



**BEACHWOOD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

REGULAR AUDIT

FOR THE YEAR ENDED JUNE 30, 2000



JIM PETRO
AUDITOR OF STATE

STATE OF OHIO

BEACHWOOD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY GOVERNMENT AUDITING STANDARDS

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

We have audited the financial statements of the Beachwood City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2000, and have issued our report thereon dated December 12, 2000, in which we noted the District restated the General Fixed Assets Account Group. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

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

However, we noted an immaterial instance of noncompliance that we have reported to management of the District in a separate letter dated December 12, 2000.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Jim Petro
Auditor of State

December 12, 2000

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
OF THE
BEACHWOOD CITY SCHOOL DISTRICT
for the
FISCAL YEAR ENDED JUNE 30, 2000



BEACHWOOD
SCHOOLS

the best place to learn

Prepared by Treasurer's Department

Michele E. Mills
Director of Finance/Treasurer

24601 Fairmount Boulevard
Beachwood, Ohio 44122-2298

BEACHWOOD CITY SCHOOL DISTRICT
Comprehensive Annual Financial Report
For the Year Ended June 30, 2000

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BEACHWOOD CITY SCHOOL DISTRICT BOARD OF EDUCATION

24601 FAIRMOUNT BLVD.
BEACHWOOD, OHIO 44122
Phone: (216) 464-2600
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Office of the Treasurer

December 12, 2000

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

Dear Board Members:

The comprehensive annual financial report of the Beachwood City School District for the fiscal year ended June 30, 2000 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 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 District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

This report is divided into the following sections:

- o The Introductory Section, which includes this transmittal letter, a list of principal officials, the District's organizational chart and the GFOA certificate of achievement.
- o The Financial Section, which includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the report of independent accountants on the financial statements and schedules.
- o The Statistical Section, which includes related financial and demographic information, generally presented on a multi-year basis.

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

Beachwood City School District

The School District

The School District is located in a growing, prosperous suburban area east of Cleveland, Ohio. The community's tax base is evenly distributed between commercial and residential property.

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

Major Initiatives, Fiscal Year 2000

Mission and Vision

The mission of the Beachwood City Schools 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, they have an intellectual capacity. These adults are risk takers, visionary, brokers, passionate and committed to excellence. Beachwood students also enjoy experiences where they learn to be globally responsible, altruistic, environmentally, culturally and politically sensitive. This past summer, trek leader Joe Burwell, Ed Trebets, John Perse and the superintendent hiked in the high country wilderness of Colorado with 12 students and found this mission fulfilled in them. They were a joy with whom to share wilderness backpacking.

Values and Expectations

The Beachwood Model is one of high expectations, research-based teaching by an outstanding staff with solid and consistent community support plus strong visionary leadership by staff, community, board and administration. This equals joy of learning and excellent student performance.

Major Initiatives and Accomplishments

Student Achievement

During the past three years, the standards for student achievement have been raised in Ohio. These standards for rating school districts went into effect this year, an experimental report card has been published by the Ohio Department of Education. These experimental standards were not achieved at the high levels we have achieved with past standards. Two years ago we adopted the primary goal of increasing student performance as measured by standardized test scores in mathematics and science. The new standards are difficult because there are only two mathematics and no science

Beachwood City School District

texts that covers these standards. Our teachers are participating in the SMART Consortium to develop new texts, curriculum and methods to achieve these standards.

This year we are implementing a new second and fourth grade science curriculum that is aligned with international standards and may not be aligned with the proficiency test. There is growing concern regarding the appropriateness of the current fourth and sixth grade proficiency tests. Twelfth grade students scored among the best in Ohio. In fact, their scores were second among the tested 612 school districts. Seventy-six percent of the seniors earned state scholarships for passing all five sections of the proficiency tests. Forty-four seniors passed the twelfth grade test with honors.

The ninth grade proficiency test scores increased by 52 points which resulted in a \$50,000 award from the State of Ohio.

The Beachwood City School District successfully passed 26 out of 27 effective indicators and will be classified as one of the top districts in Ohio.

Program and Services Improvements

The Fairmount staff instituted an aggressive phonemic awareness curriculum in kindergarten. Consequently, the number of students recommended for summer reading intervention decreased from 44 to 10. Also, the staff instituted Dalcroze movement instruction in preschool and kindergarten.

The staff at Bryden researched, wrote and taught advanced mathematics curriculum in second grade. The second grade students score at the 97 percentile on the off year Ohio Proficiency test. Students are learning twice the content that they learned using the traditional American arithmetic. Bryden also placed number one in the nation on the Language Arts Olympiad.

The fifth and sixth grade teachers have been trained by the SMART Consortium in the Smithsonian-developed science curriculum. This is a hands-on science curriculum that covers the standards that the Third International Mathematics and Science Study found were deficient in American education. The Hilltop staff aligned their curriculum with the rest of the district in science, math, and language arts. More than one-third of the fourth grade students are involved in a strings program. Staff development in mathematics and science translated into improved test scores.

Hilltop fourth grade students won the "Destination Imagination" Regional Contest. They were also third in the state for the "Knowledge Master Open."

During the 1999-2000 school year, the staff at Beachwood Middle School reduced student failure by 50% by using the A-B-C Incomplete process. In the 1999-2000 school year, the failure was reduced another 10%. We are proud of this accomplishment.

The Middle School students were repeat champions in the Knowledge Master Open and our French

Beachwood City School District

teacher, Andrea Laggan, was a Fulbright exchange scholar in France.

The Beachwood Middle School, under the leadership of Ed Bernetich, won their second U.S. Department of Education Blue Ribbon Award. They are the first Middle School in Ohio to win a second award. They also received the 1999 Harvard Business School Club's "Excellence in School Management" Award. Their "Knowledge Master Open" team won the 1999 National and their second State Championship. The student proficiency test passing rate increased 16% to 77% which is the best in Northeast Ohio.

The Middle School teachers are developing interactive classrooms in social studies, language arts, science and mathematics.

In co-curricular activities, we were Academic Challenge champions, award winner in National Junior Council of World Affairs championships, state semi-finalist in women's tennis, state champion and runner-up in wrestling, and won the women's 4 by 100 state championship.

We are ranked in the top 3% in the country on technology benchmarks and seven teachers have met national board standards for certification.

Facilities and Community

The major remodeling projects include reroofing Hilltop, rehabilitating the windows in the High School, and installing several computer classrooms throughout the district.

Because of the commercial/industrial development in Beachwood, we enjoy the third lowest residential millage rate in the county.

Beachwood Schools Foundation

The Beachwood Schools Foundation is less than three years old. This young foundation helped to develop and award 19 scholarships in May.

State of the District

We have aimed high, achieved much and enjoyed significant results. There are quantitative and qualitative reasons for celebrating our successes. To the winners, congratulations – to all, a genuine thank you.

Financial Information

Accounting and Budgetary Controls

In developing and evaluating the District's accounting system, consideration is given to the adequacy of

Beachwood City School District

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 District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

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

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

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

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

Beachwood City School District

General Government Functions

The following schedule represents a summary of all governmental fund revenues for the fiscal year ended June 30, 2000 and the amount and percentage of increases and decreases in relation to prior year revenues

| Revenues | 6/30/00 Amount | Percent of Total | Increase/(Decrease) from 6/30/99 | Percent of Increase |
|------------------------------------|---------------------|---------------------|-------------------------------------|------------------------|
| Taxes | \$21,002,499 | 83.8% | \$282,713 | 1.4% |
| Tuition and fees | 184,932 | .7 | 65,153 | 54.4 |
| Interest | 513,974 | 2.0 | (10,494) | (2.0) |
| Decrease fair market value invest. | (5,892) | 0.0 | 10,597 | 64.3 |
| Intergovernmental | 3,243,150 | 12.9 | 237,453 | 7.9 |
| Miscellaneous | 144,987 | .6 | 10,704 | 8.0 |
| Total | <u>\$25,083,650</u> | <u>100.00%</u> | <u>\$596,126</u> | <u>2.4%</u> |

The most significant increase in revenue was in the area of property taxes. Collections were up slightly over the previous fiscal year.

Tuition and fees were up over the previous fiscal year due to a \$30,000 increase in building use fees negotiated with the City of Beachwood. An additional \$23,000 was collected for tuition that was owed by other school districts.

Beachwood City School District

The following schedule represents a summary of all governmental fund expenditures for the fiscal year ended June 30, 2000, and the percentage of increases and decreases in relation to prior year amounts.

| Expenditures | 6/30/00 Amount | Percent of Total | Increase/ (Decrease) from 6/30/99 | Percent of Increase/ (Decrease) |
|------------------------------------|---------------------|---------------------|---|---------------------------------------|
| Instruction | \$11,113,420 | 44.2% | \$725,072 | 7.0% |
| Support services: | | | | |
| Pupil | 1,300,244 | 5.2 | 26,607 | 2.1 |
| Instructional staff | 1,001,575 | 4.0 | 123,680 | 14.1 |
| Board of Education | 592,182 | 2.3 | 305,609 | 106.64 |
| Administration | 2,033,370 | 8.0 | (11,488) | (.6) |
| Fiscal | 703,634 | 2.8 | 49,475 | 7.6 |
| Business | 595,903 | 2.4 | 125,212 | 26.6 |
| Operation and maintenance of plant | 3,141,249 | 12.5 | 260,890 | 9.1 |
| Pupil transportation | 1,331,368 | 5.3 | 52,912 | 4.1 |
| Central | 775,876 | 3.1 | 71,476 | 10.1 |
| Non Instructional | 149,758 | .6 | (19,947) | (11.7) |
| Extracurricular activities | 504,065 | 2.0 | 38,618 | 8.3 |
| Capital Outlay | 801,860 | 3.2 | (1,113,651) | (58.1) |
| Debt service: | | | | |
| Principal | 586,000 | 2.3 | 224,000 | 61.8 |
| Interest | 508,285 | 2.0 | (59,151) | (10.4) |
| Total | <u>\$25,138,789</u> | <u>100.00%</u> | <u>\$ 799,314</u> | <u>3.3%</u> |

A significant expenditure increase was in the area of instruction. The District paid on average a 5.5% salary increase.

Instructional staff increased significantly due to increased spending on staff development activities.

Board of Education expenditures increased due to an increase in attorney's fees in litigating a special education case that went to a due process hearing.

Fiscal expenditures increased due to the retirement of the Payroll Coordinator. Severance payments totaled \$21,790. In addition, the current payroll coordinator was hired and trained by the outgoing retiree. There was an overlap in positions for a period of three months.

Beachwood City School District

Business expenditures increased due to reclassification of postage and telephone expenditures to the business office accounts.

Capital outlay decreased significantly due to the reduction of the number of capital projects during the current fiscal year.

Enterprise Operations

The District operates five enterprise activities: Food Service, Uniform School Supplies, Adult Education, Recreation and Preschool. Their classification as Enterprise Funds is based on management's desire to measure profit and/or loss from these operations and, as a result, manage them similar to a private organization.

Currently the largest operation is the Food Service, which provides lunches and/or limited food-related items to the various pupils, teachers, and other employees of the District's Schools. Included in this operation is a limited service cafeteria.

In total, the Enterprise Funds experienced an operating loss before non-operating revenue and operating transfers of \$141,732. Management will continue evaluating the Food Service pricing issue. The District has also hired a new Food Service Supervisor who will monitor all cost associated with the District's food service program.

Internal Service Operations

The Internal Service Funds account for activities of providing goods and/or services to other departments of the District or other districts on a cost reimbursement basis. Special education programs provided to students from various school districts in the areas of hearing impairment, multi-handicapped, and severe oral language impairment areas are included in the Internal Service Funds.

In total, the Internal Service Funds experienced an operating loss before non-operating revenue and operating transfers of \$931,122. This is due to the nature of the special education programs. The State Department of Education provides funding through operating grants to support these programs. After considering operating grants for these programs, these funds experienced a net loss of \$45,821.

Trust and Agency Operations

The District functions as the agent for the scholarship fund and various student activity programs. For agency operations, available assets are totally offset by liabilities or amounts due to students or other governments.

Debt Administration

At June 30, 2000 the District had general obligation bond issues outstanding of \$4,885,000. The District participated in a bus financing pool to purchase two buses. The District borrowed an additional \$127,000 for the buses during the current fiscal year bringing the total debt for the bus financing pool to \$328,000.

Beachwood City School District

The bus financing pool debt is not counted toward the district's voted or un-voted debt limits. Under the current Ohio Revised Code, the 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, 2000, the District's voted general obligation bonded debt of \$4,885,000 was substantially below the legal limit of \$56,277,583 (voted). In addition, the District had no un-voted debt at June 30, 2000. The District has received an Aa2 rating confirmed from Moody's Investors' Service in June, 2000.

The District has tax anticipation notes outstanding. The tax anticipation notes are recorded as a liability of the permanent improvement fund. Total tax anticipation notes outstanding as of June 30, 2000 is \$8,360,000. Refer to Note 9 in the financial section.

Cash Management

Cash not needed for immediate use during the year was invested in demand deposits, certificates of deposit, federal agency discount notes, treasury bills, and the State Treasurer's Asset Reserve of Ohio program administered by the Office of the Treasury of the State of Ohio. This program is a statewide investment pool offered to political sub-divisions of the State of Ohio as a conservative means of investing in a portfolio of investment instruments. The portfolio consists of Government/Federal Agency securities, collateralized certificates of deposit, and repurchase agreements with eligible Ohio financial institutions. The total amount of interest earned during the year from all investments was \$514,334 of which \$485,893 was credited directly to the general fund as directed by statute and/or board resolution.

Risk Management

The District maintains third-party insurance coverage for claims arising from property damage, personal injury, and all other areas of risk. No future plans exist to internally assume these risks.

The District maintains a self insurance fund for the purpose of paying vision claims of District employees and their covered dependents.

Significant Local Economic Events

The economic condition and outlook for the community is very positive, as can be measured by the significant new construction experienced since 1981.

The growth in the tax duplicate has been primarily realized due to the continued development of both office and retail commercial property and residential development. The community's tax base is evenly distributed between commercial and residential property. Based on current projections, this trend is expected to continue through the 2000's.

The City of Beachwood has annexed 400 acres from a neighboring community in order to develop a proposed \$500 million, 633 acre Corporate Complex featuring office space, a retail mall and at least one hotel. The District signed an agreement with the Warrensville Heights School District to share in any

Beachwood City School District

future tax revenue. Beachwood Schools would receive 30% of the tax revenue from all future development. Originally, Warrensville Heights Schools District was the sole beneficiary of school tax revenues. The District considers the successful negotiation of tax sharing a major accomplishment which will enhance school revenues well into the future.

The Beachwood Mall has expanded. Nordstrom's opened in the fall of 1997 while Dillard's and Saks Fifth Avenue expanded the size of their stores in order to remain competitive. The District has financially benefitted from the Mall expansion.

Prospects for The Future

Of concern in the State of Ohio is the issue of "equalized funding." A group of school districts in the State of Ohio have sued the Ohio Department of Education citing inadequacy in the state's funding formula for education. The case was heard in Perry County and Judge Lewis ruled that the Ohio Department of Education's funding mechanism was unconstitutional, and further, that education is a fundamental right for every school aged child in the State of Ohio. The case was appealed by the Governor of Ohio. The Court of Appeals overturned the lower court's decision. The Ohio Supreme Court reversed the Court of Appeals decision and declared Ohio's state funding formula to be unconstitutional.

Since the Supreme Court's decision, numerous pieces of legislation have been passed by the Ohio General Assembly in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry county reviewed the new laws, and on February 26, 1999, determined that the State of Ohio has not sufficiently responded to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State has appealed the decision to the Ohio Supreme Court. At this time, the Court has not rendered an opinion on this issue.

The decision, known as the "DeRolph decision" is being debated by the legislature who has the responsibility to make the system "equitable and adequate". Although the DeRolph decision specifically advises against any "robin hood" solutions, the overall sentiment of the districts in Cuyahoga County is that the school districts in this county will be financially penalized.

The outcome of this issue could severely limit school districts such as ours whose taxpayers have had a long history of supporting their schools. The District has one of the highest per pupil expenditures in the State due to the philosophy of personalized education. We are proud to be leaders in this area and want to continue our quest for educational excellence.

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 District's total operating millage is 63.8 mills, the effective millage levied and collected is 23.89 and 33.39 respectively, for residential and commercial property.

Beachwood City School District

The District has requested a citizens' advisory committee to meet and review the District's finances, and building improvement needs to make recommendations to the Board of Education as to the timing of future levies and the possibility of replacing the District's Middle School.

Other Information

Independent Audit

The Ohio Revised Code requires an annual audit of the District's financial statements and its compliance with certain sections of the Ohio Revised Code. The Ohio Auditor of State conducted the District's 2000 fiscal year audit. The report of independent accountants on the general purpose financial statements and combining and individual fund statements and schedules is included in 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, 1999. (This was the 12th consecutive year that the Beachwood City School District achieved this prestigious award.) In order to be awarded a Certificate of Achievement, a governmental 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

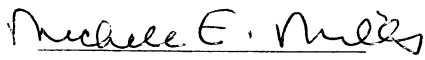
The publication of this report continues the School District's commitment toward professionalizing the financial reporting of the Beachwood City School District. It substantially increases the accountability of the District to the taxpayers.

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

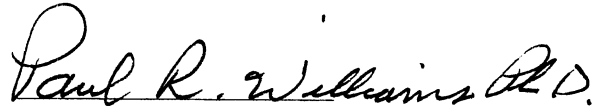
A special thanks to our art teacher, Kristie Onorato, for her inspiration to her students who contributed their art work, for this publication. We sincerely appreciate their efforts.

Beachwood City School District

Special recognition must be extended to the members of the Treasurer's Office; Anne Schreiber, Assistant Treasurer, Karen Bencin, Payroll Coordinator and Linda Klitz, 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.



Michele E. Mills,
Finance Director/Treasurer



Paul R. Williams, Ph.D.
Superintendent of Schools

Elected Officials

Board of Education

Mr. Sylvia Aarons President

Mr. Martin Horwitz Vice President

Mrs. Beth Rosenbaum Member

Dr. Scott Peters Member

Mr. David Ostro Member

Appointed Officials

Director of Finance/Treasurer

Michele E. Mills

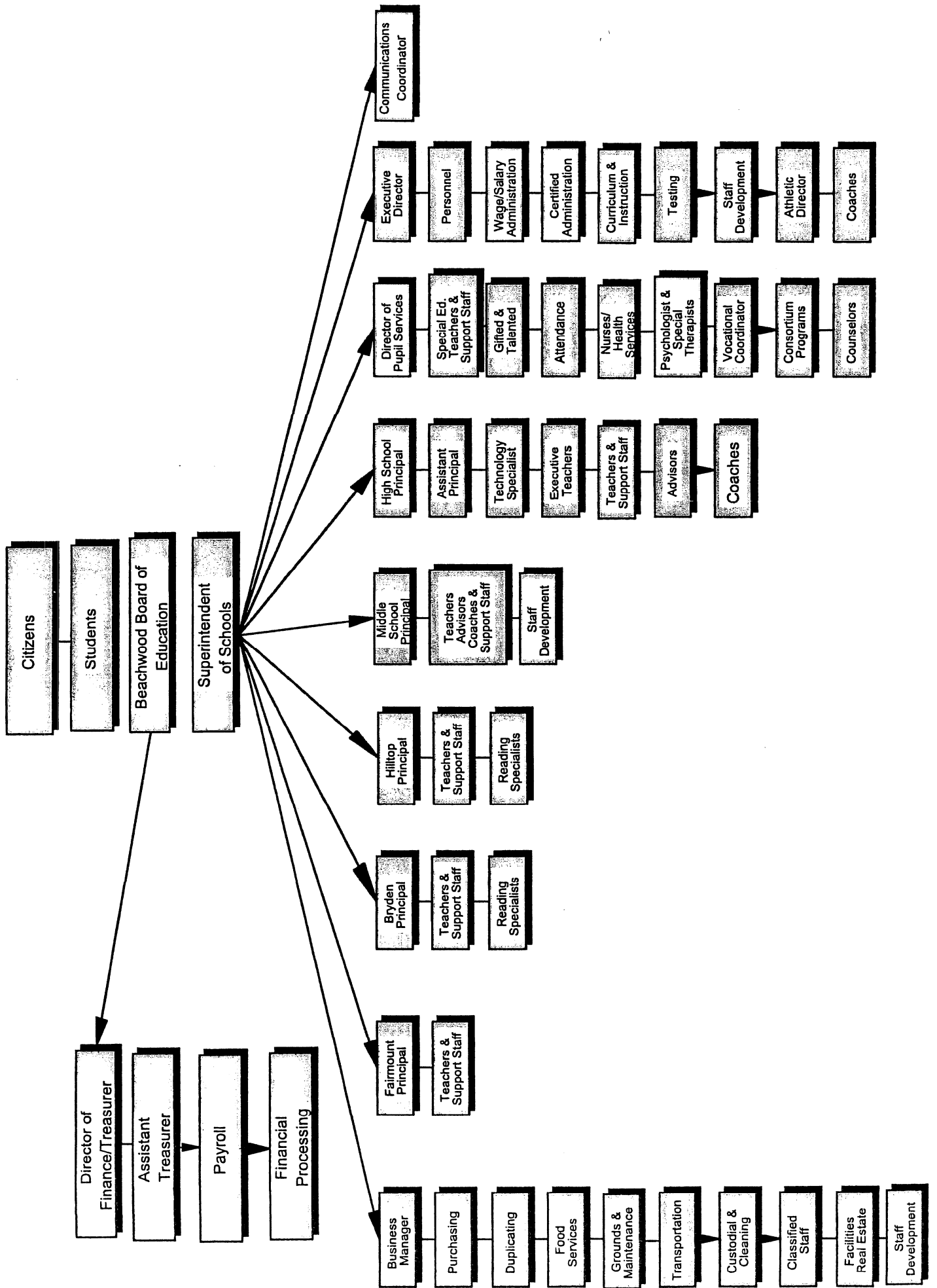
Administration

Dr. Paul R. Williams Superintendent

Mr. Randy Boroff Assistant Superintendent

Mr. Lawrence Tomec Business Manager

Mr. John Occhino Director of Pupil Services



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, 1999

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



CC *Bruebach*
President
Jeffrey L. Esser
Executive Director

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STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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REPORT OF INDEPENDENT ACCOUNTANTS

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

We have audited the accompanying general-purpose financial statements of the Beachwood City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Beachwood City School District, Cuyahoga County, Ohio, as of June 30, 2000, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

As described in Note 3 to the accompanying financial statements, the District restated the General Fixed Asset Account Group.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2000 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 grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the District, taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the general-purpose financial statements taken as a whole.

We did not audit the data included in the introductory and statistical sections of this report and therefore express no opinion thereon.

A handwritten signature in black ink, appearing to read "Jim Petro". The signature is stylized with a large loop at the end.

Jim Petro
Auditor of State

December 12, 2000

GENERAL PURPOSE FINANCIAL STATEMENTS

Beachwood City School District
Combined Balance Sheet
All Fund Types and Account Groups
June 30, 2000
(With comparative totals for June 30, 1999)

| | Governmental Fund Types | | | |
|---|--------------------------------|----------------------------|-------------------------|-----------------------------|
| | <u>General</u> | <u>Special Revenue</u> | <u>Debt Service</u> | <u>Capital Projects</u> |
| Assets | | | | |
| Equity in pooled cash and cash equivalents (Note 4) | \$3,948,732 | \$308,399 | \$635,740 | \$6,259,900 |
| Restricted cash (Note 2) | 764,243 | 0 | 0 | 0 |
| Receivables (Note 7) | | | | |
| Taxes -- current | 19,383,758 | 0 | 846,186 | 1,444,867 |
| Accounts | 9,857 | 0 | 0 | 0 |
| Accrued interest | 92,899 | 0 | 0 | 0 |
| Due from other funds (Note 6) | 741,996 | 0 | 0 | 0 |
| Due from other governments | 0 | 35 | 0 | 0 |
| Materials and supplies inventory | 84,770 | 0 | 0 | 0 |
| Prepays | 25,893 | 0 | 0 | 0 |
| Fixed assets, (net where applicable of accumulated depreciation) (Note 8) | 0 | 0 | 0 | 0 |
| Amount available in debt service fund | 0 | 0 | 0 | 0 |
| Amount to be provided for retirement of general long-term obligations | 0 | 0 | 0 | 0 |
| Total assets | <u>25,052,148</u> | <u>308,434</u> | <u>1,481,926</u> | <u>7,704,767</u> |
| Liabilities | | | | |
| Accounts payable | 6,654 | 82 | 0 | 0 |
| Accrued wages and benefits (Note 10) | 2,104,529 | 2,327 | 0 | 0 |
| Due to other funds (Note 6) | 249,612 | 0 | 0 | 310,000 |
| Due to students | 0 | 0 | 0 | 0 |
| Deferred revenue: taxes | 18,644,545 | 0 | 799,136 | 1,388,633 |
| Deferred revenue: other | 0 | 0 | 0 | 0 |
| Tax anticipation notes payable (Note 9) | 0 | 0 | 0 | 8,360,000 |
| General obligation bonds payable (Note 10) | 0 | 0 | 0 | 0 |
| Total liabilities | <u>21,005,340</u> | <u>2,409</u> | <u>799,136</u> | <u>10,058,633</u> |
| Fund equity and other credits | | | | |
| Investment in general fixed assets | 0 | 0 | 0 | 0 |
| Contributed capital | 0 | 0 | 0 | 0 |
| Retained earnings (deficit): unreserved | 0 | 0 | 0 | 0 |
| Fund balances: | | | | |
| Reserved for encumbrances | 546,128 | 28,289 | 0 | 182,595 |
| Reserved for inventory | 84,770 | 0 | 0 | 0 |
| Reserved for prepaids | 25,893 | 0 | 0 | 0 |
| Reserved for taxes | 530,200 | 0 | 33,291 | 56,234 |
| Reserved for budget stabilization | 734,873 | 0 | 0 | 0 |
| Unreserved: | | | | |
| Designated for textbooks and materials | 29,370 | | | |
| Unreserved...undesignated | 2,095,574 | 277,736 | 649,499 | (2,592,695) |
| Total fund balances (deficit) | <u>4,046,808</u> | <u>306,025</u> | <u>682,790</u> | <u>(2,353,866)</u> |
| Total equity and other credits | <u>4,046,808</u> | <u>306,025</u> | <u>682,790</u> | <u>(2,353,866)</u> |
| Total liabilities, equity and other credits | <u>\$25,052,148</u> | <u>\$308,434</u> | <u>\$1,481,926</u> | <u>\$7,704,767</u> |

See accompanying notes to general purpose financial statements.

| Proprietary Fund Types | | Fund Types | Account Groups | | Totals (Memorandum Only) | |
|------------------------|--------------------|-----------------------------|----------------------|------------------------|--------------------------|---------------------|
| Enterprise | Internal Service | Expendable Trust and Agency | General Fixed Assets | General Long-Term Debt | 2000 | 1999 |
| \$113,959 | \$790,283 | \$299,767 | \$0 | \$0 | \$12,356,780 | \$6,583,665 |
| 0 | 0 | 0 | 0 | 0 | 764,243 | 658,949 |
| 0 | 0 | 0 | 0 | 0 | 21,674,811 | 21,397,278 |
| 0 | 1,453 | 0 | 0 | 0 | 11,310 | 9,387 |
| 0 | 0 | 0 | 0 | 0 | 92,899 | 77,420 |
| 0 | 249,612 | 0 | 0 | 0 | 991,608 | 771,914 |
| 0 | 427,432 | 0 | 0 | 0 | 427,467 | 275,349 |
| 4,801 | 0 | 0 | 0 | 0 | 89,571 | 86,906 |
| 0 | 0 | 0 | 0 | 0 | 25,893 | 24,000 |
| 9,018 | 30,798 | 0 | 25,912,681 | 0 | 25,952,497 | 28,778,669 |
| 0 | 0 | 0 | 0 | 682,790 | 682,790 | 662,489 |
| 0 | 0 | 0 | 0 | 7,742,623 | 7,742,623 | 8,013,036 |
| <u>127,778</u> | <u>1,499,578</u> | <u>299,767</u> | <u>25,912,681</u> | <u>8,425,413</u> | <u>70,812,492</u> | <u>67,339,062</u> |
| 547 | 417 | 0 | 0 | 0 | 7,700 | 28,725 |
| 134,842 | 775,136 | 244,611 | 0 | 3,212,413 | 6,473,858 | 6,043,295 |
| 4,620 | 427,376 | 0 | 0 | 0 | 991,608 | 771,914 |
| 0 | 0 | 36,343 | 0 | 0 | 36,343 | 44,729 |
| 0 | 0 | 0 | 0 | 0 | 20,832,314 | 19,590,449 |
| 349 | 0 | 0 | 0 | 0 | 349 | 1,196 |
| 0 | 0 | 0 | 0 | 0 | 8,360,000 | 3,380,000 |
| 0 | 0 | 0 | 0 | 5,213,000 | 5,213,000 | 5,672,000 |
| <u>140,358</u> | <u>1,202,929</u> | <u>280,954</u> | <u>0</u> | <u>8,425,413</u> | <u>41,915,172</u> | <u>35,532,308</u> |
| 0 | 0 | 0 | 25,912,681 | 0 | 25,912,681 | 28,733,583 |
| 35,200 | 1,905 | 0 | 0 | 0 | 37,105 | 37,105 |
| (47,780) | 294,744 | 0 | 0 | 0 | 246,964 | 265,329 |
| 0 | 0 | 0 | 0 | 0 | 757,012 | 948,757 |
| 0 | 0 | 0 | 0 | 0 | 84,770 | 82,197 |
| 0 | 0 | 0 | 0 | 0 | 25,893 | 24,000 |
| 0 | 0 | 0 | 0 | 0 | 619,725 | 1,432,794 |
| 0 | 0 | 0 | 0 | 0 | 734,873 | 634,873 |
| 0 | 0 | 18,813 | 0 | 0 | 29,370 | 24,076 |
| 0 | 0 | 18,813 | 0 | 0 | 448,927 | (375,960) |
| (12,580) | 296,649 | 18,813 | 25,912,681 | 0 | 2,700,570 | 2,770,737 |
| <u>\$127,778</u> | <u>\$1,499,578</u> | <u>\$299,767</u> | <u>\$25,912,681</u> | <u>\$8,425,413</u> | <u>\$70,812,492</u> | <u>\$67,339,062</u> |

Beachwood City School District
Combined Statement of Revenues, Expenditures and Changes in Fund Balances -
All Governmental Fund Types and Expendable Trust Fund
For The Year Ended June 30, 2000
(With comparative totals for June 30, 1999)

| | Governmental Fund Types | |
|--|-------------------------|------------------|
| | General | Special Revenue |
| Revenues: | | |
| Taxes | \$18,784,502 | \$0 |
| Tuition and fees | 184,932 | 0 |
| Interest | 485,893 | 1,796 |
| Decrease in fair market value of investments | (5,892) | 0 |
| Intergovernmental | 2,609,534 | 355,177 |
| Miscellaneous revenue from local sources | 58,766 | 86,221 |
| Total revenues | 22,117,735 | 443,194 |
| Expenditures: | | |
| Current: | | |
| Instruction | 11,028,622 | 66,798 |
| Support services: | | |
| Pupil | 1,256,974 | 43,270 |
| Instructional staff | 978,753 | 22,822 |
| Board of Education | 592,182 | 0 |
| Administration | 2,009,038 | 24,332 |
| Fiscal | 703,634 | 0 |
| Business | 595,903 | 0 |
| Operation and maintenance of plant | 3,141,249 | 0 |
| Pupil transportation | 1,203,800 | 0 |
| Central | 726,553 | 5,018 |
| Non Instructional | 0 | 149,758 |
| Extracurricular activities | 360,081 | 143,984 |
| Capital outlay | 0 | 0 |
| Debt service: | | |
| Principal | 0 | 0 |
| Interest | 0 | 0 |
| Total expenditures | 22,596,789 | 455,982 |
| Excess (deficiency) of revenues over expenditures | (479,054) | (12,788) |
| Other financing sources (uses): | | |
| Operating transfers in | 1,488 | 190,000 |
| Operating transfers out | (331,371) | 0 |
| Proceeds from sale of fixed assets | 715 | 0 |
| Proceeds from sale of bonds | 0 | 0 |
| Total other financing sources (uses) | (329,168) | 190,000 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | (808,222) | 177,212 |
| Fund balance at beginning of year | 4,855,030 | 128,813 |
| Fund balance at end of year | \$4,046,808 | \$306,025 |

See accompanying notes to general purpose financial statements.

| Governmental Fund Types | | Fiduciary Fund Type | Totals (Memorandum Only) | |
|-------------------------|------------------|---------------------|-----------------------------|--------------|
| Debt Service | Capital Projects | Expendable Trust | 2000 | 1999 |
| \$857,960 | \$1,360,037 | \$0 | \$21,002,499 | \$20,719,786 |
| 0 | 0 | 0 | 184,932 | 119,779 |
| 12,541 | 13,744 | 360 | 514,334 | 525,022 |
| 0 | 0 | 0 | (5,892) | (16,489) |
| 93,795 | 184,644 | 0 | 3,243,150 | 3,005,697 |
| 0 | 0 | 1,065 | 146,052 | 186,516 |
| 964,296 | 1,558,425 | 1,425 | 25,085,075 | 24,540,311 |
| 0 | 18,000 | 0 | 11,113,420 | 10,388,348 |
| 0 | 0 | 2,466 | 1,302,710 | 1,280,041 |
| 0 | 0 | 0 | 1,001,575 | 877,895 |
| 0 | 0 | 0 | 592,182 | 286,573 |
| 0 | 0 | 0 | 2,033,370 | 2,044,858 |
| 0 | 0 | 331 | 703,965 | 654,757 |
| 0 | 0 | 0 | 595,903 | 470,691 |
| 0 | 0 | 0 | 3,141,249 | 2,880,359 |
| 0 | 127,568 | 0 | 1,331,368 | 1,278,456 |
| 0 | 44,305 | 0 | 775,876 | 704,400 |
| 0 | 0 | 0 | 149,758 | 169,705 |
| 0 | 0 | 0 | 504,065 | 465,447 |
| 0 | 801,860 | 0 | 801,860 | 1,915,511 |
| 586,000 | 0 | 0 | 586,000 | 362,000 |
| 357,995 | 150,290 | 0 | 508,285 | 567,436 |
| 943,995 | 1,142,023 | 2,797 | 25,141,586 | 24,346,477 |
| 20,301 | 416,402 | (1,372) | (56,511) | 193,834 |
| 0 | 0 | 0 | 191,488 | 145,695 |
| 0 | 0 | (1,488) | (332,859) | (282,773) |
| 0 | 0 | 0 | 715 | 870 |
| 0 | 127,000 | 0 | 127,000 | 93,000 |
| 0 | 127,000 | (1,488) | (13,656) | (43,208) |
| 20,301 | 543,402 | (2,860) | (70,167) | 150,626 |
| 662,489 | (2,897,268) | 21,673 | 2,770,737 | 2,620,111 |
| \$682,790 | (\$2,353,866) | \$18,813 | \$2,700,570 | \$2,770,737 |

Beachwood City School District
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
All Governmental Fund Types and Expendable Trust Fund
For the Year Ended June 30, 2000

| | General Fund | | |
|---|---------------------|--------------------|--|
| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
| Revenues: | | | |
| Taxes | \$19,323,534 | \$19,617,193 | \$293,659 |
| Tuition and fees | 233,000 | 240,025 | 7,025 |
| Interest | 450,000 | 470,384 | 20,384 |
| Intergovernmental | 2,556,422 | 2,608,084 | 51,662 |
| Sales | 0 | 0 | 0 |
| Miscellaneous revenue from local sources | 86,200 | 64,576 | (21,624) |
| Total revenues | 22,649,156 | 23,000,262 | 351,106 |
| Expenditures: | | | |
| Current: | | | |
| Instruction | 11,529,579 | 11,221,940 | 307,639 |
| Support services: | | | |
| Pupils | 1,254,471 | 1,244,908 | 9,563 |
| Instructional staff | 1,001,196 | 972,693 | 28,503 |
| Board of Education | 681,249 | 600,538 | 80,711 |
| Administration | 2,051,853 | 1,999,019 | 52,834 |
| Fiscal | 722,971 | 703,351 | 19,620 |
| Business | 637,927 | 612,077 | 25,850 |
| Operation and maintenance of plant | 3,226,359 | 3,192,365 | 33,994 |
| Pupil transportation | 1,270,463 | 1,252,621 | 17,842 |
| Central | 775,543 | 737,620 | 37,923 |
| Non instruction | 0 | 0 | 0 |
| Extracurricular activities | 391,213 | 355,299 | 35,914 |
| Capital outlay | 0 | 0 | 0 |
| Debt service: | | | |
| Principal | 0 | 0 | 0 |
| Interest | 0 | 0 | 0 |
| Other | 0 | 0 | 0 |
| Total expenditures | 23,542,824 | 22,892,431 | 650,393 |
| Excess (deficiency) of revenues over expenditures | (893,668) | 107,831 | 1,001,499 |
| Other financing sources (uses) | | | |
| Proceeds from sale of bonds & notes | 0 | 0 | 0 |
| Proceeds from sale of fixed assets | 700 | 715 | 15 |
| Refunds, prior year | 5,000 | 6,217 | 1,217 |
| Advances/transfers in | 140,682 | 142,170 | 1,488 |
| Advances/transfers out | (659,200) | (658,191) | 1,009 |
| Total other financing sources (uses) | (512,818) | (509,089) | 3,729 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | (1,406,486) | (401,258) | 1,005,228 |
| Fund balance at beginning of year | 4,074,967 | 4,074,967 | 0 |
| Expenditures against prior year's encumbrances | 499,791 | 499,791 | 0 |
| Fund balance at end of year | \$3,168,272 | \$4,173,500 | \$1,005,228 |
| See accompanying notes to general purpose financial statements. | | | |

| Special Revenue Funds | | | Debt Service Fund | | |
|-----------------------|-----------|----------------------------------|-------------------|-------------|----------------------------------|
| Revised Budget | Actual | Variance Favorable (Unfavorable) | Revised Budget | Actual | Variance Favorable (Unfavorable) |
| \$0 | \$0 | \$0 | \$2,066,076 | \$2,083,859 | \$17,783 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 2,000 | 1,796 | (204) | 0 | 0 | 0 |
| 393,968 | 372,238 | (21,730) | 92,159 | 93,795 | 1,636 |
| 56,778 | 52,780 | (3,998) | 0 | 0 | 0 |
| 33,356 | 33,406 | 50 | 0 | 0 | 0 |
| 486,102 | 460,220 | (25,882) | 2,158,235 | 2,177,654 | 19,419 |
| 97,979 | 92,036 | 5,943 | 0 | 0 | 0 |
| 45,719 | 44,958 | 761 | 0 | 0 | 0 |
| 25,232 | 24,732 | 500 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 25,568 | 25,568 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 23,000 | 5,018 | 17,982 | 0 | 0 | 0 |
| 164,825 | 151,089 | 13,736 | 0 | 0 | 0 |
| 158,133 | 144,232 | 13,901 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 1,606,000 | 1,606,000 | 0 |
| 0 | 0 | 0 | 508,474 | 508,285 | 189 |
| 0 | 0 | 0 | 400 | 0 | 400 |
| 540,456 | 487,633 | 52,823 | 2,114,874 | 2,114,285 | 589 |
| (54,354) | (27,413) | 26,941 | 43,361 | 63,369 | 20,008 |
| 0 | 0 | 0 | 12,462 | 12,541 | 79 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 193,000 | 190,000 | (3,000) | 0 | 0 | 0 |
| (17,060) | (17,060) | 0 | 0 | 0 | 0 |
| 175,940 | 172,940 | (3,000) | 12,462 | 12,541 | 79 |
| 121,586 | 145,527 | 23,941 | 55,823 | 75,910 | 20,087 |
| 118,208 | 118,208 | 0 | 559,830 | 559,830 | 0 |
| 15,598 | 15,598 | 0 | 0 | 0 | 0 |
| \$255,392 | \$279,333 | \$23,941 | \$615,653 | \$635,740 | \$20,087 |

(continued)

Beachwood City School District
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
All Governmental Fund Types and Expendable Trust Fund (continued)
For the Year Ended June 30, 2000

| | Capital Projects Funds | | |
|---|-------------------------------|--------------------|--|
| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
| Revenues: | | | |
| Taxes | \$270,172 | \$265,779 | (\$4,393) |
| Tuition and fees | 0 | 0 | 0 |
| Interest | 15,600 | 13,744 | (1,856) |
| Intergovernmental | 195,104 | 184,644 | (10,460) |
| Sales | 0 | 0 | 0 |
| Miscellaneous revenue from local sources | 0 | 0 | 0 |
| Total revenues | 480,876 | 464,167 | (16,709) |
| Expenditures: | | | |
| Current: | | | |
| Instruction | 18,000 | 18,000 | 0 |
| Support services: | | | |
| Pupils | 0 | 0 | 0 |
| Instructional staff | 0 | 0 | 0 |
| Board of Education | 0 | 0 | 0 |
| Administration | 0 | 0 | 0 |
| Fiscal | 0 | 0 | 0 |
| Business | 0 | 0 | 0 |
| Operation and maintenance of plant | 0 | 0 | 0 |
| Pupil transportation | 127,568 | 127,568 | 0 |
| Central | 58,949 | 44,305 | 14,644 |
| Non instruction | 0 | 0 | 0 |
| Extracurricular activities | 0 | 0 | 0 |
| Capital outlay | 986,475 | 984,456 | 2,019 |
| Debt service: | | | |
| Principal | 0 | 0 | 0 |
| Interest | 0 | 0 | 0 |
| Other | 0 | 0 | 0 |
| Total expenditures | 1,190,992 | 1,174,329 | 16,663 |
| Excess (deficiency) of revenues over expenditures | (710,116) | (710,162) | (46) |
| Other financing sources (uses): | | | |
| Proceeds from sale of long term notes | 6,127,000 | 6,127,000 | 0 |
| Proceeds from sale of fixed assets | 0 | 0 | 0 |
| Refunds, prior year | 0 | 0 | 0 |
| Advances/transfers in | 0 | 0 | 0 |
| Advances/transfers out | 0 | 0 | 0 |
| Total other financing sources (uses) | 6,127,000 | 6,127,000 | 0 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 5,416,884 | 5,416,838 | (46) |
| Fund balance at beginning of year | 170,510 | 170,510 | 0 |
| Expenditures against prior year's encumbrances | 489,957 | 489,957 | 0 |
| Fund balance at end of year | \$6,077,351 | \$6,077,305 | (\$46) |

| Expendable Trust Fund | | | Totals (Memorandum Only) | | |
|-----------------------|-----------------|----------------------------------|--------------------------|---------------------|----------------------------------|
| Revised Budget | Actual | Variance Favorable (Unfavorable) | Revised Budget | Actual | Variance Favorable (Unfavorable) |
| \$0 | \$0 | \$0 | \$21,659,782 | \$21,966,831 | \$307,049 |
| 0 | 0 | 0 | 233,000 | 240,025 | 7,025 |
| 270 | 360 | 90 | 467,870 | 486,284 | 18,414 |
| 0 | 0 | 0 | 3,237,653 | 3,258,761 | 21,108 |
| 0 | 0 | 0 | 56,778 | 52,780 | (3,998) |
| 1,085 | 1,065 | (20) | 120,641 | 99,047 | (21,594) |
| 1,355 | 1,425 | 70 | 25,775,724 | 26,103,728 | 328,004 |
| 0 | 0 | 0 | 11,645,558 | 11,331,976 | 313,582 |
| 2,550 | 2,466 | 84 | 1,302,740 | 1,292,332 | 10,408 |
| 0 | 0 | 0 | 1,026,428 | 997,425 | 29,003 |
| 0 | 0 | 0 | 681,249 | 600,538 | 80,711 |
| 0 | 0 | 0 | 2,077,421 | 2,024,587 | 52,834 |
| 1,500 | 332 | 1,168 | 724,471 | 703,683 | 20,788 |
| 0 | 0 | 0 | 637,927 | 612,077 | 25,850 |
| 0 | 0 | 0 | 3,226,359 | 3,192,365 | 33,994 |
| 0 | 0 | 0 | 1,398,031 | 1,380,189 | 17,842 |
| 0 | 0 | 0 | 857,492 | 786,943 | 70,549 |
| 0 | 0 | 0 | 164,825 | 151,089 | 13,736 |
| 0 | 0 | 0 | 549,346 | 499,531 | 49,815 |
| 0 | 0 | 0 | 986,475 | 984,456 | 2,019 |
| 0 | 0 | 0 | 1,606,000 | 1,606,000 | 0 |
| 0 | 0 | 0 | 508,474 | 508,285 | 189 |
| 0 | 0 | 0 | 400 | 0 | 400 |
| 4,050 | 2,798 | 1,252 | 27,393,196 | 26,671,476 | 721,720 |
| (2,695) | (1,373) | 1,322 | (1,617,472) | (567,748) | 1,049,724 |
| 0 | 0 | 0 | 6,139,462 | 6,139,541 | 79 |
| 0 | 0 | 0 | 700 | 715 | 15 |
| 0 | 0 | 0 | 5,000 | 6,217 | 1,217 |
| 0 | 0 | 0 | 333,682 | 332,170 | (1,512) |
| (1,500) | (1,488) | 12 | (677,760) | (676,739) | 1,021 |
| (1,500) | (1,488) | 12 | 5,801,084 | 5,801,904 | 820 |
| (4,195) | (2,861) | 1,334 | 4,183,612 | 5,234,156 | 1,050,544 |
| 21,673 | 21,673 | 0 | 4,945,188 | 4,945,188 | 0 |
| 0 | 0 | 0 | 1,005,346 | 1,005,346 | 0 |
| <u>\$17,478</u> | <u>\$18,812</u> | <u>\$1,334</u> | <u>\$10,134,146</u> | <u>\$11,184,690</u> | <u>\$1,050,544</u> |

Beachwood City School District
Combined Statement of Revenues, Expenses and Changes in Retained Earnings
All Proprietary Fund Types
For The Year Ended June 30, 2000
(With comparative totals for June 30, 1999)

| | Enterprise | Internal Services | Totals (Memorandum only) | |
|---|-------------------|----------------------|-----------------------------|------------------|
| | | | 2000 | 1999 |
| Operating revenues: | | | | |
| Tuition and fees | \$425,644 | \$2,029,927 | \$2,455,571 | \$2,337,183 |
| Sales | 340,550 | 0 | 340,550 | 359,303 |
| Charges for services | 136,681 | 75,825 | 212,506 | 167,937 |
| Other | 809 | 206,348 | 207,157 | 190,652 |
| Total operating revenues | 903,684 | 2,312,100 | 3,215,784 | 3,055,075 |
| Operating expenses: | | | | |
| Salaries and wages | 539,231 | 2,002,326 | 2,541,557 | 2,393,333 |
| Fringe benefits | 197,627 | 662,545 | 860,172 | 759,487 |
| Contractual services | 73,294 | 316,871 | 390,165 | 196,430 |
| Materials and supplies | 227,783 | 159,956 | 387,739 | 389,009 |
| Other expenses | 4,340 | 86,394 | 90,734 | 92,311 |
| Depreciation expense | 3,141 | 15,130 | 18,271 | 16,231 |
| Total operating expenses | 1,045,416 | 3,243,222 | 4,288,638 | 3,846,801 |
| Operating loss | (141,732) | (931,122) | (1,072,854) | (791,726) |
| Non-operating revenues: | | | | |
| Interest | 739 | 0 | 739 | 0 |
| Operating grants | 27,078 | 885,301 | 912,379 | 578,408 |
| Total non-operating revenues | 27,817 | 885,301 | 913,118 | 578,408 |
| Net income (loss) before operating transfers | (113,915) | (45,821) | (159,736) | (213,318) |
| Operating transfers in | 105,000 | 36,371 | 141,371 | 137,078 |
| Net operating transfers | 105,000 | 36,371 | 141,371 | 137,078 |
| Net income (loss) | (8,915) | (9,450) | (18,365) | (76,240) |
| Retained earnings (deficit) at beginning of year | (38,865) | 304,194 | 265,329 | 341,569 |
| Retained earnings (deficit) at end of year | (\$47,780) | \$294,744 | \$246,964 | \$265,329 |

See accompanying notes to general purpose financial statements.

Beachwood City School District
Combined Statement of Cash Flows
All Proprietary Fund Types
For the Year Ended June 30, 2000
(With comparative totals for June 30, 1999)

| | Enterprise Funds | Internal Services | Totals (Memorandum only) | |
|---|---------------------|----------------------|-----------------------------|--------------------|
| | | | 2000 | 1999 |
| Cash flows from operating activities: | | | | |
| Operating loss | (\$141,732) | (\$930,900) | (\$1,072,632) | (\$791,726) |
| Adjustments to reconcile operating loss to net cash used in operating activities: | | | | |
| Depreciation | 3,141 | 14,908 | 18,049 | 16,231 |
| Change in assets and liabilities | | | | |
| (Increase) decrease in accounts receivable | 1,050 | (1,368) | (318) | 2,995 |
| (Increase) decrease in due from other funds | 0 | (100,801) | (100,801) | (99,488) |
| (Increase) decrease in due from other governments | 4,240 | (173,383) | (169,143) | 90,773 |
| (Increase) decrease in inventory | (92) | 0 | (92) | 4,821 |
| Increase (decrease) in accounts payable | 390 | 416 | 806 | 157 |
| Increase (decrease) in accrued wages payable | 10,548 | 4,515 | 15,063 | 69,458 |
| Increase (decrease) in due to other funds | 3,998 | 131,956 | 135,954 | 56,595 |
| Increase (decrease) in deferred revenue | (847) | 0 | (847) | (617) |
| Total adjustments | 22,428 | (123,757) | (101,329) | 140,925 |
| Net cash used in operating activities | (119,304) | (1,054,657) | (1,173,961) | (650,801) |
| Cash flows provided by (used in) noncapital financing activities: | | | | |
| Interest | 739 | 0 | 739 | 0 |
| Operating grants received | 27,078 | 885,301 | 912,379 | 578,408 |
| Operating transfers in | 105,000 | 36,371 | 141,371 | 137,078 |
| Net cash provided by noncapital financing activities | 132,817 | 921,672 | 1,054,489 | 715,486 |
| Cash flows used in capital and related financing activities: | | | | |
| Acquisition and construction of capital assets | (4,466) | (8,535) | (13,001) | (20,610) |
| Net cash used in capital and related financing activities | (4,466) | (8,535) | (13,001) | (20,610) |
| Net increase (decrease) in cash and cash equivalents | 9,047 | (141,520) | (132,473) | 44,075 |
| Cash and cash equivalents at beginning of year | 104,912 | 931,803 | 1,036,715 | 992,640 |
| Cash and cash equivalents at end of year | \$113,959 | \$790,283 | \$904,242 | \$1,036,715 |

See accompanying notes to general purpose financial statements.

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

(1.) Description of The School

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

The Board controls the District's five instructional facilities and one support facility staffed by 183 certificated teaching personnel, 183 non-certificated support personnel and 12 administrators.

The District is located east of Cleveland, Ohio, in a prosperous suburb consisting of residences and significant office and retail commercial development. The current enrollment for the District is 1,609. The District operates three elementary schools, a middle school, and a high school.

(2.) Description of Reporting Entity, Basis of Presentation and Summary of Significant Accounting Policies

A. Financial Reporting Entity

The reporting entity is composed of the primary government, component units and other organizations that are included to insure that the financial statements of the School District are not misleading. The primary government 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 provided 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 District is associated with two jointly governed organizations; the Ohio Schools Council and the Lake Geauga Computer Association as outlined below.

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

Jointly governed organizations

Ohio Schools Council - The Ohio Schools' Council Association (Council) is a jointly governed organization among eighty-two 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 1999, the School District paid \$700 to the Council. Financial information can be obtained by contacting Joseph Lesak, the Executive Secretary of the Ohio Schools Council at 155 Center Road, Bedford, Ohio 44146.

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

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

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

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 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

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

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.

B. Basis of Presentation

The accounting policies of the District conform to generally accepted accounting principles (GAAP) as applicable to governments.

The financial transactions of the District are recorded in individual funds and account groups. The various funds and account groups are reported by type in the general purpose financial statements. Amounts in the "Totals (Memorandum Only)" columns in the general purpose financial statements represent a summation of the combined financial statement line items of the fund types and account groups and are presented only for analytical purposes. The summation includes fund types and account groups that use different bases of accounting, interfund transactions that have not been eliminated, and the caption "amounts to be provided," which does not represent an asset. Consequently, amounts shown in the "Totals (Memorandum Only)" columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation and does not represent the total resources available or total revenues and expenditures/expenses of the District.

The District uses the following fund categories, fund types, and accounts groups:

Governmental Funds

Governmental Funds are accounted for on a flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Their operating statements present sources (revenues and other financing sources) and uses (expenditures and other financing uses) of "available spendable resources" during a period.

General Fund - the general operating fund of the District; used to account for all revenues and expenditures except those required to be accounted for in another fund.

Special Revenue Funds - used to account for revenue from specific sources (other than major capital projects) which require separate accounting because of legal restrictions requiring that expenditures be for specified purposes.

Debt Service Fund - to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

Capital Projects Funds - used to account for revenue and expenditures related to the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Proprietary Funds

Proprietary Funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund measurement focus is upon determination of net income, financial position and cash flows.

Enterprise Funds - used to account for operations where the intention is to finance such operations primarily through user charges, or to where the district has decided that the periodic determination of revenues, expenses and net income is appropriate.

Internal Service Funds - used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governments on a cost-reimbursement basis.

Fiduciary Funds

Fiduciary Funds are accounted for on a flow of current financial resources measurement focus and are accounted for on a modified accrual accounting basis.

Expendable Trust 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 funds will be disbursed.

Agency Funds - used to account for assets held by the District as an agency for individuals, private organizations, other governments or other funds.

Account Groups

Account groups are used to establish accounting control and accountability for the District's general fixed assets and general long-term debt.

General Fixed Assets - used to account for capital assets used in general government operations with a useful life of greater than one year (other than those accounted for in the Proprietary Funds).

General Long-Term Debt - used to account for all long-term obligations of the District, except for those accounted for in the Proprietary Funds. These obligations are secured

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

by the credit of the District as a whole and are payable from general government resources or assessments against property owners.

C. Basis of Accounting

Governmental and Fiduciary Fund types are accounted for on the modified accrual basis of accounting. Governmental revenues are recognized when they become measurable and available to finance expenditures of the current period. Revenue items, which are susceptible to accrual and therefore are recorded as receivables include investment income and reimbursable-type grants. Expenditures are recognized when the related fund liability is incurred, with the exception of accumulated unpaid employee compensation which is not payable from current expendable financial resources, and general long-term obligation principal and interest which is reported when due. The available period for the District is sixty days after year end.

Proprietary Funds are accounted for on the accrual basis of accounting. Their revenues are recognized in the period earned and expenses are recognized in the period incurred. Proprietary Funds' unbilled services receivable are recognized as revenue in the period when the service is provided.

With respect to proprietary activities, Beachwood City School District has adopted GASB 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Units that Use Proprietary Fund Accounting. Beachwood City School District has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board pronouncements and Accounting Principles Board Opinions issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements.

D. Budgetary Accounting

An annual appropriations budget is adopted by the Board of Education each year for all Governmental Fund Types, Fiduciary Fund Types, and Proprietary Fund Types as is required by state statute. Modifications to the original budgets are approved by the Board of Education throughout the year. Budget amounts presented in the accompanying financial statements represent revised amounts which are not significantly different from the original budgets. The District maintains budgetary control by not permitting expenditures to exceed appropriations within each function and object of an individual fund without the approval of the Board of Education (legal level of control). Unencumbered appropriations lapse at year end. Encumbrances are reported as an expenditure in the current budget presentation and are carried forward to the succeeding fiscal year and are re-appropriated.

The District's budget (budget basis) for all funds account for certain transactions on a basis which differs from generally accepted accounting principles (GAAP basis). The major differences between the budget basis and the GAAP basis are that:

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

- (1.) Revenues are recorded when received in cash for budget purposes as opposed to when susceptible to accrual or when services are provided for GAAP purposes.
- (2.) Expenditures and expenses are recorded when paid in cash or encumbered for budget purposes as opposed to when the liability is incurred for GAAP purposes.

An analysis of the difference in fund balance for all governmental fund types and the expendable trust fund at June 30, 2000 was determined under the GAAP basis and budget basis follows:

| | General Fund | Special Revenue Funds | Debt Service | Capital Projects | Expendable Trust |
|---|--------------------|-----------------------------|------------------|---------------------|---------------------|
| | _____ | _____ | _____ | _____ | _____ |
| GAAP basis fund balance (deficit) | | | | | |
| Adjustments for GAAP basis | \$4,046,808 | \$306,025 | \$682,790 | \$(2,353,866) | \$18,812 |
| Accrued revenues at June 30, 2000 | (20,339,173) | (35) | (846,186) | (1,444,867) | 0 |
| Accrued expenditures /deferred revenue at June 30, 2000 | 21,005,340 | 2,409 | 799,136 | 10,058,633 | 0 |
| Adjustment - fair market value of investments | 19,961 | 0 | 0 | 0 | 0 |
| Encumbrances outstanding at June 30, 2000(budget basis) | (559,436) | (29,066) | 0 | (182,595) | 0 |
| Budget basis - fund balance | <u>\$4,173,500</u> | <u>\$279,333</u> | <u>\$635,740</u> | <u>\$6,077,305</u> | <u>\$18,812</u> |

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding as of year-end are reported as a reservation of fund balances.

F. Cash and Cash Equivalents

For purposes of the combined statement of cash flows - all proprietary fund types - the District considers all highly liquid investments (including restricted assets) with a

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

maturity of three months or less when purchased to be cash equivalents, such as certificates of deposit, discount notes, repurchase agreements and banker's acceptances.

G. Inventory

Inventories are valued at cost, which approximates market, using the first-in, first-out method (FIFO) and are determined by physical count. Inventory in Governmental Funds consists of expendable supplies held for consumption. The cost of inventory items is recognized as an expenditure when used (consumption method). Reported inventories in the general fund are equally offset by a fund balance reserve which indicates they are unavailable for appropriation. Inventories of proprietary funds consist of donated food, purchased food and school supplies held for resale and are expensed when used.

H. Fixed Assets and Depreciation

(1.) General Fixed Assets Account Group

General Fixed Assets are capitalized at cost (or estimated historical cost) and updated for the cost of additions and retirements during the year in the General Fixed Assets Account Group. Contributed fixed assets are recorded at their fair market values as of the date donated. The District follows the policy of not capitalizing assets with a cost of less than \$1,000 with the exception of any items deemed by the Business Manager to be inventoried. No depreciation is recognized for assets in the General Fixed Assets Account Group.

(2.) Proprietary Funds

Property, plant, and equipment reflected in the Proprietary Funds are stated at historical cost (or estimated historical cost) and updated for the cost of additions and retirements during the year. Contributed fixed assets are recorded at their fair market values as of the date donated. Depreciation has been provided on a straight-line basis for all property, plant, and equipment based on estimated useful lives ranging from 5 to 15 years for equipment.

I. Interfund Transactions

During the course of normal operations, the District has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. Operating subsidies are recorded as operating transfers. The classification of amounts recorded as subsidies, advances, or equity contributions is based on the intent of the District at the time of the transaction.

J. Fund Balance Reserves

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

Reserved Fund Balances indicate that portion of fund equity which is not available for current appropriation or is legally segregated for specific use. Fund Balances are reserved for prepaid items, materials and supplies inventory, property taxes, textbooks and instructional materials, capital improvements, budget stabilization and encumbrances. The unreserved portions of fund equity reflected for the Governmental Funds are available for use within the specific purposes of those funds.

K. Restricted Assets

Restricted assets in the general fund represent cash and cash equivalents set aside to reflect restrictions on their use. By statute, money must be set aside to create a reserve for textbooks and instructional material, capital improvements and a budget stabilization reserve. In addition, the Board had designated a portion of the fund balance for textbook and instructional material purchases. See Note 18 for the calculations of the year-end restricted asset balance and the corresponding fund balance reserves/designation.

L. 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 in the financial statements and accompanying notes. Actual results may differ from those estimates.

(3.) Restatement of General Fixed Assets

The School District had adjustments that resulted in the restatement of fixed assets. It was determined that the General Fixed Assets was overstated by \$2,439,461.

| | <u>General Fixed Assets</u> |
|-------------------------------------|-----------------------------|
| Balance previously reported | \$28,733,583 |
| Overstatement of Fixed Assets | <u>(2,439,461)</u> |
| Restated Balance as of July 1, 1999 | <u>\$26,294,122</u> |

(4.) Equity in Pooled Cash and Cash Equivalents

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 two year period of designation of depositories. Inactive deposits

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

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 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 money deposited with the institution.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, 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 obligations or securities 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 two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bond and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio). 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

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

Rule2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the market price the investment could be sold for.

7. Certain Banker's acceptances 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 or transfer from the custodian.

During fiscal year 2000, the District complied with the provisions of these requirements pertaining to the types of investments held and investments in which deposits were made. At June 30, 2000, the District was also in compliance with the provisions of the statutes concerning security agreements.

(a) Deposits

At year end, the carrying amount of the District's deposits was (\$199,230) and the bank balance was \$499,671. The bank balance is categorized as follows:

| | |
|--|------------|
| Amount insured by the FDIC or collateralized with securities held by the District in its name | \$ 276,404 |
| Amount collateralized with securities held by our agent but not in the Districts name | \$ 223,267 |

(b) Investments

Investments made by the District as of June 30, 2000 are summarized below. The investments that are represented by specific identifiable investment securities are classified as to credit risk by the three categories described below:

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

-
- Category 1 Insured or registered, or investments hed by the District or its agents in the District's name.
- Category 2 Uninsured or unregistered, with investments held by the counterparty's trust department or agent in the District's name.
- Category 3 Uninsured and unregistered, with investments held by the counterparty, or by its trust department or agent but not in the District's name.

| | <u>Risk Category 1</u> | <u>Risk Category 2</u> | <u>Reported Amount</u> | <u>Fair Value</u> |
|--|------------------------|------------------------|------------------------|---------------------|
| U.S. Government Agency FHLB Int 6.03% (1/19/00 - 7/5/00) | \$486,490 | | \$486,490 | \$499,554 |
| U.S. Government Agency - FNMA Int 6.14% (2/7/00 - 8/3/00) | 13,510 | \$471,953 | 485,463 | 496,968 |
| U.S. Government Agency - FHLB Int 6.18% (3/3/00-8/15/00) | | 485,438 | 485,438 | 494,907 |
| U.S. Government Agency - FHLB Int 6.27% (3/24/00 - 8/15/00) | | 487,124 | 487,124 | 495,007 |
| U.S. Government Agency - FHLB Int 6.29% (3/24/00-8/25/00) | | 486,014 | 486,014 | 493,828 |
| U.S. Government Agency - FNMA Int 5.07% (12/15/98-11/22/00) | | 499,766 | 499,766 | 496,665 |
| U.S. Government Agency - FHLB Int 5.06% (2/11/99-1/19/01) | | 419,256 | 419,256 | 415,934 |
| U.S. Government Agency - FFCB Int 5.45% (3/5/99-2/07/01) | | 500,000 | 500,000 | 496,675 |
| U.S. Government Agency - FHLB Int 6.63% (2/7/00-4/17/01) | | 499,275 | 499,275 | 493,475 |
| U.S. Government Agency - FHLB Int 6.75% (3/24/00-2/15/02) | _____ | <u>502,844</u> | <u>502,844</u> | <u>498,430</u> |
| Subtotal | <u>\$500,000</u> | <u>\$4,351,670</u> | <u>\$4,851,670</u> | <u>\$4,881,443</u> |
| Investment in STAR Ohio | | | <u>8,488,549</u> | <u>8,488,549</u> |
| Grand Total | | | <u>\$13,340,219</u> | <u>\$13,369,992</u> |

Interest on pooled cash and investments is only allocated to governmental and fiduciary fund types as is required by state statute.

The investment in STAR Ohio is unclassified since it is not evidenced by securities that exist in physical or book entry form.

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

(5.) Deficit Fund Balance/Retained Earnings

Fund balances/retained earnings at June 30, 2000 included the following individual fund deficits:

| | |
|--------------------------------|---------------|
| <u>Capital Projects Funds:</u> | |
| Permanent improvement | (\$2,362,000) |
| <u>Enterprise Funds:</u> | |
| Food Service | (\$52,549) |
| Preschool | (\$45,543) |

The Permanent Improvement Fund deficit resulted from the issuance of short-term tax anticipation notes.

The deficit in the Preschool Fund is due to the allocation of administrative and custodial services to reflect the true cost of running the Preschool program. With the opening of the Fairmount Early Childhood Center in the fall of 1999, the District has experienced increased enrollment and expects this trend to continue well into the future which will eliminate the deficit over time.

In the fall of 1999, the District hired a chef who has increased participation in the school food program. The District expects that some of the deficit will be eliminated through increased participation, however, due to the number of students in the school, the District does not anticipate that the deficit will be completely eliminated.

(6.) Interfund Transactions

Interfund balances at June 30, 2000 consist of the following individual fund receivables and payables:

| | <u>Receivable</u> | <u>Payable</u> |
|-------------------------|-------------------|------------------|
| General Fund | \$741,996 | \$ 249,612 |
| Enterprise Funds: | | |
| Recreation | 0 | 4,620 |
| Capital Funds: | | |
| Permanent Improvement | 0 | 310,000 |
| Internal Service Funds: | | |
| Consortium Funds | <u>249,612</u> | <u>427,376</u> |
| Grand Total | <u>\$991,608</u> | <u>\$991,608</u> |

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

A summary of interfund (operating) transfers made during 2000 by fund is as follows:

| | <u>Transferred to:</u> | <u>Transferred from:</u> |
|------------------------|------------------------|--------------------------|
| General Fund | \$ 1,488 | \$331,371 |
| Special Revenue Funds | 190,000 | 0 |
| Expendable Trust Funds | 0 | 1,488 |
| Enterprise Funds | 105,000 | 0 |
| Internal Service Funds | 36,371 | 0 |
| | <u>\$ 332,859</u> | <u>\$332,859</u> |

(7.) Property Taxes

Property taxes include amounts levied against all real, public utility, and tangible (used in business) property located in the District. Real property taxes and public utility taxes are levied after April 1, on the assessed value listed as of the prior January 1, the lien date. Assessed values are established by State law at 35% of appraised market value. Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at true value (normally 50% of cost). Tangible personal property assessments are 25% of market value. The assessed value upon which the 2000 taxes were collected was \$625,306,481. Agricultural/ Residential and Other Real Estate represented 86% (\$539,014,710), Public utility tangible 3% (\$18,279,300) and General tangible property 11% (\$68,012,481) of this total. The general tax rate for operations for the fiscal year ended June 30, 2000 was \$63.80 per \$1,000 of assessed valuation, 2.70 per \$1,000 for permanent improvements and \$1.50 per \$1,000 of assessed valuation for debt retirement.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due January 20; if paid semi-annually, the first payment is due January 20, with the remainder payable by June 20. Under certain circumstances, State statute permits earlier or later payment dates to be established. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20.

The Cuyahoga County Treasurer collects property taxes on behalf of the District. The County Auditor periodically remits to the District its portions of the taxes collected. These tax advances" are based on three year historical cash flow collection rates and occur eight times annually.

Accrued taxes receivable represent delinquent taxes outstanding and real property, personal property, and public utility taxes which became measurable as of June 30, 2000. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations. The receivable is therefore offset by a credit to deferred revenue for the portion not intended to finance current year operations. The amount available as an advance at June 30, 2000 was \$530,200 for the General Fund, \$33,291 in the Debt Service Fund and \$56,234 in the Capital

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

Projects Fund. Personal property taxes are measurable and available to finance current operations and a portion is therefore reported as current revenue.

(8.) Fixed Assets

Fixed Assets are reported as general fixed assets for all fund types except Enterprise Funds and Internal Service funds. The summary of the General Fixed Assets Account Group for 2000 is as follows:

| | Balance June 30, 1999 | <u>Additions</u> | <u>Deletions</u> | Balance June 30, 2000 |
|-----------------------|--------------------------|------------------|----------------------|--------------------------|
| Land and improvements | \$2,088,369 | \$328,364 | (\$80,679) | \$2,336,054 |
| Buildings | 19,687,343 | 275,796 | (992,817) | 18,970,322 |
| Furniture & Equip. | 2,886,985 | 325,348 | (104,227) | 3,108,106 |
| Vehicles | <u>1,631,425</u> | <u>0</u> | <u>(133,226)</u> | <u>1,498,199</u> |
| Total | <u>\$26,294,122</u> | <u>\$929,508</u> | <u>(\$1,310,949)</u> | <u>\$25,912,681</u> |

A summary of Enterprise and Internal Service Fund(s) property plant and equipment is as follows:

| | Furniture and <u>Equipment</u> | Less Accumulated <u>Depreciation</u> | <u>Carrying Value</u> |
|--|-----------------------------------|--|---------------------------|
| Enterprise funds: | | | |
| Food Service | \$59,187 | (\$51,216) | \$7,971 |
| Preschool | 1,795 | (748) | 1,047 |
| Total | <u>60,982</u> | <u>(51,964)</u> | <u>9,018</u> |
| Internal Service Funds: | | | |
| Consortium Funds | 159,703 | (128,905) | 30,798 |
| Total | <u>159,703</u> | <u>(128,905)</u> | <u>30,798</u> |
| Total Enterprise and Internal Service Funds | <u>\$220,685</u> | <u>(\$180,869)</u> | <u>\$39,816</u> |

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

(9.) Notes Payable

A summary of the note transactions for the year ended June 30, 2000 are as follows:

| | Outstanding at 6/30/99 | Issued | Retired | Outstanding at 6/30/00 |
|--|---------------------------|--------------------|--------------------|---------------------------|
| Perm.Improv. FundTax anticipation 4.81% | \$2,100,000 | \$0 | \$700,000 | \$1,400,000 |
| Tax anticipation 3.85% | 1,280,000 | 0 | 320,000 | 960,000 |
| Tax anticipation 5.4% | <u>0</u> | <u>6,000,000</u> | <u>0</u> | <u>6,000,000</u> |
| Total | <u>\$3,380,000</u> | <u>\$6,000,000</u> | <u>\$1,020,000</u> | <u>\$8,360,000</u> |

The payment schedule for tax anticipation notes, series 1997 with an interest rate of 4.81%, tax anticipation notes, series 1998 with an interest rate of 3.85%, and tax anticipation notes, series 2000 with an interest rate 5.40% of is as follows:

| Fiscal Year Ending June 30 | Principal | Interest | Total |
|-------------------------------|--------------------|--------------------|---------------------|
| 2001 | \$1,020,000 | \$398,239 | \$1,418,239 |
| 2002 | 1,385,000 | 355,384 | 1,740,384 |
| 2003 | 830,000 | 288,137 | 1,118,137 |
| 2004 | 535,000 | 250,081 | 785,081 |
| 2005 | 565,000 | 222,715 | 787,715 |
| 2006 | 590,000 | 193,693 | 783,693 |
| 2007 | 620,000 | 162,985 | 782,985 |
| 2008 | 650,000 | 130,438 | 780,438 |
| 2009 | 685,000 | 95,890 | 780,890 |
| 2010 | 720,000 | 59,180 | 779,180 |
| 2011 | <u>760,000</u> | <u>20,140</u> | <u>780,140</u> |
| Total | <u>\$8,360,000</u> | <u>\$2,176,882</u> | <u>\$10,536,882</u> |

(10.) Long-Term Debt

All bonds outstanding are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Accordingly, such unmatured obligations of the District are accounted for in the General Long-Term Debt Account Group. Payments of principal and interest relating to these liabilities are recorded as expenditures in the Debt Service Fund. The source of payment is derived from a current 1.50 mill bonded-debt tax levy.

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

A. Schedule of Bonds Outstanding

The following is a schedule of bonds outstanding as of June 30, 2000 for the Beachwood City Schools:

| Purpose | Interest Rate | Issue Date | Maturity Date | Principal O/S Beginning Of the Year | New Issues | Principal Redemption During Year | Amount O/S- End of Period |
|--------------------|---------------|-------------|---------------|-------------------------------------|------------------|----------------------------------|---------------------------|
| Bus Financing Pool | 4.85,5.280 | 06/26/97-00 | 04/15/05 | \$ 257,000 | \$127,000 | \$ 56,000 | \$ 328,000 |
| School Improve. | 6.650 | 05/01/91 | 12/01/06 | <u>5,415,000</u> | <u>0</u> | <u>530,000</u> | <u>4,885,000</u> |
| Total | | | | <u>\$5,672,000</u> | <u>\$127,000</u> | <u>\$586,000</u> | <u>\$5,213,000</u> |

B. Future Debt Requirements

The District's future annual debt service requirements for bonded debt is as follows:

| Year Ending June 30 | Principal on General Obligation Bonds | Interest on General Obligation Bonds | Total |
|---------------------|---------------------------------------|--------------------------------------|---------------------|
| 2001 | \$655,000 | \$323,702 | \$978,702 |
| 2002 | 699,000 | 277,995 | 976,995 |
| 2003 | 719,000 | 231,580 | 950,580 |
| 2004 | 735,000 | 184,700 | 919,700 |
| 2005 | 770,000 | 135,400 | 905,400 |
| 2006 | 790,000 | 82,882 | 872,882 |
| 2007 | 845,000 | 28,307 | 873,307 |
| Total | <u>\$5,213,000</u> | <u>\$1,264,566</u> | <u>\$ 6,477,566</u> |

C. Compensated Absences and Judgments

The criteria for determining vested vacation and sick leave components 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. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the 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. The number of unused sick days which can accumulate is restricted for certain employees.

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

Accumulated vacation and sick leave of Governmental Fund type employees meeting the eligibility requirements have been recorded in the appropriate Governmental Funds as a current liability to the extent that the amounts are expected to be payable within the current period. The balance of the liability is recorded in the General Long-Term Debt Account Group. Vacation and sick leave for employees paid from the Proprietary Fund is recorded as an expense when earned. The District calculates sick and vacation leave using the vesting method based on accumulated benefits as of June 30, 2000.

Salary related benefits refer to unpaid contractually required pension obligation for classified employees.

The long term portion of compensated absences are summarized below:

| <u>General Long Term Debt</u> | <u>Balance 06/30/99</u> | <u>Increase (Decrease)</u> | <u>Balance 06/30/00</u> |
|-----------------------------------|-----------------------------|--------------------------------|-----------------------------|
| Vacation | \$ 258,625 | \$31,390 | \$ 290,015 |
| Sick Leave | 2,566,082 | 163,884 | 2,729,966 |
| Salary Related Benefits | <u>178,818</u> | <u>13,614</u> | <u>192,432</u> |
| Total | <u>\$3,003,525</u> | <u>\$208,888</u> | <u>\$3,212,413</u> |

(11.) Segment Information for Enterprise Funds

The District maintains four enterprise funds to account for preschool services, food service operations and uniform school supplies. The more significant financial information for those funds is as follows:

| | Food Service | Uniform School Supplies | Adult Education | Recreation | Preschool | Total Enterprise Funds |
|---|-------------------|-------------------------------|--------------------|-----------------|-------------------|------------------------------|
| Operating revenues | \$341,859 | \$0 | \$11,338 | \$125,343 | \$425,644 | \$903,684 |
| Operating expenses before depreciation | 495,236 | 0 | 8,874 | 124,557 | 413,608 | 1,042,275 |
| Depreciation | 3,037 | 0 | 0 | 0 | 104 | 3,141 |
| Operating income/(loss) | (156,914) | 0 | 2,464 | 786 | 11,932 | (141,732) |
| Interest | 739 | 0 | 0 | 0 | 0 | 739 |
| Operating grants | 25,989 | 0 | 1,089 | 0 | 0 | 27,078 |
| Transfers in | 105,000 | 0 | 0 | 0 | 0 | 105,000 |
| Net income (loss) | (130,186) | 0 | 3,553 | 786 | 11,932 | (113,915) |
| PP&E Additions | 3,495 | 0 | 0 | 0 | 971 | 4,466 |
| Net working capital | (60,520) | 1,493 | 10,907 | 73,112 | (46,590) | (21,598) |
| Total assets | 17,422 | 1,493 | 10,907 | 77,768 | 20,188 | 127,778 |
| Total liabilities | 69,971 | 0 | 0 | 4,656 | 65,731 | 140,358 |
| Total Equity(deficit) | <u>(\$52,549)</u> | <u>\$1,493</u> | <u>\$10,907</u> | <u>\$73,112</u> | <u>\$(45,543)</u> | <u>(\$12,580)</u> |

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

(12.) Segment Information - Internal Service Funds

The District maintains two Internal Service Funds. The first fund, Consortium Funds, is maintained to serve students from several districts for vocational training or special educational services for handicapped students. The second is a self insurance fund for medical claims. Segment information is as follows:

| | <u>Consortium Funds</u> | <u>Self Insurance</u> | <u>Total</u> |
|--|-------------------------|-----------------------|------------------|
| Operating Revenues | \$2,252,100 | \$60,000 | \$2,312,100 |
| Operating Expenses before depreciation | 3,158,325 | 69,767 | 3,228,092 |
| Depreciation | 15,130 | 0 | 15,130 |
| Operating income (loss) | (921,155) | (9,767) | (930,922) |
| Operating grants | 885,301 | 0 | 885,301 |
| Transfers in | 36,371 | 0 | 36,371 |
| Net income (loss) | 317 | (9,767) | (9,450) |
| PP & E additions | 8,535 | 0 | 8,535 |
| Net working capital | 63,565 | 202,286 | 265,851 |
| Total assets | 1,297,292 | 202,286 | 1,499,578 |
| Total liabilities | 1,202,929 | 0 | 1,202,929 |
| Total equity | <u>\$94,363</u> | <u>\$202,286</u> | <u>\$296,649</u> |

(13.) Defined Benefit Pension Plan

A. School Employees Retirement System

The District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple employer public employee retirement system administered by the School Employees Retirement Board. SERS provides basic retirement benefits, annual cost of living adjustments, disability, survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available financial report that includes financial statements and required supplementary information for SERS. The report may be obtained by writing to the School Employees Retirement System, 45 North Fourth Street, Columbus, Ohio 43215-3634.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute an actuarially determined rate. The current rate is 14 percent of annual covered payroll. For fiscal year 2000, 5.5 percent was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The School District's pension contributions to SERS for the fiscal years ending June 30, 2000, 1999 and 1998 were \$721,932, \$712,269 and \$656,538 respectively; Seventy five percent has been contributed for

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$245,578 which represents the unpaid contribution for fiscal year 2000 is recorded as a liability within the respective funds or the general long-term obligations account group.

B. State Teachers Retirement System

The School District contributes to the State Teachers Retirement System of Ohio (STRS), a cost-sharing multiple employer public employee retirement system administered by the State Teachers Retirement Board. STRS provides basic retirement benefits, annual cost of living adjustments, disability survivor, and health care benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. STRS issues a publicly available financial report that included financial statements and required supplementary information for STRS. The report may be obtained by writing to the State Teachers Retirement System, 275 East Broad Street, Columbus, Ohio 43215.

Plan members are required to contribute 9.3 percent of their annual covered salary and the District is required to contribute 14 percent; 6.0 percent was the portion used to fund pension obligations. Contribution rates are established by STRS, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The School District's contributions for pension obligations to STRS for the fiscal years ending June 30, 2000, 1999 and 1998 were \$1,591,932, \$1,513,380 and \$1,386,852 respectively; Eighty seven percent has been contributed for fiscal year 2000 and 100 percent for the fiscal years 1999 and 1998. \$247,002 represents the unpaid contribution for fiscal year 2000 and is recorded as a liability within the respective funds.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System of the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System. As of June 30, 2000, two members of the Board of Education have selected Social Security. The Board's liability is 6.2 percent of wages paid.

(14.) Post-employment Benefits

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS), and to retired classified employees and their dependents through the State Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs, and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are funded on a pay-as-you-go basis.

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

The State Teachers Retirement Board has statutory authority over how much, if any, of the health care costs will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium. By Ohio law, the cost of coverage paid from STRS funds shall be included in the employer contribution rate, currently 14 percent of covered payroll. For the Fiscal Year ended June 30, 2000, the STRS Board allocated employer contributions equal to 8 percent of covered payroll to the Health Care Reserve Fund. For the School District, this amount equaled \$879,387 during the 2000 fiscal year.

STRS pays health care benefits from the Health Care Reserve Fund. The balance in the Fund was \$2,783 million at June 30, 1999 (the latest information available). For the year ended June 30, 1999, net health care costs paid by STRS were \$249,929,000 and STRS had 95,796 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, disability, and survivor benefit recipients. Members retiring on or after August 1, 1989, with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

For this fiscal year, employer contributions to fund health care benefits were 8.5 percent of covered payroll, an increase of 2.2 percent for fiscal year 2000. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and member's pay, pro-rated for partial service credit. For fiscal year 2000, the minimum pay has been established at \$12,400. The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund.

The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care at June 30, 1999 (the latest information available), were \$126,380,984 and the target level was \$189.6 million. At June 30, 1999 SERS had net assets available for payment of health care benefits of \$188.0 million. SERS has approximately 51,000 participants currently receiving health care benefits. For the School District, the amount to fund health care benefits, including surcharge, equaled \$490,042 during the 2000 fiscal year.

(15.) Contingent Liabilities

A. Grants

The School District receives financial assistance from numerous federal, state, and local agencies in the form of grants. The disbursement 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 effect

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

on any of the financial statements of the individual fund types included herein or on the overall financial position of the School District at June 30, 2000.

B. Litigation

The School District was named as a defendant in several court cases during the period ended June 30, 2000 but currently has no cases outstanding. Management does not believe that the ultimate resolution of those cases had a material impact on the financial statements of the School District.

(16.) Risk Management

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 2000, the School District contracted with Nationwide Mutual and American National Fire Insurance Co. for property and general liability insurance. Crum & Foster covers boiler and machinery. There is a \$1,000 deductible with a ninety percent co-insurance.

Professional liability is protected by National Union Fire with a \$2,000,000 single occurrence limit with a \$2,500 deductible. Vehicles are also covered by Nationwide Insurance and have a \$100 deductible for comprehensive collision. Automobile liability has a \$1,000,000 combined single limit of liability. Settled claims have not exceeded this commercial coverage in any of the past three years.

The School District contracted with Nationwide Mutual for Employee Benefits Liability Coverage Insurance, with a \$500,000 limit and a \$1,000 deductible. The School District provides employee medical, surgical and prescription drug coverage through Cigna Health care and dental coverage through Medical Benefits Mutual Life Insurance Company.

Self Insurance Funds

The School District is self insured for vision claims of District employees and their covered dependents. Under the program, the School District is obligated for claim payments. During fiscal year 2000, total claims expense of \$72,401 was recognized, which represents actual claims processed and paid and an actuarially determined estimate for claims incurred but not yet paid as of June 30, 2000. Individual funds are charged for medical expenses based on an estimate of total cost for the School District as prepared by the plan administrator, and are recorded as revenues of the Internal Service Fund. Changes for the aggregate liability for claims for the current and past fiscal years are as follows:

| | <u>Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Balance</u> |
|------|----------------|------------------|------------------|----------------|
| 1999 | \$0 | \$72,401 | \$72,401 | \$0 |
| 2000 | \$0 | \$69,766 | \$69,766 | \$0 |

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

OSBA Group Rating Program

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

The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. 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. The firm of Gates McDonald & Company provides administrative, cost control and actuarial services to the GRP.

(17). School Funding

On March 24, 1997, the Ohio Supreme Court rendered a decision declaring certain portions of the Ohio school funding plan unconstitutional. The Court stayed the effect of its ruling for one year to allow the State's legislature to design a plan to remedy the perceived defects in that system. Declared unconstitutional was the State's "school foundation program" which provides significant monetary support to the Beachwood City School District. During the fiscal year ended June 30, 2000, the District received \$791,772 of school foundation support for its general fund.

Since the Supreme Court ruling, numerous pieces of legislation have been passed by the State legislature in an attempt to address the issues identified by the Court. The Court of Common Pleas in Perry County has reviewed the new laws and, in a decision issued on February 26, 1999, determined they are not sufficiently responsive to the constitutional issues raised under the "thorough and efficient" clause of the Ohio Constitution. The State has appealed the decision made by the Court of Common Pleas to the Ohio Supreme Court. On May 11, 2000, the Ohio Supreme Court rendered an opinion on this issue. The Court concluded "...the mandate of the [Ohio] Constitution has not been fulfilled." The Court's majority recognized efforts by the Ohio General Assembly taken in response to the Court's March 24, 1997 decision, however, it found seven "...major areas warrant further attention, study, and development by the General Assembly..." including the State's reliance on local property tax funding, the State's basic aid formula, the school foundation program, as

Beachwood City School District
Notes to General Purpose Financial Statements
For the Year Ended June 30, 2000

discussed above, the mechanism for, and adequacy of, funding for school facilities, and the existence of the State's School Solvency Fund, which the Court found took the place of the unconstitutional emergency school loan assistance program.

The Court decided to maintain jurisdiction over these issues and continued the case at least until June 15, 2001.

As of the date of these financial statements, the School District is unable to determine what effect, if any, this ongoing litigation will have on its future State funding under this program and on its financial operations.

(18.) Set-Aside Requirements

The School District is required by State statute to annually set aside in the General Fund, an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for capital improvements. Amounts not spent by year-end or offset by similarly restricted resources must be held in cash at year-end and carried forward to be used for the same purposes in future years. Amounts are also to be set aside for budget stabilization if the School District's base amount used for the yearly set-aside calculation increase three percent or more from the prior year. This amount is to be included in the budget stabilization reserve.

The following information describes the changes in the fiscal year end set aside amounts for textbooks and instructional materials, capital improvements and budget stabilization from the end of the prior year to the end of the current year. Disclosure of this information is required by State statute.

| | <u>Textbooks/ Instructional Materials</u> | <u>Capital Improvements</u> | <u>Budget Stabilization</u> |
|---|---|---------------------------------|---------------------------------|
| Set aside Reserve Cash Balance at June 30, 1999 | \$ 0 | \$ 0 | \$ 634,873 |
| Current Year Set-Aside requirement | 572,310 | 572,310 | 100,000 |
| Qualifying Disbursements | <u>(653,754)</u> | <u>(935,111)</u> | <u>0</u> |
| Set aside balance carried forward to future fiscal years | <u>(81,444)</u> | <u>(362,801)</u> | <u>734,873</u> |
| Set aside reserve balance as of June 30, 2000 | <u>\$0</u> | <u>\$0</u> | <u>\$734,873</u> |

The School District had qualifying disbursements and offsets during the fiscal year that reduced the textbook and/or capital improvements set-aside amounts below zero. These extra amounts may be used to reduce the set-aside requirements in future fiscal years. The total reserve balance for the three set-aside at the end of the fiscal year was \$734,873.

Beachwood City School District

SUPPLEMENTAL DATA

GENERAL FUND

The General Fund is used to account for all activities of the School District not included in other specified funds. This includes, but is not limited to, general instruction, pupil services, operation and maintenance of buildings and grounds, pupil transportation, and the administration of School District functions.

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------------|--------------------|--|
| Revenues: | | | |
| Taxes | \$19,323,534 | \$19,617,193 | \$293,659 |
| Tuition and fees | 233,000 | 240,025 | 7,025 |
| Interest | 450,000 | 470,384 | 20,384 |
| Intergovernmental | 2,556,422 | 2,608,084 | 51,662 |
| Miscellaneous revenue from local sources | 86,200 | 64,576 | (21,624) |
| Total revenues | 22,649,156 | 23,000,262 | 351,106 |
| Expenditures: | | | |
| Instruction | | | |
| Regular instruction: | | | |
| Salaries and wages | 6,534,726 | 6,478,957 | 55,769 |
| Fringe benefits | 1,785,044 | 1,772,856 | 12,188 |
| Contractual services | 137,046 | 120,871 | 16,175 |
| Supplies | 284,884 | 239,692 | 45,192 |
| Equipment | 54,494 | 46,910 | 7,584 |
| Other | 529 | 441 | 88 |
| Total regular instruction | 8,796,723 | 8,659,727 | 136,996 |
| Special instruction: | | | |
| Salaries and wages | 1,084,594 | 987,105 | 97,489 |
| Fringe benefits | 304,009 | 303,670 | 339 |
| Contractual services | 1,198,372 | 1,136,913 | 61,459 |
| Supplies | 12,231 | 8,955 | 3,276 |
| Equipment | 5,848 | 2,012 | 3,836 |
| Other | 200 | 0 | 200 |
| Total special instruction | 2,605,254 | 2,438,655 | 166,599 |
| Other instruction: | | | |
| Contractual services | 126,100 | 123,558 | 2,542 |
| Supplies | 1,502 | 0 | 1,502 |
| Total other instruction | 127,602 | 123,558 | 4,044 |
| Total instruction | 11,529,579 | 11,221,940 | 307,639 |
| Support services: | | | |
| Pupils: | | | |
| Salaries and wages | 899,117 | 897,170 | 1,947 |
| Fringe benefits | 286,728 | 286,496 | 232 |
| Contractual services | 52,212 | 46,807 | 5,405 |
| Supplies | 13,767 | 12,102 | 1,665 |
| Equipment | 2,152 | 1,843 | 309 |
| Other | 495 | 490 | 5 |
| Total pupils | \$1,254,471 | \$1,244,908 | \$9,563 |

(continued)

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|----------------------------------|-------------------|------------------|--|
| Instructional staff: | | | |
| Salaries and wages | \$615,572 | \$604,021 | \$11,551 |
| Fringe benefits | 197,451 | 185,045 | 12,406 |
| Contractual services | 112,064 | 110,624 | 1,440 |
| Supplies | 67,867 | 65,279 | 2,588 |
| Equipment | 8,242 | 7,724 | 518 |
| Total instructional staff | 1,001,196 | 972,693 | 28,503 |
| Board of Education: | | | |
| Salaries and wages | 22,651 | 11,120 | 11,531 |
| Fringe benefits | 9,443 | 9,257 | 186 |
| Contractual services | 592,488 | 531,532 | 60,956 |
| Supplies | 6,870 | 1,014 | 5,856 |
| Other | 49,797 | 47,615 | 2,182 |
| Total Board of Education | 681,249 | 600,538 | 80,711 |
| Administration: | | | |
| Salaries and wages | 1,355,178 | 1,353,517 | 1,661 |
| Fringe benefits | 456,093 | 452,433 | 3,660 |
| Contractual services | 150,134 | 132,999 | 17,135 |
| Supplies | 28,230 | 26,902 | 1,328 |
| Equipment | 11,689 | 10,388 | 1,301 |
| Other | 50,529 | 22,780 | 27,749 |
| Total administration | 2,051,853 | 1,999,019 | 52,834 |
| Fiscal: | | | |
| Salaries and wages | 238,239 | 237,134 | 1,105 |
| Fringe benefits | 79,865 | 78,900 | 965 |
| Contractual services | 54,165 | 53,496 | 669 |
| Supplies | 6,050 | 5,956 | 94 |
| Equipment | 2,600 | 1,801 | 799 |
| Other | 342,052 | 326,064 | 15,988 |
| Total fiscal | 722,971 | 703,351 | 19,620 |
| Business: | | | |
| Salaries and wages | 298,646 | 297,746 | 900 |
| Fringe benefits | 103,020 | 100,547 | 2,473 |
| Contractual services | 187,497 | 170,252 | 17,245 |
| Supplies | 36,267 | 31,752 | 4,515 |
| Equipment | 11,127 | 10,912 | 215 |
| Other | 1,370 | 868 | 502 |
| Total business | \$637,927 | \$612,077 | \$25,850 |

(continued)

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|---------------------|---------------------|--|
| Operation and maintenance of plant: | | | |
| Salaries and wages | \$1,501,767 | \$1,495,456 | \$6,311 |
| Fringe benefits | 468,258 | 467,779 | 479 |
| Contractual services | 984,524 | 981,051 | 3,473 |
| Supplies | 212,343 | 200,857 | 11,486 |
| Equipment | 59,467 | 47,222 | 12,245 |
| Total operation and maintenance of plant | 3,226,359 | 3,192,365 | 33,994 |
| Pupil transportation: | | | |
| Salaries and wages | 786,136 | 779,457 | 6,679 |
| Fringe benefits | 278,255 | 270,520 | 7,735 |
| Contractual services | 73,859 | 72,938 | 921 |
| Supplies | 100,980 | 99,087 | 1,893 |
| Equipment | 30,774 | 30,384 | 390 |
| Other | 459 | 235 | 224 |
| Total pupil transportation | 1,270,463 | 1,252,621 | 17,842 |
| Central: | | | |
| Salaries and wages | 221,377 | 216,435 | 4,942 |
| Fringe benefits | 56,734 | 52,795 | 3,939 |
| Contractual services | 97,158 | 71,049 | 26,109 |
| Supplies | 26,208 | 23,866 | 2,342 |
| Equipment | 372,836 | 372,607 | 229 |
| Other | 1,230 | 868 | 362 |
| Total central | 775,543 | 737,620 | 37,923 |
| Total support services | 11,622,032 | 11,315,192 | 306,840 |
| Extracurricular activities: | | | |
| Academic and subject oriented activities: | | | |
| Salaries and wages | 383,287 | 347,599 | 35,688 |
| Fringe benefits | 7,926 | 7,700 | 226 |
| Total academic and subject Oriented activities | 391,213 | 355,299 | 35,914 |
| Total expenditures | \$23,542,824 | \$22,892,431 | \$650,393 |

(continued)

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2000

| | <u>Revised Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|---------------------------|---------------------------|--|
| Excess of revenues over expenditures | (\$893,668) | \$107,831 | \$1,001,499 |
| Other financing sources (uses): | | | |
| Proceeds from sale of fixed assets | 700 | 715 | 15 |
| Refund of prior year expenses | 5,000 | 6,217 | 1,217 |
| Advances/transfers in | 140,682 | 142,170 | 1,488 |
| Advances/transfers out | <u>(659,200)</u> | <u>(658,191)</u> | <u>1,009</u> |
| Total other financing sources (uses) | <u>(512,818)</u> | <u>(509,089)</u> | <u>3,729</u> |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | (1,406,486) | (401,258) | 1,005,228 |
| Fund balance at beginning of year | 4,074,967 | 4,074,967 | 0 |
| Expenditures against prior year's encumbrances | <u>499,791</u> | <u>499,791</u> | <u>0</u> |
| Fund balance at end of year | <u><u>\$3,168,272</u></u> | <u><u>\$4,173,500</u></u> | <u><u>\$1,005,228</u></u> |

Beachwood City School District

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 are as follows:

Public School 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 funds provided by the Board of Education to develop a program for employees to improve the quality of work-life within the District.

Termination Benefits - used to account for sick time severance payments to retiring staff members.

Athletic - this fund accounts for revenues from athletic events and all costs (except supplemental coaching contracts) of the District's athletic program.

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 school (Agnon) within the District.

Professional Development - the purpose of this fund is to provide assistance to school districts for the development of in-service programs.

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

Entry Year Teacher Grant - used to account for a state grant provided to Districts to implement an entry year teacher program.

Miscellaneous State Grants - these funds are used to implement "safe schools" concepts and for development of a school within a school concept for disengaged learners.

Title II - the purpose of this fund is to expand the awareness of elementary grade teachers in the area of science education through in-service training.

Title VI 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, elementary, and secondary levels.

Title VI - this fund accounts for Federal revenues which support the implementation of a variety of programs such as computer education, gifted and talented programs, and in-service and staff development.

Beachwood City School District

SPECIAL REVENUE FUNDS - Cont'd.

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

Preschool Handicapped - this fund accounts for the federal revenues which addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

E-Rate Telecommunications Grant - used to account for a federal grant which is directly to the telecommunication service provider.

Title VI-R - used to account for federal revenues to reduce class size at the primary grade level.

Beachwood City School District
Combining Balance Sheet
All Special Revenue Funds
June 30, 2000
(With comparative totals for June 30, 1999)

| | <u>Public School Support</u> | <u>Miscellaneous Local Grants</u> | <u>Termination Benefits</u> | <u>Athletics</u> |
|--|----------------------------------|---------------------------------------|---------------------------------|-----------------------|
| Assets | | | | |
| Equity in pooled cash and cash equivalents | \$7,577 | \$20,600 | \$160,000 | \$7,363 |
| Accounts receivable | <u>0</u> | <u> </u> | <u>0</u> | <u>35</u> |
| Total assets | <u><u>7,577</u></u> | <u><u>20,600</u></u> | <u><u>160,000</u></u> | <u><u>7,398</u></u> |
| Liabilities | | | | |
| Accounts Payable | 0 | 0 | 0 | 82 |
| Accrued Wages | 0 | 0 | 0 | 0 |
| Due to other funds | <u>0</u> | <u> </u> | <u>0</u> | <u>0</u> |
| Total liabilities | <u>0</u> | <u>0</u> | <u>0</u> | <u>82</u> |
| Fund balances (deficit): | | | | |
| Reserved for encumbrances | 0 | 0 | 0 | 248 |
| Unreserved...undesignated | <u>7,577</u> | <u>20,600</u> | <u>160,000</u> | <u>7,068</u> |
| Total fund balances (deficit) | <u>7,577</u> | <u>20,600</u> | <u>160,000</u> | <u>7,316</u> |
| Total liabilities and fund balances | <u><u>\$7,577</u></u> | <u><u>\$20,600</u></u> | <u><u>\$160,000</u></u> | <u><u>\$7,398</u></u> |

| <u>Auxiliary Services</u> | <u>Professional Development</u> | <u>Management Information Systems</u> | <u>Entry Year Teacher Grant</u> | <u>Miscellaneous State Grants</u> | <u>Title II</u> |
|---------------------------|---------------------------------|---------------------------------------|---------------------------------|-----------------------------------|-----------------|
| \$12,464 | \$0 | \$5,000 | \$12 | \$51,779 | \$0 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <u>12,464</u> | <u>0</u> | <u>5,000</u> | <u>12</u> | <u>51,779</u> | <u>0</u> |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 1,447 | 0 | 0 | 0 | 0 | 0 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <u>1,447</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>11,017</u> | <u>0</u> | <u>5,000</u> | <u>12</u> | <u>51,779</u> | <u>0</u> |
| <u>11,017</u> | <u>0</u> | <u>5,000</u> | <u>12</u> | <u>51,779</u> | <u>0</u> |
| <u>\$12,464</u> | <u>\$0</u> | <u>\$5,000</u> | <u>\$12</u> | <u>\$51,779</u> | <u>\$0</u> |

(continued)

Beachwood City School District
Combining Balance Sheet
All Special Revenue Funds
June 30, 2000
(With comparative totals for June 30, 1999)

| | <u>Title VI-B</u> | <u>Title VI</u> | <u>Drug Free Education</u> | <u>Preschool Handicapped</u> |
|--|------------------------|-------------------|--------------------------------|----------------------------------|
| Assets | | | | |
| Equity in pooled cash and cash equivalents | \$28,237 | \$0 | \$761 | \$0 |
| Due from other governments | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total assets | <u><u>28,237</u></u> | <u><u>0</u></u> | <u><u>761</u></u> | <u><u>0</u></u> |
| Liabilities | | | | |
| Accounts Payable | 0 | 0 | 0 | 0 |
| Accrued Wages | 219 | 0 | 661 | 0 |
| Due to other funds | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total liabilities | <u>219</u> | <u>0</u> | <u>661</u> | <u>0</u> |
| Fund balances (deficit): | | | | |
| Reserved for encumbrances | 28,018 | 0 | 23 | 0 |
| Unreserved...undesignated | <u>0</u> | <u>0</u> | <u>77</u> | <u>0</u> |
| Total fund balances (deficit) | <u>28,018</u> | <u>0</u> | <u>100</u> | <u>0</u> |
| Total liabilities and fund balances | <u><u>\$28,237</u></u> | <u><u>\$0</u></u> | <u><u>\$761</u></u> | <u><u>\$0</u></u> |

(continued)

| E-Rate Telecommunications | | Totals | |
|------------------------------|-------------|------------------|------------------|
| Grant | Title VI -R | 2000 | 1999 |
| \$14,606 | \$0 | \$308,399 | \$133,806 |
| 0 | 0 | 35 | 17,060 |
| <u>14,606</u> | <u>0</u> | <u>308,434</u> | <u>150,866</u> |
| 0 | 0 | 82 | 548 |
| 0 | 0 | 2,327 | 4,445 |
| 0 | 0 | 0 | 17,060 |
| <u>0</u> | <u>0</u> | <u>2,409</u> | <u>22,053</u> |
| 0 | 0 | 28,289 | 15,050 |
| <u>14,606</u> | <u>0</u> | <u>277,736</u> | <u>\$113,763</u> |
| <u>14,606</u> | <u>0</u> | <u>306,025</u> | <u>128,813</u> |
| <u>\$14,606</u> | <u>\$0</u> | <u>\$308,434</u> | <u>\$150,866</u> |

Beachwood City School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
All Special Revenue Funds
For The Year Ended June 30, 2000
(With comparative totals for June 30, 1999)

| | Public School Support | Miscellaneous Local Grants | Termination Benefits | Athletics |
|---|-----------------------------|----------------------------------|-------------------------|----------------|
| Revenues: | | | | |
| Intergovernmental | \$0 | \$0 | \$0 | \$0 |
| Interest | 0 | 0 | 0 | 0 |
| Miscellaneous revenue from local sources | 21,106 | 12,000 | 0 | 53,115 |
| Total revenues | 21,106 | 12,000 | 0 | 53,115 |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | 26,027 | 1,785 | 0 | 0 |
| Support services: | | | | |
| Pupil | 0 | 0 | 0 | 0 |
| Instructional staff | 0 | 0 | 0 | 0 |
| Administration | 0 | 0 | 0 | 0 |
| Central | 0 | 244 | 0 | 0 |
| Non Instructional | 0 | 0 | 0 | 0 |
| Extracurricular activities | 0 | 0 | 0 | 143,984 |
| Total expenditures | 26,027 | 2,029 | 0 | 143,984 |
| Excess (deficiency) of revenues over expenditures | (4,921) | 9,971 | 0 | (90,869) |
| Other financing sources (uses): | | | | |
| Operating transfers in | 0 | 0 | 100,000 | 90,000 |
| Total other financing sources (uses) | 0 | 0 | 100,000 | 90,000 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | (4,921) | 9,971 | 100,000 | (869) |
| Fund balance/deficit beginning of year | 12,498 | 10,629 | 60,000 | 8,185 |
| Fund balance/deficit end of year | \$7,577 | \$20,600 | \$160,000 | \$7,316 |

| <u>Auxiliary Services</u> | <u>Professional Development</u> | <u>Magangement Information Systems</u> | <u>Entry Year Teacher Grant</u> | <u>Miscellaneous State Grants</u> | <u>Title II</u> |
|---------------------------|---------------------------------|--|---------------------------------|-----------------------------------|-----------------|
| \$147,670 | \$12,405 | \$5,000 | \$0 | \$51,779 | \$5,048 |
| 1796 | 0 | 0 | 0 | 0 | 0 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| 149,466 | 12,405 | 5,000 | 0 | 51,779 | 5,048 |
| 0 | 2,723 | 0 | 8,799 | 0 | 4,154 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 9,042 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 4029 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 145,021 | 0 | 0 | 0 | 0 | 1,797 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| 145,021 | 11,765 | 0 | 8,799 | 0 | 9,980 |
| 4,445 | 640 | 5,000 | (8,799) | 51,779 | (4,932) |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| 4,445 | 640 | 5,000 | (8,799) | 51,779 | (4,932) |
| <u>6,572</u> | <u>(640)</u> | <u>0</u> | <u>8,811</u> | <u>0</u> | <u>4,932</u> |
| <u>\$11,017</u> | <u>\$0</u> | <u>\$5,000</u> | <u>\$12</u> | <u>\$51,779</u> | <u>\$0</u> |

(continued)

Beachwood City School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
All Special Revenue Funds
For The Year Ended June 30, 2000
(With comparative totals for June 30, 1999)

| | Title VI B | Title VI | Drug Free Education | Preschool Handicapped |
|--|-----------------|---------------|------------------------|--------------------------|
| Revenues: | | | | |
| Intergovernmental | \$87,660 | \$11,055 | \$8,166 | \$9,416 |
| Interest | 0 | 0 | 0 | 0 |
| Miscellaneous revenue from local sources | 0 | 0 | 0 | 0 |
| Total revenues | 87,660 | 11,055 | 8,166 | 9,416 |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | 1,358 | 9,093 | 1,732 | 0 |
| Support services: | | | | |
| Pupil | 37,899 | 0 | 5,371 | 0 |
| Instructional staff | 4,364 | 0 | 0 | 9,416 |
| Administration | 20,303 | 0 | 0 | 0 |
| Central | 0 | 0 | 0 | 0 |
| Non Instructional | 0 | 1,985 | 955 | 0 |
| Extracurricular activities | 0 | 0 | 0 | 0 |
| Total expenditures | 63,924 | 11,078 | 8,058 | 9,416 |
| Excess (deficiency) of revenues over expenditures | 23,736 | (23) | 108 | 0 |
| Other financing sources (uses): | | | | |
| Operating transfers in | 0 | 0 | 0 | 0 |
| Total other financing sources (uses) | 0 | 0 | 0 | 0 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 23,736 | (23) | 108 | 0 |
| Fund balance/deficit beginning of year | 4,282 | 23 | (8) | 0 |
| Fund balance/deficit end of year | \$28,018 | \$0 | \$100 | \$0 |

| E-Rate ecommunications Grant | Title VI-R | Totals | |
|------------------------------------|---------------|------------------|------------------|
| | | 2000 | 1999 |
| \$5,851 | \$11,127 | \$355,177 | \$293,412 |
| 0 | 0 | 1,796 | 2,061 |
| 0 | 0 | 86,221 | 55,858 |
| <u>5,851</u> | <u>11,127</u> | <u>443,194</u> | <u>351,331</u> |
| 0 | 11,127 | 66,798 | 56,506 |
| 0 | 0 | 43,270 | 43,502 |
| 0 | 0 | 22,822 | 23,571 |
| 0 | 0 | 24,332 | 23,538 |
| 4,774 | 0 | 5,018 | 5,060 |
| 0 | 0 | 149,758 | 168,426 |
| 0 | 0 | 143,984 | 124,577 |
| <u>4,774</u> | <u>11,127</u> | <u>455,982</u> | <u>445,180</u> |
| 1,077 | 0 | (12,788) | (93,849) |
| 0 | 0 | 190,000 | 145,695 |
| 0 | 0 | 190,000 | 145,695 |
| 1,077 | 0 | 177,212 | 51,846 |
| 13,529 | 0 | 128,813 | 76,967 |
| <u>\$14,606</u> | <u>\$0</u> | <u>\$306,025</u> | <u>\$128,813</u> |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|----------|--|
| Revenues: | | | |
| Miscellaneous revenue from local sources | \$21,106 | \$21,106 | \$0 |
| Total revenues | 21,106 | 21,106 | 0 |
| Expenditures: | | | |
| Instruction: | | | |
| Contractual services | 6,997 | 5,534 | 1,463 |
| Supplies | 11,628 | 10,424 | 1,204 |
| Equipment | 10,775 | 10,070 | 705 |
| Total instruction | 29,400 | 26,028 | 3,372 |
| Total expenditures | 29,400 | 26,028 | 3,372 |
| Excess (deficiency) of revenues over expenditures | (8,294) | (4,922) | 3,372 |
| Fund balance at beginning of year | 12,498 | 12,498 | 0 |
| Fund balance at end of year | \$4,204 | \$7,576 | \$3,372 |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Miscellaneous Local Grants
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|----------|--|
| Revenues: | | | |
| Miscellaneous revenue from local sources | \$12,000 | \$12,000 | \$0 |
| Total revenues | 12,000 | 12,000 | 0 |
| Expenditures: | | | |
| Instruction: | | | |
| Supplies | 4,844 | 2,286 | 2,558 |
| Total instruction | 4,844 | 2,286 | 2,558 |
| Support: | | | |
| Instructional staff | | | |
| Supplies | 500 | 0 | 500 |
| Total instructional staff | 500 | 0 | 500 |
| Central | | | |
| Contractual services | 3,000 | 243 | 2,757 |
| Total central | 3,000 | 243 | 2,757 |
| Total expenditures | 8,344 | 2,529 | 5,815 |
| Excess (deficiency) of revenues over expenditures | 3,656 | 9,471 | 5,815 |
| Fund balance at beginning of year | 10,630 | 10,630 | 0 |
| Fund balance at end of year | \$14,286 | \$20,101 | \$5,815 |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Termination Benefits
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|------------------|--|
| Other financing sources: | | | |
| Advances/Transfers in | \$100,000 | \$100,000 | \$0 |
| Total other financing sources | 100,000 | 100,000 | 0 |
| Expenditures: | | | |
| Regular instruction | | | |
| Salaries & wages | 0 | 0 | 0 |
| Total regular instruction | 0 | 0 | 0 |
| Support Services: | | | |
| Fiscal | | | |
| Salaries & wages | 0 | 0 | 0 |
| Total fiscal | 0 | 0 | 0 |
| Transportation | | | |
| Salaries & wages | | | |
| Total transportation | | | |
| Total expenditures | 0 | 0 | 0 |
| Excess of revenue and other sources over expenditures and other uses | 100,000 | 100,000 | 0 |
| Fund balance at beginning of year | 60,000 | 60,000 | 0 |
| Fund balance at end of year | <u>\$160,000</u> | <u>\$160,000</u> | <u>\$0</u> |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Athletic Fund
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------------|-----------------------|--|
| Revenues: | | | |
| Extracurricular activities: | | | |
| Sales | | | |
| Miscellaneous revenue | \$56,778 | \$52,780 | (\$3,998) |
| from local sources | 250 | 300 | 50 |
| Total revenues | <u>57,028</u> | <u>53,080</u> | <u>(3,948)</u> |
| Expenditures: | | | |
| Extracurricular activities | | | |
| Contractual services | 59,636 | 58,442 | 1,194 |
| Supplies | 75,311 | 66,721 | 8,590 |
| Equipment | 16,819 | 14,404 | 2,415 |
| Other | <u>6,367</u> | <u>4,665</u> | <u>1,702</u> |
| Total extracurricular activities | <u>158,133</u> | <u>144,232</u> | <u>13,901</u> |
| Total expenditures | <u>158,133</u> | <u>144,232</u> | <u>13,901</u> |
| Excess (deficiency) of revenues over expenditures | (101,105) | (91,152) | 9,953 |
| Other financing sources: | | | |
| Transfers in | <u>93,000</u> | <u>90,000</u> | <u>(3,000)</u> |
| Total other financing sources | <u>93,000</u> | <u>90,000</u> | <u>(3,000)</u> |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | (8,105) | (1,152) | 6,953 |
| Fund balance at beginning of year | 8,105 | 8,105 | 0 |
| Expenditures against prior year's encumbrances | <u>80</u> | <u>80</u> | <u>0</u> |
| Fund balance at end of year | <u><u>\$80</u></u> | <u><u>\$7,033</u></u> | <u><u>\$6,953</u></u> |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Auxiliary Services
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|--|-------------------|-----------------|--|
| Revenues: | | | |
| Interest | \$2,000 | \$1,796 | (\$204) |
| Intergovernmental | 158,051 | 147,670 | (10,381) |
| Total revenues | 160,051 | 149,466 | (10,585) |
| Expenditures: | | | |
| Non-instructional services: | | | |
| Salaries and wages | 8,359 | 7,592 | 767 |
| Benefits | 1,564 | 1,511 | 53 |
| Contractual services | 138,289 | 130,802 | 7,487 |
| Supplies | 11,875 | 6,447 | 5,428 |
| Total non-instructional services | 160,087 | 146,352 | 13,735 |
| Excess (deficiency) of revenues over expenditures | (36) | 3,114 | 3,150 |
| Fund balance at beginning of year | 36 | 36 | 0 |
| Expenditures against prior year's encumbrances | 9,314 | 9,314 | 0 |
| Fund balance at end of year | \$9,314 | \$12,464 | \$3,150 |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Professional Development Grant
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|----------|--|
| Revenues: | | | |
| Intergovernmental | \$12,405 | \$12,405 | \$0 |
| Total revenues | 12,405 | 12,405 | 0 |
| Expenditures: | | | |
| Instruction: | | | |
| Contractual services | 2,723 | 2,723 | 0 |
| Total instruction | 2,723 | 2,723 | 0 |
| Support services: | | | |
| Instructional staff: | | | |
| Salaries and wages | 9,682 | 9,682 | 0 |
| Total instructional staff | 9,682 | 9,682 | 0 |
| Total expenditures | 12,405 | 12,405 | 0 |
| Excess (deficiency) of revenues over expenditures | 0 | 0 | 0 |
| Fund balance at beginning of year | 0 | 0 | 0 |
| Fund balance at end of year | \$0 | \$0 | \$0 |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Management Information Systems
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|---------|--|
| Revenues: | | | |
| Intergovernmental | \$5,000 | \$5,000 | \$0 |
| Total revenues | 5,000 | 5,000 | 0 |
| Expenditures: | | | |
| Support: | | | |
| Central | | | |
| Contractual services | 5,000 | 0 | 5,000 |
| Total central | 5,000 | 0 | 5,000 |
| Total expenditures | 5,000 | 0 | 5,000 |
| Excess (deficiency) of revenues over expenditures | 0 | 5,000 | 5,000 |
| Fund balance at beginning of year | 0 | 0 | 0 |
| Fund balance at end of year | \$0 | \$5,000 | \$5,000 |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Entry Year Teacher Grant
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|--------------------------------------|-------------------|---------|--|
| Revenues: | | | |
| Intergovernmental | \$0 | \$0 | \$0 |
| Total revenues | 0 | 0 | 0 |
| Expenditures: | | | |
| Regular Instruction: | | | |
| Salaries and wages | 7,432 | 7,427 | 5 |
| Contractual services | 1,041 | 1,034 | 7 |
| Supplies | 338 | 337 | 1 |
| Total regular instruction | 8,811 | 8,798 | 13 |
| Total expenditures | 8,811 | 8,798 | 13 |
| Excess of revenues over expenditures | (8,811) | (8,798) | 13 |
| Fund balance at beginning of year | 8,811 | 8,811 | 0 |
| Fund balance at end of year | \$0 | \$13 | \$13 |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants
For the Year Ended June 30, 2000

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|------------------------|---|
| Revenues: | | | |
| Intergovernmental | <u>\$51,779</u> | <u>\$51,779</u> | <u>\$0</u> |
| Total revenues | <u>51,779</u> | <u>51,779</u> | <u>0</u> |
| Excess (deficiency) of revenues over expenditures | 51,779 | 51,779 | 0 |
| Fund balance at beginning of year | <u>0</u> | <u>0</u> | <u>0</u> |
| Fund balance at end of year | <u><u>\$51,779</u></u> | <u><u>\$51,779</u></u> | <u><u>\$0</u></u> |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Title II
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|------------|--|
| Revenues: | | | |
| Intergovernmental | \$5,969 | \$5,048 | (\$921) |
| Total revenues | 5,969 | 5,048 | (921) |
| Expenditures: | | | |
| Instruction: | | | |
| Salaries and wages | 4,154 | 4,154 | 0 |
| Total regular instruction | 4,154 | 4,154 | 0 |
| Support services: | | | |
| Administration: | | | |
| Salaries and wages | 4,029 | 4,029 | 0 |
| Contractual services | 0 | 0 | 0 |
| Total administration | 4,029 | 4,029 | 0 |
| Non-instructional services | | | |
| Contractual services | 1,016 | 1,016 | 0 |
| Supplies | 781 | 781 | 0 |
| Total non-instructional services | 1,797 | 1,797 | 0 |
| Total expenditures | 9,980 | 9,980 | 0 |
| Excess (deficiency) of revenues over expenditures | (4,011) | (4,932) | (921) |
| Fund balance at beginning of year | 4,012 | 4,012 | 0 |
| Expenditures against prior year's encumbrances | 920 | 920 | 0 |
| Fund balance at end of year | <u>\$921</u> | <u>\$0</u> | <u>(\$921)</u> |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Title VI B
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|------------|--|
| Revenues: | | | |
| Intergovernmental | \$104,721 | \$104,720 | (\$1) |
| Total revenues | 104,721 | 104,720 | (1) |
| Expenditures: | | | |
| Special Instruction | | | |
| Salaries and wages | 2,184 | 2,184 | 0 |
| Contractual services | 23,911 | 23,911 | 0 |
| Total special instruction | 26,095 | 26,095 | 0 |
| Support Services: | | | |
| Pupils: | | | |
| Salaries and wages | 38,659 | 38,659 | 0 |
| Contractual services | 994 | 994 | 0 |
| Total pupils | 39,653 | 39,653 | 0 |
| Instructional staff: | | | |
| Salaries and wages | 2039 | 2039 | 0 |
| Contractual services | 3,595 | 3,595 | 0 |
| Total instructional staff | 5,634 | 5,634 | 0 |
| Administration: | | | |
| Salaries & wages | 15,293 | 15,293 | 0 |
| Benefits | 6,246 | 6,246 | 0 |
| Equipment | 0 | 0 | 0 |
| Total administration | 21,539 | 21,539 | 0 |
| Total expenditures | 92,921 | 92,921 | 0 |
| Excess (deficiency) of revenues over expenditures | 11,800 | 11,799 | (1) |
| Other financing (uses): | | | |
| Advances out | (17,060) | (17,060) | 0 |
| Total other financing sources | (17,060) | (17,060) | 0 |
| Excess of revenue and other sources over/(under) expenditures and other uses | (5,260) | (5,261) | (1) |
| Fund balance at beginning of year | 0 | 0 | 0 |
| Expenditures against prior year's encumbrances | 5,261 | 5,261 | 0 |
| Fund balance at end of year | <u>\$1</u> | <u>\$0</u> | <u>(\$1)</u> |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Title VI
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|---------------|--|
| Revenues: | | | |
| Intergovernmental | \$12,334 | \$11,056 | (\$1,278) |
| Total revenues | 12,334 | 11,056 | (1,278) |
| Expenditures: | | | |
| Instruction: | | | |
| Salaries and wages | 9,093 | 9,093 | 0 |
| Total instruction | 9,093 | 9,093 | 0 |
| Non-instructional services: | | | |
| Supplies | 1,986 | 1,985 | 1 |
| Total non-instructional services | 1,986 | 1,985 | 1 |
| Total expenditures | 11,079 | 11,078 | 1 |
| Excess (deficiency) of revenues over expenditures | 1,255 | (22) | (1,277) |
| Fund balance at beginning of year | 0 | 0 | 0 |
| Expenditures against prior year's encumbrances | 23 | 23 | 0 |
| Fund balance at end of year | \$1,278 | \$1 | (\$1,277) |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Drug Free Education
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|---------|--|
| Revenues: | | | |
| Intergovernmental | \$8,166 | \$8,166 | \$0 |
| Total revenues | 8,166 | 8,166 | 0 |
| Expenditures: | | | |
| Instruction: | | | |
| Equipment | 1,732 | 1,732 | 0 |
| Total instruction | 1,732 | 1,732 | 0 |
| Support services: | | | |
| Pupils: | | | |
| Salaries & Wages | 4,536 | 3,775 | 761 |
| Contractual services | 1,000 | 1,000 | 0 |
| Supplies | 530 | 530 | 0 |
| Total pupils | 6,066 | 5,305 | 761 |
| Total support services | 6,066 | 5,305 | 761 |
| Non-instructional services: | | | |
| Contractual services | 0 | 0 | 0 |
| Supplies | 0 | 0 | 0 |
| Equipment | 955 | 955 | 0 |
| Total non-instructional services | 955 | 955 | 0 |
| Total expenditures | 8,753 | 7,992 | 761 |
| Excess (deficiency) of revenues over expenditures | (587) | 174 | 761 |
| Fund balance at beginning of year | 587 | 587 | 0 |
| Fund balance at end of year | \$0 | \$761 | \$761 |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Preschool Handicapped Grant
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|---------|--|
| Revenues: | | | |
| Intergovernmental | \$9,416 | \$9,416 | \$0 |
| Total revenues | 9,416 | 9,416 | 0 |
| Expenditures: | | | |
| Support: | | | |
| Instructional staff | | | |
| Salaries and wages | 9,416 | 9,416 | 0 |
| Total instructional staff | 9,416 | 9,416 | 0 |
| Total expenditures | 9,416 | 9,416 | 0 |
| Excess (deficiency) of revenues over expenditures | 0 | 0 | 0 |
| Fund balance at beginning of year | 0 | 0 | 0 |
| Fund balance at end of year | \$0 | \$0 | \$0 |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
E-Rate Telecommunications Grant
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|----------|--|
| Revenues: | | | |
| Intergovernmental | \$15,000 | \$5,851 | (\$9,149) |
| Total revenues | 15,000 | 5,851 | (9,149) |
| Expenditures: | | | |
| Support services: | | | |
| Central: | | | |
| Contractual services | 908 | 908 | 0 |
| Equipment | 14,092 | 3,867 | 10,225 |
| Total expenditures | 15,000 | 4,775 | 10,225 |
| Excess (deficiency) of revenues over expenditures | 0 | 1,076 | 1,076 |
| Fund balance at beginning of year | 13,529 | 13,529 | 0 |
| Fund balance (deficit) at end of year | \$13,529 | \$14,605 | \$1,076 |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Title VI-R
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|----------|--|
| Revenues: | | | |
| Intergovernmental | \$11,127 | \$11,127 | \$0 |
| Total revenues | 11,127 | 11,127 | 0 |
| Expenditures: | | | |
| Instruction: | | | |
| Salaries and wages | 11,127 | 11,127 | 0 |
| Total instruction | 11,127 | 11,127 | 0 |
| Excess (deficiency) of revenues over expenditures | 0 | 0 | 0 |
| Fund balance at beginning of year | 0 | 0 | 0 |
| Fund balance at end of year | \$0 | \$0 | \$0 |

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Beachwood City School District

CAPITAL PROJECTS FUNDS

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

Permanent Improvement Fund - to account for all transactions related to the acquiring, constructing, or improving facilities.

Building Fund - to account for the receipts and expenditures related to all special bond funds in the district.

Vocational Equipment Grant - to account for all transactions related to the replacement or updating of equipment essential for the instruction of students in jobs skills.

School Net Plus - a fund to account for monies received by the State of Ohio for the purpose of purchasing computers for k-4 grades.

Beachwood City School District
Combining Balance Sheet
All Capital Projects Funds
June 30, 2000
(With comparative totals for June 30, 1999)

| | Permanent Improvement Fund | Building Fund | Vocational Education Equipment Grant | School Net Plus |
|---|----------------------------------|------------------|--|--------------------|
| Assets | | | | |
| Equity in pooled cash and cash equivalents | \$6,251,766 | \$6,495 | \$1 | \$1,638 |
| Receivables: | | | | |
| Taxes | 1,444,867 | 0 | 0 | 0 |
| Total assets | <u>7,696,633</u> | <u>6,495</u> | <u>1</u> | <u>1,638</u> |
| Liabilities | | | | |
| Due to other funds | 310,000 | 0 | 0 | 0 |
| Deferred revenue | 1,388,633 | 0 | 0 | 0 |
| Tax anticipation notes payable | 8,360,000 | 0 | 0 | 0 |
| Total liabilities | <u>10,058,633</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Fund balances: | | | | |
| Reserved for encumbrances | 182,595 | 0 | 0 | 0 |
| Reserved for taxes | 56,234 | 0 | 0 | 0 |
| Unreserved...undesignated | (2,600,829) | 6,495 | 1 | 1,638 |
| Total fund balances | <u>(2,362,000)</u> | <u>6,495</u> | <u>1</u> | <u>1,638</u> |
| Total liabilities and fund balances | <u>\$7,696,633</u> | <u>\$6,495</u> | <u>\$1</u> | <u>\$1,638</u> |

| School Net Plus | Totals | |
|--------------------|--------------------|--------------------|
| | 2000 | 1999 |
| \$1,638 | \$6,259,900 | \$660,466 |
| <u>0</u> | <u>1,444,867</u> | <u>1,433,179</u> |
| <u>1,638</u> | <u>7,704,767</u> | <u>2,093,645</u> |
| 0 | 310,000 | 310,000 |
| 0 | 1,388,633 | 1,300,913 |
| <u>0</u> | <u>8,360,000</u> | <u>3,380,000</u> |
| <u>0</u> | <u>10,058,633</u> | <u>4,990,913</u> |
| 0 | 182,595 | 489,957 |
| 0 | 56,234 | 129,597 |
| <u>1,638</u> | <u>(2,592,695)</u> | <u>(3,516,822)</u> |
| <u>1,638</u> | <u>(2,353,866)</u> | <u>(2,897,268)</u> |
| <u>\$1,638</u> | <u>\$7,704,767</u> | <u>\$2,093,645</u> |

Beachwood City School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
All Capital Projects Funds
For The Year Ended June 30, 2000
(With comparative totals for June 30, 1999)

| | Permanent Improvement Fund | Building Fund | Vocational Education Grant | School Net Plus |
|---|----------------------------------|------------------|----------------------------------|--------------------|
| Revenues: | | | | |
| Taxes | \$1,360,037 | \$0 | \$0 | \$0 |
| Interest | 12,191 | 1,553 | 0 | 0 |
| Intergovernmental | 153,808 | 0 | 0 | 30,836 |
| Miscellaneous revenue from local sources | 0 | 0 | 0 | 0 |
| Total revenues | 1,526,036 | 1,553 | 0 | 30,836 |
| Expenditures: | | | | |
| Current: | | | | |
| Instruction: | 18,000 | 0 | 0 | 0 |
| Support services: | | | | |
| Operation and maintenance of plant | 0 | 0 | 0 | 0 |
| Transportation | 127,568 | 0 | 0 | 0 |
| Central | 6,158 | 0 | 0 | 38,147 |
| Non-instructional | 0 | 0 | 0 | 0 |
| Extracurricular activities | 0 | 0 | 0 | 0 |
| Capital Outlay | 783,385 | 18,475 | 0 | 0 |
| Debt service: | | | | |
| Interest | 150,290 | 0 | 0 | 0 |
| Total expenditures | 1,085,401 | 18,475 | 0 | 38,147 |
| Excess (deficiency) of revenues over expenditures | 440,635 | (16,922) | 0 | (7,311) |
| Other financing sources (uses): | | | | |
| Proceeds from sale of bonds | 127,000 | 0 | 0 | 0 |
| Total other financing sources (uses) | 127,000 | 0 | 0 | 0 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 567,635 | (16,922) | 0 | (7,311) |
| Fund balance / deficit beginning of year | (2,929,635) | 23,417 | 1 | 8,949 |
| Fund balance / deficit end of year | (\$2,362,000) | \$6,495 | \$1 | \$1,638 |

(continued)

| Totals | |
|---------------|---------------|
| 2000 | 1999 |
| \$1,360,037 | \$1,327,982 |
| 13,744 | 71,584 |
| 184,644 | 186,890 |
| 0 | 15,949 |
| 1,558,425 | 1,602,405 |
| 18,000 | 29,650 |
| 0 | 18,928 |
| 127,568 | 92,680 |
| 44,305 | 199,966 |
| 0 | 1,279 |
| 0 | 18,609 |
| 801,860 | 1,915,511 |
| 150,290 | 182,933 |
| 1,142,023 | 2,459,556 |
| 416,402 | (857,151) |
| 127,000 | 93,000 |
| 127,000 | 93,000 |
| 543,402 | (764,151) |
| (2,897,268) | (2,113,117) |
| (\$2,353,866) | (\$2,877,268) |
| (continued) | |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------------|--------------------|--|
| Revenues: | | | |
| Taxes | \$270,172 | \$265,779 | (\$4,393) |
| Interest | 14,000 | 12,191 | (1,809) |
| Intergovernmental | 152,103 | 153,808 | 1,705 |
| Total revenue | <u>436,275</u> | <u>431,778</u> | <u>(4,497)</u> |
| Expenditures: | | | |
| Instruction: | | | |
| Equipment | 18,000 | 18,000 | 0 |
| Total instruction | <u>18,000</u> | <u>18,000</u> | <u>0</u> |
| Pupil transportation: | | | |
| Equipment | 127,568 | 127,568 | 0 |
| Total pupil transportation | <u>127,568</u> | <u>127,568</u> | <u>0</u> |
| Central | | | |
| Equipment | 7,000 | 6,158 | 842 |
| Total central | <u>7,000</u> | <u>6,158</u> | <u>842</u> |
| Total support services | <u>134,568</u> | <u>133,726</u> | <u>842</u> |
| Capital outlay: | | | |
| Equipment | 968,000 | 965,981 | 2,019 |
| Total capital outlay | <u>968,000</u> | <u>965,981</u> | <u>2,019</u> |
| Total expenditures | <u>1,120,568</u> | <u>1,117,707</u> | <u>2,861</u> |
| Excess (deficiency) of revenues over expenditures | (684,293) | (685,929) | (1,636) |
| Other financing sources: | | | |
| Proceeds from sale of notes | 6,127,000 | 6,127,000 | 0 |
| Total other financing sources | <u>6,127,000</u> | <u>6,127,000</u> | <u>0</u> |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 5,442,707 | 5,441,071 | (1,636) |
| Fund balance at beginning of year | 156,617 | 156,617 | 0 |
| Expenditures against prior year's encumbrances | <u>471,482</u> | <u>471,482</u> | <u>0</u> |
| Fund balance at end of year | <u>\$6,070,806</u> | <u>\$6,069,170</u> | <u>(\$1,636)</u> |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Building Fund
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|----------------|--|
| Revenues: | | | |
| Interest | \$1,600 | \$1,553 | (\$47) |
| Total revenue | 1,600 | 1,553 | (47) |
| Expenditures: | | | |
| Capital outlay: | | | |
| Equipment | 18,475 | 18,475 | 0 |
| Total capital outlay | 18,475 | 18,475 | 0 |
| Total expenditures | 18,475 | 18,475 | 0 |
| Excess (deficiency) of revenues over expenditures | (16,875) | (16,922) | (47) |
| Fund balance at beginning of year | 4,943 | 4,943 | 0 |
| Expenditures against prior year's encumbrances | 18,475 | 18,475 | 0 |
| Fund balance at end of year | <u>\$6,543</u> | <u>\$6,496</u> | <u>(\$47)</u> |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Vocational Equipment Grant
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|------------|--|
| Revenues: | | | |
| Intergovernmental | \$0 | \$0 | \$0 |
| Total revenue | 0 | 0 | 0 |
| Expenditures: | | | |
| Non-instructional services: | | | |
| Equipment | 0 | 0 | 0 |
| Total non-instructional services | 0 | 0 | 0 |
| Total expenditures | 0 | 0 | 0 |
| Excess (deficiency) of revenues over expenditures | 0 | 0 | 0 |
| Other financing sources (uses): | | | |
| Advances/transfers in | 0 | 0 | 0 |
| Advances/transfers out | 0 | 0 | 0 |
| Total other financing sources (uses) | 0 | 0 | 0 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 0 | 0 | 0 |
| Fund balance at beginning of year | 1 | 1 | 0 |
| Fund balance at end of year | <u>\$1</u> | <u>\$1</u> | <u>\$0</u> |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
School Net Plus
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|----------|--|
| Revenues: | | | |
| Intergovernmental | \$43,001 | \$30,836 | (\$12,165) |
| Total revenue | 43,001 | 30,836 | (12,165) |
| Expenditures: | | | |
| Central: | | | |
| Salaries and wages | 3,000 | 3,000 | 0 |
| Contractual services | 8,395 | 8,311 | 84 |
| Supplies | 12,000 | 3,727 | 8,273 |
| Equipment | 28,554 | 23,109 | 5,445 |
| Total central | 51,949 | 38,147 | 13,802 |
| Total expenditures | 51,949 | 38,147 | 13,802 |
| Excess (deficiency) of revenues over expenditures | (8,948) | (7,311) | 1,637 |
| Fund balance at beginning of year | 8,949 | 8,949 | 0 |
| Fund balance at end of year | \$1 | \$1,638 | \$1,637 |

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Beachwood City School District

ENTERPRISE FUNDS

Enterprise Funds are established to account for operations that are financed and operated in a manner similar to private sector businesses where the intent is that the expense (including depreciation) of providing goods or services to the general public is financed or recovered primarily through user charges.

Food Service - this fund accounts for the provision of food service to the District.

Uniform School Supplies - this fund accounts for the purchase of necessary supplies, materials or other school related items above those items provided for general instruction, paid for by students.

Adult Education - this fund accounts for the provision of adult education classes to the District.

Recreation - this fund accounts for monies received and expended in connection with a community recreation program.

Preschool - this fund accounts for the provision of full and half-day services to children ages 3-5.

Beachwood City School District
Combining Balance Sheet
All Enterprise Funds
June 30, 2000
(With comparative totals for June 30, 1999)

| | Food Service | Uniform School Supplies | Adult Education | Recreation |
|---|------------------------|-------------------------------|------------------------|------------------------|
| Assets | | | | |
| Current assets: | | | | |
| Equity in pooled cash and cash equivalents | \$4,650 | \$1,493 | \$10,907 | \$77,768 |
| Receivables - accounts | 0 | 0 | 0 | 0 |
| Due from other governments | 0 | 0 | 0 | 0 |
| Inventory - food supplies | 4,801 | 0 | 0 | 0 |
| Total current assets | <u>9,451</u> | <u>1,493</u> | <u>10,907</u> | <u>77,768</u> |
| Fixed assets (net of accumulated depreciation) | <u>7,971</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total assets | <u><u>17,422</u></u> | <u><u>1,493</u></u> | <u><u>10,907</u></u> | <u><u>77,768</u></u> |
| Liabilities | | | | |
| Current liabilities: | | | | |
| Accounts payable | 0 | 0 | 0 | 36 |
| Accrued wages and benefits | 69,622 | 0 | 0 | 0 |
| Due to other funds | 0 | 0 | 0 | 4,620 |
| Deferred revenue: other | 349 | 0 | 0 | 0 |
| Total current liabilities | <u>69,971</u> | <u>0</u> | <u>0</u> | <u>4,656</u> |
| Fund equity (deficit) | | | | |
| Contributed capital | 35,200 | 0 | 0 | 0 |
| Retained earnings (deficit): | | | | |
| Unreserved | <u>(87,749)</u> | <u>1,493</u> | <u>10,907</u> | <u>73,112</u> |
| Total fund equity (deficit) | <u>(52,549)</u> | <u>1,493</u> | <u>10,907</u> | <u>73,112</u> |
| Total liabilities and fund equity | <u><u>\$17,422</u></u> | <u><u>\$1,493</u></u> | <u><u>\$10,907</u></u> | <u><u>\$77,768</u></u> |

| Preschool | Totals | |
|-----------------|------------------|------------------|
| | 2000 | 1999 |
| \$19,141 | \$113,959 | \$104,912 |
| 0 | 0 | 1,050 |
| 0 | 0 | 4,240 |
| 0 | 4,801 | 4,709 |
| <u>19,141</u> | <u>118,760</u> | <u>114,911</u> |
| <u>1,047</u> | <u>9,018</u> | <u>7,693</u> |
| <u>20,188</u> | <u>127,778</u> | <u>122,604</u> |
| 511 | 547 | 157 |
| 65,220 | 134,842 | 124,294 |
| 0 | 4,620 | 622 |
| 0 | 349 | 1,196 |
| <u>65,731</u> | <u>140,358</u> | <u>126,269</u> |
| 0 | 35,200 | 35,200 |
| <u>(45,543)</u> | <u>(47,780)</u> | <u>(38,865)</u> |
| <u>(45,543)</u> | <u>(12,580)</u> | <u>(3,665)</u> |
| <u>\$20,188</u> | <u>\$127,778</u> | <u>\$122,604</u> |

Beachwood City School District
Combining Statement of Revenues, Expenses and Changes in Retained Earnings
All Enterprise Funds
For The Year Ended June 30, 2000
(With comparative totals for June 30, 1999)

| | Food Service | Uniform School Supplies | Adult Education | Recreation |
|---|-------------------|-------------------------------|--------------------|-----------------|
| Operating revenues: | | | | |
| Tuition and fees | \$0 | \$0 | \$0 | \$0 |
| Sales | 340,550 | 0 | 0 | 0 |
| Charges for services | 0 | 0 | 11,338 | 125,343 |
| Other | 809 | 0 | 0 | 0 |
| Total operating revenues | <u>341,359</u> | <u>0</u> | <u>11,338</u> | <u>125,343</u> |
| Operating expenses: | | | | |
| Salaries and wages | 202,379 | 0 | 0 | 74,963 |
| Fringe benefits | 90,472 | 0 | 0 | 10,423 |
| Contractual services | 5,993 | 0 | 5,676 | 30,670 |
| Materials and supplies | 196,245 | 0 | 3,198 | 7,025 |
| Other expenses | 147 | 0 | 0 | 1,476 |
| Depreciation expense | 3,037 | 0 | 0 | 0 |
| Total operating expenses | <u>498,273</u> | <u>0</u> | <u>8,874</u> | <u>124,557</u> |
| Operating income (loss) | (156,914) | 0 | 2,464 | 786 |
| Non-operating revenues: | | | | |
| Interest | 739 | 0 | 0 | 0 |
| Operating grants | 25,989 | 0 | 1,089 | 0 |
| Total non-operating revenues | <u>26,728</u> | <u>0</u> | <u>1,089</u> | <u>0</u> |
| Net income (loss) before operating transfers | (130,186) | 0 | 3,553 | 786 |
| Operating transfers in | 105,000 | 0 | 0 | 0 |
| Net operating transfers | 105,000 | 0 | 0 | 0 |
| Net income (loss) | (25,186) | 0 | 3,553 | 786 |
| Retained earnings (deficit) at beginning of year | <u>(62,563)</u> | <u>1,493</u> | <u>7,354</u> | <u>72,326</u> |
| Retained earnings (deficit) at end of year | <u>(\$87,749)</u> | <u>\$1,493</u> | <u>\$10,907</u> | <u>\$73,112</u> |

| Preschool | Totals | |
|-------------------|-------------------|-------------------|
| | 2000 | 1999 |
| \$425,644 | \$425,644 | \$318,258 |
| 0 | 340,550 | 359,303 |
| | 136,681 | 74,659 |
| 0 | 809 | 0 |
| <u>425,644</u> | <u>903,684</u> | <u>752,220</u> |
| 261,889 | 539,231 | 493,645 |
| 96,732 | 197,627 | 151,452 |
| 30,955 | 73,294 | 55,040 |
| 21,315 | 227,783 | 229,091 |
| 2,717 | 4,340 | 10,452 |
| 104 | 3,141 | 3,193 |
| <u>413,712</u> | <u>1,045,416</u> | <u>942,873</u> |
| 11,932 | (141,732) | (190,653) |
| 0 | 739 | 0 |
| 0 | 27,078 | 28,233 |
| <u>0</u> | <u>27,817</u> | <u>28,233</u> |
| 11,932 | (113,915) | (162,420) |
| 0 | 105,000 | 85,000 |
| 0 | 105,000 | 85,000 |
| 11,932 | (8,915) | (77,420) |
| <u>(57,475)</u> | <u>(38,865)</u> | <u>38,555</u> |
| <u>(\$45,543)</u> | <u>(\$47,780)</u> | <u>(\$38,865)</u> |

Beachwood City School District
Combining Statement of Cash Flows
Enterprise Funds
For the Year Ended June 30, 2000
(With comparative totals for June 30, 1999)

| | Food Service | Uniform School Supplies | Adult Education | Recreation |
|--|------------------|-------------------------------|--------------------|-----------------|
| Cash flows from operating activities: | | | | |
| Operating Income (loss) | (\$156,914) | \$0 | \$2,464 | \$786 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | | | |
| Depreciation | 3,037 | 0 | 0 | 0 |
| Change in assets and liabilities | | | | |
| (Increase) Decrease in accounts receivable | 1,050 | 0 | 0 | 0 |
| (Increase) Decrease in due from other governments | 4240 | 0 | 0 | 0 |
| (Increase) Decrease in inventory | (92) | 0 | 0 | 0 |
| Increase (Decrease) in accounts payable | (95) | 0 | 0 | (26) |
| Increase (Decrease) in accrued wages payable | 9,613 | 0 | 0 | 0 |
| Increase (Decrease) in due to other funds | 0 | 0 | 0 | 3,998 |
| Increase (Decrease) in deferred revenue | (847) | 0 | 0 | 0 |
| Total adjustments | 16,906 | 0 | 0 | 3,972 |
| Net cash provided by (used in) operating activities | (140,008) | 0 | 2,464 | 4,758 |
| Cash flows provided by noncapital financing activities: | | | | |
| Interest | 739 | 0 | 0 | 0 |
| Operating grants received | 25,989 | 0 | 1,089 | 0 |
| Operating transfers in | 105,000 | 0 | 0 | 0 |
| Net cash provided by noncapital financing activities | 131,728 | 0 | 1,089 | 0 |
| Cash flows used in capital and related financing activities: | | | | |
| Acquisition and construction of capital assets | (3,495) | 0 | 0 | 0 |
| Net cash used in capital and related financing activities | (3,495) | 0 | 0 | 0 |
| Net increase in cash and cash equivalents | (11,775) | 0 | 3,553 | 4,758 |
| Cash and cash equivalents at beginning of year | 16,425 | 1,493 | 7,354 | 73,010 |
| Cash and cash equivalents at end of year | \$4,650 | \$1,493 | \$10,907 | \$77,768 |

| <u>Preschool</u> | <u>Totals</u> | |
|------------------|------------------|------------------|
| | <u>2000</u> | <u>1999</u> |
| \$11,932 | (\$141,732) | (\$190,653) |
| 104 | 3,141 | 3,193 |
| 0 | 1,050 | 151 |
| 0 | 4,240 | (167) |
| 0 | (92) | 4,821 |
| 511 | 390 | 157 |
| 935 | 10,548 | (2,010) |
| 0 | 3,998 | (3,978) |
| 0 | (847) | (617) |
| <u>1,550</u> | <u>22,428</u> | <u>1,550</u> |
| <u>13,482</u> | <u>(119,304)</u> | <u>(189,103)</u> |
| 0 | 739 | 0 |
| 0 | 27,078 | 28,233 |
| 0 | 105,000 | 85,000 |
| <u>0</u> | <u>132,817</u> | <u>113,233</u> |
| <u>(971)</u> | <u>(4,466)</u> | <u>(200)</u> |
| <u>(971)</u> | <u>(4,466)</u> | <u>(200)</u> |
| <u>12,511</u> | <u>9,047</u> | <u>(76,070)</u> |
| <u>6,630</u> | <u>104,912</u> | <u>180,982</u> |
| <u>\$19,141</u> | <u>\$113,959</u> | <u>\$104,912</u> |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Food Service
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|--------------------|---------------------|--|
| Operating Revenues: | | | |
| Sales | \$415,600 | \$341,600 | (\$74,000) |
| Refund of prior year expense | 1,000 | 809 | (191) |
| Total operating revenues | <u>416,600</u> | <u>342,409</u> | <u>(74,191)</u> |
| Operating expenses: | | | |
| Food service operations | | | |
| Salaries and wages | 194,826 | 193,674 | 1,152 |
| Benefits | 92,732 | 89,564 | 3,168 |
| Contractual services | 10,596 | 8,993 | 1,603 |
| Supplies | 255,800 | 198,079 | 57,721 |
| Equipment | 4,247 | 3,642 | 605 |
| Total food service operations | <u>558,201</u> | <u>493,952</u> | <u>64,249</u> |
| Total operating expenses | <u>558,201</u> | <u>493,952</u> | <u>64,249</u> |
| Operating income (loss) | (141,601) | (151,543) | (9,942) |
| Non-operating revenues : | | | |
| Miscellaneous revenue from local sources | 1,000 | 739 | (261) |
| Federal and state subsidies | 29,200 | 30,229 | 1,029 |
| Total non-operating revenues | <u>30,200</u> | <u>30,968</u> | <u>768</u> |
| Excess of revenue and other financing sources over (under) expenses and other financing uses | (111,401) | (120,575) | (9,174) |
| Operating transfers in | <u>95,000</u> | <u>105,000</u> | <u>10,000</u> |
| Total operating transfers | <u>95,000</u> | <u>105,000</u> | <u>10,000</u> |
| Excess of revenue over (under) expenses, advances and transfers | (16,401) | (15,575) | 826 |
| Fund equity at beginning of year | <u>16,425</u> | <u>16,425</u> | <u>0</u> |
| Fund equity at end of year | <u><u>\$24</u></u> | <u><u>\$850</u></u> | <u><u>\$826</u></u> |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Uniform School Supplies
For the Year Ended June 30, 2000

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|-----------------------|---|
| Operating revenues: | | | |
| Sales | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Total operating revenues | <u>0</u> | <u>0</u> | <u>0</u> |
| Operating expenses: | | | |
| Salaries and wages | | | |
| Fringe benefits | <u>0</u> | <u>0</u> | <u>0</u> |
| Total operating expenses | <u>0</u> | <u>0</u> | <u>0</u> |
| Excess of revenue and other financing sources over (under) expenses and other financing uses | 0 | 0 | 0 |
| Fund equity at beginning of year | <u>1,492</u> | <u>1,492</u> | <u>0</u> |
| Fund equity at end of year | <u><u>\$1,492</u></u> | <u><u>\$1,492</u></u> | <u><u>\$0</u></u> |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Adult Education
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|--|-------------------|-----------------|--|
| Operating revenues: | | | |
| Charges for services | \$9,161 | \$11,337 | \$2,176 |
| Total operating revenues | 9,161 | 11,337 | 2,176 |
| Operating expenditures: | | | |
| Salaries and wages | 500 | 0 | 500 |
| Fringe Benefits | 110 | 0 | 110 |
| Contractual services | 7,500 | 5,675 | 1,825 |
| Supplies | 3,250 | 3,198 | 52 |
| Equipment | 500 | 0 | 500 |
| Total operating expenses | 11,860 | 8,873 | 2,987 |
| Operating income (loss) | (2,699) | 2,464 | 5,163 |
| Non-operating revenues : | | | |
| Federal and state subsidies | 661 | 1,089 | 428 |
| Total non-operating revenues | 661 | 1,089 | 428 |
| Excess of revenue over (under) expenses, advances and transfers | (2,038) | 3,553 | 5,591 |
| Fund equity at beginning of year | 6,976 | 6,976 | 0 |
| Prior year encumbrances appropriated | 378 | 378 | 0 |
| Fund equity at end of year | \$5,316 | \$10,907 | \$5,591 |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Recreation
For the Year Ended June 30, 2000

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|---------------------------|------------------------|---|
| Operating revenues: | | | |
| Charges for services | \$130,038 | \$125,343 | (\$4,695) |
| Total operating revenues | <u>130,038</u> | <u>125,343</u> | <u>(4,695)</u> |
| Operating expenditures: | | | |
| Salaries and wages | 81,643 | 74,963 | 6,680 |
| Fringe Benefits | 12,008 | 10,423 | 1,585 |
| Contractual services | 32,714 | 30,791 | 1,923 |
| Supplies | 7,759 | 7,080 | 679 |
| Other | 1,500 | 1,477 | 23 |
| Total operating expenditures | <u>135,624</u> | <u>124,734</u> | <u>10,890</u> |
| Excess (deficiency) of revenues over expenditures | (5,586) | 609 | 6,195 |
| Non-operating revenues : | | | |
| Advances in | 600 | 4,620 | 4,020 |
| Advances out | (622) | (622) | \$0 |
| Total non-operating revenues | (22) | 3,998 | 4,020 |
| Excess of revenues and other over expenses other | (5,608) | 4,607 | 10,215 |
| Fund equity at beginning of year | 71,451 | 71,451 | 0 |
| Prior year encumbrances appropriated | <u>1,558</u> | <u>1,558</u> | <u>0</u> |
| Fund equity at end of year | <u><u>\$67,401</u></u> | <u><u>\$77,616</u></u> | <u><u>\$10,215</u></u> |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Preschool
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|---|-------------------|-----------------|--|
| Operating Revenues: | | | |
| Tuition & fees | \$466,450 | \$425,644 | (\$40,806) |
| Total operating revenues | 466,450 | 425,644 | (40,806) |
| Operating expenses: | | | |
| Instruction: | | | |
| Salaries and wages | 293,605 | 271,104 | 22,501 |
| Benefits | 100,244 | 86,582 | 13,662 |
| Contractual services | 35,901 | 32,175 | 3,726 |
| Supplies | 22,042 | 21,861 | 181 |
| Equipment | 4,744 | 3,688 | 1,056 |
| Total instruction | 456,536 | 415,410 | 41,126 |
| Total expenditures | 456,536 | 415,410 | 41,126 |
| Operating income (loss) | 9,914 | 10,234 | 320 |
| Fund equity at beginning of year | 6,108 | 6,108 | 0 |
| Prior year encumbrances appropriated | 522 | 522 | 0 |
| Fund equity at end of year | \$16,544 | \$16,864 | \$320 |

Beachwood City School District

INTERNAL SERVICE FUNDS

Internal Service Funds - are 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.

Consortium Funds - to account for vocational training programs, programs for the multi-handicapped and educating deaf and hearing-impaired children.

Self Insurance Fund - to account for receipt and expenditure of funds for vision claims for employees.

Beachwood City School District
Combining Balance Sheet
All Internal Services Funds
June 30, 2000
(With comparative totals for June 30, 1999)

| | Consortium Funds | Self Insurance Fund | Totals | |
|---|---------------------|------------------------|--------------------|--------------------|
| | | | 2000 | 1999 |
| Assets | | | | |
| Current assets: | | | | |
| Equity in pooled cash and cash equivalents | \$587,997 | \$202,286 | \$790,283 | \$931,803 |
| Accounts receivable | 1,453 | 0 | 1,453 | 85 |
| Due from other funds | 249,612 | 0 | 249,612 | 148,811 |
| Due from other governments | 427,432 | 0 | 427,432 | 254,049 |
| Total current assets | 1,266,494 | 202,286 | 1,468,780 | 1,334,748 |
| Fixed assets, (net of accumulated depreciation) | 30,798 | 0 | 30,798 | 37,393 |
| Total assets | 1,297,292 | 202,286 | 1,499,578 | 1,372,141 |
| Liabilities | | | | |
| Current liabilities: | | | | |
| Accounts payable | 417 | 0 | 417 | 0 |
| Accrued wages and benefits | 775,136 | 0 | 775,136 | 770,621 |
| Due to other funds | 427,376 | 0 | 427,376 | 295,421 |
| Due to other governments | 0 | 0 | 0 | 0 |
| Total current liabilities | 1,202,929 | 0 | 1,202,929 | 1,066,042 |
| Fund equity | | | | |
| Contributed capital | 1,905 | 0 | 1,905 | 1,905 |
| Retained earnings: unreserved | 92,458 | 202,286 | 294,744 | 304,194 |
| Total fund equity | 94,363 | 202,286 | 296,649 | 306,099 |
| Total liabilities and fund equity | \$1,297,292 | \$202,286 | \$1,499,578 | \$1,372,141 |

Beachwood City School District
Combining Statement of Revenues, Expenses and Changes in Retained Earnings
All Internal Service Funds
For The Year Ended June 30, 2000
(With comparative totals for June 30, 1999)

| | Consortium Funds | Self Insurance Fund | Totals | |
|---|---------------------|---------------------------|------------------|------------------|
| | | | 2000 | 1999 |
| Operating revenues: | | | | |
| Tuition and fees | \$2,029,927 | \$0 | \$2,029,927 | \$2,018,925 |
| Charges for services | 75,825 | 0 | 75,825 | 93,278 |
| Other | 146,348 | 60,000 | 206,348 | 190,652 |
| Total operating revenues | 2,252,100 | 60,000 | 2,312,100 | 2,302,855 |
| Operating expenses: | | | | |
| Salaries and wages | 2,002,326 | 0 | 2,002,326 | 1,899,688 |
| Fringe benefits | 662,545 | 0 | 662,545 | 608,035 |
| Contractual services | 316,871 | 0 | 316,871 | 141,390 |
| Materials and supplies | 159,956 | 0 | 159,956 | 159,918 |
| Other expenses | 16,627 | 69,767 | 86,394 | 81,859 |
| Depreciation expenses | 15,130 | 0 | 15,130 | 13,038 |
| Total operating expenses | 3,173,455 | 69,767 | 3,243,222 | 2,903,928 |
| Operating loss | (921,355) | (9,767) | (931,122) | (601,073) |
| Non-operating revenues: | | | | |
| Operating grants | 885,301 | 0 | 885,301 | 550,175 |
| Total non-operating revenues | 885,301 | 0 | 885,301 | 550,175 |
| Net income (loss) before operating transfers | (36,054) | (9,767) | (45,821) | (50,898) |
| Operating transfers in | 36,371 | 0 | 36,371 | 52,078 |
| Net operating transfers | 36,371 | 0 | 36,371 | 52,078 |
| Net income (loss) | 317 | (9,767) | (9,450) | 1,180 |
| Retained earnings/deficit at beginning of year | 92,141 | 212,053 | 304,194 | 303,014 |
| Retained earnings at end of year | \$92,458 | \$202,286 | \$294,744 | \$304,194 |

Beachwood City School District
Combining Statement of Cash Flows
All Internal Service Funds
For the Year Ended June 30, 2000
(With comparative totals for June 30, 1999)

| | Consortium Funds | Self Insurance Fund | Totals | |
|--|---------------------|---------------------------|--------------------|------------------|
| | | | 2000 | 1999 |
| Cash flows from operating activities: | | | | |
| Operating income (loss) | (\$921,133) | (\$9,767) | (\$930,900) | (\$601,073) |
| Adjustments to reconcile operating loss to net cash used in operating activities: | | | | |
| Depreciation | 14,908 | 0 | 14,908 | 13,038 |
| Change in assets and liabilities | | | | |
| (Increase) decrease in accounts receivable | (1,368) | 0 | (1,368) | 2,844 |
| (Increase) decrease in due from other funds | (100,801) | 0 | (100,801) | (99,488) |
| (Increase) decrease in due from other governments | (173,383) | 0 | (173,383) | 90,940 |
| Increase (decrease) in accounts payable | 416 | 0 | 416 | 0 |
| Increase (decrease) in accrued wages payable | 4,515 | 0 | 4,515 | 71,468 |
| Increase (decrease) in due to other funds | 131,956 | 0 | 131,956 | 60,573 |
| Total adjustments | (123,757) | 0 | (123,757) | 139,375 |
| Net cash provided by (used in) operating activities | (1,044,890) | (9,767) | (1,054,657) | (461,698) |
| Cash flows provided by (used in) noncapital financing activities: | | | | |
| Operating grants received | 885,301 | 0 | 885,301 | 550,175 |
| Operating transfers in | 36,371 | 0 | 36,371 | 52,078 |
| Net cash provided by (used in)noncapital financing | 921,672 | 0 | 921,672 | 602,253 |
| Cash flows used in capital and related financing activities: | | | | |
| Acquisition and construction of capital assets | (8,535) | 0 | (8,535) | (20,410) |
| Net cash used in capital and related financing activities | (8,535) | 0 | (8,535) | (20,410) |
| Net increase (decrease) in cash and cash equivalents | (131,753) | (9,767) | (141,520) | 120,145 |
| Cash and cash equivalents at beginning of year | 719,750 | 212,053 | 931,803 | 811,658 |
| Cash and cash equivalents at end of year | \$587,997 | \$202,286 | \$790,283 | \$931,803 |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Consortium Funds
For the Year Ended June 30, 2000

| | Revised Budget | Actual | Variance Favorable (Unfavorable) |
|--|--------------------|--------------------|--|
| Revenues: | | | |
| Tuition | \$2,034,681 | \$1,740,033 | (\$294,648) |
| Charges for services | 105,626 | 75,825 | (29,801) |
| Miscellaneous revenue from local sources | 21,900 | 24,015 | 2,115 |
| Total revenues | 2,162,207 | 1,839,873 | (322,334) |
| Operating expenses: | | | |
| Special Instruction: | | | |
| Salaries and wages | 2,071,011 | 1,996,821 | 74,190 |
| Benefits | 752,144 | 663,534 | 88,610 |
| Contractual services services | 317,650 | 243,958 | 73,692 |
| Supplies | 193,595 | 159,683 | 33,912 |
| Equipment | 33,594 | 23,829 | 9,765 |
| Other | 3,099 | 1,333 | 1,766 |
| Total instruction | 3,371,093 | 3,089,158 | 281,935 |
| Total operating expenses | 3,371,093 | 3,089,158 | 281,935 |
| Operating income (loss) | (1,208,886) | (1,249,285) | (40,399) |
| Non-operating revenues and expenses | | | |
| Federal and state subsidies | 710,361 | 885,301 | (174,940) |
| Advances in | 4,000 | 311,500 | (307,500) |
| Advances out | (123,000) | (123,000) | 0 |
| Total non-operating revenues and expenses | 591,361 | 1,073,801 | 482,440 |
| Excess of revenues and other over expenses and other | (617,525) | (175,484) | 442,041 |
| Operating transfers in | 474,766 | 448,987 | (25,779) |
| Operating transfers out | (415,378) | (412,616) | 2,762 |
| Excess of revenue over (under) expenses, advances and transfers | (558,137) | (139,113) | 419,024 |
| Fund equity at beginning of year | 716,343 | 716,343 | 0 |
| Prior year encumbrances appropriated | 3,409 | 3,409 | 0 |
| Fund balance at end of year | \$161,615 | \$580,639 | \$419,024 |

Beachwood City School District
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual
Self Insurance Fund
For the Year Ended June 30, 2000

| | <u>Revised Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|---------------------------|-------------------------|---|
| Operating revenues: | | | |
| Miscellaneous revenue from local sources | <u>\$66,000</u> | <u>\$60,000</u> | <u>(\$6,000)</u> |
| Total operating revenues | <u>66,000</u> | <u>60,000</u> | <u>(6,000)</u> |
| Operating expenses: | | | |
| Fiscal: | | | |
| Other | <u>70,000</u> | <u>69,766</u> | <u>234</u> |
| Total fiscal | <u>70,000</u> | <u>69,766</u> | <u>234</u> |
| Total operating expenses | <u>70,000</u> | <u>69,766</u> | <u>234</u> |
| Excess of revenue over (under) expenses, advances and transfers | <u>(4,000)</u> | <u>(9,766)</u> | <u>(5,766)</u> |
| Fund equity at beginning of year | <u>212,053</u> | <u>212,053</u> | <u>0</u> |
| Fund equity at end of year | <u><u>\$208,053</u></u> | <u><u>\$202,287</u></u> | <u><u>(\$5,766)</u></u> |

Beachwood City School District

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 trustee or agency relationship.

Expendable Trust Fund:

Scholarship - 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.

Agency Funds:

Student Activities - this fund accounts for 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 School District
Combining Balance Sheet
All Expendable Trust and Agency Funds
June 30, 2000
(With comparative totals for June 30, 1999)

| | Expendable Trust | Agency | |
|---|---------------------|-----------------------|------------------|
| | | Student Activities | Retirement |
| Assets | | | |
| Equity in pooled cash and cash equivalents | \$18,813 | \$36,343 | \$244,611 |
| Total assets | <u>18,813</u> | <u>36,343</u> | <u>244,611</u> |
| Liabilities | | | |
| Accrued wages | 0 | 0 | 244,611 |
| Due to students | 0 | 36,343 | 0 |
| Total liabilities | <u>0</u> | <u>36,343</u> | <u>244,611</u> |
| Fund equity | | | |
| Fund balances: | | | |
| Unreserved...undesignated | 18,813 | 0 | 0 |
| Total fund equity | <u>18,813</u> | <u>0</u> | <u>0</u> |
| Total liabilities and fund equity | <u>\$18,813</u> | <u>\$36,343</u> | <u>\$244,611</u> |

Totals

| <u>2000</u> | <u>1999</u> |
|------------------|------------------|
| <u>\$299,767</u> | <u>\$291,108</u> |
| <u>299,767</u> | <u>291,108</u> |
| | |
| <u>244,611</u> | <u>224,706</u> |
| <u>36,343</u> | <u>44,729</u> |
| | |
| <u>280,954</u> | <u>269,435</u> |
| | |
| <u>18,813</u> | <u>21,673</u> |
| | |
| <u>18,813</u> | <u>21,673</u> |
| | |
| <u>\$299,767</u> | <u>\$291,108</u> |

Beachwood City School District
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended June 30, 2000

| | Begin Balance July 1, 1999 | Additions | Deductions | Ending Balance June 30, 2000 |
|--|-------------------------------|--------------------|--------------------|---------------------------------|
| <hr/> Student Activities Fund <hr/> | | | | |
| Assets | | | | |
| Equity in pooled cash and cash equivalents | \$44,729 | \$61,945 | \$70,331 | \$36,343 |
| Total assets | <u>44,729</u> | <u>61,945</u> | <u>70,331</u> | <u>36,343</u> |
| Liabilities | | | | |
| Accounts payable | 0 | 0 | 0 | 0 |
| Due to students | 44,729 | 36,343 | 44,729 | 36,343 |
| Total liabilities | <u>\$44,729</u> | <u>\$36,343</u> | <u>\$44,729</u> | <u>\$36,343</u> |
| <hr/> Retirement Fund <hr/> | | | | |
| Assets | | | | |
| Equity in pooled cash and cash equivalents | \$224,706 | \$2,373,589 | \$2,353,684 | \$244,611 |
| Total assets | <u>224,706</u> | <u>2,373,589</u> | <u>2,353,684</u> | <u>244,611</u> |
| Liabilities | | | | |
| Accrued wages/benefits | 224,706 | 2,373,589 | 2,353,684 | 244,611 |
| Total liabilities | <u>\$224,706</u> | <u>\$2,373,589</u> | <u>\$2,353,684</u> | <u>\$244,611</u> |

Beachwood City School District
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2000

| | Beginning Balance <u>July 1, 1999</u> | Additions | Deductions | Ending Balance <u>June 30, 2000</u> |
|---|---|---------------------------|---------------------------|---|
| <hr/> | | | | |
| Total Agency Funds | | | | |
| Assets | | | | |
| Equity in pooled cash and cash equivalents | <u>\$269,435</u> | <u>\$2,435,534</u> | <u>\$2,424,015</u> | <u>\$280,954</u> |
| Total assets | <u><u>269,435</u></u> | <u><u>2,435,534</u></u> | <u><u>2,424,015</u></u> | <u><u>280,954</u></u> |
| Liabilities | | | | |
| Accrued wages/benefits | 224,706 | 2,373,589 | 2,353,684 | 244,611 |
| Due to students | <u>44,729</u> | <u>36,343</u> | <u>44,729</u> | <u>36,343</u> |
| Total liabilities | <u><u>\$269,435</u></u> | <u><u>\$2,409,932</u></u> | <u><u>\$2,398,413</u></u> | <u><u>\$280,954</u></u> |

Beachwood City School District

GENERAL FIXED ASSETS ACCOUNT GROUP

The group of accounts is used to account for all sites, buildings, equipment and vehicles not used in the operation of the Proprietary Funds.

**Beachwood City School District
Schedule of General Fixed Assets
By Function and Type
For the Year Ended June 30, 2000**

| Function | Total | Land and Improvements | Buildings | Furniture and Equipment | Vehicles |
|--|-----------------------------------|----------------------------------|-----------------------------------|----------------------------------|----------------------------------|
| Instruction | \$22,221,159 | \$2,106,615 | \$17,792,543 | \$2,322,001 | \$0 |
| Support Services: | | | | | |
| Administration/Fiscal | 706,837 | 125,384 | 217,836 | 363,617 | 0 |
| Operation and Maintenance of Plant Services | 898,623 | 21,308 | 383,787 | 289,563 | 203,965 |
| Pupil Transportation | 1,549,208 | 0 | 248,372 | 29,934 | 1,270,902 |
| Extracurricular Activities | 536,854 | 82,747 | 327,784 | 102,991 | 23,332 |
| Total General Fixed Assets | <u><u>\$25,912,681</u></u> | <u><u>\$2,336,054</u></u> | <u><u>\$18,970,322</u></u> | <u><u>\$3,108,106</u></u> | <u><u>\$1,498,199</u></u> |

Beachwood City School District
Schedule of Changes in General Fixed Assets
By Function
For the Year Ended June 30, 2000

| Function | General Fixed Assets For the Fiscal Year Ended June 30, 1999 | Increases | Decreases | General Fixed Assets For the Fiscal Year Ended June 30, 2000 |
|--|--|------------------|----------------------|--|
| Instruction | \$22,241,135 | \$885,710 | (\$905,686) | \$22,221,159 |
| Support Services: | | | | |
| Administration/Fiscal | 770,357 | 4,210 | (67,730) | 706,837 |
| Operation and Maintenance of Plant Services | 1,059,865 | 26,398 | (187,640) | 898,623 |
| Pupil Transportation | 1,682,674 | 7,615 | (141,081) | 1,549,208 |
| Extracurricular Activities | 540,091 | 5,575 | (8,812) | 536,854 |
| Total General Fixed Assets | <u>\$26,294,122</u> | <u>\$929,508</u> | <u>(\$1,310,949)</u> | <u>\$25,912,681</u> |

**Beachwood City School District
Schedule of General Fixed Assets
By Source
As of June 30, 2000**

General Fixed Assets:

| | |
|-------------------------|-------------|
| Land and Improvements | \$2,336,054 |
| Buildings | 18,970,322 |
| Furniture and Equipment | 3,108,106 |
| Vehicles | 1,498,199 |

| | |
|----------------------------|--------------|
| Total General Fixed Assets | \$25,912,681 |
|----------------------------|--------------|

Investments in General Fixed Assets from
Acquisitions/Adjustments since July 1, 1992

| | |
|-----------------------|------------|
| General Fund | \$865,015 |
| Capital Projects Fund | 13,750,855 |
| Special Revenue Funds | 151,522 |
| | 14,767,392 |

| | |
|------------------------------------|------------|
| Acquisitions Prior to July 1, 1992 | 11,145,289 |
|------------------------------------|------------|

| | |
|--|--------------|
| Total Investment in General Fixed Assets | \$25,912,681 |
|--|--------------|

STATISTICAL SECTION

Beachwood City School District
 General Fund - Expenditures and Other Financing Uses by Function
 Last Ten Years

| | 2000 | 1999 | 1998 | 1997 | 1996 | 1995 | 1994 | 1993 | 1992 | 1991 |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Instruction | \$11,028,622 | \$10,302,192 | \$9,794,051 | \$9,114,562 | \$8,548,145 | \$8,275,956 | \$8,589,274 | \$7,843,353 | \$6,989,021 | \$6,607,778 |
| Support Services: | | | | | | | | | | |
| Pupil | 1,256,974 | 1,230,135 | 1,330,343 | 1,329,622 | 1,293,108 | 1,217,709 | 1,100,746 | 1,041,070 | 928,753 | 935,718 |
| Instructional | 978,753 | 854,324 | 850,369 | 837,004 | 855,671 | 910,788 | 872,694 | 797,387 | 730,435 | 706,600 |
| Board of Education | 592,182 | 286,573 | 231,410 | 223,210 | 185,688 | 180,974 | 191,282 | 128,037 | 157,782 | 201,632 |
| Administration | 2,009,038 | 2,020,920 | 1,772,108 | 1,655,143 | 1,803,786 | 1,584,261 | 1,693,882 | 1,465,961 | 1,430,488 | 1,323,676 |
| Fiscal | 703,634 | 654,159 | 598,323 | 608,885 | 577,656 | 526,617 | 572,621 | 478,522 | 468,180 | 419,533 |
| Business | 595,903 | 470,691 | 490,540 | 451,768 | 467,578 | 412,006 | 402,815 | 387,269 | 343,780 | 340,486 |
| Operation and | 3,141,249 | 2,861,431 | | | | | | | | |
| Maintenance of Plant | | | 2,549,054 | 2,583,308 | 2,583,644 | 2,540,382 | 2,635,284 | 2,310,350 | 2,109,182 | 2,339,127 |
| Pupil Transportation | 1,203,800 | 1,185,776 | 1,123,682 | 1,134,748 | 1,162,692 | 1,116,312 | 1,082,296 | 981,066 | 861,336 | 906,156 |
| Central | 726,553 | 499,374 | 389,466 | 348,814 | 383,737 | 288,822 | 179,310 | 154,128 | 102,044 | 103,525 |
| Non-instructional | 0 | 0 | 7,847 | 0 | 6,317 | 6,154 | 4,416 | 4,253 | 16,503 | 5,285 |
| Extracurricular Activities | 360,081 | 322,261 | 313,744 | 279,267 | 262,049 | 249,025 | 244,101 | 210,727 | 188,421 | 177,523 |
| Capital Outlay | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-Programmed Charges | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Expenditures and Other Uses (1) | 331,371 | 282,773 | 198,600 | 188,578 | 379,208 | 473,756 | 452,831 | 329,397 | 185,271 | 184,050 |
| Total | \$22,928,160 | \$20,970,609 | \$19,649,537 | \$18,754,909 | \$18,509,279 | \$17,782,762 | \$18,021,552 | \$16,131,520 | \$14,511,196 | \$14,251,089 |

Source: School District Financial Records

(1) General Fund sums transferred to Capital Projects Fund: 1995, \$200,000; 1996, \$200,000; 1997, \$250,000; 1998, \$250,000; 1999, \$150,000.

Beachwood City School District
General Fund - Revenues and Other Financing Sources by Source
Last Ten Years

| | 2000 | 1999 | 1998 | 1997 | 1996 | 1995 | 1994 | 1993 | 1992 | 1991 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Taxes | \$18,784,502 | \$18,579,347 | \$17,540,448 | \$16,809,907 | \$16,175,106 | \$15,183,032 | \$16,209,847 | \$13,831,557 | \$12,024,223 | \$11,510,966 |
| Tuition and Fees | 184,932 | 119,779 | 271,174 | 319,637 | 110,543 | 165,486 | 40,176 | 48,631 | 55,874 | 20,951 |
| Interest | 485,893 | 450,823 | 431,244 | 291,216 | 255,758 | 232,090 | 100,508 | 112,301 | 161,119 | 283,281 |
| Decrease in fair market value of investme | (5,892) | (16,489) | 2,420 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Intergovernmental | 2,609,534 | 2,450,867 | 2,360,848 | 2,274,894 | 2,162,270 | 2,098,907 | 2,221,280 | 2,033,864 | 1,700,878 | 1,768,871 |
| Extracurricular Activities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Charges for Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rentals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Miscellaneous Revenue from Local Sources | 58,766 | 62,476 | 91,398 | 269,038 | 87,607 | 200,496 | 102,446 | 90,518 | 155,084 | 53,668 |
| Revenues and Other Financing Sources | 2,203 | 50,535 | 145,878 | 0 | 0 | 7,251 | 0 | 0 | 0 | 0 |
| Total | \$22,119,938 | \$21,697,338 | \$20,843,410 | \$19,964,592 | \$18,791,284 | \$17,887,262 | \$18,674,257 | \$16,116,871 | \$14,097,178 | \$13,637,737 |

Source: School District Financial Records

**Beachwood City School District
Property Tax Levies and Collections
Real and Personal Property Taxes (1)
Last Ten Calendar Years**

| Tax Year/ Collection Year | Current Levy | Delinquent Levy | Total Levy | Current Collection | Percent of Current Levy Collected | Delinquent Collection | Total Collection | Total Collected As a Percent of Current Levy |
|---------------------------------|-----------------|--------------------|---------------|-----------------------|---|--------------------------|---------------------|--|
| 1999/2000 | \$23,369,923 | \$1,153,949 | \$24,523,872 | \$22,756,093 | 97.37% | \$662,490 | \$23,418,583 | 100.2% |
| 1998/1999 | 22,044,802 | 1,163,401 | 23,208,203 | 21,118,474 | 95.80% | 752,386 | 21,870,860 | 99.2% |
| 1997/1998 | 20,900,491 | 1,244,733 | 22,145,224 | 19,998,904 | 95.69% | 599,164 | 20,598,068 | 98.6% |
| 1996/1997 | 18,596,070 | 1,236,807 | 19,832,877 | 18,100,987 | 97.3% | 643,217 | 18,744,204 | 100.8% |
| 1995/1996 | 18,267,474 | 1,140,768 | 19,408,242 | 17,099,591 | 93.6% | 390,735 | 17,490,326 | 95.7% |
| 1994/1995 | 18,149,911 | 2,792,237 | 20,942,148 | 17,211,067 | 94.8% | 1,681,481 | 18,892,548 | 104.1% |
| 1992/1993 | 18,006,639 | 2,070,850 | 20,077,489 | 16,672,050 | 92.6% | 609,010 | 17,281,060 | 96.0% |
| 1991/1992 | 14,594,314 | 1,644,135 | 16,238,449 | 14,056,328 | 96.3% | 322,501 | 14,378,829 | 98.5% |
| 1990/1991 | 13,633,583 | 1,163,811 | 14,797,394 | 12,943,562 | 94.9% | 320,040 | 13,263,602 | 97.3% |
| 1989/1990 | 13,190,015 | 814,730 | 14,004,745 | 12,696,558 | 96.3% | 347,756 | 13,044,314 | 98.9% |

Source: Cuyahoga County Auditor - Data is presented on a calendar year basis, consistent with the County Auditor'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
Assessed and Estimated Actual Value of Taxable Property
Last Ten Calendar Years

| Tax Year/ Collection Year | Agricultural And Residential Real Estate | | Other Real Estate | | Public Utility Personal | | Tangible Personal | | Total Assessed Valuation | | Estimated Actual Value | | Ratio |
|------------------------------|--|---------------|----------------------|---------------|-------------------------------|--------------|----------------------|--------------|--------------------------------|---------------|------------------------------|-----------------|-------|
| | | | | | | | | | | | | | |
| 1999/2000 | \$263,927,060 | \$263,927,060 | \$275,087,650 | \$275,087,650 | \$18,279,300 | \$18,279,300 | \$68,012,471 | \$68,012,471 | \$625,306,481 | \$625,306,481 | \$1,832,863,845 | \$1,832,863,845 | 34% |
| 1998/1999 | 261,109,480 | 261,109,480 | 265,821,240 | 265,821,240 | 20,322,810 | 20,322,810 | 64,860,358 | 64,860,358 | 612,113,888 | 612,113,888 | 1,788,051,877 | 1,788,051,877 | 34% |
| 1997/1998 | 259,144,980 | 259,144,980 | 247,799,030 | 247,799,030 | 18,944,410 | 18,944,410 | 53,657,332 | 53,657,332 | 579,545,752 | 579,545,752 | 1,684,568,605 | 1,684,568,605 | 34% |
| 1996/1997 | 242,577,970 | 242,577,970 | 225,986,570 | 225,986,570 | 20,025,830 | 20,025,830 | 48,897,801 | 48,897,801 | 537,488,171 | 537,488,171 | 1,557,103,600 | 1,557,103,600 | 35% |
| 1995/1996 | 242,188,780 | 242,188,780 | 213,121,340 | 213,121,340 | 18,884,910 | 18,884,910 | 43,496,246 | 43,496,246 | 517,691,276 | 517,691,276 | 1,479,117,931 | 1,479,117,931 | 35% |
| 1994/1995 | 243,276,140 | 243,276,140 | 210,328,890 | 210,328,890 | 20,133,470 | 20,133,470 | 43,939,322 | 43,939,322 | 517,677,822 | 517,677,822 | 1,479,079,491 | 1,479,079,491 | 35% |
| 1993/1994 | 212,269,710 | 212,269,710 | 209,013,530 | 209,013,530 | 19,562,430 | 19,562,430 | 43,053,298 | 43,053,298 | 483,898,968 | 483,898,968 | 1,382,568,480 | 1,382,568,480 | 35% |
| 1992/1993 | 210,664,810 | 210,664,810 | 211,296,390 | 211,296,390 | 17,290,890 | 17,290,890 | 39,862,696 | 39,862,696 | 479,114,786 | 479,114,786 | 1,384,702,951 | 1,384,702,951 | 35% |
| 1991/1992 | 207,158,010 | 207,158,010 | 197,817,060 | 197,817,060 | 17,536,660 | 17,536,660 | 40,193,900 | 40,193,900 | 462,705,630 | 462,705,630 | 1,370,888,517 | 1,370,888,517 | 34% |
| 1990/1991 | 165,520,430 | 165,520,430 | 171,247,190 | 171,247,190 | 15,778,430 | 15,778,430 | 41,345,112 | 41,345,112 | 393,891,162 | 393,891,162 | 1,146,880,104 | 1,146,880,104 | 34% |

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

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

| Tax Year/ Collection Year | School Levy | County Levy | City Levy | Total Levy | Debt Service Included in Total Levy | | |
|---------------------------------|----------------|----------------|--------------|---------------|--|--------|-------|
| | | | | | School | County | Total |
| 1999/2000 | 68.00 | 16.70 | 4.00 | 88.70 | 1.50 | 0.85 | 2.35 |
| 1998/1999 | 68.10 | 16.70 | 4.00 | 88.80 | 1.60 | 0.72 | 2.32 |
| 1997/1998 | 67.50 | 18.00 | 4.00 | 89.50 | 1.00 | 0.60 | 1.60 |
| 1996/1997 | 67.80 | 18.00 | 4.00 | 89.80 | 1.30 | 0.90 | 2.20 |
| 1995/1996 | 65.10 | 18.00 | 4.00 | 87.10 | 1.30 | 0.87 | 2.17 |
| 1994/1995 | 65.30 | 18.20 | 4.00 | 87.50 | 1.50 | 0.76 | 2.26 |
| 1993/1994 | 65.40 | 17.80 | 3.40 | 86.60 | 1.60 | 0.68 | 2.28 |
| 1992/1993 | 65.40 | 17.80 | 3.40 | 86.60 | 1.60 | 0.71 | 2.31 |
| 1991/1992 | 59.40 | 17.80 | 4.20 | 81.40 | 1.60 | 0.80 | 2.40 |
| 1990/1991 | 59.40 | 17.80 | 4.20 | 81.40 | 1.60 | 0.87 | 2.47 |

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

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

| Year | Gross General Bonded Debt | Less Debt Service Fund | Net General Bonded Debt | Assessed Value | Population (1) | Ratio of Net Debt to Assessed Value | Debt Per Capita |
|------|---------------------------|------------------------|-------------------------|----------------|----------------|-------------------------------------|-----------------|
| 2000 | \$5,213,000 | \$682,790 | \$4,530,210 | \$625,306,481 | 12,000 | 0.72% | \$434 |
| 1999 | 5,672,000 | 662,489 | 5,009,511 | 612,113,888 | 12,000 | 0.82% | 473 |
| 1998 | 5,941,000 | 521,562 | 5,419,438 | 579,545,772 | 12,000 | 0.94% | 495 |
| 1997 | 5,980,000 | 90,045 | 5,889,955 | 537,488,171 | 12,000 | 1.10% | 498 |
| 1996 | 6,200,000 | 97,258 | 6,102,742 | 517,691,276 | 12,000 | 1.18% | 517 |
| 1995 | 6,551,406 | 155,094 | 6,396,312 | 517,677,822 | 12,000 | 1.24% | 546 |
| 1994 | 6,897,812 | 220,791 | 6,677,021 | 483,898,968 | 12,000 | 1.38% | 575 |
| 1993 | 7,244,219 | 271,925 | 6,972,294 | 479,114,786 | 12,000 | 1.46% | 604 |
| 1992 | 7,590,625 | 356,905 | 7,233,720 | 462,705,630 | 10,677 | 1.56% | 711 |
| 1991 | 8,007,031 | 1,709,146 | 6,297,885 | 393,891,162 | 10,677 | 1.60% | 750 |

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

Beachwood City School District
Computation of Legal Debt Margin
June 30, 2000

| | |
|---|----------------------|
| Assessed Valuation (1999) | <u>\$625,306,481</u> |
| Bonded Debt Limit - 9% of Assessed Value (1) | \$56,277,583 |
| Amount of Debt Applicable to Debt Limit: | |
| Bonded Debt | 4,885,000 |
| Voted Debt Margin | <u>\$51,392,583</u> |
| Bonded Debt Limit - .1% of Assessed Value (1) | \$625,306 |
| Amount of Debt Applicable | 0 |
| Unvoted Debt Margin | <u>\$625,306</u> |

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

**Beachwood City School District
 Computation of Direct and Overlapping Debt
 General Obligation
 As of December 31, 1999**

| Jurisdiction | General Obligation Debt Outstanding | Percentage Applicable to School District (1) | Amount Applicable to School District |
|-----------------------------------|---|--|--|
| <i>Direct Debt:</i> | | | |
| Beachwood City School District | \$4,885,000 | 100.00% | \$4,885,000 |
| <i>Overlapping Debt:</i> | | | |
| Cuyahoga County | 141,004,636 | 2.41% | 3,398,212 |
| Regional Transit Authority | 101,865,000 | 2.41% | 2,454,947 |
| City of Pepper Pike | 3,888,067 | 0.01% | 389 |
| Total | <u>\$251,642,703</u> | | <u>\$10,738,548</u> |

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

(1) Percentages were determined by dividing the assessed valuation of the political
 subdivision by the total assessed valuation, which includes all overlapping
 valuation. The valuations used were for the 1999 collection year.

Beachwood City School District
Ratio of Annual Debt Service Expenditures for
General Bonded Debt to Total General Fund Expenditures
Last Ten Calendar Years

| Year (1) | Principal | Interest | Total Debt Service | Total General Fund Expenditures | Ratio of Debt Service to General Fund Expenditures (Percentage) |
|----------|-----------|-----------|-----------------------|---------------------------------------|---|
| 2000 | \$586,000 | \$357,995 | \$943,995 | \$22,596,789 | 4.18% |
| 1999 | 362,400 | 384,503 | 746,903 | 20,970,609 | 3.56% |
| 1998 | 267,200 | 539,841 | 807,041 | 19,649,537 | 4.11% |
| 1997 | 220,200 | 409,640 | 629,840 | 18,761,617 | 3.36% |
| 1996 | 351,406 | 428,920 | 780,326 | 18,509,279 | 4.22% |
| 1995 | 346,406 | 452,678 | 799,084 | 17,782,762 | 4.49% |
| 1994 | 346,406 | 476,420 | 822,826 | 18,021,552 | 4.57% |
| 1993 | 346,406 | 499,793 | 846,199 | 16,131,520 | 5.25% |
| 1992 | 416,406 | 558,560 | 974,966 | 14,511,196 | 6.72% |
| 1991 | 1,409,435 | 201,501 | 1,610,936 | 14,251,089 | 11.30% |

Source: School District Financial Records

(1) Includes other financing uses.

**Beachwood City School District
Building Permits
Last Ten Calendar Years**

| <u>Year</u> | <u>Value of Building Permits Issued</u> |
|-------------|---|
| 1999 | \$17,815,775 |
| 1998 | 16,505,000 |
| 1997 | 41,487,800 |
| 1996 | 41,110,000 |
| 1995 | 12,649,092 |
| 1994 | 47,843,501 |
| 1993 | 33,203,341 |
| 1992 | 44,584,804 |
| 1991 | 13,549,597 |
| 1990 | 32,565,391 |

Source: City of Beachwood Building Department

Beachwood City School District
Property Value, Construction and Bank Deposits
Last Ten Calendar Years

| Calendar Year | Number of | | Construction Value (a) | Number of Residential Units | Construction Value (a) | Cuyahoga County Bank Deposits (b) (in \$000's) | Tax Valuation | | Commercial Other(c) | Total Assessed |
|---------------|------------------|-------------------|------------------------|-----------------------------|------------------------|--|---------------|---------------|---------------------|----------------|
| | Commercial Units | Residential Units | | | | | Residential | Agric. (c) | | |
| 1999 | 4 | 4 | \$15,615,775 | 4 | \$2,200,000 | \$57,021,360 | \$263,927,060 | \$275,087,650 | \$625,306,481 | |
| 1998 | 3 | 4 | 14,750,000 | 4 | 1,755,000 | 56,770,353 | 261,109,480 | 265,821,240 | 612,113,888 | |
| 1997 | 3 | 13 | 37,300,000 | 13 | 4,187,800 | 53,941,971 (d) | 259,144,980 | 247,799,030 | 579,545,772 | |
| 1996 | 3 | 13 | 35,320,000 | 13 | 5,790,000 | 27,068,211 | 242,577,970 | 225,986,570 | 537,488,171 | |
| 1995 | 2 | 9 | 66,000 | 9 | 2,740,000 | 22,458,673 | 242,188,780 | 213,121,340 | 517,691,276 | |
| 1994 | 2 | 4 | 38,000 | 4 | 1,315,000 | 20,885,453 | 243,276,140 | 210,328,890 | 517,677,822 | |
| 1993 | 7 | 2 | 17,105,360 | 2 | 700,000 | 21,009,421 | 212,269,710 | 209,013,530 | 483,898,968 | |
| 1992 | 3 | 376 | 13,989,000 | 376 | 15,035,000 | 19,379,303 | 210,664,810 | 268,449,976 | 479,114,786 | |
| 1991 | 0 | 32 | 0 | 32 | 6,060,000 | 18,392,243 | 207,158,010 | 255,547,620 | 462,705,630 | |
| 1990 | 2 | 58 | 13,100,000 | 58 | 9,202,000 | 18,403,806 | 165,520,930 | 228,370,232 | 393,891,162 | |

Source: a) Beachwood City Building Department
b) Federal Reserve Bank of Cleveland (total demand, time and savings deposits) for Cuyahoga County, Ohio Banks
c) Cuyahoga County Auditor
d) Large increase in deposits due to Key Bank becoming a single charter in 1997

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

| Name of Taxpayer | Nature of Business | Assessed Valuation | % of Total Assessed Valuation (1) |
|----------------------------|--------------------|-----------------------|---|
| Beachwood Place Limited | Mall | \$21,725,630 | 3.47% |
| Bracebridge Corp. | Banking | 14,212,500 | 2.27% |
| MBNA | Banking | 12,600,000 | 2.02% |
| Hamptons Apartments | Apartments | 10,699,890 | 1.71% |
| Village Green of Beachwood | Condominiums | 10,189,660 | 1.63% |
| Boykin Hotel Properties | Hotel | 7,700,000 | 1.23% |
| Dillards | Retail | 6,755,000 | 1.08% |
| La Place | Retail | 6,527,010 | 1.04% |
| GSK Associates | Office buildings | 6,489,000 | 1.04% |
| Embassy Equity Development | Hotel | 5,444,390 | 0.87% |
| | | <u>\$102,343,080</u> | <u>16.37%</u> |

Source: Cuyahoga County Auditor

(1) Total Assessed Valuation \$625,306,481

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

| <u>Name of Taxpayer</u> | <u>Nature of Business</u> | <u>Assessed Valuation</u> | <u>% of Total Assessed Valuation (1)</u> |
|-------------------------------|---------------------------|-------------------------------|--|
| The Higbee Company | Retail sales | \$6,189,050 | 0.99% |
| Nordstrom Inc. | Retail sales | 4,575,350 | 0.73% |
| MBNA Ohio Properties, Inc. | Banking | 3,816,070 | 0.61% |
| Saks Fifth Ave. of Ohio, Inc. | Retail sales | 2,782,100 | 0.44% |
| Master Builders | Concrete additives | 1,967,280 | 0.31% |
| Imperial Wall Coverings | Retail | 1,644,830 | 0.26% |
| Comdisco Inc | Unknown | 1,444,380 | 0.23% |
| Crestmont Cadillac | Car dealership | 1,287,850 | 0.21% |
| Lamson & Sessions Co. | Mfg., thermal plastics | 1,252,760 | 0.20% |
| Englehard Corp. | Unknown | 1,159,020 | 0.19% |
| | | <u>\$26,118,690</u> | <u>4.18%</u> |

Source: Cuyahoga County Auditor

(1) Total Assessed valuation \$625,306,481

**Beachwood City School District
Cost to Educate a 2000 Graduate**

| <u>Year</u> | <u>Grade</u> | <u>Annual Cost Per Pupil</u> |
|-------------|--------------|----------------------------------|
| 2000 | 12 | \$14,356 |
| 1999 | 11 | 13,356 |
| 1998 | 10 | 12,730 |
| 1997 | 9 | 12,596 |
| 1996 | 8 | 12,209 |
| 1995 | 7 | 12,224 |
| 1994 | 6 | 12,531 |
| 1993 | 5 | 11,247 |
| 1992 | 4 | 10,549 |
| 1991 | 3 | 10,854 |
| 1990 | 2 | 11,665 |
| 1989 | 1 | 11,530 |
| 1988 | K | <u>11,050</u> |
| | | <u><u>\$156,897</u></u> |

Source: School District Records

**Beachwood City School District
Enrollment Statistics
Last Ten Years**

| <u>Year</u> | <u>General Fund Expenditures</u> | <u>Average Daily Membership (1)</u> | <u>Per Pupil Cost</u> |
|-------------|--------------------------------------|---|-----------------------|
| 2000 | \$22,596,789 | 1,574 | \$14,356 |
| 1999 | 20,687,836 | 1,549 | 13,356 |
| 1998 | 19,450,937 | 1,528 | 12,730 |
| 1997 | 18,566,331 | 1,474 | 12,596 |
| 1996 | 18,130,071 | 1,485 | 12,209 |
| 1995 | 17,309,006 | 1,416 | 12,224 |
| 1994 | 17,568,721 | 1,402 | 12,531 |
| 1993 | 15,802,123 | 1,405 | 11,247 |
| 1992 | 14,325,925 | 1,358 | 10,549 |
| 1991 | 14,067,039 | 1,296 | 10,854 |

Source: School District Financial Records

(1) Excludes preschool enrollment

**Beachwood City School District
Student Demographic Information
For the Year Ended June 30, 2000**

| Grade | Male | Female | Total |
|-------|------|--------|-------|
| Pre | 22 | 6 | 28 |
| K | 37 | 40 | 77 |
| 1 | 50 | 47 | 97 |
| 2 | 58 | 40 | 98 |
| 3 | 52 | 56 | 108 |
| 4 | 58 | 51 | 109 |
| 5 | 60 | 64 | 124 |
| 6 | 69 | 58 | 127 |
| 7 | 65 | 46 | 111 |
| 8 | 67 | 55 | 122 |
| 9 | 81 | 78 | 159 |
| 10 | 81 | 60 | 141 |
| 11 | 67 | 53 | 120 |
| 12 | 108 | 80 | 188 |
| | 875 | 734 | 1,609 |

| Ethnic | Total | Percent |
|--------------------|-------|---------|
| Caucasian American | 1,327 | 82.47% |
| African American | 192 | 11.93% |
| Asian American | 62 | 3.85% |
| Hispanic American | 11 | 0.68% |
| Multi-Racial | 17 | 1.06% |

Beachwood City School District
Staff Education and Experience
For the Year Ended June 30, 2000

| Degree | Number of Staff | Percent of Total |
|--|-----------------------|------------------------|
| Bachelor's Degree | 17.0 | 13.1% |
| 5 year | 21.8 | 16.7% |
| Master's Degree | 89.1 | 68.4% |
| Master's Degree + 60 Hours or Ph.D. | 2.3 | 1.8% |
| Total | <u>130.2</u> | <u>100.0%</u> |

| Years of Experience* | Number of Staff | Percent of Total |
|----------------------|-----------------------|------------------------|
| 0-5 | 26.3 | 20.2% |
| 6-10 | 17.4 | 13.4% |
| 11 and Over | 86.5 | 66.4% |
| Total | <u>130.2</u> | <u>100.0%</u> |

Source: Educational Management Information System

(Includes Regular, Vocational Education and Special Education teachers only)

*Total experience

**Beachwood City School District
Report Card - Proficiency Test Results
Fiscal Year 2000**

| | | Minimum State Performance Standard | Beachwood's Results | Standard Met? |
|------------------------|-----------------------------------|--|------------------------|------------------|
| 4th Grade | | | | |
| | 1. Citizenship | 75% | 91.4 | Yes |
| | 2. Mathematics | 75% | 84.9 | Yes |
| | 3. Reading | 75% | 84.9 | Yes |
| | 4. Writing | 75% | 100.0 | Yes |
| | 5. Science | 75% | 79.6 | Yes |
| 6 th Grade | | | | |
| | 6. Citizenship | 75% | 92.5 | Yes |
| | 7. Mathematics | 75% | 81.3 | Yes |
| | 8. Reading | 75% | 73.8 | No |
| | 9. Writing | 75% | 93.5 | Yes |
| | 10. Science | 75% | 88.8 | Yes |
| 9 th Grade | (9 th grade students) | | | |
| | 11. Citizenship | 75% | 91.9 | Yes |
| | 12. Mathematics | 75% | 83.0 | Yes |
| | 13. Reading | 75% | 95.6 | Yes |
| | 14. Writing | 75% | 97.8 | Yes |
| | 15. Science | 75% | 83.6 | Yes |
| 9 th Grade | (10 th grade students) | | | |
| | 16. Citizenship | 85% | 100.0 | Yes |
| | 17. Mathematics | 85% | 93.6 | Yes |
| | 18. Reading | 85% | 99.3 | Yes |
| | 19. Writing | 85% | 100.0 | Yes |
| | 20. Science | 85% | 97.8 | Yes |
| 12 th Grade | | | | |
| | 21. Citizenship | 60% | 89.7 | Yes |
| | 22. Mathematics | 60% | 90.6 | Yes |
| | 23. Reading | 60% | 88.0 | Yes |
| | 24. Writing | 60% | 98.3 | Yes |
| | 25. Science | 60% | 89.7 | Yes |
| | 26. Student Attendance Rate | | 96.0 | Yes |
| | 27. Graduation Rate | | 98.7 | Yes |

The District has met 26 of the 27 indicators and is considered an “**effective**” school (highest rating given) by the Ohio Department of Education.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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BEACHWOOD CITY SCHOOL DISTRICT

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 9, 2001**