

**COMPREHENSIVE**  
**ANNUAL FINANCIAL REPORT**  
**OF THE**  
**BEACHWOOD CITY SCHOOL DISTRICT**  
*for the*  
**FISCAL YEAR ENDED JUNE 30, 2021**



*Prepared by Treasurer's Department*

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City Council  
Beachwood City School District  
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We have reviewed the *Independent Auditor's Report* of the Beachwood City School District, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period July 1, 2020 through June 30, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Beachwood City School District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

December 08, 2021

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*INTRODUCTORY*

*SECTION*



**BEACHWOOD CITY SCHOOL  
DISTRICT**

24601 Fairmount Boulevard  
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Phone: 216.464.2600

November 20, 2021

Board of Education  
Beachwood City School District  
24601 Fairmount Blvd.  
Beachwood, Ohio 44122-2298

Dear Board Members:

The comprehensive annual financial report of the Beachwood City School District (the “School District”) for the fiscal year ended June 30, 2021, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the School District. All disclosures necessary to enable the reader to gain an understanding of the School District’s financial activities have been included.

This report includes all funds of the School District. The School District provides a full range of primary and secondary educational services primarily to the residents of the City of Beachwood, Ohio. However, the City of Beachwood, Ohio, and the Beachwood Public Library have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

Management’s Discussion and Analysis (MD&A) immediately follows the Independent Auditor’s Report and provides an overview and analysis of the basic financial statements.

***The School District***

The School District was formed in 1915 and is located in a prosperous suburban area east of Cleveland, Ohio. The community’s tax base is evenly distributed between commercial and residential property. The School District serves 1,648 students from Pre-K through 12<sup>th</sup> grade in five instructional facilities.

***Major Initiatives***

***Mission and Vision***

All of our efforts as educators in the School District are driven by our mission statement: To develop intellectual entrepreneurs with a social conscience. The mission of the Beachwood City School District is short in length and powerful in vision. We are responsible for encouraging seekers of knowledge who are creative, flexible, responsible, accountable, reflective and demonstrate cultural competence.

## **Board of Education Goals**

The goals adopted by our Board of Education serve as a framework for both our academic and administrative operations. These goals are compelling and focused. They are embraced by our entire staff and serve as the basis for building and department strategies and tactics. And they resulted in a year of great synergy and growth.

Goal # 1 - To use a continuous improvement process in support of systems and programs that promote high standards of performance and high expectations for learning.

Goal # 2 - To develop a culture of accountability that relies on data, research, evaluation and assessment as tools to measure the effectiveness of programs and the satisfaction of stakeholders.

Goal # 3 - To continue to develop and support systems, programs, instructional standards and professional development to enhance students' knowledge, skills and performance in every curriculum area.

Goal # 4 - To maintain open and effective communication with the public, staff and students in order to be aware of attitudes, opinions and ideas.

Goal # 5 - To continue to integrate advanced technology into all phases of the educational and administrative processes.

Goal # 6 - To provide the necessary financial resources for the support of our instructional programs through prudent management and fiscal responsibility.

Goal # 7 - To ensure that students and staff have a safe and appropriate place to learn and work.

### *Major Initiatives and Accomplishments*

#### **Academic Distinctions**

Unlike state “report cards” from the past, the state did not issue grades for its various assessment measures this year. Some notable highlights from Beachwood Schools’ 2021 assessments are:

- Improvement, compared to 2019, in student passing percentage for Grades 4, 5, 7, 8, and high school English/Language Arts exams, as well as for the American Government exam
- Students in accelerated math classes performed exceptionally well
  - Almost 60% of Grade 7 and Grade 8 students were enrolled in an accelerated math class -- 99% passed the high school Algebra exam and 100% passed the high school Geometry exam
  - 39% of Grade 6 students were enrolled in accelerated math -- 95% passed the Grade 7 exam
  - More than 40% of Grade 5 students were enrolled in accelerated math -- 100% passed the Grade 6 exam
  - 40% of Grade 4 students were enrolled in accelerated math -- 100% passed the Grade 5 exam
- Met the “Gap Closing” benchmark for every demographic subgroup in ELA and every demographic subgroup except Economically Disadvantaged in math
- Achieved a 100% High School Graduation Rate
- The percentage of students who took Advanced Placement (AP) courses increased from 2019, as did the percentage of students who earned a score of 3 or better on AP tests

On the other hand, the passing percentages of students taking grade-level math exams were lower than Beachwood's typical results. We see evidence that the changes necessitated by the pandemic had a negative effect on the math exam scores of students who typically need more support in this subject area. We also see a trend, one mirrored throughout Ohio, that many students engaged exclusively in remote online learning earned lower scores on their state exams. In addition, Beachwood students from economically disadvantaged homes struggled compared to their peers. These are examples of the pandemic's disproportionate negative impact on vulnerable students. Unlike a typical year where every Beachwood student takes the tests they are supposed to, nine students took no tests at all this year because they did not attend the test sessions. The state assigns them failing scores on all exams. *Beachwood Schools has already allocated resources to address these issues, providing extensive summer programming as well as tutors to continue assisting struggling students during this school year.*

We appreciate our students' efforts on the state's required tests in the midst of a pandemic and our staff's efforts to prepare them for these rigorous exams, particularly during a year when many taught courses they do not normally teach.

**The value Beachwood's community places on education is the foundation for our work and our success. Thank you for your continued support of our school system.**

Beachwood Schools' impressive array of course offerings, quality programs, and extracurricular activities match those of much larger public schools. At the same time, Beachwood's relatively small size ensures that we can offer educational opportunities to meet the needs of each student. This is why our schools are often compared to the finest private schools in the area.

Beachwood High School's graduation rate for the class of 2021 was 99%. Our high school administers 28 Advanced Placement exams and hosts 21 honors-level courses across various content areas. In addition, the University Hospitals-Beachwood High School Medical Academy and the Design & Innovation Program in partnership with Cleveland State University's Washkewicz College of Engineering offer our students unique learning experiences.

In its seventh year, the Beachwood Medical Academy offers students monthly physician-led seminars on varied medical specialties, the opportunity to join physicians on "grand rounds," and a summer camp experience where students dissect lungs and hearts, participate in triage simulations in the emergency room, and rotate through the hospital departments. In addition, students enroll in credit-bearing Anatomy & Physiology, Genetics and Bioethics summer courses taught by Case Western Reserve University faculty and staff. More than 80 students typically participate in the Medical Academy, which was paused during the pandemic, but will be resuming during the 2021-2022 school year.

The Design & Innovation Program completed its eighth year and boasts approximately 80 students enrolled in its course sequence. Beachwood seniors in this program take part in real-world engineering challenges posed by Cleveland State University's industry partners under the guidance of a university advisor. In addition, students in the program's 2nd and 3rd year courses earn 4 college engineering credits, transferable to any Ohio public university.

#### *Hilltop named National Blue Ribbon School*

The U.S. Department of Education has named Hilltop School as a 2021 NATIONAL BLUE RIBBON SCHOOL, after being nominated by the Ohio Department of Education (ODE). Hilltop was one of just 14 schools in Ohio to be nominated this year. According to the ODE, Hilltop students' achievements across a number of measures on the 2019 state AIR tests earned this Blue Ribbon nomination (no AIR tests were administered in 2020 during the pandemic). We are so proud of our students' achievement!

### *Four Bison selected U.S. Presidential Scholars Candidates*

Four members of the Class of 2021 were U.S. Presidential Scholars Program candidates based on their academic achievements and perfect ACT scores: Somin Jung, Jacob Lawrence, Alice Soprunova, and Xiaoxing Yu. The United States Presidential Scholars Program was established in 1964 to recognize and honor some of our nation's most distinguished graduating high school seniors.

### *National Merit Semifinalists and Commended Scholars*

Beachwood High School boasted eleven National Merit Scholar Semifinalists and three Commended Scholars from the Class of 2021. This was an unprecedented number for our small school district. Congratulations to these high school students, their supportive families, and our talented, committed staff.

Semifinalists: Amy Chen, Lauren Clar, Somin Jung, Jacob Lawrence, Yoav Pinhasi, Lizaveta Sharakova, Alice Soprunov, Xiaohan Wang, Paige Wong, Xiaoxing Wu, and Chelsea Zheng

Commended Scholars: Neha Chellu, Alisa Leskov, and Jeffrey Wang

### *Perfect ACT and SAT Scores!*

Beachwood High School's Ilan Haas, Michael Karpov, David Kuang and Evelyn Zhang earned perfect scores on the ACT, a feat achieved by only .33% of test takers. Evelyn also earned a perfect SAT score, a mark met by fewer than .5% of test takers!

### *Best Communities for Music Education*

For the 16th straight year, Beachwood was named one of the Best Communities for Music Education in the nation. This distinction was awarded to 686 districts total across the country. We thank all the students, parents, community members as well as our staff and Board of Education for their support of music education! Kudos to Performing Arts Subject Coordinator David Luddington, who led the application effort.

### *"Stop The Hate" Essay Contest Winners*

Three Beachwood students were finalists in the Maltz Museum of Jewish Heritage's 2020 Stop The Hate Essay Contest. Stop the Hate® is designed to create an appreciation and understanding among people of differing religions, races, cultures, and socioeconomic backgrounds. By challenging young people to consider the benefits of a more inclusive society, the consequences of intolerance, and the role of personal responsibility in effecting change, the contest also reflects the values of responsible citizenship and respect for all humanity. Senior Lauren Clar and Junior Bowen Zhang were finalists for the 11th and 12th Grade contest, and 8th Grader Shreya Chellu earned 2nd place in her grade level!

### *Honors for Beachwood's Excel TECC Students*

Eleven members of the Class of 2021 and 2022 earned honors in their respective career-technical education programs! The following students were inducted into the National Technical Honor Society: Seniors Sam Roter and Paige Wong, as well as Juniors Miranda Desatnik, Halle Richardson, Anton Sakhanovych and Rylie Sharp. Seniors Sema Altawam, Khai James, and Shayna Preisler won Excel TECC Departmental Awards for Seniors, and Joey Berenholz (2nd place) and Graham Cruz (2nd place and 3rd place) won awards in recent Floriculture competitions.

## **Many Cultures, One Bison**

### *Equity & Engagement Teams*

Equity & Engagement Teams (E&E Teams), first formed in 2019 as a critical element of the district's Many Cultures, One Bison initiative, provide the district with insight into the impact district practices have on the various affinity groups each member represents. E&E Teams continued their work this past school year despite the pandemic. Topics discussed this year included: developing a community standard of free speech, review of the K-12 ELA curriculum, and monthly inclusion recognitions across the district.

The E&E Teams worked collaboratively with our district administration and teaching staff to guide the development of many district projects that promote inclusion. In addition, our E & E Team parents gained valuable insight by participating in a Q&A session with a group of high schools students. Topics explored in the session included; social media, education pressures, gender issues, and diversifying curriculum. Perhaps the most impactful information shared by the group was how parents could communicate more effectively with the children and teachers. As the tenure of this group of E & E Team parents comes to an end, they will share what they learned from the students with teachers. With a new group of E & E Teams starting in the fall, the group will finalize the Community Standard of Free Speech with administration and other special interest groups throughout the district.

### *Staff Diversity*

Over the past two years, Beachwood Schools' administrators reviewed the district's hiring practices. The District has made significant improvements to our hiring process by continually reevaluating the effectiveness of the entire recruitment, application, interview, selection, onboarding and retention process. Several enhancements to our process were made this past year that were well-received by interviewees, staff, and administrators. We added questions to the written application that allow applicants to reveal information about themselves that resumes do not. Additional staff members were included in the interview process so fresh perspectives were at the table during the selection process. These, and other, enhancements focused on minimizing bias and creating opportunities for candidates to present their best, authentic selves. The district successfully attracted several new staff members for the 2021-2022 school year from groups underrepresented in our district and in public education more broadly. Overall, our Beachwood Schools' goal is to employ a teaching and administrative staff that reflects our diverse student population.

### *Partnership with The Temple-Tifereth Israel*

Beachwood Schools proudly announced a cultural collaboration with The Temple-Tifereth Israel. The Temple's high school students and Beachwood High School's MAC Scholars explored culture and built relationships between the two youth groups in this new partnership that will continue in the 2021-2022 school year. The students participated in activities and discussions to gain insight and understanding on how they can work as allies to promote equity and social justice in our schools, city, state, and country. The collaboration was designed by Rabbi Jonathan Cohen and Rabbi Yael Dadoun, in partnership with Kevin Houchins, Beachwood's Director of Equity & Community Engagement. The partnership is supported by The Temple's Racial Justice Task Force and the Beachwood Board of Education.

### *Recognition Banners*

During 2021, Beachwood Schools' installed recognition banners throughout our buildings in an effort to recognize and honor the diversity of our community. To coincide with the banners, a variety of activities and displays are planned and created by students and staff to recognize the accomplishments and impact of various groups. Our hope is that students, families, and staff will take great pride in these visible representations of diversity and be inspired to learn more about one another. We also aim to motivate our students to pursue their goals and dreams.

The banners are intended to encourage families to engage their children in discussions about various cultures, beliefs, and causes. Equally important, we hope that our students' curiosity will lead to learning, followed by understanding and appreciation for the contributions of all groups to our community, country, and world. The byproduct of knowledge is understanding and the better we understand each other, the greater our opportunity to unite as a community!

To generate ideas for who to feature on the banners, we reached out to our staff and to the student and family Equity & Engagement Teams. We encourage all members of the public to send us suggestions appropriate to each month's recognition. Thank you in advance!

Our monthly recognitions are as follows:

- January - Jewish American Heritage
- February - Black History
- March - Women's History
- April - Arab American Heritage
- May - Asian American Heritage
- June/July - "Hometown Heroes" Public Servant Recognition
- August - Neurodiversity and Disability Awareness
- September - Latin American Heritage
- October - LGBTQ+ Pride
- November - Native American Heritage
- December - Multiracial Heritage

## **Social-Emotional Health**

Providing comprehensive school-based mental health and wellness programming continued to be an important initiative for all Beachwood Schools' educators. Our administrative team and education professionals took additional steps last school year to recognize the impact that a student's physical, mental, and/or behavioral health might have on learning and achievement. This was especially critical due to the potential stressors and additional challenges created by the pandemic. The District devoted additional resources to health and wellness activities for students, staff and families, increased counseling and social work services for students K-12, incorporated daily SEL (social emotional learning) lessons into the Unified Arts rotation for all elementary students, whether attending in person or online, and provided a variety of targeted professional development activities for our students, staff, and community. A few of the many activities are highlighted below:

Darlene Haight, Beachwood Schools Choir Director, and Adina Bloom Lewkowicz, social-emotional learning specialist and Beachwood High School graduate, built a curriculum that supports the whole student by integrating a social-emotional component to the music program. Through this curriculum, our vocal music students learned to manage their emotions more effectively, measure themselves fairly, build confidence and empathy, and develop healthier, win-win relationships.

### *Trauma Awareness and Trauma Informed Instruction*

Charde Hollins, LCSW and Senior Consultant for Relevant Connections, LLC led professional development for staff to raise awareness about and understanding of trauma in a broad and inclusive way, to learn effective strategies to support youth exposed to trauma, and to define and discuss "historical trauma" and its implications. Likewise, Ms. Hollins equipped K-12 students with developmentally appropriate information about stress, feelings of sadness, embracing differences, and the importance of self-care through a presentation aptly titled, "Unstoppable."

### *District Crisis Team Partnership*

Beachwood's District Crisis Team, which consists of administrators, counselors and school psychologists, participated in a three day training program presented by our community partners at the Cornerstone of Hope that focused on suicide prevention, trauma informed care, and crisis response. This fall, the District Crisis Team is expanding its work with Cornerstone of Hope to develop a Regional Response Team in partnership with other area school districts.

### *March was Mental Health and Wellness Month*

In addition to the work done throughout the school year, Beachwood City School District made special recognition of the importance of each staff member and student caring for themselves and connecting with others in March 2021.

Named “Health and Wellness Month,” the District implemented additional programs addressing mindfulness, resiliency, healthy life choices, stress-reduction, and mental health with all stakeholders. Programs included a Mental Health and Wellness Challenge, staff training programs, several parent programs about mental health and assorted opportunities for students to focus on mental-health issues. Dr. Miriam Mandel returned to our schools to present the latest research on “Sleep Mindfulness and Restorative Rest” and the Beachwood Schools’s counselors and psychologists hosted a parent mental health awareness night featuring topics such as resiliency, coping strategies, focus, and the use of “Zones of Regulation,” a curriculum used in the schools to foster self-regulation.

#### *Mental Health and Wellness Challenge*

Beachwood High School’s Student Mental Health and Wellness Committee, led by Senior Amanda Bendis and Juniors Vidula Jambunath, Gregory Perryman and Lea Sokol organized a district-wide Mental Health and Wellness Challenge. Throughout the month, students, staff and families were invited to compete by participating in daily challenges focused on promoting positive social, emotional, and physical health habits. Every morning, participants received information that explained the significance of the daily challenge. An optional journal was also introduced to students in grades 3-12 as a way to reflect more deeply on the challenges, and all information about challenges was documented in a log book. Every day at 1:05 pm, a “Drop Everything and Breathe” announcement was made and everyone in all buildings did just that for a full minute. On Fridays, this drill had a twist. Instead, it was “Drop Everything and Dance,” providing an opportunity for everyone to release energy and promote a positive self image.

#### **Extracurricular Accomplishments**

##### *BHS Model United Nations Wins Best Large School Delegation*

Beachwood High School’s Model UN Team won Best Large School Delegation at the Cleveland Conference on World Affairs Virtual Conference. In addition to the team award, many team members won individual honors: **Joseph Berkowitz, Neha Chellu, Amy Chen, Molly Egar, Vidula Jambunath, David Kuang, Ben Lewin, Greg Perryman, Yoav Pinhasi, Nishan Shrestha, and Alice Soprunova.**

##### *Hacker Awards*

Karmanyaah Malhotra, Kai Zheng and Michael Karpov, all Beachwood High School students, were each awarded a \$24,000 scholarship to New York University for their performances in the Red Team Competition of CSAW 2020. CSAW is a series of programming and computer hacking competitions for high school and college students from around the world. It is sponsored by New York University with the finals typically held on NYU’s campus. In its 18th year, CSAW is the "most comprehensive set of cybersecurity challenges by and for students around the globe."

##### *National Cyber Scholarships*

Two Beachwood High School students earned National Cyber Scholarships: Evelyn Zhang and Michael Karpov. Each received a \$2,500 scholarship to the college or university of their choice. Just 540 students earned this honor nationally. Evelyn and Michael were honored for outstanding performance in the National Cyber Scholarship Competition, a “‘Capture the Flag’ (CTF) cybersecurity competition [that] involves a set of computer security puzzles and challenges that test your skills in areas such as password cracking, reverse-engineering, memory corruption and cryptography.” Kai Zheng was also recognized as a Finalist for this contest but was ineligible for a scholarship as he was only a Sophomore!



### *Power of the Pen Accolades*

Anah Khan won first place in the 2021 *Your Voice, Your Verse* state poetry competition, hosted by *Power of the Pen*. Anah won with her poem, *my brother's eyes*. Six students competed in the state *Power of the Pen* tournament on May 15, 2021: 7th Graders Dotan Dana, Lyndia Zheng, Karina Krishnan, and Sasha Kheyfets and 8th Graders Anah Khan and Shreya Chellu. Only the top 20% of writers at the regional competition qualify for the state tournament. The 7th Grade team placed 14th out of 229 teams and Dotan scored in the top 20% of 7th Grade writers in the state. Thanks to advisor, Michele Toomey, BMS ELA teacher.

### *Beachwood High School Student Newspaper Earns Top Awards Again*

Beachwood High School's student newspaper, *The Beachcomber*, won 1st Place Newspaper and 1st Place News Website in the Ohio Scholastic Media Association Awards. *Beachcomber* staff members also won 24 individual awards including six superior and eleven excellent ratings. Kudos to our student journalists and advisor Josh Davis, BHS ELA teacher.

## **Athletics**

### *Coach Willie Smith named National Track & Field Coach of the Year*

The National Federation of State High School Associations (NFHS) Coaches Association honored just 23 coaches nationally as 2020 coaches of the year, including Beachwood's Coach Willie Smith. The NFHS awards program has been in existence since 1982 and honors coaches in the top 10 girls sports and top 10 boys sports by participation numbers. Coach Smith has led Beachwood to two OHSAA girls track and field state championships, multiple indoor track state championships, and numerous individual state championships.

### *Fall Season*

Our football team shattered almost every school football record, as they ended the regular season undefeated and won two playoff games. This was the first time in school history Beachwood won a postseason football game. Two of our football players, Marcus Moore and Jalen Minter earned 3rd Team All Ohio honors.

Our girl soccer team had two 1st Team Chagrin Valley Conference honors winners: Madison Prince and Sydney Sarver. The boys soccer team had six team members earn All Ohio Scholar Athlete honors: Ilan Amkraut, Josh Goetz, Ethan Holz, Achintya Kaw, Lorenzo Tovanche, and David Ward. Luke Bennett, Ethan Holz, Jake Muencz, and Alex Park earned 1st Team Chagrin Valley Conference honors.

In golf, James O'Neill earned Chagrin Valley Conference Most Outstanding Golfer honors, and advanced to the District Championship.

In girls tennis, Emily Fan and Zilin Zhang both earned 1st Team Chagrin Valley Conference honors.

Kymani Miller led our Bison volleyball team, breaking school records in career aces and kills, which earned her and Dami Aletor 1st Team Chagrin Valley Conference honors.

Our cross country team had four individuals earn Chagrin Valley Conference honors: Emily Isaacson, Jessica Monahan, Gregory Perryman, and David Steckner. Five seniors earned CVC All Academic honors: Emily Isaacson, Somn Jung, Jessica Monahan, Shayna Preisler, and Chelsea Zheng.

### *Winter Season*

During the winter season, the Swimming & Diving team was led by Seth Warner who finished 4th in the OHSAA State Diving Championship. Emily Fan broke the school record in the 100m breaststroke, and she placed at the OHSAA State Championships. The relay team consisting of Grady Bystrom, Viet Nguyen, Sam Ornstein, and Lucas Yang advanced to the State Championships in the 200m Medley & 200m Free Relay. Our boys team set a school record in sending the most boys (13) ever to the District Championships. We had 23 1st Team All Chagrin Valley Conference honors: Emily Fan (200 IM and 100 Breaststroke), Ben Lewin (200 Medley Relay, 100 Breaststroke and 200 IM), Nina Mayers (Diving), Sam Ornstein (200 Medley Relay, 100 Butterfly, 200 Free Relay, 400 Free Relay), Viet Nguyen (200 Medley, 200 Free Relay), Grady Bystrom (200 Free Relay and 400 Free Relay), Michael Berkley (200 Medley and Free Relay), Lucas Yang (200 and 100 Free and 400 Free Relay), Seth Warner (Diving), Evan Warner (100 Breaststroke), Misha Lauer (500 Free) and Owen Shook (400 Free Relay). Our boys team won the Chagrin Valley Conference and earned their 4th conference title in school history.

The boys basketball team was led by Daryl Houston who scored his 1000th career point and finished his career as one of the top basketball scorers in Beachwood history. He earned 3rd Team All Ohio honors and 1st Team Chagrin Valley Conference honors, while teammates Jalen Minter and Dominick Kirks also earned 1st Team conference honors. In girls basketball, Madison Prince earned 1st Team Chagrin Valley Conference honors and 3rd Team All District honors.

In wrestling, three wrestlers, Josh Greenwood, Eric Steckner and Uzonna Nzekwe advanced to the Division II District Championships.

### *Spring Season*

Our track and field team capped off an amazing end to the 2020-2021 school year, as our 4x100 relay team, Sarah Brown, Amelie Cotta, Dakota Houston, and Lauren Luxenburg won the OHSAA State title. Elizabeth Metz finished 2nd in the State in Discus and 3rd in the Shot Put, as she broke school records in both events. The 4x200 relay team, Amelie Cotta, Dakota Houston, Lauren Luxenberg and Kylie Walters, finished 8th in the State. Our 4x400 boys relay team, Caleb Berns, Braylen Eaton, Jack McPhillips, and Noah Saidel finished 7th in the State and our 4x800 relay team, Caleb Berns, Jack McPhillips, Greg Perryman, and Noah Saidel advanced to the State Championships. This foursome also broke our school record in the 4x800 meter relay. Our track and field team was also impressive at the Chagrin Valley Conference Championships as two of our athletes, Elizabeth Metz and Andrew Hill, earned MVP honors. Earning 1st Team Chagrin Valley Conference honors were: Caleb Berns, Sarah Brown, Amelie Cotta, Braylen Eaton, Aayliah Edwards, Andrew Hill, Dakota Houston, Lauren Luxenberg, Jack McPhillips, Elizabeth Metz, Greg Perryman, Noah Saidel, and Kylie Walters.

Our softball team finished with one of its best records in over 10 years. Nia Brown earned 1st Team Chagrin Valley Conference honors.

Our baseball team was led by Jordan Levin, who earned 1st Team All District and Honorable Mention All Ohio honors as well as 1st Team All Chagrin Valley Conference honors. Austin Muttillio also earned 1st Team All Chagrin Valley Conference honors. The team won their first ever Division II Sectional Championship and finished 2nd in the Chagrin Valley Conference.

### **Financial Policies**

The School District has not adopted any new financial policies that had significant impact on the 2021 financial statements.

### Accounting and Budgetary Controls

In developing and evaluating the School District's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable but not absolute assurance regarding:

- (1) the safeguarding of assets against loss from unauthorized use or disposition; and
- (2) the reliability of financial records for preparing financial statements and maintaining accountability for the assets.

The concept of reasonable assurance recognizes that the cost of internal control should not exceed the benefits likely to be derived and that the evaluation of cost and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the School District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### Long-Term Financial Planning

The School District is required by law to submit for Board approval a five year forecast which delineates projected revenues, expenditures and anticipated timing for new property tax ballot issues. The five year forecast must be approved by the Board of Education on or before November 30th of each school year and must be amended as necessary by no later than May 31<sup>st</sup> of each school year. School districts are not able to enter into contracts unless the School District demonstrates financial ability to pay for the contract over the life of the contract. The School District cannot include anticipated revenue through ballot issues as part of its certification of funds process. The School District's audit committee has recommended to the Board of Education that if any year in the five year forecast shows a fund balance below 25% of operating funds, that the Board of Education meet to discuss reducing costs and/or raising revenues through an operating levy.

The School District passed a 5.9 mill operating levy in November 2018 which allows the district to continue its programming and services to students. The levy generates \$4.3 million annually commencing calendar year 2019. The district had not been on the ballot for an operating levy in 13 years. Elimination of state funding and increasing unfunded mandates forced the district to go back on the ballot to seek additional operating revenues. The current five year forecast shows a deficit fund balance projected in Fiscal Year 2026. However, due to timing of passing tax levies and collecting property taxes, and the School District's independent Audit Committee recommendation to maintain cash balances of 25% of expenditures, the forecast contemplates a levy in 2024 which would commence collecting in FY 25. The District is committed to extending out the need for a levy as long as possible. The 2024 levy is not set in stone and require approval by the Board of Education before it would be placed on the ballot.

Beachwood Schools closed its books in July 2021 with a positive unencumbered fund balance of \$23.9 million dollars, an increase of \$1.1M from fiscal year 2020. Maintaining a healthy fund balance continues to be a priority for the district

Beachwood Schools continually reviews its expenditures and programs for efficacy and efficiency each and every year. We monitor programs for quality of service and the effectiveness of our service delivery models. We remain vigilant watchdogs of the District's tax base and continue to seek other funding sources. We also look for natural partnerships with the City of Beachwood to collaborate on projects that best serve the needs of the community.

The District continues to maintain its **Aaa bond rating**. Beachwood is **one of just three school districts in the State of Ohio** to have a Aaa rating conferred. The rating is the highest available and is used in financial markets to assess risk when the District issues debt. Similar to a credit history score, institutions with higher bond ratings are able to borrow at lower interest rates.

### **Significant Local Economic Events**

There are some bright spots on the horizon as the City continues to enjoy economic development. The commercial tax duplicate has increased by 3.1% mainly due to new commercial construction in the City. However, the City passed legislation creating a Community Reinvestment Area (CRA) in the southern portion of the City which allows up to a 50% waiver of property taxes for improvements approved in advance by the City. The School District had no role in approving this waiver as Ohio law does not compel a City to seek School Board approval if the property tax waiver is 50% or less. The School District however, will receive 50% of all new income taxes generated by the improved property within the CRA for companies that exceed \$1 million in payroll. The income tax sharing threshold is required by State law. One commercial property owner's income tax exceeds the \$1 million payroll threshold and the City remitted \$16,637 in income taxes to the School District in FY 20 and \$25,063 in FY 21.

The City expanded its CRA agreement to include other commercial areas in the City. The School Board entered into discussions with the City to mitigate financial losses for the Schools. The outcome has proven to be very advantageous as the City recently negotiated with the Lighting Division of GE to relocate to the City's service garage. The property will be added to the tax rolls and the City agreed to a waiver of City income taxes rather than an abatement of property taxes. This is a positive development for both the Schools and the City.

The community's tax base is fairly evenly distributed between commercial and residential property. 49% of the School District's valuation is comprised of residential property and 51% is comprised of commercial or public utility property.

In 1990, the City of Beachwood annexed the Chagrin Highlands, a 400 acre plot from a neighboring community (Warrenville Heights) in order to develop a proposed \$500 million, 633-acre corporate complex featuring office space, a retail mall and at least one hotel. The School District signed an agreement with the Warrenville Heights City School District to share in any future tax revenue. Under the agreement, the School District will receive 30% of the tax revenue from all future development. Originally, Warrenville Heights School District was the sole beneficiary of school tax revenues. The School District considers the successful negotiation of tax-sharing a major accomplishment that will enhance school revenues in the future and is currently in litigation with Warrenville Heights City School District to compel payment of these revenues, which it has chosen not to do for several years.

The School District received a decision from the Ohio Court of Appeals Eighth Appellate District upholding the School District's position that Warrenville Heights City Schools indeed entered into a contract with the Beachwood City School District. Warrenville Heights School appealed to the Ohio Supreme Court. The case was heard on October 6<sup>th</sup>. A decision should be forthcoming in 2-3 months.

### **Prospects for the Future**

House Bill 920, which was enacted in 1976 by the Ohio legislature, has severely limited schools in their funding initiatives. This law prohibits school districts from realizing additional revenue from previously voted millage due to reappraisal of property values. Although the School District's total operating millage is 85.2 mills, the operating effective millage levied and collected is 37.17 and 46.06 for residential and commercial property respectively.

The County which is responsible for conducting an update of full property appraisal every six years conducted their appraisal in calendar year 21 which impacted property values for tax purposes in collection year 2022.

The update has initially increased residential property values by 10% on average and commercial property values by 3%. The State of Ohio has not yet certified these values.

The State's budget bill which passed in June 2021, eliminates payment of Jon Peterson Special Needs Scholarships and Autism Scholarship from the District's foundation funds. The State will pay non public schools directly for these services. However, the State also reduced the School District's overall funding for public schools by similar amounts. The State is forecasting the School District should receive approximately 214k net for FY 22, but the State is still vetting its new formula and has announced actual numbers will not be available until December 2021.

The State of Ohio in its pursuit of "choice" in education continues to erode tax dollars earmarked for public education. The State passed a bill with the "Jon Peterson Special Needs Scholarship" provision which allows private entities and private schools to become providers of special education services. The Jon Peterson Special Needs Scholarships are the most significant unfunded mandate. Depending on the nature of a student's disability these providers will take from \$7,598 to \$27,000 in funding from public schools for **each** identified student. The School District receives on average \$767 per student from the State of Ohio for educating all of its students irrespective of disabilities. The School District does not receive any additional revenue from the State of Ohio for students qualifying for the Jon Peterson Scholarship.

COVID 19 – In FY 21, we were fortunate to keep our students in school for virtually the entire year with a relatively low rate of required quarantining. The combined precautionary efforts of our families, our students, and our staff proved to be successful in keeping the school environment safe. With the COVID vaccine widely available last spring, and embraced by a huge percentage of the Beachwood Schools community, we enter this school year even more confident in our ability to operate schools safely. Extracurricular activities and special programs have returned and will make the overall school experience what it should be for students.

We opened the new school year understanding that our students and their families faced dramatically different experiences during the past 18 months of the pandemic. Some of our students thrived in hybrid environments and/or with more contact and support from their parents who worked from home. Others struggled mightily, both academically and with their social and emotional health. Some families experienced job loss while others had no choice but to leave children alone while parents worked long hours away from home. Beachwood families and staff experienced the loss of a loved one due to COVID. All these students and staff returned to school together and we are grateful as well as mindful of their widely varying experiences.

The School District does not know the long term impact on real estate tax revenues as the economy remains uncertain. Our commercial property tax base has remained stronger than expected.

#### *Other Information*

#### **Independent Audit**

The Ohio Revised Code requires an annual audit of the School District's financial statements and its compliance with certain sections of the Ohio Revised Code. The James G. Zupka, CPA, Inc. conducted the School District's 2021 fiscal year audit. The Independent Auditor's Report appears at the beginning of the Financial Section of this report.

#### *GFOA Certificate of Achievement*

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Beachwood City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. (This was the 33rd consecutive year that the School District earned this prestigious award.)

In order to be awarded a Certificate of Achievement, a governmental agency must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year. We believe that our current report continues to conform with the reporting standards required for the awarding of the Certificate of Achievement for Excellence in Financial Reporting from the GFOA.

### Acknowledgments

The publication of this report continues the School District's commitment toward presenting the financial reporting of the School District in a highly professional manner. It substantially increases the accountability of the School District to the taxpayers.


Sincere appreciation is extended to the Board of Education, who continues to strive for excellence in the schools at all levels. The commitment to our students, staff and community begins with them. Without their support, this report would not be possible.

Special recognition must be extended to the members of the Treasurer's Office: Kathleen Stroski, Assistant Treasurer; April Yuhas, Payroll Coordinator, Kelly Wright, Purchasing Agent; Rita Miklacic, EMIS coordinator and LaJour Sims, Financial Processing Coordinator; who assisted with the development of the Comprehensive Annual Financial Report and the annual audit. The department members have our sincere gratitude for their professional, efficient and dedicated service.

### Audit Committee

The School District has an active audit committee, comprised of 3 members of the community (two of whom are CPA's, and one a small business entrepreneur), one Board member (also a CPA) and the School District's Treasurer. The Superintendent also serves in the capacity of an ex-officio member of this committee. A special thank you to the audit committee members who provided counsel and assisted in improving internal controls, reviewing the audit and making appropriate recommendations to the Board of Education. Ms. Patty Rubin, Ms. Marla Petti and Mr. David Ostro along with Mrs. Maria Bennett (Board Member) are to be commended for their efforts.

  
Michele E. Mills, MBA  
Treasurer/CFO

  
Dr. Robert Hardis  
Superintendent of Schools

**Elected Officials**

Board of Education

Dr. Brian Weiss .....President

Mrs. Maria Bennett ..... Vice-President

Mr. Josh Mintz ..... Member

Mrs. Jillian DeLong .....Member

Mrs. Megan Walsh ..... Member

Administration

Dr. Robert Hardis.....Superintendent

Ms. Michele E. Mills, MBA .....Treasurer/CFO

Dr. Ken Veon..... Assistant Superintendent

Ms. Lauren Broderick..... Director of Pupil Services

Mrs. Linda LoGalbo .....Director of Curriculum

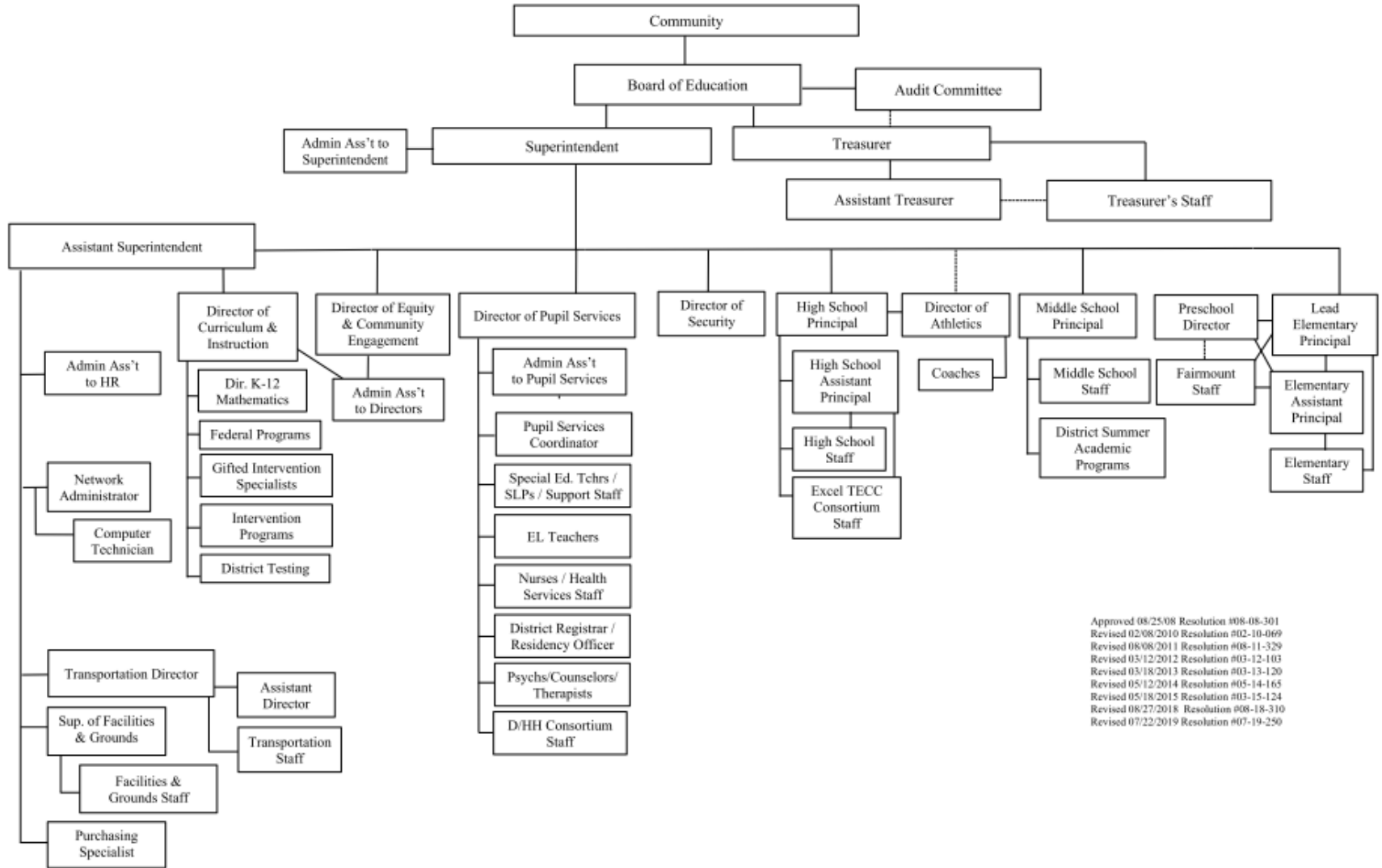
Mrs. Kathleen Stroski ..... Assistant Treasurer

Mr. Kevin Houchins ..... Director of Equity and Community Engagement

Mrs. Valerie Parker.....Pupil Services Coordinator

# BEACHWOOD CITY SCHOOL DISTRICT

## ORGANIZATION CHART



Approved 08/25/08 Resolution #08-08-301  
 Revised 02/08/2010 Resolution #02-10-069  
 Revised 08/08/2011 Resolution #08-11-329  
 Revised 03/12/2012 Resolution #03-12-103  
 Revised 03/18/2013 Resolution #03-13-120  
 Revised 05/12/2014 Resolution #05-14-165  
 Revised 05/18/2015 Resolution #03-15-124  
 Revised 08/27/2018 Resolution #08-18-310  
 Revised 07/22/2019 Resolution #07-19-250





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Beachwood City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

*FINANCIAL*

*SECTION*

**JAMES G. ZUPKA, C.P.A., INC.**

*Certified Public Accountants  
5240 East 98<sup>th</sup> Street  
Garfield Hts., Ohio 44125*

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Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Board of Education  
Beachwood City School District  
Beachwood, Ohio

The Honorable Keith Faber  
Auditor of State  
State of Ohio

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beachwood City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

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 *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Beachwood City School District as of June 30, 2021, 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 accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 3 to the basic financial statements, the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. As discussed in Note 21 to the basic financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. As discussed in Note 22 to the basic financial statements, the school foundation aid received from the State of Ohio will be funded through the direct funding model. Our opinion is not modified with respect to these matters.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedules of Net Pension and Postemployment Benefit Liabilities and Pension and Postemployment Benefit Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical

section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



James G. Zupka, CPA, Inc.  
Certified Public Accountants

November 19, 2021

***Beachwood City School District***  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2021  
*Unaudited*

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The discussion and analysis of the Beachwood City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2021. 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, notes to the basic financial statements, and financial statements to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key financial highlights for 2021 are as follows:

- In total, net position increased by \$854,975. The increase in net position is primarily due to the increase in cash and cash equivalents.
- Total outstanding debt decreased 5.8 million due to prior year note issuance and current year principal payments in the amount of \$14.4 million.
- The general fund had a fund balance of \$32 million of which \$27 million is unassigned and available to fund future day to day operations of the School District.
- Total expenses decreased \$1,289,410 in fiscal year 2021. The expenses include adjustments due to the recording of net pension liability, net OPEB liability and net OPEB asset. See page 26 for further analysis of expenses.

**Using this Generally Accepted Accounting Principles Report (GAAP)**

This Annual Report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the School District as a financial whole, an entire operating entity. The statements then proceed to provide a detailed look at specific financial activities.

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate and longer-term view of the School District's finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell 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 funds, with all other Nonmajor funds presented in total in one column. In the case of the School District, the general fund is by far the most significant fund.

**Beachwood City School District**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2021  
*Unaudited*

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***Reporting the School District as a Whole***

*Statement of Net Position and 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 a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2021?" The Statement of Net Position and Statement of Activities answer this question. These statements include *all assets and deferred outflows of resources, all liabilities and deferred inflows of resources* 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.

These two statements report the School District's *net position* and changes in that position. This change in net position 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. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors.

In the Statement of Net Position and Statement of Activities, the School District has one type of activity, Governmental Activities -- All of the School District's programs and services are reported here.

**Reporting the School District's Most Significant Funds**

**Fund Financial Statements**

The analysis of these major funds begins on page 28. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Bond Retirement and Permanent Improvement Funds.

Governmental Funds Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *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 shows whether there are more or fewer financial resources that can be spent in the future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and Statement of Activities) and governmental funds is reconciled in the financial statements.

***Beachwood City School District***  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2021  
*Unaudited*

**The School District as a Whole**

The Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2021 compared to 2020:

**Table 1 - Net Position**

	Governmental Activities	
	2021	2020 *
<b>ASSETS</b>		
Current and Other Assets	\$ 78,456,303	\$ 82,090,139
Capital Assets, net	61,100,807	61,819,539
Net OPEB Asset	2,497,235	2,270,519
<b>Total Assets</b>	<b>142,054,345</b>	<b>146,180,197</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension	9,073,337	7,833,274
OPEB	1,412,428	867,556
<b>Total Deferred Outflows of Resources</b>	<b>10,485,765</b>	<b>8,700,830</b>
<b>LIABILITIES</b>		
Current and Other Liabilities	5,539,049	5,077,488
Long-term Liabilities:		
Due within one year	3,657,594	3,604,508
Due in more than one year:		
Net Pension Liability	46,562,610	40,769,673
Net OPEB Liability	4,003,902	4,469,734
Other Amounts	26,472,878	31,069,453
<b>Total Liabilities</b>	<b>86,236,033</b>	<b>84,990,856</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes	32,837,046	36,028,551
Pension	698,239	2,911,254
OPEB	5,290,617	4,327,166
<b>Total Deferred Inflows of Resources</b>	<b>38,825,902</b>	<b>43,266,971</b>
<b>NET POSITION</b>		
Net Investments in		
Capital Assets	34,255,821	36,051,022
Restricted	5,682,834	4,883,051
Unrestricted	(12,460,480)	(14,310,873)
<b>Total Net Position</b>	<b>\$ 27,478,175</b>	<b>\$ 26,623,200</b>

\* Restated



***Beachwood City School District***  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2021  
*Unaudited*

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The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2021, the net OPEB liability (NOL) and net OPEB asset are reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—An Amendment of GASB Statement 27" and GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and net OPEB asset.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability/asset to equal the School District's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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*Unaudited*

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. Also, the School District does not have any legal claim to the net OPEB Asset. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the School District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability/asset, respectively, not accounted for as deferred inflows/outflows.

Total governmental assets and deferred outflows decreased by \$2,340,917 and total governmental liabilities and deferred inflows of resources decreased by \$3,195,892 resulting in an increase in net position of \$854,975. The decrease in governmental assets is due primarily to a decrease in property taxes receivable and capital assets, which is offset by an increase in cash and cash equivalents. The decrease in property taxes receivable is due to a decrease in property tax collections. The decrease in capital assets is due to current year depreciation. The changes in deferred outflows and inflows of resources, net OPEB asset, net pension liability and net OPEB liability is due primarily to the implementation of GASB 68 and 75 as previously discussed.

The recording of GASB Statement No. 68 and 75 requires the readers to perform additional calculations to determine the School District's total Net Position at June 30, 2021 without the recording of GASB Statement No. 68 and 75. This is an important exercise, as the State Pension Systems (SERS & STRS) collect, hold, invest, and distribute pensions to our employee, not the School District. These calculations are as follows:

Total Net Position including GASB 68 and GASB 75	\$ 27,478,175
Add:	
Net Pension liability	46,562,610
Net OPEB Liability	4,003,902
Deferred Inflows - Pension	698,239
Deferred Inflows - OPEB	5,290,617
Less:	
Net OPEB Asset	(2,497,235)
Deferred Outflows - Pension	(9,073,337)
Deferred Outflows - OPEB	(1,412,428)
Total Net Position without GASB 68 and GASB 75	\$ 71,050,543

***Beachwood City School District***  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2021**  
*Unaudited*

Table 2 shows the changes in net position for fiscal year 2021 with revenue and expense comparisons to fiscal year 2020:

	<u>Governmental Activities</u>	
	<u>2021</u>	<u>2020</u>
<b>REVENUES</b>		
Program Revenues:		
Charges for Services	\$ 1,511,580	\$ 2,510,749
Operating Grants and Contributions *	4,456,828	3,727,770
<b>Total Program Revenues</b>	<u>5,968,408</u>	<u>6,238,519</u>
General Revenues:		
Property Taxes	34,156,339	32,514,185
Grants and Entitlements *	2,680,530	2,822,872
Investment Income	54,555	1,398,774
Gain on Sale of Capital Assets	4,049	7,647
All Other Revenues	1,874,107	2,554,656
<b>Total General Revenues</b>	<u>38,769,580</u>	<u>39,298,134</u>
<b>Total Revenues</b>	<u>44,737,988</u>	<u>45,536,653</u>
<b>EXPENSES</b>		
Program Expenses:		
Instruction		
Regular	16,190,019	14,735,744
Special	6,603,687	7,030,637
Vocational	1,381,246	1,345,359
Adult/Continuing	73,992	73,768
Other	320,524	270,473
Supporting Services:		
Pupil	3,004,474	3,121,558
Instructional Staff	1,302,921	2,493,129
Board of Education	435,617	367,111
Administration	2,936,014	2,837,019
Fiscal	1,081,051	971,992
Business	320,391	325,686
Operation and Maintenance of Plant	3,428,421	3,829,264
Pupil Transportation	2,019,210	2,332,945
Central	111,442	267,109
Operation of Non-Instructional Services	2,036,094	2,387,822
Extracurricular Activities	1,416,268	1,544,436
Interest and Fiscal Charges	1,221,642	1,238,371
<b>Total Expenses</b>	<u>43,883,013</u>	<u>45,172,423</u>
Change in Net Position	854,975	364,230
Net Position - Beginning of Year, Restated	<u>26,623,200</u>	<u>26,258,970</u>
<b>Net Position - End of Year</b>	<u>\$ 27,478,175</u>	<u>\$ 26,623,200</u>

\* Certain reclassifications in 2020 were made for comparability

***Beachwood City School District***  
Management's Discussion and Analysis  
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***Governmental Activities***

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home was reappraised and its value increased to \$200,000 (and this inflationary increase in value is comparable to other property owners), the effective tax rate would become 0.5 mills and the owner would still pay \$35.00. Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 76.3 percent of revenues for governmental activities for the School District in fiscal year 2021. Accrued property taxes receivable represents delinquent taxes outstanding and real property, public utility property, and tangible personal property taxes, which became measurable as of June 30, 2021 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed settlement of personal property tax and the amount available as an advance at June 30 were levied to finance current fiscal year operations, which is recognized as revenue. The receivable is therefore offset by a credit to deferred inflows of resources for that portion not levied to finance current year operations. Property tax revenues increased by \$1,642,154 on an accrual basis of accounting due to the decrease in cash collections of \$1,008,924, which was offset by a difference in accruals of \$2,744,553. The difference in accruals is related to the amount available for advance at fiscal year as compared year to year. The total amounts available for advance at fiscal year ends 2021, 2020 and 2019 were \$1,772,912, \$1,896,804 and 4,645,805, respectively. On a cash basis, property tax collections had a decrease with \$34,249,814 received in fiscal year 2021 and \$35,258,738 in fiscal year 2020. The cash collections decreased due to the passage of a 5.9 mill operating levy in November 2018, which began collecting in January 2019. The District had a full collection year in 2020.

Charges for services decreased by \$999,169 due to a decrease in preschool tuition and consortium program tuition due to the closure of school due to COVID-19. Grants and entitlements decreased by \$142,342 food service revenues decreased due to COVID closure. All other revenues decreased by \$680,549 in fiscal year 2021 due to the School District receiving unbudgeted revenue in fiscal year 2020 in the amount of \$2.2 million dollars as a result of the settlement of litigation regarding the valuation of real property. Investment income decreased by \$1,344,219 due to a significant decrease in interest rates.

Instruction comprises 56 percent of governmental program expenses. Interest expense was 2.8 percent. Interest expense was attributable to the outstanding bonds and borrowing for capital projects.

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**Beachwood City School District**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2021**  
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The effects of GASB 68 and 75 distort the comparative analysis of expenses due to the significant changes made by the pension systems in recording the aforementioned GASBs. As a result of the significant adjustments to program expenses for GASB 68 and GASB 75, the following adjustments are needed:

Total 2021 program expenses under GASB 68 and 75	\$ 43,883,013
NPL expense under GASB 68	(5,611,429)
2021 contractually required contribution - Pension	3,271,570
Negative OPEB expense under GASB 75	180,725
2021 contractually required contribution - OPEB	93,244
Adjusted 2021 program expenses	41,817,123
Total 2020 program expenses under GASB 68 and 75	\$ 45,172,423
NPL expense under GASB 68	(5,345,721)
2020 contractually required contribution - Pension	3,304,111
Negative OPEB expense under GASB 75	594,947
2020 contractually required contribution - OPEB	85,765
Adjusted 2020 program expenses	43,811,525
Decrease in program expenses	\$ (1,994,402)

See Notes 13 and 14 for more information regarding Net Pension and OPEB liability/asset and the related pension expense.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements with comparisons to 2020.

**Table 3 - Governmental Activities**

	Total Cost of Services 2021	Total Cost of Services 2020	Net Cost of Services 2021	Net Cost of Services 2020
Instruction	\$ 24,569,468	\$ 23,455,981	\$ 20,810,599	\$ 16,555,864
Supporting Services:				
Pupils and Instructional Staff	4,307,395	5,614,687	3,869,369	3,432,354
Board of Education, Administration, Fiscal Services, and Business	4,773,073	4,501,808	4,723,432	3,922,240
Operation and Maintenance of Plant	3,428,421	3,829,264	3,318,838	3,145,263
Pupil Transportation	2,019,210	2,332,945	2,001,690	1,263,785
Central	111,442	267,109	111,442	151,670
Operation of Non-Instructional Services	2,036,094	2,387,822	498,551	(29,908)
Extracurricular Activities	1,416,268	1,544,436	1,359,042	1,206,927
Interest and fiscal charges	1,221,642	1,238,371	1,221,642	1,375,676
Total cost of service	\$ 43,883,013	\$ 45,172,423	\$ 37,914,605	\$ 31,023,871

***Beachwood City School District***  
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The dependence upon tax revenues for governmental activities is apparent. Over 63 percent of instruction activities are supported through taxes and other general revenues and for all governmental activities general revenue support is over 86 percent. The community, as a whole, is by far the primary support for the School District's students. The large increase in Instruction is due to GASB 68 and 75 as previously discussed.

**The School District's Funds**

Information about the School District's major funds starts on page 34. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$55,263,842 and expenditures and other financing uses of \$56,224,781.

The net fund balance increased in the general fund by \$1,274,358. The increase is due the decrease in expenditures as the School District received many federal grants related to COVID-19 that were reimbursed by those funds and not general fund monies.

The net fund balance decreased in the bond retirement fund by \$848,223 due to the decrease in property tax revenue on an accrual basis for the fluctuation of advances outstanding at year end as compared to prior year.

The net fund balance decreased in the permanent improvement fund by \$1,179,376 due to the payment of principal.

***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 2021, the School District amended its general fund budget numerous times, none significant. The School District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, the revenue original budget estimates were \$1,152,036 greater than the final budget estimates, and actual revenue was \$130,605 greater than the final budget estimates of \$36,397,351 due the School District receiving workers' compensation premium rebates which were not budgeted in the original budget. The School District's ending un-obligated cash balance was \$2,529,590 more than the final budgeted amount as expenditures were less than anticipated in the areas of instruction, operation and maintenance of plant and pupil transportation.

There were fourteen amendments to the original appropriations during fiscal year 2021. The budget increased predominantly due to new federal grants related to COVID-19.

**Capital Assets**

At the end of fiscal 2021, the School District had \$61,100,807 invested in land, buildings, equipment, buses and other vehicles, all in governmental activities. See Note 10 to the basic financial statements for more detailed information on capital asset activity.

**Beachwood City School District**  
**Management's Discussion and Analysis**  
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Table 4 shows fiscal 2021 balances compared to 2020:

**Table 4 - Capital Assets at June 30, (Net of Depreciation)**

	Governmental Activities	
	2021	2020
Land	\$ 978,708	\$ 978,708
Construction in progress	1,049,495	-
Land Improvements	1,479,740	1,613,760
Buildings and Building Improvements	55,698,082	57,366,582
Vehicles	816,660	763,717
Equipment	1,078,122	1,096,772
<b>Total Net Capital Assets</b>	<b>\$ 61,100,807</b>	<b>\$ 61,819,539</b>

The decrease in total net capital assets is mainly due to current year depreciation.

For fiscal year 2021, Ohio law required school districts to set aside three percent of certain revenues for capital improvements. For fiscal year 2021, this amounted to \$283,349 for the set aside. For fiscal year 2021, the School District had qualifying disbursements or offsets exceeding this requirement.

**Debt**

At June 30, 2021, the School District had \$25,577,616 in bonds and notes outstanding, \$3,378,000 due within one year. Table 5 summarizes bonds and notes outstanding. See Note 16 to the basic financial statements for more detailed information on long-term debt activity.

Under the current Ohio Revised Code, the School District's general obligation bonded debt issuances are subject to a legal limitation on both voted and un-voted debt. The limitation is based on 9% and .1%, respectively, of the total assessed value of real and personal property. At June 30, 2021, the School District's voted general obligation bonded debt of \$18,617,336 is below the legal limit of \$57,562,285 (voted). In addition, the School District had no un-voted debt at June 30, 2021. Moody's rating for the School District's bonds is Aaa, the highest rating Moody's assigns to debt issues. The School District's Certificates of Participation was rated Aa1 by Moody's. It is typical for CoPS issues to be rated one level lower than a public entity's bond rating due to the nature of CoPS which are lease purchase transactions subject to payment via the annual appropriation measure. The TAN's issue was not rated due to the short term payback of ten years. However, Moody's still confirmed the District's rating of Aaa in the summer of 2021.

**Table 5 - Outstanding Debt at June 30,**

	Governmental Activities	
	2021	2020
2016 Certificates of Participation	\$ 3,050,000	\$ 3,440,000
2016 COPs Premium	104,650	122,091
2020 Tax Anticipation Note	5,073,000	5,600,000
2021 Refunding Tax Exempt Bond	8,620,000	-
2010 Qualified School Construct Bonds	7,435,000	8,670,000
2013 Refunding	1,205,000	2,380,000
2014 Refunding Tax Exempt Bonds	89,966	11,149,966
<b>Total Outstanding Debt</b>	<b>\$ 25,577,616</b>	<b>\$ 31,362,057</b>

***Beachwood City School District***  
Management's Discussion and Analysis  
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The general obligation bonds were issued for the purpose of school improvements. They are to be repaid from the bond retirement fund. The tax anticipation notes and certificates of improvement are to be repaid from tax revenues from the permanent improvement fund.

**For the Future**

**COVID-19 in FY 22**

The District is tasked with providing quality educational services which includes social/emotional and mental health supports, as well as keeping staff and students safe. The District is operating in person this year, reopening with a universal mask mandate for all staff and students (except medical or religious exemptions). We will continue to utilize information from the State as well as the Cuyahoga County Board of Health to keep staff and students safe.

Beachwood Schools again received over \$1M in federal grants directed toward learning loss and the social/emotional impact of COVID on our students. The District has allocated resources to reading and math supports and retained an additional school counselor who works at Hilltop and the Middle School, with one grant offsetting the half-time addition of a school counselor to meet the social/emotional needs of our students. The District also utilized federal funds to provide summer enrichment for students.

**Community Reinvestment Area (CRA)**

Beachwood Schools is a strong supporter of business development within our city. The modern founders of Beachwood designed a community with a unique blend of residential and commercial development. This design demonstrated great foresight and has served our community and our public schools incredibly well for many decades.

Ohio law (HB 920) prevents school districts from collecting additional revenue when property values increase due to reappraisal. It decreases the voted tax rate so no increase in tax collections takes place. For this reason, property taxes generated by new development are the primary source of new revenue for schools. Over the years, new business development in Beachwood has allowed us to maintain funding levels for our excellent educational programming without frequently returning to voters for additional revenue.

When the City's original CRA was approved in 2018, a vision for this area was shared where innovative high-tech and biomedical firms would relocate to a revitalized Commerce Park. This is an exciting vision for business development that is sustainable and valuable to our community and, in turn, our schools. Beachwood Schools is hopeful to see this type of business development come to fruition throughout our city. We appreciate the collaboration that has taken place between the schools and city about the CRA expansion. The final legislation included measures to ensure Beachwood Schools benefits from critical revenue sources.

**Thoughts for the Future**

The District is currently involved in two areas of litigation. The first pertains to the Chagrin Highlands property which currently generates **no revenue** for Beachwood Schools. All property tax revenues are remitted to the Warrensville Heights City Schools even though the districts agreed many years ago that Beachwood should be remitted roughly 30% of those revenues. The District has been in litigation on this matter for a number of years. Both sides have appealed court rulings. The case is now before the Ohio Supreme Court. Briefs on this matter was heard on October 6, 2021.



***Beachwood City School District***  
Management's Discussion and Analysis  
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The other area of litigation involves property located in the City of Pepper Pike but within the Beachwood City School District boundary. Parents of students, who mistakenly believed their students were allowed to attend Orange Schools, were told last year that they could no longer do so by Orange's Board of Education. This precipitated a territory transfer request by a handful of affected parents. Beachwood defended its position that the properties remain in the Beachwood Schools as they always have, and we welcomed those students to our district. The Ohio Department of Education (ODE) has heard the territory transfer case. The Hearing Officer has recommended that the property remain in the Beachwood Schools boundaries. Annual taxes generated from this area are \$86K.

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information, contact Michele Mills, MBA, Director of Finance/Treasurer at 216-464-8164 or E-mail at [mm@beachwoodschoools.org](mailto:mm@beachwoodschoools.org).

*BASIC*

*FINANCIAL*

*STATEMENTS*

**Beachwood City School District**  
**Statement of Net Position**  
**June 30, 2021**

	Governmental Activities
<b>ASSETS</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 43,370,773
Cash and Cash Equivalents:	
In Segregated Accounts	134,873
Property Taxes Receivable	34,733,854
Accrued Interest Receivable	30,520
Accounts Receivable	11,165
Intergovernmental Receivable	91,549
Materials and Supplies Inventory	83,569
Net OPEB Asset	2,497,235
Nondepreciable Capital Assets	2,028,203
Depreciable Capital Assets, Net	59,072,604
<b>Total Assets</b>	<b>142,054,345</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Pension	9,073,337
OPEB	1,412,428
<b>Total Deferred Outflows of Resources</b>	<b>10,485,765</b>
<b>LIABILITIES</b>	
Accounts Payable	191,007
Contracts Payable	676,741
Accrued Wages and Benefits	3,355,860
Intergovernmental Payable	495,348
Matured Bonds Payable	86,363
Accrued Interest Payable	165,953
Matured Compensated Absences Payable	107,487
Retainage Payable	60,990
Claims Payable	399,300
Long-term Liabilities:	
Due within one year	3,657,594
Due in more than one year:	
Net Pension Liability	46,562,610
Net OPEB Liability	4,003,902
Other amounts due in more than one year	26,472,878
<b>Total Liabilities</b>	<b>86,236,033</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	32,837,046
Pension	698,239
OPEB	5,290,617
<b>Total Deferred Inflows of Resources</b>	<b>38,825,902</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	34,255,821
Restricted:	
Capital Projects	2,049,763
Debt Service	2,681,311
Set-Asides	134,873
State Funded Programs	59,428
Federally Funded Programs	3,331
Student Activities	205,189
Preschool	457,016
Other Purposes	91,923
Unrestricted	(12,460,480)
<b>Total Net Position</b>	<b>\$ 27,478,175</b>

See accompanying notes to the basic financial statements.

**Beachwood City School District**  
**Statement of Activities**  
For the Fiscal Year Ended June 30, 2021

	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Governmental Activities
<b>Governmental activities:</b>				
Instruction:				
Regular	\$ 16,190,019	\$ 169,419	\$ 1,167,448	\$ (14,853,152)
Special	6,603,687	146,789	1,033,132	(5,423,766)
Vocational	1,381,246	632,922	571,801	(176,523)
Adult/Continuing Instruction	73,992	1,404	-	(72,588)
Other	320,524	35,954	-	(284,570)
Supporting Services:				
Pupils	3,004,474	108,034	263,919	(2,632,521)
Instructional Staff	1,302,921	625	65,448	(1,236,848)
Board of Education	435,617	-	-	(435,617)
Administration	2,936,014	-	-	(2,936,014)
Fiscal Services	1,081,051	11,299	-	(1,069,752)
Business	320,391	38,342	-	(282,049)
Operation and Maintenance of Plant	3,428,421	28,465	81,118	(3,318,838)
Pupil Transportation	2,019,210	-	17,520	(2,001,690)
Central	111,442	-	-	(111,442)
Operation of Non-Instructional Services:				
Food Service Operations	458,411	753	381,954	(75,704)
Community Services	1,577,683	280,348	874,488	(422,847)
Extracurricular Activities	1,416,268	57,226	-	(1,359,042)
Interest and Fiscal Charges	1,221,642	-	-	(1,221,642)
<b>Total Governmental activities</b>	<b>\$ 43,883,013</b>	<b>\$ 1,511,580</b>	<b>\$ 4,456,828</b>	<b>(37,914,605)</b>
<b>General Revenues:</b>				
Property Taxes levied for:				
General Purposes				30,020,888
Other Purposes				4,135,451
Grants & Entitlements not restricted to specific programs				2,680,530
Investment Income				54,555
Gain on Sale of Capital Assets				4,049
All Other Revenues				1,874,107
<b>Total General Revenues</b>				<b>38,769,580</b>
Change in Net Position				854,975
Net Position - Beginning of Year, Restated				26,623,200
<b>Net Position - End of Year</b>				<b>\$ 27,478,175</b>

See accompanying notes to the basic financial statements.

**Beachwood City School District**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2021**

	General	Bond Retirement	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Equity in Pooled Cash and Cash Equivalents	\$ 28,506,469	\$ 2,669,523	\$ 6,021,847	\$ 3,751,834	\$ 40,949,673
Cash and Cash Equivalents:					
In Segregated Accounts	134,873	-	-	-	134,873
Materials and Supplies Inventory	75,965	-	-	7,604	83,569
Accrued Interest Receivable	30,520	-	-	-	30,520
Accounts Receivable	213	-	-	10,952	11,165
Due from Other Funds	3,215,000	-	-	-	3,215,000
Interfund Receivable	2,832,239	-	-	-	2,832,239
Intergovernmental Receivable	7,457	-	-	84,092	91,549
Property Taxes Receivable	30,551,209	3,896,902	285,743	-	34,733,854
<b>Total Assets</b>	<b>\$ 65,353,945</b>	<b>\$ 6,566,425</b>	<b>\$ 6,307,590</b>	<b>\$ 3,854,482</b>	<b>\$ 82,082,442</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 75,092	\$ -	\$ 42,840	\$ 73,075	\$ 191,007
Contracts Payable	-	-	676,741	-	676,741
Accrued Wages and Benefits	3,113,001	-	-	242,859	3,355,860
Intergovernmental Payable	448,107	-	-	47,241	495,348
Matured Compensated Absences Payable	86,259	-	-	21,228	107,487
Retainage Payable	-	-	60,990	-	60,990
Interfund Payable	-	-	-	2,832,239	2,832,239
Due to Other Funds	-	-	3,215,000	-	3,215,000
Matured Bonds Payable	-	86,363	-	-	86,363
<b>Total Liabilities</b>	<b>3,722,459</b>	<b>86,363</b>	<b>3,995,571</b>	<b>3,216,642</b>	<b>11,021,035</b>
<b>Deferred Inflows of Resources:</b>					
Property Taxes	28,941,992	3,632,798	262,256	-	32,837,046
Unavailable Revenues - Delinquent Property Taxes	107,591	10,999	5,306	-	123,896
Unavailable Revenues - Grants	-	-	-	3,489	3,489
Unavailable Revenues - Other	7,457	-	-	6,574	14,031
<b>Total Deferred Inflows of Resources</b>	<b>29,057,040</b>	<b>3,643,797</b>	<b>267,562</b>	<b>10,063</b>	<b>32,978,462</b>
<b>Fund Balances:</b>					
Nonspendable	82,285	-	-	7,604	89,889
Restricted	134,873	2,836,265	2,044,457	855,129	5,870,724
Committed	-	-	-	100,000	100,000
Assigned	5,182,947	-	-	-	5,182,947
Unassigned (Deficit)	27,174,341	-	-	(334,956)	26,839,385
<b>Total Fund Balances</b>	<b>32,574,446</b>	<b>2,836,265</b>	<b>2,044,457</b>	<b>627,777</b>	<b>38,082,945</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 65,353,945</b>	<b>\$ 6,566,425</b>	<b>\$ 6,307,590</b>	<b>\$ 3,854,482</b>	<b>\$ 82,082,442</b>

See accompanying notes to the basic financial statements.

***Beachwood City School District***  
**Reconciliation of Total Governmental Fund Balances to**  
**Net Position of Governmental Activities**  
**June 30, 2021**

**Total Governmental Fund Balances** \$ 38,082,945

*Amounts reported for Governmental Activities in the Statement of Net Position are different because:*

Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds. 61,100,807

Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable revenue in the funds:

Delinquent property taxes	\$	123,896	
Grants		3,489	
Other		14,031	
Total		141,416	141,416

The net pension liability and net OPEB liability are not due and payable in the current period, and the net OPEB asset is not available for spending in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in the governmental funds:

Deferred Outflows - Pension		9,073,337	
Deferred Inflows - Pension		(698,239)	
Net Pension Liability		(46,562,610)	
Deferred Outflows - OPEB		1,412,428	
Deferred Inflows - OPEB		(5,290,617)	
Net OPEB Asset		2,497,235	
Net OPEB Liability		(4,003,902)	
Total			(43,572,368)

Internal Service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of the School District's Internal Service funds are included in Governmental Activities in the Statement of Net Position. 2,021,800

Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds:

Long-Term Notes Payable		(8,227,650)	
General Obligation Bonds		(18,617,336)	
Accrued interest payable		(165,953)	
Compensated absences		(3,285,486)	
Total			(30,296,425)

**Net Position of Governmental Activities** \$ 27,478,175

See accompanying notes to the basic financial statements.

**Beachwood City School District**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2021**

	General	Bond Retirement	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Property and Other Local Taxes	\$ 29,993,706	\$ 4,005,070	\$ 127,146	\$ -	\$ 34,125,922
Intergovernmental	3,380,622	809,429	49,420	2,897,804	7,137,275
Interest	44,339	-	9,987	229	54,555
Tuition and Fees	352,849	-	-	1,136,889	1,489,738
Extracurricular Activities	-	-	-	57,226	57,226
Customer Sales and Services	222,762	-	-	7,258	230,020
Contributions and Donations	175	-	-	9,326	9,501
All Other Revenues	1,848,687	-	-	32,618	1,881,305
<b>Total Revenues</b>	<b>35,843,140</b>	<b>4,814,499</b>	<b>186,553</b>	<b>4,141,350</b>	<b>44,985,542</b>
<b>EXPENDITURES</b>					
Current:					
Instruction:					
Regular	13,665,925	-	-	72,326	13,738,251
Special	5,694,286	-	-	694,301	6,388,587
Vocational	490,148	-	-	854,655	1,344,803
Adult/Continuing	-	-	-	72,499	72,499
Other	301,209	-	-	-	301,209
Supporting Services:					
Pupils	2,291,620	-	-	453,321	2,744,941
Instructional Staff	1,017,355	-	-	32,316	1,049,671
Board of Education	412,754	-	-	-	412,754
Administration	2,634,200	-	-	-	2,634,200
Fiscal Services	1,137,696	-	-	-	1,137,696
Business	286,232	-	-	-	286,232
Operation and Maintenance of Plant	3,220,191	-	-	74,742	3,294,933
Pupil Transportation	1,760,152	-	-	22,121	1,782,273
Central	144,557	-	-	-	144,557
Operation of Non-Instructional Services:					
Food Service Operations	-	-	-	379,068	379,068
Community Services	19,866	-	-	1,440,250	1,460,116
Extracurricular Activities	1,028,378	-	-	215,253	1,243,631
Capital Outlay	184,141	-	1,365,929	322,317	1,872,387
Debt Service:					
Principal Retirement	-	3,327,000	-	-	3,327,000
Interest and Fiscal Charges	-	959,603	-	-	959,603
Bond Issuance Costs	-	138,692	-	-	138,692
<b>Total Expenditures</b>	<b>34,288,710</b>	<b>4,425,295</b>	<b>1,365,929</b>	<b>4,633,169</b>	<b>44,713,103</b>
Excess of Revenues Over (Under) Expenditures	1,554,430	389,204	(1,179,376)	(491,819)	272,439
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of Capital Assets	4,049	-	-	-	4,049
Refunding Bond Issued	-	8,620,000	-	-	8,620,000
Premiums on Debt Issued	-	1,370,130	-	-	1,370,130
Payment to Refunded Debt Escrow Agent	-	(11,227,557)	-	-	(11,227,557)
Transfers In	-	-	-	284,121	284,121
Transfers Out	(284,121)	-	-	-	(284,121)
<b>Total Other Financing Sources (Uses)</b>	<b>(280,072)</b>	<b>(1,237,427)</b>	<b>-</b>	<b>284,121</b>	<b>(1,233,378)</b>
Net Change in Fund Balances	1,274,358	(848,223)	(1,179,376)	(207,698)	(960,939)
Fund Balances - Beginning of Year, Restated	31,300,088	3,684,488	3,223,833	835,475	39,043,884
<b>Fund Balances - End of Year</b>	<b>\$ 32,574,446</b>	<b>\$ 2,836,265</b>	<b>\$ 2,044,457</b>	<b>\$ 627,777</b>	<b>\$ 38,082,945</b>

See accompanying notes to the basic financial statements.

***Beachwood 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, 2021**

**Net Change in Fund Balances-Total Governmental Funds** \$ (960,939)

*Amounts reported for Governmental Activities in the Statement of Activities are different because:*

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital outlay	\$ 1,872,388	
Depreciation	<u>(2,591,120)</u>	
Total		(718,732)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Delinquent property taxes	30,417	
Grants	(14,707)	
Other	<u>9,615</u>	
Total		25,325

Repayment of notes and bond principals and refunding of debt are expenditures in the governmental funds, but the repayments reduce long-term liabilities in the Statement of Net Position. 14,387,000

Bond proceeds and premium that increases liabilities in the Statement of Net Position are not reported in the governmental funds. (9,990,130)

Contractually required contributions are reported as expenditures in the governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.

Pension		3,271,570
OPEB		93,244

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability/asset are reported as pension expense in the Statement of Activities.

Pension		(5,611,429)
OPEB		180,725

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in Governmental funds.

Compensated absences	26,418	
Accrued interest	(75,991)	
Amortization of bond premiums	<u>120,201</u>	
Total		70,628

Internal Service funds are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue (expense) of the Internal Service fund are reported in the Governmental Activities. 107,713

**Change in Net Position of Governmental Activities** \$ 854,975

See accompanying notes to the basic financial statements.



**Beachwood 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, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>				
Property and Other Local Taxes	\$ 31,567,429	\$ 29,966,351	\$ 30,123,646	\$ 157,295
Intergovernmental	2,931,450	3,387,159	3,380,622	(6,537)
Interest	450,000	300,000	305,109	5,109
Tuition and Fees	216,563	151,785	75,921	(75,864)
Rent	382,453	-	-	-
Gifts and Donations	1,000	1,000	175	(825)
Customer Sales and Services	157,400	226,485	228,333	1,848
Miscellaneous	1,195,592	1,805,571	1,857,544	51,973
<b>Total Revenues</b>	<b>36,901,887</b>	<b>35,838,351</b>	<b>35,971,350</b>	<b>132,999</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	13,264,010	14,132,419	13,716,612	415,807
Special	6,318,250	6,170,515	5,671,911	498,604
Vocational	915,339	792,856	477,399	315,457
Other	260,001	349,666	307,251	42,415
<b>Support Services:</b>				
Pupils	2,525,012	2,493,232	2,320,234	172,998
Instructional Staff	1,982,252	1,397,588	1,229,529	168,059
Board of Education	390,689	484,224	441,657	42,567
Administration	2,573,340	2,776,385	2,683,165	93,220
Fiscal	1,213,873	1,221,873	1,162,883	58,990
Business	359,990	326,990	291,090	35,900
Operation and Maintenance of Plant	3,831,561	3,540,611	3,298,070	242,541
Pupil Transportation	2,098,109	2,068,259	1,972,489	95,770
Central	211,637	211,637	153,580	58,057
<b>Operation of Non-Instructional/Shared Services:</b>				
Community Services	36,942	36,942	25,111	11,831
<b>Extracurricular Activities:</b>				
Academic Oriented Activities	231,845	231,845	197,201	34,644
Sport Oriented Activities	920,453	920,453	833,890	86,563
School and Public Service Co-Curricular Activities	60,848	60,848	47,883	12,965
<b>Total Expenditures</b>	<b>37,194,151</b>	<b>37,216,343</b>	<b>34,829,955</b>	<b>2,386,388</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(292,264)</b>	<b>(1,377,992)</b>	<b>1,141,395</b>	<b>2,519,387</b>
<b>OTHER FINANCING SOURCES AND USES:</b>				
Transfers In	635,000	549,000	552,557	3,557
Proceeds from Sale of Capital Assets	10,000	10,000	4,049	(5,951)
Refund of Prior Year Expenditures	2,500	-	-	-
Transfers Out	(929,275)	(949,275)	(936,678)	12,597
Advances Out	-	(32,000)	(32,000)	-
<b>Total Other Financing Sources and Uses</b>	<b>(281,775)</b>	<b>(422,275)</b>	<b>(412,072)</b>	<b>10,203</b>
<b>Net Change in Fund Balances</b>	<b>(574,039)</b>	<b>(1,800,267)</b>	<b>729,323</b>	<b>2,529,590</b>
Fund Balance at Beginning of Year	23,537,245	23,537,245	23,537,245	-
Prior Year Encumbrances Appropriated	270,837	270,837	270,837	-
<b>Fund Balance at End of Year</b>	<b>\$ 23,234,043</b>	<b>\$ 22,007,815</b>	<b>\$ 24,537,405</b>	<b>\$ 2,529,590</b>

See accompanying notes to the basic financial statement

**Beachwood City School District**  
Statement of Fund Net Position  
Proprietary Fund  
June 30, 2021

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	<b>Governmental Activities - Internal Service Fund</b>
<b>ASSETS</b>	
<b>Current Assets:</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 2,421,100
<b>Total Assets</b>	<u>2,421,100</u>
<b>LIABILITIES</b>	
<b>Current Liabilities:</b>	
Claims Payable	399,300
<b>Total Liabilities</b>	<u>399,300</u>
<b>NET POSITION</b>	
Unrestricted	2,021,800
<b>Total Net Position</b>	<u>\$ 2,021,800</u>

See accompanying notes to the basic financial statements.

***Beachwood City School District***  
Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Fund  
For the Fiscal Year Ended June 30, 2021

	<b>Governmental Activities - Internal Service Fund</b>
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 3,804,563
Miscellaneous	389,007
<b>Total Operating Revenues</b>	<u>4,193,570</u>
 <b>OPERATING EXPENSES</b>	
Claims	3,888,541
Other	197,316
<b>Total Operating Expenses</b>	<u>4,085,857</u>
Change in Net Position	107,713
 Net Position - Beginning of Year	 <u>1,914,087</u>
<b>Net Position - End of Year</b>	<b><u>\$ 2,021,800</u></b>

See accompanying notes to the basic financial statements.

**Beachwood City School District**  
Statement of Cash Flows  
Proprietary Fund  
For the Fiscal Year Ended June 30, 2021

	<b>Governmental Activities - Internal Service Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Self Insurance Premiums	\$ 4,193,570
Cash Payments for Claims	(4,044,457)
Net Cash Provided by Operating Activities	149,113
Net Increase in Cash and Cash Equivalents	149,113
Cash and Cash Equivalents - Beginning of Year	2,271,987
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 2,421,100</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating Income	\$ 107,713
Adjustments:	
Increase in Liabilities:	
Claims Payable	41,400
Net Cash Provided by Operating Activities	<b>\$ 149,113</b>

See accompanying notes to the basic financial statements.

***Beachwood City School District***  
**Statement of Fiduciary Net Position**  
**Custodial Funds**  
**June 30, 2021**

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	<b>Custodial Fund</b>
<b>ASSETS</b>	
Equity in Pooled Cash and Cash Equivalents	\$ 5,260
<b>Total Assets</b>	5,260
 <b>LIABILITIES</b>	
Due to External Parties	5,260
<b>Total Liabilities</b>	5,260
 <b>NET POSITION</b>	
Restricted For:	
Individuals, Organizations, and Other Governments	-
<b>Total Net Position</b>	\$ -

See accompany notes to the basic financial statements.

***Beachwood City School District***  
**Statement of Change in Fiduciary Net Position**  
**Custodial Funds**  
**June 30, 2021**

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	<b>Custodial Fund</b>
<b>ADDITIONS</b>	
Collections for Other Organizations	\$ 10,206
<b>Total Additions</b>	<b>10,206</b>
<b>DEDUCTIONS</b>	
Collections to Other Organizations	10,206
<b>Total Deductions</b>	<b>10,206</b>
Net Increase (Decrease) in Fiduciary Net Position	-
Net Position - Beginning of Year	-
<b>Net Position - End of Year</b>	<b>\$ -</b>

See accompany notes to the basic financial statements.

*NOTES*

*TO*

*BASIC*

*FINANCIAL*

*STATEMENTS*

***Beachwood City School District***  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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

The Beachwood City School District (the “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 is a city school district as defined by Section 3311.02 of the Ohio Revised Code. The School District operates under an elected Board of Education (five members) and is responsible for the provision of public education to residents of the School District.

The Board controls the School District’s five instructional facilities and one support facility staffed by 160 certificated teaching personnel, 130 non-certificated support personnel and 15 administrators.

The School District is located east of Cleveland, Ohio, in a prosperous suburb consisting of residences and significant office and retail commercial development. The enrollment for the School District during the 2021 fiscal year was 1,608. The School District operates an early childhood center, two elementary schools, a middle school, and a high school.

**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 Beachwood City School District, this includes general operations, food service, preschool, consortiums and student related activities 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. The School District has no component units.

The School District participates in two jointly governed organizations and one public entity risk pool. These organizations are presented respectively in Note 18 and Note 12B to the basic financial statements. These organizations are:

Jointly Governed Organizations:

Ohio Schools’ Council Association  
Lake Geauga Computer Association

Public Entity Risk Pool:

Workers’ Compensation Group Retro Program



**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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

The financial statements of the 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 more significant of the School District's accounting policies are described as below.

**A. Basis of Presentation**

The School District's basic financial statements consist of government-wide statements, including a statement of net position 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 position 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 activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. An exception to this general rule is that interfund services provided and used are not eliminated in the process of consolidation.

The statement of net position presents the financial condition of the governmental activities of the School District at year-end. The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function program of the School District's governmental activities. 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 and grants and contributions that are restricted to meeting the operational or capital requirements of 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 governmental function is self-financing or draws from the general revenues of the School District.

***Fund Financial Statements*** During the school 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 fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

**B. Fund Accounting**

The School District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into the categories governmental, proprietary, and fiduciary.

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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

**Bond Retirement Fund** - The Bond Retirement Fund is used to account for the accumulation of resources received from property taxes for the payment of general long-term debt, principal, interest and related costs.

**Permanent Improvement Fund** - The Permanent Improvement Fund accounts for resources received from property taxes to be used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds.

**Proprietary Fund** - Proprietary funds focus on the determination of the changes in net position, financial position, and cash flows. Proprietary funds are classified as enterprise or internal service; the School District has one internal service fund and no enterprise funds.

**Internal Service Fund** - The Internal Service Fund is a self-insurance program, which provides vision, dental and prescription drug benefits to employees.

**Fiduciary Funds** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that have certain characteristics. The School District has no trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The School District's only custodial fund accounts for the athletic tournaments.

### **C. Measurement Focus**

The accounting and financial reporting treatment applied to a fund is determined by its 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 Position.

**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.

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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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 position. The statement of changes in fund net position 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 activity.

**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 are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary funds and fiduciary funds also use the accrual basis of accounting. Differences in the accrual and modified accrual bases of accounting arise in the recognition of revenue, the recording of deferred inflows and deferred outflows of resources 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 the transaction can be determined, and “available” means collectible within the current fiscal year or 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.

Non-exchange 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 8. 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 fiscal 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 non-exchange transactions must also be available before it can be recognized.

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

***Deferred Outflows/Inflows of Resources*** - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 13 and 14.

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, but is not limited to, delinquent property taxes, intergovernmental grants and other revenue. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 13 and 14)

**Expenditures/Expenses** - 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. 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 sets 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 certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. 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 in effect at the time the final appropriations were passed.

The appropriation resolution is subject to amendment by the Board of Education throughout the year with the restriction that appropriations may not exceed estimated revenues. 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 years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year.

**Encumbrances**

As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance.

***Beachwood City School District***  
Notes to the Basic Financial Statements  
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**Lapsing of Appropriations**

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are re-appropriated.

**F. Cash and Investments**

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 The School District records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

During fiscal year 2021, investments were limited to Federal Farm Credit, FHLB, FHLMC, commercial paper, negotiable certificates of deposits, U.S. Treasury Notes and Bonds, and STAR Ohio.

During fiscal year 2021, the School District invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB) Statement No. 79, "Certain External Investment Pools and Pool Participants". The School District measures their investments in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For the fiscal year 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Interest on pooled cash and investments is only allocated to governmental, enterprise and fiduciary fund types as required by state statute. Following Ohio statutes, the Board of Education has specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund from other funds during fiscal year 2021 amounted to \$44,339, with \$6,307 being assigned from other funds.

For presentation on the financial statements, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are considered to be cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as investments.

**G. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year which services are consumed.

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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**H. Materials and Supplies Inventory**

On fund financial statements, inventories of governmental funds are stated at cost while inventories held for resale are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis and is determined by physical count. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when used (consumption method). Inventories in the General Fund and other nonmajor governmental funds consist of donated food, purchased food, and bus garage supplies and are expensed when used.

**I. Restricted Assets**

Assets are reported as restricted assets when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other government or imposed by enabling legislation. By Statute, money must be set aside to create a reserve for budget stabilization. Restricted assets in the General Fund include the amount required by State statute to be set aside for budget stabilization. See Note 17 for additional information regarding set-asides.

**J. 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 position but are not reported on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value. The School District maintains a capitalization threshold of one thousand dollars with the exception of any items deemed by the Business Manager to be capitalized. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of general capital assets is not capitalized.

All reported capital assets, other than land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Land Improvements	30 years
Buildings/Building Improvements	20-50 years
Vehicles	10 years
Equipment	5 – 10 years

***Beachwood City School District***  
Notes to the Basic Financial Statements  
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**K. Inter-fund Balances**

On fund financial statements, receivables and payables resulting from short-term inter-fund loans are classified as "inter-fund receivables/payables". These amounts are eliminated in the governmental activities columns of the statement of net position.

**L. Compensated Absences**

The School District reports compensated absences in accordance with the provision of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees.

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 all employees after ten years of service.

The long-term compensated absence liability is reported on the government-wide financial statements. The short-term compensated absence liability amounts are recorded in the account "accrued wages and benefits" in the fund from which the employees who have accumulated leave are paid.

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

All payables, accrued liabilities and long-term obligations are reported in the government-wide 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 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 payment during the current fiscal year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

**N. Net Position**

Net Position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets 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 position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for non-public schools and community involvement. The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**Beachwood City School District**  
Notes to the Basic Financial Statements  
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**O. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

***Restricted*** Fund Balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions.

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the School District Board of Education. Those committed amounts cannot be used for any other purpose unless the School District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the School District Board of Education. This amount is the projected deficit for the following school year.

***Unassigned*** Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The School District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**P. 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 for a self-insurance program for vision claims. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. Revenues and expenditures not meeting this definition are reported as non-operating.



**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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**Q. Inter-fund Transactions**

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. 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 inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the proprietary fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**R. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the School District and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2021.

**S. 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 on the financial statements and accompanying notes. Actual results may differ from those estimates.

**T. Pensions/Other Postemployment Benefits (OPEB)**

For purposes of measuring the net pension/OPEB liability, net OPEB asset, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

**Note 3 – Change in Accounting Principles and Restatement of Net Position and Fund Balance**

During the fiscal year, the School District implemented the following Governmental Accounting Standards Board (GASB) Statements:

GASB Implementation Guide No. 2019-1 *Update* and Implementation Guide No. 2019-2 *Fiduciary Activities*. These changes were incorporated in the School District's financial statements; however, there was no effect on the beginning net position/fund balance.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address those and other accounting and financial reporting implication that result from the replacement of an IBOR. The implementation of this Statement did not have an effect on the financial statements of the School District.

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

GASB Statement No. 84, *Fiduciary Activities*. This Statement established specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business-type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the School District will no longer be reporting agency funds. The School District reviewed its fiduciary funds and certain funds will be reported in the new fiduciary fund classification of custodial funds while other funds have been reclassified as governmental funds. These fund reclassifications resulted in the restatement of beginning net position for custodial funds, in the amount of \$0.

The implementation of GASB Statement No. 84 had the following effect on Governmental fund balance/net position.

	Governmental Activities
Net Position June 30, 2020	\$ 24,898,191
Adjustments:	
GASB Statement No. 84	1,725,009
Restated Net Position June 30, 2020	\$ 26,623,200

	General Fund	Bond Retirement	Permanent Improvement	Other Governmental	Total
Fund Balance June 30, 2020	\$ 29,747,920	\$ 3,684,488	\$ 3,223,833	\$ 662,634	\$ 37,318,875
Adjustments:					
GASB Statement No. 84	1,552,168	-	-	172,841	1,725,009
Restated Fund Balance June 30, 2020	\$ 31,300,088	\$ 3,684,488	\$ 3,223,833	\$ 835,475	\$ 39,043,884

**Note 4 - Accountability**

Fund balances at June 30, 2021, included the following fund deficit balances

	Fund Balance Deficits
<u>Nonmajor Funds</u>	
Recreation	\$ 5,136
Consortium	327,083
IDEA B	2,737
Total	\$ 334,956

The fund deficits in the funds resulted from accrued liabilities. The general fund is liable for the deficits in these funds and will provide transfers when cash is required, not when accruals occur.

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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**Note 5 - Budgetary Basis of Accounting**

While the School District is reporting financial position, results of operations, and changes in fund balances 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 Balance - Budget (Non-GAAP Basis) and Actual presented for the General 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 fund financial statements are the following:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures and expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed or assigned fund balance (GAAP basis).
4. Some funds are included in the General Fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund.

Net Change in Fund Balance	
GAAP Basis	\$ 1,274,358
Net Adjustment for Revenue Accruals	782,066
Net Adjustments for Expenditure Accruals	(1,153,521)
Funds with Separate Legally Adopted Budgets	131,917
Adjustment for Encumbrances	(305,497)
Budget Basis	\$ 729,323

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

**Note 6 – Fund Balances**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Bond Retirement	Permanent Improvement	Other Governmental Funds	Total
<i>Nonspendable</i>					
Inventories	\$ 75,965	\$ -	\$ -	\$ 7,604	\$ 83,569
Unclaimed Funds	6,320	-	-	-	6,320
<i>Total Nonspendable</i>	<u>82,285</u>	<u>-</u>	<u>-</u>	<u>7,604</u>	<u>89,889</u>
<i>Restricted for</i>					
Budget Stabilization	134,873	-	-	-	134,873
Food Service Operations	-	-	-	14,322	14,322
Expandable Trust Funds	-	-	-	19,040	19,040
Marketing School Store	-	-	-	8,023	8,023
Pupil Support	-	-	-	37,421	37,421
Local Grants	-	-	-	5,513	5,513
Preschool	-	-	-	503,653	503,653
Student Managed Student Activities	-	-	-	145,432	145,432
District Managed Student Activities	-	-	-	59,757	59,757
State Grants	-	-	-	59,428	59,428
Federal Grants	-	-	-	2,540	2,540
Bond Retirement	-	2,836,265	-	-	2,836,265
Permanent Improvements	-	-	2,044,457	-	2,044,457
<i>Total Restricted</i>	<u>134,873</u>	<u>2,836,265</u>	<u>2,044,457</u>	<u>855,129</u>	<u>5,870,724</u>
<i>Committed to</i>					
Capital Projects	-	-	-	100,000	100,000
<i>Total Committed</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
<i>Assigned to</i>					
FY 2022 Appropriations	3,456,532	-	-	-	3,456,532
Instruction	140,990	-	-	-	140,990
Support Services	156,162	-	-	-	156,162
Workers' Compensation	1,429,263	-	-	-	1,429,263
<i>Total Assigned</i>	<u>5,182,947</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,182,947</u>
<i>Unassigned (Deficit)</i>	<u>27,174,341</u>	<u>-</u>	<u>-</u>	<u>(334,956)</u>	<u>26,839,385</u>
<b>Total Fund Balances</b>	<u><b>\$ 32,574,446</b></u>	<u><b>\$ 2,836,265</b></u>	<u><b>\$ 2,044,457</b></u>	<u><b>\$ 627,777</b></u>	<u><b>\$ 38,082,945</b></u>

**Note 7 - Deposits and Investments**

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

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

***Beachwood City School District***  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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Inactive deposits are public deposits the Board of Education 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.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. Interim monies may be 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 provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain Banker's acceptances and commercial paper notes for the period not to exceed one hundred and eighty days from the date of purchase in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time; and,
8. Under limited circumstances, debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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

**Deposits**

At fiscal year end, the carrying amount of the School District's deposits was \$311,711. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2021, \$588,218 of the School District's bank balance of \$719,922 was covered by Federal Depository Insurance and \$79,829 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the School District's name, and \$52,007 was uninsured and uncollateralized. The School District's financial institutions were approved for a reduced collateral rate of 60 percent through the Ohio Pooled Collateral System, resulting in the uninsured and uncollateralized balance.

**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. Protection of the School District's cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC), as well as qualified securities pledged by the institution holding the assets. Ohio law requires that deposits either be insured or protected by:

Eligible securities pledged to the School District and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. The School District's financial institutions had enrolled in OPCS as of June 30, 2021.

**Investments**

All investments are in an internal investment pool. STAR Ohio is measured at net asset value (NAV) per share while all other investments are measured at fair value. The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The School District's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications.

**Beachwood City School District**  
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Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs). The below tables identify the School District's recurring fair value measurement as of June 30, 2021. As previously discussed, Star Ohio is reported at its net asset value.

As of June 30, 2021, the School District had the following investments and maturities:

	<u>Fair Value/NAV</u>	<u>Maturity</u>	<u>Level Input</u>
Certificate of Deposit Wells Fargo	\$ 250,188	9/27/2021	2
Certificate of Deposit Northern Bank & Trust	248,856	10/15/2021	2
Certificate of Deposit Discover	249,117	11/30/2021	2
Certificate of Deposit Berkshire Bank/Pittsfield	249,240	12/9/2021	2
Certificate of Deposit Wells Fargo	251,134	12/30/2021	2
Certificate of Deposit Preferred Bank	251,072	12/31/2021	2
Certificate of Deposit Bank OZK	249,652	1/6/2022	2
Certificate of Deposit UBS Bank	250,651	3/11/2022	2
Certificate of Deposit Enerbank USA	250,581	03/14/22	2
Certificate of Deposit Centerstate Bank	249,719	03/21/22	2
Certificate of Deposit CITI Bank	249,855	03/28/22	2
Certificate of Deposit Tristate	245,000	04/24/22	2
Certificate of Deposit Encore Bank	250,623	04/29/22	2
Certificate of Deposit Medallion Bank	249,608	05/19/22	2
Certificate of Deposit Pioneer Bank	249,615	05/19/22	2
Certificate of Deposit Grasshopper Bank	249,615	05/20/22	2
Certificate of Deposit American National Bank	249,722	05/20/22	2
Certificate of Deposit Luana Savings Bank	249,617	05/23/22	2
Certificate of Deposit First National Bank Moose	131,263	05/23/22	2
Certificate of Deposit Mizrahi Tefahot Bank	250,033	06/30/22	2
Certificate of Deposit Currie State Bank	249,401	07/18/22	2
Certificate of Deposit Ally Bank	251,496	08/01/22	2
Certificate of Deposit Alma Bank	253,300	08/12/22	2
Certificate of Deposit Bank Hapoalim	249,401	08/26/22	2

Continued

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

	<u>Fair Value/NAV</u>	<u>Maturity</u>	<u>Level Input</u>
Certificate of Deposit Texas Capital Bank, National	\$ 249,249	09/06/22	2
Certificate of Deposit Capital One	254,161	10/18/22	2
Certificate of Deposit Morgan Stanley	252,096	12/12/22	2
Certificate of Deposit Sallie Mae Bank	252,096	12/12/22	2
Certificate of Deposit Morgan Stanley	252,096	12/12/22	2
Certificate of Deposit Bank Forward	255,048	12/19/22	2
Certificate of Deposit Marlin Business Bank	255,158	01/17/23	2
Certificate of Deposit Parkway Bank and Trust	184,906	02/27/23	2
Certificate of Deposit Synchrony Bank	251,121	04/24/23	2
Certificate of Deposit Texas Exchange Bank	101,060	06/02/23	2
Certificate of Deposit Live Oak Bank	256,993	06/13/23	2
Certificate of Deposit Maple Financial Holding	256,489	06/19/23	2
Certificate of Deposit First Keystone	249,085	06/30/23	2
Certificate of Deposit Bankwell Bank	249,866	07/28/23	2
Certificate of Deposit Goldman Sachs	264,075	04/10/24	2
Certificate of Deposit New York Community Bank	250,433	07/01/24	2
Commercial Paper Credit Suisse Holdings	439,864	01/08/21	2
Commercial Paper Credit Agricole CIB NY	1,199,628	02/03/21	2
Commercial Paper MUFG Bank	199,912	10/29/21	2
Commercial Paper Toyota Motor Credit Corp.	199,910	11/01/21	2
Commercial Paper NATIXIS	729,671	11/01/21	2
Commercial Paper NATIXIS	244,873	11/22/21	2
U.S. Treasury Bond	869,057	06/30/23	2
U.S. Treasury Bond	248,478	06/15/24	2
U.S. Treasury Note	868,326	02/28/23	2
U.S. Treasury Note	621,631	12/15/23	2
U.S. Treasury Note	621,144	01/15/24	2
U.S. Treasury Note	745,958	5/15/2024	2
Federal Farm Credit	659,965	12/28/21	2
Federal Farm Credit	508,560	06/14/22	2
Federal Farm Credit	190,175	07/13/22	2
Federal Farm Credit	1,300,390	09/09/22	2
Federal Farm Credit	550,000	10/13/22	2
Federal Farm Credit	679,334	10/21/22	2
Federal Farm Credit	909,865	01/23/23	2
Federal Farm Credit	896,391	02/26/24	2
Federal Farm Credit	396,393	04/05/24	2
Federal Home Loan Bank	250,025	08/19/22	2
Federal Home Loan Bank	746,977	03/08/24	2
Federal Home Loan Mortgage	454,608	08/19/22	2
Federal Home Loan Mortgage	114,853	09/01/22	2
Star Ohio	18,840,516		
	<u>\$ 43,199,195</u>		



***Beachwood City School District***  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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**Interest Rate Risk**

As a means of limiting its exposure to fair value losses caused by rising interest rates, the School District's policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the School District's Investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

**Credit Risk**

The Federal Home Loan Mortgage, Federal Home Loan Bank, Federal Farm Credit., and U.S. Treasury Bonds and Notes carry a rating of AA+ by Standard & Poor's, STAR Ohio carries a rating of AAAM by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. Commercial Paper must be rated P-1 by Moody's and A-1 by Standard & Poor's. The negotiable certificates of deposit were not rated. The School District has no investment policy that would further limit its investment choices.

**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 Commercial Paper, Federal Home Loan Mortgage, Federal Home Loan Bank, Federal National Mortgage Assoc. and Federal Farm Credits 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 of qualified trustee. At fiscal year end, the School District's investment in negotiable certificates of deposit of \$9,712,691 was fully covered by the FDIC.

**Concentration of Credit Risk**

The School District places no limit on the amount it may invest in any one issuer. The School District's investments in the Federal Home Loan Mortgage represents 2.3%, Federal Home Loan Bank represents 1.3%, U.S. Treasury Bond 2.6%, Federal Farm Credits 14.1%, Commercial Paper 7.0%, negotiable certificates of deposit represent 22.5%, U.S. Treasury Notes 6.6% and STAR Ohio representing 43.6% of the School District's total investments.

**Note 8 - Property Taxes**

Property taxes are levied and assessed on a calendar year basis, while the School District's fiscal year runs from July through June. First-half tax distributions are received by the School District in the second half of the fiscal year. Second-half tax distributions are received in the first half of the following fiscal year.

Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the School District. Real property tax revenue received in calendar year 2021 represents collections of calendar year 2020 taxes.

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

Real property taxes received in calendar year 2020 were levied after April 1, 2020, on the assessed value listed as of January 1, 2021, 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 earlier or later payment dates to be established.

Public utility property tax revenue received in calendar 2019 represents collections of calendar year 2020 taxes. Public utility real and tangible personal property taxes received in calendar year 2020 become a lien December 31, 2019, were levied after April 1, 2020 and are collected in 2021 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.

The Cuyahoga County Fiscal Officer collects property taxes on behalf of the School District. The County Fiscal Officer periodically advances to the School District its portion of the taxes collected. These tax “advances” are based on three-year historical cash flow collection rates and occur eight times annually. Second-half real property tax payments collected by the County by June 30, 2021, are available to finance fiscal year 2021 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, public utility property, and tangible personal property taxes, which became measurable as of June 30, 2021 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed settlement of personal property tax and the amount available as an advance at June 30 were levied to finance current fiscal year operations, which is recognized as revenue. The receivable is therefore offset by a credit to deferred inflows of resources for that portion not levied to finance current year operations. The amount available as an advance at June 30, 2021 was \$1,501,626 for the General Fund, \$253,105 in the Bond Retirement Fund, and \$18,181 in the Permanent Improvement Fund. The amount available as an advance at June 30, 2020 was \$1,631,566 for the General Fund, \$228,245 in the Bond Retirement Fund, and \$36,993 in the Permanent Improvement Fund.

The assessed values upon which the fiscal year 2021 taxes were collected are:

	2020 Second- Half Collections		2021 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential	\$ 392,806,060	48.78%	\$ 395,419,090	48.52%
Industrial/Commercial	399,483,870	49.61%	405,049,430	49.70%
Public Utility	12,992,330	1.61%	14,457,660	1.77%
Total Assessed Value	<u>\$ 805,282,260</u>	<u>100.00%</u>	<u>\$ 814,926,180</u>	<u>99.99%</u>
Tax rate per \$1,000 of Assessed valuation	\$ 92.10		\$ 91.70	

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

**Note 9 - Receivables**

Receivables at June 30, 2021, consisted of taxes, accounts (rent and student fees), intergovernmental, and accrued interest. All receivables are considered collectible in full because of the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

**Note 10 - Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2021 was as follows:

	Balance 6/30/2020	Additions	Deletions	Balance 6/30/2021
<b>Governmental Activities</b>				
Capital Assets, not being depreciated:				
Land	\$ 978,708	\$ -	\$ -	\$ 978,708
Construction in Progress	-	1,049,495	-	1,049,495
Total Capital Assets, not being depreciated	978,708	1,049,495	-	2,028,203
Capital Assets, being depreciated:				
Land Improvements	4,075,740	-	-	4,075,740
Buildings and Buildings Improvements	89,037,787	215,742	-	89,253,529
Vehicles	2,358,103	197,306	(144,624)	2,410,785
Equipment	9,223,279	409,845	(4,741)	9,628,383
Total Capital Assets, being depreciated	104,694,909	822,893	(149,365)	105,368,437
Less Accumulated Depreciation:				
Land Improvements	(2,461,980)	(134,020)	-	(2,596,000)
Buildings and Buildings Improvements	(31,671,205)	(1,884,242)	-	(33,555,447)
Vehicles	(1,594,386)	(144,363)	144,624	(1,594,125)
Equipment	(8,126,507)	(428,495)	4,741	(8,550,261)
Total Accumulated Depreciation	(43,854,078)	(2,591,120)	149,365	(46,295,833)
<b>Total Capital Assets being depreciated, Net</b>	<b>60,840,831</b>	<b>(1,768,227)</b>	<b>-</b>	<b>59,072,604</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 61,819,539</b>	<b>\$ (718,732)</b>	<b>\$ -</b>	<b>\$ 61,100,807</b>

Depreciation expense was charged to governmental functions as follows:

Instruction:		
Regular		\$ 1,432,816
Special		59,449
Vocational		35,893
Recreation		1,345
Support Services:		
Pupil		158,394
Instructional Staff		265,763
Board of Education		22,116
Administration		32,680
Fiscal		4,829
Business		11,137
Operation and Maintenance of Plant		130,655
Pupil Transportation		189,861
Central		1,845
Operation of Non-Instructional Services:		
Food Services		79,343
Community Services		60,172
Extracurricular Activities		104,822
<b>Total Depreciation Expense</b>		<b>\$ 2,591,120</b>

***Beachwood City School District***  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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**Note 11 – Inter-fund Transactions**

As of June 30, 2021, on the fund financial statements, the Consortium fund, which is a Nonmajor governmental fund, owed the General Fund \$2,832,239. The School District's consortium funds provide services to local surrounding school districts. Costs are billed on a per pupil basis. The School District incurs administrative and operational costs that are billed to the consortium districts but are costs that are incurred by the general fund. Over time, the consortium funds owe the general fund these dollars.

In the prior fiscal year, the General fund advanced \$3,215,000 to the Permanent Improvement fund to cover project expenditures.

During the year ended June 30, 2021 the General Fund transferred \$284,121 to Other Nonmajor Governmental Funds. The transfers were made to move unrestricted balances to support programs and projects accounted for in other funds.

**Note 12 - Risk Management**

**A. Property and Liability**

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2021, the School District contracted with The Netherlands Insurance Co. for property, general liability insurance and boiler and machinery coverage in the amounts of \$102,430,820, \$2,000,000, and \$100,000,000 respectively. The deductible varies from \$1,000 to \$5,000.

Umbrella Liability insurance and Excess Umbrella Liability insurance are covered by Midwestern Indemnity with a \$10,000,000 single occurrence limit on both policies and no deductibles unless a claim doesn't fall under an underlying policy which would create the need for a \$10,000 self-insured retainer. The District contracted with Markel American Insurance Company for a commercial excess liability policy in the amount of \$5,000,000 per occurrence and \$5,000,000 aggregate. Vehicles are also covered by The Netherland Insurance Co. and have a \$1,000 deductible for collision. Automobile liability has a \$1,000,000 combined single limit, \$5,000 medical payments, and \$1,000,000 uninsured motorists. Settled claims have not exceeded this commercial coverage.

The School District contracted with Liberty Mutual for public employee dishonesty coverage, with a \$1,000,000 limit and a \$1,000 deductible.

**B. Workers' Compensation**

Group Retro is an insurance purchasing pool. Each year, the participating school districts pay the enrollment fee of the Group Retro to cover the costs of administering the program.

The intent of the Group retro program is to achieve refunds which are calculated every 12, 24 and 36 months after the rate year ends. Employers pay their full Worker's Compensation premium up front.

The final refund is based on the group's performance, and an assessment is possible of the claims costs are significantly higher than expected. However, the School District has received refunds four years in a row.

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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**C. Self-Insurance Program**

The self-insurance program for dental of the School District employees and their covered dependents has been administered by Medical Mutual since September 1, 2006. Self-insured medical, prescription drug and dental claims are administered by Medical Mutual. Self-insured vision claims are administered by Vision Service Plan (VSP). The district only began to self-insure medical claims commencing January 1, 2015. Under the program, the School District is obligated for claim payments. During fiscal year 2021, total claims expense of \$4,193,570 was recognized, which represents actual claims processed and paid as of June 30, 2021. Individual funds are charged for these medical expenses based on an estimate of total cost for the School District as prepared by the plan administrator, and are recorded as revenues of the Internal Service Fund.

Changes for the aggregate liability for claims for the current and past fiscal years are as follows:

<u>Year</u>	<u>Beginning Balance</u>	<u>Claims Incurred</u>	<u>Claims paid</u>	<u>Ending Balance</u>
2020	\$ 313,600	\$ 3,657,005	\$ 3,970,605	\$ 357,900
2021	\$ 357,900	\$ 4,234,970	\$ 4,193,570	\$ 399,300

**Note 13 - Defined Benefit Pension Plans**

*Net Pension Liability*

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the School District’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the School District’s obligation for this liability to annually required payments. The School District cannot control benefit terms or the manner in which pensions are financed; however, the School District does receive the benefit of employees’ services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

**Plan Description - School Employees Retirement System (SERS)**

District non-teaching employees participate in SERS, a cost-sharing, multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability, and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information, and detailed information about SERS’ fiduciary net position. That report can be obtained by visiting the SERS website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full Benefits	Any age with 30 years of service credit Age 65 with 5 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

\* Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, new benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension is in effect for all benefit recipients for the years 2018, 2019, and 2020. Upon resumption of the COLA, it will be indexed to the percentage increase in the CPI-W, not to exceed 2.5% and with a floor of 0.0%.

**Funding Policy** – Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2021, the allocation to pension, death benefits, and Medicare B was the entire 14.0 percent

The School District’s contractually required contribution to SERS was \$860,966 for fiscal year 2021.

***Beachwood City School District***  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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***Plan Description - State Teachers Retirement System (STRS)***

Plan Description – The School District’s licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing, multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information, and detailed information about STRS’ fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at [www.strsoh.org](http://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. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60. Eligibility changes for DB plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023 when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 13.0 of the 14.0 percent member rates goes to the DC Plan and the remaining 2.0 percent goes to the DB plan. Member contributions to the DC plan are allocated among investment choices by the member, and contributions to the DB plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member’s defined contribution account or the defined contribution portion of a member’s Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options in the GASB 68 schedules of employer allocation and pension amounts by employer.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member’s designated beneficiary is entitled to receive the member’s account balance.

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2021, plan members were required to contribute 14 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2021 contribution rates were equal to the statutory maximum rates.

The School District’s contractually required contribution to STRS was \$2,410,604 for fiscal year 2021.

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net Pension Liability Prior Measurement Date	0.1747117%	0.1370888%	
Proportion of the Net Pension Liability Current Measurement Date	<u>0.1841760%</u>	<u>0.1420904%</u>	
Change in Proportionate Share	<u>0.0094643%</u>	<u>0.0050016%</u>	
Proportionate Share of the Net Pension Liability	\$ 12,181,789	\$ 34,380,821	\$ 46,562,610
Pension Expense	\$ 1,345,785	\$ 4,265,644	\$ 5,611,429

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**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

At June 30, 2021, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$ 23,663	\$ 77,141	\$ 100,804
Changes of assumptions	-	1,845,586	1,845,586
Net difference between projected and actual earnings on pension plan investments	773,299	1,671,943	2,445,242
Changes in proportion and differences between School District contributions and proportionate share of contributions	342,079	1,068,056	1,410,135
School District contributions subsequent to the measurement date	<u>860,966</u>	<u>2,410,604</u>	<u>3,271,570</u>
Total Deferred Outflows of Resources	<u>\$ 2,000,007</u>	<u>\$ 7,073,330</u>	<u>\$ 9,073,337</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$ -	\$ 219,841	\$ 219,841
Changes in proportion and differences between School District contributions and proportionate share of contributions	<u>162,447</u>	<u>315,951</u>	<u>478,398</u>
Total Deferred Inflows of Resources	<u>\$ 162,447</u>	<u>\$ 535,792</u>	<u>\$ 698,239</u>

\$3,271,570 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2022	\$ 51,873	\$ 1,360,193	\$ 1,412,066
2023	360,286	766,768	1,127,054
2024	564,435	1,040,452	1,604,887
2025	<u>-</u>	<u>959,521</u>	<u>959,521</u>
Total	<u>\$ 976,594</u>	<u>\$ 4,126,934</u>	<u>\$ 5,103,528</u>

**Beachwood City School District**  
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**Actuarial Assumptions - SERS**

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67 as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2020, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.5 percent, on and after April 1, 2018, COLA's for future retirees will be delayed for three years following commencement
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

The mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120% of male rates and 110% of female rates is used to evaluate allowances to be paid. The RP-2000 Disabled Mortality Table with 90% for male rates and 100% for female rates set back five years is used for the period after disability retirement.

The most recent experience study was completed June 30, 2015.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

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The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	1.85 %
US Stocks	22.50	5.75
International Stocks	22.50	6.50
Fixed Income	19.00	2.85
Private Equity	12.00	7.60
Real Assets	17.00	6.60
Multi-Asset Strategies	5.00	6.65
Total	<u>100.00 %</u>	

**Discount Rate** The total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
School District's proportionate share of the net pension liability	\$ 16,687,563	\$ 12,181,789	\$ 8,401,358

**Changes since measurement date** The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of SERS, including the fair value of SERS' investment portfolio. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that may be recognized in subsequent periods cannot be determined with half of the fiscal year remaining. In addition, the impact on SERS' future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

At its September meeting 2020, the Board unanimously voted to approve a 0.5% cost-of-living adjustment (COLA) increase for eligible retirees and beneficiaries in 2021. Previously, COLAs were suspended from 2018 through 2020.

**Beachwood City School District**  
Notes to the Basic Financial Statements  
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**Actuarial Assumptions - STRS**

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2020, actuarial valuation is presented below:

Inflation	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Discount Rate of Return	7.45 percent
Payroll Increases	3 percent
Cost-of-Living Adjustments	0.0 percent

Post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the July 1, 2020 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

STRS Ohio's investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return *
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	<u>100.00 %</u>	

\* 10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25% and does not include investment expenses. Over a 30-year period, STRS Ohio's investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

**Discount Rate** The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above.

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For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2020. Therefore, the long-term expected rate of return on pension plan investments of 7.45 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2020.

***Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*** The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.45 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.45 percent) or one-percentage-point higher (8.45 percent) than the current rate:

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net pension liability	\$ 48,952,304	\$ 34,380,821	\$ 22,032,703

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**Note 14 – Defined Benefit OPEB Plans**

***Net OPEB Liability/Asset***

The net OPEB liability and net OPEB asset reported on the statement of net position represents a liability or asset to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability and net OPEB asset represent the School District’s proportionate share of each OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan’s fiduciary net position. The net OPEB liability and net OPEB asset calculations are dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits the School District’s obligation for this liability to annually required payments. The School District cannot control benefit terms or the manner in which OPEB are financed; however, the School District does receive the benefit of employees’ services in exchange for compensation including OPEB.

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability and net OPEB asset. Resulting adjustments to the net OPEB liability and net OPEB asset would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

***Plan Description - School Employees Retirement System (SERS)***

Health Care Plan Description - The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan.

SERS’ Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS’ health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS’ health care coverage. Most retirees and dependents choosing SERS’ health care coverage are over the age of 65 and therefore enrolled in a fully insured

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Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan.

The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2021, there was no contribution made to health care. A health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2021, this amount was \$23,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge.

The surcharge is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$93,244 for fiscal year 2021 and the full amount is reported as an intergovernmental payable.

***Plan Description - State Teachers Retirement System (STRS)***

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2020. The Plan is included in the report of STRS which can be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan.

Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2021, STRS did not allocate any employer contributions to post-employment health care.

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***OPEB Liabilities, OPEB Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability and net OPEB asset were measured as of June 30, 2020, and the total OPEB liability and asset used to calculate the net OPEB liability and net OPEB asset were determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability and net OPEB asset were based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net OPEB Liability			
Prior Measurement Date	0.1777379%	0.1370888%	
Proportion of the Net OPEB Liability/asset			
Current Measurement Date	<u>0.1842292%</u>	<u>0.1420904%</u>	
Change in Proportionate Share	<u>0.0064913%</u>	<u>0.0050016%</u>	
Proportionate Share of the Net			
OPEB Liability/(Asset)	\$ 4,003,902	\$ (2,497,235)	\$ 1,506,667
OPEB Expense	\$ (50,984)	\$ (129,741)	\$ (180,725)

At June 30, 2021, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$ 52,588	\$ 160,014	\$ 212,602
Changes of assumptions	682,526	41,223	723,749
Net difference between projected and actual earnings on pension plan investments	45,114	87,519	132,633
Changes in proportionate Share and difference between School District contributions and proportionate share of contributions	164,187	86,013	250,200
School District contributions subsequent to the measurement date	<u>93,244</u>	<u>-</u>	<u>93,244</u>
Total Deferred Outflows of Resources	<u>\$ 1,037,659</u>	<u>\$ 374,769</u>	<u>\$ 1,412,428</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$ 2,036,265	\$ 497,412	\$ 2,533,677
Changes of assumptions	100,850	2,371,960	2,472,810
Net difference between projected and actual earnings on OPEB plan investments	-	-	0
Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions	<u>270,868</u>	<u>13,262</u>	<u>284,130</u>
Total Deferred Inflows of Resources	<u>\$ 2,407,983</u>	<u>\$ 2,882,634</u>	<u>\$ 5,290,617</u>

\$93,244 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending



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June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2022	\$ (303,461)	\$ (626,116)	\$ (929,577)
2023	(300,196)	(566,876)	(867,072)
2024	(390,212)	(546,097)	(936,309)
2025	(236,444)	(533,884)	(770,328)
2026	(175,342)	(115,388)	(290,730)
Thereafter	(57,913)	(119,504)	(177,417)
Total	\$ (1,463,568)	\$ (2,507,865)	\$ (3,971,433)

**Actuarial Assumptions - SERS**

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination. Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2020, are presented on below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	2.45 percent
Prior Measurement Date	3.13 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	2.63 percent
Prior Measurement Date	3.22 percent
Medical Trend Assumption	
Medicare	5.25 to 4.75 percent
Pre-Medicare	7.00 to 4.75 percent

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Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120 percent of male rates and 110 percent of female rates. RP-2000 Disabled Mortality Table with 90 percent for male rates and 100 percent for female rates set back five years.

The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe.

The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2015 five-year experience study, are summarized on the following page:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	2.00 %	1.85 %
US Stocks	22.50	5.75
Non-US Stocks	22.50	6.50
Fixed Income	19.00	2.85
Private Equity	12.00	7.60
Real Assets	17.00	6.60
Multi-Asset Strategies	5.00	6.65
Total	<u>100.00 %</u>	

**Discount Rate** The discount rate used to measure the total OPEB liability at June 30, 2020 was 2.63 percent. The discount rate used to measure total OPEB liability prior to June 30, 2020 was 3.22 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and 0.50 percent of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 2.45 percent, as of June 30, 2020 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

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***Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates*** The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.63%) and higher (3.63%) than the current discount rate (2.63%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.75%) and higher (8.00% decreasing to 5.75%) than the current rate.

	1% Decrease (1.63%)	Current Discount Rate (2.63%)	1% Increase (3.63%)
School District's proportionate share of the net OPEB liability	\$4,900,678	\$4,003,902	\$3,290,969

	1% Decrease (6.00 % decreasing to 3.75%)	Current Trend Rate (7.00 % decreasing to 4.75%)	1% Increase (8.00 % decreasing to 5.75%)
School District's proportionate share of the net OPEB liability	\$3,152,769	\$4,003,902	\$5,142,088

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of SERS, including the fair value of SERS' investment portfolio. However, because the values of individual investments fluctuate with market conditions, and due to market volatility, the amount of losses that may be recognized in subsequent periods cannot be determined with half of the fiscal year remaining. In addition, the impact on SERS' future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

***Actuarial Assumptions – STRS***

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2020, actuarial valuation is presented below:

Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65	
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation	
Payroll Increases	3 percent	
Discount Rate of Return	7.45 percent	
Health Care Cost Trends	Initial	Ultimate
Medical		
Pre-Medicare	5.00 percent	4.00 percent
Medicare	-6.69 percent	4.00 percent
Prescription Drug		
Pre-Medicare	6.50 percent	
Medicare	11.87 percent	4.00 percent

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Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2020, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized on the following page:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return *</u>
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	<u>1.00</u>	2.25
Total	<u><u>100.00 %</u></u>	

\* 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actual rate of return, without net value added by management.

**Discount Rate** The discount rate used to measure the total OPEB liability was 7.45 percent as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.45 percent was used to measure the total OPEB liability as of June 30, 2020.

**Sensitivity of the School District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate** The following table represents the net OPEB asset as of June 30, 2020, calculated using the current period discount rate assumption of 7.45 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.45 percent) or one percentage point higher (8.45 percent) than the current assumption.

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Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net OPEB asset	\$ 2,172,758	\$ 2,497,235	\$ 2,772,545

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	\$ 2,755,455	\$ 2,497,235	\$ 2,182,688

**Note 16 – Long-Term Obligations**

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

	Principal Outstanding 6/30/2020	Additions	Reduction	Principal Outstanding 6/30/2021	Amounts Due in One Year
<b>Governmental Activities</b>					
Long-Term Notes Payable					
2016 COPS 2.47% - Direct Borrowings	\$ 3,440,000	\$ -	\$ 390,000	\$ 3,050,000	\$ 400,000
2016 COPS Premium-	122,091	-	17,441	104,650	-
2020 Tax Anticipation Note 1.17%	5,600,000	-	527,000	5,073,000	538,000
Total Long-Term Notes Payable	9,162,091	-	934,441	8,227,650	938,000
General Obligation Bonds					
2010 QSCB Bonds 5.125%	8,670,000	-	1,235,000	7,435,000	1,235,000
2013 Refunding .45-3.05%	2,380,000	-	1,175,000	1,205,000	1,205,000
2014 Refunding Tax Exempt 3-3.25%	11,149,966	-	11,060,000	89,966	-
2021 Refunding Tax Exempt 1-4.00%	-	8,620,000	-	8,620,000	-
Premium	-	1,370,130	102,760	1,267,370	-
Total General Obligation Bonds	22,199,966	9,990,130	13,572,760	18,617,336	2,440,000
Net Pension Liability:					
STRS	30,316,365	4,064,456	-	34,380,821	-
SERS	10,453,308	1,728,481	-	12,181,789	-
Total Net Pension Liability	40,769,673	5,792,937	-	46,562,610	-
Net OPEB Liability:					
SERS	4,469,734	-	465,832	4,003,902	-
Total Net OPEB Liability	4,469,734	-	465,832	4,003,902	-
Compensated Absences Payable	3,311,904	251,090	277,508	3,285,486	279,594
Long-Term Liabilities	3,311,904	251,090	277,508	3,285,486	279,594
Total Long-Term Liabilities	\$ 79,913,368	\$ 16,034,157	\$ 15,250,541	\$ 80,696,984	\$ 3,657,594

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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**Certificates of Participation (CoPS)** On March 16, 2016 the School District issued \$4,800,000 certificates of participation in the form of bank qualified tax exempt debt with an average interest rate of 2.47% for a period of 12 years. The School District issued CoPS to finance the main stadium project opened in the Fall of 2017. In the event the Lease is terminated because the School District does not appropriate sufficient money to pay Lease Payments with respect to the Leased Property for any immediately succeeding Renewal Term, or the School District defaults under the Lease, all of the Outstanding Certificates are subject to special redemption by the Trustee in whole at any time for which the required notice may be given at a price equal to 100% of the principal amount redeemed, plus interest accrued to the redemption date, from any available funds.

In May 2010, the community overwhelming passed a \$30 million 2.5 mill bond issue payable over 24 years. One portion of the financing was an issuance of \$11,260,000 in Qualified School Construction Bonds at an interest rate of 5.125%. The bonds were issued to renovate the High School. The interest paid on the bonds had been 100% subsidized by the federal government through federal stimulus funds. Again, due to sequestration, the interest remitted to the District decreased by 6.6%. The federal government remits the interest paid by the schools through a direct pay reimbursement. The debt rating assigned by Moody's is Aaa.

**Tax Anticipation Note** On May 5, 2020 the School District issued \$5,600,000 in tax anticipation notes at an interest rate of 1.170% and has a maturity date of December 1, 2029. These tax anticipation notes were issued to fund the renovation of the Natatorium and make certain improvements to the High School and football field. The Permanent Improvement Fund property taxes will pay for the bonds.

**Build America Bonds** As part of the bond financing, the District issued \$11,150,000 in Build America Bonds where the federal government remitted 35% of the interest on the bonds to the School District which was part of the federal stimulus funds. The bonds had an extraordinary call provision which the School District exercised due to sequestration. In June 2014 the District refunded this debt with an overall 6.36% net present value savings in the amount of \$709,502. Interest rates range from 2.78% to 3.66%. The debt rating assigned by Moody's is Aaa.

**General Obligation Bonds** The School District issued \$18,814,982 general obligation bonds with an interest rate of 2.0-5.25%, maturity date December 1, 2022. In July 2007, a portion of the School District's general obligation funds was advanced refunded and re-issued at a lower interest rate in the amount of \$6,244,997 with an interest rate of 4.00-4.25%. Present value savings from the advanced refunding is \$247,906. In December 2013, the District refunded a portion of these bonds in the amount of \$5,590,000 and reissued bonds in the amount of \$5,420,000. The District used \$500,000 of its sinking fund to defease a portion of the debt and also shortened the payback period by one year. The debt with mature on December 1, 2021. Net present value savings is \$312,100. In April 2021, the District refunded a portion of these bonds in the amount of \$8,620,000.

All bonds outstanding are general obligation of the School District for which the full faith and credit of the School District are pledged for repayment. General obligation bonds are to be repaid from a current 4.2 mill bonded-debt tax levy. Tax monies will be received in and the debt will be repaid from the Bond Retirement Fund.

Compensated absences will be paid from the funds from which the employee's salaries are paid. Compensated absences are generally liquidated by the general fund. There is no repayment schedule for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are made from the general fund and consortium fund. See Notes 13 and 14 to the Basic Financial Statements for more detailed information on net pension liability and net OPEB liability.

**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

The School District's overall voted debt margin was \$57,562,285 with an un-voted debt margin of \$814,926 at June 30, 2021.

Principal and interest requirements to retire the long-term obligations outstanding at June 30, 2021 were as follows:

Fiscal Year Ending	Long-Term Notes Payable		General Obligation Bonds		Total	
	Principal	Interest *	Principal	Interest *	Principal	Interest
2022	\$ 938,000	\$ 141,707	\$ 2,440,000	\$ 929,409	\$ 3,378,000	\$ 1,071,116
2023	954,000	123,227	1,834,966	1,179,187	2,788,966	1,302,414
2024	970,000	104,377	2,150,000	824,925	3,120,000	929,302
2025	992,000	85,276	2,175,000	802,050	3,167,000	887,326
2026	1,013,000	65,249	2,195,000	778,275	3,208,000	843,524
2027-2031	3,256,000	82,978	6,475,000	1,111,725	9,731,000	1,194,703
2032-2035	-	-	80,000	4,800	80,000	4,800
Total	\$ 8,123,000	\$ 602,814	\$ 17,349,966	\$ 5,630,371	\$ 25,472,966	\$ 6,233,185

\* \$819,945 direct payments from federal government which included the June 2020 payment remitted in July 2020 in the amount of \$274,422, less 5.7% due to sequestration.

**Note 17 - 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 acquisition and construction of capital improvements. Amounts not spent by fiscal year end or offset by similarly restricted resources received during the fiscal year must be held in cash at fiscal year end and carried forward to be used for the same purposes in future fiscal years.

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

	Capital Improvements	Budget Stabilization
Set-Aside Balance as of June 30, 2020	\$ -	\$ 134,873
Current Year Set-Aside Requirements	283,349	-
Qualifying Disbursements	(585,358)	-
Total	<u>(302,009)</u>	<u>134,873</u>
Set-Aside Balance Carried Forward to Future Fiscal Years	<u>(302,009)</u>	-
Set-Aside Balance as of June 30, 2021	<u>\$ (302,009)</u>	<u>\$ 134,873</u>

Although the School District had qualifying disbursements 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. The total reserve balance for the set-asides at the end of the fiscal year was \$134,873.

***Beachwood City School District***  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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**Note 18 – Jointly Governed Organizations**

*Ohio Schools’ Council Association* - The Ohio Schools’ Council Association (Council) is a jointly governed organization among over two hundred school districts, JVS, ESC and DD boards. 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 2021, the School District paid \$67,456 to the Council. Financial information can be obtained by contacting William Zelei, the Executive Director of the Ohio Schools Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

The OSC’s Natural Gas Program supplies natural gas to member districts in Dominion East Ohio (DEO) and Columbia Gas of Ohio (COH) territories. The current supplier and manager is Constellation New Energy (formerly Compass as of July 1, 2017). OSC have a variable rate with a 100% swing tolerance (so any over/under usage does not incur additional charges). OSC currently has more than 170 districts in the program and we service the Columbia and Dominion territories. The OSC gas program bills each district a level billing amount each month (aka budget billing) for consumption based on last year’s usage with an ending year balance calculated at the end of the fiscal year. If there is a positive balance the district can request a refund or use the credit toward future invoices until the amount is used up. The utility invoices the district for transportation.

In May 2014, The Ohio Schools Council negotiated and approved a contract for discounted electric generation with First Energy Solutions through Power4Schools(P4S) for schools in the FirstEnergy territory—Ohio Edison, Cleveland Electric Illuminating and Toledo Edison. There are more than 185 districts participating in this program including Beachwood School District.

*Lake Geauga Computer Association* - The Lake Geauga Computer Association (“LGCA”) is a jointly governed organization that was formed for the purpose of providing computer services for accounting, grading, scheduling, EMIS and other applications to its 19 members. The School District paid \$89,462 to LGCA during fiscal year 2021.

The executive committee (governing board) consists of the superintendents and treasurers of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the governing board. LGCA’s continued existence is not dependent on the School District’s continued participation. LGCA is not accumulating significant financial resources or experiencing fiscal stress, which would cause additional financial benefit or burden on the School District. Financial information can be obtained from the Lake Geauga Computer Association, 8140 Auburn Road, Painesville, Ohio 44077.

**Note 19 - Contingencies**

***A. Grants***

The School District receives financial assistance from numerous federal, state, and local agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2021.



**Beachwood City School District**  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2021

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***B. Litigation***

The School District is not party to claims or lawsuits that would, in the School District’s opinion, have a material effect of the basic financial statements.

***C. Full Time Equivalent (FTE)***

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, all ODE adjustments for fiscal year 2021 have been finalized.

**Note 20 – Other Commitments**

The School District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are components of fund balance for subsequent year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. As of June 30, 2021, the School District’s commitments for encumbrances in the governmental funds were as follows:

	Outstanding Encumbrances
General Fund	\$ 297,152
Permanent Improvement Fund	4,985,122
Nonmajor governmental funds	65,491
	\$ 5,347,765

**Note 21- COVID-19**

The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the School District. The impact on the School’s future operating costs, revenues and any recovery from emergency funding, either federal or state, cannot be estimated.

**Note 22 – Subsequent Event Note**

For fiscal year 2022, School District foundation funding received from the state of Ohio will be funded using a direct funding model. Under this new model, community school, STEM school and non-public scholarship funding for special needs students will be directly funded by the State of Ohio to the respective schools. For fiscal year 2021 and prior, the amounts related to students who were residents of the School District were funded to the School District who, in turn, made the payment to the respective private or parochial school.

*REQUIRED  
SUPPLEMENTARY  
INFORMATION*

***Beachwood City School District***  
**Schedules of Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**School Employees Retirement System (SERS) of Ohio**  
**Last Eight Fiscal Years (1)**

	2021	2020	2019	2018
School District's Proportion of the Net Pension Liability	0.1841760%	0.1747117%	0.1898316%	0.1892119%
School District's Proportionate Share of the Net Pension Liability	\$ 12,181,789	\$ 10,453,308	\$ 10,872,008	\$ 11,304,993
School District's Covered Payroll	\$ 6,452,700	\$ 5,994,437	\$ 6,175,341	\$ 6,093,679
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	188.79%	174.38%	176.06%	185.52%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.55%	70.85%	71.36%	69.50%

(1) Information prior to 2014 is not available. Schedule is intended to show ten years of information, and additional information will be displayed as it becomes available.

Amounts presented as of the School District's measurement date which is the prior fiscal period end.

See accompanying notes to the required supplementary information

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<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.1850622%	0.1850622%	0.189335%	0.203489%
\$ 13,544,846	\$ 10,803,609	\$ 10,298,462	\$ 12,100,838
\$ 5,596,179	\$ 5,907,329	\$ 5,357,287	\$ 5,263,129
242.04%	182.88%	192.23%	229.92%
62.98%	69.16%	71.70%	65.52%

***Beachwood City School District***  
**Schedules of Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net Pension Liability**  
**State Teachers Retirement System (STRS) of Ohio**  
**Last Eight Fiscal Years (1)**

	2021	2020	2019	2018
School District's Proportion of the Net Pension Liability	0.14209040%	0.13708880%	0.13985150%	0.13660450%
School District's Proportionate Share of the Net Pension Liability	\$ 34,380,821	\$ 30,316,365	\$ 30,750,205	\$ 32,450,692
School District's Covered Payroll	\$ 17,148,093	\$ 16,094,757	\$ 16,281,843	\$ 15,098,007
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	200.49%	188.36%	188.86%	214.93%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.50%	77.40%	77.31%	75.29%

(1) Information prior to 2014 is not available. Schedule is intended to show ten years of information, and additional information will be displayed as it becomes available.

Amounts presented as of the School District's measurement date which is the prior fiscal period end.

See accompanying notes to the required supplementary information

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2017	2016	2015	2014
0.13652209%	0.14090955%	0.14048700%	0.14048700%
\$ 45,698,059	\$ 38,943,279	\$ 34,171,300	\$ 40,704,629
\$ 14,508,436	\$ 15,296,057	\$ 15,615,492	\$ 15,469,908
314.98%	254.60%	218.83%	263.12%
66.80%	72.10%	74.70%	69.30%

***Beachwood City School District***  
Schedules of Required Supplementary Information  
Schedule of District Contributions - Pension  
School Employees Retirement System (SERS) of Ohio  
Last Ten Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 860,966	\$ 903,378	\$ 809,249	\$ 833,671
Contributions in Relation to the Contractually Required Contribution	<u>(860,966)</u>	<u>(903,378)</u>	<u>(809,249)</u>	<u>(833,671)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District Covered Payroll	\$ 6,149,757	\$ 6,452,700	\$ 5,994,437	\$ 6,175,341
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.50%	13.50%

See accompanying notes to the required supplementary information

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<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 853,115	\$ 783,465	\$ 778,586	\$ 742,520	\$ 728,417	\$ 765,115
<u>(853,115)</u>	<u>(783,465)</u>	<u>(778,586)</u>	<u>(742,520)</u>	<u>(728,417)</u>	<u>(765,115)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,093,679	\$ 5,596,179	\$ 5,907,329	\$ 5,357,287	\$ 5,263,129	\$ 5,688,587
14.00%	14.00%	13.18%	13.86%	13.84%	13.45%



***Beachwood City School District***  
**Schedules of Required Supplementary Information**  
**Schedule of District Contributions - Pension**  
**State Teachers Retirement System (STRS) of Ohio**  
**Last Ten Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 2,410,604	\$ 2,400,733	\$ 2,253,266	\$ 2,279,458
Contributions in Relation to the Contractually Required Contribution	<u>(2,410,604)</u>	<u>(2,400,733)</u>	<u>(2,253,266)</u>	<u>(2,279,458)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District Covered Payroll	\$ 17,218,600	\$ 17,148,093	\$ 16,094,757	\$ 16,281,843
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information

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<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 2,113,721	\$ 2,031,181	\$ 2,141,448	\$ 2,030,014	\$ 2,011,088	\$ 1,900,949
<u>(2,113,721)</u>	<u>(2,031,181)</u>	<u>(2,141,448)</u>	<u>(2,030,014)</u>	<u>(2,011,088)</u>	<u>(1,900,949)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 15,098,007	\$ 14,508,436	\$ 15,296,057	\$ 15,615,492	\$ 15,469,908	\$ 14,622,685
14.00%	14.00%	14.00%	13.00%	13.00%	13.00%

***Beachwood City School District***  
**Schedules of Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net OPEB Liability**  
**School Employees Retirement System (SERS) of Ohio**  
**Last Five Fiscal Years (1)**

	2021	2020	2019	2018	2017
School District's Proportion of the Net OPEB Liability	0.1842292%	0.1777379%	0.1913857%	0.1914478%	0.1875175%
School District's Proportionate Share of the Net OPEB Liability	\$ 4,003,902	\$ 4,469,734	\$ 5,309,556	\$ 5,137,956	\$ 5,344,942
School District's Covered Payroll	\$ 6,452,700	\$ 5,994,437	\$ 6,175,341	\$ 6,093,679	\$ 5,596,179
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	62.05%	74.56%	85.98%	84.32%	95.51%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	18.17%	15.57%	13.57%	12.46%	11.49%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional information will be displayed as it becomes available.

Amounts presented as of the School District's measurement date, which is the prior fiscal year end.

See accompanying notes to the required supplementary information

***Beachwood City School District***  
**Schedules of Required Supplementary Information**  
**Schedule of the District's Proportionate Share of the Net OPEB Liability/Asset**  
**State Teachers Retirement System (STRS) of Ohio**  
**Last Five Fiscal Years (1)**

	2021	2020	2019	2018	2017
School District's Proportion of the Net OPEB Liability/Asset	0.14209040%	0.13708880%	0.13985150%	0.13660450%	0.13652209%
School District's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (2,497,235)	\$ (2,270,519)	\$ (2,247,273)	\$ 5,329,803	\$ 7,301,237
School District's Covered Payroll	\$ 17,148,093	\$ 16,094,757	\$ 16,281,843	\$ 15,098,007	\$ 14,508,436
School District's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	-14.56%	-14.11%	-13.80%	35.30%	50.32%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/Asset	182.13%	174.74%	176.00%	47.11%	37.30%

(1) Information prior to 2017 is not available. Schedule is intended to show ten years of information, and additional information will be displayed as it becomes available.

Amounts presented as of the School District's measurement date, which is the prior fiscal year end.

See accompanying notes to the required supplementary information

***Beachwood City School District***  
**Schedules of Required Supplementary Information**  
**Schedule of District Contributions - OPEB**  
**School Employees Retirement System (SERS) of Ohio**  
**Last Ten Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution (1)	\$ 93,244	\$ 85,765	\$ 132,331	\$ 128,949
Contributions in Relation to the Contractually Required Contribution	<u>(93,244)</u>	<u>(85,765)</u>	<u>(132,331)</u>	<u>(128,949)</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
School District Covered Payroll	\$ 6,149,757	\$ 6,452,700	\$ 5,994,437	\$ 6,175,341
OPEB Contributions as a Percentage of Covered Payroll (1)	1.52%	1.33%	2.21%	2.09%

(1) Includes Surcharge

See accompanying notes to the required supplementary information

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<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 124,468	\$ 94,787	\$ 144,134	\$ 108,325	\$ 98,837	\$ 125,157
<u>(124,468)</u>	<u>(94,787)</u>	<u>(144,134)</u>	<u>(108,325)</u>	<u>(98,837)</u>	<u>(125,157)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ 6,093,679	\$ 5,596,179	\$ 5,907,329	\$ 5,357,287	\$ 5,263,129	\$ 5,688,587
2.04%	1.69%	2.44%	2.02%	1.88%	2.20%

***Beachwood City School District***  
**Schedules of Required Supplementary Information**  
**Schedule of District Contributions - OPEB**  
**State Teachers Retirement System (STRS) of Ohio**  
**Last Ten Fiscal Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District Covered Payroll	\$ 17,218,600	\$ 17,148,093	\$ 16,094,757	\$ 16,281,843
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

See accompanying notes to the required supplementary information

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<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ -	\$ -	\$ -	\$ 156,155	\$ 154,699	\$ 146,227
-	-	-	(156,155)	(154,699)	(146,227)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 15,098,007	\$ 14,508,436	\$ 15,296,057	\$ 15,615,492	\$ 15,469,908	\$ 14,622,685
0.00%	0.00%	0.00%	1.00%	1.00%	1.00%



**Beachwood City School District**  
Notes to the Required Supplementary Information  
For the Fiscal Year Ended June 30, 2021

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***Net Pension Liability***

***Changes of benefit terms- SERS***

There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017 and 2019-2021.

The following changes were made to the benefit terms in 2018 as identified: The COLA was changed from a fixed 3.00% to a COLA that is indexed to CPI-W not greater than 2.5% with a floor of 0% beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendar years 2018-2020.

***Changes in assumptions- SERS***

There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016 and 2018-2021. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates and (g) mortality among disable member was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement (h) change in discount rate from 7.75% to 7.5%.

***Changes in benefit terms – STRS***

There were no changes in benefit terms from the amounts reported for fiscal years 2014-2021.

***Changes in assumptions – STRS***

There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017 and 2019-2021. For fiscal year 2018, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) inflation assumption lowered from 2.75% to 2.50%, (b) investment return assumption lowered from 7.75% to 7.45%, (c) total salary increases rates lowered by decreasing the merit component of the individual salary increases, as well as by 0.25% due to lower inflation, (d) payroll growth assumption lowered to 3.00%, (e) updated the healthy and disable mortality assumption to the “RP-2014” mortality tables with generational improvement scale MP-2016, (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.

**Beachwood City School District**  
Notes to the Required Supplementary Information  
For the Fiscal Year Ended June 30, 2021

**Net OPEB Liability**

**Changes of benefit terms- SERS**

There were no changes in benefit terms from the amounts reported for fiscal years 2018-2020.

**Changes in Assumptions – SERS**

Amounts reported for fiscal years 2018-2021 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

**Municipal Bond Index Rate:**

Fiscal year 2021	2.45 percent
Fiscal year 2020	3.13 percent
Fiscal year 2019	3.62 percent
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

**Single Equivalent Interest Rate, net of plan investment expense,  
including price inflation**

Fiscal year 2021	2.63 percent
Fiscal year 2020	3.22 percent
Fiscal year 2019	3.70 percent
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

**Medicare Trend Assumption**

**Medicare**

Fiscal year 2020	5.25 percent decreasing to 4.75 percent
Fiscal year 2019	5.375 percent decreasing to 4.75 percent
Fiscal year 2018	5.50 percent decreasing to 5.00 percent

**Pre - Medicare**

Fiscal year 2020	7.00 percent decreasing to 4.75 percent
Fiscal year 2019	7.25 percent decreasing to 4.75 percent
Fiscal year 2018	7.50 percent decreasing to 5.00 percent

**Changes in Assumptions – STRS**

For fiscal year 2018, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

***Beachwood City School District***  
Notes to the Required Supplementary Information  
For the Fiscal Year Ended June 30, 2021

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For fiscal year 2019, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45.

For fiscal year 2020 and 2021, the health care cost trend rates were modified.

***Changes in Benefit Terms – STRS***

For fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2020.

For fiscal year 2019, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.

For fiscal year 2020, claims curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944% to 1.984 per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

For fiscal year 2021, Claim curves were updated to reflect the projected fiscal year end 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

# *Combining Statements and Individual Fund Schedules*

## *Combining Statements – Nonmajor Governmental Funds*

### Nonmajor Special Revenue Funds

Special Revenue Funds are established to account for revenues from specified sources which legally, or otherwise, are restricted to expenditures for specific purposes. A description of the School District's Special Revenue Funds follows:

Food Service - This fund accounts for the financial transactions to the food service operation of the School District.

Special Trust - This fund is used to account for contributions which can be expended for school district programs.

Uniform Supplies – This fund accounts for the purchase and sale of school supplies, materials or other school related items above the items provided for general instruction, paid for by students. This fund had no activity in fiscal year 2021.

Marketing School Store – This fund accounts for the sales of school spirit wear in conjunction with the Marketing program.

Recreation - This fund accounts for revenues and expenses in connection with a community recreation program.

Consortium – This fund accounts for services to other Districts for vocation training programs and for educating deaf and hearing-impaired children on a cost-reimbursement basis.

Pupil Support - This fund is used for the general support of the school building, staff, and students.

Miscellaneous Local Grants - These funds are used to develop a Business/Education Partnership program to serve a consortium of eight suburban school districts, and to encourage students to become interested in the teaching profession.

Termination Benefits – This fund accumulates monies to pay termination benefits to eligible employees. As a result of the School District's implementation of GASB Statement No. 54, this fund has been combined with the General Fund on the governmental fund financial statements. This fund is a separate legally adopted budget and has not been combined with the General Fund on the budgetary statement and schedules.

Preschool - This fund accounts for the revenues and expenses of full and half-day services to children ages 2-5.

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

District Managed Student Activities - This fund accounts for revenues from athletic events and all costs (except supplemental coaching contracts) of the School District's athletic programs.

Auxiliary Services - This fund accounts for State funds for the purchase of science and math materials as well as psychological and other supplemental services at the private schools (Agnon, Fuchs and Yavne) within the School District.

### Nonmajor Special Revenue Funds (continued)

One Net – This fund accounts for money appropriated for Ohio Educational Computer Network Connections.

Student Wellness- This fund accounts for services to students meeting the needs of the whole child which include mental health services.

Miscellaneous State Grants – This fund accounts for state revenues for safety related equipment.

Elementary and Secondary School Emergency Fund (ESSER)- This fund accounts for emergency relief grants related to the COVID-19 pandemic. Restrictions include, but are not limited to, providing for coordination of preparedness and response efforts, training and professional development of staff, planning and coordination during long-term closure, and purchasing technology for students.

Coronavirus Relief- This fund accounts for monies to cover costs that are necessary expenditures incurred due to the public health emergency with respect to COVID-19.

IDEA B - The purpose of this federal program is to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive, alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool through secondary levels.

Title III - This fund is to account for money used to educate immigrant children enrolled at Beachwood City School District.

Title I – The purpose of this fund is to provide financial assistance to State and Local educational agencies to meet the special needs of educationally deprived children.

Preschool Handicapped - This fund accounts for the federal revenues which addresses the improvement and expansion of services for handicapped children ages three through five years.

Title II-A - The purpose of this fund is to hire additional classroom teachers in grades 1 through 3.

Miscellaneous Federal Grants – This fund accounts for federal revenues which account for student support and academic achievement.

### Nonmajor Capital Project Fund

Capital Projects funds are used to account for and report financial resources that are restricted, committed or assigned for the acquisition or construction of major capital facilities and other capital assets. Descriptions of the School District's nonmajor capital projects funds follow:

**Capital Projects** – This fund is used to account for all transactions relating to the acquiring, constructing, or improving School Buildings.

### **Nonmajor Proprietary Fund**

Proprietary funds focus on the determination of the changes in net position, financial position and cash flows and are classified as internal service funds.

#### Internal Service Fund

The Internal Service Fund is used to account for the financing of services provided by one department to other departments of the government or to other Districts on a cost reimbursement basis.

Health Care Benefits – This fund is used to account for receipt and expenditure of funds for health, vision, dental and prescription drug claims for employees.

**Beachwood City School District**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2021**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>ASSETS</b>			
Equity in Pooled Cash and Cash Equivalents	\$ 3,651,834	\$ 100,000	\$ 3,751,834
Materials and Supplies Inventory	7,604	-	7,604
Accounts Receivable	10,952	-	10,952
Intergovernmental Receivable	84,092	-	84,092
<b>Total Assets</b>	<b>\$ 3,754,482</b>	<b>\$ 100,000</b>	<b>\$ 3,854,482</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts Payable	\$ 73,075	\$ -	\$ 73,075
Accrued Wages and Benefits	242,859	-	242,859
Intergovernmental Payable	47,241	-	47,241
Matured Compensated Absences Payable	21,228	-	21,228
Interfund Payable	2,832,239	-	2,832,239
<b>Total Liabilities</b>	<b>3,216,642</b>	<b>-</b>	<b>3,216,642</b>
<b>Deferred Inflows of Resources:</b>			
Unavailable Revenues - Grants	3,489	-	3,489
Unavailable Revenues - Other	6,574	-	6,574
<b>Total Deferred Inflows of Resources</b>	<b>10,063</b>	<b>-</b>	<b>10,063</b>
<b>Fund Balances:</b>			
Nonspendable	7,604	-	7,604
Restricted	855,129	-	855,129
Committed	-	100,000	100,000
Unassigned (Deficit)	(334,956)	-	(334,956)
<b>Total Fund Balances</b>	<b>527,777</b>	<b>100,000</b>	<b>627,777</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 3,754,482</b>	<b>\$ 100,000</b>	<b>\$ 3,854,482</b>

**Beachwood City School District**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2021

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>REVENUES</b>			
Intergovernmental	\$ 2,897,804	\$ -	\$ 2,897,804
Interest	229	-	229
Tuition and Fees	1,136,889	-	1,136,889
Extracurricular Activities	57,226	-	57,226
Customer Sales and Services	7,258	-	7,258
Contributions and Donations	9,326	-	9,326
All Other Revenues	32,618	-	32,618
<b>Total Revenues</b>	<b>4,141,350</b>	<b>-</b>	<b>4,141,350</b>
<b>EXPENDITURES</b>			
Current:			
Instruction:			
Regular	72,326	-	72,326
Special	694,301	-	694,301
Vocational Instruction	854,655	-	854,655
Adult/Continuing Instruction	72,499	-	72,499
Supporting Services:			
Pupils	453,321	-	453,321
Instructional Staff	32,316	-	32,316
Operation and Maintenance of Plant	74,742	-	74,742
Pupil Transportation	22,121	-	22,121
Operation of Non-Instructional Services:			
Food Service Operations	379,068	-	379,068
Community Services	1,440,250	-	1,440,250
Extracurricular Activities	215,253	-	215,253
Capital Outlay	322,317	-	322,317
<b>Total Expenditures</b>	<b>4,633,169</b>	<b>-</b>	<b>4,633,169</b>
Excess of Revenues Over (Under) Expenditures	(491,819)	-	(491,819)
<b>OTHER FINANCING SOURCES</b>			
Transfers In	184,121	100,000	284,121
<b>Total Other Financing Sources</b>	<b>184,121</b>	<b>100,000</b>	<b>284,121</b>
Net Change in Fund Balances	(307,698)	100,000	(207,698)
Fund Balances - Beginning of Year, Restated	835,475	-	835,475
<b>Fund Balances - End of Year</b>	<b>\$ 527,777</b>	<b>\$ 100,000</b>	<b>\$ 627,777</b>



**Beachwood City School District**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2021**

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	<b>Food Service</b>	<b>Special Trust</b>	<b>Marketing School Store</b>	<b>Recreation</b>
<b>ASSETS</b>				
Equity in Pooled Cash and Cash Equivalents	\$ 4,012	\$ 19,040	\$ 8,023	\$ 4,370
Materials and Supplies Inventory	7,604	-	-	-
Accounts Receivable	1,118	-	-	-
Intergovernmental Receivable	69,329	-	-	-
<b>Total Assets</b>	<b>\$ 82,063</b>	<b>\$ 19,040</b>	<b>\$ 8,023</b>	<b>\$ 4,370</b>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts Payable	\$ 55,500	\$ -	\$ -	\$ -
Accrued Wages and Benefits	-	-	-	2,457
Intergovernmental Payable	4,637	-	-	7,049
Matured Compensated Absences Payable	-	-	-	-
Interfund Payable	-	-	-	-
<b>Total Liabilities</b>	<b>60,137</b>	<b>-</b>	<b>-</b>	<b>9,506</b>
 <b>Deferred Inflows of Resources:</b>				
Unavailable Revenues - Grants	-	-	-	-
Unavailable Revenues - Other	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
 <b>Fund Balances:</b>				
Nonspendable	7,604	-	-	-
Restricted	14,322	19,040	8,023	-
Unassigned (Deficit)	-	-	-	(5,136)
<b>Total Fund Balances (Deficit)</b>	<b>21,926</b>	<b>19,040</b>	<b>8,023</b>	<b>(5,136)</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 82,063</b>	<b>\$ 19,040</b>	<b>\$ 8,023</b>	<b>\$ 4,370</b>



<u>Consortium</u>	<u>Pupil Support</u>	<u>Miscellaneous Local Grants</u>	<u>Preschool</u>	<u>Student Managed Activities</u>	<u>District Managed Student Activities</u>	<u>Auxiliary Services</u>
\$ 2,653,218	\$ 37,421	\$ 5,513	\$ 566,922	\$ 145,149	\$ 74,293	\$ 58,197
-	-	-	-	-	-	-
3,851	-	-	5,700	283	-	-
-	-	-	-	-	-	-
<u>\$ 2,657,069</u>	<u>\$ 37,421</u>	<u>\$ 5,513</u>	<u>\$ 572,622</u>	<u>\$ 145,432</u>	<u>\$ 74,293</u>	<u>\$ 58,197</u>
\$ -	\$ -	\$ -	\$ 745	\$ -	\$ 12,793	\$ 4,037
164,346	-	-	51,660	-	-	-
18,593	-	-	11,003	-	1,743	-
-	-	-	-	-	-	21,228
2,800,239	-	-	-	-	-	-
<u>2,983,178</u>	<u>-</u>	<u>-</u>	<u>63,408</u>	<u>-</u>	<u>14,536</u>	<u>25,265</u>
-	-	-	-	-	-	-
974	-	-	5,561	-	-	-
<u>974</u>	<u>-</u>	<u>-</u>	<u>5,561</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	37,421	5,513	503,653	145,432	59,757	32,932
(327,083)	-	-	-	-	-	-
<u>(327,083)</u>	<u>37,421</u>	<u>5,513</u>	<u>503,653</u>	<u>145,432</u>	<u>59,757</u>	<u>32,932</u>
\$ 2,657,069	\$ 37,421	\$ 5,513	\$ 572,622	\$ 145,432	\$ 74,293	\$ 58,197

(Continued)

**Beachwood City School District**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2021**

	One Net	Student Wellness	Miscellaneous State Grants	ESSER	Coronavirus Relief	IDEA B	Title III - Limited English Proficiency	Title I
<b>ASSETS</b>								
Equity in Pooled Cash and Cash Equivalents	\$ 1,079	\$ 31,487	\$ 8,336	\$ -	\$ -	\$ 5,376	\$ 126	\$ 27,526
Materials and Supplies Inventory	-	-	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-	-	-
Intergovernmental Receivable	-	-	-	3,876	-	9,564	-	1,323
<b>Total Assets</b>	<b>\$ 1,079</b>	<b>\$ 31,487</b>	<b>\$ 8,336</b>	<b>\$ 3,876</b>	<b>\$ -</b>	<b>\$ 14,940</b>	<b>\$ 126</b>	<b>\$ 28,849</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages and Benefits	-	12,826	-	3,371	-	8,199	-	-
Intergovernmental Payable	-	1,580	-	461	-	2,175	-	-
Matured Compensated Absences Payable	-	-	-	-	-	-	-	-
Interfund Payable	-	-	-	-	-	4,000	-	28,000
<b>Total Liabilities</b>	<b>-</b>	<b>14,406</b>	<b>-</b>	<b>3,832</b>	<b>-</b>	<b>14,374</b>	<b>-</b>	<b>28,000</b>
<b>Deferred Inflows of Resources:</b>								
Unavailable Revenues - Grants	-	-	-	-	-	3,303	-	186
Unavailable Revenues - Other	-	-	-	39	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39</b>	<b>-</b>	<b>3,303</b>	<b>-</b>	<b>186</b>
<b>Fund Balances:</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	1,079	17,081	8,336	5	-	-	126	663
Unassigned (Deficit)	-	-	-	-	-	(2,737)	-	-
<b>Total Fund Balances (Deficit)</b>	<b>1,079</b>	<b>17,081</b>	<b>8,336</b>	<b>5</b>	<b>-</b>	<b>(2,737)</b>	<b>126</b>	<b>663</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 1,079</b>	<b>\$ 31,487</b>	<b>\$ 8,336</b>	<b>\$ 3,876</b>	<b>\$ -</b>	<b>\$ 14,940</b>	<b>\$ 126</b>	<b>\$ 28,849</b>

<b>Preschool Handicapped Grant</b>	<b>Title II-A</b>	<b>Miscellaneous Federal Grants</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ -	\$ 1,479	\$ 267	\$ 3,651,834
-	-	-	7,604
-	-	-	10,952
-	-	-	84,092
<u>\$ -</u>	<u>\$ 1,479</u>	<u>\$ 267</u>	<u>\$ 3,754,482</u>
\$ -	\$ -	\$ -	\$ 73,075
-	-	-	242,859
-	-	-	47,241
-	-	-	21,228
-	-	-	2,832,239
<u>-</u>	<u>-</u>	<u>-</u>	<u>3,216,642</u>
-	-	-	3,489
-	-	-	6,574
<u>-</u>	<u>-</u>	<u>-</u>	<u>10,063</u>
-	-	-	7,604
-	1,479	267	855,129
-	-	-	(334,956)
<u>-</u>	<u>1,479</u>	<u>267</u>	<u>527,777</u>
<u>\$ -</u>	<u>\$ 1,479</u>	<u>\$ 267</u>	<u>\$ 3,754,482</u>

**Beachwood City School District**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2021

	<u>Food Service</u>	<u>Special Trust</u>	<u>Marketing School Store</u>	<u>Recreation</u>
<b>REVENUES</b>				
Intergovernmental	\$ 381,954	\$ -	\$ -	\$ -
Interest	36	5	-	-
Tuition and Fees	-	-	-	-
Extracurricular Activities	-	-	1,585	-
Customer Sales and Services	753	-	-	1,404
Contributions and Donations	-	-	-	-
All Other Revenues	-	-	-	-
<b>Total Revenues</b>	<u>382,743</u>	<u>5</u>	<u>1,585</u>	<u>1,404</u>
<b>EXPENDITURES</b>				
Current:				
Instruction:				
Regular	-	-	-	-
Special	-	-	-	-
Vocational Instruction	-	-	-	-
Adult/Continuing Instruction	-	-	-	72,499
Supporting Services:				
Pupils	-	-	-	-
Instructional Staff	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Pupil Transportation	-	-	-	-
Operation of Non-Instructional Services:				
Food Service Operations	379,068	-	-	-
Community Services	-	-	-	-
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	<u>379,068</u>	<u>-</u>	<u>-</u>	<u>72,499</u>
Excess of Revenues Over (Under) Expenditures	<u>3,675</u>	<u>5</u>	<u>1,585</u>	<u>(71,095)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	20,000	-	-	70,000
<b>Total Other Financing Sources</b>	<u>20,000</u>	<u>-</u>	<u>-</u>	<u>70,000</u>
Net Change in Fund Balances	23,675	5	1,585	(1,095)
Fund Balances (Deficit) - Beginning of Year, Restated	(1,749)	19,035	6,438	(4,041)
<b>Fund Balances (Deficit) - End of Year</b>	<u>\$ 21,926</u>	<u>\$ 19,040</u>	<u>\$ 8,023</u>	<u>\$ (5,136)</u>

<u>Consortium</u>	<u>Pupil Support</u>	<u>Miscellaneous Local Grants</u>	<u>Preschool</u>	<u>Student Managed Activities</u>	<u>District Managed Student Activities</u>	<u>Auxiliary Services</u>
\$ 605,362	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 740,441
-	-	-	-	-	-	188
864,499	-	-	272,390	-	-	-
-	-	-	-	32,495	23,146	-
1,007	386	-	3,708	-	-	-
-	9,326	-	-	-	-	-
9,966	-	17,908	411	-	-	381
<u>1,480,834</u>	<u>9,712</u>	<u>17,908</u>	<u>276,509</u>	<u>32,495</u>	<u>23,146</u>	<u>741,010</u>
-	7,587	712	-	-	-	-
390,102	3,686	-	-	-	-	-
854,655	-	-	-	-	-	-
-	-	-	-	-	-	-
234,539	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	17,786	-	-	-	-
-	-	-	-	-	-	-
-	-	-	560,829	-	-	751,527
-	-	-	-	74,025	141,228	-
-	-	-	-	-	-	-
<u>1,479,296</u>	<u>11,273</u>	<u>18,498</u>	<u>560,829</u>	<u>74,025</u>	<u>141,228</u>	<u>751,527</u>
<u>1,538</u>	<u>(1,561)</u>	<u>(590)</u>	<u>(284,320)</u>	<u>(41,530)</u>	<u>(118,082)</u>	<u>(10,517)</u>
-	-	-	-	14,121	80,000	-
-	-	-	-	14,121	80,000	-
1,538	(1,561)	(590)	(284,320)	(27,409)	(38,082)	(10,517)
(328,621)	38,982	6,103	787,973	172,841	97,839	43,449
<u>\$ (327,083)</u>	<u>\$ 37,421</u>	<u>\$ 5,513</u>	<u>\$ 503,653</u>	<u>\$ 145,432</u>	<u>\$ 59,757</u>	<u>\$ 32,932</u>

**Beachwood City School District**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Fiscal Year Ended June 30, 2021**

	<u>One Net</u>	<u>Student Wellness</u>	<u>Miscellaneous State Grants</u>	<u>ESSER</u>	<u>Coronavirus Relief</u>
<b>REVENUES</b>					
Intergovernmental	\$ 7,200	60,205	12,671	311,566	125,946
Interest	-	-	-	-	-
Tuition and Fees	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-
Customer Sales and Services	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
All Other Revenues	-	-	-	-	-
<b>Total Revenues</b>	<u>7,200</u>	<u>60,205</u>	<u>12,671</u>	<u>311,566</u>	<u>125,946</u>
<b>EXPENDITURES</b>					
Current:					
Instruction:					
Regular	-	-	-	4,633	-
Special	-	-	-	-	-
Vocational Instruction	-	-	-	-	-
Adult/Continuing Instruction	-	-	-	-	-
Supporting Services:					
Pupils	-	37,018	-	42,110	-
Instructional Staff	11,160	6,210	-	-	-
Operation and Maintenance of Plant Services	-	-	6,295	5,967	62,480
Pupil Transportation	-	-	4,335	-	-
Operation of Non-Instructional Services:					
Food Service Operations	-	-	-	-	-
Community Services	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-
Capital Outlay	-	-	-	258,851	63,466
<b>Total Expenditures</b>	<u>11,160</u>	<u>43,228</u>	<u>10,630</u>	<u>311,561</u>	<u>125,946</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,960)</u>	<u>16,977</u>	<u>2,041</u>	<u>5</u>	<u>-</u>
<b>OTHER FINANCING SOURCES</b>					
Transfers In	-	-	-	-	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>(3,960)</u>	<u>16,977</u>	<u>2,041</u>	<u>5</u>	<u>-</u>
Fund Balances (Deficit) - Beginning of Year, Restated	5,039	104	6,295	-	-
<b>Fund Balances (Deficit) - End of Year</b>	<u>\$ 1,079</u>	<u>\$ 17,081</u>	<u>\$ 8,336</u>	<u>\$ 5</u>	<u>\$ -</u>

(Continued)

<b>IDEA B</b>	<b>Title III - Limited English Proficiency</b>	<b>Title I</b>	<b>Preschool Handicapped Grant</b>	<b>Title II-A</b>	<b>Miscellaneous Federal Grants</b>	<b>Total Nonmajor Special Revenue Funds</b>
\$ 476,218	\$ 16,026	\$ 86,578	\$ 6,018	\$ 35,472	32,147	2,897,804
-	-	-	-	-	-	229
-	-	-	-	-	-	1,136,889
-	-	-	-	-	-	57,226
-	-	-	-	-	-	7,258
-	-	-	-	-	-	9,326
2,934	126	663	-	229	-	32,618
<u>479,152</u>	<u>16,152</u>	<u>87,241</u>	<u>6,018</u>	<u>35,701</u>	<u>32,147</u>	<u>4,141,350</u>
32,543	-	2,510	-	24,341	-	72,326
201,852	15,926	76,717	6,018	-	-	694,301
-	-	-	-	-	-	854,655
-	-	-	-	-	-	72,499
133,654	-	-	-	-	6,000	453,321
12,213	-	-	-	-	2,733	32,316
-	-	-	-	-	-	74,742
-	-	-	-	-	-	22,121
-	-	-	-	-	-	379,068
86,628	100	8,138	-	9,881	23,147	1,440,250
-	-	-	-	-	-	215,253
-	-	-	-	-	-	322,317
<u>466,890</u>	<u>16,026</u>	<u>87,365</u>	<u>6,018</u>	<u>34,222</u>	<u>31,880</u>	<u>4,633,169</u>
<u>12,262</u>	<u>126</u>	<u>(124)</u>	<u>-</u>	<u>1,479</u>	<u>267</u>	<u>(491,819)</u>
-	-	-	-	-	-	184,121
-	-	-	-	-	-	184,121
<u>12,262</u>	<u>126</u>	<u>(124)</u>	<u>-</u>	<u>1,479</u>	<u>267</u>	<u>(307,698)</u>
(14,999)	-	787	-	-	-	835,475
<u>\$ (2,737)</u>	<u>\$ 126</u>	<u>\$ 663</u>	<u>\$ -</u>	<u>\$ 1,479</u>	<u>\$ 267</u>	<u>\$ 527,777</u>



**Beachwood City School District**  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>				
Property and Other Local Taxes	\$ 31,567,429	\$ 29,966,351	\$ 30,123,646	\$ 157,295
Intergovernmental	2,931,450	3,387,159	3,380,622	(6,537)
Interest	450,000	300,000	305,109	5,109
Tuition and Fees	216,563	151,785	75,921	(75,864)
Rent	382,453	-	-	-
Gifts and Donations	1,000	1,000	175	(825)
Customer Sales and Services	157,400	226,485	228,333	1,848
Miscellaneous	1,195,592	1,805,571	1,857,544	51,973
<b>Total Revenues</b>	<u>36,901,887</u>	<u>35,838,351</u>	<u>35,971,350</u>	<u>132,999</u>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
<b>Regular</b>				
Salaries	9,701,184	9,941,184	9,889,553	51,631
Fringe Benefits	2,861,865	2,991,865	2,922,398	69,467
Purchased Services	157,347	494,366	434,567	59,799
Materials and Supplies	235,901	317,412	250,079	67,333
Other	154,545	154,545	56,827	97,718
Capital Outlay	153,168	233,047	163,188	69,859
<b>Total - Regular</b>	<u>13,264,010</u>	<u>14,132,419</u>	<u>13,716,612</u>	<u>415,807</u>
<b>Special</b>				
Salaries	3,599,046	3,495,046	3,441,493	53,553
Fringe Benefits	1,152,674	1,157,674	1,131,054	26,620
Purchased Services	1,522,509	1,473,174	1,072,700	400,474
Materials and Supplies	37,411	38,011	26,422	11,589
Capital Outlay	6,610	6,610	242	6,368
<b>Total - Special</b>	<u>6,318,250</u>	<u>6,170,515</u>	<u>5,671,911</u>	<u>498,604</u>
<b>Vocational</b>				
Salaries	43,373	-	-	-
Fringe Benefits	16,702	-	-	-
Purchased Services	827,900	767,900	461,416	306,484
Other	27,364	24,956	15,983	8,973
<b>Total - Vocational</b>	<u>915,339</u>	<u>792,856</u>	<u>477,399</u>	<u>315,457</u>
<b>Other</b>				
Salaries	75,348	84,148	81,401	2,747
Fringe Benefits	59,653	79,518	56,418	23,100
Purchased Services	125,000	186,000	169,432	16,568
<b>Total - Other</b>	<u>260,001</u>	<u>349,666</u>	<u>307,251</u>	<u>42,415</u>
<b>Total - Instruction:</b>	<u>20,757,600</u>	<u>21,445,456</u>	<u>20,173,173</u>	<u>1,272,283</u>

continued

***Beachwood City School District***  
**Schedules of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget (Non-GAAP Basis) and Actual**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Support Services:				
Pupils				
Salaries	1,761,198	1,691,198	1,608,459	82,739
Fringe Benefits	556,461	555,461	508,719	46,742
Purchased Services	172,751	209,116	183,060	26,056
Materials and Supplies	13,889	17,444	15,015	2,429
Other	7,285	6,585	1,797	4,788
Capital Outlay	13,428	13,428	3,184	10,244
Total - Pupils	<u>2,525,012</u>	<u>2,493,232</u>	<u>2,320,234</u>	<u>172,998</u>
Instructional Staff				
Salaries	1,193,229	751,229	656,015	95,214
Fringe Benefits	388,671	243,671	220,108	23,563
Purchased Services	219,301	203,401	179,223	24,178
Materials and Supplies	90,116	122,266	109,125	13,141
Other	750	250	238	12
Capital Outlay	90,185	76,771	64,820	11,951
Total - Instructional Staff	<u>1,982,252</u>	<u>1,397,588</u>	<u>1,229,529</u>	<u>168,059</u>
Board of Education				
Salaries	14,500	18,000	13,250	4,750
Fringe Benefits	4,507	5,007	3,941	1,066
Purchased Services	338,230	427,765	402,632	25,133
Materials and Supplies	1,200	1,200	104	1,096
Other	32,252	32,252	21,730	10,522
Total - Board of Education	<u>390,689</u>	<u>484,224</u>	<u>441,657</u>	<u>42,567</u>
Administration				
Salaries	1,649,614	1,797,614	1,763,432	34,182
Fringe Benefits	720,615	767,815	754,273	13,542
Purchased Services	103,081	95,676	62,538	33,138
Materials and Supplies	21,051	19,801	12,135	7,666
Other	76,191	92,691	89,628	3,063
Capital Outlay	2,788	2,788	1,159	1,629
Total - Administration	<u>2,573,340</u>	<u>2,776,385</u>	<u>2,683,165</u>	<u>93,220</u>
Fiscal				
Salaries	444,461	444,461	440,020	4,441
Fringe Benefits	187,350	187,350	181,376	5,974
Purchased Services	59,954	54,954	38,870	16,084
Materials and Supplies	2,500	2,500	1,337	1,163
Other	518,008	528,008	496,926	31,082
Capital Outlay	1,600	4,600	4,354	246
Total - Fiscal	<u>1,213,873</u>	<u>1,221,873</u>	<u>1,162,883</u>	<u>58,990</u>

Continued

***Beachwood City School District***  
**Schedules of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget (Non-GAAP Basis) and Actual**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Business				
Salaries	149,835	149,835	142,001	7,834
Fringe Benefits	89,188	59,188	52,456	6,732
Purchased Services	104,024	105,734	91,536	14,198
Materials and Supplies	15,635	10,635	4,371	6,264
Other	625	915	726	189
Capital Outlay	683	683	-	683
<b>Total - Business</b>	<b>359,990</b>	<b>326,990</b>	<b>291,090</b>	<b>35,900</b>
Operation and Maintenance of Plant				
Salaries	1,252,213	1,252,213	1,187,096	65,117
Fringe Benefits	457,778	460,328	433,291	27,037
Purchased Services	1,893,213	1,567,113	1,455,016	112,097
Materials and Supplies	213,576	247,176	220,468	26,708
Capital Outlay	14,781	13,781	2,199	11,582
<b>Total - Operation and Maintenance of Plant</b>	<b>3,831,561</b>	<b>3,540,611</b>	<b>3,298,070</b>	<b>242,541</b>
Pupil Transportation				
Salaries	1,027,080	1,089,080	1,088,511	569
Fringe Benefits	644,699	450,849	410,136	40,713
Purchased Services	106,941	95,141	66,071	29,070
Materials and Supplies	220,150	256,150	231,610	24,540
Other	500	500	-	500
Capital Outlay	98,739	176,539	176,161	378
<b>Total - Pupil Transportation</b>	<b>2,098,109</b>	<b>2,068,259</b>	<b>1,972,489</b>	<b>95,770</b>
Central				
Salaries	55,341	55,341	54,661	680
Fringe Benefits	20,698	20,698	20,306	392
Purchased Services	119,558	128,383	72,478	55,905
Materials and Supplies	10,390	1,565	565	1,000
Other	5,650	5,650	5,570	80
<b>Total - Central</b>	<b>211,637</b>	<b>211,637</b>	<b>153,580</b>	<b>58,057</b>
<b>Total - Support Services:</b>	<b>15,186,463</b>	<b>14,520,799</b>	<b>13,552,697</b>	<b>968,102</b>
Operation of Non-Instructional/Shared Services:				
Community Services				
Purchased Services	19,000	19,000	17,134	1,866
Materials and Supplies	12,350	12,350	7,977	4,373
Other	5,592	5,592	-	5,592
<b>Total - Community Services</b>	<b>36,942</b>	<b>36,942</b>	<b>25,111</b>	<b>11,831</b>
<b>Total - Operation of Non-Instructional/Shared Services:</b>	<b>36,942</b>	<b>36,942</b>	<b>25,111</b>	<b>11,831</b>

Continued

***Beachwood City School District***  
**Schedules of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget (Non-GAAP Basis) and Actual**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2021**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Extracurricular Activities:				
Academic Oriented Activities				
Salaries	194,573	194,573	162,625	31,948
Fringe Benefits	37,272	37,272	34,576	2,696
Total - Academic Oriented Activities	<u>231,845</u>	<u>231,845</u>	<u>197,201</u>	<u>34,644</u>
Sport Oriented Activities				
Salaries	719,789	719,789	661,961	57,828
Fringe Benefits	200,664	200,664	171,929	28,735
Total - Sport Oriented Activities	<u>920,453</u>	<u>920,453</u>	<u>833,890</u>	<u>86,563</u>
School and Public Service Co-Curricular Activities				
Salaries	50,873	50,873	41,425	9,448
Fringe Benefits	9,975	9,975	6,458	3,517
Total - School and Public Service Co-Curricular Activities	<u>60,848</u>	<u>60,848</u>	<u>47,883</u>	<u>12,965</u>
Total - Extracurricular Activities:	<u>1,213,146</u>	<u>1,213,146</u>	<u>1,078,974</u>	<u>134,172</u>
Total Expenditures				
Total Expenditures	<u>37,194,151</u>	<u>37,216,343</u>	<u>34,829,955</u>	<u>2,386,388</u>
Excess of Revenues Over (Under) Expenditures	<u>(292,264)</u>	<u>(1,377,992)</u>	<u>1,141,395</u>	<u>2,519,387</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In	635,000	549,000	552,557	3,557
Proceeds from Sale of Capital Assets	10,000	10,000	4,049	(5,951)
Refund of Prior Year Expenditures	2,500	-	-	-
Transfers Out	(929,275)	(949,275)	(936,678)	12,597
Advances Out	-	(32,000)	(32,000)	-
Total Other Financing Sources and Uses	<u>(281,775)</u>	<u>(422,275)</u>	<u>(412,072)</u>	<u>10,203</u>
Net Change in Fund Balances	(574,039)	(1,800,267)	729,323	2,529,590
Fund Balance at Beginning of Year	23,537,245	23,537,245	23,537,245	-
Prior Year Encumbrances Appropriated	<u>270,837</u>	<u>270,837</u>	<u>270,837</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 23,234,043</u>	<u>\$ 22,007,815</u>	<u>\$ 24,537,405</u>	<u>\$ 2,529,590</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Bond Retirement Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Property and Other Local Taxes	\$ 2,963,843	\$ 3,980,210	\$ 1,016,367
Intergovernmental	1,016,461	1,083,851	67,390
Total Revenues	<u>3,980,304</u>	<u>5,064,061</u>	<u>1,083,757</u>
EXPENDITURES:			
Debt Service:			
Principal	14,554,557	14,554,557	-
Interest	959,603	959,603	-
Issuance Costs	139,294	138,692	602
Total Expenditures	<u>15,653,454</u>	<u>15,652,852</u>	<u>602</u>
Excess of Revenues Over (Under) Expenditures	<u>(11,673,150)</u>	<u>(10,588,791)</u>	<u>1,084,359</u>
OTHER FINANCING SOURCES:			
Refunding Bond Issued	8,620,000	8,620,000	-
Premium on Debt Issuance	1,370,130	1,370,130	-
Total Other Financing Sources	<u>9,990,130</u>	<u>9,990,130</u>	<u>-</u>
Net Change in Fund Balances	(1,683,020)	(598,661)	1,084,359
Fund Balance at Beginning of Year	<u>3,268,184</u>	<u>3,268,184</u>	
Fund Balance at End of Year	<u>\$ 1,585,164</u>	<u>\$ 2,669,523</u>	<u>\$ 1,084,359</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Permanent Improvement Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>			
Property and Other Local Taxes	\$ 1,106,204	\$ 145,958	\$ (58,424)
Intergovernmental	374,550	49,420	-
Interest	10,000	9,987	(13)
Total Revenues	<u>1,490,754</u>	<u>205,365</u>	<u>(58,437)</u>
<b>EXPENDITURES:</b>			
Current:			
Support Services:			
Operation and Maintenance of Plant	2,235	2,235	-
Capital Outlay:			
Architecture and Engineering Services	353,000	352,863	137
Building Improvement Services	815,005	665,135	149,870
Other Facilities Acquisition and Construction	5,229,760	5,229,222	538
Total Expenditures	<u>6,400,000</u>	<u>6,249,455</u>	<u>150,545</u>
Net Change in Fund Balances	(4,909,246)	(6,044,090)	92,108
Fund Balance at Beginning of Year	6,012,659	6,012,659	-
Prior Year Encumbrances Appropriated	391,415	391,415	-
Fund Balance at End of Year	<u>\$ 1,494,828</u>	<u>\$ 359,984</u>	<u>\$ 92,108</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Food Service Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>			
Intergovernmental	\$ 351,544	\$ 313,613	\$ (37,931)
Interest	40	36	(4)
Customer Sales and Services	<u>2,940</u>	<u>(710)</u>	<u>(3,650)</u>
Total Revenues	<u>354,524</u>	<u>312,939</u>	<u>(41,585)</u>
<b>EXPENDITURES:</b>			
Current:			
Operation of Non-Instructional/Shared Services:			
Food Service Operations	<u>385,000</u>	<u>347,187</u>	<u>37,813</u>
Total Expenditures	<u>385,000</u>	<u>347,187</u>	<u>37,813</u>
Excess of Revenues Over (Under) Expenditures	<u>(30,476)</u>	<u>(34,248)</u>	<u>(3,772)</u>
<b>OTHER FINANCING SOURCES:</b>			
Transfers In	<u>35,000</u>	<u>20,000</u>	<u>(15,000)</u>
Total Other Financing Sources	<u>35,000</u>	<u>20,000</u>	<u>(15,000)</u>
Net Change in Fund Balances	4,524	(14,248)	(18,772)
Fund Balance at Beginning of Year	<u>18,260</u>	<u>18,260</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 22,784</u>	<u>\$ 4,012</u>	<u>\$ (18,772)</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Special Trust Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Interest	\$ 30	\$ 5	\$ (25)
Total Revenues	<u>30</u>	<u>5</u>	<u>(25)</u>
EXPENDITURES:			
Current:			
Support Services:			
Pupils	<u>81</u>	<u>-</u>	<u>81</u>
Total Expenditures	<u>81</u>	<u>-</u>	<u>81</u>
Net Change in Fund Balances	(51)	5	56
Fund Balance at Beginning of Year	<u>19,035</u>	<u>19,035</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 18,984</u></u>	<u><u>\$ 19,040</u></u>	<u><u>\$ 56</u></u>



***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Marketing School Store Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Extracurricular Activities	\$ 1,500	\$ 1,585	\$ 85
Total Revenues	<u>1,500</u>	<u>1,585</u>	<u>85</u>
EXPENDITURES:	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	1,500	1,585	85
Fund Balance at Beginning of Year	<u>6,438</u>	<u>6,438</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 7,938</u>	<u>\$ 8,023</u>	<u>\$ 85</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Recreation Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Customer Sales and Services	\$ 6,000	\$ 1,404	\$ (4,596)
Total Revenues	<u>6,000</u>	<u>1,404</u>	<u>(4,596)</u>
EXPENDITURES:			
Current:			
Instruction:			
Adult/Continuing	<u>86,625</u>	<u>68,409</u>	<u>18,216</u>
Total Expenditures	<u>86,625</u>	<u>68,409</u>	<u>18,216</u>
Excess of Revenues Over (Under) Expenditures	<u>(80,625)</u>	<u>(67,005)</u>	<u>13,620</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>80,000</u>	<u>70,000</u>	<u>(10,000)</u>
Total Other Financing Sources	<u>80,000</u>	<u>70,000</u>	<u>(10,000)</u>
Net Change in Fund Balances	(625)	2,995	3,620
Fund Balance at Beginning of Year	1,004	1,004	-
Prior Year Encumbrances Appropriated	<u>371</u>	<u>371</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 750</u>	<u>\$ 4,370</u>	<u>\$ 3,620</u>

**Beachwood City School District**  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Consortium Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES:</b>			
Intergovernmental	\$ 546,000	\$ 605,362	\$ 59,362
Tuition and Fees	876,500	862,996	(13,504)
Customer Sales and Services	15,000	1,347	(13,653)
Miscellaneous	26,000	9,408	(16,592)
<b>Total Revenues</b>	<u>1,463,500</u>	<u>1,479,113</u>	<u>15,613</u>
<b>EXPENDITURES:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Special	254,431	237,172	17,259
Vocational	910,205	755,957	154,248
<b>Support Services:</b>			
Pupils	248,431	226,796	21,635
<b>Total Expenditures</b>	<u>1,413,067</u>	<u>1,219,925</u>	<u>193,142</u>
<b>Excess of Revenues Over (Under) Expenditures</b>	<u>50,433</u>	<u>259,188</u>	<u>208,755</u>
<b>OTHER FINANCING SOURCES AND (USES):</b>			
Transfers In	2,082,597	2,077,134	(5,463)
Transfers Out	(2,082,597)	(2,077,134)	5,463
<b>Total Other Financing Sources and (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	50,433	259,188	208,755
<b>Fund Balance at Beginning of Year</b>	2,392,763	2,392,763	-
<b>Prior Year Encumbrances Appropriated</b>	<u>614</u>	<u>614</u>	<u>-</u>
<b>Fund Balance at End of Year</b>	<u>\$ 2,443,810</u>	<u>\$ 2,652,565</u>	<u>\$ 208,755</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Pupil Support Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Gifts and Donations	\$ 9,914	\$ 9,862	\$ (52)
Customer Sales and Services	386	386	-
Total Revenues	<u>10,300</u>	<u>10,248</u>	<u>(52)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	30,500	8,435	22,065
Special	<u>4,000</u>	<u>3,686</u>	<u>314</u>
Total Expenditures	<u>34,500</u>	<u>12,121</u>	<u>22,379</u>
Excess of Revenues Over (Under) Expenditures	<u>(24,200)</u>	<u>(1,873)</u>	<u>22,327</u>
Net Change in Fund Balances	(24,200)	(1,873)	22,327
Fund Balance at Beginning of Year	37,946	37,946	-
Prior Year Encumbrances Appropriated	<u>899</u>	<u>899</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 14,645</u>	<u>\$ 36,972</u>	<u>\$ 22,327</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Miscellaneous Local Grants Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Customer Sales and Services	\$ 2,000	\$ -	\$ (2,000)
Miscellaneous	17,908	17,908	-
Total Revenues	<u>19,908</u>	<u>17,908</u>	<u>(2,000)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	1,565	712	853
Support Services:			
Pupil Transportation	<u>17,800</u>	<u>17,786</u>	<u>14</u>
Total Expenditures	<u>19,365</u>	<u>18,498</u>	<u>867</u>
Excess of Revenues Over (Under) Expenditures	<u>543</u>	<u>(590)</u>	<u>(1,133)</u>
Net Change in Fund Balances	543	(590)	(1,133)
Fund Balance at Beginning of Year	<u>6,103</u>	<u>6,103</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 6,646</u></u>	<u><u>\$ 5,513</u></u>	<u><u>\$ (1,133)</u></u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Termination Benefits Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	\$ 66,725	\$ 60,414	\$ 6,311
Special	40,900	14,830	26,070
Support Services:			-
Pupils	26,030	15,115	10,915
Administration	3,550	3,457	93
Operation and Maintenance of Plant	9,150	8,926	224
Pupil Transportation	7,100	6,270	830
Total Expenditures	<u>153,455</u>	<u>109,012</u>	<u>44,443</u>
Excess of Revenues Over (Under) Expenditures	<u>(153,455)</u>	<u>(109,012)</u>	<u>(44,443)</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total Other Financing Sources	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Net Change in Fund Balances	(53,455)	(9,012)	(44,443)
Fund Balance at Beginning of Year	<u>2,158,625</u>	<u>2,158,625</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,105,170</u>	<u>\$ 2,149,613</u>	<u>\$ (44,443)</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Preschool Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Tuition and Fees	\$ 250,100	\$ 268,811	\$ 18,711
Customer Sales and Services	9,681	3,708	(5,973)
Miscellaneous	1,100	411	(689)
Total Revenues	<u>260,881</u>	<u>272,930</u>	<u>12,049</u>
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Community Services	<u>674,612</u>	<u>581,776</u>	<u>92,836</u>
Total Expenditures	<u>674,612</u>	<u>581,776</u>	<u>92,836</u>
Excess of Revenues Over (Under) Expenditures	<u>(413,731)</u>	<u>(308,846)</u>	<u>104,885</u>
Net Change in Fund Balances	(413,731)	(308,846)	104,885
Fund Balance at Beginning of Year	870,389	870,389	-
Prior Year Encumbrances Appropriated	<u>615</u>	<u>615</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 457,273</u>	<u>\$ 562,158</u>	<u>\$ 104,885</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Student Managed Activities Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Extracurricular Activities	\$ 36,450	\$ 32,212	\$ (4,238)
Total Revenues	<u>36,450</u>	<u>32,212</u>	<u>(4,238)</u>
EXPENDITURES:			
Current:			
Extracurricular Activities:			
Academic Oriented Activities	36,750	33,983	2,767
School and Public Service Co-Curricular Activities	<u>63,250</u>	<u>40,282</u>	<u>22,968</u>
Total Expenditures	<u>100,000</u>	<u>74,265</u>	<u>25,735</u>
Excess of Revenues Over (Under) Expenditures	<u>(63,550)</u>	<u>(42,053)</u>	<u>21,497</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>13,550</u>	<u>14,121</u>	<u>571</u>
Total Other Financing Sources	<u>13,550</u>	<u>14,121</u>	<u>571</u>
Net Change in Fund Balances	(50,000)	(27,932)	22,068
Fund Balance at Beginning of Year	168,183	168,183	-
Prior Year Encumbrances Appropriated	<u>4,658</u>	<u>4,658</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 122,841</u>	<u>\$ 144,909</u>	<u>\$ 22,068</u>



***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
District Managed Student Activities Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Extracurricular Activities	\$ 32,200	\$ 25,426	\$ (6,774)
Total Revenues	<u>32,200</u>	<u>25,426</u>	<u>(6,774)</u>
EXPENDITURES:			
Current:			
Extracurricular Activities:			
Academic Oriented Activities	3,683	270	3,413
Sport Oriented Activities	<u>161,517</u>	<u>133,476</u>	<u>28,041</u>
Total Expenditures	<u>165,200</u>	<u>133,746</u>	<u>31,454</u>
Excess of Revenues Over (Under) Expenditures	<u>(133,000)</u>	<u>(108,320)</u>	<u>24,680</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>75,000</u>	<u>80,000</u>	<u>5,000</u>
Total Other Financing Sources	<u>75,000</u>	<u>80,000</u>	<u>5,000</u>
Net Change in Fund Balances	(58,000)	(28,320)	29,680
Fund Balance at Beginning of Year	<u>95,558</u>	<u>95,558</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 37,558</u>	<u>\$ 67,238</u>	<u>\$ 29,680</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Auxiliary Services Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 740,440	\$ 740,441	\$ 1
Interest	183	188	5
Miscellaneous	994	381	(613)
Total Revenues	<u>741,617</u>	<u>741,010</u>	<u>(607)</u>
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Community Services	<u>815,744</u>	<u>803,676</u>	<u>12,068</u>
Total Expenditures	<u>815,744</u>	<u>803,676</u>	<u>12,068</u>
Net Change in Fund Balances	(74,127)	(62,666)	11,461
Fund Balance at Beginning of Year	47,444	47,444	-
Prior Year Encumbrances Appropriated	<u>26,683</u>	<u>26,683</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 11,461</u>	<u>\$ 11,461</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
One Net Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 7,200	\$ 7,200	\$ -
Total Revenues	<u>7,200</u>	<u>7,200</u>	<u>-</u>
EXPENDITURES:			
Current:			
Support Services:			
Instructional Staff	<u>11,200</u>	<u>11,160</u>	<u>40</u>
Total Expenditures	<u>11,200</u>	<u>11,160</u>	<u>40</u>
Net Change in Fund Balances	(4,000)	(3,960)	40
Fund Balance at Beginning of Year	<u>5,039</u>	<u>5,039</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 1,039</u></u>	<u><u>\$ 1,079</u></u>	<u><u>\$ 40</u></u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Student Wellness Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 60,205	\$ 60,205	\$ -
Total Revenues	<u>60,205</u>	<u>60,205</u>	<u>-</u>
EXPENDITURES:			
Current:			
Support Services:			
Pupils	54,119	37,017	17,102
Instructional Staff	<u>6,086</u>	<u>-</u>	<u>6,086</u>
Total Expenditures	<u>60,205</u>	<u>37,017</u>	<u>23,188</u>
Net Change in Fund Balances	-	23,188	23,188
Fund Balance at Beginning of Year	<u>8,299</u>	<u>8,299</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 8,299</u>	<u>\$ 31,487</u>	<u>\$ 23,188</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Miscellaneous State Grant Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 12,671	\$ 12,671	\$ -
Total Revenues	<u>12,671</u>	<u>12,671</u>	<u>-</u>
EXPENDITURES:			
Current:			
Support Services:			
Operation and Maintenance of Plant	6,295	6,295	-
Pupil Transportation	<u>4,335</u>	<u>4,335</u>	<u>-</u>
Total Expenditures	<u>10,630</u>	<u>10,630</u>	<u>-</u>
Net Change in Fund Balances	2,041	2,041	-
Fund Balance at Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	<u>6,295</u>	<u>6,295</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 8,336</u></u>	<u><u>\$ 8,336</u></u>	<u><u>\$ -</u></u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
ESSER Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 314,385	\$ 307,729	\$ (6,656)
Total Revenues	<u>314,385</u>	<u>307,729</u>	<u>(6,656)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	257,838	257,601	237
Support Services:			
Pupils	38,278	38,278	-
Operation and Maintenance of Plant	6,000	5,967	33
Operation of Non-Instructional/Shared Services:			
Community Services	<u>12,269</u>	<u>5,883</u>	<u>6,386</u>
Total Expenditures	<u>314,385</u>	<u>307,729</u>	<u>6,656</u>
Net Change in Fund Balances	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Coronavirus Relief Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 125,946	\$ 125,946	\$ -
Total Revenues	<u>125,946</u>	<u>125,946</u>	<u>-</u>
EXPENDITURES:			
Current:			
Support Services:			
Instructional Staff	43,501	43,501	-
Operation and Maintenance of Plant	62,480	62,480	-
Capital Outlay:			
Other Facilities Acquisition and Construction	<u>19,965</u>	<u>19,965</u>	<u>-</u>
Total Expenditures	<u>125,946</u>	<u>125,946</u>	<u>-</u>
Net Change in Fund Balances	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**Beachwood City School District**  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
IDEA B Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 548,266	\$ 469,957	\$ (78,309)
Miscellaneous	7,660	2,934	(4,726)
Total Revenues	<u>555,926</u>	<u>472,891</u>	<u>(83,035)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	52,881	32,543	20,338
Special	214,978	201,852	13,126
Support Services:			
Pupils	142,636	139,792	2,844
Instructional Staff	15,000	12,213	2,787
Operation of Non-Instructional/Shared Services:			
Community Services	124,284	86,628	37,656
Total Expenditures	<u>549,779</u>	<u>473,028</u>	<u>76,751</u>
Excess of Revenues Over (Under) Expenditures	<u>6,147</u>	<u>(137)</u>	<u>(6,284)</u>
OTHER FINANCING SOURCES :			
Advances In	-	4,000	4,000
Total Other Financing Sources	<u>-</u>	<u>4,000</u>	<u>4,000</u>
Net Change in Fund Balances	6,147	3,863	(2,284)
Fund Balance at Beginning of Year	116	116	-
Prior Year Encumbrances Appropriated	<u>1,397</u>	<u>1,397</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 7,660</u>	<u>\$ 5,376</u>	<u>\$ (2,284)</u>



***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Title III Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 16,026	\$ 16,026	\$ -
Miscellaneous	329	126	(203)
	<u>16,355</u>	<u>16,152</u>	<u>(203)</u>
Total Revenues			
EXPENDITURES:			
Current:			
Instruction:			
Special	16,153	15,926	227
Operation of Non-Instructional/Shared Services:			
Community Services	100	100	-
	<u>16,253</u>	<u>16,026</u>	<u>227</u>
Total Expenditures			
Net Change in Fund Balances	102	126	24
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 102</u>	<u>\$ 126</u>	<u>\$ 24</u>

***Beachwood City School District***  
**Schedules of Revenues, Expenditures and Changes in Fund Balance -**  
**Budget (Non-GAAP Basis) and Actual**  
**Title I Fund**  
**For the Fiscal Year Ended June 30, 2021**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 152,519	\$ 85,441	\$ (67,078)
Miscellaneous	1,731	663	(1,068)
Total Revenues	<u>154,250</u>	<u>86,104</u>	<u>(68,146)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	2,510	2,510	-
Special	113,785	76,717	37,068
Operation of Non-Instructional/Shared Services:			
Community Services	<u>37,286</u>	<u>8,138</u>	<u>29,148</u>
Total Expenditures	<u>153,581</u>	<u>87,365</u>	<u>66,216</u>
Excess of Revenues Over (Under) Expenditures	<u>669</u>	<u>(1,261)</u>	<u>(1,930)</u>
OTHER FINANCING SOURCES:			
Advances In	<u>-</u>	<u>28,000</u>	<u>28,000</u>
Total Other Financing Sources	<u>-</u>	<u>28,000</u>	<u>28,000</u>
Net Change in Fund Balances	669	26,739	26,070
Fund Balance at Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	<u>787</u>	<u>787</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,456</u>	<u>\$ 27,526</u>	<u>\$ 26,070</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Preschool Handicapped Grant Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 6,018	\$ 6,018	\$ -
Total Revenues	<u>6,018</u>	<u>6,018</u>	<u>-</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	<u>6,018</u>	<u>6,018</u>	<u>-</u>
Total Expenditures	<u>6,018</u>	<u>6,018</u>	<u>-</u>
Net Change in Fund Balances	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Title II-A Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 44,497	\$ 35,472	\$ (9,025)
Miscellaneous	598	229	(369)
Total Revenues	<u>45,095</u>	<u>35,701</u>	<u>(9,394)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	24,355	24,340	15
Operation of Non-Instructional/Shared Services:			
Community Services	<u>20,142</u>	<u>11,155</u>	<u>8,987</u>
Total Expenditures	<u>44,497</u>	<u>35,495</u>	<u>9,002</u>
Excess of Revenues Over (Under) Expenditures	<u>598</u>	<u>206</u>	<u>(392)</u>
Net Change in Fund Balances	598	206	(392)
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 598</u>	<u>\$ 206</u>	<u>\$ (392)</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Miscellaneous Federal Grant Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 35,451	\$ 32,147	\$ (3,304)
Total Revenues	<u>35,451</u>	<u>32,147</u>	<u>(3,304)</u>
EXPENDITURES:			
Current:			
Support Services:			
Pupils	6,652	6,000	652
Instructional Staff	3,000	2,733	267
Operation of Non-Instructional/Shared Services:			
Community Services	<u>27,539</u>	<u>24,887</u>	<u>2,652</u>
Total Expenditures	<u>37,191</u>	<u>33,620</u>	<u>3,571</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,740)</u>	<u>(1,473)</u>	<u>267</u>
Net Change in Fund Balances	(1,740)	(1,473)	267
Fund Balance at Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated	<u>1,740</u>	<u>1,740</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 267</u>	<u>\$ 267</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Capital Projects Fund  
For the Fiscal Year Ended June 30, 2021

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	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
OTHER FINANCING SOURCES:			
Transfers In	\$ 100,000	\$ 100,000	\$ -
Total Other Financing Sources	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Net Change in Fund Balances	100,000	100,000	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ -</u>

***Beachwood City School District***  
Schedules of Revenues, Expenditures and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Health Care Benefits Fund  
For the Fiscal Year Ended June 30, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>OPERATING REVENUES:</b>			
Charges for Services	\$ 4,000,000	\$ 3,804,563	\$ (195,437)
Other Revenues	450,000	389,007	(60,993)
Total Operating Revenues	<u>4,450,000</u>	<u>4,193,570</u>	<u>(256,430)</u>
<b>OPERATING EXPENSES:</b>			
Claims	4,463,000	3,851,646	611,354
Other	250,000	197,316	52,684
Total Operating Expenses	<u>4,713,000</u>	<u>4,048,962</u>	<u>664,038</u>
Net Change in Net Position	(263,000)	144,608	407,608
Net Position at Beginning of Year	2,257,011	2,257,011	-
Prior Year Encumbrances Appropriated	<u>14,976</u>	<u>14,976</u>	<u>-</u>
Net Position at End of Year	<u>\$ 2,008,987</u>	<u>\$ 2,416,595</u>	<u>\$ 407,608</u>

*STATISTICAL*

*SECTION*



## Statistical Section

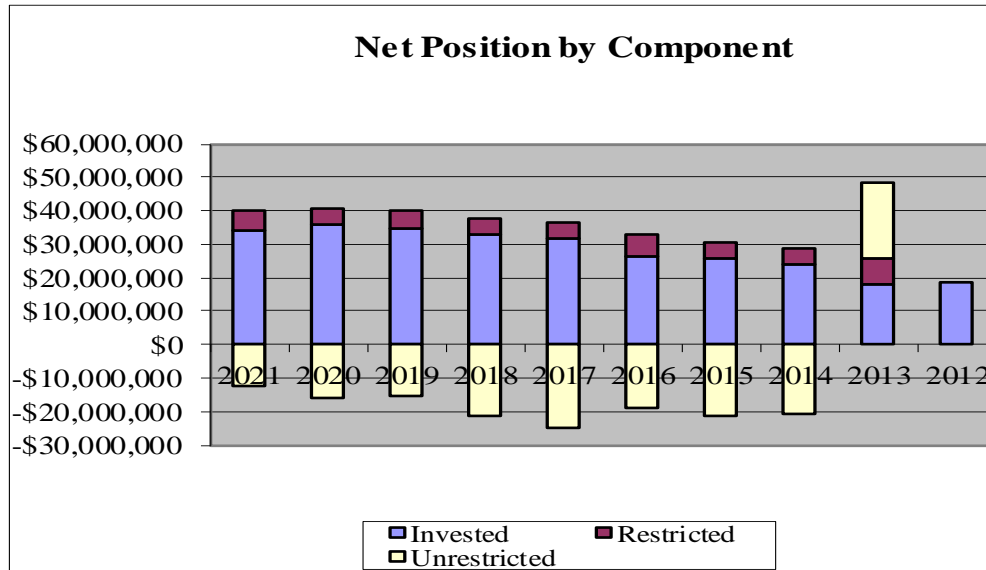
This part of the Beachwood City School District’s Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the School District’s overall financial health.

<b>Contents</b>	<b>Pages</b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the School District’s financial performance and well-being has changed over time.	<b>S2 – S7</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the School District’s most significant local revenue, the property tax.	<b>S8 - S12</b>
<b>Debt Capacity</b> 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.	<b>S13 – S16</b>
<b>Economic and Demographic Information</b> This schedule offers economic and demographic indicators to help the reader understand the environment within which the School District’s financial activities take place.	<b>S17- S18</b>
<b>Operating Information</b> 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.	<b>S19 – S26</b>
<b>Sources:</b> 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 No. 34 in fiscal year 2003 and implemented GASB Statement No. 54 in fiscal year 2011; schedules presenting government-wide information include information beginning in that year. The School District implemented GASB Statement No. 68 in fiscal year 2015. The School District implemented GASB Statement No. 75 in fiscal year 2018. The School District implemented GASB Statement No. 84 in fiscal year 2021.	

**Beachwood City School District**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
 (accrual basis of accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Net Investment in Capital Assets	\$ 34,255,821	\$ 36,051,022	\$ 34,625,038	\$ 32,937,533	\$ 31,984,915	\$ 26,560,370	\$ 25,923,161	\$ 23,764,063	\$ 18,082,152	\$ 18,670,053
Restricted for:										
Debt Services	2,681,311	3,603,633	3,851,762	3,221,659	3,077,874	3,252,718	2,576,755	2,973,570	2,651,163	2,643,964
Capital Outlay	2,049,763	-	-	-	-	2,182,718	1,305,802	889,076	4,242,814	616,102
Other Purposes	816,887	971,704	1,253,918	1,163,756	1,038,742	1,013,143	543,051	660,011	668,352	423,498
Set Asides	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873
Unrestricted	(12,460,480)	(15,863,041)	(15,331,630)	(21,550,830)	(24,725,672)	(18,810,935)	(21,591,662)	(21,001,938)	22,323,262	18,737,752
<b>Total Net Position</b>	<b>\$ 27,478,175</b>	<b>\$ 24,898,191</b>	<b>\$ 24,533,961</b>	<b>\$ 15,906,991</b>	<b>\$ 11,510,732</b>	<b>\$ 14,332,887</b>	<b>\$ 8,891,980</b>	<b>\$ 7,419,655</b>	<b>\$ 48,102,616</b>	<b>\$ 41,226,242</b>

Source: District Financial Statements



**Beachwood City School District**  
**Changes in Net Position of Governmental Activities**  
**Last Ten Fiscal Years**  
 (accrual basis of accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Expenses</b>										
Regular Instruction	\$16,190,019	\$14,735,744	\$12,093,709	\$6,981,461	\$14,185,332	\$12,686,194	\$13,447,648	\$12,503,062	\$12,322,813	\$12,479,099
Special Instruction	6,603,687	7,030,637	6,433,537	4,346,907	6,515,516	5,632,796	6,253,498	5,554,774	6,073,357	6,841,655
Vocational Instruction	1,381,246	1,345,359	1,152,951	774,033	1,221,206	1,250,493	1,399,055	1,727,730	1,306,835	732,685
Adult/Conintuing	73,992	73,768	73,452	40,949	73,772	70,675	70,303	106,568	101,993	99,837
Other Instruction	320,524	270,473	213,074	48,096	312,115	289,608	265,444	282,232	267,839	238,069
Pupils	3,004,474	3,121,558	2,303,142	1,255,338	2,627,312	2,233,497	2,647,582	2,483,137	2,659,540	3,113,676
Instructional Staff	1,302,921	2,493,129	1,751,926	1,108,353	2,074,132	1,836,681	1,920,330	1,948,494	1,383,760	1,120,386
Board of Education	435,617	367,111	488,359	511,650	355,408	357,340	408,141	446,035	606,698	358,447
Administration	2,936,014	2,837,019	2,031,944	1,298,941	2,472,009	2,276,591	2,334,232	2,276,927	2,425,348	2,374,984
Fiscal	1,081,051	971,992	1,101,920	811,820	996,628	1,167,782	1,061,998	830,832	789,311	827,047
Business	320,391	325,686	301,740	263,756	418,986	356,635	326,285	284,773	418,499	459,488
Operation and										
Maintenance of Plant	3,428,421	3,829,264	3,538,169	3,265,550	4,162,520	3,944,032	3,547,759	4,465,843	3,481,534	3,676,973
Pupil Transportation	2,019,210	2,332,945	1,582,876	1,015,455	1,938,172	1,722,149	1,715,068	1,881,013	2,011,020	1,756,043
Central	111,442	267,109	151,670	317,415	291,687	247,360	188,585	75,288	375,875	700,838
Non-instructional	2,036,094	2,387,822	2,089,475	1,638,073	2,230,197	1,883,317	1,885,836	1,826,020	1,562,013	1,528,043
Extracurricular Activities	1,416,268	1,544,436	1,257,110	697,343	1,310,192	1,191,246	1,115,356	909,220	1,224,793	1,237,501
Interest and Fiscal Charges	1,221,642	1,238,371	1,375,676	2,222,392	1,549,639	1,437,967	1,365,362	1,663,812	2,093,321	1,991,584
<i>Total Expenses</i>	<u>\$43,883,013</u>	<u>\$45,172,423</u>	<u>\$37,940,730</u>	<u>\$26,597,532</u>	<u>\$42,734,823</u>	<u>\$38,584,363</u>	<u>\$39,952,482</u>	<u>\$39,265,760</u>	<u>\$39,104,549</u>	<u>\$39,536,355</u>
<b>Program Revenues</b>										
Charges for Services and Sales:										
Regular Instruction	\$169,419	\$169,627	\$190,482	\$200,877	\$197,711	\$187,527	\$223,848	\$173,762	\$198,005	\$198,931
Special Instruction	146,789	436,704	612,871	610,730	579,212	162,256	917,763	253,148	1,339,857	882,280
Vocational Instruction	632,922	329,259	385,319	232,089	346,228	456,962	627,211	599,952	636,639	581,738
Adult/Conintuing	1,404	5,799	4,100	4,995	6,110	4,598	6,500	6,853	10,597	16,141
Other Instruction	35,954	36,555	-	-	-	26,001	6,113	-	489	100
Pupils	108,034	280,323	333,327	447,634	223,357	170,157	489,453	508,341	774,941	804,828
Instructional Staff	625	373	74,630	3,609	12,616	9,064	12,512	2,065	2,701	51,699
Administration	-	-	537	-	2,917	1,268	959	-	3,574	-
Fiscal	11,299	-	-	-	-	20,199	20	18,882	17,401	9,088
Business	38,342	251	-	-	-	665	231	971	1,063	2,130
Operation and										
Maintenance of Plant	28,465	319,032	387,081	409,509	398,776	337,419	326,246	311,240	302,878	333,064
Pupil Transportation	-	286	1,251	41,397	2,384	3,731	7,780	5,033	2,525	2,244
Central	-	-	-	-	-	3,662	1,891	-	-	12,000
Food Service Operations	753	359,732	421,644	379,293	359,144	388,413	345,146	345,753	362,627	382,012
Community Services	280,348	528,048	817,853	776,427	767,277	703,030	731,997	558,981	633,130	562,874
Extracurricular Activities	57,226	44,760	50,183	56,423	47,989	47,452	54,583	52,064	60,329	80,872

Source: District Financial Statements

**Beachwood City School District**  
**Changes in Net Position of Governmental Activities**  
**Last Ten Fiscal Years**  
 (accrual basis of accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Operating Grants and Contributions:										
Regular Instruction	\$1,167,448	\$807,354	\$725,712	\$640,042	\$583,902	\$377,004	\$462,809	\$560,713	\$954,217	\$1,101,653
Special Instruction	1,033,132	1,003,491	1,243,018	1,211,893	1,165,731	1,137,484	1,049,131	961,075	419,766	602,671
Vocational Instruction	571,801	484,492	249,357	237,702	320,397	296,470	494,562	495,738	341,849	387,084
Other Instruction	-	-	-	-	-	-	-	-	95,243	-
Pupils	263,919	277,148	207,557	155,581	237,437	245,630	233,488	162,901	298,176	344,971
Instructional Staff	65,448	52,156	7,200	7,200	468	1,952	8,550	149,687	126,642	82,014
Administration	-	80,089	1,186	3,960	3,341	9,538	11,269	-	12,726	13,862
Operations	81,118	13,061	5,825	28,325	18,091	32,855	53,529	-	63,630	29,705
Pupil Transportation	17,520	77,181	317,840	377,852	405,306	451,538	420,648	337,890	52,733	30,671
Central	-	-	-	-	-	-	-	-	7,200	9,000
Food Service Operations	381,954	88,834	75,040	62,629	60,585	66,309	71,733	57,098	81,350	68,588
Community Services	874,488	810,080	804,846	789,705	817,661	756,588	688,541	597,713	572,830	519,955
Extracurricular Activities	-	33,884	-	-	-	-	-	-	-	-
<b>Total Program Revenues</b>	<b>5,968,408</b>	<b>6,238,519</b>	<b>6,916,859</b>	<b>6,677,872</b>	<b>6,556,640</b>	<b>5,897,772</b>	<b>7,246,513</b>	<b>6,159,860</b>	<b>7,373,118</b>	<b>7,110,175</b>
<b>Net Expenses</b>	<b>(\$37,914,605)</b>	<b>(\$38,933,904)</b>	<b>(\$31,023,871)</b>	<b>(\$19,919,660)</b>	<b>(\$36,178,183)</b>	<b>(\$32,686,591)</b>	<b>(\$32,705,969)</b>	<b>(\$33,105,900)</b>	<b>(\$31,731,431)</b>	<b>(\$32,426,180)</b>

Source: District Financial Statements

**Beachwood City School District**  
**Changes in Net Position of Governmental Activities**  
**Last Ten Fiscal Years**  
 (accrual basis of accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Not Restricted to Specific Services	2,680,530	2,548,450	3,854,155	4,323,371	5,132,300	5,515,570	5,504,910	5,687,462	5,647,472	6,385,851
Investment Earnings	54,555	1,673,196	1,209,263	85,373	395,352	389,609	309,666	176,869	73,323	221,860
Miscellaneous	1,878,156	2,562,303	464,468	2,013,358	2,448,304	1,752,422	632,226	2,712,099	5,436,826	298,808
Property Taxes	34,156,339	32,514,185	34,122,955	30,415,528	25,380,072	30,469,897	27,731,492	33,708,619	27,450,186	28,034,000
<i>Total General Revenues</i>	<u>38,769,580</u>	<u>39,298,134</u>	<u>39,650,841</u>	<u>36,837,630</u>	<u>33,356,028</u>	<u>38,127,498</u>	<u>34,178,294</u>	<u>42,285,049</u>	<u>38,607,807</u>	<u>34,940,519</u>
<i>Change in Net Position</i>	<u>\$854,975</u>	<u>\$364,230</u>	<u>\$8,626,970</u>	<u>\$16,917,970</u>	<u>(\$2,822,155)</u>	<u>\$5,440,907</u>	<u>\$1,472,325</u>	<u>\$9,179,149</u>	<u>\$6,876,376</u>	<u>\$2,514,339</u>

Source: District Financial Statements

**Beachwood City School District**  
**Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
(modified accrual basis of accounting)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<i>General Fund</i>										
Nonspendable	82,285	57,091	48,680	41,199	60,591	81,171	79,722	91,882	81,213	77,423
Restricted	134,873	134,873	134,873	149,705	142,289	134,873	134,873	134,873	134,873	134,873
Committed	-	211,808	329,769	214,660	297,139	257,275	446,142	227,580	245,081	312,464
Assigned	5,182,947	-	1,833,318	4,360,215	1,326,357	-	2,498,306	1,858,365	-	2,412,549
Unassigned	27,174,341	29,344,148	26,972,565	22,226,987	26,566,923	29,917,915	24,692,392	26,643,938	22,231,482	16,014,196
<i>Total General Fund</i>	<u>32,574,446</u>	<u>29,747,920</u>	<u>29,319,205</u>	<u>26,992,766</u>	<u>28,393,299</u>	<u>30,391,234</u>	<u>27,851,435</u>	<u>28,956,638</u>	<u>22,692,649</u>	<u>18,951,505</u>
<i>All Other Governmental Funds</i>										
Nonspendable	7,604	4,221	6,893	5,408	8,760	7,618	7,812	7,393	7,516	8,712
Restricted	5,735,851	7,920,365	5,240,582	4,511,642	4,272,483	2,226,762	4,164,315	4,486,583	4,719,857	4,691,417
Committed	100,000	-	-	-	-	4,487,517	560,228	278,044	3,113,215	16,807,535
Unassigned	(334,956)	(353,631)	(3,050,701)	(2,873,698)	(2,408,221)	-	-	(16,305)	(1,004)	(7,428)
<i>Total All Other Governmental Funds</i>	<u>5,508,499</u>	<u>7,570,955</u>	<u>2,196,774</u>	<u>1,643,352</u>	<u>1,873,022</u>	<u>6,721,897</u>	<u>4,732,355</u>	<u>4,755,715</u>	<u>7,839,584</u>	<u>21,500,236</u>
<i>Total Governmental Funds</i>	<u>\$38,082,945</u>	<u>\$37,318,875</u>	<u>\$31,515,979</u>	<u>\$28,636,118</u>	<u>\$30,266,321</u>	<u>\$37,113,131</u>	<u>\$32,583,790</u>	<u>\$33,712,353</u>	<u>\$30,532,233</u>	<u>\$40,451,741</u>

Source: District Financial Statements

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>General Revenues</b>										
Property and Other Local Taxes	\$34,125,922	\$32,509,737	\$34,207,980	\$30,358,216	\$25,338,108	\$30,432,420	\$27,867,568	\$33,817,710	\$27,846,976	\$28,034,000
Integovernmental	7,137,275	6,531,025	7,488,480	7,881,207	8,616,046	8,890,938	8,999,170	9,010,277	8,673,834	9,576,025
Interest	54,555	1,398,774	1,209,263	85,373	395,352	390,304	309,750	176,914	73,489	221,951
Tuition and Fees/Rent	1,489,738	1,722,511	2,710,613	2,479,932	2,619,730	1,869,768	3,080,253	2,258,470	3,743,392	3,219,070
Miscellaneous Revenue from Local Sources	2,178,052	3,462,517	1,480,324	2,563,659	3,026,834	2,404,363	1,304,142	3,290,629	6,040,024	999,648
<b>Total Revenues</b>	<b>\$44,985,542</b>	<b>\$45,624,564</b>	<b>\$47,096,660</b>	<b>\$43,368,387</b>	<b>\$39,996,070</b>	<b>\$43,987,793</b>	<b>\$41,560,883</b>	<b>\$48,554,000</b>	<b>\$46,377,715</b>	<b>\$42,050,694</b>
<b>Expenditures</b>										
Instruction	\$21,845,349	\$21,170,757	\$21,370,995	\$21,085,410	\$19,552,428	\$18,863,191	\$20,227,953	\$19,818,267	\$19,751,303	\$19,532,432
Support Services:										
Pupil	2,744,941	2,958,793	2,509,241	2,546,653	2,519,937	2,106,213	2,605,118	2,491,157	2,696,076	3,046,113
Instructional Staff	1,049,671	2,049,886	1,698,279	1,632,673	1,734,769	1,830,686	1,934,842	2,005,568	1,338,612	1,054,135
Board of Education	412,754	343,668	468,415	504,063	332,135	336,313	387,993	424,218	585,644	337,438
Administration	2,634,200	2,530,327	2,275,922	2,394,327	2,310,290	2,271,929	2,348,437	2,265,053	2,397,235	2,367,983
Fiscal	1,137,696	1,190,593	1,108,468	1,148,971	1,171,421	1,002,165	1,114,806	1,041,887	873,283	1,106,852
Business	286,232	312,953	321,904	380,556	389,899	349,582	356,524	288,951	415,861	479,569
Operation and Maintenance of Plant	4,075,504	3,617,448	3,650,656	4,070,440	3,938,490	3,707,137	3,482,222	3,409,790	3,023,997	2,948,024
Pupil Transportation	1,782,273	2,096,087	1,628,388	1,644,348	1,748,501	1,761,570	1,955,864	1,906,237	2,030,773	1,665,516
Central	144,557	213,505	194,649	306,702	280,386	299,163	253,730	244,583	918,231	1,124,218
Non-instructional	1,839,184	2,225,073	2,028,906	1,886,457	2,014,808	1,807,773	1,778,066	1,831,026	1,500,237	1,488,316
Extracurricular Activities	1,243,631	1,382,701	1,329,787	1,279,893	1,259,237	1,186,277	1,159,468	1,074,734	1,215,381	1,217,815
Capital Outlay	1,091,816	589,921	937,080	1,399,982	5,067,174	4,882,239	963,409	4,279,834	15,314,306	16,076,522
Debt Service:										
Principal	3,327,000	3,470,000	3,315,000	2,439,166	3,062,737	2,740,000	2,710,000	2,515,000	2,440,000	2,230,000
Interest	1,098,295	1,280,906	1,395,426	2,288,257	1,492,599	1,501,060	1,411,014	2,146,160	2,013,447	2,036,195
<b>Total Expenditures</b>	<b>44,713,103</b>	<b>45,432,618</b>	<b>44,233,116</b>	<b>45,007,898</b>	<b>46,874,811</b>	<b>44,645,298</b>	<b>42,689,446</b>	<b>45,742,465</b>	<b>56,514,386</b>	<b>56,711,128</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>272,439</b>	<b>191,946</b>	<b>2,863,544</b>	<b>(1,639,511)</b>	<b>(6,878,741)</b>	<b>(657,505)</b>	<b>(1,128,563)</b>	<b>2,811,535</b>	<b>(10,136,671)</b>	<b>(14,660,434)</b>
Other Financing Sources/(Uses)										
Operating Transfers In	284,121	307,350	175,000	250,000	203,000	195,500	259,572	272,600	331,600	233,540
General Obligation Bonds Issued	-	-	-	-	-	5,009,296	-	16,569,966	3,325,175	-
Premiums on Debt Issued	1,370,130	-	-	-	-	-	-	-	-	-
Note Issuance	-	5,600,000	-	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	4,049	10,950	16,317	9,308	31,931	-	-	-	-	-
Inception of Capital Lease	-	-	-	-	-	177,542	-	291,635	157,750	172,087
Other Financing Sources	-	-	-	-	-	-	-	246,984	-	-
Operating Transfers Out	(284,121)	(307,350)	(175,000)	(250,000)	(203,000)	(195,500)	(259,572)	(272,600)	(331,600)	(233,540)
Payment to Refunded Debt Escrow Agent	(11,227,557)	-	-	-	-	-	-	-	-	-
Refunding of Bonds	8,620,000	-	-	-	-	-	-	(16,740,000)	(3,265,762)	-
	(1,233,378)	5,610,950	16,317	9,308	31,931	5,186,838	-	368,585	217,163	172,087
<b>Net Changes in Fund Balances</b>	<b>(\$960,939)</b>	<b>\$5,802,896</b>	<b>\$2,879,861</b>	<b>(\$1,630,203)</b>	<b>(\$6,846,810)</b>	<b>\$4,529,333</b>	<b>(\$1,128,563)</b>	<b>\$3,180,120</b>	<b>(\$9,919,508)</b>	<b>(\$14,488,347)</b>
Debt Services as a percentage of Noncapital expenditures	10.33%	10.59%	10.88%	10.84%	10.90%	10.56%	10.03%	10.74%	11.65%	10.04%

***Beachwood City School District***  
**Assessed and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Collection Year	Real Estate		Public Utility Tangible Personal		Total Real/Personal Property		Direct Property Tax Rate
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2021	\$ 800,468,520	\$ 2,287,052,914	\$ 14,457,660	\$ 16,429,159	\$ 814,926,180	\$ 2,303,482,073	92.10
2020	792,289,930	2,263,685,514	12,992,330	14,764,011	805,282,260	2,278,449,526	92.10
2019	769,363,750	2,198,182,143	11,956,730	13,587,193	781,320,480	2,211,769,336	92.10
2018	713,048,270	2,037,280,771	14,404,130	16,368,330	727,452,400	2,053,649,101	86.20
2017	712,300,970	2,035,145,629	13,566,640	15,416,636	725,867,610	2,050,562,265	86.40
2016	707,183,170	2,020,523,343	12,895,080	14,653,500	720,078,250	2,035,176,843	86.40
2015	696,943,910	1,991,268,314	12,737,020	14,473,886	709,680,930	2,005,742,201	86.40
2014	696,761,180	1,990,746,229	12,248,200	13,918,409	709,009,380	2,004,664,638	86.40
2013	701,730,150	2,004,943,286	10,998,710	12,498,534	712,728,860	2,017,441,820	86.40
2012	699,199,670	1,997,713,343	10,143,050	11,526,193	709,342,720	2,009,239,536	86.40

Note: Property in Cuyahoga County is reappraised once every six years with a State mandated update of the current market in the third year after reappraisal

Assessed valuation for real property is based upon 35 percent of estimated true value set by county appraisal, and is 35 percent for public utility property.

Source: Cuyhaoga County Budget Commission



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

	Tax Year/ Collection Year 2020/2021	Tax Year/ Collection Year 2019/2020	Tax Year/ Collection Year 2018/2019	Tax Year/ Collection Year 2017/2018	Tax Year/ Collection Year 2016/2017	Tax Year/ Collection Year 2015/2016	Tax Year/ Collection Year 2014/2015	Tax Year/ Collection Year 2013/2014	Tax Year/ Collection Year 2012/2013	Tax Year/ Collection Year 2011/2012
<b>Beachwood City Schol District</b>										
<b>Unvoted Millage</b>										
Operating	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80
<b>Voted Millage by Levy (Direct Rates)</b>										
1976 Current Expense	44.60	44.60	44.60	44.60	44.60	44.60	44.60	44.60	44.60	44.60
1980 Current Expense	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
1992 Current Expense	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
# 1996 Permanent Improvement- Ongoing	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70
2002 Current Expense	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
2002 Bond (\$15,750,000)	1.60	1.80	1.80	1.80	1.90	1.90	1.90	1.90	1.90	1.90
2005 Current Expense	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90
2010 Bond (\$30,000,000)	2.20	2.40	2.40	2.40	2.50	2.50	2.50	2.50	2.50	2.50
2018 Current Expense	5.90	5.90	5.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Voted Millage</b>	<b>84.90</b>	<b>85.30</b>	<b>85.30</b>	<b>79.40</b>	<b>79.60</b>	<b>79.60</b>	<b>79.60</b>	<b>79.60</b>	<b>79.60</b>	<b>79.60</b>
<b>Total Millage - Beachwood City School District</b>	<b>91.70</b>	<b>92.10</b>	<b>92.10</b>	<b>86.20</b>	<b>86.40</b>	<b>86.40</b>	<b>86.40</b>	<b>86.40</b>	<b>86.40</b>	<b>86.40</b>
<b>Overlapping Millage by Taxing Districts (Direct Rates)</b>										
Cuyahoga County	14.85	14.05	14.05	14.05	14.05	14.05	14.05	14.05	13.22	13.22
Beachwood City	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Cleveland Metro Parks	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	1.85	1.85
Cuyahoga County Library	3.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Cuyahoga Community College	4.90	4.90	4.50	4.50	4.00	4.00	4.00	3.10	3.10	3.10
Cleveland -Cuyahoga Port Authority	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
<b>Total Millage - Overlapping Taxing Districts</b>	<b>30.13</b>	<b>28.33</b>	<b>27.93</b>	<b>27.93</b>	<b>27.43</b>	<b>27.43</b>	<b>27.43</b>	<b>26.53</b>	<b>24.80</b>	<b>24.80</b>
<b>Grand Total - All Direct and Overlapping Millages</b>	<b>121.83</b>	<b>120.43</b>	<b>120.03</b>	<b>114.13</b>	<b>113.83</b>	<b>113.83</b>	<b>113.83</b>	<b>112.93</b>	<b>111.20</b>	<b>111.20</b>

**Source:** Office of the Fiscal Officer, Cuyahoga County, Ohio

**Beachwood City School District**  
**Property Tax Levies and Collections**  
**Real and Personal Property Taxes (1)**  
**Last Ten Calendar Years**

<u>Tax Year/ Collection Year</u>	<u>Current Levy</u>	<u>Delinquent Levy</u>	<u>Total Levy</u>	<u>Current Collection</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Collection</u>	<u>Total Collection</u>	<u>Total Collected As a Percent of Current Levy</u>
2020/2021	\$38,210,988	\$857,213	\$39,068,201	\$36,645,139	95.90%	\$565,028	\$37,210,167	97.4%
2019/2020	38,455,861	591,590	39,047,451	36,748,631	95.56%	499,320	37,247,951	96.9%
2018/2019	36,945,184	493,080	37,438,264	36,319,308	98.31%	408,042	36,727,350	99.4%
2017/2018	33,476,523	793,681	34,270,204	31,611,023	94.43%	712,902	32,323,925	96.6%
2016/2017	33,397,718	2,149,143	35,546,861	31,598,660	94.61%	365,205	31,963,865	95.7%
2015/2016	32,750,590	1,112,487	33,863,077	30,959,431	94.53%	349,869	31,309,300	95.6%
2014/2015	32,929,787	24,369,590	57,299,377	29,959,212	90.98%	400,488	30,359,700	92.2%
2013/2014	32,718,952	18,232,690	50,951,642	32,023,221	97.87%	709,981	32,733,202	100.0%
2012/2013	32,713,108	15,059,270	47,772,378	30,120,713	92.08%	450,863	30,571,576	93.5%
2011/2012	32,715,403	12,492,683	45,208,086	29,975,093	91.62%	826,730	30,801,823	94.2%

Source: Cuyahoga County Fiscal Officer - Data is presented on a calendar year basis, consistent with the County Fiscal Officer's method of maintaining the information.  
(1) Includes Homestead/Rollback taxes assessed locally but distributed through the State and reported as intergovernmental revenue.

**Beachwood City School District**  
**Principal Property Taxpayers**  
**Real Estate Tax**  
**December 31, 2020 and December 31, 2011**

December 31, 2020			
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation (1)
Beachwood Place Limited	Retail	\$74,278,350	9.38%
OLP Beachwood LLC	Apartment Complex	23,537,500	2.97%
Vanguard Beachwood Apartments LLC	Apartment Complex	17,040,170	2.15%
Hamptons Apartment	Apartment Complex	15,846,290	2.00%
Four Seasons Apartments LLC	Apartment Complex	13,520,730	1.71%
Village Green of Beachwood	Condominiums	11,784,570	1.49%
DFG Pavilion LLC	Retail	10,408,030	1.31%
Developers Diversified	Realty	10,358,570	1.31%
Four Seasons Apartments IV LLC	Apartment Complex	9,637,850	1.22%
Cleveland Clinic	Health Care	9,253,830	1.17%
		<u>\$195,665,890</u>	<u>24.70%</u>
<b>Total Commercial Valuation</b>		<u><u>\$792,289,930</u></u>	

December 31, 2011			
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation (1)
Beachwood Place Limited	Mall	\$57,858,580	16.11%
Cleveland Clinic	Health Care	47,450,670	13.21%
Hamptons Apartment	Apartments	12,205,000	3.40%
Village Green of Beachwood	Condominiums	9,890,870	2.75%
Commerce Park	Office Buildings	9,800,020	2.73%
Developers Diversified Realty	Realty	9,339,200	2.60%
Four Seasons Apartments	Apartments	8,786,240	2.45%
Double Tree	Hotel	7,420,010	2.07%
Gotham King Fee Owner, LLC	Unknown	6,704,960	1.87%
Signature Square	Office Buildings	6,223,780	1.73%
		<u>\$175,679,330</u>	<u>48.90%</u>
<b>Total Commercial Valuation</b>		<u><u>\$359,258,080</u></u>	

Source: Cuyahoga County Fiscal Officer

**Beachwood City School District**  
**Principal Property Taxpayers**  
**Public Utility Tax**  
**December 31, 2020 and December 31, 2011**

		<u>December 31, 2020</u>	
<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>% of Total Tangible Personal Property Valuation</u>
Cleveland Electric Illuminating	Electric Utility	\$8,997,710	69.25%
American Transmission System	Telephone	3,434,620	26.44%
East Ohio Gas Compnay	Gas Utility	2,025,330	15.59%
Total		<u>\$14,457,660</u>	<u>111.28%</u>
Total Public Utility Valuation		<u>\$12,992,330</u>	

		<u>December 31, 2011</u>	
<u>Name of Taxpayer</u>	<u>Nature of Business</u>	<u>Assessed Valuation</u>	<u>% of Total Tangible Personal Property Valuation</u>
Cleveland Electric Illuminating	Electric Utility	\$8,997,100	88.70%
East Ohio Gas	Gas	620,730	6.12%
American Transmission System	Utility	525,220	5.18%
Total		<u>\$10,143,050</u>	<u>100.00%</u>
Total Public Utility Valuation		<u>\$10,143,050</u>	

Source: Cuyhoga County Fiscal Officer

**Beachwood City School District**  
**All Outstanding Debt**  
**Last Ten Years**

Year	Gross General Bonded Debt	Notes Outstanding	Leases	Total	Total Debt/Capita*	(1) Debt Outstanding % Of Personal Income
2021	\$ 18,617,336	\$ 8,227,650	\$ -	\$ 26,844,986	\$ 1,912	3.5%
2020	22,199,966	9,162,091	-	31,362,057	2,234	5.5%
2019	24,604,966	4,644,532	-	29,249,498	2,447	5.1%
2018	26,994,966	5,586,973	-	32,581,939	2,726	5.7%
2017	28,500,619	6,524,414	59,169	35,084,202	2,935	6.1%
2016	30,766,271	7,326,855	116,906	38,210,032	3,197	6.7%
2015	33,001,923	2,885,000	97,197	35,984,120	3,010	6.3%
2014	35,202,575	3,440,000	244,826	38,887,401	3,253	6.8%
2013	37,567,973	3,995,000	103,847	41,666,820	3,486	7.3%
2012	39,812,758	4,550,000	202,643	44,565,401	3,728	7.8%

Source: Beachwood City Schools

\* Population 14,040 per US census, 2020

(1) Information on Personal Income can be found on S-20.

**Beachwood City School District**  
 Computation of Direct and Overlapping Debt  
 General Obligation  
 As of December 31, 2020

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount Applicable to School District</u>
<i>Direct Debt:</i>			
Beachwood City School District	\$26,844,986	100.00%	\$26,844,986
<i>Overlapping Debt:</i>			
Cuyahoga County	266,975,000	2.64%	7,047,028
Cuyahoga Community College	201,500,000	2.64%	5,318,761
City of Beachwood	13,910,000	95.85%	13,333,188
City of Pepper Pike	<u>4,216,732</u>	0.55%	<u>23,269</u>
Total Overlapping Debt	<u>486,601,732</u>		<u>25,722,246</u>
Total Debt	<u><u>\$513,446,718</u></u>		<u><u>\$52,567,232</u></u>

Source: Cuyahoga County Fiscal Officer - Data is presented on a calendar year basis, consistent with the County Fiscal Officer's method of maintaining the information.

(1) Percentages were determined by dividing the assessed valuation of the political subdivision by the total assessed valuation, which includes all overlapping valuation. The valuations used were for the 2020 collection year.

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

<u>Year</u>	<u>Gross General Bonded Debt</u>	<u>Less Bond Retirement Fund</u>	<u>Net General Bonded Debt</u>	<u>Assessed Value</u>	<u>Population (1)</u>	<u>Ratio of Net Debt to Assessed Value</u>	<u>Net General Bonded Debt Per Capita</u>
2021	\$18,617,336	\$2,681,311	\$15,936,025	\$814,926,180	14,040 (a)	1.96%	\$1,135
2020	22,199,966	3,603,633	18,596,333	805,282,260	14,040 (a)	2.31%	1,325
2019	24,604,966	3,851,762	20,753,204	781,320,480	11,953 (b)	2.66%	1,736
2018	26,994,966	3,221,659	23,773,307	727,452,400	11,953 (b)	3.27%	1,989
2017	28,500,619	3,077,874	25,422,745	725,867,610	11,953 (b)	3.50%	2,127
2016	30,766,271	3,252,718	27,513,553	720,078,250	11,953 (b)	3.82%	2,302
2015	33,001,923	2,576,755	30,425,168	709,680,930	11,953 (b)	4.29%	2,545
2014	35,202,575	2,973,570	32,229,005	709,009,380	11,953 (b)	4.55%	2,696
2013	37,567,973	2,651,163	34,916,810	712,728,860	11,953 (b)	4.90%	2,921
2012	39,812,758	2,643,964	37,168,794	709,342,720	11,953 (b)	5.24%	3,110

(1) Source: Federal Census

(a) Census 2020

(b) Census 2010

**Beachwood City School District**  
**Computation of Legal Debt Margin**  
**Last Ten Years**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Assessed Valuation	<u>\$814,926,180</u>	<u>\$805,282,260</u>	<u>\$781,320,480</u>	<u>\$727,452,400</u>	<u>\$725,867,610</u>	<u>\$720,078,250</u>	<u>\$709,680,930</u>	<u>\$709,009,380</u>	<u>\$712,728,860</u>	<u>\$709,342,720</u>
Bonded Debt Limit - 9% of Assessed Value (1)	\$73,343,356	\$72,475,403	\$70,318,843	\$65,470,716	\$65,328,085	\$64,807,043	\$63,871,284	\$63,810,844	\$64,145,597	\$63,840,845
Amount of Debt Applicable to Debt Limit: Bonded Debt	18,617,336	22,199,966	24,604,966	26,994,966	28,500,619	30,766,271	33,001,923	35,202,575	37,567,973	39,049,998
Less Bond Retirement Fund	<u>2,836,265</u>	<u>3,684,488</u>	<u>3,958,142</u>	<u>3,320,889</u>	<u>3,185,321</u>	<u>3,244,584</u>	<u>2,752,826</u>	<u>2,954,498</u>	<u>2,620,960</u>	<u>2,571,283</u>
Net General Bonded Debt	<u>15,781,071</u>	<u>18,515,478</u>	<u>20,646,824</u>	<u>23,674,077</u>	<u>25,315,298</u>	<u>27,521,687</u>	<u>30,429,097</u>	<u>32,248,077</u>	<u>34,947,013</u>	<u>36,478,715</u>
Voted Debt Margin	<u>\$57,562,285</u>	<u>\$53,959,925</u>	<u>\$49,672,019</u>	<u>\$41,796,639</u>	<u>\$40,012,787</u>	<u>\$37,285,356</u>	<u>\$33,442,187</u>	<u>\$31,562,767</u>	<u>\$29,198,584</u>	<u>\$27,362,130</u>
Ratio of Legal Debt Margin to Assessed Values	7.06%	6.70%	6.36%	5.75%	5.51%	5.18%	4.71%	4.45%	4.10%	3.86%
Bonded Debt Limit - .1% of Assessed Value (1)	\$814,926	\$805,282	\$781,320	\$727,452	\$725,868	\$720,078	\$709,681	\$709,009	\$712,729	\$709,343
Unvoted Debt Margin	<u>\$814,926</u>	<u>\$805,282</u>	<u>\$781,320</u>	<u>\$727,452</u>	<u>\$725,868</u>	<u>\$720,078</u>	<u>\$709,681</u>	<u>\$709,009</u>	<u>\$712,729</u>	<u>\$709,343</u>

Source: Cuyahoga County Fiscal Officer

(1) Bond Law by Ohio Revised Code sets a limit of 9% for voted debt margin and .1% for unvoted debt .



**Beachwood City School District**  
Demographic and Economic Statistics  
Last Ten Years

<u>Year (1)</u>	<u>Population (1)</u>	<u>Average Federal Adjusted Gross Income (2)</u>	<u>Median Ohio Adjusted Gross Income (2)</u>	<u>Total Personal Income (3)</u>	<u>Per Capita Personal Income (2)</u>	<u>Debt as a % of Personal Income (4)</u>	<u>Cuyahoga County Unemployment Rate (5)</u>
2021	14,040 (a)	\$133,952 *	\$54,294 *	\$770,922,360	\$54,909 (a)	2.4%	4.9%
2020	14,040 (a)	146,477	79,039	770,922,360	54,909 (a)	2.9	12.9
2019	11,953 (b)	133,952	54,294	573,863,530	48,010 (b)	4.3	4.9
2018	11,953 (b)	144,413	57,310	573,863,530	48,010 (b)	4.7	6.4
2017	11,953 (b)	135,289	55,717	573,863,530	48,010 (b)	5.0	6.8
2016	11,953 (b)	127,742	56,026	573,863,530	48,010 (b)	5.4	5.3
2015	11,953 (b)	125,927	54,620	573,863,530	48,010 (b)	5.8	4.0
2014	11,953 (b)	118,809	52,448	573,863,530	48,010 (b)	6.1	6.0
2013	11,953 (b)	112,354	50,612	573,863,530	48,010 (b)	6.5	7.2
2012	11,953 (b)	101,351	55,654	573,863,530	48,010 (b)	8.3	6.6

Source:

(1) U.S Census:

(a) Census 2020

(b) Census 2010

(2) Ohio Department of Taxation

(3) Per capita personal income multiplied by population

(4) Gross bonded debt divided by total personal income

(5) Bureau of Labor Statistics

\* Current data not available

**Beachwood City School District**

**Principal Employers**

**December 31, 2020**

The following are the principal income taxpayers in the City of Beachwood, ranked in order of payroll withholding.

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December 31, 2020

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<u>Employer</u>	<u>Ranking</u>
Cleveland Clinic Foundation	1
*University Hospitals	2
Menorah Park Center	3
*Eaton Corporation	4
Montefiore Home	5
Beachwood City School District	6
Penske Logistics	7
Lifetime Fitness Club	8
City of Beachwood	9
Tremco	10

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December 31, 2011

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<u>Employer</u>	<u>Ranking</u>
Bank of America	1
Cleveland Clinic Foundation	2
Menorah Park Center	3
Nordstrom	4
Beachwood City School District	5
Harborside of Cleveland	6
Developers Diversified	7
Montefiore Home	8
City of Beachwood	9
Rosetta Marketing Group	10

Due to legal restrictions and confidentiality requirements, the City cannot disclose the amount of the withholdings by taxpayer.

\* These companies are located in the City's JEDD area. For purposes of this table, they based their ranking on 50% of their total withholding as the City maintains 50% of all income taxes received from companies in the JEDD.

**Beachwood City School District**  
**Building Statistics by Fund/Program**  
**Last Ten Fiscal Years**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Fairmount Elementary School</b>										
Constructed in 1998										
Total Building Square Footage	26,987	26,987	26,987	26,987	26,987	26,987	26,987	26,987	26,987	26,987
* Enrollment Grades PreK	40	80	84	89	84	75	75	75	79	74
Student Capacity	220	220	220	220	220	220	220	220	220	220
Regular Instruction Classrooms	8	8	8	8	8	8	8	8	8	8
Regular Instruction Teachers	4	4	4	4	4	3.6	3.21	3.21	2.88	2
Special Instruction Classrooms	2	2	2	2	2	2	2	2	2	2
Special Instruction Teachers	1	1	1	1	0.5	0.6	1	1	1	1
% of students who receive free/reduced lunch	0.0%	0.0%	0.0%	0.0%	5.0%	0	0	0	0	0
* Includes special ed Pre k and preschool students										
** Lunch not served at Fairmount										
<b>Bryden Elementary School</b>										
Constructed in 1958										
Additions in 1991 and 2002										
Total Building Square Footage	50,289	50,289	50,289	50,289	50,289	50,289	50,289	50,289	50,289	50,289
Enrollment Grades K -2	317	318	279	264	239	278	278	233	260	276
Student Capacity	510	510	510	510	510	510	510	510	510	510
Regular Instruction Classrooms	13	13	13	13	13	13	13	13	13	13
Regular Instruction Teachers	24.8	16.6	15.6	15.6	17.98	17.98	17.37	17.37	18.4	17.4
Special Instruction Classrooms	3	3	3	3	3	3	3	3	3	3
Special Instruction Teachers	6	4	3	3	2.4	2.4	3	3	4	4.2
% of students who receive free/reduced lunch	8.01%	8.01%	7.47%	3.43%	6.12%	7.79%	9.01%	9.01%	7.30%	13.76%
<b>Hilltop Elementary School</b>										
Constructed in 1957										
Addition in 2002										
Total Building Square Footage	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200
Enrollment Grades 3-5	279	278	305	317	269	294	294	325	361	321
Student Capacity	731	731	731	731	731	731	731	731	731	731
Regular Instruction Classrooms	21.7	16	16	16	16	16	16	16	16	16
Regular Instruction Teachers	19	21.4	22.4	22.4	20.8	20.8	20.88	20.88	19.98	17.3
Special Instruction Classrooms	3	3	3	3	3	3	3	3	3	3
Special Instruction Teachers	7	6	6	6	5	5	8	8	7	6.2
% of students who receive free/reduced lunch	8.25%	8.25%	5.83%	7.77%	10.00%	9.89%	14.15%	14.15%	12.74%	11.21%
<b>Beachwood Middle School</b>										
Constructed in 2003										
Total Building Square Footage	98,000	98,000	98,000	98,000	98,000	98,000	98,000	98,000	98,000	98,000
Enrollment Grades 6 - 8	340	338	306	346	363	348	348	311	318	358
Student Capacity	560	560	560	560	560	560	560	560	560	560
Regular Instruction Classrooms	24.8	27	27	27	27	27	27	27	27	27
Regular Instruction Teachers	25.4	24.3	24.3	24.3	22.96	22.96	22.3	22.3	21.4	21.58
Special Instruction Classrooms	5.4	6	6	6	6	6	3	3	3	3
Special Instruction Teachers	6	6	7	7	6.07	6.07	5.2	5.2	5	5.8
% of students who receive free/reduced lunch	9.20%	9.20%	8.41%	9.54%	9.16%	8.74%	10.28%	10.28%	12.26%	11.45%
<b>Beachwood High School</b>										
Constructed in 1958										
Additions in 2002 and 2003, 2013										
Total Building Square Footage	256,113	256,113	256,113	256,113	256,113	256,113	256,113	256,113	208,509	208,509
Enrollment Grades 9 - 12	672	673	657	647	639	643	643	635	627	650
Student Capacity	1350	1350	1350	1350	1350	1350	1350	1350	1180	1180
Regular Instruction Classrooms	45	45	45	45	45	45	45	45	40	40
Regular Instruction Teachers	39.3	41	40.9	40.9	40.54	40.54	41.8	41.8	42.73	41.185
Special Instruction Classrooms	6	6	6	6	6	6	6	6	6	6
Special Instruction Teachers	8	8	7	7	6.6	6.6	7	7	7	8
% of students who receive free/reduced lunch	9.97%	9.97%	8.25%	5.96%	8.42%	10.99%	12.12%	12.12%	11.64%	10%

Source: District Records

***Beachwood City School District***  
Per Pupil Cost  
Last Ten Fiscal Years

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<u>Year</u>	<u>Per Pupil Cost</u>	<u>Percentage Change</u>
2021	\$17,094	3.37%
2020	16,536	1.97%
2019	16,216	-3.26%
2018	16,763	-2.70%
2017	17,229	2.50%
2016	16,809	-2.93%
2015	17,316	2.55%
2014	16,885	4.58%
2013	16,146	-15.76%
2012	19,166	-2.44%

Source: School District Financial Records

***Beachwood City School District***  
**Attendance and Graduation Rates**  
**Last Ten School Years**

<u>Fiscal Year</u>	<u>Beachwood Attendance Rate</u>	<u>State Average</u>	<u>Beachwood 4 year Graduation Rate</u>	<u>State Average</u>
2021	95.9%	24.0%	100.0%	87.2%
2020	96.4	**	100.0	85.9
2019	95.5	16.7	98.3	85.3
2018	95.6	16.0 *	97.9	84.1
2017	94.8	93.9	97.6	83.4
2016	95.7	94.1	96.6	83.5
2015	95.4	94.1	96.9	83.0
2014	96.3	94.2	95.9	81.3
2013	95.9	94.2	95.7	81.3
2012	96.3	93.0	92.6	90.0

Source: Ohio Department of Education Local Report Cards

\* State of Ohio changed statistic to chronically absent students

\*\* Not published due to COVID 19

**Beachwood City School District**  
**School District Employees by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<b>Regular Instruction</b>										
Preschool Classroom Teachers	4.00	4.60	5.00	4.00	4.00	3.60	3.21	3.21	2.88	2.42
Preschool Aides	3.60	4.27	4.40	3.20	3.20	3.80	4.14	4.14	4.60	3.61
Elementary Classroom Teachers	41.00	30.00	31.00	34.50	34.50	34.50	32.93	32.97	32.47	30.47
Instructional Assistants	3.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-
Art/Music/PE/Technology K-12	14.90	15.47	15.47	15.05	15.05	15.05	17.18	17.18	17.18	18.16
HS/MS Classroom Teachers	50.70	57.50	57.50	57.50	57.50	57.50	48.30	48.30	47.63	46.64
<b>Special Instruction</b>										
Preschool Intervention Specialist	1.00	1.00	1.00	0.50	0.50	0.60	1.00	1.00	1.00	1.00
ELL	2.40	2.40	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Intervention Specialists	21.80	19.50	20.00	18.90	21.90	19.40	22.50	20.00	20.00	22.50
Special Ed Assistants	35.00	31.92	32.57	30.89	30.89	30.40	33.57	34.57	34.97	36.74
Gifted Education Teachers	0.00	2.40	3.00	3.00	3.00	2.07	2.27	2.27	4.00	4.00
<b>Vocational Instruction</b>										
High School Classroom Teachers	5.00	5.50	5.00	5.60	5.60	5.00	6.00	6.00	6.00	6.50
<b>Pupil Support Services</b>										
Guidance Counselors	7.00	6.67	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Librarians	0.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Library Media Assistants	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Psychologists	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Audiologist and Speech & Lang	3.00	3.00	2.50	3.30	3.30	4.60	4.60	4.60	4.60	4.60
Nurses	2.60	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Educational Interpreters	2.61	2.61	5.00	6.52	6.52	7.22	7.60	8.42	8.50	9.36
Occupational Therapist	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Tutors	8.00	7.00	8.00	8.00	8.00	4.75	4.75	4.01	3.41	4.53
<b>Administrators/Supervisors</b>										
Central Office	8.00	8.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	3.00
Elementary	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
MiddleSchool/High School	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Supervisors	5.00	5.00	5.00	6.00	6.00	6.00	4.50	4.00	3.00	5.00
<b>Administrative Support</b>										
Administrative/Office Assistants	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
<b>Operation of Plant</b>										
Cleaners	3.00	4.08	4.08	7.00	7.00	5.00	8.00	9.45	10.40	11.00
Custodians	15.00	15.00	4.00	13.00	13.00	13.00	10.00	10.00	9.00	9.89
Maintenance/Grounds	4.00	3.00	3.00	5.00	5.00	5.00	4.00	4.00	4.00	3.00
<b>Pupil Transportation</b>										
Bus Drivers	22.00	25.00	22.00	19.00	19.00	17.00	18.30	19.86	18.87	14.93
Mechanics	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Treasurer's Office Staff</b>										
Technology	2.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00
<b>Totals</b>	<b>298.61</b>	<b>291.32</b>	<b>283.52</b>	<b>296.96</b>	<b>299.96</b>	<b>290.09</b>	<b>289.85</b>	<b>289.98</b>	<b>288.51</b>	<b>286.95</b>

Source: District records

***Beachwood City School District***  
**Full-Time Equivalent School District Teachers by Education**  
**Last Ten Fiscal Years**

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<u>Degree</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Bachelor's Degree	11	16	16	21	22	24	14	20	24	27
Bachelor + 30	5	5	6	6	6	8	6	4	2	2
Master's Degree	74	78	84	94	87	92	97	90	86	90
Master + 30	29	26	25	19	20	18	19	26	25	21
Master + 60	<u>41</u>	<u>37</u>	<u>29</u>	<u>23</u>	<u>25</u>	<u>18</u>	<u>21</u>	<u>20</u>	<u>23</u>	<u>20</u>
Total	<u>160</u>	<u>162</u>	<u>160</u>	<u>163</u>	<u>160</u>	<u>160</u>	<u>157</u>	<u>160</u>	<u>160</u>	<u>160</u>

Source: School District Records

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

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<u>Fiscal Year</u>	<u>Elementary Schools</u>	<u>Middle School/ High School</u>	<u>Total</u>
2021	596	1,012	1,608
2020	596	1,011	1,607
2019	581	967	1,548
2018	527	993	1,520
2017	508	1,002	1,510
2016	541	1,009	1,550
2015	572	991	1,563
2014	593	933	1,526
2013	638	946	1,584
2012	616	1,008	1,624



**Beachwood City School District**  
**ACT Composite Scores**  
**Last Ten School Years**

<u>School Year</u>	<u>Number of Test Takers</u>	<u>Number of Seniors</u>	<u>Beachwood Composite</u>	<u>Ohio Composite</u>	<u>National Composite</u>
2021	190	138	24.7	20.0	20.7
2020	176	130	24.7	21.0	20.8*
2019	119	122	24.5	22.0	20.8
2018	123	125	24	20.3	20.8
2017	121	138	25.2	22.0	21.0
2016	106	125	24.8	22.0	20.8
2015	100	113	24.5	22.0	21.0
2014	115	132	26.0	22.0	21.0
2013	106	121	26.3	21.8	20.9
2012	122	138	25.3	21.8	21.1

\* National composite not available as of the date of this report

**Beachwood City School District**  
**School Report Card**  
**Last Nine Years**

<u>School Year (1)</u>	<u>Overall Grade (2)</u>	<u>Acheivement Grade (2)</u>	<u>Gap Closing Grade (2)</u>	<u>Overall Progress Grade (2)</u>	<u>Graduation Rate Grade (2)</u>	<u>Prepared for Success Grade (2)</u>
2021	*	*	*	*	*	*
2020	*	*	*	*	*	*
2019	A	A	A	A	A	B
2018	N/A	B	A	A	A	B
2017	N/A	A	B	A	A	B
2016	N/A	A	B	B	A	B
2015	N/A	A	B	A	A	N/A
2014	N/A	A	A	A	A	N/A
2013	N/A	A	B	A	A	N/A

\* Due to COVID 19, the Ohio Department of Educaiton waviered it's testing in FY 20 and FY 21 and therefore, there are no report card grades

N/A - Not Available

(1) 2013 latest information available

(2) 2016-2020 shows component grade

(2) 2013-2015 shows performance index

Source: Ohio Department of Education (ODE)

**BEACHWOOD CITY  
SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO**

**SINGLE AUDIT REPORT**

**FOR THE FISCAL YEAR  
ENDED JUNE 30, 2021**

***James G. Zupka, CPA, Inc.***  
**Certified Public Accountants**

**BEACHWOOD CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO  
SINGLE AUDIT REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**BEACHWOOD CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<b>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Receipts</b>	<b>Non-Cash Receipts</b>	<b>Expenditures</b>	<b>Non-Cash Expenditures</b>
<b><u>U.S. Department of Agriculture</u></b>					
<i>Passed through Ohio Department of Education</i>					
Child Nutrition Cluster:					
School Breakfast Program	10.553	\$ 100,164	\$ 0	\$ 100,164	\$ 0
National School Lunch Program	10.555	211,905	54,617	211,905	54,617
Total Child Nutrition Cluster		<u>312,069</u>	<u>54,617</u>	<u>312,069</u>	<u>54,617</u>
<b>Total U.S. Department of Agriculture</b>		<u>312,069</u>	<u>54,617</u>	<u>312,069</u>	<u>54,617</u>
<b><u>U.S. Department of Education</u></b>					
<i>Passed through Ohio Department of Education</i>					
Title I - Grants to Local Educational Agencies	84.010	114,103	0	87,364	0
Special Education Cluster (IDEA):					
Special Education - Grants to States	84.027	476,891	0	473,028	0
Special Education - Preschool Grants	84.173	6,018	0	6,018	0
Total Special Education Cluster		<u>482,909</u>	<u>0</u>	<u>479,046</u>	<u>0</u>
Student Support and Academic Enrichment Program	84.424	9,690	0	11,431	0
English Language Acquisition State Grants (Title III)	84.365	16,152	0	16,026	0
Improving Teacher Quality States Grants, Title II-A	84.367	35,701	0	34,222	0
Education Stabilization Fund					
Elementary and Secondary School Emergency Relief - ESSER	84.425D	307,729	0	307,729	0
<b>Total U.S. Department of Education</b>		<u>966,284</u>	<u>0</u>	<u>935,818</u>	<u>0</u>
<b><u>U.S. Department of Health and Human Services</u></b>					
<i>Passed through Educational Service Center of Cuyahoga County</i>					
Child Care and Development Block Grant	93.575	19,456	0	19,456	0
<b>Total U.S. Department of Health and Human Services</b>		<u>19,456</u>	<u>0</u>	<u>19,456</u>	<u>0</u>
<b><u>U.S. Department of Treasury</u></b>					
<i>Passed through Department of Education</i>					
Coronavirus Relief Fund					
CFR Suburban School District	21.019	82,445	0	82,445	0
Broadband	21.019	43,501	0	43,501	0
<b>Total U.S. Department of Treasury</b>		<u>125,946</u>	<u>0</u>	<u>125,946</u>	<u>0</u>
<b><u>The Institute of Museum and Library Service</u></b>					
<i>Passed through State Library of Ohio</i>					
Grants to States					
COVID-19 Library Services and Technology Act (LSTA) CARES Act	45.310	3,000	0	2,733	0
<b>Total The Institute of Museum and Library Services</b>		<u>3,000</u>	<u>0</u>	<u>2,733</u>	<u>0</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		<u>\$ 1,426,755</u>	<u>\$ 54,617</u>	<u>\$ 1,396,022</u>	<u>\$ 54,617</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**BEACHWOOD CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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**NOTE 1: BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Beachwood City School District under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Beachwood City School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of Beachwood City School District.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3: INDIRECT COST RATE**

Beachwood City School District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 4: CHILD NUTRITION CLUSTER**

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

**NOTE 5: FOOD DONATION PROGRAM**

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the fair value of the commodities received.

**JAMES G. ZUPKA, C.P.A., INC.**

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

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Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

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

To the Members of Board of Education  
Beachwood City School District  
Beachwood, Ohio

The Honorable Keith Faber  
Auditor of State  
State of Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beachwood City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 19, 2021, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. We also noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District, and the school foundation aid received from the State of Ohio will be funded through the direct funding model.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

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

### ***Purpose of This Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



James G. Zupka, CPA, Inc.  
Certified Public Accountants

November 19, 2021



**JAMES G. ZUPKA, C.P.A., INC.**

*Certified Public Accountants  
5240 East 98<sup>th</sup> Street  
Garfield Hts., Ohio 44125*

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**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT  
ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON  
THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

To the Members of Board of Education  
Beachwood City School District  
Beachwood, Ohio

The Honorable Keith Faber  
Auditor of State  
State of Ohio

***Report on Compliance for Each Major Federal Program***

We have audited the Beachwood City School District, Cuyahoga County, Ohio's (the District) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the Beachwood City School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

### ***Report on Internal Control over Compliance***

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, 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.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated November 19, 2021, which contained unmodified opinions on those financial statements, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. We also noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District, and the school foundation aid received from the State of Ohio will be funded through the direct funding model. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



James G. Zupka, CPA, Inc.  
Certified Public Accountants

November 19, 2021

**BEACHWOOD CITY SCHOOL DISTRICT  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 UNIFORM GUIDANCE  
 JUNE 30, 2021**

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

2021(i)	Type of Financial Statement Opinion	Unmodified
2021(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2021(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2021(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2021(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2021(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2021(v)	Type of Major Programs' Compliance Opinions	Unmodified
2021(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2021(vii)	Major Programs (list):  Special Education Cluster (IDEA) - CFDA #84.027 & #84.173 Elementary and Secondary School Emergency Relief (ESSER) - CFDA #84.425D	
2021(viii)	Dollar Threshold: A/B Program	Type A: \$750,000 Type B: All Others
2021(ix)	Low Risk Auditee?	No

**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.

**BEACHWOOD CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO  
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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The audit report for the fiscal year ending June 30, 2020 contained no audit findings or management letter recommendations.

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# OHIO AUDITOR OF STATE KEITH FABER



**BEACHWOOD CITY SCHOOL DISTRICT**

**CUYAHOGA COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 12/21/2021**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)