</u>

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Poverty Aid Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Intergovernmental	\$188,000	\$178,900	\$178,228	(\$672)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries	6,273	46,935	44,593	2,342
Fringe Benefits	2,391	31,814	28,551	3,263
Total Instruction	8,664	78,749	73,144	5,605
Support Services:				
Pupils:				
Salaries	0	39,000	39,000	0
Fringe Benefits	0	27,272	27,271	1
Purchased Services	169,555	4,080	4,044	36
Materials and Supplies	0	2,000	1,999	1
Capital Outlay - New	6,084	21,867	21,867	0
Total Support Services	175,639	94,219	94,181	38
<i>Total Expenditures</i>	184,303	172,968	167,325	5,643
<i>Net Change in Fund Balance</i>	3,697	5,932	10,903	4,971
<i>Fund Balance Beginning of Year</i>	8,769	8,769	8,769	0
Prior Year Encumbrances Appropriated	9,591	9,591	9,591	0
<i>Fund Balance End of Year</i>	\$22,057	\$24,292	\$29,263	\$4,971

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Limited English Proficiency Grant Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Revised Budget		
Revenues				
Intergovernmental	\$122,000	\$121,450	\$90,983	(\$30,467)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries	4,406	63,655	61,074	2,581
Fringe Benefits	127	15,298	14,101	1,197
Materials and Supplies	117	1,181	155	1,026
Total Instruction	4,650	80,134	75,330	4,804
Support Services:				
Pupils:				
Salaries	122	1,735	557	1,178
Instructional Staff:				
Purchased Services	328	1,328	1,029	299
Materials and Supplies	0	200	0	200
Total Instructional Staff	328	1,528	1,029	499
Total Support Services	450	3,263	1,586	1,677
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	0	1,000	1,000	0
<i>Total Expenditures</i>	5,100	84,397	77,916	6,481
<i>Excess of Revenues Over Expenditures</i>	116,900	37,053	13,067	(23,986)
Other Financing Uses				
Advances Out	0	(50,000)	(50,000)	0
Transfers Out	0	(29,748)	0	29,748
<i>Total Other Financing Uses</i>	0	(79,748)	(50,000)	29,748
<i>Net Change in Fund Balance</i>	116,900	(42,695)	(36,933)	5,762
<i>Fund Balance Beginning of Year</i>	42,720	42,720	42,720	0
Prior Year Encumbrances Appropriated	694	694	694	0
<i>Fund Balance End of Year</i>	\$160,314	\$719	\$6,481	\$5,762

Parma City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Federal Refugee Children Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Revised Budget</u>		
Revenues				
Intergovernmental	\$3,000	\$700	\$3,000	\$2,300
Expenditures				
Current:				
Instruction:				
Special:				
Salaries	1,498	1,498	1,498	0
Fringe Benefits	252	252	252	0
Purchased Services	250	250	250	0
Materials and Supplies	1,000	1,000	1,000	0
<i>Total Expenditures</i>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	(2,300)	0	2,300
<i>Fund Balance Beginning of Year</i>	<u>2,334</u>	<u>2,334</u>	<u>2,334</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,334</u></u>	<u><u>\$34</u></u>	<u><u>\$2,334</u></u>	<u><u>\$2,300</u></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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Revised Budget</u>		
Revenues				
Miscellaneous	\$10,000	\$10,000	\$16,120	\$6,120
Expenditures				
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	10,000	10,000	16,120	6,120
<i>Fund Balance Beginning of Year</i>	<u>46,674</u>	<u>46,674</u>	<u>46,674</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$56,674</u></u>	<u><u>\$56,674</u></u>	<u><u>\$62,794</u></u>	<u><u>\$6,120</u></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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	
Revenues	\$0	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	0	0	0	0
Other Financing Use				
Advances Out	<u>(75,000)</u>	<u>(75,000)</u>	<u>(75,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(75,000)	(75,000)	(75,000)	0
<i>Fund Balance Beginning of Year</i>	<u>99,109</u>	<u>99,109</u>	<u>99,109</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$24,109</u></u>	<u><u>\$24,109</u></u>	<u><u>\$24,109</u></u>	<u><u>\$0</u></u>

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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Revised Budget</u>		
Revenues				
Sales	\$2,446,300	\$2,446,300	\$2,348,030	(\$98,270)
Federal and State Subsidies	943,700	943,700	1,102,580	158,880
<i>Total Revenues</i>	<u>3,390,000</u>	<u>3,390,000</u>	<u>3,450,610</u>	<u>60,610</u>
Expenses				
Salaries	998,155	1,061,832	1,061,832	0
Fringe Benefits	586,408	586,408	584,627	1,781
Purchased Services	51,765	77,265	46,119	31,146
Materials and Supplies	1,611,500	1,627,500	1,517,573	109,927
Capital Outlay - New	72,600	117,423	34,047	83,376
Other	9,870	9,870	6,092	3,778
<i>Total Expenses</i>	<u>3,330,298</u>	<u>3,480,298</u>	<u>3,250,290</u>	<u>230,008</u>
<i>Excess of Revenues Over (Under) Expenses</i>	59,702	(90,298)	200,320	290,618
Sale of Capital Assets	0	0	1,791	1,791
<i>Net Change in Fund Equity</i>	59,702	(90,298)	202,111	292,409
<i>Fund Equity Beginning of Year</i>	757,332	757,332	757,332	0
Prior Year Encumbrances Appropriated	2,640	2,640	2,640	0
<i>Fund Equity End of Year</i>	<u>\$819,674</u>	<u>\$669,674</u>	<u>\$962,083</u>	<u>\$292,409</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original Budget</u>	<u>Revised Budget</u>		
Revenues				
Tuition and Fees	\$60,000	\$60,000	\$65,343	\$5,343
Federal and State Subsidies	20,000	20,000	33,750	13,750
<i>Total Revenues</i>	<u>80,000</u>	<u>80,000</u>	<u>99,093</u>	<u>19,093</u>
Expenses				
Salaries	109,601	98,700	80,588	18,112
Fringe Benefits	33,152	34,153	26,436	7,717
Purchased Services	9,035	8,265	5,485	2,780
Materials and Supplies	26,453	19,579	9,627	9,952
Capital Outlay	12,000	2,999	0	2,999
Other	500	500	0	500
<i>Total Expenses</i>	<u>190,741</u>	<u>164,196</u>	<u>122,136</u>	<u>42,060</u>
<i>Excess of Revenues Under Expenses</i>	(110,741)	(84,196)	(23,043)	61,153
Advances In	80,000	42,000	25,000	(17,000)
<i>Net Change in Fund Equity</i>	(30,741)	(42,196)	1,957	44,153
<i>Fund Equity Beginning of Year</i>	42,486	42,486	42,486	0
Prior Year Encumbrances Appropriated	1,541	1,541	1,541	0
<i>Fund Equity End of Year</i>	<u>\$13,286</u>	<u>\$1,831</u>	<u>\$45,984</u>	<u>\$44,153</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	
Revenues				
Tuition and Fees	\$1,310,000	\$1,299,858	\$1,157,243	(\$142,615)
Federal and State Subsidies	0	0	118,887	118,887
Miscellaneous	0	4,000	5,315	1,315
<i>Total Revenues</i>	<u>1,310,000</u>	<u>1,303,858</u>	<u>1,281,445</u>	<u>(22,413)</u>
Expenses				
Salaries	543,001	752,222	693,956	58,266
Fringe Benefits	130,771	195,029	173,850	21,179
Purchased Services	280,876	339,074	299,639	39,435
Materials and Supplies	63,916	213,444	87,307	126,137
Capital Outlay - New	1,064	12,875	2,065	10,810
Capital Outlay - Replacement	741	1,157	6	1,151
Other	1,756	6,115	3,061	3,054
<i>Total Expenses</i>	<u>1,022,125</u>	<u>1,519,916</u>	<u>1,259,884</u>	<u>260,032</u>
<i>Net Change in Fund Equity</i>	287,875	(216,058)	21,561	237,619
<i>Fund Equity Beginning of Year</i>	216,346	216,346	216,346	0
Prior Year Encumbrances Appropriated	<u>22,125</u>	<u>22,125</u>	<u>22,125</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$526,346</u>	<u>\$22,413</u>	<u>\$260,032</u>	<u>\$237,619</u>

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Statistical Section



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Statistical Section

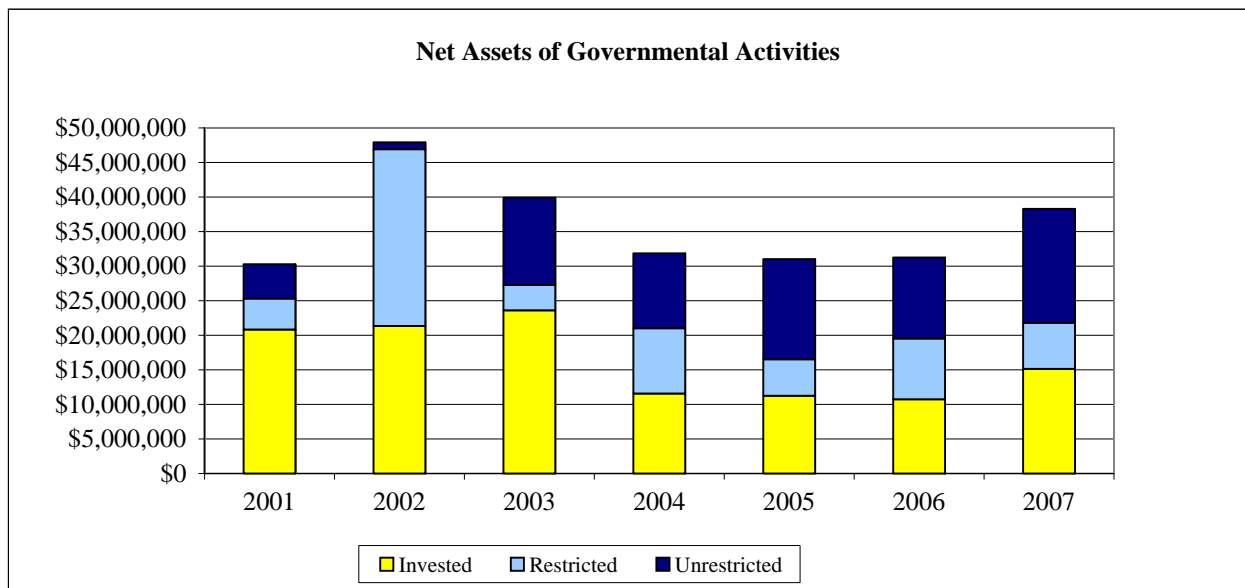
This part of School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.	S2 - S13
Revenue Capacity These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source(s), the property tax.	S14 - S23
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S24 - S28
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	S30 - S32
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S33 - S47

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The School District implemented GASB Statement 34 in fiscal year 2001; schedules presenting government-wide information include information beginning in that fiscal year.

Parma City School District
Net Assets by Component
Last Seven Fiscal Years
(accrual basis of accounting)

	2001	2002	2003	2004
Governmental Activities:				
Invested in Capital Assets, Net of Related Debt	\$20,827,338	\$21,358,370	\$23,627,984	\$11,594,506
Restricted for:				
Capital Projects	640,534	21,120,494	0	5,507,722
Debt Service	1,726,416	1,569,261	653,054	707,547
Set Asides	0	588,782	588,782	588,782
Other Purposes	2,099,825	2,266,099	2,390,877	2,630,519
Unrestricted	5,004,137	1,035,192	12,654,442	10,835,063
Total Governmental Activities Net Assets	30,298,250	47,938,198	39,915,139	31,864,139
Business-type Activities:				
Invested in Capital Assets, Net of Related Debt	98,818	96,218	110,996	119,920
Unrestricted	902,213	295,617	281,164	166,458
Total Business-type Activities Net Assets	1,001,031	391,835	392,160	286,378
Primary Government:				
Invested in Capital Assets, Net of Related Debt	20,926,156	21,454,588	23,738,980	11,714,426
Restricted	4,466,775	25,544,636	3,632,713	9,434,570
Unrestricted	5,906,350	1,330,809	12,935,606	11,001,521
Total Primary Government Net Assets	\$31,299,281	\$48,330,033	\$40,307,299	\$32,150,517



2005	2006	2007
\$11,251,853	\$10,762,705	\$15,120,924
3,297,860	6,482,337	3,127,777
262,980	210,273	1,297,997
0	0	0
1,692,330	2,064,575	2,278,900
14,535,471	11,733,273	16,438,216
31,040,494	31,253,163	38,263,814
128,255	114,337	127,199
474,619	711,907	984,643
602,874	826,244	1,111,842
11,380,108	10,877,042	15,248,123
5,253,170	8,757,185	6,704,674
15,010,090	12,445,180	17,422,859
\$31,643,368	\$32,079,407	\$39,375,656

Parma City School District
Changes in Net Assets
Last Seven Fiscal Years
(accrual basis of accounting)

	2001	2002	2003	2004
Expenses				
Governmental Activities:				
Regular Instruction	\$46,171,336	\$52,549,702	\$56,735,679	\$55,727,837
Special Instruction	10,151,082	11,657,885	13,502,318	14,786,344
Vocational Instruction	2,412,894	1,942,972	2,421,619	2,177,517
Adult/Continuing Instruction	131,614	146,408	103,058	104,805
Pupil Support	5,702,894	6,028,497	6,280,658	6,898,816
Instructional Staff Support	4,373,868	5,620,956	4,689,359	5,420,181
Board of Education	445,182	722,338	808,105	1,199,052
Administration	6,800,226	8,561,814	9,085,121	9,484,263
Fiscal	2,122,588	1,961,584	1,878,329	3,173,100
Business	608,938	760,916	704,215	792,836
Operation and Maintenance of Plant	10,154,889	14,323,751	15,370,578	20,715,391
Pupil Transportation	4,298,362	6,381,700	5,464,548	5,861,535
Central	1,489,597	2,142,312	1,987,681	1,942,312
Operation of Non-Instructional Services	4,263,121	4,059,216	4,777,508	4,122,981
Extracurricular Activities	2,279,498	2,449,230	2,751,996	3,284,535
Interest and Fiscal Charges	484,966	576,680	1,081,240	170,934
<i>Total Governmental Activities Expenses</i>	<u>101,891,055</u>	<u>119,885,961</u>	<u>127,642,012</u>	<u>135,862,439</u>
Business-type Activities:				
Food Service	3,043,913	3,287,831	3,271,012	3,183,170
Adult Continuing Education	926,264	999,882	452,074	329,589
Extended Day Care/Preschool	1,181,824	1,585,266	1,166,063	1,288,939
<i>Total Business-type Activities Expenses</i>	<u>5,152,001</u>	<u>5,872,979</u>	<u>4,889,149</u>	<u>4,801,698</u>
<i>Total Primary Government Expenses</i>	<u>107,043,056</u>	<u>125,758,940</u>	<u>132,531,161</u>	<u>140,664,137</u>
Program Revenues				
Governmental Activities:				
Charges for Services				
Regular Instruction	1,711,772	1,493,438	1,579,616	1,749,000
Special Instruction	166,291	42,230	87,756	411,703
Vocational Instruction	0	0	87,757	82,789
Adult/Continuing Instruction	0	0	0	0
Pupil Support	0	0	0	119,311
Instructional Staff Support	0	0	0	78,931
Board of Education	0	0	0	18,778
Administration	0	0	0	179,474
Fiscal	0	26	0	60,519
Business	0	0	0	13,629
Operation and Maintenance of Plant	2,675	280,253	266,448	213,563
Pupil Transportation	522,180	0	599,746	330,252
Central	0	0	0	36,149
Operation of Non-Instructional Services	94,526	0	0	451
Extracurricular Activities	1,459,290	1,134,475	832,077	965,479
Operating Grants and Contributions				
Regular Instruction	1,319,226	902,920	2,730,556	1,245,871
Special Instruction	1,856,864	910,160	1,553,750	1,930,920
Vocational Instruction	340,317	122,697	0	11,221
Adult/Continuing Instruction	115,426	9,992	164,286	107,983
Pupil Support	405,996	663,701	447,703	1,063,490
Instructional Staff Support	397,263	1,253,171	870,145	1,201,308
Board of Education	0	3,447	0	4,341
Administration	120,212	257,659	0	395,841
Fiscal	0	0	0	13,994
Business	0	232	0	3,151
Operation and Maintenance of Plant	354,675	3,445	0	56,744
Pupil Transportation	0	150	0	138,692
Central	100,553	13,892	0	87,130
Operation of Non-Instructional Services	3,333,925	4,357,532	4,158,729	4,469,686
Extracurricular Activities	17,363	32,156	5,929	9,909
Capital Grants and Contributions				
Instructional Staff Support	0	0	191,504	0
Fiscal	0	160	0	0
Operation and Maintenance of Plant	13,459	2,323,190	0	0
Pupil Transportation	138,557	66,727	0	0
Central	0	0	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>12,470,570</u>	<u>13,871,653</u>	<u>13,576,002</u>	<u>15,000,309</u>

2005	2006	2007
\$55,590,833	\$57,535,170	\$60,424,634
16,524,948	16,913,097	17,425,594
3,442,447	3,572,570	3,617,757
138,911	138,768	119,114
7,102,167	7,480,653	7,576,597
5,134,353	5,700,431	6,377,228
648,076	955,548	1,024,815
10,361,043	10,516,633	9,604,845
2,011,493	2,219,018	2,343,337
1,020,693	1,239,503	818,024
13,062,866	13,561,145	16,914,869
5,409,391	6,177,626	6,263,119
2,106,373	1,616,584	1,717,231
4,861,629	4,112,226	4,506,655
2,818,687	3,077,275	3,391,752
1,397,634	1,708,765	2,043,222
<u>131,631,544</u>	<u>136,525,012</u>	<u>144,168,793</u>
3,079,727	3,190,388	3,240,847
71,024	115,088	122,192
1,280,779	1,332,056	1,226,085
<u>4,431,530</u>	<u>4,637,532</u>	<u>4,589,124</u>
<u>136,063,074</u>	<u>141,162,544</u>	<u>148,757,917</u>
2,372,336	2,032,299	1,859,167
629,722	530,000	489,815
153,447	130,879	117,904
0	324	274
34,567	243,345	220,874
20,715	153,467	148,167
4,841	35,092	33,201
51,011	364,185	338,752
20,112	79,325	73,680
5,002	41,479	37,417
54,994	425,144	394,311
231,247	218,818	223,157
10,489	55,814	51,975
138	1,093	887
1,160,556	906,445	809,359
890,031	1,168,125	634,226
2,679,874	2,646,729	2,322,351
13,513	39,423	6,284
117,102	122,330	713,695
1,756,860	857,786	861,409
1,226,265	1,535,647	1,807,269
0	9,040	0
504,800	690,472	684,465
0	20,435	0
0	10,685	0
15,526	110,804	32,741
81,621	96,023	109,860
57,007	130,323	134,860
4,468,816	4,415,845	4,435,583
3,882	21,488	26,002
0	0	0
0	0	0
0	0	0
0	0	0
118,650	0	0
<u>16,683,124</u>	<u>17,092,864</u>	<u>16,567,685</u>

(continued)

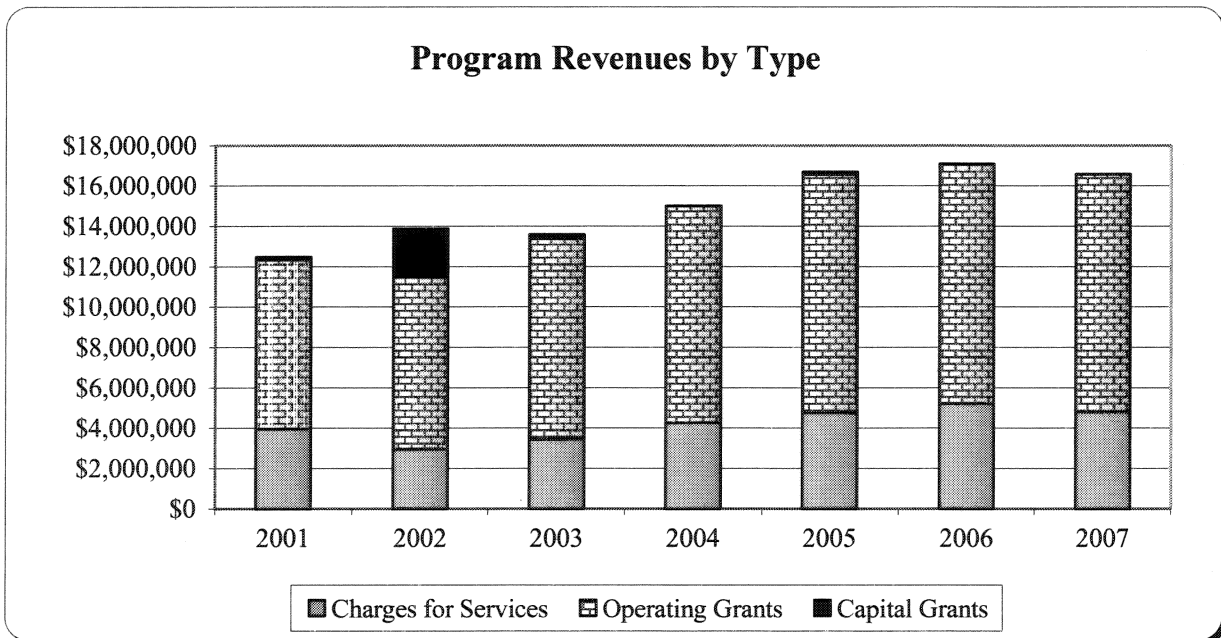
Parma City School District
Changes in Net Assets (continued)
Last Seven Fiscal Years
(accrual basis of accounting)

	2001	2002	2003	2004
Business-type Activities:				
Charges for Services				
Food Service	\$2,141,770	\$2,173,383	\$2,209,174	\$2,265,903
Adult Continuing Education	793,337	609,868	210,227	159,008
Extended Day Care/Preschool	1,040,067	1,104,589	991,293	1,123,457
Operating Grants and Contributions	1,265,260	1,333,755	1,461,541	1,130,385
<i>Total Business-type Activities Program Revenues</i>	<u>5,240,434</u>	<u>5,221,595</u>	<u>4,872,235</u>	<u>4,678,753</u>
<i>Total Primary Government Program Revenues</i>	<u>17,711,004</u>	<u>19,093,248</u>	<u>18,448,237</u>	<u>19,679,062</u>
Net (Expense)/Revenue				
Governmental Activities	(89,420,485)	(106,014,308)	(114,066,010)	(120,862,130)
Business-type Activities	88,433	(651,384)	(16,914)	(122,945)
<i>Total Primary Government Net (Expense)/Revenue</i>	<u>(89,332,052)</u>	<u>(106,665,692)</u>	<u>(114,082,924)</u>	<u>(120,985,075)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	70,818,304	84,363,645	68,717,395	73,923,631
Debt Service	852,293	57,603	466,239	2,392,758
Capital Projects	2,203,382	4,071,141	2,102,542	1,305,697
Grants and Entitlements not				
Restricted to Specific Programs	23,777,006	36,323,272	32,873,674	33,989,650
Investment Earnings	1,473,616	1,184,907	910,019	455,946
Gain on Sale of Capital Assets	11,625	0	42,563	41,658
Miscellaneous	902,636	163,388	941,427	712,760
Transfers	0	0	(10,908)	(10,970)
<i>Total Governmental Activities</i>	<u>100,038,862</u>	<u>126,163,956</u>	<u>106,042,951</u>	<u>112,811,130</u>
Business-type Activities:				
Gain on Sale of Capital Assets	0	0	0	0
Miscellaneous	0	51,098	6,331	6,193
Transfers	0	0	10,908	10,970
<i>Total Business-type Activities</i>	<u>0</u>	<u>51,098</u>	<u>17,239</u>	<u>17,163</u>
<i>Total Primary Government</i>	<u>100,038,862</u>	<u>126,215,054</u>	<u>106,060,190</u>	<u>112,828,293</u>
Change in Net Assets				
Governmental Activities	10,618,377	20,149,648	(8,023,059)	(8,051,000)
Business-type Activities	88,433	(600,286)	325	(105,782)
<i>Total Primary Government Change in Net Assets</i>	<u>\$10,706,810</u>	<u>\$19,549,362</u>	<u>(\$8,022,734)</u>	<u>(\$8,156,782)</u>

2005	2006	2007
\$2,240,812	\$2,283,014	\$2,350,372
23,476	87,919	55,416
1,156,901	1,120,330	1,163,561
1,223,416	1,361,366	1,298,267
4,644,605	4,852,629	4,867,616
21,327,729	21,945,493	21,435,301
(114,948,420)	(119,432,148)	(127,601,108)
213,075	215,097	278,492
(114,735,345)	(119,217,051)	(127,322,616)
75,071,978	78,493,416	89,252,646
1,975,713	3,434,573	4,086,494
1,133,492	1,885,293	1,340,604
34,172,968	32,796,036	35,384,277
815,547	1,778,835	2,690,152
0	35,938	6,234
1,030,002	1,220,726	1,851,352
(74,925)	0	0
114,124,775	119,644,817	134,611,759
23,464	0	1,791
5,032	8,273	5,315
74,925	0	0
103,421	8,273	7,106
114,228,196	119,653,090	134,618,865
(823,645)	212,669	7,010,651
316,496	223,370	285,598
(\$507,149)	\$436,039	\$7,296,249

Parma City School District
Program Revenues of Governmental Activities by Function
Last Seven Fiscal Years
(accrual basis of accounting)

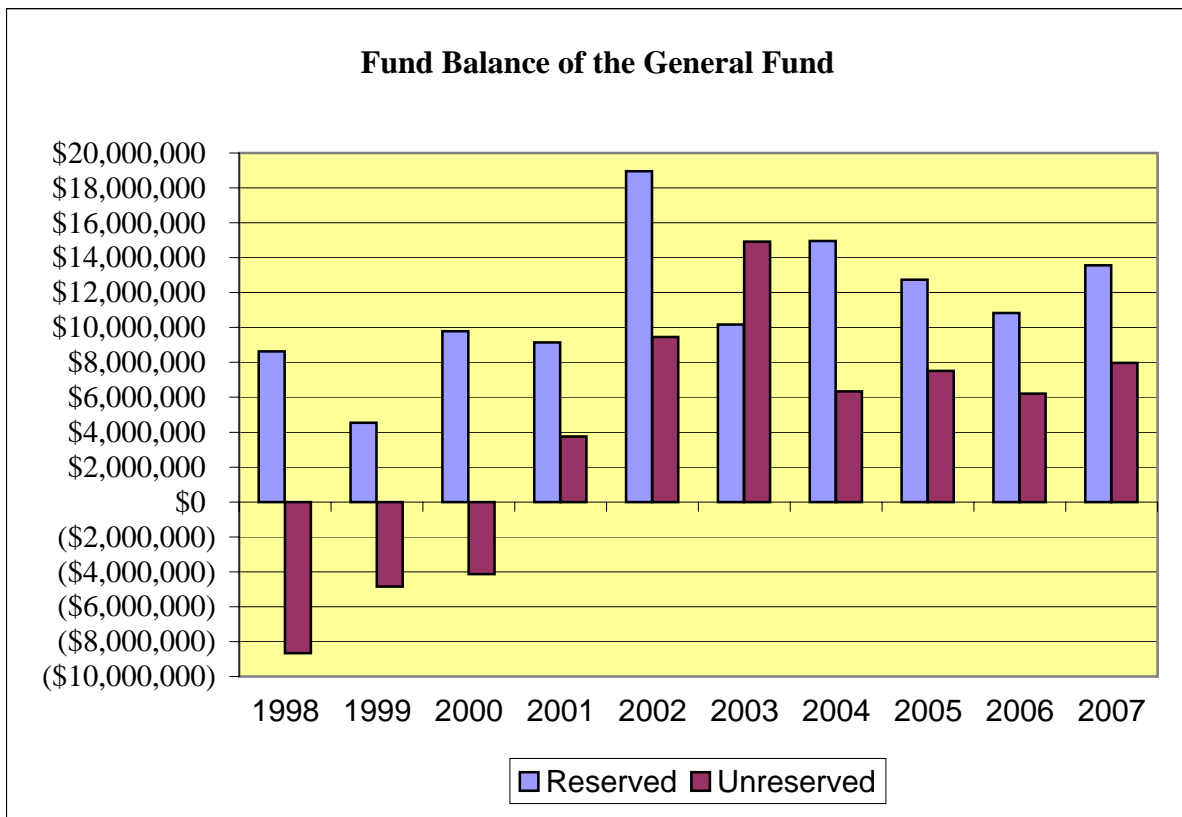
<i>Governmental Activities</i>	2001	2002	2003	2004
<i>Function:</i>				
Regular Instruction	\$3,030,998	\$2,396,358	\$4,310,172	\$2,994,871
Special Instruction	2,023,155	952,390	1,641,506	2,342,623
Vocational Instruction	340,317	122,697	87,757	94,010
Adult/Continuing Instruction	115,426	9,992	164,286	107,983
Pupil Support	405,996	663,701	447,703	1,182,801
Instructional Staff Support	397,263	1,253,171	1,061,649	1,280,239
Board of Education	0	3,447	0	23,119
Administration	120,212	257,659	0	575,315
Fiscal	0	186	0	74,513
Business	0	232	0	16,780
Operation and Maintenance of Plant	370,809	2,606,888	266,448	270,307
Pupil Transportation	660,737	66,877	599,746	468,944
Central	100,553	13,892	0	123,279
Operation of Non-Instructional Services	3,428,451	4,357,532	4,158,729	4,470,137
Extracurricular Activities	1,476,653	1,166,631	838,006	975,388
Total Program Revenues	\$12,470,570	\$13,871,653	\$13,576,002	\$15,000,309



<u>2005</u>	<u>2006</u>	<u>2007</u>
\$3,262,367	\$3,200,424	\$2,493,393
3,309,596	3,176,729	2,812,166
166,960	170,302	124,188
117,102	122,654	713,969
1,791,427	1,101,131	1,082,283
1,246,980	1,689,114	1,955,436
4,841	44,132	33,201
555,811	1,054,657	1,023,217
20,112	99,760	73,680
5,002	52,164	37,417
70,520	535,948	427,052
312,868	314,841	333,017
186,146	186,137	186,835
4,468,954	4,416,938	4,436,470
1,164,438	927,933	835,361
<u>\$16,683,124</u>	<u>\$17,092,864</u>	<u>\$16,567,685</u>

Parma City School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	1998	1999	2000	2001
General Fund				
Reserved	\$8,621,836	\$4,545,129	\$9,779,814	\$9,152,684
Unreserved (Deficit)	(8,656,870)	(4,853,984)	(4,138,071)	3,743,995
<i>Total General Fund</i>	<u>(35,034)</u>	<u>(308,855)</u>	<u>5,641,743</u>	<u>12,896,679</u>
All Other Governmental Funds				
Reserved	1,014,816	1,050,626	1,013,704	2,938,272
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,113,499	1,339,591	2,616,462	1,769,639
Debt Service Funds	2,437,055	1,756,808	1,315,616	1,459,645
Capital Projects Funds (Deficit)	545,739	638,075	398,646	(1,512,870)
Total All Other Governmental Funds	<u>5,111,109</u>	<u>4,785,100</u>	<u>5,344,428</u>	<u>4,654,686</u>
Total Governmental Funds	<u><u>\$5,076,075</u></u>	<u><u>\$4,476,245</u></u>	<u><u>\$10,986,171</u></u>	<u><u>\$17,551,365</u></u>



<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
\$18,962,860	\$10,171,657	\$14,948,935	\$12,736,903	\$10,836,748	\$13,554,978
<u>9,452,641</u>	<u>14,929,177</u>	<u>6,331,604</u>	<u>7,511,755</u>	<u>6,207,591</u>	<u>7,978,047</u>
<u>28,415,501</u>	<u>25,100,834</u>	<u>21,280,539</u>	<u>20,248,658</u>	<u>17,044,339</u>	<u>21,533,025</u>
12,784,788	3,336,683	1,191,882	1,151,059	11,135,808	5,246,295
1,835,545	1,795,851	2,183,430	1,154,358	1,284,174	774,765
993,561	606,237	749,477	292,771	682,170	972,764
<u>9,686,569</u>	<u>(4,790,098)</u>	<u>1,184,954</u>	<u>1,868,714</u>	<u>10,519,187</u>	<u>344,415</u>
<u>25,300,463</u>	<u>948,673</u>	<u>5,309,743</u>	<u>4,466,902</u>	<u>23,621,339</u>	<u>7,338,239</u>
<u>\$53,715,964</u>	<u>\$26,049,507</u>	<u>\$26,590,282</u>	<u>\$24,715,560</u>	<u>\$40,665,678</u>	<u>\$28,871,264</u>

Parma City School District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	1998	1999	2000	2001
Revenues				
Property Taxes	\$65,320,414	\$64,801,975	\$63,979,640	\$73,263,088
Intergovernmental	27,837,795	29,336,982	31,562,955	32,489,640
Interest	844,850	911,990	1,241,930	1,473,616
Tuition and Fees	974,198	1,264,113	1,520,317	1,832,502
Extracurricular Activities	1,363,567	1,395,082	1,363,197	908,940
Rentals	106,463	84,629	230,444	576,153
Charges for Services	0	227,820	332,983	639,139
Contributions and Donations	165,202	85,301	56,406	79,121
Miscellaneous	1,367,485	460,166	351,055	902,636
Total Revenues	97,979,974	98,568,058	100,638,927	112,164,835
Expenditures				
Current:				
Instruction:				
Regular	43,504,689	44,493,411	42,121,709	45,678,906
Special	8,305,462	8,527,584	9,009,861	10,275,154
Vocational	1,432,552	1,589,698	2,365,948	2,421,717
Adult/Continuing	216,042	247,818	1,249,792	125,977
Support Services:				
Pupils	4,991,585	5,328,169	4,980,936	5,854,037
Instructional Staff	4,916,855	4,477,718	3,839,009	4,371,538
Board of Education	50,707	61,895	68,594	442,794
Administration	7,751,325	7,125,281	6,404,442	7,254,890
Fiscal	1,547,714	1,522,202	1,268,946	2,132,139
Business	796,169	760,549	625,702	619,083
Operation and Maintenance of Plant	9,879,885	9,632,433	9,060,406	9,485,597
Pupil Transportation	4,105,287	3,848,234	3,795,132	4,576,746
Central	1,094,231	1,033,112	1,190,863	1,701,377
Operation of Non-Instructional Services	3,098,375	3,537,697	3,609,676	4,585,118
Extracurricular Activities	1,956,788	2,200,277	2,489,889	2,250,836
Capital Outlay	981,663	1,299,669	707,129	2,926,295
Debt Service:				
Principal Retirement	5,415,000	4,925,000	3,185,000	465,000
Interest and Fiscal Charges	393,349	438,759	598,150	475,271
Issuance Costs	0	0	0	0
Total Expenditures	100,437,678	101,049,506	96,571,184	105,642,475
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(2,457,704)</i>	<i>(2,481,448)</i>	<i>4,067,743</i>	<i>6,522,360</i>
Other Financing Sources (Uses)				
Sale of Capital Assets	2,628,213	43,665	35,730	11,625
General Obligation Bonds Issued	0	0	2,485,254	0
Notes Issued	4,475,000	2,721,535	0	0
Loans Issued	0	0	0	0
Certificates of Participation Proceeds	0	0	0	0
Premium on Note	0	0	0	0
Discount on Certificates of Participation	0	0	0	0
Inception of Capital Lease	0	0	0	0
Transfers In	48,941	309,479	165,256	175,418
Transfers Out	(48,941)	(309,479)	(260,408)	(175,418)
Total Other Financing Sources (Uses)	7,103,213	2,765,200	2,425,832	11,625
Net Change in Fund Balances	\$4,645,509	\$283,752	\$6,493,575	\$6,533,985
Debt Service as a Percentage of Noncapital Expenditures	5.8%	5.4%	3.9%	0.9%

2002	2003	2004	2005	2006	2007
\$88,326,725	\$71,186,517	\$76,557,202	\$77,756,216	\$84,402,165	\$93,689,423
44,784,732	42,929,314	44,645,322	46,218,464	44,339,575	46,696,787
1,184,907	910,019	455,946	815,547	1,778,835	2,690,152
1,377,030	1,718,752	1,978,176	1,597,530	2,100,191	1,900,805
1,135,757	732,473	756,477	1,061,093	954,879	961,637
279,729	248,548	448,397	312,211	314,040	347,599
550	717,250	958,193	1,676,475	1,810,945	1,731,180
2,353,647	68,031	20,299	26,607	33,593	69,663
163,388	941,427	712,760	1,030,002	1,220,726	1,851,352
<u>139,606,465</u>	<u>119,452,331</u>	<u>126,532,772</u>	<u>130,494,145</u>	<u>136,954,949</u>	<u>149,938,598</u>
52,921,929	54,359,448	54,594,280	54,799,796	56,685,742	57,889,368
11,510,571	13,585,692	14,716,340	16,573,014	16,812,367	17,468,605
1,894,917	2,305,655	2,565,455	3,503,935	3,601,404	3,633,004
152,600	116,695	112,051	139,464	137,962	118,308
6,032,820	6,347,047	6,901,671	7,132,634	7,546,020	7,580,816
5,498,899	4,633,850	5,382,228	5,136,908	5,697,283	6,346,646
716,927	807,146	899,528	943,937	952,991	1,022,754
8,612,610	9,314,356	9,753,813	10,132,080	10,564,478	11,117,300
1,878,590	1,862,815	3,167,385	2,013,833	2,144,582	2,254,587
754,317	866,759	832,219	1,064,690	1,125,177	1,144,960
10,836,202	10,368,030	11,127,414	10,366,982	11,798,488	12,081,404
6,329,352	6,038,084	6,276,305	5,239,297	6,015,584	6,000,721
2,142,270	1,961,222	1,929,958	2,003,061	1,654,343	1,711,740
4,140,970	4,640,419	4,230,319	4,849,464	4,233,559	4,481,897
2,526,666	2,810,305	3,175,537	2,746,811	3,171,294	3,238,184
6,638,144	28,235,753	10,201,052	3,860,690	10,547,225	20,403,216
500,000	631,822	2,253,521	2,980,251	3,205,190	4,350,851
590,559	1,083,839	56,678	1,358,015	1,659,772	1,975,924
0	0	144,046	0	601,414	0
<u>123,678,343</u>	<u>149,968,937</u>	<u>138,319,800</u>	<u>134,844,862</u>	<u>148,154,875</u>	<u>162,820,285</u>
<u>15,928,122</u>	<u>(30,516,606)</u>	<u>(11,787,028)</u>	<u>(4,350,717)</u>	<u>(11,199,926)</u>	<u>(12,881,687)</u>
0	42,563	44,167	50,920	35,938	22,507
0	0	0	0	0	0
20,000,000	0	0	0	11,000,000	0
0	2,202,000	12,294,606	2,500,000	3,458,570	0
0	0	0	0	12,580,000	0
0	0	0	0	176,354	0
0	0	0	0	(100,818)	0
0	616,494	0	0	0	1,064,766
333,174	136,918	162,837	183,242	174,082	114,073
(333,174)	(147,826)	(173,807)	(258,167)	(174,082)	(114,073)
<u>20,000,000</u>	<u>2,850,149</u>	<u>12,327,803</u>	<u>2,475,995</u>	<u>27,150,044</u>	<u>1,087,273</u>
<u>\$35,928,122</u>	<u>(\$27,666,457)</u>	<u>\$540,775</u>	<u>(\$1,874,722)</u>	<u>\$15,950,118</u>	<u>(\$11,794,414)</u>
0.9%	1.4%	2.0%	3.3%	3.9%	4.4%

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

Collection Year	Real Property			Estimated Actual Value	Tangible Personal Property	
	Assessed Value				Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU	Total		Assessed Value	Estimated Actual Value
1998	\$1,486,223,910	\$353,088,600	\$1,839,312,510	\$5,255,178,600	\$73,452,990	\$83,469,307
1999	1,492,634,760	343,431,990	1,836,066,750	5,245,905,000	71,855,030	81,653,443
2000	1,501,273,010	349,437,930	1,850,710,940	5,287,745,543	62,799,720	71,363,318
2001	1,660,692,760	396,516,490	2,057,209,250	5,877,740,714	60,432,510	68,673,307
2002	1,666,456,250	401,605,240	2,068,061,490	5,908,747,114	46,260,140	52,568,341
2003	1,673,545,860	399,184,240	2,072,730,100	5,922,086,000	44,007,640	50,008,682
2004	1,803,588,770	417,359,700	2,220,948,470	6,345,567,057	45,166,030	51,325,034
2005	1,814,515,570	429,115,620	2,243,631,190	6,410,374,829	44,928,120	51,054,682
2006	1,813,451,700	421,589,570	2,235,041,270	6,385,832,200	40,541,500	46,069,886
2007	2,002,988,150	447,559,110	2,450,547,260	7,001,563,600	39,949,200	45,396,818

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

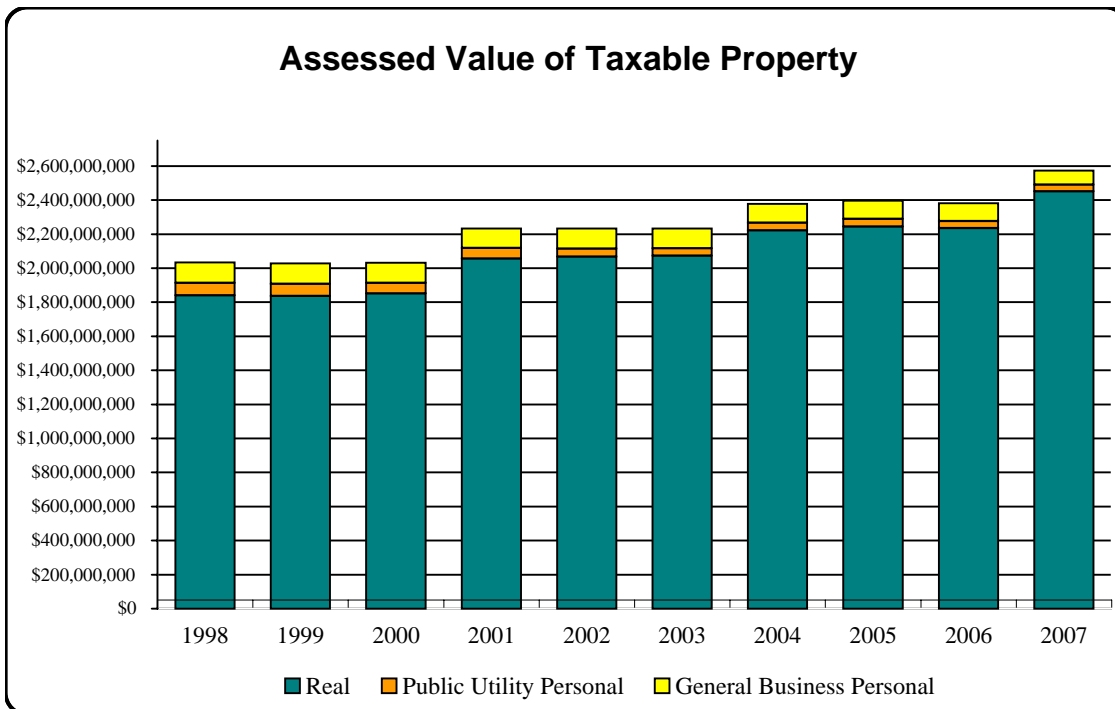
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008, and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

* The weighted average tax rates for collection year 1998 were not available.

Source: Office of the County Auditor, Cuyahoga County, Ohio

Tangible Personal Property					Weighted Average Tax Rate*
General Business		Total			
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	
\$120,861,764	\$483,447,056	\$2,033,627,264	\$5,822,094,963	34.93%	-
120,840,696	483,362,784	2,028,762,476	5,810,921,227	34.91	\$30.325750
119,090,817	476,363,268	2,032,601,477	5,835,472,129	34.83	30.112630
115,972,283	463,889,132	2,233,614,043	6,410,303,153	34.84	34.732800
119,158,280	476,633,120	2,233,479,910	6,437,948,575	34.69	34.607370
116,622,201	466,488,804	2,233,359,941	6,438,583,486	34.69	34.659770
112,292,038	449,168,152	2,378,406,538	6,846,060,243	34.74	32.561350
108,079,727	432,318,908	2,396,639,037	6,893,748,419	34.77	32.360490
106,774,595	569,464,507	2,382,357,365	7,001,366,593	34.03	38.154160
82,841,440	662,731,520	2,573,337,900	7,709,691,938	33.38	38.340050



Parma City School District
Property Tax Rates - Direct and Overlapping Governments
(per \$1,000 of assessed value)
Last Nine Years (1)

	1999	2000	2001	2002
Unvoted Millage				
Operating	\$4.600000	\$4.600000	\$5.100000	\$5.100000
Debt	0.500000	0.500000	0.000000	0.000000
Total Unvoted Millage	<u>5.100000</u>	<u>5.100000</u>	<u>5.100000</u>	<u>5.100000</u>
Voted Millage - by levy				
1976 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	11.263000	11.263800	10.221200	10.218000
Commercial/Industrial and Public Utility Real	12.990300	12.960000	11.605400	11.566600
General Business and Public Utility Personal	28.900000	28.900000	28.900000	28.900000
1982 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	4.137000	4.136200	3.753400	3.752200
Commercial/Industrial and Public Utility Real	4.223900	4.214100	3.773600	3.761000
General Business and Public Utility Personal	6.700000	6.700000	6.700000	6.700000
1990 Bond Levy (debt service) (\$5,000,000)	0.200000	0.000000	0.000000	0.000000
1994 Five Year Emergency Operating - Renewal (\$7,603,000)	4.050000	0.000000	0.000000	0.000000
1995 Five Year Emergency Operating - Renewal (\$9,197,860)	4.620000	4.620000	0.000000	0.000000
1997 Five Year Emergency Operating - New (\$8,062,500)	3.830000	3.850000	3.750000	3.750000
1999 Five Year Emergency Operating - Renewal (\$7,603,000)	0.000000	4.130000	3.550000	3.550000
2000 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	0.000000	0.000000	5.444600	5.442900
Commercial/Industrial and Public Utility Real	0.000000	0.000000	5.372800	5.354900
General Business and Public Utility Personal	0.000000	0.000000	6.000000	6.000000
2000 Five Year Emergency Operating - Renewal (\$9,197,860)	0.000000	0.000000	4.200000	4.200000
2000 Permanent Improvement Continuing				
Effective Millage Rates				
Residential/Agricultural Real	0.000000	0.000000	1.814900	1.814300
Commercial/Industrial and Public Utility Real	0.000000	0.000000	1.790900	1.785000
General Business and Public Utility Personal	0.000000	0.000000	2.000000	2.000000
2002 Five Year Emergency Operating - Renewal (\$8,062,500)	0.000000	0.000000	0.000000	0.000000
2004 Five Year Emergency Operating - Renewal (\$7,603,000)	0.000000	0.000000	0.000000	0.000000
2005 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000
2005 Five Year Emergency Operating - Renewal (\$9,197,860)	0.000000	0.000000	0.000000	0.000000
2005 Permanent Improvement Continuing				
Effective Millage Rates				
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000
Total voted millage by type of property				
Residential/Agricultural Real	28.100000	28.000000	32.734100	32.727400
Commercial/Industrial and Public Utility Real	29.914200	29.774100	34.042700	33.967500
General Business and Public Utility Personal	<u>48.300000</u>	<u>48.200000</u>	<u>55.100000</u>	<u>55.100000</u>

2003	2004	2005	2006	2007
\$5.100000	\$5.100000	\$5.100000	\$5.100000	\$5.100000
0.000000	0.000000	0.000000	0.000000	0.000000
<u>5.100000</u>	<u>5.100000</u>	<u>5.100000</u>	<u>5.100000</u>	<u>5.100000</u>
10.215800	9.499300	9.473600	9.474400	8.606600
11.869200	11.471100	11.433000	11.565900	10.983100
28.900000	28.900000	28.900000	28.900000	28.900000
3.751400	3.488300	3.478900	3.479100	3.160500
3.859400	3.730000	3.717600	3.760800	3.571300
6.700000	6.700000	6.700000	6.700000	6.700000
0.000000	0.000000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000
3.550000	3.350000	0.000000	0.000000	0.000000
5.441700	5.060000	5.046400	5.046800	4.584500
5.495000	5.310700	5.293000	5.354600	5.084800
6.000000	6.000000	6.000000	6.000000	6.000000
4.250000	3.950000	3.940000	0.000000	0.000000
1.813900	1.686700	1.682100	1.682300	1.528200
1.831700	1.770200	1.764300	1.784900	1.694900
2.000000	2.000000	2.000000	2.000000	2.000000
3.700000	3.500000	3.460000	3.430000	3.300000
0.000000	0.000000	3.300000	3.250000	3.090000
0.000000	0.000000	0.000000	4.900000	4.451200
0.000000	0.000000	0.000000	4.900000	4.653100
0.000000	0.000000	0.000000	4.900000	4.900000
0.000000	0.000000	0.000000	3.920000	3.710000
0.000000	0.000000	0.000000	1.000000	0.908400
0.000000	0.000000	0.000000	1.000000	0.949600
0.000000	0.000000	0.000000	1.000000	1.000000
32.722800	30.534300	30.381000	36.182600	33.339400
34.555300	33.082000	32.907900	38.966200	37.036800
<u>55.100000</u>	<u>54.400000</u>	<u>54.300000</u>	<u>60.100000</u>	<u>59.600000</u>

(continued)

Parma City School District
Property Tax Rates - Direct and Overlapping Governments (continued)
(per \$1,000 of assessed value)
Last Nine Years (1)

	1999	2000	2001	2002
Overlapping Rates by Taxing District				
City of Parma				
Effective Millage Rates				
Residential/Agricultural Real	6.282400	6.281500	5.921700	5.821300
Commercial/Industrial and Public Utility Real	6.443100	6.436100	6.026200	5.914000
General Business and Public Utility Personal	7.100000	7.100000	7.000000	6.900000
City of Parma Heights				
Effective Millage Rates				
Residential/Agricultural Real	10.000000	10.000000	10.000000	10.200000
Commercial/Industrial and Public Utility Real	10.000000	10.000000	10.000000	10.200000
General Business and Public Utility Personal	10.000000	10.000000	10.000000	10.200000
City of Seven Hills				
Effective Millage Rates				
Residential/Agricultural Real	6.591000	6.590100	7.308300	7.305900
Commercial/Industrial and Public Utility Real	6.894700	6.874500	7.408000	7.415000
General Business and Public Utility Personal	7.200000	7.200000	8.000000	8.000000
Cuyahoga County Library				
Effective Millage Rates				
Residential/Agricultural Real	1.131500	1.397500	1.261000	1.258300
Commercial/Industrial and Public Utility Real	1.267500	1.388400	1.200600	1.198500
General Business and Public Utility Personal	1.400000	1.400000	1.400000	1.400000
Cleveland Metro Parks				
Effective Millage Rates				
Residential/Agricultural Real	1.429500	1.426700	1.281200	1.277100
Commercial/Industrial and Public Utility Real	1.508300	1.503900	1.324700	1.333500
General Business and Public Utility Personal	1.550000	1.550000	1.550000	1.550000
Cuyahoga Port Authority				
Effective Millage Rates				
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000
Cuyahoga Community College				
Effective Millage Rates				
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000
Cuyahoga County				
Effective Millage Rates				
Residential/Agricultural Real	11.423000	11.411400	11.396700	11.381500
Commercial/Industrial and Public Utility Real	12.406500	12.373600	11.929800	12.002300
General Business and Public Utility Personal	13.750000	13.750000	14.650000	14.650000

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes.

Source: Ohio Department of Taxation

(1) Information prior to 1999 is not available.

Note: Emergency and Debt Service levies are designed to raise a fixed amount of revenue each year. A rate is set each year so that when it is applied to the total assessed value, that fixed amount is generated.

2003	2004	2005	2006	2007
5.568400	5.615400	4.607500	4.607700	4.515700
5.686800	5.809400	4.697600	4.716100	4.670000
6.400000	6.600000	5.100000	5.100000	5.100000
10.200000	10.200000	10.200000	10.200000	10.200000
10.200000	10.200000	10.200000	10.200000	10.200000
10.200000	10.200000	10.200000	10.200000	10.200000
7.399000	7.827300	7.685700	7.684900	8.709600
7.486400	7.935900	7.898200	7.820500	9.007800
8.100000	8.100000	7.900000	7.900000	9.300000
1.256500	1.159300	1.993100	1.993500	1.809300
1.205000	1.171500	1.989200	2.000000	1.876400
0.000000	1.400000	2.000000	2.000000	2.000000
1.275800	1.166100	1.845700	1.846500	1.671500
1.344700	1.316600	1.839700	1.850000	1.718700
1.550000	1.550000	1.850000	1.850000	1.850000
0.000000	0.105000	0.104900	0.104900	0.094600
0.000000	0.112900	0.112200	0.113400	0.105300
0.000000	0.130000	0.130000	0.130000	0.130000
0.000000	2.347900	2.344300	2.345100	2.391500
0.000000	2.580100	2.565600	2.591800	2.572200
0.000000	2.800000	2.800000	2.800000	2.800000
12.460900	10.989900	10.975400	11.722700	11.865500
12.876400	12.043300	11.984600	12.576200	12.494100
14.650000	13.520000	13.520000	13.520000	13.420000

Parma City School District
Property Tax Levies and Collections (1)
Last Ten Years

Collection Year (2)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
1997	\$65,558,400	\$61,276,304	93.47%	\$449,874	\$61,726,178	94.15%
1998	67,287,295	64,014,755	95.14	520,400	64,535,155	95.91
1999	67,291,297	64,156,335	95.34	1,124,762	65,281,097	97.01
2000	67,096,069	64,104,921	95.54	1,321,288	65,426,209	97.51
2001	83,966,683	79,517,206	94.70	1,185,154	80,702,360	96.11
2002	84,635,846	79,054,266	93.41	1,820,038	80,874,304	95.56
2003	88,732,395	85,824,529	96.72	1,713,934	87,538,463	98.65
2004	89,400,539	86,698,774	96.98	2,137,399	88,836,173	99.37
2005	89,763,908	86,204,437	96.03	2,280,302	88,484,739	98.57
2006	101,719,568	98,270,070	96.61	2,762,066	101,032,136	99.32

Source: Office of the County Auditor, Cuyahoga County, Ohio

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) The 2007 information cannot be presented because all collections have not been made by June 30, 2007.
- (3) The County does not identify delinquent tax collections by tax year.

Parma City School District

Principal Taxpayers

Real Estate Tax

2007 and 1998

2007		
Name of Taxpayer	Assessed Valuation	Percent of Real Assessed Value
Parmatown One, LLC	\$27,215,000	1.11%
Regency Apartments, LLC	8,867,250	0.36
General Motors Corporation	7,806,120	0.32
Midtown Plaza	7,172,450	0.29
Dayton Hudson Corporation	6,380,720	0.26
Pleasant Valley Shopping Center, LTD	5,970,020	0.24
Genesis Building LTD, LCC	5,510,510	0.23
Franciscan Communities Incorporated	5,097,400	0.21
Big Creek Apartments, LTD	4,686,090	0.19
Pleasantview Real Estate Company	4,249,950	0.17
Parma Community General Hospital	4,189,370	0.17
North Church Towers, LTD	4,146,910	0.17
F.C. Parmatown Association, LP	4,069,650	0.17
Parma 2000, Incorporated	4,002,950	0.16
Total	\$99,364,390	4.05%
Total Real Estate Valuation	\$2,450,547,260	

1998		
Name of Taxpayer	Assessed Valuation	Percent of Real Assessed Value
Albert B. Ratner Trust	\$28,499,180	1.55%
General Motors Corporation	15,750,010	0.86
Paris Julius Company	8,008,000	0.43
Genesis Holding Corporation	5,442,500	0.30
VCAR Carbon Company	4,370,210	0.24
May Company Seventy Four Corporation	3,927,000	0.21
Total	\$65,996,900	3.59%
Total Real Estate Valuation	\$1,839,312,510	

Source: Office of the Auditor, Cuyahoga County, Ohio

Parma City School District
Principal Taxpayers
Tangible Personal Property Tax
2007 and 1998

Name of Taxpayer	2007	
	Assessed Valuation	Percent of Tangible Assessed Value
General Motors Corporation	\$15,676,300	18.92%
Ohio Bell Telephone Company	5,619,780	6.78
Cox Cable Cleveland	1,136,220	1.37
Reiser Foods Company	1,124,030	1.36
Shiloh Corporation	914,630	1.11
Wal-Mart Stores East, LP	859,130	1.04
Spitzer Buick, Incorporated	854,060	1.03
Liberty Ford Southwest, Incorporated	827,440	1.00
Bob Gillingham Ford, Incorporated	822,520	0.99
Marc Glassman, Incorporated	781,100	0.94
Integrity Chevrolet, Incorporated	768,730	0.93
Prince and Izant Company	756,210	0.91
Federated Retail Holdings	668,160	0.81
BJ's Wholesale Club, Incorporated	661,890	0.80
Total	\$31,470,200	37.99%
Total Tangible Assessed Valuation	\$82,841,440	

Name of Taxpayer	1998	
	Assessed Valuation	Percent of Tangible Assessed Value
General Motors Corporation	\$33,755,370	27.93%
MTD Products, Incorporated	10,436,830	8.64
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
K-Mart Corporation	1,637,250	1.35
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
Reiser Foods Company	1,438,590	1.19
Total	\$58,091,530	48.06%
Total Tangible Assessed Valuation	\$120,861,764	

Source: Office of the Auditor, Cuyahoga County, Ohio

Parma City School District

Principal Taxpayers

Public Utilities Tax

2007 and 1998

2007		
Name of Taxpayer	Assessed Valuation	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$18,688,790	46.78%
Columbia Gas of Ohio, Incorporated	4,821,190	12.07
American Transmission Company	2,297,740	5.75
New Par	668,830	1.67
New Cingural Wireless LLC	581,720	1.46
Alltel Ohio Limited Partnership	526,220	1.32
East Ohio Gas Company	464,920	1.16
Total	\$28,049,410	70.21%
Total Public Utility Valuation	\$39,949,200	

1998		
Name of Taxpayer	Assessed Valuation	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$28,759,790	39.16%
Ohio Bell Telephone Company	25,593,020	34.84
Columbia Gas of Ohio, Incorporated	14,897,120	20.28
Total	\$69,249,930	94.28%
Total Public Utility Valuation	\$73,452,990	

Source: Office of the Auditor, Cuyahoga County, Ohio

Parma City School District
Ratio of Outstanding Debt
to Estimated Actual Value and Debt per Capita
Last Ten Fiscal Years

Fiscal Year	Estimated Population	Estimated Actual Value	General Obligation Bonded Debt		
			General Obligation Bonded Debt	Ratio of General Obligation Bonded Debt to Estimated Actual Value	General Obligation Bonded Debt per Capita
1998	116,247	\$5,822,094,963	\$1,720,000	0.03%	\$15
1999	113,875	5,810,921,227	1,270,000	0.02	11
2000	119,323	5,835,472,129	3,290,000	0.06	28
2001	119,394	6,410,303,153	2,825,000	0.04	24
2002	119,394	6,437,948,575	2,325,000	0.04	19
2003	119,394	6,438,583,486	1,795,000	0.03	15
2004	119,394	6,846,060,243	1,535,000	0.02	13
2005	119,394	6,893,748,419	1,260,000	0.02	11
2006	114,185	7,001,366,593	970,000	0.01	8
2007	112,217	7,709,691,938	665,000	0.01	6

Source: Office of the Treasurer, Parma City School District and the U.S. Census Bureau (Census 2000)

(1) Personal income for this calculation is from the Demographic and Economic Statistics table on S30.

Other Governmental Activities Debt					(1)	
Notes	Energy Conservation Loans	Certificates of Participation	Capital Leases	Total Debt	Percentage of Personal Income	Per Capita
\$7,975,000	\$0	\$0	\$0	\$9,695,000	N/A	\$83.40
9,520,000	0	0	0	10,790,000	N/A	94.75
6,800,000	0	0	0	10,090,000	N/A	84.56
5,440,000	0	0	0	8,265,000	0.32%	69.22
24,080,000	0	0	0	26,405,000	1.03	221.16
20,000,000	2,202,000	0	514,672	24,511,672	0.95	205.30
18,580,000	14,039,606	0	398,151	34,552,757	1.34	289.40
16,795,000	15,741,837	0	275,669	34,072,506	1.33	285.38
26,110,322	18,258,965	12,479,182	146,921	57,965,390	2.36	507.64
23,344,290	17,116,119	12,487,584	1,058,682	54,671,675	2.17	487.20

Parma City School District
Computation of Legal Debt Margin
Last Ten Fiscal Years

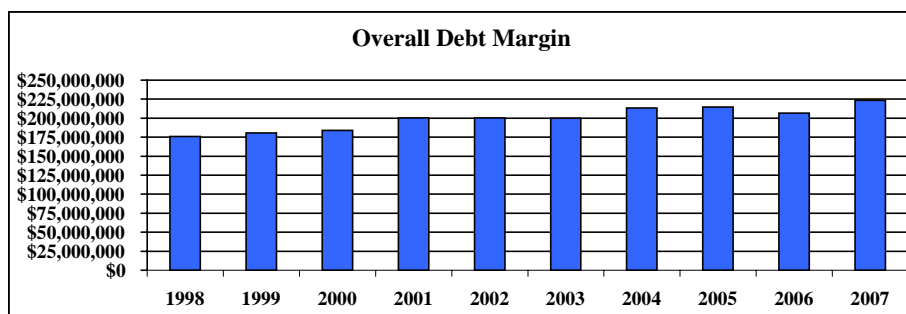
	1998	1999	2000	2001
Assessed Valuation (1)	<u>\$2,033,627,264</u>	<u>\$2,028,762,476</u>	<u>\$2,032,601,477</u>	<u>\$2,233,614,043</u>
Debt Limit - 9% of Assessed Value (2)	\$183,026,454	\$182,588,623	\$182,934,133	\$201,025,264
Amount of Debt Outstanding				
Revenue Anticipation Notes	3,090,000	6,800,000	6,800,000	5,440,000
Bond Anticipation Notes	4,475,000	2,350,000	0	0
Byers Field Note	410,000	370,000	0	0
School Improvement Note	0	0	0	0
Energy Conservation Note	0	0	0	0
General Obligation Bonds	1,720,000	225,000	370,000	2,270,000
Energy Conservation Bonds	0	1,045,000	2,920,000	555,000
Energy Conservation Loans	0	0	0	0
Certificates of Participation	0	0	0	0
Less Amount Available in Debt Service	<u>(2,569,982)</u>	<u>(1,932,492)</u>	<u>(1,414,099)</u>	<u>(1,651,406)</u>
Total	<u>7,125,018</u>	<u>8,857,508</u>	<u>8,675,901</u>	<u>6,613,594</u>
Exemptions:				
Revenue Anticipation Notes	0	(6,800,000)	(6,800,000)	(5,440,000)
Bond Anticipation Notes	0	0	0	-
Construction Note	0	0	0	-
Energy Conservation Bonds	0	0	(2,920,000)	(555,000)
Energy Conservation Loans	0	0	0	-
Certificates of Participation	0	0	0	-
Total	<u>0</u>	<u>(6,800,000)</u>	<u>(9,720,000)</u>	<u>(5,995,000)</u>
Amount of Debt Subject to Limit	<u>7,125,018</u>	<u>2,057,508</u>	<u>(1,044,099)</u>	<u>618,594</u>
Overall Debt Margin	<u>\$175,901,436</u>	<u>\$180,531,115</u>	<u>\$183,978,232</u>	<u>\$200,406,670</u>
Legal Debt Margin as a Percentage of Debt Limit	96.11%	98.87%	100.57%	99.69%
Unvoted Legal Debt Limit - .10% of Assessed Value (1)	\$2,033,627	\$2,028,762	\$2,032,601	\$2,233,614
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Debt Margin	<u>\$2,033,627</u>	<u>\$2,028,762</u>	<u>\$2,032,601</u>	<u>\$2,233,614</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	100.00%	100.00%
Additional Limit for Unvoted Energy Conservation Bonds/Loans				
Debt Limit - 1% of Assessed Valuation	\$20,336,273	\$20,287,625	\$20,326,015	\$22,336,140
Energy Conservation Bonds/Loans	<u>0</u>	<u>0</u>	<u>(2,920,000)</u>	<u>(555,000)</u>
Additional Unvoted Debt Margin	<u>\$20,336,273</u>	<u>\$20,287,625</u>	<u>\$17,406,015</u>	<u>\$21,781,140</u>
Additional Unvoted Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	85.63%	97.52%

Source: Cuyahoga County Auditor and School District Financial Records

(1) Beginning in fiscal year 2006, HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.

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

2002	2003	2004	2005	2006	2007
<u>\$2,233,479,910</u>	<u>\$2,233,359,941</u>	<u>\$2,378,406,538</u>	<u>\$2,396,639,037</u>	<u>\$2,293,972,175</u>	<u>\$2,476,213,350</u>
\$201,013,192	\$201,002,395	\$214,056,588	\$215,697,513	\$206,457,496	\$222,859,202
24,080,000	22,720,000	19,940,000	16,795,000	25,950,000	23,200,000
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
2,040,000	1,795,000	1,535,000	1,260,000	970,000	665,000
285,000	0	0	0	0	0
0	2,202,000	14,039,606	15,741,837	18,258,965	17,116,119
0	0	0	0	12,580,000	12,580,000
<u>(1,499,812)</u>	<u>(641,573)</u>	<u>(804,058)</u>	<u>(337,817)</u>	<u>(1,063,061)</u>	<u>(1,458,616)</u>
<u>24,905,188</u>	<u>26,075,427</u>	<u>34,710,548</u>	<u>33,459,020</u>	<u>56,695,904</u>	<u>52,102,503</u>
(24,080,000)	(22,720,000)	(1,360,000)	(16,795,000)	(25,950,000)	(23,200,000)
-	0	0	0	0	0
-	0	(18,580,000)	0	0	0
(285,000)	0	0	0	0	0
-	(2,202,000)	(14,039,606)	(15,741,837)	(18,258,965)	(17,116,119)
-	0	0	0	(12,580,000)	(12,580,000)
<u>(24,365,000)</u>	<u>(24,922,000)</u>	<u>(33,979,606)</u>	<u>(32,536,837)</u>	<u>(56,788,965)</u>	<u>(52,896,119)</u>
<u>540,188</u>	<u>1,153,427</u>	<u>730,942</u>	<u>922,183</u>	<u>(93,061)</u>	<u>(793,616)</u>
<u>\$200,473,004</u>	<u>\$199,848,968</u>	<u>\$213,325,646</u>	<u>\$214,775,330</u>	<u>\$206,550,557</u>	<u>\$223,652,818</u>
99.73%	99.43%	99.66%	99.57%	100.05%	100.36%
\$2,233,480	\$2,233,360	\$2,378,407	\$2,396,639	\$2,293,972	\$2,476,213
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$2,233,480</u>	<u>\$2,233,360</u>	<u>\$2,378,407</u>	<u>\$2,396,639</u>	<u>\$2,293,972</u>	<u>\$2,476,213</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
\$22,334,799	\$22,333,599	\$23,784,065	\$23,966,390	\$22,939,722	\$24,762,134
(285,000)	(2,202,000)	(14,039,606)	(15,741,837)	(18,258,965)	(17,116,119)
<u>\$22,049,799</u>	<u>\$20,131,599</u>	<u>\$9,744,459</u>	<u>\$8,224,553</u>	<u>\$4,680,757</u>	<u>\$7,646,015</u>
98.72%	90.14%	40.97%	34.32%	20.40%	30.88%



Parma City School District
Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2007

	Long-Term Debt Outstanding	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
Parma City School District			
General Obligation Bonds	\$665,000	100.00%	\$665,000
Construction Notes	23,344,290	100.00	23,344,290
Energy Conservation Loans	17,116,119	100.00	17,116,119
Certificates of Participation	12,487,584	100.00	12,487,584
Capital Lease Obligations	1,058,682	100.00	1,058,682
Total Direct	54,671,675	100.00	54,671,675
Overlapping:			
City of Parma			
General Obligation Bonds	29,165,000	100.00	29,165,000
Special Assessment Bonds	1,769,288	100.00	1,769,288
OPWC Loans	1,970,218	100.00	1,970,218
OWDA Loans	3,154,798	100.00	3,154,798
Police and Fire Pension	47,239	100.00	47,239
Capital Lease Obligations	4,411,533	100.00	4,411,533
City of Parma Heights			
General Obligation Bonds	6,415,000	100.00	6,415,000
Special Assessment Bonds	337,049	100.00	337,049
OPWC Loans	859,323	100.00	859,323
OWDA Loans	109,576	100.00	109,576
Capital Lease Obligations	93,093	100.00	93,093
City of Seven Hills			
General Obligation Bonds	10,259,994	100.00	10,259,994
Special Assessment Bonds	885,000	100.00	885,000
Manuscript Bonds	101,000	100.00	101,000
OPWC Loans	30,453	100.00	30,453
Cuyahoga County			
General Obligation Bonds	208,194,000	7.76	16,155,855
Revenue Bonds	106,016,000	7.76	8,226,842
Capital Lease Obligations	29,485,000	7.76	2,288,036
Loans Payable	7,574,000	7.76	587,742
Regional Transit Authority			
General Obligation Bonds	156,500,000	7.76	12,144,400
Loans Payable	4,580,196	7.76	355,423
Total Overlapping	571,957,760		99,366,862
Total	\$626,629,435		\$154,038,537

Source: Office of the Auditor, Cuyahoga County, Ohio

(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 2007 collection year.

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Parma City School District
Demographic and Economic Statistics
Last Seven Years (1)

Year	Estimated Population	Personal Income	Per Capita Personal Income	Median Household Income	Median Age
2000	119,394	\$2,570,552,820	\$21,530	\$43,724	40.82
2001	119,394	2,570,552,820	21,530	43,724	40.82
2002	119,394	2,570,552,820	21,530	43,724	40.82
2003	119,394	2,570,552,820	21,530	43,724	40.82
2004	119,394	2,570,552,820	21,530	43,724	40.82
2005	114,185	2,460,230,010	21,546	43,771	40.85
2006	112,217	2,519,897,841	22,456	46,460	40.78

Source: U.S. Census Bureau

(1) Information prior to 2000 not available

Median Value of Residential Property	Cuyahoga County Unemployment Rate	Total Assessed Property Value
\$119,227	4.5%	\$2,233,614,043
119,227	4.5	2,233,488,910
119,227	4.6	2,233,359,941
119,227	6.7	2,378,406,538
119,227	6.6	2,396,639,037
119,227	5.9	2,382,357,365
133,530	6.3	2,573,337,900

Parma City School District
Principal Employers
December 31, 2006 and December 31, 1997

2006			
Employer	City	Nature of Business or Activity	Number of Employees
General Motors	Parma	Automobile Manufacturer	2,423
Parma Hospital	Parma	Health Services	1,875
Parma Board of Education (1)	Parma, Parma Heights, and Seven Hills	Public Education	1,760
Kaiser Foundation	Parma	Health Services	1,334
Cuyahoga Community College	Parma	Community College	963
Marc's Inc.	Parma	Retail Sales	799
Cuyahoga County Public Library	Parma, Parma Heights	Public Library	736
County Auditor	Parma	County Government	569
City of Parma	Parma	Municipal Government	509
Riser Foods	Parma	Retail Grocery	406
Union Carbide	Parma	Manufacturing	357
Shiloh Industries	Parma	Auto Parts Manufacturer	270
Con-Way Transportation	Parma	Moving and Storage	267
Pleasant Lake Villa	Parma	Retirement Home	256
Pleasantview Care Center	Parma	Nursing Home	237
Broadview Nursing Home	Parma	Nursing Home	230
Catholic Charities	Parma	Nursing Home	216
Monarch Electric	Parma	Manufacturing	190
Cardiovascular Clinic	Parma	Health Services	165
Total			<u>13,562</u>
Total Employment within the School District			<u>n/a</u>

1997			
Employer	City	Nature of Business or Activity	Number of Employees
General Motors	Parma	Automobile Manufacturer	3,980
Parma Board of Education	Parma, Parma Heights, and Seven Hills	Public Education	1,727
Modern Tool and Die	Parma	Auto Parts Manufacturer	1,231
Parma Hospital	Parma	Health Services	1,113
Kaiser Permanente	Parma	Health Services	1,090
Cuyahoga Community College	Parma	Community College	897
Marc's Inc.	Parma	Retail Sales	649
Cuyahoga County Public Library	Parma, Parma Heights	Public Library	556
City of Parma	Parma	Municipal Government	465
First National Supermarkets	Parma	Retail Grocery	441
Union Carbide	Parma	Manufacturing	354
Parmadale St. Anthony	Parma	Childrens Home	230
Cuyahoga County	Parma	County Government	204
Broadview Nursing Home	Parma	Nursing Home	194
Triad Metal Products	Parma	Manufacturing	186
Mt. Alverna	Parma	Nursing Home	182
Pleasant Lake Villa	Parma	Retirement Home	176
Electra Sound	Parma	Manufacturing	136
Total			<u>13,811</u>
Total Employment within the School District			<u>n/a</u>

Source: Cities of Parma, Parma Heights, and Seven Hills
Ohio Job and Family Services
Crain's Cleveland Business
Parma City School District records

(1) The number of employees represents only full time employees of the School District.

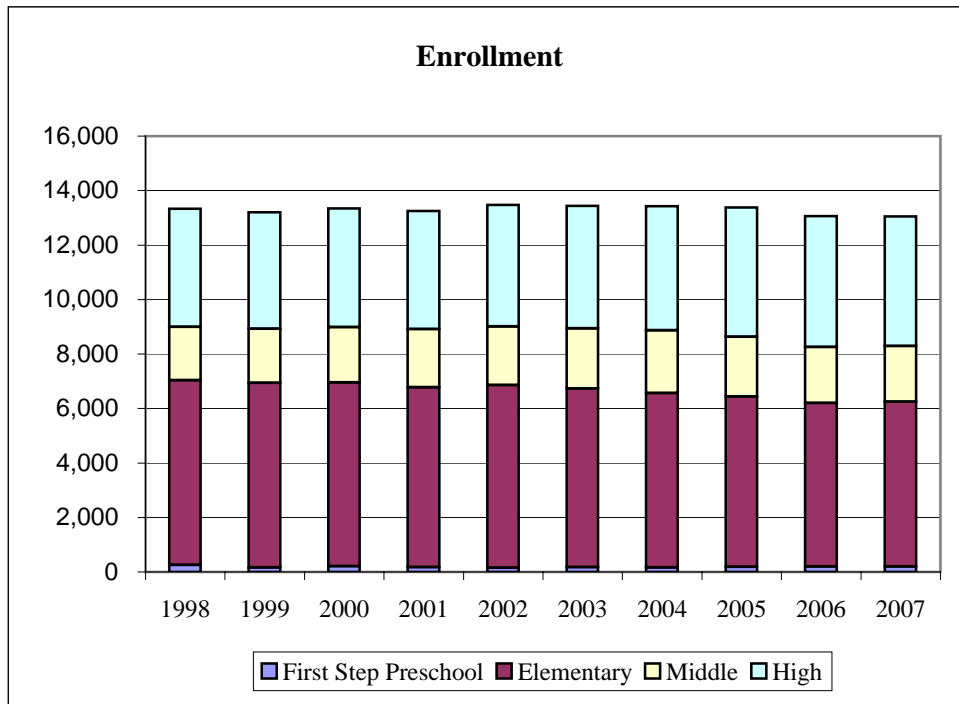
n/a - Information not available

Parma City School District

Enrollment Statistics

Last Ten Fiscal Years

Fiscal Year	First Step Preschool	Elementary Schools	Middle School	High School	Total
1998	257	6,778	1,966	4,327	13,328
1999	163	6,782	1,986	4,276	13,207
2000	206	6,745	2,035	4,361	13,347
2001	171	6,613	2,129	4,335	13,248
2002	156	6,705	2,150	4,466	13,477
2003	178	6,549	2,214	4,500	13,441
2004	169	6,397	2,302	4,559	13,427
2005	190	6,249	2,196	4,750	13,385
2006	200	6,004	2,054	4,811	13,069
2007	202	6,046	2,043	4,758	13,049



Source: Ohio Department of Education Local Report Cards and Data Warehouse Reports.

Parma City School District
School District Employees by Function/Program
Last Seven Fiscal Years (1)

Function/Program	2001	2002	2003	2004	2005	2006	2007
Regular Instruction							
Elementary Classroom Teachers	366	342	352	336	329	317	310
Middle School Classroom Teachers	135	123	137	135	142	135	127
High School Classroom Teachers	256	230	232	231	234	223	239
Special Instruction							
Preschool Teachers	12	12	11	10	13	13	12
Elementary Classroom Teachers	91	84	97	115	113	103	111
Gifted Education Teachers	6	5	4	5	5	5	5
Middle School Classroom Teachers	26	25	30	31	30	41	43
High School Classroom Teachers	36	37	44	47	43	47	51
Vocational Instruction							
High School Classroom Teachers	38	26	30	53	48	50	46
Middle School Classroom Teachers	1	1	0	1	8	10	6
Adult/Continuing Instruction							
Basic Education Teachers	1	1	1	0	0	0	0
Occupational Teachers	5	5	5	0	0	0	0
Pupil Support Services							
Guidance	34	30	25	24	26	29	26
Health	6	6	9	9	10	9	11
Psychological	14	12	13	10	11	12	12
Speech Pathology	16	17	21	19	19	19	20
Attendance and Social Work	3	2	3	3	4	4	5
Other Support	164	159	169	171	174	185	172
Instructional Staff Support Services							
Improvement of Instruction Services	70	50	42	50	52	64	74
Educational Media Services	48	49	49	49	48	48	50
Support Services							
Administration:							
Executive Administration	18	22	24	26	27	31	30
School Administration	135	133	132	134	144	144	136
Fiscal	12	13	11	12	12	12	12
Business	7	9	8	13	13	15	15
Operation and Maintenance of Plant Services							
Care and Upkeep of Building Service	112	113	111	105	107	107	102
Care and Upkeep of Grounds Services	8	8	7	8	6	6	6
Security Services	35	37	35	34	33	32	32
Other Operation and Maintenance Services	14	12	16	14	13	13	13
Pupil Transportation Support Services							
Service Area Direction	5	4	5	4	4	4	4
Vehicle Operation Services	94	112	118	115	96	123	108
Monitoring Services	22	24	26	26	27	31	29
Vehicle Servicing and Maintenance Services	9	9	9	10	9	10	9
Other Pupil Transportation Services	1	1	1	1	1	1	1
Central Support Services							
Information Services	3	2	2	2	2	1	2
Staff Services	7	8	9	10	9	9	8
Data Processing Services	4	4	3	3	4	4	3

(continued)

Parma City School District
School District Employees by Function/Program (continued)
Last Seven Fiscal Years (1)

Function/Program	2001	2002	2003	2004	2005	2006	2007
Food Service Program							
Service Area Direction	14	13	14	9	11	13	8
Purchasing, Preparation and Dispensing Services	71	74	73	73	76	74	87
Community Services							
Custody and Care of Children Services	76	71	68	65	74	68	63
Non-Public School Services	45	39	40	42	43	40	40
Sports Oriented Activities							
Other Sports Oriented Activities	0	0	3	3	3	3	3
Total	<u>2,020</u>	<u>1,924</u>	<u>1,989</u>	<u>2,008</u>	<u>2,023</u>	<u>2,055</u>	<u>2,031</u>

Method: The amounts are based on a headcount by function including both full and part-time employees.

Source: School District Payroll Records

(1) Information prior to 2001 is not available.

Parma City School District

Per Pupil Cost

Last Ten Fiscal Years

Fiscal Year	Student Enrollment		General Governmental		Governmental Activities		Students Receiving Free and Reduced Lunches	
	Average Enrollment	Percentage of Change	Total Expenditures (1)	Per Pupil Cost	Total Expenses (1)(2)	Per Pupil Cost	Number of Students (3)	Percentage of Average Enrollment
1998	13,328	0.97 %	\$94,629,329	\$7,100	N/A	N/A	2,467	18.51 %
1999	13,207	(0.91)	95,685,747	7,245	N/A	N/A	2,503	18.95
2000	13,347	1.06	92,788,034	6,952	N/A	N/A	2,428	18.19
2001	13,248	(0.74)	104,702,204	7,903	\$101,406,089	\$7,654	2,413	18.21
2002	13,477	1.73	122,587,784	9,096	119,309,281	8,853	2,659	19.73
2003	13,441	(0.27)	148,253,276	11,030	126,560,772	9,416	2,732	20.33
2004	13,427	(0.10)	135,865,555	10,119	130,780,471	9,740	2,870	21.37
2005	13,385	(0.31)	130,506,596	9,750	130,233,910	9,730	3,001	22.42
2006	13,069	(2.36)	142,688,499	10,918	134,816,247	10,316	3,467	26.53
2007	13,049	(0.15)	156,493,510	11,993	142,125,571	10,892	3,699	28.35

(1) Debt Service totals have been excluded.

(2) The School District implemented GASB Statement No. 34 in fiscal year 2001.

(3) School District Records.

Parma City School District
Building Statistics by School Building/Facility
Last Seven Fiscal Years (1)

	2001	2002	2003	2004	2005	2006	2007
Dag Hammarskjold Elementary School							
Constructed in 1968							
Addition in 1974							
Total Building Square Footage	30,375	30,375	30,375	30,375	30,375	30,375	30,375
Media Center Square Footage	3,008	3,008	3,008	3,008	3,008	3,008	3,008
Cafeteria and Gymnasium Square Footage	3,375	3,375	3,375	3,375	3,375	3,375	3,375
Enrollment - Grades K - 6	373	369	352	337	318	285	287
Student Capacity	500	500	500	500	500	500	500
Regular Instruction Classrooms	15	15	15	14	13	12	12
Regular Instruction Teachers	22	21	17	17	12	12	12
Special Instruction Classrooms	1	1	1	2	2	2	2
Special Instruction Teachers	2	2	1	3	3	2	2
Dentzler Elementary School							
Constructed in 1957							
Addition in 1964							
Total Building Square Footage	37,409	37,409	37,409	37,409	37,409	37,409	37,409
Media Center Square Footage	1,525	1,525	1,525	1,525	1,525	1,525	1,525
Cafeteria and Gymnasium Square Footage	1,840	1,840	1,840	1,840	1,840	1,840	1,840
Enrollment - Grades K - 6	412	408	424	409	385	374	385
Student Capacity	520	520	520	520	520	520	520
Regular Instruction Classrooms	18	18	21	21	14	14	14
Regular Instruction Teachers	18	19	21	21	14	14	14
Special Instruction Classrooms	5	5	5	5	5	4	4
Special Instruction Teachers	5	5	5	5	5	4	4
Green Valley Elementary School							
Constructed in 1967							
Addition in 1970							
Total Building Square Footage	35,185	35,185	35,185	35,185	35,185	35,185	35,185
Modular Units (2) Square Footage	2,880	2,880	2,880	2,880	2,880	2,880	2,880
Media Center Square Footage	1,932	1,932	1,932	1,932	1,932	1,932	1,932
Cafeteria and Gymnasium Square Footage	3,360	3,360	3,360	3,360	3,360	3,360	3,360
Enrollment - Grades K - 6	473	487	476	478	454	420	424
Student Capacity	450	450	450	450	450	450	450
Regular Instruction Classrooms	22	22	22	22	22	22	22
Regular Instruction Teachers	22	22	23	22	17	17	17
Special Instruction Classrooms	4	4	4	4	4	4	4
Special Instruction Teachers	5	6	6	6	4	4	4
James E. Hanna Elementary School							
Constructed in 1955							
Addition in 1958							
Total Building Square Footage	28,842	28,842	28,842	28,842	28,842	28,842	28,842
Modular Unit Square Footage	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Media Center Square Footage	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Cafeteria and Gymnasium Square Footage	1,750	1,750	1,750	1,750	1,750	1,750	1,750
Enrollment - Grades K - 6	381	378	377	383	349	333	365
Student Capacity	412	412	412	412	412	412	412
Regular Instruction Classrooms	21	19	22	21	13	13	13
Regular Instruction Teachers	21	19	22	21	13	13	13
Special Instruction Classrooms	3	3	1	3	3	3	3
Special Instruction Teachers	3	3	1	3	3	3	3

(continued)

Parma City School District
Building Statistics by School Building/Facility (continued)
Last Seven Fiscal Years (1)

	2001	2002	2003	2004	2005	2006	2007
John Muir Elementary School							
Constructed in 1930							
Additions in 1951, 1959, 1997							
Total Building Square Footage	68,473	68,473	68,473	68,473	68,473	68,473	68,473
Media Center Square Footage	3,200	3,200	3,200	3,200	3,200	3,200	3,200
Cafeteria Square Footage	3,055	3,055	3,055	3,055	3,055	3,055	3,055
Gymnasium Square Footage	2,970	2,970	2,970	2,970	2,970	2,970	2,970
Enrollment - Grades K - 6	569	585	581	549	565	554	550
Student Capacity	525	525	525	525	525	525	525
Regular Instruction Classrooms	30	28	30	21	21	21	21
Regular Instruction Teachers	30	28	30	32	21	21	21
Special Instruction Classrooms	4	4	4	3	5	5	5
Special Instruction Teachers	4	4	4	3	5	5	5
Lt. Col. John Glenn Elementary School							
Constructed in 1967							
Addition in 1974							
Total Building Square Footage	32,255	32,255	32,255	32,255	32,255	32,255	32,255
Media Center Square Footage	3,045	3,045	3,045	3,045	3,045	3,045	3,045
Cafeteria and Gymnasium Square Footage	3,901	3,901	3,901	3,901	3,901	3,901	3,901
Enrollment - Grades K - 6	397	376	349	322	326	357	357
Student Capacity	420	420	420	420	420	420	420
Regular Instruction Classrooms	18	18	18	18	15	16	16
Regular Instruction Teachers	18	18	16	18	13	13	13
Special Instruction Classrooms	4	4	4	4	4	4	4
Special Instruction Teachers	4	4	4	4	4	5	5
Parkview Elementary School							
Constructed in 1959							
Addition in 1974							
Total Building Square Footage	30,858	30,858	30,858	30,858	30,858	30,858	30,858
Media Center Square Footage	810	810	810	810	810	810	810
Cafeteria and Gymnasium Square Footage	2,880	2,880	2,880	2,880	2,880	2,880	2,880
Enrollment - Grades K - 6	337	345	336	314	295	285	284
Student Capacity	350	350	350	350	350	350	350
Regular Instruction Classrooms	13	13	13	13	13	13	13
Regular Instruction Teachers	18	17	18	17	12	13	13
Special Instruction Classrooms	3	3	3	3	3	3	3
Special Instruction Teachers	2	3	3	3	3	3	3
Parma Park Elementary School							
Constructed in 1951							
Addition in 1954							
Total Building Square Footage	42,055	42,055	42,055	42,055	42,055	42,055	42,055
Media Center Square Footage	1,348	1,348	1,348	1,348	1,348	1,348	1,348
Cafeteria Square Footage	1,133	1,133	1,133	1,133	1,133	1,133	1,133
Gymnasium Square Footage	2,925	2,925	2,925	2,925	2,925	2,925	2,925
Enrollment - Grades K - 6	403	401	404	415	383	385	374
Student Capacity	405	405	405	405	405	405	405
Regular Instruction Classrooms	17	17	20	17	14	14	14
Regular Instruction Teachers	17	17	20	17	14	14	14
Special Instruction Classrooms	6	5	6	6	5	5	5
Special Instruction Teachers	6	5	6	6	5	5	5

(continued)

Parma City School District
Building Statistics by School Building/Facility (continued)
Last Seven Fiscal Years (1)

	2001	2002	2003	2004	2005	2006	2007
Pearl Road Elementary School							
Constructed in 1921							
Additions in 1951, 1959, 1966							
Total Building Square Footage	32,369	32,369	32,369	32,369	32,369	32,369	32,369
Media Center Square Footage	1,440	1,440	1,440	1,440	1,440	1,440	1,440
Cafeteria Square Footage	1,122	1,122	1,122	1,122	1,122	1,122	1,122
Gymnasium Square Footage	2,145	2,145	2,145	2,145	2,145	2,145	2,145
Enrollment - Grades K - 6	418	418	417	384	380	375	388
Student Capacity	425	425	425	425	425	425	425
Regular Instruction Classrooms	21	22	21	20	13	13	13
Regular Instruction Teachers	21	22	21	20	13	13	13
Special Instruction Classrooms	3	3	3	2	2	4	4
Special Instruction Teachers	3	3	3	3	2	4	4
Pleasant Valley Elementary School							
Constructed in 1955							
Additions in 1956, 1967							
Total Building Square Footage	88,794	88,794	88,794	88,794	88,794	88,794	88,794
Media Center Square Footage	2,401	2,401	2,401	2,401	2,401	2,401	2,401
Cafeteria Square Footage	4,175	4,175	4,175	4,175	4,175	4,175	4,175
Gymnasiums (2) Square Footage	9,947	9,947	9,947	9,947	9,947	9,947	9,947
Enrollment - Grades K - 6	506	516	525	523	518	516	540
Student Capacity	705	705	705	705	705	705	705
Regular Instruction Classrooms	21	21	21	21	20	18	18
Regular Instruction Teachers	25	24	26	29	20	18	18
Special Instruction Classrooms	7	7	7	9	9	9	11
Special Instruction Teachers	13	13	16	16	15	15	15
Pleasantview Elementary School							
Constructed in 1959							
Addition in 1966							
Total Building Square Footage	36,678	36,678	36,678	36,678	36,678	36,678	36,678
Media Center Square Footage	2,112	2,112	2,112	2,112	2,112	2,112	2,112
Cafeteria and Gymnasium Square Footage	3,430	3,430	3,430	3,430	3,430	3,430	3,430
Enrollment - Grades K - 6	304	327	299	309	305	276	268
Student Capacity	400	400	400	400	400	400	400
Regular Instruction Classrooms	12	12	12	12	12	12	12
Regular Instruction Teachers	15	16	15	16	11	11	11
Special Instruction Classrooms	2	2	2	2	2	2	2
Special Instruction Teachers	4	5	5	5	4	4	4
Rewwood Elementary School							
Constructed in 1952							
Additions in 1955, 1964							
Total Building Square Footage	28,710	28,710	28,710	28,710	28,710	28,710	28,410
Media Center Square Footage	1,419	1,419	1,419	1,419	1,419	1,419	1,419
Cafeteria and Gymnasium Square Footage	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Enrollment - Grades K - 6	378	390	343	340	340	329	337
Student Capacity	350	350	350	350	350	350	350
Regular Instruction Classrooms	19	20	17	18	14	13	13
Regular Instruction Teachers	19	20	17	18	14	14	14
Special Instruction Classrooms	2	2	3	3	3	2	2
Special Instruction Teachers	2	2	3	3	3	3	3

(continued)

Parma City School District
Building Statistics by School Building/Facility (continued)
Last Seven Fiscal Years (1)

	2001	2002	2003	2004	2005	2006	2007
Ridge-Brook Elementary School							
Constructed in 1955							
Additions in 1965, 1996							
Total Building Square Footage	36,255	36,255	36,255	36,255	36,255	36,255	36,255
Modular Unit Square Footage	1,536	1,536	1,536	1,536	1,536	1,536	1,536
Media Center Square Footage	2,134	2,134	2,134	2,134	2,134	2,134	2,134
Cafeteria and Gymnasium Square Footage	2,925	2,925	2,925	2,925	2,925	2,925	2,925
Enrollment - Grades K - 6	433	420	440	406	425	416	411
Student Capacity	475	475	475	475	475	475	475
Regular Instruction Classrooms	24	23	23	23	17	18	18
Regular Instruction Teachers	24	23	23	23	14	17	17
Special Instruction Classrooms	2	2	2	3	3	3	3
Special Instruction Teachers	2	2	2	3	3	2	2
State Road Elementary School							
Constructed in 1921							
Additions in 1951, 1959, 1966							
Total Building Square Footage	34,307	34,307	34,307	34,307	34,307	34,307	34,307
Modular Units (2) Square Footage	2,880	2,880	2,880	2,880	2,880	2,880	2,880
Media Center Square Footage	1,452	1,452	1,452	1,452	1,452	1,452	1,452
Cafeteria and Gymnasium Square Footage	2,145	2,145	2,145	2,145	2,145	2,145	2,145
Enrollment - Grades K - 6	497	510	503	483	479	437	429
Student Capacity	395	395	395	395	395	395	395
Regular Instruction Classrooms	16	16	16	16	16	16	16
Regular Instruction Teachers	24	27	25	25	16	18	18
Special Instruction Classrooms	3	3	3	3	3	3	3
Special Instruction Teachers	5	5	6	6	6	6	6
Thoreau Park Elementary School							
Constructed in 1926							
Additions in 1951, 1954							
Total Building Square Footage	65,957	65,957	65,957	65,957	65,957	65,957	65,957
Modular Units (2) Square Footage	2,988	2,988	2,988	2,988	2,988	2,988	2,988
Media Center Square Footage	2,622	2,622	2,622	2,622	2,622	2,622	2,622
Cafeteria Square Footage	3,280	3,280	3,280	3,280	3,280	3,280	3,280
Gymnasium Square Footage	4,550	4,550	4,550	4,550	4,550	4,550	4,550
Enrollment - Grades K - 6	834	844	762	736	711	665	655
Student Capacity	725	725	725	725	725	725	725
Regular Instruction Classrooms	43	40	39	41	26	26	26
Regular Instruction Teachers	43	40	39	41	29	27	27
Special Instruction Classrooms	4	5	5	5	6	5	5
Special Instruction Teachers	4	5	5	5	5	6	6

(continued)

Parma City School District
Building Statistics by School Building/Facility (continued)
Last Seven Fiscal Years (1)

	2001	2002	2003	2004	2005	2006	2007
Greenbriar Middle School/Annex							
Constructed in 1962							
Addition in 1959 (Annex), 1976, 1996							
Total Building Square Footage	124,340	124,340	124,340	124,340	124,340	124,340	124,340
Media Center Square Footage	5,904	5,904	5,904	5,904	5,904	5,904	5,904
Cafeteria Square Footage	4,200	4,200	4,200	4,200	4,200	4,200	4,200
Gymnasium Square Footage	7,008	7,008	7,008	7,008	7,008	7,008	7,008
Enrollment - Grades 7 - 8	806	822	820	828	767	761	755
Student Capacity	976	976	976	976	976	976	976
Regular Instruction Classrooms	31	31	31	31	31	31	31
Regular Instruction Teachers	39	36	37	39	41	42	42
Special Instruction Classrooms	9	9	9	9	9	9	9
Special Instruction Teachers	9	11	8	8	9	8	8
Vocational Instruction Classrooms	4	4	4	4	4	4	4
Vocational Instruction Teachers	4	3	4	4	1	3	3
Hillside Middle School							
Constructed in 1959							
Addition in 1976							
Total Building Square Footage	90,195	90,195	90,195	90,195	90,195	90,195	90,195
Media Center Square Footage	4,171	4,171	4,171	4,171	4,171	4,171	4,171
Cafeteria Square Footage	3,920	3,920	3,920	3,920	3,920	3,920	3,920
Gymnasiums (2) Square Footage	8,644	8,644	8,644	8,644	8,644	8,644	8,644
Enrollment - Grades 7 - 8	574	572	583	592	568	558	554
Student Capacity	743	743	743	743	743	743	743
Regular Instruction Classrooms	25	25	25	25	27	28	28
Regular Instruction Teachers	27	27	25	28	29	29	29
Special Instruction Classrooms	5	5	5	5	5	6	6
Special Instruction Teachers	5	6	6	7	7	8	8
Vocational Instruction Classrooms	2	2	2	2	2	2	2
Vocational Instruction Teachers	3	3	3	3	1	1	1
Shiloh Middle School							
Constructed in 1966							
Additions in 1998, 2003							
Total Building Square Footage	95,189	95,189	95,189	106,189	106,189	106,189	106,189
Media Center Square Footage	6,642	6,642	6,642	6,642	6,642	6,642	6,642
Cafeteria Square Footage	6,480	6,480	6,480	6,480	6,480	6,480	6,480
Gymnasium Square Footage	6,642	6,642	6,642	6,642	6,642	6,642	6,642
Enrollment - Grades 7 - 8	747	723	772	849	830	733	734
Student Capacity	821	821	821	916	916	916	916
Regular Instruction Classrooms	25	25	25	32	31	31	31
Regular Instruction Teachers	37	37	37	37	38	43	43
Special Instruction Classrooms	4	4	4	4	5	5	5
Special Instruction Teachers	6	6	6	8	10	9	9
Vocational Instruction Classrooms	4	4	4	4	4	4	4
Vocational Instruction Teachers	4	3	3	3	4	2	2

(continued)

Parma City School District
Building Statistics by School Building/Facility (continued)
Last Seven Fiscal Years (1)

	2001	2002	2003	2004	2005	2006	2007
Normandy High School							
Constructed in 1968							
Addition in 1975							
Total Building Square Footage	264,511	264,511	264,511	264,511	264,511	264,511	264,511
Auditorium/Stage Square Footage	4,272	4,272	4,272	4,272	4,272	4,272	4,272
Media Center Square Footage	7,530	7,530	7,530	7,530	7,530	7,530	7,530
Kitchen and Cafeteria Square Footage	10,618	10,618	10,618	10,618	10,618	10,618	10,618
Gymnasium Square Footage	9,690	9,690	9,690	9,690	9,690	9,690	9,690
Enrollment - Grades 9 - 12	1,137	1,160	1,207	1,230	1,263	1,296	1,292
Student Capacity	1,423	1,423	1,423	1,423	1,423	1,423	1,423
Regular Instruction Classrooms	45	45	45	45	45	45	45
Regular Instruction Teachers	56	48	50	52	59	57	57
Special Instruction Classrooms	5	5	5	5	5	5	5
Special Instruction Teachers	6	7	7	9	9	9	9
Vocational Instruction Classrooms	11	11	11	11	11	11	11
Vocational Instruction Teachers	10	12	13	14	13	16	16
Parma Senior High School							
Constructed in 1953							
Additions in 1964, 1975, 1976, 2007							
Total Building Square Footage	399,733	399,733	399,733	399,733	399,733	399,733	403,999
Auditorium/Stage (2) Square Footage	14,475	14,475	14,475	14,475	14,475	14,475	14,475
Media Center Square Footage	10,501	10,501	10,501	10,501	10,501	10,501	6,642
Kitchen and Cafeteria Square Footage	6,549	6,549	6,549	6,549	6,549	6,549	6,549
Gymnasiums (2) Square Footage	16,442	16,442	16,442	16,442	16,442	16,442	16,442
Administration Wing Square Footage	N/A	N/A	N/A	N/A	N/A	N/A	33,790
Enrollment - Grades 9 - 12	1,542	1,605	1,594	1,604	1,669	1,737	1,705
Student Capacity	1,869	1,869	1,869	1,869	1,869	1,869	1,869
Regular Instruction Classrooms	58	58	58	58	58	58	58
Regular Instruction Teachers	69	73	72	79	74	71	71
Special Instruction Classrooms	15	15	15	15	15	15	15
Special Instruction Teachers	16	14	15	15	19	21	21
Vocational Instruction Classrooms	12	12	12	12	12	12	12
Vocational Instruction Teachers	14	14	13	12	14	12	12
Valley Forge High School							
Constructed in 1961							
Additions in 1975, 1976							
Total Building Square Footage	270,310	270,310	270,310	270,310	270,310	270,310	270,310
Auditorium/Stage Square Footage	7,790	7,790	7,790	7,790	7,790	7,790	7,790
Media Center Square Footage	7,716	7,716	7,716	7,716	7,716	7,716	5,476
Kitchen and Cafeteria Square Footage	8,784	8,784	8,784	8,784	8,784	8,784	8,784
Gymnasiums (2) Square Footage	18,016	18,016	18,016	18,016	18,016	18,016	18,016
Maintenance Wing Square Footage	N/A	N/A	N/A	N/A	N/A	N/A	7,500
Enrollment - Grades 9 - 12	1,538	1,563	1,585	1,663	1,757	1,780	1,761
Student Capacity	1,810	1,810	1,810	1,810	1,810	1,810	1,810
Regular Instruction Classrooms	57	57	57	57	57	57	57
Regular Instruction Teachers	75	70	73	71	75	77	77
Special Instruction Classrooms	14	14	14	14	14	14	14
Special Instruction Teachers	11	11	13	15	13	15	15
Vocational Instruction Classrooms	5	5	5	5	4	4	4
Vocational Instruction Teachers	11	11	9	10	12	11	11

(continued)

Parma City School District
Building Statistics by School Building/Facility (continued)
Last Seven Fiscal Years (1)

	2001	2002	2003	2004	2005	2006	2007
Arlington (First Step Program)							
Constructed in 1965							
Total Building Square Footage	32,500	32,500	32,500	32,500	32,500	32,500	32,500
Cafeteria and Gymnasium Square Footage	4,275	4,275	4,275	4,275	4,275	4,275	4,275
Enrollment - Pre-School	167	151	175	167	185	197	194
Special Instruction Teachers	13	13	12	12	11	11	11
Stuart L. Openlander Administration Center							
Constructed in 1921							
Addition in 1950							
Total Building Square Footage	31,622	31,622	31,622	31,622	31,622	31,622	31,622
Byers Field							
Constructed in 1940							
Additions in 1957, 1962, 1993, 1994, 1995, 2000, 2002							
Seating Capacity	11,800	11,800	11,800	11,800	11,800	11,800	11,800
Total Square Footage for Ticket Booths, Press Box, Concessions, Restrooms, and Storage	7,184	7,184	7,184	7,184	7,184	7,184	7,184
Total Square Footage for Bus Garage	18,000	18,000	18,000	18,000	18,000	18,000	18,000

Source: Ohio Facilities Commission Report
Valuation Engineers Inc.
District Records
ODE EMIS Certified/Licensed Staff Demographics Report

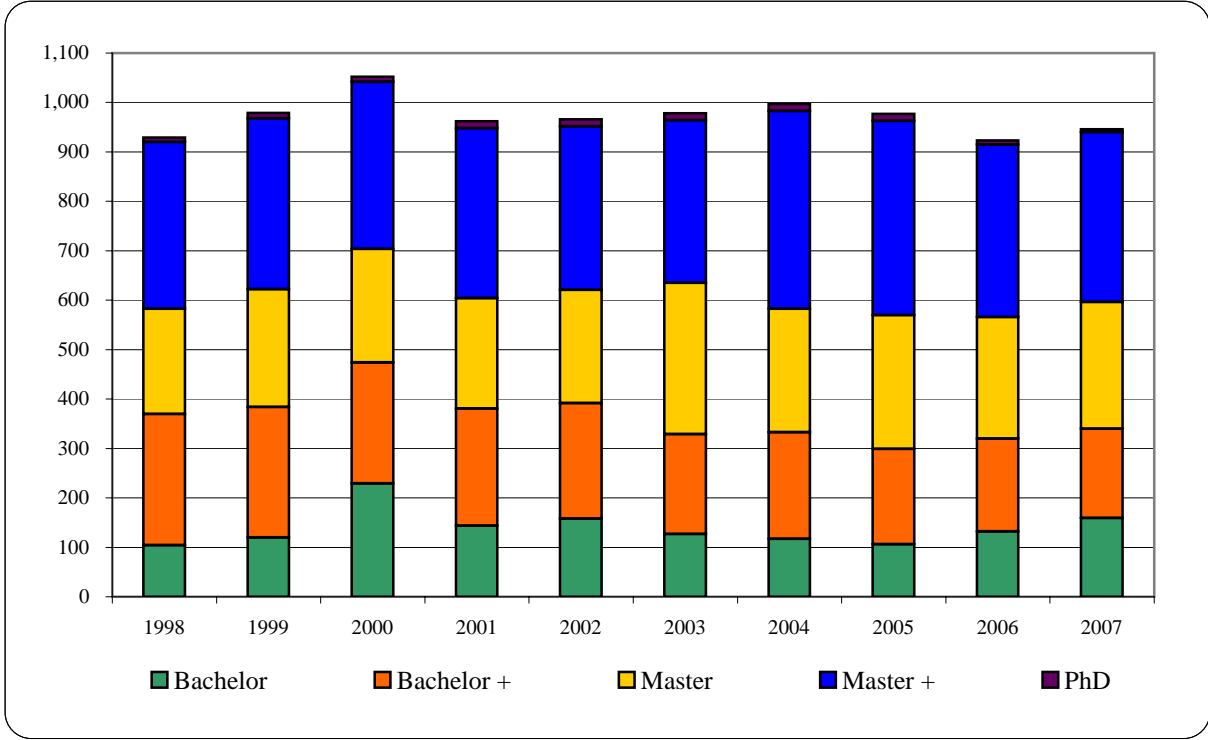
(1) Information prior to fiscal year 2001 not available

Parma City School District
Full-Time Equivalent Certified School District Employees by Education
Last Ten Fiscal Years

Degree	1998	1999	2000	2001
Bachelor	104	120	229	144
Bachelor + 12	83	79	75	75
Bachelor + 24	124	119	101	91
Bachelor + 36	59	66	69	71
Master	213	238	230	223
Master + 12	101	112	105	120
Master + 24	75	70	70	69
Master + 36	77	69	69	60
Master + 48	84	95	94	95
Doctorate	9	11	10	14
Total	929	979	1,052	962

Source: School District Records

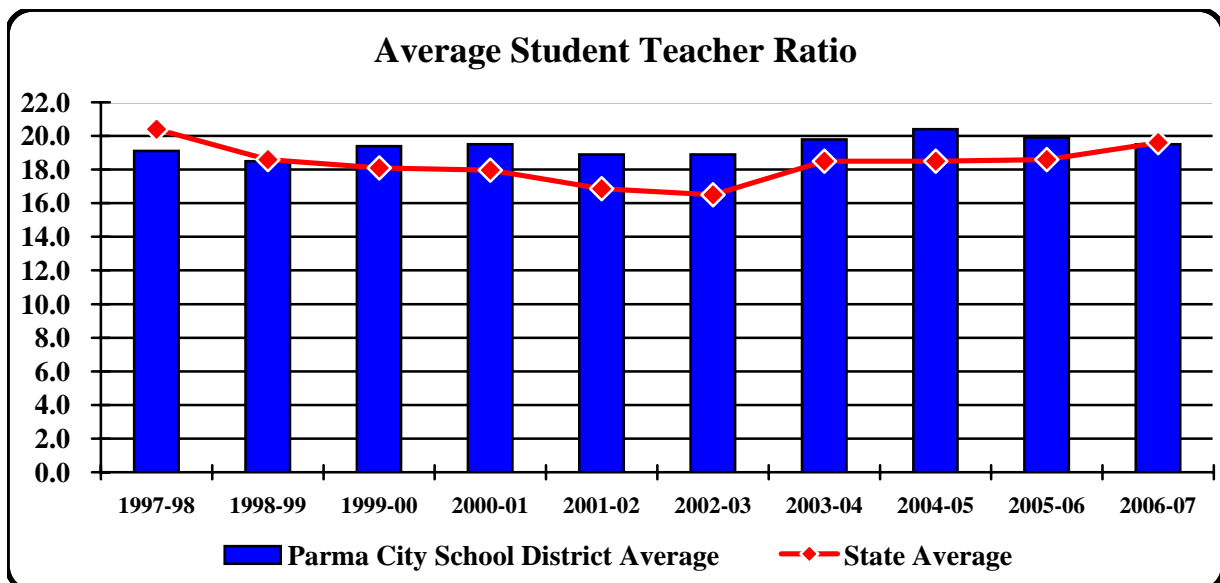
2002	2003	2004	2005	2006	2007
158	127	117	106	132	159
72	71	83	66	65	54
87	88	68	67	66	65
75	43	65	60	57	62
229	306	250	271	246	256
117	120	148	141	127	122
61	61	77	80	74	82
57	57	54	62	52	38
96	91	121	110	96	102
14	14	14	14	8	6
966	978	997	977	923	946



Parma City School District
Average Number of Students per Teacher
Last Ten School Years

School Year	Parma City School District Average	State Average
1997 - 1998	19.1	20.4
1998 - 1999	18.5	18.6
1999 - 2000	19.4	18.1
2000 - 2001	19.5	18.0
2001 - 2002	18.9	16.9
2002 - 2003	18.9	16.5
2003 - 2004	19.8	18.5
2004 - 2005	20.4	18.5
2005 - 2006	19.9	18.6
2006 - 2007	19.5	19.6

Source: Ohio Department of Education, EMIS Reports



Parma City School District
Attendance and Graduation Rates
Last Ten Fiscal Years

Fiscal Year	Parma City School District Attendance Rate	State Average	Parma City School District Graduation Rate	State Average
1998	94.30%	93.60%	79.60%	81.40%
1999	94.20	93.50	81.40	81.40
2000	94.20	93.60	80.30	80.70
2001	94.20	93.90	77.40	81.20
2002	94.20	94.30	77.50	82.80
2003	94.90	94.50	79.70	83.90
2004	95.00	94.50	84.80	84.30
2005	94.50	94.30	81.20	85.90
2006	94.50	94.10	88.10	86.20
2007	94.70	94.10	N/A	N/A

Source: Ohio Department of Education Local Report Cards
and Data Warehouse Reports.

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Children are living
messages to a time we
will not see.

- Dick Hanson





Mary Taylor, CPA
Auditor of State

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
FEBRUARY 15, 2008**