

PARMA CITY SCHOOL DISTRICT
FINANCE COMMITTEE MEETING

September 16, 2024

Finance Committee Meeting started at 9:00 a.m.

End of Month Financial Reports

- Sean talked about the end of month report for August 31, 2024. The General Fund ending balance was \$82,869,460. The fund balance increased compared to the August 31, 2023 balance.

Investments

- Ratification of Investments – Star OHIO earned \$252,722 in interest in August 2024, Star OHIO Escrow earned \$2,337 in interest in August 2024 and U.S. Bank earned \$59,812 in interest in August 2024. U.S. Bank is the investment account for the district.

Resolutions

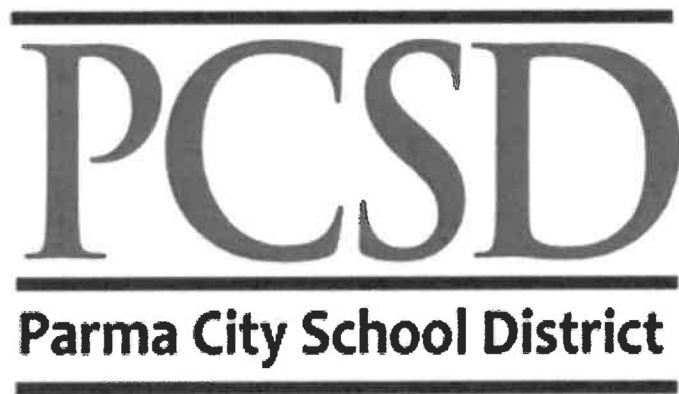
- There are four supplemental appropriations.

Insurance Fund

- Report that Fund 024 balance at the end of each month for the last three fiscal years. We ended August 2024 with a \$3,786,702.
- Insurance Committee report – Report shows that in August 2024, revenue was \$1,001,185 less than expenditures for the month.

Meeting adjourned at 9:35 a.m.

**FY 2025 FINANCIAL STATUS
REPORT AS OF:
AUGUST 31, 2024**



**Sean Nuccio, CPA
Treasurer/CFO**

PARMA CITY SCHOOL DISTRICT

GENERAL FUND - COMPARATIVE FORECAST VS. ACTUAL REPORT

For the period August 1, 2024 - August 31, 2024

COMPARING FY24 VS. FY25					
REVENUES	FY TO DATE 24	FY TO DATE 25	\$ Difference	Variance	
From Local Sources					
01.010 General Property Taxes (Real Estate)	\$ 42,383,842	\$ 43,356,229	\$ 972,387	2.29%	
01.020 Personal Utility Property Tax	2,568,826	2,663,744	94,918	3.69%	
01.035 Unrestricted Grants-in-Aid (Fndtn. & Fixed Rate Reimb.)	3,166,407	3,379,138	212,731	6.72%	
01.040 Restricted Grants-in-Aid (Parity Aid & Bus Subsidy)	522,241	687,371	165,130	31.62%	
01.050 State Share of Property Taxes (Homestead/Rollback)	-	-	-	0.00%	
01.060 All Other Operating Revenue	1,105,481	1,176,002	70,521	6.38%	
01.070 Total Revenue	\$ 49,746,797	\$ 51,262,484	\$ 1,515,687	3.05%	
02.040 Operating Transfers-In	500,000	-	(500,000)	-100.00%	
02.050 Advances-In	2,760,681	2,037,582	(723,099)	-26.19%	
02.060 All Other Financial Sources	149,672	32,962	(116,710)	-77.98%	
02.080 Total Revenues and Other Financing Sources	\$ 53,157,150	\$ 53,333,028	\$ 175,878	0.33%	
EXPENDITURES					
03.010 Personal Services (Salaries/Wages)	\$ 9,921,168	\$ 12,213,828	\$ 2,292,660	23.11%	
03.020 Employees' Retirement/Insurance Benefits	5,717,610	5,514,195	(203,415)	-3.56%	
03.030 Purchased Services	1,917,375	2,366,388	449,013	23.42%	
03.040 Supplies and Materials	631,164	665,473	34,309	5.44%	
03.050 Capital Outlay (Equipment)	16,535	104,749	88,214	533.50%	
04.300 Other Objects	628,231	656,681	28,450	4.53%	
04.500 Total Expenditures	\$ 18,832,083	\$ 21,521,314	\$ 2,689,231	14.28%	
Other Financing Uses					
05.010 Operational Transfers - Out	500,000	-	(500,000)	-100.00%	
05.020 Advances - Out	-	-	-	0.00%	
05.030 All Other Financing Uses	-	(1,000)	-	0.00%	
05.040 Total Other Financing Uses	500,000	-	(500,000)	-100.00%	
05.050 Total Expenditures and Other Financing Uses	\$ 19,332,083	\$ 21,521,314	\$ 2,189,231	11.32%	
06.010 Excess Revenues Over (Under) Expenditures	\$ 33,825,067	\$ 31,811,714			
07.010 Beginning Cash Balance at July 1	\$ 43,224,302	\$ 51,057,746	\$ 7,833,444	18.12%	
07.020 Ending Cash Balance at August 31	\$ 77,049,369	\$ 82,869,460	\$ 5,820,091	7.55%	

FY25 Forecast	FY25 FORECAST vs. ACTUAL % of Forecast (16.67% of year)
\$ 95,392,033	45.45%
5,426,408	49.09%
18,219,915	18.55%
4,607,109	14.92%
13,653,150	0.00%
8,189,803	14.36%
\$ 145,488,418	35.23%
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500,000	407.52%
158,787	20.76%
\$ 146,147,205	36.49%
\$ 98,130,789	12.45%
40,067,315	13.76%
17,143,120	19.49%
3,777,550	17.62%
230,416	45.46%
2,137,577	30.72%
\$ 156,486,867	13.75%
500,000	0.00%
500,000	0.00%
-	#DIV/0!
1,000,000	0.00%
\$ 157,486,867	13.67%
\$ (11,339,662)	

Personal Services:
There was a skip pay in FY 2024 due to the school year starting three week later than FY 2023.

Purchased Services:
Electricity, gas, telephone and substitute services invoices were paid July rather than June. This is a timing difference.

PARMA CITY SCHOOL DISTRICT

August 1, 2024 – August 31, 2024 Financial Report

SUMMARY

The following table shows the revenue and expenditures by month for the General Fund as of August 31, 2024. The total revenue forecasted in the revised May 2024 five-year forecast is \$145,488,418. The adopted budget approved by the Board on June 27, 2024 was \$141,414,073 plus carryover encumbrances of \$457,364 for a total appropriation of \$141,871,437. The five-year forecast can be viewed at <http://fyf.oecn.k12.oh.us/>

	July	August	September	October	November	December
Revenues:						
Property Taxes	\$ 9,510,690	\$ 36,509,283				
State Funding	1,932,958	2,133,551				
State Property Allocation	-					
Other	2,778,877	467,669				
Total Revenues	14,222,525	39,110,503	-	-	-	-
Expenditures:						
Salaries	6,191,045	6,022,783				
Benefits	2,779,091	2,735,104				
Purchased Services	1,384,051	982,337				
Materials and Supplies	419,047	246,426				
Capital Outlay	24,887	79,862				
Other Objects	283,277	373,404				
Total Expenditures	11,081,398	10,439,916	-	-	-	-
Net Change in Cash	\$ 3,141,127	\$ 28,670,587	\$ -	\$ -	\$ -	\$ -

	January	February	March	April	May	June	Total
Revenues:							
Property Taxes							\$ 46,019,973
State Funding							4,066,509
State Property Allocation							-
Other							3,246,546
Total Revenues	-	-	-	-	-	-	53,333,028
Expenditures:							
Salaries							12,213,828
Benefits							5,514,195
Purchased Services							2,366,388
Materials and Supplies							665,473
Capital Outlay							104,749
Other Objects							656,681
Total Expenditures	-	-	-	-	-	-	21,521,314
Net Change in Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,811,714

PARMA CITY SCHOOL DISTRICT

August 1, 2024 – August 31, 2024 Financial Report

REVENUE

The Parma City School District forecasted **\$145,488,418** in revenue within the General Fund in the 2025 fiscal year as shown in Figure 1.

As of **August 31, 2024** the District received revenue in the amount of **\$53,333,028**. The five-year forecast can be viewed at <http://fyf.oecn.k12.oh.us/>

Figure 1

	FY25 FORECASTED BUDGET		FY25 ACTUAL TO DATE	ACTUAL VERSUS FORECASTED
<u>REVENUES</u>				
GENERAL PROPERTY (REAL ESTATE)	\$95,392,033		\$43,356,229	<i>\$(52,035,84)</i>
PERSONAL PROPERTY UTILITY TAXES	\$5,426,408		\$2,663,744	<i>\$(2,762,664)</i>
UNRESTRICTED GRANTS-IN-AID	\$18,219,915		\$3,379,138	<i>\$(14,840,777)</i>
RESTRICTED GRANTS-IN-AID	\$4,607,109		\$687,371	<i>\$(3,919,738)</i>
PROPERTY TAX ALLOCATION	\$13,653,150		\$0	<i>\$(13,653,150)</i>
OTHER REVENUE	\$8,189,803		\$1,176,002	<i>\$(7,013,801)</i>

PARMA CITY SCHOOL DISTRICT

August 1, 2024 – August 31, 2024 Financial Report

Figure 2 compares current revenue sources to the prior two years as of August 31st. The three years of data is beneficial for trend analysis performed throughout the year.

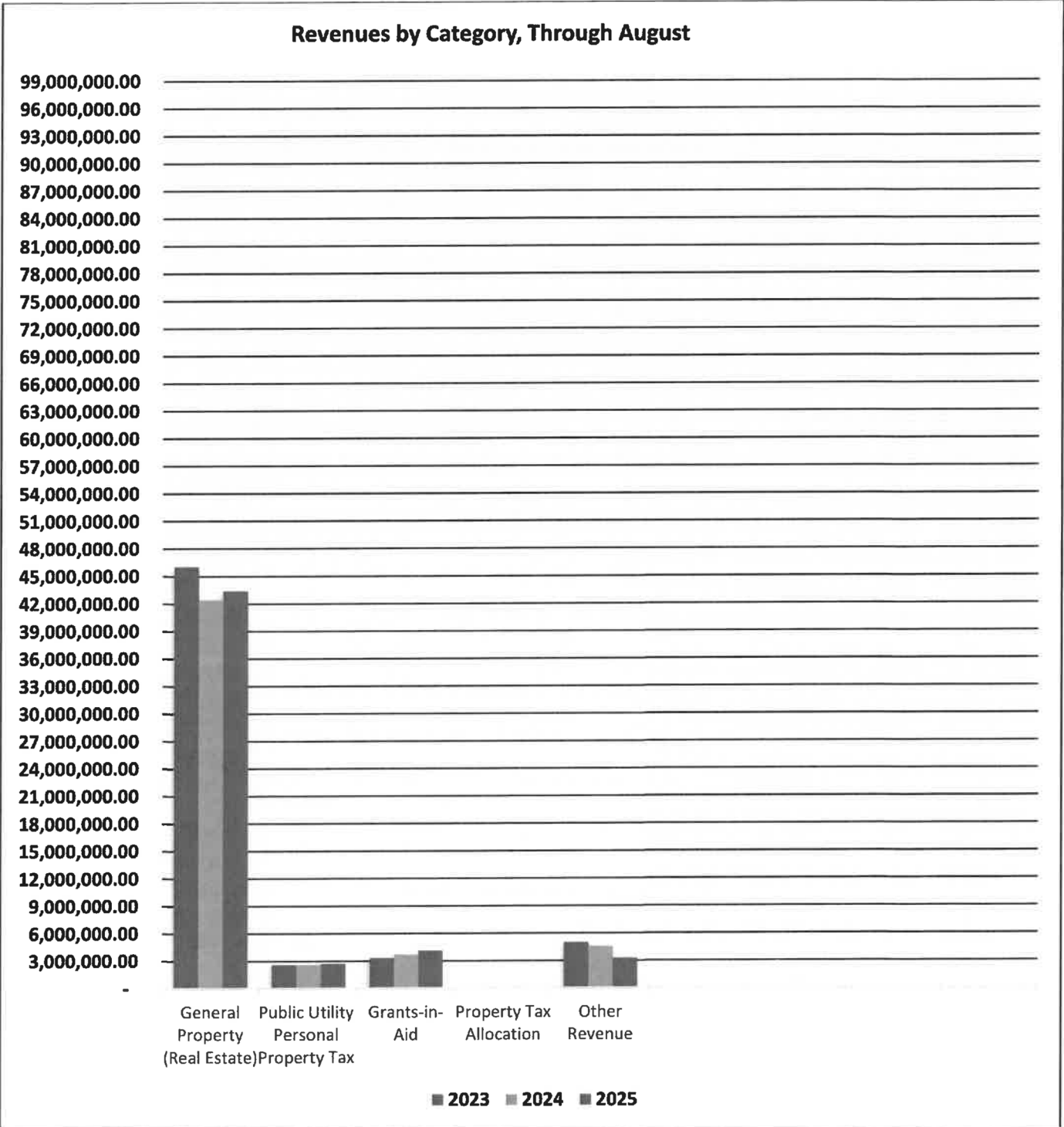


Figure 2

PARMA CITY SCHOOL DISTRICT

August 1, 2024 – August 31, 2024 Financial Report

EXPENDITURES

The fiscal year 2025 adopted General Fund budget for the District is **\$157,566,585**. This budget, coupled with carryover encumbrances of **\$457,364** resulted in a **\$158,023,949** General Fund appropriation for FY25. The General Fund appropriations have been modified throughout the fiscal year. The following information is a financial update of the status of this appropriation through August 31, 2024.

As previously reported, our revenue budget was passed prior to the State of Ohio passing their budget. The new state budget has a new funding formula which funds charter schools and scholarship differently from fiscal year 2021. Our revenues are expected to be significantly lower than fiscal year 2021. However, our expenditures are expected to be equally lower as well.

Through August 31, 2024 the District expended **\$21,521,314** and had outstanding encumbrances of **\$6,131,629**. A statistical spending range for the District is based on two analyses: first, time elapsed is two months (or 16.67%) of the fiscal year has passed. Secondly, 4 of 26 (or 15.38%) of the total payroll periods have passed.

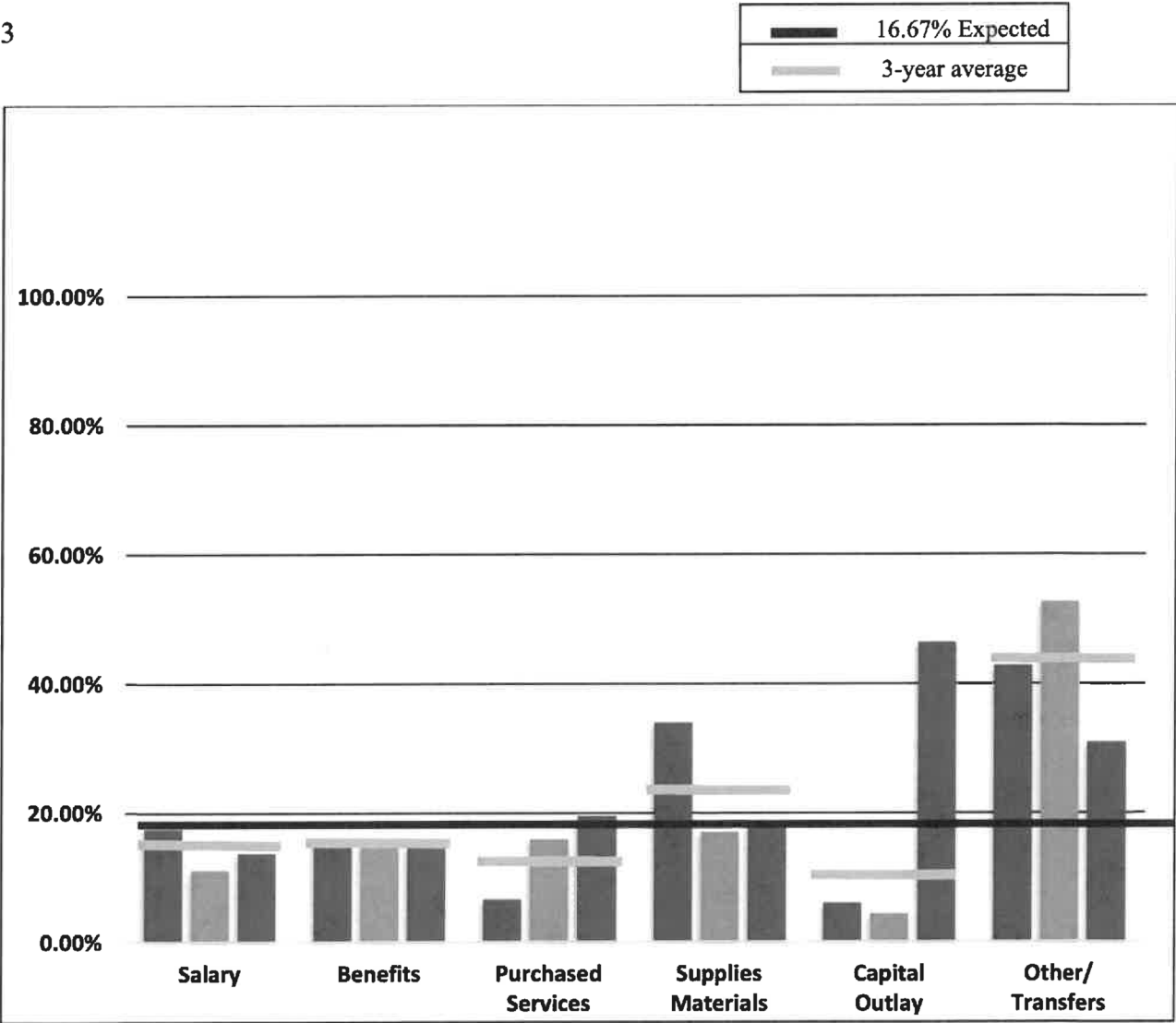
Overall, the District's encumbrance/expenditure level through August is in line with expectations. As an examination of the categories of expenditures is performed, cyclical variances are noted between categories which relate specifically to school operations.

PARMA CITY SCHOOL DISTRICT

August 1, 2024 – August 31, 2024 Financial Report

Figure 3 compares the various expenditure categories to the expected level of 16.67% and also compares these percentages spent to the prior two fiscal years through August.

Figure 3

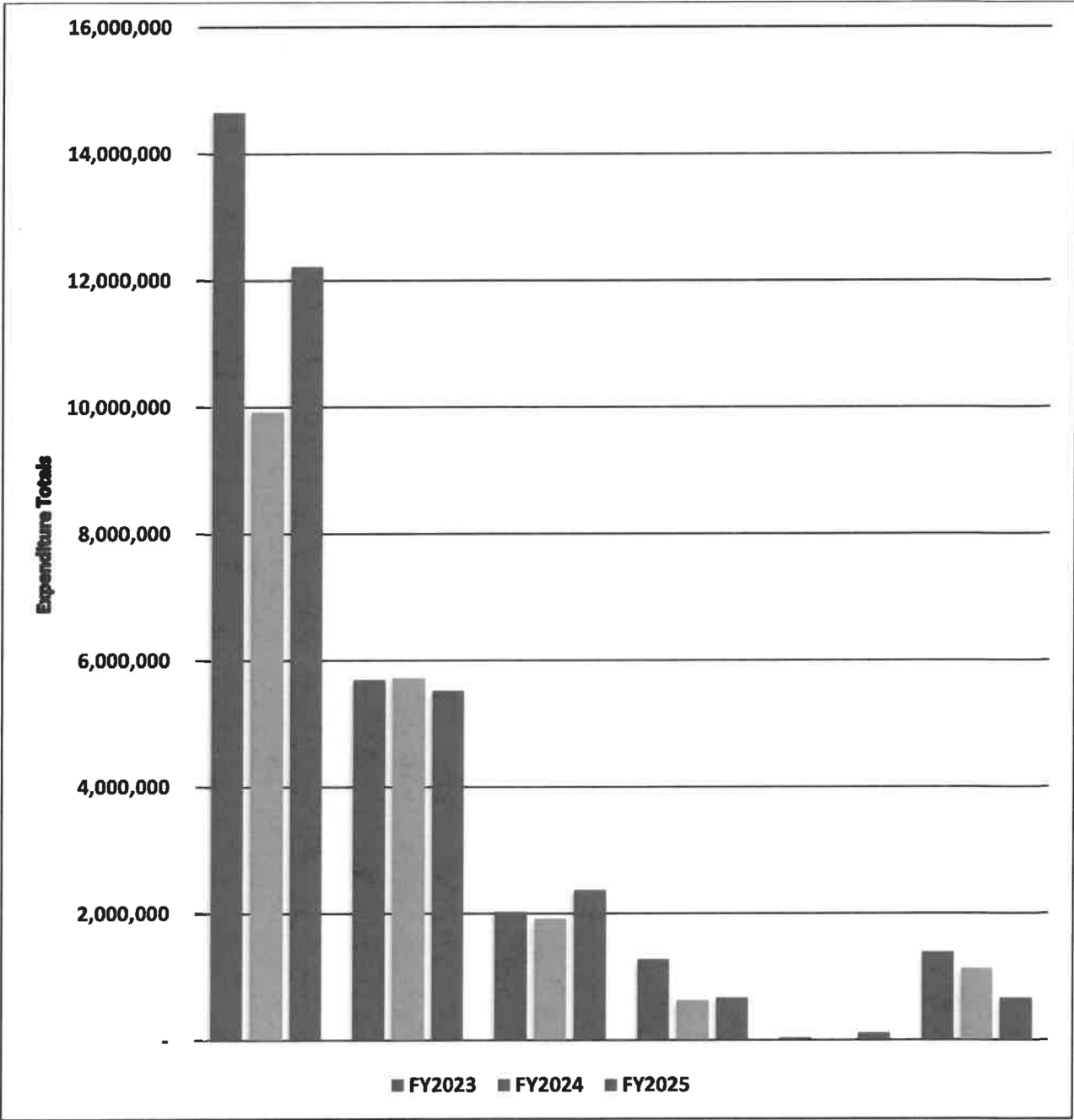


PARMA CITY SCHOOL DISTRICT

August 1, 2024 – August 31, 2024 Financial Report

Figure 4 shows the various expenditure amounts as dollars spent through August of the last three fiscal years. The three years of data are beneficial for trend analysis performed throughout the year.

Figure 4



PARMA CITY SCHOOL DISTRICT

August 1, 2024 – August 31, 2024 Financial Report

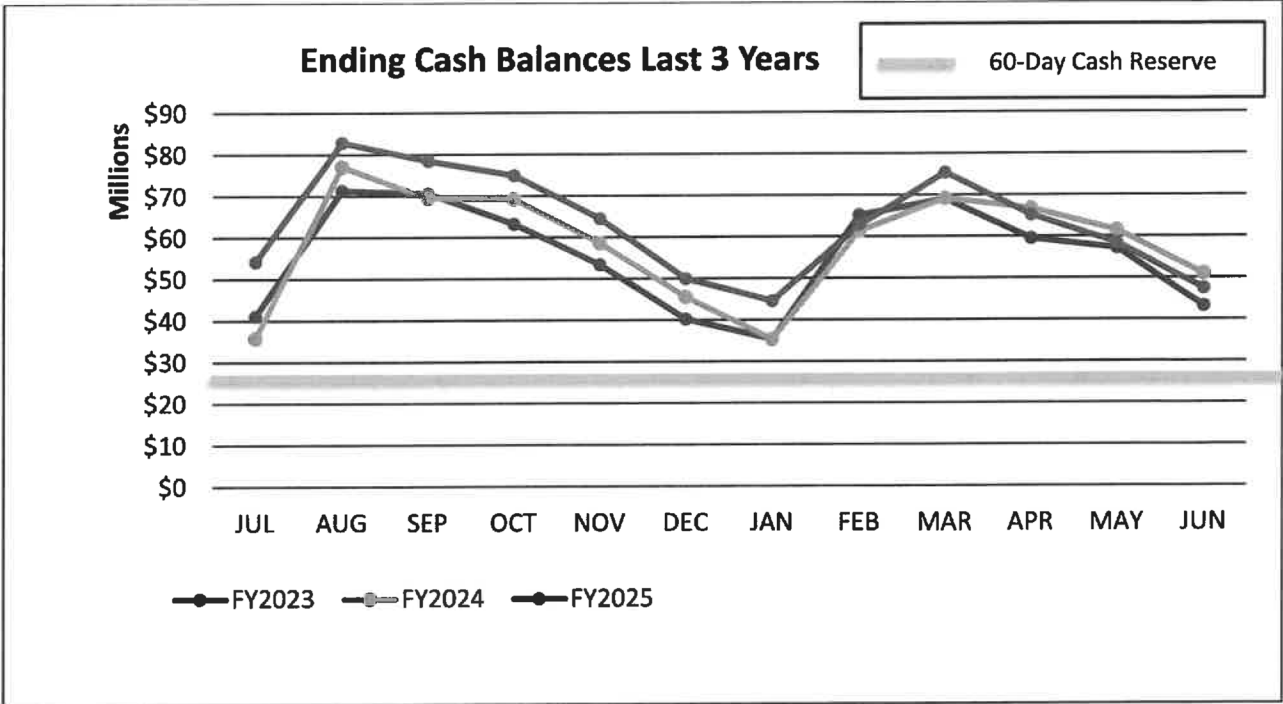
CASH BALANCE

The cash balance as of August 31, 2024 is **\$82,869,460** The unencumbered balance as of August 31, 2024 is **\$76,735,831**. See Figure 5 for the cash balance calculation. See Figure 6 for a monthly history of ending cash balances. A standard cash reserve benchmark for school districts is having 60 days of operating cash on hand, which at this point in time is approximately **\$26.2** million dollars. Currently, the District’s ending cash is above this benchmark.

Figure 5

Beginning Cash Balance 7.01.24	\$51,057,746
Total FYTD Revenues	53,333,028
Total FYTD Expenditures	<u>-21,521,314</u>
Revenue Over/Under Expenditures	<u>31,811,714</u>
Ending Cash Balance 8.31.24	82,869,460
Encumbrances	<u>-6,131,629</u>
Unencumbered Balance 8.31.24	\$76,735,831

Figure 6



**BOARD OF EDUCATION
PARMA CITY SCHOOL DISTRICT**

**INVESTMENTS
August 2024**

<u>STAR OHIO</u> (month end)			
DATED	AMOUNT	YIELD	INTEREST
August 2024	\$67,622,111.24	5.42%	\$252,721.55
<u>STAR OHIO - Escrow Account</u> (month end)			
DATED	AMOUNT	YIELD	INTEREST
August 2024	\$509,709.27	5.42%	\$2,336.86
<u>U.S. BANK - Corporate Bonds and Notes</u> (month end)			
DATED	AMOUNT	YIELD	INTEREST
August 2024	\$32,624,226.95	2.81%	\$59,811.69

Current Portfolio

Parma CSD Operating portfolio as of 8/31/2024

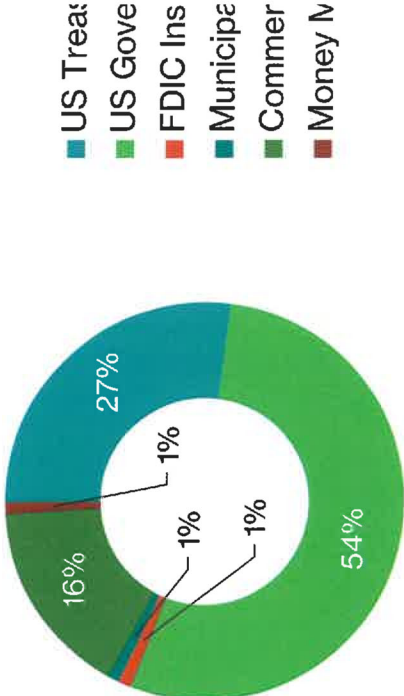
Your Portfolio

Cash	\$67,622,111
Securities	\$32,240,614
Total Portfolio	\$99,862,725

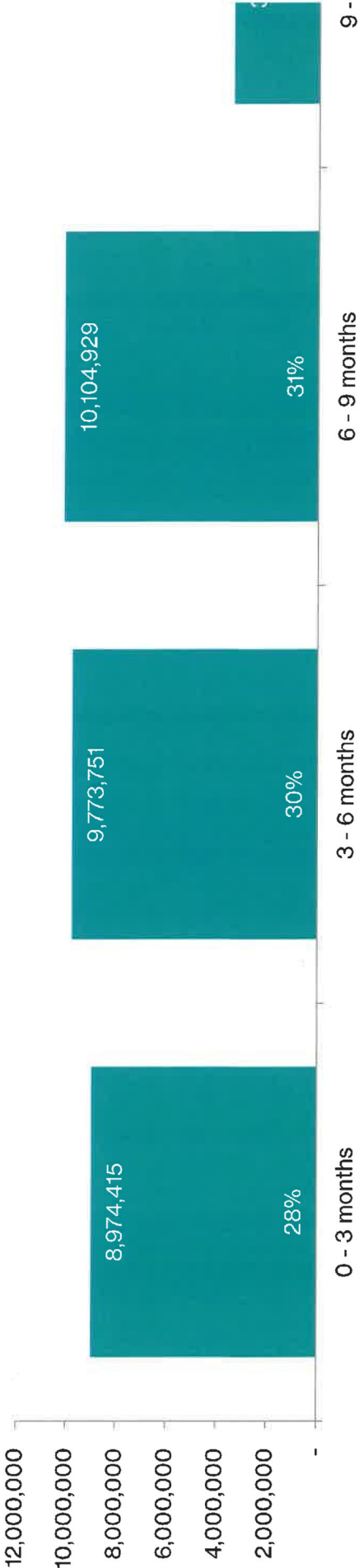
Your Securities

Weighted Average Maturity	0.43 years
Weighted Average Yield	4.02%
Estimated Annual Income	\$1,296,073

Your Asset Allocation



Your Maturity Distribution



YIELD AND INTEREST INCOME INFORMATION IS ANNUALIZED. ALL YIELD INFORMATION IS SHOWN GROSS OF ANY ADVISORY AND CUSTODY FEES AND IS BASED ON YIELD TO MATURITY AT COST. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS.

**BOARD OF EDUCATION
PARMA CITY SCHOOL DISTRICT
Parma, Ohio**

RESOLUTION 2024-09-

**AUTHORIZATION TO ACCEPT
THE ACTIVITY PURPOSE STATEMENT**

2024-2025

Valley Forge High School Class of 2025 Expenditure Account

WHEREAS, Valley Forge High School has requested to set up the Valley Forge High School Class of 2025 Expenditure Account to include the following:

Revenue:

1. **Fundraisers**
2. **Donations**

Expenditures:

1. **Prom Expenses**
2. **Fundraiser Expenditures**
3. **Miscellaneous Supplies and Materials**
4. **Commencement Items**

NOW, THEREFORE, BE IT RESOLVED, That the Parma City School District Board of Education adopt the activity purpose statement.

ADOPTED: September 26, 2024

Attest: _____
Sean Nuccio
Treasurer/Chief Financial Officer

Mark Ruda
School Board President

td

**BOARD OF EDUCATION
PARMA CITY SCHOOL DISTRICT
Parma, Ohio**

RESOLUTION 2024-09-

**RATIFICATION OF INVESTMENTS
AUGUST 2024**

WHEREAS, the Ohio Revised Code authorizes a public-school district to invest public funds, and

WHEREAS, the Chief Financial Officer has received all required training and certification to invest in all authorized investments and,

WHEREAS, Ohio Revised Code 135.14 and Board of Education Policy 6144 require the notification and ratification of investments;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Education ratify the investments listed on the attached exhibit.

ADOPTED: September 26, 2024

Attest: _____
Sean Nuccio
Treasurer/CFO

Mark Ruda
Board of Education President

**BOARD OF EDUCATION
PARMA CITY SCHOOL DISTRICT
Parma, Ohio**

RESOLUTION 2024-09-

**AUTHORIZATION TO ACCEPT
THE ACTIVITY PURPOSE STATEMENT**

2024-2025

Normandy High School Girls Wrestling Club Expenditure Account

WHEREAS, Normandy High School has requested to set up the Normandy High School Girls Wrestling Club Expenditure Account to include the following:

Revenue:

1. **Fundraisers**
2. **Donations**

Expenditures:

1. **Fundraiser Expenditures**
2. **Equipment**
3. **Miscellaneous Supplies and Materials**
4. **Camps and Clinics**
5. **Awards**

NOW, THEREFORE, BE IT RESOLVED, That the Parma City School District Board of Education adopt the activity purpose statement.

ADOPTED: September 26, 2024

Attest: _____
Sean Nuccio
Treasurer/Chief Financial Officer

Mark Ruda
School Board President

td

**BOARD OF EDUCATION
PARMA CITY SCHOOL DISTRICT
Parma, Ohio**

RESOLUTION 2024-09-

**AUTHORIZATION TO ACCEPT
THE ACTIVITY PURPOSE STATEMENT**

2024-2025

Normandy High School Class of 2027 Expenditure Account

WHEREAS, Normandy High School has requested to set up the Normandy High School Class of 2027 Expenditure Account to include the following:

Revenue:

1. **Fundraisers**
2. **Donations**

Expenditures:

1. **Prom Expenses**
2. **Fundraiser Expenditures**
3. **Miscellaneous Supplies and Materials**
4. **Commencement Items**

NOW, THEREFORE, BE IT RESOLVED, That the Parma City School District Board of Education adopt the activity purpose statement.

ADOPTED: September 26, 2024

Attest: _____
Sean Nuccio
Treasurer/Chief Financial Officer

Mark Ruda
School Board President

td

**BOARD OF EDUCATION
PARMA CITY SCHOOL DISTRICT
Parma, Ohio**

RESOLUTION 2024-09-

**APPROVAL OF SUPPLEMENTAL APPROPRIATIONS
2024-2025**

WHEREAS, the Parma City School District Board of Education has received adjustments for the following 2024-2025 fiscal year appropriations in the amount of \$72,000.00;

WHEREAS, the Parma City School District Board of Education on June 27, 2024 adopted the permanent appropriations for the 2024-2025 fiscal year which did not include these monies;

NOW, THEREFORE, BE IT RESOLVED, That the Parma City School District Board of Education amend its previously adopted appropriation accounts as follows:

FUND	SPCC	APPROPRIATION	PROGRAM
200	9207	\$ 1,000.00	NHS Class of 2027
200	9208	\$ 1,000.00	NHS Class of 2028
200	9525	\$ 50,000.00	VFHS Class of 2025
300	9849	<u>\$ 20,000.00</u>	NHS Girls Wrestling Club
Total		\$ 72,000.00	

BE IT FURTHER RESOLVED, That the Treasurer of this Board of Education be directed to certify a copy of this resolution to the Cuyahoga County Auditor.

ADOPTED: September 26, 2024

Attest:

Sean Nuccio
Treasurer/CFO

Mark Ruda
Board President

rl

**BOARD OF EDUCATION
PARMA CITY SCHOOL DISTRICT
Parma, Ohio**

RESOLUTION 2024-09-

**APPROVAL OF THEN AND NOW CERTIFICATES OVER \$3,000
2024-2025**

WHEREAS, the following Purchase Orders over \$3,000 were entered after services were rendered; and

WHEREAS, the time of the purchase order was issued (then) and at the time the Then and Now Certificate is executed (now), the amount of the purchase order has been lawfully appropriated for the purpose of the purchase order, that the appropriation remains unencumbered and that resources to pay the obligation when it comes due are on hand or in the process of collection to the credit of an appropriate fund.

NOW, THEREFORE, BE IT RESOLVED, That the Parma City School District Board of Education approve the Then and Now Certificate per Section 5705.41, R.C. for the 2024/2025 fiscal year and payment be made to the vendors:

<u>P.O. #</u>	<u>Vendor</u>	<u>Amount</u>	<u>Date of P.O.</u>	<u>Date of Invoices</u>
8852293	Riddell/All American	\$ 3,057.25	09/04/24	07/09/24
8852389	GPD	\$27,959.20	09/06/24	07/10/24 & 08/09/2024

ADOPTED: September 26, 2024

ATTEST: _____
Sean Nuccio
Treasurer/CFO

Mark Ruda
Board President

Fiscal Year	2025		2024		2023	
FY Beg. Balance (cash)	\$	5,996,606.30	\$	6,985,590.17	\$	6,795,523.85
Premiums						
Employees - Med/Rx	\$	608,352.20	\$	3,078,436.35	\$	3,142,631.17
Vision - Emp	\$	207.05	\$	1,131.04	\$	130,611.53
Board of Education - Med/Rx	\$	3,288,344.43	\$	20,624,545.46	\$	21,320,951.37
Vision - BoE	\$	19,537.26	\$	123,338.26	\$	931.68
Misc	\$	35,742.30	\$	43,760.96	\$	140,010.50
Total Revenue	\$	3,952,183.24	\$	23,871,212.07	\$	24,735,136.25
Total Expense	\$	6,162,087.28	\$	24,860,195.94	\$	24,545,069.93
Reserve Gain/(Loss)	\$	(2,209,904.04)	\$	(988,983.87)	\$	190,066.32
Claims						
Medical	\$	3,778,443.81	\$	15,911,171.06	\$	16,726,665.33
Prescription	\$	1,527,772.49	\$	5,699,333.25	\$	4,864,063.60
Vision	\$	15,592.20	\$	96,190.00	\$	82,607.75
Fixed Costs & Other						
Administration Fee	\$	200,308.33	\$	612,044.86	\$	784,277.35
Stop Loss Premiums	\$	567,450.68	\$	2,250,725.34	\$	1,862,905.66
Grail	\$	-	\$	2,547.00		
Consultant/Legal Fees	\$	52,918.90	\$	236,264.37	\$	199,687.79
Subrogation	\$	1,159.46	\$	6,548.94	\$	2,745.24
Health Fair/Wellness	\$	5,950.48	\$	11,709.66	\$	12,034.21
ACA Fees	\$	-	\$	-	\$	-
Misc	\$	12,490.93	\$	33,661.46	\$	10,083.00
FY Ending Balance (cash)	\$	3,786,702.26	\$	5,996,606.30	\$	6,985,590.17

FY 2025 Insurance

Fund by Month

Total FYTD

		Premiums		July	August
\$	608,352.20	Employees	(3) \$	251,585.16 \$	356,767.04
\$	207.05	Vision - Emp	(5) \$	82.29 \$	124.76
\$	3,288,344.43	Board of Education	(2) \$	1,653,749.57 \$	1,634,594.86
\$	19,537.26	Vision - BOE	(4) \$	9,927.18 \$	9,610.08
\$	35,742.30	Misc	(1) \$	35,742.30 \$	-
\$	3,952,183.24	Total Revenue	\$	1,951,086.50 \$	2,001,096.74
\$	6,162,087.28	Total Expense	\$	3,159,805.35 \$	3,002,281.93
\$	(2,209,904.04)	Reserve Gain/(Loss)	\$	(1,208,718.85) \$	(1,001,185.19)

Claims

\$	3,778,443.81	Medical	(1) \$	1,718,660.69 \$	2,059,783.12
\$	1,527,772.49	Prescription	(2) \$	897,494.95 \$	630,277.54
\$	15,592.20	Vision	(5) \$	- \$	15,592.20

Fixed Costs & Other

\$	200,308.33	Administration Fee	(4) \$	148,603.01 \$	51,705.32
\$	567,450.68	Stop Loss Premiums	(3) \$	364,408.60 \$	203,042.08
\$	-	Grail	\$	-	
\$	52,918.90	Consultant/Legal Fees	(6) \$	18,488.60 \$	34,430.30
\$	1,159.46	Subrogation	(7) \$	330.02 \$	829.44
\$	5,950.48	Health Fair/Wellness	(9) \$	5,950.48 \$	-
\$	-	ACA Fees	(8) \$	- \$	-
\$	12,490.93	Misc	(10) \$	5,869.00 \$	6,621.93

FY 2024 Insurance
Fund by Month
Total FYTD

		Premiums		July	August
\$	3,078,436.35	Employees	(3)	\$ 120,560.46	\$ 220,801.46
\$	1,131.04	Vision - Emp	(5)	\$ 43.27	\$ 71.27
\$	20,624,545.46	Board of Education	(2)	\$ 1,569,487.28	\$ 1,565,495.84
\$	123,338.26	Vision - BOE	(4)	\$ 9,315.53	\$ 9,343.94
\$	43,760.96	Misc	(1)	\$ 27,500.00	\$ -
\$	23,871,212.07	Total Revenue		\$ 1,726,906.54	\$ 1,795,712.51
\$	24,860,195.94	Total Expense		\$ 2,871,508.45	\$ 1,722,770.95
\$	(988,983.87)	Reserve Gain/(Loss)		\$ (1,144,601.91)	\$ 72,941.56
		Claims			
\$	15,911,171.06	Medical	(1)	\$ 1,647,810.33	\$ 998,270.12
\$	5,699,333.25	Prescription	(2)	\$ 679,501.89	\$ 460,869.05
\$	96,190.00	Vision	(5)	\$ 7,856.01	\$ 8,508.26
		Fixed Costs & Other			
\$	612,044.86	Administration Fee	(4)	\$ 101,228.17	\$ 51,310.04
\$	2,250,725.34	Stop Loss Premiums	(3)	\$ 374,946.17	\$ 186,461.16
\$	2,547.00	Grail		\$ -	\$ -
\$	236,264.37	Consultant/Legal Fees	(6)	\$ 31,360.12	\$ 12,915.66
\$	6,548.94	Subrogation	(7)	\$ 319.30	\$ 296.66
\$	11,709.66	Health Fair/Wellness	(9)	\$ -	\$ -
\$	-	ACA Fees	(8)	\$ -	\$ -
\$	33,661.46	Misc	(10)	\$ 28,486.46	\$ 4,140.00