

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
OF THE
BEACHWOOD CITY SCHOOL DISTRICT
for the
FISCAL YEAR ENDED JUNE 30, 2015



Prepared by Treasurer's Department

Michele E. Mills, Director of Finance/Treasurer
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24601 Fairmount Boulevard
Beachwood, Ohio 44122-2298

BEACHWOOD CITY SCHOOL DISTRICT
Comprehensive Annual Financial Report
For the Year Ended June 30, 2015
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INTRODUCTORY

SECTION



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

December 21, 2015

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

Dear Board Members:

The comprehensive annual financial report of the Beachwood City School District (the “School District”) for the fiscal year ended June 30, 2015, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the School District. All disclosures necessary to enable the reader to gain an understanding of the School District’s financial activities have been included.

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

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

The School District

The School District was formed in 1915 and is located in a prosperous suburban area east of Cleveland, Ohio. The community’s tax base is evenly distributed between commercial and residential property. The School District serves 1,563 students from Pre-K through 12th grade in five instructional facilities.

Major Initiatives

Mission and Vision

All of our efforts as educators in the School District are driven by our mission statement: To develop intellectual entrepreneurs with a social conscience. The mission of the Beachwood City School District is short in length and powerful in vision. We believe that we must develop adults who are seekers of knowledge, creative, flexible, and reflective – in other words, an intellectual capacity. These adults are risk-takers,

visionaries, brokers, passionate, and committed to excellence. Beachwood students also enjoy experiences where they learn to be globally responsible, altruistic, and environmentally, culturally and politically sensitive.

Board of Education Goals

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

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

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

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

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

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

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

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

Major Initiatives and Accomplishments

2014-2015 Academic Achievements:

A distinguishing characteristic of Beachwood City Schools is the district's attention to the individual needs of each student. The relatively small size of our student population aids us in that process. So too, do the district's abundant resources. The Beachwood City School District is often referred to as a "family" and that label is earned. Nobody is a mere number in Beachwood. It is that personal attention to individual needs that drives our curriculum, our programs, our instruction, and our extra-curricular opportunities. It is an attitudinal quality that few public school districts can demonstrate to the same degree.

Student Learning Standards

Several years' work revamping curriculum and instruction to conform to Ohio's New Learning Standards culminated in the 2014-2015 school year with the implementation of new state assessment instruments administered from Grades 3 – 12 across all core academic areas. Beachwood City Schools leveraged this process of curriculum realignment to create accelerated tracks in mathematics and science beginning in Grade 4. Approximately a third of all Beachwood students were targeted to be challenged in these advanced tracks. We are confident that this effort has been effective in tapping our students' full potential. Our belief appears to have been validated by the just-released raw data from the aforementioned battery of assessments.

District Report Card

At this time, Beachwood has received its preliminary data from the spring 2015 testing. This data will be used by the Ohio Department of Education (ODE) to create the district's "State Report Card." The raw data is

promising, showing almost all tests' passage rates above the 90% mark and the students tapped for accelerated tracks in mathematics and science performing almost entirely within the ODE's top two performance categories, Accelerated and Advanced.

Academic Distinctions

Beachwood Schools' impressive array of course offerings, quality programs, and extracurricular activities match those of much larger public schools. At the same time, Beachwood's relatively small size ensures that we can offer educational opportunities to meet the needs of each student. This is why our schools are often compared to the finest private schools in the area.

Beachwood High School's graduation rate for the class of 2015 was a proud 100 percent. Our high school offers 27 Advanced Placement and 21 Honors courses across various content areas. In addition, the University Hospitals-Beachwood High School Medical Academy and the Design & Innovation Program in partnership with Cleveland State University's Washkewicz College of Engineering offer our students unique opportunities.

In its second year, the Medical Academy offered students monthly physician-led seminars on varied medical specialties and a "summer camp" experience where students dissected lungs, participated in triage simulations in the emergency room, and rotated through the hospital departments. In addition, a credit-bearing Anatomy & Physiology summer course was taught by a second year resident from University Hospitals.

The Design & Innovation Program completed its second year and can boast that 100% of its first-year students returned for the second-year course progression. The program has grown from a handful to more than 50 students enrolled in the Intro to Design & Innovation survey course. Third-year students have subdivided into a software engineering focused cohort and a cohort focused more on other engineering disciplines.

Beachwood's middle and elementary schools have been recognized for excellence in a variety of manners over the past several years. The middle school was redesignated as a National School to Watch and named by the ODE as one of the top 10 middle schools in Ohio. Bryden Elementary, our K-2 building, was honored as the top public school in Ohio based upon students' fall testing results of third graders. Most recently, Hilltop Elementary, our 3-5 building, was named a 2015 National Blue Ribbon School of Excellence by the United States Department of Education. This award was announced on September 29, 2015.

Student and Staff Successes

Beachwood's students competed in a host of state and national competitions during the 2014-2015 school year. Our high school Robotics Team placed fourth in Ohio and one of six qualifying Beachwood Destination Imagination teams placed seventh out of 77 teams in the international DI Global Finals competition. Two middle school students placed in the state Power of the Pen competition with one bringing home the "Best of the Best" award. Our high school marketing class's Junior Achievement chapter won national Company of the Year honors. Beachwood High School's newspaper, The Beachcomber, won its third consecutive first-place rating at the Ohio Scholastic Media Conference. Ten students placed at the Northeast Ohio Science and Engineering Fair with four taking first place honors and one scoring Grand Prize honors. Our school libraries were awarded "Outstanding School Library District" awards for 2015 by the Ohio Educational Library Media Association. One Beachwood librarian won the "Information Technology Innovation Award." Our district won its 8th consecutive "Best Communities for Music Education" from the NAMM Foundation.

Athletics

Beachwood's athletic programs continued to shine in 2014-2015. The 2014 fall sports season yielded conference championships in football and boys soccer. The football team qualified for the state playoffs and the boys soccer team advanced to the regional finals, the farthest in school history. Seven athletes earned All-Ohio honors. The winter season saw a conference championship for girls basketball and a sectional championship for the boys basketball team, an indoor track state championship in the 4x200 relay as well as a swimmer qualifying for the state championships. Two athletes earned All-Ohio honors. Our baseball team won the conference championship in the spring 2015 season and the boys tennis team qualified two doubles teams for the state tournament.

Facilities

During the summer of 2015, construction documents were finalized and bids approved for the complete renovation of the Beachwood High School auditorium. The facility will be state-of-the-art when it is complete in July 2015 and will house multiple school programs and events as well as those of our community-at-large. In addition, the district embarked on two major project studies exploring athletic field upgrades and possible elementary renovations or consolidation into a new construction facility.

Financial Policies

The School District has not adopted any new financial policies that had significant impact on the 2015 financial statements.

Accounting and Budgetary Controls

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

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

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

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

Long-Term Financial Planning

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

GASB Statement 68 "Accounting and Financial Reporting for Pensions" Implementation:

The school district implemented GASB Statement 68 which had a significant impact on its net position. Historically the school district accounted for pension costs under GASB 27 which focused on a funding approach to pensions. This approach limited pension costs to annual contributions required by law which may or may not be sufficient to fully fund each plan's net pension liability. GASB 68 takes an earning approach to pension accounting. GASB notes that pension obligations whether funded or unfunded are part of the "employment exchange". GASB noted that the unfunded portion of this pension is a present obligation of the government and should be reported by the government as a liability since they receive the benefit of the exchange.

As a result of implementing GASB 68, the District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation had

the effect of restating net position at June 30, 2014, for governmental activities from \$57,281,765 to \$7,419,655.

See note 12 in the notes to the financial statements for a more in depth explanation of the financial impact.

Significant Local Economic Events

The economic condition and outlook for the community has been challenging, especially considering the economic downturn in the Midwest as well as the rest of the country. However, there are some bright spots on the horizon as the City continues to enjoy economic development. The commercial tax duplicate has decreased slightly by 1.6% mainly due to tax exempt properties removed from the tax duplicate. The community's tax base is fairly evenly distributed between commercial and residential property. Forty-seven percent of the School District's valuation is comprised of residential property and fifty-three percent is comprised of commercial or public utility property.

In 1990, The City of Beachwood annexed 400 acres from a neighboring community (Chagrin Highlands) in order to develop a proposed \$500 million, 633-acre corporate complex featuring office space, a retail mall and at least one hotel. The School District signed an agreement with the Warrensville Heights School District to share in any future tax revenue. Under the agreement, the 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.

In 2009, Eaton Corporation, a Fortune 100 company, purchased 50 acres of property in the Chagrin Highlands area, through a tax incremental financing program approved by the City of Beachwood, Warrensville Heights Schools, State of Ohio and the Cleveland Cuyahoga County Port Authority. Revenue for the School District is not expected until joint programming has been developed with Warrensville Heights Schools and further discussion on the tax sharing agreement.

As of the date of this financial statement, it is expected that tax revenue sharing will be forthcoming in the next couple of years. The School District is currently in discussion with the Warrensville Heights School District to determine revenue trigger points and how and when tax revenue will be remitted to the School District from Warrensville Heights Schools. University Hospitals built a 1,000 bed hospital, The Ahuja Medical Center, on the Chagrin Highlands site. The Ahuja Medical Center opened in January, 2011. The District has contacted Ahuja to be a conduit for joint educational programming for the Beachwood and Warrensville School Districts. Joint educational programming is a condition of the revenue sharing agreement.

The School District was notified in July 2014 that it lost its tax appeal with the Cleveland Clinic over its tax exempt application which dates back to 2002. The School District chose not to further litigate the decision.

Prospects for the Future

House Bill 920, which was enacted in 1976 by the Ohio legislature, has severely limited schools in their funding initiatives. This law prohibits school districts from realizing additional revenue from previously voted millage due to reappraisal of property values. Although the School District's total operating millage is 79.3 mills, the effective millage levied and collected is 35.28 and 42.25 respectively, for residential and commercial property.

The State's budget bill, House Bill 64, which passed in June 2015, contained funding decreases for public schools which collected tangible personal property taxes. The House and Senate provided relatively flat funding for the two year budget bill, however the Governor vetoed this provision and enacted decreases commencing FY 17. The amount of funding loss for the School district is \$1.3 Million dollars. In addition, increases to private and community schools were also part of the budget bill. Payment for the private and community schools comes directly from the local school district.

The State of Ohio in its pursuit of “choice” in education continues to erode tax dollars earmarked for public education. The State passed a bill with the “Jon Petersen Special Needs Scholarship” provision which allows private entities and private schools to become providers of special education services. Depending on the nature of the identification of the disability these providers will take from \$7,196 to \$20,000 in funding from public schools. The School District receives on average \$553 per student from the State of Ohio for educating all of its students irrespective of disabilities. The original budget bill also contained parity language where public schools would receive no fewer dollars per pupil than the private schools in their district. The Governor also vetoed this provision.

While the State has set a 5% maximum number for students, there is no individual school cap. To date the School District has \$245,256 approved with more applications submitted. School districts are being further taxed by having its individual education plan team identifying these students which has increased the case loads of staff members.

In May 2010, the School District placed a \$30 million, 30 year 2.5 mill bond issue on the ballot to renovate the School District’s 50 year old High School. The bond issue passed with an overwhelming 71% passage rate.

Other Information

Independent Audit

The Ohio Revised Code requires an annual audit of the School District’s financial statements and its compliance with certain sections of the Ohio Revised Code. The Ohio Auditor of State conducted the School District’s 2015 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 Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. (This was the 27th consecutive year that the School District earned this prestigious award.) In order to be awarded a Certificate of Achievement, a governmental agency must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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

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

Special recognition must be extended to the members of the Treasurer’s Office: Kathleen Stroski, Assistant Treasurer; April Yuhas, Payroll Coordinator, Kelly Wright, Purchasing Agent; Rita Miklacic, EMIS coordinator and LaJour Sims, Financial Processing Coordinator; who assisted with the development of the Comprehensive

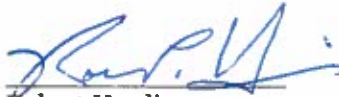
Treasurer; April Yuhas, Payroll Coordinator, Kelly Wright, Purchasing Agent; Rita Miklacic, EMIS coordinator and LaJour Sims, Financial Processing Coordinator; who assisted with the development of the Comprehensive Annual Financial Report and the annual audit. The department members have our sincere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

Audit Committee

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



Michele E. Mills, MBA
Director of Finance/Treasurer



Robert Hardis
Superintendent of Schools

Elected Officials

Board of Education

Mr. Mitchel LuxenburgPresident

Dr. Brian Weiss Vice President

Mr. Josh MintzMember

Mr. Steve RosenMember

Mr. Michael ZawatskyMember

Administration

Mr. Robert Hardis Superintendent

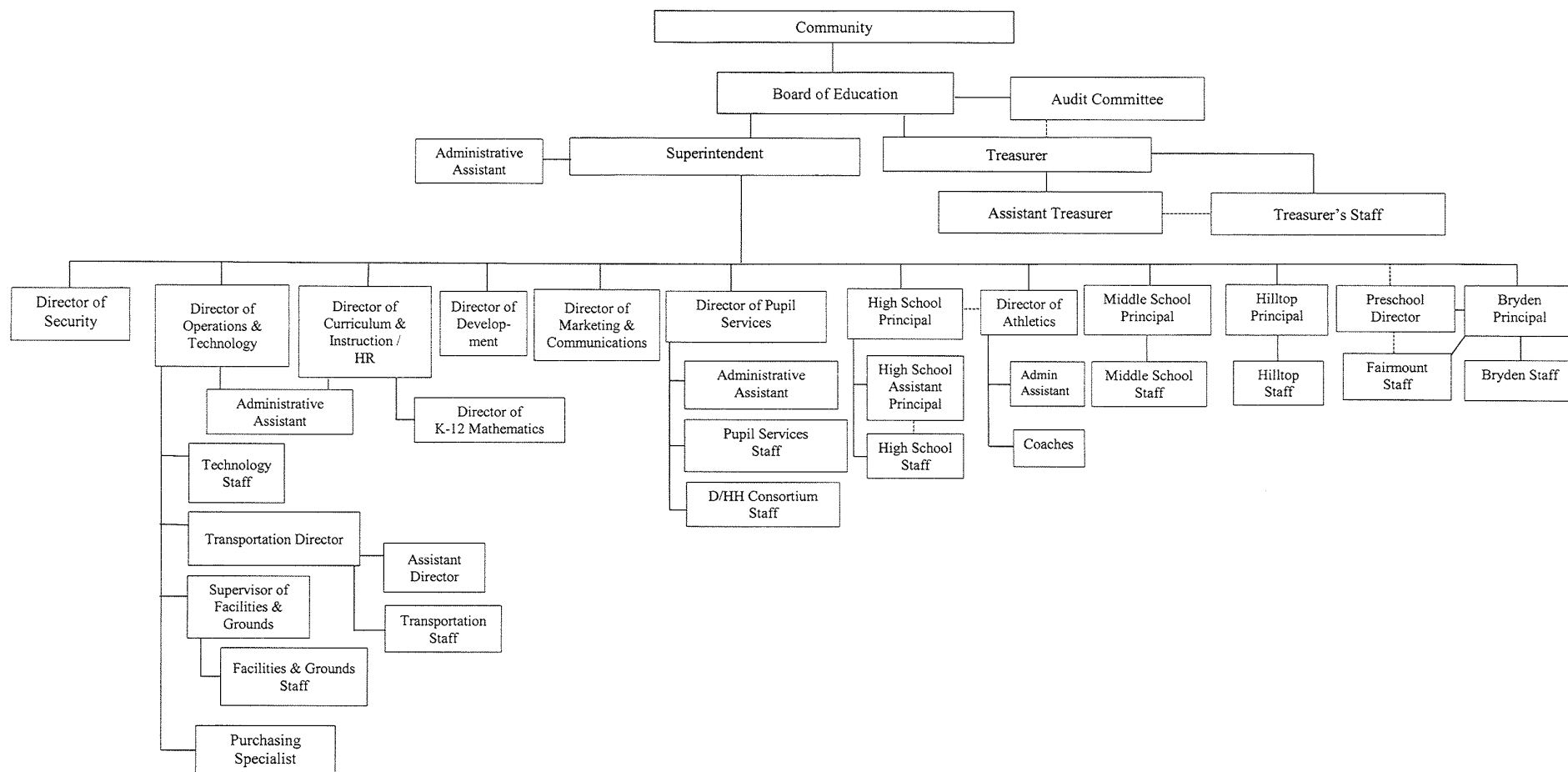
Ms. Michele E. Mills, MBA.....Treasurer/CFO

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

Mr. Ken VeonDirector of Technology and Operations

Mrs. Linda LoGalbo Director of Human Resources and Curriculum

Mrs. Kathleen Stroski.....Assistant Treasurer



Approved 08/25/08 Resolution #08-08-301
 Revised 02/08/2010 Resolution #02-10-069
 Revised 08/08/2011 Resolution #08-11-329
 Revised 03/12/2012 Resolution #03-12-103
 Revised 03/18/2013 Resolution #03-13-120
 Revised 05/12/2014 Resolution #05-14-165
 Revised 05/18/2015 Resolution # Effective 08/01/2015



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Beachwood City School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

A handwritten signature in black ink, reading "Jeffrey R. Emen". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Executive Director/CEO

FINANCIAL

SECTION



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

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

To the Board of Education:

Report on the Financial Statements

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, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Beachwood City School District, Cuyahoga County, Ohio, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3 to the financial statements, during the year ended June 30, 2015, the District adopted Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the District's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2015, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "Dave Yost". The signature is fluid and cursive, with a large initial "D" and a stylized "Y".

Dave Yost
Auditor of State
Columbus, Ohio

December 21, 2015

Beachwood City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
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, 2015. 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 2015 are as follows:

- In total, Net Position increased by \$1,472,325 which represents a 19.8% increase from 2014's restated net position. The District continues to pay down its outstanding debt and shorten repayment periods. The Middle School bonds were originally set to mature in 2022. Upon refinancing, the bonds will mature in 2021. Net Investment in Capital Assets increased from \$23,764,063 to \$25,923,161.
- Equity in Pooled Cash and Cash equivalents increased slightly by \$461,748, as operations remained relatively flat and stable in fiscal year 2015.
- Accrued wages and benefits increased \$297,109 due to the retirement of nineteen staff members who were owed severance payments upon retirement.
- General revenues accounted for \$34,178,294 in revenue or 83 percent of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$7,246,513 or 17 percent of total revenues of \$41,424,807.
- The School District had \$39,952,482 in expenses related to governmental activities; only \$7,246,513 of these expenses was offset by program specific charges for services, grants, or contributions. General revenues (primarily taxes) of \$34,178,294 mostly provided for these programs.
- Total assets of governmental funds increased \$413,153 as total liabilities decreased by \$3,051,775 due primarily to defeasance of debt payments.
- The general fund balance decreased by \$1,105,203 or 3.8% primarily was a result of decreased property tax collections.
- The permanent improvement fund balance increased by \$470,219 due to the delay in the district's High School Auditorium project which will commence in Fiscal Year 16.
- Among major funds, the general fund had \$31,802,595 in operating revenues and \$32,648,226 in operating expenditures. The general fund's fund balance decreased to \$27,851,435 from \$28,956,638.

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

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Unaudited

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 non-major funds presented in total in one column. In the case of the School District, the general fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net 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 2015?" 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 accounts all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets*

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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.

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 2015 compared to 2014:

	Table 1	
	Governmental Activities	
	<i>2015</i>	<i>Restated 2014</i>
Assets		
Current and Other Assets	\$59,229,202	\$61,206,905
Capital Assets	61,907,281	62,836,677
Total Assets	121,136,483	124,043,582
Deferred outflows of resources		
Pension	3,295,525	2,943,357
Liabilities		
Long-Term Liabilities	38,216,588	41,148,367
Net Pension Liabilities	44,469,762	52,805,467
Other Liabilities	4,002,116	3,381,194
Total Liabilities	\$86,688,466	\$97,335,028
Deferred Inflows Of Resources		
Property Taxes	20,858,273	22,232,256
Pension	7,993,289	0
Total Deferred Inflows of Resources	28,851,562	22,232,256
Net Position		
Net Investment In Capital Assets	25,923,161	23,764,063
Restricted	4,560,481	4,657,530
Unrestricted	(21,591,662)	(21,001,938)
Total Net Position	\$8,891,980	\$7,419,655

During 2015, the School District adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed

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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 the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

Under the new standards required by GASB 68, the net pension liability equals the School District's proportionate share of each plan's collective:

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

GASB notes that pension 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. GASB noted that the unfunded portion of this pension 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 this liability. 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 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 pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *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 pension system is responsible for the administration of the plan.

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. As explained

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above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, 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 pension 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 is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

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

As a result of implementing GASB 68, the School District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2014, from \$57,281,765 to \$7,419,655.

Total governmental assets and deferred outflows decreased by \$2,554,931 while total governmental liabilities and deferred inflows of resources decreased by \$4,027,256 resulting in an increase of net position of \$1,472,325.

The decrease in governmental assets and deferred outflows is due primarily to a decrease in Property Taxes Receivable. In 2014 there was a one time "catch up" payment for property taxes by a major taxpayer. The decrease in governmental liabilities was due to current year principal payments on long-term general obligation bonds. Total liabilities and deferred inflows of resources totaled \$115,540,028 of which 69% is long-term liabilities.

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Table 2 shows the changes in net position for fiscal year 2014 with revenue and expense comparisons to fiscal year 2015:

	Governmental Activities 2015	Table 2 Governmental Activities 2014 Restated
Program Revenues:		
Charges for Services and Sales	\$3,752,253	\$2,837,045
Operating Grants and Contributions	3,494,260	3,322,815
General Revenues:		
Property Taxes	27,731,492	33,708,619
Grants and Entitlements	5,504,910	5,687,462
Investment Earnings	309,666	176,869
Miscellaneous	632,226	2,712,099
Total Revenue	<u>\$41,424,807</u>	<u>\$48,444,909</u>
Program Expenses:		
Instruction:		
Regular	\$13,447,648	\$12,503,062
Special	6,253,498	5,554,774
Vocational	1,399,055	1,727,730
Adult/Continuing	70,303	106,568
Other	265,444	282,232
Support Services:		
Pupil	2,647,582	2,483,137
Instructional Staff	1,920,330	1,948,494
Board of Education	408,141	446,035
Administration	2,334,232	2,276,927
Fiscal	1,061,998	830,832
Business	326,285	284,773
Operation of Maintenance and Plant	3,547,759	4,465,843
Pupil Transportation	1,715,068	1,881,013
Central	188,585	75,288
Operation of Non-Instructional Services	1,885,836	1,826,020
Extra-curricular Activities	1,115,356	909,220
Interest and Fiscal Charges	1,365,362	1,663,812
Total Expenses	<u>\$39,952,482</u>	<u>\$39,265,760</u>
Change in Net Position	\$1,472,325	\$9,179,149
Beginning Net Position (restated)	<u>7,419,655</u>	<u>1,759,494</u>
Ending Net Position	<u>\$8,891,980</u>	<u>\$7,419,655</u>

Governmental Activities

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$2,943,357, computed under GASB 27 for governmental activities. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$2,184,317 for governmental activities.

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Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

Total 2015 program expenses under GASB 68	\$39,952,482
Pension expense under GASB 68	(2,184,317)
2015 contractually required contributions	2,878,901
Adjusted 2015 program expenses	40,647,066
Total 2014 program expenses under GASB	(39,265,760)
Increase (decrease) in program expenses not related to pension	\$1,381,306

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home was reappraised and its value increased to \$200,000 (and this inflationary increase in value is comparable to other property owners), the effective tax rate would become .5 mills and the owner would still pay \$35.00. Thus, school districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 67 percent of revenues for governmental activities for the School District in fiscal year 2015.

Instruction comprises 54 percent of governmental program expenses. Interest expense was 3.4 percent. Interest expense was attributable to the outstanding bonds and borrowing for capital projects.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements with comparisons to 2014.

	Table 3 – Governmental Activities			
	Total Cost of Services 2015	Net Cost of Services 2015	Total Cost of Services 2014	Net Cost of Services 2014
Instruction	\$21,435,948	\$17,648,011	\$20,174,366	\$17,123,125
Support Services:				
Pupil and Instructional Staff	4,567,912	3,823,909	4,431,631	3,608,637
Board of Education, Administration, Fiscal and Business	4,130,656	4,118,117	3,838,567	3,818,714
Operation and Maintenance of Plant	3,547,759	3,167,484	4,465,843	4,154,603
Pupil Transportation	1,715,068	1,286,640	1,881,013	1,538,090
Central	188,585	186,694	75,288	75,288
Operation of Non-Instructional Services	1,885,836	48,419	1,826,020	266,475
Extracurricular Activities	1,115,356	1,060,773	909,220	857,156
Interest	1,365,362	1,365,362	1,663,812	1,663,812
Total Expenses	<u>\$39,952,482</u>	<u>\$32,705,969</u>	<u>\$39,265,760</u>	<u>\$33,105,900</u>

The dependence upon tax revenues for governmental activities is apparent. Over 82 percent of instruction activities are supported through taxes and other general revenues and for all

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governmental activities general revenue support is also 82 percent. The community, as a whole, is by far the primary support for the School District's students.

The School District's Funds

Information about the School District's major funds starts on page 28. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$41,560,883 and expenditures of \$42,689,446. The net change in fund balance for the year was most significant in the general fund, with an decrease of \$1,105,203 due to a decrease in property tax collections.

The net fund balance decreased in the bond retirement fund by \$381,672 due to lower collections in property taxes over the previous year.

The permanent improvement fund increased \$470,219 due to the delayed start of the High School Auditorium Project. The School District had several paving projects and roofing repairs.

The building fund balance decreased \$46,691 as the HS project was completed.

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 2015, 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, actual revenue was \$511,201 less than the final budget estimates of \$32,671,848. The School District's ending un-obligated cash balance was \$653,723 more than the final budgeted amount as expenditures were less than anticipated in the areas of instruction and operation and pupil transportation.

There were twelve amendments to the original appropriations during fiscal year 2015. The budget increased predominantly due to amendments to the general fund budget.

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Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2015, the School District had \$61,907,281 invested in land, buildings, equipment, buses and other vehicles, all in governmental activities. See Note 9 to the basic financial statements for more detailed information on capital asset activity. Table 4 shows fiscal 2015 balances compared to 2014:

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

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u>
Construction in Progress	\$378,338	\$36,436,519
Land	978,708	978,708
Land Improvements	1,594,196	1,707,069
Buildings and Improvements	56,806,770	21,435,062
Equipment	1,585,253	1,809,427
Vehicles	564,016	469,892
Totals	<u>\$61,907,281</u>	<u>\$62,836,677</u>

The primary increase in building and improvements is due to the addition of the High School renovation project.

For fiscal year 2015, Ohio law required school districts to set aside three percent of certain revenues for capital improvements. For fiscal year 2015, this amounted to \$248,713 for the set aside. For fiscal year 2015, the School District had qualifying disbursements or offsets exceeding this requirement.

Debt

At June 30, 2015, the School District had \$35,886,923 in bonds and notes outstanding, \$2,785,652 due within one year. Table 5 summarizes bonds and notes 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, 2015, the School Districts' voted general obligation bonded debt of \$33,001,923 is below the legal limit of \$63,871,284 (voted). In addition, the School District had no un-voted debt at June 30, 2015. Moody's rating for the School District is Aaa, the highest rating Moody's assigns to debt issues.

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Table 5 - Outstanding Debt, at Year End

	Governmental Activities 2015	Governmental Activities 2014
General Obligation Bonds		
2010 Tax Anticipation Notes	\$2,885,000	\$3,440,000
2007 Advanced Refunded Bonds	129,997	204,997
2010 School Improvement Bonds	3,400,000	4,525,000
2010 School Improvement Premium	136,960	182,612
2010 Qualified School Construct Bonds	11,260,000	11,260,000
2012 School Improvement Bonds	1,650,000	2,460,000
2013 Refunding	5,275,000	5,420,000
2014 Refunding Tax Exempt Bonds	11,149,966	11,149,966
Total	<u>\$35,886,923</u>	<u>\$38,642,575</u>

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

For the Future

The School District closed out its fiscal year on June 30, 2015 on a positive note as the administration and Board of Education continued to reduce costs for greater efficiency.

The School District concluded successful negotiations with its Beachwood Federation of Teachers (BFT) and enjoys positive relationships with the Beachwood Union of Support Staff (BUSS) and Beachwood Educational Interpreters Union (BEIU).

The School District's current major initiative is to complete a renovation of the High School Auditorium and is reviewing its athletic facility needs. The School District will also upgrade the pool at the High School.

The Board of Education and administration of the School District are committed to careful financial planning and prudent fiscal management. An excellent working and supportive relationship exists between the School District, the City of Beachwood, the industrial community and the residents of the City.

Contacting the School District's Financial Management

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

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BASIC

FINANCIAL

STATEMENTS

Beachwood City Schools
Statement of Net Position
June 30, 2015

	Governmental Activities
ASSETS:	
Equity in Pooled Cash and Cash Equivalents	\$ 32,234,090
Cash and Cash Equivalents in Segregated Accounts	134,873
Materials and Supplies Inventory	87,534
Accrued Interest Receivable	50,639
Accounts Receivable	216,985
Property Taxes Receivable	26,505,081
<i>Total Current Assets</i>	<u>59,229,202</u>
Noncurrent Assets:	
Non-Depreciable Capital Assets	978,708
Depreciable Capital Assets, net	60,550,235
Construction in Progress	378,338
<i>Total noncurrent assets</i>	<u>61,907,281</u>
<i>Total Assets</i>	<u>121,136,483</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Pension	3,295,525
<i>TOTAL DEFERRED OUTFLOWS OF RESOURCES</i>	<u>3,295,525</u>
LIABILITIES:	
Accounts Payable	34,109
Accrued Wages and Benefits	3,066,221
Contracts Payable	16,175
Intergovernmental Payable	310,547
Matured Bonds Payable	86,363
Unearned Revenue	1,401
Claims Payable	487,300
Long-Term Liabilities:	
Due Within One Year	2,980,778
<i>Total current liabilities</i>	<u>6,982,894</u>
NonCurrent Liabilities:	
Due in More Than One Year	35,235,810
Net Pension Liability	44,469,762
<i>Total noncurrent liabilities</i>	<u>79,705,572</u>
<i>Total Liabilities</i>	<u>86,688,466</u>
DEFERRED INFLOWS OF RESOURCES:	
Property Taxes not Levied to Finance Current Year Operations	20,858,273
Pension	7,993,289
<i>TOTAL DEFERRED INFLOWS OF RESOURCES</i>	<u>28,851,562</u>
NET POSITION:	
Net Investment in Capital Assets	25,923,161
Restricted for Debt Service	2,576,755
Restricted for Capital Outlay	1,305,802
Restricted for Other Purposes	543,051
Restricted for Set Asides	134,873
Unrestricted	(21,591,662)
<i>Total Net Position</i>	<u>\$ 8,891,980</u>
See Accompanying Notes to the Basic Financial Statements	

Beachwood City Schools
Statement of Activities
For the Fiscal Year Ended June 30, 2015

		Program Revenues	
		Charges for Services and Sales	Operating Grants and Contributions
	Expenses		
Governmental Activities:			
Instruction:			
Regular	\$ 13,447,648	\$ 223,848	\$ 462,809
Special	6,253,498	917,763	1,049,131
Vocational	1,399,055	627,211	494,562
Adult/Continuing	70,303	6,500	
Other	265,444	6,113	
Support Services:			
Pupils	2,647,582	489,453	233,488
Instructional Staff	1,920,330	12,512	8,550
Board of Education	408,141		
Administration	2,334,232	959	11,269
Fiscal	1,061,998	20	
Business	326,285	231	
Operation and Maintenance of Plant	3,547,759	326,246	53,529
Pupil Transportation	1,715,068	7,780	420,648
Central	188,585	1,891	
Operation of Non-Instructional/Shared Services:			
Food Service Operations	568,273	345,146	71,733
Community Services	1,296,139	731,997	688,541
Shared Services	21,424		
Extracurricular Activities:	1,115,356	54,583	
Interest and Fiscal Charges	1,365,362		
<i>Total Governmental Activities</i>	<u>\$ 39,952,482</u>	<u>\$ 3,752,253</u>	<u>\$ 3,494,260</u>

General Revenues:

Grants and Entitlements not Restricted to Specific Programs
Property and Other Local Taxes
Investment Earnings
Miscellaneous
Customer Sales and Services

Total General Revenues

Change in Net Position

Net Position Beginning of Year, Restated - See Note 3

Net Position End of Year

See Accompanying Notes to the Basic Financial Statements

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

Governmental Activities

\$	(12,760,991)
	(4,286,604)
	(277,282)
	(63,803)
	(259,331)
	(1,924,641)
	(1,899,268)
	(408,141)
	(2,322,004)
	(1,061,978)
	(326,054)
	(3,167,984)
	(1,286,640)
	(186,694)
	(151,394)
	124,399
	(21,424)
	(1,060,773)
	(1,365,362)
	<hr/>
	(32,705,969)
	<hr/>
	5,504,910
	27,731,492
	309,666
	597,689
	34,537
	<hr/>
	34,178,294
	<hr/>
	1,472,325
	7,419,655
	<hr/>
\$	<u><u>8,891,980</u></u>

Beachwood City Schools
Balance Sheet
Governmental Funds
June 30, 2015

	General	Bond Retirement Fund	Permanent Improvement Fund	Building Fund
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 20,989,566	\$ 1,965,346	\$ 3,857,186	\$ 950
Cash and Cash Equivalents in Segregated Accounts	134,873			
Materials and Supplies Inventory	79,722			
Accrued Interest Receivable	50,639			
Accounts Receivable	1,413			
Interfund Receivable	2,198,932			
Due From Other Funds	2,715,000			
Property Taxes Receivable	22,821,907	2,940,896	742,278	
<i>Total Assets</i>	<u>\$ 48,992,052</u>	<u>\$ 4,906,242</u>	<u>\$ 4,599,464</u>	<u>\$ 950</u>
LIABILITIES:				
Accounts Payable	31,494			
Accrued Wages and Benefits	2,747,493			
Contracts Payable			16,175	
Interfund Payable				
Due to Other Funds			2,715,000	
Intergovernmental Payable	278,411			
Unearned Revenue				
General Obligation Bonds Payable		86,363		
<i>Total Liabilities</i>	<u>3,057,398</u>	<u>86,363</u>	<u>2,731,175</u>	<u>0</u>
DEFERRED INFLOWS OF RESOURCES:				
Property Taxes not Levied to Finance Current Year Operations	18,051,712	2,243,124	563,437	
Unavailable Revenue	31,507	3,929	1,867	
<i>TOTAL DEFERRED INFLOWS OF RESOURCES</i>	<u>18,083,219</u>	<u>2,247,053</u>	<u>565,304</u>	<u>0</u>
FUND BALANCES:				
Nonspendable	79,722			
Restricted	134,873	2,572,826	829,039	652
Committed	446,142		473,946	298
Assigned	2,498,306			
Unassigned	24,692,392			
<i>Total Fund Balances</i>	<u>27,851,435</u>	<u>2,572,826</u>	<u>1,302,985</u>	<u>950</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 48,992,052</u>	<u>\$ 4,906,242</u>	<u>\$ 4,599,464</u>	<u>\$ 950</u>
See Accompanying Notes to the Basic Financial Statements				

All Other Governmental Funds	Total Governmental Funds		
\$3,186,023	\$29,999,071	Total Governmental Fund Balances	\$ 32,583,790
	134,873		
7,812	87,534	Amounts reported for governmental activities in the Statement of	
	50,639	Net Position are different because:	
215,572	216,985		
	2,198,932	Capital assets used in governmental activities are not financial	
	2,715,000	resources and therefore, are not reported in the funds:	
	26,505,081	Nondepreciable capital assets	1,357,046
		Depreciable capital assets	60,550,235
<u>\$ 3,409,407</u>	<u>\$ 61,908,115</u>		
		Deferred inflows of resources, including delinquent property tax revenues,	
2,616	34,110	and pension expenses are not receivable in the current period and therefore, are not	
318,728	3,066,221	reported in the funds:	
	16,175	Deferred inflows of resources	(7,955,983)
2,198,932	2,198,932		
	2,715,000	Deferred outflows of resources, including pension expenses	
32,136	310,547	after the measurement date are not expendable in the current period	3,295,525
1,401	1,401		
	86,363	Long term liabilities, including bonds payable, are not due and	
		payable in the current period and therefore, are not reported	
		in the funds:	
2,553,813	8,428,749	Due within one year	(2,980,778)
		Due within more than one year	(35,235,810)
		Net Pension Liabilities	(44,469,762)
	20,858,273		
	37,303	Internal service funds are used by management to charge the	
		vision, dental and prescription drug, and contingent premium expenses	
0	20,895,576	in the governmental activities in the Statement of Net Position	1,747,717
		Net Position of Governmental Activities	<u><u>\$ 8,891,980</u></u>
7,812	87,534		
761,798	4,299,188		
85,984	1,006,370		
	2,498,306		
	24,692,392		
855,594	32,583,790		
<u>\$ 3,409,407</u>	<u>\$ 61,908,115</u>		

Beachwood City Schools
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2015

	General	Bond Retirement Fund	Permanent Improvement Fund	Building Fund
REVENUES:				
Property and Other Local Taxes	\$ 24,005,142	\$ 2,738,725	\$ 1,123,701	\$ -
Intergovernmental	5,796,281	996,088	202,210	
Interest	275,700		33,967	
Tuition and Fees	729,700			
Rent	317,226			
Extracurricular Activities				
Gifts and Donations	6,100			
Customer Sales and Services	181,589			
Miscellaneous	490,857	4,529	132,945	0
<i>Total Revenues</i>	<u>31,802,595</u>	<u>3,739,342</u>	<u>1,492,823</u>	<u>0</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular	12,166,155			
Special	5,028,416			
Vocational	566,672			
Adult/Continuing				
Student Intervention Services	6,557			
Other	258,375			
Support Services:				
Pupils	1,934,261			
Instructional Staff	1,921,951			7,331
Board of Education	387,993			
Administration	2,338,454			
Fiscal	1,112,833			
Business	356,524			
Operation and Maintenance of Plant	3,353,166		84,880	
Pupil Transportation	1,955,864			
Central	242,118			
Operation of Non-Instructional/Shared Services:				
Food Service Operations				
Community Services	38,702			
Shared Services				
Extracurricular Activities	977,685		16,175	
Capital Outlay:				
Architecture and Engineering Services			123,653	30,271
Building Improvement Services				9,089
Other Facilities Acquisition and Construction	2,500		797,896	
Debt Service:				
Principal		2,710,000		
Interest		1,411,014		
<i>Total Expenditures</i>	<u>32,648,226</u>	<u>4,121,014</u>	<u>1,022,604</u>	<u>46,691</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(845,631)</u>	<u>(381,672)</u>	<u>470,219</u>	<u>(46,691)</u>
OTHER FINANCING SOURCES AND USES:				
Transfers In				
Transfers Out	(259,572)			
<i>Total Other Financing Sources and Uses</i>	<u>(259,572)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(1,105,203)	(381,672)	470,219	(46,691)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>28,956,638</u>	<u>2,954,498</u>	<u>832,766</u>	<u>47,641</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 27,851,435</u>	<u>\$ 2,572,826</u>	<u>\$ 1,302,985</u>	<u>\$ 950</u>
See Accompanying Notes to the Basic Financial Statements				

All Other Governmental Funds	Total Governmental Funds		
		Net change in Fund Balances - Total Governmental Funds	(\$1,128,563)
\$ -	\$ 27,867,568	Amounts reported for governmental activities in the Statement of Activities are different because:	
2,004,591	8,999,170		
83	309,750		
2,033,327	2,763,027	Governmental Funds report capital outlays as expenditures. However in the Statement of Activities the cost of those assets is allocated over the estimated useful lives of the assets as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	
81,369	317,226		
15,375	81,369		
373,213	21,475		
18,165	554,802		
	646,496		
4,526,123	41,560,883	Capital Outlay	1,620,962
		Depreciation	(2,550,358)
		Total	(929,396)
69,840	12,235,995	The issuance of long-term debt (bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also governmental funds report the effect of issuance costs, premiums, and similar items when debt is first issued, where these amounts are deferred and amortized in the Statement of Activities. The recognition of potential collection of delinquent property taxes are recorded as net inflows on the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	2,767,206
1,150,573	6,178,989		
907,308	1,473,980		
74,057	74,057		
	6,557		
	258,375		
670,857	2,605,118		
5,560	1,934,842		
	387,993		
9,983	2,348,437	Contractually required contributions reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows.	2,878,901
1,973	1,114,806		
	356,524		
44,176	3,482,222		
	1,955,864	Except for the amounts reported as deferred inflows/outflows charges in the net pension liability are reported as pension expense in the statement of activities	(2,184,317)
11,612	253,730		
482,593	482,593		
1,235,347	1,274,049	The internal service funds are used by management and are not reported in the government-wide Statements of Activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among governmental activities.	39,996
21,424	21,424		
165,608	1,159,468		
	153,924		
	9,089		
	800,396	Compensated absences reported in the Statement of Activities, do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds.	28,498
	2,710,000		
	1,411,014	Changes in Net Position of Governmental Activities	\$ 1,472,325
4,850,911	42,689,446		
(324,788)	(1,128,563)		
259,572	259,572		
	(259,572)		
259,572	0		
(65,216)	(1,128,563)		
920,810	33,712,353		
\$ 855,594	\$ 32,583,790		

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Property and Other Local Taxes	\$ 24,901,640	\$ 24,901,640	\$ 24,511,015	\$ (390,625)
Intergovernmental	5,965,886	6,007,886	6,025,895	18,009
Interest	285,000	285,000	268,941	(16,059)
Tuition and Fees	554,816	554,816	372,130	(182,686)
Rent	318,462	318,462	317,226	(1,236)
Gifts and Donations	7,500	7,500	6,100	(1,400)
Customer Sales and Services	161,940	161,940	181,480	19,540
Miscellaneous	434,604	434,604	477,860	43,256
Total Revenues	<u>32,629,848</u>	<u>32,671,848</u>	<u>32,160,647</u>	<u>(511,201)</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular	12,009,147	12,228,489	11,933,830	294,659
Special	5,133,099	5,221,562	5,123,206	98,356
Vocational	775,750	577,270	552,999	24,271
Other	289,500	296,838	262,842	33,996
Support Services:				
Pupils	1,722,460	1,974,785	1,893,017	81,768
Instructional Staff	2,147,961	2,057,244	1,948,458	108,786
Board of Education	621,752	501,752	435,147	66,605
Administration	2,372,272	2,395,372	2,367,249	28,123
Fiscal	1,133,740	1,141,541	1,107,249	34,292
Business	401,545	396,807	355,007	41,800
Operation and Maintenance of Plant	3,665,307	3,714,184	3,664,380	49,804
Pupil Transportation	2,172,856	2,170,356	1,957,199	213,157
Central	284,615	274,337	243,725	30,612
Operation of Non-Instructional/Shared Services:				
Community Services	118,269	65,097	40,409	24,688
Extracurricular Activities:				
Academic Oriented Activities	174,365	174,365	167,819	6,546
Sport Oriented Activities	748,124	775,124	773,584	1,540
School and Public Service Co-Curricular Activities	33,226	36,226	35,473	753
Capital Outlay:				
Other Facilities Acquisition and Construction	3,000	3,000	2,500	500
Total Expenditures	<u>33,806,988</u>	<u>34,004,349</u>	<u>32,864,093</u>	<u>1,140,256</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,177,140)</u>	<u>(1,332,501)</u>	<u>(703,446)</u>	<u>629,055</u>
OTHER FINANCING SOURCES AND USES:				
Advances In	30,000	30,000	30,000	0
Proceeds from Sale of Capital Assets	2,500	2,500	11,282	8,782
Refund of Prior Year Expenditures	2,500	2,500	1,758	(742)
Transfers Out	(307,801)	(286,300)	(287,672)	(1,372)
Advances Out	(2,500,000)	(2,518,000)	(2,500,000)	18,000
Total Other Financing Sources and Uses	<u>(2,772,801)</u>	<u>(2,769,300)</u>	<u>(2,744,632)</u>	<u>24,668</u>
Net Change in Fund Balances	(3,949,941)	(4,101,801)	(3,448,078)	653,723
Fund Balance (Deficit) at Beginning of Year	23,784,422	23,784,422	23,784,422	
Prior Year Encumbrances Appropriated	299,478	299,478	299,478	
Fund Balance (Deficit) at End of Year	<u>\$ 20,133,959</u>	<u>\$ 19,982,099</u>	<u>\$ 20,635,822</u>	<u>\$ 653,723</u>
See Accompanying Notes to the Basic Financial Statements				

Beachwood City Schools
Statement of Fund Net Position
Proprietary Fund
June 30, 2015

	Governmental Activities - Internal Service Funds
<hr/>	
ASSETS:	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 2,235,017
<i>Total Current Assets</i>	<u>2,235,017</u>
<i>Total Assets</i>	<u><u>2,235,017</u></u>
LIABILITIES:	
Current Liabilities:	
Claims Payable	<u>487,300</u>
<i>Total Current Liabilities</i>	<u>487,300</u>
<i>Total Liabilities</i>	<u>487,300</u>
NET POSITION:	
Unrestricted	<u>1,747,717</u>
<i>Total Net Position</i>	<u><u>\$ 1,747,717</u></u>

See Accompanying Notes to the Basic Financial Statements

Beachwood City Schools
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Fiscal Year Ended June 30, 2015

	Governmental Activities - Internal Service Funds
OPERATING REVENUES:	
Charges for Services	\$ 2,478,520
Other Revenues	935,052
<i>Total Operating Revenues</i>	<u>3,413,572</u>
OPERATING EXPENSES:	
Claims	<u>3,373,576</u>
<i>Total Operating Expenses</i>	<u>3,373,576</u>
<i>Operating Income (Loss)</i>	<u>39,996</u>
<i>Income (Loss) Before Contributions and Transfers</i>	<u>39,996</u>
<i>Net Change in Net Position</i>	39,996
<i>Net Position(Deficit) at Beginning of Year</i>	<u>1,707,721</u>
<i>Net Position (Deficit) at End of Year</i>	<u><u>\$ 1,747,717</u></u>

See Accompanying Notes to the Basic Financial Statements

Beachwood City Schools
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended June 30, 2015

	Governmental Activities - Internal Service Fund
Cash Flows from Operating Activities:	
Cash received from self insurance premiums	\$ 3,413,572
Payments for Claims	<u>(2,975,676)</u>
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>437,896</u>
 <i>Cash and Cash Equivalents, Beginning of Year</i>	 <u>1,797,121</u>
<i>Cash and Cash Equivalents, End of Year</i>	<u><u>\$ 2,235,017</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities	
Operating Income	\$ 39,996
Increase (Decrease) in Liabilities	<u>397,900</u>
<i>Net Cash Provided by Operating Activities</i>	<u><u>\$ 437,896</u></u>
See Accompanying Notes to the Basic Financial Statements	

Beachwood City Schools
Statement of Fiduciary Net Position
Fiduciary Fund
June 30, 2015

	<u>Agency Fund</u>
ASSETS:	
Current Assets:	
Equity in Pooled Cash and Cash Equivalents	\$ 700,874
<i>Total Current Assets</i>	<u>700,874</u>
<i>Total Assets</i>	<u><u>700,874</u></u>
LIABILITIES:	
Current Liabilities:	
Undistributed Monies	593,092
Due to Students	<u>107,782</u>
<i>Total Current Liabilities</i>	<u>700,874</u>
<i>Total Liabilities</i>	<u><u>\$ 700,874</u></u>

See Accompanying Notes to the Basic Financial Statements

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

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 157 certificated teaching personnel, 136 non-certificated support personnel and 12 administrators.

The School District is located east of Cleveland, Ohio, in a prosperous suburb consisting of residences and significant office and retail commercial development. The enrollment for the School District during the 2015 fiscal year was 1,563. 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 11B to the basic financial statements. These organizations are:

Jointly Governed Organizations:

Ohio Schools’ Council Association
Lake Geauga Computer Association

Public Entity Risk Pool:

Sheakley Uniservice, Inc. Workers’ Compensation Group Rating Program

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

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. Pensions

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

B. 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.

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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

column. Non-major 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.

C. Fund Accounting

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

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

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

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

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

Building Fund – the Building Fund accounts for resources received from bond issues passed by the electorate in the form of property taxes to be used for the construction or improvement of capital facilities.

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 agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency funds account for student activities and money due to the State retirement systems.

D. Measurement Focus

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

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

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

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.

E. 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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

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

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

Deferred Outflows/Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position 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 have been reported for the following two items related the District’s net pension liability: (1) the difference between expected and actual experience of the pension systems, and (2) the District’s contributions to the pension systems subsequent to the measurement date.

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 position 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, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2015, but which were levied to finance fiscal year 2016 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 and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

The District also reports a deferred inflow of resources for the net difference between

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

projected and actual earnings on pension plan investments related to the District's net pension liability. This deferred inflow of resources is only reported on the government-wide statement of net position.

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.

F. Budgetary Data

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

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

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

Encumbrances

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

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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are re-appropriated.

G. 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 2015, investments were limited to demand deposits, certificates of deposit, money market, federal agency discount notes, US treasuries, commercial paper and STAR Ohio.

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

The School District has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2015. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2015.

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 2015 amounted to \$58,560.

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.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2015, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year which services are consumed.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

I. Materials and Supplies Inventory

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

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

J. 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.

K. 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 are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of one thousand dollars with the exception of any items deemed by the Business Manager to be capitalized. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of general capital assets is not capitalized.

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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

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

L. 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.

M. 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.

N. Accrued Liabilities and Long-Term Obligations

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

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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

O. 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.

P. 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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

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.

Q. 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.

R. 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.

S. 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 2015.

T. 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.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

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

For fiscal year 2015, the School District implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68." GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported June 30, 2014:

Net position June 30, 2014	\$57,281,765
Adjustments:	
Net Pension Liability	(52,805,467)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>2,943,357</u>
Restated Net Position June 30, 2014	<u><u>\$7,419,655</u></u>

Other than employer contributions subsequent to the measurement date, the School District made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

Note 4 - 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. Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed or assigned fund balance (GAAP basis).

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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

Net Change in Fund Balance

	<u>General</u>
GAAP Basis	\$(1,105,203)
Net adjustments for revenue accruals	401,092
Net adjustments ` expenditure accruals	(2,444,489)
Encumbrances outstanding at year end (Budget Basis)	<u>(299,478)</u>
Budget Basis	<u>\$(3,448,078)</u>

Note 5 – 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:

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

<u>Fund Balances</u>	<u>General</u>	<u>Bond Retirement</u>	<u>Permanent Improvement Fund</u>	<u>Building Fund</u>	<u>Non Major Governmental Funds</u>	<u>Total</u>
<i>Nonspendable</i>						
Inventory	\$ 79,722	\$ -	\$ -	\$ -	\$7,812	\$87,534
<i>Restricted for</i>						
Budget Stabilization	134,873	0	0	0	0	134,873
Food Service Operations	0	0	0	0	1,142	1,142
Unclaimed Funds	0	0	0	0	0	0
Expendable Trust Funds	0	0	0	0	23,549	23,549
Uniform Supplies	0	0	0	0	1,493	1,493
Marketing School Store	0	0	0	0	12,887	12,887
Recreation	0	0	0	0	3,204	3,204
Consortium Funds	0	0	0	0	(28,111)	(28,111)
Pupil Support	0	0	0	0	41,091	41,091
Local Grants	0	0	0	0	3,472	3,472
Preschool	0	0	0	0	623,196	623,196
District Managed Student Act.	0	0	0	0	58,066	58,066
State Grants	0	0	0	0	15,674	15,674
Federal Grants	0	0	0	0	6,135	6,135
Bond Retirement	0	2,572,826	0	0	0	2,572,826
Permanent Improvements	0	0	829,039	0	0	829,039
Building Funds	0	0	0	652	0	652
<i>Total Restricted</i>	134,873	2,572,826	829,039	652	761,798	4,299,188
<i>Committed</i>						
Encumbrances	446,142	0	473,946	298	85,984	1,006,370
<i>Assigned to</i>						
Other Purposes	2,498,306	0	0	0	0	2,498,306
<i>Unassigned</i>	24,692,392	0	0	0	0	24,692,392
<i>Total Fund Balances</i>	\$27,851,435	\$2,572,826	\$1,302,985	\$950	\$855,594	\$32,583,790

Encumbrances for the general fund are as follows: \$73,142 for outstanding special education tuition, \$47,056 for legal fees and \$212,737 for utilities and maintenance related expenditures. Permanent improvement encumbrances are related to outstanding building projects.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

Note 6 - 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;

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

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

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

Cash on Hand

At fiscal year end, the School District had \$6,200 un-deposited cash on hand which is included on the balance sheet of the School District as part of "Equity in Pooled Cash and Cash Equivalents".

Deposits

At fiscal year end, the carrying amount of the School District's deposits was \$9,731,353. Based on the criteria described in GASB 40, "Deposits and Investment Risk Disclosures", as of June 30, 2015, \$922,098 of the District's bank balance of \$10,169,097 was exposed to custodial risk as discussed below, while \$9,246,999 was covered by Federal Deposit Insurance Corporation. Although all State statutory requirements for the deposit of money had been followed, non-compliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the School District's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial collateral pools at Federal Reserve Banks, or at member banks of the Federal Reserve System, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the School District.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

Investments

As of June 30, 2015, the School District had the following investments. All investments are in an internal investment pool.

	Fair Value	Maturity
Federal National Mortgage	\$752,505	12/30/2019
Federal Home Loan Mortgage	997,310	03/12/2018
Federal Home Loan Bank	1,001,660	04/27/2018
Federal Farm Credit	874,834	08/27/2018
Federal Home Loan Mortgage	250,078	06/16/2017
Federal National Mortgage	870,056	11/06/2018
Federal Home Loan Mortgage	1,630,249	06/10/2019
Federal Home Loan Mortgage	499,200	05/28/2020
Federal Home Loan Mortgage	993,580	04/29/2019
Federal National Mortgage	752,062	09/18/2019
Federal Farm Credit	351,481	05/19/2020
Federal Home Loan Mortgage	750,277	06/15/2020
Federal Home Loan Bank	1,000,120	12/19/2017
Federal Home Loan Bank	1,000,780	09/21/2015
Federal Farm Credit	999,612	05/09/2016
Federal Home Loan Bank	375,034	08/25/2017
Federal Home Loan Mortgage	499,720	07/17/2017
Federal Home Loan Mortgage	1,000,810	12/11/2018
Federal Home Loan Mortgage	499,908	01/28/2016
STAR Ohio	8,233,113	33 days
Total	<u>\$23,332,389</u>	

Interest Rate Risk

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

Credit Risk

The Federal Home Loan Bank Notes carry a rating of AA+ by Standard & Poor's, Federal Farm Credits carry a rating of AA+ by Standard & Poor's and 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. The School District has no investment policy that would further limit its investment choices.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Federal Home Loan Bank Notes and Federal Farm Credits are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent but not

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

in the School District's name. The School District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer of qualified trustee.

Concentration of Credit Risk

The School District places no limit on the amount it may invest in any one issuer. The School District's investments in the Federal Home Loan Bank Notes represents 55.3%, Federal Farm Credits 9.5%, with STAR Ohio representing 35.2% of the School District's total investments.

Note 7 - 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 2015 represents collections of calendar year 2014 taxes. Real property taxes received in calendar year 2014 were levied after April 1, 2014, on the assessed value listed as of January 1, 2015, 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 2015 represents collections of calendar year 2014 taxes. Public utility real and tangible personal property taxes received in calendar year 2014 become a lien December 31, 2013, were levied after April 1, 2014 and are collected in 2015 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, 2015, are available to finance fiscal year 2015 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, public utility property, and tangible personal property taxes, which became measurable as of June 30, 2015 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

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

that portion not levied to finance current year operations. The amount available as an advance at June 30, 2015 was \$4,738,688 for the General Fund, \$589,906 in the Bond Retirement Fund, and \$280,911 in the Permanent Improvement Fund.

The assessed values upon which the fiscal year 2015 taxes were collected are:

	2014 Second- Half Collections		2015 First- Half Collections	
	Amount	Percent	Amount	Percent
Agricultural/Residential	\$334,775,570	47.22%	\$334,673,420	47.16%
Industrial/Commercial	361,985,610	51.05	362,270,490	51.05
Public Utility	12,248,200	1.73	12,737,020	1.79
Total Assessed Value	<u>\$709,009,380</u>	<u>100.00%</u>	<u>\$709,680,930</u>	<u>100.00%</u>
Tax rate per \$1,000 of Assessed valuation	\$86.40		\$86.40	

Note 8 - Receivables

Receivables at June 30, 2015, consisted of taxes, accounts (rent and student fees), intergovernmental, accrued interest, and loans. All receivables are considered collectible in full because of the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

Note 9- Capital Assets

Capital asset activity for the fiscal year ended June 30, 2015 was as follows:

	Balance at 6/30/14	Additions	Reductions	Balance at 6/30/15
Governmental Activities				
Capital Assets, not being depreciated:				
Land	\$978,708	\$0	\$0	\$978,708
Construction in Progress	36,436,519	378,338	36,436,519	378,338
Total Assets not being depreciated	37,415,227	378,338	36,436,519	1,357,046
Capital Assets, being depreciated:				
Land Improvements	3,389,063	0	0	3,389,063
Buildings and Buildings Improvements	42,372,835	36,924,449	0	79,297,284
Vehicles	1,958,084	221,436	202,849	1,976,671
Equipment	7,272,658	533,258	298,270	7,507,646
Totals at Historical Cost	54,992,640	37,679,143	501,119	92,170,664
Less Accumulated Depreciation:				
Land Improvements	1,681,994	112,873	0	1,794,867
Buildings and Building Improvements	20,937,773	1,552,741		22,490,514
Vehicles	1,488,192	127,312	202,849	1,412,655
Equipment	5,463,231	745,916	286,754	5,922,393
Total Accumulated Depreciation	29,571,190	2,538,842	489,603	31,620,429
Total Capital Assets, being Depreciated, Net	25,421,450	35,140,301	11,516	60,550,235
Governmental Activities Capital Assets, Net	\$62,836,677	\$35,518,639	\$36,448,035	\$61,907,281

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	1,488,995
Special	68,962
Adult	4,822
Vocational	56,668
Support Services:	
Pupil	59,018
Instructional Staff	188,246
Board of Education	22,556
Administration	33,838
Fiscal	4,262
Business	11,939
Operation and Maintenance of Plant	176,126
Pupil Transportation	134,172
Central	67,338
Extra-curricular activities	46,687
Food service operations	96,535
Community	78,678
Total Depreciation Expense	\$2,538,842

Beachwood City School District
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For the Fiscal Year Ended June 30, 2015

Note 10 – Inter-fund Transactions

As of June 30, 2015, on the fund financial statements, the Consortium fund, which is a Non-Major governmental fund, owed the General Fund \$2,198,932. The School District's consortium funds provide services to local surrounding school districts. Costs are billed on a per pupil basis. The School District incurs administrative and operational costs that are billed to the consortium districts but are costs that are incurred by the general fund. Over time, the consortium funds owe the general fund these dollars.

During the year ended June 30, 2015, the General Fund transferred \$259,572 to Other Non-major Governmental Funds. The transfers were made to move unrestricted balances to support programs and projects accounted for in other funds.

Note 11 - 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 2015, the School District contracted with Liberty Mutual for property, general liability insurance and boiler and machinery coverage in the amounts of \$96,521,849, \$2,000,000, and \$50,000,000 respectively. The deductible varies from \$1,000 to \$5,000.

Umbrella Liability insurance and Excess Umbrella Liability insurance are covered by Liberty Mutual with a \$10,000,000 single occurrence limit on both policies and no deductibles unless a claim doesn't fall under an underlying policy which would create the need for a \$10,000 self-insured retainer. Vehicles are also covered by Liberty Mutual and have a \$500 deductible for collision. Automobile liability has a \$1,000,000 combined single limit, \$5,000 medical payments, and \$1,000,000 uninsured motorists. Settled claims have not exceeded this commercial coverage.

The School District contracted with Cincinnati Insurance Company for public employee dishonesty coverage, with a \$50,000 limit and a \$500 deductible.

B. Workers' Compensation

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

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

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

C. Self-Insurance Program

The self-insurance program for dental 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 Anthem. 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 2015, total claims expense of \$2,150,868 was recognized, which represents actual claims processed and paid as of June 30, 2015. 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	Beginning Balance	Claims Incurred	Claims Paid	Ending Balance
2014	\$86,200	\$892,294	\$889,094	\$89,400
2015	89,400	2,150,868	1,752,968	487,300

Note 12 - Defined Benefit Pension Plans

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

Beachwood City School District
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For the Fiscal Year Ended June 30, 2015

estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

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

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.

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

Beachwood City School District
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Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School 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, 2015, the allocation to pension, death benefits, and Medicare B was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The School District's contractually required contribution to SERS was \$778,586 for fiscal year 2015. Of this amount \$35,357 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

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

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, member contributions are allocated among investment choices by the member, and employer contributions 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 at age 50.

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 as one defined benefit plan for GASB 68 reporting purposes.

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. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2015, plan members were required to contribute 12 percent of their annual covered salary. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2015 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$2,141,448 for fiscal year 2015. Of this amount \$275,191 is reported as an intergovernmental payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of

Beachwood City School District
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that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$10,298,462	\$34,171,300	\$44,469,762
Proportion of the Net Pension Liability	0.203489%	0.1404870%	
Pension Expense	\$605,634	\$1,578,683	\$2,184,317

At June 30, 2015, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflow of resources:			
Difference between expected and actual experience	\$87,651	\$328,973	\$416,624
School District contributions subsequent to the measurement date	<u>778,586</u>	<u>2,100,315</u>	<u>\$2,878,901</u>
Total Deferred Outflows of Resources	<u>\$866,237</u>	<u>\$2,429,288</u>	<u>\$3,295,525</u>
	0	0	
Deferred Inflows of Resources:			
Net difference between projected and actual earnings on pension plan investments	<u>\$1,671,469</u>	<u>\$6,321,820</u>	<u>\$7,993,289</u>
Total Deferred Inflows of Resources	<u>\$1,671,469</u>	<u>\$6,321,820</u>	<u>\$7,993,289</u>

\$2,878,901 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, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

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For the Fiscal Year Ended June 30, 2015

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2016	\$395,955	\$1,498,212	\$1,894,167
2017	395,955	1,498,212	1,894,167
2018	395,954	1,498,212	1,894,166
2019	395,954	1,498,211	1,894,165
Total	<u>\$1,583,818</u>	<u>\$5,992,847</u>	<u>\$7,576,665</u>

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2014, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	4.00 percent to 22 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.75 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

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The most recent experience study was completed June 30, 2010.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	1.00 %	0.00 %
US Stocks	22.50	5.00
Non-US Stocks	22.50	5.50
Fixed Income	19.00	1.50
Private Equity	10.00	10.00
Real Assets	10.00	5.00
Multi-Asset Strategies	<u>15.00</u>	7.50
Total	<u>100.00 %</u>	

Discount Rate The total pension liability was calculated using the discount rate of 7.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.75 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.75 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 (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

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	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's proportionate share of the net pension liability	\$14,692,859	\$10,298,462	\$ 6,602,406

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Projected salary increases	2.75 percent at age 70 to 12.25 percent at age 20
Investment Rate of Return	7.75 percent, net of investment expenses
Cost-of-Living Adjustments (COLA)	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA paid on fifth anniversary of retirement date.

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2014, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

The 10 year expected real rate of return on pension plan investments was determined by STRS' investment consultant by developing best estimates of expected future real rates of return for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
Total	100.00 %	

Discount Rate The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2014. 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

Beachwood City School District
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and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not 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, 2014. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2014.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the School District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.75 percent, as well as what the School 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 (6.75 percent) or one-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's proportionate share of the net pension liability	\$48,920,194	\$34,171,300	\$21,698,912

Note 13 – Other Post-Employment Benefits (OPEB)

A. School Employee Retirement System

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 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit and other postemployment benefit (OPEB) plan. The Health Care Plan includes hospitalization, and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescript drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746 or obtained via 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 the Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health Care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement

Beachwood City School District
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status.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For fiscal year 2015, 0.82 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum, prorated according to service credit earned. For fiscal year 2015, this amount was \$20,450. State statute provides 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 total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2015, the School District's surcharge obligation was \$98,531.

The School District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$45,603, \$8,278, and \$9,347, respectively; 100 percent has been contributed for fiscal years 2015, 2014 and 2013.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2015, this actuarially required allocation was 0.74 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2015, 2014, and 2013 were \$41,154, \$44,939, and \$43,228, respectively; 100 percent has been contributed for fiscal years 2015, 2014 and 2013.

B. State Teachers Retirement System

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

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2015, STRS did not allocate any employer contributions to post-employment benefits. The School District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$0, \$143,283, and \$138,196, respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

Beachwood City School District
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Note 14 - Employee Benefits

A. Compensated Absences

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

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

B. Health Care Benefits

The School District provides employee medical and surgical coverage through Medical Mutual. The School District is self-insured for health, vision, prescription drug and dental claims of the School District employees and their covered dependents. Health care claims paid to Medical Mutual were \$2,121,500. The School District received a 6 % increase in premium due to fees associated with the affordable care act. Individual stop loss coverage is set at \$75,000.

Note 15 – Long-Term Obligations

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

Beachwood City School District
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For the Fiscal Year Ended June 30, 2015

	Restated Principal Outstanding 6/30/14	Additions	Reduction	Principal Outstanding 6/30/15	Amounts Due in One Year
Governmental Activities					
Long-Term Notes Payable					
2010 QSCB Tax Anticipation Notes 4.75%	\$3,440,000	\$0	\$555,000	\$2,885,000	\$550,000
Total Long-Term Notes Payable	3,440,000	0	555,000	2,885,000	550,000
General Obligation Bonds					
2007 Advanced Refunding 4.0% - 4.25%	204,997	0	75,000	129,997	0
2010 School Improvement 1.25-3.0%	4,525,000	0	1,125,000	3,400,000	1,150,000
2010 School Improvement Premium	182,612	0	45,652	136,960	45,652
2010 QSCB Bonds 5.125%	11,260,000	0	0	11,260,000	0
2012 Refunding 1%-2%	2,460,000	0	810,000	1,650,000	820,000
2013 Refunding .45-3.05%	5,420,000	0	145,000	5,275,000	220,000
2014 Refunding Tax Exempt 3-3.25%	11,149,966	0	0	11,149,966	0
Total General Obligation Bonds	35,202,575	0	2,200,652	33,001,923	2,235,652
Net Pension Liability:					
STRS	40,704,629	0	6,533,329	34,171,300	0
SERS	12,100,838	0	1,802,376	10,298,462	0
Total Net Pension Liability	52,805,467	0	8,335,705	44,469,762	0
Capital Lease					
Compensated Absences Payable	244,826	0	147,629	97,197	97,197
	2,260,966	52,256	80,754	2,232,468	97,929
Long-Term Liabilities	2,505,792	52,256	228,383	2,329,665	195,126
Total Long-Term Liabilities	\$93,953,834	\$52,256	\$11,319,740	\$82,686,350	\$2,980,778

Qualified School Construction Bonds (QSCB's) On May 13, 2010, the School District issued \$5,650,000 tax anticipation notes in the form of federally taxable direct payment qualified school construction bonds at an interest rate of 4.75%. These tax anticipation notes were issued to fund energy conservation related projects at the School District's High School. The Permanent Improvement Fund property taxes will pay for the bonds. The interest paid on the bonds had been 100% subsidized by the federal government through federal stimulus funds. However, due to sequestration, the remittance to the District decreased 7.2%. The federal government remits the interest paid by the schools through a direct pay reimbursement. The debt rating assigned by Moody's is Aaa.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

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 7.2%. The federal government remits the interest paid by the schools through a direct pay reimbursement. The debt rating assigned by Moody's is Aaa.

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

General Obligation Bonds The School District issued \$18,814,982 general obligation bonds with an interest rate of 2.0-5.25%, maturity date December 1, 2022. In July 2007, a portion of the School District's general obligation funds was advanced refunded and re-issued at a lower interest rate in the amount of \$6,244,997 with an interest rate of 4.00-4.25%. Present value savings from the advanced refunding is \$247,906. In December 2013, the 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 District used \$500,000 of its sinking fund to defease a portion of the debt and also shortened the payback period by one year. The debt with mature on December 1, 2021. Net present value savings is \$312,100.

Proceeds from the sale of the Bonds that were used to advance refund the Refunded Bonds were deposited in an Escrow Fund held by The Bank of New York Mellon Trust Company, N.A. (the Escrow Agent), pursuant to an Escrow Agreement between the School District and the Escrow Agent dated December 31, 2013 (the Escrow Agreement). The money deposited in the Escrow Fund will be held in for the (i) payment of interest on the Refunded Bonds when due on June 1, 2014 and December 1, 2014, and (ii) payment of the principal amount of the Refunded Bonds upon their prior optional redemption on December 1, 2014, as provided in the Authorizing Legislation. The Authorizing Legislation provides for an irrevocable call for optional redemption of the Refunded Bonds on December 1, 2014, at a redemption price equal to 100% of the principal amount redeemed, plus interest accrued to the redemption date.

In August 2010, the School District issued \$7,590,000 in tax exempt general obligation bonds with an interest rate of 1.25%-3.0%. The District received a premium of \$319,567 which will be amortized over the life of the issue (7 years for this portion of the debt issued).

In November 2012, the School District refunded \$3,260,000 of its outstanding bonds and reissued \$3,245,000 at a lower interest rate of 1%-2%. Net present value savings was \$225,082.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

All bonds outstanding are general obligation of the School District for which the full faith and credit of the School District are pledged for repayment. General obligation bonds are to be repaid from a current 4.4 mill bonded-debt tax levy. Tax monies will be received in and the debt will be repaid from the Bond Retirement Fund.

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

Capital Leases In fiscal year 2014 the School District entered into a capital lease for computers in the amount of \$291,635 at an interest rate of 2.14%. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date as capital assets in the governmental activities of the statement of net position. The capital lease will be repaid from the General fund.

The following summarizes the future minimum lease obligations, the net present value of these minimum lease payments, cost and accumulated depreciation of assets acquired through capital leases as of June 30, 2015.

Fiscal Year Beginning June 30	General Fund
2016	99,278
Total Minimum Lease Payments	99,278
Less Amount Representing Interest	(2,081)
Present Value of Lease Payments	<u>\$97,197</u>
Capital Assets at Gross Cost:	\$291,635
Less: Accumulated Depreciation	(116,654)
Net Book Value	<u>\$174,981</u>

The School District's overall voted debt margin was \$30,869,361 with an un-voted debt margin of \$709,681 at June 30, 2015.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

Principal and interest requirements to retire the long-term obligations outstanding at June 30, 2015, were as follows:

Fiscal Year Ending	Long-Term		General		Capital Lease		Total	
	Notes Payable		Obligation Bonds					
	Principal	Interest*	Principal	Interest*	Principal	Interest	Principal	Interest
2016	550,000	268,375	2,190,000	1,126,995	97,197	2,081	2,837,197	1,397,451
2017	550,000	268,375	2,220,000	1,078,200	0	0	2,770,000	1,346,575
2018	550,000	268,375	1,459,997	1,898,514	0	0	2,009,997	2,166,889
2019	550,000	268,375	2,390,000	1,015,501	0	0	2,940,000	1,283,876
2020	685,000	134,188	2,405,000	992,818	0	0	3,090,000	1,127,006
2021-2025	0	0	11,669,966	4,905,575	0	0	11,669,966	4,905,575
2026-2030	0	0	9,005,000	1,615,450	0	0	9,005,000	1,615,450
2031-2035	0	0	1,525,000	33,656			1,525,000	33,656
Total	<u>2,885,000</u>	<u>\$1,207,688</u>	<u>\$32,864,963</u>	<u>\$12,666,709</u>	<u>\$97,197</u>	<u>\$2,081</u>	<u>\$35,847,160</u>	<u>\$13,876,478</u>

* \$7,844,050 direct payments from federal government, less 7.2% 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 following cash basis information describes the change in the fiscal year end set-aside amounts for capital acquisitions. Disclosure of this information is required by State statute

	Capital Improvements	Budget Stabilization
Set-aside Reserve Balances as of June 30, 2014	\$0	\$134,873
Set-aside Balance Carried Forward	0	0
Current Year Set-Aside Requirement	248,713	0
Qualifying Disbursements	<u>(1,651,686)</u>	<u>0</u>
Total	<u>(\$1,402,973)</u>	<u>\$134,873</u>
Set-aside Balance Carried Forward to future fiscal years	<u>\$0</u>	<u>\$0</u>
Set-aside Reserve Balance as of June 30, 2015	<u>\$0</u>	<u>\$134,873</u>

Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

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 one hundred twenty one school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2015, the School District paid \$136,803 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. Our current supplier and manager is Compass Energy Gas Services, LLC. In December 2012, OSC extended the base contract for sale and purchase of Natural Gas with Compass Energy Gas Services, LLC from April 1, 2013 until March 31, 2016. This new contract reduced prices \$0.156 per city gate Dth for DEO accounts and \$0.266 per city gate Dth for COH accounts. DEO accounts are priced at the monthly NYMEX LDS price plus \$.242 per city gate Dth and Columbia Gas of Ohio accounts are priced at monthly NYMEX LDS price plus \$.309 per city gate Dth.

In FY15 (July 2014 to June 2015), 151 members saved a total of \$1,164,097.36 on 3,246,081 Mcf of natural gas. The average price of Natural Gas for fiscal year 2014 was \$5.302 Mcf for Columbia Gas of Ohio and \$5.258 Mcf for Dominion East Ohio Gas.

Members are billed using a monthly level billing. The level billing amounts are adjusted each year based on the prior year's usage and the best estimate of the cost of gas from our gas management company. Due to actual gas prices and usage being higher than estimated for 2013-14, 33% of the members were billed for true-up and 67% of the members were issued credits towards their regular monthly level billing in 2014-15. The members that owe for true-up will be charged on the September invoice. Districts that have credits will be applied to each monthly billing beginning in September until the credits are eliminated. The fee to participate in this program is \$0.07 per dth.

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. The price was \$.602 per kWh for all district facilities and was guaranteed through May 31, 2017. There are 110 districts participating in this program including Beachwood School District.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

Lake Geauga Computer Association - The Lake Geauga Computer Association ("LGCA") is a jointly governed organization that was formed for the purpose of providing computer services for accounting, grading, scheduling, EMIS and other applications to its 18 member school districts. Each of the districts supports LGCA based upon a per pupil charge. The School District contributed \$61,598 to LGCA during fiscal year 2015.

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, 2015.

B. Litigation

The School District has been named as a defendant in several court cases through the period ended June 30, 2015. Management does not believe that the ultimate resolution of those cases will have a material impact on the financial statements of the School District and further believes that the School District has adequate insurance coverage to protect itself against any material loss.

C. Full Time Equivalent (FTE)

The School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, traditional school districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the school district, which can extend past the fiscal year end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2015 Foundation funding for the school district; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the School District.

Beachwood City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2015

Note 19 – Contractual Commitments

At June 30, 2015, the School District's significant contractual commitments which were reported as accounts payable consisted of:

<u>Project</u>	<u>Contract Amount</u>	<u>Amounts Paid to Date</u>	<u>Remaining Contract</u>
HS Auditorium Renovation	\$1,071,903	\$581,783	\$490,121

Note 20 – Subsequent Event

During Fiscal Year 2016, the Beachwood City School District settled contract negotiations with its teachers (BFT). The contract is for a three year period commencing September 1, 2015.

***REQUIRED
SUPPLEMENTARY
INFORMATION***

Beachwood City School District

Schedules of Required Supplementary Information

Schedule of The District's Proportionate Share of the Net Pension Liability
School Employees Retirement System (SERS) of Ohio

Last Two Fiscal Years

	2014	2013
District's proportion of the net pension liability	0.2034890%	0.2034890%
Districts proportionate share of the net pension liability	\$ 10,298,462	\$ 12,100,838
District's covered - employee payroll	\$ 5,357,285	\$ 5,263,130
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	192.23%	229.92%
Plan fiduciary net position as a percentage of the total pension liability	71.70%	65.52%

Note: Information prior to fiscal year 2013 was unavailable

Beachwood City School District

Schedules of Required Supplementary Information

Schedule of The District's Proportionate Share of the Net Pension Liability
State Teachers Retirement System (STRS) of Ohio

Last Two Fiscal Years

	2014	2013
District's proportion of the net pension liability	0.14048700%	0.14048700%
Districts proportionate share of the net pension liability	\$ 34,171,300	\$ 40,704,629
District's covered - employee payroll	\$ 14,500,097	\$ 14,364,913
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	235.66%	283.36%
Plan fiduciary net position as a percentage of the total pension liability	74.70%	69.30%

Note: Information prior to fiscal year 2013 was unavailable

Beachwood City School District
Schedules of Required Supplemental Information

Schedule of District Contributions
School Employees Retirement System (SERS) of Ohio

Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 778,586	\$ 742,520	\$ 728,417	\$ 765,115
Contributions in relation to the contractually required contribution	<u>(778,586)</u>	<u>(742,520)</u>	<u>(728,417)</u>	<u>(765,115)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll	\$ 4,978,678	\$ 5,357,285	\$ 5,263,130	\$ 6,024,528
Contributions as a percentage of covered-employee payroll	13.18%	13.86%	13.84%	13.45%

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 811,377	\$ 655,527	\$ 535,319	\$ 564,242	\$ 603,684	\$ 610,007
<u>(811,377)</u>	<u>(655,527)</u>	<u>(535,319)</u>	<u>(564,242)</u>	<u>(603,684)</u>	<u>(610,007)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,454,869	\$ 4,841,411	\$ 5,440,234	\$ 5,745,845	\$ 5,652,472	\$ 5,765,662
12.57%	13.54%	9.84%	9.82%	10.68%	10.58%

Beachwood City School District
Schedules of Required Supplemental Information

Schedule of District Contributions
School Teachers Retirement System (STRS) of Ohio

Last Ten Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 2,141,448	\$ 2,030,014	\$ 2,011,088	\$ 1,900,949
Contributions in relation to the contractually required contribution	<u>(2,141,448)</u>	<u>(2,030,014)</u>	<u>(2,011,088)</u>	<u>(1,900,949)</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
District's covered employee payroll	\$ 14,852,489	\$ 14,500,097	\$ 14,364,913	\$ 14,622,685
Contributions as a percentage of covered-employee payroll	14%	13%	13%	13%

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 1,883,505	\$ 1,834,757	\$ 1,855,764	\$ 1,774,920	\$ 1,540,460	\$ 1,601,322
<u>(1,883,505)</u>	<u>(1,834,757)</u>	<u>(1,855,764)</u>	<u>(1,774,920)</u>	<u>(1,540,460)</u>	<u>(1,601,322)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 14,488,500	\$ 14,113,515	\$ 14,275,108	\$ 13,653,231	\$ 11,849,692	\$ 12,317,862
13%	13%	13%	13%	13%	13%

Beachwood City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2015

School Employees Retirement System (SERS) of Ohio

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014 and 2015.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014 and 2015. See the notes to the basic financial statements for the methods assumptions in this calculation.

State Teachers Retirement System (STRS) of Ohio

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014 and 2015.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014 and 2015. See the notes to the basic financial statements for the methods and assumptions in this calculation.

Combining Statements and Individual Fund Schedules

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

Food Service - This fund accounts for the financial transactions to the food service operation of the School District.

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

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

Marketing Store – This fund accounts for the sales of school spirit wear in conjunction with the Marketing program.

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

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

Pupil Support - This fund is used for the general support of the school building, staff, and students.

Miscellaneous Local Grants - These funds are used to develop a Business/Education Partnership program to serve a consortium of eight suburban school districts, and to encourage students to become interested in the teaching profession.

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

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

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

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

Race to the Top (RttT) Grant – The purpose of this fund is a state-wide initiative to implement a world class education system which will achieve high graduation rates and increased academic performance.

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

(continued)

Nonmajor Special Revenue Funds (continued)

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

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

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

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

Nonmajor Proprietary Fund

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

Internal Service Fund

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

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

Beachwood City Schools
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

	<u>Special Revenue</u>
ASSETS:	
Equity in Pooled Cash and Cash Equivalents	\$ 3,186,023
Materials and Supplies Inventory	7,812
Accounts Receivable	<u>215,572</u>
<i>Total Assets</i>	<u><u>\$ 3,409,407</u></u>
LIABILITIES:	
Accounts Payable	2,616
Accrued Wages and Benefits	318,728
Interfund Payable	2,198,932
Intergovernmental Payable	32,136
Unearned Revenue	<u>1,401</u>
<i>Total Liabilities</i>	<u>2,553,813</u>
FUND BALANCES:	
Nonspendable	7,812
Restricted	761,798
Committed	<u>85,984</u>
<i>Total Fund Balances</i>	<u>855,594</u>
<i>Total Liabilities and Fund Balances</i>	<u><u>\$ 3,409,407</u></u>

Beachwood City Schools
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2015

	<u>Special Revenue</u>
REVENUES:	
Intergovernmental	\$ 2,004,591
Interest	83
Tuition and Fees	2,033,327
Extracurricular Activities	81,369
Gifts and Donations	15,375
Customer Sales and Services	373,213
Miscellaneous	<u>18,165</u>
<i>Total Revenues</i>	<u>4,526,123</u>
EXPENDITURES:	
Current:	
Instruction:	
Regular	69,840
Special	1,150,573
Vocational	907,308
Adult/Continuing	74,057
Support Services:	
Pupils	670,857
Instructional Staff	5,560
Administration	9,983
Fiscal	1,973
Operation and Maintenance of Plant	44,176
Central	11,612
Operation of Non-Instructional/Shared Services:	
Food Service Operations	482,593
Community Services	1,235,347
Shared Services	21,424
Extracurricular Activities:	
Academic Oriented Activities	180
Sport Oriented Activities	<u>165,428</u>
<i>Total Expenditures</i>	<u>4,850,911</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(324,788)</u>
OTHER FINANCING SOURCES AND USES:	
Transfers In	<u>259,572</u>
<i>Total Other Financing Sources and Uses</i>	<u>259,572</u>
<i>Net Change in Fund Balances</i>	(65,216)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>920,810</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$ 855,594</u></u>

Beachwood City Schools
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2015

	<u>Food Service</u>	<u>Expendable Trust Funds</u>	<u>Uniform Supplies</u>
ASSETS:			
Equity in Pooled Cash and Cash Equivalents		\$ 23,549	\$ 1,493
Materials and Supplies Inventory	7,812		
Accounts Receivable	2,543		
	<u> </u>	<u> </u>	<u> </u>
<i>Total Assets</i>			
	<u>\$ 10,355</u>	<u>\$ 23,549</u>	<u>\$ 1,493</u>
LIABILITIES:			
Accounts Payable			
Accrued Wages and Benefits			
Interfund Payable			
Intergovernmental Payable			
Unearned Revenue			
	<u>1,401</u>	<u>0</u>	<u>0</u>
<i>Total Liabilities</i>			
	<u>1,401</u>	<u>0</u>	<u>0</u>
FUND BALANCES:			
Nonspendable	7,812		
Restricted	1,142	23,549	1,493
Committed			
	<u> </u>	<u> </u>	<u> </u>
<i>Total Fund Balances</i>			
	<u>8,954</u>	<u>23,549</u>	<u>1,493</u>
<i>Total Liabilities and Fund Balances</i>			
	<u>\$ 10,355</u>	<u>\$ 23,549</u>	<u>\$ 1,493</u>

Marketing School Store	Recreation	Consortium Fund	Pupil Support	Misc. Local Grants	Preschool	District Managed Student Activities
\$ 12,887	\$ 4,182	\$ 2,285,872	\$ 41,666	\$ 3,500	\$ 670,227	\$ 68,509
		213,029				
<u>\$ 12,887</u>	<u>\$ 4,182</u>	<u>\$ 2,498,901</u>	<u>\$ 41,666</u>	<u>\$ 3,500</u>	<u>\$ 670,227</u>	<u>\$ 68,509</u>
		768				400
	861	273,276			40,043	
		2,198,932				
	117	25,925			5,472	
<u>0</u>			<u>0</u>	<u>0</u>		
<u>0</u>	<u>978</u>	<u>2,498,901</u>	<u>0</u>	<u>0</u>	<u>45,515</u>	<u>400</u>
12,887	3,204	(28,111)	41,091	3,472	623,196	58,066
		28,111	575	28	1,516	10,043
<u>12,887</u>	<u>3,204</u>	<u>0</u>	<u>41,666</u>	<u>3,500</u>	<u>624,712</u>	<u>68,109</u>
<u>\$ 12,887</u>	<u>\$ 4,182</u>	<u>\$ 2,498,901</u>	<u>\$ 41,666</u>	<u>\$ 3,500</u>	<u>\$ 670,227</u>	<u>\$ 68,509</u>

Beachwood City Schools
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2015

	<u>Auxiliary Services</u>	<u>One Net</u>	<u>Race to the Top Grant (RttT)</u>
ASSETS:			
Equity in Pooled Cash and Cash Equivalents	\$ 44,906	\$ 15,055	\$ -
Materials and Supplies Inventory			
Accounts Receivable			
<i>Total Assets</i>	<u>\$ 44,906</u>	<u>\$ 15,055</u>	<u>\$ -</u>
LIABILITIES:			
Accounts Payable			
Accrued Wages and Benefits	4,548		
Interfund Payable			
Intergovernmental Payable	622		
Unearned Revenue		0	0
<i>Total Liabilities</i>	<u>5,170</u>	<u>0</u>	<u>0</u>
FUND BALANCES:			
Nonspendable			
Restricted	619	15,055	0
Committed	39,117		
<i>Total Fund Balances</i>	<u>39,736</u>	<u>15,055</u>	<u>0</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 44,906</u>	<u>\$ 15,055</u>	<u>\$ -</u>

<u>IDEA B</u>	<u>Title III</u>	<u>Title I</u>	<u>Preschool Handicapped Grant</u>	<u>Title II-A</u>	<u>Total Nonmajor Special Revenue</u>
\$ 13,387		\$ 790			\$ 3,186,023 7,812 215,572
<u>\$ 13,387</u>	<u>\$ -</u>	<u>\$ 790</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,409,407</u>
1,203		245			2,616 318,728 2,198,932 32,136 1,401
	0		0	0	
<u>1,203</u>	<u>0</u>	<u>245</u>	<u>0</u>	<u>0</u>	<u>2,553,813</u>
					7,812 761,798 85,984
5,832		303			
<u>6,352</u>		<u>242</u>			
<u>12,184</u>	<u>0</u>	<u>545</u>	<u>0</u>	<u>0</u>	<u>855,594</u>
<u>\$ 13,387</u>	<u>\$ -</u>	<u>\$ 790</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,409,407</u>

Beachwood City Schools
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015

	<u>Food Service</u>	<u>Expendable Trust Funds</u>	<u>Uniform Supplies</u>
REVENUES:			
Intergovernmental	\$ 74,017	\$ -	\$ -
Interest	25	1	
Tuition and Fees			
Extracurricular Activities			
Gifts and Donations		40	
Customer Sales and Services	341,328	727	
Miscellaneous	2,407		
	<u>417,777</u>	<u>768</u>	<u>0</u>
<i>Total Revenues</i>			
EXPENDITURES:			
Current:			
Instruction:			
Regular			
Special			
Vocational			
Adult/Continuing			
Support Services:			
Pupils			
Instructional Staff			
Administration		105	
Fiscal		1,973	
Operation and Maintenance of Plant			
Central			
Operation of Non-Instructional/Shared Services:			
Food Service Operations	482,593		
Community Services			
Shared Services			
Extracurricular Activities:			
Academic Oriented Activities			
Sport Oriented Activities			
	<u>482,593</u>	<u>2,078</u>	<u>0</u>
<i>Total Expenditures</i>			
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(64,816)</u>	<u>(1,310)</u>	<u>0</u>
OTHER FINANCING SOURCES AND USES:			
Transfers In	61,572	0	0
	<u>61,572</u>	<u>0</u>	<u>0</u>
<i>Total Other Financing Sources and Uses</i>			
<i>Net Change in Fund Balances</i>	(3,244)	(1,310)	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>12,198</u>	<u>24,859</u>	<u>1,493</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 8,954</u>	<u>\$ 23,549</u>	<u>\$ 1,493</u>

Marketing School Store	Recreation	Consortium Fund	Pupil Support	Misc. Local Grants	Preschool	District Managed Student Activities
\$ -	\$ -	\$ 776,461	\$ -	\$ -	\$ -	\$ -
		1,339,956			693,371	54,583
26,786			15,335			
	6,500	19,227	881	3,900	650	
<u>26,786</u>	<u>6,500</u>	<u>2,135,644</u>	<u>16,216</u>	<u>3,900</u>	<u>694,021</u>	<u>54,583</u>
			21,711	1,293		400
		854,234				
		907,308				
	74,057					
		561,970				
		9,569		3,065		
		44,176		309		
			2,177		9,435	
					566,976	
21,424						180
<u>21,424</u>	<u>74,057</u>	<u>2,377,257</u>	<u>23,888</u>	<u>4,667</u>	<u>576,411</u>	<u>165,428</u>
<u>5,362</u>	<u>(67,557)</u>	<u>(214,613)</u>	<u>(7,672)</u>	<u>(767)</u>	<u>117,610</u>	<u>166,008</u>
<u>0</u>	<u>58,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(111,425)</u>
<u>0</u>	<u>58,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>140,000</u>
5,362	(9,557)	(214,613)	(7,672)	(767)	117,610	28,575
<u>7,525</u>	<u>12,761</u>	<u>241,613</u>	<u>49,338</u>	<u>4,267</u>	<u>507,102</u>	<u>39,534</u>
<u>\$ 12,887</u>	<u>\$ 3,204</u>	<u>\$ -</u>	<u>\$ 41,666</u>	<u>\$ 3,500</u>	<u>\$ 624,712</u>	<u>\$ 68,109</u>

Beachwood City Schools
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2015

	<u>Auxiliary Services</u>	<u>One Net</u>	<u>Race to the Top Grant (RttT)</u>
REVENUES:			
Intergovernmental	\$ 631,423	\$ 7,200	\$ -
Interest	57		
Tuition and Fees			
Extracurricular Activities			
Gifts and Donations			
Customer Sales and Services			
Miscellaneous	<u>15,758</u>		
<i>Total Revenues</i>	<u>647,238</u>	<u>7,200</u>	<u>0</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular			1,221
Special			
Vocational			
Adult/Continuing			
Support Services:			
Pupils			
Instructional Staff		1,145	
Administration			
Fiscal			
Operation and Maintenance of Plant			
Central			
Operation of Non-Instructional/Shared Services:			
Food Service Operations			
Community Services	601,511		
Shared Services			
Extracurricular Activities:			
Academic Oriented Activities			
Sport Oriented Activities			
<i>Total Expenditures</i>	<u>601,511</u>	<u>1,145</u>	<u>1,221</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>45,727</u>	<u>6,055</u>	<u>(1,221)</u>
OTHER FINANCING SOURCES AND USES:			
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Other Financing Sources and Uses</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	45,727	6,055	(1,221)
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>(5,991)</u>	<u>9,000</u>	<u>1,221</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$ 39,736</u></u>	<u><u>\$ 15,055</u></u>	<u><u>\$ -</u></u>

<u>IDEA B</u>	<u>Title III</u>	<u>Title I</u>	<u>Preschool Handicapped Grant</u>	<u>Title II-A</u>	<u>Total Nonmajor Special Revenue</u>
\$ 355,284	\$ 14,263	\$ 111,050	\$ 10,274	\$ 24,619	\$ 2,004,591
					83
					2,033,327
					81,369
					15,375
					373,213
					18,165
<u>355,284</u>	<u>14,263</u>	<u>111,050</u>	<u>10,274</u>	<u>24,619</u>	<u>4,526,123</u>
45,215					69,840
146,808	13,863	102,661	10,274	22,733	1,150,573
					907,308
					74,057
108,887					670,857
	400			950	5,560
					9,983
					1,973
					44,176
					11,612
					482,593
44,630		21,294		936	1,235,347
					21,424
					180
<u>345,540</u>	<u>14,263</u>	<u>123,955</u>	<u>10,274</u>	<u>24,619</u>	<u>4,850,911</u>
<u>9,744</u>	<u>0</u>	<u>(12,905)</u>	<u>0</u>	<u>0</u>	<u>(324,788)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>259,572</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>259,572</u>
9,744		(12,905)			(65,216)
<u>2,440</u>		<u>13,450</u>			<u>920,810</u>
<u>\$ 12,184</u>	<u>\$ -</u>	<u>\$ 545</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 855,594</u>

FIDUCIARY FUNDS

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

Agency Funds:

Student Activities - This fund accounts for the resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

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

Beachwood City Schools
Combining Statements of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2015

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
Retirement				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 418,414	\$ 2,486,276	\$ 2,311,597	\$ 593,093
Total Assets	<u>\$ 418,414</u>	<u>\$ 2,486,276</u>	<u>\$ 2,311,597</u>	<u>\$ 593,093</u>
LIABILITIES:				
Undistributed Monies	\$ 418,414	\$ 2,486,276	\$ 2,311,597	\$ 593,093
Total Liabilities	<u>\$ 418,414</u>	<u>\$ 2,486,276</u>	<u>\$ 2,311,597</u>	<u>\$ 593,093</u>
Student Activities				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 65,038	\$ 121,931	\$ 79,187	\$ 107,782
Total Assets	<u>\$ 65,038</u>	<u>\$ 121,931</u>	<u>\$ 79,187</u>	<u>\$ 107,782</u>
LIABILITIES:				
Due to Students	\$ 65,038	\$ 121,931	\$ 79,187	\$ 107,782
Total Liabilities	<u>\$ 65,038</u>	<u>\$ 121,931</u>	<u>\$ 79,187</u>	<u>\$ 107,782</u>
Totals				
ASSETS:				
Equity in Pooled Cash and Cash Equivalents	\$ 483,452	\$ 2,608,207	\$ 2,390,784	\$ 700,875
Total Assets	<u>\$ 483,452</u>	<u>\$ 2,608,207</u>	<u>\$ 2,390,784</u>	<u>\$ 700,875</u>
LIABILITIES:				
Undistributed Monies	\$ 418,414	\$ 2,486,276	\$ 2,311,597	\$ 593,093
Due to Students	65,038	121,931	79,187	107,782
Total Liabilities	<u>\$ 483,452</u>	<u>\$ 2,608,207</u>	<u>\$ 2,390,784</u>	<u>\$ 700,875</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Property and Other Local Taxes	\$ 24,901,640	\$ 24,901,640	\$ 24,511,015	\$ (390,625)
Intergovernmental	5,965,886	6,007,886	6,025,895	18,009
Interest	285,000	285,000	268,941	(16,059)
Tuition and Fees	554,816	554,816	372,130	(182,686)
Rent	318,462	318,462	317,226	(1,236)
Gifts and Donations	7,500	7,500	6,100	(1,400)
Customer Sales and Services	161,940	161,940	181,480	19,540
Miscellaneous	434,604	434,604	477,860	43,256
Total Revenues	<u>32,629,848</u>	<u>32,671,848</u>	<u>32,160,647</u>	<u>(511,201)</u>
EXPENDITURES:				
Current:				
Instruction:				
Regular				
Salaries	8,460,470	8,621,618	8,598,059	23,559
Fringe Benefits	2,604,126	2,654,207	2,566,256	87,951
Purchased Services	383,249	374,809	314,662	60,147
Materials and Supplies	417,202	358,275	275,960	82,315
Other	38,175	98,175	67,434	30,741
Capital Outlay	105,925	121,405	111,459	9,946
Total - Regular	<u>12,009,147</u>	<u>12,228,489</u>	<u>11,933,830</u>	<u>294,659</u>
Special				
Salaries	2,745,356	2,607,073	2,548,817	58,256
Fringe Benefits	1,079,527	972,511	952,040	20,471
Purchased Services	1,270,765	1,606,927	1,597,783	9,144
Materials and Supplies	25,242	27,442	20,452	6,990
Capital Outlay	12,209	7,609	4,114	3,495
Total - Special	<u>5,133,099</u>	<u>5,221,562</u>	<u>5,123,206</u>	<u>98,356</u>
Vocational				
Purchased Services	764,250	558,948	540,104	18,844
Materials and Supplies		1,922	1,882	40
Other	11,500	16,400	11,013	5,387
Total - Vocational	<u>775,750</u>	<u>577,270</u>	<u>552,999</u>	<u>24,271</u>
Other				
Salaries		32,000	30,124	1,876
Fringe Benefits	31,500	45,938	36,436	9,502
Purchased Services	250,000	208,400	186,948	21,452
Other	8,000	10,500	9,334	1,166
Total - Other	<u>289,500</u>	<u>296,838</u>	<u>262,842</u>	<u>33,996</u>
Total - Instruction:	<u>18,207,496</u>	<u>18,324,159</u>	<u>17,872,877</u>	<u>451,282</u>
Support Services:				
Pupils				
Salaries	1,104,866	1,324,885	1,316,196	8,689
Fringe Benefits	420,192	441,203	435,502	5,701

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
Purchased Services	175,182	184,613	131,691	52,922
Materials and Supplies	19,157	18,526	5,705	12,821
Other	624	819	493	326
Capital Outlay	2,439	4,739	3,430	1,309
Total - Pupils	1,722,460	1,974,785	1,893,017	81,768
Instructional Staff				
Salaries	978,134	1,026,827	1,016,026	10,801
Fringe Benefits	377,119	377,119	331,471	45,648
Purchased Services	328,621	312,721	276,580	36,141
Materials and Supplies	60,894	83,190	76,930	6,260
Other	641	2,841	2,839	2
Capital Outlay	402,552	254,546	244,612	9,934
Total - Instructional Staff	2,147,961	2,057,244	1,948,458	108,786
Board of Education				
Salaries	18,540	18,540	17,000	1,540
Fringe Benefits	6,805	6,805	2,870	3,935
Purchased Services	561,798	437,798	380,158	57,640
Materials and Supplies	3,243	2,993	1,794	1,199
Other	28,916	32,916	30,634	2,282
Capital Outlay	2,450	2,700	2,691	9
Total - Board of Education	621,752	501,752	435,147	66,605
Administration				
Salaries	1,475,829	1,504,829	1,495,526	9,303
Fringe Benefits	684,989	672,989	668,601	4,388
Purchased Services	118,566	106,866	100,447	6,419
Materials and Supplies	20,144	20,294	16,084	4,210
Other	64,377	64,477	60,811	3,666
Capital Outlay	8,367	25,917	25,780	137
Total - Administration	2,372,272	2,395,372	2,367,249	28,123
Fiscal				
Salaries	367,428	375,043	369,130	5,913
Fringe Benefits	164,731	162,917	153,787	9,130
Purchased Services	23,883	28,383	26,192	2,191
Materials and Supplies	9,731	9,731	3,335	6,396
Other	561,467	561,467	554,604	6,863
Capital Outlay	6,500	4,000	201	3,799
Total - Fiscal	1,133,740	1,141,541	1,107,249	34,292
Business				
Salaries	138,766	153,789	141,310	12,479
Fringe Benefits	59,216	59,455	46,744	12,711
Purchased Services	161,811	152,511	152,235	276
Materials and Supplies	36,566	25,866	13,266	12,600
Other	4,000	4,000	1,196	2,804
Capital Outlay	1,186	1,186	256	930

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Total - Business	<u>401,545</u>	<u>396,807</u>	<u>355,007</u>	<u>41,800</u>
Operation and Maintenance of Plant				
Salaries	1,272,531	1,166,489	1,146,085	20,404
Fringe Benefits	537,710	497,679	473,477	24,202
Purchased Services	1,632,109	1,767,059	1,766,775	284
Materials and Supplies	190,133	228,133	223,912	4,221
Capital Outlay	<u>32,824</u>	<u>54,824</u>	<u>54,131</u>	<u>693</u>
Total - Operation and Maintenance of Plant	<u>3,665,307</u>	<u>3,714,184</u>	<u>3,664,380</u>	<u>49,804</u>
Pupil Transportation				
Salaries	1,097,276	1,096,776	1,012,199	84,577
Fringe Benefits	447,080	445,080	393,487	51,593
Purchased Services	135,700	120,700	96,018	24,682
Materials and Supplies	261,800	280,600	232,841	47,759
Other	500	500		500
Capital Outlay	<u>230,500</u>	<u>226,700</u>	<u>222,654</u>	<u>4,046</u>
Total - Pupil Transportation	<u>2,172,856</u>	<u>2,170,356</u>	<u>1,957,199</u>	<u>213,157</u>
Central				
Salaries	76,825	96,825	96,538	287
Fringe Benefits	33,894	38,366	38,320	46
Purchased Services	118,513	100,563	75,107	25,456
Materials and Supplies	50,687	32,187	28,396	3,791
Other	4,696	5,396	4,445	951
Capital Outlay		<u>1,000</u>	<u>919</u>	<u>81</u>
Total - Central	<u>284,615</u>	<u>274,337</u>	<u>243,725</u>	<u>30,612</u>
Total - Support Services:	<u>14,522,508</u>	<u>14,626,378</u>	<u>13,971,431</u>	<u>654,947</u>
Operation of Non-Instructional/Shared Services:				
Community Services				
Purchased Services	99,500	46,328	24,994	21,334
Materials and Supplies	<u>18,769</u>	<u>18,769</u>	<u>15,415</u>	<u>3,354</u>
Total - Community Services	<u>118,269</u>	<u>65,097</u>	<u>40,409</u>	<u>24,688</u>
Total - Operation of Non-Instructional/Shared Services:	<u>118,269</u>	<u>65,097</u>	<u>40,409</u>	<u>24,688</u>
Extracurricular Activities:				
Academic Oriented Activities				
Salaries	147,247	147,247	142,381	4,866
Fringe Benefits	<u>27,118</u>	<u>27,118</u>	<u>25,438</u>	<u>1,680</u>
Total - Academic Oriented Activities	<u>174,365</u>	<u>174,365</u>	<u>167,819</u>	<u>6,546</u>
Sport Oriented Activities				
Salaries	589,158	606,158	605,755	403
Fringe Benefits	<u>158,966</u>	<u>168,966</u>	<u>167,829</u>	<u>1,137</u>
Total - Sport Oriented Activities	<u>748,124</u>	<u>775,124</u>	<u>773,584</u>	<u>1,540</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
School and Public Service Co-Curricular Activities				
Salaries	27,735	30,735	30,616	119
Fringe Benefits	5,491	5,491	4,857	634
Total - School and Public Service Co-Curricular Activities	<u>33,226</u>	<u>36,226</u>	<u>35,473</u>	<u>753</u>
Total - Extracurricular Activities:	<u>955,715</u>	<u>985,715</u>	<u>976,876</u>	<u>8,839</u>
Capital Outlay:				
Other Facilities Acquisition and Construction				
Purchased Services	3,000	3,000	2,500	500
Total - Other Facilities Acquisition and Construction	<u>3,000</u>	<u>3,000</u>	<u>2,500</u>	<u>500</u>
Total - Capital Outlay:	<u>3,000</u>	<u>3,000</u>	<u>2,500</u>	<u>500</u>
Total Expenditures	<u>33,806,988</u>	<u>34,004,349</u>	<u>32,864,093</u>	<u>1,140,256</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,177,140)</u>	<u>(1,332,501)</u>	<u>(703,446)</u>	<u>629,055</u>
OTHER FINANCING SOURCES AND USES:				
Advances In	30,000	30,000	30,000	0
Proceeds from Sale of Capital Assets	2,500	2,500	11,282	8,782
Refund of Prior Year Expenditures	2,500	2,500	1,758	(742)
Transfers Out	(307,801)	(286,300)	(287,672)	(1,372)
Advances Out	(2,500,000)	(2,518,000)	(2,500,000)	18,000
Total Other Financing Sources and Uses	<u>(2,772,801)</u>	<u>(2,769,300)</u>	<u>(2,744,632)</u>	<u>24,668</u>
Net Change in Fund Balances	<u>(3,949,941)</u>	<u>(4,101,801)</u>	<u>(3,448,078)</u>	<u>653,723</u>
Fund Balance (Deficit) at Beginning of Year	23,784,422	23,784,422	23,784,422	
Prior Year Encumbrances Appropriated	<u>299,478</u>	<u>299,478</u>	<u>299,478</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 20,133,959</u>	<u>\$ 19,982,099</u>	<u>\$ 20,635,822</u>	<u>\$ 653,723</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Property and Other Local Taxes	\$ 3,230,579	\$ 2,829,451	\$ (401,128)
Intergovernmental	1,003,989	996,088	(7,901)
Miscellaneous	0	4,529	4,529
Total Revenues	4,234,568	3,830,068	(404,500)
EXPENDITURES:			
Debt Service:			
Principal	2,710,000	2,710,000	0
Interest	1,411,014	1,411,014	0
Total Expenditures	4,121,014	4,121,014	0
Excess of Revenues Over (Under) Expenditures	113,554	(290,946)	(404,500)
Net Change in Fund Balances	113,554	(290,946)	(404,500)
Fund Balance (Deficit) at Beginning of Year	2,256,292	2,256,292	
Fund Balance (Deficit) at End of Year	\$ 2,369,846	\$ 1,965,346	\$ (404,500)

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Property and Other Local Taxes	\$ 688,287	\$ 1,126,856	\$ 438,569
Intergovernmental	146,631	202,210	55,579
Interest	0	33,967	33,967
Miscellaneous	0	132,945	132,945
Total Revenues	834,918	1,495,978	661,060
EXPENDITURES:			
Current:			
Support Services:			
Operation and Maintenance of Plant	90,000	84,880	5,120
Capital Outlay:			
Architecture and Engineering Services	489,330	255,730	233,600
Building Acquisition and Construction Services	20,000	20,000	
Other Facilities Acquisition and Construction	2,973,000	1,135,940	1,837,060
Total Expenditures	3,572,330	1,496,550	2,075,780
Excess of Revenues Over (Under) Expenditures	(2,737,412)	(572)	2,736,840
OTHER FINANCING SOURCES AND USES:			
Advances In	2,500,000	2,500,000	0
Total Other Financing Sources and Uses	2,500,000	2,500,000	0
Net Change in Fund Balances	(237,412)	2,499,428	2,736,840
Fund Balance (Deficit) at Beginning of Year	658,153	658,153	
Prior Year Encumbrances Appropriated	209,483	209,483	
Fund Balance (Deficit) at End of Year	\$ 630,224	\$ 3,367,064	\$ 2,736,840

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Building Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Interest	\$ 1,774	\$ -	\$ (1,774)
Total Revenues	1,774	0	(1,774)
EXPENDITURES:			
Current:			
Support Services:			
Instructional Staff	7,987	7,331	656
Capital Outlay:			
Architecture and Engineering Services	57,711	57,711	0
Building Improvement Services	9,388	9,388	0
Total Expenditures	75,086	74,430	656
Excess of Revenues Over (Under) Expenditures	(73,312)	(74,430)	(1,118)
Net Change in Fund Balances	(73,312)	(74,430)	(1,118)
Fund Balance (Deficit) at Beginning of Year	8,811	8,811	
Prior Year Encumbrances Appropriated	66,275	66,275	
Fund Balance (Deficit) at End of Year	\$ 1,774	\$ 656	\$ (1,118)

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Food Service
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 76,523	\$ 71,733	\$ (4,790)
Interest	0	25	25
Customer Sales and Services	406,994	342,904	(64,090)
Miscellaneous	8,000	2,218	(5,782)
Total Revenues	491,517	416,880	(74,637)
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Food Service Operations	543,636	482,317	61,319
Total Expenditures	543,636	482,318	61,319
Excess of Revenues Over (Under) Expenditures	(52,119)	(65,437)	(13,318)
OTHER FINANCING SOURCES AND USES:			
Transfers In	50,000	61,572	11,572
Total Other Financing Sources and Uses	50,000	61,572	11,572
Net Change in Fund Balances	(2,119)	(3,865)	(1,746)
Fund Balance (Deficit) at Beginning of Year	3,865	3,865	
Fund Balance (Deficit) at End of Year	\$ 1,746	\$ -	\$ (1,746)

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Expendable Trust Funds
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Interest	\$ 15	\$ 1	\$ (14)
Gifts and Donations	1,250	40	(1,210)
Customer Sales and Services	6,500	727	(5,773)
Total Revenues	7,765	768	(6,997)
EXPENDITURES:			
Current:			
Support Services:			
Pupils	1,884	0	1,884
Administration	105	105	0
Fiscal	4,000	1,973	2,027
Total Expenditures	5,989	2,078	3,911
Excess of Revenues Over (Under) Expenditures	1,776	(1,310)	(3,086)
OTHER FINANCING SOURCES AND USES:			
Transfers Out	(2,000)	0	2,000
Total Other Financing Sources and Uses	(2,000)	0	2,000
Net Change in Fund Balances	(224)	(1,310)	(1,086)
Fund Balance (Deficit) at Beginning of Year	24,856	24,856	
Fund Balance (Deficit) at End of Year	\$ 24,632	\$ 23,546	\$ (1,086)

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Uniform Supplies
For the Fiscal Year Ended June 30, 2015

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

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Marketing School Store
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Extracurricular Activities	\$ 30,000	\$ 26,828	\$ (3,172)
Total Revenues	30,000	26,828	(3,172)
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Shared Services	30,000	21,424	8,576
Total Expenditures	30,000	21,424	8,576
Excess of Revenues Over (Under) Expenditures	0	5,404	5,404
Net Change in Fund Balances	0	5,404	5,404
Fund Balance (Deficit) at Beginning of Year	7,483	7,483	
Fund Balance (Deficit) at End of Year	\$ 7,483	\$ 12,887	\$ 5,404

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Customer Sales and Services	\$ 7,800	\$ 6,500	\$ (1,300)
Total Revenues	7,800	6,500	(1,300)
EXPENDITURES:			
Current:			
Instruction:			
Adult/Continuing	97,333	74,224	23,109
Total Expenditures	97,333	74,224	23,109
Excess of Revenues Over (Under) Expenditures	(89,533)	(67,724)	21,809
OTHER FINANCING SOURCES AND USES:			
Transfers In	92,000	58,000	(34,000)
Total Other Financing Sources and Uses	92,000	58,000	(34,000)
Net Change in Fund Balances	2,467	(9,724)	(12,191)
Fund Balance (Deficit) at Beginning of Year	13,918	13,918	
Fund Balance (Deficit) at End of Year	\$ 16,385	\$ 4,194	\$ (12,191)

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Consortium Fund
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 788,600	\$ 776,461	\$ (12,139)
Tuition and Fees	1,413,900	1,427,540	13,640
Customer Sales and Services	20,000	19,227	(773)
Total Revenues	2,222,500	2,223,228	728
EXPENDITURES:			
Current:			
Instruction:			
Regular	1,500		1,500
Special	630,708	560,971	69,737
Vocational	883,635	845,764	37,871
Support Services:			
Pupils	760,840	576,110	184,730
Administration	10,376	9,569	807
Operation and Maintenance of Plant	51,390	46,185	5,205
Total Expenditures	2,338,449	2,038,599	299,850
Excess of Revenues Over (Under) Expenditures	(115,949)	184,629	300,578
Net Change in Fund Balances	(115,949)	184,629	300,578
Fund Balance (Deficit) at Beginning of Year	2,066,808	2,066,808	
Prior Year Encumbrances Appropriated	5,567	5,567	
Fund Balance (Deficit) at End of Year	\$ 1,956,426	\$ 2,257,004	\$ 300,578

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Pupil Support
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Gifts and Donations	\$ 15,205	\$ 15,335	\$ 130
Customer Sales and Services	1,000	881	(119)
Total Revenues	16,205	16,216	11
EXPENDITURES:			
Current:			
Instruction:			
Regular	27,123	22,455	4,668
Special	300	0	300
Support Services:			
Central	3,000	2,177	823
Operation of Non-Instructional/Shared Services:			
Community Services	2,200	0	2,200
Total Expenditures	32,623	24,632	7,991
Excess of Revenues Over (Under) Expenditures	(16,418)	(8,416)	8,002
Net Change in Fund Balances	(16,418)	(8,416)	8,002
Fund Balance (Deficit) at Beginning of Year	49,227	49,227	
Prior Year Encumbrances Appropriated	277	277	
Fund Balance (Deficit) at End of Year	\$ 33,086	\$ 41,088	\$ 8,002

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Misc. Local Grants
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Customer Sales and Services	\$ 2,000	\$ 3,900	\$ 1,900
Total Revenues	2,000	3,900	1,900
EXPENDITURES:			
Current:			
Instruction:			
Regular	1,352	1,321	31
Support Services:			
Instructional Staff	3,070	3,065	5
Administration	309	309	0
Total Expenditures	4,731	4,695	36
Excess of Revenues Over (Under) Expenditures	(2,731)	(795)	1,936
OTHER FINANCING SOURCES AND USES:			
Transfers In	500	0	(500)
Total Other Financing Sources and Uses	500	0	(500)
Net Change in Fund Balances	(2,231)	(795)	1,436
Fund Balance (Deficit) at Beginning of Year	4,238	4,238	
Prior Year Encumbrances Appropriated	28	28	
Fund Balance (Deficit) at End of Year	\$ 2,035	\$ 3,471	\$ 1,436

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Preschool
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Tuition and Fees	\$ 581,200	\$ 693,419	\$ 112,219
Customer Sales and Services	80	650	570
Total Revenues	581,280	694,069	112,789
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Community Services	582,699	569,299	13,400
Total Expenditures	582,699	569,299	13,400
Excess of Revenues Over (Under) Expenditures	(1,419)	124,770	126,189
Net Change in Fund Balances	(1,419)	124,770	126,189
Fund Balance (Deficit) at Beginning of Year	542,228	542,228	
Prior Year Encumbrances Appropriated	1,709	1,709	
Fund Balance (Deficit) at End of Year	\$ 542,518	\$ 668,707	\$ 126,189

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
District Managed Student Activities
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Extracurricular Activities	\$ 51,615	\$ 54,583	\$ 2,968
Gifts and Donations	2,200		(2,200)
Total Revenues	53,815	54,583	768
EXPENDITURES:			
Current:			
Extracurricular Activities:			
Academic Oriented Activities	5,270	180	5,090
Sport Oriented Activities	196,486	175,871	20,615
Total Expenditures	201,756	176,051	25,705
Excess of Revenues Over (Under) Expenditures	(147,941)	(121,468)	26,473
OTHER FINANCING SOURCES AND USES:			
Transfers In	115,000	140,000	25,000
Total Other Financing Sources and Uses	115,000	140,000	25,000
Net Change in Fund Balances	(32,941)	18,532	51,473
Fund Balance (Deficit) at Beginning of Year	39,460	39,460	
Prior Year Encumbrances Appropriated	75	75	
Fund Balance (Deficit) at End of Year	\$ 6,594	\$ 58,067	\$ 51,473

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Auxiliary Services
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 631,422	\$ 631,423	\$ 1
Interest	18	57	39
Total Revenues	631,440	631,480	40
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Community Services	652,417	646,665	5,752
Total Expenditures	652,417	646,665	5,752
Excess of Revenues Over (Under) Expenditures	(20,977)	(15,185)	5,792
OTHER FINANCING SOURCES AND USES:			
Refund of Prior Year Expenditures	15,757	15,758	1
Advances Out	(30,000)	(30,000)	0
Total Other Financing Sources and Uses	(14,243)	(14,242)	1
Net Change in Fund Balances	(35,220)	(29,427)	5,793
Fund Balance (Deficit) at Beginning of Year	19,310	19,310	
Prior Year Encumbrances Appropriated	15,911	15,911	
Fund Balance (Deficit) at End of Year	\$ 1	\$ 5,794	\$ 5,793

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
One Net
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 9,000	\$ 7,200	\$ (1,800)
Total Revenues	9,000	7,200	(1,800)
EXPENDITURES:			
Current:			
Support Services:			
Instructional Staff	9,000	1,145	7,855
Total Expenditures	9,000	1,145	7,855
Excess of Revenues Over (Under) Expenditures	0	6,055	6,055
Net Change in Fund Balances	0	6,055	6,055
Fund Balance (Deficit) at Beginning of Year	9,000	9,000	
Fund Balance (Deficit) at End of Year	\$ 9,000	\$ 15,055	\$ 6,055

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Race to the Top Grant (RttT)
For the Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	<u>\$ 1,220</u>	<u>\$ 1,220</u>	<u>\$ -</u>
Total Expenditures	<u>1,220</u>	<u>1,220</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,220)</u>	<u>(1,220)</u>	<u>0</u>
Net Change in Fund Balances	(1,220)	(1,220)	0
Fund Balance (Deficit) at Beginning of Year	404	404	
Prior Year Encumbrances Appropriated	<u>816</u>	<u>816</u>	<u>0</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
IDEA B
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 359,284	\$ 355,284	\$ (4,000)
Total Revenues	359,284	355,284	(4,000)
EXPENDITURES:			
Current:			
Instruction:			
Regular	47,533	45,215	2,318
Special	150,562	147,074	3,488
Support Services:			
Pupils	108,887	108,887	0
Operation of Non-Instructional/Shared Services:			
Community Services	50,742	50,716	26
Total Expenditures	357,724	351,892	5,832
Excess of Revenues Over (Under) Expenditures	1,560	3,392	1,832
Net Change in Fund Balances	1,560	3,392	1,832
Fund Balance (Deficit) at Beginning of Year	1,761	1,761	
Prior Year Encumbrances Appropriated	679	679	
Fund Balance (Deficit) at End of Year	\$ 4,000	\$ 5,832	\$ 1,832

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title III
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 14,263	\$ 14,263	\$ -
Total Revenues	14,263	14,263	0
EXPENDITURES:			
Current:			
Instruction:			
Special	13,863	13,863	0
Support Services:			
Instructional Staff	400	400	0
Total Expenditures	14,263	14,263	0
Excess of Revenues Over (Under) Expenditures	0	0	0
Net Change in Fund Balances	0	0	0
Fund Balance (Deficit) at Beginning of Year	0	0	
Fund Balance (Deficit) at End of Year	\$ -	\$ -	\$ -

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I
For the Fiscal Year Ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	<u>\$ 111,051</u>	<u>\$ 111,050</u>	<u>\$ (1)</u>
Total Revenues	<u>111,051</u>	<u>111,050</u>	<u>(1)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	104,014	103,707	307
Operation of Non-Instructional/Shared Services:			
Community Services	<u>21,294</u>	<u>21,294</u>	<u>0</u>
Total Expenditures	<u>125,308</u>	<u>125,001</u>	<u>307</u>
Excess of Revenues Over (Under) Expenditures	<u>(14,257)</u>	<u>(13,951)</u>	<u>306</u>
Net Change in Fund Balances	(14,257)	(13,951)	306
Fund Balance (Deficit) at Beginning of Year	1,092	1,092	
Prior Year Encumbrances Appropriated	<u>13,166</u>	<u>13,166</u>	
Fund Balance (Deficit) at End of Year	<u>\$ 1</u>	<u>\$ 307</u>	<u>\$ 306</u>

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Preschool Handicapped Grant
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 10,274	\$ 10,274	\$ -
Total Revenues	10,274	10,274	0
EXPENDITURES:			
Current:			
Instruction:			
Special	10,274	10,274	0
Total Expenditures	10,274	10,274	0
Excess of Revenues Over (Under) Expenditures	0	0	0
Net Change in Fund Balances	0	0	0
Fund Balance (Deficit) at Beginning of Year	0	0	
Fund Balance (Deficit) at End of Year	\$ -	\$ -	\$ -

Beachwood City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title II-A
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
REVENUES:			
Intergovernmental	\$ 24,619	\$ 24,619	\$ -
Total Revenues	24,619	24,619	0
EXPENDITURES:			
Current:			
Instruction:			
Special	22,733	22,733	0
Support Services:			
Instructional Staff	950	950	0
Operation of Non-Instructional/Shared Services:			
Community Services	936	936	0
Total Expenditures	24,619	24,619	0
Excess of Revenues Over (Under) Expenditures	0	0	0
Net Change in Fund Balances	0	0	0
Fund Balance (Deficit) at Beginning of Year	0	0	
Fund Balance (Deficit) at End of Year	\$ -	\$ -	\$ -

Beachwood City Schools
Schedule of Revenues, Expenses and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Health Care Benefits
For the Fiscal Year Ended June 30, 2015

	Final Budget	Actual	Variance with Final Budget
OPERATING REVENUES:			
Charges for Services	\$ 2,500,000	\$ 2,478,520	\$ (21,480)
Other Revenues	845,000	935,052	90,052
Total Operating Revenues	3,345,000	3,413,572	68,572
OPERATING EXPENSES:			
Claims	3,522,000	2,975,676	546,324
Total Operating Expenses	3,522,000	2,975,676	546,324
Operating Income (Loss)	(177,000)	437,896	614,896
Income (Loss) Before Contributions and Transfers	(177,000)	437,896	614,896
Net Change in Net Position	(177,000)	437,896	614,896
Net Position(Deficit) at Beginning of Year	1,793,951	1,793,951	
Prior Year Encumbrances Appropriated	3,170	3,170	
Net Position (Deficit) at End of Year	\$ 1,620,121	\$ 2,235,017	\$ 614,896

STATISTICAL

SECTION

Statistical Section

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

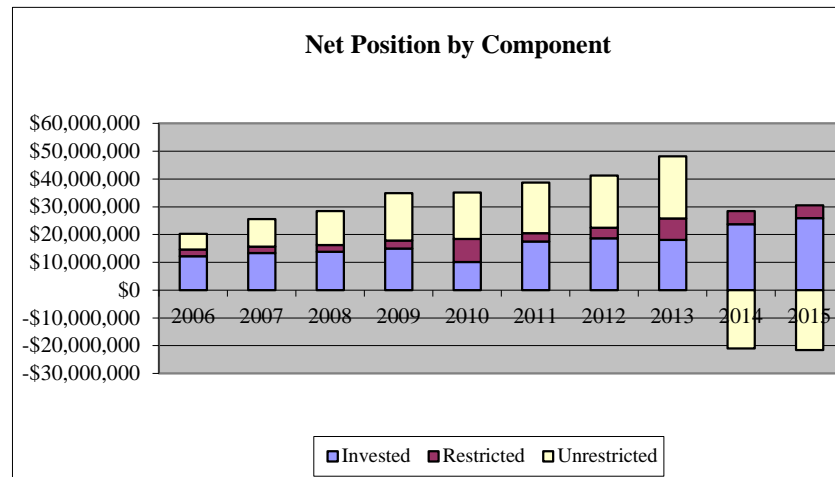
Contents	Pages
Financial Trends	S3 – S9
These schedules contain trend information to help the reader understand how the School District's financial performance and well-being has changed over time.	
Revenue Capacity	S10-S14
These schedules contain information to help the reader assess the School District's most significant local revenue, the property tax.	
Debt Capacity	S15 – S19
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.	
Economic and Demographic Information	S20- S21
This schedule offers economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	
Operating Information	S22 – S29
These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	

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

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

	2006	2007	2008	2009	2010	2011	2012	2013	Restated 2014	2015
Net Investment in Capital Assets	\$ 12,150,684	\$ 13,307,244	\$ 13,802,891	\$ 15,016,809	\$ 10,092,016	\$ 17,535,755	\$ 18,670,053	\$ 18,082,152	\$ 23,764,063	\$ 25,923,161
Restricted for:										
Debt Services	1,814,506	1,594,417	1,646,024	2,068,977	1,909,169	2,291,287	2,643,964	2,651,163	2,973,570	2,576,755
Capital Outlay	351,756	337,034	226,134	192,756	5,965,796	218,541	616,102	4,242,814	889,076	1,305,802
Other Purposes	190,089	236,168	376,555	406,199	373,958	325,704	423,498	668,352	660,011	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	5,569,139	9,945,853	12,249,707	17,066,792	16,700,337	18,205,741	18,737,752	22,323,262	(21,001,938)	(21,591,662)
Total Net Position	\$ 20,211,047	\$ 25,555,589	\$ 28,436,184	\$ 34,886,406	\$ 35,176,149	\$ 38,711,901	\$ 41,226,242	\$ 48,102,616	\$ 7,419,655	\$ 8,891,980



Source: District Financial Statements

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses										
Regular Instruction	\$13,447,648	\$12,503,062	\$12,322,813	\$12,479,099	\$11,817,943	\$11,732,566	\$11,979,156	\$11,629,226	\$11,080,629	\$10,648,385
Special Instruction	6,253,498	5,554,774	6,073,357	6,841,655	6,393,564	5,787,279	6,784,298	5,871,895	5,303,469	4,883,454
Vocational Instruction	1,399,055	1,727,730	1,306,835	732,685	1,566,475	1,489,827	1,290,755	1,242,827	869,041	1,083,365
Adult/Conintuing	70,303	106,568	101,993	99,837	172,423	229,767	223,322	172,720	245,490	187,370
Other Instruction	265,444	282,232	267,839	238,069	128,063	225,758	179,790	664,301	701,677	747,592
Pupils	2,647,582	2,483,137	2,659,540	3,113,676	2,447,124	2,599,282	2,710,272	2,616,865	2,602,066	2,683,123
Instructional Staff	1,920,330	1,948,494	1,383,760	1,120,386	1,229,125	1,115,463	1,169,119	1,012,486	1,013,004	996,497
Board of Education	408,141	446,035	606,698	358,447	562,724	522,649	460,127	356,006	473,970	361,428
Administration	2,334,232	2,276,927	2,425,348	2,374,984	2,396,922	2,337,526	2,329,151	2,371,399	2,314,305	2,291,977
Fiscal	1,061,998	830,832	789,311	827,047	443,112	1,136,671	514,478	746,614	763,705	821,105
Business	326,285	284,773	418,499	459,488	464,459	493,005	458,069	459,817	506,341	464,096
Operation and										
Maintenance of Plant	3,547,759	4,465,843	3,481,534	3,676,973	3,435,706	3,340,931	3,716,973	3,720,729	3,724,961	3,553,721
Pupil Transportation	1,715,068	1,881,013	2,011,020	1,756,043	2,394,212	2,100,921	2,059,398	1,993,252	1,905,211	1,795,090
Central	188,585	75,288	375,875	700,838	779,644	756,795	704,516	796,909	907,791	891,381
Non-instructional	1,885,836	1,826,020	1,562,013	1,528,043	1,615,457	1,526,872	1,506,769	929,350	997,432	823,543
Extracurricular Activities	1,115,356	909,220	1,224,793	1,237,501	1,001,511	982,846	1,008,747	1,004,529	958,209	885,704
Debt Service	1,365,362	1,663,812	2,093,321	1,991,584	1,759,116	481,661	541,519	1,162,417	993,752	798,353
<i>Total Expenses</i>	<i>\$39,952,482</i>	<i>\$39,265,760</i>	<i>\$39,104,549</i>	<i>\$39,536,355</i>	<i>\$38,607,580</i>	<i>\$36,859,819</i>	<i>\$37,636,459</i>	<i>\$36,751,342</i>	<i>\$35,361,053</i>	<i>\$33,916,184</i>
Program Revenues										
Charges for Services and Sales:										
Regular Instruction	\$223,848	\$173,762	\$198,005	\$198,931	\$262,524	\$282,997	\$426,372	\$261,927	\$433,566	\$331,181
Special Instruction	917,763	253,148	1,339,857	882,280	1,016,441	408,532	1,202,361	680,019	1,169,614	1,363,859
Vocational Instruction	627,211	599,952	636,639	581,738	810,461	670,516	611,363	805,627	326,213	379,573
Adult/Conintuing	6,500	6,853	10,597	16,141	43,777	208,866	223,322	172,720	203,244	187,370
Other Instruction	6,113	0	489	100	2,166	0	40,114	535,638	510,762	440,985
Pupils	489,453	508,341	774,941	804,828	917,293	821,602	956,469	779,711	618,216	379,618
Instructional Staff	12,512	2,065	2,701	51,699	59,206	70,830	151,967	2,321	2,323	515
Administration	959	0	3,574	0	0	6,195	573	320	0	0
Fiscal	20	18,882	17,401	9,088	20,410	21,117	6,520	9,519	0	39,238
Business	231	971	1,063	2,130	3,178	3,483	9,155	4,965	12,660	2,003
Operation and										
Maintenance of Plant	326,246	311,240	302,878	333,064	324,955	377,779	317,292	275,580	265,814	278,755
Pupil Transportation	7,780	5,033	2,525	2,244	0	7,708	75,245	48,277	59,964	50,308
Central	1,891	0	0	12,000	2,652	26,020	8,157	27,494	39,993	26,035
Food Service Operations	345,146	345,753	362,627	382,012	422,646	448,638	415,824	374,970	374,118	357,553
Community Services	731,997	558,981	633,130	562,874	499,863	504,650	516,995	5,889	3,033	2,382
Extracurricular Activities	54,583	52,064	60,329	80,872	46,729	41,905	35,950	35,189	46,028	78,176

(continued)

Source: District Financial Statements

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Operating Grants and Contributions:										
Regular Instruction	\$462,809	\$560,713	\$954,217	\$1,101,653	\$549,983	\$562,371	\$543,711	\$665,444	\$606,968	\$611,687
Special Instruction	1,049,131	961,075	419,766	602,671	930,310	644,712	980,032	869,960	772,210	838,165
Vocational Instruction	494,562	495,738	341,849	387,084	471,903	399,322	370,783	280,527	311,804	351,695
Other Instruction	0	0	95,243	0	0	0	0	27,626	29,779	0
Pupils	233,488	162,901	298,176	344,971	225,966	157,696	170,662	222,850	290,804	207,123
Instructional Staff	8,550	149,687	126,642	82,014	71,242	72,793	77,894	12,356	66,675	7,048
Administration	11,269	0	12,726	13,862	0	13,591	7,857	7,857	7,736	7,389
Business	0	0	0	0	0	0	0	0	0	0
Operations	53,529	0	63,630	29,705	0	0	0	0	0	0
Pupil Transportation	420,648	337,890	52,733	30,671	470,815	543,734	485,476	491,752	482,910	499,063
Central	0	0	7,200	9,000	16,375	16,432	52,868	35,660	46,516	24,936
Food Service Operation	71,733	57,098	81,350	68,588	68,349	63,411	49,691	38,608	34,751	34,857
Community Services	688,541	597,713	572,830	519,955	563,069	252,504	289,849	221,806	262,143	239,028
Extracurricular Activities	0	0	0	0	0	0	0	1,000	0	250
Capital Grants and Contributions:										
Vocational Instruction	0	0	0	0	0	0	0	0	0	1,097
Pupil Transportation	0	0	0	0	0	0	6,992	7,781	11,466	6,261
Central	0	0	0	0	0	0	0	9,184	0	15,000
Total Program Revenues	7,246,513	6,159,860	7,373,118	7,110,175	7,800,313	6,627,404	6,629,414	8,033,494	6,912,577	6,989,310
Net Expenses	(\$32,705,969)	(\$33,105,900)	(\$31,731,431)	(\$32,426,180)	(\$30,807,267)	(\$30,232,415)	(\$31,007,045)	(\$28,717,848)	(\$28,448,476)	(\$26,926,874)

Source: District Financial Statements

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Revenues										
Grants and Entitlements										
Not Restricted to Specific	5,504,910	5,687,462	5,647,472	6,385,851	6,845,143	6,141,675	5,152,707	4,170,054	3,168,842	2,772,082
Investment Earnings	309,666	176,869	73,323	221,860	332,985	241,009	465,682	648,569	809,864	328,084
Miscellaneous	632,226	2,712,099	5,436,826	298,808	250,458	257,895	40,154	177,021	76,080	83,182
Property Taxes	27,731,492	33,708,619	27,450,186	28,034,000	26,914,433	23,881,579	30,394,644	27,723,716	29,661,499	28,281,357
<i>Total General Revenues</i>	<i>34,178,294</i>	<i>42,285,049</i>	<i>38,607,807</i>	<i>34,940,519</i>	<i>34,343,019</i>	<i>30,522,158</i>	<i>36,053,187</i>	<i>32,719,360</i>	<i>33,716,285</i>	<i>31,464,705</i>
<i>Change in Net Position</i>	<i>\$1,472,325</i>	<i>\$9,179,149</i>	<i>\$6,876,376</i>	<i>\$2,514,339</i>	<i>\$3,535,752</i>	<i>\$289,743</i>	<i>\$5,046,142</i>	<i>\$4,001,512</i>	<i>\$5,267,809</i>	<i>\$4,537,831</i>

Source: District Financial Statements

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

	2015	2014	2013	2012	2011	2010
<i>General Fund</i>						
Nonspendable	79,722	91,882	\$81,213	\$77,423	\$78,834	\$77,659
Restricted	134,873	134,873	134,873	134,873	142,715	142,915
Committed	446,142	227,580	245,081	312,464	466,442	148,076
Assigned	2,498,306	1,858,365	0	2,412,549	1,170,307	1,305,151
Unassigned	24,692,392	26,643,938	22,231,482	16,014,196	16,816,278	16,281,758
<i>Total General Fund</i>	<u>27,851,435</u>	<u>28,956,638</u>	<u>22,692,649</u>	<u>18,951,505</u>	<u>18,674,576</u>	<u>17,955,559</u>
<i>All Other Governmental Funds</i>						
Nonspendable	7,812	7,393	7,516	8,712	4,891	0
Restricted	4,164,315	4,486,583	4,719,857	4,691,417	30,162,866	8,464,795
Committed	560,228	278,044	3,113,215	16,807,535	6,097,755	645,440
Unassigned	0	(16,305)	(1,004)	(7,428)	0	0
<i>Total All Other Governmental Funds</i>	<u>4,732,355</u>	<u>4,755,715</u>	<u>7,839,584</u>	<u>21,500,236</u>	<u>36,265,512</u>	<u>9,110,235</u>
<i>Total Governmental Funds</i>	<u>\$32,583,790</u>	<u>\$33,712,353</u>	<u>\$30,532,233</u>	<u>\$40,451,741</u>	<u>\$54,940,088</u>	<u>\$27,065,794</u>

Note: The School District implemented GASB 54 in 2011.

Source: District Financial Statements

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

	2015	2014	2013	2012	2011
General Revenues					
Property and Other Local Taxes	\$27,867,568	\$33,817,710	\$27,846,976	\$28,034,000	\$26,735,219
Integovernmental	8,999,170	9,010,277	8,673,834	9,576,025	10,213,155
Interest	309,750	176,914	73,489	221,951	333,272
Tuition and Fees/Rent	3,080,253	2,258,470	3,743,392	3,219,070	3,358,651
Miscellaneous Revenue from Local Sources	1,304,142	3,290,629	6,040,024	999,648	1,323,821
<i>Total Revenues</i>	<u>\$41,560,883</u>	<u>\$48,554,000</u>	<u>\$46,377,715</u>	<u>\$42,050,694</u>	<u>\$41,964,118</u>
Expenditures					
Instruction	\$20,227,953	\$19,818,267	\$19,751,303	\$19,532,432	\$19,158,837
Support Services:					
Pupil	2,605,118	2,491,157	2,696,076	3,046,113	2,488,406
Instructional Staff	1,934,842	2,005,568	1,338,612	1,054,135	1,245,680
Board of Education	387,993	424,218	585,644	337,438	543,728
Administration	2,348,437	2,265,053	2,397,235	2,367,983	2,357,983
Fiscal	1,114,806	1,041,887	873,283	1,106,852	965,920
Business	356,524	288,951	415,861	479,569	456,991
Operation and					
Maintenance of Plant	3,482,222	3,409,790	3,023,997	2,948,024	3,228,836
Pupil Transportation	1,955,864	1,906,237	2,030,773	1,665,516	2,256,616
Central	253,730	244,583	918,231	1,124,218	1,317,613
Non-instructional	1,778,066	1,831,026	1,500,237	1,488,316	1,584,575
Extracurricular Activities	1,159,468	1,074,734	1,215,381	1,217,815	968,684
Capital Outlay	963,409	4,279,834	15,314,306	16,076,522	3,304,901
Debt Service:					
Principal	2,710,000	2,515,000	2,440,000	2,230,000	2,060,000
Interest	1,411,014	2,146,160	2,013,447	2,036,195	2,092,818
<i>Total Expenditures</i>	<u>42,689,446</u>	<u>45,742,465</u>	<u>56,514,386</u>	<u>56,711,128</u>	<u>44,031,588</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,128,563)</u>	<u>2,811,535</u>	<u>(10,136,671)</u>	<u>(14,660,434)</u>	<u>(2,067,470)</u>
Other Financing Sources/(Uses)					
Operating Transfers In	259,572	272,600	331,600	233,540	243,024
General Obligation Bonds Issued	0	16,569,966	3,325,175	0	30,319,567
Proceed from Sale of Bonds	0	0	0	0	0
Proceeds from Sale of Capital Assets	0	0	0	0	0
Inception of Capital Lease	0	291,635	157,750	172,087	267,639
Other Financing Sources	0	246,984	0	0	0
Operating Transfers Out	(259,572)	(272,600)	(331,600)	(233,540)	(243,024)
Refund of Prior Year Expenditures/Receipts	0	0	0	0	0
Refunding of Bonds	0	(16,740,000)	(3,265,762)	0	0
	<u>0</u>	<u>368,585</u>	<u>217,163</u>	<u>172,087</u>	<u>30,587,206</u>
<i>Net Changes in Fund Balances</i>	<u>(\$1,128,563)</u>	<u>\$3,180,120</u>	<u>(\$9,919,508)</u>	<u>(\$14,488,347)</u>	<u>\$28,519,736</u>
Debt Services as a percentage of Noncapital expenditures	10.03%	11.35%	11.80%	10.04%	9.95%
Source: District Financial Statements					

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$23,720,129	\$30,489,433	\$28,225,851	\$30,467,859	\$27,807,938
8,868,241	8,188,859	7,042,005	6,083,421	5,597,211
241,202	467,348	749,468	722,948	332,199
2,576,047	3,884,672	2,936,352	2,793,748	3,015,130
<u>1,582,493</u>	<u>1,151,158</u>	<u>1,180,397</u>	<u>1,425,357</u>	<u>988,963</u>
<u>\$36,988,112</u>	<u>\$44,181,470</u>	<u>\$40,134,073</u>	<u>\$41,493,333</u>	<u>\$37,741,441</u>
\$18,741,726	\$19,390,201	\$18,409,343	\$17,132,962	\$16,731,136
2,638,931	2,683,603	2,597,084	2,610,057	2,623,983
1,109,864	1,090,565	930,332	959,487	940,566
502,689	439,485	346,279	451,140	338,636
2,295,127	2,274,608	2,334,626	2,340,665	2,367,189
982,071	944,581	870,664	853,796	808,530
485,105	450,040	475,683	499,306	485,869
3,310,293	3,525,969	3,638,095	3,697,130	3,482,866
2,189,730	2,100,816	1,927,821	1,958,588	1,785,440
742,267	1,013,722	1,107,131	1,397,285	1,239,852
1,492,319	1,489,470	885,503	937,992	765,582
956,455	976,735	968,945	922,936	850,200
397,220	832,691	622,003	508,859	297,650
1,450,000	1,390,000	1,094,984	1,859,998	2,050,000
<u>645,190</u>	<u>593,478</u>	<u>970,500</u>	<u>1,009,662</u>	<u>814,303</u>
<u>37,938,987</u>	<u>39,195,964</u>	<u>37,178,993</u>	<u>37,139,863</u>	<u>35,581,802</u>
<u>(950,875)</u>	<u>4,985,506</u>	<u>2,955,080</u>	<u>4,353,470</u>	<u>2,159,639</u>
240,000	396,000	350,000	315,000	283,214
0	0	0	0	0
5,650,000	0	6,244,997	0	0
0	0	0	18,622	11,325
	124,373	0	413,152	203,684
0	0	474,279	0	0
(240,000)	(396,000)	(350,000)	(315,000)	(283,214)
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>(6,602,665)</u>	<u>0</u>	<u>0</u>
5,650,000	124,373	116,611	431,774	215,009
<u>\$4,699,125</u>	<u>\$5,109,879</u>	<u>\$3,071,691</u>	<u>\$4,785,244</u>	<u>\$2,374,648</u>
5.62%	5.25%	5.74%	7.83%	8.12%

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

Collection Year	Real Estate		Public Utility Tangible Personal		Total Real/Personal Property		Direct Property Tax Rate
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2015	\$ 696,943,910	\$ 1,991,268,314	\$ 12,737,020	\$ 14,473,886	\$ 709,680,930	\$ 2,005,742,201	86.40
2014	696,761,180	1,990,746,229	12,248,200	13,918,409	709,009,380	2,004,664,638	86.40
2013	701,730,150	2,004,943,286	10,998,710	12,498,534	712,728,860	2,017,441,820	86.40
2012	699,199,670	1,997,713,343	10,143,050	11,526,193	709,342,720	2,009,239,536	86.40
2011	709,770,470	2,027,915,629	9,915,590	11,267,715	719,686,060	2,039,183,344	86.40
2010	713,176,220	2,037,646,343	9,694,520	11,016,500	722,870,740	2,048,662,843	83.90
2009	734,787,970	2,099,394,200	24,347,999	243,873,264	759,135,969	2,343,267,464	83.90
2008	737,297,970	2,106,565,629	38,242,896	245,831,783	775,540,866	2,352,397,412	82.30
2007	732,702,280	2,093,435,086	53,770,556	233,376,196	786,472,836	2,326,811,282	82.30
2006	679,670,070	1,941,914,486	64,658,652	237,250,537	744,328,722	2,179,165,023	83.50

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.

Personal Property phase out ended collection year 2009.

Source: Cuyhaoga County Budget Commission

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

Tax Year/ Collection Year	Direct	Overlapping		Total Levy	Debt Service Included in Total Levy		
	School	County	City		Included in Total Levy		
	Levy	Levy	Levy		School	County	Total
2014/2015	\$ 86.40	\$ 23.43	\$ 4.00	\$ 113.83	\$ 4.40	\$ 0.85	\$ 5.25
2013/2014	86.40	22.53	4.00	112.93	4.40	0.85	5.25
2012/2013	86.40	20.80	4.00	111.20	4.40	1.02	5.42
2011/2012	86.40	20.80	4.00	111.20	4.40	1.02	5.42
2010/2011	86.40	20.90	4.00	111.30	4.40	1.14	5.54
2009/2010	83.90	20.60	4.00	108.50	1.90	0.82	2.72
2008/2009	83.90	20.60	4.00	108.50	1.90	1.01	2.91
2007/2008	82.30	20.20	4.00	106.50	1.90	1.01	2.91
2006/2007	82.30	20.20	4.00	106.50	1.90	1.01	2.91
2005/2006	83.50	20.30	4.00	107.80	3.10	0.98	4.08

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.

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
2013/2014	\$32,929,787	\$24,369,590	\$57,299,377	\$29,959,212	90.98%	\$400,488	\$30,359,700	92.2%
2012/2013	32,713,108	15,059,270	47,772,378	30,120,713	92.08%	450,863	30,571,576	93.5%
2011/2012	32,715,403	12,492,683	45,208,086	29,975,093	91.62%	826,730	30,801,823	94.2%
2010/2011	31,523,485	10,226,335	41,749,820	28,121,306	89.21%	599,534	28,720,840	91.1%
2009/2010	31,523,485	10,226,335	41,749,820	28,121,306	89.21%	599,534	28,720,840	91.1%
2008/2009	31,001,148	7,953,004	38,954,152	28,262,113	91.16%	704,361	28,966,474	93.4%
2007/2008	30,850,329	6,565,654	37,415,983	28,112,109	91.12%	1,064,838	29,176,947	94.6%
2006/2007	32,310,572	5,386,849	37,697,421	30,024,676	92.93%	1,017,048	31,041,724	96.1%
2005/2006	33,716,047	3,971,944	37,687,991	31,294,524	92.82%	811,612	32,106,136	95.2%
2004/2005	30,003,789	2,909,970	32,913,759	27,975,506	93.24%	680,095	28,655,601	95.5%

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

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

Beachwood City School District
Principal Property Taxpayers
Real Estate Tax
December 31, 2014 and December 31, 2005

Name of Taxpayer	Nature of Business	December 31, 2014	
		Assessed Valuation	% of Total Assessed Valuation (1)
Beachwood Place Limited	Mall	\$65,324,350	18.03%
Hamptons Apartment	Apartments	12,308,420	3.40%
Village Green of Beachwood	Condominiums	11,358,550	3.14%
Developers Diversified Realty	Realty	10,494,050	2.90%
Beachwood Place Limited	Retail	8,927,350	2.46%
Commerce Park	Office Buildings	8,661,780	2.39%
Pavilion Mall	Mall	8,246,470	2.28%
Four Seasons Apartments	Apartment Complex	7,673,340	2.12%
Beachwood Park East	Office buildings	6,770,790	1.87%
Signature Square	Office buildings	6,193,580	1.71%
Enterprise Place, LLC	Office buildings	6,154,770	1.70%
		<u>\$152,113,450</u>	<u>41.99%</u>
Total Commercial Valuation		<u>\$362,270,490</u>	

Name of Taxpayer	Nature of Business	December 31, 2005	
		Assessed Valuation	% of Total Assessed Valuation (1)
Beachwood Place Limited	Retail	\$53,775,690	15.37%
Bracebridge	Retail	38,310,450	10.95%
Cleveland Clinic	Health Care	13,373,470	3.82%
Hamptons Apartment	Apartments	10,846,510	3.10%
Doublewood Corp	Hotel	10,770,100	3.08%
Village Greens	Condominiums	8,834,360	2.52%
Four Seasons	Apartments	7,676,000	2.19%
RLJ Beachwood	Hotel	6,475,630	1.85%
HCRI Beachwood	Hotel	6,421,910	1.84%
Signature Square	Office Buildings	6,211,570	1.78%
		<u>\$162,695,690</u>	<u>46.50%</u>
Total Commercial Valuation		<u>\$349,916,770</u>	

Source: Cuyahoga County Fiscal Officer

Beachwood City School District
Principal Property Taxpayers
Public Utility Tax
December 31, 2014 and December 31, 2005

		December 31, 2014	
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Tangible Personal Property Valuation
Cleveland Electric Illuminating	Electric Utility	\$8,344,080	65.51%
Total		<u>\$8,344,080</u>	<u>65.51%</u>
Total Public Utility Valuation		<u>\$12,737,020</u>	
		December 31, 2005	
Name of Taxpayer	Nature of Business	Assessed Valuation	% of Total Tangible Personal Property Valuation
Cleveland Electric Illuminating	Electric Utility	\$7,283,950	53.32%
Ohio Bell	Telephone	3,944,440	28.87%
New Cingular Wireless	Telephone	883,560	6.47%
American Transmission System	Telephone	548,200	4.01%
New Par		532,450	3.90%
Total		<u>\$13,192,600</u>	<u>96.57%</u>
Total Public Utility Valuation		<u>\$13,661,700</u>	

* Information not availble prior to 2004
Source: Cuyhoga County Fiscal Officer

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

Year	Gross General Bonded Debt	Notes Outstanding	Leases	Total	Total Debt/Capita*	(1) Debt Outstanding % Of Personal Income
2015	\$33,001,923	\$2,885,000	\$97,197	\$35,984,120	\$3,010	6.3%
2014	35,202,575	3,440,000	244,826	38,887,401	3,253	6.8%
2013	37,567,973	3,995,000	103,847	41,666,820	3,486	7.3%
2012	39,812,758	4,550,000	202,643	44,565,401	3,728	7.8%
2011	40,724,998	5,105,000	178,426	46,008,424	3,849	8.0%
2010	11,479,998	6,410,000	41,053	17,931,051	1,471	8.2%
2009	12,209,998	1,480,000	81,096	13,771,094	1,130	2.3%
2008	12,914,998	2,165,000	137,520	15,217,518	1,249	2.5%
2007	13,359,984	2,815,000	334,124	16,509,108	1,355	3.1%
2006	14,599,982	3,435,000	216,448	18,251,430	1,498	2.7%

* Population 11,953 per US census, 2010-2013, 12,186 2004-2009

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

Source: Beachwood City Schools

Beachwood City School District
 Computation of Direct and Overlapping Debt
 General Obligation
 As of December 31, 2014

<u>Jurisdiction</u>	<u>General Obligation Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount Applicable to School District</u>
<i>Direct Debt:</i>			
Beachwood City School District	\$35,886,923	100.00%	\$35,886,923
<i>Overlapping Debt:</i>			
Cuyahoga County	262,275,000	2.56%	6,711,446
Regional Transit Authority	102,840,000	2.56%	2,631,608
City of Beachwood	23,665,000	87.47%	20,700,926
City of Pepper Pike	<u>6,817,897</u>	1.07%	<u>72,714</u>
Total Overlapping Debt	<u>395,597,897</u>		<u>30,116,694</u>
Total Debt	<u><u>\$431,484,820</u></u>		<u><u>\$66,003,617</u></u>

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

(1) Percentages were determined by dividing the assessed valuation of the political
 subdivision by the total assessed valuation, which includes all overlapping
 valuation. The valuations used were for the 2014 collection year.

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

<u>Year</u>	<u>Gross General Bonded Debt</u>	<u>Less Bond Retirement Fund</u>	<u>Net General Bonded Debt</u>	<u>Assessed Value</u>	<u>Population (1)</u>	<u>Ratio of Net Debt to Assessed Value</u>	<u>Net General Bonded Debt Per Capita</u>
2015	\$33,001,923	\$2,572,826	\$30,429,097	\$709,680,930	11,953	4.29%	\$2,546
2014	35,202,575	2,954,498	32,248,077	709,009,380	11,953	4.55%	2,698
2013	37,567,973	2,620,960	34,947,013	712,728,860	11,953	4.90%	2,924
2012	39,812,758	2,571,283	37,241,475	709,342,720	11,953	5.25%	3,116
2011	40,724,998	2,218,606	38,506,392	719,686,060	11,953	5.35%	3,221
2010	11,479,998	1,884,167	9,595,831	722,870,740	12,186	1.33%	787
2009	12,209,998	2,052,047	10,157,951	759,135,969	12,186	1.34%	834
2008	12,914,998	1,626,431	11,288,567	775,540,866	12,186	1.46%	926
2007	13,359,984	1,554,189	11,805,795	786,472,836	12,186	1.50%	969
2006	14,599,982	1,738,191	12,861,791	744,328,722	12,186	1.73%	1,055

(1) Source: Estimates provided by City of Beachwood.

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

	2015	2014	2013	2012
Assessed Valuation	<u>\$709,680,930</u>	<u>\$709,009,380</u>	<u>\$712,728,860</u>	<u>\$709,342,720</u>
Bonded Debt Limit - 9% of Assessed Value (1)	\$63,871,284	\$63,810,844	\$64,145,597	\$63,840,845
Amount of Debt Applicable to Debt Limit:				
Bonded Debt	33,001,923	35,202,575	37,567,973	39,049,998
Less Bond Retirement Fund	2,752,826	2,954,498	2,620,960	2,571,283
Net General Bonded Debt	30,429,097	32,248,077	34,947,013	36,478,715
Voted Debt Margin	<u>\$30,869,361</u>	<u>\$28,608,269</u>	<u>\$26,577,624</u>	<u>\$24,790,847</u>
Ratio of Legal Debt Margin to Assessed Values	4.29%	4.55%	4.90%	5.14%
Bonded Debt Limit - .1% of Assessed Value (1)	\$709,681	\$709,009	\$712,729	\$709,343
Unvoted Debt Margin	<u>\$709,681</u>	<u>\$709,009</u>	<u>\$712,729</u>	<u>\$709,343</u>

(continued)

Source: Cuyahoga County Fiscal Officer

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

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u><u>\$719,686,060</u></u>	<u><u>\$722,870,740</u></u>	<u><u>\$759,135,969</u></u>	<u><u>\$775,540,866</u></u>	<u><u>\$786,472,836</u></u>	<u><u>\$744,328,722</u></u>
\$64,771,745	\$65,058,367	\$68,322,237	\$69,798,678	\$70,782,555	\$66,989,585
40,724,998	11,479,998	12,209,998	12,914,998	13,359,984	14,599,982
2,218,606	1,884,167	2,052,047	1,626,431	1,554,189	1,738,191
38,506,392	9,595,831	10,157,951	11,288,567	11,805,795	12,861,791
<u><u>\$24,046,747</u></u>	<u><u>\$53,578,369</u></u>	<u><u>\$56,112,239</u></u>	<u><u>\$56,883,680</u></u>	<u><u>\$57,422,571</u></u>	<u><u>\$52,389,603</u></u>
5.35%	1.33%	1.34%	1.46%	1.50%	1.73%
\$719,686	\$722,871	\$759,136	\$775,541	\$786,473	\$744,329
<u><u>\$719,686</u></u>	<u><u>\$722,871</u></u>	<u><u>\$759,136</u></u>	<u><u>\$775,541</u></u>	<u><u>\$786,473</u></u>	<u><u>\$744,329</u></u>

Beachwood City School District
Demographic and Economic Statistics
Last Ten Years

Year (1)	Population (2)	Average Federal Adjusted Gross Income (3)	Median Ohio Adjusted Gross Income (3)	Total Personal Income (4)	Per Capita Personal Income (5)	Debt as a % of Personal Income (6)	Cuyahoga County Unemployment Rate (7)
2013	11,953	\$127,742	\$56,026	\$573,863,530	\$48,010	5.8%	5.5%
2012	11,953	125,927	54,620	573,863,530	48,010	6.1	7.2
2011	11,953	118,809	52,448	573,863,530	48,010	6.5	8.0
2010	11,953	112,354	50,612	573,863,530	48,010	8.3	8.6
2009	12,186	101,351	55,654	493,642,674	40,509	8.2	9.2
2008	12,186	114,266	53,899	493,642,674	40,509	2.3	7.1
2007	12,186	136,606	51,742	493,642,674	40,509	2.5	6.1
2006	12,186	122,152	48,933	493,642,674	40,509	3.1	5.5
2005	12,186	129,930	45,753	493,642,674	40,509	2.7	6.1
2004	12,186	106,109	46,338	493,642,674	40,509	3.0	6.2

Source:

(1) 2013 latest information available

(2) Federal Census

(3) Ohio Department of Taxation

(4) Per capita personal income multiplied by population

(5) U.S. Census

(6) Gross bonded debt divided by total personal income

(7) Federal Reserve Bank of St. Louis

Beachwood City School District
Principal Employers
December 31, 2014 and December 31, 2005*

Employer	Number of Employees	Percentage of Total
Cleveland Clinic Foundation	2,281	8.84%
Unveristy Hospitals	1,197	4.64
Menorah Park Center	1,103	4.27
Eaton Corporation	902	3.50
Beachwood Board of Education	560 **	2.17
Montefiore Home	536	2.08
Developers Diversified	518	2.01
City of Beachwood	483	1.87
Nordstrom	469	1.82
Aleris Ohio Management	300	1.16
Total	8,349	32.35%
Total employment within the School District	25,807	

** Includes seasonal, substitutes and casual labor

December 31, 2005

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

Source: Regional Income Tax Agency and City of Beachwood

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

	2015	2014	2013	2012	2011	2010	2009	2008***	2007	2006
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	75	75	79	74	67	70	84	76	84	96
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	3.21	3.21	2.88	2	2	3	3	3	7	7
Special Instruction Classrooms	2	2	2	2	3	3	3	3	3	3
Special Instruction Teachers	1	1	1	1	1	1.68	1.75	1.75	3	2.5
% of students who receive free/reduced lunch	0	0	0	0	0	0.00**	0.00**	0.00**	0.00**	6.32%
* Includes special ed Pre k and preschool students										
** Lunch not served at Fairmount										
Bryden Elementary School										
Constructed in 1958										
Additions in 1991 and 2002										
Total Building Square Footage	50,289	50,289	50,289	50,289	50,289	50,289	50,289	50,289	50,289	50,289
Enrollment Grades K -2	278	233	260	276	303	307	274	248	288	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	17.37	17.37	18.4	17.4	16.9	18	19	18	13	13
Special Instruction Classrooms	3	3	3	3	3	3	3	3	3	3
Special Instruction Teachers	3	3	4	4.2	4.2	5.00	4.38	6.53	3	3
% of students who receive free/reduced lunch	9.01%	9.01%	7.30%	13.76%	12.21%	11.31%	11.31%	8.20%	7.12%	6.86%
Hilltop Elementary School										
Constructed in 1957										
Addition in 2002										
Total Building Square Footage	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200	51,200
Enrollment Grades 3-5	294	325	361	321	294	284	312	295	289	302
Student Capacity	731	731	731	731	731	731	731	731	731	731
Regular Instruction Classrooms	16	16	16	16	16	16	16	16	16	16
Regular Instruction Teachers	20.88	20.88	19.98	17.3	16.38	20.56	25	20	14	16
Special Instruction Classrooms	3	3	3	3	3	3	3	3	3	3
Special Instruction Teachers	8	8	7	6.2	8.8	9.4	6.42	8	4	4
% of students who receive free/reduced lunch	14.15%	14.15%	12.74%	11.21%	9.52%	10.09%	10.09%	6.31%	7.17%	6.99%
Beachwood Middle School										
Constructed in 2003										
Total Building Square Footage	98,000	98,000	98,000	98,000	98,000	98,000	98,000	98,000	98,000	98,000
Enrollment Grades 6 - 8	348	311	318	358	336	320	288	317	271	253
Student Capacity	560	560	560	560	560	560	560	560	560	560
Regular Instruction Classrooms	27	27	27	27	27	27	27	27	27	27
Regular Instruction Teachers	22.3	22.3	21.4	21.58	21.58	21.2	22	22	18	18
Special Instruction Classrooms	3	3	3	3	3	3	3	3	3	3
Special Instruction Teachers	5.2	5.2	5	5.8	7	6	4.7	7	2	2
% of students who receive free/reduced lunch	10.28%	10.28%	12.26%	11.45%	14.88%	10.73%	10.73%	6.01%	4.93%	4.94%
Beachwood High School										
Constructed in 1958										
Additions in 2002 and 2003, 2013										
Total Building Square Footage	256,113	256,113	208,509	208,509	208,509	208,509	208,509	208,509	208,509	208,509
Enrollment Grades 9 - 12	643	635	627	650	692	667	669	669	644	647
Student Capacity	1350	1350	1180	1180	1180	1,180	1,180	1,180	1,180	1,180
Regular Instruction Classrooms	45	45	40	40	40	40	40	40	40	40
Regular Instruction Teachers	41.8	41.8	42.73	41.185	42.7	40	45	45	46	45
Special Instruction Classrooms	6	6	6	6	6	6	6	6	6	6
Special Instruction Teachers	7	7	7	8	8	8	8	9.5	7	7
% of students who receive free/reduced lunch	12.12%	12.12%	11.64%	10%	8.67%	5.30%	5.30%	3.08%	3.72%	4.93%

(1) Information not available prior to 2006

*** District went through a grade level reconfiguration in 2008. Fairmount became a preschool building,

Bryden changed from a 1-3 bldg. to a K-2 bldg, Hilltop changed from a 4-6 building to a 3-5 building

and the Middle School changed from a 7-8 building to a 6-8 building.

Beachwood City School District

Per Pupil Cost

Last Ten Fiscal Years

<u>Year</u>	<u>General Fund Expenditures (1)</u>	<u>Average Daily Membership (2)</u>	<u>Per Pupil Cost</u>	<u>Percentage Change</u>
2015	\$32,648,226	1,435	\$22,751	-0.10%
2014	32,203,840	1,414	22,775	9.01%
2013	31,275,641	1,497	20,892	2.49%
2012	31,312,965	1,536	20,384	1.42%
2011	31,194,471	1,552	20,100	-0.29%
2010	30,722,067	1,524	20,159	-4.54%
2009	31,487,746	1,491	21,119	4.89%
2008	29,678,446	1,474	20,135	6.26%
2007	28,743,982	1,517	18,948	6.18%
2006	27,071,093	1,517	17,845	0.13%

Source: School District Financial Records

(1) Excludes other financing uses

(2) Excludes preschool enrollment

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
2014 **	96.3%	94.2%	* 95.9%	81.3%
2013	>95	94.2	95.7	81.3
2012	96.3	93.0	92.6	90.0
2011	96.2	93.0	100.0	90.0
2010	95.9	94.3	97.1	83.0
2009	95.6	94.3	98.5	84.6
2008	95.7	94.2	97.7	86.9
2007	95.0	94.1	97.1	86.1
2006	96.1	94.1	99.3	86.2
2005	96.2	94.3	97.9	85.9

Source: Ohio Department of Education Local Report Cards

* Graduation rates have new calculation rate in 2012

** Latest information available - State report card not yet released.

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

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Regular Instruction										
Preschool Classroom Teachers	3.21	3.21	2.88	2.42	2.00	2.00	3.00	3.00	3.00	3.00
Preschool Aides	4.14	4.14	4.60	3.61	3.36	2.32	3.43	3.92	2.53	2.46
Preschool After Care Instructor	-	-	-	-	-	-	-	0.00	0.80	0.80
Elementary Classroom Teachers	32.93	32.97	32.47	30.47	31.47	29.00	30.47	28.47	33.47	34.07
Instructional Assistants	1.00	-	-	-	-	-	-	1.80	2.07	3.26
Art/Music/PE/Technology K-12	17.18	17.18	17.18	18.16	18.16	18.66	19.66	19.67	18.38	18.38
HS/MS Classroom Teachers	48.30	48.30	47.63	46.64	46.70	49.07	47.10	48.05	43.10	42.00
Special Instruction										
Preschool Special Ed.	1.00	1.00	1.00	1.00	1.00	1.68	1.75	1.75	1.75	1.67
ESL	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.60	0.60
Language Delayed/Cognitive Disabilities	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Multi-Disabilities	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	3.45	3.20
Deaf/Hard of Hearing	3.75	4.00	4.00	4.50	5.00	5.00	5.00	5.00	5.00	4.00
Intervention Specialists	15.75	13.00	13.00	14.00	14.00	14.00	14.00	13.50	13.50	11.40
Special Ed Assistants	33.57	34.57	34.97	36.74	33.15	34.05	35.00	36.80	33.40	31.50
Gifted Education Teachers	2.27	2.27	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Vocational Instruction										
High School Classroom Teachers	6.00	6.00	6.00	6.50	7.50	7.00	7.00	5.25	5.00	5.00
Pupil Support Services										
Guidance Counselors	6.00	6.00	6.00	6.00	6.00	6.00	6.00	7.00	5.80	5.80
Librarians	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Library Media Assistants	3.00	3.00	3.00	3.00	3.00	3.00	2.50	3.00	3.00	2.50
Psychologists	3.00	3.00	3.00	3.00	3.00	2.50	3.00	3.00	3.00	3.00
Audiologist and Speech & Lang	4.60	4.60	4.60	4.60	4.60	4.60	5.20	5.20	5.20	5.20
Nurses	2.00	2.00	2.00	2.00	2.00	2.10	2.10	2.10	2.42	2.30
Educational Interpreters	7.60	8.42	8.50	9.36	10.00	10.00	10.00	10.34	11.60	12.00
Occupational Therapist	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00	0.80	0.80
Tutors	4.75	4.01	3.41	4.53	2.58	2.32	5.80	3.71	3.11	4.61
Administrators/Supervisors										
Central Office	6.00	6.00	6.00	3.00	4.00	4.00	4.00	4.00	4.50	4.00
Elementary	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.50	3.00
MiddleSchool/High School	4.00	4.00	4.00	4.00	4.00	3.50	5.00	5.00	4.00	4.00
Supervisors	4.50	4.00	3.00	5.00	4.00	5.00	5.00	6.00	7.00	7.00
Community Education Coordinator	-	-	-	0.00	0.00	0.63	0.63	0.63	0.63	0.63
Administrative Support										
Administrative/Office Assistants	15.00	15.00	15.00	15.00	16.00	16.53	16.50	17.00	18.38	18.38
Operation of Plant										
Cleaners	8.00	9.45	10.40	11.00	11.00	11.00	11.00	11.00	10.75	10.75
Custodians	10.00	10.00	9.00	9.89	9.00	9.00	9.00	10.00	10.00	10.00
Maintenance/Grounds	4.00	4.00	4.00	3.00	3.00	4.00	5.00	5.00	5.00	5.00
Pupil Transportation										
Bus Drivers	18.30	19.86	18.87	14.93	18.15	18.15	20.26	21.71	23.14	21.62
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	5.00	5.00	5.00	4.60	4.60	4.60	4.60	4.60	4.60	4.60
Technology	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50
Food Service Program										
High School Cooks	-	-	-	-	-	-	-	3.00	3.00	3.00
Food Service Worker	-	-	-	-	-	-	-	6.48	5.66	5.26
Lunch Aides	-	-	-	-	-	-	-	0.00	0.00	0.00
Totals	<u>289.85</u>	<u>289.98</u>	<u>288.51</u>	<u>286.95</u>	<u>287.27</u>	<u>289.71</u>	<u>302.00</u>	<u>314.98</u>	<u>315.14</u>	<u>308.29</u>

Source: District records

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

Degree	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Bachelor's Degree	7	9	14	13	13	12	12	12	16	11
Bachelor+ 12	3	5	3	7	3	3	2	9	5	6
Bachelor + 24	4	6	7	7	8	6	9	11	11	17
Bachelor + 30	6	4	2	2	2	2	2	2	3	4
Master's Degree	50	45	43	40	40	50	48	48	84	79
Master + 12	26	24	24	25	29	25	28	31	15	14
Master + 24	21	21	19	25	22	20	18	19	9	10
Master + 36	19	26	25	21	20	21	23	24	10	9
Master + 60	21	20	23	20	23	19	20	19	14	12
Total	157	160	160	160	160	158	162	175	167	162

Source: School District Records

Beachwood City School District
Enrollment Statistics
Last Ten Fiscal Years

Fiscal Year	Elementary Schools	Middle School/ High School	Total
2015*	572	991	1,563
2014*	593	933	1,526
2013*	638	946	1,584
2012*	616	1,008	1,624
2011*	621	1,028	1,649
2010*	617	987	1,604
2009*	614	957	1,571
2008*	559	986	1,545
2007	661	915	1,576
2006	676	900	1,576

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

Source: Beachwood City Schools EMIS records

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
2015	100	113	24.5	22.0	21.0
2014	115	132	26.0	22.0	21.0
2013	106	121	26.3	21.8	20.9
2012	122	138	25.3	21.8	21.1
2011	131	160	26.0	21.8	21.0
2010	113	139	26.1	21.8	20.9
2009	187	126	25.4	21.7	21.1
2008	226	131	25.0	21.7	21.1
2007	200	115	24.3	21.6	21.2
2006	197	116	23.6	21.5	21.1

Source: High School Guidance Department
Beachwood City School District

Beachwood City School District

SAT Composite Scores

Last Ten School Years

School Year	Number of Senior Test Takers	Beachwood Reading/Verbal	Ohio Reading/Verbal	National Reading/Verbal	Beachwood Math	Ohio Math	National Math	Beachwood Writing	Ohio Writing	National Writing
2015	28	625	557	495	635	563	511	623	537	484
2014	36	613	555	497	643	562	513	608	535	487
2013	38	653	548	496	653	556	514	621	536	488
2012	60	602	593	496	631	552	514	594	525	488
2011	67	563	539	497	568	545	514	553	522	489
2010	64	616	538	501	625	548	516	594	522	492
2009	70	573	537	501	606	546	515	584	523	493
2008	68	619	534	502	635	544	515	629	521	494
2007	70	587	536	502	603	542	515	583	522	494
2006	76	557	535	503	573	544	518	573	521	497

Source: High School Guidance Department
Beachwood City School District