



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Beachwood City School District
Cuyahoga County, Ohio
For the Fiscal Year Ended June 30, 2023



OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
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(800) 282-0370

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

We have reviewed the *Independent Auditor's Report* of Beachwood City School District, Cuyahoga County, prepared by Zupka & Associates, for the audit period July 1, 2022 through June 30, 2023. 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. Beachwood City School District is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

March 07, 2024

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**Annual Comprehensive
Financial Report
of the
Beachwood City School District
for the
Fiscal Year Ended June 30, 2023**

Prepared by the Treasurer's Department

**Matthew Brown, Treasurer/CFO
Diana Maher, Assistant Treasurer
Cathy Jones, Payroll
LaJour Sims, Accounts Payable**

24601 Fairmount Boulevard | Beachwood, Ohio 44122-2298



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BEACHWOOD CITY SCHOOL DISTRICT
Annual Comprehensive Financial Report
For the Year Ended June 30, 2023
Table of Contents

	<u>Page</u>
<u>Introductory Section</u>	
Letter of Transmittal	1
Board Members and Appointed Officials	9
Organizational Chart	10
GFOA Certificate of Achievement	11
<u>Financial Section</u>	
Independent Auditor’s Report	13
Management’s Discussion and Analysis	17
A. Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	31
Statement of Activities	32
Fund Financial Statements:	
Balance Sheet – Governmental Funds	33
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	34
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	35
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	36
Statement of Revenues, Expenditures and Changes in Fund Balance- Budget (Non-GAAP Basis) and Actual – General Fund	37
Statement of Fund Net Position – Proprietary Fund	38
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Fund	39
Statement of Cash Flows – Proprietary Fund	40
Notes to the Basic Financial Statements	42

BEACHWOOD CITY SCHOOL DISTRICT
Annual Comprehensive Financial Report
For the Year Ended June 30, 2023
Table of Contents

Required Supplementary Information

Schedule of the District’s Proportionate Share of the Net Pension Liability - School Employees Retirement System (SERS) of Ohio - Last Ten Fiscal Years	86
Schedule of the District’s Proportionate Share of the Net Pension Liability - State Teachers Retirement System (STRS) of Ohio - Last Ten Fiscal Years	88
Schedule of District Contributions – Pension School Employees Retirement System (SERS) of Ohio - Last Ten Fiscal Years	90
Schedule of District Contributions – Pension State Teachers Retirement System (STRS) of Ohio – Last Ten Fiscal Years	92
Schedule of the District’s Proportionate Share of the Net OPEB Liability - School Employees Retirement System (SERS) of Ohio – Last Seven Fiscal Years	94
Schedule of the District’s Proportionate Share of the Net OPEB Liability - State Teachers Retirement System (STRS) of Ohio - Last Seven Fiscal Years	96
Schedule of District Contributions – OPEB School Employees Retirement System (SERS) of Ohio - Last Ten Fiscal Years	98
Schedule of District Contributions - OPEB State Teachers Retirement System (STRS) of Ohio – Last Ten Fiscal Years	100
Notes to Required Supplementary Information	102

Combining Statements and Individual Fund Schedules:

Combining Statements – Nonmajor Governmental Funds:

Description of Funds	107
Combining Balance Sheet – Nonmajor Governmental Funds.....	110
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	111
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	112
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	116
Combining Balance Sheet – Nonmajor Capital Projects Funds	120

BEACHWOOD CITY SCHOOL DISTRICT
Annual Comprehensive Financial Report
For the Year Ended June 30, 2023
Table of Contents

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	121
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual:	
Major Funds:	
General Fund	122
Bond Retirement Fund	126
NonMajor Funds:	
Food Service	127
Special Trust	128
Marketing School Store	129
Recreation	130
Consortium Fund	131
Pupil Support	132
Misc. Local Grants	133
Termination Benefits	134
Preschool	135
Student Managed Student Activities	136
District Managed Student Activities	137
Auxiliary Services	138
One Net	139
Student Wellness	140
Miscellaneous State Grant	141
ESSER	142
IDEA B	143
Title III	144
Title I	145
Title IV	146
Preschool Handicapped Grant	147
Title II-A	148
Miscellaneous Federal Grant	149
Permanent Improvement	150
Capital Projects	151
Health Care Benefits	152

Statistical Section

Financial Trends

Statistical Section Contents.....	S 1
Net Position by Component Last Ten Fiscal Years	S 2
Changes in Net Position of Governmental Activities Last Ten Fiscal Years	S 3 – S5
Fund Balances, Governmental Funds Last Nine Fiscal Years	S 6

BEACHWOOD CITY SCHOOL DISTRICT
Annual Comprehensive Financial Report
For the Year Ended June 30, 2023
Table of Contents

Changes in Fund Balances, Governmental Funds Last Ten Fiscal YearsS 7

Revenue Capacity

Assessed and Estimated Actual Value of Taxable Property, Last Ten Years.....S 8

Property Tax Rates – Direct and Overlapping Last Ten Years.....S 9

Property Tax Levies and Collections, Real and Personal Property
 - Last Ten Calendar Years.....S 10

Principal Property Taxpayers - Real Estate TaxS 11

Principal Property Taxpayers – Public Utility TaxS 12

Debt Capacity

All Outstanding Debt Last Ten Years.....S 13

Computation of Direct and Overlapping Debt.....S 14

Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt
 Per Capita Last Ten Years.....S 15

Computation of Legal Debt Margin Last Ten YearsS 16

Economic and Demographic Information and Operating Information

Demographic and Economic Statistics Last Ten YearsS 17

Principal Employers.....S 18

Building Statistics by Fund/Program Last Ten Fiscal YearsS 19

Per Pupil Cost Last Ten Fiscal Years.....S 20

Attendance and Graduation Rates Last Ten School YearsS 21

School District Employees by Function/Program Last Ten Fiscal Years.....S 22

Full-Time Equivalent School District Teachers by Education Last Ten Fiscal Years.....S 23

Enrollment Statistics Last Ten Fiscal YearsS 24

ACT Composite Scores Last Ten School YearsS 25

School Report Card Last Nine School Years.....S 26



INTRODUCTORY SECTION



DEVELOPING INTELLECTUAL ENTREPRENEURS
WITH A SOCIAL CONSCIENCE





**BEACHWOOD CITY SCHOOL
DISTRICT**

24601 Fairmount Boulevard
Beachwood, OH 44122
Phone: 216.464.2600

December 14, 2023

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

Dear Board Members:

The Annual Comprehensive financial report of the Beachwood City School District (the “School District”) for the fiscal year ended June 30, 2023, 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 more than 1,500 students from Pre-K through 12th 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 believe that we must develop adults who are seekers of knowledge, creative, flexible, and reflective – in other words, an intellectual capacity. These adults are risk-takers, visionaries, brokers, passionate, and committed to excellence. Beachwood students also enjoy experiences where they learn to be globally responsible, altruistic, and environmentally, culturally and politically sensitive.

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 staff and serve as the basis for building and department strategies and tactics.

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.

Beachwood City Schools is “small, but mighty.” This is why families continue to make Beachwood their home. In fact, Beachwood has seen steady growth in enrollment, including a 16% increase in elementary enrollment in the past seven years. Beachwood voters, those with children enrolled in the school system and those who do not, have proven time and again that they support the District (our May 2023 bond levy passed with more than 62% of the vote). Their steadfast support of operating levies and the District’s robust residential and commercial tax base provides it with a strong financial foundation. As a result, the School District supports a well-rounded, innovative, and comprehensive curriculum, state-of-the-art facilities, and stable staffing levels.

Our students are talented and diverse. More than 25% of the students in grades 4-8 have been identified as gifted and receive special services provided by Gifted Intervention Specialists, and 15% of students have been identified for special education services. Amazingly, more than half of Beachwood Middle School’s students are accelerated by at least one academic year in math.

The foundation of the District’s educational programs is its professional staff. The District seeks culturally-competent, pedagogically-creative candidates for each position and supports new staff members’ professional growth. Approximately 87.1% of the teaching staff have master’s degrees or beyond, and approximately 25.9% have master’s degrees plus 60 credit hours. The District’s faculty has an average of 20 years teaching experience, which surpasses the statewide average of 15.0 years (as of Fiscal Year 2022). Our staff are trusted by the public as content and pedagogical experts.

The District invests heavily, but wisely, in the seamless integration of technology into the daily lives of its staff and students. District technology investments avoid fads and focus instead on adopting technologies that make school operations, teaching and learning more efficient and accessible. All Beachwood students are taught internet safety, digital citizenship and literacy, as well as the basics of coding. They are well-prepared with 21st century learning skills.

Similarly, the District recognizes the importance of supporting students' mental wellness and has built a comprehensive counseling services program that serves our families from Kindergarten through high school. School safety and security are paramount concerns addressed through a shared services agreement with the Beachwood Police Department that posts a commissioned officer in each school, every day. This program is overseen by the District's Director of Security, a specially-trained police officer.

School District students and staff have earned numerous awards and honors, including:

Hilltop Elementary School was recently nominated for the 2021 National Blue Ribbon School of Excellence Award. Beachwood Middle School achieved the National Blue Ribbon School of Excellence award in 2019. Hilltop Elementary School also achieved the National Blue Ribbon School of Excellence Award for 2015.

Beachwood High School is consistently in the top 20 schools on Ohio's "Achievement" performance rating.

The School District has been nationally recognized for the past 17 years by the National Association of Music Merchants (NAMM) for being among the Best Communities for Music Education.

The School District's preschool continues to receive the "5 Star Step Up To Quality" rating from the Ohio Department of Education, the highest possible rating.

Bryden School offers K-2 students a holistic education including art, music, physical education, social skills, world language, technology and library science classes.

Hilltop Elementary School earned an "A" in Performance Index, met 100% of the indicators on the State of Ohio standardized tests and exceeded its "Value Added" measures. All State Report Card indicators were the highest achievable levels in the State.

Beachwood Middle School was recognized as an "Ohio School to Watch" and a "National School to Watch" on multiple occasions.

The Class of 2023 earned a mean SAT score of 1329 and a mean ACT score of 23.8, both above the national average.

The Class of 2023 boasts two National Merit Finalists and five Commended students. The Class of 2022 boasted six National Merit Semifinalists and seven Commended students.

Beachwood High School offers 28 Advanced Placement classes and 75% percent of AP test scores are a 3 or higher. In addition, the District offers 21 honors-level course offerings, and Multivariable Calculus, Design Engineering I and II which are offered for college credit. During the 2022-2023 school year, 186 students enrolled in College Credit Plus courses.

In 2023, Beachwood High School had 24 students who earned the distinction of "Advanced Placement (AP) Scholar," 13 earn "Advanced Placement Scholar with Honor," and 56 earn "Advanced Placement Scholars of Distinction."

In 2023, Beachwood High School was awarded the AP Computer Science Principles Female Diversity Award.

The high school offers the four-year Design & Innovation program for students interested in design and engineering. This program partners with the Washkiewicz College of Engineering at Cleveland State University. Its enrollment exceeds 60 students.

The University Hospitals System (UH) and the School District partnered to establish a rigorous, four-year science-based curriculum designed to prepare high school students for professional careers in medicine. The Beachwood Medical Academy blends traditional Honors and Advanced Placement course work at Beachwood High School with internships, credit-flex studies, augmented summer course work, and immersive experiences at multiple sites within the UH system.

The entrepreneurial spirit of the Beachwood High School Marketing Program has fostered strategic school-business partnerships around large-scale business expositions and unique corporate responsibility campaigns, the proceeds of which have funded leadership training, experiential learning opportunities and large charitable donations.

Beachwood High School fields 23 different athletic teams. Recent achievements include:

- State Championships in Boys and Girls Indoor Track and Field
- State place winners in swimming and diving, wrestling, track and field
- All-Ohio honors in football, boys basketball, girls and boys track and field, swimming and diving, wrestling, boys soccer and boys tennis

Convocation 2023

The Beachwood City Schools 2023 opening professional development day for staff focused on the areas of achievement, intercultural awareness and mental health through a unique cross-cultural excursion program. In August, more than 300 staff members visited sites throughout greater Cleveland to gain firsthand knowledge of others' cultures and experiences. Learning to adapt to differences promotes a culturally responsive and inclusive school community. Staff survey results show that the excursions had a profound and positive impact on our staff. Beachwood Schools staff will use knowledge gained from the excursions to plan cross-cultural experiential learning opportunities for students.

Special thanks to the organizations and volunteers who shared their wisdom and time with our staff:

AsiaTown Cleveland
Baseball Heritage Museum
The Cleveland Cultural Gardens
Cleveland Sight Center
Edwins Leadership & Restaurant
Fieldstone Farm Therapeutic Riding Center
International Women Air & Space Museum
Islamic Center of Cleveland
Lake View Cemetery
Maltz Performing Arts Center
MidTown Cleveland
The New Eastside Market
Rid-All Green Partnership
St. Theodosius Orthodox Cathedral

Grow Your Own Program

During the 2022-2023 school year, Beachwood Schools continued its partnership with Ursuline College through the Grown Your Own Program, which helps district staff members achieve their professional goals and provides a pipeline of our own talented, hardworking staff to fill positions within our school system.

Affinity Groups

Beachwood Schools encourages the gathering of informal and formal affinity groups. An affinity group brings together people with shared interests or goals to act collectively for a specific purpose. The purpose of these groups is to connect, support, and encourage groups who fit these criteria. In 2023, Beachwood's Board of Education formally recognized six district-based affinity groups: African American Affinity Group, Chinese Family Affinity Group, Hispanic & Latino Affinity Group, Indian American Affinity Group, Muslim Affinity Group, and the Neurodiversity Family Network.

Financial Policies

The School District annually reviews its financial policies and updates when necessary to stay on top of regulatory changes and/or improve internal controls.

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 31st 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 School 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 2027. 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 2025 which would commence collecting in FY 26.

The District is committed to extending out the need for a levy as long as possible. The 2025 levy is not set in stone and would require approval by the Board of Education before it would be placed on the ballot.

Beachwood Schools closed its books for fiscal year 2023 with a positive unencumbered fund balance of \$24.8 million dollars, an increase of \$550k from fiscal year 2022. Maintaining a healthy fund balance continues to be a priority for the School 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 School 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 4% 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 \$1.5 million in payroll. The income tax sharing generated from new payroll is however limited to the loss of property tax revenue by the School District on account of the CRA exemption. It is important to note, that there is currently one commercial property owner's income tax exceeds the \$1 million payroll threshold and the City has remitted \$16,637 in income taxes to the School District in FY 20, \$25,063 in FY 21, \$21,374 in FY 22 and \$19,744 in FY 23. The City continues to work collaboratively with the schools on these agreements.

Furthermore, 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. For example, the City recently negotiated with the Lighting Division of GE to relocate to the City's Commerce Park. The property will have increased property value on the tax rolls. 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.

For tax year 2022, the community's tax base is fairly evenly distributed between commercial and residential property. 50% of the School District's valuation is comprised of residential property and 50% 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 Supreme Court upholding the School District's position that Warrensville Heights City Schools indeed entered into a contract with the Beachwood City School District. There are no more levels of appeal. The Ohio Supreme Court remanded the case back to The Court of Common Pleas, the original trial court, which dismissed the case in 2019. The District has not received any revenue from this property nor has forecasted additional revenue because the issue remains in litigation. The District anticipates the Court of Common Pleas Judge assigned to this case to identify a trial date in the very new future.

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 34.39 and 44.39 for residential and commercial property, respectively.

The County which is responsible for conducting an update of full property appraisal every six years. Every three years, the County conducts an update to property values by doing a market review. The last update year for Cuyahoga County was in 2021. In the sixth year, the County does a full appraisal of each property by doing on-site appraisals and evaluating recent sales. A full appraisal is on the docket for Cuyahoga County in calendar year 2024. Across the State, counties are seeing record high property valuation increases. Similar results are expected in Cuyahoga County when their full appraisal is completed in 2024. The update that was completed in 2021 increased residential property values by 10% on average and commercial property values by 2%. Unless there is a significant economic downturn in the coming months, the District is expecting significantly higher percentage increases than was realized during the 2021 appraisal update.

The State's budget bill (H.B. 33) passed in early July 2023. The passage of this budget bill continued with an investment in public education by funding the second phase-in of the Fair School Funding Plan (FSFP). When the FSFP was originally implemented, it was the goal of the state legislature at that time to phase in the FSFP over three budget bills. With the passage of H.B. 33, the FSFP is funded at 50.0% for Fiscal year 2024 and at 66.7% for Fiscal Year 2025. The District is currently funded on the formula and has experienced the positive impact of the State continuing its funding of the FSFP in its latest budget bill. It is anticipated that the funding level achieved after Fiscal Year 2025 will at a minimum continue at that level.

In May, 2023, the voters of Beachwood overwhelmingly approved a 3.95 mill bond levy for new construction of its two elementary buildings (Bryden and Hilltop) and other capital improvements. Once these two new elementary buildings are constructed and in operations, all of the District's facilities will be updated and in excellent condition for years to come.

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. Zupka & Associates conducted the School District's 2023 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 Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. (This was the 34th 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 Annual Comprehensive 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 (retired); Diana Maher, Assistant Treasurer; Cathy Jones, Payroll Specialist, Kelly Wright, Purchasing Agent; Rita Miklacic, EMIS Specialist and LaJour Sims, Financial Processing Specialist; who assisted with the development of the Annual Comprehensive Financial Report and the annual audit. The department members have our sincere gratitude for their professional, efficient and dedicated service. Additionally, immense gratitude is extended to Michele Mills, retired Treasurer/CFO, for her many years of service to the Beachwood City School District and its community. Mrs. Mills has built a strong financial foundation for the School District and her passion for the School District will be greatly missed.

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, Mrs. Maria Bennett and Mr. David Ostro along with Mrs. Jillian DeLong (Board Member Vice-President) are to be commended for their efforts.



Matthew Brown
Treasurer/CFO



Dr. Robert Hardis
Superintendent of Schools

Elected Officials

Board of Education

Mrs. Megan Walsh President

Mrs. Jillian DeLong Vice-President

Mrs. Kim Allamby Member

Ms. Wendy LeatherberryMember

Dr. Josephine Chan Member

Administration

Dr. Robert Hardis.....Superintendent

Mr. Matthew Brown *Treasurer/CFO

Dr. Ken Veon..... Assistant Superintendent

Ms. Lauren Broderick/Mrs. Jennifer Polak Director of Pupil Services

Mrs. Linda LoGalboDirector of Curriculum

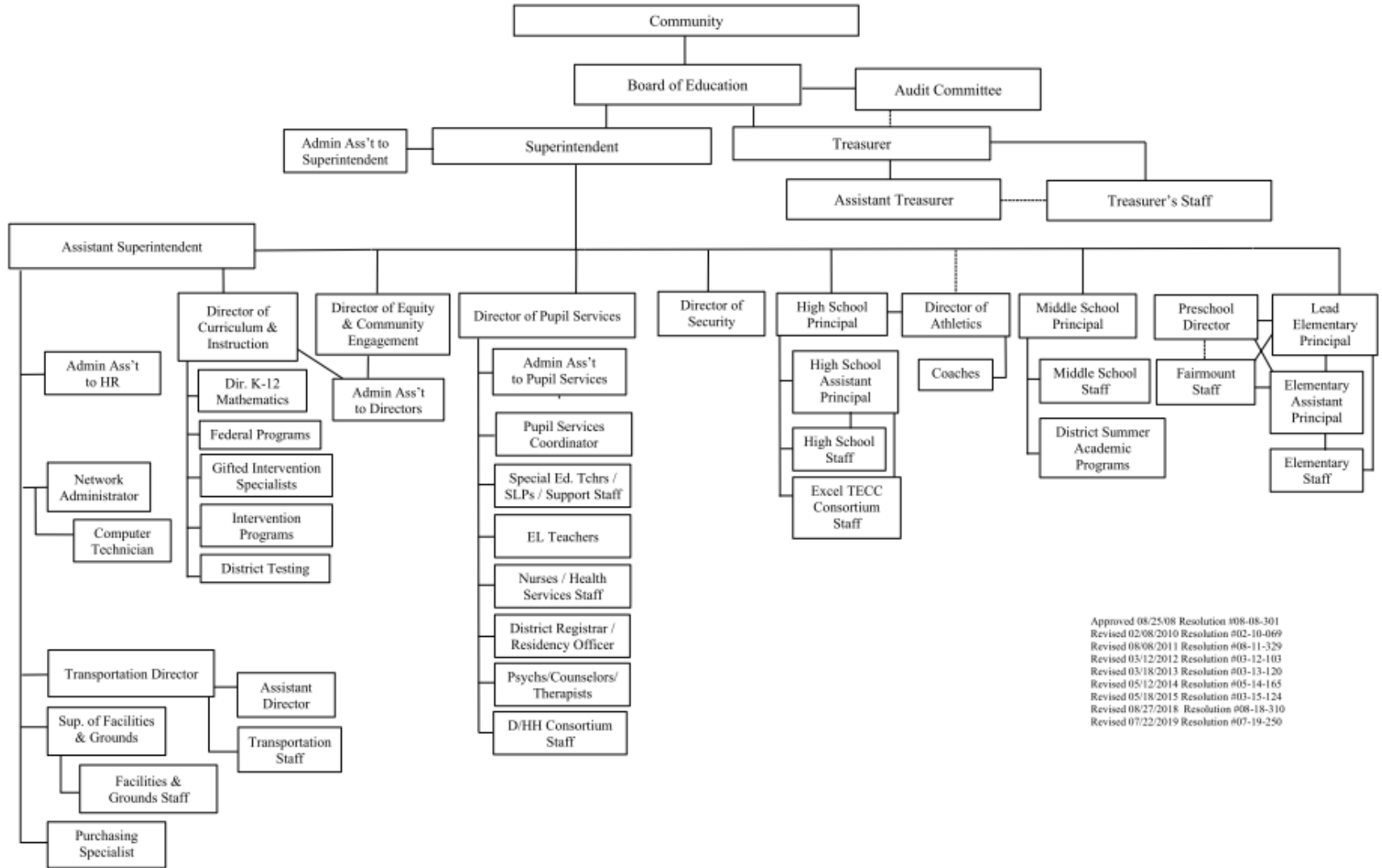
Mrs. Kathleen Stroski/Mrs. Diana Maher..... Assistant Treasurer

Mr. Kevin HouchinsDirector of Equity and Community Engagement

* Mr. Brown replaced Mrs. Michele Mills as the District’s Treasurer/CFO effective August 1, 2023 due to the retirement of Mrs. Mills.

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 #05-15-124
 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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION



DEVELOPING INTELLECTUAL ENTREPRENEURS
WITH A SOCIAL CONSCIENCE



INDEPENDENT AUDITOR'S REPORT

Beachwood City School District
Cuyahoga County
24601 Fairmount Blvd.
Beachwood, Ohio 44122-2298

To the Members of the Board of Education:

Report on the Financial Statements

Opinions

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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 is the responsibility of management and, 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.

Supplementary 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 combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are 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 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2023, 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 solely 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 the effectiveness of the District's 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.



Zupka & Associates
Certified Public Accountants

December 14, 2023

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Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
Unaudited

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, 2023. 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 2023 are as follows:

- In total, net position increased by \$5,034,729. The increase in net position is primarily due to the increase in cash and cash equivalents and net OPEB asset and decrease in liabilities due to the decrease in net pension liability.
- Total outstanding debt decreased \$3.3 million due to current year principal payments.
- The general fund had a fund balance of \$34 million of which \$30 million is unassigned and available to fund future day to day operations of the School District.
- Total expenses increased \$4,713,612 in fiscal year 2023. The expenses include adjustments due to the recording of net pension liability, net OPEB liability and net OPEB asset. See page 24 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, 2023
Unaudited

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 2023?" 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 25. 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 and Bond Retirement Fund.

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, 2023
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 2023 compared to 2022:

Table 1 - Net Position

	Governmental Activities	
	2023	2022
ASSETS		
Current and Other Assets	\$ 77,373,333	\$ 76,068,005
Capital Assets, net	62,923,491	63,833,053
Net OPEB Asset	3,460,591	2,942,136
Total Assets	143,757,415	142,843,194
DEFERRED OUTFLOWS OF RESOURCES		
Pension	9,403,203	9,870,739
OPEB	1,063,492	1,171,616
Total Deferred Outflows of Resources	10,466,695	11,042,355
LIABILITIES		
Current and Other Liabilities	5,879,840	5,575,485
Long-term Liabilities:		
Due within one year	3,491,005	3,319,269
Due in more than one year:		
Net Pension Liability	39,421,519	24,415,552
Net OPEB Liability	2,559,415	3,387,765
Other Amounts	21,171,978	23,888,121
Total Liabilities	72,523,757	60,586,192
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	33,711,771	35,258,853
Pension	4,619,153	19,945,731
OPEB	5,927,808	5,687,881
Total Deferred Inflows of Resources	44,258,732	60,892,465
NET POSITION		
Net Investments in		
Capital Assets	42,518,745	39,971,095
Restricted	4,213,608	3,802,573
Unrestricted	(9,290,732)	(11,366,776)
Total Net Position	\$ 37,441,621	\$ 32,406,892

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
Unaudited

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2023, 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.

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
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 increased by \$338,561 and total governmental liabilities and deferred inflows of resources decreased by \$4,696,168 resulting in an increase in net position of \$5,034,729. The increase in governmental assets is due primarily to an increase in cash and cash equivalents and net OPEB asset, which is offset by decrease in capital assets. The decrease in capital assets is due to deletions and 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, 2023 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	\$ 37,441,621
Add:	
Net Pension liability	39,421,519
Net OPEB Liability	2,559,415
Deferred Inflows - Pension	4,619,153
Deferred Inflows - OPEB	5,927,808
Less:	
Net OPEB Asset	(3,460,591)
Deferred Outflows - Pension	(9,403,203)
Deferred Outflows - OPEB	(1,063,492)
Total Net Position without GASB 68 and GASB 75	\$ 76,042,230

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
Unaudited

Table 2 shows the changes in net position for fiscal year 2023 with revenue and expense comparisons to fiscal year 2022:

	<u>Governmental Activities</u>	
	<u>2023</u>	<u>2022</u>
REVENUES		
Program Revenues:		
Charges for Services	\$ 2,318,535	\$ 1,873,876
Operating Grants and Contributions	4,230,447	4,837,990
Capital grants and contributions	<u>90,000</u>	<u>-</u>
Total Program Revenues	<u>6,638,982</u>	<u>6,711,866</u>
General Revenues:		
Property Taxes	37,865,595	36,138,182
Grants and Entitlements	2,699,417	2,679,276
Investment Income	793,826	(408,380)
Gain on Sale of Capital Assets	102,323	4,003
All Other Revenues	<u>2,165,953</u>	<u>588,178</u>
Total General Revenues	<u>43,627,114</u>	<u>39,001,259</u>
Total Revenues	<u>50,266,096</u>	<u>45,713,125</u>
EXPENSES		
Program Expenses:		
Instruction		
Regular	15,807,181	14,282,606
Special	6,975,192	5,488,414
Vocational	1,379,399	1,372,080
Adult/Continuing	148,651	291,780
Other	383,643	35,256
Supporting Services:		
Pupil	2,752,620	2,735,505
Instructional Staff	1,745,323	1,517,349
Board of Education	493,825	389,117
Administration	3,060,905	2,303,669
Fiscal	1,459,518	2,326,921
Business	333,788	301,323
Operation and Maintenance of Plant	4,025,368	3,300,732
Pupil Transportation	2,245,391	1,977,444
Central	265,101	127,556
Operation of Non-Instructional Services	1,758,120	1,770,033
Extracurricular Activities	1,558,927	1,355,534
Interest and Fiscal Charges	<u>838,415</u>	<u>942,436</u>
Total Expenses	<u>45,231,367</u>	<u>40,517,755</u>
Change in Net Position	5,034,729	5,195,370
Net Position - Beginning of Year, Restated	<u>32,406,892</u>	<u>27,211,522</u>
Net Position - End of Year	<u>\$ 37,441,621</u>	<u>\$ 32,406,892</u>

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
Unaudited

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 75.3 percent of revenues for governmental activities for the School District in fiscal year 2023. 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, 2023 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 \$1,727,413 on an accrual basis of accounting due to the increase in cash collections of \$879,280 and due to a difference in accruals of \$848,133. 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 2023, 2022 and 2021 were \$3,988,117, \$2,789,089, and \$1,772,912, respectively. On a cash basis, property tax collections had an increase with \$35,892,621 received in fiscal year 2023 and \$35,013,341 in fiscal year 2022.

Charges for services increased by \$444,659 due to an increase in preschool tuition and consortium program tuition. Operating Grants and contributions decreased by \$607,543 due to the increase in grants. Investment Income increased by \$1,202,206 from a deficit of \$408,380 in fiscal year 2022 due to the change in rates from the prior year. All other revenues increased by \$1,577,775 in fiscal year 2023 due to negotiated settlements with local business owners on property values for tax purposes.

Instruction comprises 54.6 percent of governmental program expenses. Interest expense was 1.9 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, 2023
Unaudited

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. The changes in pension expense is a result of changes in expenses incurred at the pension system level for the State Teachers Retirement System (STRS) and the School Employees Retirement System (SERS) due to a change in net investment income on investments as compared to previous years. As a result of the significant adjustments to program expenses for GASB 68 and GASB 75, the following adjustments are needed:

Total 2023 program expenses under GASB 68 and 75	\$ 45,231,367
Negative NPL expense under GASB 68	(3,641,093)
2023 contractually required contribution - Pension	3,494,168
Negative OPEB expense under GASB 75	881,217
2023 contractually required contribution - OPEB	<u>117,537</u>
Adjusted 2023 program expenses	<u>46,083,196</u>
Total 2022 program expenses under GASB 68 and 75	\$ 40,517,755
Negative NPL expense under GASB 68	325,470
2022 contractually required contribution - Pension	3,371,498
Negative OPEB expense under GASB 75	310,549
2022 contractually required contribution - OPEB	<u>112,413</u>
Adjusted 2022 program expenses	<u>44,637,685</u>
Increase in program expenses	<u>\$ 1,445,511</u>

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 2022.

Table 3 - Governmental Activities

	Total Cost of Services 2023	Total Cost of Services 2022	Net Cost of Services 2023	Net Cost of Services 2022
Instruction	\$ 24,694,066	\$ 21,470,136	\$ 20,875,963	\$ 17,183,618
Supporting Services:				
Pupils and Instructional Staff	4,497,943	4,252,854	4,098,381	3,680,621
Board of Education, Administration, Fiscal Services, and Business	5,348,036	5,321,030	5,348,036	5,306,618
Operation and Maintenance of Plant	4,025,368	3,300,732	4,009,446	3,292,200
Pupil Transportation	2,245,391	1,977,444	1,466,337	1,787,862
Central	265,101	127,556	175,398	127,556
Operation of Non-Instructional Services	1,758,120	1,770,033	440,287	301,937
Extracurricular Activities	1,558,927	1,355,534	1,340,122	1,183,041
Interest and fiscal charges	838,415	942,436	838,415	942,436
Total cost of service	<u>\$ 45,231,367</u>	<u>\$ 40,517,755</u>	<u>\$ 38,592,385</u>	<u>\$ 33,805,889</u>

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
Unaudited

The dependence upon tax revenues for governmental activities is apparent. Over 85 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 33. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$50,198,719 and expenditures and other financing uses of \$48,273,650.

The net fund balance increased in the general fund by \$1,455,964. The increase is due the increase in property tax revenues and investment income.

The net fund balance increased in the bond retirement fund by \$513,198 due to the decrease in expenditures as compared to prior year.

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 2023, 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 \$2,118,721 less than the final budget estimates, and actual revenue was \$187,272 greater than the final budget estimates of \$39,250,071 due to the School District receiving more in state aid from the State's foundation program coupled with increased interest rates. The School District's ending un-obligated cash balance was \$866,966 more than the final budgeted amount as expenditures were less than anticipated in the areas of instruction, operation and maintenance of plant and transfers out.

For the general fund, the expenditure original budget estimates were \$28,717 greater than the final budget estimates, and actual expenditures were \$679,694 less than the final budget estimates of \$40,124,222 due to the School District not realizing the level of transfers out that were budgeted coupled with actual operational costs coming in lower than projected.

Capital Assets

At the end of fiscal year 2023, the School District had \$62,923,491 invested in land, buildings, equipment, buses, other vehicles, and intangible right to use Lease - equipment, 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
For the Fiscal Year Ended June 30, 2023
Unaudited

Table 4 shows fiscal 2023 balances compared to 2022:

	Table 4 - Capital Assets at June 30, (Net of Depreciation)	
	Governmental Activities	
	2023	2022
Land	\$ 978,708	\$ 978,708
Construction in progress	243,290	5,553,392
Land Improvements	1,212,094	1,345,830
Buildings and Building Improvements	58,103,101	54,062,579
Vehicles	989,227	868,970
Equipment	1,371,212	977,819
Intangible Right-to-use Lease - Equipment	25,859	45,755
Total Net Capital Assets	\$ 62,923,491	\$ 63,833,053

The decrease in capital assets was due to the decrease in construction in progress that was offset by an increased in buildings and building improvements.

Debt

At June 30, 2023, the School District had \$20,395,283 in outstanding debt, \$3,134,284 due within one year. Table 5 summarizes bonds, notes and leases 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, 2023, the School Districts' voted general obligation bonded debt of \$14,068,344 is below the legal limit of \$69,412,895 (voted). In addition, the School District had no un-voted debt at June 30, 2023. 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 2023.

Beachwood City School District
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
Unaudited

Table 5 - Outstanding Debt at June 30,

	Governmental Activities	
	2023	2022
2016 Certificates of Participation	\$ 2,240,000	\$ 2,650,000
2016 COPs Premium	69,768	87,209
2020 Tax Anticipation Note	3,991,000	4,535,000
2021 Refunding Tax Exempt Bond	8,115,000	8,620,000
2021 Refunding Premium	993,344	1,130,357
2010 Qualified School Construct Bonds	4,960,000	6,200,000
2014 Refunding Tax Exempt Bonds	-	89,966
Bond Accretion	-	345,002
Leases Payable	26,171	46,047
Total Outstanding Debt	\$ 20,395,283	\$ 23,703,581

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

Community Reinvestment Area (CRA)

Beachwood Schools is a strong supporter of business development within our city. The founders of modern 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.

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 to attract innovative high-tech and biomedical firms and relocate to a revitalized Commerce Park. This has been an exciting vision for business development that has proven to be 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 regarding the CRA expansion. The final legislation included measures to ensure Beachwood Schools benefits from critical revenue sources.

There have been many collaborative discussions with city officials to enter into business incentive agreements that are “school friendly” in that school taxes are not abated for long periods of time. For example, the City announced a school friendly Tax Incentive Financing (TIF) agreement with General Electric.

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
Unaudited

The GE Current division has moved to Commerce Park with no school tax abatements. The TIF rebates City income taxes instead. GE Current took over the former Aleris offices. Other similar arrangements have been negotiated such as Trailhead, which moved into Commerce Park. These TIF's help bring new businesses to the community but do not grant property tax rebates which can negatively impact school revenues. This is a win for all entities involved.

Schools-City Shared Services Agreement

The Beachwood Board of Education, in continued partnership with Mayor Justin Berns and the Beachwood City Council, has extended a three-year shared services agreement that allows the schools and city not to bill one another for specific services through the end of November 2023. An agreement like this had been sought for several years, as it made sense for the two government entities that serve the Beachwood community to share services with each other. The Schools and City had "traded" taxpayers' dollars with one another in roughly the same amount for several years, whereby the District paid the City for the police officers who protect our school buildings and the City paid the District for its extensive use of the District's indoor and outdoor facilities for programming throughout the year. This shared services agreement makes good sense, is mutually beneficial and, hopefully, will lead to new and innovative forms of collaboration in the future. The City and District are currently negotiating this agreement to extend for additional years into the future.

Thoughts for the Future

The District is still currently involved in litigation relating to the Chagrin Highlands property which currently generates no revenue for Beachwood Schools. Instead, all property tax revenues are remitted to the Warrensville Heights City Schools. This is despite our two districts agreeing many years ago that Beachwood should be remitted roughly 30% of those revenues. The District has been in litigation at multiple court levels on this matter for a number of years. The Ohio Supreme Court recently issued its opinion in favor of Beachwood Schools, stating that the contract between our districts was valid and enforceable. Warrensville Heights City Schools asked the Ohio Supreme Court to reconsider its determination but the Ohio Supreme Court declined to do so. The case has now been remanded back to the Court of Common Pleas which originally dismissed the case in 2019. To date, Beachwood Schools has not received any revenue from this property nor has forecasted any revenue as the case is still in litigation.

With all these variables factored in, Beachwood Schools' five-year forecast currently projects that we will NOT NEED to place an operating levy on the ballot again until at least calendar year 2026. The previous five-year forecast projected that need in 2025. The District, when it passed its operating levy in 2018 promised to stay off the ballot for at least 5 years. We are determined to do all we can to keep our expenditures steady without impacting the educational experiences of our students. We will continue this due diligence in the attempt to elongate our levy cycle.

The Beachwood community has been steadfast in supporting the education of its children. Our district prides itself on addressing the needs and learning styles of each student every day. The passage of the November 2018 operating levy placed the district in a much stronger financial shape, and now allows us to continue the amazing programs and services that make Beachwood a top-rated public school district in the state and nation. This was further evidenced by the community recently approving a 3.95 mill bond levy to build two new elementary buildings and provide for additional resources to update its preschool facility. Once these buildings are completed, all of our District's school facilities will be fully updated and have the latest in technology, safety and security and have the ability to grow with the latest in educational learning environments. Thank you for your support of our work.

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2023
Unaudited

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 Matthew Brown, Treasurer/CFO at 216-464-8164 or E-mail at mbrown@beachwoodschoools.org.

BASIC

FINANCIAL

STATEMENTS

Beachwood City School District
Statement of Net Position
June 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Equity in Pooled Cash and Cash Equivalents	\$ 37,967,123
Cash and Cash Equivalents:	
In Segregated Accounts	134,873
Property Taxes Receivable	38,706,394
Prepaid Items	49,344
Accrued Interest Receivable	94,690
Accounts Receivable	114,004
Intergovernmental Receivable	190,972
Materials and Supplies Inventory	115,933
Net OPEB Asset	3,460,591
Nondepreciable Capital Assets	1,221,998
Depreciable/Amortized Capital Assets, Net	61,701,493
Total Assets	<u>143,757,415</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension	9,403,203
OPEB	1,063,492
Total Deferred Outflows of Resources	<u>10,466,695</u>
LIABILITIES	
Accounts Payable	404,029
Contracts Payable	96,088
Accrued Wages and Benefits	3,624,229
Intergovernmental Payable	547,474
Matured Bonds Payable	86,363
Accrued Interest Payable	79,752
Matured Compensated Absences Payable	86,105
Claims Payable	555,800
Unearned Revenue	400,000
Long-term Liabilities:	
Due within one year	3,491,005
Due in more than one year:	
Net Pension Liability	39,421,519
Net OPEB Liability	2,559,415
Other amounts due in more than one year	21,171,978
Total Liabilities	<u>72,523,757</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	33,711,771
Pension	4,619,153
OPEB	5,927,808
Total Deferred Inflows of Resources	<u>44,258,732</u>
NET POSITION	
Net Investment in Capital Assets	42,518,745
Restricted:	
Debt Service	3,661,849
Set-Asides	134,873
State Funded Programs	13,989
Federally Funded Programs	267
Student Activities	173,304
Preschool	133,566
Other Purposes	95,760
Unrestricted	(9,290,732)
Total Net Position	<u>\$ 37,441,621</u>

See accompanying notes to the basic financial statements.

Beachwood City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2023

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction:					
Regular	\$ 15,807,181	\$ 179,933	\$ 533,552	\$ -	\$ (15,093,696)
Special	6,975,192	310,288	1,517,662	-	(5,147,242)
Vocational	1,379,399	464,797	633,906	-	(280,696)
Adult/Continuing Instruction	148,651	11,532	-	-	(137,119)
Other	383,643	40,261	126,172	-	(217,210)
Supporting Services:					
Pupils	2,752,620	124,219	236,481	-	(2,391,920)
Instructional Staff	1,745,323	-	38,862	-	(1,706,461)
Board of Education	493,825	-	-	-	(493,825)
Administration	3,060,905	-	-	-	(3,060,905)
Fiscal Services	1,459,518	-	-	-	(1,459,518)
Business	333,788	-	-	-	(333,788)
Operation and Maintenance of Plant	4,025,368	-	15,922	-	(4,009,446)
Pupil Transportation	2,245,391	-	689,054	90,000	(1,466,337)
Central	265,101	-	89,703	-	(175,398)
Operation of Non-Instructional Services:					
Food Service Operations	797,859	404,225	160,700	-	(232,934)
Community Services	960,261	566,660	186,248	-	(207,353)
Extracurricular Activities	1,558,927	216,620	2,185	-	(1,340,122)
Interest and Fiscal Charges	838,415	-	-	-	(838,415)
Total Governmental activities	\$ 45,231,367	\$ 2,318,535	\$ 4,230,447	\$ 90,000	(38,592,385)
General Revenues:					
Property Taxes levied for:					
General Purposes					33,536,820
Other Purposes					4,328,775
Grants & Entitlements not restricted to specific programs					2,699,417
Investment Income					793,826
Gain on Sale of Capital Assets					102,323
All Other Revenues					2,165,953
Total General Revenues					43,627,114
Change in Net Position					5,034,729
Net Position - Beginning of Year					32,406,892
Net Position - End of Year					\$ 37,441,621

See accompanying notes to the basic financial statements.

Beachwood City School District
Balance Sheet
Governmental Funds
June 30, 2023

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 28,137,439	\$ 3,201,597	\$ 5,262,318	\$ 36,601,354
Cash and Cash Equivalents:				
In Segregated Accounts	134,873	-	-	134,873
Materials and Supplies Inventory	110,843	-	5,090	115,933
Accrued Interest Receivable	94,690	-	-	94,690
Accounts Receivable	112,732	-	1,272	114,004
Due from Other Funds	3,215,000	-	-	3,215,000
Interfund Receivable	3,148,165	-	-	3,148,165
Intergovernmental Receivable	1,206	-	189,766	190,972
Prepaid Items	49,344	-	-	49,344
Property Taxes Receivable	32,804,998	5,584,233	317,163	38,706,394
Total Assets	\$ 67,809,290	\$ 8,785,830	\$ 5,775,609	\$ 82,370,729
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 183,486	\$ -	\$ 220,543	\$ 404,029
Contracts Payable	-	-	96,088	96,088
Accrued Wages and Benefits	3,305,332	-	318,897	3,624,229
Intergovernmental Payable	482,016	-	65,458	547,474
Matured Compensated Absences Payable	86,105	-	-	86,105
Interfund Payable	-	-	3,148,165	3,148,165
Due to Other Funds	-	-	3,215,000	3,215,000
Unearned Revenue	-	-	400,000	400,000
Matured Bonds Payable	-	86,363	-	86,363
Total Liabilities	4,056,939	86,363	7,464,151	11,607,453
Deferred Inflows of Resources:				
Property Taxes	28,494,538	4,957,866	259,367	33,711,771
Unavailable Revenues - Delinquent Property Taxes	879,961	114,912	11,633	1,006,506
Unavailable Revenues - Grants	-	-	82,729	82,729
Total Deferred Inflows of Resources	29,374,499	5,072,778	353,729	34,801,006
Fund Balances:				
Nonspendable	162,273	-	5,090	167,363
Restricted	134,873	3,626,689	470,529	4,232,091
Committed	-	-	350,000	350,000
Assigned	4,015,183	-	-	4,015,183
Unassigned (Deficit)	30,065,523	-	(2,867,890)	27,197,633
Total Fund Balances	34,377,852	3,626,689	(2,042,271)	35,962,270
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 67,809,290	\$ 8,785,830	\$ 5,775,609	\$ 82,370,729

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, 2023

Total Governmental Fund Balances \$ 35,962,270

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

Capital Assets and Intangible Right-to-use assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds. 62,923,491

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

Delinquent property taxes	\$	1,006,506	
Grants		82,729	
Total			1,089,235

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		9,403,203	
Deferred Inflows - Pension		(4,619,153)	
Net Pension Liability		(39,421,519)	
Deferred Outflows - OPEB		1,063,492	
Deferred Inflows - OPEB		(5,927,808)	
Net OPEB Asset		3,460,591	
Net OPEB Liability		(2,559,415)	
Total			(38,600,609)

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. 809,969

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

Long-Term Notes Payable		(6,300,768)	
General Obligation Bonds		(14,068,344)	
Accrued interest payable		(79,752)	
Leases Payable		(26,171)	
Compensated absences		(4,267,700)	
Total			(24,742,735)

Net Position of Governmental Activities **\$ 37,441,621**

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, 2023

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property and Other Local Taxes	\$ 32,858,546	\$ 3,924,211	\$ 308,892	\$ 37,091,649
Intergovernmental	3,943,905	746,592	2,341,786	7,032,283
Interest	761,393	-	32,433	793,826
Tuition and Fees	487,935	-	1,265,088	1,753,023
Extracurricular Activities	-	-	237,502	237,502
Rentals	14,080	-	-	14,080
Customer Sales and Services	205,180	-	433,027	638,207
Contributions and Donations	-	-	10,610	10,610
All Other Revenues	1,934,601	-	116,233	2,050,834
Total Revenues	<u>40,205,640</u>	<u>4,670,803</u>	<u>4,745,571</u>	<u>49,622,014</u>
EXPENDITURES				
Current:				
Instruction:				
Regular	13,921,414	-	307,493	14,228,907
Special	6,507,498	-	603,356	7,110,854
Vocational	424,030	-	1,070,802	1,494,832
Adult/Continuing	-	-	130,597	130,597
Other	222,182	-	160,157	382,339
Supporting Services:				
Pupils	2,327,743	-	220,806	2,548,549
Instructional Staff	1,352,719	-	44,197	1,396,916
Board of Education	476,341	-	-	476,341
Administration	2,698,400	-	-	2,698,400
Fiscal Services	1,413,987	-	-	1,413,987
Business	294,832	-	-	294,832
Operation and Maintenance of Plant	4,026,141	-	14,896	4,041,037
Pupil Transportation	2,282,447	-	3,656	2,286,103
Central	274,622	-	-	274,622
Operation of Non-Instructional Services:				
Food Service Operations	-	-	723,532	723,532
Community Services	40,603	-	906,512	947,115
Extracurricular Activities	1,179,738	-	331,495	1,511,233
Capital Outlay	914,585	-	746,547	1,661,132
Debt Service:				
Principal Retirement	19,876	3,133,968	-	3,153,844
Interest and Fiscal Charges	459	1,023,637	-	1,024,096
Total Expenditures	<u>38,377,617</u>	<u>4,157,605</u>	<u>5,264,046</u>	<u>47,799,268</u>
Excess of Revenues Over (Under) Expenditures	<u>1,828,023</u>	<u>513,198</u>	<u>(518,475)</u>	<u>1,822,746</u>
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	102,323	-	-	102,323
Transfers In	-	-	474,382	474,382
Transfers Out	(474,382)	-	-	(474,382)
Total Other Financing Sources (Uses)	<u>(372,059)</u>	<u>-</u>	<u>474,382</u>	<u>102,323</u>
Net Change in Fund Balances	1,455,964	513,198	(44,093)	1,925,069
Fund Balances - Beginning of Year	32,921,888	3,113,491	(1,998,178)	34,037,201
Fund Balances - End of Year	<u>\$ 34,377,852</u>	<u>\$ 3,626,689</u>	<u>\$ (2,042,271)</u>	<u>\$ 35,962,270</u>

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, 2023

Net Change in Fund Balances-Total Governmental Funds \$ 1,925,069

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/amortization expense. This is the amount by which depreciation/amortization exceeded capital outlays in the current period.

Capital outlay	\$ 1,661,132	
Depreciation/Amortization	(2,570,694)	
Total		(909,562)

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

Delinquent property taxes	773,946	
Grants	(65,808)	
Other	(5,536)	
Total		702,602

Repayment of notes, bonds, leases, and refunding of debt are expenditures in the governmental funds, but the repayments reduce long-term liabilities in the Statement of Net Position. 2,808,842

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

Pension		3,494,168
OPEB		117,537

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		(3,641,093)
OPEB		881,217

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	(763,891)	
Bond Accretion	345,002	
Accrued interest	31,227	
Amortization of bond premiums	154,454	
Total		(233,208)

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. (110,843)

Change in Net Position of Governmental Activities \$ 5,034,729

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, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Property and Other Local Taxes	\$ 31,927,197	\$ 31,927,197	\$ 31,827,167	\$ (100,030)
Intergovernmental	3,831,338	3,777,204	3,942,715	165,511
Interest	210,000	700,000	824,947	124,947
Tuition and Fees	127,513	145,163	327,092	181,929
Rent	500	500	14,080	13,580
Gifts and Donations	2,000	1,000	-	(1,000)
Customer Sales and Services	171,593	163,343	206,257	42,914
Miscellaneous	184,075	1,902,198	1,934,284	32,086
Total Revenues	36,454,216	38,616,605	39,076,542	459,937
EXPENDITURES:				
Current:				
Instruction:				
Regular	15,012,916	14,470,790	14,369,589	101,201
Special	6,197,496	6,542,913	6,505,177	37,736
Vocational	854,264	436,364	426,530	9,834
Other	276,773	266,295	227,808	38,487
Support Services:				
Pupils	2,376,260	2,397,493	2,380,612	16,881
Instructional Staff	1,949,486	1,734,843	1,712,822	22,021
Board of Education	483,113	508,714	504,963	3,751
Administration	2,689,658	2,822,357	2,800,955	21,402
Fiscal	1,319,962	1,434,147	1,412,275	21,872
Business	333,080	329,280	318,623	10,657
Operation and Maintenance of Plant	3,642,272	4,010,235	3,931,084	79,151
Pupil Transportation	2,259,557	2,452,557	2,436,553	16,004
Central	335,096	286,396	276,884	9,512
Operation of Non-Instructional/Shared Services:				
Community Services	53,400	53,400	42,418	10,982
Extracurricular Activities:				
Academic Oriented Activities	244,331	236,331	235,926	405
Sport Oriented Activities	1,073,462	896,462	895,353	1,109
School and Public Service Co-Curricular Activities	51,813	64,813	63,614	1,199
Total Expenditures	39,152,939	38,943,390	38,541,186	402,204
Excess of Revenues Over (Under) Expenditures	(2,698,723)	(326,785)	535,356	862,141
OTHER FINANCING SOURCES AND USES:				
Advances In	124,134	124,134	124,134	-
Transfers In	540,500	496,832	228,960	(267,872)
Proceeds from Sale of Capital Assets	10,000	10,000	7,707	(2,293)
Refund of Prior Year Expenditures	2,500	2,500	-	(2,500)
Transfers Out	(1,000,000)	(1,080,832)	(803,342)	277,490
Advances Out	-	(100,000)	(100,000)	-
Total Other Financing Sources and Uses	(322,866)	(547,366)	(542,541)	4,825
Net Change in Fund Balances	(3,021,589)	(874,151)	(7,185)	866,966
Fund Balance at Beginning of Year, Restated	26,049,713	26,049,713	26,049,713	-
Prior Year Encumbrances Appropriated	509,658	509,658	509,658	-
Fund Balance at End of Year	\$ 23,537,782	\$ 25,685,220	\$ 26,552,186	\$ 866,966

See accompanying notes to the basic financial statement

Beachwood City School District
Statement of Fund Net Position
Proprietary Fund
June 30, 2023

	Governmental Activities - Internal Service Fund
ASSETS	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 1,365,769
Total Assets	<u>1,365,769</u>
LIABILITIES	
Current Liabilities:	
Claims Payable	555,800
Total Liabilities	<u>555,800</u>
NET POSITION	
Unrestricted	809,969
Total Net Position	<u>\$ 809,969</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, 2023

	Governmental Activities - Internal Service Fund
OPERATING REVENUES	
Charges for Services	\$ 3,990,073
Miscellaneous	395,138
Total Operating Revenues	4,385,211
OPERATING EXPENSES	
Claims	4,282,987
Other	213,067
Total Operating Expenses	4,496,054
Operating Loss	(110,843)
Net Position - Beginning of Year	920,812
Net Position - End of Year	\$ 809,969

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, 2023

	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Self Insurance Premiums	\$ 4,385,211
Cash Payments for Claims	(4,570,590)
Net Cash (Used in) Operating Activities	<u>(185,379)</u>
 Net Decrease in Cash and Cash Equivalents	 (185,379)
 Cash and Cash Equivalents - Beginning of Year	 <u>1,551,148</u>
Cash and Cash Equivalents - End of Year	<u><u>\$ 1,365,769</u></u>
 RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating Loss	\$ (110,843)
Adjustments:	
Increase in Liabilities:	
Accounts Payable	(1,736)
Claims Payable	(72,800)
Net Cash (Used in) Operating Activities	<u><u>\$ (185,379)</u></u>

See accompanying 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, 2023

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 166 certificated teaching personnel, 125 non-certificated support personnel, 14 administrators, and 5 supervisors.

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 2023 fiscal year was 1,393. 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, 2023

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, 2023

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.

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. There was no activity in the custodial fund, therefore no financial statements are presented in the report.

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.

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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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.

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

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 assets 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, 2023

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 assets 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, 2023, but which were levied to finance fiscal year 2024 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 custodial 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
For the Fiscal Year Ended June 30, 2023

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 2023, investments were limited to U.S Government Agency obligations, commercial paper, negotiable certificates of deposits, U.S. Treasury Notes and Bonds, and STAR Ohio.

During fiscal year 2023, 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 2023, 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 2023 amounted to \$761,393 that includes the change in fair market value.

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, 2023, 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, 2023

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/amortized. 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

The School District is reporting an intangible right to use asset related to leased equipment. This intangible asset is being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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
For the Fiscal Year Ended June 30, 2023

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, 2023

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 2023.

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 Budgetary Balance

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

GASB Implementation Guide 2021-1 provides clarification on issues related to previously established GASB guidance. These changes were incorporated in the School District's financial statements; however, there was no effect on the beginning net position/fund balance. These changes were incorporated in the School District's financial statements and did not have an effect on the financials statements of the School District.

GASB Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. 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, 2023

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The implementation of this Statement did not have an effect on the financial statements of the School District.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The implementation of this Statement did not have an effect on the financial statements of the School District.

GASB Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The implementation of this Statement did not have an effect on the financial statements of the School District.

Restatement of Budgetary Balance

The School District restated the beginning fund balance on the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual for the General Fund by \$1,361,999 from \$24,687,714 to \$26,049,713 to include the retirement fund as required by GASB Statement No. 84.

Note 4 - Accountability

Fund balances at June 30, 2023, included the following fund deficit balances

	Fund Balance Deficits
<u>Nonmajor Funds</u>	
Food Service	\$ 74,910
Recreation	15,649
Consortium	183,672
ESSER	51,879
IDEA B	46,553
Title IV-A	6,389
Permanent Improvement	2,488,838
Total	\$ 2,867,890

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, 2023

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. Advances and Transfers in/out are operating transactions (budget) as opposed to balance sheet transaction (GAAP).
4. Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed or assigned fund balance (GAAP basis).
5. 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	\$ 1,455,964
Net Adjustment for Revenue Accruals	(1,223,714)
Net Adjustments for Expenditure Accruals	(73,132)
Advances and Transfers Out	(428,960)
Advances and Transfers In	453,094
Funds with Separate Legally Adopted Budgets	(4,170)
Adjustment for Encumbrances	(186,267)
Budget Basis	\$ (7,185)

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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:

<u>Fund Balances</u>	<u>General</u>	<u>Bond Retirement</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<i>Nonspendable</i>				
Prepaid Items	\$ 49,344	\$ -	\$ -	\$ 49,344
Inventories	110,843	-	5,090	115,933
Unclaimed Funds	2,086	-	-	2,086
<i>Total Nonspendable</i>	<u>162,273</u>	<u>-</u>	<u>5,090</u>	<u>167,363</u>
<i>Restricted for</i>				
Budget Stabilization	134,873	-	-	134,873
Expandable Trust Funds	-	-	16,520	16,520
Marketing School Store	-	-	7,594	7,594
Pupil Support	-	-	41,241	41,241
Local Grants	-	-	30,405	30,405
Preschool	-	-	187,209	187,209
Student Managed Student Activities	-	-	119,261	119,261
District Managed Student Activities	-	-	54,043	54,043
State Grants	-	-	13,989	13,989
Federal Grants	-	-	267	267
Bond Retirement	-	3,626,689	-	3,626,689
<i>Total Restricted</i>	<u>134,873</u>	<u>3,626,689</u>	<u>470,529</u>	<u>4,232,091</u>
<i>Committed to</i>				
Capital Projects	-	-	350,000	350,000
<i>Total Committed</i>	<u>-</u>	<u>-</u>	<u>350,000</u>	<u>350,000</u>
<i>Assigned to</i>				
FY 2024 Appropriations	2,557,872	-	-	2,557,872
Instruction	60,739	-	-	60,739
Support Services	97,293	-	-	97,293
Workers' Compensation	1,299,279	-	-	1,299,279
<i>Total Assigned</i>	<u>4,015,183</u>	<u>-</u>	<u>-</u>	<u>4,015,183</u>
<i>Unassigned (Deficit)</i>	<u>30,065,523</u>	<u>-</u>	<u>(2,867,890)</u>	<u>27,197,633</u>
Total Fund Balances	<u><u>\$ 34,377,852</u></u>	<u><u>\$ 3,626,689</u></u>	<u><u>\$ (2,042,271)</u></u>	<u><u>\$ 35,962,270</u></u>

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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.

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);

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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.

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 \$3,181,983. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2023, \$755,793 of the School District's bank balance of \$3,595,920 was covered by Federal Depository Insurance and \$2,840,127 was uninsured and uncollateralized. The School District's financial institutions were approved for a reduced collateral rate of 50 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, 2023.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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.

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, 2023. As previously discussed, Star Ohio is reported at its net asset value.

As of June 30, 2023, the School District had the following investments and maturities:

	<u>Fair Value/NAV</u>	<u>Maturity</u>	<u>Level Input</u>
Certificate of Deposit DA Davidson	\$ 248,036	07/28/23	2
Certificate of Deposit FC Stone	241,366	04/10/24	2
Certificate of Deposit Tristate Capital	245,000	04/24/24	2
Certificate of Deposit Raymond James	236,944	07/01/24	2
Commercial Paper MUFG Bank, Ltd	440,820	11/10/23	2
U.S. Treasury Bond	442,759	10/31/23	2
U.S. Treasury Bond	641,313	03/15/24	2
U.S. Treasury Bond	237,940	06/15/24	2
U.S. Treasury Bond	133,246	06/15/24	2
U.S. Treasury Bond	311,987	11/15/24	2
U.S. Treasury Bond	215,386	12/31/24	2
U.S. Treasury Bond	475,800	02/15/25	2
U.S. Treasury Bond	384,141	05/15/25	2
U.S. Treasury Note	335,713	09/30/23	2
U.S. Treasury Note	334,954	10/15/23	2
U.S. Treasury Note	610,569	12/15/23	2
U.S. Treasury Note	607,569	01/15/24	2
U.S. Treasury Note	456,371	04/15/24	2

Continued

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

	Fair Value/NAV	Maturity	Level Input	
U.S. Treasury Note	716,835	05/15/24	2	
U.S. Treasury Note	681,561	10/31/24	2	
U.S. Treasury Note	235,897	02/15/25	2	
U.S. Treasury Note	335,891	03/31/25	2	
U.S. Treasury Note	459,905	04/30/25	2	
U.S. Treasury Note	384,752	06/15/25	2	
U.S. Treasury Note	228,263	06/30/25	2	
U.S. Treasury Note	227,443	07/31/25	2	
U.S. Treasury Note	389,188	09/15/25	2	
U.S. Treasury Note	198,541	10/31/25	2	
U.S. Treasury Note	522,312	11/15/25	2	
U.S. Treasury Note	225,635	11/30/25	2	
U.S. Treasury Note	198,301	12/31/25	2	
U.S. Government Agency Obligations	Federal Home Loan Bank	368,468	12/21/23	2
U.S. Government Agency Obligations	Federal Farm Credit	869,526	02/26/24	2
U.S. Government Agency Obligations	Federal Home Loan Bank	723,548	03/08/24	2
U.S. Government Agency Obligations	Federal Farm Credit	367,922	04/05/24	2
U.S. Government Agency Obligations	Federal Home Loan Bank	638,322	05/24/24	2
U.S. Government Agency Obligations	Federal Home Loan Bank	636,111	06/28/24	2
U.S. Government Agency Obligations	Federal Farm Credit	635,109	08/26/24	2
U.S. Government Agency Obligations	Federal Home Loan Bank	238,105	09/04/24	2
U.S. Government Agency Obligations	Federal Home Loan Bank	688,420	09/13/24	2
U.S. Government Agency Obligations	FMCC	234,050	10/28/24	2
U.S. Government Agency Obligations	FMCC	233,780	11/25/24	2
U.S. Government Agency Obligations	Federal Home Loan Bank	495,480	12/13/24	2
U.S. Government Agency Obligations	Federal Home Loan Bank	210,787	01/27/25	2
U.S. Government Agency Obligations	Federal Home Loan Bank	235,785	01/27/25	2
U.S. Government Agency Obligations	Federal Home Loan Bank	350,246	01/28/25	2
U.S. Government Agency Obligations	Federal Farm Credit	416,277	03/03/25	2
U.S. Government Agency Obligations	Federal Farm Credit	479,560	04/01/25	2
U.S. Government Agency Obligations	TNNLL	230,798	05/15/25	2
U.S. Government Agency Obligations	Federal Farm Credit	312,078	05/23/25	2
U.S. Government Agency Obligations	Federal Farm Credit	237,347	06/04/25	2
U.S. Government Agency Obligations	Federal Home Loan Bank	223,795	07/14/25	2
U.S. Government Agency Obligations	Federal National Mortgage	432,720	07/21/25	2
U.S. Government Agency Obligations	Federal Farm Credit	273,324	08/12/25	2
U.S. Government Agency Obligations	Federal Farm Credit	603,569	08/12/25	2
U.S. Government Agency Obligations	Federal National Mortgage	227,448	08/25/25	2
U.S. Government Agency Obligations	Federal Farm Credit	199,179	09/16/25	2
U.S. Government Agency Obligations	FMCC	194,427	09/24/25	2
U.S. Government Agency Obligations	FMCC	271,566	10/15/25	2
U.S. Government Agency Obligations	Federal National Mortgage	352,009	10/27/25	2
U.S. Government Agency Obligations	FMCC	101,467	10/28/25	2
U.S. Government Agency Obligations	Federal Farm Credit	250,580	11/17/25	2
U.S. Government Agency Obligations	FMCC	266,280	12/15/25	2
U.S. Government Agency Obligations	Federal Home Loan Bank	228,377	12/22/25	2
U.S. Government Agency Obligations	Federal National Mortgage	358,404	12/30/25	2
Star Ohio	10,924,511	06/30/23		
	<u>\$ 34,913,813</u>			

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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 U.S. Governmental Agency Obligations, U.S. Treasury Bonds, and U.S. Treasury 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 and U.S. Governmental Agency Obligations 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 \$971,346 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 U.S Government Agency Obligations represents 36.0%, U.S. Treasury Bond 8.1%, Commercial Paper 1.3%, negotiable certificates of deposit represent 2.8%, U.S. Treasury Notes 20.5% and STAR Ohio representing 31.3% 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 2023 represents collections of calendar year 2022 taxes.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

Real property taxes received in calendar year 2022 were levied after April 1, 2022, on the assessed value listed as of January 1, 2023, 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 2021 represents collections of calendar year 2022 taxes. Public utility real and tangible personal property taxes received in calendar year 2022 become a lien December 31, 2021, were levied after April 1, 2022 and are collected in 2023 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, 2023, are available to finance fiscal year 2023 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, 2023 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, 2023 was \$3,430,499 for the General Fund, \$511,455 in the Bond Retirement Fund, and \$46,163 in the Permanent Improvement Fund. The amount available as an advance at June 30, 2022 was \$2,399,120 for the General Fund, \$357,804 in the Bond Retirement Fund, and \$32,165 in the Permanent Improvement Fund. The assessed values upon which the fiscal year 2023 taxes were collected are:

	2022 Second- Half Collections		2023 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential	\$ 437,798,520	50.01%	\$ 441,559,770	49.77%
Industrial/Commercial	422,014,440	48.20%	429,018,310	48.35%
Public Utility	15,654,970	1.79%	16,694,700	1.88%
Total Assessed Value	\$ 875,467,930	100.00%	\$ 887,272,780	100.00%
 Tax rate per \$1,000 of Assessed valuation	\$ 91.50		\$ 91.18	

Note 9 - Receivables

Receivables at June 30, 2023, 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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 10 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2023 was as follows:

	Balance 6/30/2022	Additions	Deletions	Balance 6/30/2023
Governmental Activities				
Capital Assets, not being depreciated:				
Land	\$ 978,708	\$ -	\$ -	\$ 978,708
Construction in Progress	5,553,392	413,463	(5,723,565)	243,290
Total Capital Assets, not being depreciated	<u>6,532,100</u>	<u>413,463</u>	<u>(5,723,565)</u>	<u>1,221,998</u>
Capital Assets, being depreciated/amortized:				
Land Improvements	4,075,740	-	-	4,075,740
Buildings and Buildings Improvements	89,496,051	5,844,592	-	95,340,643
Vehicles	2,566,418	285,018	(178,228)	2,673,208
Equipment	9,924,577	841,624	(14,670)	10,751,531
Intangible Right-to-use Lease - Equipment	66,467	-	-	66,467
Total Capital Assets, being depreciated/amortized	<u>106,129,253</u>	<u>6,971,234</u>	<u>(192,898)</u>	<u>112,907,589</u>
Less Accumulated Depreciation/Amortization:				
Land Improvements	(2,729,910)	(133,736)	-	(2,863,646)
Buildings and Buildings Improvements	(35,433,472)	(1,804,070)	-	(37,237,542)
Vehicles	(1,697,448)	(164,761)	178,228	(1,683,981)
Equipment	(8,946,758)	(448,231)	14,670	(9,380,319)
Intangible Right-to-use Lease - Equipment	(20,712)	(19,896)	-	(40,608)
Total Accumulated Depreciation/Amortization	<u>(48,828,300)</u>	<u>(2,570,694)</u>	<u>192,898</u>	<u>(51,206,096)</u>
Total Capital Assets being depreciated/amortized, Net	<u>57,300,953</u>	<u>4,400,540</u>	<u>-</u>	<u>61,701,493</u>
Governmental Activities Capital Assets, Net	<u>\$ 63,833,053</u>	<u>\$ 4,814,003</u>	<u>\$ (5,723,565)</u>	<u>\$ 62,923,491</u>

Depreciation/Amortization expense was charged to governmental functions as follows:

Instruction:		
Regular		\$ 1,372,960
Special		57,306
Vocational		36,014
Recreation		1,070
Support Services:		
Pupil		151,537
Instructional Staff		314,455
Board of Education		20,309
Administration		59,375
Fiscal		5,946
Business		14,621
Operation and Maintenance of Plant		127,113
Pupil Transportation		169,972
Central		1,333
Operation of Non-Instructional Services:		
Food Services		74,327
Community Services		58,806
Extracurricular Activities		105,550
Total Depreciation/Amortization Expense		<u>\$ 2,570,694</u>

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 11 – Inter-fund Transactions

As of June 30, 2023, on the fund financial statements, the Consortium fund, which is a Nonmajor governmental fund, owed the General Fund \$3,148,165. The School District’s consortium fund provides 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 prior fiscal years, the General fund advanced \$3,215,000 to the Permanent Improvement fund to cover project expenditures.

During the year ended June 30, 2023 the General Fund transferred \$474,382 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 \$123,380,761, \$2,000,000, and 1,000,000 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 five years in a row.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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 2023, total claims expense of \$4,570,590 was recognized, which represents actual claims processed and paid as of June 30, 2023. 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>
2022	\$ 399,300	\$ 5,310,246	\$ 5,080,946	\$ 628,600
2023	\$ 628,600	\$ 4,497,790	\$ 4,570,590	\$ 555,800

Note 13 - Defined Benefit Pension Plans

A. 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, 2023

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.

B. 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 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 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.

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. The COLA is indexed to the percentage increase in the CPI-W, not to exceed 2.5% and with a floor of 0.0%.

A three-year COLA suspension was in effect for all benefit recipients for calendar years 2018, 2019, and 2020. The Retirement Board approved a 2.5% COLA for calendar year 2023.

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, 2023, 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 \$990,572 for fiscal year 2023.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

C. 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.

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, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit at any age. 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 regardless of 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, 2023

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, 2023, 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 2023 contribution rates were equal to the statutory maximum rates.

The School District’s contractually required contribution to STRS was \$2,503,596 for fiscal year 2023.

D. 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, 2022, 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	0.1781663%	0.1395423%	
Proportion of the Net Pension Liability			
Current Measurement Date	<u>0.1795490%</u>	<u>0.1336480%</u>	
Change in Proportionate Share	<u>0.0013827%</u>	<u>-0.0058943%</u>	
Proportionate Share of the Net Pension			
Liability	\$ 9,711,408	\$ 29,710,111	\$ 39,421,519
Pension Expense	\$ 506,243	\$ 3,134,850	\$ 3,641,093

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Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

At June 30, 2023, 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>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ 393,320	\$ 380,325	\$ 773,645
Changes of assumptions	95,823	3,555,408	3,651,231
Net difference between projected and actual earnings on pension plan investments	-	1,033,845	1,033,845
Changes in proportion and differences between School District contributions and proportionate share of contributions	49,798	400,516	450,314
School District contributions subsequent to the measurement date	<u>990,572</u>	<u>2,503,596</u>	<u>3,494,168</u>
Total Deferred Outflows of Resources	<u>\$ 1,529,513</u>	<u>\$ 7,873,690</u>	<u>\$ 9,403,203</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 63,753	\$ 113,652	\$ 177,405
Changes of assumptions	-	2,676,200	2,676,200
Net difference between projected and actual earnings on pension plan investments	338,884	-	338,884
Changes in proportion and differences between School District contributions and proportionate share of contributions	<u>84,874</u>	<u>1,341,790</u>	<u>1,426,664</u>
Total Deferred Inflows of Resources	<u>\$ 487,511</u>	<u>\$ 4,131,642</u>	<u>\$ 4,619,153</u>

\$3,494,168 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, 2024. 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:			
2024	\$ (19,439)	\$ (240,167)	\$ (259,606)
2025	(8,196)	(310,033)	(318,229)
2026	(484,103)	(1,224,434)	(1,708,537)
2027	<u>563,168</u>	<u>3,013,086</u>	<u>3,576,254</u>
Total	<u>\$ 51,430</u>	<u>\$ 1,238,452</u>	<u>\$ 1,289,882</u>

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

E. 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, 2022, are presented below:

Wage Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
COLA or Ad Hoc COLA	2.0 percent, on and after April 1, 2018, COLA's for future retirees will be delayed for three years following commencement
Investment Rate of Return	7.00 percent net of System expenses
Actuarial Cost Method	Entry Age Normal

Mortality rates were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Mortality among disable members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

The most recent experience study was completed June 30, 2020.

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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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 %	(0.45) %
US Equity	24.75	5.37
Non-US Equity Developed	13.50	6.22
Non-US Equity Emerging	6.75	8.22
Fixed Income/Global Bonds	19.00	1.20
Private Equity	11.00	10.05
Real Estate/Real Assets	16.00	4.87
Multi-Asset Strategies	4.00	3.39
Private Debt/Private Credit	3.00	5.38
Total	<u>100.00 %</u>	

Discount Rate The total pension liability was calculated using the discount rate of 7.00 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 (7.00 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 7.00 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 (6.00 percent), or one percentage point higher (8.00 percent) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$ 14,294,727	\$ 9,711,408	\$ 5,850,021

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

F. Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2022, actuarial valuation is presented below:

Inflation	2.50 percent
Projected salary increases	Varies by service from 2.5% to 8.5%
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent
Payroll Increases	3 percent
Cost-of-Living Adjustments	0.0 percent

Post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2022 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021.

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:

<u>Asset Class</u>	<u>Target Allocation *</u>	<u>Long-Term Expected Real Rate of Return **</u>
Domestic Equity	26.00 %	6.60 %
International Equity	22.00	6.80
Alternatives	19.00	7.38
Fixed Income	22.00	1.75
Real Estate	10.00	5.75
Liquidity Reserves	<u>1.00</u>	1.00
Total	<u>100.00 %</u>	

* Target allocation percentage is effective as of July 1, 2022. Target weights were phased in over a 3-month period concluding on October 1, 2022.

* 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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

Discount Rate The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2022. 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. 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, 2022. Therefore, the long-term expected rate of return on pension plan investments of 7.00 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2022.

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 7.00 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 (6.00 percent) or one-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$ 44,881,163	\$ 29,710,111	\$ 16,880,100

Changes since measurement date Demographic assumptions were changed based on the actuarial experience study for the July 1, 2015, through June 30, 2021. STRS approved a one-time 1.00% cost-of-living adjustment to eligible benefit recipients effective July 1, 2023.

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Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 14 – Defined Benefit OPEB Plans

A. 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.

B. 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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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 Annual Comprehensive Financial Report which can be obtained on SERS' website at 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 2022, 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 2022, this amount was \$25,000. 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 \$117,537 for fiscal year 2023 and the full amount is reported as an intergovernmental payable.

C. 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 monthly reimbursement elimination date was postponed indefinitely. The Plan is included in the report of STRS which can be obtained by visiting 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, 2023, STRS did not allocate any employer contributions to post-employment health care.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

D. 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, 2022, 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	0.1790023%	0.1395423%	
Proportion of the Net OPEB Liability/asset			
Current Measurement Date	<u>0.1822932%</u>	<u>0.1336480%</u>	
Change in Proportionate Share	<u>0.0032909%</u>	<u>-0.0058943%</u>	
Proportionate Share of the Net OPEB Liability	\$ 2,559,415	\$ -	\$ 2,559,415
Proportionate Share of the Net OPEB Asset	\$ -	\$ (3,460,591)	\$ (3,460,591)
OPEB Expense	\$ (275,066)	\$ (606,151)	\$ (881,217)

At June 30, 2023, 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>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ 21,517	\$ 50,171	\$ 71,688
Changes of assumptions	407,109	147,407	554,516
Net difference between projected and actual earnings on pension plan investments	13,301	60,244	73,545
Changes in proportionate Share and difference between School District contributions and proportionate share of contributions	197,727	48,479	246,206
School District contributions subsequent to the measurement date	<u>117,537</u>	<u>-</u>	<u>117,537</u>
Total Deferred Outflows of Resources	<u>\$ 757,191</u>	<u>\$ 306,301</u>	<u>\$ 1,063,492</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 1,637,190	\$ 519,717	\$ 2,156,907
Changes of assumptions	1,050,658	2,453,899	3,504,557
Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions	<u>257,321</u>	<u>9,023</u>	<u>266,344</u>
Total Deferred Inflows of Resources	<u>\$ 2,945,169</u>	<u>\$ 2,982,639</u>	<u>\$ 5,927,808</u>

\$117,537 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 June 30, 2024.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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

Fiscal Year Ending June 30:	SERS	STRS	Total
2024	\$ (641,546)	\$ (776,235)	\$ (1,417,781)
2025	(487,817)	(764,792)	(1,252,609)
2026	(427,366)	(372,309)	(799,675)
2027	(283,930)	(152,913)	(436,843)
2028	(192,423)	(201,794)	(394,217)
Thereafter	(272,433)	(408,295)	(680,728)
Total	\$ (2,305,515)	\$ (2,676,338)	\$ (4,981,853)

E. 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, 2022, are presented on below:

Wage Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investments expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	3.69 percent
Prior Measurement Date	1.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	4.08 percent
Prior Measurement Date	2.27 percent
Medical Trend Assumption	7.00 to 4.40 percent
Prior Measurement Date	

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

Base Mortality: Healthy Retirees - PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20% for males and set forward 2 years and adjusted 81.35% for females. Disabled Retirees - PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3% for males and set forward 3 years and adjusted 106.8% for females. Contingent Survivors - PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5% for males and adjusted 122.5% for females. Actives - PUB-2010 General Amount Weighted Below Median Employee mortality table.

The most recent experience study was completed for the five year period ended June 30, 2020.

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 2015 through 2020, and was adopted by the Board in 2021. 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, 7.00 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, 2020 five-year experience study, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	(0.45) %
US Equity	24.75	5.37
Non-US Equity Developed	13.50	6.22
Non-US Equity Emerging	6.75	8.22
Fixed Income/Global Bonds	19.00	1.20
Private Equity	11.00	10.05
Real Estate/Real Assets	16.00	4.87
Multi-Asset Strategy	4.00	3.39
Private Debt/Private Credit	3.00	5.38
Total	100.00 %	

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2022 was 4.08 percent. The discount rate used to measure total OPEB liability prior to June 30, 2022 was 2.27 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 1.50 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and no 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 of current System members by SERS actuaries. The Municipal Bond Index Rate is used in the determination for the SEIR for both the June 30, 2022 and the June 30, 2021 total OPEB liability.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index rate is 3.69% at June 30, 2022 and 1.92% at June 30, 2021.

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 (3.08%) and higher (5.08%) than the current discount rate (4.08%). 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 3.40%) and higher (8.00% decreasing to 5.40%) than the current rate (7.00% decreasing to 4.40%).

	1% Decrease (3.08%)	Current Discount Rate (4.08%)	1% Increase (5.08%)
School District's proportionate share of the net OPEB liability	\$3,178,833	\$2,559,415	\$2,059,378

	1% Decrease (6.00 % decreasing to 3.40%)	Current Trend Rate (7.00 % decreasing to 4.40%)	1% Increase 8.00 % decreasing to 5.40%)
School District's proportionate share of the net OPEB liability	\$1,973,769	\$2,559,415	\$3,324,365

F. Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2022, actuarial valuation is presented below:

Projected salary increases	Varies by service from 2.5 percent to 8.5 percent	
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	
Payroll Increases	3 percent	
Cost-of-Living Adjustments	0 percent	
Discount Rate of Return	7.00 percent	
Health Care Cost Trends	Initial	Ultimate
Medical		
Pre-Medicare	7.50 percent	3.94 percent
Medicare	-68.78 percent	3.94 percent
Prescription Drug		
Pre-Medicare	9.00 percent	3.94 percent
Medicare	5.47 percent	3.94 percent

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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

For healthy retirees the post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110% for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95% for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2022, valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021.

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	26.00 %	6.60 %
International Equity	22.00	6.80
Alternatives	19.00	7.38
Fixed Income	22.00	1.75
Real Estate	10.00	5.75
Liquidity Reserves	<u>1.00</u>	1.00
Total	<u><u>100.00 %</u></u>	

* Target allocation percentage is effective July 1, 2022. Target weights were phased in over a 3-month period concluding October 1, 2022.

** 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 7.00 percent as of June 30, 2022. 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 7.00 percent was used to measure the total OPEB liability as of June 30, 2022.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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, 2022, calculated using the current period discount rate assumption of 7.00 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 (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption.

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 (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net OPEB asset	\$ 3,199,225	\$ 3,460,591	\$ 3,684,473

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	\$ 3,589,474	\$ 3,460,591	\$ 3,297,907

Benefit Term Changes Since the Prior Measurement Date Salary increase rates were updated based on the actuarial experience study for the period July 1, 2015 through June 30, 2021 and were changed from age based to service based. Healthcare trends were updated to reflect emerging claims and recoveries experience.

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Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

Note 15 – Long-Term Obligations

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

	Principal Outstanding 6/30/2022	Additions	Reduction	Principal Outstanding 6/30/2023	Amounts Due in One Year
Governmental Activities					
Long-Term Notes Payable					
2016 COPS 2.47% - Direct Borrowings	\$ 2,650,000	\$ -	\$ 410,000	\$ 2,240,000	\$ 420,000
2016 COPS Premium-	87,209	-	17,441	69,768	-
2020 Tax Anticipation Note 1.17%	4,535,000	-	544,000	3,991,000	550,000
Total Long-Term Notes Payable	<u>7,272,209</u>	<u>-</u>	<u>971,441</u>	<u>6,300,768</u>	<u>970,000</u>
General Obligation Bonds					
2010 QSCB Bonds 5.125%	6,200,000	-	1,240,000	4,960,000	1,240,000
2014 Refunding Tax Exempt 3-3.25%	89,966	-	89,966	-	-
Bond Accretion	345,002	-	345,002	-	-
2021 Refunding Tax Exempt 1-4.00%	8,620,000	-	505,000	8,115,000	910,000
Premium	1,130,357	-	137,013	993,344	-
Total General Obligation Bonds	<u>16,385,325</u>	<u>-</u>	<u>2,316,981</u>	<u>14,068,344</u>	<u>2,150,000</u>
Net Pension Liability:					
STRS	17,841,734	11,868,377	-	29,710,111	-
SERS	6,573,818	3,137,590	-	9,711,408	-
Total Net Pension Liability	<u>24,415,552</u>	<u>15,005,967</u>	<u>-</u>	<u>39,421,519</u>	<u>-</u>
Net OPEB Liability:					
SERS	3,387,765	-	828,350	2,559,415	-
Total Net OPEB Liability	<u>3,387,765</u>	<u>-</u>	<u>828,350</u>	<u>2,559,415</u>	<u>-</u>
Leases Payable	46,047	-	19,876	26,171	14,284
Compensated Absences Payable	3,503,809	929,316	165,425	4,267,700	356,721
Long-Term Liabilities	<u>3,549,856</u>	<u>929,316</u>	<u>185,301</u>	<u>4,293,871</u>	<u>371,005</u>
Total Long-Term Liabilities	<u>\$ 55,010,707</u>	<u>\$ 15,935,283</u>	<u>\$ 4,302,073</u>	<u>\$ 66,643,917</u>	<u>\$ 3,491,005</u>

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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 School 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 School 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 School 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 School District refunded a portion of these bonds in the amount of \$8,620,000. Present value saving from the advance refunding is \$1,294,355 for an economic gain. The balance of the defeased debt at June 30, 2023 is \$10,400,000.

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.

Leases The School District has entered into lease agreement for the use of right-to-use copier equipment and mailing machine. Due to the implementation of GASB Statement No. 87, the School District will report an intangible right to use capital asset and corresponding lease liability for the future scheduled payments under the leases.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

Lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements. These expenditures are reflected as program/function expenditures on a budgetary basis.

The School District entered into three copier leases with Comdoc for a term of 60 months (monthly payments) and that mature in fiscal year 2023, 2024 and, 2026, respectively.

The School District entered into a lease with AMSS on October 21, 2019 for a term of 60 months for mailing a machine. Payments are due monthly and mature on October 21, 2022.

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.

The School District's overall voted debt margin was \$69,412,895 with an un-voted debt margin of \$887,273 at June 30, 2023.

Principal and interest requirements to retire the long-term obligations outstanding at June 30, 2023 were as follows:

Fiscal Year	Long-Term Notes Payable		General Obligation Bonds		Leases Payable		Total	
	Principal	Interest	Principal	Interest *	Principal	Interest	Principal	Interest
Ending								
2024	\$ 970,000	\$ 104,377	\$ 2,150,000	\$ 824,925	14,284	209	\$ 3,134,284	\$ 929,511
2025	992,000	85,276	2,175,000	802,050	7,230	83	3,174,230	887,409
2026	1,013,000	65,249	2,195,000	778,275	4,657	19	3,212,657	843,543
2027	1,030,000	44,971	2,230,000	754,225	-	-	3,260,000	799,196
2028	1,052,000	24,236	1,000,000	152,200	-	-	2,052,000	176,436
2029-2033	1,174,000	13,771	3,285,000	208,900	-	-	4,459,000	222,671
2034-2035	-	-	40,000	1,200	-	-	40,000	1,200
Total	<u>\$ 6,231,000</u>	<u>\$ 337,880</u>	<u>\$ 13,075,000</u>	<u>\$ 3,521,775</u>	<u>\$ 26,171</u>	<u>\$ 311</u>	<u>\$ 19,332,171</u>	<u>\$ 3,859,966</u>

* \$577,075 direct payments from federal government less 5.7% due to sequestration.

Note 16 - 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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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, 2022	\$ -	\$ 134,873
Current Year Set-Aside Requirements	316,646	-
Qualifying Disbursements	(715,369)	-
Total	(398,723)	134,873
Set-Aside Balance Carried Forward to Future Fiscal Years	(398,723)	-
Set-Aside Balance as of June 30, 2023	\$ (398,723)	\$ 134,873

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.

Note 17 – 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 2023, the School District paid \$96,527 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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2023

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 18 members. The School District paid \$110,653 to LGCA during fiscal year 2023.

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 18 - 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, 2023.

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 2023 have been finalized.

Note 19 – 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, 2023, the School District’s commitments for encumbrances in the governmental funds were as follows:

	Outstanding Encumbrances
General Fund	\$ 158,032
Nonmajor governmental funds	270,488
	\$ 428,520

*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 Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
School District's Proportion of the Net Pension Liability	0.1795490%	0.1781663%	0.1841760%	0.1747117%
School District's Proportionate Share of the Net Pension Liability	\$ 9,711,408	\$ 6,573,818	\$ 12,181,789	\$ 10,453,308
School District's Covered Payroll	\$ 6,707,257	\$ 6,149,757	\$ 6,452,700	\$ 5,994,437
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	144.79%	106.90%	188.79%	174.38%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.82%	82.86%	68.55%	70.85%

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

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.1898316%	0.1892119%	0.1850622%	0.1850622%	0.189335%	0.203489%
\$ 10,872,008	\$ 11,304,993	\$ 13,544,846	\$ 10,803,609	\$ 10,298,462	\$ 12,100,838
\$ 6,175,341	\$ 6,093,679	\$ 5,596,179	\$ 5,907,329	\$ 5,357,287	\$ 5,263,129
176.06%	185.52%	242.04%	182.88%	192.23%	229.92%
71.36%	69.50%	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 Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
School District's Proportion of the Net Pension Liability	0.13364797%	0.13954230%	0.14209040%	0.13708880%
School District's Proportionate Share of the Net Pension Liability	\$ 29,710,111	\$ 17,841,734	\$ 34,380,821	\$ 30,316,365
School District's Covered Payroll	\$ 17,374,871	\$ 17,218,600	\$ 17,148,093	\$ 16,094,757
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	170.99%	103.62%	200.49%	188.36%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.90%	87.80%	75.50%	77.40%

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

2019	2018	2017	2016	2015	2014
0.13985150%	0.13660450%	0.13652209%	0.14090955%	0.14048700%	0.14048700%
\$ 30,750,205	\$ 32,450,692	\$ 45,698,059	\$ 38,943,279	\$ 34,171,300	\$ 40,704,629
\$ 16,281,843	\$ 15,098,007	\$ 14,508,436	\$ 15,296,057	\$ 15,615,492	\$ 15,469,908
188.86%	214.93%	314.98%	254.60%	218.83%	263.12%
77.31%	75.29%	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>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contribution	\$ 990,572	\$ 939,016	\$ 860,966	\$ 903,378
Contributions in Relation to the Contractually Required Contribution	<u>(990,572)</u>	<u>(939,016)</u>	<u>(860,966)</u>	<u>(903,378)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District Covered Payroll	\$ 7,075,514	\$ 6,707,257	\$ 6,149,757	\$ 6,452,700
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information

2019	2018	2017	2016	2015	2014
\$ 809,249	\$ 833,671	\$ 853,115	\$ 783,465	\$ 778,586	\$ 742,520
<u>(809,249)</u>	<u>(833,671)</u>	<u>(853,115)</u>	<u>(783,465)</u>	<u>(778,586)</u>	<u>(742,520)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,994,437	\$ 6,175,341	\$ 6,093,679	\$ 5,596,179	\$ 5,907,329	\$ 5,357,287
13.50%	13.50%	14.00%	14.00%	13.18%	13.86%

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>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contribution	\$ 2,503,596	\$ 2,432,482	\$ 2,410,604	\$ 2,400,733
Contributions in Relation to the Contractually Required Contribution	<u>(2,503,596)</u>	<u>(2,432,482)</u>	<u>(2,410,604)</u>	<u>(2,400,733)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District Covered Payroll	\$ 17,882,829	\$ 17,374,871	\$ 17,218,600	\$ 17,148,093
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 2,253,266	\$ 2,279,458	\$ 2,113,721	\$ 2,031,181	\$ 2,141,448	\$ 2,030,014
<u>(2,253,266)</u>	<u>(2,279,458)</u>	<u>(2,113,721)</u>	<u>(2,031,181)</u>	<u>(2,141,448)</u>	<u>(2,030,014)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 16,094,757	\$ 16,281,843	\$ 15,098,007	\$ 14,508,436	\$ 15,296,057	\$ 15,615,492
14.00%	14.00%	14.00%	14.00%	14.00%	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 Seven Fiscal Years (1)

	<u>2023</u>	<u>2022</u>	<u>2021</u>
School District's Proportion of the Net OPEB Liability	0.1822932%	0.1790023%	0.1842292%
School District's Proportionate Share of the Net OPEB Liability	\$ 2,559,415	\$ 3,387,765	\$ 4,003,902
School District's Covered Payroll	\$ 6,707,257	\$ 6,149,757	\$ 6,452,700
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	38.16%	55.09%	62.05%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	30.34%	24.08%	18.17%

(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

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
0.1777379%	0.1913857%	0.1914478%	0.1875175%
\$ 4,469,734	\$ 5,309,556	\$ 5,137,956	\$ 5,344,942
\$ 5,994,437	\$ 6,175,341	\$ 6,093,679	\$ 5,596,179
74.56%	85.98%	84.32%	95.51%
15.57%	13.57%	12.46%	11.49%

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 Seven Fiscal Years (1)

	<u>2023</u>	<u>2022</u>	<u>2021</u>
School District's Proportion of the Net OPEB Liability/Asset	0.13364797%	0.13954230%	0.14209040%
School District's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (3,460,591)	\$ (2,942,136)	\$ (2,497,235)
School District's Covered Payroll	\$ 17,374,871	\$ 17,218,600	\$ 17,148,093
School District's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	-19.92%	-17.09%	-14.56%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/Asset	174.73%	174.73%	182.13%

(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

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
0.13708880%	0.13985150%	0.13660450%	0.13652209%
\$ (2,270,519)	\$ (2,247,273)	\$ 5,329,803	\$ 7,301,237
\$ 16,094,757	\$ 16,281,843	\$ 15,098,007	\$ 14,508,436
-14.11%	-13.80%	35.30%	50.32%
174.74%	176.00%	47.11%	37.30%

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>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contribution (1)	\$ 117,537	\$ 112,413	\$ 93,244	\$ 85,765
Contributions in Relation to the Contractually Required Contribution	<u>(117,537)</u>	<u>(112,413)</u>	<u>(93,244)</u>	<u>(85,765)</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
School District Covered Payroll	\$ 7,075,514	\$ 6,707,257	\$ 6,149,757	\$ 6,452,700
OPEB Contributions as a Percentage of Covered Payroll (1)	1.66%	1.68%	1.52%	1.33%

(1) Includes Surcharge

See accompanying notes to the required supplementary information

2019	2018	2017	2016	2015	2014
\$ 132,331	\$ 128,949	\$ 124,468	\$ 94,787	\$ 144,134	\$ 108,325
<u>(132,331)</u>	<u>(128,949)</u>	<u>(124,468)</u>	<u>(94,787)</u>	<u>(144,134)</u>	<u>(108,325)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ 5,994,437	\$ 6,175,341	\$ 6,093,679	\$ 5,596,179	\$ 5,907,329	\$ 5,357,287
2.21%	2.09%	2.04%	1.69%	2.44%	2.02%

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

	2023	2022	2021	2020
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	-	-	-	-
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District Covered Payroll	\$ 17,882,829	\$ 17,374,871	\$ 17,218,600	\$ 17,148,093
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

See accompanying notes to the required supplementary information

2019	2018	2017	2016	2015	2014
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 156,155
-	-	-	-	-	(156,155)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 16,094,757	\$ 16,281,843	\$ 15,098,007	\$ 14,508,436	\$ 15,296,057	\$ 15,615,492
0.00%	0.00%	0.00%	0.00%	0.00%	1.00%

Beachwood City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

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 2019-2023. 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%. For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.00% to 2.40%, (b) assumed real wage growth was reduced from 0.0% to 0.85%, (c) Cost-of-Living-Adjustments was reduced from 2.50% to 2.00% (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality amount active members, service retirees and beneficiaries, and disabled members were updated (i) change in discount rate from 7.50% to 7.00%. For fiscal year 2023, Cost-of-Living-Adjustments were increased from 2.00% to 2.50%.

Changes in benefit terms – STRS

There were no changes in benefit terms from the amounts reported for fiscal years 2014-2023.

Beachwood City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

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. For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) investment return assumption lowered from 7.45% to 7.00%, (b) discount rate of return reduced from 7.45% to 7.00%. For fiscal year 2023, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) projected salary increases changed from, 12.50% at age 20 to 2.50% at age 65, to, varies by service from 2.50% to 8.50% (b) post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Net OPEB Liability

Changes of benefit terms- SERS

There were no changes in benefit terms from the amounts reported for fiscal years 2018-2023.

Changes in Assumptions – SERS

Amounts reported for fiscal years 2018-2023 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:

Fiscal year 2023	3.69 percent
Fiscal year 2022	1.92 percent
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

Beachwood City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Fiscal year 2023	4.08 percent
Fiscal year 2022	2.27 percent
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 2023	7.00 percent decreasing to 4.40 percent
Fiscal year 2022	5.125 percent decreasing to 4.40 percent
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 2023	7.00 percent decreasing to 4.40 percent
Fiscal year 2022	6.75 percent decreasing to 4.40 percent
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.

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 years 2020 and 2021, the health care cost trend rates were modified.

For fiscal year 2022, the discount rate was decreased from 7.45 percent to 7.00 percent. The health care cost trend rates modified.

For fiscal year 2023, projected salary increases changed from, 12.50% at age to 2.50% at age 65, to, varies by service from 2.50% to 8.50%. The health care cost trend rates were modified.

Beachwood City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

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.

There were no benefit term changes from the amounts reported for fiscal year 2022 and 2023.

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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 2023, therefore a budgetary schedule is not presented.

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.

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.

Title IV-A - This fund accounts for the program that helps students meet state and local student standards in core academic subjects, such as reading and math; offers students a broad array of enrichment activities that can complement their regular academic programs; and offers literacy and other educational services to the families of participating 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:

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.

Nonmajor Capital Project Fund (continued)

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, 2023

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$ 4,122,856	\$ 1,139,462	\$ 5,262,318
Materials and Supplies Inventory	5,090	-	5,090
Accounts Receivable	1,272	-	1,272
Intergovernmental Receivable	189,766	-	189,766
Property Taxes Receivable	-	317,163	317,163
Total Assets	\$ 4,318,984	\$ 1,456,625	\$ 5,775,609
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 220,543	\$ -	\$ 220,543
Contracts Payable	86,625	9,463	96,088
Accrued Wages and Benefits	318,897	-	318,897
Intergovernmental Payable	65,458	-	65,458
Due to Other Funds	-	3,215,000	3,215,000
Interfund Payable	3,048,165	100,000	3,148,165
Unearned Revenue	400,000	-	400,000
Total Liabilities	4,139,688	3,324,463	7,464,151
Deferred Inflows of Resources:			
Property Taxes	-	259,367	259,367
Unavailable Revenues - Delinquent Property Taxes	-	11,633	11,633
Unavailable Revenues - Grants	82,729	-	82,729
Total Deferred Inflows of Resources	82,729	271,000	353,729
Fund Balances:			
Nonspendable	5,090	-	5,090
Restricted	470,529	-	470,529
Committed	-	350,000	350,000
Unassigned (Deficit)	(379,052)	(2,488,838)	(2,867,890)
Total Fund Balances	96,567	(2,138,838)	(2,042,271)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,318,984	\$ 1,456,625	\$ 5,775,609

Beachwood City School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2023

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ -	\$ 308,892	\$ 308,892
Intergovernmental	2,243,793	97,993	2,341,786
Interest	1,646	30,787	32,433
Tuition and Fees	1,265,088	-	1,265,088
Extracurricular Activities	237,502	-	237,502
Customer Sales and Services	433,027	-	433,027
Contributions and Donations	10,610	-	10,610
All Other Revenues	44,513	71,720	116,233
Total Revenues	4,236,179	509,392	4,745,571
EXPENDITURES			
Current:			
Instruction:			
Regular	307,493	-	307,493
Special	603,356	-	603,356
Vocational Instruction	1,070,802	-	1,070,802
Adult/Continuing Instruction	130,597	-	130,597
Other	160,157	-	160,157
Supporting Services:			
Pupils	220,806	-	220,806
Instructional Staff	44,197	-	44,197
Operation and Maintenance of Plant	14,896	-	14,896
Pupil Transportation	3,656	-	3,656
Operation of Non-Instructional Services:			
Food Service Operations	723,532	-	723,532
Community Services	906,512	-	906,512
Extracurricular Activities	310,458	21,037	331,495
Capital Outlay	204,701	541,846	746,547
Total Expenditures	4,701,163	562,883	5,264,046
Excess of Revenues Over (Under) Expenditures	(464,984)	(53,491)	(518,475)
OTHER FINANCING SOURCES			
Transfers In	324,382	150,000	474,382
Total Other Financing Sources	324,382	150,000	474,382
Net Change in Fund Balances	(140,602)	96,509	(44,093)
Fund Balances - Beginning of Year	237,169	(2,235,347)	(1,998,178)
Fund Balances - End of Year	\$ 96,567	\$ (2,138,838)	\$ (2,042,271)

Beachwood City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023

	<u>Food Service</u>	<u>Special Trust</u>	<u>Marketing School Store</u>	<u>Recreation</u>
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 18,856	\$ 16,520	\$ 7,594	\$ 1
Materials and Supplies Inventory	5,090	-	-	-
Accounts Receivable	1,086	-	-	-
Intergovernmental Receivable	-	-	-	-
Total Assets	<u>\$ 25,032</u>	<u>\$ 16,520</u>	<u>\$ 7,594</u>	<u>\$ 1</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Contracts Payable	86,625	-	-	-
Accrued Wages and Benefits	-	-	-	5,077
Intergovernmental Payable	8,227	-	-	10,573
Interfund Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Total Liabilities	<u>94,852</u>	<u>-</u>	<u>-</u>	<u>15,650</u>
Deferred Inflows of Resources:				
Unavailable Revenues - Grants	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable	5,090	-	-	-
Restricted	-	16,520	7,594	-
Unassigned (Deficit)	(74,910)	-	-	(15,649)
Total Fund Balances	<u>(69,820)</u>	<u>16,520</u>	<u>7,594</u>	<u>(15,649)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 25,032</u>	<u>\$ 16,520</u>	<u>\$ 7,594</u>	<u>\$ 1</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>
\$ 2,927,705	\$ 41,241	\$ 30,405	\$ 283,233	\$ 122,107	\$ 61,122
-	-	-	-	-	-
186	-	-	-	-	-
64,074	-	-	-	-	-
<u>\$ 2,991,965</u>	<u>\$ 41,241</u>	<u>\$ 30,405</u>	<u>\$ 283,233</u>	<u>\$ 122,107</u>	<u>\$ 61,122</u>
\$ 3,000	\$ -	\$ -	\$ 1,229	\$ 2,846	\$ 7,079
-	-	-	-	-	-
150,031	-	-	77,038	-	-
17,220	-	-	17,757	-	-
3,005,386	-	-	-	-	-
-	-	-	-	-	-
<u>3,175,637</u>	<u>-</u>	<u>-</u>	<u>96,024</u>	<u>2,846</u>	<u>7,079</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	41,241	30,405	187,209	119,261	54,043
(183,672)	-	-	-	-	-
<u>(183,672)</u>	<u>41,241</u>	<u>30,405</u>	<u>187,209</u>	<u>119,261</u>	<u>54,043</u>
<u>\$ 2,991,965</u>	<u>\$ 41,241</u>	<u>\$ 30,405</u>	<u>\$ 283,233</u>	<u>\$ 122,107</u>	<u>\$ 61,122</u>

Beachwood City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023

	<u>Auxiliary Services</u>	<u>One Net</u>	<u>Student Wellness</u>	<u>Miscellaneous State Grants</u>	<u>ESSER</u>	<u>IDEA B</u>
ASSETS						
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ -	\$ 9,030	\$ 4,775	\$ -	\$ -
Materials and Supplies Inventory	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	-	-
Intergovernmental Receivable	-	184	-	-	37,953	85,335
Total Assets	<u>\$ -</u>	<u>\$ 184</u>	<u>\$ 9,030</u>	<u>\$ 4,775</u>	<u>\$ 37,953</u>	<u>\$ 85,335</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contracts Payable	-	-	-	-	-	-
Accrued Wages and Benefits	-	-	-	-	45,795	40,956
Intergovernmental Payable	-	-	-	-	6,084	5,597
Interfund Payable	-	-	-	-	-	40,828
Unearned Revenue	-	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,879</u>	<u>87,381</u>
Deferred Inflows of Resources:						
Unavailable Revenues - Grants	-	-	-	-	37,953	44,507
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,953</u>	<u>44,507</u>
Fund Balances:						
Nonspendable	-	-	-	-	-	-
Restricted	-	184	9,030	4,775	-	-
Unassigned (Deficit)	-	-	-	-	(51,879)	(46,553)
Total Fund Balances	<u>-</u>	<u>184</u>	<u>9,030</u>	<u>4,775</u>	<u>(51,879)</u>	<u>(46,553)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ -</u>	<u>\$ 184</u>	<u>\$ 9,030</u>	<u>\$ 4,775</u>	<u>\$ 37,953</u>	<u>\$ 85,335</u>

Title III - Limited English Proficiency	Title I	Title IV-A	Preschool Handicapped Grant	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,267	\$ 4,122,856
-	-	-	-	-	-	5,090
-	-	-	-	-	-	1,272
-	730	1,240	-	250	-	189,766
<u>\$ -</u>	<u>\$ 730</u>	<u>\$ 1,240</u>	<u>\$ -</u>	<u>\$ 250</u>	<u>\$ 600,267</u>	<u>\$ 4,318,984</u>
\$ -	\$ -	\$ 6,389	\$ -	\$ -	\$ 200,000	\$ 220,543
-	-	-	-	-	-	86,625
-	-	-	-	-	-	318,897
-	-	-	-	-	-	65,458
-	730	971	-	250	-	3,048,165
-	-	-	-	-	400,000	400,000
<u>-</u>	<u>730</u>	<u>7,360</u>	<u>-</u>	<u>250</u>	<u>600,000</u>	<u>4,139,688</u>
-	-	269	-	-	-	82,729
-	-	269	-	-	-	82,729
-	-	-	-	-	-	5,090
-	-	-	-	-	267	470,529
-	-	(6,389)	-	-	-	(379,052)
<u>-</u>	<u>-</u>	<u>(6,389)</u>	<u>-</u>	<u>-</u>	<u>267</u>	<u>96,567</u>
<u>\$ -</u>	<u>\$ 730</u>	<u>\$ 1,240</u>	<u>\$ -</u>	<u>\$ 250</u>	<u>\$ 600,267</u>	<u>\$ 4,318,984</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, 2023

	<u>Food Service</u>	<u>Special Trust</u>	<u>Marketing School Store</u>	<u>Recreation</u>
REVENUES				
Intergovernmental	\$ 160,700	\$ -	\$ -	\$ -
Interest	1,610	36	-	-
Tuition and Fees	-	-	-	-
Extracurricular Activities	-	-	24,048	-
Customer Sales and Services	404,225	-	-	11,532
Contributions and Donations	-	-	-	-
All Other Revenues	3,353	-	-	-
Total Revenues	<u>569,888</u>	<u>36</u>	<u>24,048</u>	<u>11,532</u>
EXPENDITURES				
Current:				
Instruction:				
Regular	-	-	-	-
Special	-	-	-	-
Vocational Instruction	-	-	24,842	-
Adult/Continuing Instruction	-	-	-	130,597
Other	-	-	-	-
Supporting Services:				
Pupils	-	-	-	-
Instructional Staff	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Pupil Transportation	-	-	-	-
Operation of Non-Instructional Services:				
Food Service Operations	723,532	-	-	-
Community Services	-	-	-	-
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>723,532</u>	<u>-</u>	<u>24,842</u>	<u>130,597</u>
Excess of Revenues Over (Under) Expenditures	<u>(153,644)</u>	<u>36</u>	<u>(794)</u>	<u>(119,065)</u>
OTHER FINANCING SOURCES				
Transfers In	65,000	-	-	113,003
Total Other Financing Sources	<u>65,000</u>	<u>-</u>	<u>-</u>	<u>113,003</u>
Net Change in Fund Balances	(88,644)	36	(794)	(6,062)
Fund Balances - Beginning of Year	18,824	16,484	8,388	(9,587)
Fund Balances - End of Year	<u>\$ (69,820)</u>	<u>\$ 16,520</u>	<u>\$ 7,594</u>	<u>\$ (15,649)</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>
\$ 691,628	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
693,286	-	-	571,802	-	-	-
-	-	-	-	145,692	67,762	-
14,104	-	-	-	-	3,166	-
-	8,425	-	-	-	2,185	-
-	500	29,892	-	-	-	10,768
<u>1,399,018</u>	<u>8,925</u>	<u>29,892</u>	<u>571,802</u>	<u>145,692</u>	<u>73,113</u>	<u>10,768</u>
-	8,638	-	-	-	-	-
185,154	107	-	-	-	-	-
1,045,960	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
69,306	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	5,000	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	738,027	-	-	-
-	-	-	-	181,019	129,439	-
-	-	22,736	-	-	74,905	-
<u>1,300,420</u>	<u>8,745</u>	<u>27,736</u>	<u>738,027</u>	<u>181,019</u>	<u>204,344</u>	<u>-</u>
<u>98,598</u>	<u>180</u>	<u>2,156</u>	<u>(166,225)</u>	<u>(35,327)</u>	<u>(131,231)</u>	<u>10,768</u>
-	-	-	-	22,560	123,819	-
-	-	-	-	22,560	123,819	-
98,598	180	2,156	(166,225)	(12,767)	(7,412)	10,768
(282,270)	41,061	28,249	353,434	132,028	61,455	(10,768)
<u>\$ (183,672)</u>	<u>\$ 41,241</u>	<u>\$ 30,405</u>	<u>\$ 187,209</u>	<u>\$ 119,261</u>	<u>\$ 54,043</u>	<u>\$ -</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, 2023

	One Net	Student Wellness	Miscellaneous State Grants	ESSER	IDEA B
REVENUES					
Intergovernmental	\$ 7,384	-	105,922	463,197	\$ 594,331
Interest	-	-	-	-	-
Tuition and Fees	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-
Customer Sales and Services	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
All Other Revenues	-	-	-	-	-
Total Revenues	<u>7,384</u>	<u>-</u>	<u>105,922</u>	<u>463,197</u>	<u>594,331</u>
EXPENDITURES					
Current:					
Instruction:					
Regular	-	-	-	278,037	20,589
Special	-	-	-	75,596	186,960
Vocational Instruction	-	-	-	-	-
Adult/Continuing Instruction	-	-	-	-	-
Other	-	-	-	38,559	107,817
Supporting Services:					
Pupils	-	480	-	-	151,020
Instructional Staff	7,200	5,769	-	-	-
Operation and Maintenance of Plant Services	-	-	9,896	-	-
Pupil Transportation	-	-	-	3,656	-
Operation of Non-Instructional Services:					
Food Service Operations	-	-	-	-	-
Community Services	-	-	-	-	144,317
Extracurricular Activities	-	-	-	-	-
Capital Outlay	-	-	100,883	-	6,177
Total Expenditures	<u>7,200</u>	<u>6,249</u>	<u>110,779</u>	<u>395,848</u>	<u>616,880</u>
Excess of Revenues Over (Under) Expenditures	<u>184</u>	<u>(6,249)</u>	<u>(4,857)</u>	<u>67,349</u>	<u>(22,549)</u>
OTHER FINANCING SOURCES					
Transfers In	-	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>184</u>	<u>(6,249)</u>	<u>(4,857)</u>	<u>67,349</u>	<u>(22,549)</u>
Fund Balances - Beginning of Year	<u>-</u>	<u>15,279</u>	<u>9,632</u>	<u>(119,228)</u>	<u>(24,004)</u>
Fund Balances - End of Year	<u>\$ 184</u>	<u>\$ 9,030</u>	<u>\$ 4,775</u>	<u>\$ (51,879)</u>	<u>\$ (46,553)</u>

Title III - Limited English Proficiency	Title I	Title IV-A	Preschool Handicapped Grant	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 11,388	\$ 135,039	\$ 11,785	\$ 14,381	\$ 48,038	-	2,243,793
-	-	-	-	-	-	1,646
-	-	-	-	-	-	1,265,088
-	-	-	-	-	-	237,502
-	-	-	-	-	-	433,027
-	-	-	-	-	-	10,610
-	-	-	-	-	-	44,513
<u>11,388</u>	<u>135,039</u>	<u>11,785</u>	<u>14,381</u>	<u>48,038</u>	<u>-</u>	<u>4,236,179</u>
-	-	-	-	229	-	307,493
11,514	129,644	-	14,381	-	-	603,356
-	-	-	-	-	-	1,070,802
-	-	-	-	-	-	130,597
-	-	13,781	-	-	-	160,157
-	-	-	-	-	-	220,806
-	-	-	-	31,228	-	44,197
-	-	-	-	-	-	14,896
-	-	-	-	-	-	3,656
-	-	-	-	-	-	723,532
-	2,965	4,393	-	16,810	-	906,512
-	-	-	-	-	-	310,458
-	-	-	-	-	-	204,701
<u>11,514</u>	<u>132,609</u>	<u>18,174</u>	<u>14,381</u>	<u>48,267</u>	<u>-</u>	<u>4,701,163</u>
<u>(126)</u>	<u>2,430</u>	<u>(6,389)</u>	<u>-</u>	<u>(229)</u>	<u>-</u>	<u>(464,984)</u>
-	-	-	-	-	-	324,382
-	-	-	-	-	-	324,382
<u>(126)</u>	<u>2,430</u>	<u>(6,389)</u>	<u>-</u>	<u>(229)</u>	<u>-</u>	<u>(140,602)</u>
<u>126</u>	<u>(2,430)</u>	<u>-</u>	<u>-</u>	<u>229</u>	<u>267</u>	<u>237,169</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,389)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 267</u>	<u>\$ 96,567</u>

Beachwood City School District
Combining Balance Sheet
Nonmajor Capital Project Funds
June 30, 2023

	Permanent Improvement	Capital Projects	Total Nonmajor Capital Projects
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$ 789,462	\$ 350,000	\$ 1,139,462
Property Taxes Receivable	317,163	-	317,163
Total Assets	1,106,625	\$ 350,000	\$ 1,456,625
Liabilities, Deferred Inflows of Resources and Fund Balances			
<u>Liabilities</u>			
Contracts Payable	\$ 9,463	\$ -	\$ 9,463
Interfund Payable	100,000	-	100,000
Due to Other Funds	3,215,000	-	3,215,000
Total Liabilities	3,324,463	\$ -	\$ 3,324,463
<u>Deferred Inflows of Resources</u>			
Property Taxes	259,367	-	259,367
Unavailable Revenues - Delinquent Property Tax	11,633	-	11,633
Total Deferred Inflows of Resources	271,000	-	271,000
Fund Balances:			
Committed	-	350,000	350,000
Unassigned (Deficit)	(2,488,838)	-	(2,488,838)
Total Fund Balances	(2,488,838)	350,000	(2,138,838)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,106,625	\$ 350,000	\$ 1,456,625

Beachwood City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Fiscal Year Ended June 30, 2023

	Permanent Improvement	Capital Projects	Total Nonmajor Capital Projects Funds
REVENUES			
Taxes	\$ 308,892	\$ -	\$ 308,892
Intergovernmental	97,993	-	97,993
Interest	30,787	-	30,787
Miscellaneous	71,720	-	71,720
Total Revenues	<u>509,392</u>	<u>-</u>	<u>509,392</u>
EXPENDITURES			
Current:			
Extracurricular Activities	21,037	-	21,037
Capital Outlay	541,846	-	541,846
Total Expenditures	<u>562,883</u>	<u>-</u>	<u>562,883</u>
Excess of Revenues Over (Under) Expenditures	<u>(53,491)</u>	<u>-</u>	<u>(53,491)</u>
OTHER FINANCING SOURCES			
Transfer In	-	150,000	150,000
Total Other Financing Sources	<u>-</u>	<u>150,000</u>	<u>150,000</u>
Net Change in Fund Balances	(53,491)	150,000	96,509
Fund Balances - Beginning of Year	(2,435,347)	200,000	(2,235,347)
Fund Balances - End of Year	<u>\$ (2,488,838)</u>	<u>\$ 350,000</u>	<u>\$ (2,138,838)</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, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Property and Other Local Taxes	\$ 31,927,197	\$ 31,927,197	\$ 31,827,167	\$ (100,030)
Intergovernmental	3,831,338	3,777,204	3,942,715	165,511
Interest	210,000	700,000	824,947	124,947
Tuition and Fees	127,513	145,163	327,092	181,929
Rent	500	500	14,080	13,580
Gifts and Donations	2,000	1,000	-	(1,000)
Customer Sales and Services	171,593	163,343	206,257	42,914
Miscellaneous	184,075	1,902,198	1,934,284	32,086
Total Revenues	36,454,216	38,616,605	39,076,542	459,937
EXPENDITURES:				
Current:				
Instruction:				
Regular				
Salaries	10,293,564	9,859,164	9,858,043	1,121
Fringe Benefits	3,196,982	3,089,807	3,051,920	37,887
Purchased Services	621,486	674,686	646,518	28,168
Materials and Supplies	371,591	353,690	344,145	9,545
Other	161,653	148,303	123,912	24,391
Capital Outlay	367,640	345,140	345,051	89
Total - Regular	15,012,916	14,470,790	14,369,589	101,201
Special				
Salaries	3,862,454	4,027,289	4,018,591	8,698
Fringe Benefits	1,283,051	1,453,395	1,438,770	14,625
Purchased Services	997,600	1,016,399	1,012,667	3,732
Materials and Supplies	44,941	39,280	33,737	5,543
Capital Outlay	9,450	6,550	1,412	5,138
Total - Special	6,197,496	6,542,913	6,505,177	37,736
Vocational				
Purchased Services	824,400	406,150	404,873	1,277
Other	29,864	30,214	21,657	8,557
Total - Vocational	854,264	436,364	426,530	9,834
Other				
Salaries	88,020	68,020	67,017	1,003
Fringe Benefits	91,674	89,674	60,126	29,548
Purchased Services	91,500	101,000	93,545	7,455
Materials and Supplies	5,579	7,601	7,120	481
Total - Other	276,773	266,295	227,808	38,487
Total - Instruction:	22,341,449	21,716,362	21,529,104	187,258

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, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Support Services:				
Pupils				
Salaries	1,621,203	1,648,905	1,646,206	2,699
Fringe Benefits	518,924	494,524	491,714	2,810
Purchased Services	198,768	223,899	222,757	1,142
Materials and Supplies	24,740	23,040	17,210	5,830
Other	5,000	5,000	2,478	2,522
Capital Outlay	7,625	2,125	247	1,878
Total - Pupils	<u>2,376,260</u>	<u>2,397,493</u>	<u>2,380,612</u>	<u>16,881</u>
Instructional Staff				
Salaries	921,254	869,293	869,260	33
Fringe Benefits	348,958	288,958	287,822	1,136
Purchased Services	242,225	170,419	163,698	6,721
Materials and Supplies	142,059	99,383	93,795	5,588
Other	250	250	89	161
Capital Outlay	294,740	306,540	298,158	8,382
Total - Instructional Staff	<u>1,949,486</u>	<u>1,734,843</u>	<u>1,712,822</u>	<u>22,021</u>
Board of Education				
Salaries	25,000	22,000	22,000	-
Fringe Benefits	4,612	5,863	5,406	457
Purchased Services	424,000	457,000	454,233	2,767
Materials and Supplies	500	600	494	106
Other	28,251	21,751	21,730	21
Capital Outlay	750	1,500	1,100	400
Total - Board of Education	<u>483,113</u>	<u>508,714</u>	<u>504,963</u>	<u>3,751</u>
Administration				
Salaries	1,660,181	1,748,368	1,745,556	2,812
Fringe Benefits	752,957	744,271	741,399	2,872
Purchased Services	125,301	113,433	103,205	10,228
Materials and Supplies	13,300	14,566	12,934	1,632
Other	128,000	191,500	190,055	1,445
Capital Outlay	9,919	10,219	7,806	2,413
Total - Administration	<u>2,689,658</u>	<u>2,822,357</u>	<u>2,800,955</u>	<u>21,402</u>
Fiscal				
Salaries	458,531	509,578	509,126	452
Fringe Benefits	202,391	189,988	188,881	1,107
Purchased Services	64,358	68,449	62,296	6,153
Materials and Supplies	1,500	1,665	1,558	107
Other	589,682	659,767	645,770	13,997
Capital Outlay	3,500	4,700	4,644	56
Total - Fiscal	<u>1,319,962</u>	<u>1,434,147</u>	<u>1,412,275</u>	<u>21,872</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, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Business				
Salaries	165,148	124,973	123,998	975
Fringe Benefits	56,802	52,277	52,213	64
Purchased Services	90,840	121,440	113,475	7,965
Materials and Supplies	9,100	13,650	12,579	1,071
Other	940	940	372	568
Capital Outlay	10,250	16,000	15,986	14
	<u>333,080</u>	<u>329,280</u>	<u>318,623</u>	<u>10,657</u>
Total - Business				
Operation and Maintenance of Plant				
Salaries	1,270,025	1,312,219	1,312,131	88
Fringe Benefits	421,647	430,186	428,873	1,313
Purchased Services	1,655,600	1,878,770	1,828,182	50,588
Materials and Supplies	222,700	308,000	281,470	26,530
Other	-	25	25	-
Capital Outlay	72,300	81,035	80,403	632
	<u>3,642,272</u>	<u>4,010,235</u>	<u>3,931,084</u>	<u>79,151</u>
Total - Operation and Maintenance of Plant				
Pupil Transportation				
Salaries	1,213,326	1,283,326	1,280,516	2,810
Fringe Benefits	408,431	403,431	400,572	2,859
Purchased Services	172,200	186,200	180,460	5,740
Materials and Supplies	284,000	399,600	396,187	3,413
Other	400	400	50	350
Capital Outlay	181,200	179,600	178,768	832
	<u>2,259,557</u>	<u>2,452,557</u>	<u>2,436,553</u>	<u>16,004</u>
Total - Pupil Transportation				
Central				
Salaries	139,934	136,434	136,024	410
Fringe Benefits	60,512	42,812	38,028	4,784
Purchased Services	123,150	98,650	97,387	1,263
Materials and Supplies	3,000	3,000	10	2,990
Other	7,000	4,000	4,000	-
Capital Outlay	1,500	1,500	1,435	65
	<u>335,096</u>	<u>286,396</u>	<u>276,884</u>	<u>9,512</u>
Total - Central				
Total - Support Services:	<u>15,388,484</u>	<u>15,976,022</u>	<u>15,774,771</u>	<u>201,251</u>
Operation of Non-Instructional/Shared Services:				
Community Services				
Purchased Services	30,000	30,000	24,888	5,112
Materials and Supplies	23,400	23,400	17,530	5,870
	<u>53,400</u>	<u>53,400</u>	<u>42,418</u>	<u>10,982</u>
Total - Community Services				
Total - Operation of Non-Instructional/Shared Services:	<u>53,400</u>	<u>53,400</u>	<u>42,418</u>	<u>10,982</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, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Extracurricular Activities:				
Academic Oriented Activities				
Salaries	208,508	200,508	200,246	262
Fringe Benefits	35,823	35,823	35,680	143
Total - Academic Oriented Activities	<u>244,331</u>	<u>236,331</u>	<u>235,926</u>	<u>405</u>
Sport Oriented Activities				
Salaries	877,819	698,319	697,732	587
Fringe Benefits	195,643	198,143	197,621	522
Total - Sport Oriented Activities	<u>1,073,462</u>	<u>896,462</u>	<u>895,353</u>	<u>1,109</u>
School and Public Service Co-Curricular Activities				
Salaries	44,484	56,484	55,767	717
Fringe Benefits	7,329	8,329	7,847	482
Total - School and Public Service Co-Curricular Activities	<u>51,813</u>	<u>64,813</u>	<u>63,614</u>	<u>1,199</u>
Total - Extracurricular Activities:	<u>1,369,606</u>	<u>1,197,606</u>	<u>1,194,893</u>	<u>2,713</u>
Total Expenditures				
Total Expenditures	<u>39,152,939</u>	<u>38,943,390</u>	<u>38,541,186</u>	<u>402,204</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,698,723)</u>	<u>(326,785)</u>	<u>535,356</u>	<u>862,141</u>
OTHER FINANCING SOURCES AND (USES):				
Transfers In	540,500	496,832	228,960	(267,872)
Advances In	124,134	124,134	124,134	-
Proceeds from Sale of Capital Assets	10,000	10,000	7,707	(2,293)
Refund of Prior Year Expenditures	2,500	2,500	-	(2,500)
Transfers Out	(1,000,000)	(1,080,832)	(803,342)	277,490
Advances Out	-	(100,000)	(100,000)	-
Total Other Financing Sources and (Uses)	<u>(322,866)</u>	<u>(547,366)</u>	<u>(542,541)</u>	<u>4,825</u>
Net Change in Fund Balances	(3,021,589)	(874,151)	(7,185)	866,966
Fund Balance at Beginning of Year, Restated	26,049,713	26,049,713	26,049,713	-
Prior Year Encumbrances Appropriated	509,658	509,658	509,658	-
Fund Balance at End of Year	<u>\$ 23,537,782</u>	<u>\$ 25,685,220</u>	<u>\$ 26,552,186</u>	<u>\$ 866,966</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, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Property and Other Local Taxes	\$ 3,760,137	\$ 2,860,538	\$ 3,770,560	\$ 910,022
Intergovernmental	744,032	566,403	746,592	180,189
Total Revenues	<u>4,504,169</u>	<u>3,426,941</u>	<u>4,517,152</u>	<u>1,090,211</u>
EXPENDITURES:				
Debt Service:				
Principal	2,788,966	2,788,966	2,788,966	-
Interest	1,368,139	1,368,639	1,368,639	-
Total Expenditures	<u>4,157,105</u>	<u>4,157,605</u>	<u>4,157,605</u>	<u>-</u>
Net Change in Fund Balances	347,064	(730,664)	359,547	1,090,211
Fund Balance at Beginning of Year	<u>2,842,050</u>	<u>2,842,050</u>	<u>2,842,050</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 3,189,114</u></u>	<u><u>\$ 2,111,386</u></u>	<u><u>\$ 3,201,597</u></u>	<u><u>\$ 1,090,211</u></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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 297,350	\$ 160,700	\$ (136,650)
Interest	1,550	1,610	60
Customer Sales and Services	407,300	404,873	(2,427)
Miscellaneous	3,500	3,353	(147)
Total Revenues	<u>709,700</u>	<u>570,536</u>	<u>(139,164)</u>
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Food Service Operations	<u>775,300</u>	<u>660,669</u>	<u>114,631</u>
Total Expenditures	<u>775,300</u>	<u>660,669</u>	<u>114,631</u>
Excess of Revenues Over (Under) Expenditures	<u>(65,600)</u>	<u>(90,133)</u>	<u>(24,533)</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>65,000</u>	<u>65,000</u>	<u>-</u>
Total Other Financing Sources	<u>65,000</u>	<u>65,000</u>	<u>-</u>
Net Change in Fund Balances	(600)	(25,133)	(24,533)
Fund Balance at Beginning of Year	25,582	25,582	-
Prior Year Encumbrances Appropriated	<u>18,000</u>	<u>18,000</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 42,982</u>	<u>\$ 18,449</u>	<u>\$ (24,533)</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Interest	\$ 2	\$ 36	\$ 34
Total Revenues	<u>2</u>	<u>36</u>	<u>34</u>
EXPENDITURES:			
Current:			
Support Services:			
Pupils	<u>11,000</u>	<u>-</u>	<u>11,000</u>
Total Expenditures	<u>11,000</u>	<u>-</u>	<u>11,000</u>
Net Change in Fund Balances	(10,998)	36	11,034
Fund Balance at Beginning of Year	<u>16,484</u>	<u>16,484</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 5,486</u></u>	<u><u>\$ 16,520</u></u>	<u><u>\$ 11,034</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Extracurricular Activities	\$ 25,000	\$ 24,048	\$ (952)
Total Revenues	<u>25,000</u>	<u>24,048</u>	<u>(952)</u>
EXPENDITURES:			
Current:			
Instruction:			
Vocational	<u>30,000</u>	<u>24,842</u>	<u>5,158</u>
Total Expenditures	<u>30,000</u>	<u>24,842</u>	<u>5,158</u>
Net Change in Fund Balances	(5,000)	(794)	4,206
Fund Balance at Beginning of Year	<u>8,388</u>	<u>8,388</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 3,388</u></u>	<u><u>\$ 7,594</u></u>	<u><u>\$ 4,206</u></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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Customer Sales and Services	\$ 12,500	\$ 11,532	\$ (968)
Total Revenues	<u>12,500</u>	<u>11,532</u>	<u>(968)</u>
EXPENDITURES:			
Current:			
Instruction:			
Adult/Continuing	<u>129,000</u>	<u>126,714</u>	<u>2,286</u>
Total Expenditures	<u>129,000</u>	<u>126,714</u>	<u>2,286</u>
Excess of Revenues Over (Under) Expenditures	<u>(116,500)</u>	<u>(115,182)</u>	<u>1,318</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>116,500</u>	<u>113,003</u>	<u>(3,497)</u>
Total Other Financing Sources	<u>116,500</u>	<u>113,003</u>	<u>(3,497)</u>
Net Change in Fund Balances	-	(2,179)	(2,179)
Fund Balance at Beginning of Year	<u>2,180</u>	<u>2,180</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,180</u>	<u>\$ 1</u>	<u>\$ (2,179)</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 623,000	\$ 691,628	\$ 68,628
Tuition and Fees	697,030	659,781	(37,249)
Customer Sales and Services	14,000	14,104	104
	<u>1,334,030</u>	<u>1,365,513</u>	<u>31,483</u>
Total Revenues			
EXPENDITURES:			
Current:			
Instruction:			
Special	272,914	121,588	151,326
Vocational	1,086,118	889,274	196,844
Support Services:			
Pupils	261,019	159,226	101,793
	<u>1,620,051</u>	<u>1,170,088</u>	<u>449,963</u>
Total Expenditures			
Excess of Revenues Over (Under) Expenditures	<u>(286,021)</u>	<u>195,425</u>	<u>481,446</u>
OTHER FINANCING SOURCES AND (USES):			
Transfers In	2,590,138	2,438,179	(151,959)
Transfers Out	<u>(2,590,138)</u>	<u>(2,438,179)</u>	<u>151,959</u>
Total Other Financing Sources and (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(286,021)	195,425	481,446
Fund Balance at Beginning of Year	2,719,416	2,719,416	-
Prior Year Encumbrances Appropriated	<u>10,977</u>	<u>10,977</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,444,372</u>	<u>\$ 2,925,818</u>	<u>\$ 481,446</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Gifts and Donations	\$ 8,800	\$ 8,425	\$ (375)
Customer Sales and Services	700	-	(700)
Miscellaneous	-	500	500
	<u>9,500</u>	<u>8,925</u>	<u>(575)</u>
Total Revenues			
EXPENDITURES:			
Current:			
Instruction:			
Regular	16,483	8,648	7,835
Special	3,500	107	3,393
	<u>19,983</u>	<u>8,755</u>	<u>11,228</u>
Total Expenditures			
Net Change in Fund Balances	(10,483)	170	10,653
Fund Balance at Beginning of Year	38,960	38,960	-
Prior Year Encumbrances Appropriated	2,100	2,100	-
Fund Balance at End of Year	<u>\$ 30,577</u>	<u>\$ 41,230</u>	<u>\$ 10,653</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Miscellaneous	\$ 45,000	\$ 29,892	\$ (15,108)
Total Revenues	<u>45,000</u>	<u>29,892</u>	<u>(15,108)</u>
EXPENDITURES:			
Current:			
Support Services:			
Operation and Maintenance of Plant	5,000	5,000	-
Pupil Transportation	<u>25,000</u>	<u>22,736</u>	<u>2,264</u>
Total Expenditures	<u>30,000</u>	<u>27,736</u>	<u>2,264</u>
Net Change in Fund Balances	15,000	2,156	(12,844)
Fund Balance at Beginning of Year	5,513	5,513	-
Prior Year Encumbrances Appropriated	<u>22,736</u>	<u>22,736</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 43,249</u>	<u>\$ 30,405</u>	<u>\$ (12,844)</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	\$ 60,870	\$ 38,230	\$ 22,640
Special	60,871	35,322	25,549
Support Services:			
Administration	21,935	14,556	7,379
Pupil Transportation	8,500	7,722	778
	<u>152,176</u>	<u>95,830</u>	<u>56,346</u>
Total Expenditures			
	<u>152,176</u>	<u>95,830</u>	<u>(56,346)</u>
Excess of Revenues Over (Under) Expenditures			
	<u>(152,176)</u>	<u>(95,830)</u>	<u>(56,346)</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	(52,176)	4,170	(56,346)
Fund Balance at Beginning of Year	<u>2,098,828</u>	<u>2,098,828</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,046,652</u>	<u>\$ 2,102,998</u>	<u>\$ (56,346)</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Tuition and Fees	\$ 653,000	\$ 572,167	\$ (80,833)
Total Revenues	<u>653,000</u>	<u>572,167</u>	<u>(80,833)</u>
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Community Services	<u>810,981</u>	<u>736,736</u>	<u>74,245</u>
Total Expenditures	<u>810,981</u>	<u>736,736</u>	<u>74,245</u>
Net Change in Fund Balances	(157,981)	(164,569)	(6,588)
Fund Balance at Beginning of Year	441,068	441,068	-
Prior Year Encumbrances Appropriated	<u>6,734</u>	<u>6,734</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 289,821</u>	<u>\$ 283,233</u>	<u>\$ (6,588)</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Extracurricular Activities	\$ 135,275	\$ 145,792	\$ 10,517
Total Revenues	<u>135,275</u>	<u>145,792</u>	<u>10,517</u>
EXPENDITURES:			
Current:			
Extracurricular Activities:			
Academic Oriented Activities	144,350	131,441	12,909
School and Public Service Co-Curricular Activities	<u>68,319</u>	<u>60,748</u>	<u>7,571</u>
Total Expenditures	<u>212,669</u>	<u>192,189</u>	<u>20,480</u>
Excess of Revenues Over (Under) Expenditures	<u>(77,394)</u>	<u>(46,397)</u>	<u>30,997</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>20,000</u>	<u>22,560</u>	<u>2,560</u>
Total Other Financing Sources	<u>20,000</u>	<u>22,560</u>	<u>2,560</u>
Net Change in Fund Balances	(57,394)	(23,837)	33,557
Fund Balance at Beginning of Year	130,320	130,320	-
Prior Year Encumbrances Appropriated	<u>12,023</u>	<u>12,023</u>	-
Fund Balance at End of Year	<u>\$ 84,949</u>	<u>\$ 118,506</u>	<u>\$ 33,557</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Extracurricular Activities	\$ 65,700	\$ 68,062	\$ 2,362
Gifts and Donations	3,000	2,185	(815)
Customer Sales and Services	3,020	3,166	146
Total Revenues	<u>71,720</u>	<u>73,413</u>	<u>1,693</u>
EXPENDITURES:			
Current:			
Extracurricular Activities:			
Academic Oriented Activities	8,200	7,959	241
Sport Oriented Activities	192,507	190,691	1,816
Total Expenditures	<u>200,707</u>	<u>198,650</u>	<u>2,057</u>
Excess of Revenues Over (Under) Expenditures	<u>(128,987)</u>	<u>(125,237)</u>	<u>3,750</u>
OTHER FINANCING SOURCES:			
Transfers In	120,000	123,819	3,819
Total Other Financing Sources	<u>120,000</u>	<u>123,819</u>	<u>3,819</u>
Net Change in Fund Balances	(8,987)	(1,418)	7,569
Fund Balance at Beginning of Year	56,934	56,934	-
Prior Year Encumbrances Appropriated	4,277	4,277	-
Fund Balance at End of Year	<u>\$ 52,224</u>	<u>\$ 59,793</u>	<u>\$ 7,569</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Miscellaneous	\$ 10,768	\$ 10,768	\$ -
Total Revenues	<u>10,768</u>	<u>10,768</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>10,768</u>	<u>10,768</u>	<u>-</u>
OTHER FINANCING USES:			
Advances Out	<u>(10,768)</u>	<u>(10,768)</u>	<u>-</u>
Total Other Financing Uses	<u>(10,768)</u>	<u>(10,768)</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>

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, 2023

	<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>7,200</u>	<u>7,200</u>	<u>-</u>
Total Expenditures	<u>7,200</u>	<u>7,200</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
Student Wellness Fund
For the Fiscal Year Ended June 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:			
Current:			
Support Services:			
Pupils	\$ 1,000	\$ 480	\$ 520
Instructional Staff	6,528	5,769	759
Total Expenditures	<u>7,528</u>	<u>6,249</u>	<u>1,279</u>
Net Change in Fund Balances	(7,528)	(6,249)	1,279
Fund Balance at Beginning of Year	14,129	14,129	-
Prior Year Encumbrances Appropriated	<u>1,150</u>	<u>1,150</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 7,751</u></u>	<u><u>\$ 9,030</u></u>	<u><u>\$ 1,279</u></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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 194,789	\$ 105,922	\$ (88,867)
Total Revenues	<u>194,789</u>	<u>105,922</u>	<u>(88,867)</u>
EXPENDITURES:			
Current:			
Support Services:			
Operation and Maintenance of Plant	24,421	24,402	19
Pupil Transportation	<u>90,000</u>	<u>90,000</u>	<u>-</u>
Total Expenditures	<u>114,421</u>	<u>114,402</u>	<u>19</u>
Excess of Revenues Over (Under) Expenditures	<u>80,368</u>	<u>(8,480)</u>	<u>(88,848)</u>
OTHER FINANCING USES:			
Advances Out	<u>(80,368)</u>	<u>(80,368)</u>	<u>-</u>
Total Other Financing Uses	<u>(80,368)</u>	<u>(80,368)</u>	<u>-</u>
Net Change in Fund Balances	-	(88,848)	(88,848)
Fund Balance at Beginning of Year	<u>90,000</u>	<u>90,000</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 90,000</u>	<u>\$ 1,152</u>	<u>\$ (88,848)</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 513,367	\$ 463,197	\$ (50,170)
Total Revenues	<u>513,367</u>	<u>463,197</u>	<u>(50,170)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	360,890	340,970	19,920
Special	73,299	60,637	12,662
Other	36,841	32,147	4,694
Support Services:			
Pupils	25,834	25,833	1
Pupil Transportation	16,500	3,656	12,844
Total Expenditures	<u>513,364</u>	<u>463,243</u>	<u>50,121</u>
Net Change in Fund Balances	3	(46)	(49)
Fund Balance at Beginning of Year	46	46	-
Prior Year Encumbrances Appropriated	-	-	-
Fund Balance at End of Year	<u>\$ 49</u>	<u>\$ -</u>	<u>\$ (49)</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 711,417	\$ 553,503	\$ (157,914)
Total Revenues	<u>711,417</u>	<u>553,503</u>	<u>(157,914)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	20,588	20,589	(1)
Special	204,662	176,121	28,541
Other	90,093	85,393	4,700
Support Services:			
Pupils	186,067	150,084	35,983
Operation of Non-Instructional/Shared Services:			
Community Services	<u>199,750</u>	<u>152,825</u>	<u>46,925</u>
Total Expenditures	<u>701,160</u>	<u>585,012</u>	<u>116,148</u>
Excess of Revenues Over (Under) Expenditures	<u>10,257</u>	<u>(31,509)</u>	<u>(41,766)</u>
OTHER FINANCING USES:			
Advances Out	<u>(29,141)</u>	<u>(29,141)</u>	<u>-</u>
Total Other Financing Uses	<u>(29,141)</u>	<u>(29,141)</u>	<u>-</u>
Net Change in Fund Balances	(18,884)	(60,650)	(41,766)
Fund Balance at Beginning of Year	775	775	-
Prior Year Encumbrances Appropriated	<u>19,047</u>	<u>19,047</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 938</u>	<u>\$ (40,828)</u>	<u>\$ (41,766)</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 11,473	\$ 11,388	\$ (85)
Total Revenues	<u>11,473</u>	<u>11,388</u>	<u>(85)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	<u>11,599</u>	<u>11,514</u>	<u>85</u>
Total Expenditures	<u>11,599</u>	<u>11,514</u>	<u>85</u>
Net Change in Fund Balances	(126)	(126)	-
Fund Balance at Beginning of Year	126	126	-
Prior Year Encumbrances Appropriated	<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
Title I Fund
For the Fiscal Year Ended June 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 156,300	\$ 134,309	\$ (21,991)
Total Revenues	<u>156,300</u>	<u>134,309</u>	<u>(21,991)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	132,225	132,139	86
Operation of Non-Instructional/Shared Services:			
Community Services	<u>24,139</u>	<u>2,965</u>	<u>21,174</u>
Total Expenditures	<u>156,364</u>	<u>135,104</u>	<u>21,260</u>
Excess of Revenues Over (Under) Expenditures	<u>(64)</u>	<u>(795)</u>	<u>(731)</u>
OTHER FINANCING USES:			
Advances Out	<u>(3,797)</u>	<u>(3,797)</u>	<u>-</u>
Total Other Financing Uses	<u>(3,797)</u>	<u>(3,797)</u>	<u>-</u>
Net Change in Fund Balances	(3,861)	(4,592)	(731)
Fund Balance at Beginning of Year	1	1	-
Prior Year Encumbrances Appropriated	<u>3,861</u>	<u>3,861</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 1</u></u>	<u><u>\$ (730)</u></u>	<u><u>\$ (731)</u></u>

Beachwood City School District
Schedules of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title IV-A
For the Fiscal Year Ended June 30, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 14,337	\$ 10,814	\$ (3,523)
Total Revenues	<u>14,337</u>	<u>10,814</u>	<u>(3,523)</u>
EXPENDITURES:			
Current:			
Instruction:			
Other	7,478	7,392	86
Operation of Non-Instructional/Shared Services:			
Community Services	<u>6,859</u>	<u>4,393</u>	<u>2,466</u>
Total Expenditures	<u>14,337</u>	<u>11,785</u>	<u>2,552</u>
Net Change in Fund Balances	-	(971)	(971)
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ (971)</u>	<u>\$ (971)</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 14,381	\$ 14,381	\$ -
Total Revenues	<u>14,381</u>	<u>14,381</u>	<u>-</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	<u>14,381</u>	<u>14,381</u>	<u>-</u>
Total Expenditures	<u>14,381</u>	<u>14,381</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 52,224	\$ 47,788	\$ (4,436)
Total Revenues	<u>52,224</u>	<u>47,788</u>	<u>(4,436)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	229	229	-
Support Services:			
Instructional Staff	33,722	31,228	2,494
Operation of Non-Instructional/Shared Services:			
Community Services	<u>18,213</u>	<u>16,810</u>	<u>1,403</u>
Total Expenditures	<u>52,164</u>	<u>48,267</u>	<u>3,897</u>
Excess of Revenues Over (Under) Expenditures	<u>60</u>	<u>(479)</u>	<u>(539)</u>
OTHER FINANCING USES:			
Advances Out	<u>(60)</u>	<u>(60)</u>	<u>-</u>
Total Other Financing Uses	<u>(60)</u>	<u>(60)</u>	<u>-</u>
Net Change in Fund Balances	-	(539)	(539)
Fund Balance at Beginning of Year	1	1	-
Prior Year Encumbrances Appropriated	<u>288</u>	<u>288</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 289</u>	<u>\$ (250)</u>	<u>\$ (539)</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	400,000	600,000	200,000
Total Revenues	<u>400,000</u>	<u>600,000</u>	<u>200,000</u>
Net Change in Fund Balances	400,000	600,000	200,000
Fund Balance at Beginning of Year	<u>267</u>	<u>267</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 400,267</u>	<u>\$ 600,267</u>	<u>200,000</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Property and Other Local Taxes	\$ 1,109,441	\$ 294,894	\$ (814,547)
Intergovernmental	368,666	97,993	(270,673)
Interest	30,000	30,787	787
Customer Sales and Services	71,000	71,720	720
Total Revenues	<u>1,579,107</u>	<u>495,394</u>	<u>(1,083,713)</u>
EXPENDITURES:			
Current:			
Support Services:			
Pupils	70,000	69,109	891
Operation and Maintenance of Plant			
Extracurricular Activities:			
Sport Oriented Activities	21,200	21,037	163
Capital Outlay:			
Architecture and Engineering Services	50,000	49,177	823
Building Improvement Services	329,900	322,047	7,853
Other Facilities Acquisition and Construction	587,500	515,404	72,096
Total Expenditures	<u>1,058,600</u>	<u>976,774</u>	<u>81,826</u>
Excess of Revenues Over (Under) Expenditures	<u>520,507</u>	<u>(481,380)</u>	<u>(1,001,887)</u>
OTHER FINANCING SOURCES:			
Transfers In			
Advances In	100,000	100,000	-
Total Other Financing Sources	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Net Change in Fund Balances	620,507	(381,380)	(1,001,887)
Fund Balance at Beginning of Year	208,478	208,478	-
Prior Year Encumbrances Appropriated	700,962	700,962	-
Fund Balance at End of Year	<u>\$ 1,529,947</u>	<u>\$ 528,060</u>	<u>\$ (1,001,887)</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
OTHER FINANCING SOURCES:			
Transfers In	\$ 150,000	\$ 150,000	\$ -
Total Other Financing Sources	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Net Change in Fund Balances	150,000	150,000	-
Fund Balance at Beginning of Year	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 350,000</u>	<u>\$ 350,000</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, 2023

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
OPERATING REVENUES:			
Charges for Services	\$ 4,000,000	\$ 3,990,073	\$ (9,927)
Other Revenues	495,000	395,138	(99,862)
Total Operating Revenues	<u>4,495,000</u>	<u>4,385,211</u>	<u>(109,789)</u>
OPERATING EXPENSES:			
Claims	5,088,000	4,357,172	730,828
Other	307,000	222,286	84,714
Total Operating Expenses	<u>5,395,000</u>	<u>4,579,458</u>	<u>815,542</u>
Net Change in Net Position	(900,000)	(194,247)	705,753
Net Position at Beginning of Year	1,538,473	1,538,473	-
Prior Year Encumbrances Appropriated	<u>12,675</u>	<u>12,675</u>	<u>-</u>
Net Position at End of Year	<u><u>\$ 651,148</u></u>	<u><u>\$ 1,356,901</u></u>	<u><u>\$ 705,753</u></u>



STATISTICAL SECTION



DEVELOPING INTELLECTUAL ENTREPRENEURS
WITH A SOCIAL CONSCIENCE



Statistical Section

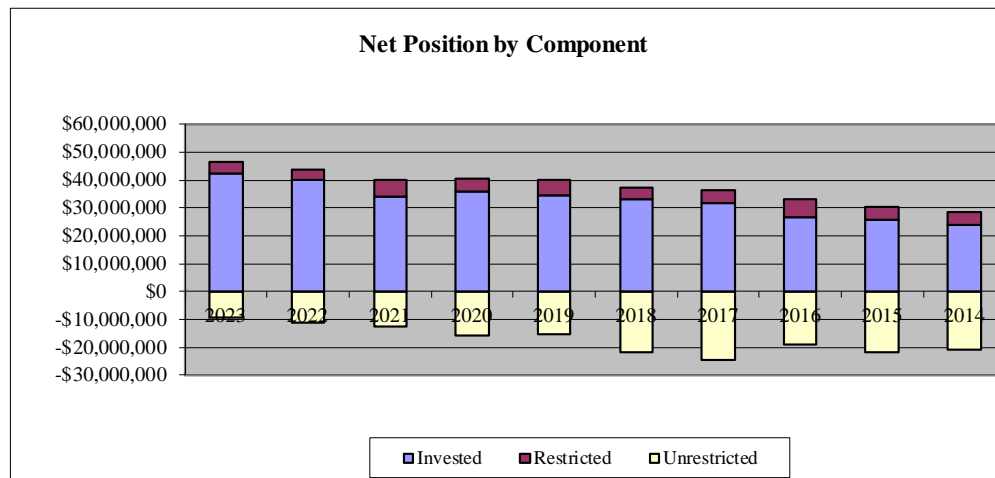
This part of the Beachwood City School District’s Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the School District’s overall financial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

Contents	Pages
Financial Trends These schedules contain trend information to help the reader understand how the School District’s financial performance and well-being has changed over time.	S2 – S7
Revenue Capacity These schedules contain information to help the reader assess the School District’s most significant local revenue, the property tax.	S8 - S12
Debt Capacity These schedules present information to help the reader assess the affordability of the School District’s current levels of outstanding debt and the School District’s ability to issue additional debt in the future.	S13 – S16
Economic and Demographic Information This schedule offers economic and demographic indicators to help the reader understand the environment within which the School District’s financial activities take place.	S17- S18
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the School District’s financial report relates to the services the School District provides and the activities it performs.	S19 – S26
Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive 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. The School District implemented GASB Statement No. 87 in fiscal year 2022. The School District implemented GASB Statement No. 96 in fiscal year 2023.	

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net Investment in Capital Assets	\$ 42,518,745	\$ 39,971,095	\$ 34,255,821	\$ 36,051,022	\$ 34,625,038	\$ 32,937,533	\$ 31,984,915	\$ 26,560,370	\$ 25,923,161	\$ 23,764,063
Restricted for:										
Debt Services	3,661,849	3,023,618	2,681,311	3,603,633	3,851,762	3,221,659	3,077,874	3,252,718	2,576,755	2,973,570
Capital Outlay	-	-	2,049,763	-	-	-	-	2,182,718	1,305,802	889,076
Other Purposes	416,886	644,082	816,887	971,704	1,253,918	1,163,756	1,038,742	1,013,143	543,051	660,011
Set Asides	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873
Unrestricted	(9,290,732)	(11,366,776)	(12,460,480)	(15,863,041)	(15,331,630)	(21,550,830)	(24,725,672)	(18,810,935)	(21,591,662)	(21,001,938)
Total Net Position	\$ 37,441,621	\$ 32,406,892	\$ 27,478,175	\$ 24,898,191	\$ 24,533,961	\$ 15,906,991	\$ 11,510,732	\$ 14,332,887	\$ 8,891,980	\$ 7,419,655

Source: District Financial Statements



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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses										
Regular Instruction	\$15,807,181	\$14,282,606	\$16,190,019	\$14,735,744	\$12,093,709	\$6,981,461	\$14,185,332	\$12,686,194	\$13,447,648	\$12,503,062
Special Instruction	6,975,192	5,488,414	6,603,687	7,030,637	6,433,537	4,346,907	6,515,516	5,632,796	6,253,498	5,554,774
Vocational Instruction	1,379,399	1,372,080	1,381,246	1,345,359	1,152,951	774,033	1,221,206	1,250,493	1,399,055	1,727,730
Adult/Conintuing	148,651	291,780	73,992	73,768	73,452	40,949	73,772	70,675	70,303	106,568
Other Instruction	383,643	35,256	320,524	270,473	213,074	48,096	312,115	289,608	265,444	282,232
Pupils	2,752,620	2,735,505	3,004,474	3,121,558	2,303,142	1,255,338	2,627,312	2,233,497	2,647,582	2,483,137
Instructional Staff	1,745,323	1,517,349	1,302,921	2,493,129	1,751,926	1,108,353	2,074,132	1,836,681	1,920,330	1,948,494
Board of Education	493,825	389,117	435,617	367,111	488,359	511,650	355,408	357,340	408,141	446,035
Administration	3,060,905	2,303,669	2,936,014	2,837,019	2,031,944	1,298,941	2,472,009	2,276,591	2,334,232	2,276,927
Fiscal	1,459,518	2,326,921	1,081,051	971,992	1,101,920	811,820	996,628	1,167,782	1,061,998	830,832
Business	333,788	301,323	320,391	325,686	301,740	263,756	418,986	356,635	326,285	284,773
Operation and										
Maintenance of Plant	4,025,368	3,300,732	3,428,421	3,829,264	3,538,169	3,265,550	4,162,520	3,944,032	3,547,759	4,465,843
Pupil Transportation	2,245,391	1,977,444	2,019,210	2,332,945	1,582,876	1,015,455	1,938,172	1,722,149	1,715,068	1,881,013
Central	265,101	127,556	111,442	267,109	151,670	317,415	291,687	247,360	188,585	75,288
Non-instructional	1,758,120	1,770,033	2,036,094	2,387,822	2,089,475	1,638,073	2,230,197	1,883,317	1,885,836	1,826,020
Extracurricular Activities	1,558,927	1,355,534	1,416,268	1,544,436	1,257,110	697,343	1,310,192	1,191,246	1,115,356	909,220
Interest and Fiscal Charges	838,415	942,436	1,221,642	1,238,371	1,375,676	2,222,392	1,549,639	1,437,967	1,365,362	1,663,812
Total Expenses	\$45,231,367	\$40,517,755	\$43,883,013	\$45,172,423	\$37,940,730	\$26,597,532	\$42,734,823	\$38,584,363	\$39,952,482	\$39,265,760
Program Revenues										
Charges for Services and Sales:										
Regular Instruction	\$179,933	\$187,755	\$169,419	\$169,627	\$190,482	\$200,877	\$197,711	\$187,527	\$223,848	\$173,762
Special Instruction	310,288	227,823	146,789	436,704	612,871	610,730	579,212	162,256	917,763	253,148
Vocational Instruction	464,797	330,557	632,922	329,259	385,319	232,089	346,228	456,962	627,211	599,952
Adult/Conintuing	11,532	7,439	1,404	5,799	4,100	4,995	6,110	4,598	6,500	6,853
Other Instruction	40,261	38,900	35,954	36,555	-	-	-	26,001	6,113	-
Pupils	124,219	209,833	108,034	280,323	333,327	447,634	223,357	170,157	489,453	508,341
Instructional Staff	-	163	625	373	74,630	3,609	12,616	9,064	12,512	2,065
Administration	-	-	-	-	537	-	2,917	1,268	959	-
Fiscal	-	-	11,299	-	-	-	-	20,199	20	18,882
Business	-	-	38,342	251	-	-	-	665	231	971
Operation and										
Maintenance of Plant	-	-	28,465	319,032	387,081	409,509	398,776	337,419	326,246	311,240
Pupil Transportation	-	-	-	286	1,251	41,397	2,384	3,731	7,780	5,033
Central	-	-	-	-	-	-	-	3,662	1,891	-
Food Service Operations	404,225	120,002	753	359,732	421,644	379,293	359,144	388,413	345,146	345,753
Community Services	566,660	579,127	280,348	528,048	817,853	776,427	767,277	703,030	731,997	558,981
Extracurricular Activities	216,620	172,277	57,226	44,760	50,183	56,423	47,989	47,452	54,583	52,064

Source: District Financial Statements

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Operating Grants and Contributions:										
Regular Instruction	\$533,552	\$1,377,566	\$1,167,448	\$807,354	\$725,712	\$640,042	\$583,902	\$377,004	\$462,809	\$560,713
Special Instruction	1,517,662	1,474,747	1,033,132	1,003,491	1,243,018	1,211,893	1,165,731	1,137,484	1,049,131	961,075
Vocational Instruction	633,906	582,450	571,801	484,492	249,357	237,702	320,397	296,470	494,562	495,738
Other Instruction	126,172	59,281	-	-	-	-	-	-	-	-
Pupils	236,481	347,776	263,919	277,148	207,557	155,581	237,437	245,630	233,488	162,901
Instructional Staff	38,862	14,461	65,448	52,156	7,200	7,200	468	1,952	8,550	149,687
Administration	-	14,412	-	80,089	1,186	3,960	3,341	9,538	11,269	-
Operations	15,922	8,532	81,118	13,061	5,825	28,325	18,091	32,855	53,529	-
Pupil Transportation	689,054	189,582	17,520	77,181	317,840	377,852	405,306	451,538	420,648	337,890
Central	89,703	-	-	-	-	-	-	-	-	-
Food Service Operations	160,700	687,871	381,954	88,834	75,040	62,629	60,585	66,309	71,733	57,098
Community Services	186,248	81,096	874,488	810,080	804,846	789,705	817,661	756,588	688,541	597,713
Extracurricular Activities	2,185	216	-	33,884	-	-	-	-	-	-
Capital Grants and Contributions:										
Pupil Transportation	90,000	-	-	-	-	-	-	-	-	-
Total Program Revenues	6,638,982	6,711,866	5,968,408	6,238,519	6,916,859	6,677,872	6,556,640	5,897,772	7,246,513	6,159,860
Net Expenses	(\$38,592,385)	(\$33,805,889)	(\$37,914,605)	(\$38,933,904)	(\$31,023,871)	(\$19,919,660)	(\$36,178,183)	(\$32,686,591)	(\$32,705,969)	(\$33,105,900)

Source: District Financial Statements

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Not Restricted to Specific Services	2,801,740	2,683,279	2,680,530	2,548,450	3,854,155	4,323,371	5,132,300	5,515,570	5,504,910	5,687,462
Investment Earnings	793,826	(408,380)	54,555	1,673,196	1,209,263	85,373	395,352	389,609	309,666	176,869
Miscellaneous	2,165,953	588,178	1,878,156	2,562,303	464,468	2,013,358	2,448,304	1,752,422	632,226	2,712,099
Property Taxes	37,865,595	36,138,182	34,156,339	32,514,185	34,122,955	30,415,528	25,380,072	30,469,897	27,731,492	33,708,619
<i>Total General Revenues</i>	<u>43,627,114</u>	<u>39,001,259</u>	<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>
<i>Change in Net Position</i>	<u>\$5,034,729</u>	<u>\$5,195,370</u>	<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>

Source: District Financial Statements

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<i>General Fund</i>										
Nonspendable	162,273	166,667	82,285	57,091	48,680	41,199	60,591	81,171	79,722	91,882
Restricted	134,873	134,873	134,873	134,873	134,873	149,705	142,289	134,873	134,873	134,873
Committed	-	-	-	211,808	329,769	214,660	297,139	257,275	446,142	227,580
Assigned	4,015,183	4,353,206	5,182,947	-	1,833,318	4,360,215	1,326,357	-	2,498,306	1,858,365
Unassigned	30,065,523	28,267,142	27,174,341	29,344,148	26,972,565	22,226,987	26,566,923	29,917,915	24,692,392	26,643,938
Total General Fund	34,377,852	32,921,888	32,574,446	29,747,920	29,319,205	26,992,766	28,393,299	30,391,234	27,851,435	28,956,638
<i>All Other Governmental Funds</i>										
Nonspendable	5,090	4,222	7,604	4,221	6,893	5,408	8,760	7,618	7,812	7,393
Restricted	4,097,218	3,794,725	5,735,851	7,920,365	5,240,582	4,511,642	4,272,483	2,226,762	4,164,315	4,486,583
Committed	350,000	200,000	100,000	-	-	-	-	4,487,517	560,228	278,044
Unassigned	(2,867,890)	(2,883,634)	(334,956)	(353,631)	(3,050,701)	(2,873,698)	(2,408,221)	-	-	(16,305)
Total All Other Governmental Funds	1,584,418	1,115,313	5,508,499	7,570,955	2,196,774	1,643,352	1,873,022	6,721,897	4,732,355	4,755,715
Total Governmental Funds	\$35,962,270	\$34,037,201	\$38,082,945	\$37,318,875	\$31,515,979	\$28,636,118	\$30,266,321	\$37,113,131	\$32,583,790	\$33,712,353

Source: District Financial Statements

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Revenues										
Property and Other Local Taxes	\$37,091,649	\$36,029,518	\$34,125,922	\$32,509,737	\$34,207,980	\$30,358,216	\$25,338,108	\$30,432,420	\$27,867,568	\$33,817,710
Integovernmental	7,032,283	7,353,694	7,137,275	6,531,025	7,488,480	7,881,207	8,616,046	8,890,938	8,999,170	9,010,277
Interest	793,826	(408,380)	54,555	1,398,774	1,209,263	85,373	395,352	390,304	309,750	176,914
Tuition and Fees/Rent	1,767,103	1,472,278	1,489,738	1,722,511	2,710,613	2,479,932	2,619,730	1,869,768	3,080,253	2,258,470
Miscellaneous Revenue from Local Sources	2,937,153	1,061,099	2,178,052	3,462,517	1,480,324	2,563,659	3,026,834	2,404,363	1,304,142	3,290,629
Total Revenues	\$49,622,014	\$45,508,209	\$44,985,542	\$45,624,564	\$47,096,660	\$43,368,387	\$39,996,070	\$43,987,793	\$41,560,883	\$48,554,000
Expenditures										
Instruction	\$23,347,529	\$22,044,447	\$21,845,349	\$21,170,757	\$21,370,995	\$21,085,410	\$19,552,428	\$18,863,191	\$20,227,953	\$19,818,267
Support Services:										
Pupil	2,548,549	2,905,665	2,744,941	2,958,793	2,509,241	2,546,653	2,519,937	2,106,213	2,605,118	2,491,157
Instructional Staff	1,396,916	1,404,349	1,049,671	2,049,886	1,698,279	1,632,673	1,734,769	1,830,686	1,934,842	2,005,568
Board of Education	476,341	370,228	412,754	343,668	468,415	504,063	332,135	336,313	387,993	424,218
Administration	2,698,400	2,640,228	2,634,200	2,530,327	2,275,922	2,394,327	2,310,290	2,271,929	2,348,437	2,265,053
Fiscal	1,413,987	1,332,503	1,137,696	1,190,593	1,108,468	1,148,971	1,171,421	1,002,165	1,114,806	1,041,887
Business	294,832	324,238	286,232	312,953	321,904	380,556	389,899	349,582	356,524	288,951
Operation and Maintenance of Plant	4,041,037	3,455,203	4,075,504	3,617,448	3,650,656	4,070,440	3,938,490	3,707,137	3,482,222	3,409,790
Pupil Transportation	2,286,103	2,022,761	1,782,273	2,096,087	1,628,388	1,644,348	1,748,501	1,761,570	1,955,864	1,906,237
Central	274,622	136,614	144,557	213,505	194,649	306,702	280,386	299,163	253,730	244,583
Non-instructional	1,670,647	1,718,164	1,839,184	2,225,073	2,028,906	1,886,457	2,014,808	1,807,773	1,778,066	1,831,026
Extracurricular Activities	1,511,233	1,438,981	1,243,631	1,382,701	1,329,787	1,279,893	1,259,237	1,186,277	1,159,468	1,074,734
Capital Outlay	1,661,132	5,292,645	1,091,816	589,921	937,080	1,399,982	5,067,174	4,882,239	963,409	4,279,834
Debt Service:										
Principal	3,153,844	3,398,420	3,327,000	3,470,000	3,315,000	2,439,166	3,062,737	2,740,000	2,710,000	2,515,000
Interest	1,024,096	1,073,510	1,098,295	1,280,906	1,395,426	2,288,257	1,492,599	1,501,060	1,411,014	2,146,160
Total Expenditures	47,799,268	49,557,956	44,713,103	45,432,618	44,233,116	45,007,898	46,874,811	44,645,298	42,689,446	45,742,465
Excess of Revenues Over (Under) Expenditures	1,822,746	(4,049,747)	272,439	191,946	2,863,544	(1,639,511)	(6,878,741)	(657,505)	(1,128,563)	2,811,535
Other Financing Sources/(Uses)										
Operating Transfers In	474,382	306,432	284,121	307,350	175,000	250,000	203,000	195,500	259,572	272,600
General Obligation Bonds Issued	-	-	-	-	-	-	-	5,009,296	-	16,569,966
Premiums on Debt Issued	-	-	1,370,130	-	-	-	-	-	-	-
Note Issuance	-	-	-	5,600,000	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	102,323	4,003	4,049	10,950	16,317	9,308	31,931	-	-	-
Inception of Capital Lease	-	-	-	-	-	-	-	177,542	-	291,635
Other Financing Sources	-	-	-	-	-	-	-	-	-	246,984
Operating Transfers Out	(474,382)	(306,432)	(284,121)	(307,350)	(175,000)	(250,000)	(203,000)	(195,500)	(259,572)	(272,600)
Payment to Refunded Debt Escrow Agent	-	-	(11,227,557)	-	-	-	-	-	-	-
Refunding of Bonds	-	-	8,620,000	-	-	-	-	-	-	(16,740,000)
	102,323	4,003	(1,233,378)	5,610,950	16,317	9,308	31,931	5,186,838	-	368,585
Net Changes in Fund Balances	\$1,925,069	(\$4,045,744)	(\$960,939)	\$5,802,896	\$2,879,861	(\$1,630,203)	(\$6,846,810)	\$4,529,333	(\$1,128,563)	\$3,180,120
Debt Services as a percentage of Noncapital expenditures	9.06%	10.10%	10.01%	10.59%	10.88%	10.84%	10.90%	10.56%	10.03%	10.74%

Source: District Financial Statements

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	
2023	\$ 870,578,080	\$ 2,487,365,943	\$ 16,694,700	\$ 18,971,250	\$ 887,272,780	\$ 2,506,337,193	91.18
2022	859,812,960	2,456,608,457	15,654,970	17,789,739	875,467,930	2,474,398,196	91.50
2021	800,468,520	2,287,052,914	14,457,660	16,429,159	814,926,180	2,303,482,073	91.70
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

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 2022/2023	Tax Year/ Collection Year 2021/2022	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
Beachwood City Schol District										
Unvoted Millage										
Operating	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80
Voted Millage by Levy (Direct Rates)										
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)	0.00	1.50	1.60	1.80	1.80	1.80	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)	3.28	2.10	2.20	2.40	2.40	2.40	2.50	2.50	2.50	2.50
2018 Current Expense	5.90	5.90	5.90	5.90	5.90	0.00	0.00	0.00	0.00	0.00
Total Voted Millage	84.38	84.70	84.90	85.30	85.30	79.40	79.60	79.60	79.60	79.60
Total Millage - Beachwood City School District	91.18	91.50	91.70	92.10	92.10	86.20	86.40	86.40	86.40	86.40
Overlapping Millage by Taxing Districts (Direct Rates)										
Cuyahoga County	14.85	14.85	14.85	14.05	14.05	14.05	14.05	14.05	14.05	14.05
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	2.75	2.75
Cuyahoga County Library	3.50	3.50	3.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Cuyahoga Community College	4.90	4.90	4.90	4.90	4.50	4.50	4.00	4.00	4.00	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
Total Millage - Overlapping Taxing Districts	30.13	30.13	30.13	28.33	27.93	27.93	27.43	27.43	27.43	26.53
Grand Total - All Direct and Overlapping Millages	121.31	121.63	121.83	120.43	120.03	114.13	113.83	113.83	113.83	112.93

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>
2022/2023	\$38,404,714	\$1,810,086	\$40,214,800	\$36,684,621	95.52%	\$1,455,322	\$38,139,943	99.3%
2021/2022	38,254,010	779,757	39,033,767	35,986,577	94.07%	644,880	36,631,457	95.8%
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%

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, 2022 and December 31, 2013

December 31, 2022			
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation (1)
Brookfield Properties	Retail	\$76,095,870	8.85%
OLP Beachwood LLC	Apartment Complex	23,537,500	2.74%
Hamptons Apartment	Apartment Complex	18,540,140	2.16%
Four Seasons Apartments LLC	Apartment Complex	15,819,310	1.84%
Vanguard Aprements IV LLC	Apartment Complex	14,833,460	1.73%
MMAC-FCA Beachwood LLC	Foreign Liability Corp	11,534,750	1.34%
Four seasons Apartments IV LLC	Apartment Complex	11,276,300	1.31%
Developers Diversified	Realty	10,772,900	1.25%
DFG Pavilion LLC	Retail	10,408,030	1.21%
Cleveland Clinic Foundation	Healthcare	9,811,210	1.14%
		<u>\$202,629,470</u>	<u>23.57%</u>
Total Real Estate Valuation		<u><u>\$859,812,960</u></u>	

December 31, 2013			
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation (1)
Beachwood Place Limited	Retail	\$44,489,830	6.34%
Bracebridge	Retail	31,490,670	4.49%
Cleveland Clinic	Health Care	13,373,470	1.91%
Hamptons Apartment	Apartments	10,846,510	1.55%
Doublewood Corp	Hotel	10,770,100	1.53%
Village Greens	Condominiums	9,913,130	1.41%
Beachwood Place Limited	Retail	9,285,860	1.32%
Four Seasons Apartments	Apartments	8,196,360	1.17%
Dillards	Retail	7,418,220	1.06%
RLJ Beachwood	Hotel	6,475,630	0.92%
		<u>\$152,259,780</u>	<u>21.70%</u>
Total Real Estate Valuation		<u><u>\$701,730,150</u></u>	

Source: Cuyahoga County Fiscal Officer

Beachwood City School District
Principal Property Taxpayers
Public Utility Tax
December 31, 2022 and December 31, 2013

		December 31, 2022	
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Tangible Personal Property Valuation
Cleveland Electric Illuminating	Electric Utility	\$10,121,010	60.62%
American Transmission System	Telephone	3,724,460	22.31%
East Ohio Gas Compnay	Gas Utility	2,849,230	17.07%
Total		\$16,694,700	100.00%
Total Public Utility Valuation		\$16,694,700	

		December 31, 2013	
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Tangible Personal Property Valuation
Cleveland Electric Illuminating	Electric Utility	\$10,915,120	89.12%
Total		\$10,915,120	89.12%
Total Public Utility Valuation		\$12,248,200	

Source: Cuyhoga County Fiscal Officer

Beachwood City School District
All Outstanding Debt
Last Ten Years

Year	Gross General Bonded Debt	Notes Outstanding	Leases and Subscriptions	Total	Total Debt/Capita*	(1) Debt Outstanding % Of Personal Income
2023	\$ 14,068,344	\$ 6,300,768	\$ 26,171	\$ 20,395,283	\$ 1,453	2.6%
2022	16,385,325	7,272,209	46,047	23,703,581	1,688	3.1%
2021	18,883,989	8,227,650	66,467	27,178,106	1,936	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%

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, 2022

<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	\$20,395,283	100.00%	\$20,395,283
<i>Overlapping Debt:</i>			
Cuyahoga County	240,795,000	2.52%	6,073,331
Cuyahoga Community College	189,980,000	2.52%	4,791,675
City of Beachwood	9,020,000	95.70%	8,631,951
City of Pepper Pike	<u>3,738,110</u>	0.47%	<u>17,661</u>
Total Overlapping Debt	<u>443,533,110</u>		<u>19,514,618</u>
Total Debt	<u><u>\$463,928,393</u></u>		<u><u>\$39,909,901</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 2022 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 Debt Service</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>
2023	\$14,068,344	\$3,661,849	\$10,406,495	\$887,272,780	14,040 (a)	1.17%	\$741
2022	16,385,325	3,023,618	13,361,707	875,467,930	14,040 (a)	1.53%	952
2021	18,883,989	2,681,311	16,202,678	814,926,180	14,040 (a)	1.99%	1,154
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

(1) Source: Federal Census

(a) Census 2020

(b) Census 2010

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Assessed Valuation	<u>\$887,272,780</u>	<u>\$875,467,930</u>	<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>
Bonded Debt Limit - 9% of Assessed Value (1)	\$79,854,550	\$78,792,114	\$73,343,356	\$72,475,403	\$70,318,843	\$65,470,716	\$65,328,085	\$64,807,043	\$63,871,284	\$63,810,844
Amount of Debt Applicable to Debt Limit:										
Bonded Debt	14,068,344	16,385,325	18,883,989	22,199,966	24,604,966	26,994,966	28,500,619	30,766,271	33,001,923	35,202,575
Less Bond Retirement Fund	<u>3,626,689</u>	<u>3,113,491</u>	<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>
Net General Bonded Debt	<u>10,441,655</u>	<u>13,271,834</u>	<u>16,047,724</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>
Voted Debt Margin	<u>\$69,412,895</u>	<u>\$65,520,280</u>	<u>\$57,295,632</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>
Ratio of Legal Debt Margin to Assessed Values	7.82%	7.48%	7.03%	6.70%	6.36%	5.75%	5.51%	5.18%	4.71%	4.45%
Bonded Debt Limit - .1% of Assessed Value (1)	<u>\$887,273</u>	<u>\$875,468</u>	<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>
Unvoted Debt Margin	<u>\$887,273</u>	<u>\$875,468</u>	<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>

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>
2023	14,040 (a)	\$133,952	\$54,294	\$770,922,360	\$54,909 (a)	2.1%	4.1%
2022	14,040 (a)	133,952	54,294	770,922,360	54,909 (a)	2.1	4.1
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

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

Beachwood City School District

Principal Employers

December 31, 2022

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

December 31, 2022

<u>Employer</u>	<u>Ranking</u>
Cleveland Clinic Foundation	1
Menorah Park Center	2
Beachwood City School District	3
Master Builders Solutions US	4
Price for Profit LLC	5
University Hospitals Health System	6
Tremco CPG Inc	7
Select Employment Services Inc	8
MIM Software Inc	9
The Montefiore Home	10

December 31, 2013

<u>Employer</u>	<u>Ranking</u>
Cleveland Clinic Foundation	1
Menorah Park Center	2
Nordstrom	3
Maxim Healthcare Services	4
Beachwood City School District	5
Montefiore Home	6
Developers Diversified	7
City of Beachwood	8
Tremco	9
Aleris Ohio Management	10

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

Source: Regional Income Tax Agency

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fairmount Elementary School										
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	85	85	40	80	84	89	84	75	75	75
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	5	5	4	4	4	4	4	3.6	3.21	3.21
Special Instruction Classrooms	2	2	2	2	2	2	2	2	2	2
Special Instruction Teachers	1	1	1	1	1	1	0.5	0.6	1	1
% of students who receive free/reduced lunch	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	0	0	0
* Includes special ed Pre k and preschool students										
** Lunch not served at Fairmount										
Bryden Elementary School										
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	300	300	317	318	279	264	239	278	278	233
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	22.1	22.1	24.8	16.6	15.6	15.6	17.98	17.98	17.37	17.37
Special Instruction Classrooms	3	3	3	3	3	3	3	3	3	3
Special Instruction Teachers	5.2	5.2	6	4	3	3	2.4	2.4	3	3
% of students who receive free/reduced lunch	8.01%	8.01%	8.01%	8.01%	7.47%	3.43%	6.12%	7.79%	9.01%	9.01%
Hilltop Elementary School										
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	304	304	279	278	305	317	269	294	294	325
Student Capacity	731	731	731	731	731	731	731	731	731	731
Regular Instruction Classrooms	23.7	23.7	21.7	16	16	16	16	16	16	16
Regular Instruction Teachers	19	19	19	21.4	22.4	22.4	20.8	20.8	20.88	20.88
Special Instruction Classrooms	3	3	3	3	3	3	3	3	3	3
Special Instruction Teachers	5.2	5.2	7	6	6	6	5	5	8	8
% of students who receive free/reduced lunch	8.25%	8.25%	8.25%	8.25%	5.83%	7.77%	10.00%	9.89%	14.15%	14.15%
Beachwood Middle School										
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	320	320	340	338	306	346	363	348	348	311
Student Capacity	560	560	560	560	560	560	560	560	560	560
Regular Instruction Classrooms	27	27	24.8	27	27	27	27	27	27	27
Regular Instruction Teachers	26.5	26.5	25.4	24.3	24.3	24.3	22.96	22.96	22.3	22.3
Special Instruction Classrooms	5.4	5.4	5.4	6	6	6	6	6	3	3
Special Instruction Teachers	6	6	6	6	7	7	6.07	6.07	5.2	5.2
% of students who receive free/reduced lunch	9.20%	9.20%	9.20%	9.20%	8.41%	9.54%	9.16%	8.74%	10.28%	10.28%
Beachwood High School										
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	256,113	256,113
Enrollment Grades 9 - 12	609	609	672	673	657	647	639	643	643	635
Student Capacity	1350	1350	1350	1350	1350	1350	1350	1350	1350	1350
Regular Instruction Classrooms	43	43	45	45	45	45	45	45	45	45
Regular Instruction Teachers	39.3	39.3	39.3	41	40.9	40.9	40.54	40.54	41.8	41.8
Special Instruction Classrooms	8	8	6	6	6	6	6	6	6	6
Special Instruction Teachers	7.9	7.9	8	8	7	7	6.6	6.6	7	7
% of students who receive free/reduced lunch	9.97%	9.97%	9.97%	9.97%	8.25%	5.96%	8.42%	10.99%	12.12%	12.12%

Source: District Records

Beachwood City School District

**Per Pupil Cost
Last Ten Fiscal Years**

<u>Year</u>	<u>Per Pupil Cost</u>	<u>Percentage Change</u>
2023	\$19,006	5.13%
2022	18,078	5.76%
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%

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>
2023	93.1 %	91.0 %	98.6 %	87.3
2022	93.9	90.4	97.8	87.2
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

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	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Regular Instruction										
Preschool Classroom Teachers	6.00	4.00	4.00	4.60	5.00	4.00	4.00	3.60	3.21	3.21
Preschool Aides	5.00	3.60	3.60	4.27	4.40	3.20	3.20	3.80	4.14	4.14
Elementary Classroom Teachers	41.00	41.00	41.00	30.00	31.00	34.50	34.50	34.50	32.93	32.97
Instructional Assistants	1.00	1.00	3.00	1.00	1.00	1.00	1.00	1.00	1.00	-
Art/Music/PE/Technology K-12	19.16	18.30	14.90	15.47	15.47	15.05	15.05	15.05	17.18	17.18
HS/MS Classroom Teachers	47.00	50.70	50.70	57.50	57.50	57.50	57.50	57.50	48.30	48.30
Special Instruction										
Preschool Intervention Specialist	1.00	1.00	1.00	1.00	1.00	0.50	0.50	0.60	1.00	1.00
ELL	2.40	2.40	2.40	2.40	1.00	1.00	1.00	1.00	1.00	1.00
Intervention Specialists	23.40	22.30	21.80	19.50	20.00	18.90	21.90	19.40	22.50	20.00
Special Ed Assistants	41.00	35.00	35.00	31.92	32.57	30.89	30.89	30.40	33.57	34.57
Gifted Education Teachers	3.83	4.00	0.00	2.40	3.00	3.00	3.00	2.07	2.27	2.27
Vocational Instruction										
High School Classroom Teachers	5.00	5.00	5.00	5.50	5.00	5.60	5.60	5.00	6.00	6.00
Pupil Support Services										
Guidance Counselors	7.00	7.00	7.00	6.67	6.00	6.00	6.00	6.00	6.00	6.00
Librarians	2.84	2.50	0.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00
Library Media Assistants	2.00	2.00	2.00	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	5.00	3.00	3.00	3.00	2.50	3.30	3.30	4.60	4.60	4.60
Nurses	2.00	2.00	2.60	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Educational Interpreters	2.00	2.00	2.61	2.61	5.00	6.52	6.52	7.22	7.60	8.42
Occupational Therapist	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Tutors	5.00	4.00	8.00	7.00	8.00	8.00	8.00	4.75	4.75	4.01
Administrators/Supervisors										
Central Office	9.00	8.00	8.00	8.00	6.00	6.00	6.00	6.00	6.00	6.00
Elementary	2.00	2.00	3.00	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	5.00	5.00	6.00	6.00	6.00	4.50	4.00
Administrative Support										
Administrative/Office Assistants	15.00	14.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Operation of Plant										
Cleaners	1.00	1.00	3.00	4.08	4.08	7.00	7.00	5.00	8.00	9.45
Custodians	20.00	20.00	15.00	15.00	4.00	13.00	13.00	13.00	10.00	10.00
Maintenance/Grounds	4.00	4.00	4.00	3.00	3.00	5.00	5.00	5.00	4.00	4.00
Pupil Transportation										
Bus Drivers	26.00	28.00	25.00	25.00	22.00	19.00	19.00	17.00	18.30	19.86
Mechanics	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Treasurer's Office Staff										
	4.00	4.00	4.00	5.00	5.00	5.00	5.00	4.60	5.00	5.00
Technology										
	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00
Totals	319.63	308.80	301.61	291.32	283.52	296.96	299.96	290.09	289.85	289.98

Source: District records

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

<u>Degree</u>	<u>2023</u>	<u>2022</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>
Bachelor's Degree	9	10	11	16	16	21	22	24	14	20
Bachelor + 30	6	6	5	5	6	6	6	8	6	4
Master's Degree	64	68	74	78	84	94	87	92	97	90
Master + 30	28	33	29	26	25	19	20	18	19	26
Master + 60	<u>51</u>	<u>41</u>	<u>41</u>	<u>37</u>	<u>29</u>	<u>23</u>	<u>25</u>	<u>18</u>	<u>21</u>	<u>20</u>
Total	<u>158</u>	<u>158</u>	<u>160</u>	<u>162</u>	<u>160</u>	<u>163</u>	<u>160</u>	<u>160</u>	<u>157</u>	<u>160</u>

Source: School District Records

Beachwood City School District
Enrollment Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Elementary Schools</u>	<u>Middle School/ High School</u>	<u>Total</u>
2023	700	811	1,511
2022	688	930	1,618
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

Source: Beachwood City Schools EMIS records

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>
2023	148	125	23.6	19.4	19.5
2022	140	143	24.2	17.4	19.8
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

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

Source: High School Guidance Department
 Beachwood City School District

Beachwood City School District
School Report Card
Last Nine Years

School Year (1)	Overall Rating (1)	Acheivement Rating (1)	Gap Closing Rating (1)	Progress Rating (1)	Graduation Rating (1)	Prepared for Success Grade
2023	5	5	5	5	5	*
2022	N/A	5	5	4	5	*
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

* Due to COVID 19, the Ohio Department of Educaiton waviied it's testing and therefore, there are no report card grades

(1) Starting in School Year 2021-22, the Ohio Department of Education changed from a Report Card scoring system to a Star scoring system (1 to 5 Stars)

N/A - Not Available

Source: Ohio Department of Education (ODE)

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

SINGLE AUDIT REPORT

**FOR THE FISCAL YEAR
ENDED JUNE 30, 2023**

Zupka & Associates
Certified Public Accountants

**BEACHWOOD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	Under Separate Cover
Annual Comprehensive Financial Report	Under Separate Cover
Schedule of Expenditures of Federal Awards	1
Notes to the Schedule of Expenditures of Federal Awards	2
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	3-4
Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	5-7
Schedule of Findings and Questioned Costs	8
Schedule of Prior Findings and Recommendations	9

**BEACHWOOD CITY SCHOOL DISTRICT
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Expenditures	Non-Cash Expenditures
<u>U.S. Department of Agriculture</u>			
<i>Passed through Ohio Department of Education</i>			
Child Nutrition Cluster:			
National School Lunch Program	10.555	\$ 111,065	\$ 48,794
COVID-19 National School Lunch Program	10.555	41,333	0
Special Milk Program	10.556	755	0
Total Child Nutrition Cluster		<u>153,153</u>	<u>48,794</u>
COVID-19 - Pandemic EBT Administrative Costs	10.649	628	0
Total U.S. Department of Agriculture		<u>153,781</u>	<u>48,794</u>
<u>U.S. Department of Education</u>			
<i>Passed through Ohio Department of Education</i>			
Title I - Grants to Local Educational Agencies	84.010	<u>135,103</u>	<u>0</u>
Special Education Cluster (IDEA):			
Special Education - Grants to States	84.027	498,920	0
COVID-19 - Special Education - Grants to States	84.027X	86,091	0
Special Education - Preschool Grants	84.173	6,580	0
COVID-19 - Special Education - Preschool Grants	84.173X	7,801	0
Total Special Education Cluster		<u>599,392</u>	<u>0</u>
Student Support and Academic Enrichment Program	84.424	<u>11,785</u>	<u>0</u>
English Language Acquisition State Grants	84.365	<u>11,514</u>	<u>0</u>
Improving Teacher Quality States Grants	84.367	<u>48,267</u>	<u>0</u>
Education Stabilization Fund:			
COVID-19 - ESSER	84.425D	138,037	0
COVID-19 - ARP ESSER	84.425U	321,549	0
COVID-19 - ARP Homeless	84.425W	3,656	0
Total ALN #84.425		<u>463,242</u>	<u>0</u>
Total U.S. Department of Education		<u>1,269,303</u>	<u>0</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u>\$ 1,423,084</u>	<u>\$ 48,794</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, 2023**

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, 2023. 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.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Beachwood City School District
Cuyahoga County
24601 Fairmount Blvd.
Beachwood, Ohio 44122-2298

To the Members of the Board of Education:

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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 14, 2023.

Report on 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.

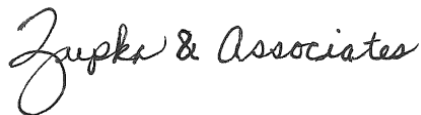
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on 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.



Zupka & Associates
Certified Public Accountants

December 14, 2023

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

Beachwood City School District
Cuyahoga County
24601 Fairmount Blvd.
Beachwood, Ohio 44122-2298

To the Members of the Board of Education:

Report on Compliance for Each Major Federal Program

Opinion on 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 identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2023. The District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

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 its major federal program for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted an audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Beachwood City School District, and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Beachwood City School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements to the Beachwood City School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Beachwood City School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Beachwood City School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Beachwood City School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Beachwood City School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Beachwood City School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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.

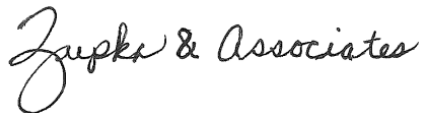
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

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, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 14, 2023, which contained unmodified opinions on those financial statements. 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.



Zupka & Associates
Certified Public Accountants

December 14, 2023

**BEACHWOOD CITY SCHOOL DISTRICT
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 UNIFORM GUIDANCE
 JUNE 30, 2023**

1. SUMMARY OF AUDITOR'S RESULTS

2023(i)	Type of Financial Statement Opinion	Unmodified
2023(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2023(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2023(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2023(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2023(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2023(v)	Type of Major Programs' Compliance Opinions	Unmodified
2023(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2023(vii)	Major Programs (list): Education Stabilization Fund - COVID-19 - ESSER - ALN #84.425D COVID-19 - ARP ESSER - ALN #84.425U COVID-19 - ARP Homeless - ALN #84.425W	
2023(viii)	Dollar Threshold: A/B Program	Type A: \$750,000 Type B: All Others
2023(ix)	Low Risk Auditee?	Yes

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, 2023**

The audit report for the fiscal year ending June 30, 2022 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 3/21/2024

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