

**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

AUDIT REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2010

James G. Zupka, CPA, Inc.
Certified Public Accountants



Dave Yost • Auditor of State

Board of Education
Bedford City School District
475 Northfield Road
Bedford, Ohio 44146

We have reviewed the *Independent Auditor's Report* of the Bedford City School District, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period July 1, 2009 through June 30, 2010. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

January 21, 2011

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**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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Certified Public Accountants
5240 East 98th Street
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Ohio Society of Certified Public Accountants

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

Board of Education
Bedford City School District
Bedford, Ohio

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Bedford City School District, Cuyahoga County, Ohio, as of and for the year ended June 30, 2010, which collectively comprise the Bedford City School District, Ohio's basic financial statements and have issued our report thereon dated December 3, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Bedford City School District, Ohio's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Bedford City School District, Ohio's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Bedford City School District, Ohio's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.


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

Compliance and Other Matters

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

We noted certain matters that we reported to the management of the Bedford City School District, Ohio, in a separate letter dated December 3, 2010.

This report is intended solely for the information and use of management, the Board of Education, the District's Audit Committee, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


James G. Zupka, CPA, Inc.
Certified Public Accountants

December 3, 2010

JAMES G. ZUPKA, C.P.A., INC.

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**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A
DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133**

Board of Education
Bedford City School District
Bedford, Ohio

Compliance

We have audited the Bedford City School District, Cuyahoga County, Ohio's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Bedford City School District, Ohio's major federal programs for the year ended June 30, 2010. The Bedford City School District, Ohio's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Bedford City School District, Ohio's management. Our responsibility is to express an opinion on the Bedford City School District, Ohio's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Bedford City School District, Ohio's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Bedford City School District, Ohio's compliance with those requirements.

In our opinion, the Bedford City School District, Ohio complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

Management of the Bedford City School District, Ohio, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Bedford City School District, Ohio's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Bedford City School District, Ohio's internal control over compliance.

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

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Bedford City School District, Ohio, as of and for the year ended June 30, 2010, and have issued our report thereon dated December 3, 2010. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the Bedford City School District, Ohio's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of management, the Board of Education, the District's Audit Committee, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

James G. Zupka, CPA, Inc.
James G. Zupka, CPA, Inc.
Certified Public Accountants

December 3, 2010

**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
U.S. Department of Agriculture						
Passed through State Department of Education						
<i>Child Nutrition Cluster</i>						
National School Lunch Program	10.555	2010	\$ 1,119,123	\$ 154,216	\$ 1,119,123	\$ 154,216
<i>Total Child Nutrition Cluster</i>			<u>1,119,123</u>	<u>154,216</u>	<u>1,119,123</u>	<u>154,216</u>
Total U.S. Department of Agriculture			<u>1,119,123</u>	<u>154,216</u>	<u>1,119,123</u>	<u>154,216</u>
U.S. Department of Education						
Passed through State Department of Education						
<i>Title I School Subsidy Cluster</i>						
Title I - Grants to Local Educational Agencies	84.010	2009	254,886	0	159,529	0
Title I - Grants to Local Educational Agencies	84.010	2010	740,902	0	822,446	0
School Improvement Grants	84.377	2010	0	0	3,682	0
ARRA-Title I - Grants to Local Educational Agencies	84.389	2010	<u>298,155</u>	<u>0</u>	<u>314,318</u>	<u>0</u>
<i>Total Title I School Subsidy Cluster</i>			<u>1,293,943</u>	<u>0</u>	<u>1,299,975</u>	<u>0</u>
<i>Special Education Cluster:</i>						
Special Education - IDEA Part B	84.027	2009	195,383	0	91,155	0
Special Education - IDEA Part B	84.027	2010	<u>748,132</u>	<u>0</u>	<u>771,267</u>	<u>0</u>
<i>Total CFDA #84.027</i>			<u>943,515</u>	<u>0</u>	<u>862,422</u>	<u>0</u>
ARRA - Special Education Grants to States	84.391	2010	<u>373,993</u>	<u>0</u>	<u>407,766</u>	<u>0</u>
ARRA-Special Education - Preschool Grant	84.392	2010	<u>4,360</u>	<u>0</u>	<u>10,785</u>	<u>0</u>
Early Childhood Special Education IDEA	84.173	2009	34,170	0	34,170	0
Early Childhood Special Education IDEA	84.173	2010	<u>9,070</u>	<u>0</u>	<u>1,150</u>	<u>0</u>
<i>Total CFDA #84.173</i>			<u>43,240</u>	<u>0</u>	<u>35,320</u>	<u>0</u>
<i>Total Special Education Cluster</i>			<u>1,365,108</u>	<u>0</u>	<u>1,316,293</u>	<u>0</u>
Title IV-A Safe/Drug Free	84.186	2009	694	0	494	0
Title IV-A Safe/Drug Free	84.186	2010	<u>14,160</u>	<u>0</u>	<u>15,205</u>	<u>0</u>
<i>Total CFDA #84.186</i>			<u>14,854</u>	<u>0</u>	<u>15,699</u>	<u>0</u>
Innovative Programs						
Title V	84.298	2009	<u>9,436</u>	<u>0</u>	<u>9,553</u>	<u>0</u>
Vocational Education - Basic Grants to States	84.048	2009	53,621	0	44,755	0
Vocational Education - Basic Grants to Sates	84.048	2010	<u>83,021</u>	<u>0</u>	<u>108,520</u>	<u>0</u>
<i>Total CFDA #84.048</i>			<u>136,642</u>	<u>0</u>	<u>153,275</u>	<u>0</u>

(Continued)

**BEDFORD CITY SCHOOL DISTRICT
 CUYAHOGA COUNTY
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2010
 (CONTINUED)**

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Grantor Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
U.S. Department of Education (Continued)						
Passed through State Department of Education (Continued)						
<i>Education Technology State Grants Cluster:</i>						
Education Technology State Grants	84.318	2009	0	0	1,349	0
Education Technology State Grants	84.318	2010	3,454	0	3,845	0
<i>Total CFDA #84.318</i>			<u>3,454</u>	<u>0</u>	<u>5,194</u>	<u>0</u>
ARRA - Education Technology State Grants	84.386	2010	59,615	0	84,050	0
<i>Total CFDA #84.386</i>			<u>59,615</u>	<u>0</u>	<u>84,050</u>	<u>0</u>
<i>Total Education Technology State Grants Cluster</i>			<u>63,069</u>	<u>0</u>	<u>89,244</u>	<u>0</u>
English Language Acquisition Grant	84.365	2010	4,270	0	4,270	0
Improving Teacher Quality State Grants	84.367	2009	35,439	0	32,018	0
Improving Teacher Quality State Grants	84.367	2010	114,633	0	136,196	0
<i>Total CFDA #84.367</i>			<u>150,072</u>	<u>0</u>	<u>168,214</u>	<u>0</u>
ARRA - Education Stabilization Fund	84.394	2010	402,207	0	402,207	0
Total U.S. Department of Education			<u>3,439,601</u>	<u>0</u>	<u>3,458,730</u>	<u>0</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 4,558,724</u>	<u>\$ 154,216</u>	<u>\$ 4,577,853</u>	<u>\$ 154,216</u>

**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2010**

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 2: CHILD NUTRITION CLUSTER

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

NOTE 3: FOOD DONATION PROGRAM

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

**BEDFORD CITY SCHOOL DISTRICT
 CUYAHOGA COUNTY
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 OMB CIRCULAR A-133 & .505
 JUNE 30, 2010**

1. SUMMARY OF AUDITOR'S RESULTS

2010(i)	Type of Financial Statement Opinion	Unqualified
2010(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2010(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2010(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2010(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2010(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
2010(v)	Type of Major Program's Compliance Opinion	Unqualified
2010(vi)	Are there any reportable findings under .510?	No
2010(vii)	Major Programs (list): Title I Cluster: Title I - Grants to Local Educational Agencies - CFDA #84.010 School Improvement Grants - CFDA #84.377 ARRA - Title I - Grants to Local Educational Agencies - CFDA #84.389 Special Education Cluster: Special Education - IDEA Part B - CFDA #84.027 ARRA - Special Education Grants to States - CFDA #84.391 ARRA - Special Education - Preschool Grant - CFDA #84.392 Early Childhood Special Education IDEA - CFDA #84.173 Education Stabilization Fund - CFDA #84.394	
2010(viii)	Dollar Threshold: Type A\B Program	Type A: \$300,000 or more Type B: All others less than \$300,000
2010(ix)	Low Risk Auditee?	Yes

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

None.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
JUNE 30, 2010**

The prior audit report, as of June 30, 2009, included no citations or instances of noncompliance. Management letter recommendations were corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

Bedford City School District
Bedford, Ohio

Comprehensive Annual
FINANCIAL REPORT
For the Fiscal Year Ended
June 30, 2010





Artwork by: Chad Rhodes, Jr.

3rd Grade Student

Glendale Primary School

Art Teacher: Todd Wilson

Bedford City School District

Bedford, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2010

Prepared by:

Janet M. Pavlic, CPA
Treasurer

Donald E. Houghton, Jr.
Assistant Treasurer

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Introductory Section

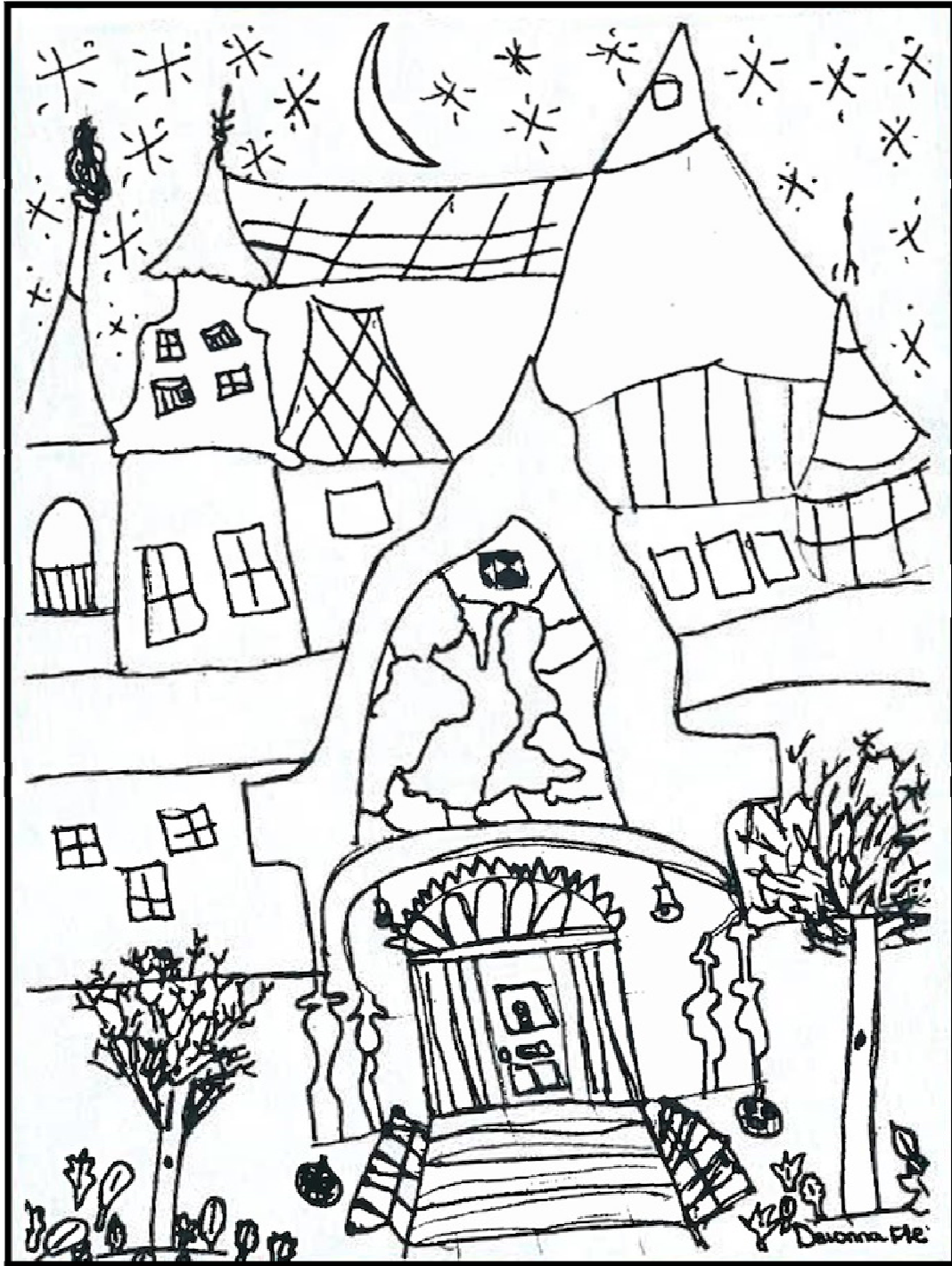


Artwork by: Anthony Moore

1st Grade Student

Glendale Primary School

Art Teacher: Todd Wilson



Artwork by: Devonna Fields

5th Grade Student

Columbus Intermediate School

Art Teacher: Marjorie Falk

Bedford City School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2010

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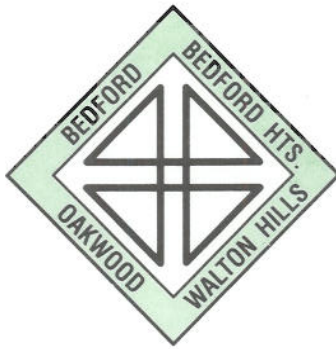
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BEDFORD CITY SCHOOL DISTRICT

Office of the Treasurer • 475 Northfield Road • Bedford, OH 44146-2201
Phone: 440-439-4670 • FAX: 440-439-4327 • Website: www.bedford.k12.oh.us

December 3, 2010

Board of Education Members and Residents of
Bedford City School District

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Bedford City School District for the fiscal year ended June 30, 2010. This report enables the School District to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 which requires the School Districts reporting on a GAAP basis to file an annual unaudited report with the Auditor of State within 150 days of fiscal year end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for the purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Ohio law requires independent audits to be performed on all financial operations of the School District either by the Auditor of State or an independent public accounting firm, if permitted by the Auditor of State. James G. Zupka, CPA, Inc. rendered an opinion on the School District's financial statements for the fiscal year ending June 30, 2010, and the Independent Auditors' Report on the basic financial statements is included in the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The School District

The Bedford City School District is located in northeastern Ohio, approximately 15 miles southeast of downtown Cleveland. The School District includes the City of Bedford, most of the City of Bedford Heights, and all of the villages of Oakwood and Walton Hills. The School District's geographical area encompasses approximately 25 square miles.

Formed as Township 6 in Range 11 of the Western Reserve of Ohio in 1823, Bedford Township consisted of what today is known as the five communities of Bedford, Bedford Heights, Oakwood, Walton Hills and Maple Heights. In 1837, the Village of Bedford was formed from the center of the Township and for the next 70-plus years, the two communities – Village of Bedford and Bedford Township – coexisted. In

1915, residents of the northwest corner of Bedford Township formed a separate municipality, to be called the Village of Maple Heights, with its own separate school district. In 1951, Bedford Township as a government ceased to exist when the Villages of Bedford Heights, Oakwood and Walton Hills were formed from the remaining areas. Today, the School District serves as a common bond, linking the four communities of Bedford, Bedford Heights, Oakwood and Walton Hills.

Bedford City School District is one of the 614 school districts in the State of Ohio and one of 33 in Cuyahoga County. The School District provided, as of June 30, 2010, education to 3,635 students in grades preschool-12. Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide services authorized by charter and further mandated by State and Federal agencies.

The elected five-member Board of Education is required to adopt an annual tax budget and an annual appropriation resolution which serves as the basis for control over and authorization for all expenditures of School District tax money.

Reporting Entity

The Bedford City School District has reviewed its reporting entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity". In evaluating how to define the School District for financial reporting purposes, management has considered its relationship with all departments, boards, and agencies that make up the Bedford City School District. For Bedford City School District, this includes general operations, food service, 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 has no component units. Excluded from the reporting entity because they are fiscally independent of the School District are the City of Bedford, City of Bedford Heights, the Villages of Oakwood and Walton Hills, the Cuyahoga County Public Library, the Parent Teacher Association and the non-public school districts located in the School District. The governing bodies of these entities are not appointed by the School District, nor are they fiscally dependent on the School District.

The School District participates in an insurance purchasing pool and two jointly governed organizations. These organizations are the Ohio School Boards Association Workers' Compensation Group II Program, the Lakeshore Northeast Ohio Computer Association and the Ohio Schools Council Association. These organizations are presented in Notes 16 and 19 of the notes to the basic financial statements.

A complete discussion of the School District's reporting entity is provided in Note 1 to the basic financial statements.

Economic Condition and Outlook

The School District is well-located at the conjunction of Interstate Highways 480 and 271. Downtown Cleveland is 20 minutes away, and all the major metropolitan areas of Ohio are directly accessible via the interstate system. Residential property is middle class, and properties are well kept. The tax base of \$726,625,040 is divided among the four municipalities making up the School District in the following manner: Bedford 38 percent, Bedford Heights 29 percent, Oakwood Village 16 percent and Walton Hills 17 percent. Approximately 54 percent of the tax base is residential real property, 5 percent is public utility tangible property and 41 percent is commercial/industrial property. Each of the four municipalities actively encourages the maintenance and growth of the tax base.

The City of Bedford established an Enterprise Zone, which included all land within the boundaries of the City of Bedford in April 1990. The City established a Community Reinvestment area in 1997 and updated this in 2005, which included all land within the boundaries of the City of Bedford. The establishment of the Enterprise Zone and the Community Reinvestment areas gave the City the ability to maintain and expand business located in the City.

Ben Venue Laboratories, Inc., the Bedford City School District's largest real estate taxpayer was acquired by Boehringer Ingelheim Corporation on December 1, 1997. Boehringer Ingelheim is privately held and is the 15th largest pharmaceutical company in the world having more than 41,000 employees with locations in over 47 countries. Under Boehringer Ingelheim's ownership, Ben Venue has many options as to where to manufacture and distribute Ben Venue's products. Boehringer Ingelheim has many highly automated manufacturing facilities located in Columbus, Ohio, Mexico City, Mexico and Barcelona, Spain. Ben Venue has a long-standing reputation as the premier contract manufacturer of injectable pharmaceuticals. Ben Venue is the largest and oldest manufacturer of lyophilized (freeze-dried) drugs in the United States. Since 1995, Ben Venue, through its Bedford Laboratories Division, has obtained over 130 Abbreviated New Drug Applications ("ANDA") approvals for injectable drugs from the FDA, building a portfolio of over 265 presentations.

Ben Venue's history of continued growth is one any School District could hope for. The company moved to Bedford in 1941 and as of 1995, Ben Venue operated within a 250,000 square foot facility. From 1996 to present, Ben Venue has approached the City for abatements in the Community Reinvestment area, regarding real estate development and tax exemptions to be able to conduct various expansion projects. Subsequently, Ben Venue has been able to continue to grow within their Bedford, Ohio location. Today, they are now operating in a one million square foot manufacturing area.

In November 2009, Cuyahoga County was the recipient of a \$2.5 million Clean Ohio Revitalization Fund grant that will be used to conduct remediation activities at the Ben Venue site. This is a tremendous success that comes as a result of the collaborative efforts of the County, City of Bedford and Ben Venue officials working together for the betterment of the community.

The City is in progress to complete a new industrial development in cooperation with the Hemisphere Corporation on the site designated as the Tinkers Creek Commerce Park. Taylor Chair Corporation has completed the construction of their headquarters building. The Hemisphere Corporation and Hull & Associates have completed construction of a new headquarters on this site at a cost of \$3.2 million. This was constructed on a Brownfield site and the site is to be developed by receiving grants from the Cuyahoga County Brownfield Fund, Brush Wellman prior owners of the site, the State of Ohio 629 Fund and the Federal Housing and Urban Development Fund (Brownfield Economic Development Initiative Grant, BEDI grant).

The City of Bedford Heights is a mature suburban community located approximately fourteen miles southeast of the City of Cleveland. The City is a second ring suburban community that experienced a buildout between the 1970 and 1990 period. This boom period was driven mainly as a result of the community's excellent location along the I-271, I-480, and U.S. 422 corridors. Bedford Heights has immediate freeway access to all of these interstates and the commercial and industrial development that happened during the twenty year period has left the City with the fifth largest industrial/commercial property valuation in suburban Cuyahoga County.

As a result of the twenty-year development, several important industrial clusters have developed within the City's industrial area along Miles, Richmond, Fargo and Aurora Roads. These clusters include automobile parts manufacturing (including die casting), machine parts and fasteners, steel fabricating/distribution, paint manufacturing, commercial and residential construction supplies/services, food manufacturing, and wholesale food distribution operations.

Because of the twenty-year development plan, Bedford Heights became home to manufactures in the automobile and machine parts industry. The economic environment, especially in the auto industry, adversely affected many of our manufactures. The unseen benefit to this is parts manufactured for the auto industry are the same type of parts used in the wind industry. The wind industry experienced exponential growth in 2009 and is projected to continue to grow exponentially over the next ten years.

Mayfield Collision Center completed a \$1.3 million renovation of the former Carpet Barn building in 2009.

Secure State, an existing Bedford Heights company, recently purchased their leased facility on Miles Road. Secure State offers ethical hacking services to for-profit companies, non-profit organizations and various levels of government. Secure's most recent contract with the National Aeronautics and Space Administration (NASA) is a \$1 billion, five year contract.

The Village of Oakwood continues to experience upscale commercial development moving from a community which was reliant on smokestack industries, landfills and truck terminals for its revenue to one predicated upon knowledge and technology.

ViewRay Inc., a Florida company, has chosen Oakwood as its new home, a 41,000-square-foot building on Thermo Fisher Way. The company is developing image-guided radiation therapy technology. The company's Renaissance System 1000 uses magnetic resonance images to precisely target cancer tumors with gamma radiation with little damage to surrounding healthy tissue. A group of East and West coast investors offered ViewRay a \$25 million investment if it moved from Gainesville, Fla., to a center of bioscience innovation. The region's medical imaging heritage, clinical and medical academic institutions, and economic development teamwork won over the company. Some tax incentives also helped. The Ohio Tax Credit Authority granted ViewRay job-creation tax credits worth \$537,431 over 10 years. Oakwood granted the company a 90 percent abatement of personal property tax for 15 years.

Thermo Fisher has made Oakwood Village its corporate venue, developing security products which include a comprehensive range of fixed and portable instruments used for chemical, radiation, and explosive detection. These products are used in airports, embassies, cargo facilities, border crossings, and other high threat facilities.

Airgas opened their new location in Oakwood Village in the summer of 2009. Airgas is the largest distributor of industrial, medical and specialty gases and related equipment in the United States.

General Information

As of October 2009, 3,653 students were enrolled in the School District's six schools (two primary, two intermediate schools, one middle school, and one high school). In addition to its six schools, the Bedford City School District operates a variety of facilities to complement the educational program. These include athletic facilities, a central administration building, a maintenance facility, and a transportation garage. As of June 30, 2010, the School District employed 284 professional staff members (including 256 teachers and 28 administrators) and 242 non-teaching and support staff employees.

Instructional Program

Bedford City School District offers a wide range of programs and services to meet the interests and skill levels of students of all ages. Helping children build a strong foundation for learning is a major focus in the **primary grades** where teachers help children master basic skills. To better prepare the School District's youngest students for successful learning, Bedford City School District has had an all-day kindergarten program in place for all incoming kindergartners since 2004. **Intermediate school** educators work to broaden educational opportunities to help children reach their maximum potential. The **middle school** experience provides expanded opportunities for math, computer science and art. Selected students may earn high school credit by taking German I, Algebra I, and Geometry, and Keyboarding I or Keyboarding II/Desktop Publishing.

Bedford High School is fully accredited by the North Central Association of Colleges and Schools. The curriculum offers approximately 200 courses to meet a wide range of interests and skill levels. These include Honors and Advanced Placement, college preparatory, modified, foreign language, music, and fine and cultural arts courses. An on-site Career and Technology Education program includes traditional vocational trades as well as Tech-Prep programs to prepare students for technology-based careers. Career and Technology Education courses include Biotechnology, Health Sciences/Pre-nursing, Microsoft Office®, Automotive Technology, Quick-Serve Automotive Care, CISCO Network Academy, Community Job Skills, Cosmetology, Home Improvement and Maintenance, and Financial Management and Marketing Education. Tech-Prep students can earn credits toward an Associate's Degree at Cuyahoga Community College. The credits may later transfer to a four-year college. More than 70 extra-curricular programs and activities are offered.

The School District's Department of Pupil Services includes school health and psychological services, pupil appraisal, counseling and guidance services, special education services, and speech-language and hearing services. Full-time guidance counselors are available in all school buildings.

Beginning with the 4th grade, programs are offered onsite for gifted students. Students are evaluated for entry into the Gifted and Talented Education (GATE) Program based on Ohio Department of Education criteria involving IQ and achievement test scores. In the areas of music, art, drama, and dance, students are evaluated on criteria established by the Ohio Department of Education.

Bedford City School District also provides many programs for students with disabilities. These programs include specific learning disabilities, cognitive disabilities, speech/language pathology, multiple disabilities, severe emotional disabilities, and more. The majority of these programs are offered within the School District to provide direct oversight of all children's needs.

Academic Program Highlights

The School District's academic program includes the following highlights from the 2009-2010 school year:

- The Bedford City School District earned the “**CONTINUOUS IMPROVEMENT**” rating on the Ohio Report Card. The School District's Performance Index was 86.8. Glendale Primary School and Central Primary School earned “**EXCELLENT**” ratings.
- Central Primary School also met the federal designation for Adequate Yearly Progress (AYP). AYP is a measure of yearly progress toward reaching State-established academic standards.
- Central Primary School was also named a School of Promise by the Ohio Department of Education. Central was among 161 schools throughout the State to receive this recognition. Schools of Promise show high achievement based on test scores, despite the fact that 40 percent or more of the children are from low-income backgrounds. Central joins the Bedford City School District's Glendale Primary School which was named a “School of Promise” last school year.
- Heskett Middle School academic expectations in reading and math were rated **ABOVE** using the new value-added criteria. This designation means that the academic growth of Heskett students from one year to the next was more than what was expected from one school year to the next.
- Approximately 86 percent of the Class of 2010 made plans to pursue higher education. Another 5 percent entered the workforce, while 4 percent entered the military and 5 percent were undecided. The Class also earned more than \$3 million in academic and athletic scholarships.
- A Carylwood 4th grader took third place in the Intermediate Division at the Statewide Martin Luther King, Jr. Oratorical Contest held in April 2010. She was one of four students who emerged as winners from the region competition. Other regional winners included two Central Primary school first graders and a Glendale primary School first grader.
- The Bedford High School Madrigal Singers took second place in the Chamber Choir category at the annual Heritage Music Festival held in Chicago in March. More than 1,300 students participated in what is one of the most prestigious music competitions for high school students in the U.S.
- A Heskett Middle School PTSA volunteer was named the 2010 Helping Hands recipient for PTA District 11, which is composed of PTA organizations in most of Cuyahoga County. The Helping Hands award recognizes PTA volunteers who positively impact the lives of children and youth.
- A Heskett Middle School 8th grader advanced from School District and regional contests to participate in the 2010 State Power of the Pen creative writing tournament at the College of Wooster. She finished in the top 15 percent of the best middle school writers in the State.

- A Bedford High School 12th grader won a first-place Award of Excellence for her entry in the annual PTA Reflections contest for the State of Ohio. Her pencil drawing -- butterflies surrounding a fist holding a rose -- was displayed at the Ohio PTA Convention in Columbus. Her entry now advances to the National PTA competition.
- Bedford Schools raised more than \$6,000 for the Haiti earthquake victims. The funds were used to purchase water purification tablets, donated to the United Way and Salvation Army for the Haiti relief effort, or used to purchase shelter boxes to supply families of up to 10 people with a tent and essential equipment while they are displaced.
- Several Heskett Middle School students placed in the North East Ohio Engineering and Science Fair Regional Competition held at Cleveland State University in May. Two students took second place; four took third place, and three students received Honorable Mention.
- Bedford High School's Academic Decathlon Team captured three medals in the 31st Annual Ohio Academic Decathlon held at Lake Erie College in March. Bedford was one of 12 schools competing in 10 separate events.
- Special education students attending Carylwood, Heskett, and Bedford High School, brought home gold, silver, and bronze medals at the local Special Olympics competition held in May. Students competed in various contests, including the shot-put, standing long jump, softball throw, and running competitions.
- As part of the Post Secondary Enrollment Option, Bedford High School students continued to benefit from an opportunity to earn college credit while in high school. Through an arrangement with Lorain County Community College, students took college-level courses during the school day without ever having to leave the building. This State-funded program allows Ohio students to earn college credit while in high school, earning dual credit for the courses they take.
- To encourage students to pursue college after graduation the University Bound Scholars (UBS) program was established at Bedford High School. UBS encourages college-eligible students to aim high to compete for spots in the 25 most prestigious colleges in the U.S. To make this possible, the program provides resources and support for their families to seek financial aid, complete college applications, and search for scholarships.

Long-term Planning

The Bedford City School District has been engaged in a strategic planning process since 1990. Its most recent plan was adopted in 2003, and references efforts to address the School District's cultural diversity, efforts to improve academic achievement, increase parental involvement, expand the use of technology, and provide ongoing support to address students' emotional needs.

During the 2009-2010 school year, elements in the plan were addressed in the following ways:

- **Cultural Diversity:** The Bedford City School District held a Multicultural Fair in April 2010 to celebrate the School District's diversity. The purpose of this event was to acquaint children to cultures that are not present in the School District but are important for them to learn about as they prepare to live and work in our global society.

- **Academic Achievement:** Students participated in a variety of before- and after-school tutoring programs at the elementary schools. A Homework Club was established to provide assistance to students who needed help completing assignments at Heskett Middle School and the Saturday Academy was offered to prepare high school students to take the Ohio Graduation Test.
- **Expanded use of technology:** Under a recommendation in the Bedford City School District's Strategic Plan the use of technology to support the classroom continues to be expanded.
 - Plans were made for a major network upgrade to be done in the summer of 2010 to replace the existing 15-year-old network. The new data network will enable almost the entire School District to be wireless. It will be almost 100 times faster than the previous network and able to accommodate emerging classroom technologies, such as distance learning, faster Internet connections, and streaming video applications. In addition, the upgrade will enhance the School District's telephone system. New capabilities include voicemail delivered directly to staff members' laptops, text messaging between laptops, and text messaging to classroom telephones to enhance building safety and security.
 - As part of a major technology upgrade following passage of a school operating levy in May 2008, about one-third or about 100 of the five-year-old laptop computers issued to teachers were replaced. The new laptops offer greater memory storage, new features and software enhancements to accommodate the latest classroom technology.
 - Additional equipment was purchased to allow for greater interactive classroom experiences between teachers and students through visual and audio presentations. Five interactive white boards were purchased for each of the School District's six schools. The interactive boards enable teachers to draw students directly into the learning process. A total of 24 sets of Student Response Systems (clickers) were purchased for each school. The clickers provide teachers with near instant feedback regarding student understanding of what is being taught in class. Students use their clickers to select an answer and the results are instantaneously recorded for the teacher to review. A total of 20 Elmo/LCD visual presenters also were purchased. Elmo's enable teachers to display images of virtually anything, including visual aids, text, and 3D objects, so that everyone in the classroom can see a clear crisp image.
 - To increase access to technology for elementary students about 75 Netbook computers were purchased for individual student use. Computer labs also were added at the high school and middle school.

Other achievements

- Beginning with the first day of the 2009-2010 school year, the Bedford City School District introduced additional (expanded) guidelines to the student dress code which was established with the 2008-2009 school year. Under the 2009 revisions, students are no longer permitted to wear t-shirts and jeans, tops must have collars, and dress pants must be worn with belts. The revised guidelines for the 2009-2010 school year expanded color choices for solid-color tops to include brown and gray. Belts may now be worn in any solid color and pants were clarified with respect to pockets. The standardized dress code was developed to help to create a more positive learning environment free of fashion distractions.
- The Bedford High School Girls' Fast Pitch Softball team clinched the Lake Erie League (LEL) Erie Division Championship, the first championship for the team since 2001.

- Likewise, the Bedford High School Boys' Track and Field Team won its second straight LEL Erie Division Championship this past spring. The four by 100-meter relay team finished the season with the 3rd best time in a field of 16 at the regional competition to qualify for the State Track and Field meet.

Employees

As of June 30, 2010, the School District had 425 employees. A statewide public employee collective bargaining law applies generally to public employee relations and collective bargaining.

As of June 30, 2010, 293 of the School District's employees were professionals (certified or licensed by the State Department of Education) serving as treasurer, assistant treasurer, business manager, classroom teachers, education specialists and certificated administrators, of whom all had at least a bachelor's degree and 62 percent or 182 held advanced degrees. The 2009-2010 starting salary for a teacher with a bachelor's degree was \$37,523; the maximum teacher salary (for a teacher with a master's degree plus 45 semester hours and 18 years' experience) was \$78,009. The average current base salary of a School District teacher for 2009-2010 was \$56,820, compared to a State average of (fiscal year 2010) \$55,958.

All of the School District's teachers and educational specialists (excluding 19 administrators) are represented by the Bedford Education Association (the "Association") which is a labor organization affiliated with the Ohio Education Association. The present contract between the Board of Education and the Association became effective on July 1, 2010 and will be in effect through June 30, 2013.

All of the School District's classified support staff (secretarial-clerical, custodial, maintenance, transportation and cafeteria staff) members are represented for bargaining purposes by the Ohio Association of Public School Employees ("OAPSE"), with the exception of 9 administrators and 3 confidential secretaries and the EMIS Coordinator. A new contract was negotiated and will expire on December 31, 2013. There have been no work stoppages in the last 17 years. In the judgment of the Board of Education, labor relations with all of its employees are excellent.

Awards

The Governmental Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Bedford City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009. The Certificate is the highest form of recognition in the area of governmental financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgements

The publication of this report continues the School District's commitment to professionalism in financial reporting. Appreciation is extended to the staff of the treasurer's department: Mrs. Loretta Dunkel, Payroll Specialist, Mrs. Bonnie Baschko, Accounts Receivable/Leave Accounting Specialist, and Mrs. Sonya Jackson, Accounts Payable Specialist. A school district cannot produce a CAFR without an efficient treasurer's department. The dedication and accurate work of these employees ensures a smooth day-to-day operation and the accurate maintenance of records. It is their work that makes a timely audit possible. These employees have made a major contribution toward the School District's 2010 CAFR.

The 2010 CAFR is also the work of Assistant Treasurer, Donald E. Houghton, Jr., whose name appears on the title page.

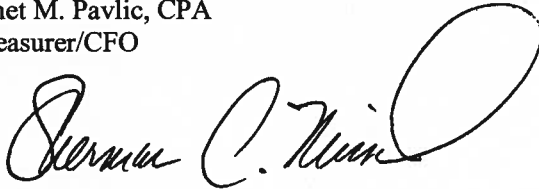
Layout and content of the 2010 CAFR, as they have been since 1997, are credited to Mrs. Margaret Bierman, Communications Coordinator. Ms. Debi Jones, Technology Clerk was instrumental in the graphic design of this report. The digital 2010 CAFR was produced by the Information Technology Department of the Bedford City School District.

Special appreciation is expressed to the Local Government Services Section of State Auditor Mary Taylor's office for assistance in the planning, designing and reviewing of this financial report.

Respectfully submitted,



Janet M. Pavlic, CPA
Treasurer/CFO



Sherman C. Micsak
Superintendent of Schools

**Bedford City School District
Principal Officials
June 30, 2010**

Board of Education

Mrs. Barbara A. Patterson
Mr. Joseph V. Mestnik
Mrs. Debora J. Kozak
Mr. Phil Stevens
Mr. Tim Tench

President
Vice President
Member
Member
Member

Treasurer

Mrs. Janet M. Pavlic, CPA

Assistant Treasurer

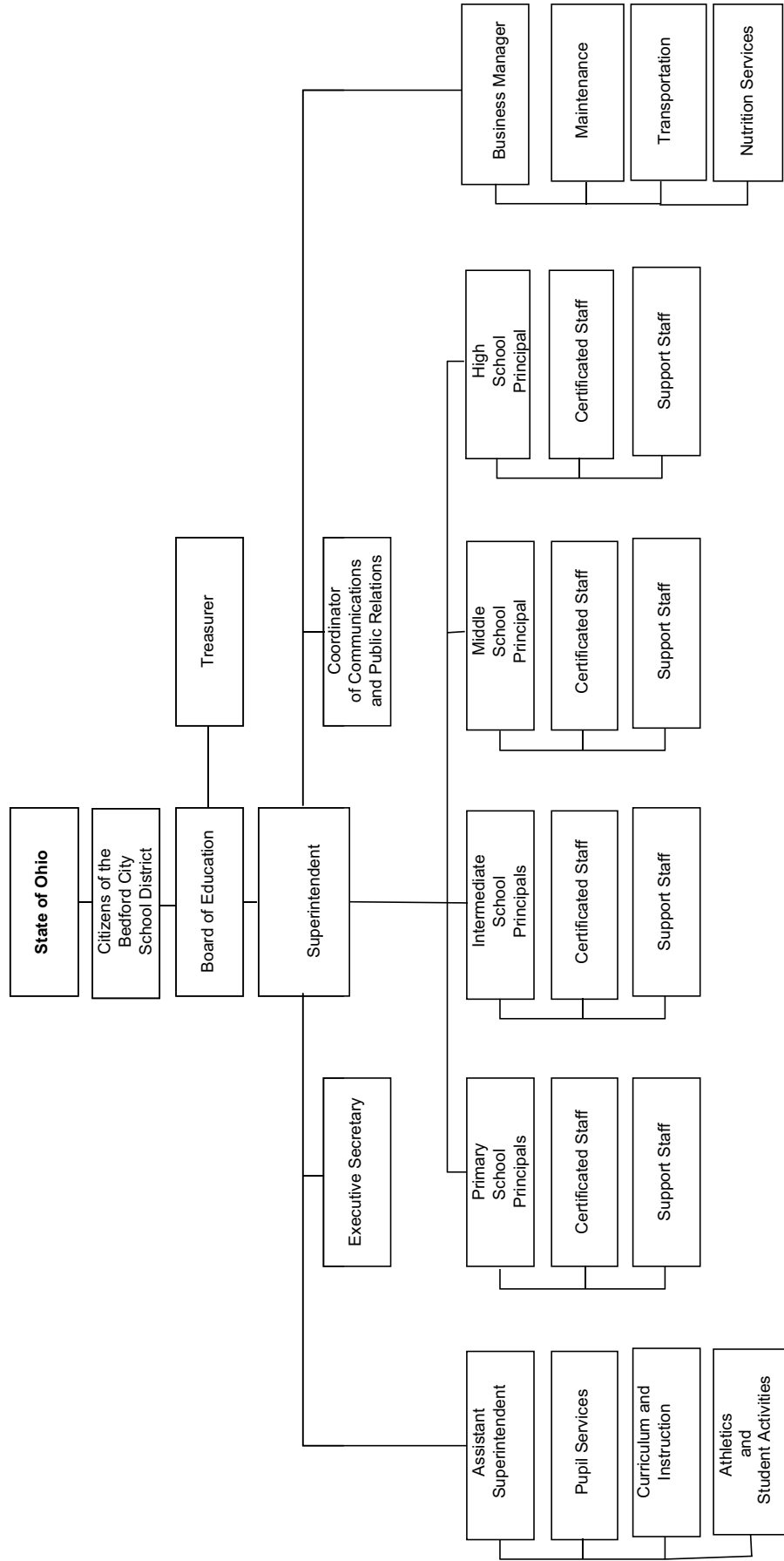
Mr. Donald E. Houghton, Jr.

Administration

Mr. Sherman C. Micsak
Mrs. Linda A. O'Neill
Mr. Jerry Zgrabik

Superintendent
Assistant Superintendent
Business Manager

Organizational Chart of the Bedford City School District



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Bedford City School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

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.



A stylized handwritten signature in black ink.

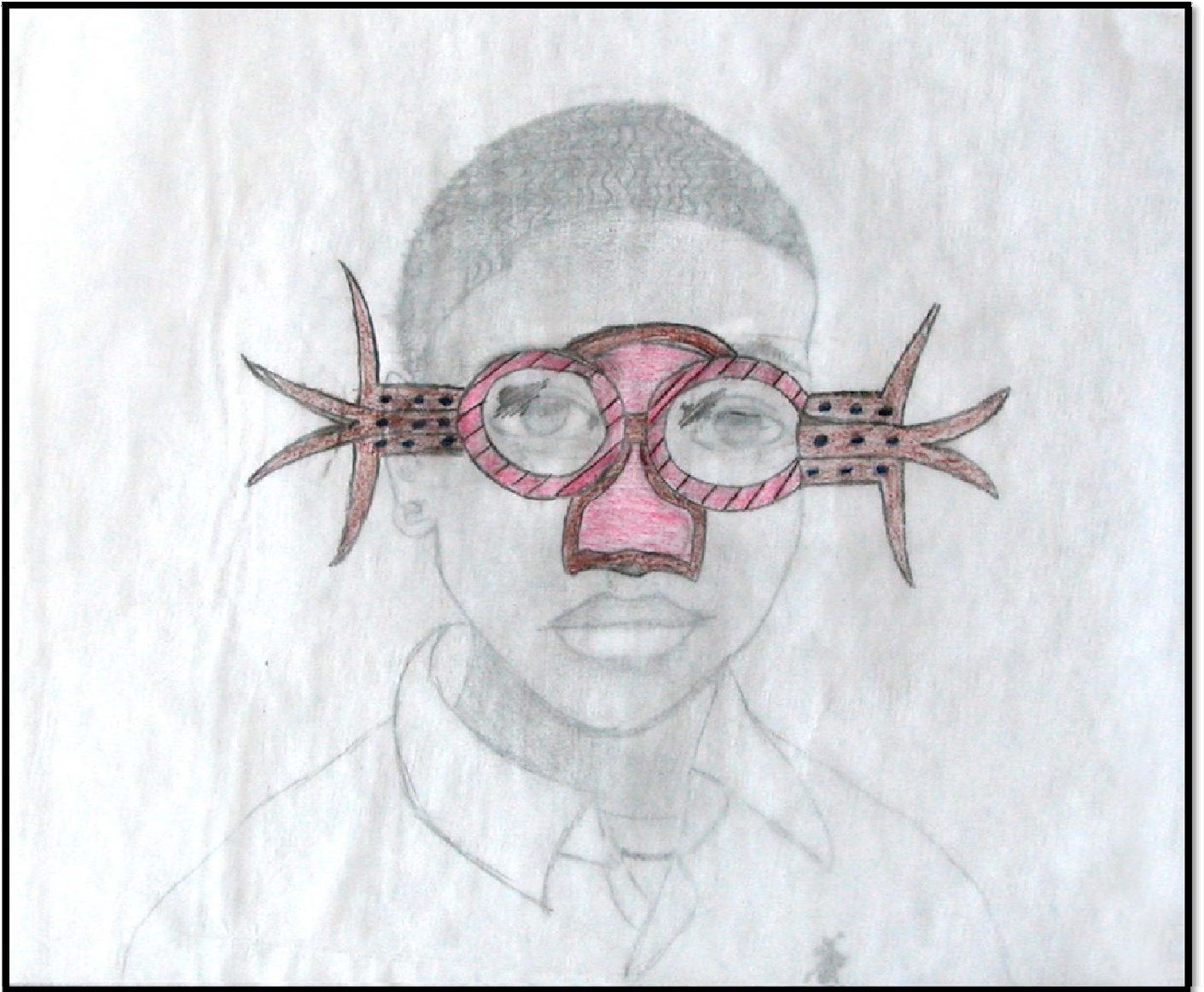
President

A handwritten signature in black ink that reads "Jeffrey R. Emer".

Executive Director

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Financial Section



Artwork by: Jamir Wimbley

7th Grade Student

Heskett Middle School

Art Teacher: Rebecca Genao



Artwork by: Jullion Lawrence

5th Grade Student

Columbus Intermediate School

Art Teacher: Marjorie Falk

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Education
Bedford City School District
Bedford, Ohio

The Honorable Mary Taylor
Auditor of State
State of Ohio

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Bedford City School District, Cuyahoga County, Ohio, as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Bedford City School District, Ohio's management. Our responsibility is to express opinions on these financial statements based on our audit.

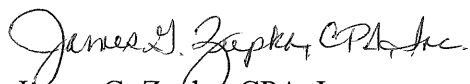
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and 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 the 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Bedford City School District, Ohio, as of June 30, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2010, on our consideration of the Bedford City School District, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bedford City School District, Ohio's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financials statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



James G. Zupka, CPA, Inc.
Certified Public Accountants

December 3, 2010

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited

The discussion and analysis of the Bedford City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements as well as the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2010 are as follows:

- Net assets of governmental activities increased in fiscal year 2010 due to greater property tax collected, as a result of the new 4.9 mill levy that was passed in May 2009, and intergovernmental revenues being partially offset by greater support services expenses.
- For fiscal year 2010, the School District saw an increase in current and other assets, primarily due to an increase in taxes receivable, which can be attributed to the passage of the 4.9 mill operating levy.
- Governmental activities reflected an overall increase in revenues from fiscal year 2009 from greater property taxes and intergovernmental revenues being collected offset by a decrease in investment earnings. This decrease in investment earnings is due to the School District having less cash to invest and the overall poor economy
- The School District had slightly higher program expenses related to governmental activities than the previous fiscal year, mainly due to the increase in instruction related expenses.
- The general fund had greater revenues than expenditures, resulting in the general fund's fund balance increasing in 2010.

Using This Comprehensive Annual Financial Report ("CAFR")

This annual report consists of a series of financial statements and notes to those statements. These statements are presented following the requirements of Governmental Accounting Standards Board ("GASB") Statement No. 34, and are organized so the reader can understand the Bedford City School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

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

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited

Reporting on the District as a Whole (District-wide)

Statement of Net Assets and the Statement of Activities

The analysis of the School District as a whole begins on page 5. The view of the School District as a whole looks at all financial transactions and asks the questions, "Are we in a better financial position this year than last?" and "Why" or "Why not". The Statement of Net Assets and the Statement of Activities provide the basis for answering these questions. The statements include *all assets and liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting recognizes all of the current year's revenues and expenses regardless of when cash is received or paid.

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

The Statement of Net Assets and the Statement of Activities is represented in one type of activity; Governmental Activities. The School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities as well as food service operations.

Reporting the School District's Most Significant Funds (Fund Financials)

The analysis of the School District's major fund begins on page 8. Fund financial reports provide detailed information about the School District's major fund. The School District uses many funds to account for a multitude of financial transactions. However, the fund financial statements focus on the School District's most significant fund. The School District's only major fund is the general fund.

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

Proprietary Funds - Proprietary funds have historically operated as *enterprise* and *internal service funds* using the same basis of accounting as business-type activities. In 2002 the School District reclassified the enterprise funds as *special revenue funds*. The internal service funds account for the self insurance fund for prescription drugs and dental coverage and the computer network fund which accounts for the costs associated with computer supplies available to all departments and are reported as the School District's only proprietary funds.

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited

The School District as a Whole

Recall that the *Statement of Net Assets* provides the perspective of the School District as a whole, showing assets, liabilities and the difference between them (net assets). Table 1 provides a summary of the School District's governmental activities net assets for fiscal year 2010 compared to fiscal year 2009:

Table 1
 Net Assets

	2010	2009	Change
Assets			
Current and Other Assets	\$52,670,784	\$49,131,638	\$3,539,146
Capital Assets, Net	19,824,063	20,982,548	(1,158,485)
<i>Total Assets</i>	<u>72,494,847</u>	<u>70,114,186</u>	<u>2,380,661</u>
Liabilities			
Current and Other Liabilities	29,788,809	27,009,174	2,779,635
Long-Term Liabilities:			
Due Within One Year	2,540,097	2,563,161	(23,064)
Due in More than One Year	7,257,798	8,661,313	(1,403,515)
<i>Total Liabilities</i>	<u>39,586,704</u>	<u>38,233,648</u>	<u>1,353,056</u>
Net Assets			
Invested in Capital Assets, Net of Debt	13,805,233	13,531,705	273,528
Restricted:			
Capital Projects	1,400,209	557,011	843,198
Debt Service	2,148,734	2,264,251	(115,517)
Other Purposes	557,401	1,337,606	(780,205)
Unrestricted	14,996,566	14,189,965	806,601
<i>Total</i>	<u>\$32,908,143</u>	<u>\$31,880,538</u>	<u>\$1,027,605</u>

The increase in assets was predominantly due to an increase in taxes receivable. This increase is offset by an overall increase in liabilities. The increase in liabilities was led by deferred revenue and accrued wages and benefits payable. Deferred revenue increased due to the increase in taxes receivable. The increase in taxes receivable is due to the passage of a 4.9 mill operating levy in May of 2009.

Bedford City School District
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Table 2 shows changes in governmental net assets for fiscal years 2010 and 2009.

Table 2
Changes in Net Assets

	2010	2009	Change
Revenues			
<i>Program Revenues:</i>			
Charges for Services and Sales	\$2,491,151	\$2,825,893	(\$334,742)
Operating Grants and Contributions	4,476,557	4,995,080	(518,523)
Capital Grants and Contributions	226,177	219,516	6,661
<i>Total Program Revenues</i>	<u>7,193,885</u>	<u>8,040,489</u>	<u>(846,604)</u>
<i>General Revenue:</i>			
Property Taxes	27,523,388	26,302,774	1,220,614
Grants and Entitlements	17,563,453	15,598,148	1,965,305
Investments	27,574	288,540	(260,966)
Miscellaneous	433,459	492,000	(58,541)
<i>Total General Revenues</i>	<u>45,547,874</u>	<u>42,681,462</u>	<u>2,866,412</u>
Total Revenues	<u>52,741,759</u>	<u>50,721,951</u>	<u>2,019,808</u>
Program Expenses			
Instruction	26,802,708	26,729,256	(73,452)
Support Services:			
Pupil	3,015,745	3,025,366	9,621
Instructional Staff	2,544,377	2,074,281	(470,096)
Board of Education	243,585	220,840	(22,745)
Administration	2,809,020	2,908,025	99,005
Fiscal	1,381,083	1,213,939	(167,144)
Business	667,683	728,529	60,846
Operation and Maintenance of Plant	7,070,172	6,937,228	(132,944)
Pupil Transportation	3,578,892	3,615,129	36,237
Central	321,466	338,807	17,341
Operation of Non-Instructional Services:			
Food Service Operations	1,697,599	1,682,513	(15,086)
Other Non-Instructional Services	340,054	427,311	87,257
Extracurricular Activities	804,712	875,259	70,547
Interest and Fiscal Charges	437,058	479,677	42,619
<i>Total Program Expenses</i>	<u>51,714,154</u>	<u>51,256,160</u>	<u>(457,994)</u>
<i>Net Change in Net Assets</i>	1,027,605	(534,209)	1,561,814
<i>Net Assets Beginning of Year</i>	<u>31,880,538</u>	<u>32,414,747</u>	<u>(534,209)</u>
<i>Net Assets End of Year</i>	<u><u>\$32,908,143</u></u>	<u><u>\$31,880,538</u></u>	<u><u>\$1,027,605</u></u>

Bedford City School District
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General revenues increased from 2009. In 2010, the School District experienced lower levels of Personal Property Tax collections due to the phase out of this revenue source. A portion of this loss is made up in Grants and Entitlements. In addition, the School District received higher than scheduled revenues in State Fiscal Stabilization and other American Recovery and Reinvestment Act Grants and Entitlements due to the receipt of hold-harmless reimbursements for public utility taxes due in 2009. The School District also saw a slight increase in delinquent property taxes.

The decrease in program revenues is due to the receipt of smaller amounts in fees and charges than the previous year.

The School District has been working to reduce expenditures as a response to decreased revenues. Despite these efforts, the School District experienced increased costs in tuition and utilities.

Governmental Activities

The School District went to the voters in November, 2008 seeking approval of a 5.9 mill operating levy in order to keep on track with rising costs and lower revenues incoming from taxes and school foundation funding. Prior to this attempt, the last operating levy approved by voters was 4.9 mills in November 2004. The November, 2008 levy was defeated.

The School District then placed a 4.9 mill operating levy on the ballot in May, 2009. This levy was approved by the voters.

The nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a levy will not increase solely as a result of inflation. As an example, the School District would receive from a home valued at \$100,000 and taxed at 1.0 mill, \$35.00, annually. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills, and the School District would still receive \$35.00, annually.

The School District is heavily dependent on property taxes and is hampered by a lack of revenue growth. Thus, the School District must regularly return to the voters to maintain a constant level of service. Property taxes made up over half of total revenues in the School District for fiscal year 2010, followed by grants, entitlements and contributions and then charges for services, investments and other revenue made up the remaining revenues.

Instructional expenses account for the largest portion of total program expenses. Building maintenance and pupil transportation cost made up the second largest portion of current year expenses, while board of education, administrative, fiscal and business costs made up the remaining amount.

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

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2010
Unaudited

Table 3
 Net Cost of Governmental Activities

	Total Cost of Services 2010	Net Cost of Services 2010	Total Cost of Services 2009	Net Cost of Services 2009
Instruction	\$26,802,708	\$23,541,840	\$25,229,256	\$20,829,956
Support Services:				
Pupil	3,015,745	2,690,252	3,025,366	2,621,884
Instructional Staff	2,544,377	1,986,922	2,074,281	1,685,346
Board of Education	243,585	243,585	220,840	220,840
Administration	2,809,020	2,760,795	4,408,025	4,134,694
Fiscal	1,381,083	1,381,083	1,213,939	1,213,939
Business	667,683	635,646	728,529	700,767
Operation and Maintenance of Plant	7,070,172	6,374,630	6,937,228	6,716,067
Pupil Transportation	3,578,892	3,578,892	3,615,129	3,615,129
Central	321,466	311,649	338,807	331,390
Operation of Non-Instructional Services:				
Food Service Operations	1,697,599	(122,496)	1,682,513	(92,164)
Other Non-Instructional Services	340,054	38,760	427,311	27,568
Extracurricular Activities	804,712	661,653	875,259	730,578
Interest and Fiscal Charges	437,058	437,058	479,677	479,677
<i>Total</i>	<u>\$51,714,154</u>	<u>\$44,520,269</u>	<u>\$51,256,160</u>	<u>\$43,215,671</u>

The dependence on tax revenues and State subsidies for governmental activities is apparent. 87.83 percent of instructional activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is over 88.08 percent.

The School District's Funds

Information about the School District's governmental funds starts on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$52,804,932 and expenditures of \$52,021,828. The net change in fund balance for the year in the general fund increased by \$306,026 with a \$477,078 increase in all other governmental funds. The increase in all other governmental funds was primarily due to an increase in the amount of grant money received over the 2009 fiscal year.

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General Fund Budgeting Highlights

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund.

During the course of fiscal year 2010, the School District amended its general fund budget several times, but no change was significant. The general fund final budget revenue amount is higher than the original budget amount. The increase was due to the higher than anticipated collection of real estate tax funds. Actual revenues are higher than the final budget amount. Actual expenditures are less than the final budget amount. The School District made a conscious effort to keep expenditures below budgeted amounts. Savings were the greatest in regular instruction and operation and maintenance of plant. The School District ended the fiscal year with a fund balance of \$13,849,287, an increase of \$1,719,568 from fiscal year 2009, and \$3,932,825 higher than what was estimated.

The School District uses a modified site-based budget technique which is designed to tightly control site budgets while providing flexibility for site management. The School District prepares and monitors a detailed cashflow plan for the general fund annually. Actual cashflow is compared to monthly and year-to-date estimates, and a monthly report is prepared for top management and the Board of Education.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2010, the School District had, at cost, \$51,662,051 invested in land, construction in progress, buildings and improvements, furniture and equipment, and vehicles. That total carries an accumulated depreciation of \$31,837,988. Table 4 shows fiscal year 2010 balances compared to fiscal year 2009.

Table 4
 Capital Assets at June 30
 Governmental Activities

	2010	2009
Land	\$2,432,595	\$2,432,595
Construction in Progress	58,891	0
Buildings and Improvements	14,244,123	15,245,177
Furniture and Equipment	1,474,868	1,441,788
Vehicles	1,613,586	1,862,988
	\$19,824,063	\$20,982,548

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In May of 2007, voters in the School District approved the renewal of a one mill permanent improvement levy. This levy generates approximately \$490,000 a year, and coupled with reimbursements for lost levy proceeds in the amount of \$162,000, provides funds which are used exclusively for capital purchases. These funds are currently being used to finance several construction projects which were started in 2010. The net value of governmental capital assets is 38.37 percent of the value of the capital assets at cost. This ratio reflects a relatively old physical plant and bus fleet. The buildings of the School District are well maintained and in good repair. For additional information on capital assets, see Note 9 of the notes to the basic financial statements.

Debt

At June 30, 2010, the School District had \$6,758,208 in bonds, loans and leases outstanding, \$1,544,305 of which was due within one year. Table 5 summarizes bonds and loans outstanding.

Table 5
Outstanding Debt at June 30
Governmental Activities

	2010	2009
2001 Refunding Serial Bonds	\$2,418,808	\$3,551,211
2001 Refunding Capital Appreciation Bonds	1,262,950	1,142,262
2002 Maintenance Facility Loan	210,000	274,000
2004 Astro Turf Lease	96,000	144,000
2006 Energy Conservation Improvement Bonds	2,770,450	2,966,698
Totals	\$6,758,208	\$8,078,171

The School District's general obligation bonds were issued for the purposes of renovations of facilities which conserved energy, the renovation and construction of facilities, an addition to Columbus Road School, and the refunding of \$975,000 in library construction bonds and \$8,215,000 in facilities renovation bonds. The refunding bonds also consisted of \$536,300 in capital appreciation bonds. The maintenance facility loan was issued to construct a new maintenance facility for the School District.

During 2004, the School District entered into astro turf leases. The accumulated rental fees for the use of the stadium will be paying for the astro turf lease at no additional cost to taxpayers.

The School District's overall debt margin was \$64,232,224 with an unvoted debt margin of \$726,479. For additional information on long-term obligations, see Note 18 of the notes to the basic financial statements.

Current Financial Related Activities

As the preceding information shows, the School District is heavily dependent on property taxes. Property tax revenue does not increase solely as a result of inflation. Therefore, the School District must continue to monitor its revenues and expenses to ensure the public's confidence and support.

In November 2008, the School District had placed a 5.9 mill operating levy on the ballot which was defeated by voters. In response, the School District made additional reductions in operations. Voters approved a 4.9 mill levy in May 2009. Funding from the new levy began to be collected in January 2010.

Bedford City School District
Management's Discussion and Analysis
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Unaudited

School Funding

After conducting a series of public forums in 2008, first to gather input about the desired attributes of world class educational system, and then about financing such educational system, Governor Strickland developed and proposed the Ohio Evidence-Based Model Education Program (OEBM), most of which was incorporated into the fiscal 2010-2011 biennial State budget, House Bill No.1. The OEBM represents a significant overhaul to the historical per pupil funding model utilized by the State, and is scheduled to be phased-in over the ensuing ten to twelve years. The State of Ohio utilized approximately \$8 billion of the Federal Stimulus package (American Recovery and Reinvestment Act, aka ARRA) to fill its budgetary hole for the 2010-2011 biennium, under which, the School District's State Foundation funding has continued to be under the guarantee subject to a one percent reduction during each of the two fiscal years of the biennium. In November 2010, Governor Strickland lost his bid for re-election. Governor-Elect Kasich has publicly stated that he intends to repeal the OEBM and reinstate a modified per pupil funding model. Regardless of the outcome of the currently unfunded OEBM, the State is facing an \$8 billion budget deficit for the 2012-2013 biennium which begins July 1, 2011. The newly elected leaders of the Ohio House have indicated public education would be the subject of budget reductions in the new biennium due to the minimalistic economic recovery in Ohio and the upcoming budget hole created by the non-recurring ARRA funds. The long-term impact of the outcome of these and other issues on the School District is unknown at this time. Consequently, all of the School District's financial abilities will be called upon to meet the challenges the future will bring. The School District's Board and management team continue to carefully and prudently plan in order to provide the resources required to meet the future needs of its students.

The State Legislature has also effected the deregulation of electric public utilities. Electric deregulation took place January 1, 2001. The Department of Education will pay to each school district their share of school district property tax replacement funds. The calculated amount for the Bedford City School District is \$1.1 million annually for five years, beginning in calendar year 2002. Beginning in 2008, by State law, each School District will be evaluated annually as to whether they will continue to receive deregulation funds. The School District was evaluated and did qualify to receive electric deregulation funds in 2010.

The Bedford City School District has committed itself to the highest standards of financial excellence for many years. The School District has received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting each year since 1997. The commitment continues with this tenth financial report using the GASB Statement No. 34 reporting model.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Treasurer of Bedford City School District, 475 Northfield Road, Bedford, OH 44146.

Bedford City School District

Statement of Net Assets

June 30, 2010

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$20,211,172
Accounts Receivable	21,897
Intergovernmental Receivable	678,516
Inventory Held for Resale	40,772
Materials and Supplies Inventory	371,974
Taxes Receivable	31,333,725
Deferred Charges	12,728
Nondepreciable Capital Assets	2,491,486
Depreciable Capital Assets	17,332,577
	<hr/>
<i>Total Assets</i>	72,494,847
	<hr/>
Liabilities	
Accounts Payable	397,008
Accrued Wages and Benefits Payable	3,661,514
Intergovernmental Payable	1,624,395
Deferred Revenue	23,845,637
Matured Compensated Absences Payable	163,026
Accrued Interest Payable	38,697
Claims Payable	58,532
Long-Term Liabilities:	
Due Within One Year	2,540,097
Due in More Than One Year	7,257,798
	<hr/>
<i>Total Liabilities</i>	39,586,704
	<hr/>
Net Assets	
Invested in Capital Assets, Net of Related Debt	13,805,233
Restricted for:	
Capital Projects	1,400,209
Debt Service	2,148,734
Food Service	216,276
Student Support	222,678
Athletic Facilities	23,017
Special Education	5,147
Other Purposes	90,283
Unrestricted	14,996,566
	<hr/>
<i>Total Net Assets</i>	\$32,908,143
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See accompanying notes to the basic financial statements

Bedford City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2010

	Program Revenues			Net Expenses and Changes in Net Assets	
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Instruction:					
Regular	\$19,377,261	\$1,688,961	\$208,364	\$0	(\$17,479,936)
Special	6,056,638	0	1,227,078	0	(4,829,560)
Vocational	1,274,034	0	136,465	0	(1,137,569)
Student Intervention Services	94,775	0	0	0	(94,775)
Support Services:					
Pupil	3,015,745	0	325,493	0	(2,690,252)
Instructional Staff	2,544,377	1,454	556,001	0	(1,986,922)
Board of Education	243,585	0	0	0	(243,585)
Administration	2,809,020	0	48,225	0	(2,760,795)
Fiscal	1,381,083	0	0	0	(1,381,083)
Business	667,683	31,312	725	0	(635,646)
Operation and Maintenance of Plant	7,070,172	0	469,365	226,177	(6,374,630)
Pupil Transportation	3,578,892	0	0	0	(3,578,892)
Central	321,466	4,470	5,347	0	(311,649)
Operation of Non-Instructional Services:					
Food Service Operations	1,697,599	620,301	1,199,794	0	122,496
Other Non-Instructional Services	340,054	3,207	298,087	0	(38,760)
Extracurricular Activities	804,712	141,446	1,613	0	(661,653)
Interest and Fiscal Charges	437,058	0	0	0	(437,058)
Total Governmental Activities	\$51,714,154	\$2,491,151	\$4,476,557	\$226,177	(44,520,269)
General Revenues					
Property Taxes Levied for:					
General Purposes					26,041,020
Debt Service					1,071,389
Capital Outlay					410,979
Grants and Entitlements not Restricted to Specific Programs					17,563,453
Investment Earnings					27,574
Miscellaneous					433,459
Total General Revenues					45,547,874
Change in Net Assets					1,027,605
<i>Net Assets Beginning of Year</i>					31,880,538
<i>Net Assets End of Year</i>					\$32,908,143

See accompanying notes to the basic financial statements

Bedford City School District

Balance Sheet

Governmental Funds

June 30, 2010

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$14,625,957	\$4,093,226	\$18,719,183
Restricted Assets:			
Equity in Pooled Cash and Cash Equivalents	41,998	0	41,998
Accounts Receivable	7,185	14,712	21,897
Intergovernmental Receivable	86,828	591,688	678,516
Inventory Held for Resale	0	40,772	40,772
Materials and Supplies Inventory	364,235	7,739	371,974
Interfund Receivable	558,000	90,000	648,000
Taxes Receivable	29,679,244	1,654,481	31,333,725
<i>Total Assets</i>	<u>\$45,363,447</u>	<u>\$6,492,618</u>	<u>\$51,856,065</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$271,804	\$125,204	\$397,008
Accrued Wages and Benefits Payable	3,446,822	214,692	3,661,514
Intergovernmental Payable	1,450,184	174,211	1,624,395
Interfund Payable	0	648,000	648,000
Deferred Revenue	26,139,567	1,575,120	27,714,687
Matured Compensated Absences Payable	160,353	2,673	163,026
<i>Total Liabilities</i>	<u>31,468,730</u>	<u>2,739,900</u>	<u>34,208,630</u>
Fund Balances			
Reserved for Encumbrances	648,703	843,229	1,491,932
Reserved for Property Taxes	3,386,558	208,896	3,595,454
Reserved for Bus Purchases	41,998	0	41,998
Reserved for Long - Term Advances	0	90,000	90,000
Unreserved, Undesignated Reported in:			
General Fund	9,817,458	0	9,817,458
Special Revenue Funds	0	391,636	391,636
Debt Service Fund	0	1,779,348	1,779,348
Capital Projects Funds	0	439,609	439,609
<i>Total Fund Balances</i>	<u>13,894,717</u>	<u>3,752,718</u>	<u>17,647,435</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$45,363,447</u>	<u>\$6,492,618</u>	<u>\$51,856,065</u>

See accompanying notes to the basic financial statements

Bedford City School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2010*

Total Governmental Funds Balances		\$17,647,435
 <i>Amounts reported for governmental activities in the statement of net assets are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		19,824,063
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes	3,733,638	
Grants	135,412	
		3,869,050
Bond issuance costs will be amortized over the life of the bonds on the statement of net assets.		12,728
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(38,697)
The internal service funds are used by management to charge the costs of insurance and goods warehoused and distributed to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		1,391,459
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(6,452,208)	
Loan Payable	(210,000)	
Capital Leases	(96,000)	
Compensated Absences	(3,039,687)	
Total		(9,797,895)
 <i>Net Assets of Governmental Activities</i>		 \$32,908,143

See accompanying notes to the basic financial statements

Bedford City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2010

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$25,521,899	\$1,451,754	\$26,973,653
Intergovernmental	17,446,871	5,399,087	22,845,958
Interest	27,384	190	27,574
Charges for Services	10,896	622,895	633,791
Tuition and Fees	1,585,497	25,289	1,610,786
Rentals	530	30,895	31,425
Extracurricular Activities	0	215,149	215,149
Contributions and Donations	0	33,137	33,137
Miscellaneous	400,294	33,165	433,459
<i>Total Revenues</i>	<u>44,993,371</u>	<u>7,811,561</u>	<u>52,804,932</u>
Expenditures			
Current:			
Instruction:			
Regular	18,523,192	595,371	19,118,563
Special	4,588,784	1,487,068	6,075,852
Vocational	1,108,967	210,259	1,319,226
Student Intervention Services	1,011	93,764	94,775
Support Services:			
Pupil	2,608,489	436,366	3,044,855
Instructional Staff	1,668,668	832,921	2,501,589
Board of Education	243,585	0	243,585
Administration	2,758,319	72,830	2,831,149
Fiscal	1,358,705	0	1,358,705
Business	662,110	3,316	665,426
Operation and Maintenance of Plant	6,315,635	348,266	6,663,901
Pupil Transportation	3,313,997	0	3,313,997
Central	309,481	12,009	321,490
Operation of Non-Instructional Services:			
Food Service Operations	0	1,674,162	1,674,162
Other Non-Instructional Services	0	309,029	309,029
Extracurricular Activities	438,762	233,459	672,221
Capital Outlay	0	78,408	78,408
Debt Service:			
Principal Retirement	260,248	1,188,000	1,448,248
Interest and Fiscal Charges	131,680	154,967	286,647
<i>Total Expenditures</i>	<u>44,291,633</u>	<u>7,730,195</u>	<u>52,021,828</u>
<i>Excess of Revenues Over Expenditures</i>	<u>701,738</u>	<u>81,366</u>	<u>783,104</u>
Other Financing Sources (Uses)			
Transfers In	0	395,712	395,712
Transfers Out	(395,712)	0	(395,712)
<i>Total Other Financing Sources (Uses)</i>	<u>(395,712)</u>	<u>395,712</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	306,026	477,078	783,104
<i>Fund Balances Beginning of Year</i>	<u>13,588,691</u>	<u>3,275,640</u>	<u>16,864,331</u>
<i>Fund Balances End of Year</i>	<u>\$13,894,717</u>	<u>\$3,752,718</u>	<u>\$17,647,435</u>

See accompanying notes to the basic financial statements

Bedford City School District
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2010*

Net Change in Fund Balances -Total Governmental Funds \$783,104

*Amounts reported for governmental activities in the
statement of activities are different because*

Governmental funds report capital outlays as expenditures. However, in the statement of activities,
the cost of those assets is allocated over their estimated useful lives as depreciation expense.
This is the amount by which depreciation exceeded capital outlay in the current period.

Capital Asset Additions	309,626	
Capital Contributions	21,000	
Current Year Depreciation	(1,489,111)	
Total		(1,158,485)

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

Delinquent Property Taxes	549,735	
Intergovernmental	(633,908)	
Total		(84,173)

In the statement of activities, interest is accrued on outstanding bonds, bond accretion, bond premium,
bond issuance costs and loss on refunding are amortized over the term of the bonds, whereas in
governmental funds an interest expenditure is reported when due and premiums, issuance costs
and loss on refunding are reported when the bonds are issued.

Accrued Interest	(14,538)	
Annual Accretion	(120,688)	
Amortization of Premium on Bonds	53,965	
Amortization of Loss on Refunding	(61,562)	
Amortization of Issuance Costs	(8,638)	
Total		(151,461)

Repayment of bond, loan and lease principal is an expenditure in the governmental funds, but the
repayment reduces long-term liabilities in the statement of net assets. 1,448,248

Some expenses reported in the statement of activities, such as compensated absences,
do not require the use of current financial resources and therefore are not
reported as expenditures in governmental funds. 106,616

The internal service fund used by management to charge the costs of insurance to individual
funds are not reported in the district-wide statement of activities. Governmental fund
expenditures and related internal service fund revenues are eliminated. The net revenue
(expense) of the internal service fund are allocated among the governmental activities. 83,756

Change in Net Assets of Governmental Activities \$1,027,605

See accompanying notes to the basic financial statements

Bedford City School District
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$25,652,527	\$25,957,858	\$26,829,742	\$871,884
Intergovernmental	15,230,380	15,837,380	17,441,242	1,603,862
Interest	250,000	50,000	30,140	(19,860)
Charges for Services	12,000	12,000	10,896	(1,104)
Tuition and Fees	1,852,620	1,852,620	1,581,371	(271,249)
Rentals	0	0	530	530
Miscellaneous	390,000	402,999	434,907	31,908
<i>Total Revenues</i>	43,387,527	44,112,857	46,328,828	2,215,971
Expenditures				
Current:				
Instruction:				
Regular	19,098,305	17,778,487	17,325,613	452,874
Special	4,720,700	4,371,069	4,244,774	126,295
Vocational	1,048,145	1,116,382	1,036,031	80,351
Student Intervention Services	1,965	41,965	2,081	39,884
Support Services:				
Pupil	2,597,020	2,676,656	2,604,034	72,622
Instructional Staff	1,358,395	1,915,512	1,874,268	41,244
Board of Education	285,765	340,658	270,254	70,404
Administration	3,813,912	3,916,362	3,758,208	158,154
Fiscal	1,374,950	1,426,406	1,409,836	16,570
Business	710,400	701,851	661,256	40,595
Operation and Maintenance of Plant	6,147,630	6,796,321	6,430,350	365,971
Pupil Transportation	3,472,625	3,775,515	3,585,986	189,529
Central	315,640	334,697	324,961	9,736
Extracurricular Activities	501,500	494,265	441,068	53,197
Capital Outlay	0	2,256	0	2,256
Debt Service:				
Principal Retirement	271,000	275,248	275,248	0
Interest and Fiscal Charges	142,000	132,752	131,680	1,072
<i>Total Expenditures</i>	45,859,952	46,096,402	44,375,648	1,720,754
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,472,425)	(1,983,545)	1,953,180	3,936,725
Other Financing Sources (Uses)				
Advances In	1,482,000	1,062,000	1,058,100	(3,900)
Advances Out	(582,000)	(896,000)	(896,000)	0
Transfers Out	(70,812)	(395,712)	(395,712)	0
<i>Total Other Financing Sources (Uses)</i>	829,188	(229,712)	(233,612)	(3,900)
<i>Net Change in Fund Balance</i>	(1,643,237)	(2,213,257)	1,719,568	3,932,825
<i>Fund Balance Beginning of Year</i>	11,576,619	11,576,619	11,576,619	0
Prior Year Encumbrances Appropriated	553,100	553,100	553,100	0
<i>Fund Balance End of Year</i>	\$10,486,482	\$9,916,462	\$13,849,287	\$3,932,825

See accompanying notes to the basic financial statements

Bedford City School District

Statement of Fund Net Assets

Internal Service Funds

June 30, 2010

Assets	
Equity in Pooled Cash and Cash Equivalents	\$1,449,991
Liabilities	
Claims Payable	<u>58,532</u>
Net Assets	
Unrestricted	<u><u>\$1,391,459</u></u>

See accompanying notes to the basic financial statements

Bedford City School District
*Statement of Revenues, Expenses and
Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year Ended June 30, 2010*

Operating Revenues

Charges for Services \$1,221,938

Operating Expenses

Purchased Services 20,806

Claims 1,117,376

Total Operating Expenses 1,138,182

Change in Net Assets 83,756

Net Assets Beginning of Year 1,307,703

Net Assets End of Year \$1,391,459

See accompanying notes to the basic financial statements

Bedford City School District
Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2010

Increase (Decrease) in Cash and Cash Equivalents

Cash Flows from Operating Activities

Cash Received from Interfund Services	\$1,221,938
Cash Payments for Purchased Services	(20,806)
Cash Payments for Claims	<u>(1,127,844)</u>

Net Increase in Cash and Cash Equivalents 73,288

Cash and Cash Equivalents Beginning of Year 1,376,703

Cash and Cash Equivalents End of Year \$1,449,991

***Reconciliation of Operating Income to Net
Cash Provided by Operating Activities***

Operating Income \$83,756

Adjustments:

Decrease in Claims Payable (10,468)

Net Cash Provided by Operating Activities \$73,288

See accompanying notes to the basic financial statements

Bedford City School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2010

	Private Purpose Trust	
	Scholarship	Agency
Assets		
Equity in Pooled Cash and Cash Equivalents	\$82,067	\$24,373
Liabilities		
Due to Students	0	\$24,373
Net Assets		
Held in Trust for Scholarships	\$82,067	

See accompanying notes to the basic financial statements

Bedford City School District
Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Fund
For the Fiscal Year Ended June 30, 2010

	Scholarship
Additions	
Interest	\$55
Miscellaneous	10,215
<i>Change in Net Assets</i>	10,270
<i>Net Assets Beginning of Year</i>	71,797
<i>Net Assets End of Year</i>	\$82,067

See accompanying notes to the basic financial statements

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 1 - Description of the School District and Reporting Entity

Bedford City School District (the School District) is a city school district as defined by Section 3311.02 of the Ohio Revised Code. The School District is one of the 614 school districts in the State of Ohio and one of 33 in Cuyahoga County, and provides education to 3,653 students in grades K through 12. The School District also provides preschool education to 19 handicapped students. The School District is located in northeast Ohio, covers approximately 25 square miles and includes the City of Bedford, most of the City of Bedford Heights, and the Villages of Walton Hills and Oakwood. The operation of the School District is governed by an elected five-member Board of Education.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to insure that the financial statements are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the School District. For Bedford City School District, the agencies and departments provide the following services: general operations, food service and student related activities of the School District.

Nonpublic Schools - Within the School District boundaries, there are various nonpublic schools, including Holy Spirit, Chanel, and Safely Home. Current State legislation provides funding to these non-public schools. These monies are received and disbursed by the School District on behalf of the non-public schools by the Treasurer of the School District, as directed by the non-public schools. These transactions are reported in a special revenue fund and as a governmental activity of the School District.

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

The School District participates in an insurance purchasing pool and two jointly governed organizations. These organizations are the Ohio School Boards Association Workers' Compensation Group II Program, the Lakeshore Northeast Ohio Computer Association and Ohio Schools Council Association. These organizations are presented in Notes 16 and 19 of the notes to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the Bedford City School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The School District also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities and to its internal service funds unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Basis of Presentation

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

Government-wide Financial Statements The statement of net assets and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. These statements usually distinguish between those activities of the School District that are governmental and those that are considered business-type. The School District, however has no business-type activities.

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

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

Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. The funds of the School District are divided into three categories: governmental, proprietary and fiduciary.

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

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

The other governmental funds of the School District account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Fund Type Proprietary funds focus on the determination of operating income, changes in net assets, financial position and cash flows and are classified as either enterprise or internal service. The School District only has two internal service funds.

Internal Service Funds The internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District utilizes two internal service funds, one to account for the operation of the School District's self insurance program for dental and prescription benefits and the other to account for a computer supplies warehouse available to all departments within the School District.

Fiduciary Fund Type Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District's only trust fund is a private purpose trust which accounts for a college scholarship program for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only agency fund reports resources belonging to the student bodies of the various schools.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District are included on the statement of net assets. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets.

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

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

The private purpose trust fund is reported using the economic resources measurement focus.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Basis of Accounting

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

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

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

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

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

Property taxes for which there is an enforceable legal claim as of June 30, 2010, but which were levied to finance fiscal year 2011 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Budgetary Data

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level for all funds; however, the budgets are monitored on a daily basis at the object account level within a function and fund. The Treasurer has been given the authority to allocate appropriations to the function and object levels within each fund.

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

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

Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as "equity in pooled cash and cash equivalents."

During fiscal year 2010, the School District's investments were limited to the State Treasurer's Asset Reserve (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 Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on June 30, 2010.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2010 amounted to \$27,384, which includes \$5,948 assigned from other School District funds.

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies held for consumption and donated and purchased food held for resale.

Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the general fund include unspent resources restricted for the purchase of buses.

Capital Assets

All capital assets of the School District are classified as general capital assets. These assets generally result from expenditures in the governmental funds. They are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of three thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Buildings and Improvements	10 - 30 years
Furniture and Equipment	10 - 20 years
Vehicles	12 years

Bond Issuance Costs

On the government-wide financial statements, bond issuance costs are deferred and amortized over the term of the applicable bonds using the effective interest method. Within the governmental fund statements, bond issuance costs are expended when incurred.

As permitted by State statute, the School District paid bond issuance costs for the bond proceeds and therefore does not consider that portion of the debt to be capital-related debt. That portion of the debt was offset against the unamortized bond issuance costs which were included in the determination of unrestricted net assets. Reporting both within the same element of net assets prevents one classification from being overstated while another is understated by the same amount.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Bond Premium

On government-wide financial statement, bond premiums are deferred and amortized over the term of the bonds using the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable. On the governmental fund statements, bond premiums are received in the year the bonds are issued.

Gain/Loss on Refunding

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." Interfund loans which do not represent available expendable resources are offset by a fund balance reserve account. These amounts are eliminated in the governmental activity column of the statement of net assets.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the School District's past experience of making termination payments.

The entire compensated absence liability is reported on the government-wide financial statements.

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "matured compensated absences payable" in the funds from which the employees who have resigned or retired will be paid.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements and all payables, accrued liabilities and long-term obligations payable from the internal service funds are reported on the internal service fund financial statements.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds and capital leases are recognized as a liability on the fund financial statements when due.

Internal Activity

Transfers between governmental activities are eliminated on the government-wide financial statements. Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Fund Balance Reserves

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

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are charges for services for the self-insurance program and the computer network services. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. All revenues and expenses not meeting these definitions are reported as non-operating.

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.

Note 3 – Change in Accounting Principles

For fiscal year 2010, the School District has implemented Governmental Accounting Standard Board (GASB) Statement No. 51, “Accounting and Reporting for Intangible Assets”, Statement No. 53, “Accounting and Financial Reporting for Derivative Instruments”, Statement No. 57, “OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans”, and Statement No. 58, “Accounting and Financial Reporting for Chapter 9 Bankruptcies”.

GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies thereby enhancing the comparability of accounting and financial reporting of such assets among state and local governments. The implementation of this statement did not result in any change to the School District’s financial statements.

GASB Statement No. 53 enhances the usefulness and comparability of derivative instrument information reported by state and local governments. This Statement provides a comprehensive framework for the measurement, recognition, and disclosure of derivative instrument transactions. The implementation of this statement did not result in any change to the School District’s financial statements.

GASB Statement No. 57 addresses issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers). The requirements in this Statement will allow more agent employers to use the alternative measurement method to produce actuarially based information for purposes of financial reporting and clarify that OPEB measures reported by agent multiple-employer OPEB plans and their participating employers should be determined at the same minimum frequency and as of a common date to improve the consistency of reporting with regard to funded status and funding progress information. The implementation of this statement did not result in any change in the School District’s financial statements.

GASB Statement No. 58 provides accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. The requirements in this Statement will provide more consistent recognition, measurement, display, and disclosure guidance for governments that file for Chapter 9 bankruptcy. The implementation of this statement did not result in any change in the School District’s financial statements.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 4 –Accountability

At June 30, 2010, the following funds had deficit fund balances:

	<u>Amount</u>
Special Revenue Funds:	
Recreation	\$9,859
District Managed Student Activities	53
Title VI-B	16,243
Vocational Education	22,606
Technology Title II-D	40,181
Title I	64,569
Drug Free Schools	4
Preschool Handicapped	6,426
Title VI-R	4,551

The deficits are due to adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and provides transfers when cash is required, rather than when accruals occur.

Note 5 - Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

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

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement for the general fund.

Bedford City School District
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For the Fiscal Year Ended June 30, 2010

Net Change in Fund Balance

GAAP Basis	\$306,026
Net Adjustment for Revenue Accruals	1,335,457
Advances In	1,058,100
Net Adjustment for Expenditure Accruals	734,653
Advances Out	(896,000)
Adjustment for Encumbrances	(818,668)
Budget Basis	<u>\$1,719,568</u>

Note 6 - Deposits and Investments

Monies held by the School District are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the School District treasury. Active 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 that the Board has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

Interim monies held by the School District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

7. The State Treasurer's investment pool (STAR Ohio); and
8. Commercial paper and bankers acceptances if training requirements have been met.

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. Investments may only be made through specified dealers and institutions.

Deposits

Custodial Credit Risk Custodial credit risk is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in possession of an outside party. At fiscal year end, \$20,742 of the School District's bank balance of \$400,891 was uninsured and uncollateralized. Although the collateral securities were held by the pledging institution's trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

The School District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the School District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Investments

As of June 30, 2010, the School District had a STAROhio investment with a fair value of \$20,822,181, an average maturity of fifty-six days and a rating of AAAM by Standard and Poor's.

Interest Rate Risk. As a means of limiting its exposure to fair value losses caused by rising interest rates, the School District's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the School District's investment portfolio be structured so that the securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity. To date, no investments have been purchased with a life greater than two years.

Credit Risk. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The School District has no investment policy that addresses credit risk.

Note 7 - Receivables

Receivables at June 30, 2010, consisted of taxes, accounts (student fees and tuition), interfund, and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. All receivables except for manuscript debt and delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

A summary of principal items of intergovernmental receivables follows:

<u>Governmental Activities</u>	<u>Amount</u>
Title I Grants and Subsidies	\$242,850
Title VI-B Grants and Subsidies	236,613
School Employees Retirement System	50,755
Title VI-R Grants and Subsidies	44,901
Auditor of State - CAFS	27,973
Vocational Education Grants and Subsidies	25,499
Auxiliary Services	16,786
Preschool Handicapped Grants and Subsidies	9,958
Substitute Teacher Reimbursement	8,253
State of Ohio	8,100
Drug Free Schools Grants and Subsidies	3,785
Title II-D Technology	<u>3,043</u>
Total	<u><u>\$678,516</u></u>

Note 8 - Property Taxes

Property taxes are levied and assessed on a calendar year basis while the School District fiscal year runs from July through June. First half tax collections are received by the School District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar year 2010 represents collections of calendar year 2009 taxes. Real property taxes received in calendar year 2010 were levied after April 1, 2009, on the assessed value listed as of January 1, 2009, the lien date. Assessed values for real property are established by State law at thirty-five percent of appraised market value. Real property are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2010 represents collections of calendar year 2009 taxes. Public utility real and tangible personal property taxes received in calendar year 2010 become a lien December 31, 2008, were levied after April 1, 2009 and are collected in 2010 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar 2010 (other than public utility property) represents the collection of 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009, on the value as of December 31, 2009. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

The School District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2010, are available to finance fiscal year 2010 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents real property and public utility property taxes which were measurable as of June 30, 2010, and for which there was an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 are reflected as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2010 was 3,386,558 in the general fund, \$156,043 in the bond retirement debt service fund, and \$52,853 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2009, was \$3,797,068 in the general fund, \$221,434 in the bond retirement debt service fund, and \$67,002 in the permanent improvement capital projects fund. The difference was in timing and collection by the County Auditor.

On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been deferred.

The assessed values upon which the fiscal year 2010 taxes were collected are:

	2009 Second Half Collections		2010 First Half Collections	
	Amount	Percent	Amount	Percent
Residential/Agricultural	\$432,422,870	55.03 %	\$390,270,020	53.71 %
Other Real Estate	298,786,290	38.02	302,456,730	41.62
Public Utility Personal	31,677,970	4.03	33,898,290	4.67
Tangible Personal Property	22,970,064	2.92	0	0.00
Total	\$785,857,194	100.00 %	\$726,625,040	100.00 %
Tax rate per \$1,000 of assessed valuation	\$67.87		\$72.50	

The increase in the tax rate per \$1,000 of assessed valuation is from a 4.9 mill continuing levy passed on May 5, 2009.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 9 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2010, was as follows:

	Balance 6/30/09	Additions	Deletions	Balance 6/30/10
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$2,432,595	\$0	\$0	\$2,432,595
Construction in Progress	0	58,891	0	58,891
Total Capital Assets, not being depreciated	2,432,595	58,891	0	2,491,486
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	40,212,056	26,700	0	40,238,756
Furniture and Equipment	4,278,467	245,035	0	4,523,502
Vehicles	4,408,307	0	0	4,408,307
Total Capital Assets, being depreciated	48,898,830	271,735	0	49,170,565
Less Accumulated Depreciation:				
Buildings and Improvements	(24,966,879)	(1,027,754)	0	(25,994,633)
Furniture and Equipment	(2,836,679)	(211,955)	0	(3,048,634)
Vehicles	(2,545,319)	(249,402)	0	(2,794,721)
Total Accumulated Depreciation	(30,348,877)	(1,489,111) *	0	(31,837,988)
Total Capital Assets, being depreciated, net	18,549,953	(1,217,376)	0	17,332,577
Governmental Activities Capital Assets, Net	\$20,982,548	(\$1,158,485)	\$0	\$19,824,063

* Depreciation expense was charged to governmental functions as follows:

Instruction	
Regular	\$373,252
Special	26,862
Vocational	27,849
Support Services:	
Pupil	2,923
Instructional Staff	24,845
Administration	7,319
Fiscal	3,214
Business	50,180
Operation and Maintenance of Plant	550,152
Pupil Transportation	237,704
Central	4,645
Operation of Non-Instructional Services:	
Food Service Operations	2,483
Other Non-Instructional Services	45,192
Extracurricular Activities	132,491
Total Depreciation Expense	\$1,489,111

The School District received exercise equipment valued at \$21,000. The School District has recorded this as a capital contribution.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Note 10 - Contingencies

Grants

The School District received financial assistance from federal and State 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 are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2010.

Litigation

The School District is a party to legal proceedings. The School District is of the opinion that ultimate disposition of claims will not have a material effect, if any, on the financial condition of the School District.

Note 11 - Interfund Balances

Interfund balances at June 30, 2010, consist of the following individual fund receivables and payables:

Interfund Payable	Interfund Receivable		
	General Fund	Other Governmental Funds	Total
Other Governmental Funds			
Recreation	\$11,000	\$0	\$11,000
Title VI-B	175,000	0	175,000
Vocational Education	35,000	0	35,000
Technology Title II-D	60,000	0	60,000
Title I	235,000	0	235,000
Drug Free Schools	4,000	0	4,000
Preschool Handicapped	8,000	0	8,000
Title VI-R	30,000	0	30,000
Permanent Improvement	0	90,000	90,000
<i>Total Governmental Activities</i>	<u>\$558,000</u>	<u>\$90,000</u>	<u>\$648,000</u>

The interfund payables are advances for grant monies that were not received by fiscal year end. The School District expects to receive the grant monies and repay the advances within the next fiscal year.

The interfund transaction between the bond retirement debt service and permanent improvement capital projects fund is a manuscript bond. The manuscript bond consists of a facility acquisition bond and was issued by the School District and purchased by the bond retirement debt service fund as an investment. The manuscript bond will mature on December 1, 2015.

Bedford City School District
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For the Fiscal Year Ended June 30, 2010

	Outstanding June 30, 2009	Additions	Deletions	Outstanding June 30, 2010
Manuscript Bond - Facility Acquisition	\$105,000	\$0	\$15,000	\$90,000

The general fund transferred \$104,212 to the district managed student activities special revenue fund to provide financial support for the School District's athletics and \$291,500 to the capital replacement capital projects fund for bus purchases.

Note 12 - Risk Management

Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2010, the School District contracted for property and general liability insurance, and boiler and machinery coverage through the 91-member Ohio Schools Council Association Group Purchasing Consortium. The Ohio Casualty Insurance Company is the carrier for the School District's insurance.

Aggregate property coverage is \$108,753,600 with a \$5,000 deductible. Aggregate boiler and machinery coverage is approximately \$50 million with a \$1,000 deductible. The policy is renewable on July 1, 2010, for each coverage. Casualty and fleet insurance coverage was provided with a combined single limit of \$1 million and \$1,000 deductible. Education and umbrella liability insurance coverage was provided with a combined single limit of \$8 million each occurrence and combined aggregate of \$8 million. The Treasurer is covered by a \$200,000 surety bond and the Superintendent, Board of Education President, and Business Manager are covered by \$50,000 position bonds.

Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in coverage from last year.

Worker's Compensation

For fiscal year 2010, the School District participated in the Ohio School Boards Association Workers' Compensation Group II Program, an insurance purchasing pool (Note 16). The intent of the Group Rating Program, (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. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. In 2010 the District did not qualify for the 2010 GRP and instead participated in the Group II Program. The firm of CompManagement, Inc. provides administrative, cost control, and actuarial services to the GRP.

Employee Benefits

The School District has elected to provide employee dental and prescription drug benefits to full time employees through a self-insurance program, while hospitalization and medical benefits are provided with a fully-insured program. Full time is defined as the full 186 day academic year, or 1,700 hours for non-certificated employees. Employees working shorter calendars pay a prorated portion of the health care premiums. The School District maintains a self-insurance internal service fund to account for and finance its

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

uninsured risk of loss in the drug and dental programs. Dental claims are limited to \$2,500 per covered individual per year, with a lifetime limit of \$1,000 on orthodontia. There is no limitation on prescription drug benefits as this type of coverage is not subject to catastrophic loss. A third party administrator, Medical Mutual of Ohio, reviews and pays all claims. The School District pays the following monthly premium into the self-funded benefits fund, which represents 93 percent of the premium required: dental - \$24.38 (single), \$73.14 (family); drug - \$95.37 (single), \$262.25 (family). These premiums are paid by the fund that pays the salary for each employee and is based on historical cost information.

The claims liability of \$58,532 reported in the self insurance fund at June 30, 2010, is based on an estimate provided by the Treasurer and the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund's claims liability amount for the last two years follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2009	\$80,000	\$1,189,168	\$1,200,168	\$69,000
2010	69,000	1,117,376	1,127,844	58,532

Note 13 - Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per year, depending upon length of service and hours worked. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time. Each employee earns sick leave at a rate of one and one-fourth days per month. Sick leave may be accumulated to a maximum of 275 days for non-certificated and certificated employees and 370 days for administrators. Upon retirement or termination after 25 years of service, payment is made for up to 30 days plus one-tenth of the days remaining for certificated employees and administrators. The maximum number of days to be paid out is 54 days for certificated staff and 64 days for administrators. The non-certificated employees payment is calculated using one-fourth of the days unless the employee has accumulated 90 percent or more of their maximum number of days in which case the calculation is made at 30 percent for a maximum of 78 days. For purposes of retirement, the employee receiving such payment must meet the eligibility requirement provisions set by STRS or SERS.

Note 14 - Defined Benefit Pension Plans

School Employees Retirement System

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District’s contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2010, 12.78 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District’s required contributions for pension obligations to SERS for the fiscal years ended June 30, 2010, 2009 and 2008 were \$721,249, \$779,920, and \$774,975 respectively; 95.55 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

State Teachers Retirement System of Ohio

Plan Description – The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, Ohio 43215-3771, or by calling (888) 227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member’s lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years of credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member’s designated beneficiary is entitled to receive the member’s account balance.

Funding Policy - For the fiscal year ended June 30, 2010, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2009, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District’s required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2010, 2009, and 2008 were \$2,426,702, \$2,574,773, and \$2,438,865 respectively; 88.90 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008. Contributions to the DC and Combined Plans for fiscal year 2010 were \$62,017 made by the School District and \$77,901 made by the plan members.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2010, two members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

Note 15- Postemployment Benefits

School Employee Retirement System

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2010, .46 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2010, this amount was \$35,800. During fiscal year 2010, the School District paid \$157,038 in surcharge.

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

The School District's contributions for health care for fiscal years ended June 30, 2010, 2009, and 2008 were \$487,115, \$484,201, and \$481,282 respectively; 95.55 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2010, this actuarially required allocation was 0.76 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2010, 2009, and 2008 were \$59,509, \$66,924, and \$55,839 respectively; 95.55 percent has been contributed for fiscal year 2010, and 100 percent for fiscal years 2009 and 2008.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

State Teachers Retirement System

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

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2010, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$186,669, \$198,059, and \$187,605 respectively; 88.90 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

Note 16 - Insurance Purchasing Pool

Ohio School Boards Association Workers' Compensation Group II Program - The School District participates in the Ohio School Boards Association Workers' Compensation Group II Program, an insurance purchasing pool. The group'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 OSBA. 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 to the OSBA to cover the costs of administering the program.

Note 17 - Set Asides

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

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

	Textbooks Instructional Materials Reserve	Capital Improvement Reserve
Set-aside Reserve Balances as of June 30, 2009	(\$1,386,232)	\$0
Current Year Set-aside Requirement	645,538	645,538
Current Year Offsets	0	(456,868)
Qualifying Disbursements	(558,353)	(555,077)
Totals	(\$1,299,047)	(\$366,407)
Set-aside Balance Carried Forward to Future Fiscal Years	(\$1,299,047)	\$0
Set-aside Reserve Balances as of June 30, 2010	\$0	\$0

The School District had qualifying disbursements during the fiscal year that reduced the textbook set-aside amount below zero. This extra amount may be used to reduce the set-aside requirements of future fiscal years. While the current year offsets and qualifying disbursements during the fiscal year reduced the capital improvement set-aside amount to below zero, this amount may not be used to reduce the set-aside requirements of future fiscal years.

Note 18 - Long Term Obligations

The original issue date, interest rate, original issue amount and date of maturity of each of the School District's long-term obligations follows:

Debt Issue	Original Issue Date	Original Issue Amount	Interest Rate	Date of Maturity
General Obligation Bonds:				
Serial Library and Facilities Refunding Bonds	2001	\$8,560,000	3.00-5.00%	December 1, 2011
Capital Appreciation Refunding Bonds	2001	536,300	10.30%	December 1, 2012
Energy Conservation Improvement Bonds	2006	3,562,114	4.11%	October 15, 2020
Maintenance Facility Loan	2002	606,000	3.64%	December 1, 2012
Astro Turf Lease	2004	385,000	3.29%	June 1, 2012

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

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

	Principal Outstanding 6/30/09	Additions	(Reductions)	Principal Outstanding 6/30/10	Amount Due in One Year
Governmental Activities:					
General Obligations Bonds:					
Serial Library and Facilities Refunding Bonds	\$3,570,000	\$0	(\$1,140,000)	\$2,430,000	\$1,225,000
Unamortized Premium on Serial Bonds	133,474	0	(53,965)	79,509	0
Unamortized Loss on Refunding on Serial Bonds	(152,263)	61,562	0	(90,701)	0
Capital Appreciation Refunding Bonds	536,300	0	0	536,300	0
Accretion on Capital Appreciation Bonds	605,962	120,688	0	726,650	0
Energy Conservation Improvement Bonds	2,966,698	0	(196,248)	2,770,450	204,305
<i>Total General Obligation Bonds</i>	<u>7,660,171</u>	<u>182,250</u>	<u>(1,390,213)</u>	<u>6,452,208</u>	<u>1,429,305</u>
Maintenance Facilities Loan	274,000	0	(64,000)	210,000	67,000
Astro Turf Lease	144,000	0	(48,000)	96,000	48,000
Compensated Absences	3,146,303	1,008,297	(1,114,913)	3,039,687	995,792
Total Governmental Activities	<u>\$11,224,474</u>	<u>\$1,190,547</u>	<u>(\$2,617,126)</u>	<u>\$9,797,895</u>	<u>\$2,540,097</u>

The serial library and facilities refunding bonds and capital appreciation refunding bonds will be paid with property taxes from the bond retirement fund.

Energy conservation improvement bonds were issued for the purpose of improvements throughout the School District. These bonds will be paid from the general fund.

The maintenance facilities loan will be paid from the general fund. The astro turf lease will be paid from the special enterprise special revenue fund. Compensated absences will be paid from the general fund, the food service, auxiliary services, title VI-B, title I, preschool handicapped and title VI-R special revenue funds.

In November 2001, the School District issued general obligation refunding bonds having an original face value of \$9,096,300. These refunding bonds consist of \$8,560,000 in current interest serial bonds and \$536,300 in capital appreciation bonds. This year the addition on the capital appreciation bonds was \$120,688 which represents the annual accretion of discounted interest. The final maturity amount of these bonds is \$1,665,000. The bonds were issued at a \$900,303 premium and issuance costs were \$144,116.

The refunding bonds were issued to defease the 1993 library construction and facilities renovations general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District's financial statements. On June 30, 2010, \$8,495,000 of bonds outstanding were considered defeased.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

The overall debt margin of the School District as of June 30, 2010, was \$64,232,224 with an unvoted debt margin of \$726,479. Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2010, are as follows:

	General Obligation Bonds		Capital Appreciation Bonds		Maintenance Facilities Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	\$1,429,305	\$204,617	\$0	\$0	\$67,000	\$7,390
2012	1,417,693	135,479	406,331	823,669	70,000	4,506
2013	221,425	96,622	129,969	305,031	73,000	1,516
2014	230,516	87,531	0	0	0	0
2015	239,980	78,067	0	0	0	0
2016-2020	1,356,027	234,208	0	0	0	0
2021	305,504	12,543	0	0	0	0
Total	\$5,200,450	\$849,067	\$536,300	\$1,128,700	\$210,000	\$13,412

Note 19 - Jointly Governed Organizations

Lakeshore Northeast Ohio Computer Association

The Lakeshore Northeast Ohio Computer Association (LNOCA) is a jointly governed organization among sixteen school districts, one educational service center and the Bedford City School District. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among the member districts. Each of the school districts support LNOCA based on a per pupil charge. The School District paid \$108,675 to LNOCA during fiscal year 2010.

The Governing Board consists of the superintendent from each of the participating school districts and the educational service center. The degree of control exercised by any participant is limited to its representation on the Governing Board. The Board exercises total control over the operation of the organization including budgeting, appropriating, contracting and designating management. A copy of LNOCA's financial statements may be obtained by contacting the Educational Service Center at 5811 Canal Road, Valley View, Ohio 44125.

Ohio Schools Council Association

The Ohio Schools' Council Association (Council) is a jointly governed organization among 126 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly from September through June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2010, the School District paid \$400 to the Council. Financial information can be obtained by contacting Dr. David A. Cottrell, the Executive Director of the Ohio Schools' Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Energy USA served as the natural gas supplier and program manager from October 1, 2008 to September 30, 2010. Compass Energy has been selected as the new supplier and program manager for the period from October 1, 2010 through March 31, 2013. There are currently 143 participants in the Program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

The School District also participates in the Council's current electricity group purchase program. The Council's current program, which began in September 2009 and runs through May 2011, provides as much as 25 percent in savings to 244 school districts in the First Energy territory.

Note 20 - Capital Leases - Lessee Disclosure

In prior years, the School District entered into a capital lease agreement for the installation of astro turf at the football stadium of the School District. The School District's lease obligation meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases." Capital lease payments are reflected as debt service expenditures in the special enterprise special revenue fund on the basic financial statements.

As part of the agreement for the astro turf lease, Key Bank, as lessor, deposited monies in segregated accounts for the installation of the astro turf. The entire amount was paid to the vendors at the direction of the School District when the installations were completed. At year-end capital assets have been capitalized for the capital lease.

Capital assets acquired by lease have been capitalized as follows:

Governmental Activities:	
Capital Assets, being depreciated:	
Building and Improvements	
Cost	\$385,000
Accumulated Depreciation	<u>(115,500)</u>
<i>Governmental Activities Capital Assets, Net</i>	<u><u>\$269,500</u></u>

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2010

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2010.

Fiscal Year Ending June 30	<u>Governmental Activities</u>
2011	\$51,250
2012	<u>49,425</u>
Total	100,675
Less: Amount Representing Interest	<u>(4,675)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$96,000</u></u>

Note 21 – Subsequent Events

On November 4, 2010, The School District entered into a \$433,136 five year lease purchase agreement with Key Government Finance for the acquisition of computer and related equipment.

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

To account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes.

Food Service Fund To account for the financial transactions related to the food service operations of the School District.

Summer School Fund To account for the operation of the summer school program.

Adult and Continuing Education Fund To account for the operation of the adult high school and the adult and community education programs.

Recreation Fund To account for the operation of the swimming pool when it serves the community for open swim, lessons, youth competition and facility rentals.

Public School Support Fund To account for proceeds of local fund raising at the building level.

Local Grants Fund To account for proceeds of specific revenue sources, except for State and federal grants that are legally restricted to expenditure for specific purposes.

Special Enterprise Fund To account for the financial transactions related to the rental of the School District's high school athletic facilities.

District Managed Student Activities Fund To account for all costs (excluding supplemental coaching and advising contracts) of the adult-led student activities.

Auxiliary Services Fund To account for State monies received for educational programs run by the School District on behalf of four non-public schools within the boundaries of the School District.

Education Management Information Systems Fund To account for State monies provided for costs associated with the requirements of the management information system.

Entry Year Teachers Fund To account for State monies spent on teacher in-service and training for first year teachers.

Data Communications Fund To account for State monies provided for Ohio Educational Computer Network Connections.

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

SchoolNet Professional Development Fund To account for a limited number of professional development subsidy grants.

Ohio Reads Grant Fund To account for State monies intended to improve reading outcomes.

Poverty Aid Fund This fund accounts for State monies used for improving the educational and cultural status of disadvantaged pupils.

Miscellaneous State Grants Fund To account for State monies which support academic and enrichment programs for the student body.

Title VI-B Fund To account for federal monies to be used to provide full educational opportunities to handicapped children.

Vocational Education Fund To account for federal monies for cooperating development of vocational education programs.

State Fiscal Stabilization Fund This fund accounts for the allocation of restricted Federal grant monies used to assist schools in minimizing reductions in education and other essential services at the preschool, elementary and secondary levels.

Technology Title II-D Fund This fund accounts for restricted Federal grant monies used for technology.

Title III Fund To account for federal monies used for costs associated with English proficiency.

Title I Fund To account for federal monies used to meet the needs of educationally deprived children.

Title VI Fund To account for federal monies given to the State to meet pre-determined educational needs.

Drug Free Schools Fund To account for federal monies which support drug abuse education and prevention programs.

Preschool Handicapped Fund To account for federal monies which support the improvement and expansion of services for handicapped children ages three through five.

Title VI-R Fund To account for federal monies used to hire additional classroom teachers in grades one through three.

Miscellaneous Federal Grants Fund To account for federal monies which support academic and enrichment programs for the student body.

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Debt Service Fund

The debt service fund is used to account for the accumulation of financial resources for, and the payment of, general long-term debt principal, interest, and related costs.

Bond Retirement Fund To account for tax levies that are utilized for the repayment of general obligation bonds of the School District.

Nonmajor Capital Projects Funds

Capital projects funds account for the acquisition, construction or improvement of capital facilities other than those financed by proprietary funds.

Permanent Improvement Fund To account for monies used for the acquisition or construction of major capital facilities.

Building Fund To account for monies used for construction and capital acquisitions.

Capital Replacement Fund To account for the monies transferred from the general fund for the purpose of vehicle replacement.

SchoolNet Fund This fund accounts for State monies used to obtain computers and related educational technology equipment and/or the necessary infrastructure for educational technology.

Bedford City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,058,334	\$1,775,664	\$1,259,228	\$4,093,226
Accounts Receivable	14,712	0	0	14,712
Intergovernmental Receivable	591,688	0	0	591,688
Inventory Held for Resale	40,772	0	0	40,772
Materials and Supplies Inventory	7,739	0	0	7,739
Interfund Receivable	0	90,000	0	90,000
Taxes Receivable	0	1,193,451	461,030	1,654,481
<i>Total Assets</i>	<u>\$1,713,245</u>	<u>\$3,059,115</u>	<u>\$1,720,258</u>	<u>\$6,492,618</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$125,204	\$0	\$0	\$125,204
Accrued Wages and Benefits Payable	214,692	0	0	214,692
Intergovernmental Payable	174,211	0	0	174,211
Interfund Payable	558,000	0	90,000	648,000
Deferred Revenue	135,412	1,033,724	405,984	1,575,120
Matured Compensated Absences Payable	2,673	0	0	2,673
<i>Total Liabilities</i>	<u>1,210,192</u>	<u>1,033,724</u>	<u>495,984</u>	<u>2,739,900</u>
Fund Balances				
Reserved for Encumbrances	111,417	0	731,812	843,229
Reserved for Property Taxes	0	156,043	52,853	208,896
Reserved for Long - Term Advances	0	90,000	0	90,000
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	391,636	0	0	391,636
Debt Service Fund	0	1,779,348	0	1,779,348
Capital Projects Funds	0	0	439,609	439,609
<i>Total Fund Balances</i>	<u>503,053</u>	<u>2,025,391</u>	<u>1,224,274</u>	<u>3,752,718</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,713,245</u>	<u>\$3,059,115</u>	<u>\$1,720,258</u>	<u>\$6,492,618</u>

Bedford City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2010

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$0	\$1,044,207	\$407,547	\$1,451,754
Intergovernmental	5,077,328	116,582	205,177	5,399,087
Interest	190	0	0	190
Charges for Services	622,895	0	0	622,895
Tuition and Fees	25,289	0	0	25,289
Rentals	30,895	0	0	30,895
Extracurricular Activities	215,149	0	0	215,149
Contributions and Donations	33,137	0	0	33,137
Miscellaneous	18,165	0	15,000	33,165
<i>Total Revenues</i>	<u>6,023,048</u>	<u>1,160,789</u>	<u>627,724</u>	<u>7,811,561</u>
Expenditures				
Current:				
Instruction:				
Regular	595,371	0	0	595,371
Special	1,487,068	0	0	1,487,068
Vocational	210,259	0	0	210,259
Student Intervention Services	93,764	0	0	93,764
Support Services:				
Pupil	436,366	0	0	436,366
Instructional Staff	832,921	0	0	832,921
Administration	72,830	0	0	72,830
Business	3,316	0	0	3,316
Operation and Maintenance of Plant	348,266	0	0	348,266
Central	12,009	0	0	12,009
Operation of Non-Instructional Services:				
Food Service Operations	1,674,162	0	0	1,674,162
Other Non-Instructional Services	309,029	0	0	309,029
Extracurricular Activities	233,459	0	0	233,459
Capital Outlay	0	0	78,408	78,408
Debt Service:				
Principal Retirement	48,000	1,140,000	0	1,188,000
Interest and Fiscal Charges	4,967	150,000	0	154,967
<i>Total Expenditures</i>	<u>6,361,787</u>	<u>1,290,000</u>	<u>78,408</u>	<u>7,730,195</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(338,739)	(129,211)	549,316	81,366
Other Financing Sources				
Transfers In	104,212	0	291,500	395,712
<i>Net Change in Fund Balances</i>	(234,527)	(129,211)	840,816	477,078
<i>Fund Balances Beginning of Year</i>	<u>737,580</u>	<u>2,154,602</u>	<u>383,458</u>	<u>3,275,640</u>
<i>Fund Balances End of Year</i>	<u>\$503,053</u>	<u>\$2,025,391</u>	<u>\$1,224,274</u>	<u>\$3,752,718</u>

Bedford City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2010

	Food Service	Summer School	Adult and Continuing Education	Recreation
Assets				
Equity in Pooled Cash and Cash Equivalents	\$346,770	\$53,137	\$23,017	\$797
Accounts Receivable	8,942	3,355	0	415
Intergovernmental Receivable	0	0	0	0
Inventory Held for Resale	40,772	0	0	0
Materials and Supplies Inventory	7,739	0	0	0
<i>Total Assets</i>	<u>\$404,223</u>	<u>\$56,492</u>	<u>\$23,017</u>	<u>\$1,212</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$0
Accrued Wages and Benefits Payable	27,154	0	0	0
Intergovernmental Payable	83,054	3,198	0	71
Interfund Payable	0	0	0	11,000
Deferred Revenue	0	0	0	0
Matured Compensated Absences Payable	2,673	0	0	0
<i>Total Liabilities</i>	<u>112,881</u>	<u>3,198</u>	<u>0</u>	<u>11,071</u>
Fund Balances				
Reserved for Encumbrances	102	0	0	0
Unreserved, Undesignated (Deficit)	291,240	53,294	23,017	(9,859)
<i>Total Fund Balances (Deficit)</i>	<u>291,342</u>	<u>53,294</u>	<u>23,017</u>	<u>(9,859)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$404,223</u>	<u>\$56,492</u>	<u>\$23,017</u>	<u>\$1,212</u>

(continued)

Bedford City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2010

	Public School Support	Local Grants	Special Enterprise	District Managed Student Activities
Assets				
Equity in Pooled Cash and Cash Equivalents	\$99,708	\$57,925	\$35,490	\$8,371
Accounts Receivable	0	2,000	0	0
Intergovernmental Receivable	0	0	0	0
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$99,708</u>	<u>\$59,925</u>	<u>\$35,490</u>	<u>\$8,371</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$10,259	\$1,345	\$0	\$8,348
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	17	0	76
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Matured Compensated Absences Payable	0	0	0	0
<i>Total Liabilities</i>	<u>10,259</u>	<u>1,362</u>	<u>0</u>	<u>8,424</u>
Fund Balances				
Reserved for Encumbrances	10,970	2,588	0	1,414
Unreserved, Undesignated (Deficit)	78,479	55,975	35,490	(1,467)
<i>Total Fund Balances (Deficit)</i>	<u>89,449</u>	<u>58,563</u>	<u>35,490</u>	<u>(53)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$99,708</u>	<u>\$59,925</u>	<u>\$35,490</u>	<u>\$8,371</u>

Auxiliary Services	Education Management Information Systems	Data Communications	SchoolNet Professional Development	Poverty Aid
\$66,990	\$2,493	\$1,718	\$91	\$50,870
0	0	0	0	0
25,039	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$92,029</u>	<u>\$2,493</u>	<u>\$1,718</u>	<u>\$91</u>	<u>\$50,870</u>

\$14,325	\$0	\$1,718	\$0	\$11,928
905	0	0	0	0
2,168	0	0	0	1,382
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>17,398</u>	<u>0</u>	<u>1,718</u>	<u>0</u>	<u>13,310</u>

20,256	2,493	0	0	2,542
54,375	0	0	91	35,018
<u>74,631</u>	<u>2,493</u>	<u>0</u>	<u>91</u>	<u>37,560</u>
<u>\$92,029</u>	<u>\$2,493</u>	<u>\$1,718</u>	<u>\$91</u>	<u>\$50,870</u>

(continued)

Bedford City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2010

	Title VI-B	Vocational Education	Technology Title II-D	Title I
Assets				
Equity in Pooled Cash and Cash Equivalents	\$118,092	\$9,502	\$35,174	\$133,609
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	236,613	25,499	3,043	242,850
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$354,705</u>	<u>\$35,001</u>	<u>\$38,217</u>	<u>\$376,459</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$32,978	\$644	\$18,398	\$19,501
Accrued Wages and Benefits Payable	54,682	0	0	114,941
Intergovernmental Payable	39,461	20,682	0	21,956
Interfund Payable	175,000	35,000	60,000	235,000
Deferred Revenue	68,827	1,281	0	49,630
Matured Compensated Absences Payable	0	0	0	0
<i>Total Liabilities</i>	<u>370,948</u>	<u>57,607</u>	<u>78,398</u>	<u>441,028</u>
Fund Balances				
Reserved for Encumbrances	7,211	5,479	13,778	41,341
Unreserved, Undesignated (Deficit)	(23,454)	(28,085)	(53,959)	(105,910)
<i>Total Fund Balances (Deficit)</i>	<u>(16,243)</u>	<u>(22,606)</u>	<u>(40,181)</u>	<u>(64,569)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$354,705</u>	<u>\$35,001</u>	<u>\$38,217</u>	<u>\$376,459</u>

Drug Free Schools	Preschool Handicapped	Title VI-R	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$2,955	\$1,574	\$8,436	\$1,615	\$1,058,334
0	0	0	0	14,712
3,785	9,958	44,901	0	591,688
0	0	0	0	40,772
0	0	0	0	7,739
<u>\$6,740</u>	<u>\$11,532</u>	<u>\$53,337</u>	<u>\$1,615</u>	<u>\$1,713,245</u>
\$2,740	\$0	\$3,020	\$0	\$125,204
0	0	17,010	0	214,692
4	0	2,142	0	174,211
4,000	8,000	30,000	0	558,000
0	9,958	5,716	0	135,412
0	0	0	0	2,673
<u>6,744</u>	<u>17,958</u>	<u>57,888</u>	<u>0</u>	<u>1,210,192</u>
0	1,175	2,068	0	111,417
(4)	(7,601)	(6,619)	1,615	391,636
<u>(4)</u>	<u>(6,426)</u>	<u>(4,551)</u>	<u>1,615</u>	<u>503,053</u>
<u>\$6,740</u>	<u>\$11,532</u>	<u>\$53,337</u>	<u>\$1,615</u>	<u>\$1,713,245</u>

Bedford City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2010

	Food Service	Summer School	Adult and Continuing Education	Recreation
Revenues				
Intergovernmental	\$1,199,794	\$0	\$0	\$0
Interest	0	0	0	0
Charges for Services	620,301	0	0	0
Tuition and Fees	0	20,149	0	0
Rentals	0	0	0	2,595
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	1,372
<i>Total Revenues</i>	<u>1,820,095</u>	<u>20,149</u>	<u>0</u>	<u>3,967</u>
Expenditures				
Current:				
Instruction:				
Regular	0	9,273	0	0
Special	0	0	0	0
Vocational	0	0	0	0
Student Intervention Services	0	0	0	0
Support Services:				
Pupil	0	0	0	0
Instructional Staff	0	0	0	0
Administration	0	9,032	0	0
Business	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	1,674,162	0	0	0
Other Non-Instructional Services	0	0	0	15,021
Extracurricular Activities	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>1,674,162</u>	<u>18,305</u>	<u>0</u>	<u>15,021</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	145,933	1,844	0	(11,054)
Other Financing Sources				
Transfers In	0	0	0	0
<i>Net Change in Fund Balances</i>	145,933	1,844	0	(11,054)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>145,409</u>	<u>51,450</u>	<u>23,017</u>	<u>1,195</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$291,342</u>	<u>\$53,294</u>	<u>\$23,017</u>	<u>(\$9,859)</u>

Public School Support	Local Grants	Special Enterprise	District Managed Student Activities	Auxiliary Services	Education Management Information Systems	Data Communications
\$0	\$12,888	\$0	\$0	\$254,590	\$6,937	\$13,718
0	0	0	0	190	0	0
0	0	0	2,594	0	0	0
5,140	0	0	0	0	0	0
0	0	28,300	0	0	0	0
87,847	44	0	127,258	0	0	0
27,158	4,557	0	1,422	0	0	0
14,793	2,000	0	0	0	0	0
<u>134,938</u>	<u>19,489</u>	<u>28,300</u>	<u>131,274</u>	<u>254,780</u>	<u>6,937</u>	<u>13,718</u>
106,416	4,575	0	0	0	0	0
0	0	0	0	0	0	0
0	9,145	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
1,858	6,693	0	0	0	8,899	13,718
0	0	0	0	0	0	0
3,171	0	145	0	0	0	0
0	0	0	0	0	0	0
5,709	0	0	0	0	0	0
0	0	0	0	0	0	0
781	4,196	0	0	243,788	0	0
836	0	0	232,623	0	0	0
0	0	48,000	0	0	0	0
0	0	4,967	0	0	0	0
<u>118,771</u>	<u>24,609</u>	<u>53,112</u>	<u>232,623</u>	<u>243,788</u>	<u>8,899</u>	<u>13,718</u>
16,167	(5,120)	(24,812)	(101,349)	10,992	(1,962)	0
0	0	0	104,212	0	0	0
16,167	(5,120)	(24,812)	2,863	10,992	(1,962)	0
<u>73,282</u>	<u>63,683</u>	<u>60,302</u>	<u>(2,916)</u>	<u>63,639</u>	<u>4,455</u>	<u>0</u>
<u>\$89,449</u>	<u>\$58,563</u>	<u>\$35,490</u>	<u>(\$53)</u>	<u>\$74,631</u>	<u>\$2,493</u>	<u>\$0</u>

(continued)

Bedford City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2010

	SchoolNet Professional Development	Ohio Reads Grant	Poverty Aid	Miscellaneous State Grants	Title VI-B
Revenues					
Intergovernmental	\$0	\$17,056	\$0	\$4,500	\$1,356,065
Interest	0	0	0	0	0
Charges for Services	0	0	0	0	0
Tuition and Fees	0	0	0	0	0
Rentals	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Miscellaneous	0	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>17,056</u>	<u>0</u>	<u>4,500</u>	<u>1,356,065</u>
Expenditures					
Current:					
Instruction:					
Regular	0	0	215,190	0	0
Special	0	0	0	0	692,282
Vocational	0	0	0	0	50,377
Student Intervention Services	0	0	93,764	0	0
Support Services:					
Pupil	0	17,286	0	0	273,722
Instructional Staff	0	0	0	0	170,690
Administration	0	0	0	0	59,340
Business	0	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0	0
Central	0	0	0	0	0
Operation of Non-Instructional Services:					
Food Service Operations	0	0	0	0	0
Other Non-Instructional Services	0	0	0	0	31,302
Extracurricular Activities	0	0	0	0	0
Debt Service:					
Principal Retirement	0	0	0	0	0
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>17,286</u>	<u>308,954</u>	<u>0</u>	<u>1,277,713</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(230)	(308,954)	4,500	78,352
Other Financing Sources					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	0	(230)	(308,954)	4,500	78,352
<i>Fund Balances (Deficit) Beginning of Year</i>	91	230	346,514	(4,500)	(94,595)
<i>Fund Balances (Deficit) End of Year</i>	<u>\$91</u>	<u>\$0</u>	<u>\$37,560</u>	<u>\$0</u>	<u>(\$16,243)</u>

Vocational Education	State Fiscal Stabilization	Technology Title II-D	Title III	Title I	Title VI	Drug Free Schools
\$151,994	\$402,207	\$66,112	\$4,270	\$1,341,822	\$9,435	\$18,439
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
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
151,994	402,207	66,112	4,270	1,341,822	9,435	18,439
0	55,341	2,726	4,270	27,941	9,436	14,597
0	0	0	0	748,681	0	0
150,737	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	145,358	0	0
10,168	0	102,569	0	477,491	0	1,959
4,458	0	0	0	0	0	0
0	0	0	0	0	0	0
0	346,866	0	0	0	0	1,400
6,300	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	998	0	12,219	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
171,663	402,207	106,293	4,270	1,411,690	9,436	17,956
(19,669)	0	(40,181)	0	(69,868)	(1)	483
0	0	0	0	0	0	0
(19,669)	0	(40,181)	0	(69,868)	(1)	483
(2,937)	0	0	0	5,299	1	(487)
(\$22,606)	\$0	(\$40,181)	\$0	(\$64,569)	\$0	(\$4)

(continued)

Bedford City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2010

	Preschool Handicapped	Title VI-R	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
Revenues				
Intergovernmental	\$42,666	\$174,835	\$0	\$5,077,328
Interest	0	0	0	190
Charges for Services	0	0	0	622,895
Tuition and Fees	0	0	0	25,289
Rentals	0	0	0	30,895
Extracurricular Activities	0	0	0	215,149
Contributions and Donations	0	0	0	33,137
Miscellaneous	0	0	0	18,165
<i>Total Revenues</i>	<u>42,666</u>	<u>174,835</u>	<u>0</u>	<u>6,023,048</u>
Expenditures				
Current:				
Instruction:				
Regular	0	145,330	276	595,371
Special	46,105	0	0	1,487,068
Vocational	0	0	0	210,259
Student Intervention Services	0	0	0	93,764
Support Services:				
Pupil	0	0	0	436,366
Instructional Staff	0	38,876	0	832,921
Administration	0	0	0	72,830
Business	0	0	0	3,316
Operation and Maintenance of Plant	0	0	0	348,266
Central	0	0	0	12,009
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	1,674,162
Other Non-Instructional Services	0	0	724	309,029
Extracurricular Activities	0	0	0	233,459
Debt Service:				
Principal Retirement	0	0	0	48,000
Interest and Fiscal Charges	0	0	0	4,967
<i>Total Expenditures</i>	<u>46,105</u>	<u>184,206</u>	<u>1,000</u>	<u>6,361,787</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,439)	(9,371)	(1,000)	(338,739)
Other Financing Sources				
Transfers In	0	0	0	104,212
<i>Net Change in Fund Balances</i>	(3,439)	(9,371)	(1,000)	(234,527)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(2,987)</u>	<u>4,820</u>	<u>2,615</u>	<u>737,580</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$6,426)</u>	<u>(\$4,551)</u>	<u>\$1,615</u>	<u>\$503,053</u>

Bedford City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2010

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Capital Replacement</u>	<u>Total Nonmajor Capital Projects Funds</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$936,139	\$30,745	\$292,344	\$1,259,228
Taxes Receivable	461,030	0	0	461,030
<i>Total Assets</i>	<u>\$1,397,169</u>	<u>\$30,745</u>	<u>\$292,344</u>	<u>\$1,720,258</u>
Liabilities and Fund Balances				
Liabilities				
Interfund Payable	\$90,000	\$0	\$0	\$90,000
Deferred Revenue	405,984	0	0	405,984
<i>Total Liabilities</i>	<u>495,984</u>	<u>0</u>	<u>0</u>	<u>495,984</u>
Fund Balances				
Reserved for Encumbrances	731,812	0	0	731,812
Reserved for Property Taxes	52,853	0	0	52,853
Unreserved, Undesignated	116,520	30,745	292,344	439,609
<i>Total Fund Balances</i>	<u>901,185</u>	<u>30,745</u>	<u>292,344</u>	<u>1,224,274</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,397,169</u>	<u>\$30,745</u>	<u>\$292,344</u>	<u>\$1,720,258</u>

Bedford City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2010

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Capital Replacement</u>	<u>SchoolNet</u>	<u>Total Nonmajor Capital Projects Funds</u>
Revenues					
Taxes	\$407,547	\$0	\$0	\$0	\$407,547
Intergovernmental	205,177	0	0	0	205,177
Miscellaneous	15,000	0	0	0	15,000
<i>Total Revenues</i>	627,724	0	0	0	627,724
Expenditures					
Capital Outlay	78,335	0	0	73	78,408
<i>Excess of Revenues Over (Under) Expenditures</i>	549,389	0	0	(73)	549,316
Other Financing Uses					
Transfers In	0	0	291,500	0	291,500
<i>Net Change in Fund Balances</i>	549,389	0	291,500	(73)	840,816
<i>Fund Balances Beginning of Year</i>	351,796	30,745	844	73	383,458
<i>Fund Balances End of Year</i>	<u>\$901,185</u>	<u>\$30,745</u>	<u>\$292,344</u>	<u>\$0</u>	<u>\$1,224,274</u>

Combining Statements - Internal Service Funds

Internal service funds account for the financing of goods or services provided by one fund of the School District to other funds of the School District on a cost-reimbursement basis.

Self Insurance Fund To account for the transactions of the School District's self-funded dental and prescription drug benefits fund.

Computer Network Fund To account for group purchases of computer supplies.

Bedford City School District
Combining Statement of Fund Net Assets
Internal Service Funds
June 30, 2010

	<u>Self Insurance</u>	<u>Computer Network</u>	<u>Total Internal Service Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$1,449,413	\$578	\$1,449,991
Liabilities			
Claims Payable	<u>58,532</u>	<u>0</u>	<u>58,532</u>
Net Assets			
Unrestricted	<u><u>\$1,390,881</u></u>	<u><u>\$578</u></u>	<u><u>\$1,391,459</u></u>

Bedford City School District
*Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year Ended June 30, 2010*

	Self Insurance	Computer Network	Total Internal Service Funds
Operating Revenues			
Charges for Services	\$1,221,938	\$0	\$1,221,938
Operating Expenses			
Purchased Services	20,806	0	20,806
Claims	1,117,376	0	1,117,376
<i>Total Operating Expenses</i>	1,138,182	0	1,138,182
<i>Change in Net Assets</i>	83,756	0	83,756
<i>Net Assets Beginning of Year</i>	1,307,125	578	1,307,703
<i>Net Assets End of Year</i>	\$1,390,881	\$578	\$1,391,459

Bedford City School District
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2010

	<u>Self Insurance</u>	<u>Computer Network</u>	<u>Total Internal Service Funds</u>
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Interfund Services	\$1,221,938	\$0	\$1,221,938
Cash Payments for Purchased Services	(20,806)	0	(20,806)
Cash Payments for Claims	(1,127,844)	0	(1,127,844)
<i>Net Increase in Cash and Cash Equivalents</i>	73,288	0	73,288
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>1,376,125</u>	<u>578</u>	<u>1,376,703</u>
<i>Cash and Cash Equivalents End of Year</i>	<u>\$1,449,413</u>	<u>\$578</u>	<u>\$1,449,991</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating Income	\$83,756	\$0	\$83,756
<i>Adjustments:</i>			
Decrease in Claims Payable	(10,468)	0	(10,468)
<i>Net Cash Provided by Operating Activities</i>	<u>\$73,288</u>	<u>\$0</u>	<u>\$73,288</u>

Agency Fund

Agency Funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results of operations.

Student Activities Fund To account for resources that belong to the student bodies of various schools, accounting for sales and other revenue generating activities.

Bedford City School District
Statement of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2010

	Beginning Balance June 30, 2009	Additions	Reductions	Ending Balance June 30, 2010
Student Activities Fund				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$14,232	\$66,813	\$56,672	\$24,373
Liabilities				
Due to Students	\$14,232	\$66,813	\$56,672	\$24,373

**Individual Fund Schedules of Revenues,
Expenditures/Expenses and Changes in Fund Balance/Fund
Equity – Budget (Non-GAAP Basis) and Actual**

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$25,652,527	\$25,957,858	\$26,829,742	\$871,884
Intergovernmental	15,230,380	15,837,380	17,441,242	1,603,862
Interest	250,000	50,000	30,140	(19,860)
Charges for Services	12,000	12,000	10,896	(1,104)
Tuition and Fees	1,852,620	1,852,620	1,581,371	(271,249)
Rentals	0	0	530	530
Miscellaneous	390,000	402,999	434,907	31,908
<i>Total Revenues</i>	<u>43,387,527</u>	<u>44,112,857</u>	<u>46,328,828</u>	<u>2,215,971</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	10,422,000	10,344,600	10,064,949	279,651
Fringe Benefits	3,542,900	4,039,603	4,026,538	13,065
Purchased Services	4,636,469	2,704,255	2,688,624	15,631
Materials and Supplies	412,063	574,325	455,874	118,451
Capital Outlay - New	48,000	81,981	56,493	25,488
Capital Outlay - Replacement	3,000	2,998	2,998	0
Other	33,873	30,725	30,137	588
Total Regular	<u>19,098,305</u>	<u>17,778,487</u>	<u>17,325,613</u>	<u>452,874</u>
Special:				
Salaries and Wages	3,705,500	3,365,500	3,252,522	112,978
Fringe Benefits	1,010,600	1,001,100	988,899	12,201
Purchased Services	700	909	906	3
Materials and Supplies	2,900	2,560	2,447	113
Capital Outlay - New	1,000	1,000	0	1,000
Total Special	<u>4,720,700</u>	<u>4,371,069</u>	<u>4,244,774</u>	<u>126,295</u>
Vocational:				
Salaries and Wages	795,000	795,000	725,855	69,145
Fringe Benefits	209,700	254,100	249,311	4,789
Purchased Services	18,500	28,222	28,099	123
Materials and Supplies	14,945	16,180	12,638	3,542
Capital Outlay - New	10,000	19,867	17,115	2,752
Capital Outlay - Replacement	0	3,013	3,013	0
Total Vocational	<u>1,048,145</u>	<u>1,116,382</u>	<u>1,036,031</u>	<u>80,351</u>
Student Intervention Services:				
Purchased Services	895	40,695	895	39,800
Materials and Supplies	1,070	1,270	1,186	84
Total Student Intervention Services	<u>1,965</u>	<u>41,965</u>	<u>2,081</u>	<u>39,884</u>
Total Instruction	<u>\$24,869,115</u>	<u>\$23,307,903</u>	<u>\$22,608,499</u>	<u>\$699,404</u>

(continued)

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Support Services:				
Pupil:				
Salaries and Wages	\$1,670,100	\$1,670,100	\$1,612,416	\$57,684
Fringe Benefits	475,400	503,600	497,891	5,709
Purchased Services	396,820	409,001	402,106	6,895
Materials and Supplies	54,700	93,955	91,621	2,334
Total Pupil	2,597,020	2,676,656	2,604,034	72,622
Instructional Staff:				
Salaries and Wages	779,400	1,169,400	1,153,350	16,050
Fringe Benefits	277,600	403,064	399,007	4,057
Purchased Services	204,010	226,283	217,462	8,821
Materials and Supplies	76,085	88,332	84,376	3,956
Capital Outlay - New	18,650	24,095	15,765	8,330
Capital Outlay - Replacement	1,750	4,303	4,273	30
Other	900	35	35	0
Total Instructional Staff	1,358,395	1,915,512	1,874,268	41,244
Board of Education:				
Salaries and Wages	15,000	22,000	20,500	1,500
Fringe Benefits	3,100	6,100	5,777	323
Purchased Services	221,780	270,673	210,968	59,705
Materials and Supplies	600	600	284	316
Capital Outlay - New	10,000	10,000	8,293	1,707
Other	35,285	31,285	24,432	6,853
Total Board of Education	285,765	340,658	270,254	70,404
Administration:				
Salaries and Wages	2,163,300	2,195,300	2,192,804	2,496
Fringe Benefits	880,250	951,298	931,507	19,791
Purchased Services	630,740	587,358	478,221	109,137
Materials and Supplies	69,022	106,856	88,260	18,596
Capital Outlay - New	4,500	4,811	3,676	1,135
Other	66,100	70,739	63,740	6,999
Total Administration	\$3,813,912	\$3,916,362	\$3,758,208	\$158,154

(continued)

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fiscal:				
Salaries and Wages	\$327,000	\$327,000	\$313,014	\$13,986
Fringe Benefits	124,000	139,100	138,487	613
Purchased Services	120,525	137,329	136,193	1,136
Materials and Supplies	7,450	6,602	6,290	312
Capital Outlay - Replacement	975	19	0	19
Other	795,000	816,356	815,852	504
Total Fiscal	1,374,950	1,426,406	1,409,836	16,570
Business:				
Salaries and Wages	314,900	314,900	300,767	14,133
Fringe Benefits	93,400	124,800	122,296	2,504
Purchased Services	258,500	195,681	179,657	16,024
Materials and Supplies	18,000	20,970	19,552	1,418
Capital Outlay - New	2,100	3,400	3,356	44
Capital Outlay - Replacement	10,000	11,500	11,115	385
Other	13,500	30,600	24,513	6,087
Total Business	710,400	701,851	661,256	40,595
Operation and Maintenance of Plant:				
Salaries and Wages	2,353,500	2,314,500	2,245,699	68,801
Fringe Benefits	814,700	1,318,400	1,279,295	39,105
Purchased Services	2,608,730	2,653,615	2,400,972	252,643
Materials and Supplies	231,000	262,481	259,172	3,309
Capital Outlay - New	68,000	106,322	104,314	2,008
Capital Outlay - Replacement	67,000	137,138	137,138	0
Other	4,700	3,865	3,760	105
Total Operation and Maintenance of Plant	6,147,630	6,796,321	6,430,350	365,971
Pupil Transportation:				
Salaries and Wages	2,093,300	2,093,300	1,999,211	94,089
Fringe Benefits	447,100	648,049	616,556	31,493
Purchased Services	233,500	313,267	287,259	26,008
Materials and Supplies	522,925	538,649	507,383	31,266
Capital Outlay - New	2,300	300	0	300
Capital Outlay - Replacement	171,000	179,000	174,782	4,218
Other	2,500	2,950	795	2,155
Total Pupil Transportation	\$3,472,625	\$3,775,515	\$3,585,986	\$189,529

(continued)

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Central:				
Salaries and Wages	\$182,000	\$182,000	\$175,517	\$6,483
Fringe Benefits	73,900	83,900	81,524	2,376
Purchased Services	49,000	58,339	58,240	99
Materials and Supplies	8,340	8,219	7,526	693
Capital Outlay - New	1,000	2,029	1,944	85
Other	1,400	210	210	0
Total Central	315,640	334,697	324,961	9,736
Total Support Services	20,076,337	21,883,978	20,919,153	964,825
Extracurricular Activities:				
Academic and Subject Oriented:				
Salaries and Wages	46,000	44,600	36,389	8,211
Fringe Benefits	6,500	3,900	3,897	3
Total Academic and Subject Oriented	52,500	48,500	40,286	8,214
Occupation Oriented:				
Salaries and Wages	3,400	4,800	4,626	174
Fringe Benefits	0	300	206	94
Total Occupation Oriented	3,400	5,100	4,832	268
Sports Oriented:				
Salaries and Wages	348,600	349,065	309,381	39,684
Fringe Benefits	51,000	43,300	42,365	935
Total Sports Oriented	399,600	392,365	351,746	40,619
School and Public Service Oriented:				
Salaries and Wages	46,000	46,000	41,977	4,023
Fringe Benefits	0	2,300	2,227	73
Total School and Public Service Oriented	46,000	48,300	44,204	4,096
Total Extracurricular Activities	501,500	494,265	441,068	53,197
Capital Outlay:				
Architecture and Engineering Services				
Capital Outlay	\$0	\$2,256	\$0	\$2,256

(continued)

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Debt Service:				
Principal Retirement	\$271,000	\$275,248	\$275,248	\$0
Interest and Fiscal Charges	142,000	132,752	131,680	1,072
Total Debt Service	413,000	408,000	406,928	1,072
<i>Total Expenditures</i>	45,859,952	46,096,402	44,375,648	1,720,754
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,472,425)	(1,983,545)	1,953,180	3,936,725
Other Financing Sources (Uses)				
Advances In	1,482,000	1,062,000	1,058,100	(3,900)
Advances Out	(582,000)	(896,000)	(896,000)	0
Transfers Out	(70,812)	(395,712)	(395,712)	0
<i>Total Other Financing Sources (Uses)</i>	829,188	(229,712)	(233,612)	(3,900)
<i>Net Change in Fund Balance</i>	(1,643,237)	(2,213,257)	1,719,568	3,932,825
<i>Fund Balance Beginning of Year</i>	11,576,619	11,576,619	11,576,619	0
Prior Year Encumbrances Appropriated	553,100	553,100	553,100	0
<i>Fund Balance End of Year</i>	\$10,486,482	\$9,916,462	\$13,849,287	\$3,932,825

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,023,000	\$1,023,000	\$1,119,123	\$96,123
Charges for Services	577,000	577,000	613,224	36,224
<i>Total Revenues</i>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,732,347</u>	<u>132,347</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Food Services Operations:				
Salaries and Wages	620,700	632,289	597,884	34,405
Fringe Benefits	208,200	210,350	185,363	24,987
Purchased Services	25,701	53,786	14,653	39,133
Materials and Supplies	751,000	760,101	758,772	1,329
Capital Outlay - New	23,000	17,500	16,703	797
Capital Outlay - Replacement	500	26,000	21,928	4,072
Other	0	75	75	0
<i>Total Expenditures</i>	<u>1,629,101</u>	<u>1,700,101</u>	<u>1,595,378</u>	<u>104,723</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(29,101)</u>	<u>(100,101)</u>	<u>136,969</u>	<u>237,070</u>
Other Financing Sources (Uses)				
Advances In	0	0	100,000	100,000
Advances Out	(71,000)	(100,000)	(100,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(71,000)</u>	<u>(100,000)</u>	<u>0</u>	<u>100,000</u>
<i>Net Change in Fund Balance</i>	<u>(100,101)</u>	<u>(200,101)</u>	<u>136,969</u>	<u>337,070</u>
<i>Fund Balance Beginning of Year</i>	209,598	209,598	209,598	0
Prior Year Encumbrances Appropriated	101	101	101	0
<i>Fund Balance End of Year</i>	<u>\$109,598</u>	<u>\$9,598</u>	<u>\$346,668</u>	<u>\$337,070</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Summer School Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$4,000	\$4,000	\$0	(\$4,000)
Tuition and Fees	23,000	23,000	22,726	(274)
<i>Total Revenues</i>	<u>27,000</u>	<u>27,000</u>	<u>22,726</u>	<u>(4,274)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	4,000	4,000	3,101	899
Fringe Benefits	600	1,216	1,098	118
Purchased Services	600	4,600	4,474	126
Materials and Supplies	600	1,100	169	931
Total Instruction	<u>5,800</u>	<u>10,916</u>	<u>8,842</u>	<u>2,074</u>
Support Services:				
Administration:				
Salaries and Wages	52,700	46,947	6,262	40,685
Fringe Benefits	1,500	1,637	1,527	110
Materials and Supplies	0	500	500	0
Total Support Services	<u>54,200</u>	<u>49,084</u>	<u>8,289</u>	<u>40,795</u>
<i>Total Expenditures</i>	<u>60,000</u>	<u>60,000</u>	<u>17,131</u>	<u>42,869</u>
<i>Net Change in Fund Balance</i>	(33,000)	(33,000)	5,595	38,595
<i>Fund Balance Beginning of Year</i>	<u>47,542</u>	<u>47,542</u>	<u>47,542</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$14,542</u>	<u>\$14,542</u>	<u>\$53,137</u>	<u>\$38,595</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Adult and Continuing Education Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Instruction:				
Adult Continuing:				
Salaries and Wages	5,000	5,000	0	5,000
<i>Net Change in Fund Balance</i>	(5,000)	(5,000)	0	5,000
<i>Fund Balance Beginning of Year</i>	23,017	23,017	23,017	0
<i>Fund Balance End of Year</i>	<u>\$18,017</u>	<u>\$18,017</u>	<u>\$23,017</u>	<u>\$5,000</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Rentals	\$2,000	\$2,000	\$2,590	\$590
Miscellaneous	3,000	3,000	1,372	(1,628)
<i>Total Revenue</i>	<u>5,000</u>	<u>5,000</u>	<u>3,962</u>	<u>(1,038)</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Salaries and Wages	12,200	14,996	13,770	1,226
Fringe Benefits	1,800	2,345	2,000	345
<i>Total Expenditures</i>	<u>14,000</u>	<u>17,341</u>	<u>15,770</u>	<u>1,571</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(9,000)</u>	<u>(12,341)</u>	<u>(11,808)</u>	<u>533</u>
Other Financing Sources (Uses)				
Advances In	20,000	17,500	11,000	(6,500)
Advances Out	0	(6,659)	0	6,659
<i>Total Other Financing Sources (Uses)</i>	<u>20,000</u>	<u>10,841</u>	<u>11,000</u>	<u>159</u>
<i>Net Change in Fund Balance</i>	11,000	(1,500)	(808)	692
<i>Fund Balance Beginning of Year</i>	<u>1,605</u>	<u>1,605</u>	<u>1,605</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$12,605</u>	<u>\$105</u>	<u>\$797</u>	<u>\$692</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Tuition and Fees	\$5,500	\$5,500	\$5,140	(\$360)
Extracurricular Activities	82,400	82,400	87,847	5,447
Contributions and Donations	13,500	13,500	27,158	13,658
Miscellaneous	14,600	14,600	14,793	193
<i>Total Revenues</i>	<u>116,000</u>	<u>116,000</u>	<u>134,938</u>	<u>18,938</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	139,918	66,084	59,037	7,047
Materials and Supplies	21,138	50,758	27,810	22,948
Capital Outlay - New	210	12,115	9,028	3,087
Capital Outlay - Replacement	83	83	0	83
Other	8,497	25,363	20,384	4,979
Total Regular	<u>169,846</u>	<u>154,403</u>	<u>116,259</u>	<u>38,144</u>
Special:				
Materials and Supplies	0	257	0	257
Vocational:				
Materials and Supplies	<u>3</u>	<u>3</u>	<u>0</u>	<u>3</u>
Total Instruction	<u>169,849</u>	<u>154,663</u>	<u>116,259</u>	<u>38,404</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	655	1,570	1,404	166
Fringe Benefits	1,617	3,217	804	2,413
Total Instructional Staff	<u>2,272</u>	<u>4,787</u>	<u>2,208</u>	<u>2,579</u>
Administration:				
Purchased Services	1,177	1,177	0	1,177
Materials and Supplies	2,108	1,800	0	1,800
Total Administration	<u>\$3,285</u>	<u>\$2,977</u>	<u>\$0</u>	<u>\$2,977</u>

(continued)

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public School Support Fund (continued)
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Business:				
Materials and Supplies	\$9,426	\$12,915	\$3,171	\$9,744
Capital Outlay - New	123	123	0	123
Total Business	9,549	13,038	3,171	9,867
Central:				
Purchased Services	2,496	4,945	2,608	2,337
Materials and Supplies	2,820	5,401	2,712	2,689
Other	495	1,027	548	479
Total Central	5,811	11,373	5,868	5,505
Total Support Services	20,917	32,175	11,247	20,928
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Other	5	996	781	215
Extracurricular Activities:				
Academic Oriented Activities:				
Purchased Services	57	99	0	99
Other	12	12	0	12
Total Academic Oriented Activities:	69	111	0	111
School and Public Service Oriented:				
Purchased Services	795	2,087	836	1,251
Other	543	2,146	0	2,146
Total School and Public Service Oriented:	1,338	4,233	836	3,397
Total Extracurricular Activities	1,407	4,344	836	3,508
Total Expenditures	192,178	192,178	129,123	63,055
Net Change in Fund Balance	(76,178)	(76,178)	5,815	81,993
Fund Balance Beginning of Year	72,087	72,087	72,087	0
Prior Year Encumbrances Appropriated	5,178	5,178	5,178	0
Fund Balance End of Year	\$1,087	\$1,087	\$83,080	\$81,993

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Local Grants Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$23,500	\$23,500	\$13,388	(\$10,112)
Extracurricular Activities	0	0	44	44
Contributions and Donations	16,500	16,500	4,557	(11,943)
<i>Total Revenues</i>	<u>40,000</u>	<u>40,000</u>	<u>17,989</u>	<u>(22,011)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	49,934	26,771	4,905	21,866
Capital Outlay - New	114	105	98	7
Total Regular	<u>50,048</u>	<u>26,876</u>	<u>5,003</u>	<u>21,873</u>
Special:				
Purchased Services	0	450	450	0
Vocational:				
Salaries and Wages	0	1,290	1,290	0
Fringe Benefits	19	229	229	0
Purchased Services	470	970	970	0
Materials and Supplies	3,517	10,666	8,915	1,751
Total Vocational	<u>4,006</u>	<u>13,155</u>	<u>11,404</u>	<u>1,751</u>
Total Instruction	<u>54,054</u>	<u>40,481</u>	<u>16,857</u>	<u>23,624</u>
Support Services:				
Instructional Staff:				
Salaries and Wages	3,771	3,771	0	3,771
Fringe Benefits	586	586	50	536
Purchased Services	835	2,435	831	1,604
Materials and Supplies	0	10,097	5,743	4,354
Total Support Services	<u>\$5,192</u>	<u>\$16,889</u>	<u>\$6,624</u>	<u>\$10,265</u>

(continued)

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Local Grants Fund (continued)
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services				
Other	\$43,557	\$45,433	\$4,196	\$41,237
<i>Total Expenditures</i>	<u>102,803</u>	<u>102,803</u>	<u>27,677</u>	<u>75,126</u>
<i>Net Change in Fund Balance</i>	(62,803)	(62,803)	(9,688)	53,115
<i>Fund Balance Beginning of Year</i>	60,877	60,877	60,877	0
Prior Year Encumbrances Appropriated	<u>2,803</u>	<u>2,803</u>	<u>2,803</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$877</u></u>	<u><u>\$877</u></u>	<u><u>\$53,992</u></u>	<u><u>\$53,115</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Enterprise Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Rentals	\$33,000	\$33,000	\$28,300	(\$4,700)
Expenditures				
Current:				
Support Services:				
Business:				
Other	1,000	1,000	145	855
Debt Service:				
Principal Retirement	48,000	48,000	48,000	0
Interest and Fiscal Charges	5,000	5,000	4,967	33
Total Debt Service	53,000	53,000	52,967	33
<i>Total Expenditures</i>	54,000	54,000	53,112	888
<i>Net Change in Fund Balance</i>	(21,000)	(21,000)	(24,812)	(3,812)
<i>Fund Balance Beginning of Year</i>	60,302	60,302	60,302	0
<i>Fund Balance End of Year</i>	\$39,302	\$39,302	\$35,490	(\$3,812)

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
District Managed Student Activities Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$2,000	\$2,000	\$2,594	\$594
Extracurricular Activities	121,000	121,000	127,258	6,258
Contributions and Donations	11,500	11,500	1,422	(10,078)
<i>Total Revenues</i>	<u>134,500</u>	<u>134,500</u>	<u>131,274</u>	<u>(3,226)</u>
Expenditures				
Current:				
Extracurricular Activities:				
Academic and Subject Oriented:				
Materials and Supplies	801	21,070	21,070	0
Sport Oriented Activities:				
Salaries and Wages	2,192	8,590	8,590	0
Fringe Benefits	22	245	243	2
Purchased Services	64,192	66,216	66,058	158
Materials and Supplies	130,351	112,691	112,685	6
Total Sport Oriented Activities	<u>\$196,757</u>	<u>\$187,742</u>	<u>\$187,576</u>	<u>\$166</u>

(continued)

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
District Managed Student Activities Fund (continued)
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
School and Public Service Oriented:				
Purchased Services	\$7,003	\$36,537	\$34,967	\$1,570
Materials and Supplies	436	2,977	2,175	802
Other	58,726	15,397	71	15,326
Total School and Public Service Oriented	<u>66,165</u>	<u>54,911</u>	<u>37,213</u>	<u>17,698</u>
<i>Total Expenditures</i>	<u>263,723</u>	<u>263,723</u>	<u>245,859</u>	<u>17,864</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(129,223)</u>	<u>(129,223)</u>	<u>(114,585)</u>	<u>14,638</u>
Other Financing Sources (Uses)				
Advances In	77,000	77,000	63,000	(14,000)
Advances Out	(63,000)	(63,000)	(63,000)	0
Transfers In	105,500	105,500	104,212	(1,288)
<i>Total Other Financing Sources (Uses)</i>	<u>119,500</u>	<u>119,500</u>	<u>104,212</u>	<u>(15,288)</u>
<i>Net Change in Fund Balance</i>	(9,723)	(9,723)	(10,373)	(650)
<i>Fund Balance Beginning of Year</i>	9,188	9,188	9,188	0
Prior Year Encumbrances Appropriated	<u>3,723</u>	<u>3,723</u>	<u>3,723</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,188</u></u>	<u><u>\$3,188</u></u>	<u><u>\$2,538</u></u>	<u><u>(\$650)</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$150,000	\$225,142	\$229,551	\$4,409
Interest	5,000	5,000	190	(4,810)
<i>Total Revenues</i>	<u>155,000</u>	<u>230,142</u>	<u>229,741</u>	<u>(401)</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Salaries and Wages	223,410	21,360	18,122	3,238
Fringe Benefits	1,397	7,334	5,901	1,433
Purchased Services	129,188	183,169	173,574	9,595
Materials and Supplies	2,555	95,868	77,492	18,376
Capital Outlay - New	0	8,361	8,361	0
<i>Total Expenditures</i>	<u>356,550</u>	<u>316,092</u>	<u>283,450</u>	<u>32,642</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(201,550)</u>	<u>(85,950)</u>	<u>(53,709)</u>	<u>32,241</u>
Other Financing Sources				
Advances In	166,000	175,000	175,000	0
Advances Out	0	(175,000)	(175,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>166,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(35,550)	(85,950)	(53,709)	32,241
<i>Fund Balance Beginning of Year</i>	46,658	46,658	46,658	0
Prior Year Encumbrances Appropriated	39,550	39,550	39,550	0
<i>Fund Balance End of Year</i>	<u>\$50,658</u>	<u>\$258</u>	<u>\$32,499</u>	<u>\$32,241</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Education Management Information Systems Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$13,800	\$13,800	\$6,937	(\$6,863)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	<u>16,455</u>	<u>16,455</u>	<u>11,392</u>	<u>5,063</u>
<i>Net Change in Fund Balance</i>	(2,655)	(2,655)	(4,455)	(1,800)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	<u>4,455</u>	<u>4,455</u>	<u>4,455</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,800</u>	<u>\$1,800</u>	<u>\$0</u>	<u>(\$1,800)</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Entry Year Teachers Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$15,000	\$15,000	\$0	(\$15,000)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	1,000	1,000	0	1,000
<i>Net Change in Fund Balance</i>	14,000	14,000	0	(14,000)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$14,000</u>	<u>\$14,000</u>	<u>\$0</u>	<u>(\$14,000)</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Data Communications Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$18,000	\$18,000	\$13,718	(\$4,282)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	<u>12,000</u>	<u>13,800</u>	<u>13,718</u>	<u>82</u>
<i>Net Change in Fund Balance</i>	6,000	4,200	0	(4,200)
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$6,000</u></u>	<u><u>\$4,200</u></u>	<u><u>\$0</u></u>	<u><u>(\$4,200)</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
SchoolNet Professional Development Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$2,970	\$2,970	\$0	(\$2,970)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	60	0	0	0
Purchased Services	2,940	3,000	0	3,000
<i>Total Expenditures</i>	<u>3,000</u>	<u>3,000</u>	<u>0</u>	<u>3,000</u>
<i>Net Change in Fund Balance</i>	(30)	(30)	0	30
<i>Fund Balance Beginning of Year</i>	<u>91</u>	<u>91</u>	<u>91</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$61</u>	<u>\$61</u>	<u>\$91</u>	<u>\$30</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Reads Grant Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$151,000	\$151,000	\$29,701	(\$121,299)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	878	878	0	878
Support Services:				
Pupil:				
Salaries and Wages	11,093	12,617	12,617	0
Fringe Benefits	16,862	15,338	7,640	7,698
Total Pupil	27,955	27,955	20,257	7,698
Instructional Staff:				
Salaries and Wages	1,800	1,800	0	1,800
Purchased Services	3,848	3,848	2,800	1,048
Total Instructional Staff	5,648	5,648	2,800	2,848
Total Support Services	33,603	33,603	23,057	10,546
<i>Total Expenditures</i>	34,481	34,481	23,057	11,424
<i>Excess of Revenues Over Expenditures</i>	116,519	116,519	6,644	(109,875)
Other Financing Uses				
Advances Out	(18,000)	(18,000)	(18,000)	0
<i>Net Change in Fund Balance</i>	98,519	98,519	(11,356)	(109,875)
<i>Fund Balance Beginning of Year</i>	7,875	7,875	7,875	0
Prior Year Encumbrances Appropriated	3,481	3,481	3,481	0
<i>Fund Balance End of Year</i>	\$109,875	\$109,875	\$0	(\$109,875)

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Poverty Aid Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$900,000	\$900,000	\$0	(\$900,000)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	207,432	207,432	207,432	0
Fringe Benefits	30,842	30,842	30,842	0
Total Regular	238,274	238,274	238,274	0
Student Intervention Services:				
Salaries and Wages	70,289	70,289	41,091	29,198
Fringe Benefits	11,782	11,782	4,580	7,202
Purchased Services	28,444	28,444	27,482	962
Materials and Supplies	35,081	35,081	35,081	0
Total Student Intervention Services	145,596	145,596	108,234	37,362
<i>Total Expenditures</i>	383,870	383,870	346,508	37,362
<i>Net Change in Fund Balance</i>	516,130	516,130	(346,508)	(862,638)
<i>Fund Balance Beginning of Year</i>	382,038	382,038	382,038	0
Prior Year Encumbrances Appropriated	870	870	870	0
<i>Fund Balance End of Year</i>	\$899,038	\$899,038	\$36,400	(\$862,638)

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$11,000	\$11,000	\$4,500	(\$6,500)
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	11,000	6,500	0	6,500
<i>Excess of Revenues Over Expenditures</i>	0	4,500	4,500	0
Other Financing Uses				
Advances Out	0	(4,500)	(4,500)	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$2,390,000	\$2,215,000	\$1,317,507	(\$897,493)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	386,056	382,362	136,810	245,552
Fringe Benefits	162,394	130,188	30,459	99,729
Purchased Services	452,718	458,125	392,170	65,955
Materials and Supplies	79,506	68,106	31,249	36,857
Capital Outlay - New	163,950	174,336	97,621	76,715
Total Special	1,244,624	1,213,117	688,309	524,808
Vocational:				
Salaries and Wages	36,822	36,822	34,506	2,316
Fringe Benefits	14,718	14,478	10,665	3,813
Total Vocational	51,540	51,300	45,171	6,129
Total Instruction	1,296,164	1,264,417	733,480	530,937
Support Services:				
Pupil:				
Salaries and Wages	89,768	159,638	75,325	84,313
Fringe Benefits	43,935	43,935	38,025	5,910
Purchased Services	286,000	254,259	130,577	123,682
Materials and Supplies	24,000	24,000	17,888	6,112
Total Pupil	443,703	481,832	261,815	220,017
Instructional Staff:				
Salaries and Wages	39,787	64,935	50,252	14,683
Fringe Benefits	22,109	29,158	21,725	7,433
Purchased Services	104,910	121,483	76,464	45,019
Materials and Supplies	4,000	4,000	3,913	87
Total Instructional Staff	\$170,806	\$219,576	\$152,354	\$67,222

(continued)

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-B Fund (continued)
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Administration:				
Salaries and Wages	\$137,705	\$103,501	\$94,566	\$8,935
Fringe Benefits	59,319	46,584	41,826	4,758
Total Administration	<u>197,024</u>	<u>150,085</u>	<u>136,392</u>	<u>13,693</u>
Pupil Transportation:				
Salaries and Wages	78,468	78,468	0	78,468
Fringe Benefits	39,000	39,000	0	39,000
Total Pupil Transportation	<u>117,468</u>	<u>117,468</u>	<u>0</u>	<u>117,468</u>
Total Support Services	<u>929,001</u>	<u>968,961</u>	<u>550,561</u>	<u>418,400</u>
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Purchased Services	44,348	36,135	32,177	3,958
Materials and Supplies	3,694	3,694	0	3,694
Capital Outlay	4,200	4,200	0	4,200
Total Operation of Non-Instructional Services	<u>52,242</u>	<u>44,029</u>	<u>32,177</u>	<u>11,852</u>
Total Expenditures	<u>2,277,407</u>	<u>2,277,407</u>	<u>1,316,218</u>	<u>961,189</u>
Excess of Revenues Over (Under) Expenditures	<u>112,593</u>	<u>(62,407)</u>	<u>1,289</u>	<u>63,696</u>
Other Financing Sources (Uses)				
Advances In	0	175,000	175,000	0
Advances Out	(330,000)	(330,000)	(330,000)	0
Total Other Financing Sources (Uses)	<u>(330,000)</u>	<u>(155,000)</u>	<u>(155,000)</u>	<u>0</u>
Net Change in Fund Balance	<u>(217,407)</u>	<u>(217,407)</u>	<u>(153,711)</u>	<u>63,696</u>
Fund Balance Beginning of Year	158,364	158,364	158,364	0
Prior Year Encumbrances Appropriated	<u>67,407</u>	<u>67,407</u>	<u>67,407</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$8,364</u></u>	<u><u>\$8,364</u></u>	<u><u>\$72,060</u></u>	<u><u>\$63,696</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Vocational Education Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$182,000	\$167,000	\$136,642	(\$30,358)
Expenditures				
Current:				
Instruction:				
Vocational:				
Salaries	5,949	2,614	1,641	973
Fringe Benefits	384	336	36	300
Purchased Services	28,811	25,074	25,074	0
Materials and Supplies	20,688	26,360	23,607	2,753
Capital Outlay - New	21,675	21,675	21,640	35
Other	92,838	91,172	62,370	28,802
Total Instruction	170,345	167,231	134,368	32,863
Support Services:				
Instructional Staff:				
Purchased Services	5,054	5,570	5,376	194
Other	5,127	5,867	5,867	0
Total Instructional Staff	10,181	11,437	11,243	194
Administration:				
Materials and Supplies	5,013	5,771	5,771	0
Capital Outlay - New	2,000	2,000	1,716	284
Total Administration	7,013	7,771	7,487	284
Central:				
Purchased Services	2,200	3,300	3,300	0
Other	3,000	3,000	3,000	0
Total Central	5,200	6,300	6,300	0
Total Support Services	22,394	25,508	25,030	478
<i>Total Expenditures</i>	\$192,739	\$192,739	\$159,398	\$33,341

(continued)

Bedford City School District
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Vocational Education Fund (continued)
For the Fiscal Year Ended June 30, 2010*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<i>Excess of Revenues Under Expenditures</i>	<u>(\$10,739)</u>	<u>(\$25,739)</u>	<u>(\$22,756)</u>	<u>\$2,983</u>
Other Financing Sources (Uses)				
Advances In	0	35,000	35,000	0
Advances Out	<u>(10,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(10,000)</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(20,739)	(20,739)	(17,756)	2,983
<i>Fund Balance Beginning of Year</i>	8,396	8,396	8,396	0
Prior Year Encumbrances Appropriated	<u>12,739</u>	<u>12,739</u>	<u>12,739</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$396</u>	<u>\$396</u>	<u>\$3,379</u>	<u>\$2,983</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Fiscal Stabilization Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$300,000	\$403,000	\$402,207	(\$793)
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	0	56,134	55,341	793
Support Services:				
Operation and Maintenance of Plant:				
Purchased Services	300,000	346,866	346,866	0
<i>Total Expenditures</i>	<u>300,000</u>	<u>403,000</u>	<u>402,207</u>	<u>793</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Technology Title II-D Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$111,000	\$77,600	\$63,069	(\$14,531)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	180	210	0	210
Purchased Services	0	6,960	3,090	3,870
Materials and Supplies	2,582	5,872	0	5,872
Total Instruction	2,762	13,042	3,090	9,952
Support Services:				
Instructional Staff:				
Salaries and Wages	1,255	1,255	0	1,255
Fringe Benefits	245	245	17	228
Purchased Services	61,700	68,987	63,385	5,602
Capital Outlay	44,039	52,954	52,580	374
Total Support Services	107,239	123,441	115,982	7,459
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Purchased Services	999	999	999	0
Materials and Supplies	0	38	0	38
Total Operation of Non-Instructional Services	999	1,037	999	38
<i>Total Expenditures</i>	111,000	137,520	120,071	17,449
<i>Excess of Revenues Under Expenditures</i>	0	(59,920)	(57,002)	2,918
Other Financing Sources				
Advances In	0	60,000	60,000	0
<i>Net Change in Fund Balance</i>	0	80	2,998	2,918
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$80	\$2,998	\$2,918

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title III Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$4,500	\$4,500	\$4,270	(\$230)
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	<u>4,500</u>	<u>4,500</u>	<u>4,270</u>	<u>230</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$2,248,000	\$2,013,000	\$1,293,943	(\$719,057)
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	44,801	60,661	20,371	40,290
Materials and Supplies	5,335	6,496	4,305	2,191
Capital Outlay - New	3,391	8,381	3,381	5,000
Total Regular	53,527	75,538	28,057	47,481
Special:				
Salaries and Wages	538,708	502,442	342,943	159,499
Fringe Benefits	113,235	146,985	66,972	80,013
Purchased Services	403,625	360,246	278,601	81,645
Materials and Supplies	7,041	54,647	19,027	35,620
Capital Outlay - New	25,880	151,690	36,504	115,186
Total Special	1,088,489	1,216,010	744,047	471,963
Total Instruction	1,142,016	1,291,548	772,104	519,444
Support Services:				
Pupil:				
Salaries and Wages	102,141	102,141	88,435	13,706
Fringe Benefits	56,291	44,101	31,600	12,501
Purchased Services	1,192	10,119	10,119	0
Materials and Supplies	0	6,000	6,000	0
Total Pupil	159,624	162,361	136,154	26,207
Instructional Staff:				
Salaries and Wages	480,983	359,155	264,932	94,223
Fringe Benefits	152,109	113,013	89,032	23,981
Purchased Services	149,017	150,078	71,671	78,407
Materials and Supplies	17,993	20,162	10,039	10,123
Capital Outlay	0	3,300	3,300	0
Total Instructional Staff	800,102	645,708	438,974	206,734
Total Support Services	\$959,726	\$808,069	\$575,128	\$232,941

(continued)

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I Fund (continued)
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Purchased Services	\$34,588	\$36,424	\$14,721	\$21,703
Materials and Supplies	12,406	12,695	4,619	8,076
Capital Outlay - New	2,400	2,400	0	2,400
Total Operation of Non-Instructional Services	49,394	51,519	19,340	32,179
<i>Total Expenditures</i>	2,151,136	2,151,136	1,366,572	784,564
<i>Excess of Revenues Over (Under) Expenditures</i>	96,864	(138,136)	(72,629)	65,507
Other Financing Sources (Uses)				
Advances In	0	235,000	235,000	0
Advances Out	(290,000)	(290,000)	(290,000)	0
<i>Total Other Financing Sources (Uses)</i>	(290,000)	(55,000)	(55,000)	0
<i>Net Change in Fund Balance</i>	(193,136)	(193,136)	(127,629)	65,507
<i>Fund Balance Beginning of Year</i>	82,504	82,504	82,504	0
Prior Year Encumbrances Appropriated	112,136	112,136	112,136	0
<i>Fund Balance End of Year</i>	\$1,504	\$1,504	\$67,011	\$65,507

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$2,746	\$9,600	\$9,435	(\$165)
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	9,437	9,437	9,436	1
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Materials and Supplies	116	116	116	0
<i>Total Expenditures</i>	<u>9,553</u>	<u>9,553</u>	<u>9,552</u>	<u>1</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(6,807)	47	(117)	(164)
Other Financing Uses				
Advances Out	(2,910)	(9,600)	(9,600)	0
<i>Net Change in Fund Balance</i>	(9,717)	(9,553)	(9,717)	(164)
<i>Fund Balance Beginning of Year</i>	164	164	164	0
Prior Year Encumbrances Appropriated	<u>9,553</u>	<u>9,553</u>	<u>9,553</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$164</u>	<u>\$0</u>	<u>(\$164)</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Free Schools Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$20,000	\$16,000	\$14,854	(\$1,146)
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	14,567	12,597	12,597	0
Materials and Supplies	1,520	2,000	2,000	0
Total Instruction	16,087	14,597	14,597	0
Support Services:				
Instructional Staff:				
Salaries and Wages	966	1,266	300	966
Fringe Benefits	0	99	0	99
Purchased Services	100	812	745	67
Materials and Supplies	1,018	1,397	1,397	0
Total Instructional Staff	2,084	3,574	2,442	1,132
Operation and Maintenance of Plant:				
Purchased Services	1,400	1,400	1,400	0
Total Support Services	3,484	4,974	3,842	1,132
Operation of Non-Instructional Services				
Other Non-Instructional Services:				
Community Services:				
Materials and Supplies	76	76	0	76
<i>Total Expenditures</i>	19,647	19,647	18,439	1,208
<i>Excess of Revenues Over (Under) Expenditures</i>	353	(3,647)	(3,585)	62
Other Financing Sources (Uses)				
Advances In	0	4,000	4,000	0
Advances Out	(9,000)	(9,000)	(9,000)	0
<i>Total Other Financing Sources (Uses)</i>	(9,000)	(5,000)	(5,000)	0
<i>Net Change in Fund Balance</i>	(8,647)	(8,647)	(8,585)	62
<i>Fund Balance Beginning of Year</i>	8,153	8,153	8,153	0
Prior Year Encumbrances Appropriated	647	647	647	0
<i>Fund Balance End of Year</i>	\$153	\$153	\$215	\$62

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Preschool Handicapped Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
Revenues				
Intergovernmental	\$75,000	\$67,000	\$46,599	(\$20,401)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	511	511	0	511
Purchased Services	66,739	66,739	47,280	19,459
<i>Total Expenditures</i>	<u>67,250</u>	<u>67,250</u>	<u>47,280</u>	<u>19,970</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>7,750</u>	<u>(250)</u>	<u>(681)</u>	<u>(431)</u>
Other Financing Sources (Uses)				
Advances In	0	8,000	8,000	0
Advances Out	(17,000)	(17,000)	(17,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(17,000)</u>	<u>(9,000)</u>	<u>(9,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(9,250)	(9,250)	(9,681)	(431)
<i>Fund Balance Beginning of Year</i>	8,830	8,830	8,830	0
Prior Year Encumbrances Appropriated	1,250	1,250	1,250	0
<i>Fund Balance End of Year</i>	<u>\$830</u>	<u>\$830</u>	<u>\$399</u>	<u>(\$431)</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-R Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$234,500	\$204,500	\$150,071	(\$54,429)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	100,170	100,270	89,069	11,201
Fringe Benefits	38,009	39,487	34,379	5,108
Purchased Services	11,000	10,000	10,000	0
Total Instruction	149,179	149,757	133,448	16,309
Support Services:				
Instructional Staff:				
Salaries and Wages	50,142	34,540	13,432	21,108
Fringe Benefits	4,083	4,166	699	3,467
Purchased Services	12,362	18,506	7,928	10,578
Materials and Supplies	14,205	8,002	4,804	3,198
Capital Outlay - New	0	15,000	12,991	2,009
Total Support Services	80,792	80,214	39,854	40,360
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Purchased Services	754	754	0	754
<i>Total Expenditures</i>	230,725	230,725	173,302	57,423
<i>Excess of Revenues Over (Under) Expenditures</i>	3,775	(26,225)	(23,231)	2,994
Other Financing Sources (Uses)				
Advances In	0	30,000	30,000	0
Advances Out	(10,000)	(10,000)	(10,000)	0
<i>Total Other Financing Sources (Uses)</i>	(10,000)	20,000	20,000	0
<i>Net Change in Fund Balance</i>	(6,225)	(6,225)	(3,231)	2,994
<i>Fund Balance Beginning of Year</i>	2,854	2,854	2,854	0
Prior Year Encumbrances Appropriated	3,725	3,725	3,725	0
<i>Fund Balance End of Year</i>	\$354	\$354	\$3,348	\$2,994

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous Federal Grants Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$8,400	\$8,400	\$0	(\$8,400)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	10,911	9,562	0	9,562
Fringe Benefits	328	328	0	328
Purchased Services	31	656	624	32
Materials and Supplies	79	79	0	79
Total Regular	11,349	10,625	624	10,001
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Purchased Services	0	724	724	0
<i>Total Expenditures</i>	11,349	11,349	1,348	10,001
<i>Excess of Revenues Under Expenditures</i>	(2,949)	(2,949)	(1,348)	1,601
Other Financing Sources (Uses)				
Advances In	0	0	0	0
Advances Out	(2,000)	(2,000)	(2,000)	0
<i>Total Other Financing Sources (Uses)</i>	(2,000)	(2,000)	(2,000)	0
<i>Net Change in Fund Balance</i>	(4,949)	(4,949)	(3,348)	1,601
<i>Fund Balance Beginning of Year</i>	3,614	3,614	3,614	0
Prior Year Encumbrances Appropriated	1,349	1,349	1,349	0
<i>Fund Balance End of Year</i>	\$14	\$14	\$1,615	\$1,601

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$1,071,000	\$1,085,775	\$1,133,098	\$47,323
Intergovernmental	119,000	119,000	116,582	(2,418)
<i>Total Revenues</i>	<u>1,190,000</u>	<u>1,204,775</u>	<u>1,249,680</u>	<u>44,905</u>
Expenditures				
Current:				
Support Services:				
Fiscal:				
Purchased Services	10,000	10,000	0	10,000
Debt Service:				
Principal Retirement	1,140,000	1,140,000	1,140,000	0
Interest and Fiscal Charges	150,000	150,000	150,000	0
<i>Total Debt Service</i>	<u>1,290,000</u>	<u>1,290,000</u>	<u>1,290,000</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,290,000</u>	<u>10,000</u>
<i>Net Change in Fund Balance</i>	(110,000)	(95,225)	(40,320)	54,905
<i>Fund Balance Beginning of Year</i>	<u>1,905,984</u>	<u>1,905,984</u>	<u>1,905,984</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,795,984</u></u>	<u><u>\$1,810,759</u></u>	<u><u>\$1,865,664</u></u>	<u><u>\$54,905</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$416,284	\$420,868	\$435,684	\$14,816
Intergovernmental	156,000	156,000	205,177	49,177
<i>Total Revenues</i>	<u>572,284</u>	<u>576,868</u>	<u>640,861</u>	<u>63,993</u>
Expenditures				
Capital Outlay:				
Site Improvement Services:				
Capital Outlay	800,750	713,430	713,333	97
Architecture and Engineering Services:				
Capital Outlay	0	100,320	99,570	750
<i>Total Expenditures</i>	<u>800,750</u>	<u>813,750</u>	<u>812,903</u>	<u>847</u>
<i>Net Change in Fund Balance</i>	(228,466)	(236,882)	(172,042)	64,840
<i>Fund Balance Beginning of Year</i>	375,619	375,619	375,619	0
Prior Year Encumbrances Appropriated	750	750	750	0
<i>Fund Balance End of Year</i>	<u>\$147,903</u>	<u>\$139,487</u>	<u>\$204,327</u>	<u>\$64,840</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Building Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Capital Outlay:				
Architecture and Engineering Services:				
Capital Outlay - New	25,000	25,000	0	25,000
<i>Net Change in Fund Balance</i>	(25,000)	(25,000)	0	25,000
<i>Fund Balance Beginning of Year</i>	30,745	30,745	30,745	0
<i>Fund Balance End of Year</i>	<u>\$5,745</u>	<u>\$5,745</u>	<u>\$30,745</u>	<u>\$25,000</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Replacement Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Pupil Transportation:				
Capital Outlay - Replacement	800	200,800	0	200,800
<i>Excess of Revenues Under Expenditures</i>	(800)	(200,800)	0	200,800
Other Financing Sources				
Transfers In	200,000	200,000	291,500	91,500
<i>Net Change in Fund Balance</i>	199,200	(800)	291,500	292,300
<i>Fund Balance Beginning of Year</i>	844	844	844	0
<i>Fund Balance End of Year</i>	<u>\$200,044</u>	<u>\$44</u>	<u>\$292,344</u>	<u>\$292,300</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
SchoolNet Fund
For the Fiscal Year Ended June 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Capital Outlay - New	73	73	73	0
<i>Net Change in Fund Balance</i>	(73)	(73)	(73)	0
<i>Fund Balance Beginning of Year</i>	73	73	73	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

Bedford City School District
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Self Insurance Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$1,200,000	\$1,200,000	\$1,221,938	\$21,938
Expenses				
Purchased Services	79,100	79,100	32,906	46,194
Claims	1,221,000	1,221,000	1,127,844	93,156
<i>Total Expenses</i>	<u>1,300,100</u>	<u>1,300,100</u>	<u>1,160,750</u>	<u>139,350</u>
<i>Net Change in Fund Equity</i>	(100,100)	(100,100)	61,188	161,288
<i>Fund Equity Beginning of Year</i>	1,376,025	1,376,025	1,376,025	0
Prior Year Encumbrances Appropriated	<u>100</u>	<u>100</u>	<u>100</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$1,276,025</u></u>	<u><u>\$1,276,025</u></u>	<u><u>\$1,437,313</u></u>	<u><u>\$161,288</u></u>

Bedford City School District
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Computer Network Fund
For the Fiscal Year Ended June 30, 2010

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	\$0	\$0	\$0	\$0
Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues over Expenses Before Transfers</i>	0	0	0	0
Transfers Out	<u>(500)</u>	<u>(500)</u>	<u>0</u>	<u>500</u>
<i>Net Change in Fund Equity</i>	(500)	(500)	0	500
<i>Fund Equity Beginning of Year</i>	<u>578</u>	<u>578</u>	<u>578</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$78</u></u>	<u><u>\$78</u></u>	<u><u>\$578</u></u>	<u><u>\$500</u></u>

Bedford City School District
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Scholarship Fund
For the Fiscal Year Ended June 30, 2010

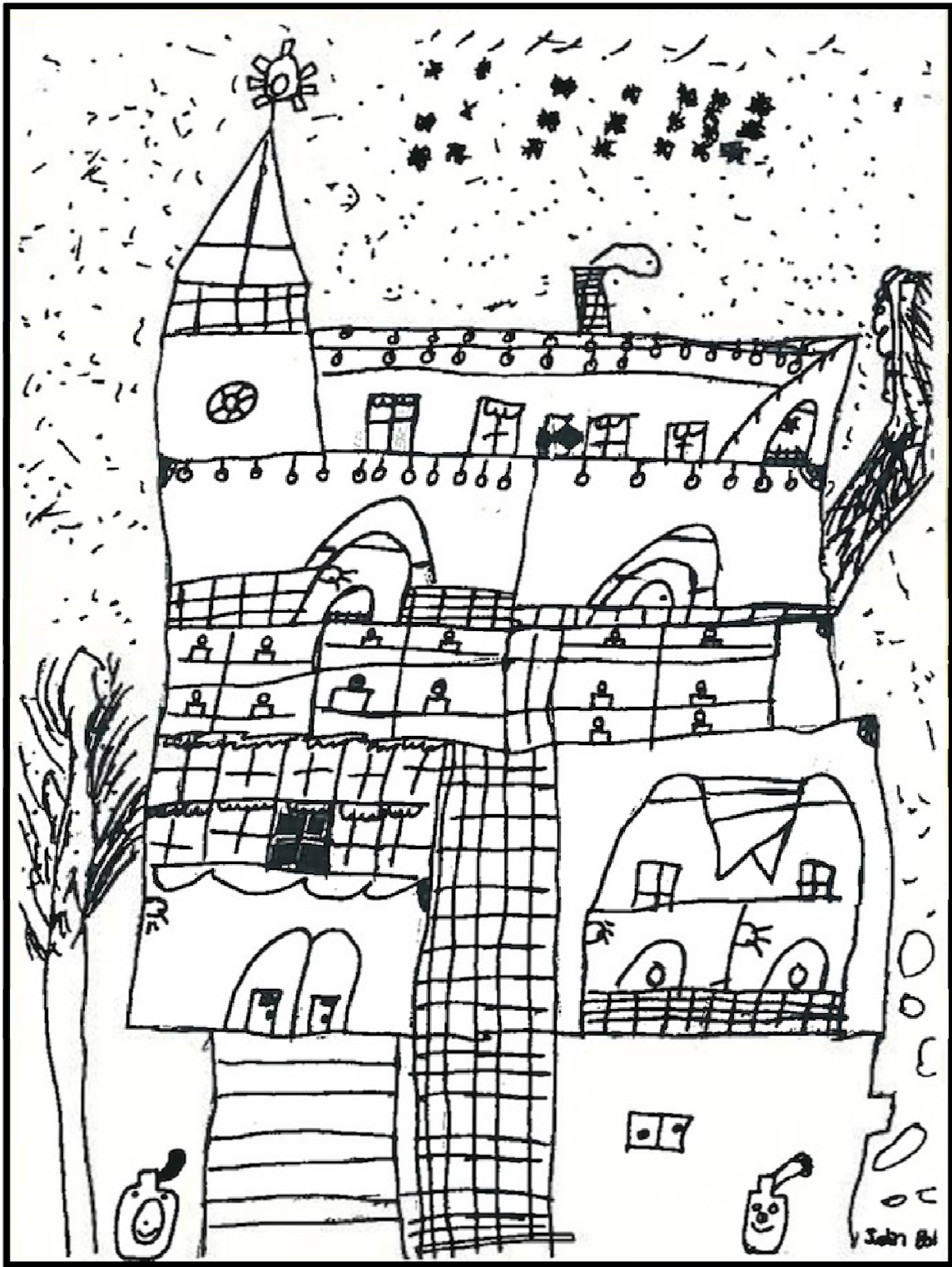
	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$1,000	\$1,000	\$55	(\$945)
Miscellaneous	5,000	5,000	10,215	5,215
<i>Total Revenues</i>	6,000	6,000	10,270	4,270
Expenses				
Other	15,000	15,000	0	15,000
<i>Net Change in Fund Equity</i>	(9,000)	(9,000)	10,270	19,270
<i>Fund Equity Beginning of Year</i>	71,797	71,797	71,797	0
<i>Fund Equity End of Year</i>	<u>\$62,797</u>	<u>\$62,797</u>	<u>\$82,067</u>	<u>\$19,270</u>

Statistical Section



Artwork by: Rickey Lavender

11th Grade Student
Bedford High School
Art Teacher: Jennifer Pozz



Artwork by: Justin Bolden

5th Grade Student

Columbus Intermediate School

Art Teacher: Marjorie Falk

Statistical Section

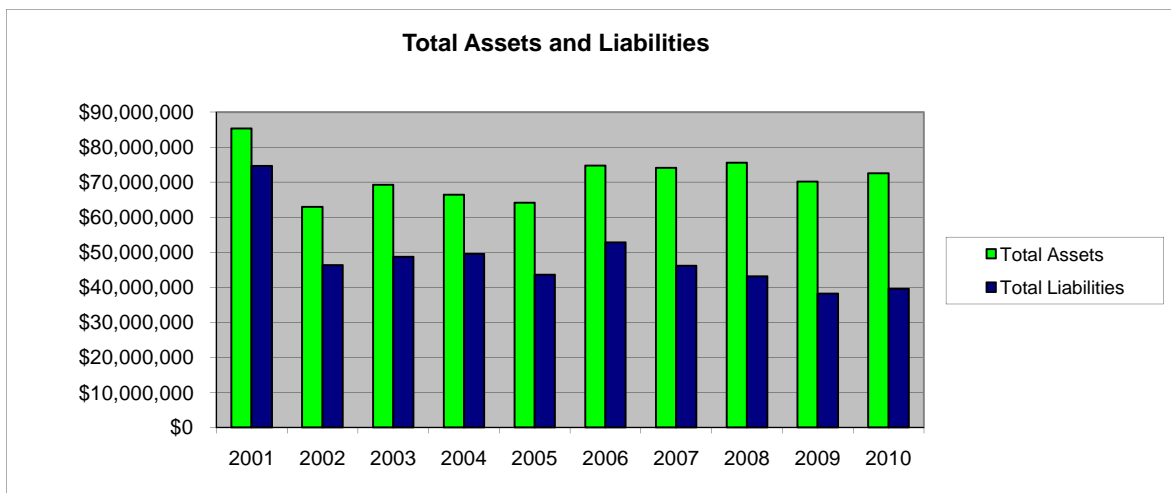
This part of the Bedford City School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S2 - S13
Revenue Capacity These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.	S14 - S23
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S24 - S28
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	S29 - S31
Operating Information These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S32 - S41

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant fiscal year. The School District implemented GASB Statement 34 in 2001; schedules presenting government-wide information include information beginning in that fiscal year.

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

	2001	2002 (1)	2003	2004
Invested in Capital Assets, Net of Related Debt	\$3,853,551	\$5,265,722	\$9,267,931	\$10,168,889
Restricted for:				
Capital Projects	949,419	358,950	575,693	190,733
Debt Service	1,354,436	1,503,513	1,587,484	997,556
Other Purposes	388,095	432,505	616,921	725,176
Unrestricted	4,379,419	9,070,845	8,537,864	4,831,045
<i>Total Net Assets</i>	<u>\$10,924,920</u>	<u>\$16,631,535</u>	<u>\$20,585,893</u>	<u>\$16,913,399</u>



Source: School District Financial Records

(1) The School District reclassified enterprise funds to special revenue funds.

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
\$10,390,724	\$9,900,232	\$12,218,017	\$13,434,685	\$13,531,705	\$13,805,233
397,551	1,882,830	805,810	173,255	557,011	1,400,209
1,418,198	1,381,463	1,772,547	2,278,168	2,264,251	2,148,734
849,525	511,238	1,106,057	1,025,781	1,337,606	557,401
<u>7,486,212</u>	<u>8,373,797</u>	<u>15,595,855</u>	<u>15,502,858</u>	<u>14,189,965</u>	<u>14,996,566</u>
<u>\$20,542,210</u>	<u>\$22,049,560</u>	<u>\$31,498,286</u>	<u>\$32,414,747</u>	<u>\$31,880,538</u>	<u>\$32,908,143</u>

Bedford City School District

Changes in Net Assets

Last Ten Fiscal Years

(accrual basis of accounting)

	2001	2002	2003	2004
Expenses				
Governmental Activities:				
Instruction	\$18,893,342	\$19,493,314	\$19,716,538	\$23,153,227
Pupil Support	2,193,048	2,504,145	2,444,186	2,721,877
Instructional Staff Support	1,505,981	1,636,335	1,452,726	1,620,852
Board of Education	184,482	147,718	164,324	59,311
Administration	2,554,588	2,660,475	2,791,248	3,565,984
Fiscal	995,828	1,211,620	1,457,382	1,290,723
Business	357,096	411,748	477,013	402,210
Operation and Maintenance of Plant	6,062,780	6,335,607	5,596,383	6,772,564
Pupil Transportation	2,696,148	2,860,873	3,227,782	3,914,942
Central	282,074	241,112	261,748	306,326
Food Service Operations	0	1,214,859	1,335,836	1,362,041
Operation of Non-Instructional Services	796,300	649,054	573,662	502,320
Extracurricular Activities	569,058	835,766	593,241	915,504
Interest and Fiscal Charges	702,849	404,297	526,618	531,995
<i>Total Governmental Activities Expenses</i>	<u>37,793,574</u>	<u>40,606,923</u>	<u>40,618,687</u>	<u>47,119,876</u>
Business-Type Activities:				
Food Service	1,215,952	0	0	0
Uniform School Supplies	18,874	0	0	0
Summer School	44,412	0	0	0
Adult and Community Services	37,384	0	0	0
Recreation	8,152	0	0	0
<i>Total Business-Type Activities Expenses</i>	<u>1,324,774</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Primary Government Expenses</i>	<u>39,118,348</u>	<u>40,606,923</u>	<u>40,618,687</u>	<u>47,119,876</u>
Program Revenues				
Governmental Activities:				
Charges for Services and Sales:				
Instruction	394,133	744,013	281,844	1,275,519
Pupil Support	98,711	0	0	200
Instructional Staff Support	0	0	3,733	2,683
Administration	0	0	0	0
Business	36,619	0	1,455	1,611
Operation and Maintenance of Plant	16,303	0	4,949	34,899
Pupil Transportation	0	58,117	0	0
Central	0	0	5,911	7,576
Food Service Operations	0	826,464	742,396	792,140
Operation of Non-Instructional Services	0	0	64,719	11,605
Extracurricular Activities	97,065	243,412	100,721	95,755
Operating Grants and Contributions				
Instruction	1,137,912	1,271,440	1,335,778	1,631,369
Pupil Support	25,189	138,022	57,994	56,854
Instructional Staff Support	65,917	100,570	196,937	183,012
Administration	4,510	5,953	102,441	93,893
Business	0	0	815	65
Operation and Maintenance of Plant	0	0	0	3,539
Pupil Transportation	50,912	827	0	509
Central	13,004	4,539	9,671	5,953
Food Service Operations	0	411,067	517,566	490,206
Operation of Non-Instructional Services	494,611	486,957	517,772	480,659
Extracurricular Activities	0	0	3,221	18,281

2005	2006	2007	2008	2009	2010
\$22,869,124	\$24,090,319	\$24,029,388	\$27,576,746	\$25,229,256	\$26,802,708
2,665,621	2,758,509	2,764,302	2,997,511	3,025,366	3,015,745
1,586,546	1,762,862	1,651,433	1,834,242	2,074,281	2,544,377
207,937	407,852	310,042	235,547	220,840	243,585
3,204,240	3,942,749	3,501,283	3,438,272	4,408,025	2,809,020
1,249,303	1,236,174	1,290,060	1,330,855	1,213,939	1,381,083
555,487	777,247	779,116	847,097	728,529	667,683
5,865,329	6,731,992	6,357,050	6,724,899	6,937,228	7,070,172
3,372,082	3,851,122	3,792,614	3,875,037	3,615,129	3,578,892
291,782	309,079	299,502	337,904	338,807	321,466
1,312,760	1,471,121	1,629,821	1,651,021	1,682,513	1,697,599
514,115	454,710	539,445	484,150	427,311	340,054
916,721	826,605	826,657	867,928	875,259	804,712
514,430	467,718	520,086	524,154	479,677	437,058
<u>45,125,477</u>	<u>49,088,059</u>	<u>48,290,799</u>	<u>52,725,363</u>	<u>51,256,160</u>	<u>51,714,154</u>
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	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>45,125,477</u>	<u>49,088,059</u>	<u>48,290,799</u>	<u>52,725,363</u>	<u>51,256,160</u>	<u>51,714,154</u>
351,669	\$1,246,793	\$1,686,260	\$1,705,852	\$1,974,620	\$1,688,961
0	0	0	0	0	0
3,693	1,558	94	1,215	926	1,454
0	0	7,765	9,966	691	0
5,301	185,583	38,356	44,661	27,281	31,312
27,745	31,472	0	0	0	0
0	2,726	0	0	0	0
1,412	0	0	4,541	1,988	4,470
760,722	812,352	792,684	750,540	682,879	620,301
11,845	10,637	4,191	4,782	3,714	3,207
108,995	93,701	131,618	133,483	133,794	141,446
2,035,753	1,573,434	2,543,592	2,248,787	2,424,680	1,571,907
33,728	193,061	206,957	233,872	403,482	325,493
182,834	171,723	209,937	278,710	388,009	556,001
115,923	149,752	116,658	142,926	272,640	48,225
83	308	30,114	106,436	481	725
94,094	59,209	35,955	2,132	1,645	469,365
97,143	0	0	0	0	0
6,977	2,488	5,150	3,860	5,429	5,347
518,616	610,070	755,707	867,048	1,091,798	1,199,794
495,433	428,920	443,358	454,033	396,029	298,087
23,644	12,636	5,542	11,463	10,887	1,613

(continued)

Bedford City School District
Changes in Net Assets (continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	2001	2002	2003	2004
Capital Grants and Contributions				
Instruction	\$0	\$0	\$13,753	\$0
Instructional Staff Support	33,210	0	0	0
Operation and Maintenance of Plant	177,941	0	58,715	0
Pupil Transportation	0	0	37,069	0
Central	0	50,514	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>2,646,037</u>	<u>4,341,895</u>	<u>4,057,460</u>	<u>5,186,328</u>
Business-Type Activities:				
Charges for Services:				
Food Service	798,069	0	0	0
Uniform School Supplies	16,468	0	0	0
Summer School	45,190	0	0	0
Adult and Community Education	11,833	0	0	0
Recreation	8,391	0	0	0
Special Enterprise	20,250	0	0	0
Operating Grants and Contributions				
Food Service	373,657	0	0	0
Uniform School Supplies	145	0	0	0
Adult and Community Education	32	0	0	0
<i>Total Business-Type Activities Program Revenues</i>	<u>1,274,035</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Primary Government Program Revenues</i>	<u>3,920,072</u>	<u>4,341,895</u>	<u>4,057,460</u>	<u>5,186,328</u>
Net (Expense)/Revenue				
Governmental Activities	(35,147,537)	(36,265,028)	(36,561,227)	(41,933,548)
Business-Type Activities	<u>(50,739)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Expense</i>	<u>(35,198,276)</u>	<u>(36,265,028)</u>	<u>(36,561,227)</u>	<u>(41,933,548)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property and Other Local Taxes Levied For:				
General Purposes	30,487,383	32,706,307	29,904,312	28,471,588
Debt Service	1,096,374	1,212,396	1,030,078	1,050,439
Capital Outlay	578,269	626,150	558,855	670,221
Grants and Entitlements not Restricted to Specific Programs	6,216,092	6,685,643	8,634,340	7,747,756
Payment in Lieu of Taxes	41,975	21,613	0	0
Gain on Sale of Capital Assets	247,800	50,753	0	0
Investment Earnings	732,915	377,677	239,106	174,106
Miscellaneous	235,536	291,104	125,231	146,944
Transfers	(107,960)	0	23,663	0
<i>Total Governmental Activities</i>	<u>39,528,384</u>	<u>41,971,643</u>	<u>40,515,585</u>	<u>38,261,054</u>
Business-Type Activities:				
Transfers	107,960	0	0	0
<i>Total Business-Type Activities</i>	<u>107,960</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Primary Government</i>	<u>39,636,344</u>	<u>41,971,643</u>	<u>40,515,585</u>	<u>38,261,054</u>
Governmental Activities	4,380,847	5,706,615	3,954,358	(3,672,494)
Business-Type Activities	<u>57,221</u>	<u>0</u>	<u>0</u>	<u>0</u>
Change in Net Assets	<u>\$4,438,068</u>	<u>\$5,706,615</u>	<u>\$3,954,358</u>	<u>(\$3,672,494)</u>

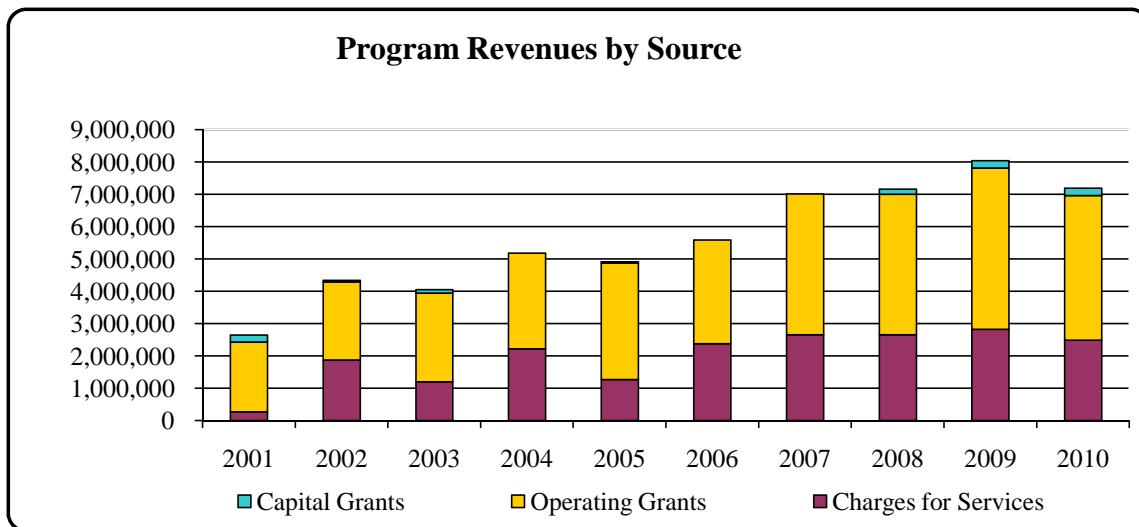
Source: School District Financial Records

2005	2006	2007	2008	2009	2010
\$0	\$0	\$0	\$0	\$0	\$0
35,910	0	0	0	0	0
0	0	0	156,053	219,516	226,177
0	0	0	0	0	0
0	0	0	0	0	0
4,911,520	5,586,423	7,013,938	7,160,360	8,040,489	7,193,885
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	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	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
4,911,520	5,586,423	7,013,938	7,160,360	8,040,489	7,193,885
(40,213,957)	(43,501,636)	(41,276,861)	(45,565,003)	(43,215,671)	(44,520,269)
0	0	0	0	0	0
(40,213,957)	(43,501,636)	(41,276,861)	(45,565,003)	(43,215,671)	(44,520,269)
32,156,621	34,235,814	36,899,607	31,323,005	24,728,995	26,041,020
1,366,766	963,017	1,456,398	1,372,001	1,146,612	1,071,389
682,633	473,225	702,373	530,429	427,167	410,979
9,140,806	8,149,887	10,081,905	11,817,104	15,598,148	17,563,453
0	0	0	0	0	0
0	0	0	1,726	0	0
325,033	759,074	1,126,745	890,620	288,540	27,574
170,909	427,969	458,559	546,579	492,000	433,459
0	0	0	0	0	0
43,842,768	45,008,986	50,725,587	46,481,464	42,681,462	45,547,874
0	0	0	0	0	0
0	0	0	0	0	0
43,842,768	45,008,986	50,725,587	46,481,464	42,681,462	45,547,874
3,628,811	1,507,350	9,448,726	916,461	(534,209)	1,027,605
0	0	0	0	0	0
\$3,628,811	\$1,507,350	\$9,448,726	\$916,461	(\$534,209)	\$1,027,605

Bedford City School District
Program Revenues by Function
Last Ten Fiscal Years
(accrual basis of accounting)

	2001	2002 (1)	2003	2004
Governmental Activities				
Instruction	\$1,532,045	\$2,015,453	\$1,631,375	\$2,906,888
Pupil Support	123,900	138,022	57,994	57,054
Instructional Staff Support	99,127	100,570	200,670	185,695
Administration	4,510	5,953	103,896	95,504
Business	0	0	5,764	34,964
Operation and Maintenance of Plant	214,560	0	58,715	3,539
Pupil Transportation	67,215	109,458	37,069	509
Central	13,004	4,539	15,582	13,529
Food Service Operations	0	1,237,531	1,259,962	1,282,346
Operation of Non-Instructional Services	494,611	486,957	582,491	492,264
Extracurricular Activities	97,065	243,412	103,942	114,036
Total Governmental Activities Program Revenues	<u>2,646,037</u>	<u>\$4,341,895</u>	<u>\$4,057,460</u>	<u>\$5,186,328</u>
Business-Type Activities				
Food Service	1,171,726			
Uniform School Supplies	16,613			
Summer School	45,190			
Adult and Community Education	11,865			
Recreation	8,391			
Special Enterprise	20,250			
Total Business-Type Activities Program Revenues	<u>1,274,035</u>			
Total Program Revenues	<u>\$3,920,072</u>			

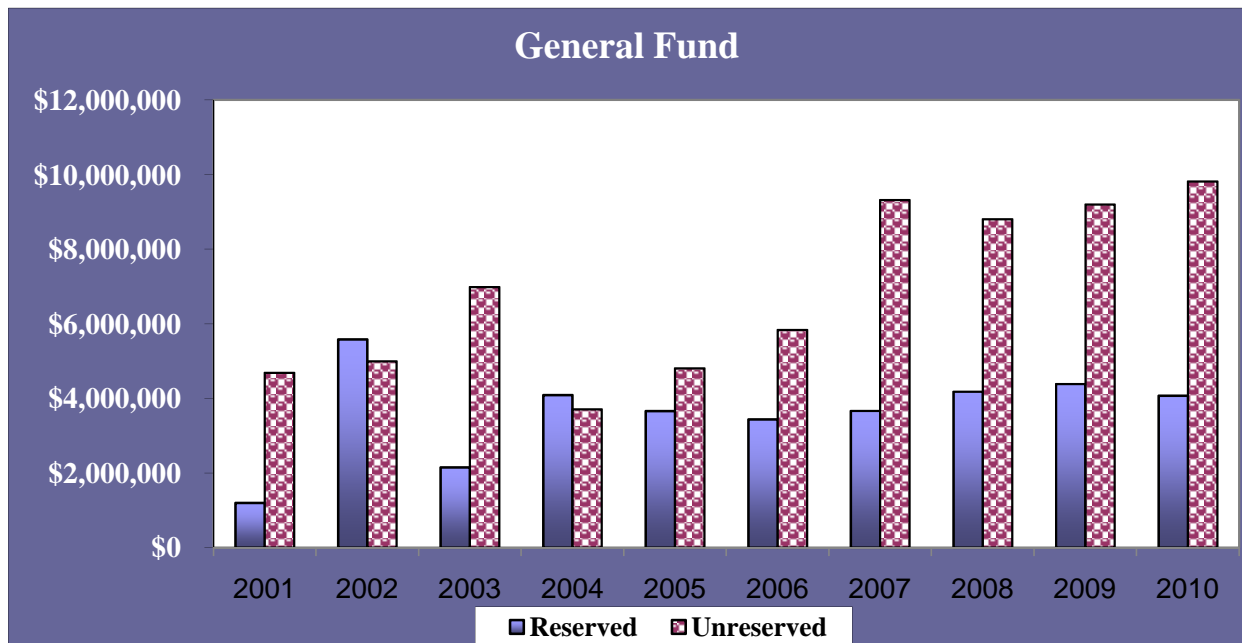
(1) The School District reclassified enterprise funds to special revenue funds.



2005	2006	2007	2008	2009	2010
\$2,395,811	\$2,820,227	\$4,229,852	\$3,954,639	\$4,399,300	\$3,260,868
33,728	193,061	206,957	233,872	403,482	325,493
222,437	173,281	210,031	279,925	388,935	557,455
121,224	335,335	124,423	152,892	273,331	48,225
27,828	31,780	68,470	151,097	27,762	32,037
94,094	59,209	35,955	158,185	221,161	695,542
97,143	2,726	0	0	0	0
1058efd7	2,488	5,150	8,401	7,417	9,817
1,279,338	1,422,422	1,548,391	1,617,588	1,774,677	1,820,095
507,278	439,557	447,549	458,815	399,743	301,294
132,639	106,337	137,160	144,946	144,681	143,059
<u>\$4,911,520</u>	<u>\$5,586,423</u>	<u>\$7,013,938</u>	<u>\$7,160,360</u>	<u>\$8,040,489</u>	<u>\$7,193,885</u>

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

	2001	2002	2003	2004
General Fund				
Reserved	\$1,199,737	\$5,586,029	\$2,150,457	\$4,094,412
Unreserved	4,684,650	4,995,540	6,986,451	3,712,624
<i>Total General Fund</i>	<u>5,884,387</u>	<u>10,581,569</u>	<u>9,136,908</u>	<u>7,807,036</u>
All Other Governmental Funds				
Reserved	660,477	455,442	1,698,199	382,674
Unreserved, Undesignated, Reported in:				
Special Revenue funds (Deficit)	28,444	418,393	93,573	354,559
Debt Service funds	1,354,436	1,289,607	1,457,428	1,486,406
Capital Projects funds (Deficit)	<u>606,599</u>	<u>268,399</u>	<u>(971,759)</u>	<u>(149,376)</u>
<i>Total All Other Governmental Funds</i>	<u>2,649,956</u>	<u>2,431,841</u>	<u>2,277,441</u>	<u>2,074,263</u>
<i>Total Governmental Funds</i>	<u><u>\$8,534,343</u></u>	<u><u>\$13,013,410</u></u>	<u><u>\$11,414,349</u></u>	<u><u>\$9,881,299</u></u>



2005	2006	2007	2008	2009	2010
\$3,660,981	\$3,439,751	\$3,666,990	\$4,182,334	\$4,388,316	\$4,077,259
4,804,712	5,838,425	9,322,692	8,804,371	9,200,375	9,817,458
8,465,693	9,278,176	12,989,682	12,986,705	13,588,691	13,894,717
1,252,888	1,914,332	1,768,180	522,929	498,702	1,142,125
(173,184)	53,339	740,804	587,229	528,073	391,636
1,557,858	1,626,389	1,746,847	1,898,375	1,933,159	1,779,348
(33,451)	123,526	(553,176)	(81,771)	315,706	439,609
2,604,111	3,717,586	3,702,655	2,926,762	3,275,640	3,752,718
\$11,069,804	\$12,995,762	\$16,692,337	\$15,913,467	\$16,864,331	\$17,647,435

Bedford City School District
Changes in Fund Balances
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2001	2002	2003	2004
Revenues				
Taxes	\$32,204,001	\$34,566,466	\$28,568,195	\$32,961,433
Intergovernmental	8,165,161	9,186,016	11,064,263	10,859,955
Interest	773,562	379,978	239,106	174,106
Charges for Services	115,014	357,219	767,185	797,804
Tuition and Fees	254,377	110,106	209,354	1,156,288
Rentals	0	0	51,113	39,324
Extracurricular Activities	236,821	271,316	178,076	228,572
Contributions and Donations	0	0	59,816	50,192
Miscellaneous	285,645	316,604	125,231	146,944
<i>Total Revenues</i>	<u>42,034,581</u>	<u>45,187,705</u>	<u>41,262,339</u>	<u>46,414,618</u>
Expenditures				
Current:				
Instruction	19,305,665	19,632,965	20,163,293	22,335,604
Support Services:				
Pupil	2,178,366	2,493,276	2,587,565	2,691,337
Instructional Staff	1,517,140	1,634,091	1,596,091	1,603,092
Board of Education	184,482	147,718	174,001	264,211
Administration	2,549,537	2,655,897	2,904,410	3,453,470
Fiscal	992,467	1,218,995	1,450,531	1,295,384
Business	330,128	395,226	420,750	491,350
Operation and Maintenance of Plant	5,982,969	6,386,456	5,703,847	6,612,776
Pupil Transportation	2,820,794	3,271,744	3,008,535	3,648,846
Central	204,128	234,295	253,416	281,725
Food Service Operations	0	0	543,327	1,314,097
Operation of Non-Instructional Services	537,787	520,883	1,353,409	460,734
Extracurricular Activities	568,549	570,268	626,835	648,879
Capital Outlay	8,850	15,949	1,343,445	2,356,466
Debt Service:				
Principal Retirement	750,000	820,000	940,000	982,214
Interest and Fiscal Charges	702,849	324,814	422,208	425,600
Bond Issuance Costs	0	144,116	0	0
<i>Total Expenditures</i>	<u>38,633,711</u>	<u>40,466,693</u>	<u>43,491,663</u>	<u>48,865,785</u>
<i>Excess of Revenue Over (Under) Expenditures</i>	<u>3,400,870</u>	<u>4,721,012</u>	<u>(2,229,324)</u>	<u>(2,451,167)</u>
Other Financing Sources (Uses):				
Sale of Capital Assets	247,800	50,753	600	0
General Obligation Bonds Issued	0	9,996,603	0	0
Loan Issued	0	0	606,000	0
Payment to Refunded Bond Escrow Agent	0	(10,217,038)	0	0
Capital Lease Issued	0	0	0	918,117
Refund of Prior Year's Receipts	0	0	0	0
Transfers In	277,120	271,039	314,432	296,873
Transfers Out	(385,080)	(343,302)	(290,769)	(296,873)
<i>Total Other Financing Sources (Uses)</i>	<u>139,840</u>	<u>(241,945)</u>	<u>630,263</u>	<u>918,117</u>
<i>Net Change in Fund Balances</i>	<u>\$3,540,710</u>	<u>\$4,479,067</u>	<u>(\$1,599,061)</u>	<u>(\$1,533,050)</u>
<i>Debt Service as a Percentage of</i>				
<i>Noncapital Expenditures</i>	3.76%	2.83%	3.23%	3.03%

(1) Includes General, Special Revenue, Capital Projects and Debt Service Funds.

2005	2006	2007	2008	2009	2010
\$33,822,981	\$35,356,794	\$35,140,155	\$33,001,370	\$28,115,325	\$26,973,653
12,105,042	11,698,017	14,196,345	16,300,797	20,286,057	22,845,958
325,033	759,074	1,126,745	891,414	289,072	27,574
765,852	817,551	809,373	767,700	695,664	633,791
257,961	1,338,900	1,600,541	1,644,257	1,901,550	1,610,786
32,230	32,638	39,582	46,235	27,107	31,425
215,339	195,733	211,472	196,848	201,572	215,149
349,198	30,082	38,846	33,624	60,689	33,137
170,909	427,969	458,559	546,579	492,000	433,459
48,044,545	50,656,758	53,621,618	53,428,824	52,069,036	52,804,932
23,048,542	23,599,077	23,114,104	26,886,187	24,342,434	26,608,416
2,711,466	2,748,756	2,715,900	3,027,291	3,018,391	3,044,855
1,715,964	1,746,185	1,601,990	1,848,397	2,017,649	2,501,589
208,201	407,852	310,042	235,547	220,840	243,585
3,279,005	3,955,263	3,360,610	3,404,060	4,406,969	2,831,149
1,291,119	1,215,241	1,258,900	1,324,697	1,197,973	1,358,705
576,563	835,376	706,100	790,875	662,858	665,426
5,980,389	6,574,042	6,622,764	6,724,407	6,496,796	6,663,901
3,296,585	3,919,612	3,659,119	3,579,251	3,418,883	3,313,997
298,512	295,527	291,343	322,631	333,187	321,490
1,414,479	1,459,746	1,613,500	1,647,393	1,697,381	1,674,162
485,150	408,581	491,939	434,894	382,279	309,029
654,996	695,384	693,657	737,178	748,612	672,221
353,204	2,737,132	1,832,344	1,413,163	259,071	78,408
1,133,049	1,184,647	1,402,204	1,428,306	1,436,113	1,448,248
408,816	360,493	400,527	406,964	357,686	286,647
0	0	0	0	0	0
46,856,040	52,142,914	50,075,043	54,211,241	50,997,122	52,021,828
1,188,505	(1,486,156)	3,546,575	(782,417)	1,071,914	783,104
0	0	0	3,547	0	0
0	3,562,114	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
234,972	116,963	462,281	162,380	108,712	395,712
(234,972)	(116,963)	(462,281)	(162,380)	(108,712)	(395,712)
0	3,562,114	0	3,547	0	0
\$1,188,505	\$2,075,958	\$3,546,575	(\$778,870)	\$1,071,914	\$783,104
3.32%	3.13%	3.79%	3.50%	3.54%	3.35%

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

Collection Year	Real Estate			Tangible Personal		
	Assessed Value			Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial	Total			
2001	\$328,540,310	\$253,970,390	\$582,510,700	\$1,664,316,286	\$176,119,963	\$704,479,852
2002	331,671,010	255,673,720	587,344,730	1,678,127,800	165,250,542	661,002,168
2003	335,640,150	266,954,490	602,594,640	1,721,698,971	163,953,315	655,813,260
2004	368,986,650	278,766,770	647,753,420	1,850,724,057	171,667,792	686,671,168
2005	370,753,750	275,375,240	646,128,990	1,846,082,829	170,826,004	683,304,016
2006	373,351,700	275,230,390	648,582,090	1,853,091,686	132,472,759	706,521,381
2007	423,446,610	290,875,660	714,322,270	2,040,920,771	45,893,227	367,145,816
2008	428,240,950	292,239,890	720,480,840	2,058,516,686	22,946,614	367,145,816
2009	432,422,870	298,786,290	731,209,160	2,089,169,029	22,970,064	367,521,024
2010	390,270,020	302,456,730	692,726,750	1,979,219,286	0	0

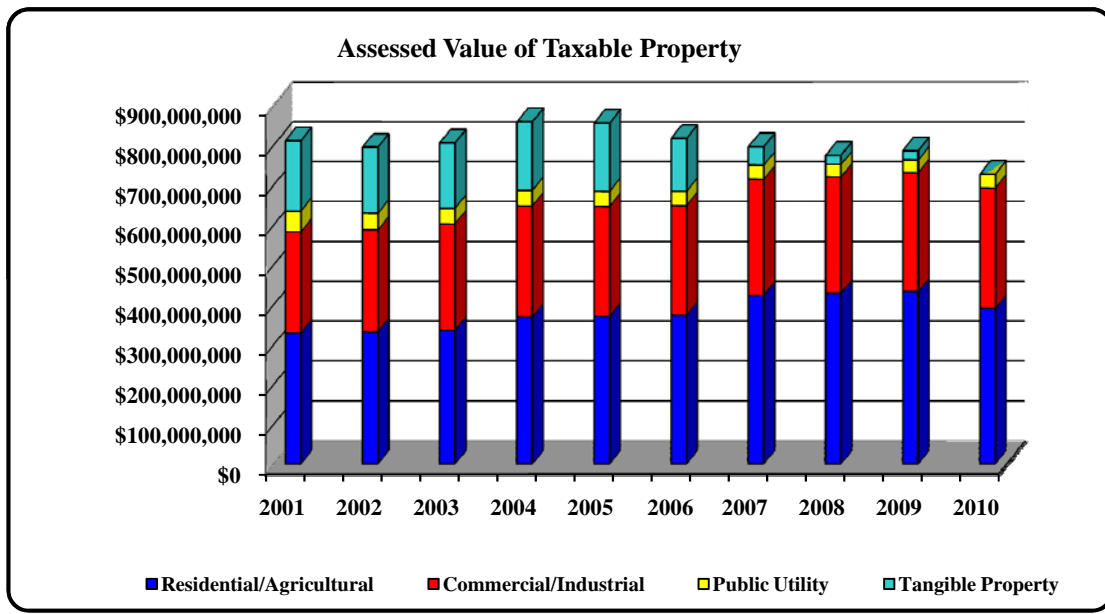
Source: Ohio Department of Taxation

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.5 for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

Public Utility Personal		Total		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Weighted Average Tax Rate
\$51,899,040	\$58,976,182	\$810,529,703	\$2,427,772,320	38.30173
41,718,240	47,407,091	794,313,512	2,386,537,059	37.71013
38,787,420	44,076,614	805,335,375	2,421,588,845	41.98717
38,882,620	44,184,795	858,303,832	2,581,580,021	40.60616
37,778,070	42,929,625	854,733,064	2,572,316,470	45.52011
35,524,420	40,368,659	816,579,269	2,599,981,726	44.42459
35,275,280	40,085,545	795,490,777	2,448,152,133	46.95413
30,823,860	35,027,114	774,251,314	2,460,689,615	38.04737
31,677,970	35,997,693	785,857,194	2,492,687,746	38.26589
33,898,290	38,520,784	726,625,040	2,017,740,070	35.08025



Bedford City School District
Property Tax Rates - Direct and Overlapping Governments
(per \$1,000 of assessed value)
Last Ten Years (1)

	2001	2002	2003	2004	2005
Unvoted Millage					
Operating	\$4.620000	\$4.620000	\$4.620000	\$4.620000	\$4.620000
Voted Millage - by levy					
1976 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	7.443300	7.421300	7.420200	6.759800	6.758900
Commercial/Industrial	13.058200	13.052600	13.045900	12.855900	12.957500
Tangible/Public Utility Personal	29.300000	29.300000	29.300000	29.300000	29.300000
1983 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.370800	3.360800	3.360300	3.061200	3.060800
Commercial/Industrial	4.386800	4.385000	4.382700	4.318900	4.353000
Tangible/Public Utility Personal	6.600000	6.600000	6.600000	6.600000	6.600000
1986 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	2.695400	2.687400	2.687000	2.447900	2.447500
Commercial/Industrial	3.488200	3.486700	3.484900	3.434100	3.461300
Tangible/Public Utility Personal	5.000000	5.000000	5.000000	5.000000	5.000000
1988 Bond (\$2,000,000)	0.170000	0.170000	0.170000	0.170000	0.170000
1991 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.161700	3.152300	3.151800	2.871300	2.870900
Commercial/Industrial	3.751000	3.749400	3.747500	3.692900	3.722100
Tangible/Public Utility Personal	5.000000	5.000000	5.000000	5.000000	5.000000
2007 Permanent Improvement					
Effective Millage Rates					
Residential/Agricultural	0.632300	0.630500	0.630400	0.574300	0.574200
Commercial/Industrial	0.750200	0.749900	0.749500	0.738600	0.744400
Tangible/Public Utility Personal	1.000000	1.000000	1.000000	1.000000	1.000000
1992 Bond (\$12,000,000)	1.310000	1.310000	1.310000	1.310000	1.310000
1995 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.637100	3.626300	3.625700	3.303100	3.302600
Commercial/Industrial	4.008600	4.006900	4.004800	3.946500	3.977700
Tangible/Public Utility Personal	4.600000	4.600000	4.600000	4.600000	4.600000
1999 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	0.000000	0.000000	4.252100	3.873700	3.873200
Commercial/Industrial	0.000000	0.000000	4.421300	4.356900	4.391300
Tangible/Public Utility Personal	0.000000	0.000000	4.900000	4.900000	4.900000
2004 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	0.000000	0.000000	0.000000	0.000000	4.899309
Commercial/Industrial	0.000000	0.000000	0.000000	0.000000	4.900000
Tangible/Public Utility Personal	0.000000	0.000000	0.000000	0.000000	4.900000
2010 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial	0.000000	0.000000	0.000000	0.000000	0.000000
Tangible/Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.000000
Total Effective Voted Millage by type of property					
Residential/Agricultural	22.420600	22.358600	26.607500	24.371300	29.267409
Commercial/Industrial	30.923000	30.910500	35.316600	34.823800	39.987300
Tangible/Public Utility Personal	52.980000	52.980000	57.880000	57.880000	62.780000

2006	2007	2008	2009	2010
<u>\$4.620000</u>	<u>\$4.620000</u>	<u>\$4.620000</u>	<u>\$4.620000</u>	<u>\$4.620000</u>
6.767100	6.012330	6.012653	6.008287	6.689483
12.976200	12.387131	12.323169	12.287716	12.446933
29.300000	29.300000	29.300000	29.300000	29.300000
3.064500	2.722704	2.722849	2.720869	3.029341
4.359300	4.161418	4.139929	4.128016	4.181509
6.600000	6.600000	6.600000	6.600000	6.600000
2.450500	2.177165	2.177285	2.175700	2.422365
3.466300	3.308895	3.291805	3.282335	3.324865
5.000000	5.000000	5.000000	5.000000	5.000000
0.170000	0.270000	0.270000	0.270000	0.270000
2.874400	2.553800	2.553940	2.552085	2.841420
3.727500	3.558260	3.539885	3.529700	3.575435
5.000000	5.000000	5.000000	5.000000	5.000000
0.574900	0.510760	0.510788	0.510417	0.568284
0.745500	0.711652	0.707977	0.705940	0.715087
1.000000	1.000000	1.000000	1.000000	1.000000
1.310000	1.410000	1.410000	1.680000	1.410000
3.306600	2.937780	2.937937	2.935802	3.268645
3.983400	3.802590	3.782952	3.772069	3.820944
4.600000	4.600000	4.600000	4.600000	4.600000
3.877845	3.445317	3.445503	3.442999	3.833344
4.397678	4.197991	4.176309	4.164294	4.218253
4.900000	4.900000	4.900000	4.900000	4.900000
4.900000	4.353458	4.353694	4.350528	4.843758
4.900000	4.677554	4.653397	4.640009	4.700129
4.900000	4.900000	4.900000	4.900000	4.900000
0.000000	0.000000	0.000000	0.000000	4.900000
0.000000	0.000000	0.000000	0.000000	4.900000
0.000000	0.000000	0.000000	0.000000	4.900000
29.295845	26.393314	26.394649	26.646687	34.076640
40.035878	38.485491	38.295423	38.460079	43.563155
<u>62.780000</u>	<u>62.980000</u>	<u>62.980000</u>	<u>63.250000</u>	<u>67.880000</u>

(continued)

Bedford City School District
Property Tax Rates - Direct and Overlapping Governments (continued)
(per \$1,000 of assessed value)
Last Ten Years (1)

	2001	2002	2003	2004	2005
Total Millage by Type of Property					
Residential/Agricultural	\$27.040600	\$26.978600	\$31.227500	\$28.991300	\$33.887409
Commercial/Industrial	35.543000	35.530500	39.936600	39.443800	44.607300
Tangible/Public Utility Personal	57.600000	57.600000	62.500000	62.500000	67.400000
Overlapping Rates by Taxing District					
City of Bedford Heights					
Effective Millage Rates					
Residential/Agricultural	12.000000	12.000000	13.000000	13.000000	13.000000
Commercial/Industrial	12.000000	12.000000	13.000000	13.000000	13.000000
Tangible/Public Utility Personal	12.000000	12.000000	13.000000	13.000000	13.000000
City of Bedford					
Effective Millage Rates					
Residential/Agricultural	12.800000	12.800000	12.800000	12.800000	12.800000
Commercial/Industrial	12.800000	12.800000	12.800000	12.800000	12.800000
Tangible/Public Utility Personal	12.800000	12.800000	12.800000	12.800000	12.800000
Cuyahoga County					
Effective Millage Rates					
Residential/Agricultural	13.938900	13.916900	14.993200	14.497100	15.312800
Commercial/Industrial	14.455100	14.534300	15.426100	15.794900	16.539400
Tangible/Public Utility Personal	17.600000	17.600000	17.600000	17.850000	18.450000
Oakwood Village					
Effective Millage Rates					
Residential/Agricultural	3.800000	3.800000	3.800000	3.800000	3.800000
Commercial/Industrial	3.800000	3.800000	3.800000	3.800000	3.800000
Tangible/Public Utility Personal	3.800000	3.800000	3.800000	3.800000	3.800000
Walton Hills Village					
Effective Millage Rates					
Residential/Agricultural	0.300000	0.300000	0.300000	0.300000	0.300000
Commercial/Industrial	0.300000	0.300000	0.300000	0.300000	0.300000
Tangible/Public Utility Personal	0.300000	0.300000	0.300000	0.300000	0.300000

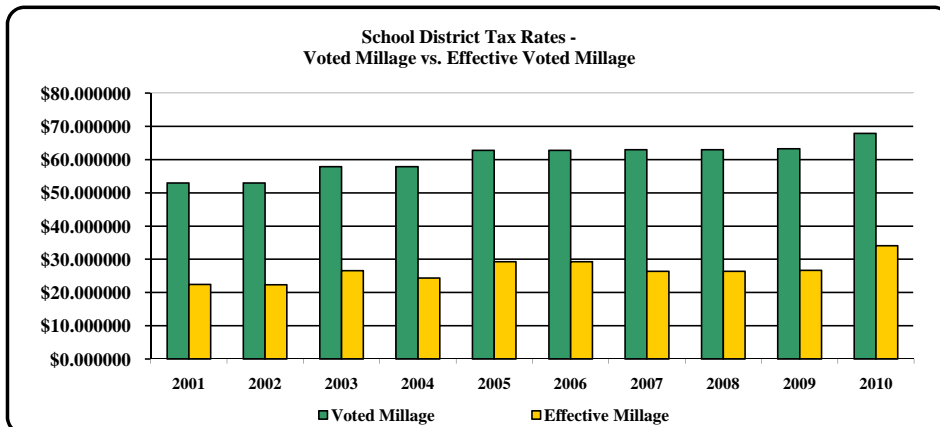
Source: Ohio Department of Taxation

(1) The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented on S14 and S15 generated the property tax revenue billed in that year.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Real property tax rates for voted continuing and operating levies are reduced so that inflationary increases in value do not generate additional revenue.

Overlapping rates are those of local and county governments that apply to property owners within the School District.



2006	2007	2008	2009	2010
\$33.915845	\$31.013314	\$31.014649	\$31.266687	\$38.696640
44.655878	43.105491	42.915423	43.080079	48.183155
67.400000	67.600000	67.600000	67.870000	72.500000
13.000000	13.000000	13.000000	13.000000	13.000000
13.000000	13.000000	13.000000	13.000000	13.000000
13.000000	13.000000	13.000000	13.000000	13.000000
12.800000	12.800000	12.800000	12.800000	21.700000
12.800000	12.800000	12.800000	12.800000	21.700000
12.800000	12.800000	12.800000	12.800000	21.700000
16.061300	18.690000	17.836490	19.320480	20.160000
17.168000	18.760000	18.705333	19.706536	19.740000
18.450000	20.200000	20.200000	20.600000	20.600000
3.800000	3.800000	3.800000	3.800000	3.800000
3.800000	3.800000	3.800000	3.800000	3.800000
3.800000	3.800000	3.800000	3.800000	3.800000
0.300000	0.300000	0.300000	0.300000	0.300000
0.300000	0.300000	0.300000	0.300000	0.300000
0.300000	0.300000	0.300000	0.300000	0.300000

Bedford City School District
Property Tax Levies and Collections (1)
Last Ten Years

Collection Year (2)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2000	\$34,019,081	\$32,225,384	94.73%	\$762,654	\$32,988,038	96.97%
2001	34,608,563	32,642,761	94.32	1,894,258	34,537,019	99.79
2002	34,024,245	31,964,580	93.95	1,920,631	33,885,211	99.59
2003	33,913,009	31,967,962	94.26	986,961	32,954,923	97.17
2004	34,910,147	33,137,146	94.92	4,226,193	37,363,339	107.03
2005	38,946,152	36,666,088	94.15	1,565,188	38,231,276	98.16
2006	36,749,231	33,793,627	91.96	2,740,642	36,534,269	99.42
2007	34,246,236	31,140,843	90.93	1,899,471	33,040,314	96.48
2008	31,107,465	28,898,751	92.90	1,852,222	30,750,973	98.85
2009	28,510,791	26,395,684	92.58	2,273,648	28,669,332	100.56

Source: Office of the Auditor, Cuyahoga County, Ohio

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) The 2010 information cannot be presented because all collections have not been made by June 30, 2010.
- (3) The County does not maintain delinquency information by tax year.

Bedford City School District

Principal Taxpayers

Real Estate Tax

2010 and 2001 (1)

2010		
Name of Taxpayer	Assessed Valuation	Percent of Real Assessed Value
Ben Venue Laboratories, Incorporated	\$11,878,230	1.71
Bear Creek Properties	7,259,170	1.05
Wal-Mart Stores East	6,610,700	0.95
Ford Motor Company	6,317,500	0.91
Riser Foods Company	6,317,500	0.91
5977 Bear Creek Road, LLC	5,962,160	0.86
Bedford Colony Club Apartments	4,571,110	0.66
South Point Towers Limited	4,221,790	0.61
Mayfred Company	3,512,480	0.51
First Interstate	3,253,370	0.47
Total	\$59,904,010	8.64%
Total Real Estate Valuation	\$692,726,750	
2001		
Name of Taxpayer	Assessed Valuation	Percent of Real Assessed Value
Ford Motor Company	\$11,332,200	1.95
Riser Foods Company	7,417,410	1.27
Bear Creek Investment Company	6,976,800	1.20
Bear Creek Properties Company	5,661,950	0.97
Bedford Colony Club Apartments	3,850,560	0.66
Mayfred Company	3,617,990	0.62
Sysco Food Service	3,577,460	0.61
South Pointe Towers LTD	3,575,500	0.61
Southgate Towers LLC	3,325,210	0.57
Aspen Woodside Village LLC	3,097,570	0.53
Total	\$52,432,650	8.99%
Total Real Estate Valuation	\$582,510,700	

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) The amounts presented represent the assessed values upon which 2010 and 2001 collections were based.

Bedford City School District

Principal Taxpayers

Public Utilities Tax

2010 and 2001 (1)

Name of Taxpayer	2010	
	Assessed Valuation	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$22,582,380	66.62%
American Transmission System	9,410,950	27.76
The East Ohio Gas Company	1,659,040	4.89
Total	<u>\$33,652,370</u>	<u>99.27%</u>
Total Public Utility Valuation	<u>\$33,898,290</u>	

Name of Taxpayer	2001	
	Assessed Valuation	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$41,719,081	80.39%
Ohio Bell Telephone Company	4,980,790	9.60
The East Ohio Gas Company	4,461,000	8.60
Total	<u>\$51,160,871</u>	<u>98.59%</u>
Total Public Utility Valuation	<u>\$51,899,040</u>	

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) The amounts presented represent the assessed values upon which 2010 and 2001 collections were based.

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Bedford City School District
Computation of Legal Debt Margin
Last Ten Fiscal Years

	2001	2002	2003
Total Assessed Valuation	\$810,529,703	\$794,313,512	\$805,335,375
Less Railroad and Telephone Property Valuation	0	0	0
Less General Business Tangible Personal Property Valuation	0	0	0
Total Assessed Valuation Used to Calculate Legal Debt Margin (1)	810,529,703	794,313,512	805,335,375
Overall Debt Limitation - 9% of Assessed Valuation (2)	72,947,673	71,488,216	72,480,184
Gross Indebtedness Authorized by the School District	11,945,000	11,031,300	10,697,300
Less Exempt Debt:			
Tax Anticipation Note	0	0	0
Energy Conservation	(810,000)	(525,000)	(230,000)
Debt within 9.0% limitation	11,135,000	10,506,300	10,467,300
Less Amount Available in Debt Service	(1,354,436)	(1,503,513)	(1,521,398)
Net Debt within 9.0% limitation	9,780,564	9,002,787	8,945,902
Legal debt margin within 9.0% limitation	<u>\$63,167,109</u>	<u>\$62,485,429</u>	<u>\$63,534,282</u>
Legal Debt Margin as a Percentage of Debt Limit	86.59%	87.41%	87.66%
Energy Conservation Debt limitation 0.9% of assessed valuation	7,294,767	7,148,822	7,248,018
Net Debt within 0.9% limitation	(810,000)	(525,000)	(230,000)
Energy Conservation Debt Margin	<u>\$6,484,767</u>	<u>\$6,623,822</u>	<u>\$7,018,018</u>
Energy Conservation Debt Margin as a Percentage of the Energy Conservation Debt Limit	88.90%	92.66%	96.83%
Unvoted Legal Debt Limit - .10% of Assessed Value (2)	\$810,530	\$794,314	\$805,335
Gross Indebtedness Authorized by the School District	810,000	525,000	230,000
Less Exempt Debt:			
Tax Anticipation Note			
Energy Conservation	(810,000)	(525,000)	(230,000)
Legal debt margin within .10% limitation	<u>\$810,530</u>	<u>\$794,314</u>	<u>\$805,335</u>
Unvoted Legal Debt Margin as a Percentage of the Excess of Revenues Over (Under) Expenditures	100.00%	100.00%	100.00%

Source: Cuyahoga County Auditor and School District Financial Records

(1) The definition of tax valuation for the purpose of calculating the debt margin was modified by H.B. 530, effective 3/3/06, to exclude tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations.

(2) Ohio Bond Law sets a limit of 9 percent for voted debt and .10 percent for unvoted debt.

2004	2005	2006	2007	2008	2009	2010
\$858,303,832	\$854,733,064	\$816,579,269	\$795,490,777	\$774,251,314	\$785,857,194	\$726,625,040
0	0	(11,401,681)	(5,624,070)	(21,638,265)	(315,340)	(145,790)
0	0	(132,472,759)	(45,893,227)	(22,946,614)	(22,970,064)	0
858,303,832	854,733,064	672,704,829	743,973,480	729,666,435	762,571,790	726,479,250
77,247,345	76,925,976	60,543,435	66,957,613	65,669,979	68,631,461	65,383,133
9,764,300	8,787,300	11,315,414	10,067,582	8,677,507	7,346,998	5,946,750
(865,000)	0	0	0	0	0	0
(155,000)	(80,000)	(3,562,114)	(3,336,282)	(3,155,207)	(2,966,698)	(2,770,450)
8,744,300	8,707,300	7,753,300	6,731,300	5,522,300	4,380,300	3,176,300
(1,611,028)	(1,904,007)	(1,752,212)	(1,916,465)	(2,103,486)	(2,154,602)	(2,025,391)
7,133,272	6,803,293	6,001,088	4,814,835	3,418,814	2,225,698	1,150,909
<u>\$70,114,073</u>	<u>\$70,122,683</u>	<u>\$54,542,347</u>	<u>\$62,142,778</u>	<u>\$62,251,165</u>	<u>\$66,405,763</u>	<u>\$64,232,224</u>
90.77%	91.16%	90.09%	92.81%	94.79%	96.76%	98.24%
7,724,734	7,692,598	6,054,343	6,695,761	6,566,998	6,863,146	6,538,313
(155,000)	(80,000)	(3,562,114)	(3,336,282)	(3,155,207)	(2,966,698)	(2,770,450)
<u>\$7,569,734</u>	<u>\$7,612,598</u>	<u>\$2,492,229</u>	<u>\$3,359,479</u>	<u>\$3,411,791</u>	<u>\$3,896,448</u>	<u>\$3,767,863</u>
97.99%	98.96%	41.16%	50.17%	51.95%	56.77%	57.63%
\$858,304	\$854,733	\$672,705	\$743,973	\$729,666	\$762,572	\$726,479
1,020,000	80,000	3,562,114	3,336,282	3,155,207	2,966,698	2,770,450
(865,000)						
(155,000)	(80,000)	(3,562,114)	(3,336,282)	(3,155,207)	(2,966,698)	(2,770,450)
<u>\$858,304</u>	<u>\$854,733</u>	<u>\$672,705</u>	<u>\$743,973</u>	<u>\$729,666</u>	<u>\$762,572</u>	<u>\$726,479</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Bedford City School District
Ratio of Debt
to Assessed Value and Debt per Capita
Last Ten Fiscal Years

Fiscal Year	Personal Income (3)	Population (1)(a)	Estimated Actual Value of Taxable Property(2)	General Bonded Debt		
				General Bonded Debt Outstanding	Ratio of Bonded Debt to Estimated Actual Value	Bonded Debt per Capita
2001	\$587,859,891	27,989	\$2,427,772,320	\$11,945,000	0.49	\$426.77
2002	587,859,891	27,989	2,386,537,059	10,944,054	0.46	391.01
2003	587,859,891	27,989	2,421,588,845	10,080,723	0.42	360.17
2004	587,859,891	27,989	2,581,580,021	9,278,593	0.36	331.51
2005	587,859,891	27,989	2,572,316,470	8,442,541	0.33	301.64
2006	587,859,891	27,989	2,599,981,726	11,119,864	0.43	397.29
2007	587,859,891	27,989	2,448,152,133	10,031,198	0.41	358.40
2008	587,859,891	27,989	2,460,689,615	8,810,064	0.36	314.77
2009	587,859,891	27,989	2,492,687,746	7,660,171	0.31	273.69
2010	587,859,891	27,989	2,017,740,070	6,452,208	0.32	230.53

- Sources:** (1) The population can be found on S30-S31
(a) population is calculated by the following:
100% of the City of Bedford
100% of the Village of Oakwood
100% of the Village of Walton Hills
67.76% of the City of Bedford Heights
- (2) Office of the Auditor, Cuyahoga County, Ohio
- (3) The personal income can be found on S30-S31
(a) personal income is calculated by the following:
100% of the City of Bedford
100% of the Village of Oakwood
100% of the Village of Walton Hills
67.76% of the City of Bedford Heights

General Debt

General Bonded Debt Outstanding	Loans	Capital Leases	Total Debt	Ratio of General Debt to Estimated Actual Value	Ratio of General Debt to Personal Income (3)	General Debt Per Capita
\$11,945,000	\$0	\$0	\$11,945,000	0.49	2.03	\$426.77
10,944,054	0	0	10,944,054	0.46	1.86	391.01
10,080,723	606,000	0	10,686,723	0.44	1.82	381.82
9,278,593	558,000	868,903	10,705,496	0.41	1.82	382.49
8,442,541	506,000	712,854	9,661,395	0.38	1.64	345.19
11,119,864	452,000	562,207	12,134,071	0.47	2.06	433.53
10,031,198	395,000	407,835	10,834,033	0.44	1.84	387.08
8,810,064	336,000	249,604	9,395,668	0.38	1.60	335.69
7,660,171	274,000	144,000	8,078,171	0.32	1.37	288.62
6,452,208	210,000	96,000	6,758,208	0.33	1.15	241.46

Bedford City School District
Computation of Direct and Overlapping
Governmental Activities Debt
June 30, 2010

	General Debt Outstanding	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
Bedford City School District			
General Obligation Bonds	\$6,452,208	100.00%	\$6,452,208
Loan	210,000	100.00	210,000
Capital Leases	96,000	100.00	96,000
Total Direct	6,758,208	100.00	6,758,208
Overlapping:			
Cuyahoga County			
General Obligation Bonds	157,633,000	2.66	4,193,038
Revenue Bonds	93,026,000	2.66	2,474,492
Installment Purchase Agreement	189,000	2.66	5,027
Capital Lease Obligations	22,637,000	2.66	602,144
Loans Payable	5,796,000	2.66	154,174
Regional Transit Authority			
General Obligation Bonds	138,030,000	2.66	3,671,598
State Infrastructure Bank Loan	3,575,318	2.66	95,103
Capital Lease Obligations	23,684,005	2.66	629,995
City of Bedford			
General Obligation Bonds	10,341,088	36.22	3,745,542
OPWC Loans	385,388	36.22	139,588
Capital Lease Obligation	31,102	36.22	11,265
City of Bedford Heights			
General Obligation Bonds	4,056,500	29.67	1,203,564
OPWC Loans	248,726	29.67	73,797
Capital Lease Obligation	559,274	29.67	165,937
Village of Oakwood			
General Obligation Bonds	3,839,000	14.95	573,931
Total Overlapping	464,031,401		17,739,195
Total	\$470,789,609		\$24,497,403

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2010 collection year.

Bedford City School District

Principal Employers

2010 and 2001

2010

Employer	City	Nature of Business or Activity	Number of Employees
Ben Venue Laboratories	Bedford	Sterile Pharmaceuticals	1,340
University Hospital Health Systems	Bedford	Health Care	1,069
Riser Foods Company	Bedford Heights	Retail Grocery	754
Northeast Ohio Electric	Bedford Heights	Electrical Contractor	759
Walmart Associates Inc.	Bedford	Retail	746
Bedford Board of Education	Bedford	Public Education	583
Ford Motor Company	Walton Hills	Motor Vehicle Parts and Accessories	415
City of Bedford	Bedford	Municipal Government	337
U.S. Bank Leader Mortgage	Bedford	Banking Service	302
City of Bedford Heights	Bedford Heights	Municipal Government	300
New York Frozen Foods Inc.	Bedford Heights	Retail	263
Total			6,868
Total Employment within the School District			n/a

2001

Employer	City	Nature of Business or Activity	Number of Employees
Ford Motor Company	Walton Hills	Motor Vehicle Parts and Accessories	1,400
Ben Venue Laboratories	Bedford	Sterile Pharmaceuticals	700
Sysco Foods	Bedford Heights	Wholesale Food Distribution	600
Bedford Board of Education	Bedford	Public Education	585
Bedford Community Hospital	Bedford	Health Care	500
First National Supermarkets	Bedford Heights	Retail Grocery	400
City of Bedford	Bedford	Municipal Government	342
Tops Superstore	Bedford Heights	Retail Grocery	278
A.M. Castle Metals	Bedford Heights	Steel Service Center	230
I. Schumann and Company	Bedford	Secondary Smelting and Refining of Nonferrous Metals	200
Total			5,235
Total Employment within the School District			n/a

Source: Cities of Bedford and Bedford Heights; Harris Ohio Industrial Directory

n/a - Information prior to 2001 not available. Total employment within the School District not available.

Bedford City School District
Demographic and Economic Statistics
Last Ten Years

Year	City of Bedford			City of Bedford Heights		
	Estimated Population	Total Personal Income	Personal Income Per Capita	Estimated Population	Total Personal Income	Personal Income Per Capita
2001	14,214	\$285,360,264	\$20,076	11,375	\$247,872,625	\$21,791
2002	14,214	285,360,264	20,076	11,375	247,872,625	21,791
2003	14,214	285,360,264	20,076	11,375	247,872,625	21,791
2004	14,214	285,360,264	20,076	11,375	247,872,625	21,791
2005	14,214	285,360,264	20,076	11,375	247,872,625	21,791
2006	14,214	285,360,264	20,076	11,375	247,872,625	21,791
2007	14,214	285,360,264	20,076	11,375	247,872,625	21,791
2008	14,214	285,360,264	20,076	11,375	247,872,625	21,791
2009	14,214	285,360,264	20,076	11,375	247,872,625	21,791
2010	14,214	285,360,264	20,076	11,375	247,872,625	21,791

Source 2000 U.S. Census Bureau

Village of Oakwood			Village of Walton Hills			Unemployment Rate	Total Assessed Property Value
Estimated Population	Total Personal Income	Personal Income Per Capita	Estimated Population	Total Personal Income	Personal Income Per Capita		
3,667	\$71,169,136	\$19,408	2,400	\$63,372,000	\$26,405	4.3%	\$810,529,703
3,667	71,169,136	19,408	2,400	63,372,000	26,405	6.0	794,313,512
3,667	71,169,136	19,408	2,400	63,372,000	26,405	6.0	805,335,375
3,667	71,169,136	19,408	2,400	63,372,000	26,405	6.6	858,303,832
3,667	71,169,136	19,408	2,400	63,372,000	26,405	6.6	854,733,064
3,667	71,169,136	19,408	2,400	63,372,000	26,405	5.6	816,579,269
3,667	71,169,136	19,408	2,400	63,372,000	26,405	6.6	795,490,777
3,667	71,169,136	19,408	2,400	63,372,000	26,405	5.7	774,251,314
3,667	71,169,136	19,408	2,400	63,372,000	26,405	10.2	785,857,194
3,667	71,169,136	19,408	2,400	63,372,000	26,405	9.0	726,625,040

Bedford City School District
Building Statistics
Last Seven Fiscal Years (1)

	2004	2005	2006	2007	2008	2009	2010
Bedford High School							
Constructed in 1954							
Additions in 1955, 1958, 1971, 1994							
Total Building Square Footage	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Media Center Square Footage	18,400	18,400	18,400	18,400	18,400	18,400	18,400
Cafeteria and Kitchen Square Footage	12,500	12,500	12,500	12,500	12,500	12,500	12,500
Auditorium Square Footage	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Gymnasium (3 each) Square Footage	27,000	27,000	27,000	27,000	27,000	27,000	27,000
Pool Square Footage	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Enrollment Grades 9-12	1,176	1,237	1,306	1,371	1,322	1,268	1,215
Student Capacity	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Regular Instruction Classrooms	90	92	93	93	94	93	93
Regular Instruction Teachers	51	55	46	59	58	59	50
Special Instruction Classrooms	15	13	12	12	12	13	13
Special Instruction Teachers	15	13	12	13	14	15	12
Vocational Instruction Classrooms	16	16	16	16	16	16	16
Vocational Instruction Teachers	9	8	9	17	14	14	11
Heskett Middle School							
Constructed in 1968							
Total Building Square Footage	105,000	105,000	105,000	105,000	105,000	105,000	105,000
Media Center Square Footage	5,040	5,040	5,040	5,040	5,040	5,040	5,040
Cafeteria and Kitchen Square Footage	7,400	7,400	7,400	7,400	7,400	7,400	7,400
Auditorium Square Footage	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Gymnasium Square Footage	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Enrollment Grades 7-8	684	666	635	654	603	587	576
Student Capacity	800	800	800	800	800	800	800
Regular Instruction Classrooms	37	37	37	37	37	37	37
Regular Instruction Teachers	35	35	27	35	35	33	31
Special Instruction Classrooms	12	12	12	12	12	9	9
Special Instruction Teachers	12	12	12	12	15	15	11
Aurora Upper Intermediate School (2)							
Constructed in 1952							
Additions in 1955, 1965							
Building not utilized as a school in 2008							
Total Building Square Footage	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Media Center Square Footage	1,700	1,700	1,700	1,700	1,700	1,700	1,700
Cafeteria and Kitchen Square Footage	3,400	3,400	3,400	3,400	3,400	3,400	3,400
Gymnasium Square Footage	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Enrollment Grade 6 Only	331	291	308	274	0	0	0
Student Capacity	460	460	460	460	460	460	460
Regular Instruction Classrooms	16	18	19	19	19	19	19
Regular Instruction Teachers	12	13	10	17	0	0	0
Special Instruction Classrooms	7	5	4	4	4	4	4
Special Instruction Teachers	7	5	4	4	0	0	0

(continued)

- (1) Information prior to 2004 was not available from the School District.
(2) Aurora Upper Intermediate School closed at the end of FY 2007. The 6th graders were moved to the remaining Intermediate Schools and the 3rd graders were moved to the Primary Schools.

Bedford City School District
Building Statistics (continued)
Last Seven Fiscal Years (1)

	2004	2005	2006	2007	2008	2009	2010
Carywood Intermediate School (2)							
Constructed in 1955							
Additions in 1965							
Total Building Square Footage	44,285	44,285	44,285	44,285	44,285	44,285	44,285
Media Center Square Footage	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Gym, Cafeteria and Kitchen Square Footage	3,200	3,200	3,200	3,200	3,200	3,200	3,200
Enrollment Grades 4-6	398	378	373	423	423	433	433
Student Capacity	520	520	520	520	438	438	438
Regular Instruction Classrooms	21	25	27	27	27	19	19
Regular Instruction Teachers	15	17	13	21	24	21	19
Special Instruction Classrooms	9	5	3	3	3	5	5
Special Instruction Teachers	9	5	3	6	7	6	8
Columbus Intermediate School (2)							
Constructed in 1962							
Additions in 1978, 1965, 2002							
Total Building Square Footage	71,125	71,125	71,125	71,125	71,125	71,125	71,125
Media Center Square Footage	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Gym, Cafeteria and Kitchen Square Footage	3,200	3,200	3,200	3,200	3,200	3,200	3,200
Gym/Auditorium Square Footage	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Enrollment Grades 4-6	485	460	433	438	423	415	388
Student Capacity	525	525	525	525	525	525	525
Regular Instruction Classrooms	31	32	32	32	32	32	32
Regular Instruction Teachers	21	25	20	23	26	23	22
Special Instruction Classrooms	7	4	4	4	4	5	5
Special Instruction Teachers	7	4	4	7	9	7	8
Central Primary School (2)							
Constructed in 1955							
Additions in 1965							
Total Building Square Footage	72,500	72,500	72,500	72,500	72,500	72,500	72,500
Media Center Square Footage	1,700	1,700	1,700	1,700	1,700	400	400
Gym, Cafeteria and Kitchen Square Footage	3,400	3,400	3,400	3,400	3,400	3,400	3,400
Enrollment Grades K-3	365	385	387	396	525	539	568
Student Capacity	520	520	520	520	520	520	520
Regular Instruction Classrooms	21	27	27	27	27	26	26
Regular Instruction Teachers	15	16	13	21	21	21	29
Special Instruction Classrooms	7	3	3	3	3	2	2
Special Instruction Teachers	7	3	3	4	5	5	5
Glendale Primary School (2)							
Constructed in 1953							
Additions in 1959, 1966							
Total Building Square Footage	66,000	66,000	66,000	66,000	66,000	66,000	66,000
Media Center Square Footage	1,920	1,920	1,920	1,920	1,920	700	700
Cafeteria and Kitchen Square Footage	1,430	1,430	1,430	1,430	1,430	1,430	1,430
Gymnasium Square Footage	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Enrollment Grades K-3	384	391	330	369	481	493	473
Student Capacity	520	520	520	520	520	520	520
Regular Instruction Classrooms	23	25	26	26	26	25	25
Regular Instruction Teachers	15	15	12	17	17	18	23
Special Instruction Classrooms	5	5	5	5	5	5	5
Special Instruction Teachers	5	5	5	5	7	5	7

(1) Information prior to 2004 was not available from the School District.

(2) Aurora Upper Intermediate School closed at the end of FY 2007. The 6th graders were moved to the remaining Intermediate Schools and the 3rd graders were moved to the Primary Schools.

Bedford City School District

Per Pupil Cost

Last Ten Fiscal Years

Fiscal Year	Student Enrollment		General Governmental	
	Average Enrollment	Percentage of Change	Total Expenditures (1)	Per Pupil Cost
2001	3,842	(0.62) %	\$37,180,862	\$9,677
2002	3,720	(3.18)	39,177,763	10,532
2003	3,637	(2.23)	42,129,455	11,584
2004	3,912	7.56	47,457,971	12,131
2005	3,680	(5.93)	45,314,175	12,314
2006	3,908	6.20	50,597,774	12,947
2007	3,825	(2.12)	48,272,312	12,620
2008	3,792	(0.86)	52,375,971	13,812
2009	3,735	(1.50)	49,203,323	13,174
2010	3,653	(2.20)	50,286,933	13,766

(1) Debt Service totals have been excluded.

(2) The School District implemented GASB-34 in fiscal year 2001.

<u>Governmental Activities</u>		<u>Students Receiving Free or Reduced Lunch</u>	<u>Percentage Of Enrollment</u>
<u>Total Expenses (2)</u>	<u>Per Pupil Cost</u>		
\$37,793,574	\$9,837	1,161	30.22%
40,606,923	10,916	1,172	31.51
40,618,687	11,168	1,233	33.90
47,119,876	12,045	1,400	35.79
45,125,477	12,262	1,502	40.82
49,088,059	12,561	1,664	42.58
48,290,799	12,625	1,701	44.47
52,725,363	13,904	1,767	46.60
51,256,160	13,723	2,088	55.90
51,714,154	14,157	2,043	55.93

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

Function/Program	2001	2002	2003	2004
Regular Instruction				
Elementary Classroom Teachers	106	107	107	101
Middle School Classroom Teachers	36	34	32	35
High School Classroom Teachers	55	54	57	58
Special Instruction				
Preschool Teachers	4	4	4	3
Elementary Classroom Teachers	23	25	22	30
Gifted Education Teachers	1	1	1	1
Middle School Classroom Teachers	9	6	8	9
High School Classroom Teachers	9	9	10	11
Vocational Instruction				
High School Classroom Teachers	17	17	18	18
Pupil Support Services				
Guidance Counselors	10	9	9	9
Librarians	2	2	2	2
Psychologists	3	3	3	3
Speech & Language Pathologists	3	4	4	4
Administrators				
Elementary	5	5	5	5
Middle School	3	3	3	3
High School	5	5	5	5
Districtwide	18	19	19	17
Operation of Plant				
Custodians	41	41	40	40
Maintenance	8	8	8	8
Pupil Transportation				
Bus Drivers	55	61	67	68
Bus Aides	13	14	20	15
Mechanics	5	5	5	5
Food Service Program				
Elementary Cooks	11	11	12	13
Middle School Cooks	10	10	10	10
High School Cooks	18	18	18	18

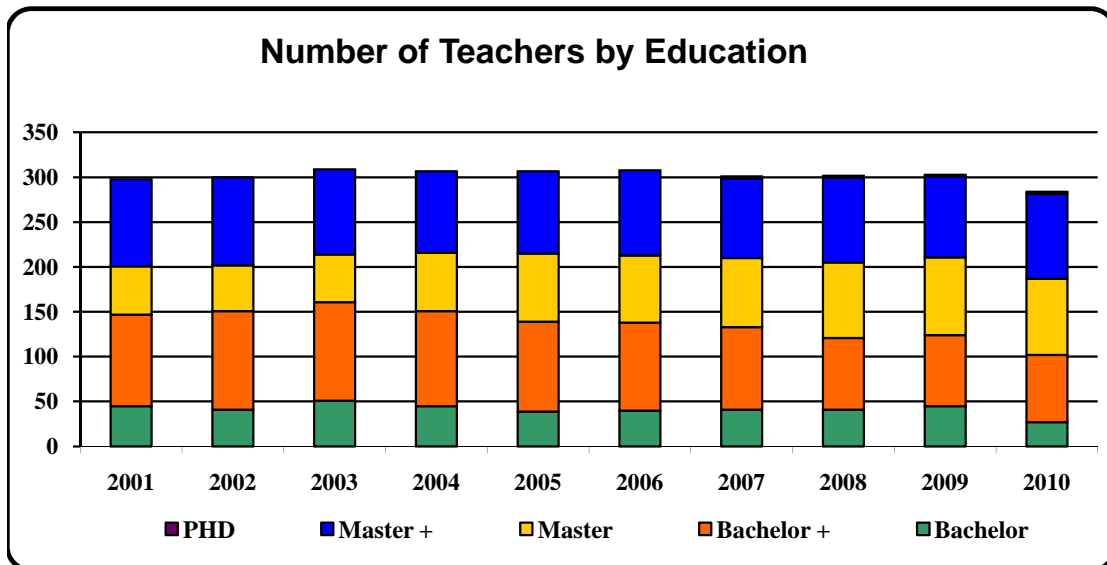
Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee. The count is performed on September 1 of each year.

2005	2006	2007	2008	2009	2010
107	95	94	88	98	83
35	35	35	36	33	31
56	60	59	58	59	50
2.5	2.5	2.5	2.5	2	2
28	27	28	24	24	27
1	1	1	1	1	1
11	12	12	15	15	11
12	12	13	15	15	12
14	17	17	14	14	11
9	11	11	10	10	10
4	2	2	2	2	1
3.5	4	4	4	4	3
4	4	4	4	4	4
5	5	5	4	4	5
3	3	3	3	3	3
5	5	5	5	5	5
19	16	16	16	16	15
39	40	38	35	34	30
8	8	8	8	8	9
60	59	62	66	65	63
18	16	13	9	9	10
5	5	5	5	5	5
12	11	11	8	8	10
10	10	10	10	10	9
18	18	18	18	18	15

Bedford City School District
Full-Time Equivalent Certificated School District Employees by Education (1)
Last Ten Fiscal Years

Degree	2001	2002	2003	2004	2005
Bachelor	45	41	51	45	39
Bachelor Including 150 Hours	65	68	67	63	63
Bachelor Including 180 Hours	37	42	43	43	37
Master	54	51	53	65	76
Master +9	43	40	43	40	39
Master +18	12	17	14	13	12
Master +27	11	10	12	13	11
Master +36	9	9	6	6	6
Master + 45	16	16	14	14	16
Master + 54	6	6	6	5	8
PhD or JD	0	0	0	0	0
Total	298	300	309	307	307

(1) Includes any employee that has a teaching certificate.



Source: School District Records

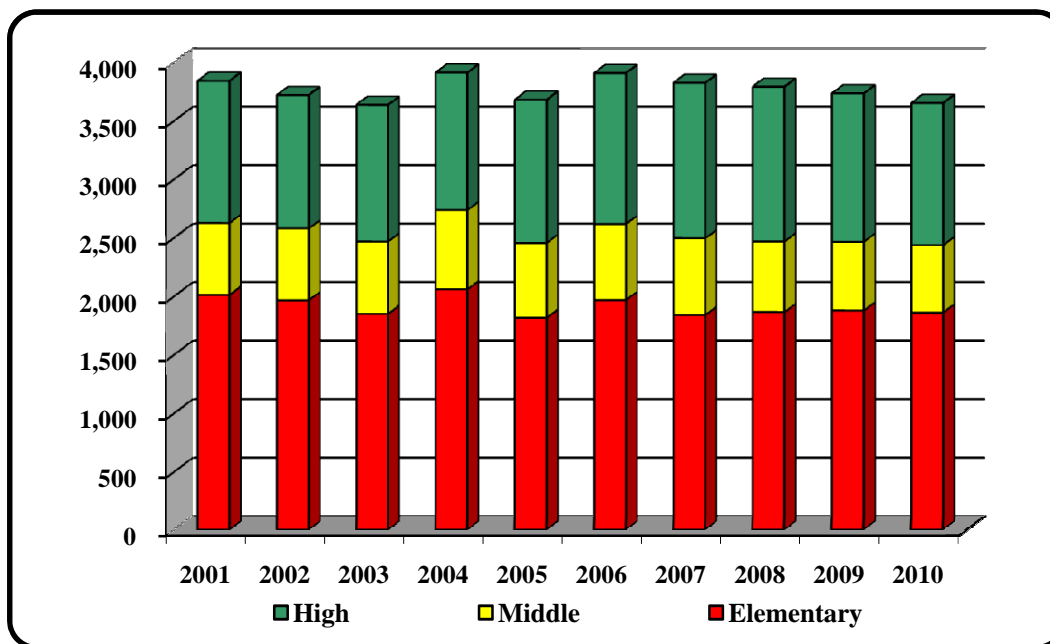
<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
40	41	41	45	27
59	51	44	46	48
39	41	36	33	27
75	77	84	87	85
36	36	46	43	38
17	15	13	14	22
11	13	11	10	9
7	5	6	4	4
16	13	13	12	12
8	7	6	7	10
<u>0</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
<u>308</u>	<u>301</u>	<u>302</u>	<u>303</u>	<u>284</u>

Bedford City School District

Enrollment Statistics

Last Ten Fiscal Years

Fiscal Year	Elementary Schools	Middle School	High School	Total
2001	2,013	615	1,214	3,842
2002	1,967	614	1,139	3,720
2003	1,851	618	1,168	3,637
2004	2,061	677	1,174	3,912
2005	1,817	640	1,223	3,680
2006	1,969	650	1,289	3,908
2007	1,841	656	1,328	3,825
2008	1,867	603	1,322	3,792
2009	1,880	587	1,268	3,735
2010	1,862	576	1,215	3,653



Source: Bedford City School Records

Bedford City School District
Attendance and Graduation Rates
Last Ten Fiscal Years

Fiscal Year	Bedford City School District Attendance Rate	State Average	Bedford City School District Graduation Rate	State Average
2001	93.00%	93.90%	84.80%	81.20
2002	93.70	94.30	76.50	82.80
2003	94.40	94.50	76.50	83.90
2004	94.90	94.50	78.60	84.30
2005	95.00	94.30	86.20	85.90
2006	95.20	94.10	90.40	86.20
2007	95.00	94.10	86.30	86.10
2008	95.00	94.20	84.60	86.90
2009	95.00	97.30	91.90	84.60
2010	94.70	94.30	87.80	83.00

Source: Ohio Department of Education Local Report Cards

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Artwork by: Rachel Evans-Wood

1st Grade Student

Central Primary School

Art Teacher: Kenan Gabriel



Artwork by: Shai Aire Thompson

5th Grade Student

Columbus Intermediate School

Art Teacher: Marjorie Falk



Artwork by: Victoria Skrebunas

7th Grade Student

Heskett Middle School

Art Teacher: Rebecca Genao

Bedford City School District
475 Northfield Road, Bedford, Ohio 44146
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Dave Yost • Auditor of State

BEDFORD 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
FEBRUARY 3, 2011**