

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

Beachwood City School District Cuyahoga County, Ohio

For the Fiscal Year Ended June 30, 2024



65 East State Street Columbus, Ohio 43215 ContactUs@ohioauditor.gov 800-282-0370

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

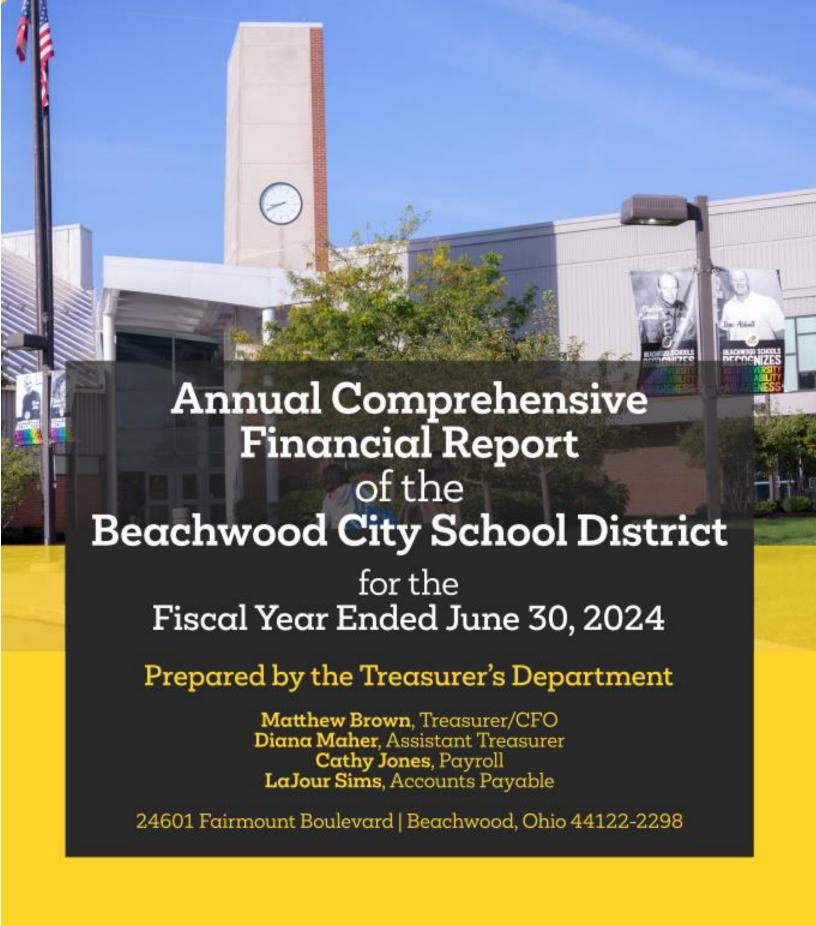
We have reviewed the *Independent Auditor's Report* of the Beachwood City School District, Cuyahoga County, prepared by Zupka & Associates, for the audit period July 1, 2023 through June 30, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

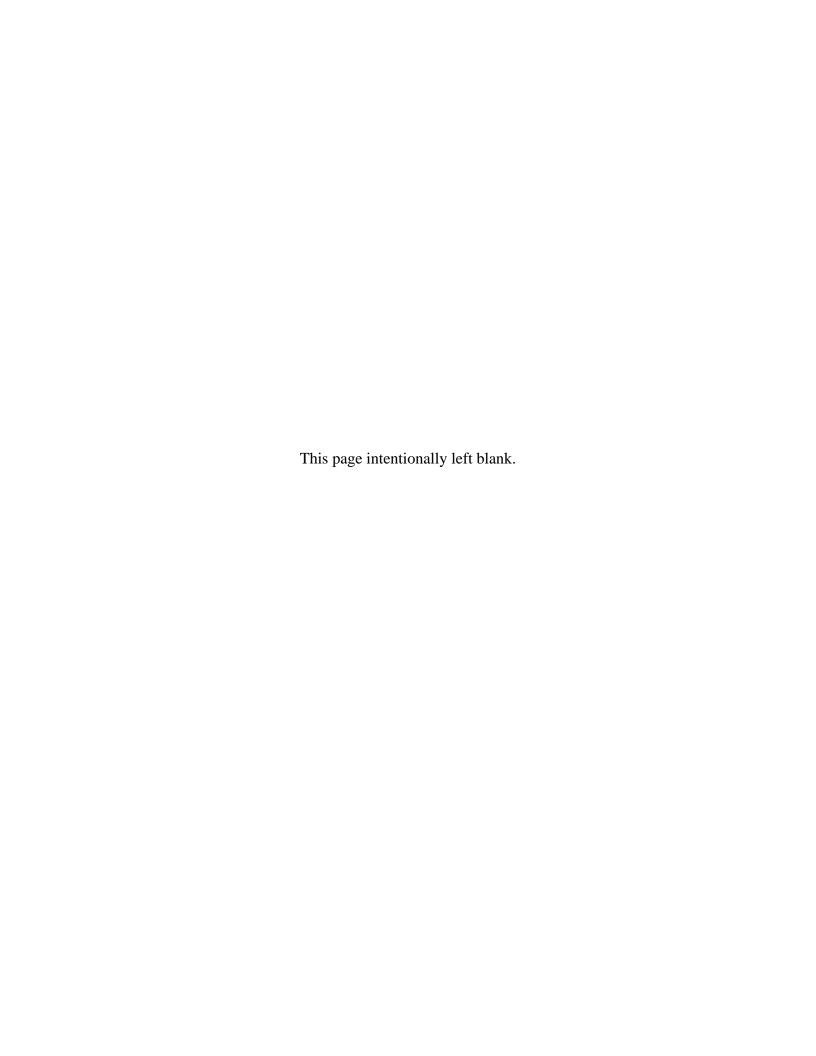
Keith Faber Auditor of State Columbus, Ohio

March 25, 2025









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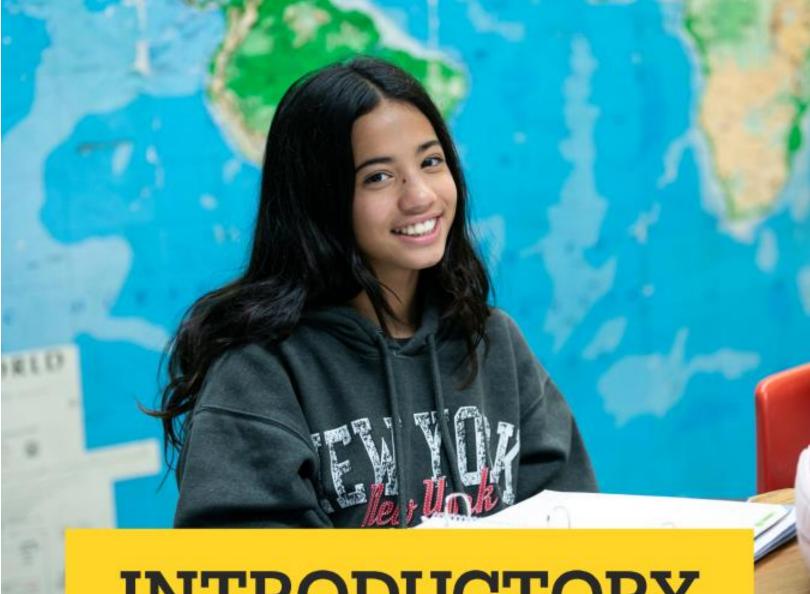
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# INTRODUCTORY SECTION







December 18, 2024

# BEACHWOOD CITY SCHOOL DISTRICT

24601 Fairmount Boulevard Beachwood, OH 44122 Phone: 216.464.2600

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

The Annual Comprehensive financial report of the Beachwood City School District (the "School District") for the fiscal year ended June 30, 2024, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the School District. All disclosures necessary to enable the reader to gain an understanding of the School District's financial activities have been included.

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

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

### The School District

The School District was formed in 1915 and is located in a prosperous suburban area east of Cleveland, Ohio. The community's tax base is evenly distributed between commercial and residential property. The School District serves more than 1,400 students from Pre-K through 12<sup>th</sup> grade in five instructional facilities.

# Major Initiatives

### Mission and Vision

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

### **Board of Education Goals**

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

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

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

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

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

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

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

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

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

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

The foundation of the District's educational programs is its professional staff. The District seeks culturally-competent, pedagogically-creative candidates for each position and supports new staff members' professional growth. Approximately 87% of the teaching staff have master's degrees or beyond, and approximately 26% have master's degrees plus 60 credit hours. The District's faculty is experienced, surpassing the statewide average. Our staff are trusted by the public as content and pedagogical experts.

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

Similarly, the District recognizes the importance of supporting students' mental wellness and has built a comprehensive counseling services program that serves our families from Kindergarten through high school.

School safety and security are paramount concerns addressed through a shared services agreement with the Beachwood Police Department that posts a commissioned officer in each school, every day. This program is overseen by the District's Director of Security, a specially-trained police officer.

For more information about Beachwood City Schools, please read our 2024 *You and Your Schools* publication. This publication can be accessed by visiting the Finance page found at www.beachwoodschools.org.

### **Financial Policies**

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

# **Accounting and Budgetary Controls**

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

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

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

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

### Long-Term Financial Planning

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

The School District passed a 5.9 mill operating levy in November 2018 which allows the district to continue its programming and services to students. The levy generates \$4.3 million annually commencing calendar year 2019. The School District had not been on the ballot for an operating levy in 13 years. Elimination of various components of state funding and increasing unfunded mandates forced the district to go back on the ballot to seek additional operating revenues. The current five-year forecast does not show a deficit fund balance projected in Fiscal however, the forecast does anticipate deficit spending. Due to timing of passing tax levies and collecting property taxes, and the School District's independent Audit Committee recommendation to maintain cash balances of 25% of expenditures, the forecast contemplates an operating levy at some point in 2026 which would commence collecting in FY 27.

The District is committed to extending out the need for a levy as long as possible. The 2026 levy is not set in stone and would require approval by the Board of Education before it would be placed on the ballot.

Beachwood Schools closed its books for fiscal year 2024 with a positive unencumbered fund balance of \$22.08 million dollars, a decrease of 2.7 million from fiscal year 2022. Maintaining a healthy fund balance continues to be a priority for the School District.

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

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

# **Significant Local Economic Events**

There are some bright spots on the horizon as the City continues to enjoy economic development. Since the last reappraisal, the residential tax duplicate has increased by 14% mainly due to the reappraisals and consistent new construction. These same reasons have been true with the commercial tax duplicate. The commercial tax duplicate has increased by 12% during that same time frame. However, the City passed legislation creating a Community Reinvestment Area (CRA) in the southern portion of the City which allows up to a 50% waiver of property taxes for improvements approved in advance by the City. The School District had no role in approving this waiver as Ohio law does not compel a City to seek School Board approval if the property tax waiver is 50% or less. The School District however, will receive 50% of all new income taxes generated by the improved property within the CRA for companies that exceed \$1.5 million in payroll. The income tax sharing generated from the new payroll is however limited to the loss of property tax revenue by the School District on account of the CRA exemption. It is important to note, that there is currently one commercial property owner's income tax exceeds the \$1.5 million payroll threshold and the City has remitted \$16,637 in income taxes to the School District in \$21,374 in FY 22, \$19,744 in FY 23, and \$24,188 in FY 24. The City continues to work collaboratively with the schools on these agreements.

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

For tax year 2023, the community's tax base is fairly evenly distributed between commercial and residential property. 50% of the School District's valuation is comprised of residential property and 50% is comprised of commercial and public utility property.

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

The School District received a decision from the Ohio Supreme Court upholding the School District's position that Warrensville Heights City Schools indeed entered into a contract with the Beachwood City School District. There are no more levels of appeal. The Ohio Supreme Court remanded the case back to The Court of Common Pleas, the original trial court, which dismissed the case in 2019. The District has not received any revenue from this property nor has forecasted additional revenue because the issue remains in litigation. The case is currently with the Eighth District Court of Appeals.

# **Prospects for the Future**

House Bill 920, which was enacted in 1976 by the Ohio legislature, has severely limited schools in their funding initiatives. This law prohibits school districts from realizing additional revenue from previously voted millage due to reappraisal of property values. Although the School District's total operating millage is 85.2 mills, the operating effective millage levied and collected is 34.42 and 44.86 for residential and commercial property, respectively.

The County which is responsible for conducting an update of full property appraisal every six years. Every three years, the County conducts an update to property values by doing a market review. The last update year for Cuyahoga County was in 2021. In the sixth year, the County does a full appraisal of each property by doing on-site appraisals and evaluating recent sales. A full appraisal is on the docket for Cuyahoga County in calendar year 2024. Across the State, counties are seeing record high property valuation increases. Based on preliminary information from the County, the District is anticipating increases in residential property of 23% and increases in commercial property of 12%. The update that was completed in 2021 increased residential property values by 10% on average and commercial property values by 2%. Unless there is a significant economic downturn in the coming months, the District is anticipating significantly higher percentage increases than was realized during the 2021 appraisal update.

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

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

Other Information

# **Independent Audit**

The Ohio Revised Code requires an annual audit of the School District's financial statements and its compliance with certain sections of the Ohio Revised Code. Zupka & Associates conducted the School District's 2024 fiscal year audit. The Independent Auditor's Report appears at the beginning of the Financial Section of this report.

# GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Beachwood City School District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. (This was the 35th consecutive year that the School District earned this prestigious award.)

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

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

# Acknowledgments

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

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

Special recognition must be extended to the members of the Treasurer's Office: Diana Maher, Assistant Treasurer; Cathy Jones, Payroll Specialist, Kelly Wright, Purchasing Agent and LaJour Sims, Financial Processing Specialist; who assisted with the development of the Annual Comprehensive Financial Report and the annual audit. The department members have our sincere gratitude for their professional, efficient and dedicated service.

# **Audit Committee**

The School District has an active audit committee, comprised of 3 members of the community (two of whom are CPA's, and one a small business entrepreneur), one Board member (also a CPA) and the School District's Treasurer. The Superintendent also serves in the capacity of an ex-officio member of this committee. A special thank you to the audit committee members who provided counsel and assisted in improving internal controls, reviewing the audit and making appropriate recommendations to the Board of Education. Ms. Patty Rubin, Mrs. Maria Bennett and Mr. David Ostro along with Mrs. Jillian DeLong (Board Member Vice-President) are to be commended for their efforts. A special note of appreciation is warranted for Ms. Patty Rubin. Ms. Rubin has served on the Audit Committee for over 10 years and now with the addition of grandchildren she has decided to not return upon the completion of her term. Ms. Rubin's experience and knowledge has been invaluable and greatly appreciated.

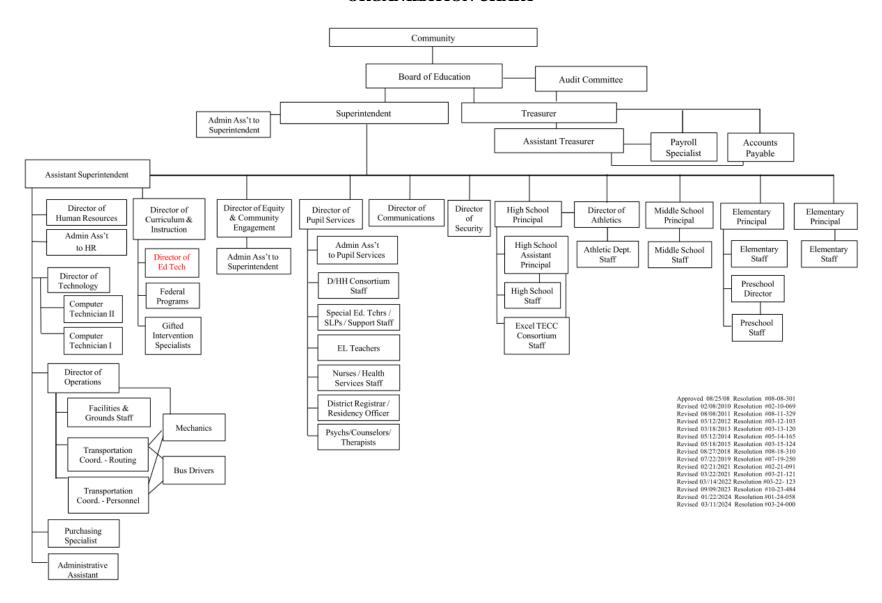
Matthew Brown Treasurer/CFO Dr. Robert Hardis Superintendent of Schools

# **Elected Officials**

# Board of Education

Mrs. Megan Walsh Preside	ent
Ms. Wendy Leatherberry	lent
Mrs. Kim Allamby	er
Dr. Josephine Chan	er
Ms. Ranjini Ghosh	er
Administration	
Dr. Robert HardisSuperintende	ent
Mr. Matthew Brown	Ю
Dr. Ken Veon	ent
Dr. Jennifer Polak	es
Dr. Linda LoGalbo	ım
Mrs. Diana Maher	rer
Mr. Kevin Houchins	ent

# **ORGANIZATION CHART**





# Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

# Beachwood City School District Ohio

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2023

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# FINANCIAL SECTION







### INDEPENDENT AUDITOR'S REPORT

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

To the Members of the Board of Education:

### **Report on the Financial Statements**

### **Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beachwood City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Beachwood City School District as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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

### Responsibilities of Management for the Financial Statements

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

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

Beachwood City School District Cuyahoga County Independent Auditor's Report Page 2

# Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to
  fraud or error, and design and perform audit procedures responsive to those risks. Such procedures
  include examining, on a test basis, evidence regarding the amounts and disclosures in the financial
  statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures
  that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the
  effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

### Required Supplementary Information

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

Beachwood City School District Cuyahoga County Independent Auditor's Report Page 3

# Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### Other Information

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

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

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Zupka & Associates

Certified Public Accountants

supka & associates

December 18, 2024

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Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2024 Unaudited

The discussion and analysis of the Beachwood City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2024. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements, and financial statements to enhance their understanding of the School District's financial performance.

# **Financial Highlights**

Key financial highlights for 2024 are as follows:

- In total, net position increased by \$1,910,832. The increase in net position is primarily due to the increase in cash and cash equivalents and capital assets, net which was offset by the increase in liabilities.
- Total outstanding debt increased \$64.9 million due to new School Improvement bonds in the current year.
- The General Fund had a fund balance of \$33.5 million of which \$29 million is unassigned and available to fund future day to day operations of the School District.
- Total expenses increased \$4,994,873 in fiscal year 2024. The expenses include adjustments due to the recording of net pension liability, net OPEB liability and net OPEB asset. See page 24 for further analysis of expenses.

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

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

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

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2024 Unaudited

# Reporting the School District as a Whole

Statement of Net Position and Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2024?" The Statement of Net Position and Statement of Activities answer this question. These statements include *all assets and deferred outflows of resources, all liabilities and deferred inflows of resources* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

# **Fund Financial Statements**

The analysis of these major funds begins on page 25. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund and Bond Retirement Fund.

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

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2024 Unaudited

# The School District as a Whole

The Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2024 compared to 2023:

Table	1	- N	let	P	ositi	on
-------	---	-----	-----	---	-------	----

	Government	al Activities
	2024	2023
ASSETS		
Current and Other Assets	\$ 141,491,616	\$ 77,373,333
Capital Assets, net	65,725,213	62,923,491
Net OPEB Asset	2,574,963	3,460,591
Total Assets	209,791,792	143,757,415
DEFERRED OUTFLOWS		
OF RESOURCES		
Pension	7,800,906	9,403,203
OPEB	1,745,445	1,063,492
<b>Total Deferred Outflows of Resources</b>	9,546,351	10,466,695
LIABILITIES		
Current and Other Liabilities	8,649,371	5,879,840
Long-term Liabilities:		
Due within one year	3,434,549	3,491,005
Due in more than one year:		
Net Pension Liability	38,366,515	39,421,519
Net OPEB Liability	2,978,695	2,559,415
Other Amounts	85,371,097	21,171,978
<b>Total Liabilities</b>	138,800,227	72,523,757
DEFERRED INFLOWS		
OF RESOURCES		
Property Taxes	33,161,418	33,711,771
Pension	3,228,007	4,619,153
OPEB	4,796,038	5,927,808
<b>Total Deferred Inflows of Resources</b>	41,185,463	44,258,732
NET POSITION		
Net Investments in		
Capital Assets	41,394,566	42,518,745
Restricted	8,795,146	4,213,608
Unrestricted	(10,837,259)	(9,290,732)
<b>Total Net Position</b>	\$ 39,352,453	\$ 37,441,621

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2024 Unaudited

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2024, the net OPEB liability (NOL) and net OPEB asset are reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27" and GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and net OPEB asset.

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

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

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

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

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

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2024 Unaudited

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

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

Total governmental assets and deferred outflows increased by \$65,114,033 and total governmental liabilities and deferred inflows of resources increased by \$63,203,201 resulting in an increase in net position of \$1,910,832. The increase in governmental assets is due primarily to an increase in cash and cash equivalents caused by collection of bond proceeds. Liabilities increased from recording the new bond debt. Current liabilities increased due to payables related to construction projects. The changes in deferred outflows and inflows of resources, net OPEB asset, net pension liability and net OPEB liability is due primarily to the implementation of GASB 68 and 75 as previously discussed.

The recording of GASB Statement No. 68 and 75 requires the readers to perform additional calculations to determine the School District's total Net Position at June 30, 2024 without the recording of GASB Statement No. 68 and 75. This is an important exercise, as the State Pension Systems (SERS & STRS) collect, hold, invest, and distribute pensions to our employee, not the School District. These calculations are as follows:

Total Net I	\$	39,352,453	
Add:			
	Net Pension liability		38,366,515
	Net OPEB Liability		2,978,695
	Deferred Inflows - Pension		3,228,007
	Deferred Inflows - OPEB		4,796,038
Less:			
	Net OPEB Asset		(2,574,963)
	Deferred Outflows - Pension		(7,800,906)
	Deferred Outflows - OPEB		(1,745,445)
Total Net Position without GASB 68 and GASB 75			76,600,394

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2024 Unaudited

Table 2 shows the changes in net position for fiscal year 2024 with revenue and expense comparisons to fiscal year 2023:

	Governmental Activities				
	2024	2023			
REVENUES		_			
Program Revenues:					
Charges for Services	\$ 2,578,189	\$ 2,318,535			
Operating Grants and Contributions	3,274,258	4,230,447			
Capital grants and contributions	<u> </u>	90,000			
Total Program Revenues	5,852,447	6,638,982			
General Revenues:					
Property Taxes	36,847,496	37,865,595			
Payment in Lieu of Taxes*	1,073,342	1,498,076			
Grants and Entitlements	4,149,635	2,699,417			
Investment Income	4,169,451	793,826			
Gain on Sale of Capital Assets	-	102,323			
All Other Revenues*	44,701	667,877			
Total General Revenues	46,284,625	43,627,114			
Total Revenues	52,137,072	50,266,096			
EXPENSES					
Program Expenses:					
Instruction					
Regular	16,014,274	15,807,181			
Special	8,071,195	6,975,192			
Vocational	1,631,845				
Adult/Continuing	119,668	148,651			
Other	225,444	383,643			
Supporting Services:					
Pupil	3,127,236	2,752,620			
Instructional Staff	1,771,456				
Board of Education	459,095				
Administration	2,467,453				
Fiscal	1,123,048				
Business	285,990				
Operation and Maintenance of Plant	4,659,908				
Pupil Transportation	2,672,793				
Central	264,430	265,101			
Operation of Non-Instructional Services	1,717,708	1,758,120			
Extracurricular Activities	1,711,368	1,558,927			
Interest and Fiscal Charges	3,903,329	838,415			
Total Expenses	50,226,240	45,231,367			
Change in Net Position	1,910,832				
Net Position - Beginning of Year	37,441,621	32,406,892			
Net Position - End of Year	\$ 39,352,453	\$ 37,441,621			

<sup>\* -</sup> Certain reclassifications have been made.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2024 Unaudited

### **Governmental Activities**

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home was reappraised and its value increased to \$200,000 (and this inflationary increase in value is comparable to other property owners), the effective tax rate would become 0.5 mills and the owner would still pay \$35.00. Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 70.7 percent of revenues for governmental activities for the School District in fiscal year 2024. 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, 2024 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed settlement of personal property tax and the amount available as an advance at June 30 were levied to finance current fiscal year operations, which is recognized as revenue. The receivable is therefore offset by a credit to deferred inflows of resources for that portion not levied to finance current year operations. Property tax revenues decreased by \$1,018,099 on an accrual basis of accounting due to the increase in cash collections of \$541,306 and due to a difference in accruals of \$1,559,405. The difference in accruals is related to the amount available for advance at fiscal year as compared year to year. The total amounts available for advance at fiscal year ends 2024, 2023 and 2022 were \$4,534,544, \$3,988,117, and \$2,789,089, respectively. On a cash basis, property tax collections had an increase with \$36,433,927 received in fiscal year 2024 and \$35,892,621 in fiscal year 2023.

Charges for services increased by \$259,654 due to an increase in instruction for the General Fund. Operating Grants and contributions decreased by \$956,189 due to the decrease in grants. Investment Income increased by \$3,375,625 from \$793,826 in fiscal year 2023 due to an increased investments held by the School District. All other revenues decreased by \$623,176 in fiscal year 2024 due to negotiated settlements with local business owners on property values for tax purposes. These settlements ended in fiscal year 2023.

Instruction comprises 51.9 percent of governmental program expenses. Interest expense was 7.8 percent. Interest expense was attributable to the outstanding bonds and borrowing for capital projects.

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Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2024 Unaudited

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

Total 2024 program expenses under GASB 68 and 75	\$ 50,226,240
Negative NPL expense under GASB 68	(3,641,093)
2024 contractually required contribution - Pension	3,494,168
Negative OPEB expense under GASB 75	881,217
2024 contractually required contribution - OPEB	117,537
Adjusted 2024 program expenses	 51,078,069
Total 2023 program expenses under GASB 68 and 75	\$ 45,231,367
Negative NPL expense under GASB 68	(3,641,093)
2023 contractually required contribution - Pension	3,494,168
Negative OPEB expense under GASB 75	881,217
2023 contractually required contribution - OPEB	117,537
Adjusted 2023 program expenses	46,083,196
Increase in program expenses	\$ 4,994,873

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

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements with comparisons to 2023.

**Table 3 - Governmental Activities** 

				Net Cost of Services 2024		Net Cost of Services 2023
\$ 26,062,426	\$	24,694,066	\$	23,542,990	\$	20,875,963
4,898,692		4,497,943		4,481,379		4,098,381
4,335,586		5,348,036		4,335,181		5,348,036
4,659,908		4,025,368		4,000,868		4,009,446
2,672,793		2,245,391		2,021,905		1,466,337
264,430		265,101		264,430		175,398
1,717,708		1,758,120		411,354		440,287
1,711,368		1,558,927		1,412,357		1,340,122
	\$ 26,062,426 4,898,692 4,335,586 4,659,908 2,672,793 264,430 1,717,708	of Services 2024  \$ 26,062,426 \$  4,898,692  4,335,586 4,659,908 2,672,793 264,430 1,717,708	of Services 2024 of Services 2023  \$ 26,062,426 \$ 24,694,066  4,898,692 4,497,943  4,335,586 5,348,036 4,659,908 4,025,368 2,672,793 2,245,391 264,430 265,101 1,717,708 1,758,120	of Services 2024 2023  \$ 26,062,426 \$ 24,694,066 \$ 4,898,692 4,497,943  4,335,586 5,348,036 4,659,908 4,025,368 2,672,793 2,245,391 264,430 265,101 1,717,708 1,758,120	of Services         of Services         of Services           2024         2023         2024           \$ 26,062,426         \$ 24,694,066         \$ 23,542,990           4,898,692         4,497,943         4,481,379           4,335,586         5,348,036         4,335,181           4,659,908         4,025,368         4,000,868           2,672,793         2,245,391         2,021,905           264,430         265,101         264,430           1,717,708         1,758,120         411,354	of Services         of Services         of Services           2024         2023         2024           \$ 26,062,426         \$ 24,694,066         \$ 23,542,990         \$           4,898,692         4,497,943         4,481,379           4,335,586         5,348,036         4,335,181           4,659,908         4,025,368         4,000,868           2,672,793         2,245,391         2,021,905           264,430         265,101         264,430           1,717,708         1,758,120         411,354

838,415

45,231,367

3,903,329

3,903,329

50,226,240

Interest and fiscal charges

Total cost of service

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2024 Unaudited

The dependence upon tax revenues for governmental activities is apparent. Over 56 percent of instruction activities are supported through taxes and other general revenues and for all governmental activities general revenue support is over 88 percent. The community, as a whole, is by far the primary support for the School District's students. The large increase in interest charges is due to interest payment on the new bonds.

#### The School District's Funds

Information about the School District's major funds starts on page 33. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other financing sources of \$121,371,531 and expenditures and other financing uses of \$59,360,177.

The net fund balance decreased in the General Fund by \$921,388. The decrease is due the increase in instructional expenses.

The net fund balance increased in the bond retirement fund by \$1,750,491 due to the premiums on the bonds issued, which was offset by an increase in expenses due to the interest and fiscal charges due related to the new bond issued in fiscal year 2024.

The net fund balance for the building fund at June 30, 2024 was \$61,572,228 mostly due to the issuance of general obligation bonds in 2024.

#### **Budgeting Highlights**

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund. During the course of fiscal year 2024, the School District amended its General Fund budget numerous times, none significant. The School District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the General Fund, the revenue original budget estimates were \$3,000 less than the final budget estimates, and actual revenue was \$532,902 greater than the final budget estimates of \$38,454,164 due to the School District receiving more in tuition and fees coupled with increased interest. The School District's ending un-obligated cash balance was \$725,816 more than the final budgeted amount as expenditures were less than anticipated in the areas of instruction, support services, and transfers out.

For the General Fund, the expenditure original budget estimates were \$239,261 less than the final budget estimates, and actual expenditures were \$192,914 less than the final budget estimates of \$42,483,659.

#### **Capital Assets**

At the end of fiscal year 2024, the School District had \$65,725,213 invested in land, buildings, equipment, buses, other vehicles, and intangible right to use Lease - equipment, all in governmental activities. See Note 10 to the basic financial statements for more detailed information on capital asset activity.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2024 Unaudited

Table 4 shows fiscal 2024 balances compared to 2023:

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

	Governmental Activities						
	2024			2023			
Land	\$	978,708	\$	978,708			
Construction in progress		4,150,660		243,290			
Land Improvements		1,101,182		1,212,094			
<b>Buildings and Building Improvements</b>		56,440,642		58,103,101			
Vehicles		1,498,807		989,227			
Equipment		1,543,501		1,371,212			
Intangible Right-to-use Lease - Equipment		11,713		25,859			
<b>Total Net Capital Assets</b>	\$	65,725,213	\$	62,923,491			

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

#### **Debt**

At June 30, 2024, the School District had \$85,304,988 in outstanding debt, \$3,179,230 due within one year. Table 5 summarizes bonds, notes and leases outstanding. See Note 15 to the basic financial statements for more detailed information on long-term debt activity.

Under the current Ohio Revised Code, the School District's general obligation bonded debt issuances are subject to a legal limitation on both voted and un-voted debt. The limitation is based on 9% and .1%, respectively, of the total assessed value of real and personal property. At June 30, 2024, the School Districts' voted general obligation bonded debt of \$79,979,774 is above the legal limit of \$5,218,411 (voted). In addition, the School District had no un-voted debt at June 30, 2024. Moody's rating for the School District's bonds is Aaa, the highest rating Moody's assigns to debt issues. The School District's Certificates of Participation was rated Aa1 by Moody's. It is typical for CoPS issues to be rated one level lower than a public entity's bond rating due to the nature of CoPS which are lease purchase transactions subject to payment via the annual appropriation measure. The TAN's issue was not rated due to the short term payback of ten years. However, Moody's still confirmed the District's rating of Aaa in the summer of 2023.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2024 Unaudited

Table 5 - Outstanding Debt at June 30,

	Governmental Activities				
	2024 202		2023		
2016 Certificates of Participation	\$	1,820,000	\$	2,240,000	
2016 COPs Premium		52,327		69,768	
2020 Tax Anticipation Note		3,441,000		3,991,000	
2021 Refunding Tax Exempt Bond		7,205,000		8,115,000	
2021 Refunding Premium		856,331 993,		993,344	
2010 Qualified School Construct Bonds		3,720,000		4,960,000	
2023 School Improvement Bonds		65,000,000		-	
2023 School Improvement Premium		3,198,443		-	
Leases Payable		11,887		26,171	
<b>Total Outstanding Debt</b>			20,395,283		

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

#### For the Future

#### **Community Reinvestment Area (CRA)**

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

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

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

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2024 Unaudited

#### **Schools-City Shared Services Agreement**

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

#### **Thoughts for the Future**

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

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

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

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

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

## Statement of Net Position June 30, 2024

ACCETTO	Governmental Activities
ASSETS Equity in Pooled Cash and Cash Equivalents	\$ 101,709,019
Cash and Cash Equivalents:	Ψ 101,709,019
In Segregated Accounts	134,873
Property Taxes Receivable	38,569,610
Prepaid Items	114,119
Accrued Interest Receivable	461,471
Accounts Receivable	10,891
Intergovernmental Receivable	347,891
Materials and Supplies Inventory	143,742
Net OPEB Asset	2,574,963
Nondepreciable Capital Assets Depreciable/Amortized Capital Assets, Net	5,129,368 60,595,845
Total Assets	209,791,792
1000	203,731,732
DEFERRED OUTFLOWS OF RESOURCES	
Pension	7,800,906
OPEB	1,745,445
Total Deferred Outflows of Resources	9,546,351
LIABILITIES	
Accounts Payable	1,340,888
Contracts Payable	1,591,429
Accrued Wages and Benefits	3,735,890
Intergovernmental Payable	646,650
Matured Bonds Payable	86,363
Accrued Interest Payable	329,522
Matured Compensated Absences Payable	287,706
Retainage Payable	34,446
Claims Payable Unearned Revenue	595,117 1,360
Long-term Liabilities:	1,300
Due within one year	3,434,549
Due in more than one year:	3, 13 1,0 13
Net Pension Liability	38,366,515
Net OPEB Liability	2,978,695
Other amounts due in more than one year	85,371,097_
Total Liabilities	138,800,227
DEPENDED INTO ONIG OF DEGOVER OF	
DEFERRED INFLOWS OF RESOURCES Property Taxes	22 161 /10
Pension	33,161,418 3,228,007
OPEB	4,796,038
Total Deferred Inflows of Resources	41,185,463
NET POSITION	
Net Investment in Capital Assets	41,394,566
Restricted:	
Capital Projects	597,887
Debt Service	5,141,611
Set-Asides	134,873
State Funded Programs	37,913
Student Activities OPEB	228,884
OPEB Other Purposes	2,574,963 79,015
Unrestricted	(10,837,259)
Total Net Position	\$ 39,352,453
	- 57,552,155

## Statement of Activities For the Fiscal Year Ended June 30, 2024

Expenses					Program		nues Operating	]	Net (Expense) Revenue and hanges in Net Position
Expenses   Services   Contributions   Contr				C	harges for				Governmental
Instruction:   Regular   \$ 16.014,274   \$ 286,971   \$ - \$ (15.75)		I	Expenses		_			,	Activities
Regular   \$ 16,014,274   \$ 286,971   \$ - \$ (15,7)	Governmental activities:		•		,				
Special   8,071,195   437,674   636,664   (6,5)	Instruction:								
Vocational         1,631,845         440,119         627,671         (5           Adult/Continuing Instruction         119,668         13,396         -         (1           Other         225,444         16,127         60,814         (1           Supporting Services:         UPpils         3,127,236         81,717         304,263         (2,7           Instructional Staff         1,771,456         242         31,091         (1,7           Board of Education         459,095         -         -         (2,4           Administration         2,467,453         405         -         (2,4           Fiscal Services         1,123,048         -         -         (2,4           Fiscal Services         1,123,048         -         -         (2,0           Operation and Maintenance of Plant         4,659,908         -         659,040         (4,0           Pupil Transportation         2,672,793         -         650,888         (2,0           Central         264,430         -         -         (2           Operation of Non-Instructional Services         895,054         589,710         125,140         (1           Extracurricular Activities         1,711,368         279,330	Regular	\$	16,014,274	\$	286,971	\$	-	\$	(15,727,303)
Adult/Continuing Instruction Other	Special		8,071,195		437,674		636,664		(6,996,857)
Other         225,444         16,127         60,814         (1           Supporting Services:         1         3,127,236         81,717         304,263         (2,7           Instructional Staff         1,771,456         242         31,091         (1,7           Board of Education         459,095         -         -         -         (4           Administration         2,467,453         405         -         (2,4           Fiscal Services         1,123,048         -         -         (2,4           Fiscal Services         1,123,048         -         -         (2,4           Fiscal Services         2,85,990         -         -         -         (2,0           Operation and Maintenance of Plant         4,659,908         -         659,040         (4,0           Pupil Transportation         2,672,793         -         650,888         (2,0           Central         264,430         -         -         (2           Operation of Non-Instructional Services:         822,654         432,498         159,006         (2           Community Services         895,054         589,710         125,140         (1           Extracurricular Activities         1,711,368         <	Vocational		1,631,845		440,119		627,671		(564,055)
Supporting Services:   Pupils   3,127,236   81,717   304,263   (2,7]	Adult/Continuing Instruction		119,668		13,396		-		(106,272)
Pupils         3,127,236         81,717         304,263         (2,7)           Instructional Staff         1,771,456         242         31,091         (1,7)           Board of Education         459,095         -         -         -         (4           Administration         2,467,453         405         -         -         (2,4           Fiscal Services         1,123,048         -         -         (1,1)           Business         285,990         -         -         (2           Operation and Maintenance of Plant         4,659,908         -         659,040         (4,0)           Pupil Transportation         2,672,793         -         650,888         (2,0)           Central         264,430         -         -         (2           Operation of Non-Instructional Services:         822,654         432,498         159,006         (2           Community Services         895,054         589,710         125,140         (1           Extracurricular Activities         1,711,368         279,330         19,681         (1,4)           Interest and Fiscal Charges         3,903,329         -         -         -         (3,5)           Total Governmental activities	Other		225,444		16,127		60,814		(148,503)
Instructional Staff	Supporting Services:								
Board of Education	Pupils		3,127,236		81,717		304,263		(2,741,256)
Administration 2,467,453 405 - (2,4 Fiscal Services 1,123,048 (1,1 Business 285,990 (2	Instructional Staff		1,771,456		242		31,091		(1,740,123)
Fiscal Services 1,123,048 (1,1 Business 285,990 (2 Operation and Maintenance of Plant 4,659,908 - 659,040 (4,0 Pupil Transportation 2,672,793 - 650,888 (2,0 Central 264,430 (2 Operation of Non-Instructional Services: Food Service Operations 822,654 432,498 159,006 (2 Operation of Non-Instructional Services: Food Service Operations 822,654 432,498 159,006 (2 Operation of Non-Instructional Services: Food Service Operations 822,654 432,498 159,006 (2 Operation of Non-Instructional Services: Food Service Operations 822,654 432,498 159,006 (2 Operation of Non-Instructional Services: Food Service Operations 822,654 432,498 159,006 (2 Operation of Non-Instructional Services: Food Service Operations 822,654 432,498 159,006 (2 Operation of Non-Instructional Services: Food Service Operations 822,654 432,498 159,006 (2 Operation of Non-Instructional Services: Food Service Operations 822,654 432,498 159,006 (2 Operation of Non-Instructional Services: Food Service Operations 822,654 432,498 159,006 (2 Operation of Non-Instructional Services: Food Service Operations 822,654 432,498 159,006 (2 Operation of Non-Instructional Services: Food Service Operations 822,654 432,498 159,006 (2 Operation of Non-Instructional Services: Food Service Operations 822,654 432,498 159,006 (2 Operation of Non-Instructional Services: Food Service Operations 822,654 432,498 159,006 (2 Operation of Non-Instructional Services: Food Service Operations 92,000 (2 Operation of Non-Instructional Services: Food Service Operations 92,000 (2 Operation of Services: Properation of Services: Properation of Services 92,000 (2 Operation of Services: Properation of Services: P	Board of Education		459,095		-		-		(459,095)
Business   285,990   -   -   (200	Administration		2,467,453		405		-		(2,467,048)
Operation and Maintenance of Plant         4,659,908         -         659,040         (4,0000)           Pupil Transportation         2,672,793         -         650,888         (2,0000)           Central         264,430         -         -         -         (20000)           Operation of Non-Instructional Services:         822,654         432,498         159,006         (20000)           Community Services         895,054         589,710         125,140         (10000)           Extracurricular Activities         1,711,368         279,330         19,681         (1,4000)           Interest and Fiscal Charges         3,903,329         -         -         -         (3,9000)           Total Governmental activities         \$50,226,240         \$2,578,189         \$3,274,258         (44,300)           General Revenues:           Property Taxes levied for:           General Purposes         31,8         50,000         5,000         5,000         5,000         6,000         6,000         6,000         6,000         6,000         6,000         6,000         6,000         6,000         6,000         6,000         6,000         6,000         6,000         6,000         6,000         6,000         6,000 <t< td=""><td>Fiscal Services</td><td></td><td>1,123,048</td><td></td><td>-</td><td></td><td>-</td><td></td><td>(1,123,048)</td></t<>	Fiscal Services		1,123,048		-		-		(1,123,048)
Pupil Transportation	Business		285,990		-		-		(285,990)
Central         264,430         -         -         (2           Operation of Non-Instructional Services:         822,654         432,498         159,006         (2           Community Services         895,054         589,710         125,140         (1           Extracurricular Activities         1,711,368         279,330         19,681         (1,4           Interest and Fiscal Charges         3,903,329         -         -         -         (3,9           Total Governmental activities         \$ 50,226,240         \$ 2,578,189         \$ 3,274,258         (44,3           General Revenues:           Property Taxes levied for:           General Purposes         5,0           Other Purposes         5,0           Payment in Lieu of Taxes         1,0           Grants & Entitlements not restricted to specific programs         4,1           Investment Income         4,1           All Other Revenues         4,1           Total General Revenues         46,2	Operation and Maintenance of Plant		4,659,908		-		659,040		(4,000,868)
Operation of Non-Instructional Services:           Food Service Operations         822,654         432,498         159,006         (2           Community Services         895,054         589,710         125,140         (1           Extracurricular Activities         1,711,368         279,330         19,681         (1,4           Interest and Fiscal Charges         3,903,329         -         -         -         (3,9           Total Governmental activities         \$50,226,240         \$2,578,189         \$3,274,258         (44,3)           General Revenues:           Property Taxes levied for:           General Purposes         5,0           Other Purposes         5,0           Payment in Lieu of Taxes         1,0           Grants & Entitlements not restricted to specific programs         4,1           Investment Income         4,1           All Other Revenues         4,1           Total General Revenues	Pupil Transportation		2,672,793		-		650,888		(2,021,905)
Food Service Operations	Central		264,430		-		_		(264,430)
Food Service Operations	Operation of Non-Instructional Services:								
Extracurricular Activities	-		822,654		432,498		159,006		(231,150)
Extracurricular Activities	•		895,054		589,710		125,140		(180,204)
Total Governmental activities	Extracurricular Activities		1,711,368		279,330		19,681		(1,412,357)
Total Governmental activities \$ 50,226,240 \$ 2,578,189 \$ 3,274,258 (44,3)  General Revenues:  Property Taxes levied for:  General Purposes 31,8  Other Purposes 5,0  Payment in Lieu of Taxes 1,0  Grants & Entitlements not restricted to specific programs 1,1  Investment Income 4,1  All Other Revenues 46,2	Interest and Fiscal Charges				-		_		(3,903,329)
Property Taxes levied for: General Purposes 31,8 Other Purposes 5,0 Payment in Lieu of Taxes 1,0 Grants & Entitlements not restricted to specific programs 4,1 Investment Income 4,1 All Other Revenues 46,2	9	\$		\$	2,578,189	\$	3,274,258		(44,373,793)
		Proper Gene Othe Payme Grants Invest: All Ot Tota Chang	rty Taxes levied for all Purposes or Purposes on Lieu of Tax & Entitlements of the Revenues of General Revenues of the Revenue	kes not re nues ng of `		ecific Į	programs		31,831,051 5,016,445 1,073,342 4,149,635 4,169,451 44,701 46,284,625 1,910,832 37,441,621 39,352,453

## Balance Sheet Governmental Funds June 30, 2024

		General	<u>I</u>	Bond Retirement		Building	G	Other overnmental Funds	G	Total Governmental Funds
ASSETS	ф	26 702 044	Ф	4 000 010	Ф	< 4.022.020	Ф	4 401 007	Ф	100 120 012
Equity in Pooled Cash and Cash Equivalents Cash and Cash Equivalents:	\$	26,793,844	\$	4,882,012	\$	64,022,930	\$	4,421,227	\$	100,120,013
In Segregated Accounts		134,873						_		134,873
Materials and Supplies Inventory		137,641		_		_		6,101		143,742
Accrued Interest Receivable		461.471		_		_		-		461,471
Accounts Receivable		9,153		_		-		1,738		10,891
Due from Other Funds		3,215,000		_		_		-		3,215,000
Interfund Receivable		3,279,929		_		-		-		3,279,929
Intergovernmental Receivable		259,630		_		-		88,261		347,891
Prepaid Items		42,979		_		71,140		-		114,119
Property Taxes Receivable		32,689,331		5,565,608		-		314,671		38,569,610
Total Assets	\$	67,023,851	\$	10,447,620	\$	64,094,070	\$	4,831,998	\$	146,397,539
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES Liabilities: Accounts Payable Contracts Payable Accrued Wages and Benefits Intergovernmental Payable Matured Compensated Absences Payable Retainage Payable Interfund Payable Due to Other Funds	\$	252,639 - 3,488,177 584,427 287,706 - -	\$	- - - - - -	\$	895,967 1,591,429 - - - 34,446 -	\$	192,282  247,713 62,223  3,279,929 3,215,000	\$	1,340,888 1,591,429 3,735,890 646,650 287,706 34,446 3,279,929 3,215,000
Unearned Revenue Matured Bonds Payable		-		86,363		-		1,360		1,360 86,363
Total Liabilities		4,612,949		86,363		2,521,842		6,998,507		14,219,661
Total Diabilities		7,012,777		00,303		2,321,042		0,770,307	_	14,219,001
Deferred Inflows of Resources:										
Property Taxes		28,018,631		4,890,124		-		252,663		33,161,418
Unavailable Revenues - Delinquent Property Taxes		770,175		93,953		-		9,520		873,648
Unavailable Revenues - Grants		-		-		-		3,556		3,556
Unavailable Revenues - Other		165,632		-		-		-		165,632
Total Deferred Inflows of Resources		28,954,438		4,984,077		-		265,739		34,204,254
E . I B. I										
Fund Balances: Nonspendable		185,073				71,140		6,101		262,314
Restricted		134,873		5,377,180		61,501,088		389,573		67,402,714
Committed		134,673		3,377,100		01,501,000		500,000		500,000
Assigned		4,162,517		-		-		300,000		4,162,517
Unassigned (Deficit)		28,974,001		-		-		(3,327,922)		25,646,079
Total Fund Balances		33,456,464		5,377,180		61,572,228		(2,432,248)		97,973,624
Total Liabilities, Deferred Inflows of		22,420,404		3,311,100		01,314,440		(2,432,240)		71,713,024
Resources and Fund Balances	\$	67,023,851	\$	10,447,620	\$	64,094,070	\$	4,831,998	\$	146,397,539

## Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities June 30, 2024

<b>Total Governmental Fund Balances</b>		\$ 97,973,6	524
Amounts reported for Governmental Activities in are different because:	the Statement of Net Position		
Capital Assets and Intangible Right-to-use ass are not financial resources and, therefore, are		65,725,2	213
Other long-term assets are not available to pay and, therefore, are unavailable revenue in the			
Delinquent property taxes Grants Other Total	\$ 873,648 3,556 165,632	1,042,8	336
The net pension liability and net OPEB liabilicurrent period, and the net OPEB asset is no current period; therefore, the asset, liability are not reported in the governmental funds:	t available for spending in the		
Deferred Outflows - Pension	7,800,906		
Deferred Inflows - Pension	(3,228,007)		
Net Pension Liability	(38,366,515)		
Deferred Outflows - OPEB	1,745,445		
Deferred Inflows - OPEB	(4,796,038)		
Net OPEB Asset	2,574,963		
Net OPEB Liability	(2,978,695)	(25.2.45.9	
Total		(37,247,9	41)
Internal Service funds are used by managemen	nt to charge the costs		
of certain activities, such as insurance to ind	ividual funds. The assets		
and liabilities of the School District's Interna	d Service funds are included		
in Governmental Activities in the Statement	of Net Position.	993,8	889
Long-term liabilities, are not due and payable period and therefore are not reported in the f			
Long-Term Notes Payable	(5,313,327)		
General Obligation Bonds	(79,979,774)		
Accrued interest payable	(329,522)		
Leases Payable	(11,887)		
Compensated absences	(3,500,658)	(00.125.1	(0)
Total		(89,135,1	08)
<b>Net Position of Governmental Activities</b>		\$ 39,352,4	53

## Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds

## For the Fiscal Year Ended June 30, 2024

	General	Bond Retirement	Building	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property and Other Local Taxes	\$ 31,940,837	\$ 4,740,284	\$ -	\$ 299,233	\$ 36,980,354
Intergovernmental	4,115,343	739,566	-	2,443,835	7,298,744
Interest	3,618,901	-	550,550	-	4,169,451
Tuition and Fees	843,951	-	-	1,076,031	1,919,982
Extracurricular Activities	-	-	-	327,291	327,291
Rentals	17,162	-	-	-	17,162
Customer Sales and Services	149,539	-	-	461,979	611,518
Contributions and Donations	2,555	-	-	38,690	41,245
Payment in Leiu of Taxes	1,073,342	-	-	-	1,073,342
All Other Revenues	10,533		-	27,385	37,918
Total Revenues	41,772,163	5,479,850	550,550	4,674,444	52,477,007
EXPENDITURES Current: Instruction:					
Regular	15,027,525	_	_	14,442	15,041,967
Special	7,942,084	_	_	333,718	8,275,802
Vocational	660,483	_	_	1,124,761	1,785,244
Adult/Continuing	9,296	_	_	139,434	148,730
Other	206,221	_	_	24,705	230,926
Supporting Services:	200,221			24,703	250,720
Pupils	2,586,374	_	_	551,442	3,137,816
Instructional Staff	1,469,717	_		40,287	1,510,004
Board of Education	435,668	_	_		435,668
Administration	2,818,615	_	_	_	2,818,615
Fiscal Services	1,397,991	-	23,802	1,242	1,423,035
Business	309,901	-	23,602	1,242	309,901
		-	-		
Operation and Maintenance of Plant	4,341,493	-	-	280,536	4,622,029
Pupil Transportation	2,651,154	-	-	10,391	2,661,545
Central	273,042	-	-	-	273,042
Operation of Non-Instructional Services:				727.526	707.50¢
Food Service Operations	-	-	-	737,526	737,526
Community Services	41,849	-	-	858,826	900,675
Extracurricular Activities	1,183,461	-	-	463,319	1,646,780
Capital Outlay	705,045	-	3,954,520	1,102,929	5,762,494
Debt Service:	14.204	2 120 000			2 124 204
Principal Retirement	14,284	3,120,000	-	-	3,134,284
Interest and Fiscal Charges	211	3,356,138	-	-	3,356,349
Bond Issuance Costs	- 12.071.111	528,608			528,608
Total Expenditures	42,074,414	7,004,746	3,978,322	5,683,558	58,741,040
Excess of Revenues Over (Under) Expenditures	(302,251)	(1,524,896)	(3,427,772)	(1,009,114)	(6,264,033)
OTHER FINANCING SOURCES (USES)					
General Obligation Bond Issued	_	_	65,000,000	_	65,000,000
Premiums on Debt Issued	_	3,275,387	- ,,	_	3,275,387
Transfers In	_	-	_	619,137	619,137
Transfers Out	(619,137)	_	_	-	(619,137)
Total Other Financing Sources (Uses)	(619,137)	3,275,387	65,000,000	619,137	68,275,387
Net Change in Fund Balances	(921,388)	1,750,491	61,572,228	(389,977)	62,011,354
· ·	, ,		, ,		
Fund Balances - Beginning of Year	34,377,852	3,626,689	-	(2,042,271)	35,962,270
Fund Balances - End of Year	\$ 33,456,464	\$ 5,377,180	\$ 61,572,228	\$ (2,432,248)	\$ 97,973,624

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Fiscal Year Ended June 30, 2024

Net Change in Fund Balances-Total Governmental Funds	\$ 62,011,354
Amounts reported for Governmental Activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which capital outlay exceeded depreciation/amortization in the current period.	
Capital outlay \$ 5,762,494 Depreciation/Amortization (2,957,980) Total	2,804,514
In the Statement of Activities, only the loss on the disposal of capital assets is reported, whereas, in the Governmental Funds, the proceeds from the disposals increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets.	(2,792)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
Delinquent property taxes       (132,858)         Grants       (79,173)         Other       165,632         Total	(46,399)
Repayment of notes, bonds, and leases of debt are expenditures in the governmental funds, but the repayments reduce long-term liabilities in the Statement of Net Position.	3,134,284
Bond proceeds and premium that increases liabilities in the Statement of Net Position are not reported in the governmental funds.	(68,275,387)
Contractually required contributions are reported as expenditures in the governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.	
Pension OPEB	3,695,158 133,894
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability/asset are reported as pension expense in the Statement of Activities.	
Pension OPEB	(2,851,305) 374,921
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in Governmental funds.	
Compensated absences 767,042 Accrued interest (249,770) Amortization of bond premiums 231,398 Total	748,670
Internal Service funds are used by management to charge costs to certain activities, such as insurance to individual funds. The net revenue (expense) of the Internal Service fund are reported in the Governmental Activities.	183,920
Change in Net Position of Governmental Activities	\$ 1,910,832

## Statement of Revenues, Expenditures and Changes In Fund Balance – Budget (Non-GAAP Basis) and Actual General Fund

For the Fiscal Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Property and Other Local Taxes	\$ 32,089,180	\$ 32,089,180	\$ 31,470,811	\$ (618,369)
Intergovernmental	3,735,324	3,735,324	4,016,321	280,997
Interest	620,000	620,000	1,316,036	696,036
Tuition and Fees	285,930	285,930	630,337	344,407
Rent	10,000	10,000	17,162	7,162
Gifts and Donations	500	500	2,555	2,055
Customer Sales and Services	183,772	186,772	147,978	(38,794)
Miscellaneous	1,022,458	1,022,458	1,093,041	70,583
Total Revenues	37,947,164	37,950,164	38,694,241	744,077
EXPENDITURES:				
Current:				
Instruction:				
Regular	15,508,907	15,124,780	14,996,618	128,162
Special	7,013,587	7,662,110	7,675,701	(13,591)
Vocational	705,964	602,409	591,538	10,871
Other	224,233	237,795	219,094	18,701
Support Services:				
Pupils	2,493,546	2,575,148	2,557,416	17,732
Instructional Staff	1,658,162	1,528,188	1,523,187	5,001
Board of Education	478,657	427,678	427,678	-
Administration	2,831,071	2,836,752	2,836,315	437
Fiscal	1,491,999	1,352,247	1,352,247	-
Business	320,837	321,533	317,837	3,696
Operation and Maintenance of Plant	4,041,425	4,634,964	4,634,962	2
Pupil Transportation	2,801,108	2,757,278	2,757,278	-
Central	301,783	273,210	273,209	1
Operation of Non-Instructional/Shared Services:				
Community Services	75,000	50,769	50,768	1
Extracurricular Activities:	,			
Academic Oriented Activities	243,049	244,883	244,883	_
Sport Oriented Activities	939,953	874,011	874,011	_
School and Public Service Co-Curricular Activities	29,450	74,806	74,806	_
Total Expenditures	41,158,731	41,578,561	41,407,548	171,013
Excess of Revenues Over (Under) Expenditures	(3,211,567)	(3,628,397)	(2,713,307)	915,090
OTHER FINANCING SOURCES AND USES:				
Advances In	100,000	100,000	100,000	
Transfers In	391,500	391,500	164,060	(227,440)
			14,283	
Proceeds from Sale of Capital Assets	10,000	10,000	942	4,283 942
Insurance Recoveries	2.500	2.500		
Refund of Prior Year Expenditures	2,500	2,500	13,540	11,040
Transfers Out	(1,085,667)	(905,098)	(883,197)	21,901
Total Other Financing Sources and Uses	(581,667)	(401,098)	(590,372)	(189,274)
Net Change in Fund Balances	(3,793,234)	(4,029,495)	(3,303,679)	725,816
Fund Balance at Beginning of Year	26,552,186	26,552,186	26,552,186	-
Prior Year Encumbrances Appropriated	186,249	186,249	186,249	_
Fund Balance at End of Year	\$ 22,945,201	\$ 22,708,940	\$ 23,434,756	\$ 725,816

**Beachwood City School District**Statement of Fund Net Position Proprietary Fund June 30, 2024

	Governmental Activities - Internal Service Fund
ASSETS	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 1,589,006
Total Assets	1,589,006
LIABILITIES Current Liabilities: Claims Payable Total Liabilities	595,117 595,117
NET POSITION Unrestricted Total Net Position	993,889 \$ 993,889

## Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Fund For the Fiscal Year Ended June 30, 2024

	Governmental Activities - Internal Service Fund
OPERATING REVENUES	
Charges for Services	\$ 4,385,433
Miscellaneous	388,037_
<b>Total Operating Revenues</b>	4,773,470
OPERATING EXPENSES	
Claims	4,355,120
Other	234,430
<b>Total Operating Expenses</b>	4,589,550
Operating Income	183,920
Net Position - Beginning of Year	809,969
Net Position - End of Year	\$ 993,889

# Statement of Cash Flows Proprietary Fund For the Fiscal Year Ended June 30, 2024

	A	vernmental Activities - Internal rvice Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Self Insurance Premiums	\$	4,773,470
Cash Payments for Claims		(4,550,233)
Net Cash Provided by Operating Activities		223,237
Net Increase in Cash and Cash Equivalents		223,237
Cash and Cash Equivalents - Beginning of Year		1,365,769
Cash and Cash Equivalents - End of Year	\$	1,589,006
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES Operating Income	\$	183,920
Adjustments: Increase in Liabilities:		
Claims Payable		39,317
Net Cash (Used in) Operating Activities	\$	223,237
The Cash (Osed III) Operating Menvilles	Ψ	223,231

NOTES

TO

BASIC

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STATEMENTS

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

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

The Board controls the School District's five instructional facilities and one support facility staffed by 168 certificated teaching personnel, 130 non-certificated support personnel, 13 administrators, and 7 supervisors.

The School District is located east of Cleveland, Ohio, in a prosperous suburb consisting of residences and significant office and retail commercial development. The enrollment for the School District during the 2024 fiscal year was 1,366. The School District operates an early childhood center, two elementary schools, a middle school, and a high school.

#### **Reporting Entity**

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For Beachwood City School District, this includes general operations, food service, preschool, consortiums and student related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes. The School District has no component units.

The School District participates in two jointly governed organizations and one public entity risk pool. These organizations are presented respectively in Note 17 and Note 12B to the basic financial statements. These organizations are:

Jointly Governed Organizations:
Ohio Schools' Council Association
Lake Geauga Computer Association

Public Entity Risk Pool:

Workers' Compensation Group Retro Program

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School District's accounting policies are described as below.

#### A. Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. An exception to this general rule is that interfund services provided and used are not eliminated in the process of consolidation.

The statement of net position presents the financial condition of the governmental activities of the School District at year-end. The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function program of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements During the school year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

#### **B. Fund Accounting**

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

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

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

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

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

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

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

#### C. Measurement Focus

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

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

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

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

#### D. Basis of Accounting

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

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

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

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

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

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2024, but which were levied to finance fiscal year 2025 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, but is not limited to, delinquent property taxes, intergovernmental grants and other revenue. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 13 and 14)

**Expenditures/Expenses** - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

#### E. Budgetary Data

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

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

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

#### Encumbrances

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### **Lapsing of Appropriations**

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

#### F. Cash and Investments

To improve cash management, cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through The School District records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements.

During fiscal year 2024, investments were limited to U.S Government Agency securities, money market, commercial paper, negotiable certificates of deposits, U.S. Treasury Notes and Bonds, and STAR Ohio.

During fiscal year 2024, the School District invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB) Statement No. 79, "Certain External Investment Pools and Pool Participants". The School District measures their investments in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For the fiscal year 2024, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Interest on pooled cash and investments is only allocated to governmental, enterprise and fiduciary fund types as required by state statute. Following Ohio statutes, the Board of Education has specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund from other funds during fiscal year 2024 amounted to \$2,498,976 that includes the change in fair market value.

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

#### G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2024, 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.

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### H. Materials and Supplies Inventory

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

#### I. Restricted Assets

Assets are reported as restricted assets when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other government or imposed by enabling legislation. By Statute, money must be set aside to create a reserve for budget stabilization. Restricted assets in the General Fund include the amount required by State statute to be set aside for budget stabilization. See Note 16 for additional information regarding set-asides.

#### J. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported on the fund financial statements.

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

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

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

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### K. Inter-fund Balances

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

#### L. Compensated Absences

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

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

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

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

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

#### N. Net Position

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### O. Fund Balance

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

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

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

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

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

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

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

#### P. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are for a self-insurance program for vision claims. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. Revenues and expenditures not meeting this definition are reported as non-operating.

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### Q. Inter-fund Transactions

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the proprietary fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

#### R. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the School District and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2024.

#### S. Estimates

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

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

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

#### Note 3 – Change in Accounting Principles

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

GASB Statement No. 100, Accounting Change and Error Corrections – an Amendment of GASB Statement No. 62. GASB 100 will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections. The implementation of the GASB pronouncement did not have any impact on beginning net position or fund balance.

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### Note 4 - Accountability

Fund balances at June 30, 2024, included the following fund deficit balances

	Fund				
	Balance				
	 Deficits				
Nonmajor Funds					
Food Service	\$ 108,084				
Recreation	21,687				
Consortium	310,705				
IDEA B	2,027				
Title I	1,529				
Permanent Improvement	 2,877,789				
Total	\$ 3,321,821				

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

#### Note 5 - Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

The Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual presented for the General is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and fund financial statements are the following:

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

Net Change in Fund Balance						
GAAP Basis	\$	(921,388)				
Net Adjustment for Revenue Accruals		(2,951,731)				
Net Adjustments for Expenditure Accruals		538,594				
Advances and Transfers In		100,000				
Funds with Separate Legally Adopted Budgets		105,079				
Adjustment for Encumbrances		(174,233)				
Budget Basis	\$	(3,303,679)				

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Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### Note 6 – Fund Balances

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

Fund Balances	General	Bond Retirement	Permanent Improvement	Other Governmental Funds	Total	
Nonspendable						
Prepaid Items	\$ 42,979	\$ -	\$ 71,140	\$ -	\$ 114,119	
Inventories	137,641	-	-	6,101	143,742	
Unclaimed Funds	4,453	_			4,453	
Total Nonspendable	185,073		71,140	6,101	262,314	
Restricted for						
Budget Stabilization	134,873	-	-	-	134,873	
Expandable Trust Funds	-	-	-	24,597	24,597	
Marketing School Store	-	-	-	10,906	10,906	
Pupil Support	-	-	-	38,122	38,122	
Local Grants	-	-	-	5,390	5,390	
Preschool	-	-	-	43,761	43,761	
Student Managed Student Activities	-	-	-	128,703	128,703	
District Managed Student Activities	-	-	-	100,181	100,181	
State Grants	-	-	-	37,913	37,913	
Bond Retirement	-	5,377,180	-	-	5,377,180	
Permanent Improvements	-	-	61,501,088	-	61,501,088	
Total Restricted	134,873	5,377,180	61,501,088	389,573	67,402,714	
Committed to						
Capital Projects	-	-	-	500,000	500,000	
Total Committed		-	-	500,000	500,000	
Assigned to						
Subsequent Year Appropriations	2,876,483	-	-	-	2,876,483	
Instruction	18,645	-	-	-	18,645	
Support Services	91,107	-	-	-	91,107	
Workers' Compensation	1,176,282				1,176,282	
Total Assigned	4,162,517	-	-		4,162,517	
Unassigned (Deficit)	28,974,001	<u> </u>		(3,327,922)	25,646,079	
Total Fund Balances	\$ 33,456,464	\$ 5,377,180	\$ 61,572,228	\$ (2,432,248)	\$ 97,973,624	

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### **Note 7 - Deposits and Investments**

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

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

Inactive deposits are public deposits the Board of Education has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts, including passbook accounts.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution, or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution. Interim monies may be invested in the following securities:

- 1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
- 2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- 3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
- 4. Bonds and other obligations of the State of Ohio;
- 5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
- 6. The State Treasurer's investment pool (STAR Ohio);

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

- 7. Certain Banker's acceptances and commercial paper notes for the period not to exceed one hundred and eighty days from the date of purchase in an amount not to exceed twenty-five percent of the interim moneys available for investment at any one time; and,
- 8. Under limited circumstances, debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

#### **Deposits**

At fiscal year end, the carrying amount of the School District's deposits was \$3,041,820. Based on criteria described in GASB Statement No. 40, *Deposits and Investments Risk Disclosures*, as of June 30, 2024, \$659,732 of the School District's bank balance of \$3,608,088 was covered by Federal Depository Insurance and \$2,948,356 was uninsured and uncollateralized. The School District's financial institutions were approved for a reduced collateral rate of 50 percent through the Ohio Pooled Collateral System, resulting in the uninsured and uncollateralized balance.

#### **Custodial Credit Risk**

Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. Protection of the School District's cash and deposits is provided by the Federal Deposit Insurance Corporation (FDIC), as well as qualified securities pledged by the institution holding the assets. Ohio law requires that deposits either be insured or protected by:

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

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. The School District's financial institutions had enrolled in OPCS as of June 30, 2024.

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### **Investments**

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

Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs). The below tables identify the School District's recurring fair value measurement as of June 30, 2024. As previously discussed, Star Ohio is reported at its net asset value.

As of June 30, 2024, the School District had the following investments and maturities:

				I					
	Fair- Value	Credit Rating (*)		<1		1-3	3-5		Percentage of Total Investments
Investment Type									
Star Ohio	\$ 11,660,595	AAm	\$	11,660,595	\$	-	\$	-	11.80%
Money Market	158,823	AAm		158,823		-		-	0.16%
Securities	21,899,958	AA+/Aaa		9,107,581		10,666,324		2,126,053	22.17%
Commercial Paper	15,977,134	A-1/P-1		15,977,134		-		-	16.17%
Certificates of Deposit	1,098,800	N/A		1,098,800		-		-	1.11%
U.S. Treasury Bond	16,474,567	AA+/Aaa		15,696,460		778,107			16.67%
U.S. Treasury Note	31,532,195	AA+/Aaa		21,044,207		8,882,180		1,605,808	31.91%
Total Investments	98,802,072		\$	74,743,600	\$	20,326,611	\$	4,977,212	
Carrying Amount of Deposits	 3,041,820								
Total	\$ 101,843,892								

#### **Interest Rate Risk**

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

#### **Credit Risk**

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### **Custodial Credit Risk**

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Commercial Paper and U.S. Governmental Agency Obligations are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not in the School District's name. The School District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer of qualified trustee. At fiscal year end, the School District's investment in negotiable certificates of deposit of \$1,094,956 was fully covered by the FDIC.

#### **Concentration of Credit Risk**

The School District places no limit on the amount it may invest in any one issuer. The School District's investments in the U.S Government Agency Obligations represents 22.2%, U.S. Treasury Bond 16.7%, Commercial Paper 16.2%, negotiable certificates of deposit represent 1.1%, money market 0.1%, U.S. Treasury Notes 31.9% and STAR Ohio representing 11.8% of the School District's total investments.

#### **Note 8 - Property Taxes**

Property taxes are levied and assessed on a calendar year basis, while the School District's fiscal year runs from July through June. First-half tax distributions are received by the School District in the second half of the fiscal year. Second-half tax distributions are received in the first half of the following fiscal year. Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the School District. Real property tax revenue received in calendar year 2024 represents collections of calendar year 2023 taxes.

Real property taxes received in calendar year 2023 were levied after April 1, 2023, on the assessed value listed as of January 1, 2024, the lien date. Assessed values for real property taxes are established by State law at thirty-five percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits earlier or later payment dates to be established.

Public utility property tax revenue received in calendar 2022 represents collections of calendar year 2023 taxes. Public utility real and tangible personal property taxes received in calendar year 2023 become a lien December 31, 2022, were levied after April 1, 2023 and are collected in 2024 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The Cuyahoga County Fiscal Officer collects property taxes on behalf of the School District. The County Fiscal Officer periodically advances to the School District its portion of the taxes collected. These tax "advances" are based on three-year historical cash flow collection rates and occur eight times annually. Second-half real property tax payments collected by the County by June 30, 2024, are available to finance fiscal year 2024 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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, 2024 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed settlement of personal property tax and the amount available as an advance at June 30 were levied to finance current fiscal year operations, which is recognized as revenue. The receivable is therefore offset by a credit to deferred inflows of resources for that portion not levied to finance current year operations. The amount available as an advance at June 30, 2024 was \$3,900,525 for the General Fund, \$581,531 in the Bond Retirement Fund, and \$52,488 in the Permanent Improvement Fund. The amount available as an advance at June 30, 2023 was \$3,430,499 for the General Fund, \$511,455 in the Bond Retirement Fund, and \$46,163 in the Permanent Improvement Fund. The assessed values upon which the fiscal year 2024 taxes were collected are:

	2023 Second- Half Collections			2024 First- Half Collections				
	Amo	ount	Percent	Am	ount	Percent		
Agricultural/Residential	\$	441,559,770	49.77%	\$	444,891,370	50.16%		
Industrial/Commercial		429,018,310	48.35%		424,976,030	47.92%		
Public Utility		16,694,700	1.88%		17,032,660	1.92%		
Total Assessed Value	\$	887,272,780	100.00%	\$	886,900,060	100.00%		
Tax rate per \$1,000 of Assessed valuation	\$	91.18		\$	93.58			

#### Note 9 - Receivables

Receivables at June 30, 2024, consisted of taxes, accounts (rent and student fees), intergovernmental, and accrued interest. All receivables are considered collectible in full because of the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

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Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

### Note 10 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2024 was as follows:

		Balance 7/1/2023		Additions	]	Deletions		Balance 6/30/2024
<b>Governmental Activities</b>						_		_
Capital Assets, not being depreciated:								
Land	\$	978,708	\$	-	\$	-	\$	978,708
Construction in Progress		243,290		4,025,660		(118,290)		4,150,660
Total Capital Assets, not								
being depreciated		1,221,998		4,025,660		(118,290)		5,129,368
Capital Assets, being depreciated/amortized:								
Land Improvements		4,075,740		-		-		4,075,740
Buildings and Buildings Improvements		95,340,643		449,700		-		95,790,343
Vehicles		2,673,208		686,537		(155,503)		3,204,242
Equipment		10,751,531		718,887		(34,696)		11,435,722
Intangible Right-to-use Lease - Equipment		66,467				(27,034)		39,433
Total Capital Assets,								
being depreciated/amortized		112,907,589		1,855,124		(217,233)		114,545,480
Less Accumulated Depreciation/Amortization:								
Land Improvements		(2,863,646)		(110,912)		-		(2,974,558)
<b>Buildings and Buildings Improvements</b>		(37,237,542)		(2,112,159)		-		(39,349,701)
Vehicles		(1,683,981)		(174,165)		152,711		(1,705,435)
Equipment		(9,380,319)		(546,598)		34,696		(9,892,221)
Intangible Right-to-use Lease - Equipment		(40,608)		(14,146)		27,034		(27,720)
Total Accumulated Depreciation/Amortization		(51,206,096)		(2,957,980)		214,441		(53,949,635)
Total Capital Assets being								
depreciated/amortized, Net		61,701,493		(1,102,856)		(2,792)		60,595,845
Governmental Activities								
Capital Assets, Net	\$	62,923,491	\$	2,922,804	\$	(121,082)	\$	65,725,213
Depreciation/Amortization expense was charged	to gove	rnmental function	ns as f	ollows:				
Instruction:								
Regular							\$	1,581,664
Special								66,372
Vocational								41,587
Recreation								1,252
Support Services:								
Pupil								183,356
Instructional Staff								362,657
Board of Education								24,816
Administration								62,490
Fiscal								7,494
Business								16,486
Operation and Maintenance of Plant								151,459
Pupil Transportation								182,783
Central								1,539
Operation of Non-Instructional Services:								05 100
Food Services								85,128
Community Services								61,192
Extracurricular Activities  Total Depreciation/Amortization Expense							\$	127,705 2,957,980
Total Depreciation/Amortization Expense							Ф	4,731,760

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### Note 11 – Inter-fund Transactions

As of June 30, 2024, on the fund financial statements, the Consortium fund, which is a Nonmajor governmental fund, owed the General Fund \$3,219,000. The School District's consortium fund provides services to local surrounding school districts. Costs are billed on a per pupil basis. The School District incurs administrative and operational costs that are billed to the consortium districts but are costs that are incurred by the General Fund. Over time, the consortium funds owe the General Fund these dollars. The General Fund covered negative cash balances for non-major governmental funds including \$55,055 to the IDEA B Fund, \$4,742 to the Title I Fund, \$327 to the Drug Free School Grant Fund, and \$805 to the Reducing Class Size Fund. The total interfund receivable balance for the General Fund was \$3,279,929 at June 30, 2024.

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

During the year ended June 30, 2024 the General Fund transferred \$619,137 to Other Nonmajor Governmental Funds. The transfers were made to move unrestricted balances to support programs and projects accounted for in other funds.

#### Note 12 - Risk Management

#### A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2024, the School District contracted with Liberty Mutual for property, general liability insurance and boiler and machinery coverage in the amounts of \$172,581,698, \$2,000,000, and 100,000,000 respectively. The deductible varies from \$1,000 to \$5,000.

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

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

#### **B.** Workers' Compensation

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

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

#### C. Self-Insurance Program

The self-insurance program for dental of the School District employees and their covered dependents has been administered by Medical Mutual since September 1, 2006. Self-insured medical, prescription drug and dental claims are administered by Medical Mutual. Self-insured vision claims are administered by Vision Service Plan (VSP). The district only began to self-insure medical claims commencing January 1, 2015. Under the program, the School District is obligated for claim payments. During fiscal year 2024, total claims expense of \$4,550,233 was recognized, which represents actual claims processed and paid as of June 30, 2024. 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:

Year	Begi	nning Balance	Clai	ims Incurred	C	Claims paid		ing Balance
2023	\$	628,600	\$	4,497,790	\$	4,570,590	\$	555,800
2024	\$	555,800	\$	4,589,550	\$	4,550,233	\$	595,117

#### **Note 13 - Defined Benefit Pension Plans**

#### A. Net Pension Liability

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

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

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

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

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

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

Age and service requirements for retirement are as follows:

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

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

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2024, the allocation to pension, death benefits, and Medicare B was the entire 14.0 percent

The School District's contractually required contribution to SERS was \$1,106,547 for fiscal year 2024.

#### C. Plan Description - State Teachers Retirement System (STRS)

Plan Description – The School District's licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing, multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a standalone financial report that includes financial statements, required supplementary information, and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 34 years of service credit at any age. Eligibility changes for DB plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023 when retirement eligibility will be five years of qualifying servicer credit and age 60, or 30 years of service credit regardless of age.

The DC Plan allows members to place all their member contributions and 11.09 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 2.91 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2024, plan members were required to contribute 14 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2024 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$2,588,611 for fiscal year 2024.

# D. <u>Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</u>

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	 SERS		STRS	 Total
Proportion of the Net Pension Liability	 			 
Prior Measurement Date	0.1795490%		0.1336480%	
Proportion of the Net Pension Liability				
Current Measurement Date	0.1783474%		0.1323984%	
Change in Proportionate Share	 -0.0012016%	_	-0.0012496%	
Proportionate Share of the Net Pension				
Liability	\$ 9,854,613	\$	28,511,902	\$ 38,366,515
Pension Expense	\$ 854,450	\$	1,996,855	\$ 2,851,305

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

At June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS		STRS			Total
<b>Deferred Outflows of Resources</b>	•				•	
Differences between expected and						
actual experience	\$	423,572	\$	1,039,484	\$	1,463,056
Changes of assumptions		69,805		2,348,109		2,417,914
Changes in proportion and differences						
between School District contributions						
and proportionate share of contributions		24,520		200,258		224,778
School District contributions subsequent to the						
measurement date		1,106,547		2,588,611		3,695,158
Total Deferred Outflows of Resources	\$	1,624,444	\$	6,176,462	\$	7,800,906
Deferred Inflows of Resources						
Differences between expected and						
actual experience	\$	-	\$	63,268	\$	63,268
Changes of assumptions		-		1,767,451		1,767,451
Net difference between projected and						
actual earnings on pension plan investments		138,517		85,451		223,968
Changes in proportion and differences						
between School District contributions						
and proportionate share of contributions		48,623		1,124,697		1,173,320
Total Deferred Inflows of Resources	\$	187,140	\$	3,040,867	\$	3,228,007

\$3,695,158 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS		STRS	Total
Fiscal Year Ending June 30:				
2027	04075		( <b>505</b> 40 <b>5</b> )	(170.071)
2025	\$ 84,856	\$	(537,107)	\$ (452,251)
2026	(388,028)	(	1,444,837)	(1,832,865)
2027	626,587		2,756,921	3,383,508
2028	7,342		(227,993)	(220,651)
Total	\$ 330,757	\$	546,984	\$ 877,741

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### E. Actuarial Assumptions - SERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. Future benefits for all current plan members were projected through 2137.

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2023, are presented below:

Wage Inflation
Future Salary Increases, including inflation
COLA or Ad Hoc COLA

Investment Rate of Return Actuarial Cost Method 2.40 percent
3.25 percent to 13.58 percent
2.0 percent, on and after April 1, 2018, COLA's for future retirees will be delayed for three years following commencement
7.00 percent net of investment expenses
Entry Age Normal

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

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

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

	Target	Long-Term Expected
Asset Class	Allocation	Real Rate of Return
Cash	2.00 %	0.75 %
US Equity	24.75	4.82
Non-US Equity Developed	13.50	5.19
Non-US Equity Emerging	6.75	5.98
Fixed Income/Global Bonds	19.00	2.24
Private Equity	12.00	7.49
Real Estate/Real Assets	17.00	3.70
Private Debt/Private Credit	5.00	5.64
_		
Total	104.00 %	

Discount Rate The total pension liability was calculated using the discount rate of 7.00 percent. The projection of cash flows used to determine the discount rate assumed that employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 21-year amortization period of the unfunded actuarial accrued liability. The actuarially determined rate of fiscal year 2023 was 14 percent. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.00 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability. The annual money weighted rate of return, calculated as the internal rate of return on pension plan investments, for fiscal year 2023 was 6.90 percent.

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

	Current						
	1% Decrease (6.00%)		Discount Rate (7.00%)		1% Increase (8.00%)		
	(0.00%)			(7.00%)		(8.00%)	
School District's proportionate share							
of the net pension liability	\$	14,544,904	\$	9,854,613	\$	5,903,935	

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### F. Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2023, actuarial valuation is presented below:

Inflation 2.50 percent

Projected salary increases Varies by service from 2.5% to 8.5%

Investment Rate of Return 7.00 percent, net of investment expenses, including inflation

Discount Rate of Return 7.00 percent Payroll Increases 3 percent Cost-of-Living Adjustments 0.0 percent

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

Actuarial assumptions used in the June 30, 2023 valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021.

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

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

<sup>\*</sup> Final target weights reflected at October 1, 2022.

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

Discount Rate The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2023. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2023. Therefore, the long-term expected rate of return on pension plan investments of 7.00 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2023.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.00 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.00 percent) or one-percentage-point higher (8.00 percent) than the current rate:

		Current						
	1	1% Decrease Discount Rate			1% Increase			
		(6.00%)		(7.00%)		(8.00%)		
School District's proportionate share								
of the net pension liability	\$	43,844,995	\$	28,511,902	\$	15,544,301		

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Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### Note 14 – Defined Benefit OPEB Plans

#### A. Net OPEB Liability/Asset

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

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

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

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

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

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

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

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2024, there was no contribution made to health care. A health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2024, this amount was \$30,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge.

The surcharge is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$133,894 for fiscal year 2024 and the full amount is reported as an intergovernmental payable.

#### C. Plan Description - State Teachers Retirement System (STRS)

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2024, STRS did not allocate any employer contributions to post-employment health care.

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

# D. OPEB Liabilities, OPEB Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability and net OPEB asset were measured as of June 30, 2023, and the total OPEB liability and asset used to calculate the net OPEB liability and net OPEB asset were determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability and net OPEB asset were based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	SERS	 STRS	 Total
Proportion of the Net OPEB Liability Prior Measurement Date Proportion of the Net OPEB Liability/asset	0.1822932%	0.1336480%	
Current Measurement Date	 0.1808070%	 0.1323984%	
Change in Proportionate Share	 0.0014862%	-0.0012496%	
Proportionate Share of the Net OPEB Liability	\$ 2,978,695	\$ -	\$ 2,978,695
Proportionate Share of the Net OPEB Asset	\$ -	\$ (2,574,963)	\$ (2,574,963)
OPEB Expense	\$ (261,266)	\$ (113,655)	\$ (374,921)

At June 30, 2024, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	SERS		STRS		Total	
<b>Deferred Outflows of Resources</b>						
Differences between expected and						
actual experience	\$	6,205	\$	4,014	\$	10,219
Changes of assumptions		1,007,187		379,329		1,386,516
Net difference between projected and						
actual earnings on pension plan investments		23,085		4,593		27,678
Changes in proportionate Share and						
difference between School District contributions						
and proportionate share of contributions		154,299		32,839		187,138
School District contributions subsequent to the						
measurement date		133,894		-		133,894
Total Deferred Outflows of Resources	\$	1,324,670	\$	420,775	\$	1,745,445
Deferred Inflows of Resources						
Differences between expected and						
actual experience	\$	1,536,225	\$	392,749	\$	1,928,974
Changes of assumptions		845,980		1,698,925		2,544,905
Changes in Proportionate Share and						
Difference between School District contributions						
and proportionate share of contributions		316,003		6,156		322,159
Total Deferred Inflows of Resources	\$	2,698,208	\$	2,097,830	\$	4,796,038

\$133,894 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability or an increase to the net OPEB asset in the year ending June 30, 2025.

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

	SERS		STRS	Total		
Fiscal Year Ending June 30:						
2025	\$ (515,906)	\$	(735,735)	\$	(1,251,641)	
2026	(424,504)		(347,103)		(771,607)	
2027	(253,337)		(129,735)		(383,072)	
2028	(162,607)		(178, 169)		(340,776)	
2029	(104,356)		(162,849)		(267,205)	
Thereafter	 (46,722)		(123,464)		(170,186)	
Total	\$ (1,507,432)	\$	(1,677,055)	\$	(3,184,487)	

#### E. Actuarial Assumptions - SERS

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

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination. Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2023, are presented on below:

Wage Inflation	2.40 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investments expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	3.86 percent
Prior Measurement Date	3.69 percent
Single Equivalent Interest Rate, net of plan investment expense,	
including price inflation	
Measurement Date	4.27 percent
Prior Measurement Date	4.08 percent
Medical Trend Assumption	
Measurement Date	6.75 to 4.40 percent
Prior Measurement Date	7.00 to 4.40 percent

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

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

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2015 through 2020, and was adopted by the Board in 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe.

The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2020 five-year experience study, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	0.79 %
US Equity	24.75	4.82
Non-US Equity Developed	13.50	5.19
Non-US Equity Emerging	6.75	5.98
Fixed Income/Global Bonds	19.00	2.24
Private Equity	12.00	7.49
Real Estate/Real Assets	17.00	3.70
Private Debt/Private Credit	5.00	5.64

*Discount Rate* The discount rate used to measure the total OPEB liability at June 30, 2023 was 4.27 percent. The discount rate used to measure total OPEB liability prior to June 30, 2023 was 4.08 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 1.50 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be depleted in 2048 by SERS' actuaries. The Fidelity General Obligation 20-year Municipal Bond Index Rate was used in the determination for the SEIR for both the June 30, 2022 and the June 30, 2023 total OPEB liability.

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index rate is 3.86% at June 30, 2023 and 3.69% at June 30, 2022.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.27%) and higher (5.27%) than the current discount rate (4.27%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (5.75% decreasing to 3.40%) and higher (7.75% decreasing to 5.40%) than the current rate (6.75% decreasing to 4.40%).

	1% Decrease (3.27%)	Current Discount Rate (4.27%)	1% Increase (5.27%)	
School District's proportionate share of the net OPEB liability	\$3,807,626	\$2,978,695	\$2,325,051	
	1% Decrease (5.75 % decreasing to 3.40%)	Current Trend Rate (6.75 % decreasing to 4.40%)	1% Increase 7.75 % decreasing to 5.40%)	
School District's proportionate share of the net OPEB liability	\$2,188,345	\$2,978,695	\$4,026,018	

#### F. Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2023, actuarial valuation is presented below:

Projected salary increases	Varies by service from 2.5 perce to 8.5 percent	ent			
Investment Rate of Return  7.00 percent, net of investment expenses, including inflation					
Payroll Increases	3 percent				
Cost-of-Living Adjustments	Living Adjustments 0 percent				
Discount Rate of Return	7.00 percent				
Health Care Cost Trends	Initial	Ultimate			
Medical					
Pre-Medicare	7.50 percent	4.14 percent			
Medicare	-10.94 percent	4.14 percent			
Prescription Drug					
Pre-Medicare	-11.95 percent	4.14 percent			
Medicare 1.33 percent					

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

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

Actuarial assumptions used in the June 30, 2023, valuation are based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2021.

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

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

<sup>\*</sup> Final Target weights reflected at October 1, 2022

*Discount Rate* The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2023. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.00 percent was used to measure the total OPEB liability as of June 30, 2023.

<sup>\*\* 10</sup> year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

Sensitivity of the School District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB asset as of June 30, 2023, calculated using the current period discount rate assumption of 7.00 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption.

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

	1% Decrease (6.00%)			Current viscount Rate (7.00%)	1% Increase (8.00%)		
School District's proportionate share of the net OPEB (asset)	\$	(2,179,371)	\$	(2,574,963)	\$	(2,919,486)	
	_	1% Decrease		Current Trend Rate	1	% Increase	
School District's proportionate share of the net OPEB (asset)	\$	(2,935,473)	\$	(2,574,963)	\$	(2,140,740)	

Benefit Term Changes Since the Prior Measurement Date Healthcare trends were updated to reflect emerging claims and recoveries experience as well as benefit changes effective January 1, 2024.

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Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

#### Note 15 – Long-Term Obligations

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

	Principal Outstanding 6/30/2023	Additions	Reduction	Principal Outstanding 6/30/2024	Amounts Due in One Year
<b>Governmental Activities</b>					
Long-Term Notes Payable					
2016 COPS 2.47% - Direct Borrowings	\$ 2,240,000	\$ -	\$ 420,000	\$ 1,820,000	\$ 435,000
2016 COPS Premium	69,768	-	17,441	52,327	-
2020 Tax Anticipation Note 1.17%	3,991,000		550,000	3,441,000	557,000
Total Long-Term Notes Payable	6,300,768		987,441	5,313,327	992,000
General Obligation Bonds					
2010 QSCB Bonds 5.125%	4,960,000	-	1,240,000	3,720,000	1,240,000
2021 Refunding Tax Exempt 1-4.00%	8,115,000	-	910,000	7,205,000	935,000
Premium	993,344	-	137,013	856,331	-
2023 School Improvement Bonds 4.125-5.00%	-	65,000,000	-	65,000,000	5,000
Premium	-	3,275,387	76,944	3,198,443	-
Total General Obligation Bonds	14,068,344	68,275,387	2,363,957	79,979,774	2,180,000
Net Pension Liability:					
STRS	29,710,111	_	1,198,209	28,511,902	-
SERS	9,711,408	143,205	-	9,854,613	_
Total Net Pension Liability	39,421,519	143,205		38,366,515	-
Net OPEB Liability:					
SERS	2,559,415	419,280	_	2,978,695	_
Total Net OPEB Liability	2,559,415	419,280		2,978,695	-
Leases Payable	26,171	_	14,284	11,887	7,230
Compensated Absences Payable	4,267,700	189,679	956,721	3,500,658	255,319
Long-Term Liabilities	4,293,871	189,679	971,005	3,512,545	262,549
Zong Zum Emonitios	1,2/3,3/1	102,072	771,003	3,312,343	202,047
Total Long-Term Liabilities	\$ 66,643,917	\$ 69,027,551	\$ 4,322,403	\$ 130,150,856	\$ 3,434,549

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

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

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

General Obligation Bonds During 2024, the School District issued general obligation bonds of \$65,000,000 with an interest rate of 4.125-5.000% that will mature in December 2060. In prior years, the School District issued \$18,814,982 general obligation bonds with an interest rate of 2.0-5.25%, maturity date December 1, 2022. In July 2007, a portion of the School District's general obligation funds was advanced refunded and re-issued at a lower interest rate in the amount of \$6,244,997 with an interest rate of 4.00-4.25%. Present value savings from the advanced refunding is \$247,906. In December 2013, the School District refunded a portion of these bonds in the amount of \$5,590,000 and reissued bonds in the amount of \$5,420,000. The School District used \$500,000 of its sinking fund to defease a portion of the debt and also shortened the payback period by one year. The debt will mature on December 1, 2021. Net present value savings is \$312,100. In April 2021, the School District refunded a portion of these bonds in the amount of \$8,620,000. Present value saving from the advance refunding is \$1,294,355 for an economic gain. The balance of the defeased debt at June 30, 2024 is \$9,240,000.

All bonds outstanding are general obligation of the School District for which the full faith and credit of the School District are pledged for repayment. General obligation bonds are to be repaid from a current 5.68 mill bonded-debt tax levy. Tax monies will be received in and the debt will be repaid from the Bond Retirement Fund.

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

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

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

The School District's overall voted debt margin was \$5,218,411 with an un-voted debt margin of \$886,900 at June 30, 2024.

Principal and interest requirements to retire the long-term obligations outstanding at June 30, 2024 were as follows:

	Long-	Long-Term		General					
Fiscal Year	Notes P	ayable	Obligation Bonds		Leases Payable		Total		
Ending	Principal	Interest	Principal	Interest *	Principal	Interest	Principal	Interest	
2025	\$ 992,000	\$ 85,276	\$ 2,180,000	\$ 3,854,607	7,230	83	\$ 3,179,230	\$ 3,939,966	
2026	1,013,000	65,249	2,900,000	3,813,081	4,657	19	3,917,657	3,878,349	
2027	1,030,000	44,971	2,970,000	3,760,307	-	-	4,000,000	3,805,278	
2028	1,052,000	24,236	1,760,000	3,128,181	-	-	2,812,000	3,152,417	
2029	584,000	10,319	1,840,000	3,048,382	-	-	2,424,000	3,058,701	
2030-2034	590,000	3,452	6,905,000	14,126,057	-	-	7,495,000	14,129,509	
2035-2039	-	-	5,940,000	12,714,458	-	-	5,940,000	12,714,458	
2040-2044	-	-	7,565,000	11,036,280	-	-	7,565,000	11,036,280	
2045-2049	-	-	9,650,000	8,894,655	-	-	9,650,000	8,894,655	
2050-2054	-	-	12,080,000	6,471,155	-	-	12,080,000	6,471,155	
2055-2059	-	-	15,060,000	3,348,375	-	-	15,060,000	3,348,375	
2060-2061			7,075,000	294,834			7,075,000	294,834	
Total	\$ 5,261,000	\$ 233,503	\$ 75,925,000	\$ 74,490,372	\$ 11,887	\$ 102	\$ 81,197,887	\$ 74,723,977	

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

#### Note 16 - Set-Asides

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

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

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

	Capital Improvement	s St	Budget Stabilization		
Set-Aside Balance as of June 30, 2023	\$ -	\$	134,873		
Current Year Set-Aside Requirements	307,160	)	-		
Qualifying Disbursements	(3,295,805	<u> </u>			
Total	(2,988,645	<u>(i)</u>	134,873		
Set-Aside Balance Carried Forward to					
Future Fiscal Years	(2,988,645	<u> </u>			
Set-Aside Balance as of June 30, 2024	salance as of June 30, 2024 \$(2,988,64				

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

#### Note 17 – Jointly Governed Organizations

Ohio Schools' Council Association - The Ohio Schools' Council Association (Council) is a jointly governed organization among over three hundred school districts, JVS, ESC and DD boards. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2024, the School District paid \$135,756 to the Council. Financial information can be obtained by contacting William Zelei, the Executive Director of the Ohio Schools Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

The OSC's Natural Gas Program supplies natural gas to member districts in Dominion East Ohio (DEO) and Columbia Gas of Ohio (COH) territories. The current supplier and manager is Constellation New Energy (formerly Compass as of July 1, 2017). OSC have a variable rate with a 100% swing tolerance (so any over/under usage does not incur additional charges). OSC currently has more than 180 districts in the program and we service the Columbia and Dominion territories. The OSC gas program bills each district a level billing amount each month (aka budget billing) for consumption based on last year's usage with an ending year balance calculated at the end of the fiscal year. If there is a positive balance the district can request a refund or use the credit toward future invoices until the amount is used up. The utility invoices the district for transportation. In May 2014, The Ohio Schools Council negotiated and approved a contract for discounted electric generation with First Energy Solutions through Power4Schools(P4S) for schools in the FirstEnergy territory—Ohio Edison, Cleveland Electric Illuminating and Toledo Edison. There are more than 185 districts participating in this program including Beachwood School District.

Lake Geauga Computer Association - The Lake Geauga Computer Association ("LGCA") is a jointly governed organization that was formed for the purpose of providing computer services for accounting, grading, scheduling, EMIS and other applications to its 18 members. The School District paid \$101,012 to LGCA during fiscal year 2024.

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2024

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

#### **Note 18 - Contingencies**

#### A. Grants

The School District receives financial assistance from numerous federal, state, and local agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2024.

#### B. Litigation

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

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

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, all ODE adjustments for fiscal year 2024 have been finalized.

#### **Note 19 – Other Commitments**

The School District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are components of fund balance for subsequent year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. As of June 30, 2024, the School District's commitments for encumbrances in the governmental funds were as follows:

	Outstanding Encumbrances			
General Fund Building Fund	\$ 109,752 5,488,828			
Nonmajor governmental funds	\$ 153,210 5,751,790			

# Schedules of Required Supplementary Information Schedule of the District's Proportionate Share of the Net Pension Liability School Employees Retirement System (SERS) of Ohio

T	oct	Ton	Years
L	ast	1 611	1 cals

	 2024		2023		2022		2021
School District's Proportion of the Net Pension Liability	0.1783474%		0.1795490%		0.1781663%		0.1841760%
School District's Proportionate Share of the Net Pension Liability	\$ 9,854,613	\$	9,711,408	\$	6,573,818	\$	12,181,789
School District's Covered Payroll	\$ 7,075,514	\$	6,707,257	\$	6,149,757	\$	6,452,700
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	139.28%		144.79%		106.90%		188.79%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.06%		75.82%		82.86%		68.55%

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

2020	2019	2018		2018		2018		2018		2017	2016	2015
0.1747117%	0.1898316%		0.1892119%	0.1850622%	0.1850622%	0.189335%						
\$ 10,453,308	\$ 10,872,008	\$	11,304,993	\$ 13,544,846	\$ 10,803,609	\$ 10,298,462						
\$ 5,994,437	\$ 6,175,341	\$	6,093,679	\$ 5,596,179	\$ 5,907,329	\$ 5,357,287						
174.38%	176.06%		185.52%	242.04%	182.88%	192.23%						
70.85%	71.36%		69.50%	62.98%	69.16%	71.70%						

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

	2024	2023	2022	2021
School District's Proportion of the Net Pension Liability	0.13239835%	0.13364797%	0.13954230%	0.14209040%
School District's Proportionate Share of the Net Pension Liability	\$ 28,511,902	\$ 29,710,111	\$ 17,841,734	\$ 34,380,821
School District's Covered Payroll	\$ 17,882,829	\$ 17,374,871	\$ 17,218,600	\$ 17,148,093
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	159.44%	170.99%	103.62%	200.49%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.00%	78.90%	87.80%	75.50%

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

2020	2019	2018	2017	2016	2015
0.13708880%	0.13985150%	0.13660450%	0.13652209%	0.14090955%	0.14048700%
\$ 30,316,365 \$ 16,094,757	\$ 30,750,205 \$ 16,281,843	\$ 32,450,692 \$ 15,098,007	\$ 45,698,059 \$ 14,508,436	\$ 38,943,279 \$ 15,296,057	\$ 34,171,300 \$ 15,615,492
188.36%	188.86%	214.93%	314.98%	254.60%	218.83%
77.40%	77.31%	75.29%	66.80%	72.10%	74.70%

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

	2024		2023		2022		2021	
Contractually Required Contribution	\$	1,106,547	\$	990,572	\$	939,016	\$	860,966
Contributions in Relation to the Contractually Required Contribution		(1,106,547)		(990,572)		(939,016)		(860,966)
Contribution Deficiency (Excess)	\$		\$	-	\$	_	\$	_
School District Covered Payroll	\$	7,903,907	\$	7,075,514	\$	6,707,257	\$	6,149,757
Contributions as a Percentage of Covered Payroll		14.00%		14.00%		14.00%		14.00%

2020	2019	2018	2017	2016	2015
\$ 903,378	\$ 809,249	\$ 833,671	\$ 853,115	\$ 783,465	\$ 778,586
 (903,378)	 (809,249)	 (833,671)	 (853,115)	 (783,465)	 (778,586)
\$ 	\$ 	\$ _	\$ 	\$ 	\$ 
\$ 6,452,700	\$ 5,994,437	\$ 6,175,341	\$ 6,093,679	\$ 5,596,179	\$ 5,907,329
14.00%	13.50%	13.50%	14.00%	14.00%	13.18%

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

	 2024	2023	2022	 2021
Contractually Required Contribution	\$ 2,588,611	\$ 2,503,596	\$ 2,432,482	\$ 2,410,604
Contributions in Relation to the Contractually Required Contribution	 (2,588,611)	(2,503,596)	(2,432,482)	 (2,410,604)
Contribution Deficiency (Excess)	\$ _	\$ _	\$ 	\$ 
School District Covered Payroll	\$ 18,490,079	\$ 17,882,829	\$ 17,374,871	\$ 17,218,600
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

2020	2019	2018	2017	2016	2015
\$ 2,400,733	\$ 2,253,266	\$ 2,279,458	\$ 2,113,721	\$ 2,031,181	\$ 2,141,448
 (2,400,733)	 (2,253,266)	 (2,279,458)	 (2,113,721)	 (2,031,181)	 (2,141,448)
\$ -	\$ -	\$ _	\$ 	\$ 	\$ 
\$ 17,148,093	\$ 16,094,757	\$ 16,281,843	\$ 15,098,007	\$ 14,508,436	\$ 15,296,057
14.00%	14.00%	14.00%	14.00%	14.00%	14.00%

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

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

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

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

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

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

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

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

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

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

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

	2024		2023		2022		2021
Contractually Required Contribution (1)	\$	133,894	\$	117,537	\$	112,413	\$ 93,244
Contributions in Relation to the Contractually Required Contribution		(133,894)		(117,537)		(112,413)	(93,244)
Contribution Deficiency (Excess)		-		_		_	-
School District Covered Payroll	\$	7,903,907	\$	7,075,514	\$	6,707,257	\$ 6,149,757
OPEB Contributions as a Percentage of Covered Payroll (1)		1.69%		1.66%		1.68%	1.52%

(1) Includes Surcharge

2020	2019	2018		2017	2016	2015
\$ 85,765	\$ 132,331	\$	128,949	\$ 124,468	\$ 94,787	\$ 144,134
(85,765)	 (132,331)		(128,949)	 (124,468)	 (94,787)	 (144,134)
\$ 6,452,700	\$ 5,994,437	\$	6,175,341	\$ 6,093,679	\$ 5,596,179	\$ 5,907,329
1.33%	2.21%		2.09%	2.04%	1.69%	2.44%

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

	2024		2023		2022		2021	
Contractually Required Contribution	\$	-	\$	-	\$	-	\$	-
Contributions in Relation to the Contractually Required Contribution								
Contribution Deficiency (Excess)	\$	-	\$	-	\$	-	\$	-
School District Covered Payroll	\$	18,490,079	\$	17,882,829	\$	17,374,871	\$	17,218,600
Contributions as a Percentage of Covered Payroll		0.00%		0.00%		0.00%		0.00%

2020		2019		2018		2017		 2016	 2015
\$	-	\$	-	\$	-	\$	-	\$ -	\$ -
								 	 _
\$	-	\$	_	\$	-	\$		\$ -	\$ -
\$ 1	7,148,093	\$	16,094,757	\$	16,281,843	\$	15,098,007	\$ 14,508,436	\$ 15,296,057
	0.00%		0.00%		0.00%		0.00%	0.00%	0.00%

Notes to the Required Supplementary Information For the Fiscal Year Ended June 30, 2024

#### Net Pension Liability

#### Changes of benefit terms- SERS

There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017 and 2019-2024.

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

#### Changes in assumptions- SERS

There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016, 2018-2021, and 2024. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates and (g) mortality among disable member was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement (h) change in discount rate from 7.75% to 7.5%. For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.00% to 2.40%, (b) assumed real wage growth was reduced from 0.% to 0.85%, (c) Cost-of-Living-Adjustments was reduced from 2.50% to 2.00% (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality amount active members, service retirees and beneficiaries, and disabled members were updated (i) change in discount rate from 7.50% to 7.00%. For fiscal year 2023, Cost-of-Living-Adjustments were increased from 2.00% to 2.50%.

#### Changes in benefit terms – STRS

There were no changes in benefit terms from the amounts reported for fiscal years 2014-2024.

Notes to the Required Supplementary Information For the Fiscal Year Ended June 30, 2024

#### Changes in assumptions – STRS

There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017, 2019-2021, and 2024. For fiscal year 2018, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) inflation assumption lowered from 2.75% to 2.50%, (b) investment return assumption lowered from 7.75% to 7.45%, (c) total salary increases rates lowered by decreasing the merit component of the individual salary increases, as well as by 0.25% due to lower inflation, (d) payroll growth assumption lowered to 3.00%, (e) updated the healthy and disable mortality assumption to the "RP-2014" mortality tables with generational improvement scale MP-2016, (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience. For fiscal year 2022, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) investment return assumption lowered from 7.45% to 7.00%, (b) discount rate of return reduced from 7.45% to 7.00%. For fiscal year 2023, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) projected salary increases changed from, 12.50% at age 20 to 2.50% at age 65, to, varies by service from 2.50% to 8.50% (b) post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Preretirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

#### Net OPEB Liability

#### Changes of benefit terms- SERS

There were no changes in benefit terms from the amounts reported for fiscal years 2018-2024.

#### Changes in Assumptions – SERS

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

#### Municipal Bond Index Rate:

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

Notes to the Required Supplementary Information For the Fiscal Year Ended June 30, 2024

Single Equivalent Interest Rate, net of plan investment	expense,
including price inflation	
Fiscal year 2024	4.27 percent
Fiscal year 2023	4.08 percent
Fiscal year 2022	2.27 percent
Fiscal year 2021	2.63 percent
Fiscal year 2020	3.22 percent
Fiscal year 2019	3.70 percent
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent
Medicare Trend Assumption	
Medicare	
Fiscal year 2024	6.75 percent decreasing to 4.40 percent
Fiscal year 2023	7.00 percent decreasing to 4.40 percent
Fiscal year 2022	5.125 percent decreasing to 4.40 percent
Fiscal year 2020	5.25 percent decreasing to 4.75 percent
Fiscal year 2019	5.375 percent decreasing to 4.75 percent
Fiscal year 2018	5.50 percent decreasing to 5.00 percent
Pre – Medicare	
Fiscal year 2024	7.00 percent decreasing to 4.40 percent
Fiscal year 2023	7.00 percent decreasing to 4.40 percent
Fiscal year 2022	6.75 percent decreasing to 4.40 percent
Fiscal year 2020	7.00 percent decreasing to 4.75 percent
Fiscal year 2019	7.25 percent decreasing to 4.75 percent
Fiscal year 2018	7.50 percent decreasing to 5.00 percent

#### Changes in Assumptions – STRS

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

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

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

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

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

Notes to the Required Supplementary Information For the Fiscal Year Ended June 30, 2024

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

#### Changes in Benefit Terms - STRS

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

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

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

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

There were no benefit term changes from the amounts reported for fiscal year 2022-2024.

COMBINING
STATEMENTS
AND
INDIVIDUAL
FUND
SCHEDULES

# Combining Statements and Individual Fund Schedules

#### Combining Statements - Nonmajor Governmental Funds

#### Nonmajor Special Revenue Funds

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

<u>Food Service</u> – This fund accounts for the financial transactions to the food service operation of the School District.

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

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

<u>Recreation</u> – This fund accounts for revenues and expenses in connection with a community recreation program.

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

<u>Pupil Support</u> – This fund is used for the general support of the school building, staff, and students.

<u>Miscellaneous Local Grants</u> – 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.

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

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

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

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

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

<u>Student Wellness</u> – This fund accounts for services to students meeting the needs of the whole child which include mental health services.

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

#### Nonmajor Special Revenue Funds (continued)

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

<u>IDEA B</u> – 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.

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

<u>Title I</u> – 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.

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

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

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

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

#### Nonmajor Capital Project Fund

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

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

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

#### Nonmajor Proprietary Fund

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

#### Internal Service Fund

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

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

Beachwood City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Nonmajor Special Revenue Funds			Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds		
ASSETS							
Equity in Pooled Cash and Cash Equivalents	\$	3,636,504	\$	784,723	\$	4,421,227	
Materials and Supplies Inventory		6,101		-		6,101	
Accounts Receivable		1,738		-		1,738	
Intergovernmental Receivable		88,261		-		88,261	
Property Taxes Receivable		-		314,671		314,671	
Total Assets	\$	3,732,604	\$	1,099,394	\$	4,831,998	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES Liabilities:							
Accounts Payable	\$	192,282	\$	_	\$	192,282	
Accrued Wages and Benefits	Ψ	247,713	Ψ	_	Ψ	247,713	
Intergovernmental Payable		62,223		_		62,223	
Due to Other Funds		-		3,215,000		3,215,000	
Interfund Payable		3,279,929		-		3,279,929	
Unearned Revenue		1,360		_		1,360	
Total Liabilities		3,783,507		3,215,000		6,998,507	
Deferred Inflows of Resources:							
Property Taxes		_		252,663		252,663	
Unavailable Revenues - Delinquent Property Taxes		_		9,520		9,520	
Unavailable Revenues - Grants		3,556		-		3,556	
<b>Total Deferred Inflows of Resources</b>		3,556		262,183		265,739	
Fund Balances:							
Nonspendable		6,101		-		6,101	
Restricted		389,573		-		389,573	
Committed		-		500,000		500,000	
Unassigned (Deficit)		(450,133)		(2,877,789)		(3,327,922)	
Total Fund Balances		(54,459)		(2,377,789)		(2,432,248)	
Total Liabilities, Deferred Inflows of		(- ', '')		( ) , )		( ,, 3)	
Resources and Fund Balances	\$	3,732,604	\$	1,099,394	\$	4,831,998	

### Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds For the Fiscal Year Ended June 30, 2024

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ -	\$ 299,233	\$ 299,233
Intergovernmental	2,345,463	98,372	2,443,835
Tuition and Fees	1,076,031	-	1,076,031
Extracurricular Activities	327,291	-	327,291
Customer Sales and Services	461,979	-	461,979
Contributions and Donations	38,690	-	38,690
All Other Revenues	27,385	-	27,385
<b>Total Revenues</b>	4,276,839	397,605	4,674,444
EXPENDITURES			
Current:			
Instruction:			
Regular	14,442	-	14,442
Special	333,718	-	333,718
Vocational Instruction	1,124,761	-	1,124,761
Adult/Continuing Instruction	139,434	-	139,434
Other	24,705	-	24,705
Supporting Services:			
Pupils	467,913	83,529	551,442
Instructional Staff	40,287	-	40,287
Fiscal Services	1,242	-	1,242
Operation and Maintenance of Plant	269,649	10,887	280,536
Pupil Transportation	10,391	-	10,391
Operation of Non-Instructional Services:			
Food Service Operations	737,526	-	737,526
Community Services	858,826	-	858,826
Extracurricular Activities	463,319	-	463,319
Capital Outlay	410,789	692,140	1,102,929
Total Expenditures	4,897,002	786,556	5,683,558
Excess of Revenues Over (Under) Expenditures	(620,163)	(388,951)	(1,009,114)
OTHER FINANCING SOURCES			
Transfers In	469,137	150,000	619,137
<b>Total Other Financing Sources</b>	469,137	150,000	619,137
Net Change in Fund Balances	(151,026)	(238,951)	(389,977)
Fund Balances - Beginning of Year	96,567	(2,138,838)	(2,042,271)
Fund Balances - End of Year	\$ (54,459)	\$ (2,377,789)	\$ (2,432,248)

Beachwood City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2024

ASSETS	Food	l Service	Spec	cial Trust		eting School Store	Re	creation
Equity in Pooled Cash and Cash Equivalents	\$	656	\$	24,597	\$	17,217	\$	890
Materials and Supplies Inventory	Ψ	6,101	Ψ	24,371	Ψ	17,217	Ψ	-
Accounts Receivable		-		_		_		_
Intergovernmental Receivable		_		_		_		_
Total Assets		6,757		24,597		17,217		890
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts Payable	\$	103,174	\$	-	\$	6,311	\$	-
Accrued Wages and Benefits				-		-		5,887
Intergovernmental Payable		11,667		-		-		16,690
Interfund Payable		-		-		-		-
Unearned Revenue								_
Total Liabilities		114,841			-	6,311		22,577
Deferred Inflows of Resources:								
Unavailable Revenues - Grants						_		-
Total Deferred Inflows of Resources		-						
Fund Balances:								
Nonspendable		6,101		-		-		-
Restricted		-		24,597		10,906		-
Unassigned (Deficit)	(	(114,185)						(21,687)
Total Fund Balances	(	(108,084)		24,597		10,906		(21,687)
Total Liabilities, Deferred Inflows of								
Resources and Fund Balances	\$	6,757	\$	24,597	\$	17,217	\$	890

Consortium		Pupil Support		Miscellaneous Local Grants		P	reschool	nt Managed ctivities	District Managed Student Activities		
\$	3,069,881	\$	37,239	\$	5,390	\$	136,101	\$ 131,200	\$	102,458	
	-		-		-		-	-		-	
	-		883		-		525	107		223	
			-				-			-	
	3,069,881		38,122		5,390		136,626	131,307		102,681	
\$	1,508 143,806 16,272 3,219,000 - 3,380,586	\$	- - - - -	\$	- - - - -	\$	3,145 75,462 14,258 - - 92,865	\$ 2,604 - - - - - 2,604	\$	2,500 - - - - - 2,500	
	-		-		-		_	-		-	
	-		-		-		-	-		-	
	(310,705) (310,705)		38,122 - 38,122		5,390 - 5,390		43,761 - 43,761	128,703 - 128,703		- 100,181 - 100,181	
\$	3,069,881	\$	38,122	\$	5,390	\$	136,626	\$ 131,307	\$	102,681	

Beachwood City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2024

. accommo	On	e Net	~	ident llness		cellaneous te Grants	ES	SSER	IDEA B	_
ASSETS  Figurity in Popular Cook and Cook Equipments	¢		\$		\$	27.012	¢		¢	
Equity in Pooled Cash and Cash Equivalents	\$	-	2	-	Þ	37,913	\$	-	\$ -	
Materials and Supplies Inventory Accounts Receivable		-		-		-		-	-	
Intergovernmental Receivable		-		-		-		-	- 76,480	
Total Assets						37,913			76,480	_
10411 7155045	-				-	37,713	-		70,400	-
LIABILITIES, DEFERRED INFLOWS OF										
RESOURCES AND FUND BALANCES										
Liabilities:										
Accounts Payable	\$	-	\$	-	\$	-	\$	-	\$ 1,438	
Accrued Wages and Benefits		-		-		-		-	18,237	
Intergovernmental Payable		-		-		-		-	1,750	
Interfund Payable		-		-		-		-	55,055	
Unearned Revenue				-		-		-		_
Total Liabilities		-		-		-		-	76,480	_
Deferred Inflows of Resources:										
Unavailable Revenues - Grants		-		-		_		-	2,027	
<b>Total Deferred Inflows of Resources</b>		-		-		-		-	2,027	_
Fund Balances:										
Nonspendable Restricted		-		-		27.012		-	-	
		-		-		37,913		-	- (2.027)	
Unassigned (Deficit)				-		- 27.012		-	(2,027)	_
Total Fund Balances				-	-	37,913		-	(2,027)	<u>)</u>
Total Liabilities, Deferred Inflows of	ф		ф		ф	27.012	¢.		ф. <b>7</b> 6.400	
Resources and Fund Balances	\$	-	\$	-	\$	37,913	\$	-	\$ 76,480	_

Limited	e III - d English iciency	Title I	<u></u>	itle IV-A	Hand	school licapped rant	Titl	le II-A	cellaneous eral Grants	Total Nonmajor Special Revenue Funds
\$	-	\$ -	\$	-	\$	-	\$	_	\$ 72,962	\$ 3,636,504
	-	-		-		_		_	_	6,101
	_	-		_		_		_	_	1,738
	-	10,649		327		-		805	_	88,261
	-	10,649		327		-		805	72,962	3,732,604
\$	- - - - - -	\$ - 4,321 1,586 4,742 - 10,649		- - - 327 - 327	\$	- - - - -	\$	- - - 805 - 805	\$ 71,602 - - - - 1,360 72,962	\$ 192,282 247,713 62,223 3,279,929 1,360 3,783,507
	-	1,529								3,556
		1,529		<del></del> _	-				 <del></del>	 3,556
		1,329		<del>-</del>						3,330
	-	-		-		-		-	-	6,101
	-	-		-		-		-	-	389,573
	-	(1,529)	<u> </u>	-		-			 -	(450,133)
		(1,529	)			-				 (54,459)
\$		\$ 10,649	\$	327	\$	-	\$	805	\$ 72,962	\$ 3,732,604

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds For the Fiscal Year Ended June 30, 2024

	Food Service	Special Trust	Marketing School Store	Recreation
REVENUES				
Intergovernmental	\$ 159,006	\$ -	\$ -	\$ -
Tuition and Fees	-	-	-	-
Extracurricular Activities	-	-	47,961	-
Customer Sales and Services	432,498	-	=	13,396
Contributions and Donations	-	8,077	-	-
All Other Revenues				
Total Revenues	591,504	8,077	47,961	13,396
EXPENDITURES				
Current:				
Instruction:				
Regular	-	-	-	-
Special	-	-	-	-
Vocational Instruction	-	-	44,649	-
Adult/Continuing Instruction	-	-	-	139,434
Other	-	-	-	-
Supporting Services:				-
Pupils	-	2,500	-	-
Instructional Staff	-	-	-	-
Fiscal Services	1,242	-	-	-
Operation and Maintenance of Plant	-	=	-	-
Pupil Transportation	-	=	-	-
Operation of Non-Instructional Services:				-
Food Service Operations	737,526	=	-	-
Community Services	-	-	-	-
Extracurricular Activities	-	-	-	-
Capital Outlay				
Total Expenditures	738,768	2,500	44,649	139,434
Excess of Revenues Over (Under) Expenditures	(147,264)	5,577	3,312	(126,038)
OTHER FINANCING SOURCES				
Transfers In	109,000	2,500		120,000
<b>Total Other Financing Sources</b>	109,000	2,500		120,000
Net Change in Fund Balances	(38,264)	8,077	3,312	(6,038)
Fund Balances - Beginning of Year	(69,820)	16,520	7,594	(15,649)
Fund Balances - End of Year	\$ (108,084)	\$ 24,597	\$ 10,906	\$ (21,687)

C	onsortium	Pupil Support	Miscellaneous Local Grants		Preschool	ent Managed Activities	M S	District Managed Student Activities		
\$	747,009	\$ -	\$ -	\$	-	\$ -	\$	-		
	486,321	-	-		589,710	-		_		
	-	-	-		-	225,107		54,223		
	16,085	-	-		_	-		_		
	=	8,932	2,000		_	2,245		17,436		
	-	883	26,502		-	-		-		
	1,249,415	9,815	 28,502		589,710	227,352		71,659		
	1,508	12,934	-		-	-		-		
	23,377	-	-		-	-		250		
	1,066,712	-	2,000		-	-		-		
	-	-	-		-	-		-		
	-	-	-		-	-		-		
	284,851	-	-		-	-		-		
	-	-	-		-	-		-		
	-	-	-		-	-		-		
	-	-	-		_	_		-		
	-	-	-		-	-		-		
	_	_	_		_	_		_		
	_	_	_		733,158	_		3,080		
	-	-	-		-	243,547		219,772		
	-	-	51,517		_	-		14,419		
	1,376,448	12,934	53,517		733,158	243,547		237,521		
	(127,033)	(3,119)	(25,015)		(143,448)	(16,195)		(165,862)		
						25,637		212,000		
		_	-		-	25,637		212,000		
	(127,033)	(3,119)	 (25,015)		(143,448)	 9,442		46,138		
	(183,672)	41,241	30,405		187,209	 119,261		54,043		
\$	(310,705)	\$ 38,122	\$ 5,390	\$	43,761	\$ 128,703	\$	100,181		

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds For the Fiscal Year Ended June 30, 2024

	One Net	Student Wellness	Miscellaneous State Grants	ESSER	IDEA B
REVENUES					
Intergovernmental	\$ 7,806	-	60,400	62,270 \$	522,473
Tuition and Fees	-	-	-	-	-
Extracurricular Activities	-	-	-	-	-
Customer Sales and Services	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
All Other Revenues				-	-
Total Revenues	7,806		60,400	62,270	522,473
EXPENDITURES					
Current:					
Instruction:					
Regular	-	-	-	-	-
Special	-	-	-	-	172,994
Vocational Instruction	-	-	11,400	-	-
Adult/Continuing Instruction	-	-	-	-	-
Other	-	-	-	-	24,705
Supporting Services:					
Pupils	-	-	-	-	175,862
Instructional Staff	7,990	9,030	-	-	-
Fiscal Services	-	-	-	-	-
Operation and Maintenance of Plant Services	-	-	3,622	-	-
Pupil Transportation	-	-	-	10,391	-
Operation of Non-Instructional Services:					
Food Service Operations	-	-	-	-	-
Community Services	-	-	-	-	104,386
Extracurricular Activities	-	-	-	-	-
Capital Outlay			12,240	-	
Total Expenditures	7,990	9,030	27,262	10,391	477,947
Excess of Revenues Over (Under) Expenditures	(184)	(9,030)	33,138	51,879	44,526
OTHER FINANCING SOURCES					
Transfers In		-		-	
<b>Total Other Financing Sources</b>					
Net Change in Fund Balances	(184)	(9,030)	33,138	51,879	44,526
Fund Balances - Beginning of Year	184	9,030	4,775	(51,879)	(46,553)
Fund Balances - End of Year	\$ -	\$ -	\$ 37,913	\$ - \$	(2,027)

I I	itle III - Limited English oficiency	Title I	Title IV-A	Preschool Handicapped Grant	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$	12,711	\$ 116,132	\$ 16,699	\$ 6,725	\$ 35,592	598,640	2,345,463
Ψ	-	· 110,152	-	- 0,720	-	-	1,076,031
	_	_	_	_	_	_	327,291
	_	_	_	_	_	_	461,979
		_	_	_	_	_	38,690
	_		_		_		27,385
	12,711	116,132	16,699	6,725	35,592	598,640	4,276,839
	-	-	-	-	-	-	14,442
	12,711	117,661	-	6,725	-	-	333,718
	-	-	-	-	-	-	1,124,761
	-	-	-	-	-	-	139,434
	-	-	-	-	-	-	24,705
	-	-	4,700	-	-	-	467,913
	-	-	-	-	23,000	267	40,287
	-	-	_	-	-	-	1,242
	-	-	_	-	_	266,027	269,649
	-	-	-	-	-	-	10,391
	-	-	-	-	-	-	737,526
	-	-	5,610	-	12,592	-	858,826
	-	-	-	-	-	-	463,319
	-					332,613	410,789
	12,711	117,661	10,310	6,725	35,592	598,907	4,897,002
	-	(1,529)	6,389			(267)	(620,163)
	_	_	_	_	_	_	469,137
							469,137
	-	(1,529)	6,389	-	-	(267)	(151,026)
			(6,389)			267	96,567
\$	-	\$ (1,529)	\$ -	\$ -	\$ -	\$ -	\$ (54,459)

Beachwood City School District
Combining Balance Sheet
Nonmajor Capital Project Funds
June 30, 2024

	Permanent Capital Improvement Projects			1	Total Nonmajor Capital Projects	
ASSETS						
Equity in Pooled Cash and Cash Equivalents	\$	284,723	\$	500,000	\$	784,723
Property Taxes Receivable		314,671				314,671
Total Assets		599,394	\$	500,000	\$	1,099,394
Liabilities, Deferred Inflows of Resources and Fund Balances Liabilities Due to Other Funds Total Liabilities	\$	3,215,000 3,215,000	\$	<u>-</u>	\$	3,215,000 3,215,000
<b>Deferred Inflows of Resources</b>						
Property Taxes		252,663		-		252,663
Unavailable Revenues - Delinquent Property Taxe		9,520		_		9,520
<b>Total Deferred Inflows of Resources</b>		262,183				262,183
Fund Balances: Commited Unassigned (Deficit) Total Fund Balances Total Liabilities, Deferred Inflows of		(2,877,789) (2,877,789)		500,000		500,000 (2,877,789) (2,377,789)
Resources and Fund Balances	\$	599,394	\$	500,000	\$	1,099,394

# Beachwood City School District Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Capital Project Funds For the Fiscal Year Ended June 30, 2024

REVENUES           Taxes         \$ 299,233         -         \$ 299,233           Intergovernmental         98,372         -         98,372           Total Revenues         397,605         -         397,605           EXPENDITURES           Current:         Supporting Services:         Strain S		Permanent Improvemen	Permanent Capital Improvement Projects		
Intergovernmental   98,372   - 98,372   Total Revenues   397,605   - 397,605	REVENUES				
Total Revenues         397,605         -         397,605           EXPENDITURES         Current: Supporting Services: Pupils Operation and Maintenance of Plant 10,887         -         83,529         -         83,529           Operation and Maintenance of Plant Capital Outlay 692,140         -         692,140         -         692,140           Total Expenditures Excess of Revenues Over (Under) Expenditures (388,951)         -         786,556         -         786,556           Excess of Revenues Over (Under) Expenditures	Taxes	\$ 299,233	3 \$ -	\$ 299,233	
EXPENDITURES Current: Supporting Services: Pupils 83,529 - 83,529 Operation and Maintenance of Plant 10,887 - 10,887 Capital Outlay 692,140 - 692,140 Total Expenditures 786,556 - 786,556 Excess of Revenues Over (Under) Expenditures (388,951) - (388,951)  OTHER FINANCING SOURCES Transfer In - 150,000 150,000 Total Other Financing Sources - 150,000 150,000 Net Change in Fund Balances (388,951) 150,000 (238,951)  Fund Balances - Beginning of Year (2,488,838) 350,000 (2,138,838)	Intergovernmental	98,372		98,372	
Current:         Supporting Services:       83,529       -       83,529         Pupils       83,529       -       83,529         Operation and Maintenance of Plant       10,887       -       10,887         Capital Outlay       692,140       -       692,140         Total Expenditures       786,556       -       786,556         Excess of Revenues Over (Under) Expenditures       (388,951)       -       (388,951)         OTHER FINANCING SOURCES       -       150,000       150,000         Total Other Financing Sources       -       150,000       150,000         Net Change in Fund Balances       (388,951)       150,000       (238,951)         Fund Balances - Beginning of Year       (2,488,838)       350,000       (2,138,838)	<b>Total Revenues</b>	397,603	<u> </u>	397,605	
Pupils       83,529       -       83,529         Operation and Maintenance of Plant       10,887       -       10,887         Capital Outlay       692,140       -       692,140         Total Expenditures       786,556       -       786,556         Excess of Revenues Over (Under) Expenditures       (388,951)       -       (388,951)         OTHER FINANCING SOURCES         Transfer In       -       150,000       150,000         Total Other Financing Sources       -       150,000       150,000         Net Change in Fund Balances       (388,951)       150,000       (238,951)         Fund Balances - Beginning of Year       (2,488,838)       350,000       (2,138,838)	Current:				
Operation and Maintenance of Plant         10,887         -         10,887           Capital Outlay         692,140         -         692,140           Total Expenditures         786,556         -         786,556           Excess of Revenues Over (Under) Expenditures         (388,951)         -         (388,951)           OTHER FINANCING SOURCES         -         150,000         150,000           Transfer In         -         150,000         150,000           Total Other Financing Sources         -         150,000         150,000           Net Change in Fund Balances         (388,951)         150,000         (238,951)           Fund Balances - Beginning of Year         (2,488,838)         350,000         (2,138,838)	11 6	83.529	-	83.529	
Capital Outlay       692,140       -       692,140         Total Expenditures       786,556       -       786,556         Excess of Revenues Over (Under) Expenditures       (388,951)       -       (388,951)         OTHER FINANCING SOURCES         Transfer In       -       150,000       150,000         Total Other Financing Sources       -       150,000       150,000         Net Change in Fund Balances       (388,951)       150,000       (238,951)         Fund Balances - Beginning of Year       (2,488,838)       350,000       (2,138,838)	-	·		·	
Total Expenditures         786,556         -         786,556           Excess of Revenues Over (Under) Expenditures         (388,951)         -         (388,951)           OTHER FINANCING SOURCES           Transfer In         -         150,000         150,000           Total Other Financing Sources         -         150,000         150,000           Net Change in Fund Balances         (388,951)         150,000         (238,951)           Fund Balances - Beginning of Year         (2,488,838)         350,000         (2,138,838)	•	,		,	
Excess of Revenues Over (Under) Expenditures       (388,951)       - (388,951)         OTHER FINANCING SOURCES         Transfer In       - 150,000       150,000         Total Other Financing Sources       - 150,000       150,000         Net Change in Fund Balances       (388,951)       150,000       (238,951)         Fund Balances - Beginning of Year       (2,488,838)       350,000       (2,138,838)					
Transfer In         -         150,000         150,000           Total Other Financing Sources         -         150,000         150,000           Net Change in Fund Balances         (388,951)         150,000         (238,951)           Fund Balances - Beginning of Year         (2,488,838)         350,000         (2,138,838)					
Total Other Financing Sources         -         150,000         150,000           Net Change in Fund Balances         (388,951)         150,000         (238,951)           Fund Balances - Beginning of Year         (2,488,838)         350,000         (2,138,838)					
Net Change in Fund Balances       (388,951)       150,000       (238,951)         Fund Balances - Beginning of Year       (2,488,838)       350,000       (2,138,838)	Transfer In		150,000	150,000	
Fund Balances - Beginning of Year (2,488,838) 350,000 (2,138,838)	<b>Total Other Financing Sources</b>		150,000	150,000	
	Net Change in Fund Balances	(388,95)	1) 150,000	(238,951)	
	Fund Balances - Beginning of Year	(2,488.838	350.000	(2,138,838)	
			<u> </u>		

### Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual General Fund

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:	<b>A</b> 22 000 100	Ф. 22.000.100	Ф. 21.470.011	φ (c10.2c0)
Property and Other Local Taxes	\$ 32,089,180	\$ 32,089,180	\$ 31,470,811	\$ (618,369)
Intergovernmental	3,735,324	3,735,324	4,016,321	280,997
Interest	620,000	620,000	1,316,036	696,036
Tuition and Fees Rent	285,930	285,930	630,337 17,162	344,407
Gifts and Donations	10,000 500	10,000 500	2,555	7,162 2,055
Customer Sales and Services	183,772	186,772	147,978	(38,794)
Miscellaneous	1,022,458	1,022,458	1,093,041	70,583
Total Revenues	37,947,164	37,950,164	38,694,241	744,077
EXPENDITURES:				
Current:				
Instruction:				
Regular				
Salaries	10,768,383	10,366,013	10,366,013	-
Fringe Benefits	3,337,665	3,323,369	3,264,294	59,075
Purchased Services	658,438	737,353	728,562	8,791
Materials and Supplies	363,430	309,240	295,659	13,581
Other	168,400	184,113	137,398	46,715
Capital Outlay	212,591	204,692	204,692	
Total - Regular	15,508,907	15,124,780	14,996,618	128,162
Special				
Salaries	4,456,163	4,698,471	4,718,729	(20,258)
Fringe Benefits	1,559,288	1,636,968	1,632,687	4,281
Purchased Services	946,540	1,295,781	1,295,781	-
Materials and Supplies	47,996	29,670	27,284	2,386
Capital Outlay	3,600	1,220	1,220	
Total - Special	7,013,587	7,662,110	7,675,701	(13,591)
Vocational				
Purchased Services	676,100	570,295	570,295	-
Other	29,864	32,114	21,243	10,871
Total - Vocational	705,964	602,409	591,538	10,871
Other				
Salaries	65,817	104,808	104,808	-
Fringe Benefits	76,916	49,028	41,693	7,335
Purchased Services	67,000	74,644	63,278	11,366
Materials and Supplies	14,500	9,315	9,315	
Total - Other	224,233	237,795	219,094	18,701
Total - Instruction:	23,452,691	23,627,094	23,482,951	144,143
				Continued

# Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual General Fund

	Original Budget	Final Budget	Actual	Variance with Final Budget
Support Services:				
Pupils				
Salaries	1,722,707	1,795,434	1,775,176	20,258
Fringe Benefits	522,944	546,384	548,910	(2,526)
Purchased Services	193,668	209,343	209,343	-
Materials and Supplies	29,227	14,375	14,375	_
Other	10,500	5,679	5,679	-
Capital Outlay	14,500	3,933	3,933	
Total - Pupils	2,493,546	2,575,148	2,557,416	17,732
Instructional Staff				
Salaries	948,635	903,946	903,946	-
Fringe Benefits	306,145	297,557	297,557	-
Purchased Services	169,283	139,508	139,507	1
Materials and Supplies	100,206	115,276	115,276	-
Other	250	18,805	18,805	-
Capital Outlay	133,643	53,096	48,096	5,000
Total - Instructional Staff	1,658,162	1,528,188	1,523,187	5,001
Board of Education				
Salaries	25,000	16,375	16,375	-
Fringe Benefits	5,906	5,451	5,451	-
Purchased Services	424,000	373,824	373,824	-
Materials and Supplies	500	918	918	-
Other	21,751	22,434	22,434	_
Capital Outlay	1,500	8,676	8,676	
Total - Board of Education	478,657	427,678	427,678	
Administration				
Salaries	1,745,489	1,768,068	1,768,068	-
Fringe Benefits	789,764	772,957	772,957	-
Purchased Services	114,093	96,947	96,510	437
Materials and Supplies	13,700	12,493	12,493	-
Other	160,050	177,750	177,750	-
Capital Outlay	7,975	8,537	8,537	
Total - Administration	2,831,071	2,836,752	2,836,315	437
Fiscal				
Salaries	550,832	473,724	473,724	_
Fringe Benefits	202,960	154,411	154,411	-
Purchased Services	62,525	75,332	75,332	-
Materials and Supplies	1,500	2,151	2,151	-
Other	669,682	643,911	643,911	-
Capital Outlay	4,500	2,718	2,718	-
Total - Fiscal	1,491,999	1,352,247	1,352,247	
				Continued

### Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual General Fund

	Original Budget	Final Budget	Actual	Variance with Final Budget
Business				
Salaries	133,309	125,060	125,060	-
Fringe Benefits	56,138	55,848	55,848	-
Purchased Services	114,740	122,739	119,042	3,697
Materials and Supplies	13,500	17,562	17,563	(1)
Other	650	324	324	-
Capital Outlay	2,500	<del>-</del> -	-	
Total - Business	320,837	321,533	317,837	3,696
Operation and Maintenance of Plant				
Salaries	1,447,940	1,625,460	1,625,460	-
Fringe Benefits	453,485	496,115	496,115	-
Purchased Services	1,771,150	2,066,508	2,066,507	1
Materials and Supplies	271,800	361,284	361,283	1
Other	50	200	200	_
Capital Outlay	97,000	85,397	85,397	
Total - Operation and Maintenance of Plant	4,041,425	4,634,964	4,634,962	2
Pupil Transportation				
Salaries	1,431,237	1,368,675	1,368,675	_
Fringe Benefits	441,471	444,985	444,985	_
Purchased Services	264,500	270,296	270,296	_
Materials and Supplies	370,500	379,834	379,834	_
Other	400	517,054	577,054	
Capital Outlay	293,000	293,488	293,488	
Total - Pupil Transportation	2,801,108	2,757,278	2,757,278	
Central				
Salaries	146,445	142,867	142,867	_
Fringe Benefits	40,338	40,238	40,238	_
Purchased Services	100,500	85,367	85,366	1
Materials and Supplies	12,500	343	343	-
Other	500	4,395	4,395	_
Capital Outlay	1,500	- <u></u>	-	
Total - Central	301,783	273,210	273,209	1
Total - Support Services:	16,418,588	16,706,998	16,680,129	26,869
Operation of Non-Instructional/Shared Services:				
Community Services				
Purchased Services	30,000	20,575	20,574	1
Materials and Supplies	25,000	12,112	12,112	-
Other	20,000	18,082	18,082	
Total - Community Services	75,000	50,769	50,768	1
Total - Operation of Non-Instructional/Shared Services:	75,000	50,769	50,768	1
				Continued

#### Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual General Fund

	Original Budget	Final Budget	Actual	Variance with Final Budget
Extracurricular Activities:				
Academic Oriented Activities				
Salaries	205,147	213,577	213,577	-
Fringe Benefits	37,902	31,306	31,306	
Total - Academic Oriented Activities	243,049	244,883	244,883	
Sport Oriented Activities				
Salaries	725,099	667,832	667,832	-
Fringe Benefits	214,854	206,179	206,179	
Total - Sport Oriented Activities	939,953	874,011	874,011	
School and Public Service Co-Curricular Activities				
Salaries	20,318	65,982	65,982	-
Fringe Benefits	9,132	8,824	8,824	
Total - School and Public Service Co-Curricular Activities	29,450	74,806	74,806	
Total - Extracurricular Activities:	1,212,452	1,193,700	1,193,700	
Total Expenditures				
Total Expenditures	41,158,731	41,578,561	41,407,548	171,013
Excess of Revenues Over (Under) Expenditures	(3,211,567)	(3,628,397)	(2,713,307)	915,090
OTHER FINANCING SOURCES AND (USES):				
Transfers In	391,500	391,500	164,060	(227,440)
Advances In	100,000	100,000	100,000	-
Proceeds from Sale of Capital Assets	10,000	10,000	14,283	4,283
Insurance Recoveries	-	-	942	942
Refund of Prior Year Expenditures	2,500	2,500	13,540	11,040
Transfers Out	(1,085,667)	(905,098)	(883,197)	21,901
Total Other Financing Sources and (Uses)	(581,667)	(401,098)	(590,372)	(189,274)
Net Change in Fund Balances	(3,793,234)	(4,029,495)	(3,303,679)	725,816
Fund Balance at Beginning of Year	26,552,186	26,552,186	26,552,186	-
Prior Year Encumbrances Appropriated	186,249	186,249	186,249	
Fund Balance at End of Year	\$ 22,945,201	\$ 22,708,940	\$ 23,434,756	\$ 725,816

# Schedules of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual Bond Retirement Fund For the Fiscal Year Ended June 30, 2024

	Orig	ginal Budget	Fi	nal Budget	Actual	riance with nal Budget
REVENUES:						
Property and Other Local Taxes	\$	4,445,888	\$	4,445,888	\$ 4,670,208	\$ 224,320
Intergovernmental		704,043		704,043	 739,566	35,523
Total Revenues		5,149,931		5,149,931	5,409,774	259,843
EXPENDITURES:						
Debt Service:						
Principal		3,120,000		3,120,000	3,120,000	-
Interest		931,002		3,366,392	3,356,138	10,254
Issuance Costs				528,608	 528,608	 -
Total Expenditures	_	4,051,002		7,015,000	 7,004,746	 10,254
Excess of Revenues Over (Under) Expenditures		1,098,929		(1,865,069)	 (1,594,972)	 270,097
OTHER FINANCING SOURCES:						
Premium on Debt Issuance					 3,275,387	 3,275,387
Total Other Financing Sources		-			 3,275,387	 3,275,387
Net Change in Fund Balances		1,098,929		(1,865,069)	1,680,415	3,545,484
Fund Balance at Beginning of Year		3,201,597		3,201,597	3,201,597	 
Fund Balance at End of Year	\$	4,300,526	\$	1,336,528	\$ 4,882,012	\$ 3,545,484

### Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual Building Fund

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Interest	\$ 1,950,000	\$ 1,446,517	\$ (503,483)
Total Revenues	1,950,000	1,446,517	(503,483)
EXPENDITURES: Current: Support Services:			
Fiscal	28,750	25,052	3,698
Capital Outlay:			
Architecture and Engineering Services	3,871,520	3,850,226	21,294
Building Improvement Services	2,114,566	114,566	2,000,000
Other Facilities Acquisition and Construction	24,335,164	5,513,998	18,821,166
Total Expenditures	30,350,000	9,503,842	20,846,158
Excess of Revenues Over (Under) Expenditures	(28,400,000)	(8,057,325)	20,342,675
OTHER FINANCING SOURCES AND USES:			
General Obligation Bond Issued	65,000,000	65,000,000	
Total Other Financing Sources and Uses	65,000,000	65,000,000	
Net Change in Fund Balances	36,600,000	56,942,675	20,342,675
Fund Balance at Beginning of Year	-	-	-
Prior Year Encumbrances Appropriated			
Fund Balance at End of Year	\$ 36,600,000	\$ 56,942,675	\$ 20,342,675

# Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual Food Service Fund

	Fina	Final Budget		ıl Budget Actual		Final Budget Actual				iance with al Budget
REVENUES: Intergovernmental Interest Customer Sales and Services Miscellaneous	\$	138,000 1,500 559,300 3,500	\$	125,663 - 433,584	\$ (12,337) (1,500) (125,716) (3,500)					
Total Revenues		702,300		559,247	 (143,053)					
EXPENDITURES: Current: Support Services: Fiscal Operation of Non-Instructional/Shared Services: Food Service Operations		1,242 774,970		1,242 685,206	- 89,764					
Total Expenditures		776,212		686,448	89,764					
Excess of Revenues Over (Under) Expenditures		(73,912)		(127,201)	 (53,289)					
OTHER FINANCING SOURCES: Transfers In		60,000		109,000	49,000					
Total Other Financing Sources		60,000		109,000	 49,000					
Net Change in Fund Balances		(13,912)		(18,201)	(4,289)					
Fund Balance at Beginning of Year		18,449		18,449	-					
Prior Year Encumbrances Appropriated		408		408	 -					
Fund Balance at End of Year	\$	4,945	\$	656	\$ (4,289)					

### Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual Special Trust Fund

	Final Budget		Actual		Variance ual Final Bu	
REVENUES: Interest Gifts and Donations	\$	30 5,000	\$	- 8,077	\$	(30) 3,077
Total Revenues		5,030		8,077	,	3,047
EXPENDITURES: Current: Support Services: Pupils		12,500		2,500		10,000
Total Expenditures		12,500		2,500		10,000
Excess of Revenues Over (Under) Expenditures		(7,470)		5,577		13,047
OTHER FINANCING SOURCES: Transfers In				2,500		2,500
Total Other Financing Sources				2,500		2,500
Net Change in Fund Balances		(7,470)		8,077		15,547
Fund Balance at Beginning of Year		16,520	,	16,520		
Fund Balance at End of Year	\$	9,050	\$	24,597	\$	15,547

# Schedules of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual Marketing School Store Fund For the Fiscal Year Ended June 30, 2024

	Fina	l Budget	 Actual	Variance with Final Budget		
REVENUES: Extracurricular Activities	\$	43,500	\$ 47,961	\$	4,461	
Total Revenues		43,500	47,961		4,461	
EXPENDITURES: Current: Instruction: Vocational		50,000	 38,338		11,662	
Total Expenditures		50,000	 38,338		11,662	
Net Change in Fund Balances		(6,500)	9,623		16,123	
Fund Balance at Beginning of Year		7,594	7,594			
Fund Balance at End of Year	\$	1,094	\$ 17,217	\$	16,123	

#### Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual Recreation Fund

	Fina	al Budget Actual		Actual	Variance with Final Budget	
REVENUES: Customer Sales and Services	\$	15,812	\$	13,396	\$	(2,416)
Total Revenues		15,812		13,396		(2,416)
EXPENDITURES: Current: Instruction: Adult/Continuing		135,812		132,507		3,305
Total Expenditures		135,812		132,507		3,305
Excess of Revenues Over (Under) Expenditures		(120,000)		(119,111)		889
OTHER FINANCING SOURCES: Transfers In		120,000		120,000		
Total Other Financing Sources		120,000		120,000		
Net Change in Fund Balances		-		889		889
Fund Balance at Beginning of Year		1		1		
Fund Balance at End of Year	\$	1	\$	890	\$	889

#### Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual Consortium Fund

	Final Budget	Actual	Variance with Final Budget		
REVENUES:					
Intergovernmental	\$ 673,478	\$ 747,009	\$ 73,531		
Tuition and Fees	501,500	550,395	48,895		
Customer Sales and Services	12,000	16,271	4,271		
Total Revenues	1,186,978	1,313,675	126,697		
EXPENDITURES:					
Current:					
Instruction:					
Special	91,073	80,626	10,447		
Vocational	1,083,572	887,226	196,346		
Support Services:					
Pupils	202,572	203,639	(1,067)		
Total Expenditures	1,377,217	1,171,491	205,726		
Excess of Revenues Over (Under) Expenditures	(190,239)	142,184	332,423		
OTHER FINANCING SOURCES AND (USES):					
Transfers In	2,507,500	2,657,004	149,504		
Transfers Out	(2,657,004)	(2,657,004)	-		
Total Other Financing Sources and (Uses)	(149,504)		149,504		
Net Change in Fund Balances	(339,743)	142,184	481,927		
Fund Balance at Beginning of Year	2,925,818	2,925,818	-		
Prior Year Encumbrances Appropriated	1,879	1,879			
Fund Balance at End of Year	\$ 2,587,954	\$ 3,069,881	\$ 481,927		

### Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual Pupil Support Fund

	Final Budget		Actual		Variance with Final Budget	
REVENUES:						
Gifts and Donations	\$	7,250	\$	8,932	\$	1,682
Total Revenues		7,250		8,932		1,682
EXPENDITURES:						
Current: Instruction:						
Regular		23,385		12,933		10,452
Total Expenditures		23,385		12,933		10,452
Net Change in Fund Balances		(16,135)		(4,001)		12,134
Fund Balance at Beginning of Year		41,230		41,230		-
Prior Year Encumbrances Appropriated		10		10		-
Fund Balance at End of Year	\$	25,105	\$	37,239	\$	12,134

# Schedules of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual Miscellaneous Local Grants Fund For the Fiscal Year Ended June 30, 2024

	Final	Final Budget		Actual		Variance with Final Budget	
REVENUES:							
Gifts and Donations	\$	-	\$	2,000	\$	2,000	
Miscellaneous		30,000		26,502		(3,498)	
Total Revenues		30,000		28,502		(1,498)	
EXPENDITURES:							
Current:							
Instruction:							
Regular		5,390		-		5,390	
Vocational		2,000		2,000		-	
Support Services:							
Pupil Transportation		51,516		51,517		(1)	
Total Expenditures		58,906		53,517		5,389	
Net Change in Fund Balances		(28,906)		(25,015)		3,891	
Fund Balance at Beginning of Year		30,405		30,405		_	
Fund Balance at End of Year	\$	1,499	\$	5,390	\$	3,891	

# Schedules of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual Termination Benefits Fund For the Fiscal Year Ended June 30, 2024

	Fii	nal Budget		Actual	Variance with Final Budget	
EXPENDITURES:						
Current:						
Instruction:						
Regular	\$	23,643	\$	22,937	\$	706
Special		61,401		61,401		-
Support Services:						
Administration		61,812		61,812		-
Fiscal		58,929		58,929		-
Total Expenditures		205,785		205,079		706
Excess of Revenues Over (Under) Expenditures		(205,785)		(205,079)		(706)
OTHER FINANCING SOURCES:		400.000				
Transfers In		100,000		100,000	-	
Total Odera Financia - Commercia I User		100,000		100 000		
Total Other Financing Sources and Uses		100,000	-	100,000		
Net Change in Fund Balances		(105,785)		(105,079)		(706)
Net Change in Fund Barances		(103,763)		(103,079)		(700)
Fund Balance (Deficit) at Beginning of Year		2,102,998		2,102,998		_
Tana Balance (Benett) at Beginning of Teal		2,102,770		2,102,770		
Fund Balance (Deficit) at End of Year	\$	1,997,213	\$	1,997,919	\$	(706)
	-	.,,==0		- , ,	-	()

# Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual Preschool Fund

	Final Budget		Actual		Variance with Final Budget	
REVENUES:						
Tuition and Fees	\$	578,000	\$	590,415	\$	12,415
Total Revenues		578,000		590,415		12,415
EXPENDITURES: Current:						
Operation of Non-Instructional/Shared Services: Community Services		753,373		742,487		10,886
Total Expenditures		753,373		742,487		10,886
Net Change in Fund Balances		(175,373)		(152,072)		23,301
Fund Balance at Beginning of Year		283,233		283,233		-
Fund Balance at End of Year	\$	107,860	\$	131,161	\$	23,301

# Schedules of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual Student Managed Activities Fund For the Fiscal Year Ended June 30, 2024

	Fina	l Budget	Actual	ance with al Budget
REVENUES:				
Extracurricular Activities	\$	168,450	\$ 225,000	\$ 56,550
Gifts and Donations			 2,000	 2,000
Total Revenues		168,450	 227,000	58,550
EXPENDITURES:				
Current:				
Extracurricular Activities:				
Academic Oriented Activities		196,426	190,960	5,466
School and Public Service Co-Curricular Activities		93,942	 55,929	 38,013
Total Expenditures		290,368	246,889	43,479
Excess of Revenues Over (Under) Expenditures		(121,918)	(19,889)	 102,029
OTHER FINANCING GOLIRGES				
OTHER FINANCING SOURCES: Transfers In		18,600	25,637	7,037
Transfers in		18,000	 23,037	7,037
Total Other Financing Sources		18,600	25,637	 7,037
Net Change in Fund Balances		(103,318)	5,748	109,066
Fund Balance at Beginning of Year		118,506	118,506	-
Prior Year Encumbrances Appropriated		3,600	 3,600	
Fund Balance at End of Year	\$	18,788	\$ 127,854	\$ 109,066

# Schedules of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual District Managed Student Activities Fund For the Fiscal Year Ended June 30, 2024

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Extracurricular Activities	\$ 86,977	\$ 54,223	\$ (32,754)
Gifts and Donations	13,773	17,681	3,908
Total Revenues	100,750	71,904	(28,846)
EXPENDITURES: Current:			
Instruction:			
Special CN L C C C C C C C C C C C C C C C C C	2,000	250	1,750
Operation of Non-Instructional/Shared Services:	10,000	2 000	6.020
Community Services Extracurricular Activities:	10,000	3,080	6,920
Academic Oriented Activities	12,600	1,355	11,245
Sport Oriented Activities	255,942	241,722	14,220
Sport Oriented Metrities	233,712	211,722	11,220
Total Expenditures	280,542	246,407	34,135
Excess of Revenues Over (Under) Expenditures	(179,792)	(174,503)	5,289
OTHER FINANCING SOURCES:			
Transfers In	120,000	212,000	92,000
Total Other Financing Sources	120,000	212,000	92,000
Net Change in Fund Balances	(59,792)	37,497	97,289
Fund Balance at Beginning of Year	59,793	59,793	-
Prior Year Encumbrances Appropriated	1,330	1,330	
Fund Balance at End of Year	\$ 1,331	\$ 98,620	\$ 97,289

#### Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual One Net Fund

#### For the Fiscal Year Ended June 30, 2024

	Fina	l Budget	A	ctual	nce with Budget
REVENUES: Intergovernmental	\$	7,990	\$	7,990	\$ 
Total Revenues		7,990		7,990	
EXPENDITURES: Current: Support Services: Instructional Staff		7,990		7,990	
Total Expenditures		7,990		7,990	
Net Change in Fund Balances		-		-	-
Fund Balance at Beginning of Year		_			
Fund Balance at End of Year	\$	-	\$	-	\$ -

# Schedules of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual Student Wellness Fund For the Fiscal Year Ended June 30, 2024

	Fin:	al Budget	 Actual	nce with Budget
EXPENDITURES:				
Current:				
Support Services: Instructional Staff	\$	9,030	\$ 9,030	\$ -
Total Expenditures		9,030	9,030	 -
Net Change in Fund Balances		(9,030)	(9,030)	-
Fund Balance at Beginning of Year		9,030	9,030	-
Prior Year Encumbrances Appropriated				 -
Fund Balance at End of Year	\$		\$ 	\$ -

# Schedules of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual Miscellaneous State Grant Fund For the Fiscal Year Ended June 30, 2024

	Fina	l Budget	A	Actual		ance with al Budget
REVENUES:						
Intergovernmental		30,125	\$	60,400	\$	30,275
Total Revenues		30,125		60,400		30,275
EXPENDITURES:						
Current:						
Instruction:						
Vocational		11,400		11,400		-
Support Services:		22.500		1		< 0.27
Operation and Maintenance of Plant		23,500	-	16,663	-	6,837
Total Expenditures		34,900		28,063		6,837
Net Change in Fund Balances		(4,775)		32,337		37,112
Fund Balance at Beginning of Year		1,152		1,152		-
Prior Year Encumbrances Appropriated		3,623		3,623		
Fund Balance at End of Year	\$	-	\$	37,112	\$	37,112

#### Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual ESSER Fund

#### For the Fiscal Year Ended June 30, 2024

	Fin	al Budget		Actual	nce with Budget
REVENUES:					
Intergovernmental	\$	62,270	\$	62,270	\$ -
Total Revenues		62,270	,	62,270	 _
EXPENDITURES: Current:					
Instruction:		20 625		20 625	
Regular Special		28,625 12,670		28,625 12,670	-
Other		5,356		5,356	_
Support Services:		2,223		0,000	
Pupil Transportation	,	15,619		15,619	 
Total Expenditures		62,270		62,270	 -
Net Change in Fund Balances		-		-	-
Fund Balance at Beginning of Year		-		-	-
Prior Year Encumbrances Appropriated					 -
Fund Balance at End of Year	\$	-	\$	-	\$ -

#### Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual IDEA B Fund

#### For the Fiscal Year Ended June 30, 2024

	Fin	al Budget	Actual	riance with al Budget
REVENUES:				
Intergovernmental	\$	630,910	\$ 488,848	\$ (142,062)
Total Revenues		630,910	 488,848	 (142,062)
EXPENDITURES:				
Current:				
Instruction:				
Special		196,541	177,000	19,541
Other		47,113	47,129	(16)
Support Services:				
Pupils		222,957	185,887	37,070
Fiscal		1,999	-	1,999
Operation of Non-Instructional/Shared Services:				
Community Services		162,300	 143,719	18,581
Total Expenditures		630,910	 553,735	 77,175
Net Change in Fund Balances		-	(64,887)	(64,887)
Fund Balance (Deficit) at Beginning of Year		(40,828)	(40,828)	
Fund Balance (Deficit) at End of Year	\$	(40,828)	\$ (105,715)	\$ (64,887)

### Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Title III Fund

For the Fiscal Year Ended June 30, 2024	For the	Fiscal	Year 1	Ended	June	30,	2024
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	Fina	al Budget	 Actual	nce with Budget
REVENUES:				
Intergovernmental	\$	12,666	\$ 12,711	\$ 45
Total Revenues	_	12,666	 12,711	45
EXPENDITURES: Current:				
Instruction: Special		12,711	 12,711	 -
Total Expenditures		12,711	 12,711	 
Net Change in Fund Balances		(45)	-	45
Fund Balance (Deficit) at Beginning of Year		-	 -	 
Fund Balance (Deficit) at End of Year	\$	(45)	\$ -	\$ 45

#### Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual Title I Fund

For the Fiscal Year Ended June 30, 2024

	Fin	al Budget		Actual	iance with al Budget
REVENUES:					
Intergovernmental	\$	192,506	\$	107,742	\$ (84,764)
Total Revenues	,	192,506		107,742	 (84,764)
EXPENDITURES:					
Current:					
Instruction:					
Special		156,559		119,790	36,769
Operation of Non-Instructional/Shared Services:					
Community Services		35,947	-		 35,947
Total Expenditures		192,506		119,790	 72,716
Net Change in Fund Balances		-		(12,048)	(12,048)
Fund Balance (Deficit) at Beginning of Year		(730)		(730)	 
Fund Balance (Deficit) at End of Year	\$	(730)	\$	(12,778)	\$ (12,048)

### Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual Title IV-A

### For the Fiscal Year Ended June 30, 2024

	Fin	al Budget	 Actual	ance with al Budget
REVENUES:				
Intergovernmental	\$	24,910	\$ 17,343	\$ (7,567)
Total Revenues		24,910	 17,343	 (7,567)
EXPENDITURES:				
Current:				
Instruction:				
Other		7,950	6,389	1,561
Support Services:				
Pupils		7,074	4,700	2,374
Operation of Non-Instructional/Shared Services:				
Community Services		9,886	 5,610	 4,276
Total Expenditures		24,910	 16,699	8,211
Net Change in Fund Balances		-	644	644
Fund Balance (Deficit) at Beginning of Year		(971)	 (971)	 
Fund Balance (Deficit) at End of Year	\$	(971)	\$ (327)	\$ 644

# Schedules of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual Preschool Handicapped Grant Fund For the Fiscal Year Ended June 30, 2024

	Final	Budget	A	ctual	nce with Budget
REVENUES:					
Intergovernmental	\$	6,725	\$	6,725	\$ 
Total Revenues		6,725		6,725	 
EXPENDITURES: Current: Instruction:					
Special		6,725		6,725	-
Total Expenditures		6,725		6,725	
Net Change in Fund Balances		-		-	-
Fund Balance at Beginning of Year					-
Fund Balance at End of Year	\$	-	\$	_	\$ -

#### Schedules of Revenues, Expenditures and Changes in Fund Balance -Budget (Non-GAAP Basis) and Actual Title II-A Fund

For the Fiscal Year Ended June 30, 2024

	Fin	al Budget	 Actual	ance with
REVENUES:				
Intergovernmental	\$	44,746	\$ 35,037	\$ (9,709)
Total Revenues		44,746	35,037	(9,709)
EXPENDITURES: Current:				
Support Services: Instructional Staff		30,482	23,000	7,482
Operation of Non-Instructional/Shared Services: Community Services		14,264	12,592	 1,672
Total Expenditures		44,746	 35,592	 9,154
Net Change in Fund Balances		-	(555)	(555)
Fund Balance at Beginning of Year		(250)	(250)	 
Fund Balance at End of Year	\$	(250)	\$ (805)	\$ (555)

# Schedules of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual Miscellaneous Federal Grant Fund For the Fiscal Year Ended June 30, 2024

	Fin	al Budget	Actual		nce with Budget
REVENUES:					
Intergovernmental		-	 <u>-</u>		
Total Revenues					-
EXPENDITURES:					
Support Services:					
Instructional Staff	\$	267	\$ 267	\$	-
Operation and Maintenance of Plant		600,000	599,874		126
Total Expenditures		600,267	600,141		126
Net Change in Fund Balances		(600,267)	(600,141)		126
Fund Balance at Beginning of Year		600,267	600,267	,	-
Fund Balance at End of Year	\$		\$ 126	\$	126

# Schedules of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual Permanent Improvement Fund For the Fiscal Year Ended June 30, 2024

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Property and Other Local Taxes	\$ 1,113,272	\$ 292,908	\$ (820,364)
Intergovernmental	328,883	98,372	(230,511)
Interest	65,093		(65,093)
Total Revenues	1,507,248	391,280	(1,115,968)
EXPENDITURES:			
Current:			
Support Services:			
Pupils	86,788	83,529	3,259
Instructional Staff	55,051	55,051	-
Operation and Maintenance of Plant	86,000	85,887	113
Pupil Transportation	240,858	240,858	-
Capital Outlay:			
Building Improvement Services	230,010	228,258	1,752
Other Facilities Acquisition and Construction	208,664	189,565	19,099
Total Expenditures	907,371	883,148	24,223
Excess of Revenues Over (Under) Expenditures	599,877	(491,868)	(1,091,745)
OTHER FINANCING (USES):			
Advances Out	(100,000)	(100,000)	
Total Other Financing (Uses)	(100,000)	(100,000)	
Net Change in Fund Balances	499,877	(591,868)	(1,091,745)
Fund Balance at Beginning of Year	528,060	528,060	-
Prior Year Encumbrances Appropriated	261,404	261,404	
Fund Balance at End of Year	\$ 1,289,341	\$ 197,596	\$ (1,091,745)

# Schedules of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual Capital Projects Fund For the Fiscal Year Ended June 30, 2024

	Fin	al Budget	 Actual	 nce with Budget
OTHER FINANCING SOURCES: Transfers In	\$	150,000	\$ 150,000	\$ 
Total Other Financing Sources		150,000	150,000	 
Net Change in Fund Balances		150,000	150,000	-
Fund Balance at Beginning of Year		350,000	 350,000	 
Fund Balance at End of Year	\$	500,000	\$ 500,000	\$ 

# Schedules of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual Health Care Benefits Fund For the Fiscal Year Ended June 30, 2024

	Fi	nal Budget	Actual	riance with nal Budget
OPERATING REVENUES: Charges for Services Other Revenues	\$	4,500,000 442,000	\$ 4,385,433 388,037	\$ (114,567) (53,963)
Total Operating Revenues		4,942,000	 4,773,470	(168,530)
OPERATING EXPENSES: Claims Other		5,044,000 301,000	4,315,803 234,430	 728,197 66,570
Total Operating Expenses		5,345,000	 4,550,233	794,767
Net Change in Net Position		(403,000)	223,237	626,237
Net Position at Beginning of Year		1,356,901	1,356,901	-
Prior Year Encumbrances Appropriated		8,867	8,867	<del>-</del>
Net Position at End of Year	\$	962,768	\$ 1,589,005	\$ 626,237



## STATISTICAL SECTION



DEVELOPING INTELLECTUAL ENTREPRENEURS WITH A SOCIAL CONSCIENCE



#### **Statistical Section**

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

Contents	Pages
Financial Trends  These schedules contain trend information to help the reader understand how the School District's financial performance and well-being has changed over time.	S2 – S7
Revenue Capacity  These schedules contain information to help the reader assess the School District's most significant local revenue, the property tax.	S8 - S12
Debt Capacity  These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S13 – S16
Economic and Demographic Information  This schedule offers economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	S17- S18
Operating Information  These schedules contain service and infrastructure data to help the reader understand	S19 – S26

how the information in the School District's financial report relates to the services the

School District provides and the activities it performs.

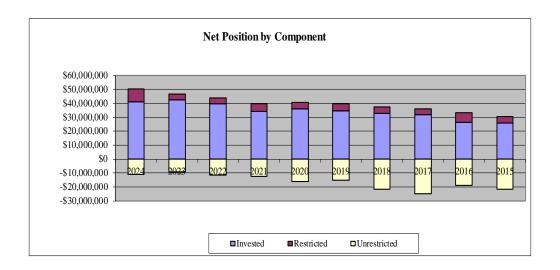
Sources:

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year. The School District implemented GASB Statement No. 34 in fiscal year 2003 and implemented GASB Statement No. 54 in fiscal year 2011; schedules presenting government-wide information include information beginning in that year. The School District implemented GASB Statement No. 68 in fiscal year 2015. The School District implemented GASB Statement No. 75 in fiscal year 2018. The School District implemented GASB Statement No. 84 in fiscal year 2021. The School District implemented GASB Statement No. 87 in fiscal year 2022. The School District implemented GASB Statement No. 96 in fiscal year 2023.

#### Net Position by Component Last Ten Fiscal Years

(accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Net Investment in Capital Assets	\$ 41,394,566	\$ 42,518,745	\$ 39,971,095	\$ 34,255,821	\$ 36,051,022	\$ 34,625,038	\$ 32,937,533	\$ 31,984,915	\$ 26,560,370	\$ 25,923,161
Restricted for:										
Debt Services	5,141,611	3,661,849	3,023,618	2,681,311	3,603,633	3,851,762	3,221,659	3,077,874	3,252,718	2,576,755
Capital Outlay	597,887	-	-	2,049,763	-	-	-	-	2,182,718	1,305,802
Other Purposes	2,920,775	416,886	644,082	816,887	971,704	1,253,918	1,163,756	1,038,742	1,013,143	543,051
Set Asides	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873	134,873
Unrestricted	(10,837,259)	(9,290,732)	(11,366,776)	(12,460,480)	(15,863,041)	(15,331,630)	(21,550,830)	(24,725,672)	(18,810,935)	(21,591,662)
<b>Total Net Position</b>	\$ 39,352,453	\$ 37,441,621	\$ 32,406,892	\$ 27,478,175	\$ 24,898,191	\$ 24,533,961	\$ 15,906,991	\$ 11,510,732	\$ 14,332,887	\$ 8,891,980



## Beachwood City School District Changes in Net Position of Governmental Activities Last Ten Fiscal Years

#### (accrual basis of accounting)

		2024		2023		2022		2021		2020		2019		2018		2017		2016		2015
E																				
Expenses	\$	16,014,274	\$	15,807,181	\$	14,282,606	\$	16,190,019	\$	14,735,744	\$	12,093,709	\$	6 001 461	\$	14,185,332	\$	12,686,194	\$	13.447.648
Regular Instruction Special Instruction	Þ		Э	6,975,192	Ф	5,488,414	Ф	6,603,687	Ф	7,030,637	э	6,433,537	Э	6,981,461 4,346,907	Э	6,515,516	Э	5,632,796	Э	6,253,498
		8,071,195																		
Vocational Instruction		1,631,845		1,379,399		1,372,080		1,381,246		1,345,359		1,152,951		774,033		1,221,206		1,250,493		1,399,055
Adult/Conintuing		119,668		148,651		291,780		73,992		73,768		73,452		40,949		73,772		70,675		70,303
Other Instruction		225,444		383,643		35,256		320,524		270,473		213,074		48,096		312,115		289,608		265,444
Pupils		3,127,236		2,752,620		2,735,505		3,004,474		3,121,558		2,303,142		1,255,338		2,627,312		2,233,497		2,647,582
Instructional Staff		1,771,456		1,745,323		1,517,349		1,302,921		2,493,129		1,751,926		1,108,353		2,074,132		1,836,681		1,920,330
Board of Education		459,095		493,825		389,117		435,617		367,111		488,359		511,650		355,408		357,340		408,141
Administration		2,467,453		3,060,905		2,303,669		2,936,014		2,837,019		2,031,944		1,298,941		2,472,009		2,276,591		2,334,232
Fiscal		1,123,048		1,459,518		2,326,921		1,081,051		971,992		1,101,920		811,820		996,628		1,167,782		1,061,998
Business		285,990		333,788		301,323		320,391		325,686		301,740		263,756		418,986		356,635		326,285
Operation and																				
Maintenance of Plant		4,659,908		4,025,368		3,300,732		3,428,421		3,829,264		3,538,169		3,265,550		4,162,520		3,944,032		3,547,759
Pupil Transportation		2,672,793		2,245,391		1,977,444		2,019,210		2,332,945		1,582,876		1,015,455		1,938,172		1,722,149		1,715,068
Central		264,430		265,101		127,556		111,442		267,109		151,670		317,415		291,687		247,360		188,585
Non-instructional		1,717,708		1,758,120		1,770,033		2,036,094		2,387,822		2,089,475		1,638,073		2,230,197		1,883,317		1,885,836
Extracurricular Activities		1,711,368		1,558,927		1,355,534		1,416,268		1,544,436		1,257,110		697,343		1,310,192		1,191,246		1,115,356
Interest and Fiscal Charges		3,903,329		838,415		942,436		1,221,642		1,238,371		1,375,676		2,222,392		1,549,639		1,437,967		1,365,362
Total Expenses	\$	50,226,240	\$	45,231,367	\$	40,517,755	\$	43,883,013	\$	45,172,423	\$	37,940,730	\$	26,597,532	\$	42,734,823	\$	38,584,363	\$	39,952,482
Program Revenues																				
Charges for Services and Sales:																				
Regular Instruction	\$	286,971	\$	179,933	\$	187,755	\$	169,419	\$	169,627	\$	190,482	\$	200,877	\$	197,711	\$	187,527	\$	223,848
Special Instruction		437,674		310,288		227,823		146,789		436,704		612,871		610,730		579,212		162,256		917,763
Vocational Instruction		440,119		464,797		330,557		632,922		329,259		385,319		232,089		346,228		456,962		627,211
Adult/Conintuing		13,396		11,532		7,439		1,404		5,799		4,100		4,995		6,110		4,598		6,500
Other Instruction		16,127		40,261		38,900		35,954		36,555		-,100		-,,,,,		-		26,001		6,113
Pupils		81,717		124,219		209,833		108,034		280,323		333,327		447,634		223,357		170,157		489,453
Instructional Staff		242		12.,21,		163		625		373		74,630		3,609		12,616		9,064		12,512
Administration		405				-		-		-		537		-		2,917		1.268		959
Fiscal								11,299		_		-		_		2,517		20,199		20
Business								38,342		251								665		231
Operation and		_		_		_		30,342		231		_		_		_		003		231
Maintenance of Plant								28,465		319,032		387,081		409,509		398,776		337,419		326,246
		-		-		-		20,403		286		1,251		409,309		2,384		3,731		,
Pupil Transportation		-		-		-		-		286						2,384		3,662		7,780 1,891
Central		422.409		404 225		120.002		752				421.644		- 270 202		250 144				,
Food Service Operations		432,498		404,225		120,002		753		359,732		421,644		379,293		359,144		388,413		345,146
Community Services		589,710		566,660		579,127		280,348		528,048		817,853		776,427		767,277		703,030		731,997
Extracurricular Activities		279,330		216,620		172,277		57,226		44,760		50,183		56,423		47,989		47,452		54,583

		2024	 2023	 2022	 2021	 2020	 2019	 2018	 2017	 2016	 2015
Operating Grants and Contributions:			 			 <u>.</u>		 	 	<u>.</u>	 
Regular Instruction	\$	-	\$ 533,552	\$ 1,377,566	\$ 1,167,448	\$ 807,354	\$ 725,712	\$ 640,042	\$ 583,902	\$ 377,004	\$ 462,809
Special Instruction		636,664	1,517,662	1,474,747	1,033,132	1,003,491	1,243,018	1,211,893	1,165,731	1,137,484	1,049,131
Vocational Instruction		627,671	633,906	582,450	571,801	484,492	249,357	237,702	320,397	296,470	494,562
Other Instruction		60,814	126,172	59,281	-	-	-	-	-	-	-
Pupils		304,263	236,481	347,776	263,919	277,148	207,557	155,581	237,437	245,630	233,488
Instructional Staff		31,091	38,862	14,461	65,448	52,156	7,200	7,200	468	1,952	8,550
Administration		-	-	14,412	-	80,089	1,186	3,960	3,341	9,538	11,269
Operations		659,040	15,922	8,532	81,118	13,061	5,825	28,325	18,091	32,855	53,529
Pupil Transportation		650,888	689,054	189,582	17,520	77,181	317,840	377,852	405,306	451,538	420,648
Central		-	89,703	-	-	-	-	-	-	-	-
Food Service Operations		159,006	160,700	687,871	381,954	88,834	75,040	62,629	60,585	66,309	71,733
Community Services		125,140	186,248	81,096	874,488	810,080	804,846	789,705	817,661	756,588	688,541
Extracurricular Activities		19,681	2,185	216	-	33,884	-	-	-	-	-
Capital Grants and Contributions:											
Pupil Transportation		-	 90,000	 	 -	 	 -	 -	 	-	 
Total Program Revenues	_	5,852,447	 6,638,982	6,711,866	 5,968,408	 6,238,519	 6,916,859	6,677,872	 6,556,640	5,897,772	7,246,513
Net Expenses	\$	(44,373,793)	\$ (38,592,385)	\$ (33,805,889)	\$ (37,914,605)	\$ (38,933,904)	\$ (31,023,871)	\$ (19,919,660)	\$ (36,178,183)	\$ (32,686,591)	\$ (32,705,969)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Not Restricted to Specific Services	 4,149,635	2,801,740	 2,683,279	2,680,530	 2,548,450	 3,854,155	 4,323,371	5,132,300	5,515,570	 5,504,910
Investment Earnings	4,169,451	793,826	(408,380)	54,555	1,673,196	1,209,263	85,373	395,352	389,609	309,666
Miscellaneous	1,118,043	2,165,953	588,178	1,878,156	2,562,303	464,468	2,013,358	2,448,304	1,752,422	632,226
Property Taxes	 36,847,496	 37,865,595	 36,138,182	34,156,339	 32,514,185	 34,122,955	 30,415,528	25,380,072	30,469,897	 27,731,492
Total General Revenues	 46,284,625	43,627,114	 39,001,259	38,769,580	39,298,134	 39,650,841	36,837,630	 33,356,028	 38,127,498	34,178,294
Change in Net Position	\$ 1,910,832	\$ 5,034,729	\$ 5,195,370	\$ 854,975	\$ 364,230	\$ 8,626,970	\$ 16,917,970	\$ (2,822,155)	\$ 5,440,907	\$ 1,472,325

#### Fund Balances - Governmental Funds Last Ten Fiscal Years

(modified accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund										
Nonspendable	\$ 185,073	\$ 162,273	\$ 166,667	\$ 82,285	\$ 57,091	\$ 48,680	\$ 41,199	\$ 60,591	\$ 81,171	\$ 79,722
Restricted	134,873	134,873	134,873	134,873	134,873	134,873	149,705	142,289	134,873	134,873
Committed	-	-	-	-	211,808	329,769	214,660	297,139	257,275	446,142
Assigned	4,162,517	4,015,183	4,353,206	5,182,947	-	1,833,318	4,360,215	1,326,357	-	2,498,306
Unassigned	28,974,001	30,065,523	28,267,142	27,174,341	29,344,148	26,972,565	22,226,987	26,566,923	29,917,915	24,692,392
Total General Fund	33,456,464	34,377,852	32,921,888	32,574,446	29,747,920	29,319,205	26,992,766	28,393,299	30,391,234	27,851,435
All Other Governmental Funds										
Nonspendable	77,241	5,090	4,222	7,604	4,221	6,893	5,408	8,760	7,618	7,812
Restricted	67,267,841	4,097,218	3,794,725	5,735,851	7,920,365	5,240,582	4,511,642	4,272,483	2,226,762	4,164,315
Committed	500,000	350,000	200,000	100,000	-	-	-	-	4,487,517	560,228
Unassigned	(3,327,922)	(2,867,890)	(2,883,634)	(334,956)	(353,631)	(3,050,701)	(2,873,698)	(2,408,221)		
Total All Other Governmental Funds	64,517,160	1,584,418	1,115,313	5,508,499	7,570,955	2,196,774	1,643,352	1,873,022	6,721,897	4,732,355
Total Governmental Funds	\$ 97,973,624	\$ 35,962,270	\$ 34,037,201	\$ 38,082,945	\$ 37,318,875	\$ 31,515,979	\$ 28,636,118	\$ 30,266,321	\$ 37,113,131	\$ 32,583,790

### **Beachwood City School District**Changes in Fund Balances - Governmental Funds

### Last Ten Fiscal Years (modified accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Revenues	2024		2022	2021	2020	2017	2010	2017	2010	2013
Property and Other Local Taxes	\$ 36,980,354	\$ 37,091,649	\$ 36,029,518	\$ 34,125,922	\$ 32,509,737	\$ 34,207,980	\$ 30,358,216	\$ 25,338,108	\$ 30,432,420	\$ 27,867,568
Integovernmental	7,298,744	7,032,283	7,353,694	7,137,275	6,531,025	7,488,480	7,881,207	8,616,046	8,890,938	8,999,170
Interest	4,169,451	793,826	(408,380)	54,555	1,398,774	1,209,263	85,373	395,352	390,304	309,750
Tuition and Fees/Rent	1,937,144	1,767,103	1,472,278	1,489,738	1,722,511	2,710,613	2,479,932	2,619,730	1,869,768	3,080,253
Miscellaneous Revenue from	1,757,144	1,707,103	1,472,270	1,407,730	1,722,311	2,710,013	2,477,732	2,017,730	1,000,700	3,000,233
Local Sources	2,091,314	2,937,153	1,061,099	2,178,052	3,462,517	1,480,324	2,563,659	3,026,834	2,404,363	1,304,142
Local Sources	2,071,314	2,737,133	1,001,077	2,170,032	3,402,317	1,400,324	2,303,037	3,020,034	2,404,303	1,304,142
Total Revenues	\$ 52,477,007	\$ 49,622,014	\$ 45,508,209	\$ 44,985,542	\$ 45,624,564	\$ 47,096,660	\$ 43,368,387	\$ 39,996,070	\$ 43,987,793	\$ 41,560,883
Expenditures										
Instruction	\$ 25,482,669	\$ 23,347,529	\$ 22,044,447	\$ 21,845,349	\$ 21,170,757	\$ 21,370,995	\$ 21,085,410	\$ 19,552,428	\$ 18,863,191	\$ 20,227,953
Support Services:										
Pupil	3,137,816	2,548,549	2,905,665	2,744,941	2,958,793	2,509,241	2,546,653	2,519,937	2,106,213	2,605,118
Instructional Staff	1,510,004	1,396,916	1,404,349	1,049,671	2,049,886	1,698,279	1,632,673	1,734,769	1,830,686	1,934,842
Board of Education	435,668	476,341	370,228	412,754	343,668	468,415	504,063	332,135	336,313	387,993
Administration	2,818,615	2,698,400	2,640,228	2,634,200	2,530,327	2,275,922	2,394,327	2,310,290	2,271,929	2,348,437
Fiscal	1,423,035	1,413,987	1,332,503	1,137,696	1,190,593	1,108,468	1,148,971	1,171,421	1,002,165	1,114,806
Business	309,901	294,832	324,238	286,232	312,953	321,904	380,556	389,899	349,582	356,524
Operation and										
Maintenance of Plant	4,622,029	4,041,037	3,455,203	4,075,504	3,617,448	3,650,656	4,070,440	3,938,490	3,707,137	3,482,222
Pupil Transportation	2,661,545	2,286,103	2,022,761	1,782,273	2,096,087	1,628,388	1,644,348	1,748,501	1,761,570	1,955,864
Central	273,042	274,622	136,614	144,557	213,505	194,649	306,702	280,386	299,163	253,730
Non-instructional	1,638,201	1,670,647	1,718,164	1,839,184	2,225,073	2,028,906	1,886,457	2,014,808	1,807,773	1,778,066
Extracurricular Activities	1,646,780	1,511,233	1,438,981	1,243,631	1,382,701	1,329,787	1,279,893	1,259,237	1,186,277	1,159,468
Capital Outlay	5,762,494	1,661,132	5,292,645	1,091,816	589,921	937,080	1,399,982	5,067,174	4,882,239	963,409
Debt Service:	.,,.	,,	.,.,.	, ,	,	,	,,	.,,	,,	,
Principal	3,662,892	3,153,844	3,398,420	3,327,000	3,470,000	3,315,000	2,439,166	3,062,737	2,740,000	2,710,000
Interest	3,356,349	1,024,096	1,073,510	1,098,295	1,280,906	1,395,426	2,288,257	1,492,599	1,501,060	1,411,014
Total Expenditures	58,741,040	47,799,268	49,557,956	44,713,103	45,432,618	44,233,116	45,007,898	46,874,811	44,645,298	42,689,446
Excess of Revenues Over (Under)										
Expenditures	(6,264,033)	1,822,746	(4,049,747)	272,439	191,946	2,863,544	(1,639,511)	(6,878,741)	(657,505)	(1,128,563)
Other Financing Sources/(Uses)										
Operating Transfers In	619,137	474,382	306,432	284,121	307,350	175,000	250,000	203,000	195,500	259,572
General Obligation Bonds Issued	65,000,000	-	=	=	-	=	=	-	5,009,296	-
Premiums on Debt Issued	3,275,387	-	=	1,370,130	-	-	-	=	=	=
Note Issuance	-	-	-	-	5,600,000	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	102,323	4,003	4,049	10,950	16,317	9,308	31,931	-	-
Inception of Capital Lease	-	-	-	-	-	-	-	-	177,542	-
Operating Transfers Out	(619,137)	(474,382)	(306,432)	(284,121)	(307,350)	(175,000)	(250,000)	(203,000)	(195,500)	(259,572)
Payment to Refunded Debt Escrow Agent	-	-	-	(11,227,557)	-	-	-	-	-	-
Refunding of Bonds	-	-	-	8,620,000	-	-	-	-	-	-
· ·	68,275,387	102,323	4,003	(1,233,378)	5,610,950	16,317	9,308	31,931	5,186,838	-
Net Changes in Fund Balances	\$ 62,011,354	\$ 1,925,069	\$ (4,045,744)	\$ (960,939)	\$ 5,802,896	\$ 2,879,861	\$ (1,630,203)	\$ (6,846,810)	\$ 4,529,333	\$ (1,128,563)
Debt Services as a percentage of Noncapital expenditures Source: District Financial Statements	13.25%	9.06%	10.10%	10.01%	10.59%	10.88%	10.84%	10.90%	10.56%	10.03%

Beachwood City School District

#### Assessed and Estimated Actual Value of Taxable Property Last Ten Fiscal Years

	Rea	l Estate	Public Utility T	Tangible Personal Total Rea		ersonal Property	Diment	
Collection Year	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Direct Property Tax Rate	
2024	\$ 869,867,400	\$ 2,485,335,429	\$ 17,032,660	\$ 19,355,295	\$ 886,900,060	\$ 2,504,690,724	93.58	
2023	870,578,080	2,487,365,943	16,694,700	18,971,250	887,272,780	2,506,337,193	91.18	
2022	859,812,960	2,456,608,457	15,654,970	17,789,739	875,467,930	2,474,398,196	91.50	
2021	800,468,520	2,287,052,914	14,457,660	16,429,159	814,926,180	2,303,482,073	91.70	
2020	792,289,930	2,263,685,514	12,992,330	14,764,011	805,282,260	2,278,449,526	92.10	
2019	769,363,750	2,198,182,143	11,956,730	13,587,193	781,320,480	2,211,769,336	92.10	
2018	713,048,270	2,037,280,771	14,404,130	16,368,330	727,452,400	2,053,649,101	86.20	
2017	712,300,970	2,035,145,629	13,566,640	15,416,636	725,867,610	2,050,562,265	86.40	
2016	707,183,170	2,020,523,343	12,895,080	14,653,500	720,078,250	2,035,176,843	86.40	
2015	696,943,910	1,991,268,314	12,737,020	14,473,886	709,680,930	2,005,742,201	86.40	

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

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

Source: Cuyhaoga County Budget Commission

### Property Tax Rates – Direct and Overlapping (per \$1,000 Assessed Valuation) Last Ten Calendar Years

Beachwood City Schol District Unvoted Millage Operating	Tax Year/ Collection Year 2023/2024	Tax Year/ Collection Year 2022/2023	Tax Year/ Collection Year 2021/2022 \$ 6.80	Tax Year/ Collection Year 2020/2021	Tax Year/ Collection Year 2019/2020	Tax Year/ Collection Year 2018/2019	Tax Year/ Collection Year 2017/2018	Tax Year/ Collection Year 2016/2017	Tax Year/ Collection Year 2015/2016	Tax Year/ Collection Year 2014/2015
Voted Millage by Levy (Direct Rates)										
1976 Current Expense	44.60	44.60	44.60	44.60	44.60		44.60	44.60	44.60	44.60
1980 Current Expense	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
1992 Current Expense	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
1996 Permanent Improvement- Ongoing	2.70	2.70	2.70	2.70	2.70		2.70	2.70	2.70	2.70
2002 Current Expense	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
2002 Bond (\$15,750,000)	0.00	0.00	1.50	1.60	1.80		1.80	1.90	1.90	1.90
2005 Current Expense	5.90	5.90	5.90	5.90	5.90		5.90	5.90	5.90	5.90
2010 Bond (\$30,000,000)	3.28	3.28	2.10	2.20	2.40		2.40	2.50	2.50	2.50
2018 Current Expense	5.90	5.90	5.90	5.90	5.90		0.00	0.00	0.00	0.00
2023 Bond (\$65,000,000)	2.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Voted Millage	86.78	84.38	84.70	84.90	85.30	85.30	79.40	79.60	79.60	79.60
Total Millage - Beachwood City School District	93.58	91.18	91.50	91.70	92.10	92.10	86.20	86.40	86.40	86.40
Overlapping Millage by Taxing Districts (Direct Rates)										
Cuyahoga County	14.85	14.85	14.85	14.85	14.05	14.05	14.05	14.05	14.05	14.05
Beachwood City	1.60	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Cleveland Metro Parks	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Cuyahoga County Library	3.50	3.50	3.50	3.50	2.50		2.50	2.50	2.50	2.50
Cuyahoga Community College	5.30	4.90	4.90	4.90	4.90	4.50	4.50	4.00	4.00	4.00
Cleveland -Cuyahoga Port Authority	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Total Millage - Overlapping Taxing Districts	28.13	30.13	30.13	30.13	28.33	27.93	27.93	27.43	27.43	27.43
Grand Total - All Direct and Overlapping Millages	121.71	121.31	121.63	121.83	120.43	120.03	114.13	113.83	113.83	113.83

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

Beachwood City School District

Property Tax Levies and Collections Real and Personal Property Taxes (1) Last Ten Calendar Years

Tax Year/ Collection Year	Current Levy	Delinquent Levy	Total Levy	Current Collection	Percent of Current Levy Collected	Delinquent Collection	Total Collection	Total Collected As a Percent of Current Levy
2023/2024	\$40,628,877	\$1,350,605	\$41,979,482	\$39,666,476	97.63%	\$980,867	\$40,647,342	100.0%
2022/2023	38,404,714	1,810,086	40,214,800	36,684,621	95.52%	1,455,322	38,139,943	99.3%
2021/2022	38,254,010	779,757	39,033,767	35,986,577	94.07%	644,880	36,631,457	95.8%
2020/2021	38,210,988	857,213	39,068,201	36,645,139	95.90%	565,028	37,210,167	97.4%
2019/2020	38,455,861	591,590	39,047,451	36,748,631	95.56%	499,320	37,247,951	96.9%
2018/2019	36,945,184	493,080	37,438,264	36,319,308	98.31%	408,042	36,727,350	99.4%
2017/2018	33,476,523	793,681	34,270,204	31,611,023	94.43%	712,902	32,323,925	96.6%
2016/2017	33,397,718	2,149,143	35,546,861	31,598,660	94.61%	365,205	31,963,865	95.7%
2015/2016	32,750,590	1,112,487	33,863,077	30,959,431	94.53%	349,869	31,309,300	95.6%
2014/2015	32,929,787	24,369,590	57,299,377	29,959,212	90.98%	400,488	30,359,700	92.2%

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

<sup>(1)</sup> Includes Homestead/Rollback taxes assessed locally but distributed through the State and reported as intergovernmental revenue.

#### Principal Property Taxpayers Real Estate Tax

December 31, 2023 and December 31, 2014

	D	ecember 31, 2023	
		Assessed	% of Total Assessed
Name of Taxpayer	Nature of Business	Valuation	Valuation (1)
Brookfield Properties	Retail	\$79,035,270	9.09%
Four seasons Apartments IV LLC	Apartment Complex	27,095,610	3.11%
OLP Beachwood LLC	Apartment Complex	23,537,500	2.71%
Hamptons Apartment	Apartment Complex	18,540,140	2.13%
Vanguard Aprements IV LLC	Apartment Complex	14,833,460	1.71%
MMAC-FCA Beachwood LLC	Foreign Liability Corp	11,616,900	1.34%
Developers Diversified	Realty	10,772,900	1.24%
Cleveland Clinic Foundation	Healthcare	9,811,210	1.13%
BMA Beachwood LLC	Retail	8,783,250	1.01%
Andmark Beachwood Apartments LLC	Apartment Complex	6,773,550	0.78%
•	1	\$210,799,790	24.23%
Total Real Estate Valuation		\$869,867,400	
	D	pecember 31, 2014	
	•		% of Total
		Assessed	Assessed
Name of Taxpayer	Nature of Business	Valuation	Valuation (1)
Beachwood Place Limited	Mall	\$65,324,350	9.37%
Hamptoms Apartment	Apartments	12,308,420	1.77%
Village Green of Beachwood	Condominiums	11,358,550	1.63%
Developers Diversified Realty	Realty	10,494,050	1.51%
Beachwood Place Limited	Retail	8,927,350	1.28%
Commerce Park	Office Buildings	8,661,780	1.24%
Pavilion Mall	Mall	8,246,470	1.18%
Four Seasons Apartments	Apartment Complex	7,673,340	1.10%
Beachwood Park East	Office Buildings	6,770,790	0.97%
Signature Square	Office Buildings	6,193,580	0.89%
Enterprise Place, LLC	Office Buildings	6,154,770	0.88%
•	C	\$152,113,450	21.83%
Total Real Estate Valuation		\$696,943,910	

Source: Cuyahoga County Fiscal Officer

### Principal Property Taxpayers Public Utility Tax December 31, 2023 and December 31, 2014

		Decem	ber 31, 2023
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Tangible Personal Property Valuation
Cleveland Electric Illuminating American Transmission System East Ohio Gas Compnay Total Total Public Utility Valuation	Electric Utility Telephone Gas Utility	\$10,201,790 3,895,950 2,895,750 \$16,993,490 \$17,032,660	59.90% 22.87% 17.00% 99.77%
		Decem	ber 31, 2014
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Tangible Personal Property Valuation
Cleveland Electric Illuminating Total	Electric Utility	\$8,344,080 \$8,344,080	65.51% 65.51%
Total Public Utility Valuation		\$12,737,020	

Source: Cuyhoga County Fiscal Officer

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

Year	Gross General Bonded Debt	Notes Outstanding	Leases and Subscriptions	Total	Total Debt/Capita*	(1) Debt Outstanding % Of Personal Income
2024	\$ 79,979,774	\$ 5,313,327	\$ 11,887	\$ 85,304,988	\$ 6,076	11.1%
2023	14,068,344	6,300,768	26,171	20,395,283	1,453	2.6%
2022	16,385,325	7,272,209	46,047	23,703,581	1,688	3.1%
2021	18,883,989	8,227,650	66,467	27,178,106	1,936	3.5%
2020	22,199,966	9,162,091	-	31,362,057	2,234	5.5%
2019	24,604,966	4,644,532	-	29,249,498	2,447	5.1%
2018	26,994,966	5,586,973	-	32,581,939	2,726	5.7%
2017	28,500,619	6,524,414	59,169	35,084,202	2,935	6.1%
2016	30,766,271	7,326,855	116,906	38,210,032	3,197	6.7%
2015	33,001,923	2,885,000	97,197	35,984,120	3,010	6.3%

Source: Beachwood City Schools \* Population 14,040 per US census, 2020 (1) Information on Personal Income can be found on S-20.

#### Computation of Direct and Overlapping Debt General Obligation As of December 31, 2023

Jurisdiction	Debt Outstanding	Percentage Applicable to School District (1)	Amount Applicable to School District
Direct Debt: Beachwood City School District	\$85,304,988	100.00%	\$85,304,988
Overlapping Debt: Cuyahoga County	228,740,000	2.67%	6,103,021
Cutyahoga Community College	183,840,000	2.67%	4,905,042
City of Beachwood	8,080,000	100.00%	8,080,000
Warrensville Heights Schools	47,768,319	14.04%	6,704,704
Total Overlapping Debt	468,428,319		25,792,767
Total Debt	\$553,733,307		\$111,097,755

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

(1) Percentages were determined by dividing the assessed valuation of the political subdivision by the total assessed valuation, which includes all overlapping valuation. The valuations used were for the 2023 collection year.

### Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita Last Ten Years

Year	Gross General Bonded Debt	Less Debt Service	Net General Bonded Debt	Assessed Value	Population (1)	Ratio of Net Debt to Assessed Value	Net General Bonded Debt Per Capita
2024	\$79,979,774	\$5,141,611	\$74,838,163	\$886,900,060	14,040 (a)	8.44%	\$5,330
2023	14,068,344	3,661,849	10,406,495	887,272,780	14,040 (a)	1.17%	741
2022	16,385,325	3,023,618	13,361,707	875,467,930	14,040 (a)	1.53%	952
2021	18,883,989	2,681,311	16,202,678	814,926,180	14,040 (a)	1.99%	1,154
2020	22,199,966	3,603,633	18,596,333	805,282,260	14,040 (a)	2.31%	1,325
2019	24,604,966	3,851,762	20,753,204	781,320,480	11,953 (b)	2.66%	1,736
2018	26,994,966	3,221,659	23,773,307	727,452,400	11,953 (b)	3.27%	1,989
2017	28,500,619	3,077,874	25,422,745	725,867,610	11,953 (b)	3.50%	2,127
2016	30,766,271	3,252,718	27,513,553	720,078,250	11,953 (b)	3.82%	2,302
2015	33,001,923	2,576,755	30,425,168	709,680,930	11,953 (b)	4.29%	2,545

(1) Source: Federal Census

(a) Census 2020

(b) Census 2010

#### Computation of Legal Debt Margin Last Ten Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Assessed Valuation	\$886,900,060	\$887,272,780	\$875,467,930	\$814,926,180	\$805,282,260	\$781,320,480	\$727,452,400	\$725,867,610	\$720,078,250	\$709,680,930
Bonded Debt Limit - 9% of Assessed Value (1)	\$79,821,005	\$79,854,550	\$78,792,114	\$73,343,356	\$72,475,403	\$70,318,843	\$65,470,716	\$65,328,085	\$64,807,043	\$63,871,284
Amount of Debt Applicable to Debt Limit: Bonded Debt	79,979,774	14,068,344	16,385,325	18,883,989	22,199,966	24,604,966	26,994,966	28,500,619	30,766,271	33,001,923
Less Bond Retirement Fund	5,377,180	3,626,689	3,113,491	2,836,265	3,684,488	3,958,142	3,320,889	3,185,321	3,244,584	2,752,826
Net General Bonded Debt	74,602,594	10,441,655	13,271,834	16,047,724	18,515,478	20,646,824	23,674,077	25,315,298	27,521,687	30,429,097
Voted Debt Margin	\$5,218,411	\$69,412,895	\$65,520,280	\$57,295,632	\$53,959,925	\$49,672,019	\$41,796,639	\$40,012,787	\$37,285,356	\$33,442,187
Ratio of Legal Debt Margin to Assessed Values	0.59%	7.82%	7.48%	7.03%	6.70%	6.36%	5.75%	5.51%	5.18%	4.71%
Bonded Debt Limit1% of Assessed Value (1)	\$886,900	\$887,273	\$875,468	\$814,926	\$805,282	\$781,320	\$727,452	\$725,868	\$720,078	\$709,681
Unvoted Debt Margin	\$886,900	\$887,273	\$875,468	\$814,926	\$805,282	\$781,320	\$727,452	\$725,868	\$720,078	\$709,681

Source: Cuyahoga County Fiscal Officer

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

#### Demographic and Economic Statistics Last Ten Years

	Population (1)	Average Federal Adjusted Gross Income (2)	Median Ohio Adjusted Gross Income (2)	Total Personal Income (3)	Per Capita Personal Income (2)	Debt as a % of Personal Income (4)	Cuyahoga County Unemployment Rate (5)
2024	14,040 (a)	\$133,952	\$54,294	\$770,922,360	\$54,909 (a)	2.1%	4.7%
2023	14,040 (a)	133,952	54,294	770,922,360	54,909 (a)	2.1	4.1
2022	14,040 (a)	133,952	54,294	770,922,360	54,909 (a)	2.1	4.1
2021	14,040 (a)	133,952	54,294	770,922,360	54,909 (a)	2.4	4.9
2020	14,040 (a)	146,477	79,039	770,922,360	54,909 (a)	2.9	12.9
2019	11,953 (b)	133,952	54,294	573,863,530	48,010 (b)	4.3	4.9
2018	11,953 (b)	144,413	57,310	573,863,530	48,010 (b)	4.7	6.4
2017	11,953 (b)	135,289	55,717	573,863,530	48,010 (b)	5.0	6.8
2016	11,953 (b)	127,742	56,026	573,863,530	48,010 (b)	5.4	5.3
2015	11,953 (b)	125,927	54,620	573,863,530	48,010 (b)	5.8	4.0

#### Source:

- (1) U.S Census:
  - (a) Census 2020
  - (b) Census 2010
- (2) Ohio Department of Taxation
- (3) Per capita personal income multiplied by population
- (4) Gross bonded debt divided by total personal income
- (5) Bureau of Labor Statistics

#### Principal Employers December 31, 2023

#### December 31, 2023

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

#### December 31, 2014

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

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

Source: Regional Income Tax Agency

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Fairmount Elementary School Constructed in 1998										
Total Building Square Footage	26,987	26,987	26,987	26,987	26,987	26,987	26,987	26,987	26,987	26,987
* Enrollment Grades PreK	83	85	85	40	80	84	89	84	75	75
Student Capacity	220	220	220	220	220	220	220	220	220	220
Regular Instruction Classrooms	8	8	8	8	8	8	8	8	8	8
Regular Instruction Teachers	5	5	5	4	4	4	4	4	3.6	3.21
Special Instruction Classrooms	2	2	2	2	2	2	2	2	2	2
Special Instruction Teachers	1	1	1	1	1	1	1	0.5	0.6	1
% of students who receive free/reduced lunch	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%	0	(
* Includes special ed Pre k and preschool students ** Lunch not served at Fairmount										
Bryden Elementary School										
Constructed in 1958										
Additions in 1991 and 2002										
Total Building Square Footage	50,289	50,289	50,289	50,289	50,289	50,289	50,289	50,289	50,289	50,289
Enrollment Grades K -2	259	300	300	317	318	279	264	239	278	278
Student Capacity	510	510	510	510	510	510	510	510	510	510
Regular Instruction Classrooms	13	13	13	13	13	13	13	13	13	13
Regular Instruction Teachers	20.15	22.1	22.1	24.8	16.6	15.6	15.6	17.98	17.98	17.37
Special Instruction Classrooms	3	3	3	3	3	3	3	3	3	3
Special Instruction Teachers % of students who receive free/reduced lunch	5.5	5.2	5.2	6	9.010/	7 470/	2 420/	2.4	2.4	0.010/
	4.62%	8.01%	8.01%	8.01%	8.01%	7.47%	3.43%	6.12%	7.79%	9.01%
Hilltop Elementary School										
Constructed in 1957										
Addition in 2002	<b>51 200</b>	<b>51.0</b> 00	<b>51 3</b> 00	<b>51.2</b> 00	<b>51 3</b> 00	<b>51 2</b> 00	<b>51.0</b> 00	<b>51.2</b> 00	<b>51.2</b> 00	<b>51.2</b> 00
Total Building Square Footage	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200
Enrollment Grades 3-5	324	304	304	279	278	305	317	269	294	294
Student Capacity  Page lead traction Classes are	731 23.7	731 23.7	731 23.7	731 21.7	731 16	731 16	731 16	731 16	731	731 16
Regular Instruction Classrooms Regular Instruction Teachers	23.7	23.7 19	23.7 19	19	21.4	22.4	22.4	20.8	16 20.8	20.88
Special Instruction Classrooms	23.09	3	3	3	3	3	3	3	3	20.60
Special Instruction Teachers	6.5	5.2	5.2	7	6	6	6	5	5	8
% of students who receive free/reduced lunch	5.86%	8.25%	8.25%	8.25%	8.25%	5.83%	7.77%	10.00%	9.89%	14.15%
Beachwood Middle School										
Constructed in 2003	00.000	00.000	00.000	00.000	00.000	00.000	00.000	00.000	00.000	00.000
Total Building Square Footage	98,000	98,000	98,000	98,000	98,000	98,000	98,000	98,000	98,000	98,000
Enrollment Grades 6 - 8	317 560	320 560	320 560	340 560	338 560	306 560	346 560	363 560	348 560	348 560
Student Capacity Regular Instruction Classrooms	27	27	27	24.8	27	27	27	27	27	27
Regular Instruction Classicollis Regular Instruction Teachers	21.63	26.5	26.5	25.4	24.3	24.3	24.3	22.96	22.96	22.3
Special Instruction Classrooms	5.4	5.4	5.4	5.4	6	6	6	6	6	3
Special Instruction Teachers	10.46	6	6	6	6	7	7	6.07	6.07	5.2
% of students who receive free/reduced lunch	5.68%	9.20%	9.20%	9.20%	9.20%	8.41%	9.54%	9.16%	8.74%	10.28%
Beachwood High School										
Constructed in 1958										
Additions in 2002 and 2003, 2013										
Total Building Square Footage	256,113	256,113	256,113	256,113	256,113	256,113	256,113	256,113	256,113	256,113
Enrollment Grades 9 - 12	495	609	609	672	673	657	647	639	643	643
Student Capacity  Page lead traction Classes are	1350	1350	1350	1350	1350	1350	1350	1350	1350	1350
Regular Instruction Classrooms	43 36 28	43	43	45	45	45	45	45 40.54	45 40.54	45
Regular Instruction Teachers Special Instruction Classrooms	36.28	39.3	39.3	39.3	41	40.9 6	40.9	40.54 6	40.54	41.8
Special Instruction Classrooms Special Instruction Teachers	8 8.03	8 7.9	8 7.9	6 8	6 8	7	6 7	6.6	6 6.6	7
% of students who receive free/reduced lunch	7.55%	9.97%	9.97%	9.97%	9.97%	8.25%	5.96%	8.42%	10.99%	12.12%
Source: District Records	7.5570	7.71/0	2.21/0	7.71/0	7.71/0	0.23/0	5.7070	0.72/0	10.77/0	12.12/0

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

Year	Per Pupil Cost	Percentage Change
2024	\$20,194	6.25%
2023	19,006	5.13%
2022	18,078	5.76%
2021	17,094	3.37%
2020	16,536	1.97%
2019	16,216	-3.26%
2018	16,763	-2.70%
2017	17,229	2.50%
2016	16,809	-2.93%
2015	17,316	2.55%

Source: School District Financial Records

Beachwood City School District

### Attendance and Graduation Rates Last Ten School Years

Fiscal Year	Beachwood Attendance Rate	State Average	Beachwood 4 year Graduation Rate	State Average
2024	93.6 %	91.3 %	96.8 %	87.9
2023	93.1	91.0	98.6	87.3
2022	93.9	90.4	97.8	87.2
2021	95.9	24.0	100.0	87.2
2020	96.4	**	100.0	85.9
2019	95.5	16.7	98.3	85.3
2018	95.6	16.0 *	97.9	84.1
2017	94.8	93.9	97.6	83.4
2016	95.7	94.1	96.6	83.5
2015	95.4	94.1	96.9	83.0

Source: Ohio Department of Education Local Report Cards

<sup>\*</sup> State of Ohio changed statistic to chronically absent students

<sup>\*\*</sup> Not published due to COVID 19

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

Function/Program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Regular Instruction							· · · · · · · · · · · · · · · · · · ·			
Preschool Classroom Teachers	5.00	6.00	4.00	4.00	4.60	5.00	4.00	4.00	3.60	3.21
Preschool Aides	5.60	5.00	3.60	3.60	4.27	4.40	3.20	3.20	3.80	4.14
Elementary Classroom Teachers	38.60	41.00	41.00	41.00	30.00	31.00	34.50	34.50	34.50	32.93
Instructional Assistants	18.67	1.00	1.00	3.00	1.00	1.00	1.00	1.00	1.00	1.00
Art/Music/PE/Technology K-12	47.38	19.16	18.30	14.90	15.47	15.47	15.05	15.05	15.05	17.18
HS/MS Classroom Teachers		47.00	50.70	50.70	57.50	57.50	57.50	57.50	57.50	48.30
Special Instruction	2.02									
Preschool Intervention Specialist	2.46	1.00	1.00	1.00	1.00	1.00	0.50	0.50	0.60	1.00
ELL	19.98	2.40	2.40	2.40	2.40	1.00	1.00	1.00	1.00	1.00
Intervention Specialists	42.00	23.40	22.30	21.80	19.50	20.00	18.90	21.90	19.40	22.50
Special Ed Assistants	4.00	41.00	35.00	35.00	31.92	32.57	30.89	30.89	30.40	33.57
Gifted Education Teachers		3.83	4.00	0.00	2.40	3.00	3.00	3.00	2.07	2.27
<b>Vocational Instruction</b>	5.00									
High School Classroom Teachers	1.00	5.00	5.00	5.00	5.50	5.00	5.60	5.60	5.00	6.00
Pupil Support Services										
Guidance Counselors	7.00	7.00	7.00	7.00	6.67	6.00	6.00	6.00	6.00	6.00
Librarians	3.00	2.84	2.50	0.00	3.00	3.00	4.00	4.00	4.00	4.00
Library Media Assistants	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00
Psychologists	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Audiologist and Speech & Lang	3.40	5.00	3.00	3.00	3.00	2.50	3.30	3.30	4.60	4.60
Nurses	2.50	2.00	2.00	2.60	2.00	2.00	2.00	2.00	2.00	2.00
Educational Interpreters	2.00	2.00	2.00	2.61	2.61	5.00	6.52	6.52	7.22	7.60
Occupational Therapist	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Tutors	4.16	5.00	4.00	8.00	7.00	8.00	8.00	8.00	4.75	4.75
Administrators/Supervisors										
Central Office	5.00	9.00	8.00	8.00	8.00	6.00	6.00	6.00	6.00	6.00
Elementary	2.00	2.00	2.00	3.00	2.00	2.00	2.00	2.00	2.00	2.00
MiddleSchool/High School	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Supervisors	7.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00	4.50
Administrative Support										
Administrative/Office Assistants	16.00	15.00	14.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Operation of Plant										
Cleaners	1.00	1.00	1.00	3.00	4.08	4.08	7.00	7.00	5.00	8.00
Custodians	20.00	20.00	20.00	15.00	15.00	4.00	13.00	13.00	13.00	10.00
Maintenance/Grounds	5.00	4.00	4.00	4.00	3.00	3.00	5.00	5.00	5.00	4.00
Pupil Transportation										
Bus Drivers	30.00	26.00	28.00	25.00	25.00	22.00	19.00	19.00	17.00	18.30
Mechanics	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Treasurer's Office Staff	4.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00	4.60	5.00
Technology	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	2.00

Source: District records

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

Degree	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Bachelor's Degree	12	9	10	11	16	16	21	22	24	14
Bachelor + 30	3	6	6	5	5	6	6	6	8	6
Master's Degree	63	64	68	74	78	84	94	87	92	97
Master + 30	23	28	33	29	26	25	19	20	18	19
Master + 60	58	51	41	41	37	29	23	25	18	21
Total	159	158	158	160	162	160	163	160	160	157

Source: School District Records

## **Beachwood City School District**Enrollment Statistics

### Last Ten Fiscal Years

Fiscal Year	Elementary Schools	Middle School/ High School	Total
2024	666	812	1,478
2023	700	811	1,511
2022	688	930	1,618
2021	596	1,012	1,608
2020	596	1,011	1,607
2019	581	967	1,548
2018	527	993	1,520
2017	508	1,002	1,510
2016	541	1,009	1,550
2015	572	991	1,563
2014	593	933	1,526

Source: Beachwood City Schools EMIS records

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

School Year	Number of Test Takers	Number of Seniors	Beachwood Composite	Ohio Composite	National Composite
2024	109	90	24.7	19.0	19.4
2023	148	125	23.6	19.4	19.5
2022	140	143	24.2	17.4	19.8
2021	190	138	24.7	20.0	20.7
2020	176	130	24.7	21.0	20.8*
2019	119	122	24.5	22.0	20.8
2018	123	125	24	20.3	20.8
2017	121	138	25.2	22.0	21.0
2016	106	125	24.8	22.0	20.8
2015	100	113	24.5	22.0	21.0

<sup>\*</sup> National composite not available as of the date of this report

Source: High School Guidance Department Beachwood City School District

### Beachwood City School District

### School Report Card Last Ten Years

School Year (1)	Overall Rating (1)	Acheivement Rating (1)	Gap Closing Rating (1)	Progress Rating (1)	Graduation Rating (1)	Prepared for Success Grade
2024	5	5	5	5	5	*
2023	5	5	5	5	5	*
2022	N/A	5	5	4	5	*
2021	*	*	*	*	*	*
2020	*	*	*	*	*	*
2019	A	A	A	A	A	В
2018	N/A	В	A	A	A	В
2017	N/A	A	В	A	A	В
2016	N/A	A	В	В	A	В
2015	N/A	A	В	A	A	N/A

<sup>\*</sup> Due to COVID 19, the Ohio Department of Educaiton wavied it's testing and therefore, there are no report card grades

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

N/A - Not Available

Source: Ohio Department of Education (ODE)

### BEACHWOOD CITY SCHOOL DISTRICT CUYAHOGA COUNTY, OHIO

SINGLE AUDIT REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

**Zupka & Associates**Certified Public Accountants

### BEACHWOOD CITY SCHOOL DISTRICT CUYAHOGA COUNTY, OHIO SINGLE AUDIT REPORT

### FOR THE FISCAL YEAR ENDED JUNE 30, 2024

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### BEACHWOOD CITY SCHOOL DISTRICT CUYAHOGA COUNTY, OHIO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Federal Grantor/	Assistance		
Pass-Through Grantor/	Listing	F 11.	Non-Cash
Program or Cluster Title	Number	Expenditures	Expenditures
U.S. Department of Agriculture			
Passed through Ohio Department of Education and Workforce			
Child Nutrition Cluster:			
National School Lunch Program	10.555	\$ 110,173	\$ 34,041
COVID-19 National School Lunch Program	10.555 10.556	45,362	0
Special Milk Program Total Child Nutrition Cluster	10.550	1,533	34,041
Total Clinic Nutrition Cluster		137,008	34,041
COVID-19 - Pandemic EBT Administrative Costs	10.649	1,242	0
Total U.S. Department of Agriculture		158,310	34,041
U.S. Department of Education			
Passed through Ohio Department of Education and Workforce	04.010.4	111.754	0
Title I - Grants to Local Educational Agencies	84.010A	111,754	0
Special Education Cluster (IDEA):			
Special Education - Grants to States	84.027	493,412	0
COVID-19 - Special Education - Grants to States	84.027X	9,663	0
Special Education - Preschool Grants	84.173	6,725	0
Total Special Education Cluster		509,800	0
Supporting Effective Instruction State Grants	84.367	35,592	0
English Language Acquisition Grants	84.365	12,711	0
English Language Acquisition Grants	64.303	12,/11	
Student Support and Academic Enrichment	84.424A	9,440	0
Student Support and Academic Enrichment - Stronger Connection	84.424F	7,259	0
Total ALN #84.424		16,699	0
Education Stabilization Fund:	04.425D	12.251	0
COVID-19 - ESSER II	84.425D 84.425U	13,351 24,602	0
COVID-19 - ARP ESSER COVID-19 - ARP - Homeless	84.425W	12,844	0
Total ALN #84.425	04.423 W	50,797	
Total Passed through Ohio Department of Education and Workforce		737,353	0
2 out 1 about an ough o no 2 open anom of 2 another and worldgolde			
Passed through ESC of Northeast Ohio			
Education Stabilization Fund:			
COVID-19 - ARP - Homeless	84.425W	2,775	0
COVID-19 - ARP - ESSER	84.425U	8,698	0
Total ALN #84.425		11,473	0
Total Passed through ESC of Northeast Ohio		11,473 748,826	0
Total U.S. Department of Education		/40,020	
U.S. Department of Treasury			
Passed through Ohio Facilities Construction Commission			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	327,038	0
Total U.S Department of Treasury		327,038	0
National Endownment for the Art and Humanities			
Passed through State Library of Ohio			
COVID-19 - Library Services and Technology Act (LSTA)	45.310	267	0
<b>Total National Endowment for the Arts and Humanities</b>		267	0
TOTAL EXPENDITURES OF FEDERAL AWARDS		\$ 1,234,441	\$ 34,041

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

# BEACHWOOD CITY SCHOOL DISTRICT CUYAHOGA COUNTY, OHIO NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

### NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Beachwood City School District under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Beachwood City School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of Beachwood City School District.

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### NOTE 3: **INDIRECT COST RATE**

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

### NOTE 4: CHILD NUTRITION CLUSTER

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

#### NOTE 5: **FOOD DONATION PROGRAM**

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



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

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

To the Members of the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beachwood City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 18, 2024.

### **Report on Internal Control Over Financial Reporting**

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

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

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

Beachwood City School District
Cuyahoga County
Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with Government Auditing Standards
Page 2

### **Report on Compliance and Other Matters**

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

### **Purpose of This Report**

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

Zupka & Associates

Certified Public Accountants

siphe & associates

December 18, 2024



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

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

To the Members of the Board of Education:

### Report on Compliance for Each Major Federal Program

### Opinion on Each Major Federal Program

We have audited the Beachwood City School District, Cuyahoga County, Ohio's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2024. The District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Beachwood City School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

### Basis for Opinion on Each Major Federal Program

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

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

#### Responsibilities of Management for Compliance

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

Beachwood City School District
Cuyahoga County
Independent Auditor's Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance; and Report on the Schedule of
Expenditures of Federal Awards Required by the Uniform Guidance
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### Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

### **Report on Internal Control over Compliance**

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

Beachwood City School District
Cuyahoga County
Independent Auditor's Report on Compliance for Each Major Federal Program;
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Expenditures of Federal Awards Required by the Uniform Guidance
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Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 18, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Zupka & Associates

Certified Public Accountants

zupka & associates

December 18, 2024

### BEACHWOOD CITY SCHOOL DISTRICT CUYAHOGA COUNTY, OHIO

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS UNIFORM GUIDANCE

**JUNE 30, 2024** 

### 1. SUMMARY OF AUDITOR'S RESULTS

2024(i)	Type of Financial Statement Opinion	Unmodified
2024(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2024(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2024(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2024(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2024(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2024(v)	Type of Major Programs' Compliance Opinions	Unmodified
2024(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2024(vii)	Major Programs (list):	
	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds - ALN #21.	027
2024(viii)	Dollar Threshold: A/B Program	Type A: \$750,000 Type B: All Others
2024(ix)	Low Risk Auditee?	Yes

### 2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None.

### 3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

### BEACHWOOD CITY SCHOOL DISTRICT CUYAHOGA COUNTY, OHIO SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

The audit report for the fiscal year ending June 30, 2023 contained no audit findings or management letter recommendations.





## BEACHWOOD CITY SCHOOL DISTRICT CUYAHOGA COUNTY

#### **AUDITOR OF STATE OF OHIO CERTIFICATION**

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



Certified for Release 4/8/2025

65 East State Street, Columbus, Ohio 43215 Phone: 614-466-4514 or 800-282-0370