



ANNUAL COMPREHENSIVE FINANCIAL REPORT

**Beachwood City School District
Cuyahoga County, Ohio**

For the Fiscal Year Ended June 30, 2025

Annual Comprehensive
Financial Report of the
Beachwood City School District
for the Fiscal Year Ended June 30, 2025

Prepared by the Treasurer's Department

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

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, 2024 through June 30, 2025. 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.

KEITH FABER
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

April 06, 2026

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For the Year Ended June 30, 2025
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INTRODUCTORY SECTION



DEVELOPING INTELLECTUAL ENTREPRENEURS





**BEACHWOOD CITY SCHOOL
DISTRICT**

24601 Fairmount Boulevard
Beachwood, OH 44122
Phone: 216.464.2600

December 22, 2025

Members of the Board of Education and
Residents of the Beachwood City School District

The Annual Comprehensive Financial Report of the Beachwood City School District (the “School District”) for the fiscal year ended June 30, 2025, 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 is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the School District. All disclosures necessary to enable the reader to gain an understanding of the School District’s financial activities have been included.

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

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

The School District

The School District was formed in 1915 and is located in a prosperous suburban area east of Cleveland, Ohio. The community’s tax base is evenly distributed between commercial and residential property. The School District serves more than 1,500 students from Pre-K through 12th grade in five instructional facilities.

Major Initiatives

Mission and Vision

All of our efforts as educators in the School District are driven by our mission statement: *To develop intellectual entrepreneurs with a social conscience.* The mission of the Beachwood City School District is short in length and powerful in vision. We believe that we must develop adults who are seekers of knowledge, creative, flexible, and reflective – in other words, an intellectual capacity. These adults are risk-takers, visionaries, brokers, passionate, and committed to excellence. Beachwood students also enjoy experiences where they learn to be globally responsible, altruistic, and environmentally, culturally and politically sensitive.

Board of Education Goals

The goals adopted by our Board of Education serve as a framework for both our academic and administrative operations.

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

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

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

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

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

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

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

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

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

The foundation of the District’s educational programs is its professional staff. The District seeks culturally-competent, pedagogically-creative candidates for each position and supports new staff members’ professional growth. Approximately 86% of the teaching staff have master’s degrees or beyond, and approximately 35% have master’s degrees plus 60 credit hours. The District’s faculty is experienced, surpassing the statewide average. Our staff are trusted by the public as content and pedagogical experts.

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

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

For more information about Beachwood City Schools, please read our 2025 *You and Your Schools* publication. This publication can be accessed by visiting the Finance page found at www.beachwoodschoools.org.

Financial Policies

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

Accounting and Budgetary Controls

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

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

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

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

Long-Term Financial Planning

The School District is required by law to submit for Board approval a five-year forecast which delineates projected revenues, expenditures and anticipated timing for new property tax ballot issues. The five-year forecast must be approved by the Board of Education on or before November 30th of each school year and must be amended as necessary by no later than May 31st of each school year. The state legislature recently changed the timeframe and the deadlines for the School District's forecast effective for Fiscal Year 26-27. 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. In June 2025, the Board of Education, upon recommendation from the audit committee, has adopted a minimum unencumbered fund balance policy that if any year in the five-year forecast shows a fund balance below 25% of operating funds, that the Treasurer and Superintendent will prepare and propose options that the Board of Education may consider to forestall such an eventuality.

The School District passed a 5.9 mill operating levy in November 2018 which allows the district to continue its high-level of programming and services to students. The levy generates \$4.3 million annually commencing calendar year 2019. The School District had not been on the ballot for an operating levy in 13 years. Elimination of various components of state funding and increasing unfunded mandates forced the School District to go back on the ballot to seek additional operating revenues.

The current financial forecast is strong and does not show a deficit fund balance projected in any fiscal year however, the forecast does anticipate deficit spending beginning in Fiscal Year 2029. Due to timing of passing tax levies and collecting property taxes coupled with the School District's recently adopted Board of Education policy to maintain unencumbered cash balances of 25% of expenditures, the forecast does not contemplate an operating levy at any point in the fiscal years presented. This is a significant change from the previous forecast. The previous forecast was contemplating a potential operating levy in late 2026 or early 2027. However, the Chagrin-Highlands settlement has provided significant financial stability to the School District and is the main driver for improved financial health reflected on the recent financial forecast.

Beachwood Schools closed its books for fiscal year 2025 with a positive unencumbered fund balance of \$21.4 million dollars, a decrease of approximately \$585,000 from fiscal year 2024. Maintaining a healthy fund balance continues to be a high priority for the School District.

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

The School 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 which leads to savings for the local taxpayer.

Significant Local Economic Events

Cuyahoga County went through the full reappraisal process in 2024. As a result of this reappraisal, the residential tax duplicate increased by 23% mainly due to the continued housing prices in the Beachwood market. The same can be said for the commercial tax duplicate however there was significant property that was previously exempt from property taxes and now is considered taxable. The commercial tax duplicate has increased by 14%.

There are some bright spots on the horizon as the City continues to enjoy economic development. However, the City passed legislation creating a Community Reinvestment Area (CRA) in the southern portion of the City which allows up to a 50% waiver of property taxes for improvements approved in advance by the City. The School District had no role in approving this waiver as Ohio law does not compel a City to seek School Board approval if the property tax waiver is 50% or less. The School District however, will receive 50% of all new income taxes generated by the improved property within the CRA for companies that exceed \$1.5 million in payroll. The income tax sharing generated from the new payroll is however limited to the loss of property tax revenue by the School District on account of the CRA exemption. It is important to note, that there is currently one commercial property owner's income tax exceeds the \$1.5 million payroll threshold and the City has remitted \$16,637 in income taxes to the School District in \$19,744 in FY 23, \$24,188 in FY 24, and \$16,217 in FY 25. The City continues to work collaboratively with the schools on these agreements.

Furthermore, the City expanded its CRA agreement to include other commercial areas in the City. The School Board entered into discussions with the City to mitigate financial losses for the Schools. The outcome has proven to be very advantageous. For example, the City 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 and an excellent example of the collaborative nature between the two governmental entities.

For tax year 2024, the community's tax base is fairly evenly distributed between commercial and residential property. 52% of the School District's valuation is comprised of residential property and 48% is comprised of commercial and public utility property.

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 85.20 mills, the operating effective millage levied and collected is 29.44 and 41.78 for residential and commercial property, respectively.

As noted above, the County is responsible for conducting an update of full property appraisal every six years. Every three years, the County conducts an update to property values by doing a market review. The last update year for Cuyahoga County was in 2021. In the sixth year, the County does a full appraisal of each property by doing on-site appraisals and evaluating recent sales. A full appraisal has been completed in the calendar year 2024. Across the State, counties are seeing record high property valuation increases. The results of this full reappraisal reflects an increase in residential property of 23% and increase in commercial property of 14%. Typically after a reappraisal year there are a number of tax valuation challenges. The District does anticipate seeing a reduction to the aforementioned valuation increase percentages. However, it is yet to be determined of the financial impact from these tax valuation challenges.

The State's budget bill (H.B. 96) passed in June 2025. The passage of this budget bill continued with an investment in public education by funding the third and final phase-in of the Fair School Funding Plan (FSFP). When the FSFP was originally implemented, it was the goal of the state legislature at that time to phase in the FSFP over three budget bills. With the passage of H.B. 96, the FSFP is funded at 83.4% for Fiscal year 2026 and at 100.0% for Fiscal Year 2026. The only caveat is that for the funding plan to work as intended all data inputs must be updated. The state has chosen not to update the base cost inputs put in place since 2022. Without updating the base input, the funding formula, as originally developed, will not work properly and create inconsistencies. The District is currently funded on the formula, however, and has experienced the positive impact of the State continuing its funding of the FSFP in its latest budget bill. It is anticipated that the funding level achieved after Fiscal Year 2026 will at a minimum continue at that level beyond the current state's biennium.

In May, 2023, the voters of Beachwood overwhelmingly approved a 3.95 mill bond levy for new construction of its two elementary buildings (Bryden and Hilltop) and other capital improvements. Once these two new elementary buildings are constructed and in operation, all of the District's facilities will be updated and in excellent condition for years to come. The School District is planning to open the new Bryden Elementary up to students and staff at the start of the new calendar year (2026) and then the new Hilltop Elementary will be open for business upon students return from Spring Break 2026.

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 2025 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, 2024. (This was the 36th 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: Diana Maher, Assistant Treasurer; Cathy Jones, Payroll Specialist; Kelly Wright, Purchasing Agent; and LaJour Sims, Financial Processing Specialist; who assisted with the development of the Annual Comprehensive Financial Report and the annual audit. The department members have our sincere gratitude for their professional, efficient and dedicated service.

Audit Committee

The School District has an active audit committee, composed of 3 members of the community (two of whom are CPA's, and one a small business entrepreneur), one Board member 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. Mrs. Maria Bennett, Mr. David Ostro, and Mr. Jeremy Banchek, along with Dr. Josephine Chan (Board Member) are to be commended for their efforts.



Matthew Brown
Treasurer/CFO



Dr. Robert Hardis
Superintendent of Schools

Elected Officials

Board of Education

Mrs. Megan Walsh President

Mrs. Kim Allamby..... Vice-President

Ms. Wendy Leatherberry Member

Dr. Josephine ChanMember

Ms. Ranjini Ghosh Member

Administration

Dr. Robert Hardis.....Superintendent

Mr. Matthew BrownTreasurer/CFO

Dr. Ken Veon..... Assistant Superintendent

Dr. Jennifer Polak Director of Pupil Services

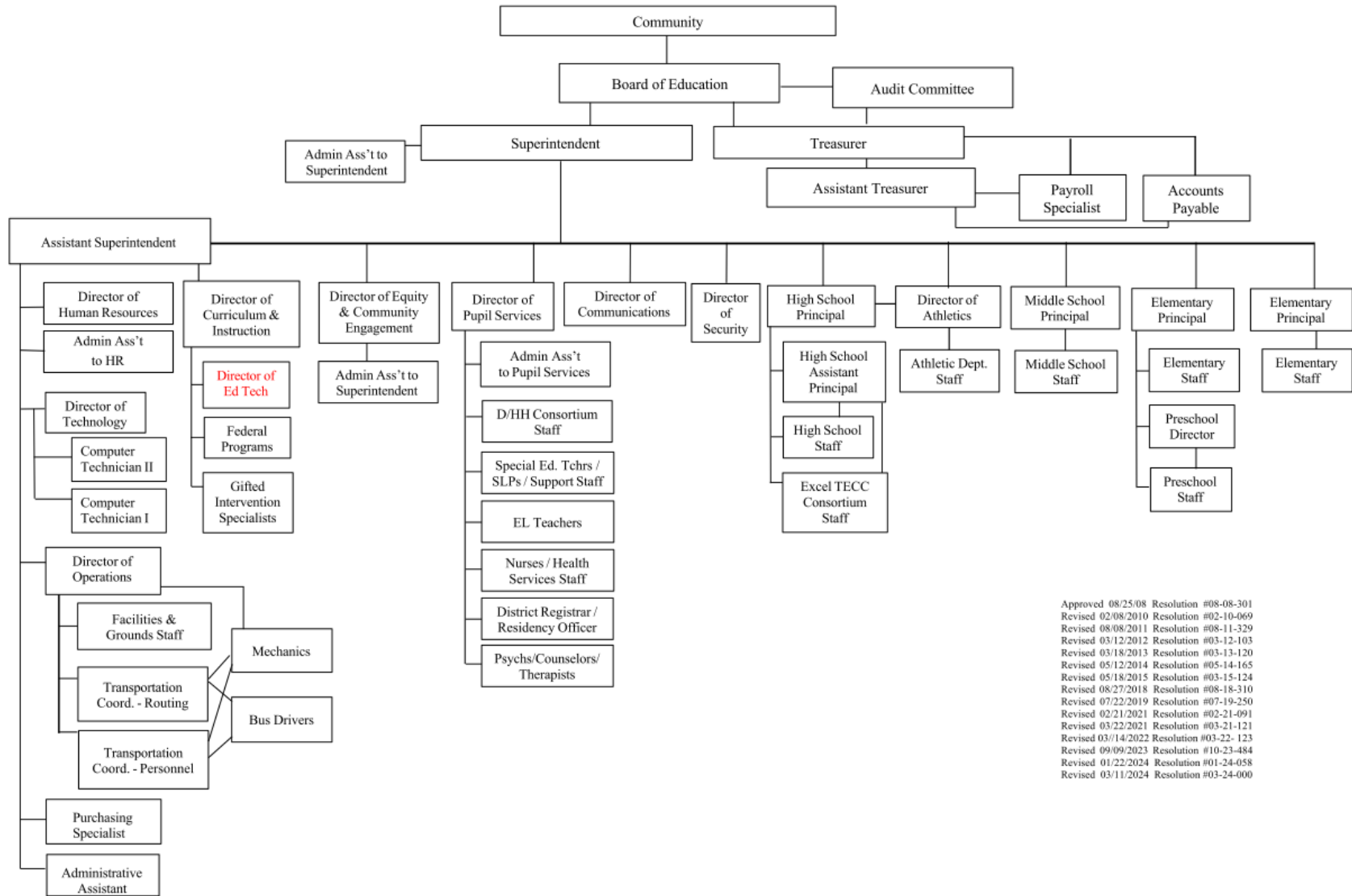
Dr. Linda LoGalbo.....Director of Curriculum

Mrs. Diana Maher..... Assistant Treasurer

Mr. Kevin HouchinsDirector of Equity and Community Engagement

BEACHWOOD CITY SCHOOL DISTRICT

ORGANIZATION CHART





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, 2024

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION



DEVELOPING INTELLECTUAL ENTREPRENEURS
WITH A SOCIAL CONSCIENCE



INDEPENDENT AUDITOR'S REPORT

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

To the Members of the Board of Education:

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beachwood City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2025, 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, 2025, 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. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions 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 22, 2025, 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.

A handwritten signature in cursive script that reads "Zupka & Associates".

Zupka & Associates
Certified Public Accountants

December 22, 2025

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
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, 2025. 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 2025 are as follows:

- In total, net position increased by \$29,630,668. The increase in net position is primarily due to the increase in intergovernmental receivable and capital assets, net.
- Total outstanding debt decreased \$3.4 million due to principal payments made during the current year.
- The General Fund had a fund balance of \$31.6 million of which \$24.9 million is unassigned and available to fund future day to day operations of the School District.
- Total revenues increased \$27,877,907 in fiscal year 2025, mostly due to a large settlement that was partially received in 2025. For more information on this settlement, see Note 9.
- Total expenses increased \$158,071 in fiscal year 2025. The expenses include adjustments due to the recording of net pension liability, net OPEB liability and net OPEB asset. See page 25 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.

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Reporting the School District as a Whole

Statement of Net Position and Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2025?" 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 26. 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 Fund, and Building Fund.

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

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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 2025 compared to 2024:

Table 1 - Net Position

	Governmental Activities	
	2025	2024
ASSETS		
Current and Other Assets	\$ 148,140,301	\$ 141,491,616
Capital Assets, net	88,428,470	65,725,213
Net OPEB Asset	2,526,903	2,574,963
Total Assets	239,095,674	209,791,792
DEFERRED OUTFLOWS OF RESOURCES		
Pension	7,482,944	7,800,906
OPEB	1,668,429	1,745,445
Total Deferred Outflows of Resources	9,151,373	9,546,351
LIABILITIES		
Current and Other Liabilities	11,869,134	8,649,371
Long-term Liabilities:		
Due within one year	4,929,150	3,434,549
Due in more than one year:		
Net Pension Liability	35,281,447	38,366,515
Net OPEB Liability	1,950,663	2,978,695
Other Amounts	84,359,423	85,371,097
Total Liabilities	138,389,817	138,800,227
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	35,419,001	33,161,418
Pension	4,378,723	3,228,007
OPEB	4,743,472	4,796,038
Total Deferred Inflows of Resources	44,541,196	41,185,463
NET POSITION		
Net Investments in		
Capital Assets	42,341,437	41,394,566
Restricted	17,171,011	8,795,146
Unrestricted	5,803,586	(10,837,259)
Total Net Position	\$ 65,316,034	\$ 39,352,453

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The net pension liability (NPL) is the second largest single liability reported by the School District at June 30, 2025, the net OPEB liability (NOL) and net OPEB asset are reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27" and GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and net OPEB asset.

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

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

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

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

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

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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 \$28,908,904 and total governmental liabilities and deferred inflows of resources increased by \$2,945,323. The increase in governmental assets is due primarily to an increase in capital assets and intergovernmental receivable. Capital assets increased due to current year additions to the School District's building project, which is still in progress as of June 30, 2025. Intergovernmental receivable increased mostly due to a large settlement to be received in the following years. See Note 9 for more information regarding the settlement receivable. Liabilities decreased from changes in net pension liability, changes in net OPEB liability, and principal payments made on debt, which was offset by an increase in current liabilities. Current liabilities increased mostly due to contracts and retainage payables related to construction projects. The restatement of compensated absences for GASB 101 increased 2024 liabilities, but the change is not presented in the MD&A. See Note 3 for more information on GASB 101 and the related change to 2024 net position. The changes in deferred outflows 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. Deferred inflows of resources increased due to an increase in deferred property taxes from decreased amount available as advance when compared to fiscal year 2024.

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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, 2025 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	\$ 65,316,034
Add:	
Net Pension liability	35,281,447
Net OPEB Liability	1,950,663
Deferred Inflows - Pension	4,378,723
Deferred Inflows - OPEB	4,743,472
Less:	
Net OPEB Asset	(2,526,903)
Deferred Outflows - Pension	(7,482,944)
Deferred Outflows - OPEB	<u>(1,668,429)</u>
Total Net Position without GASB 68 and GASB 75	<u><u>\$ 99,992,063</u></u>

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Table 2 shows the changes in net position for fiscal year 2025 with revenue and expense comparisons to fiscal year 2024:

Table 2 - Change in Net Position

	Governmental Activities	
	2025	2024
REVENUES		
Program Revenues:		
Charges for Services	\$ 2,145,386	\$ 2,578,189
Operating Grants and Contributions	3,313,318	3,274,258
Total Program Revenues	5,458,704	5,852,447
General Revenues:		
Property Taxes	38,426,372	36,847,496
Payment in Lieu of Taxes	285,722	1,073,342
Grants and Entitlements	4,291,464	4,149,635
Investment Income	4,461,798	4,169,451
Gain on Sale of Capital Assets	1,698	-
All Other Revenues	27,089,221	44,701
Total General Revenues	74,556,275	46,284,625
Total Revenues	80,014,979	52,137,072
EXPENSES		
Program Expenses:		
Instruction		
Regular	14,992,996	16,014,274
Special	8,358,055	8,071,195
Vocational	1,190,683	1,631,845
Adult/Continuing	205,138	119,668
Other	260,579	225,444
Supporting Services:		
Pupil	2,972,516	3,127,236
Instructional Staff	2,408,976	1,771,456
Board of Education	368,293	459,095
Administration	2,889,299	2,467,453
Fiscal	1,038,847	1,123,048
Business	508,718	285,990
Operation and Maintenance of Plant	4,654,059	4,659,908
Pupil Transportation	2,961,406	2,672,793
Central	369,614	264,430
Operation of Non-Instructional Services	1,675,847	1,717,708
Extracurricular Activities	1,918,646	1,711,368
Interest and Fiscal Charges	3,610,639	3,903,329
Total Expenses	50,384,311	50,226,240
Change in Net Position	29,630,668	1,910,832
Net Position - Beginning of Year, as previously reported	39,352,453	37,441,621
Change in accounting principal (GASB 101)	(3,667,087)	-
Net Position - Beginning of Year, as adjusted	35,685,366	-
Net Position - End of Year	\$ 65,316,034	\$ 39,352,453

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Governmental Activities

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home was reappraised and its value increased to \$200,000 (and this inflationary increase in value is comparable to other property owners), the effective tax rate would become 0.5 mills and the owner would still pay \$35.00. Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 48 percent of revenues for governmental activities for the School District in fiscal year 2025. 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, 2025 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 \$1,578,876 on an accrual basis of accounting due to the increase in cash collections of \$4,476,895 which was offset by a decrease in accruals of \$2,898,019. 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 2025, 2024 and 2023 were \$2,200,923, \$4,534,544, and \$3,988,117, respectively. On a cash basis, property tax collections had an increase with \$40,910,822 received in fiscal year 2025 and \$36,433,927 in fiscal year 2024.

Charges for services decreased by \$432,803 due to a decrease in instruction for the General Fund. Payment in Lieu of Taxes decreased due to a Hamptons tax settlement received in 2024 and not in 2025. All other revenues increased by \$27,044,520 in fiscal year 2025 due to a negotiated settlement with Warrensville Heights City School District. See Note 9 for more information regarding this settlement.

Instruction comprises 49.6 percent of governmental program expenses. Interest expense was 7.2 percent. Interest expense was attributable to the outstanding bonds and borrowing for capital projects.

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 GASB pronouncements. 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.

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As a result of the significant adjustments to program expenses for GASB 68 and GASB 75, the following adjustments are needed:

Total 2025 program expenses under GASB 68 and 75	\$ 50,384,311
Negative NPL expense under GASB 68	(2,181,295)
2025 contractually required contribution - Pension	3,797,685
Negative OPEB expense under GASB 75	823,567
2025 contractually required contribution - OPEB	131,955
Adjusted 2025 program expenses	<u>52,956,223</u>
Total 2024 program expenses under GASB 68 and 75	\$ 50,226,240
Negative NPL expense under GASB 68	(3,641,093)
2024 contractually required contribution - Pension	3,494,168
Negative OPEB expense under GASB 75	881,217
2024 contractually required contribution - OPEB	117,537
Adjusted 2024 program expenses	<u>51,078,069</u>
Increase in program expenses	<u>\$ 1,878,154</u>

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

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements with comparisons to 2024.

Table 3 - Governmental Activities

	Total Cost of Services 2025	Total Cost of Services 2024	Net Cost of Services 2025	Net Cost of Services 2024
Instruction	\$ 25,007,451	\$ 26,062,426	\$ 22,486,144	\$ 23,542,990
Supporting Services:				
Pupils and Instructional Staff	5,381,492	4,898,692	5,024,827	4,481,379
Board of Education, Administration, Fiscal Services, and Business	4,805,157	4,335,586	4,804,977	4,335,181
Operation and Maintenance of Plant	4,654,059	4,659,908	4,578,168	4,000,868
Pupil Transportation	2,961,406	2,672,793	2,153,113	2,021,905
Central	369,614	264,430	369,614	264,430
Operation of Non-Instructional Services	1,675,847	1,717,708	325,325	411,354
Extracurricular Activities	1,918,646	1,711,368	1,572,800	1,412,357
Interest and fiscal charges	3,610,639	3,903,329	3,610,639	3,903,329
Total cost of service	<u>\$ 50,384,311</u>	<u>\$ 50,226,240</u>	<u>\$ 44,925,607</u>	<u>\$ 44,373,793</u>

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The dependence upon tax revenues for governmental activities is apparent. Over 33 percent of instruction activities are supported through taxes and other general revenues and for all governmental activities general revenue support is over 89 percent. The community, as a whole, is by far the primary support for the School District's students.

The School District's Funds

Information about the School District's major funds starts on page 33. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$75,713,170 and expenditures and other financing uses of \$90,879,962.

The net fund balance decreased in the General Fund by \$1,892,375. The decrease is mostly due to the increase in transfers to other funds, which was offset by a large settlement received by the School District as previously mentioned.

The net fund balance increased in the Bond Retirement Fund by \$4,708,921 due to increase transfers received in 2025 when compared to 2024.

The net fund balance decreased in the Building Fund by \$21,897,418 due to increased capital outlay expenses towards the School District's building project, which was offset by increased interest revenue received from investments in 2025.

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 2025, the School District amended its General Fund budget numerous times. 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 \$14,576,906 less than the final budget estimates, and actual revenue was \$63,491 greater than the final budget estimates of \$54,231,043 due to the School District receiving more in interest and tuition. The School District's ending un-obligated cash balance was \$529,469 more than the final budgeted amount as expenditures were less than anticipated, mostly in the areas of instruction, support services, and extracurricular activities.

For the General Fund, the expenditure original budget estimates were \$12,751,617 less than the final budget estimates, and actual expenditures were \$465,978 less than the final budget estimates of \$55,658,454.

Capital Assets

At the end of fiscal year 2025, the School District had \$88,428,470 invested in land, construction in progress, 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.

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Table 4 shows fiscal 2025 balances compared to 2024:

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

	Governmental Activities	
	2025	2024
Land	\$ 978,708	\$ 978,708
Construction in progress	29,328,659	4,150,660
Land Improvements	990,270	1,101,182
Buildings and Building Improvements	54,475,369	56,440,642
Vehicles	1,413,658	1,498,807
Equipment	1,237,240	1,543,501
Intangible Right-to-use Lease - Equipment	4,566	11,713
Total Net Capital Assets	\$ 88,428,470	\$ 65,725,213

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

Debt

At June 30, 2025, the School District had \$81,883,374 in outstanding debt, \$3,917,657 due within one year. Table 5 summarizes bonds, notes and leases outstanding. See Note 15 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, 2025, the School District's voted general obligation bonded debt of \$77,574,831 is below the legal limit of \$94,491,006 (voted). In addition, the School District had no un-voted debt at June 30, 2025. Moody's rating for the School District's bonds is Aaa, the highest rating Moody's assigns to debt issues. The School District's Certificates of Participation was rated Aa1 by Moody's. It is typical for CoPS issues to be rated one level lower than a public entity's bond rating due to the nature of CoPS which are lease purchase transactions subject to payment via the annual appropriation measure. The TAN's issue was not rated due to the short term payback of ten years. However, Moody's still confirmed the District's rating of Aaa in the summer of 2023.

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Table 5 - Outstanding Debt at June 30,

	Governmental Activities	
	2025	2024
2016 Certificates of Participation	\$ 1,385,000	\$ 1,820,000
2016 COPs Premium	34,886	52,327
2020 Tax Anticipation Note	2,884,000	3,441,000
2021 Refunding Tax Exempt Bond	6,270,000	7,205,000
2021 Refunding Premium	719,318	856,331
2010 Qualified School Construct Bonds	2,480,000	3,720,000
2023 School Improvement Bonds	64,995,000	65,000,000
2023 School Improvement Premium	3,110,513	3,198,443
Leases Payable	4,657	11,887
Total Outstanding Debt	\$ 81,883,374	\$ 85,304,988

The general obligation bonds were issued for the purpose of school improvements. They are to be repaid from the bond retirement fund. The tax anticipation notes and certificates of improvement are to be repaid from tax revenues from the permanent improvement fund.

For the Future

Community Reinvestment Area (CRA)

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

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

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

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Schools-City Shared Services Agreement

The Beachwood Board of Education, in continued partnership with Mayor Justin Berns and the Beachwood City Council, has extended a three-year shared services agreement that allows the schools and city not to bill one another for specific services through the end of July 2027. Prior to this agreement, the Schools and City had “traded” taxpayers’ dollars with one another in roughly the same amount for several years, whereby the District paid the City for the police officers who protect our school buildings and the City paid the District for its extensive use of the District’s indoor and outdoor facilities for programming throughout the year. This shared services agreement makes good sense, is mutually beneficial and, hopefully, will lead to new and innovative forms of collaboration in the future.

Chagrin-Highlands Settlement

In June 2025, Beachwood Schools was able to successfully settle a long-standing dispute with Warrensville Heights City Schools over the property valuation and related taxes collected in the Chagrin-Highlands development area, which is situated in the City of Beachwood’s southern border. The financial terms of the settlement provide \$27 million to Beachwood Schools over four years with \$12 million paid out in June 2025 and then \$5 million each of the next three years in June of those years. The funds from this settlement have been a significant boost to the financial strength of the Beachwood Schools financial position.

Thoughts for the Future

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

With all these variables factored in, Beachwood Schools’ five-year forecast currently projects that we will NOT NEED to place an operating levy on the ballot again until at least calendar year 2026. The 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.

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For the Fiscal Year Ended June 30, 2025
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 a much stronger financial shape, and has allowed us to continue the amazing programs and services that make Beachwood a top-rated public school district in the state and nation. This was further evidenced by the community recently approving a 3.95 mill bond levy to build two new elementary buildings and its preschool facility. Once these buildings are completed, all of our District's school facilities will be fully updated and have the latest in technology, safety and security and have the ability to grow with the latest in educational learning environments. Thank you for your support of our work.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information, contact Matthew Brown, Treasurer/CFO at 216-464-2600 or E-mail at mbrown@beachwoodschoools.org.

Beachwood City School District
Statement of Net Position
June 30, 2025

	Governmental Activities
ASSETS	
Equity in Pooled Cash and Cash Equivalents	\$ 93,601,321
Cash and Cash Equivalents:	
In Segregated Accounts	134,873
Property Taxes Receivable	38,342,743
Prepaid Items	79,899
Accrued Interest Receivable	543,309
Accounts Receivable	30,318
Intergovernmental Receivable	15,248,109
Materials and Supplies Inventory	159,729
Net OPEB Asset	2,526,903
Nondepreciable Capital Assets	30,307,367
Depreciable/Amortized Capital Assets, Net	58,121,103
Total Assets	239,095,674
DEFERRED OUTFLOWS OF RESOURCES	
Pension	7,482,944
OPEB	1,668,429
Total Deferred Outflows of Resources	9,151,373
LIABILITIES	
Accounts Payable	1,797,978
Contracts Payable	3,719,667
Accrued Wages and Benefits	3,893,699
Intergovernmental Payable	613,690
Accrued Interest Payable	327,092
Matured Compensated Absences Payable	230,031
Retainage Payable	710,328
Claims Payable	576,649
Long-term Liabilities:	
Due within one year	4,929,150
Due in more than one year:	
Net Pension Liability	35,281,447
Net OPEB Liability	1,950,663
Other amounts due in more than one year	84,359,423
Total Liabilities	138,389,817
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	35,419,001
Pension	4,378,723
OPEB	4,743,472
Total Deferred Inflows of Resources	44,541,196
NET POSITION	
Net Investment in Capital Assets	42,341,437
Restricted:	
Capital Projects	4,252,296
Debt Service	9,891,201
Set-Asides	134,873
State Funded Programs	46,709
Federally Funded Programs	28,388
Student Activities	206,809
OPEB	2,526,903
Other Purposes	83,832
Unrestricted	5,803,586
Total Net Position	\$ 65,316,034

See accompanying notes to the basic financial statements.

Beachwood City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2025

	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Governmental Activities
Governmental activities:				
Instruction:				
Regular	\$ 14,992,996	\$ 253,667	\$ 8,791	\$ (14,730,538)
Special	8,358,055	107,861	1,070,783	(7,179,411)
Vocational	1,190,683	370,541	635,321	(184,821)
Adult/Continuing Instruction	205,138	16,600	-	(188,538)
Other	260,579	-	57,743	(202,836)
Supporting Services:				
Pupils	2,972,516	-	306,176	(2,666,340)
Instructional Staff	2,408,976	1,031	49,458	(2,358,487)
Board of Education	368,293	-	-	(368,293)
Administration	2,889,299	180	-	(2,889,119)
Fiscal Services	1,038,847	-	-	(1,038,847)
Business	508,718	-	-	(508,718)
Operation and Maintenance of Plant	4,654,059	-	75,891	(4,578,168)
Pupil Transportation	2,961,406	-	808,293	(2,153,113)
Central	369,614	-	-	(369,614)
Operation of Non-Instructional Services:				
Food Service Operations	794,656	406,511	140,510	(247,635)
Community Services	881,191	654,888	148,613	(77,690)
Extracurricular Activities	1,918,646	334,107	11,739	(1,572,800)
Interest and Fiscal Charges	3,610,639	-	-	(3,610,639)
Total Governmental activities	\$ 50,384,311	\$ 2,145,386	\$ 3,313,318	(44,925,607)
General Revenues:				
Property Taxes levied for:				
General Purposes				32,076,068
Other Purposes				6,350,304
Payment in Lieu of Taxes				285,722
Grants & Entitlements not restricted to specific programs				4,291,464
Investment Income				4,461,798
Gain on Sale of Capital Assets				1,698
All Other Revenues				27,089,221
Total General Revenues				74,556,275
Change in Net Position				29,630,668
Net Position - Beginning of Year, as previously reported				39,352,453
Change in Accounting Principal (GASB 101)				(3,667,087)
Net Position - Beginning of Year, as adjusted				35,685,366
Net Position - End of Year				\$ 65,316,034

See accompanying notes to the basic financial statements.

Beachwood City School District
Balance Sheet
Governmental Funds
June 30, 2025

	General	Bond Retirement	Building	Other Governmental Funds	Total Governmental Funds
ASSETS					
Equity in Pooled Cash and Cash Equivalents	\$ 27,091,713	\$ 9,803,844	\$ 45,402,361	\$ 8,219,419	\$ 90,517,337
Cash and Cash Equivalents:					
In Segregated Accounts	134,873	-	-	-	134,873
Materials and Supplies Inventory	153,560	-	-	6,169	159,729
Accrued Interest Receivable	543,309	-	-	-	543,309
Accounts Receivable	18,293	-	-	12,025	30,318
Due from Other Funds	3,215,000	-	-	-	3,215,000
Interfund Receivable	3,342,630	-	-	-	3,342,630
Intergovernmental Receivable	15,107,705	-	-	140,404	15,248,109
Prepaid Items	42,906	-	36,993	-	79,899
Property Taxes Receivable	32,455,161	5,575,308	-	312,274	38,342,743
Total Assets	<u>\$ 82,105,150</u>	<u>\$ 15,379,152</u>	<u>\$ 45,439,354</u>	<u>\$ 8,690,291</u>	<u>\$ 151,613,947</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 394,562	\$ -	\$ 1,334,549	\$ 68,867	\$ 1,797,978
Contracts Payable	-	-	3,719,667	-	3,719,667
Accrued Wages and Benefits	3,695,903	-	-	197,796	3,893,699
Intergovernmental Payable	550,889	-	-	62,801	613,690
Matured Compensated Absences Payable	230,031	-	-	-	230,031
Retainage Payable	-	-	710,328	-	710,328
Interfund Payable	-	-	-	3,342,630	3,342,630
Due to Other Funds	-	-	-	3,215,000	3,215,000
Total Liabilities	<u>4,871,385</u>	<u>-</u>	<u>5,764,544</u>	<u>6,887,094</u>	<u>17,523,023</u>
Deferred Inflows of Resources:					
Property Taxes	29,978,735	5,160,859	-	279,407	35,419,001
Unavailable Revenues - Delinquent Property Taxes	583,236	132,192	-	7,391	722,819
Unavailable Revenues - Grants	-	-	-	34,567	34,567
Unavailable Revenues - Other	15,107,705	-	-	-	15,107,705
Total Deferred Inflows of Resources	<u>45,669,676</u>	<u>5,293,051</u>	<u>-</u>	<u>321,365</u>	<u>51,284,092</u>
Fund Balances:					
Nonspendable	200,919	-	36,993	6,169	244,081
Restricted	134,873	10,086,101	39,637,817	733,510	50,592,301
Committed	-	-	-	1,100,000	1,100,000
Assigned	6,334,604	-	-	-	6,334,604
Unassigned (Deficit)	24,893,693	-	-	(357,847)	24,535,846
Total Fund Balances	<u>31,564,089</u>	<u>10,086,101</u>	<u>39,674,810</u>	<u>1,481,832</u>	<u>82,806,832</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 82,105,150</u>	<u>\$ 15,379,152</u>	<u>\$ 45,439,354</u>	<u>\$ 8,690,291</u>	<u>\$ 151,613,947</u>

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, 2025

Total Governmental Fund Balances		\$ 82,806,832
<i>Amounts reported for Governmental Activities in the Statement of Net Position are different because:</i>		
Capital Assets and Intangible Right-to-use assets used in Governmental Activities are not financial resources and, therefore, are not reported in the funds.		88,428,470
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable revenue in the funds:		
Delinquent property taxes	\$ 722,819	
Grants	34,567	
Other	15,107,705	
Total		15,865,091
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	7,482,944	
Deferred Inflows - Pension	(4,378,723)	
Net Pension Liability	(35,281,447)	
Deferred Outflows - OPEB	1,668,429	
Deferred Inflows - OPEB	(4,743,472)	
Net OPEB Asset	2,526,903	
Net OPEB Liability	(1,950,663)	
Total		(34,676,029)
Internal Service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The assets and liabilities of the School District's Internal Service funds are included in Governmental Activities in the Statement of Net Position.		2,507,335
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds:		
Long-Term Notes Payable	(4,303,886)	
General Obligation Bonds	(77,574,831)	
Accrued interest payable	(327,092)	
Leases Payable	(4,657)	
Compensated absences	(7,405,199)	
Total		(89,615,665)
Net Position of Governmental Activities		\$ 65,316,034

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, 2025

	General	Bond Retirement	Building	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property and Other Local Taxes	\$ 32,263,007	\$ 4,876,165	\$ -	\$ 1,438,029	\$ 38,577,201
Intergovernmental	4,878,016	775,426	-	1,958,473	7,611,915
Interest	1,114,878	-	3,346,920	-	4,461,798
Tuition and Fees	395,139	-	-	950,710	1,345,849
Extracurricular Activities	1,367	-	-	371,825	373,192
Rentals	14,685	-	-	-	14,685
Customer Sales and Services	99,245	-	-	434,181	533,426
Contributions and Donations	810	-	-	19,145	19,955
Settlements	12,000,000	-	-	-	12,000,000
Payment in Lieu of Taxes	285,772	-	-	-	285,772
All Other Revenues	28,193	-	-	264	28,457
Total Revenues	51,081,112	5,651,591	3,346,920	5,172,627	65,252,250
EXPENDITURES					
Current:					
Instruction:					
Regular	14,911,510	-	-	8,689	14,920,199
Special	8,232,420	-	-	565,205	8,797,625
Vocational	334,167	-	-	953,008	1,287,175
Adult/Continuing	-	-	-	152,735	152,735
Other	198,816	-	-	57,632	256,448
Supporting Services:					
Pupils	2,707,505	-	-	177,830	2,885,335
Instructional Staff	2,068,726	-	-	42,723	2,111,449
Board of Education	343,802	-	-	-	343,802
Administration	2,977,758	-	-	-	2,977,758
Fiscal Services	1,313,982	1,301	66,339	-	1,381,622
Business	451,215	-	-	-	451,215
Operation and Maintenance of Plant	4,431,921	-	-	78,826	4,510,747
Pupil Transportation	2,809,170	-	-	11,170	2,820,340
Central	293,419	-	-	-	293,419
Operation of Non-Instructional Services:					
Food Service Operations	-	-	-	711,385	711,385
Community Services	34,948	-	-	847,523	882,471
Extracurricular Activities	1,293,657	-	-	579,980	1,873,637
Capital Outlay	41,633	-	25,177,999	359,063	25,578,695
Debt Service:					
Principal Retirement	7,230	3,172,000	-	-	3,179,230
Interest and Fiscal Charges	84	3,853,319	-	-	3,853,403
Advance Refunding Escrow	-	2,050	-	-	2,050
Total Expenditures	42,451,963	7,028,670	25,244,338	4,545,769	79,270,740
Excess of Revenues Over (Under) Expenditures	8,629,149	(1,377,079)	(21,897,418)	626,858	(14,018,490)
OTHER FINANCING SOURCES (USES)					
Sale of Capital Assets	1,698	-	-	-	1,698
Transfers In	-	6,086,000	-	4,373,222	10,459,222
Transfers Out	(10,523,222)	-	-	(1,086,000)	(11,609,222)
Total Other Financing Sources (Uses)	(10,521,524)	6,086,000	-	3,287,222	(1,148,302)
Net Change in Fund Balances	(1,892,375)	4,708,921	(21,897,418)	3,914,080	(15,166,792)
Fund Balances - Beginning of Year	33,456,464	5,377,180	61,572,228	(2,432,248)	97,973,624
Fund Balances - End of Year	\$ 31,564,089	\$ 10,086,101	\$ 39,674,810	\$ 1,481,832	\$ 82,806,832

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, 2025

Net Change in Fund Balances-Total Governmental Funds **\$ (15,166,792)**

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	\$ 25,578,695	
Depreciation/Amortization	<u>(2,875,438)</u>	
Total		22,703,257

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

Delinquent property taxes	(150,829)	
Grants	31,011	
Other	<u>14,942,073</u>	
Total		14,822,255

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

3,179,230

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

Pension		3,797,685
OPEB		131,955

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		(2,181,295)
OPEB		823,567

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	(237,454)	
Accrued interest	2,430	
Amortization of bond premiums	<u>242,384</u>	
Total		7,360

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.

1,513,446

Change in Net Position of Governmental Activities **\$ 29,630,668**

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, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Property and Other Local Taxes	\$ 32,611,843	\$ 34,270,342	\$ 34,270,342	\$ -
Intergovernmental	4,502,897	4,975,608	4,977,324	1,716
Interest	1,482,117	1,679,925	1,702,182	22,257
Tuition and Fees	425,230	298,726	336,110	37,384
Rent	15,000	14,685	14,685	-
Extracurricular Activities	-	1,367	1,367	-
Gifts and Donations	-	810	810	-
Customer Sales and Services	136,550	102,703	100,686	(2,017)
Miscellaneous	397,500	12,283,290	12,287,441	4,151
Total Revenues	<u>39,571,137</u>	<u>53,627,456</u>	<u>53,690,947</u>	<u>63,491</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular	14,986,245	14,935,193	14,794,026	141,167
Special	8,009,931	8,297,002	8,248,688	48,314
Vocational	626,618	360,161	359,444	717
Other	242,676	206,569	195,477	11,092
Support Services:				
Pupils	2,777,864	2,704,452	2,668,882	35,570
Instructional Staff	1,909,819	2,099,914	2,075,254	24,660
Board of Education	384,799	428,943	392,140	36,803
Administration	2,915,066	2,988,822	2,942,201	46,621
Fiscal	1,272,634	1,321,446	1,313,886	7,560
Business	463,102	467,853	458,801	9,052
Operation and Maintenance of Plant	4,296,534	4,566,742	4,527,564	39,178
Pupil Transportation	2,715,373	2,830,636	2,821,669	8,967
Central	309,289	310,284	293,040	17,244
Operation of Non-Instructional/Shared Services:				
Community Services	60,000	33,427	33,427	-
Extracurricular Activities:				
Academic Oriented Activities	264,086	245,340	234,671	10,669
Sport Oriented Activities	896,367	913,670	889,949	23,721
School and Public Service Co-Curricular Activities	85,434	70,236	66,593	3,643
Total Expenditures	<u>42,215,837</u>	<u>42,780,690</u>	<u>42,315,712</u>	<u>464,978</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,644,700)</u>	<u>10,846,766</u>	<u>11,375,235</u>	<u>528,469</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In	65,500	603,541	603,541	-
Proceeds from Sale of Capital Assets	10,000	-	-	-
Refund of Prior Year Expenditures	7,500	46	46	-
Transfers Out	(691,000)	(12,877,764)	(12,876,764)	1,000
Total Other Financing Sources and Uses	<u>(608,000)</u>	<u>(12,274,177)</u>	<u>(12,273,177)</u>	<u>1,000</u>
Net Change in Fund Balances	(3,252,700)	(1,427,411)	(897,942)	529,469
Fund Balance at Beginning of Year	23,434,756	23,434,756	23,434,756	-
Prior Year Encumbrances Appropriated	174,230	174,230	174,230	-
Fund Balance at End of Year	<u>\$ 20,356,286</u>	<u>\$ 22,181,575</u>	<u>\$ 22,711,044</u>	<u>\$ 529,469</u>

See accompanying notes to the basic financial statement

Beachwood City School District
Statement of Fund Net Position
Proprietary Fund
June 30, 2025

	Governmental Activities - Internal Service Fund
ASSETS	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 3,083,984
Total Assets	<u>3,083,984</u>
LIABILITIES	
Current Liabilities:	
Claims Payable	<u>576,649</u>
Total Liabilities	<u>576,649</u>
NET POSITION	
Unrestricted	<u>2,507,335</u>
Total Net Position	<u>\$ 2,507,335</u>

See accompanying notes to the basic financial statements.

Beachwood City School District
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Fiscal Year Ended June 30, 2025

	Governmental Activities - Internal Service Fund
OPERATING REVENUES	
Charges for Services	\$ 4,597,774
Miscellaneous	412,800
Total Operating Revenues	<u>5,010,574</u>
OPERATING EXPENSES	
Claims	4,386,584
Other	260,544
Total Operating Expenses	<u>4,647,128</u>
Operating Income	<u>363,446</u>
Transfers In	<u>1,150,000</u>
Change in Net Position	1,513,446
Net Position - Beginning of Year	993,889
Net Position - End of Year	<u><u>\$ 2,507,335</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, 2025

	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Self Insurance Premiums	\$ 5,010,574
Cash Payments for Claims	(4,656,069)
Cash Payments for Other Expenses	(9,527)
Net Cash Provided by Operating Activities	<u>344,978</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers In	<u>1,150,000</u>
Net Increase in Cash and Cash Equivalents	1,494,978
Cash and Cash Equivalents - Beginning of Year	<u>1,589,006</u>
Cash and Cash Equivalents - End of Year	<u><u>\$ 3,083,984</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income	\$ 363,446
Adjustments:	
Increase in Liabilities:	
Claims Payable	(18,468)
Net Cash (Used in) Operating Activities	<u><u>\$ 344,978</u></u>

See accompanying notes to the basic financial statements.

NOTES
TO
BASIC
FINANCIAL
STATEMENTS

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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 178 certificated teaching personnel, 120 non-certificated support personnel, 13 administrators, and 7 supervisors.

The School District is located east of Cleveland, Ohio, in a prosperous suburb consisting of residences and significant office and retail commercial development. The enrollment for the School District during the 2025 fiscal year was 1,520. 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 17 and Note 12B to the basic financial statements. These organizations are:

Jointly Governed Organizations:

Ohio Schools’ Council Association
Connect

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, 2025

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, 2025

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.

Building Fund - The Building Fund accounts for and reports bond and note proceeds restricted for the acquisition, construction, improvements, and furnishings for the School District.

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

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

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

C. Measurement Focus

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

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the Statement of Net Position.

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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Governmental fund financial statements therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

D. Basis of Accounting

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

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

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

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

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

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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2025, but which were levied to finance fiscal year 2026 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, 2025

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 2025, investments were limited to U.S Government Agency securities, money market, commercial paper, negotiable certificates of deposits, U.S. Treasury Notes and Bonds, and STAR Ohio.

During fiscal year 2025, 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 2025, 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 during fiscal year 2025 amounted to \$1,114,878 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, 2025, 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, 2025

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 16 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, 2025

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 recognizes a liability for compensated absences for leave that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. The liability is incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation - The School District's policy permits employees to accumulate earned but unused benefits, which are eligible for payments at the employee's current pay rate upon separation from employment.

Sick - The School District's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employment of the School District and, upon separation from service, a monetary obligation exists. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the School District's termination policy.

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, 2025

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, 2025

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 2025.

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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 3 – Change in Accounting Principles

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

GASB Statement No. 102, Certain Risk Disclosures – an Amendment of GASB Statement No. 62. GASB 100 The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. The implementation of the GASB pronouncement did not have any impact on beginning net position or fund balance.

GASB Statement No. 101, Compensated Absences The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. For the School District, GASB 101 increased the liability and the cumulative effects of compensated absence related expense on net position as shown on the table below.

	<u>Government-Wide</u>
	<u>Governmental</u>
	<u>Activities</u>
June 30, 2024, as previously reported	\$ 39,352,453
Change in accounting principle (GASB 101)	<u>(3,667,087)</u>
June 30, 2024, as adjusted or restated	<u><u>\$ 35,685,366</u></u>

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Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 4 - Accountability

Fund balances at June 30, 2025, included the following fund deficit balances

	Fund Balance Deficits
<u>Nonmajor Funds</u>	
Food Service	\$ 12,948
Recreation	18,822
Consortium	308,940
IDEA B	10,968
Total	<u>\$ 351,678</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).
5. Some funds are included in the General Fund (GAAP basis), but have separate legally adopted budgets (budget basis).

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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

Net Change in Fund Balance	
GAAP Basis	\$ (1,892,375)
Net Adjustment for Revenue Accruals	2,608,158
Net Adjustments for Expenditure Accruals	138,296
Funds with Separate Legally Adopted Budgets	(1,454,270)
Adjustment for Encumbrances	(297,751)
Budget Basis	<u>\$ (897,942)</u>

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Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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	Building	Other Governmental Funds	Total
<i>Nonspendable</i>					
Prepaid Items	\$ 42,906	\$ -	\$ 36,993	\$ -	\$ 79,899
Inventories	153,560	-	-	6,169	159,729
Unclaimed Funds	4,453	-	-	-	4,453
<i>Total Nonspendable</i>	<u>200,919</u>	<u>-</u>	<u>36,993</u>	<u>6,169</u>	<u>244,081</u>
<i>Restricted for</i>					
Budget Stabilization	134,873	-	-	-	134,873
Building Fund	-	-	39,637,817	-	39,637,817
Expandable Trust Funds	-	-	-	22,497	22,497
Marketing School Store	-	-	-	18,671	18,671
Pupil Support	-	-	-	37,274	37,274
Local Grants	-	-	-	5,390	5,390
Preschool	-	-	-	23,704	23,704
Student Managed Student Activities	-	-	-	99,896	99,896
District Managed Student Activities	-	-	-	106,913	106,913
State Grants	-	-	-	46,709	46,709
Federal Grants	-	-	-	6,020	6,020
Bond Retirement	-	10,086,101	-	-	10,086,101
Permanent Improvements	-	-	-	366,436	366,436
<i>Total Restricted</i>	<u>134,873</u>	<u>10,086,101</u>	<u>39,637,817</u>	<u>733,510</u>	<u>50,592,301</u>
<i>Committed to</i>					
Capital Projects	-	-	-	1,100,000	1,100,000
<i>Total Committed</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,100,000</u>	<u>1,100,000</u>
<i>Assigned to</i>					
Subsequent Year Appropriations	4,997,898	-	-	-	4,997,898
Instruction	70,665	-	-	-	70,665
Support Services	102,610	-	-	-	102,610
Operation of Non-Instructional Activities	773	-	-	-	773
Workers' Compensation	1,162,658	-	-	-	1,162,658
<i>Total Assigned</i>	<u>6,334,604</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,334,604</u>
<i>Unassigned (Deficit)</i>	24,893,693	-	-	(357,847)	24,535,846
Total Fund Balances	<u><u>\$ 31,564,089</u></u>	<u><u>\$ 10,086,101</u></u>	<u><u>\$ 39,674,810</u></u>	<u><u>\$ 1,481,832</u></u>	<u><u>\$ 82,806,832</u></u>

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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, 2025

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 \$113,732. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2025, \$559,122 of the School District's bank balance of \$501,559 was covered by Federal Depository Insurance and \$57,563 was covered by the Ohio Pooled Collateral System.

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, 2025.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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, 2025. As previously discussed, Star Ohio is reported at its net asset value.

As of June 30, 2025, the School District had the following investments and maturities:

Investment Type	Fair-Value	Credit Rating (*)	Investment Maturities (in Years)			Percentage of Total Investments
			<1	1-3	3-5	
Star Ohio	\$ 20,203,686	AAA	\$ 20,203,686	\$ -	\$ -	21.58%
Money Market	1,000,713	AAA	1,000,713	-	-	1.07%
Securities	20,698,553	AA+/Aaa	10,431,769	7,260,017	3,006,767	22.11%
Commercial Paper	11,925,627	A-1/P-1	11,925,627	-	-	12.74%
Certificates of Deposit	4,736,215	N/A	4,736,215	-	-	5.06%
U.S. Treasury Bonds and Notes	35,057,668	AA+/Aaa	24,953,701	4,748,659	5,355,308	37.45%
Total Investments	93,622,462		<u>\$ 73,251,711</u>	<u>\$ 12,008,676</u>	<u>\$ 8,362,075</u>	
Carrying Amount of Deposits	113,732					
Total	<u>\$ 93,736,194</u>					

Interest Rate Risk

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

Credit Risk

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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Custodial Credit Risk

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Commercial Paper and U.S. Governmental Agency Obligations are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in the School District's name. The School District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer of qualified trustee. At fiscal year end, the School District's investment in negotiable certificates of deposit of \$4,736,215 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 22.1%, U.S. Treasury Bond and Notes 37.4%, Commercial Paper 12.7%, negotiable certificates of deposit represent 5.1%, money market 1.1%, and STAR Ohio representing 21.6% of the School District's total investments.

Note 8 - Property Taxes

Property taxes are levied and assessed on a calendar year basis, while the School District's fiscal year runs from July through June. First-half tax distributions are received by the School District in the second half of the fiscal year. Second-half tax distributions are received in the first half of the following fiscal year. Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the School District. Real property tax revenue received in calendar year 2025 represents collections of calendar year 2024 taxes.

Real property taxes received in calendar year 2025 were levied after April 1, 2024, on the assessed value listed as of January 1, 2024, 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 2025 represents collections of calendar year 2024 taxes. Public utility real and tangible personal property taxes received in calendar year 2025 become a lien December 31, 2023, were levied after April 1, 2024 and are collected in 2025 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, 2025, are available to finance fiscal year 2025 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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, 2025 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, 2025 was \$1,893,190 for the General Fund, \$282,257 in the Bond Retirement Fund, and \$25,476 in the Permanent Improvement Fund. The amount available as an advance at June 30, 2024 was \$3,900,525 for the General Fund, \$581,531 in the Bond Retirement Fund, and \$52,488 in the Permanent Improvement Fund. The assessed values upon which the fiscal year 2025 taxes were collected are:

	2024 Second- Half Collections		2025 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential	\$ 444,891,370	50.16%	\$ 546,480,970	52.05%
Industrial/Commercial	424,976,030	47.92%	484,694,690	46.17%
Public Utility	17,032,660	1.92%	18,724,410	1.78%
Total Assessed Value	<u>\$ 886,900,060</u>	<u>100.00%</u>	<u>\$ 1,049,900,070</u>	<u>100.00%</u>
Tax rate per \$1,000 of Assessed valuation	\$ 93.58		\$ 93.58	

Note 9 - Receivables

Receivables at June 30, 2025, 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.

On June 5, 2025, Beachwood City School District (BCSD) and Warrensville Heights City School District (WHCSD) agreed to a settlement over annexed land that became part of the City of Beachwood, but remained within the WHCSD. As partial consideration for the provisions of this agreement, WHCSD will pay an aggregate settlement payment of \$27,000,000, of which \$12,000,000 was received during fiscal year 2025. The remaining \$15,000,000 is recorded as a receivable as of June 30, 2025. See below for the scheduled future payments to be received by the School District:

Fiscal Year Ending	Settlement Receivable
2026	\$ 5,000,000
2027	5,000,000
2028	5,000,000
	<u>\$ 15,000,000</u>

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 10 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2025 was as follows:

	Balance 6/30/2024	Additions	Deletions	Balance 6/30/2025
<u>Governmental Activities</u>				
Capital Assets, not being depreciated:				
Land	\$ 978,708	\$ -	\$ -	\$ 978,708
Construction in Progress	4,150,660	25,177,999	-	29,328,659
Total Capital Assets, not being depreciated	5,129,368	25,177,999	-	30,307,367
Capital Assets, being depreciated/amortized:				
Land Improvements	4,075,740	-	-	4,075,740
Buildings and Buildings Improvements	95,790,343	147,846	-	95,938,189
Vehicles	3,204,242	87,561	-	3,291,803
Equipment	11,435,722	165,289	(304,283)	11,296,728
Intangible Right-to-use Lease - Equipment	39,433	-	(10,531)	28,902
Total Capital Assets, being depreciated/amortized	114,545,480	400,696	(314,814)	114,631,362
Less Accumulated Depreciation/Amortization:				
Land Improvements	(2,974,558)	(110,912)	-	(3,085,470)
Buildings and Buildings Improvements	(39,349,701)	(2,113,119)	-	(41,462,820)
Vehicles	(1,705,435)	(172,710)	-	(1,878,145)
Equipment	(9,892,221)	(471,550)	304,283	(10,059,488)
Intangible Right-to-use Lease - Equipment	(27,720)	(7,147)	10,531	(24,336)
Total Accumulated Depreciation/Amortization	(53,949,635)	(2,875,438)	314,814	(56,510,259)
Total Capital Assets being depreciated/amortized, Net	60,595,845	(2,474,742)	-	58,121,103
Governmental Activities Capital Assets, Net	\$ 65,725,213	\$ 22,703,257	\$ -	\$ 88,428,470

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

Instruction:	
Regular	\$ 1,540,851
Special	66,175
Vocational	41,197
Recreation	1,253
Support Services:	
Pupil	184,607
Instructional Staff	314,888
Board of Education	25,606
Administration	62,007
Fiscal	7,604
Business	14,381
Operation and Maintenance of Plant	193,274
Pupil Transportation	172,680
Central	1,540
Operation of Non-Instructional Services:	
Food Services	83,271
Community Services	38,402
Extracurricular Activities	127,702
Total Depreciation/Amortization Expense	\$ 2,875,438

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 11 – Inter-fund Transactions

As of June 30, 2025, on the fund financial statements, the Consortium fund, which is a Nonmajor governmental fund, owed the General Fund \$3,278,029. The School District's consortium fund provides services to local surrounding school districts. Costs are billed on a per pupil basis. The School District incurs administrative and operational costs that are billed to the consortium districts but are costs that are incurred by the General Fund. Over time, the consortium funds owe the General Fund these dollars. The General Fund covered negative cash balances for non-major governmental funds including \$48,774 to the IDEA B Fund, \$12,993 to the Title I Fund, \$365 to the Drug Free School Grant Fund, and \$2,469 to the Reducing Class Size Fund. The total interfund receivable balance for the General Fund was \$3,342,630 at June 30, 2025.

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

During the year ended June 30, 2025 the Bond Retirement Fund received transfers of \$5,000,000 from the General Fund and \$1,086,000 from the Permanent Improvement Fund to cover principal payments on debt. The General Fund transferred \$1,150,000 to the Health Reserve Fund and \$4,373,222 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 2025, the School District contracted with Liberty Mutual for property, general liability insurance, and boiler and machinery coverage in the amounts of \$181,028,024, \$2,000,000, and \$100,000,000 respectively. The deductible varies from \$1,000 to \$10,000.

Umbrella Liability insurance is covered by Liberty Mutual with a \$10,000,000 single occurrence limit 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 AmWins/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 Liberty Mutual and have a \$2,500 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 \$10,000 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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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 six years in a row.

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 2025, total claims expense of \$4,656,069 was recognized, which represents actual claims processed and paid as of June 30, 2025. 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>
2024	\$ 555,800	\$ 4,589,550	\$ 4,550,233	\$ 595,117
2025	\$ 595,117	\$ 4,637,601	\$ 4,656,069	\$ 576,649

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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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.

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

B. Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

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

A three-year COLA suspension was in effect for all benefit recipients for calendar years 2018, 2019, and 2020. The Retirement Board approved a 2.5% COLA for calendar year 2023 and 2024.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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, 2025, 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 \$1,154,400 for fiscal year 2025.

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. The calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Effective August 1, 2023, any member can retire with unreduced benefits with 34 years of services credit at any age; or five years of service credit and age 65. Effective June 1, 2025 – July 1, 2027, any member can retire with unreduced benefits with 33 years of service credit at any age; or five years of service credit and age 6. Effective on or after Aug. 1, 2027, any member can retire with unreduced benefits with 34 years of service credit at any age; or five years of service credit and age 65.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits effective Aug. 1, 2023, can retire with 29 years of service credit at any age; or five years of service credit and age 60. Effective June 1, 2025 - July 1, 2027, retirement eligibility for reduced benefits is 28 years of service credit at any age; or five years of service credit and age 60. Effective on or after Aug. 1, 2027, retirement eligibility for reduced benefits is 29 years of service credit at any age; or five years of service credit and age 60.

The DC Plan allows members to place all their member contributions and 11.09 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 2.91 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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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.

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, 2025, 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 2025 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$2,643,285 for fiscal year 2025.

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, 2024, 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:

	SERS	STRS	Total
Proportion of the Net Pension Liability			
Prior Measurement Date	0.1783474%	0.1323984%	
Proportion of the Net Pension Liability			
Current Measurement Date	0.1886003%	0.1332186%	
Change in Proportionate Share	0.0102529%	0.0008203%	
Proportionate Share of the Net Pension			
Liability	\$ 9,648,031	\$ 25,633,416	\$ 35,281,447
Pension Expense	\$ 1,007,890	\$ 1,173,405	\$ 2,181,295

Beachwood City School District
Notes to the Basic Financial Statements
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At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ 368,354	\$ 1,614,237	\$ 1,982,591
Changes of assumptions	86,310	1,181,327	1,267,637
Changes in proportion and differences between School District contributions and proportionate share of contributions	402,260	32,771	435,031
School District contributions subsequent to the measurement date	1,154,400	2,643,285	3,797,685
Total Deferred Outflows of Resources	<u>\$ 2,011,324</u>	<u>\$ 5,471,620</u>	<u>\$ 7,482,944</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ -	\$ 14,036	\$ 14,036
Changes of assumptions	-	889,201	889,201
Net difference between projected and actual earnings on pension plan investments	603,478	2,203,950	2,807,428
Changes in proportion and differences between School District contributions and proportionate share of contributions	30,614	637,444	668,058
Total Deferred Inflows of Resources	<u>\$ 634,092</u>	<u>\$ 3,744,631</u>	<u>\$ 4,378,723</u>

\$3,797,685 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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2026	\$ (349,702)	\$ (1,953,532)	\$ (2,303,234)
2027	722,930	2,271,703	2,994,633
2028	27,060	(731,705)	(704,645)
2029	(177,456)	(502,762)	(680,218)
Total	<u>\$ 222,832</u>	<u>\$ (916,296)</u>	<u>\$ (693,464)</u>

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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. Future benefits for all current plan members were projected through 2137.

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, 2024, 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	2.00 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 investment expenses, including inflation
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
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The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	3.00 %	0.97 %
US Equity	22.00	4.68
Non-US Equity Developed	12.00	4.96
Non-US Equity Emerging	6.00	5.66
Fixed Income/Global Bonds	18.00	2.38
Private Equity	14.00	7.10
Real Estate/Real Assets	13.00	3.64
Infrastructure	7.00	4.80
Private Debt/Private Credit	5.00	5.86
Total	<u>100.00 %</u>	

Discount Rate The total pension liability was calculated using the discount rate of 7.00 percent. The projection of cash flows used to determine the discount rate assumed that employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 20-year amortization period of the unfunded actuarial accrued liability. The actuarially determined rate of fiscal year 2024 was 14 percent. 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. The annual money weighted rate of return, calculated as the internal rate of return on pension plan investments, for fiscal year 2024 was 9.31 percent.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.00 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent), or one percentage point higher (8.00 percent) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$ 14,760,151	\$ 9,648,031	\$ 5,343,901

Beachwood City School District
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F. Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2024, actuarial valuation is presented below:

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

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

Actuarial assumptions used in the June 30, 2024 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return *</u>
Domestic Equity	26.00 %	6.90 %
International Equity	22.00	7.70
Alternatives	19.00	9.10
Fixed Income	22.00	4.50
Real Estate	10.00	5.10
Liquidity Reserves	1.00	2.40
Total	<u>100.00 %</u>	

* Final target weights reflected at October 1, 2022.

* 10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.4% and does not include investment expenses. Over a 30-year period, STRS Ohio's investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Beachwood City School District
Notes to the Basic Financial Statements
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Discount Rate The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2024. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2024. 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, 2024.

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	\$ 41,351,190	\$ 25,633,416	\$ 12,338,877

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Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 14 – Defined Benefit OPEB Plans

A. Net OPEB Liability/Asset

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

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

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

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

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

B. Plan Description - School Employees Retirement System (SERS)

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

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

Beachwood City School District
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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 2025, 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 2025, this amount was \$30,000. 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 \$131,955 for fiscal year 2025 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, 2025, 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, 2024, and the total OPEB liability 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:

	SERS	STRS	Total
Proportion of the Net OPEB Liability			
Prior Measurement Date	0.1808070%	0.1323984%	
Proportion of the Net OPEB Liability/asset			
Current Measurement Date	0.1915239%	0.1332186%	
Change in Proportionate Share	<u>0.0107169%</u>	<u>0.0008202%</u>	
Proportionate Share of the Net OPEB Liability	\$ 1,950,663	\$ -	\$ 1,950,663
Proportionate Share of the Net OPEB Asset	\$ -	\$ (2,526,903)	\$ (2,526,903)
OPEB Expense	\$ (291,283)	\$ (532,284)	\$ (823,567)

At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ -	\$ 109,850	\$ 109,850
Changes of assumptions	837,225	311,024	1,148,249
Net difference between projected and actual earnings on pension plan investments	9,525	-	9,525
Changes in proportionate Share and difference between School District contributions and proportionate share of contributions	257,993	10,857	268,850
School District contributions subsequent to the measurement date	131,955	-	131,955
Total Deferred Outflows of Resources	<u>\$ 1,236,698</u>	<u>\$ 431,731</u>	<u>\$ 1,668,429</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 2,103,321	\$ 272,318	\$ 2,375,639
Changes of assumptions	896,063	1,139,616	2,035,679
Net difference between projected and actual earnings on OPEB plan investments	-	108,497	108,497
Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions	215,646	8,011	223,657
Total Deferred Inflows of Resources	<u>\$ 3,215,030</u>	<u>\$ 1,528,442</u>	<u>\$ 4,743,472</u>

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\$131,955 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 or an increase to the net OPEB asset in the year ending June 30, 2026.

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:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2026	\$ (571,788)	\$ (387,141)	\$ (958,929)
2027	(391,319)	(168,434)	(559,753)
2028	(294,988)	(217,162)	(512,150)
2029	(234,042)	(201,751)	(435,793)
2030	(231,176)	(163,192)	(394,368)
Thereafter	<u>(386,974)</u>	<u>40,969</u>	<u>(346,005)</u>
Total	<u>\$ (2,110,287)</u>	<u>\$ (1,096,711)</u>	<u>\$ (3,206,998)</u>

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.

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Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2024, are presented on below:

Wage Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investments expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	3.93 percent
Prior Measurement Date	3.86 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	4.88 percent
Prior Measurement Date	4.27 percent
Medical Trend Assumption	
Measurement Date	7.00 to 4.40 percent
Prior Measurement Date	6.75 to 4.40 percent

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 2016 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.

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The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2020 five-year experience study, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	0.97 %
US Equity	22.00	4.68
Non-US Equity Developed	12.00	4.96
Non-US Equity Emerging	6.00	5.66
Fixed Income/Global Bonds	18.00	2.38
Private Equity	14.00	7.10
Real Estate/Real Assets	13.00	3.64
Infrastructure	7.00	4.80
Private Debt/Private Credit	5.00	5.86

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2024 was 4.88 percent. The discount rate used to measure total OPEB liability prior to June 30, 2024 was 4.27 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 1.50 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2059 by SERS' actuaries. The Fidelity General Obligation 20-year Municipal Bond Index Rate was used in the determination for the SEIR for both the June 30, 2023 and the June 30, 2024 total OPEB liability. The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index rate is 3.93% at June 30, 2024 and 3.86% at June 30, 2023.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.88%) and higher (5.88%) than the current discount rate (4.88%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.40%) and higher (8.00% decreasing to 5.40%) than the current rate (7.00% decreasing to 4.40%).

	1% Decrease (3.88%)	Current Discount Rate (4.88%)	1% Increase (5.88%)
School District's proportionate share of the net OPEB liability	\$2,601,138	\$1,950,663	\$1,433,711

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	1% Decrease (6.00% decreasing to 3.40%)	Current Trend Rate (7.00% decreasing to 4.40%)	1% Increase 8.00% decreasing to 5.40%)
School District's proportionate share of the net OPEB liability	\$1,318,575	\$1,950,663	\$2,781,490

F. Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2024, actuarial valuation is presented below:

Projected salary increases	Varies by service from 2.5 percent to 8.5 percent	
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	
Payroll Increases	3 percent	
Discount Rate of Return	7.00 percent	
Health Care Cost Trends	Initial	Ultimate
Medical		
Pre-Medicare	7.50 percent	3.94 percent
Medicare	-112.22 percent	3.94 percent
Prescription Drug		
Pre-Medicare	8.00 percent	3.94 percent
Medicare	-15.14 percent	3.94 percent

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

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

Actuarial assumptions used in the June 30, 2024, valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021.

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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 as follows:

Asset Class	Target Allocation *	Long-Term Expected Rate of Return **
Domestic Equity	26.00 %	6.90 %
International Equity	22.00	7.70
Alternatives	19.00	9.10
Fixed Income	22.00	4.50
Real Estate	10.00	5.10
Liquidity Reserves	1.00	2.40
Total	<u>100.00 %</u>	

* Final Target weights reflected at October 1, 2022

** 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.4 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, 2024. 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, 2024.

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, 2024, 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)	\$ (2,054,539)	\$ (2,526,903)	\$ (2,937,962)

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
School District's proportionate share of the net OPEB (asset)	\$ (2,965,729)	\$ (2,526,903)	\$ (1,999,157)

Benefit Term Changes Since the Prior Measurement Date Healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2025. The larger Medicare trends for Years 2027 and 2028 reflect the assumed impact of the expiration of current Medicare Advantage contract on December 31, 2028.

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Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 15 – Long-Term Obligations

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

	Restated Principal Outstanding 6/30/2024	Additions	Reduction	Principal Outstanding 6/30/2025	Amounts Due in One Year
Governmental Activities					
Long-Term Notes Payable					
2016 COPS 2.47% - Direct Borrowings	\$ 1,820,000	\$ -	\$ 435,000	\$ 1,385,000	\$ 450,000
2016 COPS Premium	52,327	-	17,441	34,886	-
2020 Tax Anticipation Note 1.17%	3,441,000	-	557,000	2,884,000	563,000
Total Long-Term Notes Payable	5,313,327	-	1,009,441	4,303,886	1,013,000
General Obligation Bonds					
2010 QSCB Bonds 5.125%	3,720,000	-	1,240,000	2,480,000	1,240,000
2021 Refunding Tax Exempt 1-4.00%	7,205,000	-	935,000	6,270,000	955,000
Premium	856,331	-	137,013	719,318	-
2023 School Improvement Bonds 4.125-5.00%	65,000,000	-	5,000	64,995,000	705,000
Premium	3,198,443	-	87,930	3,110,513	-
Total General Obligation Bonds	79,979,774	-	2,404,943	77,574,831	2,900,000
Net Pension Liability:					
STRS	28,511,902	-	2,878,486	25,633,416	-
SERS	9,854,613	-	206,582	9,648,031	-
Total Net Pension Liability	38,366,515	-	3,085,068	35,281,447	-
Net OPEB Liability:					
SERS	2,978,695	-	1,028,032	1,950,663	-
Total Net OPEB Liability	2,978,695	-	1,028,032	1,950,663	-
Leases Payable	11,887	-	7,230	4,657	4,657
Compensated Absences Payable*	7,167,745	237,454	-	7,405,199	1,011,493
Long-Term Liabilities	7,179,632	237,454	7,230	7,409,856	1,016,150
Total Long-Term Liabilities	\$ 133,817,943	\$ 237,454	\$ 7,534,714	\$ 126,520,683	\$ 4,929,150

* - The change in compensated absences above is the net change for the year.

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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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. Property taxes from the Permanent Improvement Levy will pay for these notes.

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 During fiscal year 2024, the School District issued general obligation bonds of \$65,000,000 with an interest rate of 4.125-5.000% that will mature in December 2060. In prior years, 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 will 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, 2025 is \$6,820,000.

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 5.68 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.

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 a copier lease with Comdoc for a term of 60 months (monthly payments) and will mature in fiscal year 2026.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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 \$27,002,276 with an un-voted debt margin of \$1,049,900 at June 30, 2025.

Principal and interest requirements to retire the long-term obligations outstanding at June 30, 2025 were as follows:

Fiscal Year Ending	Long-Term Notes Payable		General Obligation Bonds		Leases Payable		Total	
	Principal	Interest	Principal	Interest *	Principal	Interest	Principal	Interest
2026	\$ 1,013,000	\$ 65,249	\$ 2,900,000	\$ 3,813,081	4,657	19	\$ 3,917,657	\$ 3,878,349
2027	1,030,000	44,971	2,970,000	3,760,307	-	-	4,000,000	3,805,278
2028	1,052,000	24,236	1,760,000	3,128,181	-	-	2,812,000	3,152,417
2029	584,000	10,319	1,840,000	3,048,382	-	-	2,424,000	3,058,701
2030	590,000	3,452	1,920,000	2,964,981	-	-	2,510,000	2,968,433
2031-2035	-	-	6,075,000	13,819,608	-	-	6,075,000	13,819,608
2036-2040	-	-	6,220,000	12,410,657	-	-	6,220,000	12,410,657
2041-2045	-	-	7,940,000	10,648,655	-	-	7,940,000	10,648,655
2046-2050	-	-	10,135,000	8,411,180	-	-	10,135,000	8,411,180
2051-2055	-	-	12,560,000	5,961,418	-	-	12,560,000	5,961,418
2056-2060	-	-	15,815,000	2,594,859	-	-	15,815,000	2,594,859
2061	-	-	3,610,000	74,456	-	-	3,610,000	74,456
Total	<u>\$ 4,269,000</u>	<u>\$ 148,227</u>	<u>\$ 73,745,000</u>	<u>\$ 70,635,765</u>	<u>\$ 4,657</u>	<u>\$ 19</u>	<u>\$ 78,018,657</u>	<u>\$ 70,784,011</u>

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

Note 16 - Set-Asides

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

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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

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, 2024	\$ -	\$ 134,873
Current Year Set-Aside Requirements	337,637	-
Qualifying Disbursements	(23,814,098)	-
Total	<u>(23,476,461)</u>	<u>134,873</u>
Set-Aside Balance Carried Forward to Future Fiscal Years	-	-
Set-Aside Balance as of June 30, 2025	<u>\$ -</u>	<u>\$ 134,873</u>

Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirement for future years. This negative balance is therefore not presented as being carried forward to future years. The total reserve balance for the set-asides at the end of the fiscal year was \$134,873.

Note 17 – Jointly Governed Organizations

Ohio Schools' Council Association - The Ohio Schools' Council Association (Council) is a jointly governed organization among over three 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 2025, the School District paid \$118,838 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 180 districts in the program and we service the Columbia and Dominion territories. The OSC gas program bills each district a level billing amount each month (aka budget billing) for consumption based on last year's usage with an ending year balance calculated at the end of the fiscal year. If there is a positive balance the district can request a refund or use the credit toward future invoices until the amount is used up. The utility invoices the district for transportation. In May 2014, The Ohio Schools Council negotiated and approved a contract for discounted electric generation with First Energy Solutions through Power4Schools(P4S) for schools in the FirstEnergy territory—Ohio Edison, Cleveland Electric Illuminating and Toledo Edison. There are more than 185 districts participating in this program including Beachwood School District.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Connect - Connect is a jointly governed computer service bureau owned and operated by thirteen public school districts. Connect was formed when the Lakeshore Northeast Ohio Computer Consortium and the Lake Erie Educational Computer Association merged during fiscal year 2012. The primary function of Connect is to provide to its members the support and leadership which enables organizations to achieve their objectives through innovative and cost effective shared technology solutions. Major areas of service provided by Connect include accounting, payroll, inventory, career guidance services, handicapped student tracking, pupil scheduling, attendance reporting and grade reporting. Connect is wholly owned by its member districts and is governed by a Board of Directors (member Superintendents). Connect's Board exercises total control over the operations of the organization including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the Board. Connect's current membership includes the Educational Service Center of Cuyahoga County and thirteen school districts in Cuyahoga County. Each year, the Board of Directors elects a Chairman, a Vice Chairman, and a Recording Secretary. The Treasurer of the fiscal agent is a nonvoting, ex-officio member of the Board of Directors. The Cuyahoga County Educational Service Center serves as the fiscal agent of Connect. Each school district supports Connect based upon a per pupil charge dependent upon the software packages used. In fiscal year 2025, the School District paid \$79,217 to Connect. Financial information can be obtained by contacting the Treasurer of the fiscal agent at 6393 Oak Tree Boulevard, Independence, Ohio 44131.

Note 18 - Contingencies

A. Grants

The School District receives financial assistance from numerous federal, state, and local agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2025.

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 and Workforce (DEW) 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 DEW adjustments for fiscal year 2025 have been finalized.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2025

Note 19 – Other Commitments

The School District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are components of fund balance for subsequent year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. As of June 30, 2025, the School District's commitments for encumbrances in the governmental funds were as follows:

	Outstanding Encumbrances
General Fund	\$ 174,048
Building Fund	33,959,007
Nonmajor governmental funds	303,420
	<u>\$ 34,436,475</u>

*REQUIRED
SUPPLEMENTARY
INFORMATION*

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
School District's Proportion of the Net Pension Liability	0.1886003%	0.1783474%	0.1795490%	0.1781663%
School District's Proportionate Share of the Net Pension Liability	\$ 9,648,031	\$ 9,854,613	\$ 9,711,408	\$ 6,573,818
School District's Covered Payroll	\$ 7,903,907	\$ 7,075,514	\$ 6,707,257	\$ 6,149,757
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	122.07%	139.28%	144.79%	106.90%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.52%	76.06%	75.82%	82.86%

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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
0.1841760%	0.1747117%	0.1898316%	0.1892119%	0.1850622%	0.1850622%
\$ 12,181,789	\$ 10,453,308	\$ 10,872,008	\$ 11,304,993	\$ 13,544,846	\$ 10,803,609
\$ 6,452,700	\$ 5,994,437	\$ 6,175,341	\$ 6,093,679	\$ 5,596,179	\$ 5,907,329
188.79%	174.38%	176.06%	185.52%	242.04%	182.88%
68.55%	70.85%	71.36%	69.50%	62.98%	69.16%

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
School District's Proportion of the Net Pension Liability	0.13321862%	0.13239835%	0.13364797%	0.13954230%
School District's Proportionate Share of the Net Pension Liability	\$ 25,633,416	\$ 28,511,902	\$ 29,710,111	\$ 17,841,734
School District's Covered Payroll	\$ 18,490,079	\$ 17,882,829	\$ 17,374,871	\$ 17,218,600
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	138.63%	159.44%	170.99%	103.62%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.50%	80.00%	78.90%	87.80%

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

2021	2020	2019	2018	2017	2016
0.14209040%	0.13708880%	0.13985150%	0.13660450%	0.13652209%	0.14090955%
\$ 34,380,821	\$ 30,316,365	\$ 30,750,205	\$ 32,450,692	\$ 45,698,059	\$ 38,943,279
\$ 17,148,093	\$ 16,094,757	\$ 16,281,843	\$ 15,098,007	\$ 14,508,436	\$ 15,296,057
200.49%	188.36%	188.86%	214.93%	314.98%	254.60%
75.50%	77.40%	77.31%	75.29%	66.80%	72.10%

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>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually Required Contribution	\$ 1,154,400	\$ 1,106,547	\$ 990,572	\$ 939,016
Contributions in Relation to the Contractually Required Contribution	<u>(1,154,400)</u>	<u>(1,106,547)</u>	<u>(990,572)</u>	<u>(939,016)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District Covered Payroll	\$ 8,245,714	\$ 7,903,907	\$ 7,075,514	\$ 6,707,257
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 860,966	\$ 903,378	\$ 809,249	\$ 833,671	\$ 853,115	\$ 783,465
<u>(860,966)</u>	<u>(903,378)</u>	<u>(809,249)</u>	<u>(833,671)</u>	<u>(853,115)</u>	<u>(783,465)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,149,757	\$ 6,452,700	\$ 5,994,437	\$ 6,175,341	\$ 6,093,679	\$ 5,596,179
14.00%	14.00%	13.50%	13.50%	14.00%	14.00%

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>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually Required Contribution	\$ 2,643,285	\$ 2,588,611	\$ 2,503,596	\$ 2,432,482
Contributions in Relation to the Contractually Required Contribution	<u>(2,643,285)</u>	<u>(2,588,611)</u>	<u>(2,503,596)</u>	<u>(2,432,482)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District Covered Payroll	\$ 18,880,607	\$ 18,490,079	\$ 17,882,829	\$ 17,374,871
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 2,410,604	\$ 2,400,733	\$ 2,253,266	\$ 2,279,458	\$ 2,113,721	\$ 2,031,181
<u>(2,410,604)</u>	<u>(2,400,733)</u>	<u>(2,253,266)</u>	<u>(2,279,458)</u>	<u>(2,113,721)</u>	<u>(2,031,181)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 17,218,600	\$ 17,148,093	\$ 16,094,757	\$ 16,281,843	\$ 15,098,007	\$ 14,508,436
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

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 Nine Fiscal Years (1)

	2025	2024	2023	2022
School District's Proportion of the Net OPEB Liability	0.1915239%	0.1808070%	0.1822932%	0.1790023%
School District's Proportionate Share of the Net OPEB Liability	\$ 1,950,663	\$ 2,978,695	\$ 2,559,415	\$ 3,387,765
School District's Covered Payroll	\$ 7,903,907	\$ 7,075,514	\$ 6,707,257	\$ 6,149,757
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	24.68%	42.10%	38.16%	55.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	44.50%	30.02%	30.34%	24.08%

(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

2021	2020	2019	2018	2017
0.1842292%	0.1777379%	0.1913857%	0.1914478%	0.1875175%
\$ 4,003,902	\$ 4,469,734	\$ 5,309,556	\$ 5,137,956	\$ 5,344,942
\$ 6,452,700	\$ 5,994,437	\$ 6,175,341	\$ 6,093,679	\$ 5,596,179
62.05%	74.56%	85.98%	84.32%	95.51%
18.17%	15.57%	13.57%	12.46%	11.49%

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

	2025	2024	2023	2022
School District's Proportion of the Net OPEB Liability/Asset	0.13321862%	0.13239835%	0.13364797%	0.13954230%
School District's Proportionate Share of the Net OPEB Liability/(Asset)	\$ (2,526,903)	\$ (2,574,963)	\$ (3,460,591)	\$ (2,942,136)
School District's Covered Payroll	\$ 18,490,079	\$ 17,882,829	\$ 17,374,871	\$ 17,218,600
School District's Proportionate Share of the Net OPEB Liability/Asset as a Percentage of its Covered Payroll	-13.67%	-14.40%	-19.92%	-17.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/Asset	158.01%	168.52%	230.73%	174.73%

(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

2021	2020	2019	2018	2017
0.14209040%	0.13708880%	0.13985150%	0.13660450%	0.13652209%
\$ (2,497,235)	\$ (2,270,519)	\$ (2,247,273)	\$ 5,329,803	\$ 7,301,237
\$ 17,148,093	\$ 16,094,757	\$ 16,281,843	\$ 15,098,007	\$ 14,508,436
-14.56%	-14.11%	-13.80%	35.30%	50.32%
182.13%	174.74%	176.00%	47.11%	37.30%

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually Required Contribution (1)	\$ 131,955	\$ 133,894	\$ 117,537	\$ 112,413
Contributions in Relation to the Contractually Required Contribution	<u>(131,955)</u>	<u>(133,894)</u>	<u>(117,537)</u>	<u>(112,413)</u>
Contribution Deficiency (Excess)	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
School District Covered Payroll	\$ 8,245,714	\$ 7,903,907	\$ 7,075,514	\$ 6,707,257
OPEB Contributions as a Percentage of Covered Payroll (1)	1.60%	1.69%	1.66%	1.68%

(1) Includes Surcharge

See accompanying notes to the required supplementary information

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 93,244	\$ 85,765	\$ 132,331	\$ 128,949	\$ 124,468	\$ 94,787
<u>(93,244)</u>	<u>(85,765)</u>	<u>(132,331)</u>	<u>(128,949)</u>	<u>(124,468)</u>	<u>(94,787)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ 6,149,757	\$ 6,452,700	\$ 5,994,437	\$ 6,175,341	\$ 6,093,679	\$ 5,596,179
1.52%	1.33%	2.21%	2.09%	2.04%	1.69%

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>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</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	\$ 18,880,607	\$ 18,490,079	\$ 17,882,829	\$ 17,374,871
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

See accompanying notes to the required supplementary information

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 17,218,600	\$ 17,148,093	\$ 16,094,757	\$ 16,281,843	\$ 15,098,007	\$ 14,508,436
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Beachwood City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

Net Pension Liability

Changes of benefit terms- SERS

There were no changes in benefit terms from the amounts reported for fiscal years 2016-2017, 2020-2021, and 2024-2025.

For fiscal year 2018, the Cost-of-Living Adjustment (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%.

For fiscal year 2019, with the authority granted the Board under Senate Bill 8, the Board has enacted a three-year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018.

For fiscal year 2022, SERS changed from a COLA of 2.5% to 2.0%.

For fiscal year 2023, SERS changed from a COLA of 2.0% to 2.5%.

Changes in assumptions- SERS

There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2016, 2018-2021, and 2023-2025.

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.% to 0.85%, (c) Cost-of-Living-Adjustments was reduced from 2.50% to 2.00% (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality amount active members, service retirees and beneficiaries, and disabled members were updated (i) change in discount rate from 7.50% to 7.00%. For fiscal year 2023, Cost-of-Living-Adjustments were increased from 2.00% to 2.50%.

Changes in benefit terms – STRS

There were no changes in benefit terms from the amounts reported for fiscal years 2016-2017 and 2019-2025.

For fiscal year 2018, STRS decreased the Cost-of-Living Adjustment (COLA) to zero.

Beachwood City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

Changes in assumptions – STRS

There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2016-2017, 2019-2021, and 2024-2025.

For fiscal year 2018, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) inflation assumption lowered from 2.75% to 2.50%, (b) investment return assumption lowered from 7.75% to 7.45%, (c) total salary increases rates lowered by decreasing the merit component of the individual salary increases, as well as by 0.25% due to lower inflation, (d) payroll growth assumption lowered to 3.00%, (e) updated the healthy and disable mortality assumption to the “RP-2014” mortality tables with generational improvement scale MP-2016, (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.

For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) investment return assumption lowered from 7.45% to 7.00%, (b) discount rate of return reduced from 7.45% to 7.00%.

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

Net OPEB Liability

Changes of benefit terms- SERS

There were no changes in benefit terms from the amounts reported for fiscal years 2017-2025.

Changes in Assumptions – SERS

Amounts reported for fiscal years 2017-2025 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:

Fiscal year 2025	3.93 percent
Fiscal year 2024	3.86 percent
Fiscal year 2023	3.69 percent
Fiscal year 2022	1.92 percent
Fiscal year 2021	2.45 percent
Fiscal year 2020	3.13 percent
Fiscal year 2019	3.62 percent
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

Beachwood City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

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

Fiscal year 2025	4.88 percent
Fiscal year 2024	4.27 percent
Fiscal year 2023	4.08 percent
Fiscal year 2022	2.27 percent
Fiscal year 2021	2.63 percent
Fiscal year 2020	3.22 percent
Fiscal year 2019	3.70 percent
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Medicare Trend Assumption

Medicare

Fiscal year 2025	7.00 percent decreasing to 4.40 percent
Fiscal year 2024	6.75 percent decreasing to 4.40 percent
Fiscal year 2023	7.00 percent decreasing to 4.40 percent
Fiscal year 2022	5.125 percent decreasing to 4.40 percent
Fiscal year 2020	5.25 percent decreasing to 4.75 percent
Fiscal year 2019	5.375 percent decreasing to 4.75 percent
Fiscal year 2018	5.50 percent decreasing to 5.00 percent

Pre – Medicare

Fiscal year 2025	7.00 percent decreasing to 4.40 percent
Fiscal year 2024	7.00 percent decreasing to 4.40 percent
Fiscal year 2023	7.00 percent decreasing to 4.40 percent
Fiscal year 2022	6.75 percent decreasing to 4.40 percent
Fiscal year 2020	7.00 percent decreasing to 4.75 percent
Fiscal year 2019	7.25 percent decreasing to 4.75 percent
Fiscal year 2018	7.50 percent decreasing to 5.00 percent

Changes in Assumptions – STRS

There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017.

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

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

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

Beachwood City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

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

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

For fiscal year 2024, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) health care cost trend rates were changed to the following: Pre-Medicare from 7.50% initial - 3.94% ultimate to 7.50% initial - 4.14% ultimate; medical Medicare from -68.78% initial - 3.94% ultimate to -10.94% initial - 4.14% ultimate; prescription drug Pre-Medicare from 9.00% initial - 3.94% ultimate to -11.95% initial - 4.14% ultimate; Medicare from -5.47% initial - 3.94% ultimate to 1.33% initial - 4.14% ultimate.

For fiscal year 2025, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) health care cost trend rates were changed to the following: medical Pre-Medicare from 7.50% initial - 4.14% ultimate to 7.50% initial - 3.94% ultimate; medical Medicare from -10.94% initial - 4.14% ultimate to -112.22% initial - 3.94% ultimate; prescription drug Pre-Medicare from -11.95% initial - 4.14% ultimate to 8.00% initial - 3.94% ultimate; and prescription drug Medicare from 1.33% initial - 4.14% ultimate to -15.14% initial - 3.94% ultimate.

Changes in Benefit Terms – STRS

There were no changes in benefit terms from the amounts reported for fiscal year 2017.

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.

For fiscal year 2022, the non-Medicare subsidy percentage was increased effective January 1, 2022 from 2.055% to

Beachwood City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2025

2.100%. The non-Medicare frozen subsidy base premium was increased effective January 1, 2022. The Medicare Part D subsidy was updated to reflect it is expected to be negative in CY2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

There was no benefit term changes from the amounts reported for fiscal year 2023-2025.

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*COMBINING
STATEMENTS
AND
INDIVIDUAL
FUND
SCHEDULES*

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.

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.

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

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

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.

Nonmajor Special Revenue Funds (continued)

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

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

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

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

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

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

Nonmajor Capital Project Fund

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

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

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.

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Beachwood City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$ 3,561,234	\$ 4,658,185	\$ 8,219,419
Materials and Supplies Inventory	6,169	-	6,169
Accounts Receivable	6,450	5,575	12,025
Intergovernmental Receivable	140,404	-	140,404
Property Taxes Receivable	-	312,274	312,274
Total Assets	\$ 3,714,257	\$ 4,976,034	\$ 8,690,291
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 61,067	\$ 7,800	\$ 68,867
Accrued Wages and Benefits	197,796	-	197,796
Intergovernmental Payable	62,801	-	62,801
Due to Other Funds	-	3,215,000	3,215,000
Interfund Payable	3,342,630	-	3,342,630
Total Liabilities	3,664,294	3,222,800	6,887,094
Deferred Inflows of Resources:			
Property Taxes	-	279,407	279,407
Unavailable Revenues - Delinquent Property Taxes	-	7,391	7,391
Unavailable Revenues - Grants	34,567	-	34,567
Total Deferred Inflows of Resources	34,567	286,798	321,365
Fund Balances:			
Nonspendable	6,169	-	6,169
Restricted	367,074	366,436	733,510
Committed	-	1,100,000	1,100,000
Unassigned (Deficit)	(357,847)	-	(357,847)
Total Fund Balances	15,396	1,466,436	1,481,832
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 3,714,257	\$ 4,976,034	\$ 8,690,291

Beachwood City School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2025

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ -	\$ 1,438,029	\$ 1,438,029
Intergovernmental	1,859,833	98,640	1,958,473
Tuition and Fees	950,710	-	950,710
Extracurricular Activities	371,825	-	371,825
Customer Sales and Services	434,181	-	434,181
Contributions and Donations	19,145	-	19,145
All Other Revenues	264	-	264
Total Revenues	3,635,958	1,536,669	5,172,627
EXPENDITURES			
Current:			
Instruction:			
Regular	8,689	-	8,689
Special	565,205	-	565,205
Vocational Instruction	953,008	-	953,008
Adult/Continuing Instruction	152,735	-	152,735
Other	57,632	-	57,632
Supporting Services:			
Pupils	177,830	-	177,830
Instructional Staff	42,723	-	42,723
Operation and Maintenance of Plant	39,236	39,590	78,826
Pupil Transportation	11,170	-	11,170
Operation of Non-Instructional Services:			
Food Service Operations	711,385	-	711,385
Community Services	847,523	-	847,523
Extracurricular Activities	579,980	-	579,980
Capital Outlay	42,209	316,854	359,063
Total Expenditures	4,189,325	356,444	4,545,769
Excess of Revenues Over (Under) Expenditures	(553,367)	1,180,225	626,858
OTHER FINANCING SOURCES			
Transfers In	623,222	3,750,000	4,373,222
Transfer Out	-	(1,086,000)	(1,086,000)
Total Other Financing Sources	623,222	2,664,000	3,287,222
Net Change in Fund Balances	69,855	3,844,225	3,914,080
Fund Balances - Beginning of Year	(54,459)	(2,377,789)	(2,432,248)
Fund Balances - End of Year	\$ 15,396	\$ 1,466,436	\$ 1,481,832

Beachwood City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2025

	<u>Food Service</u>	<u>Special Trust</u>	<u>Marketing School Store</u>	<u>Recreation</u>
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ 17,115	\$ 22,497	\$ 18,671	\$ 1,017
Materials and Supplies Inventory	6,169	-	-	-
Accounts Receivable	-	-	-	-
Intergovernmental Receivable	-	-	-	-
Total Assets	<u>23,284</u>	<u>22,497</u>	<u>18,671</u>	<u>1,017</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 27,514	\$ -	\$ -	\$ -
Accrued Wages and Benefits	-	-	-	-
Intergovernmental Payable	8,718	-	-	19,839
Interfund Payable	-	-	-	-
Total Liabilities	<u>36,232</u>	<u>-</u>	<u>-</u>	<u>19,839</u>
Deferred Inflows of Resources:				
Unavailable Revenues - Grants	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable	6,169	-	-	-
Restricted	-	22,497	18,671	-
Unassigned (Deficit)	(19,117)	-	-	(18,822)
Total Fund Balances	<u>(12,948)</u>	<u>22,497</u>	<u>18,671</u>	<u>(18,822)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 23,284</u>	<u>\$ 22,497</u>	<u>\$ 18,671</u>	<u>\$ 1,017</u>

Consortium	Pupil Support	Miscellaneous Local Grants	Preschool	Student Managed Activities	District Managed Student Activities
\$ 3,090,899	\$ 37,274	\$ 5,390	\$ 107,522	\$ 103,698	\$ 110,442
-	-	-	-	-	-
-	-	-	4,362	2,088	-
-	-	-	-	-	-
<u>3,090,899</u>	<u>37,274</u>	<u>5,390</u>	<u>111,884</u>	<u>105,786</u>	<u>110,442</u>
\$ -	\$ -	\$ -	\$ 2,786	\$ 5,890	\$ 3,529
109,299	-	-	66,840	-	-
12,511	-	-	18,554	-	-
3,278,029	-	-	-	-	-
<u>3,399,839</u>	<u>-</u>	<u>-</u>	<u>88,180</u>	<u>5,890</u>	<u>3,529</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	37,274	5,390	23,704	99,896	106,913
(308,940)	-	-	-	-	-
<u>(308,940)</u>	<u>37,274</u>	<u>5,390</u>	<u>23,704</u>	<u>99,896</u>	<u>106,913</u>
<u>\$ 3,090,899</u>	<u>\$ 37,274</u>	<u>\$ 5,390</u>	<u>\$ 111,884</u>	<u>\$ 105,786</u>	<u>\$ 110,442</u>

Beachwood City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2025

	One Net	Miscellaneous State Grants	IDEA B	Title III - Limited English Proficiency
ASSETS				
Equity in Pooled Cash and Cash Equivalents	\$ -	\$ 46,709	\$ -	\$ -
Materials and Supplies Inventory	-	-	-	-
Accounts Receivable	-	-	-	-
Intergovernmental Receivable	-	-	73,352	-
Total Assets	-	46,709	73,352	-
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Wages and Benefits	-	-	20,754	-
Intergovernmental Payable	-	-	2,593	-
Interfund Payable	-	-	48,774	-
Total Liabilities	-	-	72,121	-
Deferred Inflows of Resources:				
Unavailable Revenues - Grants	-	-	12,199	-
Total Deferred Inflows of Resources	-	-	12,199	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	46,709	-	-
Unassigned (Deficit)	-	-	(10,968)	-
Total Fund Balances	-	46,709	(10,968)	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ -	\$ 46,709	\$ 73,352	\$ -

Title I	Title IV-A	Preschool Handicapped Grant	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,561,234
-	-	-	-	-	6,169
-	-	-	-	-	6,450
55,975	378	-	10,699	-	140,404
55,975	378	-	10,699	-	3,714,257
\$ 13,105	\$ 13	\$ -	\$ 8,230	\$ -	\$ 61,067
903	-	-	-	-	197,796
586	-	-	-	-	62,801
12,993	365	-	2,469	-	3,342,630
27,587	378	-	10,699	-	3,664,294
22,368	-	-	-	-	34,567
22,368	-	-	-	-	34,567
-	-	-	-	-	6,169
6,020	-	-	-	-	367,074
-	-	-	-	-	(357,847)
6,020	-	-	-	-	15,396
\$ 55,975	\$ 378	\$ -	\$ 10,699	\$ -	\$ 3,714,257

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, 2025

	Food Service	Special Trust	Marketing School Store	Recreation
REVENUES				
Intergovernmental	\$ 140,510	\$ -	\$ -	\$ -
Tuition and Fees	-	-	-	-
Extracurricular Activities	-	-	37,135	-
Customer Sales and Services	406,511	-	-	16,600
Contributions and Donations	-	6	-	-
All Other Revenues	-	-	-	-
Total Revenues	<u>547,021</u>	<u>6</u>	<u>37,135</u>	<u>16,600</u>
EXPENDITURES				
Current:				
Instruction:				
Regular	-	-	-	-
Special	-	-	-	-
Vocational Instruction	-	-	29,370	-
Adult/Continuing Instruction	-	-	-	152,735
Other	-	-	-	-
Supporting Services:				
Pupils	-	2,106	-	-
Instructional Staff	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Pupil Transportation	-	-	-	-
Operation of Non-Instructional Services:				
Food Service Operations	711,385	-	-	-
Community Services	-	-	-	-
Extracurricular Activities	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>711,385</u>	<u>2,106</u>	<u>29,370</u>	<u>152,735</u>
Excess of Revenues Over (Under) Expenditures	<u>(164,364)</u>	<u>(2,100)</u>	<u>7,765</u>	<u>(136,135)</u>
OTHER FINANCING SOURCES				
Transfers In	259,500	-	-	139,000
Total Other Financing Sources	<u>259,500</u>	<u>-</u>	<u>-</u>	<u>139,000</u>
Net Change in Fund Balances	95,136	(2,100)	7,765	2,865
Fund Balances - Beginning of Year	(108,084)	24,597	10,906	(21,687)
Fund Balances - End of Year	<u>\$ (12,948)</u>	<u>\$ 22,497</u>	<u>\$ 18,671</u>	<u>\$ (18,822)</u>

Consortium	Pupil Support	Miscellaneous Local Grants	Preschool	Student Managed Activities	District Managed Student Activities
\$ 790,870	\$ -	\$ -	\$ -	\$ -	\$ -
295,822	-	-	654,888	-	-
-	-	-	-	288,078	46,612
11,070	-	-	-	-	-
-	7,155	-	-	-	11,984
256	-	-	-	-	8
<u>1,098,018</u>	<u>7,155</u>	<u>-</u>	<u>654,888</u>	<u>288,078</u>	<u>58,604</u>
-	4,541	-	-	-	-
142,245	3,462	-	-	-	1,761
923,638	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
16,020	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	674,945	-	11,738
-	-	-	-	339,060	240,920
14,350	-	-	-	-	-
<u>1,096,253</u>	<u>8,003</u>	<u>-</u>	<u>674,945</u>	<u>339,060</u>	<u>254,419</u>
<u>1,765</u>	<u>(848)</u>	<u>-</u>	<u>(20,057)</u>	<u>(50,982)</u>	<u>(195,815)</u>
-	-	-	-	22,175	202,547
-	-	-	-	22,175	202,547
<u>1,765</u>	<u>(848)</u>	<u>-</u>	<u>(20,057)</u>	<u>(28,807)</u>	<u>6,732</u>
(310,705)	38,122	5,390	43,761	128,703	100,181
<u>\$ (308,940)</u>	<u>\$ 37,274</u>	<u>\$ 5,390</u>	<u>\$ 23,704</u>	<u>\$ 99,896</u>	<u>\$ 106,913</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, 2025

	One Net	Miscellaneous State Grants	IDEA B	Title III - Limited English Proficiency	Title I
REVENUES					
Intergovernmental	\$ 7,965	74,531	\$ 540,610	\$ 11,741	\$ 218,229
Tuition and Fees	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-
Customer Sales and Services	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
All Other Revenues	-	-	-	-	-
Total Revenues	<u>7,965</u>	<u>74,531</u>	<u>540,610</u>	<u>11,741</u>	<u>218,229</u>
EXPENDITURES					
Current:					
Instruction:					
Regular	-	-	-	-	-
Special	-	-	230,786	11,741	168,402
Vocational Instruction	-	-	-	-	-
Adult/Continuing Instruction	-	-	-	-	-
Other	-	-	51,463	-	-
Supporting Services:					
Pupils	-	-	157,369	-	-
Instructional Staff	7,965	-	-	-	-
Operation and Maintenance of Plant Services	-	37,876	-	-	-
Pupil Transportation	-	-	-	-	11,170
Operation of Non-Instructional Services:					
Food Service Operations	-	-	-	-	-
Community Services	-	-	109,933	-	31,108
Extracurricular Activities	-	-	-	-	-
Capital Outlay	-	27,859	-	-	-
Total Expenditures	<u>7,965</u>	<u>65,735</u>	<u>549,551</u>	<u>11,741</u>	<u>210,680</u>
Excess of Revenues Over (Under) Expenditures	<u>-</u>	<u>8,796</u>	<u>(8,941)</u>	<u>-</u>	<u>7,549</u>
OTHER FINANCING SOURCES					
Transfers In	-	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	8,796	(8,941)	-	7,549
Fund Balances - Beginning of Year	-	37,913	(2,027)	-	(1,529)
Fund Balances - End of Year	<u>\$ -</u>	<u>\$ 46,709</u>	<u>\$ (10,968)</u>	<u>\$ -</u>	<u>\$ 6,020</u>

Title IV-A		Preschool Handicapped Grant	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$	17,332	\$ 6,808	\$ 49,877	1,360	1,859,833
	-	-	-	-	950,710
	-	-	-	-	371,825
	-	-	-	-	434,181
	-	-	-	-	19,145
	-	-	-	-	264
	17,332	6,808	49,877	1,360	3,635,958
	4,148	-	-	-	8,689
	-	6,808	-	-	565,205
	-	-	-	-	953,008
	-	-	-	-	152,735
	6,169	-	-	-	57,632
	2,335	-	-	-	177,830
	-	-	34,758	-	42,723
	-	-	-	1,360	39,236
	-	-	-	-	11,170
	-	-	-	-	711,385
	4,680	-	15,119	-	847,523
	-	-	-	-	579,980
	-	-	-	-	42,209
	17,332	6,808	49,877	1,360	4,189,325
	-	-	-	-	(553,367)
	-	-	-	-	623,222
	-	-	-	-	623,222
	-	-	-	-	69,855
	-	-	-	-	(54,459)
\$	-	\$ -	\$ -	\$ -	\$ 15,396

Beachwood City School District
Combining Balance Sheet
Nonmajor Capital Project Funds
June 30, 2025

	Permanent Improvement	Capital Projects	Total Nonmajor Capital Projects
ASSETS			
Equity in Pooled Cash and Cash Equivalents	\$ 3,558,185	\$ 1,100,000	\$ 4,658,185
Accounts Receivable	5,575	-	5,575
Property Taxes Receivable	312,274	-	312,274
Total Assets	\$ 3,876,034	\$ 1,100,000	\$ 4,976,034
Liabilities, Deferred Inflows of Resources and Fund Balances			
<u>Liabilities</u>			
Accounts Payable	\$ 7,800	\$ -	\$ 7,800
Due to Other Funds	3,215,000	-	3,215,000
Total Liabilities	3,222,800	-	3,222,800
<u>Deferred Inflows of Resources</u>			
Property Taxes	279,407	-	279,407
Unavailable Revenues - Delinquent Property Taxes	7,391	-	7,391
Total Deferred Inflows of Resources	286,798	-	286,798
Fund Balances:			
Restricted	366,436	-	366,436
Committed	-	1,100,000	1,100,000
Total Fund Balances	366,436	1,100,000	1,466,436
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 3,876,034	\$ 1,100,000	\$ 4,976,034

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, 2025

	Permanent Improvement	Capital Projects	Total Nonmajor Capital Projects Funds
REVENUES			
Taxes	\$ 1,438,029	\$ -	\$ 1,438,029
Intergovernmental	98,640	-	98,640
Total Revenues	<u>1,536,669</u>	<u>-</u>	<u>1,536,669</u>
EXPENDITURES			
Current:			
Supporting Services:			
Operation and Maintenance of Plant	39,590	-	39,590
Capital Outlay	316,854	-	316,854
Total Expenditures	<u>356,444</u>	<u>-</u>	<u>356,444</u>
Excess of Revenues Over (Under) Expenditures	<u>1,180,225</u>	<u>-</u>	<u>1,180,225</u>
OTHER FINANCING SOURCES			
Transfer In	3,150,000	600,000	3,750,000
Transfer Out	(1,086,000)	-	(1,086,000)
Total Other Financing Sources	<u>2,064,000</u>	<u>600,000</u>	<u>2,664,000</u>
Net Change in Fund Balances	3,244,225	600,000	3,844,225
Fund Balances - Beginning of Year	(2,877,789)	500,000	(2,377,789)
Fund Balances - End of Year	<u>\$ 366,436</u>	<u>\$ 1,100,000</u>	<u>\$ 1,466,436</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, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Property and Other Local Taxes	\$ 32,611,843	\$ 34,270,342	\$ 34,270,342	\$ -
Intergovernmental	4,502,897	4,975,608	4,977,324	1,716
Interest	1,482,117	1,679,925	1,702,182	22,257
Tuition and Fees	425,230	298,726	336,110	37,384
Rent	15,000	14,685	14,685	-
Extracurricular Activities	-	1,367	1,367	-
Gifts and Donations	-	810	810	-
Customer Sales and Services	136,550	102,703	100,686	(2,017)
Miscellaneous	397,500	12,283,290	12,287,441	4,151
Total Revenues	39,571,137	53,627,456	53,690,947	63,491
EXPENDITURES:				
Current:				
Instruction:				
Regular				
Salaries	10,059,673	10,073,868	10,071,743	2,125
Fringe Benefits	3,448,233	3,314,166	3,235,006	79,160
Purchased Services	724,151	700,617	685,941	14,676
Materials and Supplies	542,099	571,169	539,703	31,466
Other	135,966	143,359	136,218	7,141
Capital Outlay	76,123	132,014	125,415	6,599
Total - Regular	14,986,245	14,935,193	14,794,026	141,167
Special				
Salaries	4,966,553	5,197,579	5,193,519	4,060
Fringe Benefits	1,823,206	1,822,502	1,795,895	26,607
Purchased Services	1,172,319	1,228,898	1,217,974	10,924
Materials and Supplies	45,203	41,068	35,231	5,837
Capital Outlay	2,650	6,955	6,069	886
Total - Special	8,009,931	8,297,002	8,248,688	48,314
Vocational				
Salaries	18,357	18,437	18,437	-
Fringe Benefits	2,911	2,923	2,872	51
Purchased Services	580,500	318,582	318,082	500
Other	24,850	20,219	20,053	166
Total - Vocational	626,618	360,161	359,444	717
Other				
Salaries	113,693	103,181	95,451	7,730
Fringe Benefits	27,983	28,244	24,882	3,362
Purchased Services	93,000	75,004	75,004	-
Materials and Supplies	8,000	140	140	-
Total - Other	242,676	206,569	195,477	11,092
Total - Instruction:	23,865,470	23,798,925	23,597,635	201,290

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, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Support Services:				
Pupils				
Salaries	1,918,827	1,918,908	1,914,691	4,217
Fringe Benefits	652,513	625,820	612,316	13,504
Purchased Services	150,393	97,485	94,535	2,950
Materials and Supplies	40,500	42,568	37,667	4,901
Other	6,000	6,000	2,290	3,710
Capital Outlay	9,631	13,671	7,383	6,288
Total - Pupils	<u>2,777,864</u>	<u>2,704,452</u>	<u>2,668,882</u>	<u>35,570</u>
Instructional Staff				
Salaries	1,001,729	1,161,862	1,158,490	3,372
Fringe Benefits	368,116	371,271	364,228	7,043
Purchased Services	178,300	197,461	189,759	7,702
Materials and Supplies	115,094	135,110	132,819	2,291
Other	20,100	20,100	17,300	2,800
Capital Outlay	226,480	214,110	212,658	1,452
Total - Instructional Staff	<u>1,909,819</u>	<u>2,099,914</u>	<u>2,075,254</u>	<u>24,660</u>
Board of Education				
Salaries	16,500	16,500	15,625	875
Fringe Benefits	2,549	5,081	4,947	134
Purchased Services	336,250	382,862	347,862	35,000
Materials and Supplies	1,000	1,000	793	207
Other	23,500	23,500	22,913	587
Capital Outlay	5,000	-	-	-
Total - Board of Education	<u>384,799</u>	<u>428,943</u>	<u>392,140</u>	<u>36,803</u>
Administration				
Salaries	1,803,763	1,816,809	1,815,679	1,130
Fringe Benefits	783,592	814,132	796,396	17,736
Purchased Services	110,100	128,080	110,470	17,610
Materials and Supplies	16,311	20,699	16,130	4,569
Other	196,800	192,288	186,712	5,576
Capital Outlay	4,500	16,814	16,814	-
Total - Administration	<u>2,915,066</u>	<u>2,988,822</u>	<u>2,942,201</u>	<u>46,621</u>
Fiscal				
Salaries	418,397	411,390	411,308	82
Fringe Benefits	154,087	154,536	150,112	4,424
Purchased Services	68,150	73,718	71,286	2,432
Materials and Supplies	14,500	2,727	2,684	43
Other	615,250	673,200	672,621	579
Capital Outlay	2,250	5,875	5,875	-
Total - Fiscal	<u>1,272,634</u>	<u>1,321,446</u>	<u>1,313,886</u>	<u>7,560</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, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Business				
Salaries	226,580	226,580	226,580	-
Fringe Benefits	104,622	105,056	103,556	1,500
Purchased Services	114,850	116,957	115,562	1,395
Materials and Supplies	13,600	14,750	11,650	3,100
Other	950	950	393	557
Capital Outlay	2,500	3,560	1,060	2,500
Total - Business	463,102	467,853	458,801	9,052
Operation and Maintenance of Plant				
Salaries	1,584,583	1,608,078	1,604,173	3,905
Fringe Benefits	495,001	500,648	485,007	15,641
Purchased Services	1,867,800	2,090,454	2,084,226	6,228
Materials and Supplies	315,100	347,845	344,941	2,904
Other	50	800	785	15
Capital Outlay	34,000	18,917	8,432	10,485
Total - Operation and Maintenance of Plant	4,296,534	4,566,742	4,527,564	39,178
Pupil Transportation				
Salaries	1,445,931	1,474,897	1,473,064	1,833
Fringe Benefits	607,292	523,606	520,401	3,205
Purchased Services	256,000	433,137	429,664	3,473
Materials and Supplies	395,750	396,383	396,327	56
Other	400	400	-	400
Capital Outlay	10,000	2,213	2,213	-
Total - Pupil Transportation	2,715,373	2,830,636	2,821,669	8,967
Central				
Salaries	146,779	146,954	146,954	-
Fringe Benefits	42,910	59,718	57,192	2,526
Purchased Services	106,000	90,412	80,822	9,590
Materials and Supplies	1,000	7,200	3,677	3,523
Other	500	4,500	4,395	105
Capital Outlay	12,100	1,500	-	1,500
Total - Central	309,289	310,284	293,040	17,244
Total - Support Services:	17,044,480	17,719,092	17,493,437	225,655
Operation of Non-Instructional/Shared Services:				
Community Services				
Purchased Services	30,000	10,239	10,239	-
Materials and Supplies	30,000	23,188	23,188	-
Total - Community Services	60,000	33,427	33,427	-
Total - Operation of Non-Instructional/Shared Services:	60,000	33,427	33,427	-

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, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Extracurricular Activities:				
Academic Oriented Activities				
Salaries	224,148	201,428	198,844	2,584
Fringe Benefits	39,938	43,912	35,827	8,085
Total - Academic Oriented Activities	264,086	245,340	234,671	10,669
Sport Oriented Activities				
Salaries	679,300	683,714	677,942	5,772
Fringe Benefits	217,067	229,956	212,007	17,949
Total - Sport Oriented Activities	896,367	913,670	889,949	23,721
School and Public Service Co-Curricular Activities				
Salaries	74,000	57,718	57,718	-
Fringe Benefits	11,434	12,518	8,875	3,643
Total - School and Public Service Co-Curricular Activities	85,434	70,236	66,593	3,643
Total - Extracurricular Activities:	1,245,887	1,229,246	1,191,213	38,033
Total Expenditures				
Total Expenditures	42,215,837	42,780,690	42,315,712	464,978
Excess of Revenues Over (Under) Expenditures	(2,644,700)	10,846,766	11,375,235	528,469
OTHER FINANCING SOURCES AND (USES):				
Transfers In	65,500	603,541	603,541	-
Proceeds from Sale of Capital Assets	10,000	-	-	-
Refund of Prior Year Expenditures	7,500	46	46	-
Transfers Out	(691,000)	(12,877,764)	(12,876,764)	1,000
Total Other Financing Sources and (Uses)	(608,000)	(12,274,177)	(12,273,177)	1,000
Net Change in Fund Balances	(3,252,700)	(1,427,411)	(897,942)	529,469
Fund Balance at Beginning of Year	23,434,756	23,434,756	23,434,756	-
Prior Year Encumbrances Appropriated	174,230	174,230	174,230	-
Fund Balance at End of Year	<u>\$ 20,356,286</u>	<u>\$ 22,181,575</u>	<u>\$ 22,711,044</u>	<u>\$ 529,469</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, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Property and Other Local Taxes	\$ 4,397,647	\$ 5,175,439	\$ 5,175,439	\$ -
Intergovernmental	<u>743,682</u>	<u>775,426</u>	<u>775,426</u>	<u>-</u>
Total Revenues	<u>5,141,329</u>	<u>5,950,865</u>	<u>5,950,865</u>	<u>-</u>
EXPENDITURES:				
Current:				
Support Services:				
Fiscal	-	1,301	1,301	-
Debt Service:				
Principal	3,172,000	3,172,000	3,172,000	-
Interest	3,939,682	3,939,682	3,939,682	-
Issuance Costs	<u>1,900</u>	<u>2,050</u>	<u>2,050</u>	<u>-</u>
Total Expenditures	<u>7,113,582</u>	<u>7,115,033</u>	<u>7,115,033</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,972,253)</u>	<u>(1,164,168)</u>	<u>(1,164,168)</u>	<u>-</u>
OTHER FINANCING SOURCES:				
Transfers In	<u>1,086,000</u>	<u>6,086,000</u>	<u>6,086,000</u>	<u>-</u>
Total Other Financing Sources	<u>1,086,000</u>	<u>6,086,000</u>	<u>6,086,000</u>	<u>-</u>
Net Change in Fund Balances	(886,253)	4,921,832	4,921,832	-
Fund Balance at Beginning of Year	<u>4,882,012</u>	<u>4,882,012</u>	<u>4,882,012</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 3,995,759</u>	<u>\$ 9,803,844</u>	<u>\$ 9,803,844</u>	<u>\$ -</u>

Beachwood City School District
Schedules of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Building Fund
For the Fiscal Year Ended June 30, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Interest	\$ 3,737,036	\$ 3,785,502	\$ 48,466
Total Revenues	<u>3,737,036</u>	<u>3,785,502</u>	<u>48,466</u>
EXPENDITURES:			
Current:			
Support Services:			
Fiscal	32,650	32,192	458
Capital Outlay:			
Architecture and Engineering Services	2,540,610	1,980,081	560,529
Building Improvement Services	54,341,439	53,121,978	1,219,461
Other Facilities Acquisition and Construction	<u>5,710,279</u>	<u>5,656,368</u>	<u>53,911</u>
Total Expenditures	<u>62,624,978</u>	<u>60,790,619</u>	<u>1,834,359</u>
Net Change in Fund Balances	(58,887,942)	(57,005,117)	1,882,825
Fund Balance at Beginning of Year	56,942,675	56,942,675	-
Prior Year Encumbrances Appropriated	<u>7,080,257</u>	<u>7,080,257</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 5,134,990</u></u>	<u><u>\$ 7,017,815</u></u>	<u><u>\$ 1,882,825</u></u>

Beachwood City School District
Schedules of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 140,510	\$ 140,510	\$ -
Customer Sales and Services	<u>407,334</u>	<u>406,511</u>	<u>(823)</u>
Total Revenues	<u>547,844</u>	<u>547,021</u>	<u>(823)</u>
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Food Service Operations	<u>808,000</u>	<u>806,919</u>	<u>1,081</u>
Total Expenditures	<u>808,000</u>	<u>806,919</u>	<u>1,081</u>
Excess of Revenues Over (Under) Expenditures	<u>(260,156)</u>	<u>(259,898)</u>	<u>258</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>259,500</u>	<u>259,500</u>	<u>-</u>
Total Other Financing Sources	<u>259,500</u>	<u>259,500</u>	<u>-</u>
Net Change in Fund Balances	(656)	(398)	258
Fund Balance at Beginning of Year	<u>656</u>	<u>656</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ 258</u></u>	<u><u>\$ 258</u></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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Gifts and Donations	\$ 6,500	\$ 6	\$ (6,494)
Total Revenues	<u>6,500</u>	<u>6</u>	<u>(6,494)</u>
EXPENDITURES:			
Current:			
Support Services:			
Pupils	<u>22,318</u>	<u>2,106</u>	<u>20,212</u>
Total Expenditures	<u>22,318</u>	<u>2,106</u>	<u>20,212</u>
Net Change in Fund Balances	(15,818)	(2,100)	13,718
Fund Balance at Beginning of Year	<u>24,597</u>	<u>24,597</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 8,779</u></u>	<u><u>\$ 22,497</u></u>	<u><u>\$ 13,718</u></u>

Beachwood City School District
Schedules of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Marketing School Store Fund
For the Fiscal Year Ended June 30, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Extracurricular Activities	\$ 47,500	\$ 37,135	\$ (10,365)
Total Revenues	<u>47,500</u>	<u>37,135</u>	<u>(10,365)</u>
EXPENDITURES:			
Current:			
Instruction:			
Vocational	<u>47,500</u>	<u>35,681</u>	<u>11,819</u>
Total Expenditures	<u>47,500</u>	<u>35,681</u>	<u>11,819</u>
Net Change in Fund Balances	-	1,454	1,454
Fund Balance at Beginning of Year	<u>17,217</u>	<u>17,217</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 17,217</u></u>	<u><u>\$ 18,671</u></u>	<u><u>\$ 1,454</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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Customer Sales and Services	\$ 16,110	\$ 16,600	\$ 490
Total Revenues	<u>16,110</u>	<u>16,600</u>	<u>490</u>
EXPENDITURES:			
Current:			
Instruction:			
Adult/Continuing	<u>156,000</u>	<u>155,473</u>	<u>527</u>
Total Expenditures	<u>156,000</u>	<u>155,473</u>	<u>527</u>
Excess of Revenues Over (Under) Expenditures	<u>(139,890)</u>	<u>(138,873)</u>	<u>1,017</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>139,000</u>	<u>139,000</u>	<u>-</u>
Total Other Financing Sources	<u>139,000</u>	<u>139,000</u>	<u>-</u>
Net Change in Fund Balances	(890)	127	1,017
Fund Balance at Beginning of Year	<u>890</u>	<u>890</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ 1,017</u></u>	<u><u>\$ 1,017</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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 726,851	\$ 790,870	\$ 64,019
Tuition and Fees	202,041	295,822	93,781
Customer Sales and Services	11,070	11,070	-
Miscellaneous	-	256	256
	<u>939,962</u>	<u>1,098,018</u>	<u>158,056</u>
Total Revenues			
EXPENDITURES:			
Current:			
Instruction:			
Special	49,199	48,084	1,115
Vocational	968,699	963,045	5,654
Support Services:			
Pupils	68,610	65,871	2,739
	<u>1,086,508</u>	<u>1,077,000</u>	<u>9,508</u>
Total Expenditures			
Excess of Revenues Over (Under) Expenditures	<u>(146,546)</u>	<u>21,018</u>	<u>167,564</u>
OTHER FINANCING SOURCES AND (USES):			
Transfers In	2,678,518	2,805,270	126,752
Transfers Out	(2,805,270)	(2,805,270)	-
	<u>(126,752)</u>	<u>-</u>	<u>126,752</u>
Total Other Financing Sources and (Uses)			
Net Change in Fund Balances	(273,298)	21,018	294,316
Fund Balance at Beginning of Year	<u>3,069,881</u>	<u>3,069,881</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,796,583</u>	<u>\$ 3,090,899</u>	<u>\$ 294,316</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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Gifts and Donations	\$ 9,500	\$ 8,038	\$ (1,462)
Total Revenues	<u>9,500</u>	<u>8,038</u>	<u>(1,462)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	20,550	4,541	16,009
Special	<u>3,661</u>	<u>3,462</u>	<u>199</u>
Total Expenditures	<u>24,211</u>	<u>8,003</u>	<u>16,208</u>
Net Change in Fund Balances	(14,711)	35	14,746
Fund Balance at Beginning of Year	<u>37,239</u>	<u>37,239</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 22,528</u></u>	<u><u>\$ 37,274</u></u>	<u><u>\$ 14,746</u></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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Miscellaneous	\$ 30,000	\$ -	\$ (30,000)
Total Revenues	<u>30,000</u>	<u>-</u>	<u>(30,000)</u>
EXPENDITURES:			
Current:			
Support Services:			
Pupil Transportation	<u>3,600</u>	<u>3,600</u>	<u>-</u>
Total Expenditures	<u>3,600</u>	<u>3,600</u>	<u>-</u>
Net Change in Fund Balances	26,400	(3,600)	(30,000)
Fund Balance at Beginning of Year	<u>5,390</u>	<u>5,390</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 31,790</u></u>	<u><u>\$ 1,790</u></u>	<u><u>\$ (30,000)</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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	\$ 216,455	\$ 212,185	\$ 4,270
Special	28,383	28,383	-
Support Services:			
Pupils	23,013	23,013	-
Instructional Staff	20,429	20,429	-
Pupil Transportation	11,720	11,720	-
Total Expenditures	<u>300,000</u>	<u>295,730</u>	<u>4,270</u>
Excess of Revenues Over (Under) Expenditures	<u>(300,000)</u>	<u>(295,730)</u>	<u>(4,270)</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>1,750,000</u>	<u>1,750,000</u>	<u>-</u>
Total Other Financing Sources and Uses	<u>1,750,000</u>	<u>1,750,000</u>	<u>-</u>
Net Change in Fund Balances	1,450,000	1,454,270	(4,270)
Fund Balance (Deficit) at Beginning of Year	<u>1,997,919</u>	<u>1,997,919</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u><u>\$ 3,447,919</u></u>	<u><u>\$ 3,452,189</u></u>	<u><u>\$ (4,270)</u></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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Tuition and Fees	\$ 619,000	\$ 649,821	\$ 30,821
Total Revenues	<u>619,000</u>	<u>649,821</u>	<u>30,821</u>
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Community Services	<u>754,940</u>	<u>690,908</u>	<u>64,032</u>
Total Expenditures	<u>754,940</u>	<u>690,908</u>	<u>64,032</u>
Net Change in Fund Balances	(135,940)	(41,087)	94,853
Fund Balance at Beginning of Year	131,161	131,161	-
Prior Year Encumbrances Appropriated	<u>4,939</u>	<u>4,939</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 160</u></u>	<u><u>\$ 95,013</u></u>	<u><u>\$ 94,853</u></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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Extracurricular Activities	\$ 206,870	\$ 286,235	\$ 79,365
Gifts and Donations	750	-	(750)
	<u>207,620</u>	<u>286,235</u>	<u>78,615</u>
Total Revenues			
EXPENDITURES:			
Current:			
Extracurricular Activities:			
Academic Oriented Activities	285,851	284,915	936
School and Public Service Co-Curricular Activities	52,248	50,789	1,459
	<u>338,099</u>	<u>335,704</u>	<u>2,395</u>
Total Expenditures			
Excess of Revenues Over (Under) Expenditures	<u>(130,479)</u>	<u>(49,469)</u>	<u>81,010</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>23,675</u>	<u>22,175</u>	<u>(1,500)</u>
Total Other Financing Sources	<u>23,675</u>	<u>22,175</u>	<u>(1,500)</u>
Net Change in Fund Balances	(106,804)	(27,294)	79,510
Fund Balance at Beginning of Year	127,854	127,854	-
Prior Year Encumbrances Appropriated	<u>3,100</u>	<u>3,100</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 24,150</u>	<u>\$ 103,660</u>	<u>\$ 79,510</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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Extracurricular Activities	\$ 72,203	\$ 46,612	\$ (25,591)
Gifts and Donations	12,500	11,739	(761)
Total Revenues	<u>84,703</u>	<u>58,351</u>	<u>(26,352)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	4,825	1,322	3,503
Operation of Non-Instructional/Shared Services:			
Community Services	14,202	11,248	2,954
Extracurricular Activities:			
Academic Oriented Activities	1,720	1,702	18
Sport Oriented Activities	243,337	241,436	1,901
Total Expenditures	<u>264,084</u>	<u>255,708</u>	<u>8,376</u>
Excess of Revenues Over (Under) Expenditures	<u>(179,381)</u>	<u>(197,357)</u>	<u>(17,976)</u>
OTHER FINANCING SOURCES:			
Transfers In	202,547	202,547	-
Refund of Prior Year Expenditures	-	8	8
Total Other Financing Sources	<u>202,547</u>	<u>202,555</u>	<u>8</u>
Net Change in Fund Balances	23,166	5,198	(17,968)
Fund Balance at Beginning of Year	98,620	98,620	-
Prior Year Encumbrances Appropriated	<u>4,085</u>	<u>4,085</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 125,871</u></u>	<u><u>\$ 107,903</u></u>	<u><u>\$ (17,968)</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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 8,000	\$ 7,965	\$ (35)
Total Revenues	<u>8,000</u>	<u>7,965</u>	<u>(35)</u>
EXPENDITURES:			
Current:			
Support Services:			
Instructional Staff	<u>8,000</u>	<u>7,965</u>	<u>35</u>
Total Expenditures	<u>8,000</u>	<u>7,965</u>	<u>35</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
Miscellaneous State Grant Fund
For the Fiscal Year Ended June 30, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 74,531	\$ 74,531	\$ -
Total Revenues	<u>74,531</u>	<u>74,531</u>	<u>-</u>
EXPENDITURES:			
Current:			
Support Services:			
Operation and Maintenance of Plant	<u>112,443</u>	<u>112,406</u>	<u>37</u>
Total Expenditures	<u>112,443</u>	<u>112,406</u>	<u>37</u>
Net Change in Fund Balances	(37,912)	(37,875)	37
Fund Balance at Beginning of Year	37,112	37,112	-
Prior Year Encumbrances Appropriated	<u>800</u>	<u>800</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ 37</u></u>	<u><u>\$ 37</u></u>

Beachwood City School District
Schedules of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
IDEA B Fund
For the Fiscal Year Ended June 30, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 715,891	\$ 553,910	\$ (161,981)
Total Revenues	<u>715,891</u>	<u>553,910</u>	<u>(161,981)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	253,209	226,627	26,582
Other	51,463	51,463	-
Support Services:			
Pupils	167,352	158,169	9,183
Operation of Non-Instructional/Shared Services:			
Community Services	<u>183,121</u>	<u>120,702</u>	<u>62,419</u>
Total Expenditures	<u>655,145</u>	<u>556,961</u>	<u>98,184</u>
Net Change in Fund Balances	60,746	(3,051)	(63,797)
Fund Balance (Deficit) at Beginning of Year	(105,715)	(105,715)	-
Prior Year Encumbrances Appropriated	<u>49,960</u>	<u>49,960</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u><u>\$ 4,991</u></u>	<u><u>\$ (58,806)</u></u>	<u><u>\$ (63,797)</u></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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 12,091	\$ 11,741	\$ (350)
Total Revenues	<u>12,091</u>	<u>11,741</u>	<u>(350)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	<u>12,091</u>	<u>11,741</u>	<u>350</u>
Total Expenditures	<u>12,091</u>	<u>11,741</u>	<u>350</u>
Net Change in Fund Balances	-	-	-
Fund Balance (Deficit) at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance (Deficit) 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 I Fund
For the Fiscal Year Ended June 30, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 270,494	\$ 193,742	\$ (76,752)
Total Revenues	<u>270,494</u>	<u>193,742</u>	<u>(76,752)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	202,701	173,700	29,001
Support Services:			
Pupil Transportation	11,170	11,170	-
Operation of Non-Instructional/Shared Services:			
Community Services	<u>40,518</u>	<u>30,952</u>	<u>9,566</u>
Total Expenditures	<u>254,389</u>	<u>215,822</u>	<u>38,567</u>
Net Change in Fund Balances	16,105	(22,080)	(38,185)
Fund Balance (Deficit) at Beginning of Year	(12,778)	(12,778)	-
Prior Year Encumbrances Appropriated	<u>8,036</u>	<u>8,036</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u><u>\$ 11,363</u></u>	<u><u>\$ (26,822)</u></u>	<u><u>\$ (38,185)</u></u>

Beachwood City School District
Schedules of Revenues, Expenditures and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title IV-A
For the Fiscal Year Ended June 30, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 22,539	\$ 17,281	\$ (5,258)
Total Revenues	<u>22,539</u>	<u>17,281</u>	<u>(5,258)</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	4,148	4,148	-
Other	6,169	6,169	-
Support Services:			
Pupils	2,374	2,335	39
Operation of Non-Instructional/Shared Services:			
Community Services	<u>8,072</u>	<u>4,680</u>	<u>3,392</u>
Total Expenditures	<u>20,763</u>	<u>17,332</u>	<u>3,431</u>
Net Change in Fund Balances	1,776	(51)	(1,827)
Fund Balance (Deficit) at Beginning of Year	<u>(327)</u>	<u>(327)</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u><u>\$ 1,449</u></u>	<u><u>\$ (378)</u></u>	<u><u>\$ (1,827)</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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 7,000	\$ 6,808	\$ (192)
Total Revenues	<u>7,000</u>	<u>6,808</u>	<u>(192)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	<u>6,808</u>	<u>6,808</u>	<u>-</u>
Total Expenditures	<u>6,808</u>	<u>6,808</u>	<u>-</u>
Net Change in Fund Balances	192	-	(192)
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 192</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (192)</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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 52,809	\$ 39,983	\$ (12,826)
Total Revenues	<u>52,809</u>	<u>39,983</u>	<u>(12,826)</u>
EXPENDITURES:			
Current:			
Support Services:			
Instructional Staff	35,029	34,759	270
Operation of Non-Instructional/Shared Services:			
Community Services	<u>16,975</u>	<u>15,119</u>	<u>1,856</u>
Total Expenditures	<u>52,004</u>	<u>49,878</u>	<u>2,126</u>
Net Change in Fund Balances	805	(9,895)	(10,700)
Fund Balance at Beginning of Year	<u>(805)</u>	<u>(805)</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ (10,700)</u></u>	<u><u>\$ (10,700)</u></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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:			
Support Services:			
Operation and Maintenance of Plant	\$ 72,962	\$ 72,962	\$ -
Total Expenditures	<u>72,962</u>	<u>72,962</u>	<u>-</u>
Net Change in Fund Balances	(72,962)	(72,962)	-
Fund Balance at Beginning of Year	126	126	-
Prior Year Encumbrances Appropriated	<u>72,836</u>	<u>72,836</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
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Property and Other Local Taxes	\$ 1,465,041	\$ 1,465,041	\$ -
Intergovernmental	<u>98,640</u>	<u>98,640</u>	<u>-</u>
Total Revenues	<u>1,563,681</u>	<u>1,563,681</u>	<u>-</u>
EXPENDITURES:			
Current:			
Support Services:			
Operation and Maintenance of Plant	97,359	96,847	512
Pupil Transportation	100,495	100,495	-
Extracurricular Activities:			
Sport Oriented Activities	31,491	31,491	-
Capital Outlay:			
Building Improvement Services	336,483	330,161	6,322
Other Facilities Acquisition and Construction	<u>21,300</u>	<u>21,300</u>	<u>-</u>
Total Expenditures	<u>587,128</u>	<u>580,294</u>	<u>6,834</u>
Excess of Revenues Over (Under) Expenditures	<u>976,553</u>	<u>983,387</u>	<u>6,834</u>
OTHER FINANCING (USES):			
Transfers In	3,150,000	3,150,000	-
Transfers Out	<u>(1,086,000)</u>	<u>(1,086,000)</u>	<u>-</u>
Total Other Financing (Uses)	<u>2,064,000</u>	<u>2,064,000</u>	<u>-</u>
Net Change in Fund Balances	3,040,553	3,047,387	6,834
Fund Balance at Beginning of Year	197,596	197,596	-
Prior Year Encumbrances Appropriated	<u>87,127</u>	<u>87,127</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 3,325,276</u></u>	<u><u>\$ 3,332,110</u></u>	<u><u>\$ 6,834</u></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, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
OTHER FINANCING SOURCES:			
Transfers In	<u>\$ 600,000</u>	<u>\$ 600,000</u>	<u>\$ -</u>
Total Other Financing Sources	<u>600,000</u>	<u>600,000</u>	<u>-</u>
Net Change in Fund Balances	600,000	600,000	-
Fund Balance at Beginning of Year	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 1,100,000</u></u>	<u><u>\$ 1,100,000</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
Health Care Benefits Fund
For the Fiscal Year Ended June 30, 2025

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
OPERATING REVENUES:			
Charges for Services	\$ 4,585,020	\$ 4,597,774	\$ 12,754
Other Revenues	<u>393,500</u>	<u>412,800</u>	<u>19,300</u>
Total Operating Revenues	<u>4,978,520</u>	<u>5,010,574</u>	<u>32,054</u>
OPERATING EXPENSES:			
Claims	4,473,665	4,415,415	58,250
Other	277,796	265,313	12,483
Capital Outlay	<u>9,527</u>	<u>9,527</u>	<u>-</u>
Total Operating Expenses	<u>4,760,988</u>	<u>4,690,255</u>	<u>70,733</u>
Operating Income (Loss)	217,532	320,319	102,787
Transfers In	<u>1,150,000</u>	<u>1,150,000</u>	<u>-</u>
Net Change in Net Position	1,367,532	1,470,319	102,787
Net Position at Beginning of Year	1,589,005	1,589,005	-
Prior Year Encumbrances Appropriated	<u>10,988</u>	<u>10,988</u>	<u>-</u>
Net Position at End of Year	<u><u>\$ 2,967,525</u></u>	<u><u>\$ 3,070,312</u></u>	<u><u>\$ 102,787</u></u>



STATISTICAL SECTION



DEVELOPING INTELLECTUAL ENTREPRENEURS
WITH A SOCIAL CONSCIENCE



Statistical Section

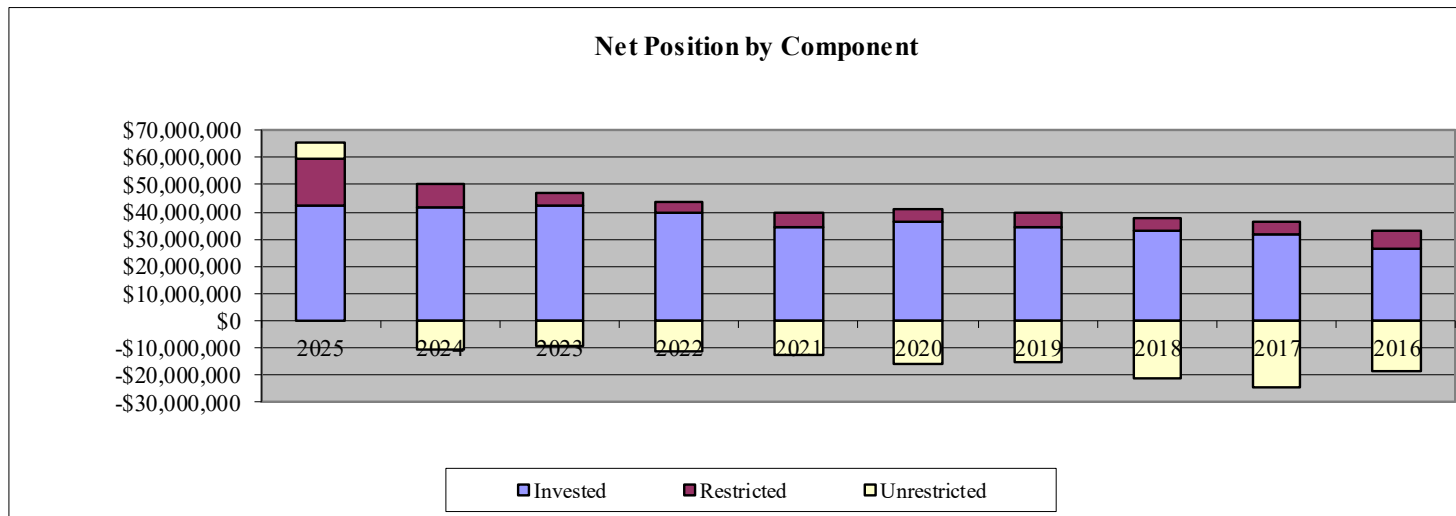
This part of the Beachwood City School District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the School District's overall financial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

Contents	Pages
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being has changed over time.	S2 – S7
Revenue Capacity These schedules contain information to help the reader assess the School District's most significant local revenue, the property tax.	S8 - S12
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S13 – S16
Economic and Demographic Information This schedule offers economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	S17- S18
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S19 – S26
Sources:	Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year. The School District implemented GASB Statement No. 34 in fiscal year 2003 and implemented GASB Statement No. 54 in fiscal year 2011; schedules presenting government-wide information include information beginning in that year. The School District implemented GASB Statement No. 68 in fiscal year 2015. The School District implemented GASB Statement No. 75 in fiscal year 2018. The School District implemented GASB Statement No. 84 in fiscal year 2021. The School District implemented GASB Statement No. 87 in fiscal year 2022. The School District implemented GASB Statement No. 96 in fiscal year 2023.

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Net Investment in Capital Assets	\$ 42,341,437	\$ 41,394,566	\$ 42,518,745	\$ 39,971,095	\$ 34,255,821	\$ 36,051,022	\$ 34,625,038	\$ 32,937,533	\$ 31,984,915	\$ 26,560,370
Restricted for:										
Debt Services	9,891,201	5,141,611	3,661,849	3,023,618	2,681,311	3,603,633	3,851,762	3,221,659	3,077,874	3,252,718
Capital Outlay	4,252,296	597,887	-	-	2,049,763	-	-	-	-	2,182,718
Other Purposes	2,892,641	2,920,775	416,886	644,082	816,887	971,704	1,253,918	1,163,756	1,038,742	1,013,143
Set Asides	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873
Unrestricted	5,803,586	(10,837,259)	(9,290,732)	(11,366,776)	(12,460,480)	(15,863,041)	(15,331,630)	(21,550,830)	(24,725,672)	(18,810,935)
Total Net Position	\$ 65,316,034	\$ 39,352,453	\$ 37,441,621	\$ 32,406,892	\$ 27,478,175	\$ 24,898,191	\$ 24,533,961	\$ 15,906,991	\$ 11,510,732	\$ 14,332,887

Source: District Financial Statements



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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Regular Instruction	\$ 14,992,996	\$ 16,014,274	\$ 15,807,181	\$ 14,282,606	\$ 16,190,019	\$ 14,735,744	\$ 12,093,709	\$ 6,981,461	\$ 14,185,332	\$ 12,686,194
Special Instruction	8,358,055	8,071,195	6,975,192	5,488,414	6,603,687	7,030,637	6,433,537	4,346,907	6,515,516	5,632,796
Vocational Instruction	1,190,683	1,631,845	1,379,399	1,372,080	1,381,246	1,345,359	1,152,951	774,033	1,221,206	1,250,493
Adult/Conintuing	205,138	119,668	148,651	291,780	73,992	73,768	73,452	40,949	73,772	70,675
Other Instruction	260,579	225,444	383,643	35,256	320,524	270,473	213,074	48,096	312,115	289,608
Pupils	2,972,516	3,127,236	2,752,620	2,735,505	3,004,474	3,121,558	2,303,142	1,255,338	2,627,312	2,233,497
Instructional Staff	2,408,976	1,771,456	1,745,323	1,517,349	1,302,921	2,493,129	1,751,926	1,108,353	2,074,132	1,836,681
Board of Education	368,293	459,095	493,825	389,117	435,617	367,111	488,359	511,650	355,408	357,340
Administration	2,889,299	2,467,453	3,060,905	2,303,669	2,936,014	2,837,019	2,031,944	1,298,941	2,472,009	2,276,591
Fiscal	1,038,847	1,123,048	1,459,518	2,326,921	1,081,051	971,992	1,101,920	811,820	996,628	1,167,782
Business	508,718	285,990	333,788	301,323	320,391	325,686	301,740	263,756	418,986	356,635
Operation and										
Maintenance of Plant	4,654,059	4,659,908	4,025,368	3,300,732	3,428,421	3,829,264	3,538,169	3,265,550	4,162,520	3,944,032
Pupil Transportation	2,961,406	2,672,793	2,245,391	1,977,444	2,019,210	2,332,945	1,582,876	1,015,455	1,938,172	1,722,149
Central	369,614	264,430	265,101	127,556	111,442	267,109	151,670	317,415	291,687	247,360
Non-instructional	1,675,847	1,717,708	1,758,120	1,770,033	2,036,094	2,387,822	2,089,475	1,638,073	2,230,197	1,883,317
Extracurricular Activities	1,918,646	1,711,368	1,558,927	1,355,534	1,416,268	1,544,436	1,257,110	697,343	1,310,192	1,191,246
Interest and Fiscal Charges	3,610,639	3,903,329	838,415	942,436	1,221,642	1,238,371	1,375,676	2,222,392	1,549,639	1,437,967
Total Expenses	\$ 50,384,311	\$ 50,226,240	\$ 45,231,367	\$ 40,517,755	\$ 43,883,013	\$ 45,172,423	\$ 37,940,730	\$ 26,597,532	\$ 42,734,823	\$ 38,584,363
Program Revenues										
Charges for Services and Sales:										
Regular Instruction	\$ 253,667	\$ 286,971	\$ 179,933	\$ 187,755	\$ 169,419	\$ 169,627	\$ 190,482	\$ 200,877	\$ 197,711	\$ 187,527
Special Instruction	107,861	437,674	310,288	227,823	146,789	436,704	612,871	610,730	579,212	162,256
Vocational Instruction	370,541	440,119	464,797	330,557	632,922	329,259	385,319	232,089	346,228	456,962
Adult/Conintuing	16,600	13,396	11,532	7,439	1,404	5,799	4,100	4,995	6,110	4,598
Other Instruction	-	16,127	40,261	38,900	35,954	36,555	-	-	-	26,001
Pupils	-	81,717	124,219	209,833	108,034	280,323	333,327	447,634	223,357	170,157
Instructional Staff	1,031	242	-	163	625	373	74,630	3,609	12,616	9,064
Administration	180	405	-	-	-	-	537	-	2,917	1,268
Fiscal	-	-	-	-	11,299	-	-	-	-	20,199
Business	-	-	-	-	38,342	251	-	-	-	665
Operation and										
Maintenance of Plant	-	-	-	-	28,465	319,032	387,081	409,509	398,776	337,419
Pupil Transportation	-	-	-	-	-	286	1,251	41,397	2,384	3,731
Central	-	-	-	-	-	-	-	-	-	3,662
Food Service Operations	406,511	432,498	404,225	120,002	753	359,732	421,644	379,293	359,144	388,413
Community Services	654,888	589,710	566,660	579,127	280,348	528,048	817,853	776,427	767,277	703,030
Extracurricular Activities	334,107	279,330	216,620	172,277	57,226	44,760	50,183	56,423	47,989	47,452

Source: District Financial Statements

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Operating Grants and Contributions:										
Regular Instruction	\$ 8,791	\$ -	\$ 533,552	\$ 1,377,566	\$ 1,167,448	\$ 807,354	\$ 725,712	\$ 640,042	\$ 583,902	\$ 377,004
Special Instruction	1,070,783	636,664	1,517,662	1,474,747	1,033,132	1,003,491	1,243,018	1,211,893	1,165,731	1,137,484
Vocational Instruction	635,321	627,671	633,906	582,450	571,801	484,492	249,357	237,702	320,397	296,470
Other Instruction	57,743	60,814	126,172	59,281	-	-	-	-	-	-
Pupils	306,176	304,263	236,481	347,776	263,919	277,148	207,557	155,581	237,437	245,630
Instructional Staff	49,458	31,091	38,862	14,461	65,448	52,156	7,200	7,200	468	1,952
Administration	-	-	-	14,412	-	80,089	1,186	3,960	3,341	9,538
Operations	75,891	659,040	15,922	8,532	81,118	13,061	5,825	28,325	18,091	32,855
Pupil Transportation	808,293	650,888	689,054	189,582	17,520	77,181	317,840	377,852	405,306	451,538
Food Service Operations	140,510	159,006	160,700	687,871	381,954	88,834	75,040	62,629	60,585	66,309
Community Services	148,613	125,140	186,248	81,096	874,488	810,080	804,846	789,705	817,661	756,588
Extracurricular Activities	11,739	19,681	2,185	216	-	33,884	-	-	-	-
Capital Grants and Contributions:										
Pupil Transportation	-	-	90,000	-	-	-	-	-	-	-
<i>Total Program Revenues</i>	<u>5,458,704</u>	<u>5,852,447</u>	<u>6,638,982</u>	<u>6,711,866</u>	<u>5,968,408</u>	<u>6,238,519</u>	<u>6,916,859</u>	<u>6,677,872</u>	<u>6,556,640</u>	<u>5,897,772</u>
Net Expenses	<u>\$ (44,925,607)</u>	<u>\$ (44,373,793)</u>	<u>\$ (38,592,385)</u>	<u>\$ (33,805,889)</u>	<u>\$ (37,914,605)</u>	<u>\$ (38,933,904)</u>	<u>\$ (31,023,871)</u>	<u>\$ (19,919,660)</u>	<u>\$ (36,178,183)</u>	<u>\$ (32,686,591)</u>

Source: District Financial Statements

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Not Restricted to Specific Services	4,291,464	4,149,635	2,801,740	2,683,279	2,680,530	2,548,450	3,854,155	4,323,371	5,132,300	5,515,570
Investment Earnings	4,461,798	4,169,451	793,826	(408,380)	54,555	1,673,196	1,209,263	85,373	395,352	389,609
Miscellaneous	27,376,641	1,118,043	2,165,953	588,178	1,878,156	2,562,303	464,468	2,013,358	2,448,304	1,752,422
Property Taxes	38,426,372	36,847,496	37,865,595	36,138,182	34,156,339	32,514,185	34,122,955	30,415,528	25,380,072	30,469,897
<i>Total General Revenues</i>	<u>74,556,275</u>	<u>46,284,625</u>	<u>43,627,114</u>	<u>39,001,259</u>	<u>38,769,580</u>	<u>39,298,134</u>	<u>39,650,841</u>	<u>36,837,630</u>	<u>33,356,028</u>	<u>38,127,498</u>
<i>Change in Net Position</i>	<u>\$ 29,630,668</u>	<u>\$ 1,910,832</u>	<u>\$ 5,034,729</u>	<u>\$ 5,195,370</u>	<u>\$ 854,975</u>	<u>\$ 364,230</u>	<u>\$ 8,626,970</u>	<u>\$ 16,917,970</u>	<u>\$ (2,822,155)</u>	<u>\$ 5,440,907</u>

Source: District Financial Statements

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<i>General Fund</i>										
Nonspendable	\$ 200,919	\$ 185,073	\$ 162,273	\$ 166,667	\$ 82,285	\$ 57,091	\$ 48,680	\$ 41,199	\$ 60,591	\$ 81,171
Restricted	134,873	134,873	134,873	134,873	134,873	134,873	134,873	149,705	142,289	134,873
Committed	-	-	-	-	-	211,808	329,769	214,660	297,139	257,275
Assigned	6,334,604	4,162,517	4,015,183	4,353,206	5,182,947	-	1,833,318	4,360,215	1,326,357	-
Unassigned	24,893,693	28,974,001	30,065,523	28,267,142	27,174,341	29,344,148	26,972,565	22,226,987	26,566,923	29,917,915
<i>Total General Fund</i>	<u>31,564,089</u>	<u>33,456,464</u>	<u>34,377,852</u>	<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>
<i>All Other Governmental Funds</i>										
Nonspendable	43,162	77,241	5,090	4,222	7,604	4,221	6,893	5,408	8,760	7,618
Restricted	50,457,428	67,267,841	4,097,218	3,794,725	5,735,851	7,920,365	5,240,582	4,511,642	4,272,483	2,226,762
Committed	1,100,000	500,000	350,000	200,000	100,000	-	-	-	-	4,487,517
Unassigned	(357,847)	(3,327,922)	(2,867,890)	(2,883,634)	(334,956)	(353,631)	(3,050,701)	(2,873,698)	(2,408,221)	-
Total All Other Governmental Funds	<u>51,242,743</u>	<u>64,517,160</u>	<u>1,584,418</u>	<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>
<i>Total Governmental Funds</i>	<u>\$ 82,806,832</u>	<u>\$ 97,973,624</u>	<u>\$ 35,962,270</u>	<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>

Source: District Financial Statements

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Revenues										
Property and Other Local Taxes	\$ 38,577,201	\$ 36,980,354	\$ 37,091,649	\$ 36,029,518	\$ 34,125,922	\$ 32,509,737	\$ 34,207,980	\$ 30,358,216	\$ 25,338,108	\$ 30,432,420
Integovernmental	7,611,915	7,298,744	7,032,283	7,353,694	7,137,275	6,531,025	7,488,480	7,881,207	8,616,046	8,890,938
Interest	4,461,798	4,169,451	793,826	(408,380)	54,555	1,398,774	1,209,263	85,373	395,352	390,304
Tuition and Fees/Rent	1,345,849	1,937,144	1,767,103	1,472,278	1,489,738	1,722,511	2,710,613	2,479,932	2,619,730	1,869,768
Miscellaneous Revenue from Local Sources	13,255,487	2,091,314	2,937,153	1,061,099	2,178,052	3,462,517	1,480,324	2,563,659	3,026,834	2,404,363
<i>Total Revenues</i>	<i>\$ 65,252,250</i>	<i>\$ 52,477,007</i>	<i>\$ 49,622,014</i>	<i>\$ 45,508,209</i>	<i>\$ 44,985,542</i>	<i>\$ 45,624,564</i>	<i>\$ 47,096,660</i>	<i>\$ 43,368,387</i>	<i>\$ 39,996,070</i>	<i>\$ 43,987,793</i>
Expenditures										
Instruction	\$ 25,414,182	\$ 25,482,669	\$ 23,347,529	\$ 22,044,447	\$ 21,845,349	\$ 21,170,757	\$ 21,370,995	\$ 21,085,410	\$ 19,552,428	\$ 18,863,191
Support Services:										
Pupil	2,885,335	3,137,816	2,548,549	2,905,665	2,744,941	2,958,793	2,509,241	2,546,653	2,519,937	2,106,213
Instructional Staff	2,111,449	1,510,004	1,396,916	1,404,349	1,049,671	2,049,886	1,698,279	1,632,673	1,734,769	1,830,686
Board of Education	343,802	435,668	476,341	370,228	412,754	343,668	468,415	504,063	332,135	336,313
Administration	2,977,758	2,818,615	2,698,400	2,640,228	2,634,200	2,530,327	2,275,922	2,394,327	2,310,290	2,271,929
Fiscal	1,381,622	1,423,035	1,413,987	1,332,503	1,137,696	1,190,593	1,108,468	1,148,971	1,171,421	1,002,165
Business	451,215	309,901	294,832	324,238	286,232	312,953	321,904	380,556	389,899	349,582
Operation and										
Maintenance of Plant	4,510,747	4,622,029	4,041,037	3,455,203	4,075,504	3,617,448	3,650,656	4,070,440	3,938,490	3,707,137
Pupil Transportation	2,820,340	2,661,545	2,286,103	2,022,761	1,782,273	2,096,087	1,628,388	1,644,348	1,748,501	1,761,570
Central	293,419	273,042	274,622	136,614	144,557	213,505	194,649	306,702	280,386	299,163
Non-instructional	1,593,856	1,638,201	1,670,647	1,718,164	1,839,184	2,225,073	2,028,906	1,886,457	2,014,808	1,807,773
Extracurricular Activities	1,873,637	1,646,780	1,511,233	1,438,981	1,243,631	1,382,701	1,329,787	1,279,893	1,259,237	1,186,277
Capital Outlay	25,578,695	5,762,494	1,661,132	5,292,645	1,091,816	589,921	937,080	1,399,982	5,067,174	4,882,239
Debt Service:										
Principal	3,179,230	3,662,892	3,153,844	3,398,420	3,327,000	3,470,000	3,315,000	2,439,166	3,062,737	2,740,000
Interest	3,853,403	3,356,349	1,024,096	1,073,510	1,098,295	1,280,906	1,395,426	2,288,257	1,492,599	1,501,060
Advance Refunding Escrow	2,050	-	-	-	-	-	-	-	-	-
<i>Total Expenditures</i>	<i>79,270,740</i>	<i>58,741,040</i>	<i>47,799,268</i>	<i>49,557,956</i>	<i>44,713,103</i>	<i>45,432,618</i>	<i>44,233,116</i>	<i>45,007,898</i>	<i>46,874,811</i>	<i>44,645,298</i>
<i>Excess of Revenues Over (Under)</i>										
<i>Expenditures</i>	<i>(14,018,490)</i>	<i>(6,264,033)</i>	<i>1,822,746</i>	<i>(4,049,747)</i>	<i>272,439</i>	<i>191,946</i>	<i>2,863,544</i>	<i>(1,639,511)</i>	<i>(6,878,741)</i>	<i>(657,505)</i>
Other Financing Sources/(Uses)										
Operating Transfers In	10,459,222	619,137	474,382	306,432	284,121	307,350	175,000	250,000	203,000	195,500
General Obligation Bonds Issued	-	65,000,000	-	-	-	-	-	-	-	5,009,296
Premiums on Debt Issued	-	3,275,387	-	-	1,370,130	-	-	-	-	-
Note Issuance	-	-	-	-	-	5,600,000	-	-	-	-
Proceeds from Sale of Capital Assets	1,698	-	102,323	4,003	4,049	10,950	16,317	9,308	31,931	-
Inception of Capital Lease	-	-	-	-	-	-	-	-	-	177,542
Operating Transfers Out	(11,609,222)	(619,137)	(474,382)	(306,432)	(284,121)	(307,350)	(175,000)	(250,000)	(203,000)	(195,500)
Payment to Refunded Debt Escrow Agent	-	-	-	-	(11,227,557)	-	-	-	-	-
Refunding of Bonds	-	-	-	-	8,620,000	-	-	-	-	-
	(1,148,302)	68,275,387	102,323	4,003	(1,233,378)	5,610,950	16,317	9,308	31,931	5,186,838
<i>Net Changes in Fund Balances</i>	<i>\$ (15,166,792)</i>	<i>\$ 62,011,354</i>	<i>\$ 1,925,069</i>	<i>\$ (4,045,744)</i>	<i>\$ (960,939)</i>	<i>\$ 5,802,896</i>	<i>\$ 2,879,861</i>	<i>\$ (1,630,203)</i>	<i>\$ (6,846,810)</i>	<i>\$ 4,529,333</i>
Debt Services as a percentage of Noncapital expenditures	13.10%	13.25%	9.06%	10.10%	10.01%	10.59%	10.88%	10.84%	10.90%	10.56%

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	
2025	\$ 1,031,175,660	\$ 2,946,216,171	\$ 18,724,410	\$ 21,277,739	\$ 1,049,900,070	\$ 2,967,493,910	93.58
2024	869,867,400	2,485,335,429	17,032,660	19,355,295	886,900,060	2,504,690,724	93.58
2023	870,578,080	2,487,365,943	16,694,700	18,971,250	887,272,780	2,506,337,193	91.18
2022	859,812,960	2,456,608,457	15,654,970	17,789,739	875,467,930	2,474,398,196	91.50
2021	800,468,520	2,287,052,914	14,457,660	16,429,159	814,926,180	2,303,482,073	91.70
2020	792,289,930	2,263,685,514	12,992,330	14,764,011	805,282,260	2,278,449,526	92.10
2019	769,363,750	2,198,182,143	11,956,730	13,587,193	781,320,480	2,211,769,336	92.10
2018	713,048,270	2,037,280,771	14,404,130	16,368,330	727,452,400	2,053,649,101	86.20
2017	712,300,970	2,035,145,629	13,566,640	15,416,636	725,867,610	2,050,562,265	86.40
2016	707,183,170	2,020,523,343	12,895,080	14,653,500	720,078,250	2,035,176,843	86.40

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 2024/2025	Tax Year/ Collection Year 2023/2024	Tax Year/ Collection Year 2022/2023	Tax Year/ Collection Year 2021/2022	Tax Year/ Collection Year 2020/2021	Tax Year/ Collection Year 2019/2020	Tax Year/ Collection Year 2018/2019	Tax Year/ Collection Year 2017/2018	Tax Year/ Collection Year 2016/2017	Tax Year/ Collection Year 2015/2016
Beachwood City School District										
Unvoted Millage										
Operating	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80	\$ 6.80
Voted Millage by Levy (Direct Rates)										
1976 Current Expense	44.60	44.60	44.60	44.60	44.60	44.60	44.60	44.60	44.60	44.60
1980 Current Expense	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
1992 Current Expense	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
1996 Permanent Improvement- Ongoing	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70	2.70
2002 Current Expense	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
2002 Bond (\$15,750,000)	0.00	0.00	0.00	1.50	1.60	1.80	1.80	1.80	1.90	1.90
2005 Current Expense	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90	5.90
2010 Bond (\$30,000,000)	3.28	3.28	3.28	2.10	2.20	2.40	2.40	2.40	2.50	2.50
2018 Current Expense	5.90	5.90	5.90	5.90	5.90	5.90	5.90	0.00	0.00	0.00
2023 Bond (\$65,000,000)	2.40	2.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Voted Millage	86.78	86.78	84.38	84.70	84.90	85.30	85.30	79.40	79.60	79.60
Total Millage - Beachwood City School District	93.58	93.58	91.18	91.50	91.70	92.10	92.10	86.20	86.40	86.40
Overlapping Millage by Taxing Districts (Direct Rates)										
Cuyahoga County	14.85	14.85	14.85	14.85	14.85	14.05	14.05	14.05	14.05	14.05
Beachwood City	1.60	1.60	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Cleveland Metro Parks	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Cuyahoga County Library	3.50	3.50	3.50	3.50	3.50	2.50	2.50	2.50	2.50	2.50
Cuyahoga Community College	5.30	5.30	4.90	4.90	4.90	4.90	4.50	4.50	4.00	4.00
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	28.13	28.13	30.13	30.13	30.13	28.33	27.93	27.93	27.43	27.43
Grand Total - All Direct and Overlapping Millages	121.71	121.71	121.31	121.63	121.83	120.43	120.03	114.13	113.83	113.83

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>
2024/2025	\$44,237,141	\$1,452,903	\$45,690,044	\$43,046,267	97.31%	\$1,141,031	\$44,187,298	99.9%
2023/2024	40,628,877	1,350,605	41,979,482	39,666,476	97.63%	980,867	40,647,342	100.0%
2022/2023	38,404,714	1,810,086	40,214,800	36,684,621	95.52%	1,455,322	38,139,943	99.3%
2021/2022	38,254,010	779,757	39,033,767	35,986,577	94.07%	644,880	36,631,457	95.8%
2020/2021	38,210,988	857,213	39,068,201	36,645,139	95.90%	565,028	37,210,167	97.4%
2019/2020	38,455,861	591,590	39,047,451	36,748,631	95.56%	499,320	37,247,951	96.9%
2018/2019	36,945,184	493,080	37,438,264	36,319,308	98.31%	408,042	36,727,350	99.4%
2017/2018	33,476,523	793,681	34,270,204	31,611,023	94.43%	712,902	32,323,925	96.6%
2016/2017	33,397,718	2,149,143	35,546,861	31,598,660	94.61%	365,205	31,963,865	95.7%
2015/2016	32,750,590	1,112,487	33,863,077	30,959,431	94.53%	349,869	31,309,300	95.6%

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, 2024 and December 31, 2015

Name of Taxpayer	Nature of Business	December 31, 2024	
		Assessed Valuation	% of Total Assessed Valuation (1)
Brookfield Properties	Retail	\$62,255,500	6.04%
Four seasons Apartments IV LLC	Apartment Complex	31,862,220	3.09%
MHG Hamptons LLC ET AL	Apartment Complex	28,618,530	2.78%
OLP Beachwood OH LLC	Lighting	26,267,780	2.55%
Easthaven Owner 1 LLC ET AL	Apartment Complex	20,216,500	1.96%
Aster Apartments LLC	Apartment Complex	15,139,500	1.47%
27100 LLC	Nursing Home	13,335,040	1.29%
MMAC-FCA Beachwood LLC	Foreign Liability Corp	11,816,250	1.15%
BMA Beachwood LLC	Retail	10,894,210	1.06%
Developers Diversified Realty	Realty	10,385,560	1.01%
		<u>\$230,791,090</u>	<u>22.38%</u>
Total Real Estate Valuation		<u>\$1,031,175,660</u>	

Name of Taxpayer	Nature of Business	December 31, 2015	
		Assessed Valuation	% of Total Assessed Valuation (1)
Beachwood Place Limited	Mall	\$76,479,260	10.81%
Commerce Park	Office Buildings	20,420,250	2.89%
Four Seasons Apartments	Apartment Complex	13,670,160	1.93%
Hamptons Apartment	Apartment Complex	12,062,260	1.71%
DFG-Beachwood Pavilion LLC	Rental	11,409,060	1.61%
Village Green of Beachwood	Condominiums	11,131,370	1.57%
Developers Diversified	Realty	9,864,400	1.39%
Four Seasons Apartments	Apartments	7,519,880	1.06%
Beachwood Park East	Office Buildings	6,788,350	0.96%
Signature Square	Office Buildings	5,821,940	0.82%
Cleveland Beachwood Hospitality LLC	Office Buildings	5,726,000	0.81%
		<u>\$180,892,930</u>	<u>25.58%</u>
Total Real Estate Valuation		<u>\$707,183,170</u>	

Source: Cuyahoga County Fiscal Officer

Beachwood City School District
Principal Property Taxpayers
Public Utility Tax
December 31, 2024 and December 31, 2015

		December 31, 2024	
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Tangible Personal Property Valuation
Cleveland Electric Illuminating	Electric Utility	\$10,509,850	56.13%
American Transmission System	Telephone	4,443,860	23.73%
East Ohio Gas Compnay	Gas Utility	2,930,120	15.65%
Total		<u>\$17,883,830</u>	<u>95.51%</u>
Total Public Utility Valuation		<u>\$18,724,410</u>	

		December 31, 2015	
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Tangible Personal Property Valuation
Cleveland Electric Illuminating	Electric Utility	\$10,749,890	83.36%
American Transmission System	Telephone	1,307,720	10.14%
East Ohio Gas	Gas Utility	837,470	6.49%
Total		<u>\$12,895,080</u>	<u>100.00%</u>
Total Public Utility Valuation		<u>\$12,895,080</u>	

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

Year	Gross General Bonded Debt	Notes Outstanding	Leases and Subscriptions	Total	Total Debt/Capita*	(1) Debt Outstanding % Of Personal Income
2025	\$ 77,574,831	\$ 4,303,886	\$ 4,657	\$ 81,883,374	\$ 5,832	10.6%
2024	79,979,774	5,313,327	11,887	85,304,988	6,076	11.1%
2023	14,068,344	6,300,768	26,171	20,395,283	1,453	2.6%
2022	16,385,325	7,272,209	46,047	23,703,581	1,688	3.1%
2021	18,883,989	8,227,650	66,467	27,178,106	1,936	3.5%
2020	22,199,966	9,162,091	-	31,362,057	2,234	5.5%
2019	24,604,966	4,644,532	-	29,249,498	2,447	5.1%
2018	26,994,966	5,586,973	-	32,581,939	2,726	5.7%
2017	28,500,619	6,524,414	59,169	35,084,202	2,935	6.1%
2016	30,766,271	7,326,855	116,906	38,210,032	3,197	6.7%

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, 2024

<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	\$81,883,374	100.00%	\$81,883,374
<i>Overlapping Debt:</i>			
Cuyahoga County	216,475,000	2.36%	5,112,372
Cuyahoga Community College	177,515,000	2.36%	4,192,275
City of Beachwood	7,130,000	91.15%	6,499,032
Pepper Pike	<u>3,947,915</u>	0.46%	<u>18,345</u>
Total Overlapping Debt	<u>405,067,915</u>		<u>15,822,024</u>
Total Debt	<u><u>\$486,951,289</u></u>		<u><u>\$97,705,398</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 2024 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>
2025	\$77,574,831	\$9,891,201	\$67,683,630	\$1,049,900,070	14,040 (a)	6.45%	\$4,821
2024	79,979,774	5,141,611	74,838,163	886,900,060	14,040 (a)	8.44%	5,330
2023	14,068,344	3,661,849	10,406,495	887,272,780	14,040 (a)	1.17%	741
2022	16,385,325	3,023,618	13,361,707	875,467,930	14,040 (a)	1.53%	952
2021	18,883,989	2,681,311	16,202,678	814,926,180	14,040 (a)	1.99%	1,154
2020	22,199,966	3,603,633	18,596,333	805,282,260	14,040 (a)	2.31%	1,325
2019	24,604,966	3,851,762	20,753,204	781,320,480	11,953 (b)	2.66%	1,736
2018	26,994,966	3,221,659	23,773,307	727,452,400	11,953 (b)	3.27%	1,989
2017	28,500,619	3,077,874	25,422,745	725,867,610	11,953 (b)	3.50%	2,127
2016	30,766,271	3,252,718	27,513,553	720,078,250	11,953 (b)	3.82%	2,302

(1) Source: Federal Census

(a) Census 2020

(b) Census 2010

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Assessed Valuation	<u>\$1,049,900,070</u>	<u>\$886,900,060</u>	<u>\$887,272,780</u>	<u>\$875,467,930</u>	<u>\$814,926,180</u>	<u>\$805,282,260</u>	<u>\$781,320,480</u>	<u>\$727,452,400</u>	<u>\$725,867,610</u>	<u>\$720,078,250</u>
Bonded Debt Limit - 9% of Assessed Value (1)	\$94,491,006	\$79,821,005	\$79,854,550	\$78,792,114	\$73,343,356	\$72,475,403	\$70,318,843	\$65,470,716	\$65,328,085	\$64,807,043
Amount of Debt Applicable to Debt Limit: Bonded Debt	77,574,831	79,979,774	14,068,344	16,385,325	18,883,989	22,199,966	24,604,966	26,994,966	28,500,619	30,766,271
Less Bond Retirement Fund	<u>10,086,101</u>	<u>5,377,180</u>	<u>3,626,689</u>	<u>3,113,491</u>	<u>2,836,265</u>	<u>3,684,488</u>	<u>3,958,142</u>	<u>3,320,889</u>	<u>3,185,321</u>	<u>3,244,584</u>
Net General Bonded Debt	<u>67,488,730</u>	<u>74,602,594</u>	<u>10,441,655</u>	<u>13,271,834</u>	<u>16,047,724</u>	<u>18,515,478</u>	<u>20,646,824</u>	<u>23,674,077</u>	<u>25,315,298</u>	<u>27,521,687</u>
Voted Debt Margin	<u>\$27,002,276</u>	<u>\$5,218,411</u>	<u>\$69,412,895</u>	<u>\$65,520,280</u>	<u>\$57,295,632</u>	<u>\$53,959,925</u>	<u>\$49,672,019</u>	<u>\$41,796,639</u>	<u>\$40,012,787</u>	<u>\$37,285,356</u>
Ratio of Legal Debt Margin to Assessed Values	2.57%	0.59%	7.82%	7.48%	7.03%	6.70%	6.36%	5.75%	5.51%	5.18%
Bonded Debt Limit - .1% of Assessed Value (1)	<u>\$1,049,900</u>	<u>\$886,900</u>	<u>\$887,273</u>	<u>\$875,468</u>	<u>\$814,926</u>	<u>\$805,282</u>	<u>\$781,320</u>	<u>\$727,452</u>	<u>\$725,868</u>	<u>\$720,078</u>
Unvoted Debt Margin	<u>\$1,049,900</u>	<u>\$886,900</u>	<u>\$887,273</u>	<u>\$875,468</u>	<u>\$814,926</u>	<u>\$805,282</u>	<u>\$781,320</u>	<u>\$727,452</u>	<u>\$725,868</u>	<u>\$720,078</u>

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>
2025	14,040 (a)	\$133,952	\$54,294	\$770,922,360	\$54,909 (a)	10.1%	5.1%
2024	14,040 (a)	133,952	54,294	770,922,360	54,909 (a)	2.1	4.1
2023	14,040 (a)	133,952	54,294	770,922,360	54,909 (a)	2.1	4.1
2022	14,040 (a)	133,952	54,294	770,922,360	54,909 (a)	2.1	4.1
2021	14,040 (a)	133,952	54,294	770,922,360	54,909 (a)	2.4	4.9
2020	14,040 (a)	146,477	79,039	770,922,360	54,909 (a)	2.9	12.9
2019	11,953 (b)	133,952	54,294	573,863,530	48,010 (b)	4.3	4.9
2018	11,953 (b)	144,413	57,310	573,863,530	48,010 (b)	4.7	6.4
2017	11,953 (b)	135,289	55,717	573,863,530	48,010 (b)	5.0	6.8
2016	11,953 (b)	127,742	56,026	573,863,530	48,010 (b)	5.4	5.3

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, 2024**

December 31, 2024	
Employer	Ranking
Eaton Corporation	1
Cleveland Clinic Foundation	2
University Hospitals Health System	3
MIM Software	4
Beachwood City School District	5
City of Beachwood	6
Price for Profit LLC	7
Tremco CPG Inc	8
Penske Logistics Inc.	9
Master Builders Solutions US	10

December 31, 2015	
Employer	Ranking
Cleveland Clinic Foundation	1
University Hospitals Health System	2
Menorah Park Center	3
Eaton Corporation	4
Beachwood City School District	5
Montefiore Home	6
Developers Diversified	7
City of Beachwood	8
Nordstrom	9
Aleris Ohio Management	10

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

Source: Regional Income Tax Agency

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
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	83	83	85	85	40	80	84	89	84	75
Student Capacity	220	220	220	220	220	220	220	220	220	220
Regular Instruction Classrooms	8	8	8	8	8	8	8	8	8	8
Regular Instruction Teachers	5	5	5	5	4	4	4	4	4	3.6
Special Instruction Classrooms	2	2	2	2	2	2	2	2	2	2
Special Instruction Teachers	2.02	1	1	1	1	1	1	1	0.5	0.6
% of students who receive free/reduced lunch	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	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	265	259	300	300	317	318	279	264	239	278
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	23.15	20.15	22.1	22.1	24.8	16.6	15.6	15.6	17.98	17.98
Special Instruction Classrooms	3	3	3	3	3	3	3	3	3	3
Special Instruction Teachers	5	5.5	5.2	5.2	6	4	3	3	2.4	2.4
% of students who receive free/reduced lunch	4.75%	4.62%	8.01%	8.01%	8.01%	8.01%	7.47%	3.43%	6.12%	7.79%
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	324	304	304	279	278	305	317	269	294
Student Capacity	731	731	731	731	731	731	731	731	731	731
Regular Instruction Classrooms	23.7	23.7	23.7	23.7	21.7	16	16	16	16	16
Regular Instruction Teachers	27.59	23.09	19	19	19	21.4	22.4	22.4	20.8	20.8
Special Instruction Classrooms	3	3	3	3	3	3	3	3	3	3
Special Instruction Teachers	4	6.5	5.2	5.2	7	6	6	6	5	5
% of students who receive free/reduced lunch	5.03%	5.86%	8.25%	8.25%	8.25%	8.25%	5.83%	7.77%	10.00%	9.89%
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	334	317	320	320	340	338	306	346	363	348
Student Capacity	560	560	560	560	560	560	560	560	560	560
Regular Instruction Classrooms	27	27	27	27	24.8	27	27	27	27	27
Regular Instruction Teachers	24.13	21.63	26.5	26.5	25.4	24.3	24.3	24.3	22.96	22.96
Special Instruction Classrooms	5.4	5.4	5.4	5.4	5.4	6	6	6	6	6
Special Instruction Teachers	5	10.46	6	6	6	6	7	7	6.07	6.07
% of students who receive free/reduced lunch	5.42%	5.68%	9.20%	9.20%	9.20%	9.20%	8.41%	9.54%	9.16%	8.74%
Beachwood High School										
Constructed in 1958										
Additions in 2002 and 2003, 2013										
Total Building Square Footage	256,113	256,113	256,113	256,113	256,113	256,113	256,113	256,113	256,113	256,113
Enrollment Grades 9 - 12	534	495	609	609	672	673	657	647	639	643
Student Capacity	1350	1350	1350	1350	1350	1350	1350	1350	1350	1350
Regular Instruction Classrooms	43	43	43	43	45	45	45	45	45	45
Regular Instruction Teachers	38.93	36.28	39.3	39.3	39.3	41	40.9	40.9	40.54	40.54
Special Instruction Classrooms	8	8	8	8	6	6	6	6	6	6
Special Instruction Teachers	8.98	8.03	7.9	7.9	8	8	7	7	6.6	6.6
% of students who receive free/reduced lunch	7.77%	7.55%	9.97%	9.97%	9.97%	9.97%	8.25%	5.96%	8.42%	10.99%
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>
2025	\$20,477	1.40%
2024	20,194	6.25%
2023	19,006	5.13%
2022	18,078	5.76%
2021	17,094	3.37%
2020	16,536	1.97%
2019	16,216	-3.26%
2018	16,763	-2.70%
2017	17,229	2.50%
2016	16,809	-2.93%

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>
2025	93.8 %	91.5 %	96.9 %	88.3 %
2024	93.6	91.3	96.8	87.9
2023	93.1	91.0	98.6	87.3
2022	93.9	90.4	97.8	87.2
2021	95.9	24.0	100.0	87.2
2020	96.4	**	100.0	85.9
2019	95.5	16.7	98.3	85.3
2018	95.6	16.0 *	97.9	84.1
2017	94.8	93.9	97.6	83.4
2016	95.7	94.1	96.6	83.5

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	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Regular Instruction										
Preschool Classroom Teachers	5.00	5.00	6.00	4.00	4.00	4.60	5.00	4.00	4.00	3.60
Preschool Aides	0.00	5.60	5.00	3.60	3.60	4.27	4.40	3.20	3.20	3.80
Elementary Classroom Teachers	39.60	38.60	41.00	41.00	41.00	30.00	31.00	34.50	34.50	34.50
Instructional Assistants	0.75	1.00	1.00	1.00	3.00	1.00	1.00	1.00	1.00	1.00
Art/Music/PE/Technology (K-12)	19.81	18.67	19.16	18.30	14.90	15.47	15.47	15.05	15.05	15.05
HS/MS Classroom Teachers	43.40	47.38	47.00	50.70	50.70	57.50	57.50	57.50	57.50	57.50
Special Instruction										
Preschool Intervention Specialist	8.00	2.02	1.00	1.00	1.00	1.00	1.00	0.50	0.50	0.60
ELL	2.00	2.46	2.40	2.40	2.40	2.40	1.00	1.00	1.00	1.00
Intervention Specialists	25.00	19.98	23.40	22.30	21.80	19.50	20.00	18.90	21.90	19.40
Special Ed Assistants	40.00	42.00	41.00	35.00	35.00	31.92	32.57	30.89	30.89	30.40
Gifted Education Teachers	4.00	4.00	3.83	4.00	0.00	2.40	3.00	3.00	3.00	2.07
Vocational Instruction										
High School Classroom Teachers	5.00	5.00	5.00	5.00	5.00	5.50	5.00	5.60	5.60	5.00
Pupil Support Services										
Guidance Counselors	7.00	7.00	7.00	7.00	7.00	6.67	6.00	6.00	6.00	6.00
Librarians	3.00	3.00	2.84	2.50	0.00	3.00	3.00	4.00	4.00	4.00
Library Media Assistants	2.00	2.00	2.00	2.00	2.00	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	3.40	3.40	5.00	3.00	3.00	3.00	2.50	3.30	3.30	4.60
Nurses	2.00	2.50	2.00	2.00	2.60	2.00	2.00	2.00	2.00	2.00
Educational Interpreters	1.00	2.00	2.00	2.00	2.61	2.61	5.00	6.52	6.52	7.22
Occupational Therapist	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Tutors	5.14	4.16	5.00	4.00	8.00	7.00	8.00	8.00	8.00	4.75
Administrators/Supervisors										
Central Office	5.00	5.00	9.00	8.00	8.00	8.00	6.00	6.00	6.00	6.00
Elementary	2.00	2.00	2.00	2.00	3.00	2.00	2.00	2.00	2.00	2.00
Middle School/High School	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Supervisors	7.00	7.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00
Administrative Support										
Administrative/Office Assistants	16.00	16.00	15.00	14.00	15.00	15.00	15.00	15.00	15.00	15.00
Operation of Plant										
Cleaners	0.00	1.00	1.00	1.00	3.00	4.08	4.08	7.00	7.00	5.00
Custodians	21.00	20.00	20.00	20.00	15.00	15.00	4.00	13.00	13.00	13.00
Maintenance/Grounds	5.00	5.00	4.00	4.00	4.00	3.00	3.00	5.00	5.00	5.00
Pupil Transportation										
Bus Drivers	29.00	30.00	26.00	28.00	25.00	25.00	22.00	19.00	19.00	17.00
Mechanics	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Treasurer's Office Staff	4.00	4.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00	4.60
Technology	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Totals	<u>318.10</u>	<u>317.77</u>	<u>319.63</u>	<u>308.80</u>	<u>301.61</u>	<u>291.32</u>	<u>283.52</u>	<u>296.96</u>	<u>299.96</u>	<u>290.09</u>

Source: District records

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

<u>Degree</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Bachelor's Degree	21	12	9	10	11	16	16	21	22	24
Bachelor + 30	2	3	6	6	5	5	6	6	6	8
Master's Degree	49	63	64	68	74	78	84	94	87	92
Master + 30	33	23	28	33	29	26	25	19	20	18
Master + 60	<u>56</u>	<u>58</u>	<u>51</u>	<u>41</u>	<u>41</u>	<u>37</u>	<u>29</u>	<u>23</u>	<u>25</u>	<u>18</u>
Total	<u><u>161</u></u>	<u><u>159</u></u>	<u><u>158</u></u>	<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>

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>
2025	652	868	1,520
2024	666	812	1,478
2023	700	811	1,511
2022	688	930	1,618
2021	596	1,012	1,608
2020	596	1,011	1,607
2019	581	967	1,548
2018	527	993	1,520
2017	508	1,002	1,510
2016	541	1,009	1,550

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>
2025	130	105	25.3	19.4	19.4
2024	109	90	24.7	19.0	19.4
2023	148	125	23.6	19.4	19.5
2022	140	143	24.2	17.4	19.8
2021	190	138	24.7	20.0	20.7
2020	176	130	24.7	21.0	20.8*
2019	119	122	24.5	22.0	20.8
2018	123	125	24	20.3	20.8
2017	121	138	25.2	22.0	21.0
2016	106	125	24.8	22.0	20.8

* 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 Ten Years

School Year (1)	Overall Rating (1)	Achievement Rating (1)	Gap Closing Rating (1)	Progress Rating (1)	Graduation Rating (1)	Early Literacy (1)	College, Career, Workforce, and Military Readiness (1)	Prepared for Success Grade
2025	5	5	5	5	5	5	3	*
2024	5	5	5	5	5	3	N/A	*
2023	5	5	5	5	5	5	N/A	*
2022	N/A	5	5	4	5	5	N/A	*
2021	*	*	*	*	*	*	*	*
2020	*	*	*	*	*	*	*	*
2019	A	A	A	A	A	N/A	N/A	B
2018	N/A	B	A	A	A	N/A	N/A	B
2017	N/A	A	B	A	A	N/A	N/A	B
2016	N/A	A	B	B	A	N/A	N/A	B

* Due to COVID 19, the Ohio Department of Education waived its testing and therefore, there are no report card grades

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

N/A - Not Available

Source: Ohio Department of Education and Workforce (DEW)

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

SINGLE AUDIT REPORT

**FOR THE FISCAL YEAR
ENDED JUNE 30, 2025**

Zupka & Associates
Certified Public Accountants

**BEACHWOOD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SINGLE AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

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**BEACHWOOD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Expenditures	Non-Cash Expenditures
<u>U.S. Department of Agriculture</u>			
<i>Passed through Ohio Department of Education and Workforce</i>			
Child Nutrition Cluster:			
National School Lunch Program	10.555	\$ 135,292	\$ 37,646
Special Milk Program	10.556	1,593	0
Total Child Nutrition Cluster		136,885	37,646
Total U.S. Department of Agriculture		136,885	37,646
<u>U.S. Department of Education</u>			
<i>Passed through Ohio Department of Education and Workforce</i>			
Title I - Grants to Local Educational Agencies	84.010A	190,823	0
Special Education Cluster (IDEA):			
Special Education - Grants to States	84.027	547,629	0
Special Education - Preschool Grants	84.173	6,808	0
Total Special Education Cluster (IDEA)		554,437	0
Education for Homeless Children and Youth	84.196A	11,170	0
Supporting Effective Instruction State Grants	84.367	41,648	0
English Language Acquisition Grants	84.365	11,741	0
Student Support and Academic Enrichment Program	84.424A	13,981	0
Student Support and Academic Enrichment Program - Stronger Connections Grant	84.424F	3,338	0
Total ALN #84.424		17,319	0
Total U.S. Department of Education		827,138	0
<u>U.S. Department of Treasury</u>			
<i>Passed through Ohio Facilities Construction Commission</i>			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	72,962	0
Total U.S. Department of Health and Human Services		72,962	0
TOTAL EXPENDITURES OF FEDERAL AWARDS		\$ 1,036,985	\$ 37,646

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, 2025**

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, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Beachwood City School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of Beachwood City School District.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3: INDIRECT COST RATE

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

NOTE 4: CHILD NUTRITION CLUSTER

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

NOTE 5: FOOD DONATION PROGRAM

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

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

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

To the Members of the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beachwood City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2025, 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 22, 2025, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*.

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.

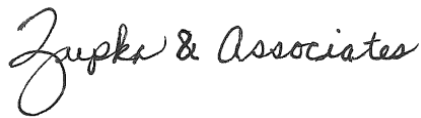
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

A handwritten signature in cursive script that reads "Zupka & Associates".

Zupka & Associates
Certified Public Accountants

December 22, 2025

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

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

To the Members of the Board of Education:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Beachwood City School District, Cuyahoga County, Ohio's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2025. 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, 2025.

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 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 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 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 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 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 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 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 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, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 22, 2025, 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. 101, *Compensated Absences*. 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 22, 2025

**BEACHWOOD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
UNIFORM GUIDANCE
JUNE 30, 2025**

1. SUMMARY OF AUDITOR'S RESULTS

2025(i)	Type of Financial Statement Opinion	Unmodified
2025(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2025(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2025(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2025(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2025(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2025(v)	Type of Major Programs' Compliance Opinions	Unmodified
2025(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2025(vii)	Major Programs (list): Special Education Cluster (IDEA): Special Education - Grants to States - ALN #84.027 Special Education - Preschool Grants - ALN #84.173	
2025(viii)	Dollar Threshold: A/B Program	Type A: \$750,000 Type B: All Others
2025(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, 2025**

The audit report for the fiscal year ending June 30, 2024 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 4/16/2026

65 East State 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