

Mary Taylor, CPA
Auditor of State

**BEACHWOOD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

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**BEACHWOOD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2009**

Federal Grantor/ Pass Through Grantor Program Title	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
U.S. DEPARTMENT OF AGRICULTURE					
<i>Passed Through Ohio Department of Education:</i>					
Nutrition Cluster:					
National School Lunch Program	10.555	\$48,234	\$8,305	\$48,234	\$8,305
Special Milk Program	10.556	623	0	623	0
Total U.S. Department of Agriculture		<u>48,857</u>	<u>8,305</u>	<u>48,857</u>	<u>8,305</u>
U.S. DEPARTMENT OF EDUCATION					
<i>Passed Through Ohio Department of Education:</i>					
Special Education Cluster:					
Special Education: Grants to States - FY 2009	84.027	304,777	0	297,469	0
Special Education: Preschool Grant - FY 2009	84.173	10,072	0	10,072	0
Total Special Education Cluster		<u>314,849</u>	<u>0</u>	<u>307,541</u>	<u>0</u>
Title I - Grants to Local Educational Agencies - FY 2008	84.010	0	0	5,833	0
Title I - Grants to Local Educational Agencies - FY 2009	84.010	108,053	0	106,241	0
Total Title I - Grants to Local Educational Agencies		<u>108,053</u>	<u>0</u>	<u>112,074</u>	<u>0</u>
Safe and Drug-Free Schools and Communities: State Grants - FY 2008	84.186	497	0	666	0
Safe and Drug-Free Schools and Communities: State Grants - FY 2009	84.186	3,648	0	3,102	0
Total Safe and Drug-Free Schools Grant		<u>4,145</u>	<u>0</u>	<u>3,768</u>	<u>0</u>
Innovative Education Program Strategies Grant - FY 2008	84.298	0	0	305	0
Innovative Education Program Strategies Grant - FY 2009	84.298	1,347	0	1,249	0
Total Innovative Education Program Strategies Grant		<u>1,347</u>	<u>0</u>	<u>1,554</u>	<u>0</u>
Title II-A Grant - FY 2008	84.367	0	0	218	0
Title II-A Grant - FY 2009	84.367	33,524	0	33,524	0
Total Title II-A Grant		<u>33,524</u>	<u>0</u>	<u>33,742</u>	<u>0</u>
Title II-D Technology Literacy Challenge Funds - FY 2008	84.318	0	0	62	0
Title II-D Technology Literacy Challenge Funds - FY 2009	84.318	1,251	0	1,251	0
Total Title II-D Technology Literacy Challenge Funds		<u>1,251</u>	<u>0</u>	<u>1,313</u>	<u>0</u>
Title III LEP - English Language Acquisition Grants - FY 2009	84.365	6,864	0	6,864	0
Total Title III LEP - English Language Acquisition Grants		<u>6,864</u>	<u>0</u>	<u>6,864</u>	<u>0</u>
Title III, Part B - Grants for Supportive Services and Senior Centers - FY 2008	84.938	0	0	758	0
Title III, Part B - Grants for Supportive Services and Senior Centers - FY 2009	84.938	10,422	0	10,137	0
Total Title III, Part B - Grants for Supportive Services and Senior Centers		<u>10,422</u>	<u>0</u>	<u>10,895</u>	<u>0</u>
Conflicts Management Grant - FY 2009	84.305	0	0	441	0
Total U.S. Department of Education		<u>480,455</u>	<u>0</u>	<u>478,192</u>	<u>0</u>
Total Federal Financial Assistance		<u>\$529,312</u>	<u>\$8,305</u>	<u>\$527,049</u>	<u>\$8,305</u>

**BEACHWOOD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
JUNE 30, 2009**

NOTES TO SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) summarizes activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

NOTE B – FOOD DISTRIBUTION

Nonmonetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the Schedule at the entitlement value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State and local grant monies. It is assumed federal monies are expended first. At June 30, 2009, the District had no significant food commodities in inventory.

CFDA – Catalog of Federal Domestic Assistance



Mary Taylor, CPA

Auditor of State

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

Beachwood City School District
Cuyahoga County
24601 Fairmount Boulevard
Beachwood, Ohio 44122

To the Board of Education:

We have audited 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, 2009, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 10, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all internal control deficiencies that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above.

We noted a certain matter that we reported to the District's management in a separate letter dated December 10, 2009.

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note a certain noncompliance or other matter that we reported to the District's management in a separate letter dated December 10, 2009.

We intend this report solely for the information and use of the audit committee, management, Board of Education, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

December 10, 2009



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES

Beachwood City School District
Cuyahoga County
24601 Fairmount Boulevard
Beachwood, Ohio 44122

To the Board of Education:

Compliance

We have audited the compliance of the Beachwood City School District, Cuyahoga County, Ohio (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to its major federal program for the year ended June 30, 2009. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal program. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its major federal program. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the Beachwood City School District complied, in all material respects, with the requirements referred to above that apply to its major federal program for the year ended June 30, 2009.

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

Lausche Building / 615 Superior Ave., NW / Twelfth Floor / Cleveland, OH 44113-1801
Telephone: (216) 787-3665 (800) 626-2297 Fax: (216) 787-3361
www.auditor.state.oh.us

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that the District's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Federal Awards Receipts and Expenditures

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Beachwood City School District as of and for the year ended June 30, 2009, and have issued our report thereon dated December 10, 2009. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of federal awards receipts and expenditures provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the audit committee, management, the Board of Education, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

December 10, 2009

**BEACHWOOD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2009**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material internal control weaknesses reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under § .510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Education Cluster / CFDA #84.027 and #84.173
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	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

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Beachwood City School District
Cuyahoga County
24601 Fairmount Boulevard
Beachwood, Ohio 44122

To the Board of Education:

Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedures enumerated below, which were agreed to by the Board, solely to assist the Board in evaluating whether the Beachwood City School District (the District) has adopted an anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board. Consequently; we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board adopted an anti-harassment policy at its meeting on January 22, 2007.
2. We read the policy, noting it included the following requirements from Ohio Rev. Code Section 3313.666(B):
 - (1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
 - (2) A definition of harassment, intimidation, or bullying that includes the definition in division (A) of Ohio Rev. Code Section 3313.666;
 - (3) A procedure for reporting prohibited incidents;
 - (4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;
 - (5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;
 - (6) A procedure for documenting any prohibited incident that is reported;
 - (7) A procedure for responding to and investigating any reported incident;

Lausche Building / 615 Superior Ave., NW / Twelfth Floor / Cleveland, OH 44113-1801
Telephone: (216) 787-3665 (800) 626-2297 Fax: (216) 787-3361
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- (8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
- (9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States;
- (10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Education and is not intended to be and should not be used by anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

December 10, 2009

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
OF THE
BEACHWOOD CITY SCHOOL DISTRICT
for the
FISCAL YEAR ENDED JUNE 30, 2009



Prepared by Treasurer's Department

Michele E. Mills, Director of Finance/Treasurer
Kathleen Stroski, Assistant Treasurer
April Yuhas, Payroll
Greg Minotas, Purchasing Agent
Mary Lee Ryan, EMIS
Cindy Szczecinski, Accounts Payable
Barb Taich, Duplicating

24601 Fairmount Boulevard
Beachwood, Ohio 44122-2298

BEACHWOOD CITY SCHOOL DISTRICT
Comprehensive Annual Financial Report
For the Year Ended June 30, 2009
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INTRODUCTORY
SECTION



BEACHWOOD CITY SCHOOL DISTRICT
24601 Fairmount Boulevard
Beachwood, OH 44122
Phone: 216.464.2600

December 10, 2009

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

Dear Board Members:

The comprehensive annual financial report of the Beachwood City School District for the fiscal year ended June 30, 2009, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the School District. All disclosures necessary to enable the reader to gain an understanding of the School District's financial activities have been included.

This report is divided into the following sections:

- o The Introductory Section, which includes this transmittal letter, a list of principal officials, the School District's organizational chart and the GFOA certificate of achievement.
- o The Financial Section, which includes the Independent Accountants' Report, the Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the School District's financial position and operating results, the Combining Statements by Fund Type, and other schedules that provide detailed information relative to the Basic Financial Statements.
- o The Statistical Section, which includes related financial and demographic information, generally presented on a multi-year basis.

This report includes all funds of the School District. The School District provides a full range of primary and secondary educational services 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.

Beachwood City School District

The School District

The School District is located in a growing, prosperous suburban area east of Cleveland, Ohio. The community's tax base is evenly distributed between commercial and residential property. The School District serves 1,571 students from Pre-K through 12th grade in five instructional facilities.

The School District was formed in 1915 and initially provided services only to children in grades one through eight. In 1917-18, the Board of Education entered into a contract with Shaker Heights Village, a neighboring district, for all high school students to attend Shaker High School at \$1.50 per week. This arrangement continued until September 1957, at which time the high school students were provided classes within the School District.

Major Initiatives

Mission and Vision

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

Board of Education Goals

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

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

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

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

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

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

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

Beachwood City School District

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

Major Initiatives and Accomplishments

The 2008-2009 school year was one of continued demonstration of academic excellence by students in the School District. It marked the tenth consecutive year that the School District was rated “Excellent” by the Ohio Department of Education. This designation distinguishes the School District as one of less than four percent of the public school systems in Ohio that have earned Excellent status continuously since the rating’s inception. It is a result of the efforts of students and staff in each of our buildings: Fairmount Early Childhood Center, Bryden Elementary School, Hilltop Elementary School, Beachwood Middle School, and Beachwood High School.

Individually and collectively, the School District’s students accrued significant honors. Beachwood High School boasted a record number of Advanced Placement Scholars in 2008-2009. Sixty-three students qualified for the honor based on scores earned on a minimum of three college-level AP exams.

Thirteen BHS students achieved National Merit Honors. Six were named National Merit Scholarship Semi-finalists, six were named Commended Scholars, and one qualified as an Outstanding Participant in the National Achievement Scholarship Program. The School District was proud to have two Beachwood High School students earn a perfect score of 36 on the ACT. This is an accomplishment achieved by only one in every 3,300 students who take the exam.

The School District’s Excel TECC programs fared well in 2008-2009. The Green Dream continued to grow in Beachwood. Marketing Education students at BHS hosted their second annual business showcase at the Beachwood Community Center, once again garnering support and accolades from the Ohio Department of Education and the Governor’s Office for their efforts. The project truly serves as a fine example of cooperation between the Beachwood City School District, the City of Beachwood, and the Beachwood Chamber of Commerce. In addition to showcasing and presenting Beachwood High School’s Marketing Education program at a host of local, state, and national conferences, the Green Dream was featured as one of Ohio’s outstanding model programs on the homepage of the Ohio Department of Education. Through a competitive process, Beachwood’s Marketing Education program sent a representative to the Distributive Education Clubs of America’s (DECA’s) National Competition, and our Culinary Arts students received a gold medal for their efforts in food preparation and placed third in state competition.

In the extracurricular realm, the BHS Academic Challenge Team placed second among twenty-seven teams in the Ohio 2008 Knowledge Master Open competition. The Team also repeated its top performance of the preceding year by qualifying for National Competition in Washington, D.C. for the second time in School District’s history. The BHS Junior Council on World Affairs (JCWA) also repeated a significant accomplishment for the second consecutive year by again being named Best Delegation in the small delegation category at the University of Virginia’s Model United Nations program. The BHS Speech and Debate Team proved to be a powerful force in area competitions. In its second year of existence, individuals from the team qualified for State and National tournaments securing Beachwood a respected place among the best high school debate programs. Beachwood High School’s Robotics Team also had an outstanding year, placing eighth among fifty-nine participants in the FIRST (For Inspiration and Recognition of Science and Technology) Buckeye Regional Robotics Competition.

The School District’s student athletes made us proud. The School District had state qualifiers and placers in tennis, wrestling, and swimming. The Varsity Boys Basketball team won the Chagrin Valley Conference

Beachwood City School District

Metro Championship. This was the first time that the team won a league championship since capturing the MAC-8 Conference Championship in 1994.

The fine and performing arts thrived. In 2008-2009, for the second consecutive year, Beachwood was named one of the top 110 communities in the United States for music education. One of the more memorable events of the year was a community concert featuring Beachwood High School and Beachwood Middle School orchestra students under the direction of Mark Wood, rock violinist and original member of Trans-Siberian Orchestra.

Beachwood Middle School entered the 2009-2010 school year identified as one of the top ten middle schools in Ohio by the Ohio Department of Education. The label was a result of the building's designation as a National School to Watch. A team of sixth grade students from BMS won the winter state championship title in the Knowledge Master Open competition. The students placed tenth in the nation for their efforts.

In Destination Imagination competition, two Beachwood teams, one from Beachwood Middle School and one from Hilltop Elementary School, won regional championships advancing to the State Tournament in Dublin, Ohio. In addition, another Hilltop team won the "Spirit of DI" award for its efforts. Those students who competed were a testimony to the creative problem-solving process addressed through Destination Imagination.

The School District achieved several distinctions in the 2008-2009 school year. Two national publications, *Newsweek* and *U.S. News and World Report*, honored the School District by listing Beachwood High School among the top performing schools nationally. The School District libraries received a prestigious honor by being named a 2009 Ohio Library of Distinction by the Ohio Educational Library Media Association (OELMA). Beachwood was one of only two school districts so recognized. This award is a direct result of the credentials and accomplishments of our library media specialists, the quality of our programming, our collaboration with public libraries, and implementation of a fully automated online library system.

The Beachwood Board of Education remained committed to elimination of racial disparity in academic achievement during 2008-2009. The School District continued its relationship with the Pacific Educational Group (PEG), an organization whose purpose is to eliminate such achievement gaps. The School District's culture and its data are being studied. The process began with Beachwood's administrators, Board of Education, and members of the Differential Achievement Committee working with representatives of PEG. The process will now become more building centered as teams of staff from the respective buildings become directly involved in the program.

Continued attention was focused on Ohio school funding in 2008-2009. In cooperation with the *Sun Press*, Beachwood hosted a school funding forum that featured legislators, school administrators, and school board members from Northeast Ohio. Local school funding, so heavily dependent on residential and tangible personal property tax, is an issue that affects all districts in the state regardless of their socio-economic status.

The School District also turned its attention to the needs of its aging high school. The Board hired an architectural firm to complete a study and master plan for a proposed renovation of Beachwood High School. The process involved meeting with a host of groups composed of staff, students, and community members to determine the strengths and weakness of the current structure. These meetings occurred throughout the spring and summer of 2009. The depressed national and regional economic climate resulted in postponement of the plan to renovate Beachwood High School. However, the needs of the facility are many and they will require significant attention in upcoming years.

The School District continued and built upon its tradition of excellence in 2008-2009. Such is the task of all

Beachwood City School District

great school systems. As we reflect upon district successes, we know that we must also recognize district needs and identify opportunities for improvement. By so doing, the School District will continue to enhance its reputation as an innovator and leader among Ohio's public schools. We are proud of the accomplishments of our students and staff. We anticipate even greater achievements in the future.

Financial Information

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.

Governmental and Fiduciary fund types are accounted for on the modified accrual basis of accounting. Governmental revenues are recognized when they become measurable and available to finance expenditures of the current period. Revenue items, which are susceptible to accrual, are recorded as receivables. Expenditures are recognized when the related fund liability is incurred, with the exception of accumulated unpaid employee compensation, which is not payable from current expendable financial resources; and accrued interest for general long-term obligations, which is payable when due.

Proprietary funds are accounted for on the accrual basis of accounting. Their revenues are recognized in the period earned and expenses are recognized in the period incurred.

The School District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School District's governing body. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by individual funds.

The School District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Open encumbrances are reviewed individually prior to year-end and a determination is made on whether or not to carry them forward to the following year. Encumbrances are therefore reported as a reservation of fund balance at year-end. Budgets are legally adopted and controlled on a cash basis (including encumbrances); therefore, the Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Budgeting Basis) and Actual reports actual cash revenues and expenditures (including encumbrances) compared with budget amounts. Unencumbered appropriations terminate at year-end.

Beachwood City School District

Financial Reporting

For the fiscal year ending June 30, 2003, the School District implemented the provisions of the Governmental Accounting Standards Board Statement No. 34, “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments.” This pronouncement significantly changed the way the School District reported its financial condition and results of operations as compared with previous years. The basic financial statements for reporting on the School District’s financial activities are as follows:

Government-wide financial statements: These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by business enterprises. The government-wide statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

Fund financial statements: These statements present information for individual major funds, rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

Statement of budgetary comparison: These statements present comparison of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

As part of this reporting model, management is responsible for preparing a Management Discussion and Analysis of the School District. This discussion is presented in the financial section of this report and provides an assessment of the School District finances for the fiscal year 2009.

Financial Policies

The School District has not adopted any new financial policies that had significant impact on the 2009 financial statements.

Long-Term Financial Planning

The School District by law is required to submit for Board approval a five year forecast which delineates projected expenditures, revenues and anticipated timing for new property tax ballot issues. The five year forecast must be approved by the Board of Education on or before October 31st of each school year and must be amended as necessary by no later than May 31st of each school year. School districts are not able to enter into contracts unless the School District demonstrates financial ability to pay for the contract over the life of the contract. The School District cannot include anticipated revenue through ballot issues as part of its certification of funds process.

Significant Local Economic Events

The economic condition and outlook for the community has been challenging, especially considering the economic downturn in the Midwest as well as the rest of the country. The tax duplicate has actually declined due to the loss of personal property on the tax duplicate and a 6% decrease on residential property. The community’s tax base is fairly evenly distributed between commercial and residential property. Forty-seven percent of the School District’s valuation is comprised of residential property and fifty-two percent is comprised of commercial or public utility property. Due to changes in laws enacted by the State legislature,

Beachwood City School District

the School District's personal property tax base will continue to erode as the State has eliminated this tax. All Districts in the State of Ohio will be held harmless by the State through 2014, at which time the state will eliminate the hold harmless provision. The State of Ohio's overall economic outlook is not good as we try to make our way through economic recovery.

In 1990, The City of Beachwood annexed 400 acres from a neighboring community (Chagrin Highlands) in order to develop a proposed \$500 million, 633-acre corporate complex featuring office space, a retail mall and at least one hotel. The School District signed an agreement with the Warrensville Heights School District to share in any future tax revenue. Under the agreement, the Beachwood City School District would receive 30% of the tax revenue from all future development. Originally, Warrensville Heights School District was the sole beneficiary of school tax revenues. The School District considers the successful negotiation of tax-sharing a major accomplishment that will enhance school revenues in the future.

The City of Beachwood announced that Eaton Corporation, a Fortune 100 company has purchased 50 acres of property in the Chagrin Highlands area, through a tax incremental financing program approved by the City of Beachwood, Warrensville Heights Schools, State of Ohio and the Port Authority. Revenue for the schools is not expected until at least 2013. Due to the economic malaise, it is unclear when Eaton will begin building its headquarters, which could delay any anticipated revenues for the schools beyond 2013.

As of the date of this financial statement, it is expected that tax revenue sharing will be forthcoming in the next couple of years. The School District is currently in negotiations with the Warrensville Heights School District to determine revenue trigger points and how and when tax revenue will be remitted to Beachwood Schools from Warrensville Heights Schools. University Hospitals plans to build a 1,000 bed hospital on the Chagrin Highlands site. While this is great economic news for the City, the Schools will probably not receive any property tax dollars as University Hospitals has sought tax exemption in all of the communities in which it currently operates.

The School District is still involved in litigation with the Cleveland Clinic tax exempt application which dates back to 2002. The case is at the Board of Tax Appeals. The School District anticipates that the case will be heard in 2010. Property tax losses on this facility are \$4.1 million (school district portion only) through tax year 2008.

The Cleveland Clinic also filed for tax exemption on a portion of the property it purchased in 2007 from Bank of America (formerly MBNA). While some of the buildings are still occupied by Bank of America employees, the Clinic occupies three buildings and has sought tax exemption on those buildings. The Clinic ceased paying property taxes on this parcel beginning in 2009, as is their right, until the tax dispute is ultimately settled. The annual tax loss is \$658,000.

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 79.3 mills, the effective millage levied and collected is 32.60 and 41.56 respectively, for residential and commercial property.

House Bill 95, passed in June 2003 as part of the State of Ohio's biennial budget, further limited a school district's ability to collect certain property taxes, including: eliminating personal property tax-exempt small businesses (which the State of Ohio pays on behalf of the small business owner) by 10% each year over the next ten years which equates to a loss of \$30,000 annually; and an expedited elimination of inventory tax on

Beachwood City School District

personal property, which the School District estimates to be an annual loss of \$125,000. These funding changes will force the School District to seek voter- approved levies more frequently than it has historically.

In addition, House Bill 66, which passed in June 2005, completely eliminated personal property taxes on equipment and furniture and fixtures. Schools were to be held harmless for a period of five years, beginning with calendar year 2006. The hold harmless provision was to begin phasing out in 2011. House Bill 1 which passed in June 2009 delayed the hold harmless period through fiscal year 2013, at which time the phase out will begin at the point it would have been in HB 66. Since this tax currently generates \$3.8 million annually, elimination of this tax will negatively impact the School District in the future and will force the School District to seek levies more frequently.

Other Information

Independent Audit

The Ohio Revised Code requires an annual audit of the School District's financial statements and its compliance with certain sections of the Ohio Revised Code. The Ohio Auditor of State conducted the School District's 2009 fiscal year audit. The Independent Accountants' Report appears at the beginning of the Financial Section of this report.

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Beachwood City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2008. (This was the 21st consecutive year that the School District earned this prestigious award.) In order to be awarded a Certificate of Achievement, a governmental agency must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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

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

A special thanks to art teacher Chunny Hahn for the inspiration she provides to her students and the artwork they contributed to this publication.

Special recognition must be extended to the members of the Treasurer's Office: Kathleen Sroski, Assistant


Beachwood City School District

A special thanks to art teacher Chunny Hahn for the inspiration she provides to her students and the artwork they contributed to this publication.

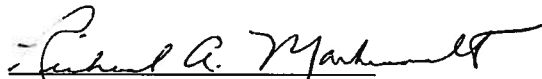
Special recognition must be extended to the members of the Treasurer's Office: Kathleen Sroski, Assistant Treasurer; April Yuhas, Payroll Coordinator, Barb Taich, Duplicating Coordinator, Greg Minotas, Purchasing Agent; Mary Lee Ryan, EMIS coordinator and Cindy Szczecinski, Financial Processing Coordinator; who assisted with the development of the Comprehensive Annual Financial Report and the annual audit. The department members have our sincere gratitude for their professional, efficient and dedicated service.

Audit Committee

The School District has an active audit committee, comprised of 3 members of the community (two of whom are CPA's, and one a small business entrepreneur), one Board member (also a CPA) and the School District's Treasurer. The Superintendent also serves in the capacity of an ex-officio member of this committee. Many thanks to the audit committee members whose wise counsel has assisted in improving internal controls, reviews the audit and makes appropriate recommendations to the Board of Education. Mr. Michael Ritter, Mr. Robert Marks and Ms. Patty Rubin along with Mr. David Ostro (board member) are to be commended for their efforts.



Michele E. Mills
Finance Director/Treasurer



Richard A. Markwardt, Ph.D.
Superintendent of Schools

Beachwood City School District

Elected Officials

Board of Education

Dr. Brian WeissPresident

Mrs. Jennifer Tramer Vice President

Mrs. Beth Rosenbaum Member

Mr. David Ostro Member

Dr. Alan Rosenthal Member

Appointed Officials

Ms. Michele E. MillsDirector of Finance/Treasurer

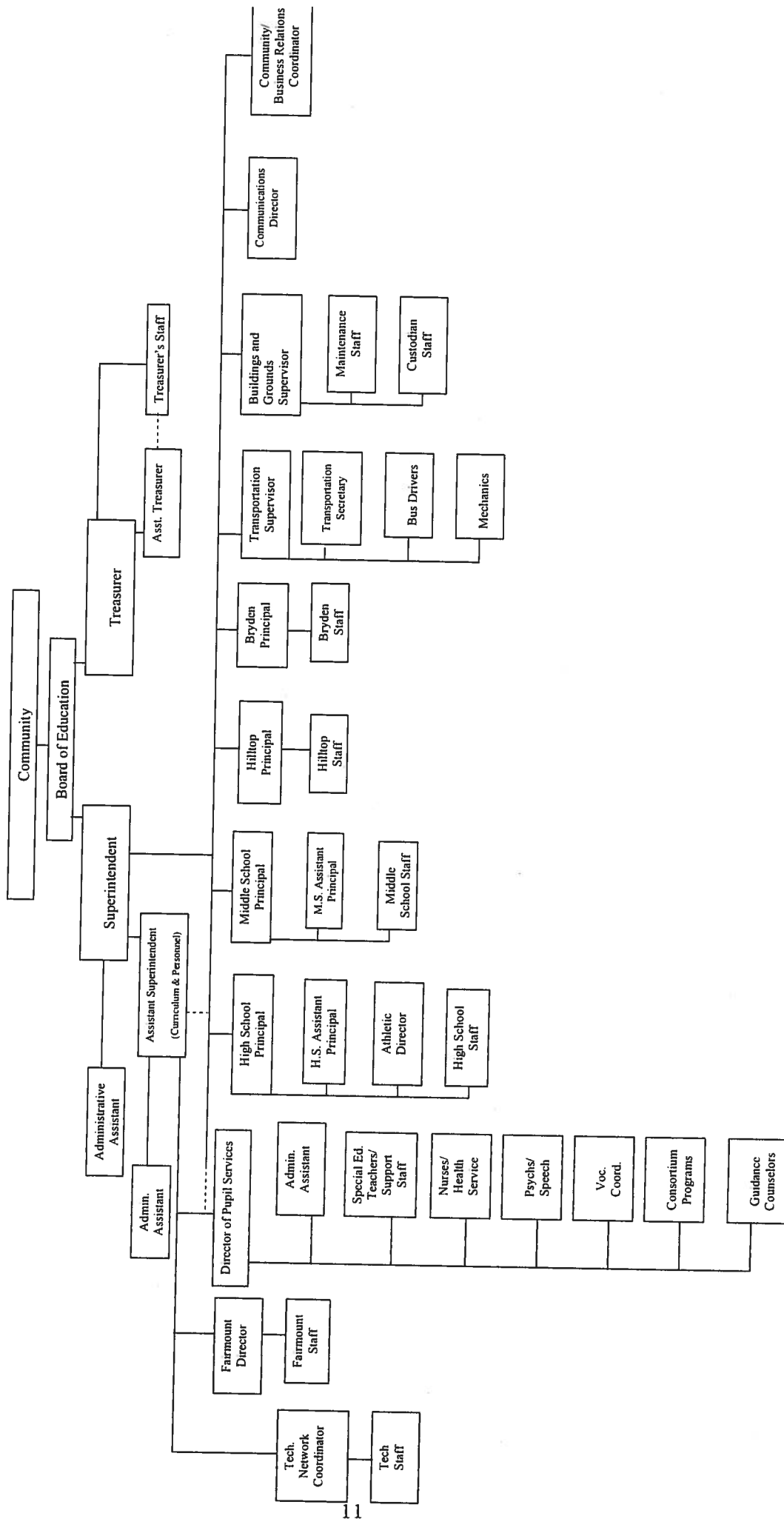
Administration

Dr. Richard A. Markwardt.....Superintendent

Dr. Philip Wagner Assistant Superintendent

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

Beachwood City School District Organizational Chart – Policy No. 1101



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Beachwood City School
District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

FINANCIAL

SECTION



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Beachwood City School District
Cuyahoga County
24601 Fairmount Boulevard
Beachwood, Ohio 44122

To the Board of Education:

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, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Beachwood City School District, Cuyahoga County, Ohio, as of June 30, 2009, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General and Consortium funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2009, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining non-major fund statements and schedules, and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining non-major fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Mary Taylor, CPA
Auditor of State

December 10, 2009

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

The discussion and analysis of the Beachwood City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2009. The intent of this discussion and analysis is to look at the 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 District's financial performance.

Financial Highlights

Key financial highlights for 2009 are as follows:

- The District's financial condition substantially improved over 2008 due to the additional collection of 1.6 inside mills, previously levied by the City of Beachwood, beginning in January, 2009.
- Total net assets increased \$6,450,222, which represents a 22.68 percent increase from 2008.
- General revenues accounted for \$36,053,187 in revenue or 81.8 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$8,033,494 or 18.2 percent of total revenues of \$44,088,681.
- Total assets of governmental activities increased \$21,611 as cash increased by \$3,220,353, while property taxes receivable decreased by \$3,025,974. While the State of Ohio has agreed to hold harmless the Districts who have been impacted by the elimination of the personal property tax, the State has a right not to remit the funds, and therefore, those tax dollars are not included in the financial statements for accrual purposes.
- The District had \$37,636,459 in expenses related to governmental activities; only \$8,033,494 of these expenses was offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes) of \$36,053,187 were adequate to provide for these programs.
- Among major funds, the general fund had \$36,484,535 in operating revenues and \$31,487,746 in operating expenditures. The general fund's fund balance increased to \$18,937,145 from \$14,111,983.

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 Beachwood City School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

The *Statement of Net Assets* and *Statement of Activities* provide information about the activities of the whole District, presenting both an aggregate view of the 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 District's most significant funds, with all other non-major funds presented in total in one column. In the case of the School District, the general fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Assets and Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2009?" The Statement of Net Assets and Statement of Activities answer this question. These statements include *all assets and all liabilities* 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 District's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the *financial position* of the 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 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 Assets and Statement of Activities, the District has one type of activity, Governmental Activities -- All of the District's programs and services are reported here.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major funds begins on page 28. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, bond retirement, permanent improvement and consortium funds.

Governmental Funds Most of the 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 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)

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

between governmental activities (reported in the Statement of Net Assets and Statement of Activities) and governmental funds is reconciled in the financial statements.

The School District as a Whole

The Statement of Net Assets provides the perspective of the District as a whole. Table 1 provides a summary of the District's net assets for 2009 compared to 2008:

	<u>Table 1</u> <u>Governmental Activities</u>	
	<u>2009</u>	<u>2008</u>
Assets		
Current and Other Assets	\$45,807,738	\$45,501,659
Capital Assets	<u>29,459,075</u>	<u>29,743,543</u>
Total Assets	<u>75,266,813</u>	<u>75,245,202</u>
Liabilities		
Long-Term Liabilities	17,593,733	18,889,962
Other Liabilities	<u>22,786,674</u>	<u>27,919,056</u>
Total Liabilities	<u>40,380,407</u>	<u>46,809,018</u>
Net Assets		
Invested in Capital Assets Net of Debt	15,016,809	13,802,891
Restricted	2,802,805	2,383,586
Unrestricted	<u>17,066,792</u>	<u>12,249,707</u>
Total Net Assets	<u>\$34,886,406</u>	<u>\$28,436,184</u>

Total assets increased \$21,611. Equity in pooled cash and cash equivalents increased \$3,220,353. Taxes receivable decreased by \$3,025,974 due to the elimination of the tangible personal property tax, which phased out in its entirety in 2009.

Net assets of the District's governmental activities increased by \$6,450,222. Unrestricted net assets increased by \$4,817,085. Net assets remained relatively flat. There was an increase of \$3.2 million dollars in cash and cash equivalents during 2009 due to revenues exceeding expenditures, primarily due to increased property tax collections. However, the increase in cash and cash equivalents was offset by a decrease in property taxes receivable by \$3,025,974 due to the elimination of the personal property tax which was eliminated in its entirety in 2009. Also, the District has continued to retire its debt, as long term debt decreased by \$1,296,229. Other liabilities includes unearned revenue which decreased by \$5,160,009 due to the amount of property taxes collected as of June 30, 2009, which were available for collection.

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Table 2 shows the changes in net assets for fiscal year 2009 with revenue and expense comparisons to fiscal year 2008:

	Governmental Activities 2009	Table 2 Governmental Activities 2008
Program Revenues:		
Charges for Services and Sales	\$4,997,679	\$4,020,166
Operating Grants and Contributions	3,028,823	2,875,446
Capital Grants and Contributions	6,992	16,965
General Revenues:		
Property Taxes	30,394,644	27,723,716
Grants and Entitlements	5,152,707	4,170,054
Investments	465,682	648,569
Other	40,154	177,021
Total Revenue	\$44,086,681	\$39,631,937
 Program Expenses:		
Instruction:		
Regular	\$11,979,156	\$11,629,226
Special	6,784,298	5,871,895
Vocational	1,290,755	1,242,827
Adult/Continuing	223,332	172,720
Other	179,790	664,301
Support Services:		
Pupil	2,710,272	2,616,865
Instructional Staff	1,169,119	1,012,486
Board of Education	460,127	356,006
Administration	2,329,151	2,371,399
Fiscal	514,478	746,614
Business	458,069	459,817
Operation of Maintenance and Plant	3,716,973	3,720,729
Pupil Transportation	2,059,398	1,993,252
Central	704,516	796,909
Operation of Non-Instructional Services	1,506,769	929,350
Extra-curricular Activities	1,008,747	1,004,529
Interest and Fiscal Charges	541,519	1,162,417
Total Expenses	\$37,636,459	\$36,751,342
 Change in Net Assets	\$6,450,222	\$2,880,595
Beginning Net Assets	28,436,184	25,555,589
Ending Net Assets	\$34,886,406	\$28,436,184

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Governmental Activities

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home was reappraised and its value increased to \$200,000 (and this inflationary increase in value is comparable to other property owners), the effective tax rate would become .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 69 percent of revenues for governmental activities for the District in fiscal year 2009.

Instruction comprises 54 percent of governmental program expenses. Interest expense was 1.4 percent. Interest expense was attributable to the outstanding bonds and borrowing for capital projects.

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 2008.

	Table 3 – Governmental Activities			
	Total Cost of Services 2009	Net Cost of Services 2009	Total Cost of Services 2008	Net Cost of Services 2008
Instruction	\$20,457,321	\$16,059,263	\$19,580,969	\$15,281,481
Support Services:				
Pupil and Instructional Staff	3,879,391	2,522,399	3,629,351	2,612,113
Board of Education, Administration, Fiscal and Business	3,761,825	3,737,720	3,933,836	3,911,175
Operation and Maintenance of Plant	3,716,973	3,399,681	3,720,729	3,445,149
Pupil Transportation	2,059,398	1,491,685	1,993,252	1,445,442
Central	704,516	643,491	796,909	724,571
Operation of Non-Instructional Services	1,506,769	234,410	929,350	288,077
Extracurricular Activities	1,008,747	972,797	1,004,529	968,340
Interest and Fiscal Charges	541,519	541,519	1,162,417	1,162,417
Total Expenses	\$37,636,459	\$29,602,965	\$36,751,342	\$29,838,765

The dependence upon tax revenues for governmental activities is apparent. Over 78 percent of instruction activities are supported through taxes and other general revenues, for all governmental activities general revenue support is 78 percent. The community, as a whole, is by far the primary support for the District's students.

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

The School District's Funds

Information about the District's major funds starts on page 28. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$44,181,470 and expenditures of \$39,195,964. The net change in fund balance for the year was most significant in the general fund, an increase of \$4,996,789. This increase is due to an increase in property tax collections, due to levying an additional 1.6 inside mills, and also the "hold harmless" collection of personal property taxes, distributed by the State of Ohio, which accounted for an increase of \$900,037 over 2008. Tuition and fees in the general fund also increased by \$537,695 due to a larger number of students in the District's preschool handicapped program, which historically is billed one year in arrears, but due to cash flow considerations, was billed with a current year estimate.

The net fund balance increased in the bond retirement fund by \$425,616, because tax collections exceeded principal and interest payments on the District's outstanding debt.

The permanent improvement fund net fund balance decreased by \$22,451 due to the District's investment in its property. Numerous roofing and driveway repairs projects were completed in 2009. Also, the District hired an architect, Burt Hill, to conduct a needs assessment for the High School which is 50 years old and has significant HVAC challenges due to the age of the building.

The consortium fund balance remained unchanged as actual expenditure are billed out to participating districts and are collected within the current fiscal year.

Budgeting Highlights

The 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 2009, the District amended its general fund budget numerous times, none significant. The 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, actual revenue was \$966,578 more than the final budget estimates of \$33,146,545 which was primarily due to increases in tuition and fees revenues. District's ending un-obligated cash balance was \$1,434,501 above the final budgeted amount.

There were seven amendments to the original appropriations during fiscal year 2009. The budget decreased due to belt tightening measures implemented to reduce overall costs and increase efficiency of operations due to the country's economic downturn.

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2009, the District had \$29,459,075 invested in land, buildings, equipment, buses and other vehicles, all in governmental activities. See Note 8 to the basic financial statements for more detailed information on capital asset activity. Table 4 shows fiscal 2009 balances compared to 2008:

Table 4 – Capital Assets at June 30th Net of Depreciation

	Governmental Activities	
	2009	2008
Land	\$831,499	\$831,499
Land Improvements	2,123,675	1,816,317
Buildings and Improvements	24,864,333	25,545,056
Equipment	992,902	963,437
Vehicles	646,666	587,234
Totals	\$29,459,075	\$29,743,543

The primary decrease in capital assets is due to depreciation expenses exceeding additions to capital assets.

For fiscal year 2009, Ohio law required school districts to set aside three percent of certain revenues for capital improvements and textbooks, respectively. For fiscal year 2009, this amounted to \$243,103 for each set aside. For fiscal year 2009, the District had qualifying disbursements or offsets exceeding these requirements. For fiscal year 2009, the set aside will remain three percent. The District has budgeted to meet these requirements.

Debt

At June 30, 2009, the District had \$14,396,640 in bonds and notes outstanding, \$1,522,599 due within one year. Table 5 summarizes bonds and notes outstanding. See Note 14 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, 2009, the School District's voted general obligation bonded debt of \$12,209,998 initially below the legal limit of \$56,112,239 (voted). In addition, the School District had no un-voted debt at June 30, 2009. On July 11, 2007, the School District advanced refunded \$6,245,000 in outstanding bonds at an interest rates of 4.0–4.25% which was a net present value savings of \$247,906 (3.97%). In the process of advance refunding the School District's debt, Moody's upgraded the School District to Aa1 from Aa2, which places The School District among the smallest sized taxing entities in the country and only among three in the State of Ohio to achieve this level of debt rating.

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Table 5 - Outstanding Debt, at Year End

	Governmental Activities 2009	Governmental Activities 2008
General Obligation Bonds		
2000 Tax Anticipation Notes	\$1,480,000	\$2,165,000
2002 School Improvement Premium	327,218	352,389
2002 Un-amortized Accounting Gain	129,647	138,908
2002 School Improvement Bonds	5,940,354	6,576,093
2007 School Improvement Premium	379,424	426,852
2007 Un-amortized Accounting Gain	91,032	102,411
2007 Advanced Refunded Bonds	6,048,965	6,097,586
Total	\$14,396,640	\$15,859,239

The general obligation bonds were issued for the purpose of school improvements. They are to be repaid from the bond retirement fund.

At June 30, 2009, the District's overall legal debt margin was \$56,112,239 with an un-voted debt margin of \$759,136. The District upgraded its bond rating in June, 2007 from Aa2 to Aa1.

For the Future

The School District closed out its fiscal year on June 30, 2009 on a positive note as the administration and Board of Education continued to reduce costs for greater efficiency. For example, the District implemented a partial reduction in force for its cleaning staff, moving to a cleaning crew model. The District also contracted out its food service operation to AVI Foodsystems, Inc. which not only saved the District over \$100,000, but also had an increase in food quality and parent and student satisfaction.

The District also successfully concluded its negotiations with the Beachwood Federation of Teachers, approving a three year contract through August 31, 2012.

The District's next major initiative is renovation of the High School, which is 50 years old. An architect has been hired to draw conceptual designs based on stakeholders' input. The District also applied for and received a Qualified School Construction Bond (CSCB) allocation of \$5.7 million to renovate the HVAC system at the High School.

In June 2007, the District received an upgrade in its bond rating to Aa1 from Moody's Investor's Service for the new and all outstanding debt. This rating, the most recently received from Moody's, is among the highest of all school districts in the State of Ohio.

The Board of Education and administration of the school district are committed to careful financial planning and prudent fiscal management. An excellent working and supportive

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

relationship exists between the School District, the City of Beachwood, the industrial community and the residents of the City.

In January, 2009, the District began collecting 1.6 inside mills that historically had been collected by the City of Beachwood which will generate an additional \$1.2 million dollars in property tax revenues for the School District on a calendar year basis.

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 District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional information, contact Michele Mills, Director of Finance/Treasurer at 216-464-8164 or E-mail at mm@beachwoodschoools.org.

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BASIC

FINANCIAL

STATEMENTS

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Beachwood City Schools*Statement of Net Assets**June 30, 2009*

	Governmental Activities
ASSETS:	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 17,672,876
Cash and Cash Equivalents in Segregated Accounts	134,873
Materials and Supplies Inventory	89,467
Accrued Interest Receivable	155,174
Accounts Receivable	142,364
Property Taxes Receivable	27,392,305
<i>Total current assets</i>	<u>45,587,059</u>
Noncurrent Assets:	
Deferred Charges	220,679
Non-Depreciable Capital Assets	831,499
Depreciable Capital Assets, net	28,627,576
<i>Total noncurrent assets</i>	<u>29,679,754</u>
<i>Total Assets</i>	<u><u>\$ 75,266,813</u></u>
LIABILITIES:	
Current Liabilities:	
Accounts Payable	\$ 22,383
Accrued Wages and Benefits	2,988,922
Intergovernmental Payable	383,789
Undistributed Monies	9,630
Matured Bonds Payable	86,363
Unearned Revenue	19,295,587
Long-Term Liabilities:	
Due Within One Year	1,772,866
<i>Total current liabilities</i>	<u>24,559,540</u>
Noncurrent Liabilities:	
Due in More Than One Year	15,820,867
<i>Total Liabilities</i>	<u>40,380,407</u>
NET ASSETS:	
Invested in Capital Assets, Net of Related Debt	15,016,809
Restricted for Debt Service	2,068,977
Restricted for Capital Outlay	192,756
Restricted for Other Purposes	406,199
Restricted for Set Asides	134,873
Unrestricted	17,066,792
<i>Total Net Assets</i>	<u><u>\$ 34,886,406</u></u>
See Accompanying Notes to the Basic Financial Statements	

Beachwood City Schools
Statement of Activities
For the Fiscal Year Ended June 30, 2009

	Program Revenues			
Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:				
Instruction:				
Regular	\$ 11,979,156	\$ 426,372	\$ 543,711	
Special	6,784,298	1,202,361	980,032	
Vocational	1,290,755	611,363	370,783	
Adult/Continuing	223,322	223,322		
Other	179,790	40,114		
Support Services:				
Pupils	2,710,272	956,469	170,662	
Instructional Staff	1,169,119	151,967	77,894	
Board of Education	460,127			
Administration	2,329,151	573	7,857	
Fiscal	514,478	6,520		
Business	458,069	9,155		
Operation and Maintenance of Plant	3,716,973	317,292		
Pupil Transportation	2,059,398	75,245	485,476	
Central	704,516	8,157	52,868	
Operation of Non-Instructional Services:				
Food Service Operations	657,339	415,824	49,691	
Community Services	849,430	516,995	289,849	
Extracurricular Activities	1,008,747	35,950		
Interest and Fiscal Charges	541,519			
Total Governmental Activities	\$ 37,636,459	\$ 4,997,679	\$ 3,028,823	\$ 6,992

General Revenues:
Grants and Entitlements not Restricted to Specific Programs
Investment Earnings
Property Taxes
Miscellaneous

Total General Revenues

Change in Net Assets

Net Assets Beginning of Year

Net Assets End of Year

See Accompanying Notes to the Basic Financial Statements

**Net(Expense)
Revenue and
Changes in Net
Assets**

**Governmental
Activities**

\$ (11,009,073)
(4,601,905)
(308,609)
0
(139,676)

(1,583,141)
(939,258)
(460,127)
(2,320,721)
(507,958)
(448,914)
(3,399,681)
(1,491,685)
(643,491)

(191,824)
(42,586)
(972,797)

\$ (29,602,965)

5,152,707
465,682
30,394,644
40,154

36,053,187

6,450,222

28,436,184

\$ 34,886,406

Beachwood City Schools
Balance Sheet
Governmental Funds
June 30, 2009

	<u>General</u>	<u>Bond Retirement Fund</u>	<u>Permanent Improvement Fund</u>	<u>Consortium Fund</u>
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 13,068,315	\$ 1,495,325	\$ 322,139	\$ 1,548,728
Cash and Cash Equivalents in Segregated Accounts	134,873			
Materials and Supplies Inventory	79,517			
Accrued Interest Receivable	155,174			
Accounts Receivable	43,454			97,058
Interfund Receivable	1,097,929			
Due From Other Funds	315,000			
Property Taxes Receivable	24,902,354	1,972,210	517,741	
<i>Total Assets</i>	<u>\$ 39,796,616</u>	<u>\$ 3,467,535</u>	<u>\$ 839,880</u>	<u>\$ 1,645,786</u>
LIABILITIES:				
Accounts Payable	\$ 17,764	\$ -	\$ -	\$ 64
Accrued Wages and Benefits	2,647,219			280,873
Interfund Payable				1,097,929
Due to Other Funds			315,000	
Intergovernmental Payable	348,813			25,307
Undistributed Monies				
Unearned Revenue	17,945,675	1,329,125	357,701	
General Obligation Bonds Payable		86,363		
<i>Total Liabilities</i>	<u>20,959,471</u>	<u>1,415,488</u>	<u>672,701</u>	<u>1,404,173</u>
FUND BALANCES:				
Reserved:				
Reserved for Encumbrances	134,453		30,750	8,085
Reserved for Inventory	79,517			
Reserved for Property Taxes	6,867,077	639,108	158,819	
Reserved for Budget Stabilization	134,873			
Unreserved, Undesignated, Reported in:				
General Fund	11,621,225			
Special Revenue Funds				233,528
Debt Service Fund		1,412,939		
Capital Projects Funds			(22,390)	
<i>Total Fund Balances</i>	<u>18,837,145</u>	<u>2,052,047</u>	<u>167,179</u>	<u>241,613</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 39,796,616</u>	<u>\$ 3,467,535</u>	<u>\$ 839,880</u>	<u>\$ 1,645,786</u>
See Accompanying Notes on the Basic Financial Statements				

All Other Governmental Funds	Total Governmental Funds		
		Total Governmental Fund Balances	\$21,721,229
\$ 497,809	\$ 16,932,316	Amounts reported for governmental activities in the Statement of	
	134,873	Net Assets are different because:	
9,950	89,467	Capital assets used in governmental activities are not financial	
	155,174	resources and therefore, are not reported in the funds:	
1,852	142,364	Nondepreciable capital assets	831,499
	1,097,929	Depreciable capital assets	28,627,576
	315,000		
	27,392,305	Deferred charges (unamortized bond issuance costs) are not	220,679
\$ 509,611	\$ 46,259,428	reported in the funds as an asset:	
		Deferred revenue, including delinquent property tax revenues,	
\$ 4,555	\$ 22,383	are not receivable in the current period and therefore, are not	
	2,988,922	reported in the funds:	
60,830	1,097,929	Unearned revenue	338,596
	315,000		
9,669	383,789	Long term liabilities, including bonds payable, are not due and	
	9,630	payable in the current period and therefore, are not reported	
9,630	19,634,183	in the funds:	
1,682	86,363	Due within one year	(1,772,866)
		Due within more than one year	(15,820,867)
86,366	24,538,199		
		Internal service funds are used by management to charge the	
		vision, dental and prescription drug, and contingent premium expenses	
		in the governmental activities in the Statement of Net Assets	740,560
33,913	207,201		
	79,517	Net Assets of Governmental Activities	<u>\$34,886,406</u>
	7,665,004		
	134,873		
	11,621,225		
381,362	614,890		
	1,412,939		
7,970	(14,420)		
423,245	21,721,229		
\$ 509,611	\$ 46,259,428		

Beachwood City Schools
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2009

	General	Bond Retirement Fund	Permanent Improvement Fund	Consortium Fund
REVENUES:				
Property and Other Local Taxes	\$ 27,671,597	\$ 2,252,282	\$ 565,554	\$ -
Intergovernmental	6,464,996	156,812	145,899	595,279
Interest	459,190		6,386	
Tuition and Fees	1,188,112			1,902,971
Rent	278,055			
Extracurricular Activities				
Gifts and Donations	2,050			
Customer Sales and Services	190,973			15,879
Miscellaneous	229,562			
<i>Total Revenues</i>	<u>36,484,535</u>	<u>2,409,094</u>	<u>717,839</u>	<u>2,514,129</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular	11,009,396			
Special	5,701,156			748,912
Vocational	407,852			854,470
Adult/Continuing				
Student Intervention Services	70			
Other	179,790			
Support Services:				
Pupils	1,678,956			850,723
Instructional Staff	974,743			44,431
Board of Education	439,485			
Administration	2,266,117			
Fiscal	937,760			
Business	450,040			
Operation and Maintenance of Plant	3,449,062		61,314	15,593
Pupil Transportation	2,100,816			
Central	981,337			
Operation of Non-Instructional Services:				
Food Service Operations				
Community Services	7,925			
Extracurricular Activities	849,526			
Capital Outlay:				
Site Improvement Services	5,685		400,242	
Architecture and Engineering Services			1,230	
Building Improvement Services	27,915			
Other Facilities Acquisition and Construction	20,115		377,504	
Debt Service:				
Principal		1,390,000		
Interest		593,478		
<i>Total Expenditures</i>	<u>31,487,746</u>	<u>1,983,478</u>	<u>840,290</u>	<u>2,514,129</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,996,789</u>	<u>425,616</u>	<u>(122,451)</u>	<u>0</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In			100,000	
Inception of Capital Lease	124,373			
Transfers Out	(396,000)			
<i>Total Other Financing Sources and Uses</i>	<u>(271,627)</u>	<u>0</u>	<u>100,000</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	4,725,162	425,616	(22,451)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>14,111,983</u>	<u>1,626,431</u>	<u>189,630</u>	<u>241,613</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 18,837,145</u>	<u>\$ 2,052,047</u>	<u>\$ 167,179</u>	<u>\$ 241,613</u>

See Accompanying Notes to the Basic Financial Statements

All Other Governmental Funds	Total Governmental Funds		
		Net change in Fund Balances - Total Governmental Funds	\$5,109,879
\$ -	\$ 30,489,433	Amounts reported for governmental activities in the Statement of Activities are different because:	
825,873	8,188,859		
1,772	467,348	Governmental Funds report capital outlays as expenditures. However in the Statement of Activities the cost of those assets is allocated over the estimated useful lives of the assets as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
515,534	3,606,617		
35,950	278,055		
21,644	35,950		
650,154	23,694		
4,946	857,006		
	234,508	Capital Outlay	1,386,234
		Depreciation	(1,670,702)
		Total	(284,468)
2,055,873	44,181,470		
		Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:	
29,951	11,039,347	Property Taxes	(94,789)
234,432	6,684,500		
1,000	1,263,322	The issuance of long-term debt (bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also governmental funds report the effect of issuance costs, premiums, and similar items when debt is first issued, where these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,498,383
223,172	223,172		
	70		
	179,790		
153,924	2,683,603		
71,391	1,090,565	The internal service funds are used by management and are not reported in the government-wide Statements of Activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among governmental activities.	444,011
	439,485		
8,491	2,274,608		
6,821	944,581		
	450,040		
	3,525,969		
	2,100,816		
32,385	1,013,722		
629,305	629,305	Compensated absences 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.	(222,794)
852,240	860,165		
127,209	976,735		
	405,927	Changes in Net Assets of Governmental Activities	\$ 6,450,222
	1,230		
	27,915		
	397,619		
	1,390,000		
	593,478		
2,370,321	39,195,964		
(314,448)	4,985,506		
296,000	396,000		
	124,373		
	(396,000)		
296,000	124,373		
(18,448)	5,109,879		
441,693	16,611,350		
\$ 423,245	\$ 21,721,229		

Beachwood City Schools
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:				
Property and Other Local Taxes	\$ 24,701,844	\$ 25,142,196	\$ 25,648,398	\$ 506,202
Intergovernmental	6,213,213	6,431,425	6,464,996	33,571
Interest	550,000	400,000	404,969	4,969
Tuition and Fees	229,490	287,199	959,466	672,267
Rent	279,408	279,408	280,655	1,247
Gifts and Donations	1,500	1,500	2,050	550
Customer Sales and Services	418,571	434,892	188,447	(246,445)
Miscellaneous	197,048	169,925	164,142	(5,783)
Total Revenues	<u>32,591,074</u>	<u>33,146,545</u>	<u>34,113,123</u>	<u>966,578</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular	11,136,336	11,092,727	10,806,693	286,034
Special	4,999,364	5,751,916	5,737,523	14,393
Vocational	448,774	420,774	408,132	12,642
Student Intervention Services	320,832	70	70	
Other	250,860	240,860	183,332	57,528
Support Services:				
Pupils	1,800,490	1,679,656	1,659,465	20,191
Instructional Staff	1,012,569	1,011,801	987,462	24,339
Board of Education	466,866	478,242	474,783	3,459
Administration	2,517,629	2,306,508	2,301,616	4,892
Fiscal	1,013,471	952,971	943,435	9,536
Business	528,508	471,732	468,497	3,235
Operation and Maintenance of Plant	4,185,270	3,498,427	3,486,621	11,806
Pupil Transportation	2,187,384	2,094,979	2,090,409	4,570
Central	1,068,494	900,825	891,707	9,118
Operation of Non-Instructional Services:				
Community Services	0	7,925	7,925	0
Extracurricular Activities:				
Academic Oriented Activities	111,462	162,962	162,356	606
Sport Oriented Activities	787,327	666,327	665,320	1,007
School and Public Service Co-Curricular Activities	64,268	30,268	29,456	812
Capital Outlay:				
Site Improvement Services	0	5,700	5,685	15
Building Improvement Services	0	27,915	27,915	0
Other Facilities Acquisition and Construction	0	20,200	20,115	85
Total Expenditures	<u>32,899,904</u>	<u>31,822,785</u>	<u>31,358,517</u>	<u>464,268</u>
Excess of Revenues Over (Under) Expenditures	<u>(308,830)</u>	<u>1,323,760</u>	<u>2,754,606</u>	<u>1,430,846</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In	0	4,349	4,349	0
Proceeds from Sale of Capital Assets	2,500	3,532	3,532	0
Refund of Prior Year Expenditures	2,500	18,514	22,169	3,655
Transfers Out	(483,000)	(397,000)	(397,000)	0
Advances Out	(100,000)	0	0	0
Total Other Financing Sources and Uses	<u>(578,000)</u>	<u>(370,605)</u>	<u>(366,950)</u>	<u>3,655</u>
Net Change in Fund Balances	(886,830)	953,155	2,387,656	1,434,501
Fund Balance (Deficit) at Beginning of Year	10,477,889	10,477,889	10,477,889	
Prior Year Encumbrances Appropriated	199,502	199,502	199,502	
Fund Balance (Deficit) at End of Year	<u>\$ 9,790,561</u>	<u>\$ 11,630,546</u>	<u>\$ 13,065,047</u>	<u>\$ 1,434,501</u>

See Accompanying Notes to the Basic Financial Statements

Beachwood City Schools
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Consortium Fund
For the Fiscal Year Ended June 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Intergovernmental	\$ 558,157	\$ 558,157	\$ 595,279	\$ 37,122
Tuition and Fees	1,918,000	1,918,000	1,854,618	(63,382)
Customer Sales and Services	106,020	106,020	15,879	(90,141)
Total Revenues	<u>2,582,177</u>	<u>2,582,177</u>	<u>2,465,776</u>	<u>(116,401)</u>
EXPENDITURES:				
Current:				
Instruction:				
Special	662,747	614,047	582,249	31,798
Vocational	939,915	899,462	795,983	103,479
Support Services:				
Pupils	840,663	873,053	849,342	23,711
Instructional Staff	0	35,050	34,471	579
Operation and Maintenance of Plant	0	17,152	15,593	1,559
Total Expenditures	<u>2,443,325</u>	<u>2,438,764</u>	<u>2,277,638</u>	<u>161,126</u>
Excess of Revenues Over (Under) Expenditures	<u>138,852</u>	<u>143,413</u>	<u>188,138</u>	<u>44,725</u>
Net Change in Fund Balances	138,852	143,413	188,138	44,725
Fund Balance (Deficit) at Beginning of Year	1,351,419	1,351,419	1,351,419	
Prior Year Encumbrances Appropriated	<u>1,083</u>	<u>1,083</u>	<u>1,083</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 1,491,354</u>	<u>\$ 1,495,915</u>	<u>\$ 1,540,640</u>	<u>\$ 44,725</u>

See Accompanying Notes to the Basic Financial Statements

Beachwood City Schools
Statement of Fund Net Assets
Proprietary Fund
June 30, 2009

	Governmental Activities - Internal Service Funds
ASSETS:	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 740,560
<i>Total Current Assets</i>	<u>740,560</u>
<i>Total Assets</i>	<u>\$ 740,560</u>
NET ASSETS:	
Unrestricted	\$ 740,560
<i>Total Net Assets</i>	<u>\$ 740,560</u>

See Accompanying Notes to the Basic Financial Statements

Beachwood City Schools
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Fund
For the Fiscal Year Ended June 30, 2009

	<u>Governmental Activities - Internal Service Funds</u>
OPERATING REVENUES:	
Charges for Services	\$ 3,599,881
<i>Total Operating Revenues</i>	<u>3,599,881</u>
OPERATING EXPENSES:	
Other	<u>3,155,870</u>
<i>Total Operating Expenses</i>	<u>3,155,870</u>
<i>Operating Income (Loss)</i>	<u>444,011</u>
<i>Income (Loss) Before Contributions and Transfers</i>	<u>444,011</u>
<i>Net Change in Net Assets</i>	444,011
<i>Net Assets(Deficit) at Beginning of Year</i>	<u>296,549</u>
<i>Net Assets (Deficit) at End of Year</i>	<u><u>\$ 740,560</u></u>

See Accompanying Notes to the Basic Financial Statements

Beachwood City Schools
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2009

	Governmental Activities - Internal Service Funds
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Cash Flows from Operating Activities:	
Cash received from self insurance premiums	\$ 3,599,881
Payments for Claims	<u>(3,246,670)</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>353,211</u>
<i>Cash and Cash Equivalents, Beginning of Year</i>	<u>387,349</u>
<i>Cash and Cash Equivalents, End of Year</i>	<u><u>\$ 740,560</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Operating Gain	444,011
Increase (Decrease) in Liabilities	(90,800)
	<u> </u>
<i>Net Cash Provided by Operating Activities</i>	<u><u>\$ 353,211</u></u>
See Accompanying Notes to the Basic Financial Statements	

Beachwood City Schools
Statement of Fiduciary Net Assets
Fiduciary Fund
June 30, 2009

	<u>Agency Fund</u>
ASSETS:	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 275,412
<i>Total Current Assets</i>	<u>275,412</u>
<i>Total Assets</i>	<u><u>\$ 275,412</u></u>
LIABILITIES:	
Current Liabilities:	
Undistributed Monies	\$ 223,083
Due to Students	52,329
<i>Total Current Liabilities</i>	<u>275,412</u>
<i>Total Liabilities</i>	<u><u>\$ 275,412</u></u>

See Accompanying Notes to the Basic Financial Statements

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Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

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 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 164 certificated teaching personnel, 127 non-certificated support personnel and 11 administrators.

The School District is located east of Cleveland, Ohio, in a prosperous suburb consisting of residences and significant office and retail commercial development. The enrollment for the School District during the 2009 fiscal year was 1,571. The 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 16 and Note 10B to the basic financial statements. These organizations are:

Jointly Governed Organizations:

Ohio Schools’ Council Association
Lake Geauga Computer Association

Public Entity Risk Pool:

Sheakley Uniservice, Inc. Workers’ Compensation Group Rating Program

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

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. Following are the more significant of the School District's accounting policies.

A. Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a statement of net assets 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 assets 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.

The statement of net assets 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 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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

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.

Governmental Funds Governmental funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the School District's major governmental funds:

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

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

Permanent Improvement Capital Project Fund – The permanent improvement capital project 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.

Consortium Fund – The consortium fund accounts for services to other Districts for vocational training programs and for the multi-handicapped and educating deaf and hearing-impaired children on a cost-reimbursement basis. Some of the program costs have been reported with the General fund on a modified accrual basis because more than 50% of the students served are Beachwood residents.

The other governmental funds of the School District account for food service, preschool, grants, other resources and capital projects of the School District whose uses are restricted to a particular purpose.

Proprietary Fund Proprietary funds focus on the determination of the changes in net assets, financial position, and cash flows. Proprietary funds are classified as enterprise or internal service; the District has 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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Fiduciary Funds - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency funds account for student activities and money due to the State retirement systems.

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 Assets.

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

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 assets. The statement of changes in fund net assets 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 revenue and in the presentation of expenses versus expenditures.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

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 6. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

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

Property taxes for which there is an enforceable legal claim as of June 30, 2009, but which were levied to finance fiscal year 2009 operations, have been recorded as unearned revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as unearned revenue.

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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

E. Budgetary Data

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue, are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the amended certificate in effect at the time the final appropriations were passed.

The appropriation resolution is subject to amendment by the Board of Education throughout the year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year.

Encumbrances

As part of formal budgetary control, purchase orders, contracts, and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the fund financial statements, encumbrances outstanding at fiscal year end are reported as a reservation of fund balance for subsequent-year expenditures for governmental funds. A reserve for encumbrances is not reported on government-wide financial statements.

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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

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 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 2009, investments were limited to demand deposits, certificates of deposit, Victory Federal Money Market, federal agency discount notes, banker's acceptances and STAR Ohio.

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. For investments in open-end mutual funds, fair value is determined by the fund's share price. Nonparticipating investment contracts such as nonnegotiable certificates of deposit and repurchase agreements are reported at cost.

The School District has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2009. STAR 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 does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2009.

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 2009 amounted to \$459,190, which includes \$98,492 assigned from other School District funds.

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

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2009, 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.

H. Materials and Supplies Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

On fund financial statements, inventories of governmental funds are stated at cost while inventories of enterprise funds 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 general fund and other non-major governmental funds consist of donated food, purchased food, and school supplies held for resale 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 15 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 assets 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 fixed assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of one thousand dollars with the exception of any items deemed by the Business Manager to be capitalized. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of general capital assets is not capitalized.

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

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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

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 assets.

L. Compensated Absences

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for all employees after ten years of service.

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

M. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that once incurred are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions 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 year. Bonds and other long-term obligations are recognized as a liability on the governmental fund financial statements when due.

N. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

O. Fund Balance Reserves and Designations

The School District reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for property taxes, inventories, budget stabilization, and encumbrances.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute. The reserve for budget stabilization represents monies required to be set aside by State statute to protect against cyclical changes in revenues and expenditures. The designation for budget stabilization represents revenues set aside that exceed statutorily required amounts.

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.

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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

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 2009.

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.

Note 3 – Deficit Fund Balances

Fund equity/retained earnings at June 30, 2009 included the following individual fund deficits:

<u>Special Revenue:</u>	
Title I	(\$16,485)
Title V	(\$3)

The deficit in the Title I and Title V programs is due to timing differences on anticipated revenue remittances.

Note 4 - Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations, and changes in fund balances/retained earnings 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 Fund and Consortium funds are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and fund financial statements are the following:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures and expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Net Change in Fund Balance

	<u>General</u>	<u>Consortium</u>
GAAP Basis	\$4,725,162	\$0
Net adjustments for revenue accruals	(2,465,735)	(48,353)
Net adjustments for expenditure accruals	262,682	244,576
Encumbrances Outstanding at Year End (Budget Basis)	<u>(134,453)</u>	<u>(8,085)</u>
Budget Basis	<u>\$2,387,656</u>	<u>\$188,138</u>

Note 5 - 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

Beachwood City School District
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agencies or instrumentalities;

3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain Banker's acceptances and commercial paper notes for the period not to exceed one hundred and eighty days from the date of purchase in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time; and,
8. Under limited circumstances, debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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.

Cash on Hand

At fiscal year end, the School District had \$5,200 un-deposited cash on hand which is included on the balance sheet of the School District as part of "Equity in Pooled Cash and Cash Equivalents".

Deposits

At fiscal year end, the carrying amount of the School District's deposits was \$16,349,033. Based on the criteria described in GASB 40, "Deposits and Investment Risk Disclosures", as of June 30, 2009, \$17,249,703 of the District's bank balance of \$15,736,188 was exposed to custodial risk as discussed below, while \$1,513,585 was covered by Federal Deposit Insurance Corporation. Although all State statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the District's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted

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by the Ohio Revised Code, is held in single financial collateral pools at Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District.

Investments

As of June 30, 2009, the School District had the following investments. All investments are in an internal investment pool.

	Fair Value	Maturity
Federal Home Loan Bank	\$503,215	08/23/10
Star Ohio	1,225,713	33 days
Total	\$1,728,928	

Interest Rate Risk

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

Credit Risk

The Federal Home Loan Bank Notes carry a rating of AAA by Standard & Poor's and STAR Ohio also 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. The School District has no investment policy that would further limit its investment choices.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Federal Home Loan Bank Notes 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.

Concentration of Credit Risk

The School District places no limit on the amount it may invest in any one issuer. The School District's investments in the Federal Home Loan Bank Notes represents 29.1%, with STAR Ohio representing 70.9% of the School District's total investments.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 6 - 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 2009 represents collections of calendar year 2008 taxes. Real property taxes received in calendar year 2008 were levied after April 1, 2008, on the assessed value listed as of January 1, 2008, 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 2009 represents collections of calendar year 2008 taxes. Public utility real and tangible personal property taxes received in calendar year 2009 become a lien December 31, 2008, were levied after April 1, 2008 and are collected in 2009 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.

Tangible personal property tax revenue received during calendar 2009 (other than public utility property) represents the collection of 2009 taxes. Tangible personal property taxes received in calendar year 2009 were levied after October 1, 2008, on the value as of December 31, 2008. Tangible personal property tax is being phased out. Tangible personal property is currently assessed at 6.25% for property including inventory, and was reduced to zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the District prior to June 30. This year, the June 2009 tangible personal property tax settlement was not received until July, 2009.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property will be eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the District by holding the District harmless in calendar years 2006-2010. In calendar years 2011-2017, the reimbursement will be phased out. House Bill No. 1 was signed into law in July 2009, which temporarily delayed the original phase out schedule of the tangible personal property tax until fiscal year 2014.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

The Cuyahoga County Treasurer collects property taxes on behalf of the School District. The County Auditor 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, 2009, are available to finance fiscal year 2009 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, public utility property, and tangible personal property taxes, which became measurable as of June 30, 2009 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 unearned revenue for that portion not levied to finance current year operations. The amount available as an advance at June 30, 2009 was \$6,867,077 for the General Fund, \$639,108 in the Bond Retirement Fund, and \$158,819 in the Permanent Improvement Fund.

The assessed values upon which the fiscal year 2009 taxes were collected are:

	2008 Second- Half Collections		2009 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential	\$363,493,670	46.87%	\$364,138,690	47.97%
Industrial/Commercial	373,804,300	48.20	370,649,280	48.82
Public Utility	8,757,950	3.80	9,105,920	1.20
Tangible Personal	29,484,946	1.13	15,242,079	2.01
Total Assessed Value	<u>\$775,540,866</u>	<u>100.00%</u>	<u>\$759,135,969</u>	<u>100.00%</u>
Tax rate per \$1,000 of Assessed valuation	\$82.30		\$83.90	

Note 7 - Receivables

Receivables at June 30, 2009, consisted of taxes, accounts (rent and student fees), intergovernmental, accrued interest, and loans. All receivables are considered collectible in full because of the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 8 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2009 was as follows:

	Balance at 6/30/08	Additions	Reductions	Balance at 6/30/09
Governmental Activities				
Capital Assets, not being depreciated:				
Land	\$831,499	\$0	\$0	\$831,499
Capital Assets, being depreciated:				
Land Improvements	2,827,397	415,502	0	3,242,899
Buildings and Buildings Improvements	38,847,673	289,847	0	39,137,520
Vehicles	1,837,110	186,964	62,682	1,961,392
Equipment	5,542,889	500,752	128,545	5,915,096
Totals at Historical Cost	<u>49,055,069</u>	<u>1,393,065</u>	<u>191,227</u>	<u>50,256,907</u>
Less Accumulated Depreciation:				
Land Improvements	1,011,080	108,144	0	1,119,224
Buildings and Building Improvements	13,302,617	970,570	0	14,273,187
Vehicles	1,249,876	127,532	62,682	1,314,726
Equipment	4,579,452	464,456	121,714	4,922,194
Total Accumulated Depreciation	<u>20,143,025</u>	<u>1,670,702</u>	<u>184,396</u>	<u>21,629,331</u>
Total Capital Assets, being Depreciated, Net	<u>28,912,044</u>	<u>(277,637)</u>	<u>(6,831)</u>	<u>28,627,576</u>
Governmental Activities Capital Assets, Net	<u>\$29,743,543</u>	<u>(277,637)</u>	<u>(6,831)</u>	<u>\$29,459,075</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$854,594
Special	53,352
Adult	1,030
Vocational	45,273
Support Services:	
Pupil	20,525
Instructional Staff	56,739
Board of Education	20,502
Administration	32,117
Fiscal	4,121
Business	6,069
Operation and Maintenance of Plant	200,018
Pupil Transportation	131,485
Central	134,812
Extra-curricular activities	31,424
Food service operations	50,116
Community	28,525
Total Depreciation Expense	<u>\$1,670,702</u>

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Note 9 – Inter-fund Transactions

As of June 30, 2009, on the fund financial statements, the Consortium fund owed the General Fund \$1,097,929. The School District's consortium funds provide services to local surrounding school districts. Costs are billed on a per pupil basis. The School District incurs administrative and operational costs that are billed to the consortium districts but are costs that are incurred by the general fund. Over time, the consortium funds owe the general fund these dollars.

During the year ended June 30, 2009, the General Fund transferred \$396,000 to Other Non-major Governmental Funds. The transfers were made to move unrestricted balances to support programs and projects accounted for in other funds.

Note 10 - 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 2009, the School District contracted with Indiana Insurance for property, general liability insurance and boiler and machinery coverage in the amounts of \$80,574,052, \$2,000,000, and \$50,000,000 respectively. The deductible varies from \$1,000 to \$5,000.

Umbrella Liability insurance and Excess Umbrella Liability insurance are covered by Indiana Insurance and Crum & Forster with a \$10,000,000 single occurrence limit on both policies and no deductibles unless a claim doesn't fall under an underlying policy which would create the need for a \$10,000 self insured retainer. Vehicles are also covered by Indiana Insurance and have a \$1,000 deductible for collision. Automobile liability has a \$1,000,000 combined single limit, \$5,000 medical payments, and \$50,000 uninsured motorists. Settled claims have not exceeded this commercial coverage.

The School District contracted with Fidelity and Deposit Company for public employee dishonesty coverage, with a \$250,000 limit and a \$250 deductible.

B. Workers' Compensation

The School District participates in the Sheakley Uniservice, Inc. Group Rating Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-elect and the Immediate Past President of the Ohio School Boards Association. The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee of the GRP to cover the costs of administering the program.

The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP.

Beachwood City School District
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The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund". The "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria.

C. Self-Insurance Program

The self-insurance program for dental and prescription drug claims of the School District employees and their covered dependents has been administered by Medical Mutual beginning September 1, 2006. Self insured vision claims are administered by Vision Service Plan (VSP). Under the program, the School District is obligated for claim payments. During fiscal year 2009, total claims expense of \$902,609 was recognized, which represents actual claims processed and paid as of June 30, 2009. 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>Beginning Balance</u>	<u>Claims Incurred</u>	<u>Claims Paid</u>	<u>Ending Balance</u>
2007	\$0	\$758,354	\$675,154	\$83,200
2008	\$83,200	\$881,812	\$874,212	\$90,800
2009	\$90,800	\$811,809	\$902,609	\$0

Note 11 - Defined Benefit Pension Plans

A. School Employees Retirement System

Plan Description - The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the

Beachwood City School District
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For the Fiscal Year Ended June 30, 2009

remainder being used to fund retiree health care benefits; for fiscal year 2009, 9.09 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2009, 2008, and 2007 were \$535,319, \$564,242, and \$603,684 respectively; 89 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

B. State Teachers Retirement System

Plan Description - The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio 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. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. 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 DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor 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 - For the fiscal year ended June 30, 2009, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2008, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2009, 2008, and 2007, were \$ 1,855,764, \$1,744,920, and \$1,540,460, respectively; 95 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007. Contributions to the DC and Combined Plans for fiscal year 2009 were \$25,826 made by the School District and \$54,133 made by the plan members.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2009, all five members of the Board of Education have selected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 12 – Other Post-employment Benefits (OPEB)

A. School Employee Retirement System

Plan Description – The School District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2009, 4.16 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2009, this amount was \$92,400.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

Beachwood City School District
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The School District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$289,155, \$298,134, and \$203,060, respectively; 89.50 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2007 and 2006.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2009, this actuarially required allocation was 0.75 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2009, 2008, and 2007 were \$44,168, \$40,655, and \$49,532, respectively; 89.50 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

B. State Teachers Retirement System

Plan Description – The School District contributes to the cost sharing multiple employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2008, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$142,751, \$134,225, and \$128,372, respectively; 95 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

Note 13 - Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn up to twenty days of vacation per year, depending upon length of service. Vacation days are credited to classified employees as earned, and must be used within the next 24 months. Accumulated unused vacation time is paid to classified employees upon termination of employment up to a maximum of forty days. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at a rate of one and one-fourth days per month. A percentage of unused sick time is paid at retirement at rates ranging from 30% to 36% depending on an employee's classification. Certain employees with sick time balances exceeding 275 days shall receive 1/12 of the total accumulated days over 275 according to the negotiated agreement. The number of unused sick days which can accumulate is restricted for certain employees.

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B. Health Care Benefits

The School District provides employee medical and surgical coverage through Anthem Blue Cross/ Blue Shield. The School District is self-insured for vision, prescription drug and dental claims of District employees and their covered dependents. The District also entered into a 90%/102.5% contingent premium program with Anthem Blue Cross/Blue Shield effective January 1, 2009. The program allows the District to pay 90% of the premium cost to Anthem each month. However, the District's maximum liability is 102.5% of the premium which is dependent on claims utilization and will be reconciled after the contract expires in December, 2009. The District has charged 102.5% of the premium to various funds, while paying Anthem 90% of the premium. Claims paid to Anthem were \$1,163,568. Individual stop loss coverage is set at \$75,000.

Note 14 – Long-Term Obligations

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

	Principal Outstanding 6/30/08	Additions	Reduction	Principal Outstanding 6/30/09	Amounts Due in One Year
Governmental Activities					
Long-Term Notes Payable					
2000 Tax Anticipation Notes 4.8%- 5.3%	\$2,165,000	\$0	\$685,000	\$1,480,000	\$720,000
Total Long-Term Notes Payable	2,165,000	0	685,000	1,480,000	720,000
General Obligation Bonds					
2002 School Improvement Premium	352,389	0	25,171	327,218	25,171
2002 Unamortized Accounting Gain	138,908	0	9,261	129,647	9,261
2002 School Improvement 2.0%-5.25%	6,576,093	0	635,739	5,940,354	655,739
2007 Advanced Refunding Premium	426,852	0	47,428	379,424	47,428
2007 Unamortized Accounting Gain	102,411	0	11,379	91,032	11,379
2007 Advanced Refunding 4.0% - 4.25%	6,097,586	0	48,621	6,048,965	53,621
Total General Obligation Bonds	13,694,239	0	777,599	12,916,640	802,599
Capital Lease	137,520	124,373	180,797	81,096	40,043
Compensated Absences Payable	2,893,203	598,928	376,134	3,115,997	210,224
Total Governmental Long-Term Liabilities	3,030,723	723,301	556,931	3,197,093	250,267
Total Long-Term Liabilities	\$18,889,962	\$723,301	\$2,019,530	\$17,593,733	\$1,772,866

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For the Fiscal Year Ended June 30, 2009

Long-Term Tax Anticipation Notes On June 29, 2000, the School District issued \$6,000,000, 4.8%-5.3% tax anticipation notes maturing on December 1, 2010. These tax anticipation notes were issued to fund various school improvements in the permanent improvement fund and will be paid from property taxes.

General Obligation Bonds On May 1, 1991, the School District issued \$6,000,000 general obligation bonds with an interest rate of 4.8-7.05%, maturity date on December 1, 2006 for the purpose of school improvement. These bonds were advanced refunded and re-issued along with the new general obligation bonds that were issued on November 1, 2002. The District issued \$18,814,982 general obligation bonds with an interest rate of 2.0-5.25%, maturity date December 1, 2022. A portion of the general obligation bond proceeds were used to refund \$3,065,000 of the 1991 various improvement bonds. The \$3,065,000 portion was paid in full December 1, 2006 which reduced the District's debt levy by 1.2 mills annually. In addition, in July, 2007 a portion of the District's general obligation funds were 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. The premium on bonds will be amortized over ten years.

All bonds outstanding are general obligation of the District for which the full faith and credit of the District are pledged for repayment. General obligation bonds are to be repaid from a current 1.9 mill bonded-debt tax levy. Tax monies will be received in and the debt will be repaid from the Bond Retirement Fund.

Compensated absences will be paid from the funds from which the employee's salaries are paid. Compensated absences are generally liquidated by the general fund.

Capital Leases During fiscal year 2004, the District entered into a capital lease for computers in the amount of \$583,199 at an interest rate of 5.33%. During fiscal year 2005, the District entered into a capital lease for computers in the amount of \$268,329 at an interest rate of 3.18%. During fiscal year 2006, the District entered into a capital lease for computers in the amount of \$203,684 at an interest rate of 2.90%. During fiscal year 2007, the District entered into a capital lease for computers in the amount of \$413,152 at an interest rate of 2.9%. During fiscal year 2009, the District entered into a capital lease for computers in the amount of 124,373 at an interest rate of 4.0%. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date as capital assets in the governmental activities of the statement of net assets. The capital lease will be repaid from the General fund.

The following summarizes the future minimum lease obligations, the net present value of these minimum lease payments, cost and accumulated depreciation of assets acquired through capital leases as of June 30, 2009.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Fiscal Year Beginning June 30	Governmental Activities		
	General Fund	Building	Total
2009	\$42,879		\$42,879
2010	42,879	0	42,879
Total Minimum Lease Payments	85,758	\$0	85,758
Less Amount Representing Interest	(4,662)	0	(4,662)
Present Value of Lease Payments	<u>\$81,096</u>	<u>\$0</u>	<u>\$81,096</u>
Capital Assets at Cost:	\$1,223,811	\$583,199	\$1,807,010
Less: Accumulated Depreciation	(893,443)	(583,199)	(1,476,642)
Net Book Value	<u>\$330,368</u>	<u>\$0</u>	<u>\$330,368</u>

The School District's overall voted debt margin was \$56,112,239 with an un-voted debt margin of \$759,136 at June 30, 2009.

Principal and interest requirements to retire the long-term obligations outstanding at June 30, 2009, were as follows:

Fiscal Year Ending June 30, 2009	Long-Term Notes Payable		General Obligation Bonds		Capital Lease		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2010	\$720,000	\$59,180	\$730,000	\$474,439	\$40,043	\$2,836	\$1,490,043	\$536,455
2011	760,000	20,140	755,000	448,620	41,053	1,826	1,556,053	470,586
2012	0	0	785,000	420,445	0	0	785,000	420,445
2013	0	0	810,000	390,358	0	0	810,000	390,358
2014	0	0	840,000	358,097	0	0	840,000	358,097
2015-2019	0	0	3,879,998	2,146,278	0	0	3,879,998	2,146,278
2020-2023	0	0	4,410,000	379,825	0	0	4,410,000	379,825
Total	<u>\$1,480,000</u>	<u>\$79,320</u>	<u>\$12,209,998</u>	<u>\$4,618,062</u>	<u>\$81,096</u>	<u>\$4,662</u>	<u>\$13,771,094</u>	<u>\$4,702,044</u>

Note 15 - 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 purchase of textbooks and other instructional materials, and an equal amount for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year-end. These amounts must be carried forward and used for the same purposes in future years.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

In addition, the School District is required to set aside money for budget stabilization.

The following cash basis information identifies the changes in the year-end set-aside amounts for textbooks, capital improvements, and budget stabilization during fiscal year 2009. Disclosure of this information is required by State Statute.

	<u>Textbooks</u>	<u>Capital Improvements</u>	<u>Budget Stabilization</u>
Set-aside Reserve Balances as of June 30, 2008	\$0	\$0	\$134,873
Set-aside Balance Carried Forward	(3,762,475)	0	0
Current Year Set-Aside Requirement	243,103	243,103	0
Qualifying Disbursements	<u>(724,065)</u>	<u>(840,289)</u>	<u>0</u>
Total	<u>(\$4,243,437)</u>	<u>(\$597,276)</u>	<u>\$134,873</u>
Set-aside Balance Carried Forward to future fiscal years	<u>(\$4,243,437)</u>	<u>\$0</u>	<u>\$0</u>
Set-aside Reserve Balance as of June 30, 2009	<u>\$0</u>	<u>\$0</u>	<u>\$134,873</u>

The School District had qualifying expenditures during the year that reduced the textbooks and/or capital improvements set aside amounts below zero; The textbook negative amount may be used to reduce the set-aside requirements in future fiscal years. The Capital Improvement negative amount may not be used to reduce the set-aside requirement of future years and is, therefore, not presented as being carried forward to future fiscal years. The total reserve balance for the set-asides at the end of the fiscal year was \$134,873.

Note 16 – Jointly Governed Organizations

Ohio Schools' Council Association - The Ohio Schools' Council Association (Council) is a jointly governed organization among one hundred twenty one school districts. 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 2009, the School District paid \$841,934 to the Council. Financial information can be obtained by contacting Dave Cotrell, the Executive Secretary/Treasurer of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The School District participates in the Council's electricity purchase program which was implemented during fiscal year 1998. This program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating for an eight year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

Energy Acquisition Corp., a non-profit corporation with a self-appointing board, issued \$119,140,000 in debt to purchase eight years of electricity from Cleveland Electric Illuminating (CEI) for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates its agreement, the district is required to repay the savings to CEI and CEI will refund the remaining prepayment related to the participation to Energy Acquisition Corp.

The School District also participates in the Council's prepaid natural gas program, which was implemented during fiscal year 2000. This program allows school districts to purchase natural gas at reduced rates, if the school districts committed to participating for a twelve-year period. The participants make monthly payments based on estimated usage. Each month these estimated payments are compared to their actual usage and any necessary adjustments are made.

The City of Hamilton, a municipal corporation and political subdivision duly organized and existing under the laws of the State of Ohio, issued \$89,450,000 in debt to purchase twelve years of natural gas from CMS Energy Corporation for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates its agreement, the district is entitled to recover that amount, if any, of its contribution to the operating fund, which are not encumbered for its share of program administrative costs.

Lake Geauga Computer Association - The Lake Geauga Computer Association ("LGCA") is a jointly governed organization that was formed for the purpose of providing computer services for accounting, grading, scheduling, EMIS and other applications to its 18 member school districts. Each of the districts supports LGCA based upon a per pupil charge. The School District contributed \$57,936 to LGCA during fiscal year 2009.

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

Note 17 - 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, 2009.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

B. Litigation

The School District has been named as a defendant in several court cases through the period ended June 30, 2009. Management does not believe that the ultimate resolution of those cases will have a material impact on the financial statements of the School District and further that the School District has adequate insurance coverage to protect itself against any material loss.

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Combining Statements and Individual Fund Schedules

Combining Statements – Nonmajor Governmental Funds

Nonmajor Capital Projects Funds

Capital projects funds are used to account for the acquisition or construction of major capital facilities.

Building Fund - This fund is used to account for the receipts and expenditures related to specific capital improvements in the District.

School Net – This fund is used to account for monies received by the State of Ohio for the purpose of purchasing computers.

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 District.

Expendable Trust - This fund is used to account for assets held by a governmental unit in a trustee capacity as an agent for individuals, private organizations or other governmental units with specific trust agreements as to how the fund will be disbursed.

Uniform Supplies – This fund accounts for the purchase and sale of school supplies, materials or other school related items above the items provided for general instruction, paid for by students.

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

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.

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

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

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

Management Information Systems – These funds are provided by the State of Ohio to be used solely for costs associated with the requirements of the education management information system required by Senate Bill 140.

Entry Year Grant – These funds are provided by the State to be used to implement entry-year programs.

(continued)

Nonmajor Special Revenue Funds (continued)

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

School Net Professional Development – These funds are used to account for professional development activities related to school net.

Miscellaneous State Grants - These funds are used to account for various monies received from state agencies which are not classified elsewhere.

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

Title III (Immigrant) - This fund is to account for money used to educate immigrant children enrolled at Beachwood.

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 V – This fund accounts for federal revenues which support the implementation of a variety of programs such as computer education, gifted and talented programs, and in-service and staff development.

Drug Free Education - This fund accounts for Federal revenues to implement programs to educate and encourage students to live lives free of drug dependency.

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 various monies received from federal agencies which are not classified elsewhere.

Nonmajor Proprietary Fund

Proprietary funds focus on the determination of the changes in net assets, 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 vision, dental and prescription drug claims for employees.

Beachwood City Schools
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009

	<u>Capital Projects</u>	<u>Special Revenue</u>	<u>Total</u>
ASSETS:			
Equity in Pooled Cash and Cash Equivalents	\$ 7,970	\$ 489,839	\$ 497,809
Materials and Supplies Inventory		9,950	9,950
Accounts Receivable		1,852	1,852
<i>Total Assets</i>	<u>\$ 7,970</u>	<u>\$ 501,641</u>	<u>\$ 509,611</u>
LIABILITIES:			
Accounts Payable	\$ -	\$ 4,555	\$ 4,555
Accrued Wages and Benefits		60,830	60,830
Intergovernmental Payable		9,669	9,669
Undistributed Monies		9,630	9,630
Unearned Revenue		1,682	1,682
<i>Total Liabilities</i>	<u>0</u>	<u>86,366</u>	<u>86,366</u>
FUND BALANCES:			
Reserved:			
Reserved for Encumbrances		33,913	33,913
Unreserved, Undesignated, Reported in:			
Special Revenue Funds		381,362	381,362
Capital Projects Funds	7,970		7,970
<i>Total Fund Balances</i>	<u>7,970</u>	<u>415,275</u>	<u>423,245</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 7,970</u>	<u>\$ 501,641</u>	<u>\$ 509,611</u>

Beachwood City Schools
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2009

	<u>Capital Projects</u>	<u>Special Revenue</u>	<u>Total</u>
REVENUES:			
Intergovernmental	\$ -	\$ 825,873	\$ 825,873
Interest	107	1,665	1,772
Tuition and Fees		515,534	515,534
Extracurricular Activities		35,950	35,950
Gifts and Donations		21,644	21,644
Customer Sales and Services		650,154	650,154
Miscellaneous		4,946	4,946
<i>Total Revenues</i>	<u>107</u>	<u>2,055,766</u>	<u>2,055,873</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular		29,951	29,951
Special		234,432	234,432
Vocational		1,000	1,000
Adult/Continuing		223,172	223,172
Support Services:			
Pupils		153,924	153,924
Instructional Staff		71,391	71,391
Administration		8,491	8,491
Fiscal		6,821	6,821
Central	9,184	23,201	32,385
Operation of Non-Instructional Services:			
Food Service Operations		629,305	629,305
Community Services		852,240	852,240
Extracurricular Activities		127,209	127,209
<i>Total Expenditures</i>	<u>9,184</u>	<u>2,361,137</u>	<u>2,370,321</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(9,077)</u>	<u>(305,371)</u>	<u>(314,448)</u>
OTHER FINANCING SOURCES AND USES:			
Transfers In	<u>0</u>	<u>296,000</u>	<u>296,000</u>
<i>Total Other Financing Sources and Uses</i>	<u>0</u>	<u>296,000</u>	<u>296,000</u>
<i>Net Change in Fund Balances</i>	(9,077)	(9,371)	(18,448)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>17,047</u>	<u>424,646</u>	<u>441,693</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 7,970</u>	<u>\$ 415,275</u>	<u>\$ 423,245</u>

Beachwood City Schools
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2009

	<u>Building Fund</u>	<u>School Net</u>	<u>Total Nonmajor Capital Projects</u>
ASSETS:			
Equity in Pooled Cash and Cash Equivalents	\$ 7,970	\$ -	\$ 7,970
<i>Total Assets</i>	<u>\$ 7,970</u>	<u>\$ -</u>	<u>\$ 7,970</u>
FUND BALANCES:			
Unreserved, Undesignated, Reported in:			
Capital Projects Funds	7,970	0	7,970
<i>Total Fund Balances</i>	<u>7,970</u>	<u>0</u>	<u>7,970</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 7,970</u>	<u>\$ -</u>	<u>\$ 7,970</u>

Beachwood City Schools
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Fiscal Year Ended June 30, 2009

	<u>Building Fund</u>	<u>School Net</u>	<u>Total Nonmajor Capital Projects</u>
REVENUES:			
Interest	\$ 107	\$ -	\$ 107
<i>Total Revenues</i>	<u>107</u>	<u>0</u>	<u>107</u>
EXPENDITURES:			
Current:			
Support Services:			
Central	<u>0</u>	<u>9,184</u>	<u>9,184</u>
<i>Total Expenditures</i>	<u>0</u>	<u>9,184</u>	<u>9,184</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>107</u>	<u>(9,184)</u>	<u>(9,077)</u>
<i>Net Change in Fund Balances</i>	107	(9,184)	(9,077)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>7,863</u>	<u>9,184</u>	<u>17,047</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 7,970</u>	<u>\$ -</u>	<u>\$ 7,970</u>

Beachwood City Schools
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009

	<u>Food Service</u>	<u>Expendable Trust Funds</u>	<u>Uniform Supplies</u>	<u>Recreation</u>	<u>Pupil Support</u>
ASSETS:					
Equity in Pooled Cash and Cash Equivalents	\$ 13,492	\$ 20,602	\$ 1,493	\$ 52,266	\$ 48,762
Materials and Supplies Inventory	9,950				
Accounts Receivable	924				225
<i>Total Assets</i>	<u>\$ 24,366</u>	<u>\$ 20,602</u>	<u>\$ 1,493</u>	<u>\$ 52,266</u>	<u>\$ 48,987</u>
LIABILITIES:					
Accounts Payable	\$ 175	\$ -	\$ -	\$ 1,015	\$ -
Accrued Wages and Benefits				2,259	
Intergovernmental Payable					
Undistributed Monies		9,630			
Unearned Revenue	1,682				
<i>Total Liabilities</i>	<u>1,857</u>	<u>9,630</u>	<u>0</u>	<u>3,274</u>	<u>0</u>
FUND BALANCES:					
Reserved:					
Reserved for Encumbrances	2,643			799	
Unreserved, Undesignated, Reported in:					
Special Revenue Funds	19,866	10,972	1,493	48,193	48,987
<i>Total Fund Balances</i>	<u>22,509</u>	<u>10,972</u>	<u>1,493</u>	<u>48,992</u>	<u>48,987</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 24,366</u>	<u>\$ 20,602</u>	<u>\$ 1,493</u>	<u>\$ 52,266</u>	<u>\$ 48,987</u>

(continued)

<u>Misc. Local Grants</u>	<u>Preschool</u>	<u>District Managed Student Activities</u>	<u>Auxiliary Services</u>	<u>Management Information Systems</u>	<u>Entry Year Grant</u>	<u>One Net</u>
\$ 6,638	\$ 223,879	\$ 60,139	\$ 49,376	\$ 2,000	\$ 1,112	
	275					
<u>\$ 6,638</u>	<u>\$ 224,154</u>	<u>\$ 60,139</u>	<u>\$ 49,376</u>	<u>\$ 2,000</u>	<u>\$ 1,112</u>	<u>\$ -</u>
\$ -	\$ -	\$ 3,265	\$ -	\$ -	\$ -	\$ -
	33,782		10,416			
	3,224		1,437			
<u>0</u>	<u>37,006</u>	<u>3,265</u>	<u>11,853</u>	<u>0</u>	<u>0</u>	<u>0</u>
870	2,799		23,680			
<u>5,768</u>	<u>184,349</u>	<u>56,874</u>	<u>13,843</u>	<u>2,000</u>	<u>1,112</u>	
<u>6,638</u>	<u>187,148</u>	<u>56,874</u>	<u>37,523</u>	<u>2,000</u>	<u>1,112</u>	<u>0</u>
<u>\$ 6,638</u>	<u>\$ 224,154</u>	<u>\$ 60,139</u>	<u>\$ 49,376</u>	<u>\$ 2,000</u>	<u>\$ 1,112</u>	<u>\$ -</u>

(continued)

Beachwood City Schools
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009

	<u>School Net Professional Development</u>	<u>Miscellaneous State Grants</u>	<u>IDEA B</u>	<u>Title III (Immigrant)</u>	<u>Title I</u>
ASSETS:					
Equity in Pooled Cash and Cash Equivalents		\$ 26	\$ 7,309	\$ 285	\$ 1,812
Materials and Supplies Inventory					
Accounts Receivable					
<i>Total Assets</i>	<u>\$ -</u>	<u>\$ 26</u>	<u>\$ 7,309</u>	<u>\$ 285</u>	<u>\$ 1,812</u>
LIABILITIES:					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages and Benefits					16,078
Intergovernmental Payable			530		2,219
Undistributed Monies					
Unearned Revenue					
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>530</u>	<u>0</u>	<u>18,297</u>
FUND BALANCES:					
Reserved:					
Reserved for Encumbrances			2,925	100	
Unreserved, Undesignated, Reported in:					
Special Revenue Funds		26	3,854	185	(16,485)
<i>Total Fund Balances</i>	<u>0</u>	<u>26</u>	<u>6,779</u>	<u>285</u>	<u>(16,485)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ -</u>	<u>\$ 26</u>	<u>\$ 7,309</u>	<u>\$ 285</u>	<u>\$ 1,812</u>

(continued)

<u>Title V</u>	<u>Drug Free Education (Title IV-A)</u>	<u>Preschool Handicapped Grant</u>	<u>Title II-A</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue</u>
\$ 97	\$ 548			\$ 3	\$ 489,839
	428				9,950
					1,852
<u>\$ 97</u>	<u>\$ 976</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 501,641</u>
\$ 100	\$ - 554	\$ -	\$ -	\$ -	\$ 4,555
					60,830
					9,669
					9,630
					1,682
<u>100</u>	<u>554</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>86,366</u>
97					33,913
<u>(100)</u>	<u>422</u>			<u>3</u>	<u>381,362</u>
<u>(3)</u>	<u>422</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>415,275</u>
<u>\$ 97</u>	<u>\$ 976</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 501,641</u>

Beachwood City Schools
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2009

	<u>Food Service</u>	<u>Expendable Trust Funds</u>	<u>Uniform Supplies</u>	<u>Recreation</u>	<u>Pupil Support</u>
REVENUES:					
Intergovernmental	\$ 49,691	\$ -	\$ -	\$ -	\$ -
Interest	768	48			
Tuition and Fees					
Extracurricular Activities					
Gifts and Donations		100			21,544
Customer Sales and Services	410,471	6,520		226,125	1,000
Miscellaneous	4,585				
<i>Total Revenues</i>	<u>465,515</u>	<u>6,668</u>	<u>0</u>	<u>226,125</u>	<u>22,544</u>
EXPENDITURES:					
Current:					
Instruction:					
Regular					15,121
Special					894
Vocational					
Adult/Continuing				223,172	
Support Services:					
Pupils		75			
Instructional Staff					
Administration					
Fiscal		6,821			
Central					
Operation of Non-Instructional Services:					
Food Service Operations	629,305				
Community Services					
Extracurricular Activities					
Extracurricular Activities:					
Academic Oriented Activities					
Sport Oriented Activities					
<i>Total Expenditures</i>	<u>629,305</u>	<u>6,896</u>	<u>0</u>	<u>223,172</u>	<u>16,015</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(163,790)</u>	<u>(228)</u>	<u>0</u>	<u>2,953</u>	<u>6,529</u>
OTHER FINANCING SOURCES AND USES:					
Transfers In	205,000				
<i>Total Other Financing Sources and Uses</i>	<u>205,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	41,210	(228)		2,953	6,529
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>(18,701)</u>	<u>11,200</u>	<u>1,493</u>	<u>46,039</u>	<u>42,458</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 22,509</u>	<u>\$ 10,972</u>	<u>\$ 1,493</u>	<u>\$ 48,992</u>	<u>\$ 48,987</u>

(continued)

<u>Misc. Local Grants</u>	<u>Preschool</u>	<u>District Managed Student Activities</u>	<u>Auxiliary Services</u>	<u>Management Information Systems</u>	<u>Entry Year Grant</u>	<u>One Net</u>
\$ -	\$ -	\$ -	\$ 265,515 849	\$ 5,000	\$ 3,500	\$ 15,000
	515,534	35,950				
5,763 361	275					
<u>6,124</u>	<u>515,809</u>	<u>35,950</u>	<u>266,364</u>	<u>5,000</u>	<u>3,500</u>	<u>15,000</u>
10,894 831 1,000					3,495	
637						
				5,231		15,000
	519,009	3,265	308,255			
		19,996				
		<u>103,948</u>				
<u>13,362</u>	<u>519,009</u>	<u>127,209</u>	<u>308,255</u>	<u>5,231</u>	<u>3,495</u>	<u>15,000</u>
<u>(7,238)</u>	<u>(3,200)</u>	<u>(91,259)</u>	<u>(41,891)</u>	<u>(231)</u>	<u>5</u>	<u>0</u>
		91,000				
<u>0</u>	<u>0</u>	<u>91,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(7,238)	(3,200)	(259)	(41,891)	(231)	5	
<u>13,876</u>	<u>190,348</u>	<u>57,133</u>	<u>79,414</u>	<u>2,231</u>	<u>1,107</u>	
<u>\$ 6,638</u>	<u>\$ 187,148</u>	<u>\$ 56,874</u>	<u>\$ 37,523</u>	<u>\$ 2,000</u>	<u>\$ 1,112</u>	<u>\$ -</u>

(continued)

Beachwood City Schools
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2009

	<u>School Net Professional Development</u>	<u>Miscellaneous State Grants</u>	<u>IDEA B</u>	<u>Title III (Immigrant)</u>	<u>Title I</u>
REVENUES:					
Intergovernmental	\$ 2,970	\$ 3,805	\$ 304,777	\$ 17,286	\$ 108,059
Interest					
Tuition and Fees					
Extracurricular Activities					
Gifts and Donations					
Customer Sales and Services					
Miscellaneous					
<i>Total Revenues</i>	<u>2,970</u>	<u>3,805</u>	<u>304,777</u>	<u>17,286</u>	<u>108,059</u>
EXPENDITURES:					
Current:					
Instruction:					
Regular					
Special			70,186	17,198	103,478
Vocational					
Adult/Continuing					
Support Services:					
Pupils			150,471		
Instructional Staff		3,805	66,329	315	
Administration			7,854		
Fiscal					
Central	2,970				
Operation of Non-Instructional Services:					
Food Service Operations					
Community Services			3,158		17,684
Extracurricular Activities					
Extracurricular Activities:					
Academic Oriented Activities					
Sport Oriented Activities					
<i>Total Expenditures</i>	<u>2,970</u>	<u>3,805</u>	<u>297,998</u>	<u>17,513</u>	<u>121,162</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>0</u>	<u>0</u>	<u>6,779</u>	<u>(227)</u>	<u>(13,103)</u>
OTHER FINANCING SOURCES AND USES:					
Transfers In					
<i>Total Other Financing Sources and Uses</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>			6,779	(227)	(13,103)
<i>Fund Balance (Deficit) at Beginning of Year</i>		<u>26</u>		<u>512</u>	<u>(3,382)</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ -</u>	<u>\$ 26</u>	<u>\$ 6,779</u>	<u>\$ 285</u>	<u>\$ (16,485)</u>

(continued)

<u>Title V</u>	<u>Drug Free Education (Title IV-A)</u>	<u>Preschool Handicapped Grant</u>	<u>Title II-A</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue</u>
\$ 1,347	\$ 4,076	\$ 10,072	\$ 33,524	\$ 1,251	\$ 825,873
					1,665
					515,534
					35,950
					21,644
					650,154
					4,946
<u>1,347</u>	<u>4,076</u>	<u>10,072</u>	<u>33,524</u>	<u>1,251</u>	<u>2,055,766</u>
				441	29,951
1,349		10,072	30,424		234,432
					1,000
					223,172
	3,378				153,924
				942	71,391
					8,491
					6,821
					23,201
					629,305
305	337		3,317	175	852,240
					3,265
					19,996
					103,948
<u>1,654</u>	<u>3,715</u>	<u>10,072</u>	<u>33,741</u>	<u>1,558</u>	<u>2,361,137</u>
<u>(307)</u>	<u>361</u>	<u>0</u>	<u>(217)</u>	<u>(307)</u>	<u>(305,371)</u>
					296,000
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>296,000</u>
(307)	361		(217)	(307)	(9,371)
<u>304</u>	<u>61</u>		<u>217</u>	<u>310</u>	<u>424,646</u>
<u>\$ (3)</u>	<u>\$ 422</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 415,275</u>

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets when a governmental unit is functioning either as a trustee or an agent for another party. Because the governmental unit is functioning in a fiduciary capacity, the authority to employ, dispose of, or otherwise use the assets is determined not by a legislative body or oversight board but by the public laws and private agreements that create the agency relationship.

Agency Funds:

Student 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.

Retirement - This fund accounts for the difference between retirement paid to the state retirement systems and the actual amount due to the retirement system. This fund also accounts for any provisions of an early retirement incentive.

Beachwood City Schools
Combining Statements of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2009

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Retirement				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 347,983	\$ 3,025,066	\$ 3,149,966	\$ 223,083
Total Assets	<u>347,983</u>	<u>3,025,066</u>	<u>3,149,966</u>	<u>223,083</u>
LIABILITIES:				
Undistributed Monies	347,983	3,025,066	3,149,966	223,083
Total Liabilities	<u>\$ 347,983</u>	<u>\$ 3,025,066</u>	<u>\$ 3,149,966</u>	<u>\$ 223,083</u>
Student Activities				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 57,724	\$ 79,368	\$ 84,763	\$ 52,329
Total Assets	<u>57,724</u>	<u>79,368</u>	<u>84,763</u>	<u>52,329</u>
LIABILITIES:				
Due to Students	57,724	79,368	84,763	52,329
Total Liabilities	<u>\$ 57,724</u>	<u>\$ 79,368</u>	<u>\$ 84,763</u>	<u>\$ 52,329</u>
Totals				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 405,707	\$ 3,104,434	\$ 3,234,729	\$ 275,412
Total Assets	<u>405,707</u>	<u>3,104,434</u>	<u>3,234,729</u>	<u>275,412</u>
LIABILITIES:				
Undistributed Monies	347,983	3,025,066	3,149,966	223,083
Due to Students	57,724	79,368	84,763	52,329
Total Liabilities	<u>\$ 405,707</u>	<u>\$ 3,104,434</u>	<u>\$ 3,234,729</u>	<u>\$ 275,412</u>

Beachwood City Schools
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2009

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Property and Other Local Taxes	\$ 24,701,844	\$ 25,142,196	\$ 25,648,398	\$ 506,202
Intergovernmental	6,213,213	6,431,425	6,464,996	33,571
Interest	550,000	400,000	404,969	4,969
Tuition and Fees	229,490	287,199	959,466	672,267
Rent	279,408	279,408	280,655	1,247
Gifts and Donations	1,500	1,500	2,050	550
Customer Sales and Services	418,571	434,892	188,447	(246,445)
Miscellaneous	197,048	169,925	164,142	(5,783)
Total Revenues	32,591,074	33,146,545	34,113,123	966,578
EXPENDITURES:				
Current:				
Instruction:				
Regular				
Salaries	7,681,421	8,009,900	7,790,026	219,874
Fringe Benefits	2,596,081	2,397,892	2,392,124	5,768
Purchased Services	206,326	176,523	163,695	12,828
Materials and Supplies	490,509	382,473	358,622	23,851
Other	75,300	75,300	53,436	21,864
Capital Outlay	84,699	49,839	48,645	1,194
Capital Outlay Replacement	2,000	800	145	655
Total - Regular	11,136,336	11,092,727	10,806,693	286,034
Special				
Salaries	2,633,700	2,792,804	2,791,504	1,300
Fringe Benefits	1,212,593	1,194,741	1,193,690	1,051
Purchased Services	1,110,198	1,713,548	1,710,312	3,236
Materials and Supplies	33,683	25,333	18,354	6,979
Capital Outlay	9,190	25,490	23,663	1,827
Total - Special	4,999,364	5,751,916	5,737,523	14,393
Vocational				
Purchased Services	432,485	402,585	397,894	4,691
Materials and Supplies	13,949	15,248	9,427	5,821
Other	2,240	2,871	811	2,060
Capital Outlay	100	70	70	70
Total - Vocational	448,774	420,774	408,132	12,642
Student Intervention Services				
Salaries	234,634	60	60	0
Fringe Benefits	86,198	10	10	0
Total - Student Intervention Services	320,832	70	70	0
Other				
Fringe Benefits	64,860	64,860	13,720	51,140
Purchased Services	180,000	170,000	167,075	2,925
Other	6,000	6,000	2,537	3,463
Total - Other	250,860	240,860	183,332	57,528
Total - Instruction:	17,156,166	17,506,347	17,135,750	370,597

(continued)

Beachwood City Schools
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Support Services:				
Pupils				
Salaries	1,208,625	1,177,085	1,176,709	376
Fringe Benefits	430,382	384,112	369,690	14,422
Purchased Services	145,953	107,506	104,859	2,647
Materials and Supplies	12,206	8,629	7,495	1,134
Other	510	510	485	25
Capital Outlay	2,414	1,414	0	1,414
Capital Outlay Replacement	400	400	227	173
Total - Pupils	<u>1,800,490</u>	<u>1,679,656</u>	<u>1,659,465</u>	<u>20,191</u>
Instructional Staff				
Salaries	612,781	668,600	668,036	564
Fringe Benefits	213,620	198,720	198,706	14
Purchased Services	104,137	86,995	83,046	3,949
Materials and Supplies	59,322	38,186	33,654	4,532
Capital Outlay	22,502	19,300	4,020	15,280
Capital Outlay Replacement	207	0	0	0
Total - Instructional Staff	<u>1,012,569</u>	<u>1,011,801</u>	<u>987,462</u>	<u>24,339</u>
Board of Education				
Salaries	17,459	17,459	16,750	709
Fringe Benefits	2,665	2,665	1,927	738
Purchased Services	417,826	435,302	434,254	1,048
Materials and Supplies	4,346	2,346	1,780	566
Other	18,470	20,470	20,072	398
Capital Outlay	6,100	0	0	0
Total - Board of Education	<u>466,866</u>	<u>478,242</u>	<u>474,783</u>	<u>3,459</u>
Administration				
Salaries	1,522,443	1,465,943	1,465,582	361
Fringe Benefits	735,652	645,337	644,794	543
Purchased Services	167,680	130,465	129,669	796
Materials and Supplies	25,011	24,055	23,202	853
Other	44,126	33,991	33,075	916
Capital Outlay	22,717	6,717	5,294	1,423
Total - Administration	<u>2,517,629</u>	<u>2,306,508</u>	<u>2,301,616</u>	<u>4,892</u>
Fiscal				
Salaries	304,000	311,260	305,505	5,755
Fringe Benefits	130,626	134,266	133,772	494
Purchased Services	18,760	14,760	13,305	1,455
Materials and Supplies	9,540	6,540	5,842	698
Other	546,345	486,145	485,011	1,134
Capital Outlay	4,200	0	0	0
Total - Fiscal	<u>1,013,471</u>	<u>952,971</u>	<u>943,435</u>	<u>9,536</u>

(continued)

Beachwood City Schools
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Business				
Salaries	190,793	180,793	180,762	31
Fringe Benefits	87,885	74,285	73,539	746
Purchased Services	216,928	192,928	191,567	1,361
Materials and Supplies	32,902	18,726	18,297	429
Other	0	3,250	2,754	496
Capital Outlay	0	1,750	1,578	172
Total - Business	<u>528,508</u>	<u>471,732</u>	<u>468,497</u>	<u>3,235</u>
Operation and Maintenance of Plant				
Salaries	1,509,601	1,320,601	1,320,099	502
Fringe Benefits	612,308	547,250	544,078	3,172
Purchased Services	1,755,144	1,358,920	1,353,274	5,646
Materials and Supplies	249,510	244,081	243,058	1,023
Capital Outlay	15,000	11,000	10,463	537
Capital Outlay Replacement	43,707	16,575	15,649	926
Total - Operation and Maintenance of Plant	<u>4,185,270</u>	<u>3,498,427</u>	<u>3,486,621</u>	<u>11,806</u>
Pupil Transportation				
Salaries	1,015,413	1,074,300	1,073,621	679
Fringe Benefits	481,699	473,699	473,175	524
Purchased Services	131,672	150,616	149,953	663
Materials and Supplies	358,100	202,364	201,928	436
Other	500	500	0	500
Capital Outlay	20,000	30,500	29,517	983
Capital Outlay Replacement	180,000	163,000	162,215	785
Total - Pupil Transportation	<u>2,187,384</u>	<u>2,094,979</u>	<u>2,090,409</u>	<u>4,570</u>
Central				
Salaries	272,282	263,282	262,493	789
Fringe Benefits	98,542	83,542	83,233	309
Purchased Services	480,597	311,961	308,600	3,361
Materials and Supplies	62,073	49,883	47,396	2,487
Other	0	1,200	380	820
Capital Outlay	155,000	190,957	189,605	1,352
Total - Central	<u>1,068,494</u>	<u>900,825</u>	<u>891,707</u>	<u>9,118</u>
Total - Support Services:	<u>14,780,681</u>	<u>13,395,141</u>	<u>13,303,995</u>	<u>91,146</u>
Operation of Non-Instructional Services:				
Community Services				
Purchased Services	<u>0</u>	<u>7,925</u>	<u>7,925</u>	<u>0</u>
Total - Community Services	<u>0</u>	<u>7,925</u>	<u>7,925</u>	<u>0</u>
Total - Operation of Non-Instructional Services:	<u>0</u>	<u>7,925</u>	<u>7,925</u>	<u>0</u>
Extracurricular Activities:				
Academic Oriented Activities				
Salaries	96,781	139,781	139,580	201
Fringe Benefits	14,631	23,131	22,776	355
Other	50	50	0	50
Total - Academic Oriented Activities	<u>111,462</u>	<u>162,962</u>	<u>162,356</u>	<u>606</u>

(continued)

Beachwood City Schools
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Sport Oriented Activities				
Salaries	654,585	548,585	548,049	536
Fringe Benefits	132,742	117,742	117,271	471
Total - Sport Oriented Activities	<u>787,327</u>	<u>666,327</u>	<u>665,320</u>	<u>1,007</u>
School and Public Service Co-Curricular Activities				
Salaries	55,189	26,189	25,479	710
Fringe Benefits	9,079	4,079	3,977	102
Total - School and Public Service Co-Curricular	<u>64,268</u>	<u>30,268</u>	<u>29,456</u>	<u>812</u>
Total - Extracurricular Activities:	<u>963,057</u>	<u>859,557</u>	<u>857,132</u>	<u>2,425</u>
Capital Outlay:				
Site Improvement Services				
Capital Outlay	0	5,700	5,685	15
Total - Site Improvement Services	<u>0</u>	<u>5,700</u>	<u>5,685</u>	<u>15</u>
Building Improvement Services				
Capital Outlay	0	27,915	27,915	0
Total - Building Improvement Services	<u>0</u>	<u>27,915</u>	<u>27,915</u>	<u>0</u>
Other Facilities Acquisition and Construction				
Capital Outlay	0	20,200	20,115	85
Total - Other Facilities Acquisition and Construc	<u>0</u>	<u>20,200</u>	<u>20,115</u>	<u>85</u>
Total - Capital Outlay:	<u>0</u>	<u>53,815</u>	<u>53,715</u>	<u>100</u>
Total Expenditures	<u>32,899,904</u>	<u>31,822,785</u>	<u>31,358,517</u>	<u>464,268</u>
Excess of Revenues Over (Under) Expenditures	<u>(308,830)</u>	<u>1,323,760</u>	<u>2,754,606</u>	<u>1,430,846</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In	0	4,349	4,349	0
Proceeds from Sale of Capital Assets	2,500	3,532	3,532	0
Refund of Prior Year Expenditures	2,500	18,514	22,169	3,655
Transfers Out	(483,000)	(397,000)	(397,000)	0
Advances Out	(100,000)	0	0	0
Total Other Financing Sources and Uses	<u>(578,000)</u>	<u>(370,605)</u>	<u>(366,950)</u>	<u>3,655</u>
Net Change in Fund Balances	(886,830)	953,155	2,387,656	1,434,501
Fund Balance (Deficit) at Beginning of Year	10,477,889	10,477,889	10,477,889	
Prior Year Encumbrances Appropriated	199,502	199,502	199,502	
Fund Balance (Deficit) at End of Year	<u>\$ 9,790,561</u>	<u>\$ 11,630,546</u>	<u>\$ 13,065,047</u>	<u>\$ 1,434,501</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/Negative</u>
REVENUES:			
Property and Other Local Taxes	\$ 2,051,276	\$ 2,071,177	\$ 19,901
Intergovernmental	121,286	156,812	35,526
Total Revenues	<u>2,172,562</u>	<u>2,227,989</u>	<u>55,427</u>
EXPENDITURES:			
Debt Service:			
Principal			
Principal Retirement	1,390,000	1,390,000	0
Total - Principal	<u>1,390,000</u>	<u>1,390,000</u>	<u>0</u>
Interest			
Interest and Fiscal Charges	593,478	593,478	0
Total - Interest	<u>593,478</u>	<u>593,478</u>	<u>0</u>
Total - Debt Service:	<u>1,983,478</u>	<u>1,983,478</u>	<u>0</u>
Total Expenditures	<u>1,983,478</u>	<u>1,983,478</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>189,084</u>	<u>244,511</u>	<u>55,427</u>
Net Change in Fund Balances	189,084	244,511	55,427
Fund Balance (Deficit) at Beginning of Year	<u>1,250,814</u>	<u>1,250,814</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 1,439,898</u>	<u>\$ 1,495,325</u>	<u>\$ 55,427</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES:			
Property and Other Local Taxes	\$ 540,333	\$ 539,352	\$ (981)
Intergovernmental	131,678	145,899	14,221
Interest	6,307	6,386	79
Total Revenues	<u>678,318</u>	<u>691,637</u>	<u>13,319</u>
EXPENDITURES:			
Current:			
Support Services:			
Operation and Maintenance of Plant			
Purchased Services	46,270	35,850	10,420
Capital Outlay	25,500	25,464	36
Total - Operation and Maintenance of Plant	<u>71,770</u>	<u>61,314</u>	<u>10,456</u>
Total - Support Services:	<u>71,770</u>	<u>61,314</u>	<u>10,456</u>
Capital Outlay:			
Site Improvement Services			
Capital Outlay	401,957	400,242	1,715
Total - Site Improvement Services	<u>401,957</u>	<u>400,242</u>	<u>1,715</u>
Architecture and Engineering Services			
Capital Outlay	31,230	31,230	0
Total - Architecture and Engineering Services	<u>31,230</u>	<u>31,230</u>	<u>0</u>
Other Facilities Acquisition and Construction			
Capital Outlay	379,557	378,254	1,303
Total - Other Facilities Acquisition and Construction	<u>379,557</u>	<u>378,254</u>	<u>1,303</u>
Total - Capital Outlay:	<u>812,744</u>	<u>809,726</u>	<u>3,018</u>
Total Expenditures	<u>884,514</u>	<u>871,040</u>	<u>13,474</u>
Excess of Revenues Over (Under) Expenditures	<u>(206,196)</u>	<u>(179,403)</u>	<u>26,793</u>
OTHER FINANCING SOURCES AND USES:			
Transfers In	100,000	100,000	0
Total Other Financing Sources and Uses	<u>100,000</u>	<u>100,000</u>	<u>0</u>
Net Change in Fund Balances	(106,196)	(79,403)	26,793
Fund Balance (Deficit) at Beginning of Year	303,838	303,838	
Prior Year Encumbrances Appropriated	66,954	66,954	
Fund Balance (Deficit) at End of Year	<u>\$ 264,596</u>	<u>\$ 291,389</u>	<u>\$ 26,793</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Consortium Fund
For the Fiscal Year Ended June 30, 2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/ (Negative)</u>
REVENUES:				
Intergovernmental	\$ 558,157	\$ 558,157	\$ 595,279	\$ 37,122
Tuition and Fees	1,918,000	1,918,000	1,854,618	(63,382)
Customer Sales and Services	106,020	106,020	15,879	(90,141)
Total Revenues	<u>2,582,177</u>	<u>2,582,177</u>	<u>2,465,776</u>	<u>(116,401)</u>
EXPENDITURES:				
Current:				
Instruction:				
Special				
Salaries	418,340	382,185	381,407	778
Fringe Benefits	152,753	129,958	128,545	1,413
Purchased Services	33,504	32,709	10,805	21,904
Materials and Supplies	9,863	6,811	4,117	2,694
Capital Outlay	1,257	5,579	5,322	257
Capital Outlay Replacement	47,030	56,805	52,053	4,752
Total - Special	<u>662,747</u>	<u>614,047</u>	<u>582,249</u>	<u>31,798</u>
Vocational				
Salaries	569,194	547,465	527,728	19,737
Fringe Benefits	206,449	192,680	162,300	30,380
Purchased Services	42,752	45,440	28,932	16,508
Materials and Supplies	80,588	80,100	56,016	24,084
Other	3,812	3,812	1,343	2,469
Capital Outlay	37,120	29,965	19,664	10,301
Total - Vocational	<u>939,915</u>	<u>899,462</u>	<u>795,983</u>	<u>103,479</u>
Total - Instruction:	<u>1,602,662</u>	<u>1,513,509</u>	<u>1,378,232</u>	<u>135,277</u>
Support Services:				
Pupils				
Salaries	586,958	595,343	594,859	484
Fringe Benefits	252,151	261,256	244,453	16,803
Purchased Services	1,554	16,454	10,030	6,424
Total - Pupils	<u>840,663</u>	<u>873,053</u>	<u>849,342</u>	<u>23,711</u>
Instructional Staff				
Salaries	0	35,000	34,430	570
Fringe Benefits	0	50	41	9
Total - Instructional Staff	<u>0</u>	<u>35,050</u>	<u>34,471</u>	<u>579</u>
Operation and Maintenance of Plant				
Salaries	0	7,200	7,137	63
Fringe Benefits	0	3,500	3,240	260
Purchased Services	0	6,000	4,792	1,208
Materials and Supplies	0	452	424	28
Total - Operation and Maintenance of Plant	<u>0</u>	<u>17,152</u>	<u>15,593</u>	<u>1,559</u>
Total - Support Services:	<u>840,663</u>	<u>925,255</u>	<u>899,406</u>	<u>25,849</u>
Total Expenditures	<u>2,443,325</u>	<u>2,438,764</u>	<u>2,277,638</u>	<u>161,126</u>
Excess of Revenues Over (Under) Expenditures	<u>138,852</u>	<u>143,413</u>	<u>188,138</u>	<u>44,725</u>
Net Change in Fund Balances	<u>138,852</u>	<u>143,413</u>	<u>188,138</u>	<u>44,725</u>
Fund Balance (Deficit) at Beginning of Year	<u>1,351,419</u>	<u>1,351,419</u>	<u>1,351,419</u>	
Prior Year Encumbrances Appropriated	<u>1,083</u>	<u>1,083</u>	<u>1,083</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 1,491,354</u>	<u>\$ 1,495,915</u>	<u>\$ 1,540,640</u>	<u>\$ 44,725</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Building Fund
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Interest	\$ -	\$ 107	\$ 107
Total Revenues	<u>0</u>	<u>107</u>	<u>107</u>
Excess of Revenues Over (Under) Expenditures	<u>0</u>	<u>107</u>	<u>107</u>
Net Change in Fund Balances	0	107	107
Fund Balance (Deficit) at Beginning of Year	<u>7,864</u>	<u>7,864</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 7,864</u>	<u>\$ 7,971</u>	<u>\$ 107</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
School Net
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
EXPENDITURES:			
Current:			
Support Services:			
Central	\$ 9,184	\$ 9,184	\$ -
Total Expenditures	<u>9,184</u>	<u>9,184</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(9,184)</u>	<u>(9,184)</u>	<u>0</u>
Net Change in Fund Balances	(9,184)	(9,184)	0
Fund Balance (Deficit) at Beginning of Year	<u>9,184</u>	<u>9,184</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Food Service
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive(Negative)
REVENUES:			
Intergovernmental	\$ 51,328	\$ 49,691	\$ (1,637)
Interest	1,510	768	(742)
Customer Sales and Services	414,826	410,800	(4,026)
Miscellaneous	4,994	4,585	(409)
Total Revenues	<u>472,658</u>	<u>465,844</u>	<u>(6,814)</u>
EXPENDITURES:			
Current:			
Operation of Non-Instructional Services:			
Food Service Operations			
Salaries	40,754	40,754	0
Fringe Benefits	22,379	22,379	0
Purchased Services	605,566	605,249	317
Materials and Supplies	266	(708)	974
Other	1,013	1,013	0
Capital Outlay	1,980	1,980	0
Capital Outlay Replacement	1,000	999	1
Total - Food Service Operations	<u>672,958</u>	<u>671,666</u>	<u>1,292</u>
Total - Operation of Non-Instructional Services:	<u>672,958</u>	<u>671,666</u>	<u>1,292</u>
Total Expenditures	<u>672,958</u>	<u>671,666</u>	<u>1,292</u>
Excess of Revenues Over (Under) Expenditures	<u>(200,300)</u>	<u>(205,822)</u>	<u>(5,522)</u>
OTHER FINANCING SOURCES AND USES:			
Transfers In	205,000	205,000	0
Total Other Financing Sources and Uses	<u>205,000</u>	<u>205,000</u>	<u>0</u>
Net Change in Fund Balances	4,700	(822)	(5,522)
Fund Balance (Deficit) at Beginning of Year	<u>11,670</u>	<u>11,670</u>	<u></u>
Fund Balance (Deficit) at End of Year	<u>\$ 16,370</u>	<u>\$ 10,848</u>	<u>\$ (5,522)</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Expendable Trust Funds
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Interest	\$ 133	\$ 48	\$ (85)
Gifts and Donations	700	100	(600)
Customer Sales and Services	<u>7,500</u>	<u>6,520</u>	<u>(980)</u>
Total Revenues	<u>8,333</u>	<u>6,668</u>	<u>(1,665)</u>
EXPENDITURES:			
Current:			
Support Services:			
Pupils			
Materials and Supplies	500	0	500
Other	<u>1,000</u>	<u>75</u>	<u>925</u>
Total - Pupils	<u>1,500</u>	<u>75</u>	<u>1,425</u>
Fiscal			
Purchased Services	3,900	1,997	1,903
Other	<u>5,000</u>	<u>475</u>	<u>4,525</u>
Total - Fiscal	<u>8,900</u>	<u>2,472</u>	<u>6,428</u>
Total - Support Services:	<u>10,400</u>	<u>2,547</u>	<u>7,853</u>
Total Expenditures	<u>10,400</u>	<u>2,547</u>	<u>7,853</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,067)</u>	<u>4,121</u>	<u>6,188</u>
OTHER FINANCING SOURCES AND USES:			
Transfers Out	<u>(4,350)</u>	<u>(4,349)</u>	<u>1</u>
Total Other Financing Sources and Uses	<u>(4,350)</u>	<u>(4,349)</u>	<u>1</u>
Net Change in Fund Balances	(6,417)	(228)	6,189
Fund Balance (Deficit) at Beginning of Year	<u>20,827</u>	<u>20,827</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 14,410</u>	<u>\$ 20,599</u>	<u>\$ 6,189</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Uniform Supplies
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Fund Balance (Deficit) at Beginning of Year	\$ 1,493	\$ 1,493	\$ -
Fund Balance (Deficit) at End of Year	<u>\$ 1,493</u>	<u>\$ 1,493</u>	<u>\$ -</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Customer Sales and Services	\$ 262,129	\$ 226,125	\$ (36,004)
Total Revenues	<u>262,129</u>	<u>226,125</u>	<u>(36,004)</u>
EXPENDITURES:			
Current:			
Instruction:			
Adult/Continuing	<u>274,711</u>	<u>226,058</u>	<u>48,653</u>
Total Expenditures	<u>274,711</u>	<u>226,058</u>	<u>48,653</u>
Excess of Revenues Over (Under) Expenditures	<u>(12,582)</u>	<u>67</u>	<u>12,649</u>
Net Change in Fund Balances	(12,582)	67	12,649
Fund Balance (Deficit) at Beginning of Year	49,845	49,845	
Prior Year Encumbrances Appropriated	<u>1,557</u>	<u>1,557</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 38,820</u>	<u>\$ 51,469</u>	<u>\$ 12,649</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Pupil Support
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Gifts and Donations	\$ 15,476	\$ 21,319	\$ 5,843
Customer Sales and Services		1,000	1,000
Total Revenues	<u>15,476</u>	<u>22,319</u>	<u>6,843</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular			
Purchased Services	1,751	1,448	303
Materials and Supplies	14,420	7,678	6,742
Capital Outlay	<u>19,298</u>	<u>5,995</u>	<u>13,303</u>
Total - Regular	<u>35,469</u>	<u>15,121</u>	<u>20,348</u>
Special			
Materials and Supplies	<u>2,104</u>	<u>894</u>	<u>1,210</u>
Total - Special	<u>2,104</u>	<u>894</u>	<u>1,210</u>
Total - Instruction:	<u>37,573</u>	<u>16,015</u>	<u>21,558</u>
Total Expenditures	<u>37,573</u>	<u>16,015</u>	<u>21,558</u>
Excess of Revenues Over (Under) Expenditures	<u>(22,097)</u>	<u>6,304</u>	<u>28,401</u>
Net Change in Fund Balances	(22,097)	6,304	28,401
Fund Balance (Deficit) at Beginning of Year	<u>42,457</u>	<u>42,457</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 20,360</u>	<u>\$ 48,761</u>	<u>\$ 28,401</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Misc. Local Grants
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Customer Sales and Services	\$ 3,890	\$ 5,763	\$ 1,873
Miscellaneous	320	361	41
Total Revenues	<u>4,210</u>	<u>6,124</u>	<u>1,914</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular			
Purchased Services	1,500	720	780
Materials and Supplies	10,488	9,850	638
Capital Outlay	1,868	1,194	674
Total - Regular	<u>13,856</u>	<u>11,764</u>	<u>2,092</u>
Special			
Materials and Supplies	500		500
Capital Outlay	900	831	69
Total - Special	<u>1,400</u>	<u>831</u>	<u>569</u>
Vocational			
Purchased Services	1,000	1,000	
Total - Vocational	<u>1,000</u>	<u>1,000</u>	
Total - Instruction:	<u>16,256</u>	<u>13,595</u>	<u>2,661</u>
Support Services:			
Administration			
Materials and Supplies	671	637	34
Total - Administration	<u>671</u>	<u>637</u>	<u>34</u>
Pupil Transportation			
Materials and Supplies	665	0	665
Total - Pupil Transportation	<u>665</u>	<u>0</u>	<u>665</u>
Central			
Materials and Supplies	68		68
Total - Central	<u>68</u>		<u>68</u>
Total - Support Services:	<u>1,404</u>	<u>637</u>	<u>767</u>
Total Expenditures	<u>17,660</u>	<u>14,232</u>	<u>3,428</u>
Excess of Revenues Over (Under) Expenditures	<u>(13,450)</u>	<u>(8,108)</u>	<u>5,342</u>
Net Change in Fund Balances	<u>(13,450)</u>	<u>(8,108)</u>	<u>5,342</u>
Fund Balance (Deficit) at Beginning of Year	<u>13,875</u>	<u>13,875</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 425</u>	<u>\$ 5,767</u>	<u>\$ 5,342</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Preschool
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Tuition and Fees	\$ 555,000	\$ 516,414	\$ (38,586)
Customer Sales and Services	0	(880)	(880)
Miscellaneous	5,000	0	(5,000)
Total Revenues	<u>560,000</u>	<u>515,534</u>	<u>(44,466)</u>
EXPENDITURES:			
Current:			
Operation of Non-Instructional Services:			
Community Services	614,474	530,059	84,415
Total Expenditures	<u>614,474</u>	<u>530,059</u>	<u>84,415</u>
Excess of Revenues Over (Under) Expenditures	<u>(54,474)</u>	<u>(14,525)</u>	<u>39,949</u>
Net Change in Fund Balances	(54,474)	(14,525)	39,949
Fund Balance (Deficit) at Beginning of Year	234,813	234,813	
Prior Year Encumbrances Appropriated	<u>792</u>	<u>792</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 181,131</u>	<u>\$ 221,080</u>	<u>\$ 39,949</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
District Managed Student Activities
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Extracurricular Activities	\$ 57,700	\$ 35,950	\$ (21,750)
Gifts and Donations	2,000	0	(2,000)
Total Revenues	<u>59,700</u>	<u>35,950</u>	<u>(23,750)</u>
EXPENDITURES:			
Current:			
Extracurricular Activities:			
Academic Oriented Activities			
Purchased Services	524	524	0
Materials and Supplies	27,624	19,472	8,152
Other	5,000	0	5,000
Total - Academic Oriented Activities	<u>33,148</u>	<u>19,996</u>	<u>13,152</u>
Sport Oriented Activities			
Purchased Services	73,476	68,418	5,058
Materials and Supplies	47,922	35,418	12,504
Other	1,538	406	1,132
Total - Sport Oriented Activities	<u>122,936</u>	<u>104,242</u>	<u>18,694</u>
Total - Extracurricular Activities:	<u>156,084</u>	<u>124,238</u>	<u>31,846</u>
Total Expenditures	<u>156,084</u>	<u>124,238</u>	<u>31,846</u>
Excess of Revenues Over (Under) Expenditures	<u>(96,384)</u>	<u>(88,288)</u>	<u>8,096</u>
OTHER FINANCING SOURCES AND USES:			
Transfers In	90,000	91,000	1,000
Total Other Financing Sources and Uses	<u>90,000</u>	<u>91,000</u>	<u>1,000</u>
Net Change in Fund Balances	(6,384)	2,712	9,096
Fund Balance (Deficit) at Beginning of Year	<u>57,134</u>	<u>57,134</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 50,750</u>	<u>\$ 59,846</u>	<u>\$ 9,096</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Auxiliary Services
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Intergovernmental	\$ 265,515	\$ 265,515	
Interest	2,000	849	(1,151)
Total Revenues	<u>267,515</u>	<u>266,364</u>	<u>(1,151)</u>
EXPENDITURES:			
Current:			
Operation of Non-Instructional Services:			
Community Services			
Salaries	101,741	94,807	6,934
Fringe Benefits	16,932	15,596	1,336
Purchased Services	115,384	108,050	7,334
Materials and Supplies	74,296	63,956	10,340
Capital Outlay	49,748	48,846	902
Total - Community Services	<u>358,101</u>	<u>331,255</u>	<u>26,846</u>
Total - Operation of Non-Instructional Services:	<u>358,101</u>	<u>331,255</u>	<u>26,846</u>
Total Expenditures	<u>358,101</u>	<u>331,255</u>	<u>26,846</u>
Excess of Revenues Over (Under) Expenditures	<u>(90,586)</u>	<u>(64,891)</u>	<u>25,695</u>
Net Change in Fund Balances	(90,586)	(64,891)	25,695
Fund Balance (Deficit) at Beginning of Year	17,325	17,325	
Prior Year Encumbrances Appropriated	<u>73,264</u>	<u>73,264</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 3</u>	<u>\$ 25,698</u>	<u>\$ 25,695</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Management Information Systems
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Intergovernmental	\$ 5,700	\$ 5,000	\$ (700)
Total Revenues	<u>5,700</u>	<u>5,000</u>	<u>(700)</u>
EXPENDITURES:			
Current:			
Support Services:			
Central	<u>5,231</u>	<u>5,231</u>	<u>0</u>
Total Expenditures	<u>5,231</u>	<u>5,231</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>469</u>	<u>(231)</u>	<u>(700)</u>
Net Change in Fund Balances	469	(231)	(700)
Fund Balance (Deficit) at Beginning of Year	<u>2,231</u>	<u>2,231</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 2,700</u>	<u>\$ 2,000</u>	<u>\$ (700)</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Entry Year Grant
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 3,500	\$ 3,500	\$ -
Total Revenues	<u>3,500</u>	<u>3,500</u>	<u>0</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	<u>3,851</u>	<u>3,850</u>	<u>1</u>
Total Expenditures	<u>3,851</u>	<u>3,850</u>	<u>1</u>
Excess of Revenues Over (Under) Expenditures	<u>(351)</u>	<u>(350)</u>	<u>1</u>
Net Change in Fund Balances	(351)	(350)	1
Fund Balance (Deficit) at Beginning of Year	<u>1,462</u>	<u>1,462</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 1,111</u>	<u>\$ 1,112</u>	<u>\$ 1</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
One Net
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Intergovernmental	\$ 15,000	\$ 15,000	\$ -
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>0</u>
EXPENDITURES:			
Current:			
Support Services:			
Central	<u>15,000</u>	<u>15,000</u>	<u>0</u>
Total Expenditures	<u>15,000</u>	<u>15,000</u>	<u>0</u>
Net Change in Fund Balances	0	0	0
Fund Balance (Deficit) at Beginning of Year	<u>0</u>	<u>0</u>	<u></u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
School Net Professional Development
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive/(Negative)
REVENUES:			
Intergovernmental	\$ 2,970	\$ 2,970	\$ -
Total Revenues	<u>2,970</u>	<u>2,970</u>	<u>0</u>
EXPENDITURES:			
Current:			
Support Services:			
Central	<u>2,970</u>	<u>2,970</u>	<u>0</u>
Total Expenditures	<u>2,970</u>	<u>2,970</u>	<u>0</u>
Net Change in Fund Balances	0	0	0
Fund Balance (Deficit) at Beginning of Year	<u>0</u>	<u>0</u>	<u></u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Intergovernmental	\$ 5,950	\$ 3,805	\$ (2,145)
Total Revenues	<u>5,950</u>	<u>3,805</u>	<u>(2,145)</u>
EXPENDITURES:			
Current:			
Support Services:			
Instructional Staff	<u>5,976</u>	<u>3,805</u>	<u>2,171</u>
Total Expenditures	<u>5,976</u>	<u>3,805</u>	<u>2,171</u>
Excess of Revenues Over (Under) Expenditures	<u>(26)</u>	<u>0</u>	<u>26</u>
Net Change in Fund Balances	(26)	0	26
Fund Balance (Deficit) at Beginning of Year	<u>26</u>	<u>26</u>	
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ 26</u>	<u>\$ 26</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
IDEA B
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Intergovernmental	\$ 304,777	\$ 304,777	\$ -
Total Revenues	<u>304,777</u>	<u>304,777</u>	<u>0</u>
EXPENDITURES:			
Current:			
Instruction:			
Special			
Salaries	30,994	30,994	0
Fringe Benefits	5,098	5,097	1
Purchased Services	31,639	31,639	0
Materials and Supplies	<u>5,381</u>	<u>5,381</u>	<u>0</u>
Total - Special	<u>73,112</u>	<u>73,111</u>	<u>1</u>
Total - Instruction:	<u>73,112</u>	<u>73,111</u>	<u>1</u>
Support Services:			
Pupils			
Salaries	129,687	125,934	3,753
Fringe Benefits	<u>24,634</u>	<u>24,007</u>	<u>627</u>
Total - Pupils	<u>154,321</u>	<u>149,941</u>	<u>4,380</u>
Instructional Staff			
Salaries	40,000	40,000	0
Fringe Benefits	<u>26,329</u>	<u>26,329</u>	<u>0</u>
Total - Instructional Staff	<u>66,329</u>	<u>66,329</u>	<u>0</u>
Administration			
Salaries	6,747	6,747	0
Fringe Benefits	<u>1,110</u>	<u>1,107</u>	<u>3</u>
Total - Administration	<u>7,857</u>	<u>7,854</u>	<u>3</u>
Total - Support Services:	<u>228,507</u>	<u>224,124</u>	<u>4,383</u>
Operation of Non-Instructional Services:			
Community Services			
Salaries	1,510	1,510	0
Fringe Benefits	248	248	0
Purchased Services	<u>1,400</u>	<u>1,400</u>	<u>0</u>
Total - Community Services	<u>3,158</u>	<u>3,158</u>	<u>0</u>
Total - Operation of Non-Instructional Services:	<u>3,158</u>	<u>3,158</u>	<u>0</u>
Total Expenditures	<u>304,777</u>	<u>300,393</u>	<u>4,384</u>
Excess of Revenues Over (Under) Expenditures	<u>0</u>	<u>4,384</u>	<u>4,384</u>
Net Change in Fund Balances	0	4,384	4,384
Fund Balance (Deficit) at Beginning of Year	-	-	-
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ 4,384</u>	<u>\$ 4,384</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
TITLE III (Immigrant)
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Intergovernmental	\$ 18,044	\$ 17,286	\$ (758)
Total Revenues	<u>18,044</u>	<u>17,286</u>	<u>(758)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special			
Salaries	13,186	13,186	0
Materials and Supplies	1,758	1,758	0
Capital Outlay	<u>2,500</u>	<u>2,500</u>	<u>0</u>
Total - Special	<u>17,444</u>	<u>17,444</u>	<u>0</u>
Total - Instruction:	<u>17,444</u>	<u>17,444</u>	<u>0</u>
Support Services:			
Instructional Staff			
Purchased Services	<u>500</u>	<u>315</u>	<u>185</u>
Total - Instructional Staff	<u>500</u>	<u>315</u>	<u>185</u>
Total - Support Services:	<u>500</u>	<u>315</u>	<u>185</u>
Operation of Non-Instructional Services:			
Community Services			
Materials and Supplies	<u>100</u>	<u>100</u>	<u>0</u>
Total - Community Services	<u>100</u>	<u>100</u>	<u>0</u>
Total - Operation of Non-Instructional Services:	<u>100</u>	<u>100</u>	<u>0</u>
Total Expenditures	<u>18,044</u>	<u>17,859</u>	<u>185</u>
Excess of Revenues Over (Under) Expenditures	<u>0</u>	<u>(573)</u>	<u>(573)</u>
Net Change in Fund Balances	0	(573)	(573)
Prior Year Encumbrances Appropriated	758	758	
Fund Balance (Deficit) at Beginning of Year	<u>0</u>	<u>0</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 758</u>	<u>\$ 185</u>	<u>\$ (573)</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Intergovernmental	\$ 133,529	\$ 108,059	\$ (25,470)
Total Revenues	<u>133,529</u>	<u>108,059</u>	<u>(25,470)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special			
Salaries	104,484	81,066	23,418
Fringe Benefits	<u>17,188</u>	<u>13,324</u>	<u>3,864</u>
Total - Special	<u>121,672</u>	<u>94,390</u>	<u>27,282</u>
Total - Instruction:	<u>121,672</u>	<u>94,390</u>	<u>27,282</u>
Operation of Non-Instructional Services:			
Community Services			
Purchased Services	<u>17,684</u>	<u>17,684</u>	<u>0</u>
Total - Community Services	<u>17,684</u>	<u>17,684</u>	<u>0</u>
Total - Operation of Non-Instructional Services:	<u>17,684</u>	<u>17,684</u>	<u>0</u>
Total Expenditures	<u>139,356</u>	<u>112,074</u>	<u>27,282</u>
Excess of Revenues Over (Under) Expenditures	<u>(5,827)</u>	<u>(4,015)</u>	<u>1,812</u>
Net Change in Fund Balances	(5,827)	(4,015)	1,812
Fund Balance (Deficit) at Beginning of Year	<u>5,827</u>	<u>5,827</u>	
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ 1,812</u>	<u>\$ 1,812</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title V
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Intergovernmental	\$ 1,652	\$ 1,347	\$ (305)
Total Revenues	<u>1,652</u>	<u>1,347</u>	<u>(305)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special			
Capital Outlay	<u>1,249</u>	<u>1,249</u>	<u>0</u>
Total - Special	<u>1,249</u>	<u>1,249</u>	<u>0</u>
Total - Instruction:	<u>1,249</u>	<u>1,249</u>	<u>0</u>
Operation of Non-Instructional Services:			
Community Services			
Materials and Supplies	<u>403</u>	<u>403</u>	<u>0</u>
Total - Community Services	<u>403</u>	<u>403</u>	<u>0</u>
Total - Operation of Non-Instructional Services:	<u>403</u>	<u>403</u>	<u>0</u>
Total Expenditures	<u>1,652</u>	<u>1,652</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>0</u>	<u>(305)</u>	<u>(305)</u>
Net Change in Fund Balances	0	(305)	(305)
Prior Year Encumbrances Appropriated	305	305	
Fund Balance (Deficit) at Beginning of Year	<u>0</u>	<u>0</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 305</u>	<u>\$ -</u>	<u>\$ (305)</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Free Education (Title IV-A)
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Intergovernmental	\$ 4,146	\$ 4,145	\$ (1)
Total Revenues	<u>4,146</u>	<u>4,145</u>	<u>(1)</u>
EXPENDITURES:			
Current:			
Support Services:			
Pupils			
Salaries	3,836	3,294	542
Fringe Benefits	143	139	4
Total - Pupils	<u>3,979</u>	<u>3,433</u>	<u>546</u>
Total - Support Services:	<u>3,979</u>	<u>3,433</u>	<u>546</u>
Operation of Non-Instructional Services:			
Community Services			
Purchased Services	251	251	
Materials and Supplies	85	86	(1)
Total - Community Services	<u>336</u>	<u>337</u>	<u>(1)</u>
Total - Operation of Non-Instructional Services:	<u>336</u>	<u>337</u>	<u>(1)</u>
Total Expenditures	<u>4,315</u>	<u>3,770</u>	<u>545</u>
Excess of Revenues Over (Under) Expenditures	<u>(169)</u>	<u>375</u>	<u>544</u>
Net Change in Fund Balances	(169)	375	544
Fund Balance (Deficit) at Beginning of Year	119	119	
Prior Year Encumbrances Appropriated	<u>52</u>	<u>52</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 2</u>	<u>\$ 546</u>	<u>\$ 544</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Preschool Handicapped Grant
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Intergovernmental	\$ 10,072	\$ 10,072	\$ -
Total Revenues	<u>10,072</u>	<u>10,072</u>	<u>0</u>
EXPENDITURES:			
Current:			
Instruction:			
Special			
Salaries	<u>10,072</u>	<u>10,072</u>	<u>0</u>
Total - Special	<u>10,072</u>	<u>10,072</u>	<u>0</u>
Total - Instruction:	<u>10,072</u>	<u>10,072</u>	<u>0</u>
Total Expenditures	<u>10,072</u>	<u>10,072</u>	<u>0</u>
Net Change in Fund Balances	0	0	0
Fund Balance (Deficit) at Beginning of Year	<u>0</u>	<u>0</u>	<u></u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title II-A
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive/(Negative)
REVENUES:			
Intergovernmental	\$ 33,524	\$ 33,524	\$ -
Total Revenues	<u>33,524</u>	<u>33,524</u>	<u>0</u>
EXPENDITURES:			
Current:			
Instruction:			
Special			
Salaries	<u>30,425</u>	<u>30,424</u>	<u>1</u>
Total - Special	<u>30,425</u>	<u>30,424</u>	<u>1</u>
Total - Instruction:	<u>30,425</u>	<u>30,424</u>	<u>1</u>
Operation of Non-Instructional Services:			
Community Services			
Purchased Services	<u>3,317</u>	<u>3,317</u>	<u></u>
Total - Community Services	<u>3,317</u>	<u>3,317</u>	<u></u>
Total - Operation of Non-Instructional Services:	<u>3,317</u>	<u>3,317</u>	<u></u>
Total Expenditures	<u>33,742</u>	<u>33,741</u>	<u>1</u>
Excess of Revenues Over (Under) Expenditures	<u>(218)</u>	<u>(217)</u>	<u>1</u>
Net Change in Fund Balances	(218)	(217)	1
Fund Balance (Deficit) at Beginning of Year	0	0	
Prior Year Encumbrances Appropriated	<u>218</u>	<u>218</u>	<u></u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous Federal Grants
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES:			
Intergovernmental	\$ 1,251	\$ 1,251	\$ -
Total Revenues	<u>1,251</u>	<u>1,251</u>	<u>0</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular			
Materials and Supplies	<u>441</u>	<u>441</u>	<u>0</u>
Total - Regular	<u>441</u>	<u>441</u>	<u>0</u>
Total - Instruction:	<u>441</u>	<u>441</u>	<u>0</u>
Support Services:			
Instructional Staff			
Purchased Services	<u>1,138</u>	<u>1,138</u>	<u>0</u>
Total - Instructional Staff	<u>1,138</u>	<u>1,138</u>	<u>0</u>
Total - Support Services:	<u>1,138</u>	<u>1,138</u>	<u>0</u>
Operation of Non-Instructional Services:			
Community Services			
Purchased Services	<u>175</u>	<u>175</u>	<u>0</u>
Total - Community Services	<u>175</u>	<u>175</u>	<u>0</u>
Total - Operation of Non-Instructional Services:	<u>175</u>	<u>175</u>	<u>0</u>
Total Expenditures	<u>1,754</u>	<u>1,754</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(503)</u>	<u>(503)</u>	<u>0</u>
Net Change in Fund Balances	(503)	(503)	
Fund Balance (Deficit) at Beginning of Year	0	0	
Prior Year Encumbrances Appropriated	<u>503</u>	<u>503</u>	
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Beachwood City Schools
Schedule of Revenues, Expenses and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Health Care Benefits
For the Fiscal Year Ended June 30, 2009

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
OPERATING REVENUES:			
Charges for Services	\$ 2,838,000	\$ 2,659,774	\$ (178,226)
Other Revenues	1,060,000	940,107	(119,893)
Total Operating Revenues	<u>3,898,000</u>	<u>3,599,881</u>	<u>(298,119)</u>
OPERATING EXPENSES:			
Claims	85,000	66,847	18,153
Other	4,150,000	3,179,823	970,177
Total Operating Expenses	<u>4,235,000</u>	<u>3,246,670</u>	<u>988,330</u>
Operating Income (Loss)	<u>(337,000)</u>	<u>353,211</u>	<u>690,211</u>
Income (Loss) Before Contributions and Transfers	<u>(337,000)</u>	<u>353,211</u>	<u>690,211</u>
Net Change in Net Assets	(337,000)	353,211	690,211
Net Assets(Deficit) at Beginning of Year	<u>387,349</u>	<u>387,349</u>	
Net Assets (Deficit) at End of Year	<u>\$ 50,349</u>	<u>\$ 740,560</u>	<u>\$ 690,211</u>

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Statistical

Section

Statistical Section

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

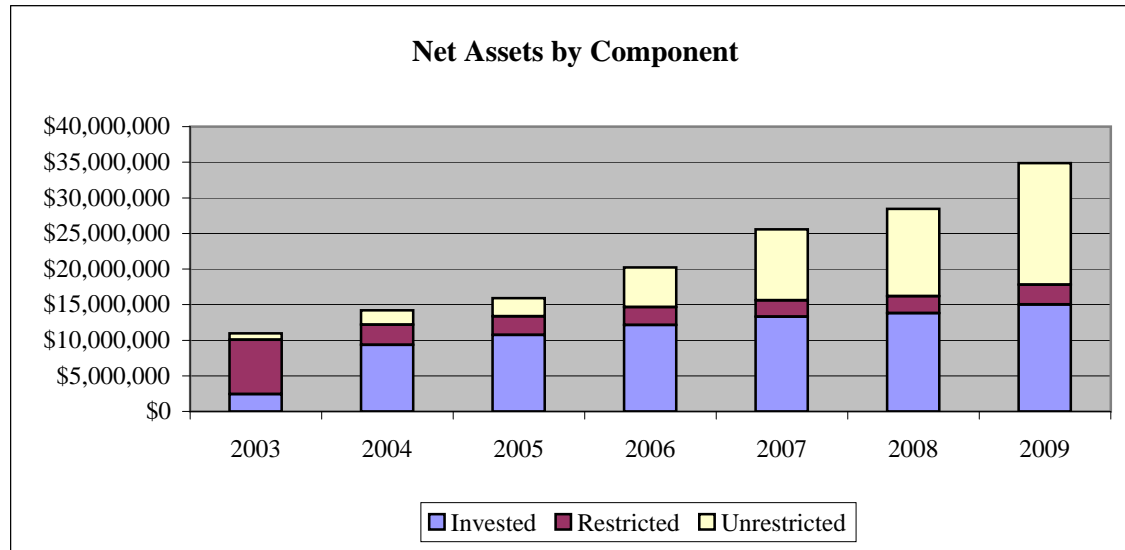
Contents	Pages
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being has changed over time.	S3 – S11
Revenue Capacity These schedules contain information to help the reader assess the School District's most significant local revenue, the property tax.	S12-S17
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.	S18 – S23
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.	S24- S25
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.	S26 – S34

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The School District implemented GASB Statement No. 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that year.

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Beachwood City School District
 Net Assets by Component
 Last Seven Fiscal Years (1)
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009
Invested in Capital Assets, Net of Related Debt	\$ 2,427,232	\$ 9,336,218	\$ 10,745,501	\$ 12,150,684	\$ 13,307,244	\$ 13,802,891	\$ 15,016,809
Restricted for:							
Debt Services	1,353,347	1,720,016	1,801,050	1,814,506	1,594,417	1,646,024	2,068,977
Capital Outlay	6,108,033	881,458	514,338	351,756	337,034	226,134	192,756
Other Purposes	49,787	114,876	149,446	190,089	236,168	376,555	406,199
Set Asides	134,873	134,873	134,873	134,873	134,873	134,873	134,873
Unrestricted	876,587	2,011,674	2,556,168	5,569,139	9,945,853	12,249,707	17,066,792
Total Net Assets	\$ 10,949,859	\$ 14,199,115	\$ 15,901,376	\$ 20,211,047	\$ 25,555,589	\$ 28,436,184	\$ 34,886,406



(1) Information prior to 2003 not available

Beachwood City School District
Changes in Net Assets of Governmental Activities
Last Seven Fiscal Years (1)
(accrual basis of accounting)

	2009	2008	2007	2006	2005	2004	2003
Expenses							
Regular Instruction	\$11,979,156	\$11,629,226	\$11,080,629	\$10,648,385	\$11,054,568	\$10,041,085	\$10,778,243
Special Instruction	6,784,298	5,871,895	5,303,469	4,883,454	5,326,130	5,642,088	4,585,415
Vocational Instruction	1,290,755	1,242,827	869,041	1,083,365	989,488	924,719	1,022,011
Adult/Conintuing	223,322	172,720	245,490	187,370	182,946	222,285	171,353
Other Instruction	179,790	664,301	701,677	747,592	542,440	528,364	453,982
Pupils	2,710,272	2,616,865	2,602,066	2,683,123	3,003,113	2,916,828	2,688,550
Instructional Staff	1,169,119	1,012,486	1,013,004	996,497	792,912	999,100	971,811
Board of Education	460,127	356,006	473,970	361,428	392,751	424,172	284,394
Administration	2,329,151	2,371,399	2,314,305	2,291,977	2,307,273	2,467,679	2,398,216
Fiscal	514,478	746,614	763,705	821,105	784,491	748,653	696,353
Business	458,069	459,817	506,341	464,096	499,751	648,341	579,234
Operation and							
Maintenance of Plant	3,716,973	3,720,729	3,724,961	3,553,721	3,474,546	3,681,893	3,511,269
Pupil Transportation	2,059,398	1,993,252	1,905,211	1,795,090	1,787,938	1,984,406	1,764,492
Central	704,516	796,909	907,791	891,381	856,973	917,378	902,864
Non-instructional	1,506,769	929,350	997,432	823,543	739,588	689,308	683,080
Extracurricular Activities	1,008,747	1,004,529	958,209	885,704	942,705	957,096	944,606
Capital Outlay	0	0	0	0	0	0	647,931
Debt Service	541,519	1,162,417	993,752	798,353	863,055	937,935	1,027,560
<i>Total Expenses</i>	<u>\$37,636,459</u>	<u>\$36,751,342</u>	<u>\$35,361,053</u>	<u>\$33,916,184</u>	<u>\$34,540,668</u>	<u>\$34,731,330</u>	<u>\$34,111,364</u>
Program Revenues							
Charges for Services and Sales:							
Regular Instruction	\$426,372	\$261,927	\$433,566	\$331,181	\$336,667	\$308,869	\$252,383
Special Instruction	1,202,361	680,019	1,169,614	1,363,859	1,324,456	1,178,598	2,195,528
Vocational Instruction	611,363	805,627	326,213	379,573	335,213	303,005	545,984
Adult/Conintuing	223,322	172,720	203,244	187,370	173,326	174,026	153,725
Other Instruction	40,114	535,638	510,762	440,985	456,480	442,970	399,689
Pupils	956,469	779,711	618,216	379,618	878,026	871,605	14,869
Instructional Staff	151,967	2,321	2,323	515	2,586	988	1,795
Administration	573	320	0	0	15,232	8,963	0
Fiscal	6,520	9,519	0	39,238	58,949	3,598	1,759
Business	9,155	4,965	12,660	2,003	42,313	14,752	6,121
Operation and							
Maintenance of Plant	317,292	275,580	265,814	278,755	250,604	253,837	179,262
Pupil Transportation	75,245	48,277	59,964	50,308	70,677	41,402	40,968
Central	8,157	27,494	39,993	26,035	25,650	30,350	20,950
Food Service Operations	415,824	374,970	374,118	357,553	326,338	303,674	301,359
Community Services	516,995	5,889	3,033	2,382	882	0	0
Extracurricular Activities	35,950	35,189	46,028	78,176	86,449	66,766	66,948

(continued)

Beachwood City School District
Changes in Net Assets of Governmental Activities
Last Seven Fiscal Years (1)
(accrual basis of accounting)

	2009	2008	2007	2006	2005	2004	2003
Operating Grants and Contributions:							
Regular Instruction	\$543,711	\$665,444	\$606,968	\$611,687	\$106,578	\$20,741	\$23,646
Special Instruction	980,032	869,960	772,210	838,165	531,704	343,732	634,823
Vocational Instruction	370,783	280,527	311,804	351,695	349,405	391,124	303,901
Other Instruction	0	27,626	29,779	0	0	0	0
Pupils	170,662	222,850	290,804	207,123	331,928	378,760	143,719
Instructional Staff	77,894	12,356	66,675	7,048	50,490	61,511	31,531
Administration	7,857	7,857	7,736	7,389	6,505	6,971	7,629
Business	0	0	0	0	1,708	5,600	1,550
Pupil Transportation	485,476	491,752	482,910	499,063	487,841	1,578	0
Central	52,868	35,660	46,516	24,936	36,715	39,356	27,891
Food Service Operations	49,691	38,608	34,751	34,857	29,677	25,941	25,726
Community Services	289,849	221,806	262,143	239,028	230,662	146,106	155,779
Extracurricular Activities	0	1,000	0	250	6,400	0	0
Capital Grants and Contributions:							
Vocational Instruction	0	0	0	1,097	122	0	0
Pupil Transportation	6,992	7,781	11,466	6,261	6,910	7,467	15,370
Central	0	9,184	0	15,000	0	0	23,719
Total Program Revenues	<u>8,033,494</u>	<u>6,912,577</u>	<u>6,989,310</u>	<u>6,761,150</u>	<u>6,560,493</u>	<u>5,432,290</u>	<u>5,576,624</u>
Net Expenses	<u>(\$29,602,965)</u>	<u>(\$29,838,765)</u>	<u>(\$28,371,743)</u>	<u>(\$27,155,034)</u>	<u>(\$27,980,175)</u>	<u>(\$29,299,040)</u>	<u>(\$28,534,740)</u>
General Revenues							
Grants and Entitlements not							
Restricted to Specific Services	5,152,707	4,170,054	3,168,842	2,772,082	3,916,894	4,549,844	4,089,674
Investment Earnings	465,682	648,569	809,864	328,084	139,814	125,271	364,914
Miscellaneous	40,154	177,021	76,080	83,182	32,150	61,711	(140,595)
Property Taxes	30,394,644	27,723,716	29,661,499	28,281,357	25,593,578	27,811,470	25,000,564
Total General Revenues	<u>36,053,187</u>	<u>32,719,360</u>	<u>33,716,285</u>	<u>31,464,705</u>	<u>29,682,436</u>	<u>32,548,296</u>	<u>29,314,557</u>
Change in Net Assets	<u>\$6,450,222</u>	<u>\$2,880,595</u>	<u>\$5,344,542</u>	<u>\$4,309,671</u>	<u>\$1,702,261</u>	<u>\$3,249,256</u>	<u>\$779,817</u>

(1) Information not presented in this format prior to 2003

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Beachwood City School District

Program Revenues by Source

Last Seven Fiscal Years (1)

(accrual basis of accounting)

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Program Revenues							
Charges for Services							
Regular Instruction	\$426,372	\$927,371	\$1,040,534	\$942,868	\$443,245	\$329,610	\$276,029
Special Instruction	1,202,361	1,549,979	1,941,824	2,202,024	1,856,160	1,522,330	2,830,351
Vocational Instruction	611,363	1,086,154	638,017	732,365	684,740	694,129	849,885
Adult/Conintuing	223,322	172,720	203,244	187,370	173,326	174,026	153,725
Other Instruction	40,114	563,264	540,541	440,985	456,480	442,970	399,689
Pupils	956,469	1,002,561	909,020	586,741	1,209,954	1,250,365	158,588
Instructional Staff	151,967	14,677	68,998	7,563	53,076	62,499	33,326
Administration	573	8,177	7,736	7,389	21,737	15,934	7,629
Fiscal	6,520	9,519	0	39,238	58,949	3,598	1,759
Business	9,155	4,965	12,660	2,003	44,021	20,352	7,671
Operation and							
Maintenance of Plant	317,292	275,580	265,814	278,755	250,604	253,837	179,262
Pupil Transportation	75,245	547,810	554,340	555,632	565,428	50,447	56,338
Central	8,157	72,338	86,509	65,971	62,365	69,706	72,560
Food Service Operations	415,824	413,578	408,869	392,410	356,015	329,615	327,085
Community Services	516,995	227,695	265,176	241,410	231,544	146,106	155,779
Extracurricular Activities	<u>35,950</u>	<u>36,189</u>	<u>46,028</u>	<u>78,426</u>	<u>92,849</u>	<u>66,766</u>	<u>66,948</u>
Total Program Revenues	<u><u>\$4,997,679</u></u>	<u><u>\$6,912,577</u></u>	<u><u>\$6,989,310</u></u>	<u><u>\$6,761,150</u></u>	<u><u>\$6,560,493</u></u>	<u><u>\$5,432,290</u></u>	<u><u>\$5,576,624</u></u>

(1) Information not presented in this format prior to 2003

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund				
Reserved	\$7,215,920	\$5,194,960	\$5,239,608	\$4,052,527
Unreserved	<u>11,621,225</u>	<u>8,917,023</u>	<u>5,825,245</u>	<u>2,134,483</u>
<i>Total General Fund</i>	<u>18,837,145</u>	<u>14,111,983</u>	<u>11,064,853</u>	<u>6,187,010</u>
All Other Governmental Funds				
Reserved	870,675	731,044	804,680	591,542
Unreserved, Undesignated, Reported in:				
Special Revenue funds	614,890	591,319	568,339	575,599
Debt Service funds	1,412,939	1,169,474	970,197	1,273,916
Capital Projects funds	<u>(14,420)</u>	<u>7,530</u>	<u>131,590</u>	<u>126,348</u>
Total All Other Governmental Funds	<u>2,884,084</u>	<u>2,499,367</u>	<u>2,474,806</u>	<u>2,567,405</u>
<i>Total Governmental Funds</i>	<u><u>\$21,721,229</u></u>	<u><u>\$16,611,350</u></u>	<u><u>\$13,539,659</u></u>	<u><u>\$8,754,415</u></u>

(continued)

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

2005	2004	2003	2002	2001	2000
\$4,800,334	\$4,557,332	\$3,706,404	\$3,680,936	\$2,325,915	\$2,095,574
(1,112,119)	(1,015,196)	(1,020,226)	157,538	1,278,414	1,951,234
3,688,215	3,542,136	2,686,178	3,838,474	3,604,329	4,046,808
1,130,455	1,227,655	6,497,343	2,097,283	1,738,416	300,409
484,569	412,994	324,954	91,596	271,591	277,736
1,036,533	997,295	837,863	497,067	736,138	649,499
39,995	261,146	(145,974)	(829,197)	3,885,555	(2,592,695)
2,691,552	2,899,090	7,514,186	1,856,749	6,631,700	(1,365,051)
<u>\$6,379,767</u>	<u>\$6,441,226</u>	<u>\$10,200,364</u>	<u>\$5,695,223</u>	<u>\$10,236,029</u>	<u>\$2,681,757</u>

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

	2009	2008	2007	2006	2005
General Revenues					
Property and Other Local Taxes	\$30,489,433	\$28,225,851	\$30,467,859	\$27,807,938	\$25,307,928
Intergovernmental	8,188,859	7,042,005	6,083,421	5,597,211	6,093,461
Interest	467,348	749,468	722,948	332,199	140,974
Tuition and Fees/Rent	3,884,672	2,936,352	2,793,748	3,015,130	3,369,859
Miscellaneous Revenue from Local Sources	<u>1,151,158</u>	<u>1,180,397</u>	<u>1,425,357</u>	<u>988,963</u>	<u>1,003,425</u>
<i>Total Revenues</i>	<u>\$44,181,470</u>	<u>\$40,134,073</u>	<u>\$41,493,333</u>	<u>\$37,741,441</u>	<u>\$35,915,647</u>
Expenditures					
Instruction	\$19,390,201	\$18,409,343	\$17,132,962	\$16,731,136	\$17,300,556
Support Services:					
Pupil	2,683,603	2,597,084	2,610,057	2,623,983	3,074,384
Instructional Staff	1,090,565	930,332	959,487	940,566	788,195
Board of Education	439,485	346,279	451,140	338,636	369,854
Administration	2,274,608	2,334,626	2,340,665	2,367,189	2,291,300
Fiscal	944,581	870,664	853,796	808,530	769,006
Business	450,040	475,683	499,306	485,869	479,302
Operation and Maintenance of Plant	3,525,969	3,638,095	3,697,130	3,482,866	3,415,354
Pupil Transportation	2,100,816	1,927,821	1,958,588	1,785,440	1,821,183
Central	1,013,722	1,107,131	1,397,285	1,239,852	1,077,752
Non-instructional	1,489,470	885,503	937,992	765,582	694,863
Extracurricular Activities	976,735	968,945	922,936	850,200	911,114
Capital Outlay	832,691	622,003	508,859	297,650	400,279
Debt Service:					
Principal	1,390,000	1,094,984	1,859,998	2,050,000	2,014,960
Interest	<u>593,478</u>	<u>970,500</u>	<u>1,009,662</u>	<u>814,303</u>	<u>878,965</u>
<i>Total Expenditures</i>	<u>39,195,964</u>	<u>37,178,993</u>	<u>37,139,863</u>	<u>35,581,802</u>	<u>36,287,067</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,985,506</u>	<u>2,955,080</u>	<u>4,353,470</u>	<u>2,159,639</u>	<u>(371,420)</u>
Other Financing Sources/(Uses)					
Operating Transfers In	396,000	350,000	315,000	283,214	205,500
General Obligation Bonds Issued	0	0	0	0	0
Proceed from Sale of Bonds	0	6,244,997	0	0	0
Proceeds from Sale of Fixed Assets	0	0	18,622	11,325	41,632
Inception of Capital Lease	124,373	0	413,152	203,684	268,329
Other Financing Sources	0	474,279	0	0	0
Operating Transfers Out	(396,000)	(350,000)	(315,000)	(283,214)	(205,500)
Refund of Prior Year Expenditures/Receipts	0	0	0	0	0
Advanced Refunding of Bonds	<u>0</u>	<u>(6,602,665)</u>	<u>0</u>	<u>0</u>	<u>0</u>
	124,373	116,611	431,774	215,009	309,961
<i>Net Changes in Fund Balances</i>	<u>\$5,109,879</u>	<u>\$3,071,691</u>	<u>\$4,785,244</u>	<u>\$2,374,648</u>	<u>(\$61,459)</u>
Debt Services as a percentage of Noncapital expenditures	5.25%	5.74%	7.83%	8.12%	8.06%

2004	2003	2002	2001	2000
\$27,589,977	\$24,239,246	\$24,352,420	\$23,502,664	\$21,002,499
6,142,734	5,261,381	3,661,088	3,395,422	3,243,150
125,949	365,761	402,251	878,815	508,082
3,161,659	3,424,098	568,401	689,572	184,932
931,549	793,879	153,875	280,077	144,987
<u>\$37,951,868</u>	<u>\$34,084,365</u>	<u>\$29,138,035</u>	<u>\$28,746,550</u>	<u>\$25,083,650</u>
\$18,098,823	\$16,678,096	\$12,844,431	\$12,605,104	\$11,113,420
2,858,960	2,614,236	1,636,458	1,516,119	1,300,244
941,951	966,523	1,082,394	1,061,254	1,001,575
401,284	263,595	294,226	373,165	592,182
2,487,798	2,466,060	2,235,020	2,330,887	2,033,370
754,590	688,430	714,044	673,265	703,634
668,183	580,659	634,439	605,469	595,903
3,538,967	3,491,718	3,374,674	3,479,271	3,141,249
1,871,614	1,646,430	1,525,891	1,593,911	1,331,368
983,114	1,029,550	748,401	956,460	775,876
633,396	626,473	179,397	170,435	149,758
918,184	932,594	808,626	644,800	504,065
4,900,809	11,379,293	5,012,396	877,418	801,860
2,293,959	1,549,000	2,084,000	1,675,000	586,000
939,886	1,110,098	634,072	721,940	508,285
<u>42,291,518</u>	<u>46,022,755</u>	<u>33,808,469</u>	<u>29,284,498</u>	<u>25,138,789</u>
<u>(4,339,650)</u>	<u>(11,938,390)</u>	<u>(4,670,434)</u>	<u>(537,948)</u>	<u>(55,139)</u>
270,709	310,800	270,400	180,000	191,488
0	18,814,982	0	0	0
0	0	0	0	127,000
7,850	8,900	2,320	3,140	715
583,198	214,273	400,175	0	0
0	503,415	0	0	0
(270,709)	(315,574)	(543,267)	(450,920)	(331,371)
(10,536)	(1,666)	0	0	0
0	(3,192,846)	0	0	0
580,512	16,342,284	129,628	(267,780)	(12,168)
<u>(\$3,759,138)</u>	<u>\$4,403,894</u>	<u>(\$4,540,806)</u>	<u>(\$805,728)</u>	<u>(\$67,307)</u>
8.65%	7.68%	9.44%	8.44%	4.50%

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

Collection Year	Real Estate		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	
2009	\$734,787,970	\$2,099,394,200	\$24,347,999	\$243,873,264	\$759,135,969	\$2,343,267,464	83.90
2008	\$737,297,970	\$2,106,565,629	\$38,242,896	\$245,831,783	\$775,540,866	\$2,352,397,412	82.30
2007	732,702,280	2,093,435,086	53,770,556	233,376,196	786,472,836	2,326,811,282	82.30
2006	679,670,070	1,941,914,486	64,658,652	237,250,537	744,328,722	2,179,165,023	83.50
2005	672,204,090	1,920,583,114	67,271,738	245,073,166	739,475,828	2,165,656,280	77.60
2004	670,403,030	1,915,437,229	74,355,817	274,614,423	744,758,847	2,190,051,652	77.50
2003	619,110,040	1,768,885,829	84,164,554	302,442,486	703,274,594	2,071,328,315	77.50
2002	613,766,680	1,753,619,086	98,721,209	333,714,527	712,487,889	2,087,333,613	67.90
2001	610,239,450	1,743,541,286	87,994,124	310,162,766	698,233,574	2,053,704,052	67.90
2000	539,014,710	1,540,042,029	86,291,771	292,921,815	625,306,481	1,832,963,844	68.00

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 6.25 percent of listed true value for tangible personal property and 88 percent for public utility property.

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

Tax Year/ Collection Year	School Levy	County Levy	City Levy	Total Levy	Debt Service Included in Total Levy		
					School	County	Total
2008/2009	83.90	20.60	4.00	108.50	1.90	1.01	2.91
2007/2008	82.30	20.20	4.00	106.50	1.90	1.01	2.91
2006/2007	82.30	20.20	4.00	106.50	1.90	1.01	2.91
2005/2006	83.50	20.30	4.00	107.80	3.10	0.98	4.08
2004/2005	77.60	20.30	4.00	101.90	3.10	0.88	3.98
2003/2004	77.50	19.40	4.00	100.90	3.00	0.91	3.91
2002/2003	77.50	17.60	4.00	99.10	3.00	0.86	3.86
2001/2002	67.90	17.60	4.00	89.50	1.40	0.86	2.26
2000/2001	67.90	17.60	4.00	89.50	1.40	0.79	2.19
1999/2000	68.00	16.70	4.00	88.70	1.50	0.85	2.35
1998/1999	68.10	16.70	4.00	88.80	1.60	0.72	2.32

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

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>
2008/2009	\$31,001,148	\$7,953,004	\$38,954,152	\$28,262,113	91.16%	\$704,361	\$28,966,474	93.4%
2007/2008	\$30,850,329	\$6,565,654	\$37,415,983	\$28,112,109	91.12%	\$1,064,838	\$29,176,947	94.6%
2006/2007	32,310,572	5,386,849	37,697,421	30,024,676	92.93%	1,017,048	31,041,724	96.1%
2005/2006	33,716,047	3,971,944	37,687,991	31,294,524	92.82%	811,612	32,106,136	95.2%
2004/2005	30,003,789	2,909,970	32,913,759	27,975,506	93.24%	680,095	28,655,601	95.5%
2003/2004	29,929,660	2,286,883	32,216,543	27,572,370	92.12%	651,122	28,223,492	94.3%
2002/2003	29,672,081	1,589,673	31,261,754	28,269,881	95.27%	696,650	28,966,531	97.6%
2001/2002	24,886,806	2,090,958	26,977,764	23,412,034	94.07%	1,327,066	24,739,100	99.4%
2000/2001	24,276,599	1,804,128	26,080,727	22,780,122	93.84%	1,362,694	24,142,816	99.4%
1999/2000	23,939,725	1,192,422	25,132,147	22,969,237	95.95%	773,709	23,742,946	99.2%
1998/1999	23,369,923	1,153,949	24,523,872	22,756,093	97.37%	662,490	23,418,583	100.2%

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

Beachwood City School District
Principal Property Taxpayers
Real Estate Tax
December 31, 2008 and December 31, 1999

December 31, 2008			
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation (1)
Beachwood Place Limited	Mall	\$57,858,580	15.61%
Cleveland Clinic	Health Care	48,958,120	13.21%
Doubletree	Hotel	10,291,900	2.78%
Hamptons Apartment	Apartments	10,995,570	2.97%
Village Green of Beachwood	Condominiums	9,562,710	2.58%
Commerce Park	Office buildings	9,800,020	2.64%
Four Seasons Apartments	Apartments	8,786,270	2.37%
Boardwalk Partners LLC	Hotel	8,423,740	2.27%
HCRI Beachwood Inc	Hotel	7,179,660	1.94%
Gotham King Fee Owner, LLC	Unknown	7,057,830	1.90%
		<u>\$178,914,400</u>	<u>48.27%</u>
Total Commercial Valuation		<u>\$370,649,280</u>	

December 31, 1999			
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation (1)
Beachwood Place Limited	Retail	\$21,725,630	7.90%
Bracebridge Corp.	Banking	14,212,500	5.17%
MBNA	Banking	12,600,000	4.58%
Hamptons Apartment	Apartments	10,699,890	3.89%
Village Green of Beachwood	Apartments	10,189,660	3.70%
Boykin Hotel Properties	Hotel	7,700,000	2.80%
Dilliards	Retail	6,755,000	2.46%
La Place Center	Retail	6,527,010	2.37%
GSK Associates	Office buildings	6,489,000	2.36%
Embassy Equity Development	Hotel	5,444,390	1.98%
		<u>\$102,343,080</u>	<u>37.20%</u>
Total Commercial Valuation		<u>\$275,087,650</u>	

Source: Cuyahoga County Auditor

Beachwood City School District
Principal Property Taxpayers
Tangible Personal Property Tax
December 31, 2008 and December 31, 1999

		December 31, 2008	
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Tangible Personal Property Valuation
Saks Fifth Avenue	Retail sales	\$752,120	3.09%
The Higbee Company	Retail	698,340	2.87%
Tremco	Roofing	688,640	2.83%
Nordstrom Inc.	Retail	569,040	2.34%
Bank of America	Credit card	533,670	2.19%
Crestmont Cadillac	Car dealership	514,020	2.11%
Hexagran Inc	Retail sales	505,280	2.08%
Developers Diversified	Advertisement	500,990	2.06%
Doubletree	Hotel	465,660	1.91%
Crestmont Chrysler	Car dealership	364,590	1.50%
New Par	Unknown	281,940	1.16%
Central Hummer East Ltd.	Car dealership	239,140	0.98%
Total		<u>\$6,113,430</u>	<u>25.11%</u>
Total Tangible Personal Property Valuation		<u>\$24,347,999</u>	

		December 31, 1999	
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Tangible Personal Property Valuation
The Higbee Company	Retail	\$6,189,050	9.10%
Nordstrom Inc	Retail	4,575,350	6.73%
MBNA Ohio Properties, Inc.	Banking	3,816,070	5.61%
Saks Fifth Avenue	Retail	2,782,100	4.09%
Master Builders	Concrete additives	1,967,280	2.89%
Imperial Wall Coverings	Retail	1,644,830	2.42%
Comdisco Inc	Unknown	1,444,380	2.12%
Crestmont Cadillac	Auto sales	1,287,850	1.89%
Lamson & Sessions Co,	Mfg., thermal plastics	1,252,760	1.84%
Englehard Corp.	Research & Development	1,159,020	1.70%
Total		<u>\$26,118,690</u>	<u>38.40%</u>
Total Tangible Personal Property Valuation		<u>\$68,012,471</u>	

Source: Cuyahoga County Auditor

Beachwood City School District
Principal Property Taxpayers
Public Utility Tax
December 31, 2008 and December 31, 1999

		December 31, 2008	
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Tangible Personal Property Valuation
Cleveland Electric Illuminating	Electric Utility	\$8,012,760	79.91%
Ohio Bell	Telephone	921,450	9.19%
American Transmission System	Telephone	571,470	5.70%
East Ohio Gas Co.	Gas Utility	521,690	5.20%
Total		<u>\$10,027,370</u>	<u>100.00%</u>
Total Public Utility Valuation		<u>\$10,027,370</u>	

		December 31, 1999	
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Tangible Personal Property Valuation
Cleveland Electric Illuminating	Electric Utility	\$9,831,860	53.79%
Ohio Bell	Telephone	7,490,680	40.98%
Total		<u>\$17,322,540</u>	<u>94.77%</u>
Total Public Utility Valuation		<u>\$18,279,300</u>	

Source: Cuyhoga County Auditor

Beachwood City School District
All Outstanding Debt
Last Ten Years

Year	Gross General Bonded Debt	Notes Outstanding	Leases	Total	Total Debt/Capita*
2009	\$12,209,998	\$1,480,000	\$81,096	\$13,771,094	\$1,130
2008	12,914,998	2,165,000	137,520	15,217,518	1,249
2007	13,359,984	2,815,000	334,124	16,509,108	1,355
2006	14,599,982	3,435,000	216,448	18,251,430	1,498
2005	16,060,022	4,025,000	388,021	20,473,043	1,680
2004	17,509,982	4,620,000	468,228	22,598,210	1,854
2003	18,889,982	5,200,000	539,556	24,629,538	2,021
2002	3,859,000	9,814,000	433,654	14,106,654	1,158
2001	4,558,000	11,898,000	n/a	16,456,000	1,350
2000	5,213,000	13,573,000	n/a	18,786,000	1,542

* Population 12,186 per US census

Source: Beachwood City Schools

Beachwood City School District
 Computation of Direct and Overlapping Debt
 General Obligation
 As of December 31, 2008

Jurisdiction	General Obligation Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
<i>Direct Debt:</i>			
Beachwood City School District	\$13,689,998	100.00%	\$13,689,998
<i>Overlapping Debt:</i>			
Cuyahoga County	248,899,326	2.38%	5,923,804
Regional Transit Authority	172,765,000	2.38%	4,111,807
City of Beachwood	18,740,000	99.68%	18,680,032
City of Pepper Pike	<u>9,864,375</u>	0.31%	<u>30,580</u>
Total Overlapping Debt	<u>450,268,701</u>		<u>28,746,223</u>
Total Debt	<u><u>\$463,958,699</u></u>		<u><u>\$42,436,221</u></u>

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis,
 consistent with the County Auditor'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 2009 collection year.

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

<u>Year</u>	<u>Gross General Bonded Debt</u>	<u>Less Bond Retirement Fund</u>	<u>Net General Bonded Debt</u>	<u>Assessed Value</u>	<u>Population (1)</u>	<u>Ratio of Net Debt to Assessed Value</u>	<u>Net General Bonded Debt Per Capita</u>
2009	\$12,209,998	\$2,052,047	\$10,157,951	\$759,135,969	12,186	1.34%	\$834
2008	12,914,998	1,626,431	11,288,567	775,540,866	12,186	1.46%	926
2007	13,359,984	1,554,189	11,805,795	786,472,836	12,186	1.50%	969
2006	14,599,982	1,738,191	12,861,791	744,328,722	12,186	1.73%	1,055
2005	16,060,022	1,710,750	14,349,272	739,475,828	12,186	1.94%	1,178
2004	17,509,982	1,638,443	15,871,539	755,137,685	12,186	2.10%	1,302
2003	18,889,982	1,305,760	17,584,222	703,274,594	12,186	2.50%	1,443
2002	3,859,000	955,728	2,903,272	712,487,889	12,186	0.41%	238
2001	4,558,000	1,039,085	3,518,915	698,233,574	12,186	0.50%	289
2000	5,213,000	739,024	4,473,976	625,306,481	12,186	0.72%	367

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Assessed Valuation	<u>\$759,135,969</u>	<u>\$775,540,866</u>	<u>\$786,472,836</u>	<u>\$744,328,722</u>
Bonded Debt Limit - 9% of Assessed Value (1)	\$68,322,237	\$69,798,678	\$70,782,555	\$66,989,585
Amount of Debt Applicable to Debt Limit:				
Bonded Debt	12,209,998	12,914,998	13,359,984	14,599,982
Less Bond Retirement Fund	2,052,047	1,626,431	1,554,189	1,738,191
Net General Bonded Debt	10,157,951	11,288,567	11,805,795	12,861,791
Voted Debt Margin	<u>\$56,112,239</u>	<u>\$56,883,680</u>	<u>\$57,422,571</u>	<u>\$52,389,603</u>
Ratio of Legal Debt Margin to Assessed Values	1.34%	1.46%	1.50%	1.73%
Bonded Debt Limit - .1% of Assessed Value (1)	\$759,136	\$775,541	\$786,473	\$744,329
Unvoted Debt Margin	<u>\$759,136</u>	<u>\$775,541</u>	<u>\$786,473</u>	<u>\$744,329</u>

(continued)

Source: Cuyahoga County Auditor

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

<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
<u>\$739,475,828</u>	<u>\$755,137,685</u>	<u>\$703,274,594</u>	<u>\$712,487,889</u>	<u>\$698,233,574</u>	<u>\$625,306,481</u>
\$66,552,825	\$67,962,392	\$63,294,713	\$64,123,910	\$62,841,022	\$56,277,583
16,060,022	17,509,982	18,814,982	19,465,000	4,320,000	4,885,000
1,710,750	1,638,443	1,305,760	955,728	1,039,085	739,024
14,349,272	15,871,539	17,509,222	18,509,272	3,280,915	4,145,976
<u>\$50,492,803</u>	<u>\$50,452,410</u>	<u>\$44,479,731</u>	<u>\$44,658,910</u>	<u>\$58,521,022</u>	<u>\$51,392,583</u>
1.94%	2.10%	2.49%	2.60%	0.47%	0.66%
\$739,476	\$755,138	\$703,275	\$712,488	\$698,234	\$625,306
<u>\$739,476</u>	<u>\$755,138</u>	<u>\$703,275</u>	<u>\$712,488</u>	<u>\$698,234</u>	<u>\$625,306</u>

Beachwood City School District
Demographic and Economic Statistics
Last Ten Years

<u>Year (1)</u>	<u>Population (2)</u>	<u>Average Federal Adjusted Gross Income (3)</u>	<u>Median Ohio Adjusted Gross Income (3)</u>	<u>Total Personal Income (4)</u>	<u>Per Capita Personal Income (5)</u>	<u>Debt as a % of Personal Income (6)</u>	<u>Cuyahoga County Unemployment Rate (7)</u>
2007	12,186	\$136,606	\$51,742	\$493,642,674	\$40,509	2.5%	6.1%
2006	12,186	122,152	48,933	493,642,674	40,509	3.1	5.5
2005	12,186	129,930	45,753	493,642,674	40,509	2.7	6.1
2004	12,186	106,109	46,338	493,642,674	40,509	3.0	6.2
2003	12,186	100,111	43,738	493,642,674	40,509	3.3	6.2
2002	12,186	94,108	41,737	493,642,674	40,509	3.5	6.6
2001	12,186	91,434	42,275	493,642,674	40,509	3.8	4.6
2000	12,186	97,658	45,087	493,642,674	40,509	0.8	4.5
1999	10,677	94,267	44,568	318,932,667	29,871	1.4	4.5
1998	10,677	103,778	44,302	318,932,667	29,871	1.6	4.5

Source:

- (1) 2007 latest Information available
- (2) Federal Census
- (3) Ohio Department of Taxation
- (4) Per capita personal income multiplied by population
- (5) U.S. Census
- (6) Gross bonded debt divided by total personal income
- (7) City of Beachwood

Beachwood City School District
Principal Employers
December 31, 2008

Employer	Number of Employees	Percentage of Total
Bank of America	2,301	9.28%
Cleveland Clinic Foundation	1,204	4.85
Menorah Park Center	998	4.02
Beachwood Board of Education	586 **	2.36
City of Beachwood	488	1.97
Developers Diversified	450	1.81
Brulant Inc	295	1.19
Tremco Inc.	288	1.16
Hexagram	225	0.91
Aleris Ohio Management	177	0.71
Total	<u>7,012</u>	<u>28.27%</u>
Total employment within the School District	<u>24,805</u>	

** Includes seasonal, substitutes and casual labor

December 31, 2005 (1)

Employer	Number of Employees	Percentage of Total
MBNA	3,061	13.47%
Menorah Park Center	1,407	6.19
Developers Diversified	539	2.37
Cleveland Clinic Foundation	479	2.11
Beachwood City School District	403	1.77
Tremco Inc.	293	1.29
Lamson & Sessions	196	0.86
Brulant Inc	183	0.81
Medical Mutual of Ohio	181	0.80
National City Bank	138	0.61
Total	<u>6,880</u>	<u>30.28%</u>
Total employment within the School District	<u>22,720</u>	

Source: Regional Income Tax Agency and City of Beachwood
(1) Information prior to 2005 is not available

Beachwood City School District
Building Statistics by Function/Program
Last Four Fiscal Years

	2009	2008***	2007	2006
Fairmount Elementary School				
Constructed in 1998				
Total Building Square Footage	26,987	26,987	26,987	26,987
* Enrollment Grades PreK	84	76	84	96
Student Capacity	220	220	220	220
Regular Instruction Classrooms	8	8	8	8
Regular Instruction Teachers	3	3	7	7
Special Instruction Classrooms	3	3	3	3
Special Instruction Teachers	1.75	1.75	3	2.5
% of students who receive free/reduced lunch	0.00**	0.00**	0.00**	6.32%
* 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
Enrollment Grades K -2	274	248	288	278
Student Capacity	510	510	510	510
Regular Instruction Classrooms	13	13	13	13
Regular Instruction Teachers	19	18	13	13
Special Instruction Classrooms	3	3	3	3
Special Instruction Teachers	4.38	6.53	3	3
% of students who receive free/reduced lunch	11.31%	8.20%	7.12%	6.86%
Hilltop Elementary School				
Constructed in 1957				
Addition in 2002				
Total Building Square Footage	51,200	51,200	51,200	51,200
Enrollment Grades 3-5	312	295	289	302
Student Capacity	731	731	731	731
Regular Instruction Classrooms	16	16	16	16
Regular Instruction Teachers	25	20	14	16
Special Instruction Classrooms	3	3	3	3
Special Instruction Teachers	6.42	8	4	4
% of students who receive free/reduced lunch	10.09%	6.31%	7.17%	6.99%
Beachwood Middle School				
Constructed in 2003				
Total Building Square Footage	98,000	98,000	98,000	98,000
Enrollment Grades 6 - 8	288	317	271	253
Student Capacity	560	560	560	560
Regular Instruction Classrooms	27	27	27	27
Regular Instruction Teachers	22	22	18	18
Special Instruction Classrooms	3	3	3	3
Special Instruction Teachers	4.7	7	2	2
% of students who receive free/reduced lunch	10.73%	6.01%	4.93%	4.94%
Beachwood High School				
Constructed in 1958				
Additions in 2002 and 2003				
Total Building Square Footage	208,509	208,509	208,509	208,509
Enrollment Grades 9 - 12	669	669	644	647
Student Capacity	1,180	1,180	1,180	1,180
Regular Instruction Classrooms	40	40	40	40
Regular Instruction Teachers	45	45	46	45
Special Instruction Classrooms	6	6	6	6
Special Instruction Teachers	8	9.5	7	7
% of students who receive free/reduced lunch	5.30%	3.08%	3.72%	4.93%

(1) Information not available prior to 2006

*** District went through a grade level reconfiguration in 2008. Fairmount became a preschool building, Bryden changed from a 1-3 bldg. to a K-2 bldg, Hilltop changed from a 4-6 building to a 3-5 building and the Middle School changed from a 7-8 building to a 6-8 building.

Beachwood City School District

Per Pupil Cost

Last Ten Fiscal Years

<u>Year</u>	<u>General Fund Expenditures (1)</u>	<u>Average Daily Membership (2)</u>	<u>Per Pupil Cost</u>	<u>Percentage Change</u>
2009	\$31,487,746	1,491	\$21,119	4.89%
2008	29,678,446	1,474	20,135	6.26%
2007	28,743,982	1,517	18,948	6.18%
2006	27,071,093	1,517	17,845	0.13%
2005	27,462,681	1,541	17,821	-3.76%
2004	28,498,892	1,539	18,518	1.90%
2003	27,641,345	1,521	18,173	10.91%
2002	24,922,718	1,521	16,386	6.09%
2001	25,144,577	1,628	15,445	7.58%
2000	22,596,789	1,574	14,356	7.49%

Source: School District Financial Records

(1) Excludes other financing sources

(2) Excludes preschool enrollment

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 Graduation Rate</u>	<u>State Average</u>
2009	95.6%	94.3%	98.5%	84.6%
2008	95.7	94.2	97.7	86.9
2007	95.0	94.1	97.1	86.1
2006	96.1	94.1	99.3	86.2
2005	96.2	94.3	97.9	85.9
2004	96.5	94.5	97.3	84.3
2003	95.6	94.5	97.2	83.9
2002	96.3	94.3	97.2	82.8
2001	96.8	93.9	97.6	81.2
2000	95.8	93.6	96.9	80.7

Source: Ohio Department of Education Local Report Cards

Beachwood City School District
School District Employees by Function/Program
Last Five Fiscal Years (1)

Function/Program	2009	2008	2007	2006	2005
Regular Instruction					
Preschool Classroom Teachers	3.00	3.00	3.00	3.00	3.00
Preschool Aides	3.43	3.92	2.53	2.46	3.13
Preschool After Care Instructor	-	0.00	0.80	0.80	0.80
Elementary Classroom Teachers	30.47	28.47 **	33.47	34.07	37.47
Instructional Assistants		1.80	2.07	3.26	3.56
Art/Music/PE/Technology K-12	19.66	19.67	18.38	18.38	20.90
High School/Middle School Classroom Teachers	47.10	48.05	43.10	42.00	44.90
Special Instruction					
Preschool Special Ed.	1.75	1.75	1.75	1.67	1.67
ESL	1.00	1.00	0.60	0.60	0.60
Language Delayed/Cognitive Disabilities	2.00	2.00	2.00	2.00	2.00
Multi-Disabilities	2.00	2.00	3.45	3.20	2.33
Deaf/Hard of Hearing	5.00	5.00	5.00	4.00	5.00
Intervention Specialists	14.00	13.50	13.50	11.40	14.40
Special Ed Assistants	35.00	36.80	33.40	31.50	33.50
Gifted Education Teachers	4.00	4.00	4.00	4.00	5.00
Vocational Instruction					
High School Classroom Teachers	7.00	5.25	5.00	5.00	5.00
Pupil Support Services					
Guidance Counselors	6.00	7.00	5.80	5.80	6.00
Librarians	4.00	4.00	4.00	4.00	4.00
Library Media Assistants	2.50	3.00	3.00	2.50	3.50
Psychologists	3.00	3.00	3.00	3.00	3.50
Audiologist and Speech & Lang Pathologists	5.20	5.20	5.20	5.20	5.80
Nurses	2.10	2.10	2.42	2.30	2.14
Educational Interpreters	10.00	10.34	11.60	12.00	17.00
Occupational Therapist	1.00	0.00	0.80	0.80	0.80
Tutors	5.80	3.71	3.11	4.61	1.58
Administrators					
Central Office	4.00	4.00	4.50	4.00	4.00
Elementary	2.00	2.00	3.50	3.00	4.00
MiddleSchool/High School	5.00	5.00	4.00	4.00	3.00
Supervisors	5.00	6.00	7.00	7.00	9.00
Community Education Coordinator	0.63	0.63	0.63	0.63	0.63
Adminisitrative Support					
Administrative/Office Assistants	16.50	17.00	18.38	18.38	15.00
Operation of Plant					
Cleaners	11.00	11.00	10.75	10.75	12.00
Custodians	9.00	10.00	10.00	10.00	11.00
Maintenance/Grounds	5.00	5.00	5.00	5.00	6.00
Pupil Transportation					
Bus Drivers	20.26	21.71	23.14	21.62	24.07
Mechanics	2.00	2.00	2.00	2.00	2.00
Treasurer's Office Staff					
	4.60	4.60	4.60	4.60	5.00
Technology					
	2.00	2.00	2.00	1.50	1.00
Food Service Program					
High School Cooks	-	3.00	3.00	3.00	3.00
Food Service Worker	-	6.48	5.66	5.26	5.71
Lunch Aides	-	0.00	0.00	0.00	18.00
Totals	<u>302.00</u>	<u>314.98</u>	<u>315.14</u>	<u>308.29</u>	<u>350.99</u>

(1) Information not available prior to 2005

Beachwood City School District
 Full-Time Equivalent School District Teachers by Education
 Last Six Fiscal Years (1)

Degree	2009	2008	2007	2006	2005	2004
Bachelor's Degree	12	12	16	11	11	11
Bachelor+ 12	2	9	5	6	8	10
Bachelor + 24	9	11	11	17	15	17
Bachelor + 30	2	2	3	4	4	5
Master's Degree	48	48	84	79	79	84
Master + 12	28	31	15	14	14	15
Master + 24	18	19	9	10	10	5
Master + 36	23	24	10	9	9	9
Master + 60	20	19	14	12	12	17
Total	<u>162</u>	<u>175</u>	<u>167</u>	<u>162</u>	<u>162</u>	<u>173</u>

Source: School District Records
 (1) Information not available prior to 2004

Beachwood City School District
 Enrollment Statistics
 Last Ten Fiscal Years

Fiscal Year	Elementary Schools	Middle School/ High School	Total
2009*	614	957	1,571
2008*	559	986	1,545
2007	661	915	1,576
2006	676	900	1,576
2005	725	880	1,605
2004	687	909	1,596
2003	676	902	1,578
2002	661	882	1,543
2001	779	883	1,662
2000	768	841	1,609

* Middle School/High School includes grades 6-12, elementary K-5
 Prior to 2008, Middle School/High School included 7-12, elementary K-6

Source: Beachwood City Schools EMIS records



Mary Taylor, CPA
Auditor of State

BEACHWOOD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
DECEMBER 31, 2009