

ANNUAL COMPREHENSIVE FINANCIAL REPORT



BEACHWOOD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO



FOR THE FISCAL YEAR ENDED
JUNE 30, 2022

OHIO AUDITOR OF STATE
KEITH FABER



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

We have reviewed the *Independent Auditor's Report* of the Beachwood City School District, Cuyahoga County, prepared by Zupka & Associates, for the audit period July 1, 2021 through June 30, 2022. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Keith Faber
Auditor of State
Columbus, Ohio

February 21, 2023

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**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
OF THE
BEACHWOOD CITY SCHOOL DISTRICT**

for the

FISCAL YEAR ENDED JUNE 30, 2022



Prepared by Treasurer's Department

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INTRODUCTORY

SECTION



**BEACHWOOD CITY SCHOOL
DISTRICT**

24601 Fairmount Boulevard
Beachwood, OH 44122
Phone: 216.464.2600

December 15, 2022

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, 2022, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the School District. All disclosures necessary to enable the reader to gain an understanding of the School District’s financial activities have been included.

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

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

The School District

The School District was formed in 1915 and is located in a prosperous suburban area east of Cleveland, Ohio. The community’s tax base is evenly distributed between commercial and residential property. The School District serves 1,536 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 entire 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.

Major Initiatives and Accomplishments

National Merit Semifinalists and Commended Scholars

Beachwood High School boasted 6 National Merit Scholar Finalists and 7 Commended Scholars from the Class of 2022. Congratulations to these high school students, their supportive families and our talented, committed staff.

Class of 2022 Finalists: Kabir Dhillon, Jonathan Gordon, Ilan Haas, David Kuang, Lucas Yang, Evelyn Zhang

Class of 2022 Commended Scholars: Vidula Jambunath, Michael Karpov, Moonhee Kim, Alexia Roush, John Shi, Benjamin Vidmar-McEwen, Tory Yang

Presidential Scholar

BHS Class of 2022 graduate Evelyn Zhang was recognized with a U.S. Presidential Scholar Award. She was one of two students in the State of Ohio to earn the distinction out of a pool of 5,000 candidates nationwide. The United States Presidential Scholars Program was established in 1964 to recognize and honor our nation's most distinguished graduating high school seniors.

2022 Math League Awards

The BMS MathCounts Club had an outstanding year, achieving top rankings in grade-level and individual math competitions. The 2021-2022 eighth-grade team took first place in the Ohio Math League and Mathcounts Northeast Ohio competitions. The sixth-grade team also excelled in the Ohio Math League competition, ranking first place in Cuyahoga County and second in the State of Ohio. Seven students across all grades ranked in the top 10 percent of the nation in the Noetic Learning Math Contest. Jiahe Liu made Beachwood history, receiving perfect scores in each competition!

Seal of Biliteracy

Seventeen high school students and recent graduates achieved the Ohio Seal of Biliteracy. The honor is earned by students who demonstrate high levels of proficiency in English and at least one other world language. Beachwood City Schools warmly congratulates the following students: Vincent Crenshaw, Maya Eisengart, Xinyu Feng, Audrey Hardis, Samah Khan, Kaajal Krishnan, Julian Landes, Rebecca Lawton, Ilay Lev, Molly Markowitz, Hannah Plotkin, Yonadav Ptahia, Adam Ritzenberg, Shira Rub, Rebecca Shapiro, Grace Yan, Ryleigh Zabell

Beachwood Medical Academy

Beachwood High School students aspiring for in-demand careers in the field of medicine gained a valuable head start, thanks to partnerships with University Hospitals Ahuja Medical Center and the Case Western Reserve University School of Medicine Physician Assistant program. Both entities hosted hands-on summer camps for Medical Academy participants. Students learned human anatomy and physiology during laboratory dissections, earned CPR certification and learned about career pathways from surgery to administration. The Beachwood Medical Academy prepares students for competitive pre-med programs through advanced coursework and hospital immersion experiences.

“Stop the Hate” Essay Contest Winners

Three Beachwood students were finalists in the Maltz Museum of Jewish Heritage’s 2022 Stop the Hate Essay Contest. The contest celebrates Northeast Ohio upstanders in grades 6 – 12 who are committed to creating a more accepting, inclusive society. Samah Khan was awarded Honorable Mention for the Youth Speak Out essay contest. Her sister Anah Khan earned Second Place for the 9th Grade Youth Speak Out contest and Ida Chang won First Place for the Eighth Grade Speak Out contest. Nicole Majercak was named a Stop the Hate Teacher of the Year, and her first period class earned First Place for the “Youth Sing Out” competition.

Best Community for Music Education

Beachwood City Schools has been nationally recognized among the NAMM Foundation’s Best Communities for Music Education for the 17th straight year. The distinction recognizes school districts for their support and commitment to music education and efforts to ensure access to music for all students as part of a well-rounded education.

Orchestra Trip to Italy

The Beachwood High School Orchestra traveled to Italy last March to perform classical Baroque pieces in historic venues including the Church of Santa Maria della Visitazione in Venice, the Church of Saints Michael and Gaetano in Florence, and Chiesa di Sant’Ignazio di Loyola in Rome. Special thanks to Director Lisa Goldman for planning this incredible experience and for chaperoning, along with staff members Noël DeViney, Dr. Babette Harrell, Principal Paul Chase, Allison Siekmann, and several parents. We are forever thankful to Ms. Goldman, who retires in December, for building Beachwood’s orchestra program from nothing to one of national *and international* renown!

Honors for Beachwood’s Excel TECC Students

The following 15 members of the Class of 2022 were inducted into the National Technical Honor Society: Sydney Burkons, Miranda Desatnik, Isabel Garcia-Molina, Rebecca Gips, Dylan Kay, Zachary Kornspan, Jake Muencz, Samuel Ornstein, Gregory Perryman, Madison Rosenblitt, Anton Sakhanovych, Rylie Sharp, Avery Solomon, Ivan Thal, Daniel Uria. The following seniors won Excel TECC Departmental Awards: Makenzie Nance, Gregory Perryman, Avery Solomon, and Brianna Ware. Senior Graham Cruz won the Environmental Education Silver Medal in the Ohio High School Landscape Olympics.

Convocation 2022

The Beachwood City Schools 2022 professional development day 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
Down Syndrome Association of Northeast Ohio
Edwins Leadership & Restaurant
Fieldstone Farm Therapeutic Riding Center
International Women Air & Space Museum
Islamic Center of Cleveland
Lake View Cemetery
LGBTQ Center of Greater Cleveland
MidTown Cleveland
The New Eastside Market
Old Stone Church
Port of Cleveland
Rid-All Green Partnership
St. Theodosius Orthodox Cathedral

Grow Your Own

During the 2021-2022 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. Beachwood City Schools warmly congratulates Cinderella Gray and Gabrielle Greer-Jones, both BHS alumni, for earning bachelor's and master's degrees respectively as part of the Grow Your Own Program's first cohort.

Many Cultures, One Bison - Common Ground

On Sunday, July 25, 2021, Beachwood City Schools hosted a community conversation event called Common Ground. The purpose of the event was to bring people from all walks of life together for meaningful conversations to build understanding and connections in the Beachwood community. The group tackled the issue of free expression on campus and began developing a community standard for free speech.

Black History Month

In February, students and staff across the district recognized Black History Month through programs and activities that highlighted African Americans' contributions, stories and achievements in the United States. On February 15, 2022, Beachwood Schools' MAC Scholars held the second annual Black History Month Recognition event at the Beachwood boys basketball game against Orange. The educational and inspiring program featured seniors Will Owens and Brooklyn Bennett, sophomore Ja'Niya Rahman, and freshman Taylor Greer-Jones along with Scholars from the middle and Hilltop schools.

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. Beachwood's Board of Education and administration want to assist in the formation of affinity groups. We would like to meet regularly with these groups to gain a better understanding of how the District can support their goals.

Hope Soars

Students in **Gregory Perry's** marketing/Junior Achievement class raised more than \$40,000 for the Greater Cleveland Food Bank through the Hope Soars creative marketing campaign. The student-run campaign centered on a butterfly theme designed to inspire hope and uplift our local and global communities. Butterflies symbolize transformation, change, hope and life. The campaign culminated in a pop-art installation in May featuring large-scale inflatable butterflies, ranging from 20 to 30 feet. The event also included the unveiling of a sculpture in the high school's Karin Kushnir Memorial Garden and the release of 100 monarch butterflies.

Mental Health Fair and Professional Development

Beachwood City School District hosted a free mental health fair in October 2021 at Beachwood High School. More than 40 vendors offered parents, students and staff a wide variety of workshops, presentations and wellness activities. Topics included mindfulness, anxiety and stress management, resilience, yoga and healthy cooking. Building upon this theme, the Beachwood Schools staff participated in a full-day professional development in November focused on health and wellness. Staff learned self-care techniques for helping professionals and strategies for coping with COVID-19. Special thanks to Lauren Broderick, Interim Administrator–Pupil Services, and Julie Felder, Administrative Assistant to the Superintendent, for organizing these important events serving the entire school community.

Beachwood Neurodiversity, Disability and Adaptive Education Family Network

The Beachwood Neurodiversity, Disability and Adaptive Education Family Network was formed in August 2021 with the goal of creating a fully inclusive community for all Beachwood Schools families who wish to learn about and support neurodiversity and disability initiatives in Beachwood. The group was formed in August 2021 and organizes play dates, parent meetings and community events throughout the year. In September 2022, the organization hosted its second annual ice cream social. Fourteen service providers were in attendance, and the event featured the East Coast Custard Ice Cream Truck courtesy of the Beachwood PTO.

BHS Robotics Team Advances to the World Championship

Strategy and teamwork paid off for the BHS Robotics Team, which advanced last April to the FIRST Robotics World Championship after winning the regional championship. The 2022 competition in Houston centered on a transportation-themed game called Rapid React. The team, composed of Beachwood members Sam DeYoung, Jack Gordon, and Ben Lawrence, designed a robot that could shoot goals with 100 percent accuracy and hoist itself above the ground on a ladder rung. That strategy ultimately leveraged Bison robotics to the world championship for the first time in its 21-year history! Special thanks to team advisor John Keyerleber for his dedication and leadership of this small but mighty team!

Beachwood High School Newspaper Earns Top Awards

The Beachcomber was designated All-Ohio for both its printed newspaper and news website by the Ohio Scholastic Media Association. The OSMA also recognized the work of many individual staff members, awarding six pieces as Superior, 11 pieces as Excellent and 10 pieces receiving Honorable Mentions. Kudos once again to English teacher Josh Davis for his leadership of the paper.

BHS Science Olympiad

The BHS Science Olympiad team competed in three large tournaments and placed seventh out of 61 schools at the Westlake Invitational, eighth out of 67 schools at the Solon/Kenston Invitational, and fourth out of 81 schools at the Ohio State University Invitational. Beachwood City Schools will host its first-ever Science Olympiad competition during the 2022-2023 school year. Special thanks to middle school science teacher Alise Kulbago, the Science Olympiad team, and dedicated family members for your support in organizing this exciting event.

Beachwood Wins Model U.N. Conference

Beachwood High School's Model United Nations team, advised by social studies teacher Dominic Velotta, earned First Place in the Big School Division at the December 2021 Cleveland Council on World Affairs Conference. Ten team members won top awards. Seniors Gregory Perryman and David Kuang, junior Ben Lawrence, and sophomore Cordelia Ames won Gavel Awards. Freshmen Radha Pareek and Amy Zhou won Superior Delegation awards. Sophomores Shreya Chellu and Probir Mukherjee, and freshmen Ana Khan and Ezrin Saltzman won Excellent Delegation awards. Radha Pareek also won a Best Position Paper award.

Destination Imagination

The Beachwood Destination Imagination teams were awarded top honors at the Ohio state tournament and advanced to the DI Global Competition in May. Congratulations to middle school students Maria Zarjetskiy, Karina Krishnan, Srishti Ithychanda, and Lyndia Zheng who won First Place in the Middle Level Improv competition. High School students Claire Weaver, Miranda Desatnik, David Kuang, and Lucas Yang won Second Place in the Fine Arts Senior Level competition; Amy Zhou, Shreya Chellu, Radha Pareek, and Reign Robinson won Second Place in the Service Learning Senior Level Competition; and Anwar Sossey-Alaoui, Tory Yang, Zilin Zhang, Bowen Zhang, and Sam Warner won Third Place in the Improv Senior Level competition. David Kuang won the Chrissy Hertler-Clouse Memorial Scholarship, which is awarded each year to a graduating DI senior who embodies the spirit of Destination Imagination with their creativity and volunteerism. Thanks to all our parents who coach the teams, and program advisers Shelly Lewis and Tara Warner, a former and a current Beachwood teacher respectively.

Drama Club Kills with “Clue” and “Little Shop of Horrors”

Beachwood's Drama Club did much worse than break a leg performing “Clue” and “Little Shop of Horrors” as their fall and spring productions. Audiences were thrilled to return to the high school theater after a long hiatus to see the mixed-grade production led by student director Jonah Kaminsky, and staff advisors Marc Chalice and Casey DeMay.

Cabaret Night

Beachwood Middle and High School choir students showcased their teamwork, creativity and talent last December during the fifth annual Cabaret Night. The show opened with all students singing “The Greatest Show,” followed by 19 showstopping acts. Under the leadership of Choral Director Darlene Haight, students selected and choreographed their numbers during choir classes. This year, Cabaret Night will return Thursday, Dec. 1, at 7 p.m. Performances will feature tunes from the 1980's and 1990's sung by the Beachwood Middle School and High School Choirs, the Showstopper Show Choir and the Bryden Elementary School Choir. For more information, visit: www.beachwoodschoools.org/Tickets.aspx

Fall Sports Season

Boys soccer Head Coach Brian Greene was named the Chagrin Valley Conference Coach of the Year after leading the team to their first league title since 2014. Senior Alex Park was awarded the Chagrin Valley Conference Player of the Year. Eight students earned Chagrin Valley Conference honors: Alex Park, Luke Bennett, Ivan Thal, Jake Muencz, Grant Keilin, Jonathan Mo, Noah Saidel and Kyle Bennett.

The boys cross country team advanced to the OHSAA Regional Championships. Three students earned Chagrin Valley Conference honors: Greg Perryman, Caleb Berns and Vincent Crenshaw. Meanwhile, the Bison golf team advanced to the OHSAA District Championships after finishing second in the Chagrin Valley Conference. Two students earned first team Chagrin Valley Conference honors: James O'Neill and Matt Blumenthal. All Conference honors went to Drew Riley and Shane Young.

The girls soccer team was highlighted by Aaliyah Edwards, Ingrid Maier, Allison Saghir, Briahna Golubitsky and Taylor Blackwell, each of whom earned Chagrin Valley Conference and All District honors.

The Bison football team competed under first-year Head Coach Van Monroe. Chagrin Valley Conference honors went to Jaymon Caldwell, Uzonna Nzekwe, Shannon Richardson and Mar'Quis Pinkney.

In girls tennis, first-year Head Coach Carmela Cira led the team to a third-place finish in the Chagrin Valley Conference. Doubles partners Grace Yan and Abby Cherian finished second team All CVC. The volleyball team was led by Kaili Clark (CVC Honorable Mention), Brooklyn Bennett (CVC Honorable Mention), Makenzie Nance and Dynasty Hawkins. Sepanta Entezari earned second team Chagrin Valley Conference honors.

Winter Sports Season

The swimming and diving team enjoyed an impressive season, capturing a Chagrin Valley Conference Championship win for the boys team. The 200-meter relay team consisting of Sam Ornstein, Evan Warner, Owen Shook and Lucas Yang advanced to the OHSAA State Championships along with Sam Ornstein for the 200 IM and 100m breaststroke. Seven students brought home first team All Conference honors: Nina Mayers, Lucas Yang, Sam Ornstein, Evan Warner, Owen Shook, John Shi, and Noah Tannenbaum. Capping off an amazing season, Coach Brad Burget was awarded Chagrin Valley Conference Coach of the Year.

The girls basketball team was led by Taylor Blackwell (2nd Team All CVC), Haya Shehadeh (CVC Honorable Mention) and Briahna Golubitsky (CVC Honorable Mention). Highlights included an early season winning streak and beating Cardinal on the Cavaliers's court at Rocket Mortgage FieldHouse.

The boys basketball team was led by Nate Lurie, Luke Bennett and Braylen Eaton, each earning All Conference honors. Lurie also earned second team All District honors. In cheerleading, three students earned Chagrin Valley Conference honors: Maddie Rosenblitt, Roni Avitan and Nadia Hall.

The wrestling team had a fantastic win in December at the Dean Kinley Invitational. Uzonna Nzekwe finished the regular season undefeated. He, along with Josh Greenwood, were first team All CVC. Four students earned Chagrin Valley Conference honors: Caleb White, Jacob Burkons, Eric Steckner and Shane Fowler.

Spring Sports Season

The boys and girls track and field teams culminated an outstanding 2021-2022 season with an OHSAA State Championship win for the boys 4x400 relay team: Caleb Berns, David Steckner, Mattix Revell, Noah Saidel and Braylen Eaton. The boys 4x800 relay finished second in the state, while the girls 4x100 and 4x200 relays finished third. Both teams ranked top 10 in the state, and Sarah Brown earned MVP honors.

In baseball, first-year Head Coach Ben Shepherd led the Bison to their first Chagrin Valley Conference Championship since 2014. Brendan Malek earned Honorable Mention All Ohio honors and Chagrin Valley Conference MVP honors. Five students earned Chagrin Valley Conference honors: Vincent Crenshaw, Jacob Greene, Josh Rosenblitt, Luke Bennett and Brett Zawatsky. Josh Rosenblitt earned All District honors.

The Bison softball team was led by Arianna Preston, Maya Greller, Nia Brown and senior Riley Parke, each of whom earned Chagrin Valley Conference honors.

The boys tennis team, regarded as one of the top boys tennis teams in Northeast Ohio, finished with a season record of 14-2. Four students earned Chagrin Valley Conference honors: Landis Teren, Max Rindsberg, Adam Ritzenberg and Ethan Luxenburg.

Elementary Facilities Master Planning

Beachwood City Schools is exploring ways to enhance our 21st-century learning environments for current elementary students and future generations. The district embarked last spring on a collaborative process to develop a master plan for renovating and/or replacing the aging elementary facilities at Bryden and Hilltop.

Hilltop and Bryden elementary schools were constructed starting in 1956. A survey conducted in 2015 found the facilities are deteriorating and require significant renovations and repairs. To address these challenges, the Board of Education hired Project Management Consultants (PMC) in July to serve as the district's owner's representative. PMC is facilitating a multi-step process that includes assessing the elementary buildings, seeking community input and overseeing the project budget and design. Then Design Architecture—known as TDA—was hired to develop the master plan with feedback from community members, city officials, staff and students. TDA previously designed Beachwood High School's main stadium in 2016.

Community input has been a crucial component of the planning process. Hundreds of residents have shared their thoughts on the best path forward during public meetings, building tours and a community-wide survey. This feedback was distilled into several master plan options, which were presented for public input on October 20. Community members can view the options on the district's website and share feedback.

Natatorium Renovation

The new and improved pool opened to the public in October 2021. The renovated aquatic facilities feature a family changing room, three-meter diving board, a new pool deck and a standing seam metal roof designed to last 50 years. Other upgrades include a new HVAC system, an advanced oxidation process (AOP) system to disinfect the pool, new starting blocks and a touchpad timing system. The entire facility is now ADA accessible.

Softball Stadium

We are excited to open the completed softball stadium with fixed bleacher seating, dugouts, scoreboard, and an announcer/press box for the Spring 2023 season.

High School Parking Lot Remodel

Our resurfaced and reconfigured parking lot is safer and more efficient than previously. Separate bus and car loops offer ample space for turns and an additional lane built for vehicles exiting left onto Fairmount Boulevard.

District Maintenance Building

The District's maintenance and grounds equipment is now stored and repaired in this well-designed, highly-functional facility which also happens to include two restrooms that serve the main stadium's visitors' side.

Other Capital Improvements

The Hilltop School parking lot was resurfaced this summer to enhance safety and efficiency. In addition, a new shingle roof as well as LED lighting for the parking lot was added to the Fairmount/Beachwood Board of Education building.

Financial Policies

The School District has not adopted any new financial policies that had significant impact on the 2019 financial statements.

Accounting and Budgetary Controls

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

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

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

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

Long-Term Financial Planning

The School District is required by law to submit for Board approval a five year forecast which delineates projected revenues, expenditures and anticipated timing for new property tax ballot issues. The five year forecast must be approved by the Board of Education on or before November 30th of each school year and must be amended as necessary by no later than May 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 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 in July 2022 with a positive unencumbered fund balance of \$24.2 million dollars, an increase of \$300k from fiscal year 2021. Maintaining a healthy fund balance continues to be a priority for the district

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

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

Significant Local Economic Events

There are some bright spots on the horizon as the City continues to enjoy economic development. The commercial tax duplicate has increased by 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 million in payroll. The income tax sharing threshold is required by State law. One commercial property owner's income tax exceeds the \$1 million payroll threshold and the City remitted \$16,637 in income taxes to the School District in FY 20 and \$25,063 in FY 21 and \$21,374 in FY 22. The City continues to work collaboratively with the schools on these agreements.

The City expanded its CRA agreement to include other commercial areas in the City. The School Board entered into discussions with the City to mitigate financial losses for the Schools. The outcome has proven to be very advantageous as the City recently negotiated with the Lighting Division of GE to relocate to the City's 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.

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 Warrenville 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.

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 34.40 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 conducted their appraisal in calendar year 21 which impacted property values for tax purposes in collection year 2022. The update has initially increased residential property values by 10.7% on average and commercial property values by 4%.

The State's budget bill which passed in June 2021, eliminated payment of Jon Peterson Special Needs Scholarships and Autism Scholarship from the District's foundation funds. The State now pays non public schools directly for these services. However, the State also reduced the School District's overall funding for public schools by \$105k. The District assumes it will receive the same level of funding in FY 23.

COVID 19 – In FY 22, the school required all students and staff to return in person. The combined precautionary efforts of our families, our students, and our staff proved to be successful in keeping the school environment safe. With the COVID vaccine widely available and embraced by a huge percentage of the Beachwood Schools community, we entered the school year confident in our ability to operate schools safely. Extracurricular activities and special programs have returned to pre Covid levels.

We opened the new school year understanding that our students and their families faced dramatically different experiences during the pandemic. Some of our students faced a challenging year academically having to return to pre-pandemic expectations with a lot of mental and social/emotional support. Many Beachwood families and staff experienced the loss of a loved one due to COVID. As students and staff returned to school we are grateful as well as mindful of their widely varying experiences.

As a recession is predicted in the latter part of 2023, the School District does not know what the impact will be on property values and tax collections.

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 2022 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, 2021. (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; April Yuhas, Payroll Coordinator, Kelly Wright, Purchasing Agent; Rita Miklacic, EMIS coordinator and LaJour Sims, Financial Processing Coordinator; who assisted with the development of the Comprehensive Annual Financial Report and the annual audit. The department members have our sincere gratitude for their professional, efficient and dedicated service.

Audit Committee

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



Michele E. Mills, MBA
Treasurer/CFO



Dr. Robert Hardis
Superintendent of Schools

Elected Officials

Board of Education

Mrs. Megan Walsh President

Mrs. Jillian Delong Vice-President

Mrs. Kim Allamby Member

Ms. Wendy Weatherberry Member

Dr. Joesphine Chan Member

Administration

Dr. Robert Hardis.....Superintendent

Ms. Michele E. Mills, MBATreasurer/CFO

Dr. Ken Veon..... Assistant Superintendent

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

Mrs. Linda LoGalboDirector of Curriculum

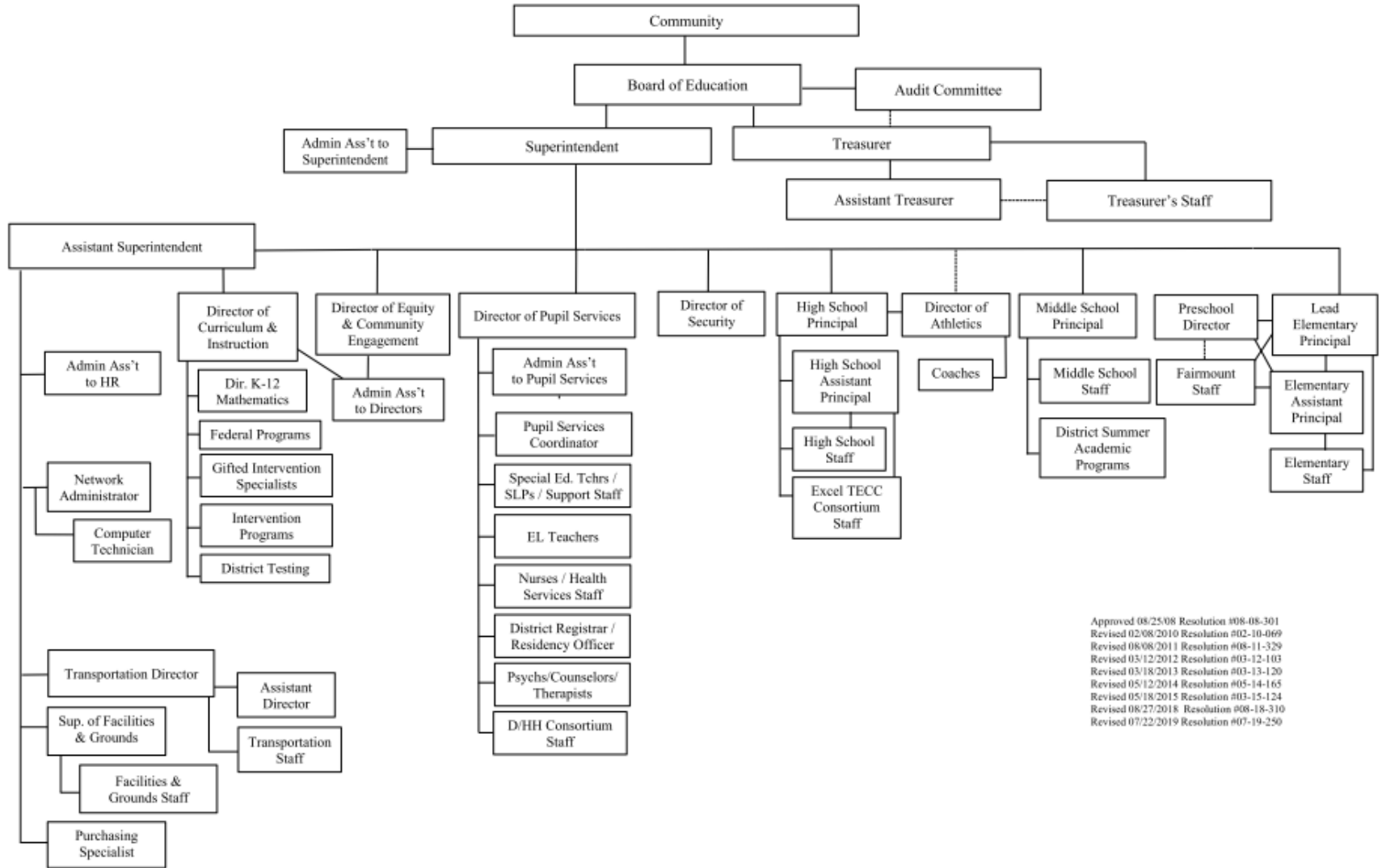
Mrs. Kathleen Stroski Assistant Treasurer

Mr. Kevin HouchinsDirector of Equity and Community Engagement

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

BEACHWOOD CITY SCHOOL DISTRICT

ORGANIZATION CHART



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



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Beachwood City School District
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

FINANCIAL

SECTION

INDEPENDENT AUDITOR'S REPORT

Beachwood City School District
Cuyahoga County
24601 Fairmont Blvd.
Beachwood, Ohio 44122

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, 2022, 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, 2022, 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.

Emphasis of Matter

As discussed in Note 3 to the basic financial statements, the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. As discussed in Note 21 to the basic financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. In addition, the District restated its net position at June 30, 2021, for governmental activities to include bond accretion. Our opinion is not modified with respect to these matters.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedules of Net Pension and Postemployment Benefit Liabilities and Pension and Postemployment Benefit Contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information 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.

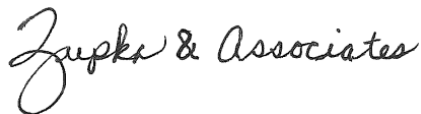
Other Information

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 15, 2022, 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 15, 2022

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
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, 2022. 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 2022 are as follows:

- In total, net position increased by \$5,195,370. The increase in net position is primarily due to the increase in property taxes receivable which was offset by the decrease in cash and cash equivalents.
- Total outstanding debt decreased 3.3 million due to current year principal payments.
- The general fund had a fund balance of \$33 million of which \$28 million is unassigned and available to fund future day to day operations of the School District.
- Total expenses decreased \$3,365,258 in fiscal year 2022. The expenses include adjustments due to the recording of net pension liability, net OPEB liability and net OPEB asset. See page 26 for further analysis of expenses.

Using this Generally Accepted Accounting Principles Report (GAAP)

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

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

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
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 2022?" The Statement of Net Position and Statement of Activities answer this question. These statements include *all assets and deferred outflows of resources, all liabilities and deferred inflows of resources* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's *net position* and changes in that position. This change in net position is important because it tells the reader that, for the School District as a whole, the *financial position* of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors.

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the School District's general government operations and the basic services it provides. Governmental fund information shows whether there are more or fewer financial resources that can be spent in the future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and Statement of Activities) and governmental funds is reconciled in the financial statements.

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
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 2022 compared to 2021:

Table 1 - Net Position

	Governmental Activities	
	2022	2021 *
ASSETS		
Current and Other Assets	\$ 76,068,005	\$ 78,456,303
Capital Assets, net	63,833,053	61,167,274
Net OPEB Asset	2,942,136	2,497,235
Total Assets	142,843,194	142,120,812
DEFERRED OUTFLOWS OF RESOURCES		
Pension	9,870,739	9,073,337
OPEB	1,171,616	1,412,428
Total Deferred Outflows of Resources	11,042,355	10,485,765
LIABILITIES		
Current and Other Liabilities	5,575,485	5,539,049
Long-term Liabilities:		
Due within one year	3,319,269	3,678,014
Due in more than one year:		
Net Pension Liability	24,415,552	46,562,610
Net OPEB Liability	3,387,765	4,003,902
Other Amounts	23,888,121	26,785,578
Total Liabilities	60,586,192	86,569,153
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	35,258,853	32,837,046
Pension	19,945,731	698,239
OPEB	5,687,881	5,290,617
Total Deferred Inflows of Resources	60,892,465	38,825,902
NET POSITION		
Net Investments in		
Capital Assets	39,971,095	33,989,168
Restricted	3,802,573	5,682,834
Unrestricted	(11,366,776)	(12,460,480)
Total Net Position	\$ 32,406,892	\$ 27,211,522

* Restated

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
Unaudited

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2022, 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, 2022
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 \$1,278,972 and total governmental liabilities and deferred inflows of resources decreased by \$3,916,398 resulting in an increase in net position of \$5,195,370. The decrease in governmental assets is due primarily to a decrease in cash and cash equivalents, which is offset by an increase in property taxes receivable and capital assets. The increase in property taxes receivable is due to an increase in property tax collections. The increase in capital assets is due to additions to construction in progress. 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, 2022 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	\$ 32,406,892
Add:	
Net Pension liability	24,415,552
Net OPEB Liability	3,387,765
Deferred Inflows - Pension	19,945,731
Deferred Inflows - OPEB	5,687,881
Less:	
Net OPEB Asset	(2,942,136)
Deferred Outflows - Pension	(9,870,739)
Deferred Outflows - OPEB	(1,171,616)
Total Net Position without GASB 68 and GASB 75	\$ 71,859,330

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
Unaudited

Table 2 shows the changes in net position for fiscal year 2022 with revenue and expense comparisons to fiscal year 2021:

	Governmental Activities	
	2022	2021
REVENUES		
Program Revenues:		
Charges for Services	\$ 1,873,876	\$ 1,511,580
Operating Grants and Contributions	4,837,990	4,456,828
Total Program Revenues	6,711,866	5,968,408
General Revenues:		
Property Taxes	36,138,182	34,156,339
Grants and Entitlements	2,679,276	2,680,530
Investment Income	(408,380)	54,555
Gain on Sale of Capital Assets	4,003	4,049
All Other Revenues	588,178	1,874,107
Total General Revenues	39,001,259	38,769,580
Total Revenues	45,713,125	44,737,988
EXPENSES		
Program Expenses:		
Instruction		
Regular	14,282,606	16,190,019
Special	5,488,414	6,603,687
Vocational	1,372,080	1,381,246
Adult/Continuing	291,780	73,992
Other	35,256	320,524
Supporting Services:		
Pupil	2,735,505	3,004,474
Instructional Staff	1,517,349	1,302,921
Board of Education	389,117	435,617
Administration	2,303,669	2,936,014
Fiscal	2,326,921	1,081,051
Business	301,323	320,391
Operation and Maintenance of Plant	3,300,732	3,428,421
Pupil Transportation	1,977,444	2,019,210
Central	127,556	111,442
Operation of Non-Instructional Services	1,770,033	2,036,094
Extracurricular Activities	1,355,534	1,416,268
Interest and Fiscal Charges	942,436	1,221,642
Total Expenses	40,517,755	43,883,013
Change in Net Position	5,195,370	854,975
Net Position - Beginning of Year, Restated	27,211,522	26,356,547
Net Position - End of Year	\$ 32,406,892	\$ 27,211,522

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
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 79.1 percent of revenues for governmental activities for the School District in fiscal year 2022. 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, 2022 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 \$1,981,843 on an accrual basis of accounting due to the increase in cash collections of \$763,527 and due to a difference in accruals of \$1,124,841. 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 2022, 2021 and 2020 were \$2,789,089, \$1,772,912 and 1,896,804, respectively. On a cash basis, property tax collections had an increase with \$35,013,341 received in fiscal year 2022 and \$34,249,814 in fiscal year 2021.

Charges for services increased by \$362,296 due to an increase in preschool tuition and consortium program tuition due to the closure of school due to COVID-19 in fiscal year 2021. Operating Grants and contributions increased by \$381,162 due to the increase in grants. Investment Income decreased by \$462,935 and is currently a deficit due to the change in fair market value of investments from the prior year. All other revenues decreased by \$1,285,929 in fiscal year 2022 due to the expiration of negotiated settlements with local business owners on property values for tax purposes.

Instruction comprises 53 percent of governmental program expenses. Interest expense was 2.3 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, 2022
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 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	112,413
Adjusted 2022 program expenses	44,637,685
Total 2021 program expenses under GASB 68 and 75	\$ 43,883,013
NPL expense under GASB 68	(5,611,429)
2021 contractually required contribution - Pension	3,271,570
Negative OPEB expense under GASB 75	180,725
2021 contractually required contribution - OPEB	93,244
Adjusted 2021 program expenses	41,817,123
Increase in program expenses	\$ 2,820,562

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 2021.

Table 3 - Governmental Activities

	Total Cost of Services 2022	Total Cost of Services 2021	Net Cost of Services 2022	Net Cost of Services 2021
Instruction	\$ 21,470,136	\$ 24,569,468	\$ 17,183,618	\$ 20,810,599
Supporting Services:				
Pupils and Instructional Staff	4,252,854	4,307,395	3,680,621	3,869,369
Board of Education, Administration, Fiscal Services, and Business	5,321,030	4,773,073	5,306,618	4,723,432
Operation and Maintenance of Plant	3,300,732	3,428,421	3,292,200	3,318,838
Pupil Transportation	1,977,444	2,019,210	1,787,862	2,001,690
Central	127,556	111,442	127,556	111,442
Operation of Non-Instructional Services	1,770,033	2,036,094	301,937	498,551
Extracurricular Activities	1,355,534	1,416,268	1,183,041	1,359,042
Interest and fiscal charges	942,436	1,221,642	942,436	1,221,642
Total cost of service	\$ 40,517,755	\$ 43,883,013	\$ 33,805,889	\$ 37,914,605

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
Unaudited

The dependence upon tax revenues for governmental activities is apparent. Over 83 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 36. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$45,818,644 and expenditures and other financing uses of \$49,864,388.

The net fund balance increased in the general fund by \$347,442. The increase is due the increase in property tax revenues.

The net fund balance increased in the bond retirement fund by \$277,226 due to the decrease in expenditures as compared to prior year. In the prior year the School District refunded an existing bond and incurred additional costs related to fiscal year 2021.

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 2022, the School District amended its general fund budget numerous times, none significant. The School District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, the revenue original budget estimates were \$1,181,464 less than the final budget estimates, and actual revenue was \$547,320 greater than the final budget estimates of \$35,649,098 due the School District receiving more in property taxes. The School District's ending un-obligated cash balance was \$2,280,175 more than the final budgeted amount as expenditures were less than anticipated in the areas of instruction, operation and maintenance of plant and pupil transportation.

For the general fund, the expenditure original budget estimates were \$89,241 greater than the final budget estimates, and actual expenditures was \$1,732,855 less than the final budget estimates of \$38,084,067 due to changes in tuition billings in both vocational education and special education. Vocational billings from a local school district were overbilled in FY 21 and therefore in FY 22, there was no vocational bill. The State of Ohio changed the method of funding nonpublic schools' special education expenditures. In previous years, the state charged the public schools for these expenditures and in FY 22 the State paid those expenditures directly to the nonpublic schools.

Capital Assets

At the end of fiscal 2022, the School District had \$63,833,053 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, 2022
Unaudited

Table 4 shows fiscal 2022 balances compared to 2021:

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

	Governmental Activities	
	2022	2021 *
Land	\$ 978,708	\$ 978,708
Construction in progress	5,553,392	1,049,495
Land Improvements	1,345,830	1,479,740
Buildings and Building Improvements	54,062,579	55,698,082
Vehicles	868,970	816,660
Equipment	977,819	1,078,122
Intangible Right-to-use Lease - Equipment	45,755	66,467
Total Net Capital Assets	\$ 63,833,053	\$ 61,167,274

*Restated

The increase in capital assets was due to the increase in construction in progress that was offset by current year depreciation.

Debt

At June 30, 2022, the School District had \$23,703,581 in outstanding debt, \$3,153,844 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, 2022, the School Districts' voted general obligation bonded debt of \$16,385,325 is below the legal limit of \$65,520,280 (voted). In addition, the School District had no un-voted debt at June 30, 2022. Moody's rating for the School District's bonds is Aaa, the highest rating Moody's assigns to debt issues. The School District's Certificates of Participation was rated Aa1 by Moody's. It is typical for CoPS issues to be rated one level lower than a public entity's bond rating due to the nature of CoPS which are lease purchase transactions subject to payment via the annual appropriation measure. The TAN's issue was not rated due to the short term payback of ten years. However, Moody's still confirmed the District's rating of Aaa in the summer of 2021.

Beachwood City School District
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
Unaudited

Table 5 - Outstanding Debt at June 30,

	Governmental Activities	
	2022	2021 *
2016 Certificates of Participation	\$ 2,650,000	\$ 3,050,000
2016 COPs Premium	87,209	104,650
2020 Tax Anticipation Note	4,535,000	5,073,000
2021 Refunding Tax Exempt Bond	8,620,000	8,620,000
2021 Refunding Premium	1,130,357	1,267,370
2010 Qualified School Construct Bonds	6,200,000	7,435,000
2013 Refunding	-	1,205,000
2014 Refunding Tax Exempt Bonds	89,966	89,966
Bond Accretion	345,002	266,653
Leases Payable	46,047	66,467
Total Outstanding Debt	\$ 23,703,581	\$ 27,178,106

* Restated

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

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. The City recently announced a school friendly TIF with General Electric.

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
Unaudited

The GE Current division is moving 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 a three-year shared services agreement that allows the schools and city not to bill one another for specific services. 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 our 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 agreement is in effect through July 31, 2023.

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 even though our two districts agreed 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 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.

Litigation that involved property located in the City of Pepper Pike but within the Beachwood City School District boundary was resolved in favor of the Beachwood Schools. Parents of students who mistakenly believed their students were allowed to attend Orange Schools, were told last year that they could no longer do so by Orange's Board of Education. This precipitated a territory transfer request by a handful of affected parents. Beachwood defended its position that the properties remain in the Beachwood Schools as they always have, and we welcomed those students to our district. The Ohio Department of Education (ODE) issued a final determination in favor of Beachwood Schools. Annual taxes generated from this area are \$86k.

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 2025. The previous five-year forecast projected that need in 2024. 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.

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
Unaudited

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 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. Thank you for your support of our work.

Contacting the School District's Financial Management

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

BASIC

FINANCIAL

STATEMENTS

Beachwood City School District
Statement of Net Position
June 30, 2022

	<u>Governmental Activities</u>
ASSETS	
Equity in Pooled Cash and Cash Equivalents	\$ 37,241,055
Cash and Cash Equivalents:	
In Segregated Accounts	134,873
Property Taxes Receivable	38,280,502
Prepaid Items	48,532
Accrued Interest Receivable	50,242
Accounts Receivable	43,740
Intergovernmental Receivable	148,537
Materials and Supplies Inventory	120,524
Net OPEB Asset	2,942,136
Nondepreciable Capital Assets	6,532,100
Depreciable/Amortized Capital Assets, Net	57,300,953
Total Assets	<u>142,843,194</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension	9,870,739
OPEB	1,171,616
Total Deferred Outflows of Resources	<u>11,042,355</u>
LIABILITIES	
Accounts Payable	124,814
Accrued Wages and Benefits	3,785,340
Intergovernmental Payable	570,801
Matured Bonds Payable	86,363
Accrued Interest Payable	110,979
Matured Compensated Absences Payable	110,211
Retainage Payable	158,377
Claims Payable	628,600
Long-term Liabilities:	
Due within one year	3,319,269
Due in more than one year:	
Net Pension Liability	24,415,552
Net OPEB Liability	3,387,765
Other amounts due in more than one year	23,888,121
Total Liabilities	<u>60,586,192</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	35,258,853
Pension	19,945,731
OPEB	5,687,881
Total Deferred Inflows of Resources	<u>60,892,465</u>
NET POSITION	
Net Investment in Capital Assets	39,971,095
Restricted:	
Debt Service	3,023,618
Set-Asides	134,873
State Funded Programs	24,911
Federally Funded Programs	4,328
Student Activities	193,483
Preschool	308,354
Other Purposes	113,006
Unrestricted	(11,366,776)
Total Net Position	<u>\$ 32,406,892</u>

See accompanying notes to the basic financial statements.

Beachwood City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2022

	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	\$ 14,282,606	\$ 187,755	\$ 1,377,566	\$ -	\$ (12,717,285)
Special	5,488,414	227,823	1,474,747	-	(3,785,844)
Vocational	1,372,080	330,557	582,450	-	(459,073)
Adult/Continuing Instruction	291,780	7,439	-	-	(284,341)
Other	35,256	38,900	59,281	-	62,925
Supporting Services:					
Pupils	2,735,505	209,833	332,879	14,897	(2,177,896)
Instructional Staff	1,517,349	163	14,461	-	(1,502,725)
Board of Education	389,117	-	-	-	(389,117)
Administration	2,303,669	-	14,412	-	(2,289,257)
Fiscal Services	2,326,921	-	-	-	(2,326,921)
Business	301,323	-	-	-	(301,323)
Operation and Maintenance of Plant	3,300,732	-	8,532	-	(3,292,200)
Pupil Transportation	1,977,444	-	189,582	-	(1,787,862)
Central	127,556	-	-	-	(127,556)
Operation of Non-Instructional Services:					
Food Service Operations	891,868	120,002	687,871	-	(83,995)
Community Services	878,165	579,127	81,096	-	(217,942)
Extracurricular Activities	1,355,534	172,277	216	-	(1,183,041)
Interest and Fiscal Charges	942,436	-	-	-	(942,436)
Total Governmental activities	\$ 40,517,755	\$ 1,873,876	\$ 4,823,093	\$ 14,897	(33,805,889)

General Revenues:

Property Taxes levied for:	
General Purposes	31,910,305
Other Purposes	4,227,877
Grants & Entitlements not restricted to specific programs	2,679,276
Investment Income	(408,380)
Gain on Sale of Capital Assets	4,003
All Other Revenues	588,178
Total General Revenues	39,001,259
Change in Net Position	5,195,370
Net Position - Beginning of Year, Restated	27,211,522
Net Position - End of Year	\$ 32,406,892

See accompanying notes to the basic financial statements.

Beachwood City School District
Balance Sheet
Governmental Funds
June 30, 2022

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 28,087,030	\$ 2,842,050	\$ 4,760,827	\$ 35,689,907
Cash and Cash Equivalents:				
In Segregated Accounts	134,873	-	-	134,873
Materials and Supplies Inventory	116,302	-	4,222	120,524
Accrued Interest Receivable	50,242	-	-	50,242
Accounts Receivable	4,950	-	38,790	43,740
Due from Other Funds	3,215,000	-	-	3,215,000
Interfund Receivable	2,968,677	-	-	2,968,677
Intergovernmental Receivable	-	-	148,537	148,537
Prepaid Items	48,532	-	-	48,532
Property Taxes Receivable	33,888,762	3,979,928	411,812	38,280,502
Total Assets	\$ 68,514,368	\$ 6,821,978	\$ 5,364,188	\$ 80,700,534
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 72,086	\$ -	\$ 50,992	\$ 123,078
Accrued Wages and Benefits	3,435,762	-	349,578	3,785,340
Intergovernmental Payable	507,148	-	63,653	570,801
Matured Compensated Absences Payable	87,842	-	22,369	110,211
Retainage Payable	-	-	158,377	158,377
Interfund Payable	-	-	2,968,677	2,968,677
Due to Other Funds	-	-	3,215,000	3,215,000
Matured Bonds Payable	-	86,363	-	86,363
Total Liabilities	4,102,838	86,363	6,828,646	11,017,847
Deferred Inflows of Resources:				
Property Taxes	31,287,955	3,601,018	369,880	35,258,853
Unavailable Revenues - Delinquent Property Taxes	201,687	21,106	9,767	232,560
Unavailable Revenues - Grants	-	-	148,537	148,537
Unavailable Revenues - Other	-	-	5,536	5,536
Total Deferred Inflows of Resources	31,489,642	3,622,124	533,720	35,645,486
Fund Balances:				
Nonspendable	166,667	-	4,222	170,889
Restricted	134,873	3,113,491	681,234	3,929,598
Committed	-	-	200,000	200,000
Assigned	4,353,206	-	-	4,353,206
Unassigned (Deficit)	28,267,142	-	(2,883,634)	25,383,508
Total Fund Balances	32,921,888	3,113,491	(1,998,178)	34,037,201
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 68,514,368	\$ 6,821,978	\$ 5,364,188	\$ 80,700,534

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, 2022

Total Governmental Fund Balances \$ 34,037,201

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. 63,833,053

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

Delinquent property taxes	\$	232,560	
Grants		148,537	
Other		<u>5,536</u>	
Total			386,633

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		9,870,739	
Deferred Inflows - Pension		(19,945,731)	
Net Pension Liability		(24,415,552)	
Deferred Outflows - OPEB		1,171,616	
Deferred Inflows - OPEB		(5,687,881)	
Net OPEB Asset		2,942,136	
Net OPEB Liability		<u>(3,387,765)</u>	
Total			(39,452,438)

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. 920,812

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

Long-Term Notes Payable		(7,272,209)	
General Obligation Bonds		(16,385,325)	
Accrued interest payable		(110,979)	
Leases Payable		(46,047)	
Compensated absences		<u>(3,503,809)</u>	
Total			<u>(27,318,369)</u>

Net Position of Governmental Activities \$ 32,406,892

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, 2022

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property and Other Local Taxes	\$ 31,816,209	\$ 3,975,708	\$ 237,601	\$ 36,029,518
Intergovernmental	3,774,354	752,283	2,827,057	7,353,694
Interest	(412,737)	-	4,357	(408,380)
Tuition and Fees	152,596	-	1,319,362	1,471,958
Extracurricular Activities	-	-	165,442	165,442
Rentals	320	-	-	320
Customer Sales and Services	2,327	-	146,768	149,095
Contributions and Donations	202,399	-	12,748	215,147
All Other Revenues	485,971	-	45,444	531,415
Total Revenues	<u>36,021,439</u>	<u>4,727,991</u>	<u>4,758,779</u>	<u>45,508,209</u>
EXPENDITURES				
Current:				
Instruction:				
Regular	13,490,179	-	698,255	14,188,434
Special	5,562,283	-	494,363	6,056,646
Vocational	564,720	-	867,983	1,432,703
Adult/Continuing	220,850	-	78,890	299,740
Other	7,643	-	59,281	66,924
Supporting Services:				
Pupils	2,328,846	-	576,819	2,905,665
Instructional Staff	1,378,111	-	26,238	1,404,349
Board of Education	370,228	-	-	370,228
Administration	2,625,816	-	14,412	2,640,228
Fiscal Services	1,332,503	-	-	1,332,503
Business	324,238	-	-	324,238
Operation and Maintenance of Plant	3,447,967	-	7,236	3,455,203
Pupil Transportation	2,008,495	-	14,266	2,022,761
Central	136,614	-	-	136,614
Operation of Non-Instructional Services:				
Food Service Operations	-	-	814,594	814,594
Community Services	40,501	-	863,069	903,570
Extracurricular Activities	1,148,936	-	290,045	1,438,981
Capital Outlay	362,473	-	4,930,172	5,292,645
Debt Service:				
Principal Retirement	20,420	3,378,000	-	3,398,420
Interest and Fiscal Charges	745	1,072,765	-	1,073,510
Total Expenditures	<u>35,371,568</u>	<u>4,450,765</u>	<u>9,735,623</u>	<u>49,557,956</u>
Excess of Revenues Over (Under) Expenditures	<u>649,871</u>	<u>277,226</u>	<u>(4,976,844)</u>	<u>(4,049,747)</u>
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	4,003	-	-	4,003
Transfers In	-	-	306,432	306,432
Transfers Out	(306,432)	-	-	(306,432)
Total Other Financing Sources (Uses)	<u>(302,429)</u>	<u>-</u>	<u>306,432</u>	<u>4,003</u>
Net Change in Fund Balances	347,442	277,226	(4,670,412)	(4,045,744)
Fund Balances - Beginning of Year	32,574,446	2,836,265	2,672,234	38,082,945
Fund Balances - End of Year	<u>\$ 32,921,888</u>	<u>\$ 3,113,491</u>	<u>\$ (1,998,178)</u>	<u>\$ 34,037,201</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, 2022

Net Change in Fund Balances-Total Governmental Funds \$ (4,045,744)

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 capital outlay exceeded depreciation/amortization in the current period.

Capital outlay	\$ 5,292,645	
Depreciation/Amortization	(2,626,866)	
Total		2,665,779

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

Delinquent property taxes	108,664	
Grants	145,048	
Other	(8,495)	
Total		245,217

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. 3,398,420

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

Pension		3,371,498
OPEB		112,413

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		325,470
OPEB		310,549

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	(218,323)	
Bond Accretion	(78,349)	
Accrued interest	54,974	
Amortization of bond premiums	154,454	
Total		(87,244)

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. (1,100,988)

Change in Net Position of Governmental Activities \$ 5,195,370

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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Property and Other Local Taxes	\$ 29,473,645	\$ 30,206,819	\$ 30,918,715	\$ 711,896
Intergovernmental	3,325,322	3,842,355	3,780,568	(61,787)
Interest	300,000	300,000	226,156	(73,844)
Tuition and Fees	174,710	136,250	108,292	(27,958)
Rent	5,000	5,000	320	(4,680)
Gifts and Donations	9,000	9,000	1,250	(7,750)
Customer Sales and Services	199,500	208,989	202,399	(6,590)
Miscellaneous	388,957	469,039	469,039	-
Total Revenues	<u>33,876,134</u>	<u>35,177,452</u>	<u>35,706,739</u>	<u>529,287</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular	13,918,207	13,840,821	13,555,088	285,733
Special	6,268,641	5,601,727	5,488,971	112,756
Vocational	853,764	856,164	597,704	258,460
Other	323,543	283,543	234,799	48,744
Support Services:				
Pupils	2,385,640	2,369,389	2,253,749	115,640
Instructional Staff	1,555,993	1,586,279	1,310,544	275,735
Board of Education	461,148	461,148	420,267	40,881
Administration	2,752,023	2,790,737	2,572,782	217,955
Fiscal	1,305,495	1,351,301	1,314,845	36,456
Business	307,097	346,624	338,580	8,044
Operation and Maintenance of Plant	3,568,535	3,855,491	3,708,200	147,291
Pupil Transportation	1,940,579	2,295,833	2,259,358	36,475
Central	223,886	182,906	148,835	34,071
Operation of Non-Instructional/Shared Services:				
Community Services	43,460	43,460	41,036	2,424
Extracurricular Activities:				
Academic Oriented Activities	194,971	247,271	237,051	10,220
Sport Oriented Activities	949,814	924,114	829,963	94,151
School and Public Service Co-Curricular Activities	46,012	58,112	55,198	2,914
Total Expenditures	<u>37,098,808</u>	<u>37,094,920</u>	<u>35,366,970</u>	<u>1,727,950</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,222,674)</u>	<u>(1,917,468)</u>	<u>339,769</u>	<u>2,257,237</u>
OTHER FINANCING SOURCES AND USES:				
Advances In	15,000	32,000	32,000	-
Transfers In	564,000	429,646	453,676	24,030
Proceeds from Sale of Capital Assets	10,000	10,000	4,003	(5,997)
Refund of Prior Year Expenditures	2,500	-	-	-
Transfers Out	(1,074,500)	(864,147)	(860,108)	4,039
Advances Out	-	(125,000)	(124,134)	866
Total Other Financing Sources and Uses	<u>(483,000)</u>	<u>(517,501)</u>	<u>(494,563)</u>	<u>22,938</u>
Net Change in Fund Balances	(3,705,674)	(2,434,969)	(154,794)	2,280,175
Fund Balance at Beginning of Year	24,537,405	24,537,405	24,537,405	-
Prior Year Encumbrances Appropriated	305,103	305,103	305,103	-
Fund Balance at End of Year	<u>\$ 21,136,834</u>	<u>\$ 22,407,539</u>	<u>\$ 24,687,714</u>	<u>\$ 2,280,175</u>

See accompanying notes to the basic financial statement

Beachwood City School District
Statement of Fund Net Position
Proprietary Fund
June 30, 2022

	Governmental Activities - Internal Service Fund
ASSETS	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 1,551,148
Total Assets	1,551,148
 LIABILITIES	
Current Liabilities:	
Accounts Payable	1,736
Claims Payable	628,600
Total Liabilities	630,336
 NET POSITION	
Unrestricted	920,812
Total Net Position	\$ 920,812

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, 2022

	Governmental Activities - Internal Service Fund
OPERATING REVENUES	
Charges for Services	\$ 3,803,686
Miscellaneous	407,308
Total Operating Revenues	<u>4,210,994</u>
OPERATING EXPENSES	
Claims	5,088,857
Other	223,125
Total Operating Expenses	<u>5,311,982</u>
Operating Loss	<u>(1,100,988)</u>
Net Position - Beginning of Year	<u>2,021,800</u>
Net Position - End of Year	<u><u>\$ 920,812</u></u>

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, 2022

	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Self Insurance Premiums	\$ 4,210,994
Cash Payments for Claims	(5,080,946)
Net Cash (Used in) Operating Activities	(869,952)
 Net Decrease in Cash and Cash Equivalents	 (869,952)
 Cash and Cash Equivalents - Beginning of Year	 2,421,100
Cash and Cash Equivalents - End of Year	\$ 1,551,148
 RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Operating Loss	\$ (1,100,988)
Adjustments:	
Increase in Liabilities:	
Accounts Payable	1,736
Claims Payable	229,300
Net Cash (Used in) Operating Activities	\$ (869,952)

See accompanying notes to the basic financial statements.

Beachwood City School District
Statement of Fiduciary Net Position
Custodial Funds
June 30, 2022

	<u>Custodial Fund</u>
ASSETS	
Equity in Pooled Cash and Cash Equivalents	\$ 8,298
Total Assets	<u>8,298</u>
LIABILITIES	
Due to External Parties	<u>8,298</u>
Total Liabilities	<u>8,298</u>
NET POSITION	
Restricted For:	
Individuals, Organizations, and Other Governments	-
Total Net Position	<u>\$ -</u>

See accompany notes to the basic financial statements.

Beachwood City School District
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2022

	Custodial Fund
ADDITIONS	
Collections for Other Organizations	\$ 5,410
Total Additions	5,410
DEDUCTIONS	
Collections to Other Organizations	5,410
Total Deductions	5,410
Net Increase (Decrease) in Fiduciary Net Position	-
Net Position - Beginning of Year	-
Net Position - End of Year	\$ -

See accompany notes to the basic financial statements.

NOTES

TO

BASIC

FINANCIAL

STATEMENTS

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 1 - Description of the School District and Reporting Entity

The Beachwood City School District (the “School District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The School District is a city school district as defined by Section 3311.02 of the Ohio Revised Code. The School District operates under an elected Board of Education (five members) and is responsible for the provision of public education to residents of the School District.

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

The School District is located east of Cleveland, Ohio, in a prosperous suburb consisting of residences and significant office and retail commercial development. The enrollment for the School District during the 2022 fiscal year was 1,621. 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, 2022

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, 2022

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.

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, 2022

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

D. Basis of Accounting

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

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

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. See Note 8. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

Deferred Outflows/Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net 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.

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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

(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, 2022, but which were levied to finance fiscal year 2023 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, 2022

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 2022, 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 2022, 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 2022, 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 2022 amounted to a deficit of \$412,737 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, 2022, 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, 2022

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, 2022

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, 2022

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, 2022

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 2022.

S. Estimates

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

T. Pensions/Other Postemployment Benefits (OPEB)

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

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

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

GASB Implementation Guide 2020-1 provides clarification on issues related to previously established GASB guidance. The implementation of GASB Implementation Guide 2020-1 did not have an effect on the financial statements of the School District.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The implementation of this Statement did not have any 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, 2022

GASB Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. These changes were incorporated in the School District's financial statements; however, there was no effect on the beginning net position/fund balance.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The implementation of this Statement did not have an effect on the financial statements of the School District.

GASB Statement No. 98, *The Annual Comprehensive Financial Report*. The objective of this Statement is to establish the term *annual comprehensive financial report* and its acronym *ACFR*. These changes were incorporated in the School District's financial statements; however, there was no effect on the beginning net position/fund balance.

GASB Statement No. 87, *Leases* and GASB Implementation Guide 2019-3, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. These changes were incorporated in the School District's financial statements. The School District recognized a lease payable at July 1, 2021 in the amount of \$66,467; this amount was fully offset by the intangible asset, right to use lease – equipment.

Restatement of Net Position

The School District restated the beginning Net Position at July 1, 2021 by \$266,653 from \$27,478,175 to \$27,211,522 to include the Bond Accretion on the 2014 Refunding Tax Except General Obligation Bond.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 4 - Accountability

Fund balances at June 30, 2022, included the following fund deficit balances

<u>Nonmajor Funds</u>	<u>Fund Balance Deficits</u>
Recreation	\$ 9,587
Consortium	282,270
Auxiliary Services	10,768
ESSER	119,228
IDEA B	24,004
Title I	2,430
Permanent Improvement	2,435,347
Total	<u>\$ 2,883,634</u>

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.

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).

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

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	\$ 347,442
Net Adjustment for Revenue Accruals	(301,428)
Net Adjustments for Expenditure Accruals	333,828
Advances and Transfers Out	(677,810)
Advances and Transfers In	585,676
Funds with Separate Legally Adopted Budgets	67,156
Adjustment for Encumbrances	(509,658)
Budget Basis	\$ (154,794)

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Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 6 – Fund Balances

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

Fund Balances	General	Bond Retirement	Other Governmental Funds	Total
<i>Nonspendable</i>				
Prepaid Items	\$ 48,532	\$ -	\$ -	\$ 48,532
Inventories	116,302	-	4,222	120,524
Unclaimed Funds	1,833	-	-	1,833
<i>Total Nonspendable</i>	<u>166,667</u>	<u>-</u>	<u>4,222</u>	<u>170,889</u>
<i>Restricted for</i>				
Budget Stabilization	134,873	-	-	134,873
Food Service Operations	-	-	14,602	14,602
Expandable Trust Funds	-	-	16,484	16,484
Marketing School Store	-	-	8,388	8,388
Pupil Support	-	-	41,061	41,061
Local Grants	-	-	28,249	28,249
Preschool	-	-	353,434	353,434
Student Managed Student Activities	-	-	132,028	132,028
District Managed Student Activities	-	-	61,455	61,455
State Grants	-	-	24,911	24,911
Federal Grants	-	-	622	622
Bond Retirement	-	3,113,491	-	3,113,491
<i>Total Restricted</i>	<u>134,873</u>	<u>3,113,491</u>	<u>681,234</u>	<u>3,929,598</u>
<i>Committed to</i>				
Capital Projects	-	-	200,000	200,000
<i>Total Committed</i>	<u>-</u>	<u>-</u>	<u>200,000</u>	<u>200,000</u>
<i>Assigned to</i>				
FY 2022 Appropriations	2,545,250	-	-	2,545,250
Instruction	55,299	-	-	55,299
Support Services	388,297	-	-	388,297
Workers' Compensation	1,364,360	-	-	1,364,360
<i>Total Assigned</i>	<u>4,353,206</u>	<u>-</u>	<u>-</u>	<u>4,353,206</u>
<i>Unassigned (Deficit)</i>	<u>28,267,142</u>	<u>-</u>	<u>(2,883,634)</u>	<u>25,383,508</u>
Total Fund Balances	<u><u>\$ 32,921,888</u></u>	<u><u>\$ 3,113,491</u></u>	<u><u>\$ (1,998,178)</u></u>	<u><u>\$ 34,037,201</u></u>

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

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, 2022

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 \$3,150,101. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2022, \$843,254 of the School District's bank balance of \$3,620,908 was covered by Federal Depository Insurance and \$14,193 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the School District's name, and \$2,763,461 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, 2022.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

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, 2022. As previously discussed, Star Ohio is reported at its net asset value.

As of June 30, 2022, the School District had the following investments and maturities:

	Fair Value/NAV	Maturity	Level Input
Certificate of Deposit Stifel Nicholas	\$ 248,811	07/18/22	2
Certificate of Deposit BNY Mellon	246,096	8/1/2022	2
Certificate of Deposit Stifel Nicholas	248,978	08/12/22	2
Certificate of Deposit Raymond James	248,400	08/26/22	2
Certificate of Deposit Stifel Nicholas	248,265	09/06/22	2
Certificate of Deposit BNY Mellon	247,390	10/18/2022	2
Certificate of Deposit Stifel Nicholas	255,048	12/19/22	2
Certificate of Deposit DA Davidson	245,803	12/22/2022	2
Certificate of Deposit DA Davidson	245,803	12/22/2022	2
Certificate of Deposit DA Davidson	245,803	12/22/2022	2
Certificate of Deposit DA Davidson	255,159	1/17/2023	2
Certificate of Deposit Raymond James	182,349	02/27/23	2
Certificate of Deposit Raymond James	251,121	04/24/23	2
Certificate of Deposit Stifel Nicholas	256,993	06/13/23	2
Certificate of Deposit Stifel Nicholas	256,489	06/19/23	2
Certificate of Deposit Stifel Nicholas	243,026	06/30/23	2
Certificate of Deposit DA Davidson	242,402	7/28/2023	2
Certificate of Deposit FC Stone	264,075	4/10/2024	2
Certificate of Deposit Tristate Capital	245,000	04/24/24	2
Certificate of Deposit Raymond James	235,519	07/01/24	2

Continued

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

	Fair Value/NAV	Maturity	Level Input	
Commercial Paper Credit Wells Fargo	\$ 498,980	08/05/22	2	
Commercial Paper Credit Toyota	448,902	08/12/22	2	
U.S. Treasury Bond	836,723	06/30/23	2	
U.S. Treasury Bond	434,673	10/31/23	2	
U.S. Treasury Bond	237,276	06/15/24	2	
U.S. Treasury Bond	132,874	06/15/24	2	
U.S. Treasury Bond	220,288	12/31/24	2	
U.S. Treasury Note	842,962	02/28/23	2	
U.S. Treasury Note	328,645	09/30/23	2	
U.S. Treasury Note	327,622	10/15/23	2	
U.S. Treasury Note	599,268	12/15/23	2	
U.S. Treasury Note	597,681	01/15/24	2	
U.S. Treasury Note	634,117	03/15/24	2	
U.S. Treasury Note	452,827	04/15/24	2	
U.S. Treasury Note	711,593	05/15/24	2	
U.S. Treasury Note	239,657	02/15/25	2	
U.S. Treasury Note	345,502	03/31/25	2	
U.S. Treasury Note	462,715	04/30/25	2	
U.S. Treasury Note	229,452	06/30/25	2	
U.S. Treasury Note	228,790	07/31/25	2	
U.S. Treasury Note	199,780	10/31/25	2	
U.S. Treasury Note	227,480	11/30/25	2	
U.S. Treasury Note	199,727	12/31/25	2	
U.S Government Agency Obligations	Federal Farm Credit	189,915	07/13/22	2
U.S Government Agency Obligations	Federal Home Loan Bank	249,460	08/19/22	2
U.S Government Agency Obligations	Federal Farm Credit	1,295,736	09/09/22	2
U.S Government Agency Obligations	Federal Farm Credit	546,920	10/13/22	2
U.S Government Agency Obligations	Federal Farm Credit	884,340	01/23/23	2
U.S Government Agency Obligations	Federal Farm Credit	861,381	02/26/24	2
U.S Government Agency Obligations	Federal Home Loan Bank	715,387	03/08/24	2
U.S Government Agency Obligations	Federal Home Loan Bank	372,223	04/05/24	2
U.S Government Agency Obligations	Federal Home Loan Bank	636,004	05/24/24	2
U.S Government Agency Obligations	Federal Home Loan Bank	667,433	06/28/24	2
U.S Government Agency Obligations	Freddie Mac	233,534	11/25/24	2
U.S Government Agency Obligations	Federal Home Loan Bank	213,728	01/27/25	2
U.S Government Agency Obligations	Federal Farm Credit	491,340	04/01/25	2
U.S Government Agency Obligations	TNNLL	233,105	05/15/25	2
U.S Government Agency Obligations	Federal Home Loan Bank	227,473	07/14/25	2
U.S Government Agency Obligations	Federal Farm Credit	275,886	08/12/25	2
U.S Government Agency Obligations	Federal National Mortgage	225,973	08/25/25	2
U.S Government Agency Obligations	Federal Farm Credit	202,576	09/16/25	2
U.S Government Agency Obligations	Freddie Mac	197,237	09/24/25	2
U.S Government Agency Obligations	Freddie Mac	274,368	10/15/25	2
U.S Government Agency Obligations	Federal Farm Credit	256,851	11/17/25	2
U.S Government Agency Obligations	Federal Home Loan Bank	239,710	12/22/25	2
Star Ohio	10,393,481			
	<u>\$ 34,234,125</u>			

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

Interest Rate Risk

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

Credit Risk

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

Custodial Credit Risk

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Commercial Paper, Federal Home Loan Mortgage, Federal Home Loan Bank, Federal National Mortgage Assoc. and Federal Farm Credits are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in the School District's name. The School District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer of qualified trustee. At fiscal year end, the School District's investment in negotiable certificates of deposit of \$4,912,530 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 27.7%, U.S. Treasury Bond 5.4%, Commercial Paper 2.8%, negotiable certificates of deposit represent 14.3%, U.S. Treasury Notes 19.4% and STAR Ohio representing 30.4% 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 2022 represents collections of calendar year 2021 taxes.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

Real property taxes received in calendar year 2021 were levied after April 1, 2021, on the assessed value listed as of January 1, 2022, 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 2020 represents collections of calendar year 2021 taxes. Public utility real and tangible personal property taxes received in calendar year 2021 become a lien December 31, 2020, were levied after April 1, 2021 and are collected in 2022 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, 2022, are available to finance fiscal year 2022 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, 2022 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, 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 amount available as an advance at June 30, 2021 was \$1,501,626 for the General Fund, \$253,105 in the Bond Retirement Fund, and \$18,181 in the Permanent Improvement Fund. The assessed values upon which the fiscal year 2022 taxes were collected are:

	2021 Second- Half Collections		2022 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential	\$ 395,419,090	48.52%	\$ 437,798,520	50.01%
Industrial/Commercial	405,049,430	49.70%	422,014,440	48.20%
Public Utility	14,457,660	1.77%	15,654,970	1.79%
Total Assessed Value	\$ 814,926,180	99.99%	\$ 875,467,930	100.00%
 Tax rate per \$1,000 of Assessed valuation	\$ 91.70		\$ 91.50	

Note 9 - Receivables

Receivables at June 30, 2022, 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, 2022

Note 10 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2022 was as follows:

	Restated Balance 6/30/2021	Additions	Deletions	Balance 6/30/2022
Governmental Activities				
Capital Assets, not being depreciated:				
Land	\$ 978,708	\$ -	\$ -	\$ 978,708
Construction in Progress	1,049,495	4,503,897	-	5,553,392
Total Capital Assets, not being depreciated	<u>2,028,203</u>	<u>4,503,897</u>	<u>-</u>	<u>6,532,100</u>
Capital Assets, being depreciated/amortized:				
Land Improvements	4,075,740	-	-	4,075,740
Buildings and Buildings Improvements	89,253,529	242,522	-	89,496,051
Vehicles	2,410,785	221,268	(65,635)	2,566,418
Equipment	9,628,383	324,958	(28,764)	9,924,577
Intangible Right-to-use Lease - Equipment	66,467	-	-	66,467
Total Capital Assets, being depreciated/amortized	<u>105,434,904</u>	<u>788,748</u>	<u>(94,399)</u>	<u>106,129,253</u>
Less Accumulated Depreciation/Amortization:				
Land Improvements	(2,596,000)	(133,910)	-	(2,729,910)
Buildings and Buildings Improvements	(33,555,447)	(1,878,025)	-	(35,433,472)
Vehicles	(1,594,125)	(168,958)	65,635	(1,697,448)
Equipment	(8,550,261)	(425,261)	28,764	(8,946,758)
Intangible Right-to-use Lease - Equipment	-	(20,712)	-	(20,712)
Total Accumulated Depreciation/Amortization	<u>(46,295,833)</u>	<u>(2,626,866)</u>	<u>94,399</u>	<u>(48,828,300)</u>
Total Capital Assets being depreciated/amortized, Net	<u>59,139,071</u>	<u>(1,838,118)</u>	<u>-</u>	<u>57,300,953</u>
Governmental Activities Capital Assets, Net	<u>\$ 61,167,274</u>	<u>\$ 2,665,779</u>	<u>\$ -</u>	<u>\$ 63,833,053</u>

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

Instruction:		
Regular		\$ 1,419,512
Special		59,633
Vocational		35,309
Recreation		1,114
Support Services:		
Pupil		157,387
Instructional Staff		282,666
Board of Education		21,667
Administration		60,429
Fiscal		5,494
Business		14,311
Operation and Maintenance of Plant		124,233
Pupil Transportation		199,266
Central		1,114
Operation of Non-Instructional Services:		
Food Services		77,274
Community Services		59,379
Extracurricular Activities		108,078
Total Depreciation/Amortization Expense		<u>\$ 2,626,866</u>

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 11 – Inter-fund Transactions

As of June 30, 2022, on the fund financial statements, the Consortium fund, which is a Nonmajor governmental fund, owed the General Fund \$2,968,677. The School District’s consortium funds provide services to local surrounding school districts. Costs are billed on a per pupil basis. The School District incurs administrative and operational costs that are billed to the consortium districts but are costs that are incurred by the general fund. Over time, the consortium funds owe the general fund these dollars.

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

During the year ended June 30, 2022 the General Fund transferred \$306,432 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 four years in a row.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

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 2022, total claims expense of \$5,080,946 was recognized, which represents actual claims processed and paid as of June 30, 2022. 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>
2021	\$ 357,900	\$ 4,234,970	\$ 4,193,570	\$ 399,300
2022	\$ 399,300	\$ 5,310,246	\$ 5,080,946	\$ 628,600

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, 2022

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 65 with 5 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

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

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 0.5% COLA for calendar year 2021.

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, 2022, 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 \$939,016 for fiscal year 2022.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

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, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60. Eligibility changes for DB plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023 when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

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

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

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

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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

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, 2022, 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 2022 contribution rates were equal to the statutory maximum rates.

The School District’s contractually required contribution to STRS was \$2,432,482 for fiscal year 2022.

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, 2021, 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	0.1841760%	0.1420904%	
Proportion of the Net Pension Liability Current Measurement Date	<u>0.1781663%</u>	<u>0.1395423%</u>	
Change in Proportionate Share	<u>-0.0060097%</u>	<u>-0.0025481%</u>	
Proportionate Share of the Net Pension Liability	\$ 6,573,818	\$ 17,841,734	\$ 24,415,552
Pension Expense	\$ (251,478)	\$ (73,992)	\$ (325,470)

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Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

At June 30, 2022, 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	\$ 635	\$ 551,224	\$ 551,859
Changes of assumptions	138,425	4,949,617	5,088,042
Changes in proportion and differences between School District contributions and proportionate share of contributions	126,935	732,405	859,340
School District contributions subsequent to the measurement date	<u>939,016</u>	<u>2,432,482</u>	<u>3,371,498</u>
Total Deferred Outflows of Resources	<u>\$ 1,205,011</u>	<u>\$ 8,665,728</u>	<u>\$ 9,870,739</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 170,486	\$ 111,831	\$ 282,317
Net difference between projected and actual earnings on pension plan investments	3,385,712	15,376,160	18,761,872
Changes in proportion and differences between School District contributions and proportionate share of contributions	<u>228,730</u>	<u>672,812</u>	<u>901,542</u>
Total Deferred Inflows of Resources	<u>\$ 3,784,928</u>	<u>\$ 16,160,803</u>	<u>\$ 19,945,731</u>

\$3,371,498 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, 2023. 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:			
2023	\$ (850,555)	\$ (2,406,429)	\$ (3,256,984)
2024	(824,170)	(2,140,013)	(2,964,183)
2025	(805,000)	(2,217,608)	(3,022,608)
2026	<u>(1,039,208)</u>	<u>(3,163,507)</u>	<u>(4,202,715)</u>
Total	<u>\$ (3,518,933)</u>	<u>\$ (9,927,557)</u>	<u>\$ (13,446,490)</u>

Beachwood City School District
Notes to the Basic Financial Statements
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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, 2021, 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, 2022

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 %	(0.33) %
US Equity	24.75	5.72
Non-US Equity Developed	13.50	6.55
Non-US Equity Emerging	6.75	8.54
Fixed Income/Global Bonds	19.00	1.14
Private Equity	11.00	10.03
Real Estate/Real Assets	16.00	5.41
Multi-Asset Strategies	4.00	3.47
Private Debt/Private Credit	3.00	5.28
Total	100.00 %	

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	\$ 10,937,222	\$ 6,573,818	\$ 2,893,972

Changes since measurement date Effective July 1, 2022 SERS made the following changes: Retiree Health Care – changes to monthly premium deductions associated with retiree health insurance and income related Medicare Parts B & D reimbursements. Cost-of-living adjustments – Changes to the cost-of-living adjustments made to retirees’ pensions. Normal Retirement Age – changes to the “Normal Retirement Age” for members of Tiers II and IIA.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

F. Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2021, actuarial valuation is presented below:

Inflation	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.00 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 for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the July 1, 2021 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

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

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

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

Discount Rate The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2021. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above.

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For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2021. 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, 2021.

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	\$ 33,410,889	\$ 17,841,734	\$ 4,685,830

Changes since measurement date In March 2022, the board eliminated the age 60 requirement for retirement age and service eligibility that was set to take effect in 2026. The final change to the phased-in age and service requirements will be made Aug. 1, 2023, when 35 years of service will be required for an unreduced retirement.

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Beachwood City School District
Notes to the Basic Financial Statements
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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

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Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS 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 \$112,413 for fiscal year 2022 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, 2021, STRS did not allocate any employer contributions to post-employment health care.

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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, 2021, 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	0.1842292%	0.1420904%	
Proportion of the Net OPEB Liability/asset			
Current Measurement Date	<u>0.1790023%</u>	<u>0.1395423%</u>	
Change in Proportionate Share	<u>-0.0052269%</u>	<u>-0.0025481%</u>	
Proportionate Share of the Net			
OPEB Liability/(Asset)	\$ 3,387,765	\$ (2,942,136)	\$ 445,629
OPEB Expense	\$ (121,817)	\$ (188,732)	\$ (310,549)

At June 30, 2022, 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	\$ 36,111	\$ 104,762	\$ 140,873
Changes of assumptions	531,462	187,929	719,391
Changes in proportionate Share and difference between School District contributions and proportionate share of contributions	134,004	64,935	198,939
School District contributions subsequent to the measurement date	<u>112,413</u>	<u>-</u>	<u>112,413</u>
Total Deferred Outflows of Resources	<u>\$ 813,990</u>	<u>\$ 357,626</u>	<u>\$ 1,171,616</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 1,687,260	\$ 539,055	\$ 2,226,315
Changes of assumptions	463,928	1,755,204	2,219,132
Net difference between projected and actual earnings on OPEB plan investments	73,600	815,511	889,111
Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions	<u>341,433</u>	<u>11,890</u>	<u>353,323</u>
Total Deferred Inflows of Resources	<u>\$ 2,566,221</u>	<u>\$ 3,121,660</u>	<u>\$ 5,687,881</u>

\$112,413 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, 2023.

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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
2023	\$ (432,740)	\$ (786,860)	\$ (1,219,600)
2024	(522,740)	(766,457)	(1,289,197)
2025	(369,100)	(754,472)	(1,123,572)
2026	(309,737)	(343,836)	(653,573)
2027	(169,151)	(114,876)	(284,027)
Thereafter	(61,176)	2,467	(58,709)
Total	\$ (1,864,644)	\$ (2,764,034)	\$ (4,628,678)

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, 2021, 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	1.92 percent
Prior Measurement Date	2.45 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	2.27 percent
Prior Measurement Date	2.63 percent
Medical Trend Assumption	
Measurement Date	
Medicare	5.125 to 4.400 percent
Pre-Medicare	6.750 to 4.400 percent
Prior Measurement Date	
Medicare	5.25 to 4.75 percent
Pre-Medicare	7.00 to 4.75 percent

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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 on the following page:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	2.00 %	(0.33) %
US Equity	24.75	5.72
Non-US Equity Developed	13.50	6.55
Non-US Equity Emerging	6.75	8.54
Fixed Income/Global Bonds	19.00	1.14
Private Equity	11.00	10.03
Real Estate/Real Assets	16.00	5.41
Multi-Asset Strategy	4.00	3.47
Private Debt/Private Credit	3.00	5.28
Total	<u>100.00 %</u>	

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2021 was 2.27 percent. The discount rate used to measure total OPEB liability prior to June 30, 2021 was 2.63 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, 2020 and the June 30, 2021 total OPEB liability.

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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 1.92% at June 30, 2021 and 2.45% at June 30, 2020.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.27%) and higher (3.27%) than the current discount rate (2.27%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (5.75% decreasing to 3.40%) and higher (7.75% decreasing to 5.40%) than the current rate.

	1% Decrease (1.27%)	Current Discount Rate (2.27%)	1% Increase (3.27%)
School District's proportionate share of the net OPEB liability	\$4,197,851	\$3,387,765	\$2,740,611

	1% Decrease (5.75 % decreasing to 3.40%)	Current Trend Rate (6.75 % decreasing to 4.40%)	1% Increase 7.75 % decreasing to 5.40%)
School District's proportionate share of the net OPEB liability	\$2,608,302	\$3,387,765	\$4,428,889

F. Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2021, actuarial valuation is presented below:

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

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

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

Actuarial assumptions used in the June 30, 2021, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

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.

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

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

* 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, 2021. 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, 2021.

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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, 2021, 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	\$ 2,482,707	\$ 2,942,136	\$ 3,325,917

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	\$ 3,310,367	\$ 2,942,136	\$ 2,486,781

Benefit Term Changes Since the Prior Measurement Date In February 2022, the Board approved changes to the demographic measures that will impact the June 30, 2022, actuarial valuation. The effect on the net OPEB liability is unknown.

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Notes to the Basic Financial Statements
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Note 16 – Long-Term Obligations

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

	Restated Principal Outstanding 6/30/2021	Additions	Reduction	Principal Outstanding 6/30/2022	Amounts Due in One Year
Governmental Activities					
Long-Term Notes Payable					
2016 COPS 2.47% - Direct Borrowings	\$ 3,050,000	\$ -	\$ 400,000	\$ 2,650,000	\$ 410,000
2016 COPS Premium-	104,650	-	17,441	87,209	-
2020 Tax Anticipation Note 1.17%	5,073,000	-	538,000	4,535,000	544,000
Total Long-Term Notes Payable	<u>8,227,650</u>	<u>-</u>	<u>955,441</u>	<u>7,272,209</u>	<u>954,000</u>
General Obligation Bonds					
2010 QSCB Bonds 5.125%	7,435,000	-	1,235,000	6,200,000	1,240,000
2013 Refunding .45-3.05%	1,205,000	-	1,205,000	-	-
2014 Refunding Tax Exempt 3-3.25%	89,966	-	-	89,966	89,966
Bond Accretion	266,653	78,349	-	345,002	345,002
2021 Refunding Tax Exempt 1-4.00%	8,620,000	-	-	8,620,000	505,000
Premium	1,267,370	-	137,013	1,130,357	-
Total General Obligation Bonds	<u>18,883,989</u>	<u>78,349</u>	<u>2,577,013</u>	<u>16,385,325</u>	<u>2,179,968</u>
Net Pension Liability:					
STRS	34,380,821	-	16,539,087	17,841,734	-
SERS	12,181,789	-	5,607,971	6,573,818	-
Total Net Pension Liability	<u>46,562,610</u>	<u>-</u>	<u>22,147,058</u>	<u>24,415,552</u>	<u>-</u>
Net OPEB Liability:					
SERS	4,003,902	-	616,137	3,387,765	-
Total Net OPEB Liability	<u>4,003,902</u>	<u>-</u>	<u>616,137</u>	<u>3,387,765</u>	<u>-</u>
Leases Payable					
Leases Payable	66,467	-	20,420	46,047	19,876
Compensated Absences Payable	3,285,486	497,917	279,594	3,503,809	165,425
Long-Term Liabilities	<u>3,351,953</u>	<u>497,917</u>	<u>300,014</u>	<u>3,549,856</u>	<u>185,301</u>
Total Long-Term Liabilities	<u>\$ 81,030,104</u>	<u>\$ 576,266</u>	<u>\$ 26,595,663</u>	<u>\$ 55,010,707</u>	<u>\$ 3,319,269</u>

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

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

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

Build America Bonds As part of the bond financing, the 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, 2022 is \$11,060,000.

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, 2022

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 \$65,520,280 with an un-voted debt margin of \$875,468 at June 30, 2022.

Principal and interest requirements to retire the long-term obligations outstanding at June 30, 2022 were as follows:

Fiscal Year	Long-Term Notes Payable		General Obligation Bonds		Leases Payable		Total	
	Principal	Interest *	Principal	Interest *	Principal	Interest	Principal	Interest
Ending								
2023	\$ 954,000	\$ 123,227	\$ 1,834,966	\$ 1,179,187	\$ 19,876	\$ 459	\$ 2,808,842	\$ 1,302,873
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
2028-2032	2,226,000	38,007	4,265,000	359,600	-	-	6,491,000	397,607
2033-2035	-	-	60,000	2,700	-	-	60,000	2,700
Total	<u>\$ 7,185,000</u>	<u>\$ 461,107</u>	<u>\$ 14,909,966</u>	<u>\$ 4,700,962</u>	<u>\$ 46,047</u>	<u>\$ 770</u>	<u>\$ 22,141,013</u>	<u>\$ 5,162,839</u>

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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 17 - Set-Asides

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by fiscal year end or offset by similarly restricted resources received during the fiscal year must be held in cash at fiscal year end and carried forward to be used for the same purposes in future fiscal years.

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

	Capital Improvements	Budget Stabilization
Set-Aside Balance as of June 30, 2021	\$ -	\$ 134,873
Current Year Set-Aside Requirements	277,821	-
Qualifying Disbursements	(5,448,345)	-
Total	(5,170,524)	134,873
Set-Aside Balance Carried Forward to Future Fiscal Years	(5,170,524)	-
Set-Aside Balance as of June 30, 2022	\$ (5,170,524)	\$ 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 18 – Jointly Governed Organizations

Ohio Schools' Council Association - The Ohio Schools' Council Association (Council) is a jointly governed organization among over two hundred school districts, JVS, ESC and DD boards. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2022, the School District paid \$77,518 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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

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

Lake Geauga Computer Association - The Lake Geauga Computer Association (“LGCA”) is a jointly governed organization that was formed for the purpose of providing computer services for accounting, grading, scheduling, EMIS and other applications to its 18 members. The School District paid \$85,091 to LGCA during fiscal year 2022.

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

Note 19 - Contingencies

A. Grants

The School District receives financial assistance from numerous federal, state, and local agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2022.

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 2022 have not been finalized.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2022

Note 20 – Other Commitments

The School District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are components of fund balance for subsequent year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. As of June 30, 2022, the School District's commitments for encumbrances in the governmental funds were as follows:

	<u>Outstanding Encumbrances</u>
General Fund	\$ 443,596
Nonmajor governmental funds	<u>676,463</u>
	<u><u>\$ 1,120,059</u></u>

Note 21- COVID-19

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

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*REQUIRED
SUPPLEMENTARY
INFORMATION*

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
School District's Proportion of the Net Pension Liability	0.1781663%	0.1841760%	0.1747117%	0.1898316%
School District's Proportionate Share of the Net Pension Liability	\$ 6,573,818	\$ 12,181,789	\$ 10,453,308	\$ 10,872,008
School District's Covered Payroll	\$ 6,149,757	\$ 6,452,700	\$ 5,994,437	\$ 6,175,341
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	106.90%	188.79%	174.38%	176.06%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.86%	68.55%	70.85%	71.36%

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

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

See accompanying notes to the required supplementary information

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.1892119%	0.1850622%	0.1850622%	0.189335%	0.203489%
\$ 11,304,993	\$ 13,544,846	\$ 10,803,609	\$ 10,298,462	\$ 12,100,838
\$ 6,093,679	\$ 5,596,179	\$ 5,907,329	\$ 5,357,287	\$ 5,263,129
185.52%	242.04%	182.88%	192.23%	229.92%
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 Nine Fiscal Years (1)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
School District's Proportion of the Net Pension Liability	0.139542269%	0.14209040%	0.13708880%	0.13985150%
School District's Proportionate Share of the Net Pension Liability	\$ 17,841,734	\$ 34,380,821	\$ 30,316,365	\$ 30,750,205
School District's Covered Payroll	\$ 17,218,600	\$ 17,148,093	\$ 16,094,757	\$ 16,281,843
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	103.62%	200.49%	188.36%	188.86%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.80%	75.50%	77.40%	77.31%

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

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

See accompanying notes to the required supplementary information

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.13660450%	0.13652209%	0.14090955%	0.14048700%	0.14048700%
\$ 32,450,692	\$ 45,698,059	\$ 38,943,279	\$ 34,171,300	\$ 40,704,629
\$ 15,098,007	\$ 14,508,436	\$ 15,296,057	\$ 15,615,492	\$ 15,469,908
214.93%	314.98%	254.60%	218.83%	263.12%
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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contribution	\$ 939,016	\$ 860,966	\$ 903,378	\$ 809,249
Contributions in Relation to the Contractually Required Contribution	<u>(939,016)</u>	<u>(860,966)</u>	<u>(903,378)</u>	<u>(809,249)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District Covered Payroll	\$6,707,257	\$6,149,757	\$6,452,700	\$5,994,437
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	13.50%

See accompanying notes to the required supplementary information

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 833,671	\$ 853,115	\$ 783,465	\$ 778,586	\$ 742,520	\$ 728,417
<u>(833,671)</u>	<u>(853,115)</u>	<u>(783,465)</u>	<u>(778,586)</u>	<u>(742,520)</u>	<u>(728,417)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$6,175,341	\$6,093,679	\$5,596,179	\$5,907,329	\$5,357,287	\$5,263,129
13.50%	14.00%	14.00%	13.18%	13.86%	13.84%

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contribution	\$ 2,432,482	\$ 2,410,604	\$ 2,400,733	\$ 2,253,266
Contributions in Relation to the Contractually Required Contribution	<u>(2,432,482)</u>	<u>(2,410,604)</u>	<u>(2,400,733)</u>	<u>(2,253,266)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District Covered Payroll	\$17,374,871	\$17,218,600	\$17,148,093	\$16,094,757
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 2,279,458	\$ 2,113,721	\$ 2,031,181	\$ 2,141,448	\$ 2,030,014	\$ 2,011,088
<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>(2,011,088)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 16,281,843	\$ 15,098,007	\$ 14,508,436	\$ 15,296,057	\$ 15,615,492	\$ 15,469,908
14.00%	14.00%	14.00%	14.00%	13.00%	13.00%

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

	2022	2021	2020	2019	2018	2017
School District's Proportion of the Net OPEB Liability	0.1790023%	0.1842292%	0.1777379%	0.1913857%	0.1914478%	0.1875175%
School District's Proportionate Share of the Net OPEB Liability	\$3,387,765	\$4,003,902	\$4,469,734	\$5,309,556	\$5,137,956	\$5,344,942
School District's Covered Payroll	\$6,149,757	\$6,452,700	\$5,994,437	\$6,175,341	\$6,093,679	\$5,596,179
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	55.09%	62.05%	74.56%	85.98%	84.32%	95.51%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	24.08%	18.17%	15.57%	13.57%	12.46%	11.49%

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

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

See accompanying notes to the required supplementary information

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

	2022	2021	2020	2019	2018	2017
School District's Proportion of the Net OPEB Liability/Asset	0.13954227%	0.14209040%	0.13708880%	0.13985150%	0.13660450%	0.13652209%
School District's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (2,942,136)	\$ (2,497,235)	\$ (2,270,519)	\$ (2,247,273)	\$ 5,329,803	\$ 7,301,237
School District's Covered Payroll	\$ 17,218,600	\$ 17,148,093	\$ 16,094,757	\$ 16,281,843	\$ 15,098,007	\$ 14,508,436
School District's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	-17.09%	-14.56%	-14.11%	-13.80%	35.30%	50.32%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/Asset	174.73%	182.13%	174.74%	176.00%	47.11%	37.30%

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

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

See accompanying notes to the required supplementary information

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contribution (1)	\$ 112,413	\$ 93,244	\$ 85,765	\$ 132,331
Contributions in Relation to the Contractually Required Contribution	<u>(112,413)</u>	<u>(93,244)</u>	<u>(85,765)</u>	<u>(132,331)</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
School District Covered Payroll	\$6,707,257	\$6,149,757	\$6,452,700	\$5,994,437
OPEB Contributions as a Percentage of Covered Payroll (1)	1.68%	1.52%	1.33%	2.21%

(1) Includes Surcharge

See accompanying notes to the required supplementary information

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 128,949	\$ 124,468	\$ 94,787	\$ 144,134	\$ 108,325	\$ 98,837
<u>(128,949)</u>	<u>(124,468)</u>	<u>(94,787)</u>	<u>(144,134)</u>	<u>(108,325)</u>	<u>(98,837)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$6,175,341	\$6,093,679	\$5,596,179	\$5,907,329	\$5,357,287	\$5,263,129
2.09%	2.04%	1.69%	2.44%	2.02%	1.88%

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District Covered Payroll	\$ 17,374,871	\$ 17,218,600	\$ 17,148,093	\$ 16,094,757
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

See accompanying notes to the required supplementary information

2018	2017	2016	2015	2014	2013
\$ -	\$ -	\$ -	\$ -	\$ 156,155	\$ 154,699
-	-	-	-	(156,155)	(154,699)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 16,281,843	\$ 15,098,007	\$ 14,508,436	\$ 15,296,057	\$ 15,615,492	\$ 15,469,908
0.00%	0.00%	0.00%	0.00%	1.00%	1.00%

Beachwood City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

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 2019-2022. 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 0.85% 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%.

Changes in benefit terms – STRS

There were no changes in benefit terms from the amounts reported for fiscal years 2014-2022.

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%.

Beachwood City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

Net OPEB Liability

Changes of benefit terms- SERS

There were no changes in benefit terms from the amounts reported for fiscal years 2018-2022.

Changes in Assumptions – SERS

Amounts reported for fiscal years 2018-2022 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:

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

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

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 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 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

Beachwood City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

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 year 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.

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.

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 2022.

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 - 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, 2022

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$ 3,651,389	\$ 1,109,438	\$ 4,760,827
Materials and Supplies Inventory	4,222	-	4,222
Accounts Receivable	38,790	-	38,790
Intergovernmental Receivable	148,537	-	148,537
Property Taxes Receivable	-	411,812	411,812
Total Assets	\$ 3,842,938	\$ 1,521,250	\$ 5,364,188
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 47,419	\$ 3,573	\$ 50,992
Accrued Wages and Benefits	349,578	-	349,578
Intergovernmental Payable	63,653	-	63,653
Matured Compensated Absences Payable	22,369	-	22,369
Retainage Payable	-	158,377	158,377
Due to Other Funds	-	3,215,000	3,215,000
Interfund Payable	2,968,677	-	2,968,677
Total Liabilities	3,451,696	3,376,950	6,828,646
Deferred Inflows of Resources:			
Property Taxes	-	369,880	369,880
Unavailable Revenues - Delinquent Property Taxes	-	9,767	9,767
Unavailable Revenues - Grants	148,537	-	148,537
Unavailable Revenues - Other	5,536	-	5,536
Total Deferred Inflows of Resources	154,073	379,647	533,720
Fund Balances:			
Nonspendable	4,222	-	4,222
Restricted	681,234	-	681,234
Committed	-	200,000	200,000
Unassigned (Deficit)	(448,287)	(2,435,347)	(2,883,634)
Total Fund Balances	237,169	(2,235,347)	(1,998,178)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 3,842,938	\$ 1,521,250	\$ 5,364,188

Beachwood City School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2022

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ -	\$ 237,601	\$ 237,601
Intergovernmental	2,728,741	98,316	2,827,057
Interest	240	4,117	4,357
Tuition and Fees	1,319,362	-	1,319,362
Extracurricular Activities	165,442	-	165,442
Customer Sales and Services	146,768	-	146,768
Contributions and Donations	12,748	-	12,748
All Other Revenues	35,557	9,887	45,444
Total Revenues	4,408,858	349,921	4,758,779
EXPENDITURES			
Current:			
Instruction:			
Regular	698,255	-	698,255
Special	494,363	-	494,363
Vocational Instruction	867,983	-	867,983
Adult/Continuing Instruction	78,890	-	78,890
Other	59,281	-	59,281
Supporting Services:			
Pupils	576,819	-	576,819
Instructional Staff	26,238	-	26,238
Administration	14,412	-	14,412
Operation and Maintenance of Plant	7,236	-	7,236
Pupil Transportation	14,266	-	14,266
Operation of Non-Instructional Services:			
Food Service Operations	814,594	-	814,594
Community Services	863,069	-	863,069
Extracurricular Activities	290,045	-	290,045
Capital Outlay	100,447	4,829,725	4,930,172
Total Expenditures	4,905,898	4,829,725	9,735,623
Excess of Revenues Over (Under) Expenditures	(497,040)	(4,479,804)	(4,976,844)
OTHER FINANCING SOURCES			
Transfers In	206,432	100,000	306,432
Total Other Financing Sources	206,432	100,000	306,432
Net Change in Fund Balances	(290,608)	(4,379,804)	(4,670,412)
Fund Balances - Beginning of Year	527,777	2,144,457	2,672,234
Fund Balances - End of Year	\$ 237,169	\$ (2,235,347)	\$ (1,998,178)

Beachwood City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2022

	<u>Food Service</u>	<u>Special Trust</u>	<u>Marketing School Store</u>	<u>Recreation</u>
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 43,581	\$ 16,484	\$ 8,388	\$ 2,180
Materials and Supplies Inventory	4,222	-	-	-
Accounts Receivable	1,734	-	-	-
Intergovernmental Receivable	-	-	-	-
Total Assets	<u>\$ 49,537</u>	<u>\$ 16,484</u>	<u>\$ 8,388</u>	<u>\$ 2,180</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 21,270	\$ -	\$ -	\$ -
Accrued Wages and Benefits	-	-	-	4,145
Intergovernmental Payable	9,443	-	-	7,622
Matured Compensated Absences Payable	-	-	-	-
Interfund Payable	-	-	-	-
Total Liabilities	<u>30,713</u>	<u>-</u>	<u>-</u>	<u>11,767</u>
Deferred Inflows of Resources:				
Unavailable Revenues - Grants	-	-	-	-
Unavailable Revenues - Other	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable	4,222	-	-	-
Restricted	14,602	16,484	8,388	-
Unassigned (Deficit)	-	-	-	(9,587)
Total Fund Balances (Deficit)	<u>18,824</u>	<u>16,484</u>	<u>8,388</u>	<u>(9,587)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 49,537</u>	<u>\$ 16,484</u>	<u>\$ 8,388</u>	<u>\$ 2,180</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>
\$ 2,730,397	\$ 41,061	\$ 28,249	\$ 447,802	\$ 142,345	\$ 61,212	\$ -
-	-	-	-	-	-	-
31,149	-	-	5,507	100	300	-
-	-	-	-	-	-	-
<u>\$ 2,761,546</u>	<u>\$ 41,061</u>	<u>\$ 28,249</u>	<u>\$ 453,309</u>	<u>\$ 142,445</u>	<u>\$ 61,512</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 990	\$ 10,417	\$ 57	\$ -
166,913	-	-	69,620	-	-	-
19,700	-	-	14,020	-	-	-
12,266	-	-	10,103	-	-	-
2,844,543	-	-	-	-	-	10,768
<u>3,043,422</u>	<u>-</u>	<u>-</u>	<u>94,733</u>	<u>10,417</u>	<u>57</u>	<u>10,768</u>
-	-	-	-	-	-	-
394	-	-	5,142	-	-	-
<u>394</u>	<u>-</u>	<u>-</u>	<u>5,142</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	41,061	28,249	353,434	132,028	61,455	-
(282,270)	-	-	-	-	-	(10,768)
<u>(282,270)</u>	<u>41,061</u>	<u>28,249</u>	<u>353,434</u>	<u>132,028</u>	<u>61,455</u>	<u>(10,768)</u>
<u>\$ 2,761,546</u>	<u>\$ 41,061</u>	<u>\$ 28,249</u>	<u>\$ 453,309</u>	<u>\$ 142,445</u>	<u>\$ 61,512</u>	<u>\$ -</u>

(Continued)

Beachwood City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2022

	<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	\$ -	\$ 15,279	\$ 90,000	\$ 46	\$ 19,822
Materials and Supplies Inventory	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Intergovernmental Receivable	-	-	-	118,397	27,068
Total Assets	<u>\$ -</u>	<u>\$ 15,279</u>	<u>\$ 90,000</u>	<u>\$ 118,443</u>	<u>\$ 46,890</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 14,685
Accrued Wages and Benefits	-	-	-	106,706	-
Intergovernmental Payable	-	-	-	12,568	-
Matured Compensated Absences Payable	-	-	-	-	-
Interfund Payable	-	-	80,368	-	29,141
Total Liabilities	<u>-</u>	<u>-</u>	<u>80,368</u>	<u>119,274</u>	<u>43,826</u>
Deferred Inflows of Resources:					
Unavailable Revenues - Grants	-	-	-	118,397	27,068
Unavailable Revenues - Other	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>118,397</u>	<u>27,068</u>
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	-	15,279	9,632	-	-
Unassigned (Deficit)	-	-	-	(119,228)	(24,004)
Total Fund Balances (Deficit)	<u>-</u>	<u>15,279</u>	<u>9,632</u>	<u>(119,228)</u>	<u>(24,004)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ -</u>	<u>\$ 15,279</u>	<u>\$ 90,000</u>	<u>\$ 118,443</u>	<u>\$ 46,890</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
\$ 126	\$ 3,861	\$ -	\$ -	\$ 289	\$ 267	\$ 3,651,389
-	-	-	-	-	-	4,222
-	-	-	-	-	-	38,790
-	3,072	-	-	-	-	148,537
<u>\$ 126</u>	<u>\$ 6,933</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 289</u>	<u>\$ 267</u>	<u>\$ 3,842,938</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,419
-	2,194	-	-	-	-	349,578
-	300	-	-	-	-	63,653
-	-	-	-	-	-	22,369
-	3,797	-	-	60	-	2,968,677
-	6,291	-	-	60	-	3,451,696
-	3,072	-	-	-	-	148,537
-	-	-	-	-	-	5,536
-	3,072	-	-	-	-	154,073
-	-	-	-	-	-	4,222
126	-	-	-	229	267	681,234
-	(2,430)	-	-	-	-	(448,287)
126	(2,430)	-	-	229	267	237,169
<u>\$ 126</u>	<u>\$ 6,933</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 289</u>	<u>\$ 267</u>	<u>\$ 3,842,938</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, 2022

	<u>Food Service</u>	<u>Special Trust</u>	<u>Marketing School Store</u>	<u>Recreation</u>
REVENUES				
Intergovernmental	\$ 687,871	\$ -	\$ -	\$ -
Interest	238	2	-	-
Tuition and Fees	-	-	-	-
Extracurricular Activities	-	-	15,936	-
Customer Sales and Services	120,002	-	-	7,439
Contributions and Donations	-	-	-	-
All Other Revenues	3,381	-	-	-
Total Revenues	<u>811,492</u>	<u>2</u>	<u>15,936</u>	<u>7,439</u>
EXPENDITURES				
Current:				
Instruction:				
Regular	-	-	-	-
Special	-	-	-	-
Vocational Instruction	-	-	15,571	-
Adult/Continuing Instruction	-	-	-	78,890
Other	-	-	-	-
Supporting Services:				
Pupils	-	2,558	-	-
Instructional Staff	-	-	-	-
Administration	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Pupil Transportation	-	-	-	-
Operation of Non-Instructional Services:				
Food Service Operations	814,594	-	-	-
Community Services	-	-	-	-
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>814,594</u>	<u>2,558</u>	<u>15,571</u>	<u>78,890</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,102)</u>	<u>(2,556)</u>	<u>365</u>	<u>(71,451)</u>
OTHER FINANCING SOURCES				
Transfers In	-	-	-	67,000
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,000</u>
Net Change in Fund Balances	<u>(3,102)</u>	<u>(2,556)</u>	<u>365</u>	<u>(4,451)</u>
Fund Balances (Deficit) - Beginning of Year	21,926	19,040	8,023	(5,136)
Fund Balances (Deficit) - End of Year	<u>\$ 18,824</u>	<u>\$ 16,484</u>	<u>\$ 8,388</u>	<u>\$ (9,587)</u>

Consortium	Pupil Support	Miscellaneous Local Grants	Preschool	Student Managed Activities	District Managed Student Activities	Auxiliary Services
\$ 629,623	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
739,816	-	-	579,546	-	-	-
-	-	-	-	108,404	41,102	-
11,871	621	-	-	-	6,835	-
-	12,532	-	-	-	216	-
210	-	31,966	-	-	-	-
<u>1,381,520</u>	<u>13,153</u>	<u>31,966</u>	<u>579,546</u>	<u>108,404</u>	<u>48,153</u>	<u>-</u>
-	8,075	-	-	-	-	-
165,799	1,438	-	-	-	100	-
852,412	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
318,496	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	9,230	-	-	-	-
-	-	-	-	-	-	-
-	-	-	729,765	-	-	43,700
-	-	-	-	141,240	148,805	-
-	-	-	-	-	17,550	-
<u>1,336,707</u>	<u>9,513</u>	<u>9,230</u>	<u>729,765</u>	<u>141,240</u>	<u>166,455</u>	<u>43,700</u>
<u>44,813</u>	<u>3,640</u>	<u>22,736</u>	<u>(150,219)</u>	<u>(32,836)</u>	<u>(118,302)</u>	<u>(43,700)</u>
-	-	-	-	19,432	120,000	-
-	-	-	-	19,432	120,000	-
44,813	3,640	22,736	(150,219)	(13,404)	1,698	(43,700)
(327,083)	37,421	5,513	503,653	145,432	59,757	32,932
<u>\$ (282,270)</u>	<u>\$ 41,061</u>	<u>\$ 28,249</u>	<u>\$ 353,434</u>	<u>\$ 132,028</u>	<u>\$ 61,455</u>	<u>\$ (10,768)</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, 2022

	<u>One Net</u>	<u>Student Wellness</u>	<u>Miscellaneous State Grants</u>	<u>ESSER</u>	<u>IDEA B</u>
REVENUES					
Intergovernmental	\$ 7,200	-	8,499	721,946	\$ 417,048
Interest	-	-	-	-	-
Tuition and Fees	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-
Customer Sales and Services	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
All Other Revenues	-	-	-	-	-
Total Revenues	<u>7,200</u>	<u>-</u>	<u>8,499</u>	<u>721,946</u>	<u>417,048</u>
EXPENDITURES					
Current:					
Instruction:					
Regular	-	-	-	598,964	-
Special	-	-	-	-	187,641
Vocational Instruction	-	-	-	-	-
Adult/Continuing Instruction	-	-	-	-	-
Other	-	-	-	-	59,281
Supporting Services:					
Pupils	-	1,684	-	138,293	115,788
Instructional Staff	8,279	118	-	-	9,330
Administration	-	-	-	14,412	-
Operation and Maintenance of Plant Services	-	-	7,203	33	-
Pupil Transportation	-	-	-	-	5,036
Operation of Non-Instructional Services:					
Food Service Operations	-	-	-	-	-
Community Services	-	-	-	6,580	61,239
Extracurricular Activities	-	-	-	-	-
Capital Outlay	-	-	-	82,897	-
Total Expenditures	<u>8,279</u>	<u>1,802</u>	<u>7,203</u>	<u>841,179</u>	<u>438,315</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,079)</u>	<u>(1,802)</u>	<u>1,296</u>	<u>(119,233)</u>	<u>(21,267)</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>(1,079)</u>	<u>(1,802)</u>	<u>1,296</u>	<u>(119,233)</u>	<u>(21,267)</u>
Fund Balances (Deficit) - Beginning of Year	<u>1,079</u>	<u>17,081</u>	<u>8,336</u>	<u>5</u>	<u>(2,737)</u>
Fund Balances (Deficit) - End of Year	<u>\$ -</u>	<u>\$ 15,279</u>	<u>\$ 9,632</u>	<u>\$ (119,228)</u>	<u>\$ (24,004)</u>

(Continued)

Title III - Limited English Proficiency	Title I	Title IV-A	Preschool Handicapped Grant	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 12,646	\$ 123,061	\$ 6,315	\$ 5,926	\$ 21,279	87,327	2,728,741
-	-	-	-	-	-	240
-	-	-	-	-	-	1,319,362
-	-	-	-	-	-	165,442
-	-	-	-	-	-	146,768
-	-	-	-	-	-	12,748
-	-	-	-	-	-	35,557
<u>12,646</u>	<u>123,061</u>	<u>6,315</u>	<u>5,926</u>	<u>21,279</u>	<u>87,327</u>	<u>4,408,858</u>
-	3,889	-	-	-	87,327	698,255
12,646	115,688	5,125	5,926	-	-	494,363
-	-	-	-	-	-	867,983
-	-	-	-	-	-	78,890
-	-	-	-	-	-	59,281
-	-	-	-	-	-	576,819
-	-	1,190	-	7,321	-	26,238
-	-	-	-	-	-	14,412
-	-	-	-	-	-	7,236
-	-	-	-	-	-	14,266
-	-	-	-	-	-	814,594
-	6,577	-	-	15,208	-	863,069
-	-	-	-	-	-	290,045
-	-	-	-	-	-	100,447
<u>12,646</u>	<u>126,154</u>	<u>6,315</u>	<u>5,926</u>	<u>22,529</u>	<u>87,327</u>	<u>4,905,898</u>
<u>-</u>	<u>(3,093)</u>	<u>-</u>	<u>-</u>	<u>(1,250)</u>	<u>-</u>	<u>(497,040)</u>
-	-	-	-	-	-	206,432
-	-	-	-	-	-	206,432
-	(3,093)	-	-	(1,250)	-	(290,608)
126	663	-	-	1,479	267	527,777
<u>\$ 126</u>	<u>\$ (2,430)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 229</u>	<u>\$ 267</u>	<u>\$ 237,169</u>

Beachwood City School District
Combining Balance Sheet
Nonmajor Capital Project Funds
June 30, 2022

	<u>Permanent Improvement</u>	<u>Capital Projects</u>	<u>Total Nonmajor Capital Projects</u>
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$ 909,438	\$ 200,000	\$ 1,109,438
Property Taxes Receivable	411,812	-	411,812
Total Assets	<u>1,321,250</u>	<u>\$ 200,000</u>	<u>\$ 1,521,250</u>
Liabilities, Deferred Inflows of Resources and Fund Balances			
<u>Liabilities</u>			
Accounts Payable	\$ 3,573	\$ -	\$ 3,573
Retainage Payable	158,377	-	158,377
Due to Other Funds	3,215,000	-	3,215,000
Total Liabilities	<u>3,376,950</u>	<u>\$ -</u>	<u>\$ 3,376,950</u>
<u>Deferred Inflows of Resources</u>			
Property Taxes	369,880	-	369,880
Unavailable Revenues - Delinquent Property Tax	9,767	-	9,767
Total Deferred Inflows of Resources	<u>379,647</u>	<u>-</u>	<u>379,647</u>
Fund Balances:			
Committed	-	200,000	200,000
Unassigned (Deficit)	(2,435,347)	-	(2,435,347)
Total Fund Balances	<u>(2,435,347)</u>	<u>200,000</u>	<u>(2,235,347)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,321,250</u>	<u>\$ 200,000</u>	<u>\$ 1,521,250</u>

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, 2022

	<u>Permanent Improvement</u>	<u>Capital Projects</u>	<u>Total Nonmajor Capital Projects Funds</u>
REVENUES			
Taxes	\$ 237,601	\$ -	\$ 237,601
Intergovernmental	98,316	-	98,316
Interest	4,117	-	4,117
Miscellaneous	9,887	-	9,887
Total Revenues	<u>349,921</u>	<u>-</u>	<u>349,921</u>
EXPENDITURES			
Capital Outlay	4,829,725	-	4,829,725
Total Expenditures	<u>4,829,725</u>	<u>-</u>	<u>4,829,725</u>
Excess of Revenues Over (Under) Expenditures	<u>(4,479,804)</u>	<u>-</u>	<u>(4,479,804)</u>
OTHER FINANCING SOURCES			
Transfer In	-	100,000	100,000
Total Other Financing Sources	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Net Change in Fund Balances	(4,479,804)	100,000	(4,379,804)
Fund Balances - Beginning of Year	2,044,457	100,000	2,144,457
Fund Balances (Deficit) - End of Year	<u>\$ (2,435,347)</u>	<u>\$ 200,000</u>	<u>\$ (2,235,347)</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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Property and Other Local Taxes	\$ 29,473,645	\$ 30,206,819	\$ 30,918,715	\$ 711,896
Intergovernmental	3,325,322	3,842,355	3,780,568	(61,787)
Interest	300,000	300,000	226,156	(73,844)
Tuition and Fees	174,710	136,250	108,292	(27,958)
Rent	5,000	5,000	320	(4,680)
Gifts and Donations	9,000	9,000	1,250	(7,750)
Customer Sales and Services	199,500	208,989	202,399	(6,590)
Miscellaneous	388,957	469,039	469,039	-
Total Revenues	<u>33,876,134</u>	<u>35,177,452</u>	<u>35,706,739</u>	<u>529,287</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular				
Salaries	9,889,811	9,690,511	9,603,264	87,247
Fringe Benefits	3,020,900	2,920,900	2,850,484	70,416
Purchased Services	386,551	614,736	582,475	32,261
Materials and Supplies	331,102	326,902	278,090	48,812
Other	150,253	144,982	108,981	36,001
Capital Outlay	139,590	142,790	131,794	10,996
Total - Regular	<u>13,918,207</u>	<u>13,840,821</u>	<u>13,555,088</u>	<u>285,733</u>
Special				
Salaries	3,524,114	3,648,214	3,643,236	4,978
Fringe Benefits	1,154,734	1,224,534	1,223,553	981
Purchased Services	1,541,342	678,028	591,126	86,902
Materials and Supplies	36,491	38,616	30,071	8,545
Capital Outlay	11,960	12,335	985	11,350
Total - Special	<u>6,268,641</u>	<u>5,601,727</u>	<u>5,488,971</u>	<u>112,756</u>
Vocational				
Purchased Services	827,900	824,400	570,092	254,308
Other	25,864	31,764	27,612	4,152
Total - Vocational	<u>853,764</u>	<u>856,164</u>	<u>597,704</u>	<u>258,460</u>
Other				
Salaries	82,477	84,377	84,219	158
Fringe Benefits	91,066	91,066	59,750	31,316
Purchased Services	150,000	108,100	90,830	17,270
Total - Other	<u>323,543</u>	<u>283,543</u>	<u>234,799</u>	<u>48,744</u>
Total - Instruction:	<u>21,364,155</u>	<u>20,582,255</u>	<u>19,876,562</u>	<u>705,693</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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Support Services:				
Pupils				
Salaries	1,631,985	1,600,834	1,576,926	23,908
Fringe Benefits	554,908	534,859	476,814	58,045
Purchased Services	162,256	190,556	169,617	20,939
Materials and Supplies	19,828	25,472	19,506	5,966
Other	9,038	7,938	2,382	5,556
Capital Outlay	7,625	9,730	8,504	1,226
Total - Pupils	<u>2,385,640</u>	<u>2,369,389</u>	<u>2,253,749</u>	<u>115,640</u>
Instructional Staff				
Salaries	937,005	909,091	782,546	126,545
Fringe Benefits	311,129	311,129	266,989	44,140
Purchased Services	141,975	172,845	126,480	46,365
Materials and Supplies	123,384	149,964	130,357	19,607
Other	250	250	248	2
Capital Outlay	42,250	43,000	3,924	39,076
Total - Instructional Staff	<u>1,555,993</u>	<u>1,586,279</u>	<u>1,310,544</u>	<u>275,735</u>
Board of Education				
Salaries	16,457	16,357	12,625	3,732
Fringe Benefits	4,074	4,174	4,137	37
Purchased Services	410,416	410,416	381,042	29,374
Materials and Supplies	1,200	1,200	1,034	166
Other	28,251	28,251	21,429	6,822
Capital Outlay	750	750	-	750
Total - Board of Education	<u>461,148</u>	<u>461,148</u>	<u>420,267</u>	<u>40,881</u>
Administration				
Salaries	1,745,903	1,747,603	1,640,317	107,286
Fringe Benefits	798,833	799,404	710,492	88,912
Purchased Services	90,427	91,427	81,394	10,033
Materials and Supplies	16,050	16,005	9,289	6,716
Other	92,441	123,130	122,296	834
Capital Outlay	8,369	13,168	8,994	4,174
Total - Administration	<u>2,752,023</u>	<u>2,790,737</u>	<u>2,572,782</u>	<u>217,955</u>
Fiscal				
Salaries	455,998	501,998	501,171	827
Fringe Benefits	241,080	194,819	194,526	293
Purchased Services	61,035	70,447	53,879	16,568
Materials and Supplies	2,500	2,500	2,418	82
Other	542,382	578,296	559,611	18,685
Capital Outlay	2,500	3,241	3,240	1
Total - Fiscal	<u>1,305,495</u>	<u>1,351,301</u>	<u>1,314,845</u>	<u>36,456</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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Business				
Salaries	145,962	145,662	143,378	2,284
Fringe Benefits	55,605	55,605	53,795	1,810
Purchased Services	93,840	120,067	119,997	70
Materials and Supplies	9,350	9,350	6,503	2,847
Other	1,090	1,090	320	770
Capital Outlay	1,250	14,850	14,587	263
Total - Business	<u>307,097</u>	<u>346,624</u>	<u>338,580</u>	<u>8,044</u>
Operation and Maintenance of Plant				
Salaries	1,280,058	1,306,558	1,244,514	62,044
Fringe Benefits	492,550	433,450	400,695	32,755
Purchased Services	1,504,577	1,750,977	1,700,564	50,413
Materials and Supplies	233,850	251,706	251,315	391
Capital Outlay	57,500	112,800	111,112	1,688
Total - Operation and Maintenance of Plant	<u>3,568,535</u>	<u>3,855,491</u>	<u>3,708,200</u>	<u>147,291</u>
Pupil Transportation				
Salaries	1,110,211	1,175,711	1,171,120	4,591
Fringe Benefits	429,967	398,967	390,147	8,820
Purchased Services	77,200	158,875	158,608	267
Materials and Supplies	223,586	353,194	331,702	21,492
Other	900	900	63	837
Capital Outlay	98,715	208,186	207,718	468
Total - Pupil Transportation	<u>1,940,579</u>	<u>2,295,833</u>	<u>2,259,358</u>	<u>36,475</u>
Central				
Salaries	63,051	62,551	55,268	7,283
Fringe Benefits	20,577	21,077	20,685	392
Purchased Services	132,308	90,908	65,637	25,271
Materials and Supplies	2,300	2,300	1,175	1,125
Other	5,650	6,070	6,070	-
Total - Central	<u>223,886</u>	<u>182,906</u>	<u>148,835</u>	<u>34,071</u>
Total - Support Services:	<u>14,500,396</u>	<u>15,239,708</u>	<u>14,327,160</u>	<u>912,548</u>
Operation of Non-Instructional/Shared Services:				
Community Services				
Purchased Services	30,000	24,700	22,933	1,767
Materials and Supplies	12,350	17,650	17,473	177
Other	1,110	1,110	630	480
Total - Community Services	<u>43,460</u>	<u>43,460</u>	<u>41,036</u>	<u>2,424</u>
Total - Operation of Non-Instructional/Shared Services:	<u>43,460</u>	<u>43,460</u>	<u>41,036</u>	<u>2,424</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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Extracurricular Activities:				
Academic Oriented Activities				
Salaries	162,791	211,091	201,843	9,248
Fringe Benefits	32,180	36,180	35,208	972
Total - Academic Oriented Activities	<u>194,971</u>	<u>247,271</u>	<u>237,051</u>	<u>10,220</u>
Sport Oriented Activities				
Salaries	745,085	725,385	639,544	85,841
Fringe Benefits	204,729	198,729	190,419	8,310
Total - Sport Oriented Activities	<u>949,814</u>	<u>924,114</u>	<u>829,963</u>	<u>94,151</u>
School and Public Service Co-Curricular Activities				
Salaries	39,867	49,967	47,825	2,142
Fringe Benefits	6,145	8,145	7,373	772
Total - School and Public Service Co-Curricular Activities	<u>46,012</u>	<u>58,112</u>	<u>55,198</u>	<u>2,914</u>
Total - Extracurricular Activities:	<u>1,190,797</u>	<u>1,229,497</u>	<u>1,122,212</u>	<u>107,285</u>
Total Expenditures				
Total Expenditures	<u>37,098,808</u>	<u>37,094,920</u>	<u>35,366,970</u>	<u>1,727,950</u>
Excess of Revenues Over (Under) Expenditures	<u>(3,222,674)</u>	<u>(1,917,468)</u>	<u>339,769</u>	<u>2,257,237</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In	564,000	429,646	453,676	24,030
Advances In	15,000	32,000	32,000	-
Proceeds from Sale of Capital Assets	10,000	10,000	4,003	(5,997)
Refund of Prior Year Expenditures	2,500	-	-	-
Transfers Out	(1,074,500)	(864,147)	(860,108)	4,039
Advances Out	-	(125,000)	(124,134)	866
Total Other Financing Sources and Uses	<u>(483,000)</u>	<u>(517,501)</u>	<u>(494,563)</u>	<u>22,938</u>
Net Change in Fund Balances	(3,705,674)	(2,434,969)	(154,794)	2,280,175
Fund Balance at Beginning of Year	24,537,405	24,537,405	24,537,405	-
Prior Year Encumbrances Appropriated	<u>305,103</u>	<u>305,103</u>	<u>305,103</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 21,136,834</u>	<u>\$ 22,407,539</u>	<u>\$ 24,687,714</u>	<u>2,280,175</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Property and Other Local Taxes	\$ 2,989,202	\$ 3,871,009	\$ 881,807
Intergovernmental	580,915	752,283	171,368
Total Revenues	<u>3,570,117</u>	<u>4,623,292</u>	<u>1,053,175</u>
EXPENDITURES:			
Debt Service:			
Principal	3,377,999	3,377,999	0
Interest	1,071,116	1,071,116	0
Advance Refunding Escrow	1,650	1,650	0
Total Expenditures	<u>4,450,765</u>	<u>4,450,765</u>	<u>0</u>
Net Change in Fund Balances	(880,648)	172,527	1,053,175
Fund Balance at Beginning of Year	<u>2,669,523</u>	<u>2,669,523</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 1,788,875</u>	<u>\$ 2,842,050</u>	<u>\$ 1,053,175</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 764,950	\$ 757,200	\$ (7,750)
Interest	50	238	188
Customer Sales and Services	95,245	119,386	24,141
Miscellaneous	-	3,379	3,379
	<u>860,245</u>	<u>880,203</u>	<u>19,958</u>
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Food Service Operations	860,245	858,636	1,609
	<u>860,245</u>	<u>858,636</u>	<u>1,609</u>
Net Change in Fund Balances	-	21,567	21,567
Fund Balance at Beginning of Year	4,012	4,012	-
Prior Year Encumbrances Appropriated	<u>3</u>	<u>3</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 4,015</u>	<u>\$ 25,582</u>	<u>\$ 21,567</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Interest	\$ 25	\$ 2	\$ (23)
Gifts and Donations	<u>1,000</u>	<u>(2,558)</u>	<u>(3,558)</u>
Total Revenues	<u>1,025</u>	<u>(2,556)</u>	<u>(3,581)</u>
EXPENDITURES:			
Current:			
Support Services:			
Pupils	<u>607</u>	<u>-</u>	<u>607</u>
Total Expenditures	<u>607</u>	<u>-</u>	<u>607</u>
Net Change in Fund Balances	418	(2,556)	(2,974)
Fund Balance at Beginning of Year	<u>19,040</u>	<u>19,040</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 19,458</u>	<u>\$ 16,484</u>	<u>\$ (2,974)</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Extracurricular Activities	\$ 20,000	\$ 15,936	\$ (4,064)
Total Revenues	<u>20,000</u>	<u>15,936</u>	<u>(4,064)</u>
EXPENDITURES:			
Current:			
Instruction:			
Vocational	<u>20,000</u>	<u>15,571</u>	<u>4,429</u>
Total Expenditures	<u>20,000</u>	<u>15,571</u>	<u>4,429</u>
Net Change in Fund Balances	-	365	365
Fund Balance at Beginning of Year	<u>8,023</u>	<u>8,023</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 8,023</u></u>	<u><u>\$ 8,388</u></u>	<u><u>\$ 365</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Customer Sales and Services	\$ 6,000	\$ 7,439	\$ 1,439
Total Revenues	<u>6,000</u>	<u>7,439</u>	<u>1,439</u>
EXPENDITURES:			
Current:			
Instruction:			
Adult/Continuing	<u>85,018</u>	<u>76,629</u>	<u>8,389</u>
Total Expenditures	<u>85,018</u>	<u>76,629</u>	<u>8,389</u>
Excess of Revenues Over (Under) Expenditures	<u>(79,018)</u>	<u>(69,190)</u>	<u>9,828</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>80,000</u>	<u>67,000</u>	<u>(13,000)</u>
Total Other Financing Sources	<u>80,000</u>	<u>67,000</u>	<u>(13,000)</u>
Net Change in Fund Balances	982	(2,190)	(3,172)
Fund Balance at Beginning of Year	<u>4,370</u>	<u>4,370</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 5,352</u></u>	<u><u>\$ 2,180</u></u>	<u><u>\$ (3,172)</u></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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 546,000	\$ 629,623	\$ 83,623
Tuition and Fees	797,500	710,774	(86,726)
Customer Sales and Services	20,000	13,245	(6,755)
Total Revenues	<u>1,363,500</u>	<u>1,353,642</u>	<u>(9,858)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	243,508	227,712	15,796
Vocational	1,002,462	848,144	154,318
Support Services:			
Pupils	227,364	211,585	15,779
Total Expenditures	<u>1,473,334</u>	<u>1,287,441</u>	<u>185,893</u>
Excess of Revenues Over (Under) Expenditures	<u>(109,834)</u>	<u>66,201</u>	<u>176,035</u>
OTHER FINANCING SOURCES AND USES:			
Transfers In	2,360,057	2,358,676	(1,381)
Transfers Out	<u>(2,361,000)</u>	<u>(2,358,676)</u>	<u>2,324</u>
Total Other Financing Sources and Uses	<u>(943)</u>	<u>-</u>	<u>943</u>
Net Change in Fund Balances	(110,777)	66,201	176,978
Fund Balance at Beginning of Year	2,652,565	2,652,565	-
Prior Year Encumbrances Appropriated	<u>650</u>	<u>650</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,542,438</u>	<u>\$ 2,719,416</u>	<u>\$ 176,978</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Gifts and Donations	\$ 15,875	\$ 12,532	\$ (3,343)
Customer Sales and Services		621	621
Total Revenues	<u>15,875</u>	<u>13,153</u>	<u>(2,722)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	28,343	10,175	18,168
Special	<u>1,500</u>	<u>1,438</u>	<u>62</u>
Total Expenditures	<u>29,843</u>	<u>11,613</u>	<u>18,230</u>
Net Change in Fund Balances	(13,968)	1,540	15,508
Fund Balance at Beginning of Year	36,972	36,972	-
Prior Year Encumbrances Appropriated	<u>448</u>	<u>448</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 23,452</u>	<u>\$ 38,960</u>	<u>\$ 15,508</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Customer Sales and Services	2,000	-	(2,000)
Miscellaneous	40,644	31,966	(8,678)
Total Revenues	<u>42,644</u>	<u>31,966</u>	<u>(10,678)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	4,651	-	4,651
Support Services:			
Pupil Transportation	32,586	31,966	620
Total Expenditures	<u>37,237</u>	<u>31,966</u>	<u>5,271</u>
Net Change in Fund Balances	5,407	-	(5,407)
Fund Balance at Beginning of Year	<u>5,513</u>	<u>5,513</u>	<u>-</u>
Fund Balance at End of Year	<u><u>10,920</u></u>	<u><u>5,513</u></u>	<u><u>(5,407)</u></u>

Beachwood City School District
Schedules of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Termination Benefits Fund
For the Fiscal Year Ended June 30, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	\$ 73,675	\$ 73,615	\$ 60
Special	6,700	5,784	916
Support Services:			-
Pupils	31,870	31,351	519
Administration	9,250	9,216	34
Operation and Maintenance of Plant	10,250	10,182	68
Pupil Transportation	20,750	20,637	113
Total Expenditures	<u>152,495</u>	<u>150,785</u>	<u>1,710</u>
Excess of Revenues Over (Under) Expenditures	<u>(152,495)</u>	<u>(150,785)</u>	<u>(1,710)</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	(52,495)	(50,785)	(1,710)
Fund Balance at Beginning of Year	<u>2,149,613</u>	<u>2,149,613</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,097,118</u>	<u>\$ 2,098,828</u>	<u>\$ (1,710)</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Tuition and Fees	\$ 575,000	\$ 579,321	\$ 4,321
Miscellaneous	500	-	(500)
Total Revenues	<u>575,500</u>	<u>579,321</u>	<u>3,821</u>
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Community Services	<u>744,037</u>	<u>705,173</u>	<u>38,864</u>
Total Expenditures	<u>744,037</u>	<u>705,173</u>	<u>38,864</u>
Net Change in Fund Balances	(168,537)	(125,852)	42,685
Fund Balance at Beginning of Year	562,158	562,158	-
Prior Year Encumbrances Appropriated	<u>4,762</u>	<u>4,762</u>	-
Fund Balance at End of Year	<u>\$ 398,383</u>	<u>\$ 441,068</u>	<u>\$ 42,685</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Extracurricular Activities	\$ 143,500	\$ 108,585	\$ (34,915)
Total Revenues	<u>143,500</u>	<u>108,585</u>	<u>(34,915)</u>
EXPENDITURES:			
Current:			
Extracurricular Activities:			
Academic Oriented Activities	114,150	110,927	3,223
School and Public Service Co-Curricular Activities	<u>59,241</u>	<u>31,919</u>	<u>27,322</u>
Total Expenditures	<u>173,391</u>	<u>142,846</u>	<u>30,545</u>
Excess of Revenues Over (Under) Expenditures	<u>(29,891)</u>	<u>(34,261)</u>	<u>(4,370)</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>6,500</u>	<u>19,432</u>	<u>12,932</u>
Total Other Financing Sources	<u>6,500</u>	<u>19,432</u>	<u>12,932</u>
Net Change in Fund Balances	(23,391)	(14,829)	8,562
Fund Balance at Beginning of Year	144,909	144,909	-
Prior Year Encumbrances Appropriated	<u>240</u>	<u>240</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 121,758</u></u>	<u><u>\$ 130,320</u></u>	<u><u>\$ 8,562</u></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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Extracurricular Activities	\$ 49,200	\$ 40,802	\$ (8,398)
Gifts and Donations	-	216	216
Customer Sales and Services	-	6,835	6,835
	<u>49,200</u>	<u>47,853</u>	<u>(1,347)</u>
Total Revenues	<u>49,200</u>	<u>47,853</u>	<u>(1,347)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	200	100	100
Extracurricular Activities:			
Academic Oriented Activities	4,683	1,700	2,983
Sport Oriented Activities	203,541	183,411	20,130
	<u>208,424</u>	<u>185,211</u>	<u>23,213</u>
Total Expenditures	<u>208,424</u>	<u>185,211</u>	<u>23,213</u>
Excess of Revenues Over (Under) Expenditures	<u>(159,224)</u>	<u>(137,358)</u>	<u>21,866</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>120,000</u>	<u>120,000</u>	<u>-</u>
Total Other Financing Sources	<u>120,000</u>	<u>120,000</u>	<u>-</u>
Net Change in Fund Balances	(39,224)	(17,358)	21,866
Fund Balance at Beginning of Year	67,238	67,238	-
Prior Year Encumbrances Appropriated	<u>7,054</u>	<u>7,054</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 35,068</u>	<u>\$ 56,934</u>	<u>\$ 21,866</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 9,959	\$ (1,152)	\$ (11,111)
Total Revenues	<u>9,959</u>	<u>(1,152)</u>	<u>(11,111)</u>
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Community Services	<u>68,153</u>	<u>67,810</u>	<u>343</u>
Total Expenditures	<u>68,153</u>	<u>67,810</u>	<u>343</u>
Excess of Revenues Over (Under) Expenditures	<u>(58,194)</u>	<u>(68,962)</u>	<u>(10,768)</u>
OTHER FINANCING SOURCES:			
Advances In	<u>-</u>	<u>10,768</u>	<u>10,768</u>
Total Other Financing Sources	<u>-</u>	<u>10,768</u>	<u>10,768</u>
Net Change in Fund Balances	(58,194)	(58,194)	-
Fund Balance at Beginning of Year	11,461	11,461	-
Prior Year Encumbrances Appropriated	<u>46,733</u>	<u>46,733</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, 2022

	<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>8,279</u>	<u>8,279</u>	<u>-</u>
Total Expenditures	<u>8,279</u>	<u>8,279</u>	<u>-</u>
Net Change in Fund Balances	(1,079)	(1,079)	-
Fund Balance at Beginning of Year	<u>1,079</u>	<u>1,079</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:			
Current:			
Support Services:			
Pupils	\$ 17,240	\$ 17,240	\$ -
Instructional Staff	118	118	-
	<u>17,358</u>	<u>17,358</u>	<u>-</u>
Total Expenditures	<u>17,358</u>	<u>17,358</u>	<u>-</u>
Net Change in Fund Balances	(17,358)	(17,358)	-
Fund Balance at Beginning of Year	<u>31,487</u>	<u>31,487</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 14,129</u></u>	<u><u>\$ 14,129</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
Miscellaneous State Grant Fund
For the Fiscal Year Ended June 30, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 90,000	\$ 8,499	\$ (81,501)
Total Revenues	<u>90,000</u>	<u>8,499</u>	<u>(81,501)</u>
EXPENDITURES:			
Current:			
Support Services:			
Operation and Maintenance of Plant	<u>8,336</u>	<u>7,203</u>	<u>1,133</u>
Total Expenditures	<u>8,336</u>	<u>7,203</u>	<u>1,133</u>
Excess of Revenues Over (Under) Expenditures	<u>81,664</u>	<u>1,296</u>	<u>(80,368)</u>
OTHER FINANCING SOURCES:			
Advances In	<u>-</u>	<u>80,368</u>	<u>80,368</u>
Total Other Financing Sources	-	80,368	-
Net Change in Fund Balances	81,664	81,664	-
Fund Balance at Beginning of Year	<u>8,336</u>	<u>8,336</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 90,000</u></u>	<u><u>\$ 90,000</u></u>	<u><u>\$ -</u></u>

Beachwood City School District
Schedules of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
ESSER Fund
For the Fiscal Year Ended June 30, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 916,635	\$ 725,783	\$ (190,852)
Total Revenues	<u>916,635</u>	<u>725,783</u>	<u>(190,852)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	621,912	505,704	116,208
Other			
Support Services:			
Pupils	145,290	116,111	29,179
Instructional Staff			
Administration	14,416	14,412	4
Operation and Maintenance of Plant	33	33	-
Pupil Transportation	98,824	68,000	30,824
Operation of Non-Instructional/Shared Services:			
Community Services	6,618	6,580	38
Capital Outlay:			
Other Facilities Acquisition and Construction	29,542	14,897	14,645
Total Expenditures	<u>916,635</u>	<u>725,737</u>	<u>190,898</u>
Net Change in Fund Balances	-	46	46
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 46</u>	<u>\$ 46</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 549,854	\$ 423,309	\$ (126,545)
Total Revenues	<u>549,854</u>	<u>423,309</u>	<u>(126,545)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	2,934	-	2,934
Special	189,696	188,392	1,304
Other	60,463	59,281	1,182
Support Services:			
Pupils	131,081	126,162	4,919
Instructional Staff	10,423	9,330	1,093
Pupil Transportation	5,036	5,036	-
Operation of Non-Instructional/Shared Services:			
Community Services	75,673	64,850	10,823
Total Expenditures	<u>475,306</u>	<u>453,051</u>	<u>22,255</u>
Excess of Revenues Over (Under) Expenditures	<u>74,548</u>	<u>(29,742)</u>	<u>(104,290)</u>
OTHER FINANCING SOURCES AND USES:			
Advances In	-	29,141	29,141
Advances Out	(4,000)	(4,000)	-
Total Other Financing Sources and Uses	<u>(4,000)</u>	<u>25,141</u>	<u>29,141</u>
Net Change in Fund Balances	70,548	(4,601)	(75,149)
Fund Balance at Beginning of Year	<u>5,376</u>	<u>5,376</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 75,924</u>	<u>\$ 775</u>	<u>\$ (75,149)</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 12,996	\$ 12,646	\$ (350)
Total Revenues	<u>12,996</u>	<u>12,646</u>	<u>(350)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	12,646	12,646	-
Support Services:			
Instructional Staff	<u>350</u>	<u>-</u>	<u>350</u>
Total Expenditures	<u>12,996</u>	<u>12,646</u>	<u>350</u>
Net Change in Fund Balances	-	-	-
Fund Balance at Beginning of Year	<u>126</u>	<u>126</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 126</u>	<u>\$ 126</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 181,046	\$ 124,198	\$ (56,848)
Total Revenues	<u>181,046</u>	<u>124,198</u>	<u>(56,848)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	3,890	3,889	1
Special	141,401	113,194	28,207
Operation of Non-Instructional/Shared Services:			
Community Services	<u>35,281</u>	<u>10,437</u>	<u>24,844</u>
Total Expenditures	<u>180,572</u>	<u>127,520</u>	<u>53,052</u>
Excess of Revenues Over (Under) Expenditures	<u>474</u>	<u>(3,322)</u>	<u>(3,796)</u>
OTHER FINANCING SOURCES AND USES:			
Advances In		3,797	3,797
Advances Out	<u>(28,000)</u>	<u>(28,000)</u>	<u>-</u>
Total Other Financing Sources and Uses	<u>(28,000)</u>	<u>(24,203)</u>	<u>3,797</u>
Net Change in Fund Balances	(27,526)	(27,525)	(1)
Fund Balance at Beginning of Year	<u>27,526</u>	<u>27,526</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ (1)</u></u>

Beachwood City School District
Schedules of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title IV
For the Fiscal Year Ended June 30, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 13,247	\$ 6,315	\$ (6,932)
Total Revenues	<u>13,247</u>	<u>6,315</u>	<u>(6,932)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	5,125	5,125	-
Support Services:			
Pupils			
Instructional Staff	2,246	1,190	1,056
Operation of Non-Instructional/Shared Services:			
Community Services	<u>5,876</u>	<u>-</u>	<u>5,876</u>
Total Expenditures	<u>13,247</u>	<u>6,315</u>	<u>6,932</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
Preschool Handicapped Grant Fund
For the Fiscal Year Ended June 30, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 5,926	\$ 5,926	\$ -
Total Revenues	<u>5,926</u>	<u>5,926</u>	<u>-</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	<u>5,926</u>	<u>5,926</u>	<u>-</u>
Total Expenditures	<u>5,926</u>	<u>5,926</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 46,172	\$ 21,279	\$ (24,893)
Total Revenues	<u>46,172</u>	<u>21,279</u>	<u>(24,893)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular			
Support Services:			
Instructional Staff	23,967	7,610	16,357
Operation of Non-Instructional/Shared Services:			
Community Services	<u>22,205</u>	<u>15,208</u>	<u>6,997</u>
Total Expenditures	<u>46,172</u>	<u>22,818</u>	<u>23,354</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>(1,539)</u>	<u>(1,539)</u>
OTHER FINANCING SOURCES:			
Advances In	<u>-</u>	<u>60</u>	<u>60</u>
Total Other Financing Sources	<u>-</u>	<u>60</u>	<u>60</u>
Net Change in Fund Balances	-	(1,479)	(1,479)
Fund Balance at Beginning of Year	206	206	-
Prior Year Encumbrances Appropriated	<u>1,274</u>	<u>1,274</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,480</u>	<u>\$ 1</u>	<u>\$ (1,479)</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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 87,327	\$ 87,327	\$ -
Total Revenues	<u>87,327</u>	<u>87,327</u>	<u>-</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	<u>87,327</u>	<u>87,327</u>	<u>-</u>
Total Expenditures	<u>87,327</u>	<u>87,327</u>	<u>-</u>
Net Change in Fund Balances	-	-	-
Fund Balance at Beginning of Year	<u>267</u>	<u>267</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 267</u></u>	<u><u>\$ 267</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
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Property and Other Local Taxes	\$ 987,725	\$ 223,617	\$ (764,108)
Intergovernmental	434,266	98,316	(335,950)
Interest	5,400	4,117	(1,283)
Miscellaneous	10,000	9,887	(113)
Total Revenues	<u>1,437,391</u>	<u>335,937</u>	<u>(1,101,454)</u>
EXPENDITURES:			
Current:			
Support Services:			
Operation and Maintenance of Plant	2,235	-	2,235
Capital Outlay:			
Architecture and Engineering Services	101,000	89,250	11,750
Building Improvement Services	782,107	690,736	91,371
Other Facilities Acquisition and Construction	5,364,658	5,369,321	(4,663)
Total Expenditures	<u>6,250,000</u>	<u>6,149,307</u>	<u>100,693</u>
Net Change in Fund Balances	(4,812,609)	(5,813,370)	(1,000,761)
Fund Balance at Beginning of Year	359,984	359,984	-
Prior Year Encumbrances Appropriated	<u>5,661,864</u>	<u>5,661,864</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,209,239</u>	<u>\$ 208,478</u>	<u>\$ (1,000,761)</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, 2022

	Final Budget	Actual	Variance with Final Budget
OTHER FINANCING SOURCES:			
Transfers In	\$ 100,000	\$ 100,000	\$ -
Total Other Financing Sources	100,000	100,000	-
Net Change in Fund Balances	100,000	100,000	-
Fund Balance at Beginning of Year	100,000	100,000	-
Fund Balance at End of Year	\$ 200,000	\$ 200,000	\$ -

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, 2022

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
OPERATING REVENUES:			
Charges for Services	\$ 4,000,000	\$ 3,803,686	\$ (196,314)
Other Revenues	450,000	407,308	(42,692)
Total Operating Revenues	<u>4,450,000</u>	<u>4,210,994</u>	<u>(239,006)</u>
OPERATING EXPENSES:			
Claims	4,970,000	4,864,840	105,160
Other	257,100	228,781	28,319
Total Operating Expenses	<u>5,227,100</u>	<u>5,093,621</u>	<u>133,479</u>
Net Change in Net Position	(777,100)	(882,627)	(105,527)
Net Position at Beginning of Year	2,416,595	2,416,595	-
Prior Year Encumbrances Appropriated	4,505	4,505	-
Net Position at End of Year	<u>\$ 1,644,000</u>	<u>\$ 1,538,473</u>	<u>\$ (105,527)</u>

STATISTICAL

SECTION

Statistical Section

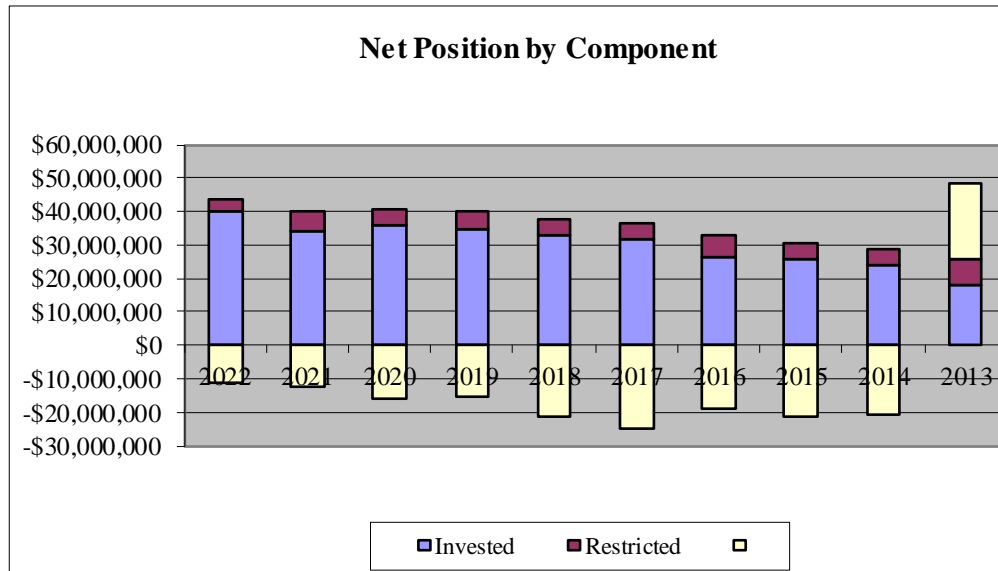
This part of the Beachwood City School District’s Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the School District’s overall financial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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net Investment in Capital Assets	\$ 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	\$ 18,082,152
Restricted for:										
Debt Services	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	2,651,163
Capital Outlay	-	2,049,763	-	-	-	-	2,182,718	1,305,802	889,076	4,242,814
Other Purposes	644,082	816,887	971,704	1,253,918	1,163,756	1,038,742	1,013,143	543,051	660,011	668,352
Set Asides	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873
Unrestricted	(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)	22,323,262
Total Net Position	\$ 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	\$ 48,102,616

Source: District Financial Statements



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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses										
Regular Instruction	\$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	\$12,322,813
Special Instruction	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	6,073,357
Vocational Instruction	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	1,306,835
Adult/Conintuing	291,780	73,992	73,768	73,452	40,949	73,772	70,675	70,303	106,568	101,993
Other Instruction	35,256	320,524	270,473	213,074	48,096	312,115	289,608	265,444	282,232	267,839
Pupils	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	2,659,540
Instructional Staff	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	1,383,760
Board of Education	389,117	435,617	367,111	488,359	511,650	355,408	357,340	408,141	446,035	606,698
Administration	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	2,425,348
Fiscal	2,326,921	1,081,051	971,992	1,101,920	811,820	996,628	1,167,782	1,061,998	830,832	789,311
Business	301,323	320,391	325,686	301,740	263,756	418,986	356,635	326,285	284,773	418,499
Operation and										
Maintenance of Plant	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	3,481,534
Pupil Transportation	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	2,011,020
Central	127,556	111,442	267,109	151,670	317,415	291,687	247,360	188,585	75,288	375,875
Non-instructional	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	1,562,013
Extracurricular Activities	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	1,224,793
Interest and Fiscal Charges	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	2,093,321
<i>Total Expenses</i>	<u>\$40,517,755</u>	<u>\$43,883,013</u>	<u>\$45,172,423</u>	<u>\$37,940,730</u>	<u>\$26,597,532</u>	<u>\$42,734,823</u>	<u>\$38,584,363</u>	<u>\$39,952,482</u>	<u>\$39,265,760</u>	<u>\$39,104,549</u>
Program Revenues										
Charges for Services and Sales:										
Regular Instruction	\$187,755	\$169,419	\$169,627	\$190,482	\$200,877	\$197,711	\$187,527	\$223,848	\$173,762	\$198,005
Special Instruction	227,823	146,789	436,704	612,871	610,730	579,212	162,256	917,763	253,148	1,339,857
Vocational Instruction	330,557	632,922	329,259	385,319	232,089	346,228	456,962	627,211	599,952	636,639
Adult/Conintuing	7,439	1,404	5,799	4,100	4,995	6,110	4,598	6,500	6,853	10,597
Other Instruction	38,900	35,954	36,555	-	-	-	26,001	6,113	-	489
Pupils	209,833	108,034	280,323	333,327	447,634	223,357	170,157	489,453	508,341	774,941
Instructional Staff	163	625	373	74,630	3,609	12,616	9,064	12,512	2,065	2,701
Administration	-	-	-	537	-	2,917	1,268	959	-	3,574
Fiscal	-	11,299	-	-	-	-	20,199	20	18,882	17,401
Business	-	38,342	251	-	-	-	665	231	971	1,063
Operation and										
Maintenance of Plant	-	28,465	319,032	387,081	409,509	398,776	337,419	326,246	311,240	302,878
Pupil Transportation	-	-	286	1,251	41,397	2,384	3,731	7,780	5,033	2,525
Central	-	-	-	-	-	-	3,662	1,891	-	-
Food Service Operations	120,002	753	359,732	421,644	379,293	359,144	388,413	345,146	345,753	362,627
Community Services	579,127	280,348	528,048	817,853	776,427	767,277	703,030	731,997	558,981	633,130
Extracurricular Activities	172,277	57,226	44,760	50,183	56,423	47,989	47,452	54,583	52,064	60,329

Source: District Financial Statements

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Operating Grants and Contributions:										
Regular Instruction	\$1,377,566	\$1,167,448	\$807,354	\$725,712	\$640,042	\$583,902	\$377,004	\$462,809	\$560,713	\$954,217
Special Instruction	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	419,766
Vocational Instruction	582,450	571,801	484,492	249,357	237,702	320,397	296,470	494,562	495,738	341,849
Other Instruction	59,281	-	-	-	-	-	-	-	-	95,243
Pupils	347,776	263,919	277,148	207,557	155,581	237,437	245,630	233,488	162,901	298,176
Instructional Staff	14,461	65,448	52,156	7,200	7,200	468	1,952	8,550	149,687	126,642
Administration	14,412	-	80,089	1,186	3,960	3,341	9,538	11,269	-	12,726
Operations	8,532	81,118	13,061	5,825	28,325	18,091	32,855	53,529	-	63,630
Pupil Transportation	189,582	17,520	77,181	317,840	377,852	405,306	451,538	420,648	337,890	52,733
Central	-	-	-	-	-	-	-	-	-	7,200
Food Service Operations	687,871	381,954	88,834	75,040	62,629	60,585	66,309	71,733	57,098	81,350
Community Services	81,096	874,488	810,080	804,846	789,705	817,661	756,588	688,541	597,713	572,830
Extracurricular Activities	216	-	33,884	-	-	-	-	-	-	-
Total Program Revenues	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	7,373,118
Net Expenses	(\$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)	(\$31,731,431)

Source: District Financial Statements

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Not Restricted to Specific Services	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	5,647,472
Investment Earnings	(408,380)	54,555	1,673,196	1,209,263	85,373	395,352	389,609	309,666	176,869	73,323
Miscellaneous	588,178	1,878,156	2,562,303	464,468	2,013,358	2,448,304	1,752,422	632,226	2,712,099	5,436,826
Property Taxes	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	27,450,186
<i>Total General Revenues</i>	<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>	<u>38,607,807</u>
<i>Change in Net Position</i>	<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>	<u>\$6,876,376</u>

Source: District Financial Statements

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<i>General Fund</i>										
Nonspendable	166,667	82,285	57,091	48,680	41,199	60,591	81,171	79,722	91,882	81,213
Restricted	134,873	134,873	134,873	134,873	149,705	142,289	134,873	134,873	134,873	134,873
Committed	-	-	211,808	329,769	214,660	297,139	257,275	446,142	227,580	245,081
Assigned	4,353,206	5,182,947	-	1,833,318	4,360,215	1,326,357	-	2,498,306	1,858,365	-
Unassigned	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	22,231,482
<i>Total General Fund</i>	<u>32,921,888</u>	<u>32,574,446</u>	<u>29,747,920</u>	<u>29,319,205</u>	<u>26,992,766</u>	<u>28,393,299</u>	<u>30,391,234</u>	<u>27,851,435</u>	<u>28,956,638</u>	<u>22,692,649</u>
<i>All Other Governmental Funds</i>										
Nonspendable	4,222	7,604	4,221	6,893	5,408	8,760	7,618	7,812	7,393	7,516
Restricted	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	4,719,857
Committed	200,000	100,000	-	-	-	-	4,487,517	560,228	278,044	3,113,215
Unassigned	(2,883,634)	(334,956)	(353,631)	(3,050,701)	(2,873,698)	(2,408,221)	-	-	(16,305)	(1,004)
<i>Total All Other Governmental Funds</i>	<u>1,115,313</u>	<u>5,508,499</u>	<u>7,570,955</u>	<u>2,196,774</u>	<u>1,643,352</u>	<u>1,873,022</u>	<u>6,721,897</u>	<u>4,732,355</u>	<u>4,755,715</u>	<u>7,839,584</u>
<i>Total Governmental Funds</i>	<u>\$34,037,201</u>	<u>\$38,082,945</u>	<u>\$37,318,875</u>	<u>\$31,515,979</u>	<u>\$28,636,118</u>	<u>\$30,266,321</u>	<u>\$37,113,131</u>	<u>\$32,583,790</u>	<u>\$33,712,353</u>	<u>\$30,532,233</u>

Source: District Financial Statements

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Revenues										
Property and Other Local Taxes	\$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	\$27,846,976
Integovernmental	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	8,673,834
Interest	(408,380)	54,555	1,398,774	1,209,263	85,373	395,352	390,304	309,750	176,914	73,489
Tuition and Fees/Rent	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	3,743,392
Miscellaneous Revenue from Local Sources	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	6,040,024
<i>Total Revenues</i>	<u>\$45,508,209</u>	<u>\$44,985,542</u>	<u>\$45,624,564</u>	<u>\$47,096,660</u>	<u>\$43,368,387</u>	<u>\$39,996,070</u>	<u>\$43,987,793</u>	<u>\$41,560,883</u>	<u>\$48,554,000</u>	<u>\$46,377,715</u>
Expenditures										
Instruction	\$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	\$19,751,303
Support Services:										
Pupil	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	2,696,076
Instructional Staff	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	1,338,612
Board of Education	370,228	412,754	343,668	468,415	504,063	332,135	336,313	387,993	424,218	585,644
Administration	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	2,397,235
Fiscal	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	873,283
Business	324,238	286,232	312,953	321,904	380,556	389,899	349,582	356,524	288,951	415,861
Operation and Maintenance of Plant	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	3,023,997
Pupil Transportation	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	2,030,773
Central	136,614	144,557	213,505	194,649	306,702	280,386	299,163	253,730	244,583	918,231
Non-instructional	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	1,500,237
Extracurricular Activities	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	1,215,381
Capital Outlay	5,292,645	1,091,816	589,921	937,080	1,399,982	5,067,174	4,882,239	963,409	4,279,834	15,314,306
Debt Service:										
Principal	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	2,440,000
Interest	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	2,013,447
<i>Total Expenditures</i>	<u>49,557,956</u>	<u>44,713,103</u>	<u>45,432,618</u>	<u>44,233,116</u>	<u>45,007,898</u>	<u>46,874,811</u>	<u>44,645,298</u>	<u>42,689,446</u>	<u>45,742,465</u>	<u>56,514,386</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(4,049,747)</u>	<u>272,439</u>	<u>191,946</u>	<u>2,863,544</u>	<u>(1,639,511)</u>	<u>(6,878,741)</u>	<u>(657,505)</u>	<u>(1,128,563)</u>	<u>2,811,535</u>	<u>(10,136,671)</u>
Other Financing Sources/(Uses)										
Operating Transfers In	306,432	284,121	307,350	175,000	250,000	203,000	195,500	259,572	272,600	331,600
General Obligation Bonds Issued	-	-	-	-	-	-	5,009,296	-	16,569,966	3,325,175
Premiums on Debt Issued	-	1,370,130	-	-	-	-	-	-	-	-
Note Issuance	-	-	5,600,000	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	4,003	4,049	10,950	16,317	9,308	31,931	-	-	-	-
Inception of Capital Lease	-	-	-	-	-	-	177,542	-	291,635	157,750
Other Financing Sources	-	-	-	-	-	-	-	-	246,984	-
Operating Transfers Out	(306,432)	(284,121)	(307,350)	(175,000)	(250,000)	(203,000)	(195,500)	(259,572)	(272,600)	(331,600)
Payment to Refunded Debt Escrow Agent	-	(11,227,557)	-	-	-	-	-	-	-	-
Refunding of Bonds	-	8,620,000	-	-	-	-	-	-	(16,740,000)	(3,265,762)
	<u>4,003</u>	<u>(1,233,378)</u>	<u>5,610,950</u>	<u>16,317</u>	<u>9,308</u>	<u>31,931</u>	<u>5,186,838</u>	<u>-</u>	<u>368,585</u>	<u>217,163</u>
<i>Net Changes in Fund Balances</i>	<u>(\$4,045,744)</u>	<u>(\$960,939)</u>	<u>\$5,802,896</u>	<u>\$2,879,861</u>	<u>(\$1,630,203)</u>	<u>(\$6,846,810)</u>	<u>\$4,529,333</u>	<u>(\$1,128,563)</u>	<u>\$3,180,120</u>	<u>(\$9,919,508)</u>
Debt Services as a percentage of Noncapital expenditures	10.10%	10.01%	10.59%	10.88%	10.84%	10.90%	10.56%	10.03%	10.74%	11.65%
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	
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
2013	701,730,150	2,004,943,286	10,998,710	12,498,534	712,728,860	2,017,441,820	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 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	Tax Year/ Collection Year 2012/2013
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)	1.50	1.60	1.80	1.80	1.80	1.90	1.90	1.90	1.90	1.90
2005 Current Expense	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90
2010 Bond (\$30,000,000)	2.10	2.20	2.40	2.40	2.40	2.50	2.50	2.50	2.50	2.50
2018 Current Expense	5.90	5.90	5.90	5.90	0.00	0.00	0.00	0.00	0.00	0.00
Total Voted Millage	84.70	84.90	85.30	85.30	79.40	79.60	79.60	79.60	79.60	79.60
Total Millage - Beachwood City School District	91.50	91.70	92.10	92.10	86.20	86.40	86.40	86.40	86.40	86.40
Overlapping Millage by Taxing Districts (Direct Rates)										
Cuyahoga County	14.85	14.85	14.05	14.05	14.05	14.05	14.05	14.05	14.05	13.22
Beachwood City	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Cleveland Metro Parks	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	1.85
Cuyahoga County Library	3.50	3.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Cuyahoga Community College	4.90	4.90	4.90	4.50	4.50	4.00	4.00	4.00	3.10	3.10
Cleveland -Cuyahoga Port Authority	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Total Millage - Overlapping Taxing Districts	30.13	30.13	28.33	27.93	27.93	27.43	27.43	27.43	26.53	24.80
Grand Total - All Direct and Overlapping Millages	121.63	121.83	120.43	120.03	114.13	113.83	113.83	113.83	112.93	111.20

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>
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%
2012/2013	32,713,108	15,059,270	47,772,378	30,120,713	92.08%	450,863	30,571,576	93.5%

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, 2021 and December 31, 2012

Name of Taxpayer	Nature of Business	December 31, 2021	
		Assessed Valuation	% of Total Assessed Valuation (1)
Beachwood Place Limited	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%
Beachwood Apratments	Apartment Complex	6,773,550	0.79%
		<u>\$199,591,810</u>	<u>23.21%</u>
Total Commercial Valuation		<u>\$859,812,960</u>	

Name of Taxpayer	Nature of Business	December 31, 2012	
		Assessed Valuation	% of Total Assessed Valuation (1)
Beachwood Place Limited	Mall	\$65,324,350	9.31%
Cleveland Clinic	Health Care	48,072,380	6.85%
Hamptons Apartment	Apartments	12,308,420	1.75%
Village Green of Beachwood	Condominiums	11,358,550	1.62%
Developers Diversified Realty	Realty	10,327,630	1.47%
Beachwood Place Limited	Retail	9,635,860	1.37%
Four Seasons Apartments	Apartments	8,715,040	1.24%
Commerce Park	Office Buildings	8,661,850	1.23%
Gotham King Fee Owner, LLC	Unknown	6,317,690	0.90%
Signature Square	Office Buildings	6,193,580	0.88%
		<u>\$186,915,350</u>	<u>26.64%</u>
Total Commercial Valuation		<u>\$701,730,150</u>	

Source: Cuyahoga County Fiscal Officer

Beachwood City School District
Principal Property Taxpayers
Public Utility Tax
December 31, 2021 and December 31, 2012

		December 31, 2021	
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Tangible Personal Property Valuation
Cleveland Electric Illuminating	Electric Utility	\$9,410,490	60.11%
American Transmission System	Telephone	3,627,490	23.17%
East Ohio Gas Compnay	Gas Utility	2,581,040	16.49%
Total		<u>\$15,619,020</u>	<u>99.77%</u>
Total Public Utility Valuation		<u>\$15,654,970</u>	

		December 31, 2012	
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Tangible Personal Property Valuation
Cleveland Electric Illuminating	Electric Utility	\$7,356,920	66.89%
East Ohio Gas	Gas	697,130	6.34%
Total		<u>\$8,054,050</u>	<u>73.23%</u>
Total Public Utility Valuation		<u>\$10,998,710</u>	

Source: Cuyhoga County Fiscal Officer

Beachwood City School District
All Outstanding Debt
Last Ten Years

Year	Gross General Bonded Debt	Notes Outstanding	Leases	Total	Total Debt/Capita*	(1) Debt Outstanding % Of Personal Income
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%
2013	37,567,973	3,995,000	103,847	41,666,820	3,486	7.3%
2012	39,812,758	4,550,000	202,643	44,565,401	3,728	7.8%

Source: Beachwood City Schools

* Population 14,040 per US census, 2020

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

Beachwood City School District
 Computation of Direct and Overlapping Debt
 General Obligation
 As of December 31, 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	\$23,703,581	100.00%	\$23,703,581
<i>Overlapping Debt:</i>			
Cuyahoga County	254,150,000	2.51%	6,372,380
Cuyahoga Community College	195,825,000	2.51%	4,909,980
City of Beachwood	11,430,000	95.64%	10,931,619
City of Pepper Pike	<u>4,233,114</u>	0.54%	<u>22,814</u>
Total Overlapping Debt	<u>465,638,114</u>		<u>22,236,793</u>
Total Debt	<u><u>\$489,341,695</u></u>		<u><u>\$45,940,374</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 2021 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>
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
2013	37,567,973	2,651,163	34,916,810	712,728,860	11,953 (b)	4.90%	2,921

(1) Source: Federal Census

(a) Census 2020

(b) Census 2010

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Assessed Valuation	<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>	<u>\$712,728,860</u>
Bonded Debt Limit - 9% of Assessed Value (1)	\$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	\$64,145,597
Amount of Debt Applicable to Debt Limit: Bonded Debt	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	37,567,973
Less Bond Retirement Fund	<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>	<u>2,620,960</u>
Net General Bonded Debt	<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>	<u>34,947,013</u>
Voted Debt Margin	<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>	<u>\$29,198,584</u>
Ratio of Legal Debt Margin to Assessed Values	7.48%	7.03%	6.70%	6.36%	5.75%	5.51%	5.18%	4.71%	4.45%	4.10%
Bonded Debt Limit - .1% of Assessed Value (1)	<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>	<u>\$712,729</u>
Unvoted Debt Margin	<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>	<u>\$712,729</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>
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
2013	11,953 (b)	112,354	50,612	573,863,530	48,010 (b)	6.5	7.2
2012	11,953 (b)	101,351	55,654	573,863,530	48,010 (b)	8.3	6.6

Source:

(1) U.S Census:

(a) Census 2020

(b) Census 2010

(2) Ohio Department of Taxation

(3) Per capita personal income multiplied by population

(4) Gross bonded debt divided by total personal income

(5) Bureau of Labor Statistics

Beachwood City School District

Principal Employers

December 31, 2021

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

December 31, 2021

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

December 31, 2012

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

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

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

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
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	40	80	84	89	84	75	75	75	79
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	4	4	4	4	4	3.6	3.21	3.21	2.88
Special Instruction Classrooms	2	2	2	2	2	2	2	2	2	2
Special Instruction Teachers	1	1	1	1	1	0.5	0.6	1	1	1
% of students who receive free/reduced lunch	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	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	317	318	279	264	239	278	278	233	260
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	24.8	16.6	15.6	15.6	17.98	17.98	17.37	17.37	18.4
Special Instruction Classrooms	3	3	3	3	3	3	3	3	3	3
Special Instruction Teachers	5.2	6	4	3	3	2.4	2.4	3	3	4
% of students who receive free/reduced lunch	8.01%	8.01%	8.01%	7.47%	3.43%	6.12%	7.79%	9.01%	9.01%	7.30%
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	279	278	305	317	269	294	294	325	361
Student Capacity	731	731	731	731	731	731	731	731	731	731
Regular Instruction Classrooms	23.7	21.7	16	16	16	16	16	16	16	16
Regular Instruction Teachers	19	19	21.4	22.4	22.4	20.8	20.8	20.88	20.88	19.98
Special Instruction Classrooms	3	3	3	3	3	3	3	3	3	3
Special Instruction Teachers	5.2	7	6	6	6	5	5	8	8	7
% of students who receive free/reduced lunch	8.25%	8.25%	8.25%	5.83%	7.77%	10.00%	9.89%	14.15%	14.15%	12.74%
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	340	338	306	346	363	348	348	311	318
Student Capacity	560	560	560	560	560	560	560	560	560	560
Regular Instruction Classrooms	27	24.8	27	27	27	27	27	27	27	27
Regular Instruction Teachers	26.5	25.4	24.3	24.3	24.3	22.96	22.96	22.3	22.3	21.4
Special Instruction Classrooms	5.4	5.4	6	6	6	6	6	3	3	3
Special Instruction Teachers	6	6	6	7	7	6.07	6.07	5.2	5.2	5
% of students who receive free/reduced lunch	9.20%	9.20%	9.20%	8.41%	9.54%	9.16%	8.74%	10.28%	10.28%	12.26%
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	208,509
Enrollment Grades 9 - 12	609	672	673	657	647	639	643	643	635	627
Student Capacity	1350	1350	1350	1350	1350	1350	1350	1350	1350	1180
Regular Instruction Classrooms	43	45	45	45	45	45	45	45	45	40
Regular Instruction Teachers	39.3	39.3	41	40.9	40.9	40.54	40.54	41.8	41.8	42.73
Special Instruction Classrooms	8	6	6	6	6	6	6	6	6	6
Special Instruction Teachers	7.9	8	8	7	7	6.6	6.6	7	7	7
% of students who receive free/reduced lunch	9.97%	9.97%	9.97%	8.25%	5.96%	8.42%	10.99%	12.12%	12.12%	11.64%

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>
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%
2013	16,146	-15.76%

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>
2022	93.9%	30.0%	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
2013	95.9	94.2	95.7	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	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Regular Instruction										
Preschool Classroom Teachers	4.00	4.00	4.60	5.00	4.00	4.00	3.60	3.21	3.21	2.88
Preschool Aides	3.60	3.60	4.27	4.40	3.20	3.20	3.80	4.14	4.14	4.60
Elementary Classroom Teachers	41.00	41.00	30.00	31.00	34.50	34.50	34.50	32.93	32.97	32.47
Instructional Assistants	1.00	3.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-
Art/Music/PE/Technology K-12	18.30	14.90	15.47	15.47	15.05	15.05	15.05	17.18	17.18	17.18
HS/MS Classroom Teachers	50.70	50.70	57.50	57.50	57.50	57.50	57.50	48.30	48.30	47.63
Special Instruction										
Preschool Intervention Specialist	1.00	1.00	1.00	1.00	0.50	0.50	0.60	1.00	1.00	1.00
ELL	2.40	2.40	2.40	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Intervention Specialists	22.30	21.80	19.50	20.00	18.90	21.90	19.40	22.50	20.00	20.00
Special Ed Assistants	35.00	35.00	31.92	32.57	30.89	30.89	30.40	33.57	34.57	34.97
Gifted Education Teachers	4.00	0.00	2.40	3.00	3.00	3.00	2.07	2.27	2.27	4.00
Vocational Instruction										
High School Classroom Teachers	5.00	5.00	5.50	5.00	5.60	5.60	5.00	6.00	6.00	6.00
Pupil Support Services										
Guidance Counselors	7.00	7.00	6.67	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Librarians	2.50	0.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00
Library Media Assistants	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Psychologists	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Audiologist and Speech & Lang	3.00	3.00	3.00	2.50	3.30	3.30	4.60	4.60	4.60	4.60
Nurses	2.00	2.60	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Educational Interpreters	2.00	2.61	2.61	5.00	6.52	6.52	7.22	7.60	8.42	8.50
Occupational Therapist	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Tutors	4.00	8.00	7.00	8.00	8.00	8.00	4.75	4.75	4.01	3.41
Administrators/Supervisors										
Central Office	8.00	8.00	8.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Elementary	2.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
MiddleSchool/High School	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Supervisors	5.00	5.00	5.00	5.00	6.00	6.00	6.00	4.50	4.00	3.00
Administrative Support										
Administrative/Office Assistants	14.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Operation of Plant										
Cleaners	1.00	3.00	4.08	4.08	7.00	7.00	5.00	8.00	9.45	10.40
Custodians	20.00	15.00	15.00	4.00	13.00	13.00	13.00	10.00	10.00	9.00
Maintenance/Grounds	4.00	4.00	3.00	3.00	5.00	5.00	5.00	4.00	4.00	4.00
Pupil Transportation										
Bus Drivers	28.00	25.00	25.00	22.00	19.00	19.00	17.00	18.30	19.86	18.87
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	5.00	5.00	5.00	5.00	4.60	5.00	5.00	5.00
Technology										
	2.00	2.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Totals	308.80	301.61	291.32	283.52	296.96	299.96	290.09	289.85	289.98	288.51

Source: District records

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

<u>Degree</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>	<u>2013</u>
Bachelor's Degree	10	11	16	16	21	22	24	14	20	24
Bachelor + 30	6	5	5	6	6	6	8	6	4	2
Master's Degree	68	74	78	84	94	87	92	97	90	86
Master + 30	33	29	26	25	19	20	18	19	26	25
Master + 60	<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>	<u>23</u>
Total	<u><u>158</u></u>	<u><u>160</u></u>	<u><u>162</u></u>	<u><u>160</u></u>	<u><u>163</u></u>	<u><u>160</u></u>	<u><u>160</u></u>	<u><u>157</u></u>	<u><u>160</u></u>	<u><u>160</u></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>
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
2013	638	946	1,584

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>
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
2013	106	121	26.3	21.8	20.9

* 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

<u>School Year (1)</u>	<u>Overall Grade</u>	<u>Acheivement Grade</u>	<u>Gap Closing Grade</u>	<u>Overall Progress Grade</u>	<u>Graduation Rate Grade</u>	<u>Prepared for Success Grade</u>
2022	104.7/107.3	*	81.4%	100.3%	97.8%/100%	*
2021	*	*	*	*	*	*
2020	*	*	*	*	*	*
2019	A	A	A	A	A	B
2018	N/A	B	A	A	A	B
2017	N/A	A	B	A	A	B
2016	N/A	A	B	B	A	B
2015	N/A	A	B	A	A	N/A
2014	N/A	A	A	A	A	N/A
2013	N/A	A	B	A	A	N/A

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

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, 2022**

Zupka & Associates
Certified Public Accountants

**BEACHWOOD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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**BEACHWOOD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Receipts	Non-Cash Receipts	Non-Cash Expenditures	Non-Cash Expenditures
<u>U.S. Department of Agriculture</u>					
<i>Passed through Ohio Department of Education</i>					
Child Nutrition Cluster:					
School Breakfast Program	10.553	\$ 132,844	\$ 0	\$ 132,844	\$ 0
National School Lunch Program	10.555	587,272	47,908	587,272	47,908
COVID-19 National School Lunch Program	10.555	30,636	0	30,636	0
Total Child Nutrition Cluster		<u>750,752</u>	<u>47,908</u>	<u>750,752</u>	<u>47,908</u>
COVID-19 - Pandemic EBT Administrative Costs	10.649	614	0	614	0
Total U.S. Department of Agriculture		<u>751,366</u>	<u>47,908</u>	<u>751,366</u>	<u>47,908</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	124,198	0	123,660	0
Special Education Cluster (IDEA):					
Special Education - Grants to States	84.027	423,309	0	434,004	0
Special Education - Preschool Grants	84.173	5,926	0	5,926	0
Total Special Education Cluster		<u>429,235</u>	<u>0</u>	<u>439,930</u>	<u>0</u>
Student Support and Academic Enrichment Program	84.424	6,315	0	6,315	0
English Language Acquisition State Grants	84.365	12,646	0	12,646	0
Improving Teacher Quality States Grants	84.367	21,279	0	22,529	0
COVID-19 - Education Stabilization Fund - ESSER I	84.425D	6,618	0	6,618	0
COVID-19 - Education Stabilization Fund - ESSER II	84.425D	18,167	0	18,167	0
COVID-19 - Education Stabilization Fund - ARP ESSER	84.425U	700,998	0	700,952	0
<i>Total ALN #84.425</i>		<u>725,783</u>	<u>0</u>	<u>725,737</u>	<u>0</u>
Total U.S. Department of Education		<u>1,319,456</u>	<u>0</u>	<u>1,330,817</u>	<u>0</u>
<u>U.S. Federal Communications Commission</u>					
<i>Direct Program</i>					
Emergency Connectivity Fund Program	32.009	87,327	0	87,327	0
Total U.S. Federal Communications Commission		<u>87,327</u>	<u>0</u>	<u>87,327</u>	<u>0</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u>\$ 2,158,149</u>	<u>\$ 47,908</u>	<u>\$ 2,169,510</u>	<u>\$ 47,908</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, 2022**

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, 2022. 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 Fairmont Blvd.
Beachwood, Ohio 44122

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, 2022, 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 15, 2022, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. We also noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. In addition, the District restated its net position at June 30, 2021, for governmental activities to include bond accretion.

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.

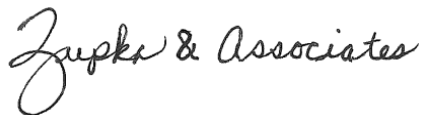
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 15, 2022

**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 Fairmont Blvd.
Beachwood, Ohio 44122

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, 2022. 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, 2022.

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, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 15, 2022, which contained unmodified opinions on those financial statements wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 87, , Leases. We also noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. In addition, the District restated its net position at June 30, 2021, for governmental activities to include bond accretion. 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 15, 2022

**BEACHWOOD CITY SCHOOL DISTRICT
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 UNIFORM GUIDANCE
 JUNE 30, 2022**

1. SUMMARY OF AUDITOR'S RESULTS

2022(i)	Type of Financial Statement Opinion	Unmodified
2022(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2022(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2022(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2022(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2022(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2022(v)	Type of Major Programs' Compliance Opinions	Unmodified
2022(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2022(vii)	Major Programs (list): Child Nutrition Cluster - ALN #10.553; ALN #10.555	
2022(viii)	Dollar Threshold: A/B Program	Type A: \$750,000 Type B: All Others
2022(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, 2022**

The audit report for the fiscal year ending June 30, 2021 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 3/7/2023

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