

**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO**

AUDIT REPORT

**FOR THE FISCAL YEAR
ENDED JUNE 30, 2013**

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



Dave Yost • Auditor of State

Board of Education
Bedford City School District
475 Northfield Road
Bedford, OH 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, 2012 through June 30, 2013. 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 22, 2014

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**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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5240 East 98th Street
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**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, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, 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, 2013, and the related notes to the financial statements, which collectively comprise the Bedford City School District, Ohio's basic financial statements and have issued our report thereon dated December 10, 2013.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of This Report

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



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

December 10, 2013

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

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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY OMB CIRCULAR A-133**

Board of Education
Bedford City School District
Bedford, Ohio

Report on Compliance for Each Major Federal Program

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 the Bedford City School District, Ohio's major federal program for the year ended June 30, 2013. The Bedford City School District, Ohio's major federal program is identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Bedford City School District, Ohio's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to 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 on compliance for the major federal program. However, our audit does not provide a legal determination of the Bedford City School District, Ohio's compliance.

Opinion on Each Major Federal Program

In our opinion, the Bedford City School District, Ohio complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2013.

Report on 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 types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Bedford City School District, Ohio's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

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, 2013, and the related notes to the financial statements, which collectively comprise the Bedford City School District, Ohio's basic financial statements. We issued our report thereon dated December 10, 2013, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



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

December 10, 2013

**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Federal Grantor/ <i>Pass-Through Grantor/</i> Program or Cluster Title	Federal CFDA Number	Pass- Through Grantor Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<u>U.S. Department of Agriculture</u>						
Passed through State Department of Education						
<i>Child Nutrition Cluster:</i>						
National School Breakfast Program	10.553	2013	\$ 391,915	\$ 0	\$ 391,915	\$ 0
National School Lunch Program	10.555	2013	881,350	81,712	881,350	81,712
<i>Total Child Nutrition Cluster</i>			<u>1,273,265</u>	<u>88,712</u>	<u>1,273,265</u>	<u>81,712</u>
Total U.S. Department of Agriculture			<u>1,273,265</u>	<u>88,712</u>	<u>1,273,265</u>	<u>88,712</u>
<u>U.S. Department of Education</u>						
Passed through State Department of Education						
<i>Title I School Subsidy Cluster:</i>						
Title I - Grants to Local Educational Agencies	84.010	2012	212,797	0	158,510	0
Title I - Grants to Local Educational Agencies	84.010	2013	704,635	0	1,058,191	0
<i>Total CFDA #84.010</i>			<u>917,432</u>	<u>0</u>	<u>1,216,701</u>	<u>0</u>
<i>Total Title I School Subsidy Cluster</i>			<u>917,432</u>	<u>0</u>	<u>1,216,701</u>	<u>0</u>
<i>Special Education Cluster:</i>						
Special Education - IDEA Part B	84.027	2012	213,353	0	99,078	0
Special Education - IDEA Part B	84.027	2013	662,136	0	743,102	0
<i>Total CFDA #84.027</i>			<u>875,489</u>	<u>0</u>	<u>842,180</u>	<u>0</u>
Special Education-Preschool Grants (IDEA Preschool)	84.173	2012	4,635	0	2,798	0
Special Education-Preschool Grants (IDEA Preschool)	84.173	2013	36,413	0	36,642	0
<i>Total CFDA #84.173</i>			<u>41,048</u>	<u>0</u>	<u>39,440</u>	<u>0</u>
<i>Total Special Education Cluster</i>			<u>916,537</u>	<u>0</u>	<u>881,620</u>	<u>0</u>
Vocational Education - Basic Grants to States	84.048	2012	62,367	0	33,520	0
Vocational Education - Basic Grants to States	84.048	2013	65,514	0	79,713	0
<i>Total CFDA #84.048</i>			<u>127,881</u>	<u>0</u>	<u>113,233</u>	<u>0</u>
<i>Education Technology State Grants Cluster:</i>						
Education Technology State Grants	84.318	2012	7,635	0	0	0
Education Technology State Grants	84.318	2013	3,060	0	3,060	0
<i>Total CFDA #84.318</i>			<u>10,695</u>	<u>0</u>	<u>3,060</u>	<u>0</u>
<i>Total Education Technology State Grants Cluster</i>			<u>10,695</u>	<u>0</u>	<u>3,060</u>	<u>0</u>
English Language Acquisition Grant	84.365	2013	7,931	0	10,000	0
Improving Teacher Quality State Grants	84.367	2012	35,594	0	34,033	0
Improving Teacher Quality State Grants	84.367	2013	93,639	0	94,597	0
<i>Total CFDA #84.367</i>			<u>129,233</u>	<u>0</u>	<u>128,630</u>	<u>0</u>
ARRA - Race to the Top Grant	84.395	2013	2,450	0	2,450	0
Education Jobs Fund	84.410	2012	50,200	0	50,200	0
Total U.S. Department of Education			<u>2,162,359</u>	<u>0</u>	<u>2,405,894</u>	<u>0</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 3,435,624</u>	<u>\$ 81,712</u>	<u>\$ 3,679,159</u>	<u>\$ 81,712</u>

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

**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2013**

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, OHIO
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 OMB CIRCULAR A-133 & .505
 JUNE 30, 2013**

1. SUMMARY OF AUDITOR’S RESULTS

2013(i)	Type of Financial Statement Opinion	Unmodified
2013(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2013(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2013(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2013(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2013(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2013(v)	Type of Major Program’s Compliance Opinion	Unmodified
2013(vi)	Are there any reportable findings under .510(a)?	No
2013(vii)	Major Programs (list): Title I - Grants to Local Educational Agencies - CFDA #84.010	
2013(viii)	Dollar Threshold: Type A\B Program	Type A: \$300,000 or more Type B: All others less than \$300,000
2013(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, OHIO
SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS
JUNE 30, 2013**

The prior audit report, as of June 30, 2012, included no citations or instances of noncompliance. Management letter recommendations were corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

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

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

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**INDEPENDENT AUDITOR'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

Bedford City School District
475 Northfield Road
Bedford, Ohio

To the Board of Education:

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

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

1. We noted the Board amended its anti-harassment policy at its meeting on March 21, 2013, to include violence via electronic means and on school buses within its definition of harassment, intimidation, or bullying.

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

This report is intended for the information and use of the Board 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 10, 2013

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BEDFORD CITY SCHOOL DISTRICT
Bedford, Ohio

Comprehensive Annual
FINANCIAL REPORT
For the Fiscal Year Ended
June 30, 2013





Artwork by: Richard Rosario

4th Grade Student

Carylwood Intermediate School

Art Teacher: April Jones

Bedford City School District

Bedford, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2013

Prepared by:

Janet M. Pavlic, CPA
Treasurer

Donald E. Houghton, Jr.
Assistant Treasurer

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Introductory Section



Artwork by: Sophie McDaniel

8th Grade Student

Heskett Middle School

Art Teacher: Rebecca Genao



Artwork by: Ian Brant

2nd Grade Student

Glendale Primary School

Art Teacher: Todd Wilson

Bedford City School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2013

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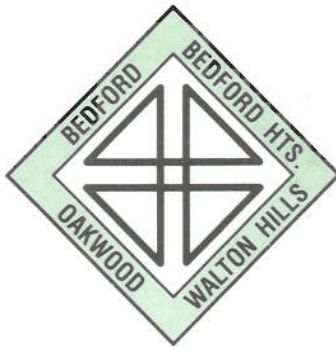
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BEDFORD CITY SCHOOL DISTRICT

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December 10, 2013

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, 2013. 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, 2013, 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 31 in Cuyahoga County. The School District provided, education to 3,430 students in grades K-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 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 (GASB) No. 14, "The Financial Reporting Entity" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34". 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 Retrospective Rating Program, the North Coast Council and Ohio Schools Council Association. These organizations are presented in Notes 17 and 20 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 \$669,161,260 is divided among the four municipalities making up the School District in the following manner: Bedford 36 percent, Bedford Heights 29 percent, Oakwood Village 17 percent and Walton Hills 18 percent. Approximately 53 percent of the tax base is residential real property, 6 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 of 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 area gave the City the ability to maintain and expand business located in the City and created new jobs.

The City of Bedford is in the process of obtaining new tenants within a new industrial development in cooperation with the Hemisphere Corporation on the site designated as the Tinkers Creek Commerce Park. Taylor Chair Corporation had completed the construction of their headquarters building, which is now available. The Hemisphere Corporation and Hull & Associates have completed building a new headquarters on this site at a cost of \$3.2 million. This was constructed on a Brownfield site and the site was developed with 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).

Ben Venue Laboratories, Inc., the City of Bedford's largest employer, was acquired by Boehringer Ingelheim Corporation on December 1, 1997. 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) injectable drugs in the United States. In 2010, headcount had increased to 1,289 and they are now operating within 1 million square foot of manufacturing area. Unfortunately, on October 3, 2013, Ben Venue Laboratories (BVL) informed Bedford City officials of its intention to cease operations by the end of 2013. The City is working closely with the company and other public officials to attract a new owner for the property.

The City of Bedford is home to the Historic Automile. Expansion of the Automile is continuing with projects by The Penske Auto Group and The Ganley Auto Group.

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 build-out 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-490, 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 one of the largest industrial/commercial property valuations in the 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.

The State of Ohio and the Cleveland Water Department invested approximately \$5,000,000 in Aurora Road's infrastructure. Cleveland Water installed a much larger water line from the intersection of Aurora and Northfield Roads to the Bedford Heights/Solon corporate line. Upon completion of the water line installation, the State of Ohio, repaired and reconstructed the road and curbs.

There are a number of prominent Fortune 500 companies located in Bedford Heights (Coca Cola, Lowes, Sherwin Williams, Federal Express, Illinois Tool Works (ITW) and Southeast Harley Davidson to name a few). In addition, nationally recognized companies who have their company's headquarters in the City include Secure State, Sabre Healthcare, American Spring Wire, Olympic Steel, Edelman Plumbing, Loveman Steel and Waxman Industries. Twenty-nine businesses relocated to Bedford Heights in 2012 and as of July 1, 2013 an additional 19 new companies have joined them.

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 2012, 3,430 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, 2013, the School District employed 282 professional staff members (including 254 teachers and 28 administrators) and 216 non-teaching and support staff employees.

Instructional Program

Academic Program Highlights

The Bedford City School District's academic program includes the following highlights from the 2012-2013 school year:

- The Bedford City School District did very well in the Progress component of Ohio's newly revamped Local Report Card for the 2012-2013 school year, earning an overall district rating of **A**. This component measures the progress for all students in math and reading, grades 4-8. It looks at how much each student learns in a year, based on data from state tests over multiple years and using a series of calculations to produce a Value-Added designation. It answers the question - Did the students get a year's worth of growth? An "A" indicates that students got 2+ years of growth. In the category of Achievement, the School District's Performance Index was 89.6, having increased every year since 2009, when it was 85.3. The Performance Index is a weighted average of student performance which reflects the achievement of every student enrolled for the full academic year. Also in the Achievement category, the School District has more than doubled the number of Indicators Met since 2009 (from 6 to 13 met), which measures what percentage of students passed state tests at a proficient level.

- The School District's theme for the 2012-2013 school year was: *Recognizing Challenges—Building on Success*. Data from the Ohio Report Card was used to help determine which particular academic areas to focus on, identifying and strengthening the weaker areas and building on the areas of strength.
- The School District continued its accelerated kindergarten program and piloted additional continued accelerated instruction in reading and math in both first and second grade.
- To better prepare students for the 21st Century and meet the rigor of the Common Core State Standards, the School District purchased a new focused elementary math program called *Go Math!* The Houghton Mifflin Harcourt curriculum is designed for grades K-6 and is a technology-rich program that will help students advance from concrete to abstract content through the use of models and more reading and writing.
- To help prepare for instruction implementing the rigor of the new Common Core State Standards, all certificated K-12 staff members completed a book study on *Rigor Made Easy* by Barbara Blackburn. Time was devoted at each faculty meeting for book discussion. They were also each given the opportunity to participate in summer curriculum studies in which they aligned the new curriculum with instructional practices, lessons and assessments.
- All secondary teacher leaders attended a full-day Ohio Department of Education workshop on Ohio's new learning standards, and they used that training to train the rest of the teachers in their respective departments.
- Bedford High School University Bound Scholars (UBS) inducted 31 new students, including one senior, one junior, six sophomores and 18 freshmen. Also inducted were five Heskett 8th graders. UBS provides students and their families with a network of support during the college preparation and exploration period. Students must maintain at least a 3.4 GPA and be enrolled in at least one honors level class.
- Out of the 246 June graduates in the Bedford High School Class of 2013, 199 of them—or 81 percent—planned to pursue higher education. Another 4 percent planned to enter the military, while 10 percent were entering the workforce, and 5 percent were undecided or their plans were unknown as of graduation.
- Columbus Intermediate School Principal, Iwanda Huggins and five Columbus teachers presented at the Eighth International Conference on Single-Gender Education in Houston, Texas in October, 2012. They were asked to share their expertise on single gender elementary school classrooms in a public school setting, as they are pioneers in having launched a successful single-gender program in a coed public school. It was the third year the school had single-gender classrooms, along with traditional coed classrooms.
- For the 2nd consecutive year, a BHS senior did a science internship for the Cleveland Clinic's Office of Civic Education Initiatives Summer Internship Program. He worked on a research project called *t-PA Effects on Blood Clots During Strokes Through Physical Therapy Analysis*. This student's work was also displayed at the Cleveland Museum of Art, through a Cleveland Clinic program called *eXpressions*, in which high school students from three states and two countries submitted artistic interpretations based on the research project of an intern of their choice. Three students chose this project to base their artwork on.

- Bedford High School Inducted 23 students into the National Honor Society and Heskett Middle School inducted 12 into the National Junior Honor Society for the 2012-13 school year.
- Bedford High School's #1 ranked graduate for the Class of 2013 was a 16 year old who graduated a year early with a 4.28 grade point average, having taken honors and AP courses. English is her third language, Spanish being her second and Serbo-Croatian her native and primary language. She is an artist and her artwork is being exhibited at the Cleveland Hopkins International Airport in the youth art gallery from August 1, 2013 to July 30, 2014. She secured a full academic scholarship to attend Case Western Reserve University, where she is studying art education.
- **Community Engagement/Employee Relations:**
 - *Mentoring Program:* Community mentoring programs expanded within the School District to include a character development program with the high school football and basketball teams; an intervention program for at-risk young men at Heskett Middle School; the Kids Hope program at Central Primary School and Columbus Intermediate School; the Homework Club at Carylwood Intermediate School; a tutoring partnership program at Glendale Primary School with US Bank Home Mortgage employees; and the creation of a 501(c)(3) non-profit organization called The Mentoring Network (a collaboration between the School District, the City of Bedford and local churches), to raise funds, recruit more mentors for students and hire an instructor to teach character education at the high school and middle school.
 - *Patriot Day Program:* The School District honored military personnel, veterans and local safety forces at its 11th Annual Patriot Day commemoration. Besides military personnel and members of the local police and fire departments, elected officials were invited, as was the community-at-large. Students performed in this program.
 - *Senior Citizen Outreach:* The School District continued to reach out to the senior citizens in its four communities by offering three ElderClass programs during the 2012-13 school year. ElderClass is an intergenerational program designed to build a positive relationship between the Bedford Schools, its students, and the senior citizens of Bedford, Bedford Heights, Oakwood, and Walton Hills. ElderClass is predominantly funded by corporate sponsorships. University Hospitals Bedford Medical Center committed to sponsoring the last ElderClass of the school year, as well as all programs for the next school year. Senior citizens were also invited to the very popular 22nd annual Senior Citizens Valentine's Day Dance sponsored by Bedford High School's Varsity B club. Senior Citizens may attend any school function (spring musical, sporting event, concert, etc.) free of charge.
 - *Community Engagement Walk-in Sessions:* Members of the Bedford Board of Education continued to interact with their constituents to gain feedback on and answer questions about the School District at sessions held at a local coffee shop one Saturday morning a month.
 - *Sunday Funday:* The School District, in partnership with the Bedford Schools Foundation and the Bedford Rotary Club, held its annual Sunday Funday in April, offering a 5-mile run or 2-mile run/walk, a Pancake/French Toast Breakfast, and a School District Health Fair.
 - *Special Olympics:* Bedford City School District hosted a Special Olympics regional track and field qualifying meet for the first time at Bearcat Stadium in April.

- *A Day Made Better:* Office Max surprised two Bedford teachers—one at Columbus Intermediate School and one at Heskett Middle School with the “A Day Made Better” award. Office Max personnel brought in a huge package of classroom supplies and equipment for each teacher, valued at more than \$1,000 each.
- *Teacher Awards:* Bedford Walmart brought teachers at Heskett Middle Schools a large cupcake cake, \$20 - \$50 Walmart gift cards and 10 baskets filled with office/teaching supplies as part of the Walmart Teacher Awards program.
- *Fundraising:* Carylwood Intermediate School students walked a marathon to earn money for students and families in need at Freeport High School in Long Island, NY—a school hit hard by Hurricane Sandy. It took them 39 days to walk the 26.2 miles, and they raised more than \$2,000 for the NY school.
- *Community Service:* Bedford High School students helped prepare for the community’s annual Memorial Day Parade by marking all the veterans’ gravesites with flags. Many other community service and fundraising projects were completed in every school throughout the school year.
- *Child Sight:* A program of Helen Keller International called Child Sight provided free vision screening for all students grades 5-9, and donated a free pair of eyeglasses with a case to 241 students who needed them.
- *Salute to Hometown Hero:* Heskett Middle School paid tribute to a former student who was killed in the Iraqi war. On the 10th anniversary of the soldier’s death, his family, City and School District officials, and members of the local VFW came together at a ceremony to honor his life and his ultimate sacrifice to his Country. The School District raised \$900 to purchase a memorial stone which was laid at the base of a tree that had been planted in the front of the school in his memory nearly 10 years before.
- *SpringFest:* The Bedford City School District held its 2nd Annual SpringFest—A Celebration of Art and Culture, which is an event that merged the School District’s traditional Art Show and its Multicultural Fair. This community event promotes and showcases students’ artwork and multicultural studies. The art show was held in the gym, cultural exhibits were displayed in the cafeteria, and students from every school performed in the auditorium.
- *Career-Tech Banquet:* The Bedford Rotary Club honored outstanding Bedford High School Career and Technical Education students at its 55th Annual Career-Tech Recognition Banquet in May. Eleven students, one from each career-tech area, were recognized and one student received a \$500 scholarship.
- *Digital Learning Day:* The School District invited parents into all its schools for National Digital Learning Day in February. Parents were welcome to sit in on classes to see firsthand the successful use of technology in instructional practice in the classroom.
- *Behind the Fence Party:* The School District hosted a “Behind the Fence” party for the 3rd consecutive year, before a home football game, for all employees and their families. The tailgate-style meal was followed by free admission to the football game for all who attended.

Other Achievements

- For the second consecutive year, Bedford City School District was named by the Cleveland Plain Dealer as one of “Northeast Ohio’s Top Workplaces—The Best Employers in the Region.” The list of Top Workplaces is culled from the opinions of more than 49,000 employees at companies in 11 counties. The School District was among 100 companies, nonprofits and government agencies ranked the highest in keeping their employees happy with respect, trust and challenges.
- Bedford High School Principal Samuel J. Vawters received the Outstanding Principal Award from the Northeast Region Ohio School Boards Association in recognition of exemplary service to the School District.
- Bedford High School and Heskett Middle School both won the Ohio High School Athletic Association (OHSAA) Harold A. Meyer Sportsmanship, Ethics and Integrity Award. They were two of 24 OHSAA member schools who earned the prestigious award. To be considered for the award the schools must demonstrate before a panel of judges that they have met the “Respect the Game Challenge” as well as having completed an eight-part program that promotes sportsmanship, ethics and integrity in their schools and communities.
- The Bedford High School yearbook, the Epic, received a First Place Award from the American Scholastic Press Association, earning a perfect score in publication structure—the only senior high school yearbook in Ohio in its category (enrollment of 1,001-1,700) to receive a First Place Award.
- The BHS Madrigal Singers performed the National Anthem at Progressive Field before a Cleveland Indians game in May.
- A member of the BHS swim team won the Gold Medal at the Men’s Lake Erie League Diving Championship and broke Bedford’s diving record.
- Heskett Middle School’s Wind Ensemble, under the direction of Jennifer Shauf, were invited to play at Kent State University, as part of its Hugh A. Glauser School of Music’s Fab Friday Series. Besides the chance to play before professionals, the students were given the opportunity to work one-on-one with Kent’s Applied Music faculty and attend a session led by School of Music students from Kent.
- Three Bedford High School wrestlers qualified for the State Tournament, where one of the three placed 7th in the State.
- Two BHS juniors and one sophomore completed the Cleveland Clinic’s MD Project: Charles R. Drew Saturday Academy. This program was developed to help minority students from Northeast Ohio develop skills they will need to prepare them for a career in the medical sciences.
- A team of students from a Heskett Advanced Science class won a NASA Design and Engineering Contest award for their project “Spacecraft Structures,” competing against students from several schools from throughout Northeast Ohio. They received their award at a recognition reception in May at NASA Glenn Research Center in Cleveland.

Employees

As of June 30, 2013, the School District had 498 employees. A Statewide public employee collective bargaining law applies generally to public employee relations and collective bargaining.

As of June 30, 2013, 282 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 70 percent or 196 held advanced degrees. The 2012-2013 starting salary for a teacher with a bachelor's degree was \$38,277; the maximum teacher salary (for a teacher with a master's degree plus 45 semester hours and 18 years' experience) was \$79,531. The average current base salary of a School District teacher for 2012-2013 was \$63,163, compared to a State average of (fiscal year 2013) \$56,307.

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, 2013 and will be in effect through June 30, 2014.

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, the Coordinator of Communications and Public Relations, and the EMIS Coordinator. A new contract was negotiated and will expire on December 31, 2015. There have been no work stoppages in the last 20 years. In the judgment of the Board of Education, labor relations with all of its employees are excellent.

Long Term Planning

The Bedford City School District prepares a five-year forecast annually. This forecast serves as the primary planning tool for all financial decisions the District makes during the school year. The forecast presents actual activity of the operations of the Bedford City School District for the past three years and forecasts the financial activity for the current fiscal year, followed by four subsequent years. This document assists the Board of Education and Administration in identifying future financial challenges and helps them to meet them by being proactive whenever possible. The School District's most recent forecast confirms prudent use of their funds, but confirms a trend of Expenditures and Other Financing Uses exceeding Revenues and Other Financing Sources for the entire forecast period. The School District Board of Education and Administration are in discussions to formulate plans to assure that they remain fiscally sound.

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, 2012. 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, Mr. Joseph Shelton, 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 fiscal year 2013 CAFR. The fiscal year 2013 CAFR is also the work of Assistant Treasurer, Donald E. Houghton, Jr., whose name appears on the title page.

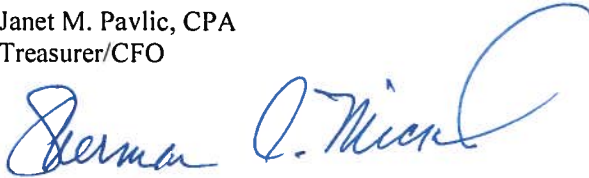
Layout and content of the fiscal year 2013 CAFR, are credited to Mrs. Margaret Bierman, Coordinator of Technology and Electronic Media and Beth Russell, Coordinator of Communications and Public Relations. Ms. Debi Jones, Technology Clerk, was instrumental in the graphic design of this report. The digital 2013 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 David Yost'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, 2013**

Board of Education

Mrs. Debora J. Kozak
Mrs. Merry Anne Hilty
Mrs. Barbara A. Patterson
Mr. Tim Tench
Mr. Phil Stevens

President
Vice President
Member
Member
Member

Treasurer

Mrs. Janet M. Pavlic, CPA

Assistant Treasurer

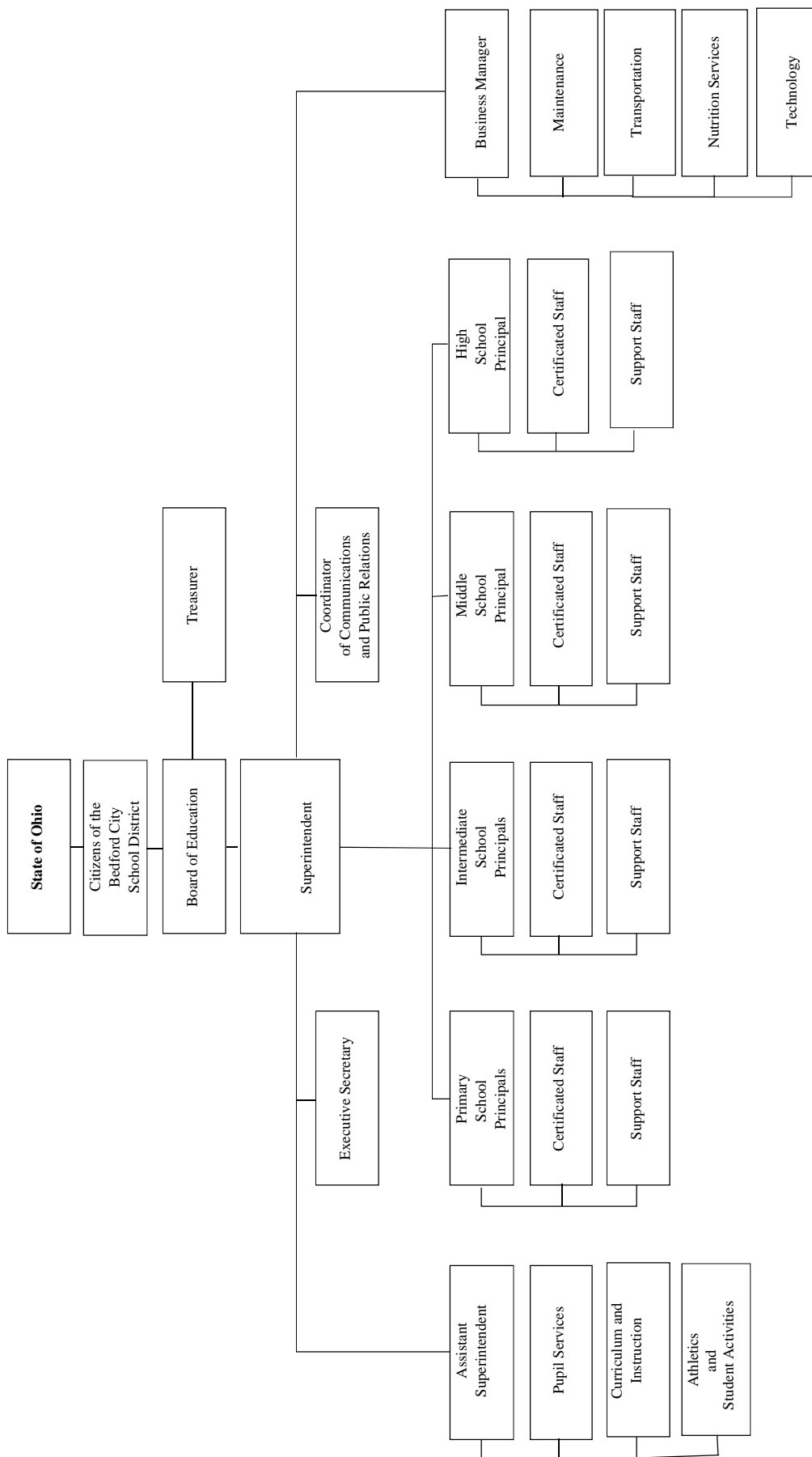
Mr. Donald E. Houghton, Jr.

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





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Bedford City School District
Ohio**

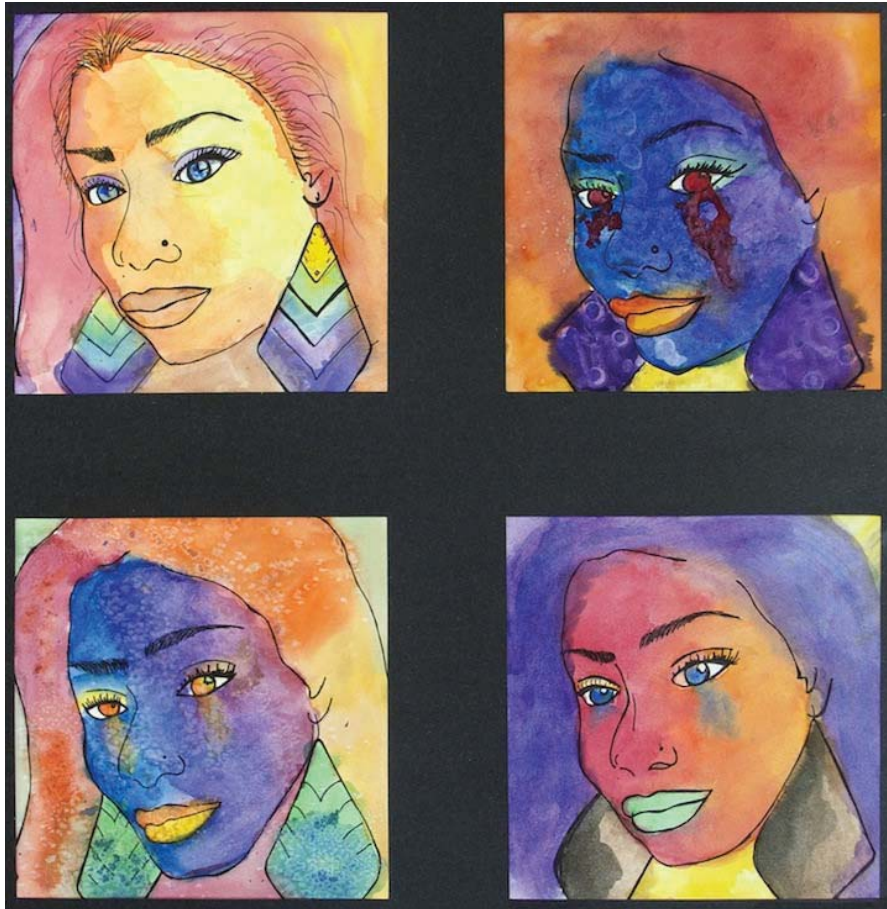
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

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Financial Section

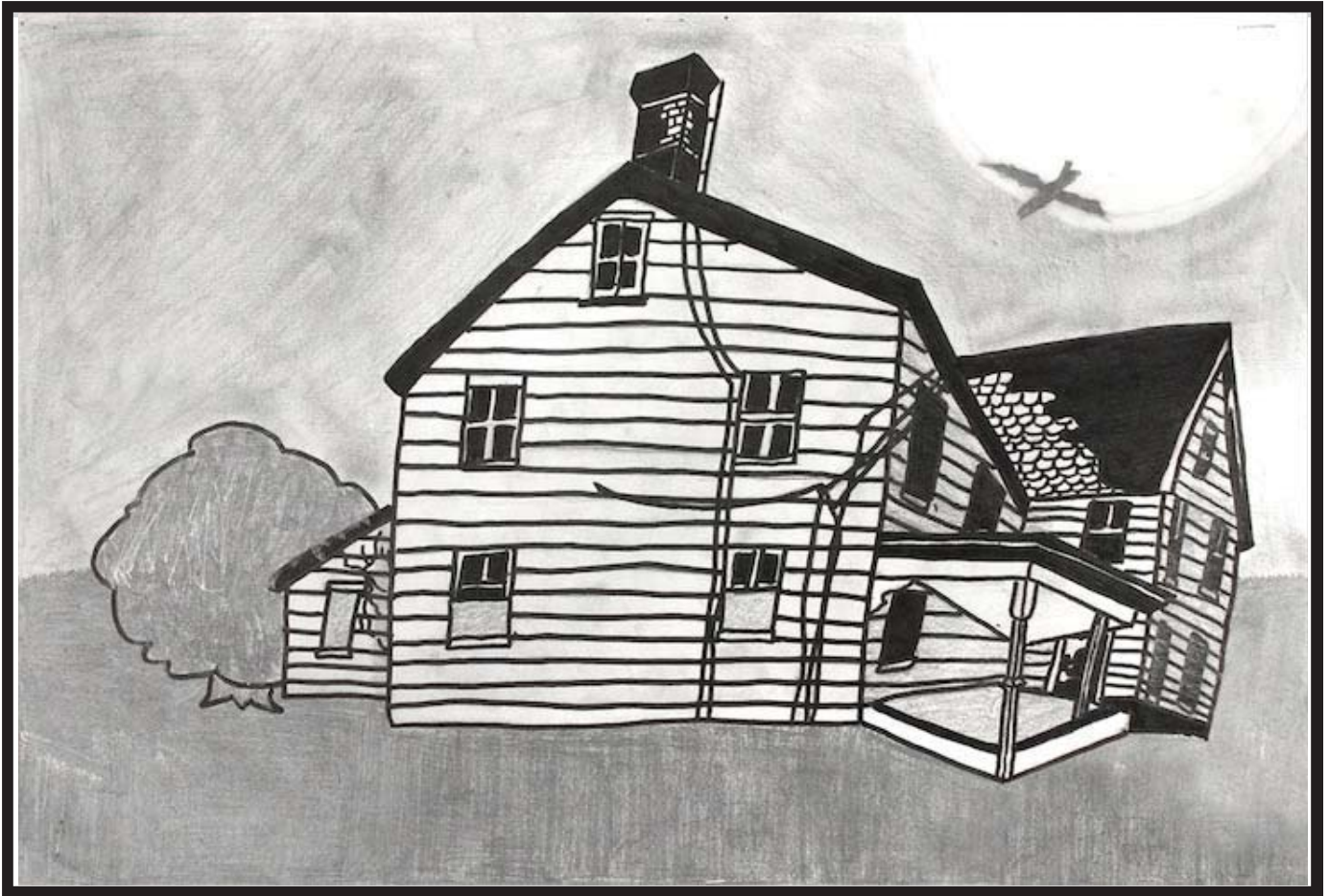


Artwork by: Shazelle Miller

12th Grade Student

Bedford High School

Art Teacher: Dagmar Clements



Artwork by: Damon Regan

8th Grade Student

Heskett Middle School

Art Teacher: Rebecca Genao

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 Dave Yost
Auditor of State
State of Ohio

Report on the Financial Statements

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 (the District), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis as listed in the table of contents 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bedford City School District, Ohio's basic financial statements. 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2013, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Bedford City School District, Ohio's internal control over financial reporting and compliance.



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

December 10, 2013

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Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
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, 2013. 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 2013 are as follows:

- The School District had slightly higher expenditures than in the previous fiscal year, due to higher costs in personnel and other general expenses.
- Property tax collections declined due to a combination of increased delinquencies as well as lower assessed valuations.
- Capital assets in the School District are being carried with a relatively old physical plant and bus fleet. The buildings of the School District are well maintained and in good repair. The School District consistently makes improvements when and where needed in order to ensure sustainability.

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 Position* 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.

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

Statement of Net Position and the Statement of Activities

The analysis of the School District as a whole begins on page 6. 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 Position* and the *Statement of Activities* provide the basis for answering these questions. The statements include *all assets and deferred outflows of resources* and *liabilities and deferred inflows of resources* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting recognizes all of the current year's revenues and expenses regardless of when cash is received or paid.

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
Unaudited

These two statements report the School District's *net position* and any change in that position. The change in net position is important because it tells the reader that, for the School District as a whole, the *financial position* of the School District has improved or diminished. The causes of this change may be the result of many factors, some 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 Position 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 10. 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 Position 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. The internal service funds account for the self insurance fund for health insurance, 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.

The School District as a Whole

Recall that the *Statement of Net Position* provides the perspective of the School District as a whole, showing assets, liabilities, deferred outflows and inflows and the difference between them (net position).

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
Unaudited

Table 1 provides a summary of the School District's governmental activities net position for fiscal year 2013 compared to fiscal year 2012:

Table 1
 Net Position

	2013	2012	Change
Assets			
Current and Other Assets	\$52,818,754	\$56,028,964	(\$3,210,210)
Capital Assets, Net	20,339,480	20,166,639	172,841
<i>Total Assets</i>	<u>73,158,234</u>	<u>76,195,603</u>	<u>(3,037,369)</u>
Deferred Outflows of Resources	<u>2,611</u>	<u>15,818</u>	<u>(13,207)</u>
Liabilities			
Current and Other Liabilities	6,482,719	5,889,855	(592,864)
Long-Term Liabilities:			
Due Within One Year	2,026,605	2,098,073	71,468
Due in More than One Year	4,791,829	5,997,930	1,206,101
<i>Total Liabilities</i>	<u>13,301,153</u>	<u>13,985,858</u>	<u>684,705</u>
Deferred Inflows of Resources	<u>22,120,038</u>	<u>22,502,264</u>	<u>382,226</u>
Net Position			
Net Investment in Capital Assets	17,309,870	16,816,971	492,899
Restricted:			
Capital Projects	855,811	303,671	552,140
Debt Service	411,780	1,342,336	(930,556)
Other Purposes	789,177	694,518	94,659
Unrestricted	18,373,016	20,565,803	(2,192,787)
<i>Total</i>	<u>\$37,739,654</u>	<u>\$39,723,299</u>	<u>(\$1,983,645)</u>

The decrease in net position was predominantly due to a decrease in cash due to decreases in tax revenues from the poor economy. Total liabilities decreased from prior fiscal year due to a decrease in outstanding debt due to continued pay down, being slightly offset by increases in accrued wages and matured compensated absences due to raises as well as the retirement of several employees.

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
Unaudited

Table 2 shows changes in governmental net position for fiscal years 2013 and 2012.

Table 2
Changes in Net Position

	2013	2012	Change
Revenues			
<i>Program Revenues:</i>			
Charges for Services and Sales	\$2,384,705	\$2,600,639	(\$215,934)
Operating Grants, Contributions and Interest	4,108,365	4,900,280	(791,915)
Capital Grants	123,363	164,911	(41,548)
<i>Total Program Revenues</i>	6,616,433	7,665,830	(1,049,397)
<i>General Revenue:</i>			
Property Taxes	26,660,450	29,474,449	(2,813,999)
Grants and Entitlements	15,373,844	15,758,170	(384,326)
Investments	17,847	11,040	6,807
Miscellaneous	223,307	394,204	(170,897)
<i>Total General Revenues</i>	42,275,448	45,637,863	(3,362,415)
Total Revenues	48,891,881	53,303,693	(4,411,812)
Program Expenses			
Instruction	26,152,704	25,716,544	(436,160)
Support Services:			
Pupil	3,110,210	3,049,560	(60,650)
Instructional Staff	2,759,639	2,687,012	(72,627)
Board of Education	112,719	98,729	(13,990)
Administration	4,084,593	3,963,083	(121,510)
Fiscal	1,322,883	1,480,370	157,487
Business	627,177	721,405	94,228
Operation and Maintenance of Plant	5,446,227	6,237,787	791,560
Pupil Transportation	3,752,999	3,609,183	(143,816)
Central	196,277	199,941	3,664
Operation of Non-Instructional Services:			
Food Service Operations	1,843,501	1,775,328	(68,173)
Other Non-Instructional Services	353,879	351,270	(2,609)
Extracurricular Activities	903,193	848,288	(54,905)
Interest and Fiscal Charges	209,525	305,102	95,577
<i>Total Program Expenses</i>	50,875,526	51,043,602	168,076
<i>Net Change in Net Position</i>	(1,983,645)	2,260,091	(4,243,736)
<i>Net Position Beginning of Year</i>	39,723,299	37,463,208	2,260,091
<i>Net Position End of Year</i>	\$37,739,654	\$39,723,299	(\$1,983,645)

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
Unaudited

General revenues decreased from 2012. In 2013, the School District experienced decreased levels of property tax collections and grant and entitlement revenues due to reductions from the State to unrestricted foundation revenues.

The decrease in program revenues is due to the receipt of fewer operating grants and contributions than the previous fiscal year from the conclusion of federal award programs. The School District actively seeks out additional grant sources to help cover costs.

The School District continues to hold expenditure spending at an even level, while continuing to upgrade instructional programs. These efforts are evident by the slight overall decrease in expenditures from fiscal year 2012 to 2013.

Governmental Activities

The School District went to the voters in May, 2009 seeking approval of a 4.9 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 May, 2009 levy passed.

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 2013, 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. These expenses account primarily for employee costs of salaries and health benefits.

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, 2013
Unaudited

Table 3
 Net Cost of Governmental Activities

	Total Cost of Services 2013	Net Cost of Services 2013	Total Cost of Services 2012	Net Cost of Services 2012
Instruction	\$26,152,704	\$23,737,302	\$25,716,544	\$22,787,140
Support Services:				
Pupil	3,110,210	2,444,519	3,049,560	2,071,707
Instructional Staff	2,759,639	2,103,148	2,687,012	1,936,389
Board of Education	112,719	112,719	98,729	98,729
Administration	4,084,593	3,934,593	3,963,083	3,820,296
Fiscal	1,322,883	1,291,765	1,480,370	1,480,370
Business	627,177	581,173	721,405	682,205
Operation and Maintenance of Plant	5,446,227	5,322,864	6,237,787	6,072,876
Pupil Transportation	3,752,999	3,752,999	3,609,183	3,534,065
Central	196,277	191,192	199,941	194,206
Operation of Non-Instructional Services:				
Food Service Operations	1,843,501	(104,167)	1,775,328	(190,825)
Other Non-Instructional Services	353,879	42,402	351,270	13,344
Extracurricular Activities	903,193	639,059	848,288	572,168
Interest and Fiscal Charges	209,525	209,525	305,102	305,102
<i>Total</i>	<u>\$50,875,526</u>	<u>\$44,259,093</u>	<u>\$51,043,602</u>	<u>\$43,377,772</u>

The dependence on tax revenues and State subsidies for governmental activities is apparent. The majority of instructional activities are supported through taxes and other general revenues.

The School District's Funds

Information about the School District's governmental funds starts on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$49,315,150 and expenditures of \$52,787,915. The decrease in the general fund was primarily due to decreases in tax, intergovernmental and tuition and fees revenues as well as increases in regular and special instruction expenses. The decrease in all other governmental funds was primarily due expenditures exceeding revenues during fiscal year 2013 due to decreases in grant revenues as a result of the conclusion of various federal award programs.

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
Unaudited

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 2013, the School District amended its general fund budget several times, but no change was significant. The general fund final budget revenue amount is lower than the original budget amount. The decrease was due to the lower than anticipated collection of tax revenues. Actual revenues are higher than the final budget amount due in large part to greater tax, intergovernmental and tuition and fee revenues than anticipated. 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 from management taking cost cutting measures. The School District ended the fiscal year with a fund balance of \$15,086,522, a decrease from fiscal year 2012 and 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 2013, the School District had, at cost, \$55,299,137 invested in land, construction in progress, buildings and improvements, furniture and equipment, and vehicles. That total carries an accumulated depreciation of \$34,959,657. Table 4 shows fiscal year 2013 balances compared to fiscal year 2012.

Table 4
 Capital Assets at June 30
 Governmental Activities

	2013	2012
Land	\$1,525,500	\$1,525,500
Construction in Progress	59,501	91,223
Buildings and Improvements	14,635,510	14,766,988
Furniture and Equipment	2,229,372	1,961,265
Vehicles	1,889,597	1,821,663
	\$20,339,480	\$20,166,639

Bedford City School District
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For the Fiscal Year Ended June 30, 2013
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In November of 2010, voters in the School District approved the renewal of a continuing one mill permanent improvement levy. This levy generates approximately \$440,000 a year, and coupled with reimbursements for lost levy proceeds in the amount of \$165,000, provides funds which are used exclusively for capital purchases. These funds are currently being used to finance several construction projects in 2013. The School District carries a relatively old physical plant and bus fleet. The buildings of the School District are well maintained and in good repair. In addition, approximately \$300,000 is transferred to the Capital Replacement Fund to be used for technology and furniture in the schools. For additional information on capital assets, see Note 11 of the notes to the basic financial statements.

Debt

At June 30, 2013, the School District had \$3,073,732 in outstanding debt, \$827,473 of which was due within one year. Table 5 summarizes the outstanding debt for fiscal year 2013 compared with fiscal year 2012.

Table 5
Outstanding Debt at June 30
Governmental Activities

	2013	2012
2012 Radio Equipment Acquisition Bonds	\$274,578	\$0
2001 Refunding Capital Appreciation Bonds	415,983	1,557,783
2006 Energy Conservation Improvement Bonds	2,132,027	2,353,452
2002 Maintenance Facility Loan	0	73,000
Capital Leases	251,144	388,868
Totals	\$3,073,732	\$4,373,103

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 \$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 2012, the School District issued radio equipment acquisition bonds having an original face value of \$274,578, for the purpose of purchasing radio equipment to be used in the schools. These bonds will be paid from the building capital projects fund.

During 2011, the School District entered into a network upgrade lease and a Dell computer lease. These will be paid from the capital replacement fund.

The School District's overall debt margin was \$60,193,083 with an unvoted debt margin of \$668,923. For additional information on long-term obligations, see Note 19 of the notes to the basic financial statements.

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2013
Unaudited

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. Due to prudent fiscal management the School District has not asked the voters for new operating funds since 2009.

School Funding

The State funding formula for K-12 education in Ohio has changed several times in recent years. 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 represented a significant overhaul to the historical per pupil funding model utilized by the State, and was 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 to Governor Kasich. The new governor carried through on his promise to repeal the OEBM and has replaced it with a "Bridge" Formula. A new formula is currently under development, and is expected to be unveiled in the next year. Once again, further cuts to education are expected. 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 affected 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 not qualify to receive electric deregulation funds in 2013.

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.

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 Position

June 30, 2013

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$21,649,268
Accounts Receivable	11,526
Intergovernmental Receivable	1,121,765
Inventory Held for Resale	44,384
Materials and Supplies Inventory	457,126
Taxes Receivable	29,534,685
Nondepreciable Capital Assets	1,585,001
Depreciable Capital Assets	18,754,479
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<i>Total Assets</i>	73,158,234
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Deferred Outflows of Resources	
Deferred Charge on Refunding	2,611
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Liabilities	
Accounts Payable	492,688
Contracts Payable	242,214
Accrued Wages and Benefits Payable	3,936,013
Intergovernmental Payable	1,247,805
Matured Compensated Absences Payable	299,032
Accrued Interest Payable	22,011
Claims Payable	242,956
Long-Term Liabilities:	
Due Within One Year	2,026,605
Due in More Than One Year	4,791,829
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<i>Total Liabilities</i>	13,301,153
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Deferred Inflows of Resources	
Property Taxes	22,120,038
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Net Position	
Net Investment in Capital Assets	17,309,870
Restricted for:	
Capital Projects	855,811
Debt Service	411,780
Food Service	660,901
Athletic Facilities	33,886
Other Purposes	94,390
Unrestricted	18,373,016
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<i>Total Net Position</i>	\$37,739,654
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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, 2013

	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services and Sales	Operating Grants Contributions and Interest		Capital Grants
Governmental Activities				Governmental Activities	
Instruction:					
Regular	\$19,740,031	\$1,517,077	\$114,013	\$0	(\$18,108,941)
Special	5,592,494	0	699,312	0	(4,893,182)
Vocational	811,473	0	85,000	0	(726,473)
Student Intervention Services	8,706	0	0	0	(8,706)
Support Services:					
Pupil	3,110,210	0	665,691	0	(2,444,519)
Instructional Staff	2,759,639	0	656,491	0	(2,103,148)
Board of Education	112,719	0	0	0	(112,719)
Administration	4,084,593	0	150,000	0	(3,934,593)
Fiscal	1,322,883	0	31,118	0	(1,291,765)
Business	627,177	38,204	7,800	0	(581,173)
Operation and Maintenance of Plant	5,446,227	0	0	123,363	(5,322,864)
Pupil Transportation	3,752,999	0	0	0	(3,752,999)
Central	196,277	0	5,085	0	(191,192)
Operation of Non-Instructional Services:					
Food Service Operations	1,843,501	565,787	1,381,881	0	104,167
Other Non-Instructional Services	353,879	0	311,477	0	(42,402)
Extracurricular Activities	903,193	263,637	497	0	(639,059)
Interest and Fiscal Charges	209,525	0	0	0	(209,525)
<i>Total Governmental Activities</i>	<u>\$50,875,526</u>	<u>\$2,384,705</u>	<u>\$4,108,365</u>	<u>\$123,363</u>	<u>(44,259,093)</u>
 General Revenues					
Property Taxes Levied for:					
General Purposes				25,978,460	
Debt Service				271,534	
Capital Outlay				410,456	
Grants and Entitlements not Restricted to Specific Programs				15,373,844	
Investment Earnings				17,847	
Miscellaneous				223,307	
<i>Total General Revenues</i>				<u>42,275,448</u>	
Change in Net Position				(1,983,645)	
<i>Net Position Beginning of Year</i>				<u>39,723,299</u>	
<i>Net Position End of Year</i>				<u>\$37,739,654</u>	

See accompanying notes to the basic financial statement

Bedford City School District
Balance Sheet
Governmental Funds
June 30, 2013

	General	Other Governmental Funds	Total Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$16,189,671	\$3,661,944	\$19,851,615
Accounts Receivable	11,526	0	11,526
Intergovernmental Receivable	332,246	789,519	1,121,765
Inventory Held for Resale	0	44,384	44,384
Materials and Supplies Inventory	449,469	7,657	457,126
Interfund Receivable	1,930,520	45,000	1,975,520
Taxes Receivable	28,908,259	626,426	29,534,685
<i>Total Assets</i>	<u>\$47,821,691</u>	<u>\$5,174,930</u>	<u>\$52,996,621</u>
Liabilities			
Accounts Payable	\$318,004	\$174,684	\$492,688
Contracts Payable	0	242,214	242,214
Accrued Wages and Benefits Payable	3,684,005	252,008	3,936,013
Intergovernmental Payable	1,151,943	95,862	1,247,805
Interfund Payable	0	1,975,520	1,975,520
Matured Compensated Absences Payable	240,705	58,327	299,032
<i>Total Liabilities</i>	<u>5,394,657</u>	<u>2,798,615</u>	<u>8,193,272</u>
Deferred Inflows of Resources			
Property Taxes	21,692,781	427,257	22,120,038
Unavailable Revenue	3,577,783	665,983	4,243,766
<i>Total Deferred Inflows of Resources</i>	<u>25,270,564</u>	<u>1,093,240</u>	<u>26,363,804</u>
Fund Balances			
Nonspendable	449,469	7,657	457,126
Restricted	20,379	1,522,221	1,542,600
Committed	17,157	338,636	355,793
Assigned	807,488	0	807,488
Unassigned (Deficit)	15,861,977	(585,439)	15,276,538
<i>Total Fund Balances</i>	<u>17,156,470</u>	<u>1,283,075</u>	<u>18,439,545</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$47,821,691</u>	<u>\$5,174,930</u>	<u>\$52,996,621</u>

See accompanying notes to the basic financial statements

Bedford City School District
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 June 30, 2013*

Total Governmental Funds Balances		\$18,439,545
 <i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		20,339,480
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:		
Delinquent Property Taxes	3,673,187	
Grants	570,579	
Total	4,243,766	4,243,766
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(22,011)
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 funds are included in governmental activities in the statement of net position.		1,554,697
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(2,822,588)	
Capital Leases	(251,144)	
Compensated Absences	(3,744,702)	
Deferred Charge on Refunding	2,611	
Total	(6,815,823)	(6,815,823)
 <i>Net Position of Governmental Activities</i>		 \$37,739,654

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, 2013

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$26,736,670	\$711,216	\$27,447,886
Intergovernmental	15,373,844	3,833,612	19,207,456
Interest	17,847	194	18,041
Charges for Services	11,015	568,159	579,174
Tuition and Fees	1,517,077	0	1,517,077
Rentals	38,204	0	38,204
Extracurricular Activities	98,496	151,754	250,250
Contributions and Donations	15,938	17,817	33,755
Miscellaneous	97,443	125,864	223,307
<i>Total Revenues</i>	<u>43,906,534</u>	<u>5,408,616</u>	<u>49,315,150</u>
Expenditures			
Current:			
Instruction:			
Regular	18,757,630	56,226	18,813,856
Special	4,698,401	790,588	5,488,989
Vocational	743,249	84,543	827,792
Student Intervention Services	8,706	0	8,706
Support Services:			
Pupil	2,391,456	689,344	3,080,800
Instructional Staff	2,072,800	652,616	2,725,416
Board of Education	112,719	0	112,719
Administration	3,949,900	150,297	4,100,197
Fiscal	1,336,501	3,247	1,339,748
Business	771,007	11,699	782,706
Operation and Maintenance of Plant	5,880,883	0	5,880,883
Pupil Transportation	3,726,869	0	3,726,869
Central	187,820	4,200	192,020
Operation of Non-Instructional Services:			
Food Service Operations	0	1,870,279	1,870,279
Other Non-Instructional Services	1,430	336,296	337,726
Extracurricular Activities	525,818	273,857	799,675
Capital Outlay	4,511	924,717	929,228
Debt Service:			
Principal Retirement	294,425	544,054	838,479
Interest and Fiscal Charges	98,098	10,059	108,157
Capital Appreciation Bond Accretion	0	823,670	823,670
<i>Total Expenditures</i>	<u>45,562,223</u>	<u>7,225,692</u>	<u>52,787,915</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,655,689)</u>	<u>(1,817,076)</u>	<u>(3,472,765)</u>
Other Financing Sources (Uses)			
Sale of Capital Assets	12,508	0	12,508
General Obligation Bonds Issued	0	274,578	274,578
Transfers In	0	330,450	330,450
Transfers Out	(330,450)	0	(330,450)
<i>Total Other Financing Sources (Uses)</i>	<u>(317,942)</u>	<u>605,028</u>	<u>287,086</u>
<i>Net Change in Fund Balances</i>	(1,973,631)	(1,212,048)	(3,185,679)
<i>Fund Balances Beginning of Year</i>	<u>19,130,101</u>	<u>2,495,123</u>	<u>21,625,224</u>
<i>Fund Balances End of Year</i>	<u>\$17,156,470</u>	<u>\$1,283,075</u>	<u>\$18,439,545</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, 2013*

Net Change in Fund Balances -Total Governmental Funds (\$3,185,679)

*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 capital outlay exceeded depreciation in the current period:

Capital Asset Additions	1,761,785	
Current Year Depreciation	<u>(1,567,879)</u>	
Total		193,906

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (21,065)

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

Delinquent Property Taxes	(787,436)	
Intergovernmental	<u>364,167</u>	
Total		(423,269)

Other financing sources in the governmental funds, such as proceeds of bonds, increase long-term liabilities in the statement of net position. (274,578)

In the statement of activities, interest is accrued on outstanding bonds, bond accretion, bond premium 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 and loss on refunding are reported when the bonds are issued:

Accrued Interest	39	
Annual Accretion	(99,778)	
Amortization of Premium on Bonds	11,578	
Amortization of Deferred Charge on Refunding	<u>(13,207)</u>	
Total		(101,368)

Repayment of bond, loan and lease principal as well as capital appreciation bond accretion are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 1,662,149

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. (21,802)

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. 188,061

Change in Net Position of Governmental Activities (\$1,983,645)

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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Taxes	\$24,715,406	\$24,482,334	\$26,968,299	\$2,485,965
Intergovernmental	14,597,870	14,597,870	15,044,962	447,092
Interest	10,000	10,000	17,847	7,847
Charges for Services	10,000	10,000	11,015	1,015
Tuition and Fees	1,303,600	1,303,600	1,480,059	176,459
Rentals	5,000	5,000	19,375	14,375
Miscellaneous	212,587	212,587	193,448	(19,139)
<i>Total Revenues</i>	<u>40,854,463</u>	<u>40,621,391</u>	<u>43,735,005</u>	<u>3,113,614</u>
Expenditures				
Current:				
Instruction:				
Regular	20,277,929	19,382,283	18,982,896	399,387
Special	4,668,000	4,781,360	4,689,604	91,756
Vocational	785,600	810,950	731,694	79,256
Support Services:				
Pupil	2,461,270	2,491,440	2,317,035	174,405
Instructional Staff	1,987,450	2,140,865	2,062,375	78,490
Board of Education	270,280	239,850	142,725	97,125
Administration	3,941,608	4,053,981	3,944,975	109,006
Fiscal	1,594,807	1,625,378	1,340,366	285,012
Business	875,490	915,812	772,824	142,988
Operation and Maintenance of Plant	6,370,763	6,364,906	6,037,089	327,817
Pupil Transportation	3,442,108	3,839,902	3,772,737	67,165
Central	247,211	269,708	213,404	56,304
Extracurricular Activities	578,610	549,310	520,166	29,144
Capital Outlay	6,800	4,511	4,511	0
Debt Service:				
Principal Retirement	394,749	394,749	394,749	0
Interest and Fiscal Charges	106,100	106,100	106,100	0
<i>Total Expenditures</i>	<u>48,008,775</u>	<u>47,971,105</u>	<u>46,033,250</u>	<u>1,937,855</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(7,154,312)</u>	<u>(7,349,714)</u>	<u>(2,298,245)</u>	<u>5,051,469</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	10,413	10,413	12,508	2,095
Advances In	992,000	992,000	369,000	(623,000)
Advances Out	(1,092,000)	(1,770,900)	(1,769,520)	1,380
Transfers Out	(271,680)	(330,450)	(330,450)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(361,267)</u>	<u>(1,098,937)</u>	<u>(1,718,462)</u>	<u>(619,525)</u>
<i>Net Change in Fund Balance</i>	<u>(7,515,579)</u>	<u>(8,448,651)</u>	<u>(4,016,707)</u>	<u>4,431,944</u>
<i>Fund Balance Beginning of Year</i>	18,399,305	18,399,305	18,399,305	0
Prior Year Encumbrances Appropriated	703,924	703,924	703,924	0
<i>Fund Balance End of Year</i>	<u>\$11,587,650</u>	<u>\$10,654,578</u>	<u>\$15,086,522</u>	<u>\$4,431,944</u>

See accompanying notes to the basic financial statements

Bedford City School District

Statement of Net Position

Internal Service Funds

June 30, 2013

Assets	
Equity in Pooled Cash and Cash Equivalents	\$1,797,653
Liabilities	
Claims Payable	<u>242,956</u>
Net Position	
Unrestricted	<u><u>\$1,554,697</u></u>

See accompanying notes to the basic financial statements

Bedford City School District
*Statement of Revenues, Expenses and
Changes in Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2013*

Operating Revenues	
Charges for Services	<u>\$2,796,720</u>
Operating Expenses	
Purchased Services	1,002,144
Claims	<u>1,606,515</u>
<i>Total Operating Expenses</i>	<u>2,608,659</u>
<i>Change in Net Position</i>	188,061
<i>Net Position Beginning of Year</i>	<u>1,366,636</u>
<i>Net Position End of Year</i>	<u><u>\$1,554,697</u></u>

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, 2013

Increase (Decrease) in Cash and Cash Equivalents

Cash Flows from Operating Activities

Cash Received from Interfund Services	\$2,796,720
Cash Payments for Purchased Services	(1,002,144)
Cash Payments for Claims	<u>(1,436,622)</u>

Net Increase in Cash and Cash Equivalents 357,954

Cash and Cash Equivalents Beginning of Year 1,439,699

Cash and Cash Equivalents End of Year \$1,797,653

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

Operating Income \$188,061

Adjustments

Increase in Claims Payable 169,893

Net Cash Provided by Operating Activities \$357,954

See accompanying notes to the basic financial statements

Bedford City School District
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2013

	<u>Private Purpose Trust</u>	
	<u>Scholarship</u>	<u>Agency</u>
Assets		
Equity in Pooled Cash and Cash Equivalents	\$81,733	<u>\$41,625</u>
Liabilities		
Due to Students	<u>0</u>	<u>\$41,625</u>
Net Position		
Held in Trust for Scholarships	<u>\$81,733</u>	

See accompanying notes to the basic financial statements

Bedford City School District
Statement of Changes in Fiduciary Net Position
Private Purpose Trust Fund
For the Fiscal Year Ended June 30, 2013

	<u>Scholarship</u>
Additions	
Interest	\$35
Deductions	
Scholarships Awarded	<u>0</u>
<i>Change in Net Position</i>	35
<i>Net Position Beginning of Year</i>	<u>81,698</u>
<i>Net Position End of Year</i>	<u><u>\$81,733</u></u>

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, 2013

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 31 in Cuyahoga County, and provides education to 3,430 students in grades K through 12. The School District also provides preschool education to 58 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 ensure 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, Safely Home and Sacred Heart of Jesus. 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 Retrospective Rating Program, the North Coast Council and Ohio Schools Council Association. These organizations are presented in Notes 17 and 20 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 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, 2013

Basis of Presentation

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

Government-wide Financial Statements The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service funds 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 position 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 deferred outflows of resources and liabilities and deferred inflows of resources 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 and report all financial resources except those required to be accounted for and reported 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, 2013

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

Proprietary Fund Type Proprietary funds focus on the determination of operating income, changes in net position, 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 hospitalization/medical benefits, 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 position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for 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 donations 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 deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the School District are included on the statement of net position. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources 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 net position. The statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total position. 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, 2013

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, in the recording of deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. 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 9). 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, tuition, grants, and fees.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources include a deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2013, but which were levied to finance fiscal year 2014 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District unavailable revenue includes delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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.

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 2013, 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 net asset value per share, which is the price the investment could be sold for on June 30, 2013.

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 2013 amounted to \$17,847, which includes \$4,416 assigned from other School District funds.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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.

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.

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 position 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 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 recorded in the year the bonds are issued.

Deferred Charge 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 the 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, using the effective interest method and is presented as deferred outflows of resources on the statement of net position.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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 component of fund balance. These amounts are eliminated in the governmental activity column of the statement of net position.

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 financial statements, compensated absences are recognized as a liability and expenditure 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 fund from which the employee who has accumulated unpaid leave 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.

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.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Fund Balance Classifications

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

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

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

Assigned Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the School District Board of Education. In the general fund, assigned amounts represent intended uses established by the School District Board of Education or a School District official delegated that authority by resolution or State statute. State statute authorizes the Treasurer to assign fund balance purchases on order provided such amounts have been lawfully appropriated.

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

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

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for auxiliary services, vocational education and support services.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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

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 2013, the School District has implemented Governmental Accounting Standard Board (GASB) Statement No. 60, “Accounting and Financial Reporting for Service Concession Arrangements, Statement No. 61, “The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34, Statement No. 62, “Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements” and Statement No. 66, “Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62.”

GASB Statement No. 60 improves financial reporting by addressing issues related to service concession arrangements, which are a type of public-private or public-public partnership. The implementation of this statement did not result in any change in the School District’s financial statements.

GASB Statement No. 61 modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity, the display of component units’ presentation and certain disclosure requirements. These changes were incorporated in the School District’s fiscal year 2013 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 62 incorporates into GASB’s authoritative literature certain FASB and AICPA pronouncements issued on or before November 30, 1989. The implementation of this statement did not result in any change in the School District’s financial statements.

GASB Statement No. 66 resolves conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. 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, 2013

Note 4 –Accountability

At June 30, 2013, the following funds had deficit fund balances:

	Amount
Special Revenue Funds:	
Title VI-B	\$150,263
Vocational Education	31,996
Title I	383,483
Preschool Handicapped	230
Title VI-R	19,467

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 – Fund Balances

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

Fund Balances	General	Other Governmental Funds	Total
<i>Nonspendable</i>			
Inventory	\$449,469	\$7,657	\$457,126
<i>Restricted for</i>			
Food Service	0	711,290	711,290
Technology Improvements	0	54,174	54,174
Athletics	0	33,886	33,886
Community Involvement	20,379	0	20,379
Non-Public Schools	0	23,197	23,197
Debt Service Payments	0	394,533	394,533
Capital Improvements	0	305,141	305,141
<i>Total Restricted</i>	20,379	1,522,221	1,542,600
<i>Committed to</i>			
Educational Services	17,157	0	17,157
Capital Improvements	0	338,636	338,636
<i>Total Committed</i>	17,157	338,636	355,793
<i>Assigned to</i>			
Regular Instruction	142,681	0	142,681
Purchases on Order	664,807	0	664,807
<i>Total Assigned</i>	807,488	0	807,488
<i>Unassigned (Deficit)</i>	15,861,977	(585,439)	15,276,538
<i>Total Fund Balances</i>	\$17,156,470	\$1,283,075	\$18,439,545

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 6 - 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 restricted, committed, or assigned fund balance (GAAP basis).
4. Unrecorded cash represents amounts received but not reported by the School District on the operating statements (budget), but which is reported on the GAAP basis operating statements.
5. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis)
6. Budgetary revenues and expenditures of the recreation, public school support, special enterprise and summer school funds are classified to the general fund for GAAP Reporting.

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

Net Change in Fund Balance	
GAAP Basis	(\$1,973,631)
Net Adjustment for Revenue Accruals	(171,529)
Advances In	369,000
Net Adjustment for Expenditure Accruals	499,552
Advances Out	(1,769,520)
Beginning Unrecorded Cash	(3,017)
Ending Unrecorded Cash	3,610
Perspective Difference:	
Recreation	(1,991)
Public School Support	(21,208)
Special Enterprise	(13,500)
Summer School	(1,138)
Adjustment for Encumbrances	(933,335)
Budget Basis	<u><u>(\$4,016,707)</u></u>

Note 7 - Deposits and Investments

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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);
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 for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in possession of an outside party. At fiscal year end, \$23,976 of the School District's bank balance of \$471,575 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' 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.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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, 2013, the School District had a STAR Ohio investment with a fair value of \$22,266,956, an average maturity of 57.5 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 STAR Ohio 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 8 - Receivables

Receivables at June 30, 2013, consisted of taxes, accounts (student fees and tuition), interfund, School Employees Retirement System overpayment 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.

A summary of principal items of intergovernmental receivables follows:

Governmental Activities	Amount
Title I Grants and Subsidies	\$553,437
Title VI-B Grants and Subsidies	157,257
Bedford City	148,815
Bureau of Workers Compensation	118,440
School Employees Retirement System	64,711
Title VI-R Grants and Subsidies	39,991
Vocational Education Grants and Subsidies	36,536
Title III	2,069
Community Alternative Funding System	280
Preschool Handicapped Grants and Subsidies	229
Total	\$1,121,765

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 9 - Property Taxes

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

Property taxes include amounts levied against all real property and public utility property located in the School District. Real property tax revenues received in calendar year 2013 represents collections of calendar year 2012 taxes. Real property taxes received in calendar year 2013 were levied after April 1, 2012, on the assessed value listed as of January 1, 2012, 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 revenues received in calendar year 2013 represents collections of calendar year 2012 taxes. Public utility real and tangible personal property taxes received in calendar year 2013 become a lien December 31, 2011, were levied after April 1, 2012 and are collected in 2013 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Cuyahoga County. The County Fiscal Officer 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, 2013, are available to finance fiscal year 2013 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which are measurable as of June 30, 2013 and for which there is 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 were levied to finance current fiscal year operations are reported 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 inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

The amount available as an advance at June 30, 2013 was \$3,637,695 in the general fund, \$44,762 in the bond retirement debt service fund and \$59,003 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2012, was \$3,869,324 in the general fund, \$50,839 in the bond retirement debt service fund and \$60,377 in the permanent improvement capital projects fund. The difference was in timing and collection by the County Fiscal Officer.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

The assessed values upon which the fiscal year 2013 taxes were collected are:

	2012 Second Half Collections		2013 First Half Collections	
	Amount	Percent	Amount	Percent
Residential/Agricultural	\$393,002,580	54.26 %	\$354,654,020	53.00 %
Other Real Estate	296,627,520	40.95	276,995,450	41.39
Public Utility Personal	34,725,840	4.79	37,511,790	5.61
Total	\$724,355,940	100.00 %	\$669,161,260	100.00 %
Tax rate per \$1,000 of assessed valuation	\$71.30		\$71.30	

Note 10 - Contingencies

Grants

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2013, if applicable, cannot be determined at this time.

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 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2013, was as follows:

	Balance 6/30/12	Additions	Deletions	Balance 6/30/13
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$1,525,500	\$0	\$0	\$1,525,500
Construction in Progress	91,223	489,763	(521,485)	59,501
Total Capital Assets, not being depreciated	\$1,616,723	\$489,763	(\$521,485)	\$1,585,001

(continued)

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

	Balance 6/30/12	Additions	Deletions	Balance 6/30/13
Governmental Activities (continued)				
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	\$42,157,282	\$876,269	\$0	\$43,033,551
Furniture and Equipment	5,393,768	538,069	(12,123)	5,919,714
Vehicles	4,587,535	379,169	(205,833)	4,760,871
Total Capital Assets, being depreciated	52,138,585	1,793,507	(217,956)	53,714,136
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(27,390,294)	(1,007,747)	0	(28,398,041)
Furniture and Equipment	(3,432,503)	(269,719)	11,880	(3,690,342)
Vehicles	(2,765,872)	(290,413)	185,011	(2,871,274)
Total Accumulated Depreciation	(33,588,669)	(1,567,879) *	196,891	(34,959,657)
Total Capital Assets, being depreciated, net	18,549,916	225,628	(21,065)	18,754,479
Governmental Activities Capital Assets, Net	\$20,166,639	\$715,391	(\$542,550)	\$20,339,480

* Depreciation expense was charged to governmental functions as follows:

Instruction	
Regular	\$365,438
Special	26,756
Vocational	24,459
Support Services:	
Pupil	1,319
Instructional Staff	25,789
Administration	3,341
Fiscal	2,018
Business	112,459
Operation and Maintenance of Plant	581,385
Pupil Transportation	273,438
Central	470
Operation of Non-Instructional Services:	
Food Service Operations	5,206
Other Non-Instructional Services	42,283
Extracurricular Activities	103,518
Total Depreciation Expense	<u>\$1,567,879</u>

Note 12 - Interfund Transfers and Balances

Interfund Transfers

The general fund transferred \$111,580 to the district managed student activities special revenue fund to provide financial support for the School District's athletics and \$218,870 to the capital replacement capital projects fund for bus purchases.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Interfund Balances

Interfund balances at June 30, 2013, consist of the following individual fund receivables and payables:

Interfund Payable	Interfund Receivable		
	General Fund	Other Governmental Funds	Total
Other Governmental Funds			
Title VI-B	\$670,000	\$0	\$670,000
Vocational Education	190,000	0	190,000
Title III	4,020	0	4,020
Title I	732,500	0	732,500
Preschool Handicapped	11,000	0	11,000
Title VI-R	103,000	0	103,000
Permanent Improvement	220,000	45,000	265,000
<i>Total Other Governmental Funds</i>	<u>\$1,930,520</u>	<u>\$45,000</u>	<u>\$1,975,520</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. Principal payments in the amount of \$15,000 will be made for fiscal years 2014, 2015 and 2016. The manuscript bond will mature on December 1, 2015.

	Outstanding June 30, 2012	Additions	Deletions	Outstanding June 30, 2013
Manuscript Bond - Facility Acquisition	<u>\$60,000</u>	<u>\$0</u>	<u>\$15,000</u>	<u>\$45,000</u>

Note 13 - 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 2013, the School District contracted for property and general liability insurance, and boiler and machinery coverage through the Ohio Schools Council Association Group Purchasing Consortium. The Ohio Casualty Insurance Company (member of Liberty Mutual Group) is the carrier for the School District's insurance.

Aggregate property coverage is \$143,627,212 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, 2013, 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 \$100,000 surety bond and the Superintendent, Board of Education President, and Business Manager are covered by \$50,000 position bonds.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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 2013, the School District participated in the Ohio School Boards Association Workers' Compensation Group Retrospective Rating Program, an insurance purchasing pool (Note 17). 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. 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 hospitalization/medical benefits and prescription drug benefits to full time employees through a self-insurance program as of January 1, 2013. Dental 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 uninsured risk of loss in the hospitalization and drug 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, Cigna, reviews and pays all claims. The School District pays the following monthly premium into the self-funded benefits fund, which represents 90 percent of the premium required: hospitalization - \$343.08 (single), \$943.48 (family); drug - \$99.43 (single), \$273.42 (family). These premiums are paid by the fund that pays the salary for each employee and is based on historical cost information.

The School District is self-insured for medical and prescription drug coverage. Cigna administers these plans for the District. Stop-loss coverage has been purchased for medical claims at \$100,000 per individual employee, and in aggregate of 125 percent of expected claims for the School District. The administrators review all claims which are paid by the School District.

The claims liability of \$242,956 reported in the self insurance fund at June 30, 2013, 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
2012	\$61,783	\$1,157,426	\$1,146,146	\$73,063
2013	73,063	1,606,515	1,436,622	242,956

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 14 - Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees and Administrators 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, 260 days for certificated employees (unless in their final year of employment before retirement) and 370 days for administrators. Upon retirement or termination after 25 years of consecutive service (or attaining age 52 and 20 years of consecutive service), payment is made for up to 40 days for certificated employees, 30 days for administrators, plus one-tenth of the days remaining. The maximum number of days to be paid out is 63.5 days for certificated staff and 86.5 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 82.5 days. For purposes of retirement, the employee receiving such payment must meet the eligibility requirement provisions set by STRS or SERS.

Note 15 - 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 defined benefit pension plan. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board acting with the advices of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For the fiscal year ended June 30, 2013, the allocation to pension and death benefits is 13.10 percent. The remaining .90 percent of the 14 percent employer contributions rate is allocated to the Health Care and Medicare B funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2013, 2012 and 2011 were \$1,046,470, \$1,023,317 and \$953,574 respectively. For fiscal year 2013, 97.94 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2012 and 2011.

State Teachers Retirement System

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

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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 Ohio Revised Code Chapter 3307.

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 - Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon the recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. The statutory maximum employee contribution rate will be increased one percent each year beginning July 1, 2013, until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2013, plan members were required to contribute 10 percent of their annual covered salary. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations.

The School District's required contributions to STRS Ohio for the DB Plan and for the defined benefit portion of the combined plan were \$2,457,579 and \$39,999 for the fiscal year ended June 30, 2013, \$2,404,840 and \$56,143 for the fiscal year ended June 30, 2012, and \$2,426,228 and \$43,343 for the fiscal year ended June 30, 2011. For fiscal year 2013, 83.48 percent has been contributed for the DB plan and the Combined Plan, respectively, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2012 and 2011.

Contributions made to STRS Ohio for the DC Plan for fiscal year 2013 were \$69,132 made by the School District and \$49,380 made by the plan members. In addition, member contributions of \$28,570 were made for fiscal year 2013 for the defined contribution portion of the Combined Plan.

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, 2013, two members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Note 16- 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 can be obtained on SERS’ website at www.ohsers.org under Employers/Audit Resources.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For 2013, 0.16 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2013, this amount was \$20,525. During fiscal year 2013, the School District paid \$105,616 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 the fiscal years ended June 30, 2013, 2012 and 2011 were \$118,397, \$158,293 and \$240,504 respectively. For fiscal year 2013, 97.94 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal year 2012 and 2011.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2013, this actuarially required allocation was 0.74 percent of covered payroll. The School District’s contributions for Medicare Part B for the fiscal years ended June 30, 2013, 2012 and 2011 were \$59,114, \$60,432 and \$61,365 respectively. For fiscal year 2013, 97.94 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2012 and 2011.

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. Ohio law authorizes STRS to offer this plan. 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 Revised Code Chapter 3307 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, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from

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For the Fiscal Year Ended June 30, 2013

employer contributions. For 2013, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to post-employment health care. The School District's contributions for health care for the fiscal years ended June 30, 2013, 2012 and 2011 were \$189,045, \$184,988 and \$185,780 respectively. For 2013, 83.48 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal year 2012 and 2011.

Note 17 - Insurance Purchasing Pool

Ohio School Boards Association Workers' Compensation Group Retrospective Rating Program - The School District participates in the Ohio School Boards Association Workers' Compensation Group Retrospective Rating 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 18 - Set Asides

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

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

	Capital Improvement
Set-aside Balances as of June 30, 2012	\$0
Current Year Set-aside Requirement	589,580
Current Year Offsets	(462,243)
Qualifying Disbursements	(2,031,802)
Totals	(\$1,904,465)
Set-aside Balance Carried Forward to Future Fiscal Years	\$0
Set-aside Balances as of June 30, 2013	\$0

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 19 - 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:

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

Debt Issue	Original Issue Date	Original Issue Amount	Interest Rate	Date of Maturity
General Obligation Bonds:				
Radio Equipment Acquisition Bond	2013	\$274,578	1.50%	July 15, 2016
Capital Appreciation Refunding Bonds	2001	536,300	10.30%	December 1, 2013
Energy Conservation Improvement Bonds	2006	3,562,114	4.11%	October 15, 2020
Maintenance Facility Loan	2002	606,000	3.64%	December 1, 2012

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

	Principal Outstanding 6/30/12	Additions	(Reductions)	Principal Outstanding 6/30/13	Amount Due in One Year
Governmental Activities:					
General Obligations Bonds:					
Radio Equipment Acquisition Bonds	\$0	\$274,578	\$0	\$274,578	\$68,644
Capital Appreciation Refunding Bonds	536,300	0	(406,330)	129,970	129,970
Accretion on Capital Appreciation Bonds	1,007,617	99,778	(823,670)	283,725	283,725
Unamortized Premium	13,866	0	(11,578)	2,288	0
Energy Conservation Improvement Bonds	2,353,452	0	(221,425)	2,132,027	230,516
<i>Total General Obligation Bonds</i>	<u>3,911,235</u>	<u>374,356</u>	<u>(1,463,003)</u>	<u>2,822,588</u>	<u>712,855</u>
Maintenance Facilities Loan	73,000	0	(73,000)	0	0
Capital Leases	388,868	0	(137,724)	251,144	114,618
Compensated Absences	3,722,900	1,281,396	(1,259,594)	3,744,702	1,199,132
Total Governmental Activities	<u>\$8,096,003</u>	<u>\$1,655,752</u>	<u>(\$2,933,321)</u>	<u>\$6,818,434</u>	<u>\$2,026,605</u>

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 capital leases will be paid from the capital replacement capital projects fund. Compensated absences will be paid from the general fund, the food service, auxiliary services, title VI-B, title I 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. The serial bonds were retired in full in fiscal year 2012. This year the addition on the capital appreciation bonds was \$99,778 which represents the annual accretion of discounted interest. The final maturity amount of these bonds is \$435,000. The bonds were issued at a \$900,303 premium.

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.

Bedford City School District
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For the Fiscal Year Ended June 30, 2013

In October 2012, the School District issued radio equipment acquisition bonds having an original face value of \$274,578, for the purpose of acquiring radio communications equipment. These bonds will be paid from the building capital projects fund.

The overall debt margin of the School District as of June 30, 2013, was \$60,193,083 with an unvoted debt margin of \$668,923. Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2013, are as follows:

	Capital Appreciation Bonds		Radio Equipment Acquisition Bonds	
	Principal	Interest	Principal	Interest
2014	\$129,970	\$305,030	\$68,644	\$3,020
2015	0	0	68,644	3,132
2016	0	0	68,645	2,088
2017	0	0	68,645	1,047
Total	\$129,970	\$305,030	\$274,578	\$9,287

	Energy Conservation Improvement Bonds		Total	
	Principal	Interest	Principal	Interest
2014	\$230,516	\$87,531	\$429,130	\$395,581
2015	239,980	78,067	308,624	81,199
2016	249,832	68,215	318,477	70,303
2017	260,089	57,958	328,734	59,005
2018	270,767	47,280	270,767	47,280
2019-2021	880,843	73,298	880,843	73,298
Total	\$2,132,027	\$412,349	\$2,536,575	\$726,666

Note 20 - Jointly Governed Organizations

North Coast Council

The North Coast Council (NCC) is a jointly governed organization among thirty-two school districts, two educational service centers 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 NCC based on a per pupil charge. The School District paid \$87,463 to NCC during fiscal year 2013.

The Board of Directors consists of the nine superintendents representing participating school districts and the educational service centers. 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 NCC'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 198 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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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. The degree of control exercised by any participant is limited to its representation on the Governing Board. The Board exercises total control over the operations of the Council including budgeting, appropriating, contracting and designating management. In fiscal year 2013, the School District paid \$400 to the Council. Financial information can be obtained by contacting William J. Zelei, the Executive Director of the Ohio Schools' Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Compass Energy is the supplier and program manager for the period from October 1, 2010 through March 31, 2016. There are currently 151 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 June 2011 and runs through December 2019, provides as much as 16 percent in savings to 251 school districts in the First Energy territory.

Note 21 - Capital Leases - Lessee Disclosure

In prior fiscal years, the School District entered into a \$433,136 five year lease purchase agreement with Key Government Finance for a network upgrade and related equipment. The School District also entered into a \$157,250 three year lease purchase agreement with Key Government Finance for the acquisition of Dell computers. The School District's lease obligations meet the criteria of a capital lease. Capital lease payments for the network upgrade and Dell computer leases are reflected as debt service expenditures in the capital replacement capital projects fund on the basic financial statements.

As part of the agreement for the leases, Key Bank, as lessor, deposited monies in segregated accounts. 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	\$385,000
Furniture and Equipment	590,386
<i>Total Capital Assets, being depreciated</i>	<u>975,386</u>
Accumulated Depreciation	(322,777)
<i>Governmental Activities Capital Assets, Net</i>	<u><u>\$652,609</u></u>

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2013

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, 2013.

Fiscal Year Ending June 30	Governmental Activities
2014	\$120,553
2015	93,324
2016	46,662
Total	260,539
Less: Amount Representing Interest	(9,395)
Present Value of Net Minimum Lease Payments	\$251,144

Note 22 – Significant Commitments

Contractual Commitments

As of June 30, 2013, the School District had the following contractual construction commitments outstanding:

Vendor Name	Contract Amount	Amount Paid To Date	Remaining Contract
Capital Aluminum & Glass Corporation - Window Replacement	\$307,950	\$254,500	\$53,450
Apex Equipment - High School Refridgeration System	108,200	94,960	13,240
Apex Equipment - High School Lantern	43,758	0	43,758
Total	\$459,908	\$349,460	\$110,448

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

General	\$933,335
Other Governmental Funds	988,647
Internal Service	950
Total	\$1,922,932

Note 23 – Subsequent Events

On October 8, 2013, the School District negotiations for the union contracts of the classified staff were finished. The School District will be making retroactive payments, however the amount is not know at this time.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

To account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects.

Food Service Fund To account for and report charges for services and grants restricted to the food service operations of the School District.

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

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

Auxiliary Services Fund To account for and report restricted 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.

Data Communications Fund To account for and report State grants restricted for Ohio Educational Computer Network Connections.

Education Jobs Fund This fund accounts for and reports restricted Federal grant monies to assist schools in providing educational and related services for early childhood, elementary and secondary education.

Race to the Top Fund To account for and report restricted Federal grant monies to assist schools in providing for costs associated with improving student learning and graduation rates.

Title VI-B Fund To account for and report federal grants restricted to provide full educational opportunities to handicapped children.

Vocational Education Fund To account for and report federal grants restricted for vocational education programs.

Technology Title II-D Fund This fund accounts for and reports Federal grants restricted for technology.

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

Title III Fund To account for and report federal grants restricted for costs associated with English proficiency.

Title I Fund To account for and report federal grants restricted to meet the needs of educationally deprived children.

Preschool Handicapped Fund To account for and report federal grants restricted for the improvement and expansion of services for handicapped children ages three through five.

Title VI-R Fund To account for and report federal grants restricted to hire additional classroom teachers in grades one through three.

Miscellaneous Federal Grants Fund To account for and report federal grants restricted for academic and enrichment programs for the student body.

Recreation Fund To account for and report the operation of the swimming pool when it serves the community for open swim, lessons, youth competition and facility rentals. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Public School Support Fund To account for and report proceeds of local fund raising at the building level. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Special Enterprise Fund To account for and report the financial transactions related to the rental of the School District's high school athletic facilities. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Summer School Fund To account for and report the operation of the summer school program. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Adult and Community Education Fund To account for and report the operation of the adult high school and the adult and community education programs. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Nonmajor Debt Service Fund

The debt service fund is used to account for and report the financial resources that are restricted, committed or assigned to expenditure for principal and interest.

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

Nonmajor Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary fund or for assets that will be held in trust. Following is a description of the nonmajor capital project funds.

Permanent Improvement Fund To account for and report restricted property taxes for the acquisition or construction of major capital facilities.

Building Fund To account for and report bond proceeds restricted for construction and capital acquisitions.

Capital Replacement Fund To account for and report the monies transferred from the general fund that are committed for vehicle and computer replacement.

Bedford City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,263,350	\$304,771	\$1,093,823	\$3,661,944
Intergovernmental Receivable	789,519	0	0	789,519
Inventory Held for Resale	44,384	0	0	44,384
Materials and Supplies Inventory	7,657	0	0	7,657
Interfund Receivable	0	45,000	0	45,000
Taxes Receivable	0	168,782	457,644	626,426
<i>Total Assets</i>	<u>\$3,104,910</u>	<u>\$518,553</u>	<u>\$1,551,467</u>	<u>\$5,174,930</u>
Liabilities				
Accounts Payable	\$172,849	\$0	\$1,835	\$174,684
Contracts Payable	0	0	242,214	242,214
Accrued Wages and Benefits Payable	252,008	0	0	252,008
Intergovernmental Payable	95,862	0	0	95,862
Interfund Payable	1,710,520	0	265,000	1,975,520
Matured Compensated Absences Payable	58,327	0	0	58,327
<i>Total Liabilities</i>	<u>2,289,566</u>	<u>0</u>	<u>509,049</u>	<u>2,798,615</u>
Deferred Inflows of Resources				
Property Taxes	0	84,762	342,495	427,257
Unavailable Revenue	570,579	39,258	56,146	665,983
<i>Total Deferred Inflows of Resources</i>	<u>570,579</u>	<u>124,020</u>	<u>398,641</u>	<u>1,093,240</u>
Fund Balances				
Nonspendable	7,657	0	0	7,657
Restricted	822,547	394,533	305,141	1,522,221
Committed	0	0	338,636	338,636
Unassigned (Deficit)	(585,439)	0	0	(585,439)
<i>Total Fund Balances</i>	<u>244,765</u>	<u>394,533</u>	<u>643,777</u>	<u>1,283,075</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$3,104,910</u>	<u>\$518,553</u>	<u>\$1,551,467</u>	<u>\$5,174,930</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, 2013

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$0	\$289,247	\$421,969	\$711,216
Intergovernmental	3,679,131	31,118	123,363	3,833,612
Interest	194	0	0	194
Charges for Services	568,159	0	0	568,159
Extracurricular Activities	151,754	0	0	151,754
Contributions and Donations	17,817	0	0	17,817
Miscellaneous	17,538	0	108,326	125,864
<i>Total Revenues</i>	<u>4,434,593</u>	<u>320,365</u>	<u>653,658</u>	<u>5,408,616</u>
Expenditures				
Current:				
Instruction:				
Regular	56,226	0	0	56,226
Special	790,588	0	0	790,588
Vocational	84,543	0	0	84,543
Support Services:				
Pupil	689,344	0	0	689,344
Instructional Staff	652,616	0	0	652,616
Administration	150,297	0	0	150,297
Fiscal	0	3,247	0	3,247
Business	11,699	0	0	11,699
Central	4,200	0	0	4,200
Operation of Non-Instructional Services:				
Food Service Operations	1,870,279	0	0	1,870,279
Other Non-Instructional Services	336,296	0	0	336,296
Extracurricular Activities	273,857	0	0	273,857
Capital Outlay	0	0	924,717	924,717
Debt Service:				
Principal Retirement	0	406,330	137,724	544,054
Interest and Fiscal Charges	0	0	10,059	10,059
Capital Appreciation Bond Accretion	0	823,670	0	823,670
<i>Total Expenditures</i>	<u>4,919,945</u>	<u>1,233,247</u>	<u>1,072,500</u>	<u>7,225,692</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(485,352)</u>	<u>(912,882)</u>	<u>(418,842)</u>	<u>(1,817,076)</u>
Other Financing Sources				
General Obligation Bonds Issued	0	0	274,578	274,578
Transfers In	111,580	0	218,870	330,450
<i>Total Other Financing Sources</i>	<u>111,580</u>	<u>0</u>	<u>493,448</u>	<u>605,028</u>
<i>Net Change in Fund Balances</i>	(373,772)	(912,882)	74,606	(1,212,048)
<i>Fund Balances Beginning of Year</i>	<u>618,537</u>	<u>1,307,415</u>	<u>569,171</u>	<u>2,495,123</u>
<i>Fund Balances End of Year</i>	<u>\$244,765</u>	<u>\$394,533</u>	<u>\$643,777</u>	<u>\$1,283,075</u>

Bedford City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2013

	Food Service	Local Grants	District Managed Student Activities	Auxiliary Services
Assets				
Equity in Pooled Cash and Cash Equivalents	\$836,579	\$54,174	\$41,444	\$72,609
Intergovernmental Receivable	0	0	0	0
Inventory Held for Resale	44,384	0	0	0
Materials and Supplies Inventory	7,657	0	0	0
<i>Total Assets</i>	<u>\$888,620</u>	<u>\$54,174</u>	<u>\$41,444</u>	<u>\$72,609</u>
Liabilities				
Accounts Payable	\$34,048	\$0	\$7,509	\$43,371
Accrued Wages and Benefits Payable	74,099	0	0	3,270
Intergovernmental Payable	56,336	0	49	2,771
Interfund Payable	0	0	0	0
Matured Compensated Absences Payable	5,190	0	0	0
<i>Total Liabilities</i>	<u>169,673</u>	<u>0</u>	<u>7,558</u>	<u>49,412</u>
Deferred Inflows of Resources				
Unavailable Revenue	0	0	0	0
Fund Balances				
Nonspendable	7,657	0	0	0
Restricted	711,290	54,174	33,886	23,197
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>718,947</u>	<u>54,174</u>	<u>33,886</u>	<u>23,197</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$888,620</u>	<u>\$54,174</u>	<u>\$41,444</u>	<u>\$72,609</u>

(continued)

Bedford City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2013

	Title VI-B	Vocational Education	Title III
Assets			
Equity in Pooled Cash and Cash Equivalents	\$589,036	\$175,801	\$1,951
Intergovernmental Receivable	157,257	36,536	2,069
Inventory Held for Resale	0	0	0
Materials and Supplies Inventory	0	0	0
<i>Total Assets</i>	<u>\$746,293</u>	<u>\$212,337</u>	<u>\$4,020</u>
Liabilities			
Accounts Payable	\$15,140	\$17,432	\$0
Accrued Wages and Benefits Payable	44,230	0	0
Intergovernmental Payable	9,929	365	0
Interfund Payable	670,000	190,000	4,020
Matured Compensated Absences Payable	0	0	0
<i>Total Liabilities</i>	<u>739,299</u>	<u>207,797</u>	<u>4,020</u>
Deferred Inflows of Resources			
Unavailable Revenue	157,257	36,536	0
Fund Balances			
Nonspendable	0	0	0
Restricted	0	0	0
Unassigned (Deficit)	(150,263)	(31,996)	0
<i>Total Fund Balances (Deficit)</i>	<u>(150,263)</u>	<u>(31,996)</u>	<u>0</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$746,293</u>	<u>\$212,337</u>	<u>\$4,020</u>

Title I	Preschool Handicapped	Title VI-R	Total Nonmajor Special Revenue Funds
\$378,943	\$10,770	\$102,043	\$2,263,350
553,437	229	39,991	789,519
0	0	0	44,384
0	0	0	7,657
\$932,380	\$10,999	\$142,034	\$3,104,910
\$54,849	\$0	\$500	\$172,849
117,336	0	13,073	252,008
21,475	0	4,937	95,862
732,500	11,000	103,000	1,710,520
53,137	0	0	58,327
979,297	11,000	121,510	2,289,566
336,566	229	39,991	570,579
0	0	0	7,657
0	0	0	822,547
(383,483)	(230)	(19,467)	(585,439)
(383,483)	(230)	(19,467)	244,765
\$932,380	\$10,999	\$142,034	\$3,104,910

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, 2013

	Food Service	Local Grants	District Managed Student Activities	Auxiliary Services
Revenues				
Intergovernmental	\$1,381,881	\$9,700	\$0	\$275,383
Interest	0	0	0	194
Charges for Services	565,787	0	2,372	0
Extracurricular Activities	0	0	151,754	0
Contributions and Donations	0	17,320	497	0
Miscellaneous	0	0	17,538	0
<i>Total Revenues</i>	<u>1,947,668</u>	<u>27,020</u>	<u>172,161</u>	<u>275,577</u>
Expenditures				
Current:				
Instruction:				
Regular	0	7,823	0	0
Special	0	1,489	0	0
Vocational	0	0	0	0
Support Services:				
Pupil	0	0	0	0
Instructional Staff	0	2	0	0
Administration	0	0	0	0
Business	0	11,699	0	0
Central	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	1,870,279	0	0	0
Other Non-Instructional Services	0	12,383	0	285,826
Extracurricular Activities	0	0	273,857	0
<i>Total Expenditures</i>	<u>1,870,279</u>	<u>33,396</u>	<u>273,857</u>	<u>285,826</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	77,389	(6,376)	(101,696)	(10,249)
Other Financing Sources				
Transfers In	0	0	111,580	0
<i>Net Change in Fund Balances</i>	77,389	(6,376)	9,884	(10,249)
<i>Fund Balances (Deficit) Beginning of Year</i>	641,558	60,550	24,002	33,446
<i>Fund Balances (Deficit) End of Year</i>	<u>\$718,947</u>	<u>\$54,174</u>	<u>\$33,886</u>	<u>\$23,197</u>

<u>Data Communications</u>	<u>Education Jobs</u>	<u>Race to the Top</u>	<u>Title VI-B</u>	<u>Vocational Education</u>	<u>Technology Title II-D</u>	<u>Title III</u>
\$10,800	\$23,672	\$2,450	\$720,678	\$96,593	\$3,060	\$10,000
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
<u>10,800</u>	<u>23,672</u>	<u>2,450</u>	<u>720,678</u>	<u>96,593</u>	<u>3,060</u>	<u>10,000</u>
0	0	2,450	0	0	0	0
0	0	0	202,342	0	0	10,000
0	0	0	0	84,543	0	0
0	735	0	438,567	0	0	0
10,800	3,961	0	6,289	10,372	3,060	0
0	0	0	145,880	4,417	0	0
0	0	0	0	0	0	0
0	0	0	0	4,200	0	0
0	0	0	0	0	0	0
0	0	0	25,880	0	0	0
0	0	0	0	0	0	0
<u>10,800</u>	<u>4,696</u>	<u>2,450</u>	<u>818,958</u>	<u>103,532</u>	<u>3,060</u>	<u>10,000</u>
0	18,976	0	(98,280)	(6,939)	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	18,976	0	(98,280)	(6,939)	0	0
<u>0</u>	<u>(18,976)</u>	<u>0</u>	<u>(51,983)</u>	<u>(25,057)</u>	<u>0</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$150,263)</u>	<u>(\$31,996)</u>	<u>\$0</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, 2013

	Title I	Preschool Handicapped	Title VI-R	Total Nonmajor Special Revenue Funds
Revenues				
Intergovernmental	\$985,584	\$39,211	\$120,119	\$3,679,131
Interest	0	0	0	194
Charges for Services	0	0	0	568,159
Extracurricular Activities	0	0	0	151,754
Contributions and Donations	0	0	0	17,817
Miscellaneous	0	0	0	17,538
<i>Total Revenues</i>	<u>985,584</u>	<u>39,211</u>	<u>120,119</u>	<u>4,434,593</u>
Expenditures				
Current:				
Instruction:				
Regular	45,277	0	676	56,226
Special	540,543	36,214	0	790,588
Vocational	0	0	0	84,543
Support Services:				
Pupil	250,042	0	0	689,344
Instructional Staff	482,665	3,226	132,241	652,616
Administration	0	0	0	150,297
Business	0	0	0	11,699
Central	0	0	0	4,200
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	1,870,279
Other Non-Instructional Services	12,207	0	0	336,296
Extracurricular Activities	0	0	0	273,857
<i>Total Expenditures</i>	<u>1,330,734</u>	<u>39,440</u>	<u>132,917</u>	<u>4,919,945</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(345,150)	(229)	(12,798)	(485,352)
Other Financing Sources				
Transfers In	0	0	0	111,580
<i>Net Change in Fund Balances</i>	(345,150)	(229)	(12,798)	(373,772)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(38,333)</u>	<u>(1)</u>	<u>(6,669)</u>	<u>618,537</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$383,483)</u>	<u>(\$230)</u>	<u>(\$19,467)</u>	<u>\$244,765</u>

Bedford City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2013

	<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	\$701,087	\$52,265	\$340,471	\$1,093,823
Taxes Receivable	457,644	0	0	457,644
<i>Total Assets</i>	<u>\$1,158,731</u>	<u>\$52,265</u>	<u>\$340,471</u>	<u>\$1,551,467</u>
Liabilities				
Accounts Payable	\$0	\$0	\$1,835	\$1,835
Contracts Payable	242,214	0	0	242,214
Interfund Payable	265,000	0	0	265,000
<i>Total Liabilities</i>	<u>507,214</u>	<u>0</u>	<u>1,835</u>	<u>509,049</u>
Deferred Inflows of Resources				
Property Taxes	342,495	0	0	342,495
Unavailable Revenue	56,146	0	0	56,146
<i>Total Deferred Inflows of Resources</i>	<u>398,641</u>	<u>0</u>	<u>0</u>	<u>398,641</u>
Fund Balances				
Restricted	252,876	52,265	0	305,141
Committed	0	0	338,636	338,636
<i>Total Fund Balances</i>	<u>252,876</u>	<u>52,265</u>	<u>338,636</u>	<u>643,777</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$1,158,731</u>	<u>\$52,265</u>	<u>\$340,471</u>	<u>\$1,551,467</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, 2013

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Capital Replacement</u>	<u>Total Nonmajor Capital Projects Funds</u>
Revenues				
Taxes	\$421,969	\$0	\$0	\$421,969
Intergovernmental	123,363	0	0	123,363
Miscellaneous	15,000	0	93,326	108,326
<i>Total Revenues</i>	<u>560,332</u>	<u>0</u>	<u>93,326</u>	<u>653,658</u>
Expenditures				
Capital Outlay	512,723	253,058	158,936	924,717
Debt Service:				
Principal Retirement	0	0	137,724	137,724
Interest and Fiscal Charges	0	0	10,059	10,059
<i>Total Expenditures</i>	<u>512,723</u>	<u>253,058</u>	<u>306,719</u>	<u>1,072,500</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>47,609</u>	<u>(253,058)</u>	<u>(213,393)</u>	<u>(418,842)</u>
Other Financing Sources				
General Obligation Bonds Issued	0	274,578	0	274,578
Transfers In	0	0	218,870	218,870
<i>Total Other Financing Sources</i>	<u>0</u>	<u>274,578</u>	<u>218,870</u>	<u>493,448</u>
<i>Net Change in Fund Balances</i>	47,609	21,520	5,477	74,606
<i>Fund Balances Beginning of Year</i>	<u>205,267</u>	<u>30,745</u>	<u>333,159</u>	<u>569,171</u>
<i>Fund Balances End of Year</i>	<u>\$252,876</u>	<u>\$52,265</u>	<u>\$338,636</u>	<u>\$643,777</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 health, dental and prescription drug benefits fund.

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

Bedford City School District
Combining Statement of Net Position
Internal Service Funds
June 30, 2013

	<u>Self Insurance</u>	<u>Computer Network</u>	<u>Total Internal Service Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$1,797,075	\$578	\$1,797,653
Liabilities			
Claims Payable	<u>242,956</u>	<u>0</u>	<u>242,956</u>
Net Position			
Unrestricted	<u>\$1,554,119</u>	<u>\$578</u>	<u>\$1,554,697</u>

Bedford City School District
*Combining Statement of Revenues,
 Expenses and Changes in Net Position
 Internal Service Funds
 For the Fiscal Year Ended June 30, 2013*

	Self Insurance	Computer Network	Total Internal Service Funds
Operating Revenues			
Charges for Services	\$2,796,720	\$0	\$2,796,720
Operating Expenses			
Purchased Services	1,002,144	0	1,002,144
Claims	1,606,515	0	1,606,515
<i>Total Operating Expenses</i>	<u>2,608,659</u>	<u>0</u>	<u>2,608,659</u>
<i>Change in Net Position</i>	188,061	0	188,061
<i>Net Position Beginning of Year</i>	<u>1,366,058</u>	<u>578</u>	<u>1,366,636</u>
<i>Net Position End of Year</i>	<u><u>\$1,554,119</u></u>	<u><u>\$578</u></u>	<u><u>\$1,554,697</u></u>

Bedford City School District
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2013

	Self Insurance	Computer Network	Total Internal Service Funds
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Interfund Services	\$2,796,720	\$0	\$2,796,720
Cash Payments for Purchased Services	(1,002,144)	0	(1,002,144)
Cash Payments for Claims	(1,436,622)	0	(1,436,622)
<i>Net Increase in Cash and Cash Equivalents</i>	357,954	0	357,954
<i>Cash and Cash Equivalents Beginning of Year</i>	1,439,121	578	1,439,699
<i>Cash and Cash Equivalents End of Year</i>	\$1,797,075	\$578	\$1,797,653
Reconciliation of Operating Income to Net Cash Provided by Operating Activities			
Operating Income	\$188,061	\$0	\$188,061
<i>Adjustment:</i>			
Increase in Claims Payable	169,893	0	169,893
<i>Net Cash Provided by Operating Activities</i>	\$357,954	\$0	\$357,954

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, 2013

	Beginning Balance June 30, 2012	Additions	Reductions	Ending Balance June 30, 2013
Student Activities Fund				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$32,149	\$53,598	\$44,122	\$41,625
Liabilities				
Due to Students	\$32,149	\$53,598	\$44,122	\$41,625

**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, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$24,715,406	\$24,482,334	\$26,968,299	\$2,485,965
Intergovernmental	14,597,870	14,597,870	15,044,962	447,092
Interest	10,000	10,000	17,847	7,847
Charges for Services	10,000	10,000	11,015	1,015
Tuition and Fees	1,303,600	1,303,600	1,480,059	176,459
Rentals	5,000	5,000	19,375	14,375
Miscellaneous	212,587	212,587	193,448	(19,139)
<i>Total Revenues</i>	<u>40,854,463</u>	<u>40,621,391</u>	<u>43,735,005</u>	<u>3,113,614</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	10,745,000	10,616,615	10,514,498	102,117
Fringe Benefits	3,800,000	3,754,700	3,722,501	32,199
Purchased Services	5,228,648	4,235,233	4,123,714	111,519
Materials and Supplies	446,018	708,033	568,666	139,367
Capital Outlay	45,203	58,741	44,599	14,142
Other	13,060	8,961	8,918	43
Total Regular	<u>20,277,929</u>	<u>19,382,283</u>	<u>18,982,896</u>	<u>399,387</u>
Special:				
Salaries and Wages	3,467,000	3,467,000	3,442,723	24,277
Fringe Benefits	1,200,000	1,165,750	1,099,273	66,477
Purchased Services	0	147,610	147,608	2
Materials and Supplies	1,000	1,000	0	1,000
Total Special	<u>4,668,000</u>	<u>4,781,360</u>	<u>4,689,604</u>	<u>91,756</u>
Vocational:				
Salaries and Wages	526,000	526,000	495,088	30,912
Fringe Benefits	200,000	200,000	162,726	37,274
Purchased Services	12,500	15,082	13,091	1,991
Materials and Supplies	18,400	26,037	24,736	1,301
Capital Outlay	28,700	43,831	36,053	7,778
Total Vocational	<u>785,600</u>	<u>810,950</u>	<u>731,694</u>	<u>79,256</u>
Total Instruction	<u>\$25,731,529</u>	<u>\$24,974,593</u>	<u>\$24,404,194</u>	<u>\$570,399</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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Support Services:				
Pupil:				
Salaries and Wages	\$1,541,800	\$1,541,800	\$1,488,849	\$52,951
Fringe Benefits	450,000	465,500	465,492	8
Purchased Services	401,785	412,739	331,147	81,592
Materials and Supplies	67,685	68,901	30,732	38,169
Capital Outlay	0	2,500	815	1,685
Total Pupil	<u>2,461,270</u>	<u>2,491,440</u>	<u>2,317,035</u>	<u>174,405</u>
Instructional Staff:				
Salaries and Wages	1,245,000	1,298,100	1,295,634	2,466
Fringe Benefits	451,115	467,937	467,898	39
Purchased Services	196,470	226,657	183,523	43,134
Materials and Supplies	75,203	93,177	67,846	25,331
Capital Outlay	19,462	54,859	47,439	7,420
Other	200	135	35	100
Total Instructional Staff	<u>1,987,450</u>	<u>2,140,865</u>	<u>2,062,375</u>	<u>78,490</u>
Board of Education:				
Salaries and Wages	20,000	20,000	15,125	4,875
Fringe Benefits	5,500	5,500	865	4,635
Purchased Services	208,650	177,895	104,645	73,250
Materials and Supplies	500	500	448	52
Capital Outlay	2,000	2,000	0	2,000
Other	33,630	33,955	21,642	12,313
Total Board of Education	<u>270,280</u>	<u>239,850</u>	<u>142,725</u>	<u>97,125</u>
Administration:				
Salaries and Wages	2,270,000	2,319,250	2,291,511	27,739
Fringe Benefits	918,841	964,646	964,341	305
Purchased Services	606,675	606,720	555,849	50,871
Materials and Supplies	60,170	74,521	59,506	15,015
Capital Outlay	9,722	9,359	4,868	4,491
Other	76,200	79,485	68,900	10,585
Total Administration	<u>\$3,941,608</u>	<u>\$4,053,981</u>	<u>\$3,944,975</u>	<u>\$109,006</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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fiscal:				
Salaries and Wages	\$350,000	\$350,000	\$335,870	\$14,130
Fringe Benefits	174,252	173,252	152,450	20,802
Purchased Services	114,000	191,575	180,318	11,257
Materials and Supplies	9,300	9,796	6,451	3,345
Capital Outlay	5,255	5,255	2,516	2,739
Other	942,000	895,500	662,761	232,739
Total Fiscal	<u>1,594,807</u>	<u>1,625,378</u>	<u>1,340,366</u>	<u>285,012</u>
Business:				
Salaries and Wages	325,000	325,000	307,083	17,917
Fringe Benefits	132,109	132,809	124,015	8,794
Purchased Services	298,581	302,665	215,572	87,093
Materials and Supplies	20,500	25,428	22,392	3,036
Capital Outlay	96,000	126,570	100,513	26,057
Other	3,300	3,340	3,249	91
Total Business	<u>875,490</u>	<u>915,812</u>	<u>772,824</u>	<u>142,988</u>
Operation and Maintenance of Plant:				
Salaries and Wages	2,448,000	2,300,390	2,288,043	12,347
Fringe Benefits	1,295,468	1,302,458	1,083,195	219,263
Purchased Services	2,125,795	1,966,865	1,881,362	85,503
Materials and Supplies	266,800	308,582	300,930	7,652
Capital Outlay	230,100	482,236	479,794	2,442
Other	4,600	4,375	3,765	610
Total Operation and Maintenance of Plant	<u>6,370,763</u>	<u>6,364,906</u>	<u>6,037,089</u>	<u>327,817</u>
Pupil Transportation:				
Salaries and Wages	2,379,000	1,989,000	1,978,765	10,235
Fringe Benefits	3,808	678,808	648,159	30,649
Purchased Services	269,300	289,118	277,339	11,779
Materials and Supplies	549,000	638,160	627,924	10,236
Capital Outlay	241,000	243,906	239,640	4,266
Other	0	910	910	0
Total Pupil Transportation	<u>\$3,442,108</u>	<u>\$3,839,902</u>	<u>\$3,772,737</u>	<u>\$67,165</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, 2013

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Central:				
Salaries and Wages	\$125,000	\$125,000	\$102,568	\$22,432
Fringe Benefits	71,706	71,006	53,293	17,713
Purchased Services	42,155	61,929	49,836	12,093
Materials and Supplies	5,600	8,023	6,003	2,020
Capital Outlay	1,000	2,000	384	1,616
Other	1,750	1,750	1,320	430
Total Central	247,211	269,708	213,404	56,304
Total Support Services	21,190,987	21,941,842	20,603,530	1,338,312
Extracurricular Activities:				
Academic and Subject Oriented:				
Salaries and Wages	0	38,500	38,380	120
Fringe Benefits	4,500	5,800	5,750	50
Total Academic and Subject Oriented	4,500	44,300	44,130	170
Occupation Oriented:				
Salaries and Wages	0	3,850	3,809	41
Fringe Benefits	0	350	321	29
Total Occupation Oriented	0	4,200	4,130	70
Sports Oriented:				
Salaries and Wages	450,000	373,000	371,432	1,568
Fringe Benefits	50,000	50,500	50,447	53
Total Sports Oriented	500,000	423,500	421,879	1,621
School and Public Service Oriented:				
Salaries and Wages	71,110	71,110	43,845	27,265
Fringe Benefits	3,000	6,200	6,182	18
Total School and Public Service Oriented	74,110	77,310	50,027	27,283
Total Extracurricular Activities	\$578,610	\$549,310	\$520,166	\$29,144

(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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Capital Outlay:				
Architecture and Engineering Services				
Capital Outlay	\$6,800	\$4,511	\$4,511	\$0
Debt Service:				
Principal Retirement	394,749	394,749	394,749	0
Interest and Fiscal Charges	106,100	106,100	106,100	0
Total Debt Service	500,849	500,849	500,849	0
<i>Total Expenditures</i>	<u>48,008,775</u>	<u>47,971,105</u>	<u>46,033,250</u>	<u>1,937,855</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(7,154,312)</u>	<u>(7,349,714)</u>	<u>(2,298,245)</u>	<u>5,051,469</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	10,413	10,413	12,508	2,095
Advances In	992,000	992,000	369,000	(623,000)
Advances Out	(1,092,000)	(1,770,900)	(1,769,520)	1,380
Transfers Out	(271,680)	(330,450)	(330,450)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(361,267)</u>	<u>(1,098,937)</u>	<u>(1,718,462)</u>	<u>(619,525)</u>
<i>Net Change in Fund Balance</i>	<u>(7,515,579)</u>	<u>(8,448,651)</u>	<u>(4,016,707)</u>	<u>4,431,944</u>
<i>Fund Balance Beginning of Year</i>	18,399,305	18,399,305	18,399,305	0
Prior Year Encumbrances Appropriated	703,924	703,924	703,924	0
<i>Fund Balance End of Year</i>	<u>\$11,587,650</u>	<u>\$10,654,578</u>	<u>\$15,086,522</u>	<u>\$4,431,944</u>

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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$1,300,000	\$1,300,000	\$1,300,169	\$169
Charges for Services	300,000	300,000	569,398	269,398
<i>Total Revenues</i>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,869,567</u>	<u>269,567</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Food Services Operations:				
Salaries and Wages	679,900	681,522	665,057	16,465
Fringe Benefits	199,459	194,359	187,345	7,014
Purchased Services	21,600	27,701	25,692	2,009
Materials and Supplies	821,899	877,106	797,900	79,206
Capital Outlay	27,500	154,670	154,318	352
Other	500	500	100	400
<i>Total Expenditures</i>	<u>1,750,858</u>	<u>1,935,858</u>	<u>1,830,412</u>	<u>105,446</u>
<i>Net Change in Fund Balance</i>	(150,858)	(335,858)	39,155	375,013
<i>Fund Balance Beginning of Year</i>	688,220	688,220	688,220	0
Prior Year Encumbrances Appropriated	858	858	858	0
<i>Fund Balance End of Year</i>	<u>\$538,220</u>	<u>\$353,220</u>	<u>\$728,233</u>	<u>\$375,013</u>

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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$16,000	\$11,600	\$11,595	(\$5)
Contributions and Donations	<u>10,000</u>	<u>17,300</u>	<u>17,320</u>	<u>20</u>
<i>Total Revenues</i>	<u>26,000</u>	<u>28,900</u>	<u>28,915</u>	<u>15</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	2,082	7,074	6,803	271
Capital Outlay	<u>14,755</u>	<u>3,790</u>	<u>1,520</u>	<u>2,270</u>
Total Regular	<u>16,837</u>	<u>10,864</u>	<u>8,323</u>	<u>2,541</u>
Special:				
Purchased Services	0	150	150	0
Materials and Supplies	0	850	849	1
Capital Outlay	<u>0</u>	<u>500</u>	<u>500</u>	<u>0</u>
Total Special	<u>0</u>	<u>1,500</u>	<u>1,499</u>	<u>1</u>
Vocational:				
Purchased Services	130	130	0	130
Materials and Supplies	<u>640</u>	<u>640</u>	<u>35</u>	<u>605</u>
Total Vocational	<u>770</u>	<u>770</u>	<u>35</u>	<u>735</u>
Total Instruction	<u>17,607</u>	<u>13,134</u>	<u>9,857</u>	<u>3,277</u>
Support Services:				
Instructional Staff:				
Materials and Supplies	2	2	2	0
Business:				
Other	<u>8,560</u>	<u>13,513</u>	<u>11,699</u>	<u>1,814</u>
Total Support Services	<u>\$8,562</u>	<u>\$13,515</u>	<u>\$11,701</u>	<u>\$1,814</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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services				
Materials and Supplies	\$0	\$3,200	\$3,088	\$112
Other	50,216	57,536	9,595	47,941
Total Operation of Non-Instructional Services	50,216	60,736	12,683	48,053
<i>Total Expenditures</i>	76,385	87,385	34,241	53,144
<i>Net Change in Fund Balance</i>	(50,385)	(58,485)	(5,326)	53,159
<i>Fund Balance Beginning of Year</i>	57,815	57,815	57,815	0
Prior Year Encumbrances Appropriated	1,385	1,385	1,385	0
<i>Fund Balance End of Year</i>	<u>\$8,815</u>	<u>\$715</u>	<u>\$53,874</u>	<u>\$53,159</u>

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, 2013

	<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	\$2,372	\$372
Extracurricular Activities	156,120	165,320	156,144	(9,176)
Contributions and Donations	0	0	497	497
Miscellaneous	0	17,250	17,538	288
<i>Total Revenues</i>	<u>158,120</u>	<u>184,570</u>	<u>176,551</u>	<u>(8,019)</u>
Expenditures				
Current:				
Extracurricular Activities:				
Academic and Subject Oriented:				
Materials and Supplies	145	8,237	7,612	625
Occupational Oriented:				
Materials and Supplies	993	993	0	993
Sport Oriented Activities:				
Salaries and Wages	0	9,788	9,698	90
Fringe Benefits	6	1,228	1,219	9
Purchased Services	1,881	81,349	64,986	16,363
Materials and Supplies	231,331	168,290	159,726	8,564
Capital Outlay	0	92	0	92
<i>Total Sport Oriented Activities</i>	<u>\$233,218</u>	<u>\$260,747</u>	<u>\$235,629</u>	<u>\$25,118</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, 2013

	<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	\$6,940	\$38,929	\$32,744	\$6,185
Materials and Supplies	1,728	4,026	2,721	1,305
Other	0	92	92	0
Total School and Public Service Oriented	<u>8,668</u>	<u>43,047</u>	<u>35,557</u>	<u>7,490</u>
<i>Total Expenditures</i>	<u>243,024</u>	<u>313,024</u>	<u>278,798</u>	<u>34,226</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(84,904)</u>	<u>(128,454)</u>	<u>(102,247)</u>	<u>26,207</u>
Other Financing Sources (Uses)				
Advances In	63,000	63,000	63,000	0
Advances Out	(63,000)	(63,000)	(63,000)	0
Transfers In	72,880	100,680	111,580	10,900
<i>Total Other Financing Sources (Uses)</i>	<u>72,880</u>	<u>100,680</u>	<u>111,580</u>	<u>10,900</u>
<i>Net Change in Fund Balance</i>	(12,024)	(27,774)	9,333	37,107
<i>Fund Balance Beginning of Year</i>	22,756	22,756	22,756	0
Prior Year Encumbrances Appropriated	<u>6,024</u>	<u>6,024</u>	<u>6,024</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$16,756</u></u>	<u><u>\$1,006</u></u>	<u><u>\$38,113</u></u>	<u><u>\$37,107</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, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$323,000	\$300,000	\$275,383	(\$24,617)
Interest	0	0	194	194
<i>Total Revenues</i>	<u>323,000</u>	<u>300,000</u>	<u>275,577</u>	<u>(24,423)</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Salaries and Wages	226,410	36,638	20,428	16,210
Fringe Benefits	715	7,075	6,057	1,018
Purchased Services	3,164	191,809	182,773	9,036
Materials and Supplies	44,001	73,091	70,810	2,281
Capital Outlay	4,501	35,178	27,013	8,165
<i>Total Expenditures</i>	<u>278,791</u>	<u>343,791</u>	<u>307,081</u>	<u>36,710</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>44,209</u>	<u>(43,791)</u>	<u>(31,504)</u>	<u>12,287</u>
Other Financing Sources (Uses)				
Advances In	0	188,000	213,000	25,000
Advances Out	(100,000)	(195,000)	(213,000)	(18,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(100,000)</u>	<u>(7,000)</u>	<u>0</u>	<u>7,000</u>
<i>Net Change in Fund Balance</i>	(55,791)	(50,791)	(31,504)	19,287
<i>Fund Balance Beginning of Year</i>	27,687	27,687	27,687	0
Prior Year Encumbrances Appropriated	28,791	28,791	28,791	0
<i>Fund Balance End of Year</i>	<u>\$687</u>	<u>\$5,687</u>	<u>\$24,974</u>	<u>\$19,287</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, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$17,000	\$10,800	\$10,800	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	17,000	10,800	10,800	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
Education Jobs Fund
For the Fiscal Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$51,000	\$50,201	\$50,201	\$0
Expenditures				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	45,248	35,063	35,063	0
Fringe Benefits	1,540	9,499	9,499	0
Total Pupil	46,788	44,562	44,562	0
Instructional Staff:				
Salaries and Wages	3,412	5,278	5,278	0
Fringe Benefits	0	360	360	0
Total Instructional Staff	3,412	5,638	5,638	0
<i>Total Expenditures</i>	50,200	50,200	50,200	0
<i>Excess of Revenues Over Expenditures</i>	800	1	1	0
Other Financing Uses				
Advances Out	(10,000)	(10,000)	(10,000)	0
<i>Net Change in Fund Balance</i>	(9,200)	(9,999)	(9,999)	0
<i>Fund Balance Beginning of Year</i>	9,999	9,999	9,999	0
<i>Fund Balance End of Year</i>	\$799	\$0	\$0	\$0

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Race to the Top Fund
For the Fiscal Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$2,450	\$2,450	\$2,450	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	<u>2,450</u>	<u>2,450</u>	<u>2,450</u>	<u>0</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
Title VI-B Fund
For the Fiscal Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,140,000	\$1,140,000	\$875,489	(\$264,511)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	31,039	173,468	148,676	24,792
Fringe Benefits	7,889	46,013	39,529	6,484
Purchased Services	832,054	8,048	7,202	846
Materials and Supplies	3,650	7,273	6,860	413
Capital Outlay	0	7,000	5,599	1,401
Total Instruction	874,632	241,802	207,866	33,936
Support Services:				
Pupil:				
Salaries and Wages	9,931	70,552	59,989	10,563
Fringe Benefits	3,864	28,264	24,564	3,700
Purchased Services	106,351	469,052	436,101	32,951
Materials and Supplies	42	8,261	8,045	216
Total Pupil	120,188	576,129	528,699	47,430
Instructional Staff:				
Salaries and Wages	0	4,500	0	4,500
Fringe Benefits	0	500	0	500
Purchased Services	0	13,000	7,376	5,624
Total Instructional Staff	\$0	\$18,000	\$7,376	\$10,624

(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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Administration:				
Salaries and Wages	\$16,870	\$108,779	\$98,820	\$9,959
Fringe Benefits	4,616	46,258	43,142	3,116
Total Administration	<u>21,486</u>	<u>155,037</u>	<u>141,962</u>	<u>13,075</u>
Total Support Services	<u>141,674</u>	<u>749,166</u>	<u>678,037</u>	<u>71,129</u>
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Purchased Services	<u>5,571</u>	<u>30,909</u>	<u>29,555</u>	<u>1,354</u>
<i>Total Expenditures</i>	<u>1,021,877</u>	<u>1,021,877</u>	<u>915,458</u>	<u>106,419</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>118,123</u>	<u>118,123</u>	<u>(39,969)</u>	<u>(158,092)</u>
Other Financing Sources (Uses)				
Advances In	0	0	370,000	370,000
Advances Out	<u>(300,000)</u>	<u>(300,000)</u>	0	<u>300,000</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(300,000)</u>	<u>(300,000)</u>	<u>370,000</u>	<u>670,000</u>
<i>Net Change in Fund Balance</i>	(181,877)	(181,877)	330,031	511,908
<i>Fund Balance Beginning of Year</i>	34,848	34,848	34,848	0
Prior Year Encumbrances Appropriated	<u>150,877</u>	<u>150,877</u>	<u>150,877</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,848</u></u>	<u><u>\$3,848</u></u>	<u><u>\$515,756</u></u>	<u><u>\$511,908</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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$225,000	\$225,000	\$127,881	(\$97,119)
Expenditures				
Current:				
Instruction:				
Vocational:				
Salaries	0	2,000	2,000	0
Fringe Benefits	196	543	468	75
Purchased Services	2,159	18,817	18,817	0
Materials and Supplies	146,452	15,418	5,577	9,841
Capital Outlay	0	35,000	34,040	960
Other	42,845	92,921	53,701	39,220
Total Instruction	191,652	164,699	114,603	50,096
Support Services:				
Instructional Staff:				
Salaries and Wages	800	3,440	1,640	1,800
Fringe Benefits	12	444	132	312
Purchased Services	356	5,000	4,799	201
Other	259	7,336	7,266	70
Total Instructional Staff	1,427	16,220	13,837	2,383
Administration:				
Materials and Supplies	1,719	5,379	5,372	7
Capital Outlay	0	4,000	4,000	0
Total Administration	1,719	9,379	9,372	7
Central:				
Purchased Services	0	2,500	2,200	300
Other	0	2,000	2,000	0
Total Central	0	4,500	4,200	300
Total Support Services	3,146	30,099	27,409	2,690
<i>Total Expenditures</i>	\$194,798	\$194,798	\$142,012	\$52,786

(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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>\$30,202</u>	<u>\$30,202</u>	<u>(\$14,131)</u>	<u>(\$44,333)</u>
Other Financing Sources (Uses)				
Advances In	0	0	150,000	150,000
Advances Out	<u>(40,000)</u>	<u>(40,000)</u>	<u>0</u>	<u>40,000</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(40,000)</u>	<u>(40,000)</u>	<u>150,000</u>	<u>190,000</u>
<i>Net Change in Fund Balance</i>	(9,798)	(9,798)	135,869	145,667
<i>Fund Balance Beginning of Year</i>	3,655	3,655	3,655	0
Prior Year Encumbrances Appropriated	<u>7,498</u>	<u>7,498</u>	<u>7,498</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,355</u></u>	<u><u>\$1,355</u></u>	<u><u>\$147,022</u></u>	<u><u>\$145,667</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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	<u>\$11,500</u>	<u>\$10,695</u>	<u>\$10,695</u>	<u>\$0</u>
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	2,442	0	0	0
Capital Outlay	<u>620</u>	<u>3,060</u>	<u>3,060</u>	<u>0</u>
<i>Total Expenditures</i>	<u>3,062</u>	<u>3,060</u>	<u>3,060</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	8,438	7,635	7,635	0
Other Financing Uses				
Advances Out	<u>(20,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(11,562)	(12,365)	(12,365)	0
<i>Fund Balance Beginning of Year</i>	9,923	9,923	9,923	0
Prior Year Encumbrances Appropriated	<u>2,442</u>	<u>2,442</u>	<u>2,442</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$803</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
Title III Fund
For the Fiscal Year Ended June 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$12,000	\$12,000	\$7,931	(\$4,069)
Expenditures				
Current:				
Instruction:				
Special:				
Purchased Services	<u>10,575</u>	<u>10,575</u>	<u>10,000</u>	<u>575</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	1,425	1,425	(2,069)	(3,494)
Other Financing Sources				
Advances In	<u>0</u>	<u>0</u>	<u>4,020</u>	<u>4,020</u>
<i>Net Change in Fund Balance</i>	1,425	1,425	1,951	526
<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>\$1,425</u></u>	<u><u>\$1,425</u></u>	<u><u>\$1,951</u></u>	<u><u>\$526</u></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, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$1,760,000	\$1,137,500	\$917,432	(\$220,068)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	10,043	43	0	43
Purchased Services	0	19,328	19,328	0
Total Regular	10,043	19,371	19,328	43
Special:				
Salaries and Wages	1,455,084	328,262	249,513	78,749
Fringe Benefits	14,154	95,401	77,456	17,945
Purchased Services	49,123	68,569	68,080	489
Materials and Supplies	0	15,000	13,030	1,970
Capital Outlay	0	120,000	113,905	6,095
Total Special	1,518,361	627,232	521,984	105,248
Total Instruction	1,528,404	646,603	541,312	105,291
Support Services:				
Pupil:				
Salaries and Wages	20,949	142,253	104,813	37,440
Fringe Benefits	7,930	47,021	37,789	9,232
Purchased Services	0	71,000	71,000	0
Materials and Supplies	0	11,000	10,998	2
Capital Outlay	0	30,645	29,674	971
Total Pupil	28,879	301,919	254,274	47,645
Instructional Staff:				
Salaries and Wages	49,898	396,899	351,716	45,183
Fringe Benefits	15,349	109,823	96,685	13,138
Purchased Services	11,795	51,293	49,468	1,825
Materials and Supplies	4,967	10,375	9,057	1,318
Total Instructional Staff	82,009	568,390	506,926	61,464
Total Support Services	\$110,888	\$870,309	\$761,200	\$109,109

(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, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Purchased Services	\$55,697	\$15,682	\$8,332	\$7,350
Materials and Supplies	0	6,695	3,876	2,819
Total Operation of Non-Instructional Services	55,697	22,377	12,208	10,169
<i>Total Expenditures</i>	1,694,989	1,539,289	1,314,720	224,569
<i>Excess of Revenues Over (Under) Expenditures</i>	65,011	(401,789)	(397,288)	4,501
Other Financing Sources (Uses)				
Advances In	0	422,500	652,500	230,000
Advances Out	(140,000)	(95,700)	(60,000)	35,700
<i>Total Other Financing Sources (Uses)</i>	(140,000)	326,800	592,500	265,700
<i>Net Change in Fund Balance</i>	(74,989)	(74,989)	195,212	270,201
<i>Fund Balance Beginning of Year</i>	22,823	22,823	22,823	0
Prior Year Encumbrances Appropriated	62,889	62,889	62,889	0
<i>Fund Balance End of Year</i>	\$10,723	\$10,723	\$280,924	\$270,201

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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$42,000	\$42,000	\$41,048	(\$952)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	0	21	0	21
Purchased Services	35,537	35,100	35,090	10
Materials and Supplies	0	1,124	1,124	0
Total Instruction	35,537	36,245	36,214	31
Support Services:				
Instructional Staff:				
Purchased Services	4,006	2,798	2,798	0
Materials and Supplies	0	500	473	27
Total Support Services	4,006	3,298	3,271	27
<i>Total Expenditures</i>	39,543	39,543	39,485	58
<i>Excess of Revenues Over Expenditures</i>	2,457	2,457	1,563	(894)
Other Financing Sources (Uses)				
Advances In	0	0	1,000	1,000
Advances Out	(10,000)	(10,000)	0	10,000
<i>Total Other Financing Sources (Uses)</i>	(10,000)	(10,000)	1,000	11,000
<i>Net Change in Fund Balance</i>	(7,543)	(7,543)	2,563	10,106
<i>Fund Balance Beginning of Year</i>	4,419	4,419	4,419	0
Prior Year Encumbrances Appropriated	3,743	3,743	3,743	0
<i>Fund Balance End of Year</i>	\$619	\$619	\$10,725	\$10,106

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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	<u>\$200,000</u>	<u>\$200,000</u>	<u>\$129,233</u>	<u>(\$70,767)</u>
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	173,535	132,409	92,610	39,799
Fringe Benefits	3,497	38,169	27,294	10,875
Purchased Services	6,311	9,234	8,322	912
Materials and Supplies	708	2,739	1,442	1,297
Capital Outlay	<u>0</u>	<u>1,500</u>	<u>605</u>	<u>895</u>
<i>Total Expenditures</i>	<u>184,051</u>	<u>184,051</u>	<u>130,273</u>	<u>53,778</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>15,949</u>	<u>15,949</u>	<u>(1,040)</u>	<u>(16,989)</u>
Other Financing Sources (Uses)				
Advances In	0	0	93,000	93,000
Advances Out	<u>(10,000)</u>	<u>(10,000)</u>	<u>0</u>	<u>10,000</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(10,000)</u>	<u>(10,000)</u>	<u>93,000</u>	<u>103,000</u>
<i>Net Change in Fund Balance</i>	5,949	5,949	91,960	86,011
<i>Fund Balance Beginning of Year</i>	7,689	7,689	7,689	0
Prior Year Encumbrances Appropriated	<u>751</u>	<u>751</u>	<u>751</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$14,389</u></u>	<u><u>\$14,389</u></u>	<u><u>\$100,400</u></u>	<u><u>\$86,011</u></u>

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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$5,000	\$0	\$0	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	<u>1,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	4,000	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>\$4,000</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
Recreation Fund
For the Fiscal Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Rentals	\$4,000	\$3,400	\$3,440	\$40
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Salaries and Wages	5,206	5,205	1,096	4,109
Fringe Benefits	794	795	353	442
<i>Total Expenditures</i>	6,000	6,000	1,449	4,551
<i>Net Change in Fund Balance</i>	(2,000)	(2,600)	1,991	4,591
<i>Fund Balance Beginning of Year</i>	6,068	6,068	6,068	0
<i>Fund Balance End of Year</i>	\$4,068	\$3,468	\$8,059	\$4,591

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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Tuition and Fees	\$600	\$1,600	\$2,034	\$434
Extracurricular Activities	66,000	98,000	98,496	496
Contributions and Donations	4,900	15,900	15,938	38
Miscellaneous	4,500	9,500	10,389	889
<i>Total Revenues</i>	<u>76,000</u>	<u>125,000</u>	<u>126,857</u>	<u>1,857</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	98,938	90,742	55,165	35,577
Materials and Supplies	15,471	43,493	22,193	21,300
Capital Outlay	4,796	29,991	23,280	6,711
Other	5,760	9,531	8,957	574
Total Instruction	<u>124,965</u>	<u>173,757</u>	<u>109,595</u>	<u>64,162</u>
Support Services:				
Pupils:				
Materials and Supplies	620	620	0	620
Instructional Staff:				
Fringe Benefits	1,187	1,868	772	1,096
Materials and Supplies	7,748	8,540	1,517	7,023
Other	0	1,625	1,625	0
Total Instructional Staff	<u>8,935</u>	<u>12,033</u>	<u>3,914</u>	<u>8,119</u>
Administration:				
Purchased Services	1,177	1,177	0	1,177
Materials and Supplies	2,270	2,670	0	2,670
Total Administration	<u>\$3,447</u>	<u>\$3,847</u>	<u>\$0</u>	<u>\$3,847</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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Business:				
Materials and Supplies	\$9,295	\$10,076	\$873	\$9,203
Capital Outlay	123	123	0	123
Total Business	<u>9,418</u>	<u>10,199</u>	<u>873</u>	<u>9,326</u>
Central:				
Purchased Services	1,427	1,427	210	1,217
Materials and Supplies	865	865	261	604
Other	509	1,107	660	447
Total Central	<u>2,801</u>	<u>3,399</u>	<u>1,131</u>	<u>2,268</u>
Total Support Services	<u>25,221</u>	<u>30,098</u>	<u>5,918</u>	<u>24,180</u>
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Other	102	102	0	102
Extracurricular Activities:				
Academic Oriented Activities:				
Purchased Services	99	99	0	99
Other	12	12	0	12
Total Academic Oriented Activities	<u>111</u>	<u>111</u>	<u>0</u>	<u>111</u>
School and Public Service Oriented:				
Purchased Services	797	1,923	820	1,103
Materials and Supplies	73	73	0	73
Other	4,060	4,265	2,868	1,397
Total School and Public Service Oriented	<u>4,930</u>	<u>6,261</u>	<u>3,688</u>	<u>2,573</u>
Total Extracurricular Activities	<u>5,041</u>	<u>6,372</u>	<u>3,688</u>	<u>2,684</u>
Total Expenditures	<u>155,329</u>	<u>210,329</u>	<u>119,201</u>	<u>91,128</u>
Net Change in Fund Balance	(79,329)	(85,329)	7,656	92,985
Fund Balance Beginning of Year	82,964	82,964	82,964	0
Prior Year Encumbrances Appropriated	<u>5,329</u>	<u>5,329</u>	<u>5,329</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$8,964</u></u>	<u><u>\$2,964</u></u>	<u><u>\$95,949</u></u>	<u><u>\$92,985</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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Rentals	\$18,000	\$13,000	\$13,500	\$500
Expenditures				
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	18,000	13,000	13,500	500
<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>\$18,000</u></u>	<u><u>\$13,000</u></u>	<u><u>\$13,500</u></u>	<u><u>\$500</u></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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Tuition and Fees	\$18,000	\$15,000	\$35,987	\$20,987
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	9,508	13,592	13,592	0
Fringe Benefits	0	3,582	3,582	0
Purchased Services	100	686	286	400
Total Regular	9,608	17,860	17,460	400
Student Intervention:				
Salaries and Wages	18,900	8,225	8,225	0
Fringe Benefits	714	549	481	68
Total Student Intervention	19,614	8,774	8,706	68
Total Instruction	29,222	26,634	26,166	468
Support Services:				
Administration:				
Salaries and Wages	9,000	9,109	8,686	423
Fringe Benefits	1,278	757	685	72
Materials and Supplies	500	500	0	500
Total Support Services	10,778	10,366	9,371	995
<i>Total Expenditures</i>	40,000	37,000	35,537	1,463
<i>Net Change in Fund Balance</i>	(22,000)	(22,000)	450	22,450
<i>Fund Balance Beginning of Year</i>	22,457	22,457	22,457	0
<i>Fund Balance End of Year</i>	\$457	\$457	\$22,907	\$22,450

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Adult and Community Education Fund
For the Fiscal Year Ended June 30, 2013

	<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:				
Instruction:				
Adult Continuing:				
Salaries and Wages	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>
<i>Net Change in Fund Balance</i>	(5,000)	(5,000)	0	5,000
<i>Fund Balance Beginning of Year</i>	<u>23,017</u>	<u>23,017</u>	<u>23,017</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$18,017</u></u>	<u><u>\$18,017</u></u>	<u><u>\$23,017</u></u>	<u><u>\$5,000</u></u>

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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$243,568	\$264,568	\$295,324	\$30,756
Intergovernmental	72,000	35,735	31,118	(4,617)
<i>Total Revenues</i>	<u>315,568</u>	<u>300,303</u>	<u>326,442</u>	<u>26,139</u>
Expenditures				
Current:				
Support Services:				
Fiscal:				
Purchased Services	20,000	20,000	3,247	16,753
Debt Service:				
Principal Retirement	406,330	406,330	406,330	0
Capital Appreciation Bond Accretion	823,670	823,670	823,670	0
Total Debt Service	<u>1,230,000</u>	<u>1,230,000</u>	<u>1,230,000</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,233,247</u>	<u>16,753</u>
<i>Net Change in Fund Balance</i>	(934,432)	(949,697)	(906,805)	42,892
<i>Fund Balance Beginning of Year</i>	<u>1,256,576</u>	<u>1,256,576</u>	<u>1,256,576</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$322,144</u>	<u>\$306,879</u>	<u>\$349,771</u>	<u>\$42,892</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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$727,910	\$423,716	\$423,343	(\$373)
Intergovernmental	115,000	122,500	123,363	863
<i>Total Revenues</i>	842,910	546,216	546,706	490
Expenditures				
Capital Outlay:				
Architecture and Engineering Services:				
Capital Outlay	1,343,769	1,268,769	1,163,127	105,642
<i>Excess of Revenues Under Expenditures</i>	(500,859)	(722,553)	(616,421)	106,132
Other Financing Sources				
Advances In	0	220,000	220,000	0
<i>Net Change in Fund Balance</i>	(500,859)	(502,553)	(396,421)	106,132
<i>Fund Balance Beginning of Year</i>	61,993	61,993	61,993	0
Prior Year Encumbrances Appropriated	443,769	443,769	443,769	0
<i>Fund Balance End of Year</i>	<u>\$4,903</u>	<u>\$3,209</u>	<u>\$109,341</u>	<u>\$106,132</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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Capital Outlay:				
Architecture and Engineering Services:				
Capital Outlay	<u>30,000</u>	<u>304,577</u>	<u>274,578</u>	<u>29,999</u>
<i>Excess of Revenues Under Expenditures</i>	(30,000)	(304,577)	(274,578)	29,999
Other Financing Sources				
General Obligation Bonds Issued	<u>274,578</u>	<u>274,578</u>	<u>274,578</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	244,578	(29,999)	0	29,999
<i>Fund Balance Beginning of Year</i>	<u>30,745</u>	<u>30,745</u>	<u>30,745</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$275,323</u></u>	<u><u>\$746</u></u>	<u><u>\$30,745</u></u>	<u><u>\$29,999</u></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, 2013

	<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:				
Business:				
Capital Outlay	527,591	527,591	213,345	314,246
Debt Service:				
Principal Retirement	52,400	52,400	52,400	0
Interest and Fiscal Charges	2,057	2,057	2,057	0
Total Debt Service	54,457	54,457	54,457	0
<i>Total Expenditures</i>	582,048	582,048	267,802	314,246
<i>Excess of Revenues Under Expenditures</i>	(582,048)	(582,048)	(267,802)	314,246
Other Financing Sources				
Transfers In	200,000	200,000	218,870	18,870
<i>Net Change in Fund Balance</i>	(382,048)	(382,048)	(48,932)	333,116
<i>Fund Balance Beginning of Year</i>	328,342	328,342	328,342	0
Prior Year Encumbrances Appropriated	57,048	57,048	57,048	0
<i>Fund Balance End of Year</i>	<u>\$3,342</u>	<u>\$3,342</u>	<u>\$336,458</u>	<u>\$333,116</u>

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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	<u>\$1,200,000</u>	<u>\$2,600,000</u>	<u>\$2,796,720</u>	<u>\$196,720</u>
Expenses				
Purchased Services	1,400,759	1,644,132	1,002,393	641,739
Claims	<u>0</u>	<u>1,556,627</u>	<u>1,437,323</u>	<u>119,304</u>
<i>Total Expenses</i>	<u>1,400,759</u>	<u>3,200,759</u>	<u>2,439,716</u>	<u>761,043</u>
<i>Net Change in Fund Equity</i>	(200,759)	(600,759)	357,004	957,763
<i>Fund Equity Beginning of Year</i>	1,438,362	1,438,362	1,438,362	0
Prior Year Encumbrances Appropriated	<u>759</u>	<u>759</u>	<u>759</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$1,238,362</u></u>	<u><u>\$838,362</u></u>	<u><u>\$1,796,125</u></u>	<u><u>\$957,763</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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
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, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$0	\$0	\$35	\$35
Miscellaneous	8,000	8,000	0	(8,000)
<i>Total Revenues</i>	8,000	8,000	35	(7,965)
Expenses				
Other	10,200	10,200	0	10,200
<i>Net Change in Fund Equity</i>	(2,200)	(2,200)	35	2,235
<i>Fund Equity Beginning of Year</i>	81,698	81,698	81,698	0
<i>Fund Equity End of Year</i>	<u>\$79,498</u>	<u>\$79,498</u>	<u>\$81,733</u>	<u>\$2,235</u>

Statistical Section

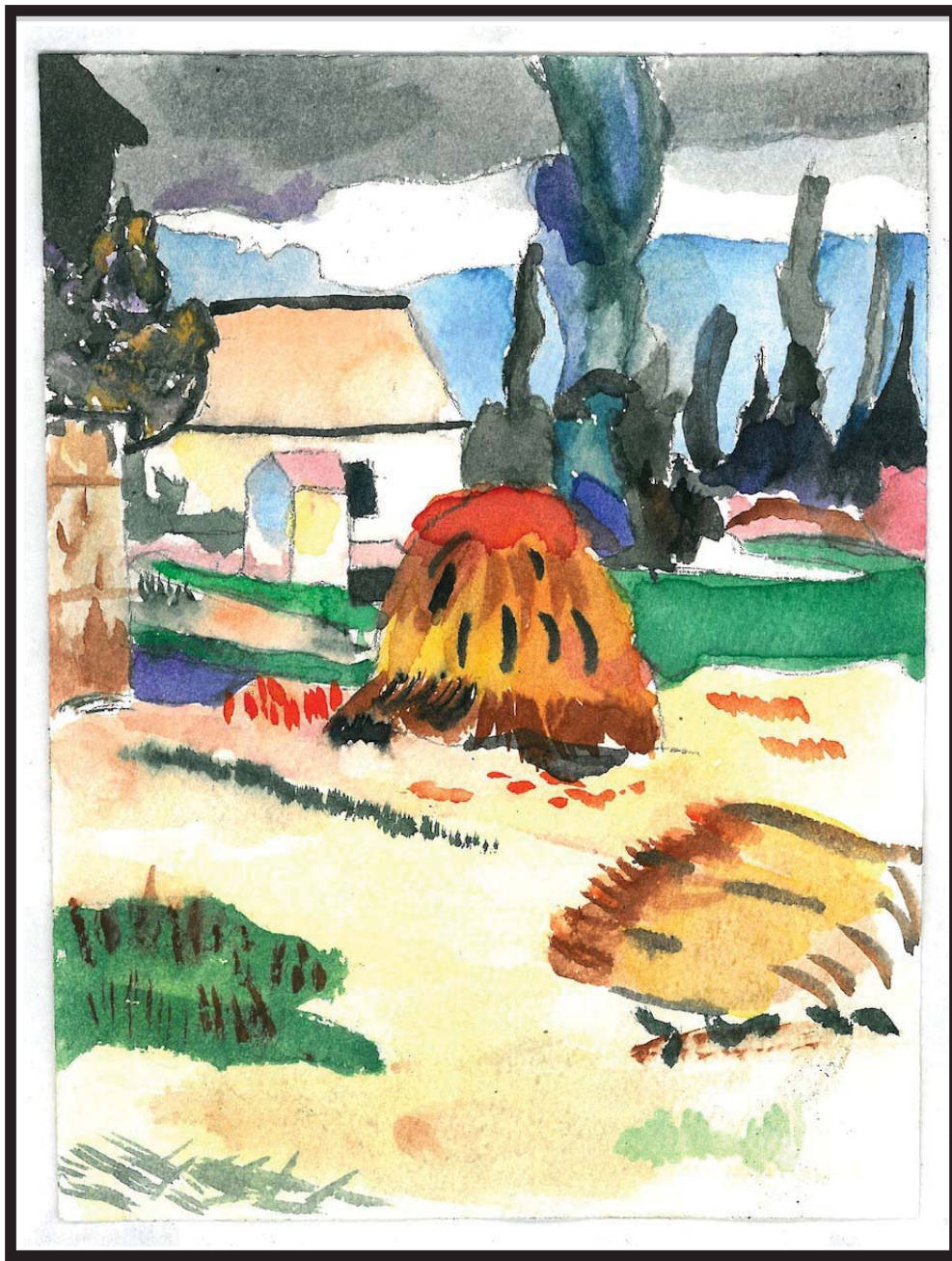


Artwork by: Nyla Eason

2nd Grade Student

Central Primary School

Art Teacher: Kenan Gabriel



Artwork by: Victoria Dragga

11th Grade Student
Bedford High School
Art Teacher: Marjorie Falk

Statistical Section

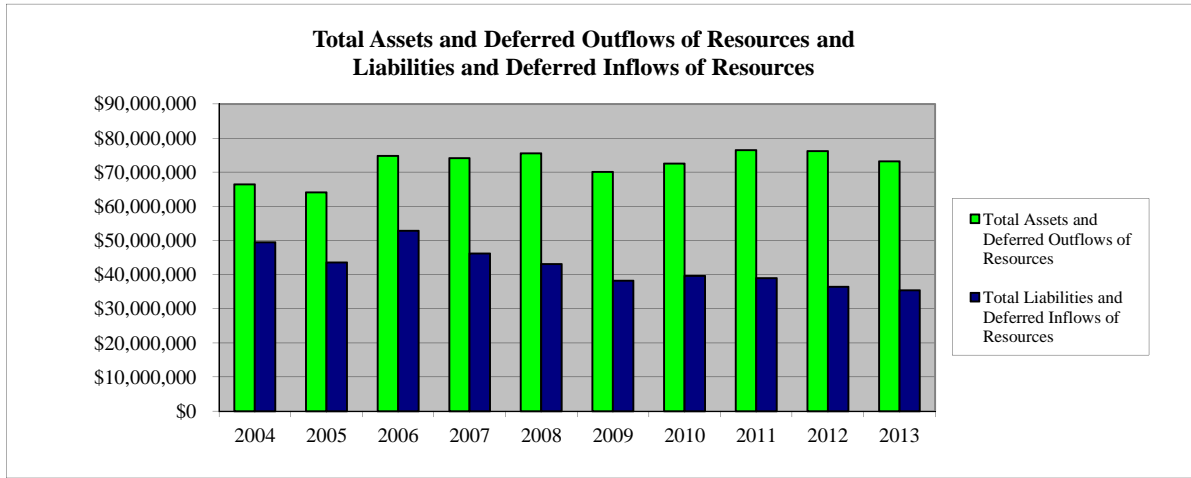
This part of the Bedford City School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial 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 - S22
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 - S43

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant fiscal year.

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

	2004	2005	2006	2007
Net Investment in Capital Assets	\$10,168,889	\$10,390,724	\$9,900,232	\$12,218,017
Restricted for:				
Capital Projects	190,733	397,551	1,882,830	805,810
Debt Service	997,556	1,418,198	1,381,463	1,772,547
Other Purposes	725,176	849,525	511,238	1,106,057
Unrestricted	4,831,045	7,486,212	8,373,797	15,595,855
<i>Total Net Position</i>	<u>\$16,913,399</u>	<u>\$20,542,210</u>	<u>\$22,049,560</u>	<u>\$31,498,286</u>



Source: School District Financial Records

2008	2009	2010	2011	2012	2013
\$13,434,685	\$13,531,705	\$13,534,897	\$15,853,913	\$16,816,971	\$17,309,870
173,255	557,011	1,400,209	229,779	303,671	855,811
2,278,168	2,264,251	2,148,734	2,086,003	1,342,336	411,780
1,025,781	1,337,606	557,401	650,968	694,518	789,177
15,502,858	14,189,965	14,996,566	18,642,545	20,565,803	18,373,016
<u>\$32,414,747</u>	<u>\$31,880,538</u>	<u>\$32,637,807</u>	<u>\$37,463,208</u>	<u>\$39,723,299</u>	<u>\$37,739,654</u>

Bedford City School District

*Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)*

	2004	2005	2006	2007
Expenses				
Governmental Activities:				
Instruction	\$23,153,227	\$22,869,124	\$24,090,319	\$24,029,388
Pupil Support	2,721,877	2,665,621	2,758,509	2,764,302
Instructional Staff Support	1,620,852	1,586,546	1,762,862	1,651,433
Board of Education	59,311	207,937	407,852	310,042
Administration	3,565,984	3,204,240	3,942,749	3,501,283
Fiscal	1,290,723	1,249,303	1,236,174	1,290,060
Business	402,210	555,487	777,247	779,116
Operation and Maintenance of Plant	6,772,564	5,865,329	6,731,992	6,357,050
Pupil Transportation	3,914,942	3,372,082	3,851,122	3,792,614
Central	306,326	291,782	309,079	299,502
Food Service Operations	1,362,041	1,312,760	1,471,121	1,629,821
Operation of Non-Instructional Services	502,320	514,115	454,710	539,445
Extracurricular Activities	915,504	916,721	826,605	826,657
Interest and Fiscal Charges	531,995	514,430	467,718	520,086
<i>Total Governmental Activities Expenses</i>	<i>47,119,876</i>	<i>45,125,477</i>	<i>49,088,059</i>	<i>48,290,799</i>
Program Revenues				
Governmental Activities:				
Charges for Services and Sales:				
Instruction	1,275,519	351,669	1,246,793	1,686,260
Pupil Support	200	0	0	0
Instructional Staff Support	2,683	3,693	1,558	94
Administration	0	0	0	7,765
Business	1,611	5,301	185,583	38,356
Operation and Maintenance of Plant	34,899	27,745	31,472	0
Pupil Transportation	0	0	2,726	0
Central	7,576	1,412	0	0
Food Service Operations	792,140	760,722	812,352	792,684
Operation of Non-Instructional Services	11,605	11,845	10,637	4,191
Extracurricular Activities	95,755	108,995	93,701	131,618
Operating Grants and Contributions				
Instruction	1,631,369	2,035,753	1,573,434	2,543,592
Pupil Support	56,854	33,728	193,061	206,957
Instructional Staff Support	183,012	182,834	171,723	209,937
Administration	93,893	115,923	149,752	116,658
Fiscal	0	0	0	0
Business	65	83	308	30,114
Operation and Maintenance of Plant	3,539	94,094	59,209	35,955
Pupil Transportation	509	97,143	0	0
Central	5,953	6,977	2,488	5,150
Food Service Operations	490,206	518,616	610,070	755,707
Operation of Non-Instructional Services	480,659	495,433	428,920	443,358
Extracurricular Activities	18,281	23,644	12,636	5,542

2008	2009	2010	2011	2012	2013
\$27,576,746	\$25,229,256	\$26,802,708	\$25,022,834	\$25,716,544	\$26,152,704
2,997,511	3,025,366	3,015,745	3,034,339	3,049,560	3,110,210
1,834,242	2,074,281	2,544,377	2,735,600	2,687,012	2,759,639
235,547	220,840	243,585	85,953	98,729	112,719
3,438,272	4,408,025	3,079,356	3,969,440	3,963,083	4,084,593
1,330,855	1,213,939	1,381,083	1,309,344	1,480,370	1,322,883
847,097	728,529	667,683	877,396	721,405	627,177
6,724,899	6,937,228	7,070,172	6,645,111	6,237,787	5,446,227
3,875,037	3,615,129	3,578,892	3,513,967	3,609,183	3,752,999
337,904	338,807	321,466	335,344	199,941	196,277
1,651,021	1,682,513	1,697,599	1,705,905	1,775,328	1,843,501
484,150	427,311	340,054	394,207	351,270	353,879
867,928	875,259	804,712	838,622	848,288	903,193
524,154	479,677	437,058	357,696	305,102	209,525
52,725,363	51,256,160	51,984,490	50,825,758	51,043,602	50,875,526
1,705,852	1,974,620	1,688,961	1,472,019	1,724,635	1,517,077
0	0	0	0	0	0
1,215	926	1,454	0	0	0
9,966	691	0	0	0	0
44,661	27,281	31,312	23,328	33,300	38,204
0	0	0	0	0	0
0	0	0	0	0	0
4,541	1,988	4,470	0	0	0
750,540	682,879	620,301	601,725	569,496	565,787
4,782	3,714	3,207	0	0	0
133,483	133,794	141,446	249,721	273,208	263,637
2,248,787	2,424,680	1,571,907	1,507,787	1,204,769	898,325
233,872	403,482	325,493	577,014	977,853	665,691
278,710	388,009	556,001	661,300	750,623	656,491
142,926	272,640	48,225	143,050	142,787	150,000
0	0	0	0	0	31,118
106,436	481	725	5,000	5,900	7,800
2,132	1,645	469,365	900,022	0	0
0	0	0	0	75,118	0
3,860	5,429	5,347	5,888	5,735	5,085
867,048	1,091,798	1,199,794	1,250,202	1,396,657	1,381,881
454,033	396,029	298,087	314,959	337,926	311,477
11,463	10,887	1,613	791	2,912	497

(continued)

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

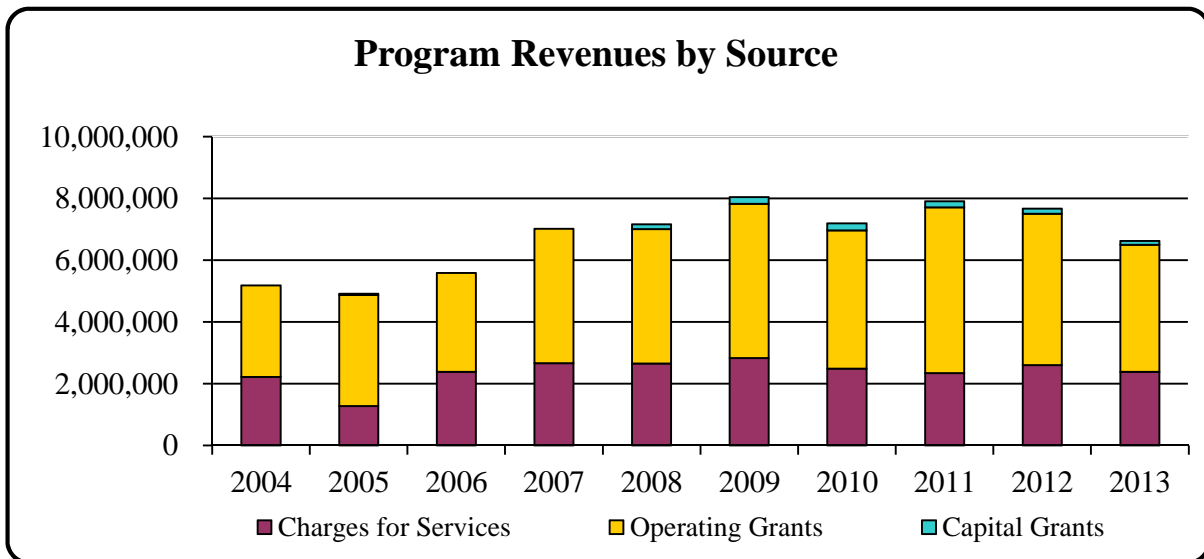
	2004	2005	2006	2007
Capital Grants and Contributions				
Instructional Staff Support	\$0	\$35,910	\$0	\$0
Operation and Maintenance of Plant	0	0	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>5,186,328</u>	<u>4,911,520</u>	<u>5,586,423</u>	<u>7,013,938</u>
Net (Expense)/Revenue				
Governmental Activities	<u>(41,933,548)</u>	<u>(40,213,957)</u>	<u>(43,501,636)</u>	<u>(41,276,861)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property Taxes Levied For:				
General Purposes	28,471,588	32,156,621	34,235,814	36,899,607
Debt Service	1,050,439	1,366,766	963,017	1,456,398
Capital Outlay	670,221	682,633	473,225	702,373
Grants and Entitlements not Restricted to Specific Programs	7,747,756	9,140,806	8,149,887	10,081,905
Gain on Sale of Capital Assets	0	0	0	0
Investment Earnings	174,106	325,033	759,074	1,126,745
Miscellaneous	146,944	170,909	427,969	458,559
<i>Total Governmental Activities</i>	<u>38,261,054</u>	<u>43,842,768</u>	<u>45,008,986</u>	<u>50,725,587</u>
Change in Net Position	<u>(\$3,672,494)</u>	<u>\$3,628,811</u>	<u>\$1,507,350</u>	<u>\$9,448,726</u>

Source: School District Financial Records

2008	2009	2010	2011	2012	2013
\$0	\$0	\$0	\$0	\$0	\$0
156,053	219,516	226,177	196,417	164,911	123,363
7,160,360	8,040,489	7,193,885	7,909,223	7,665,830	6,616,433
(45,565,003)	(43,215,671)	(44,790,605)	(42,916,535)	(43,377,772)	(44,259,093)
31,323,005	24,728,995	26,041,020	28,733,772	28,614,838	25,978,460
1,372,001	1,146,612	1,071,389	1,141,941	415,891	271,534
530,429	427,167	410,979	445,659	443,720	410,456
11,817,104	15,598,148	17,563,453	17,019,801	15,758,170	15,373,844
1,726	0	0	1,371	0	0
890,620	288,540	27,574	27,479	11,040	17,847
546,579	492,000	433,459	371,913	394,204	223,307
46,481,464	42,681,462	45,547,874	47,741,936	45,637,863	42,275,448
\$916,461	(\$534,209)	\$757,269	\$4,825,401	\$2,260,091	(\$1,983,645)

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

	2004	2005	2006	2007
Governmental Activities				
Instruction	\$2,906,888	\$2,387,422	\$2,820,227	\$4,229,852
Pupil Support	57,054	33,728	193,061	206,957
Instructional Staff Support	185,695	222,437	173,281	210,031
Administration	95,504	121,224	335,335	124,423
Fiscal	0	0	0	0
Business	34,964	27,828	31,780	68,470
Operation and Maintenance of Plant	3,539	94,094	59,209	35,955
Pupil Transportation	509	97,143	2,726	0
Central	13,529	8,389	2,488	5,150
Food Service Operations	1,282,346	1,279,338	1,422,422	1,548,391
Operation of Non-Instructional Services	492,264	507,278	439,557	447,549
Extracurricular Activities	114,036	132,639	106,337	137,160
Total Governmental Activities Program Revenues	\$5,186,328	\$4,911,520	\$5,586,423	\$7,013,938

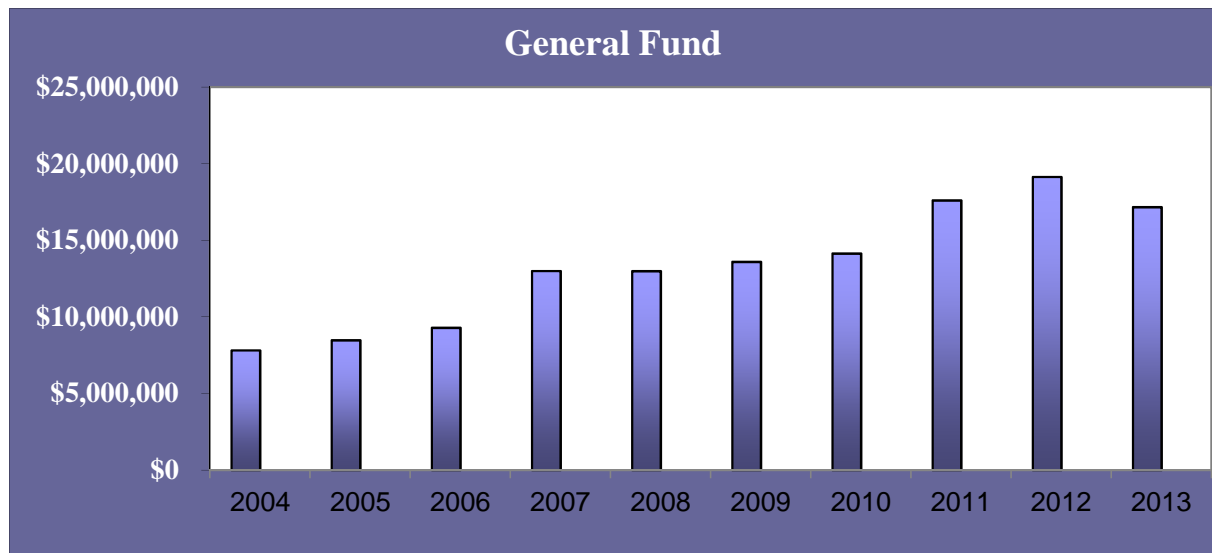


2008	2009	2010	2011	2012	2013
\$3,954,639	\$4,399,300	\$3,260,868	\$2,979,806	\$2,929,404	\$2,415,402
233,872	403,482	325,493	577,014	977,853	665,691
279,925	388,935	557,455	661,300	750,623	656,491
152,892	273,331	48,225	143,050	142,787	150,000
0	0	0	0	0	31,118
151,097	27,762	32,037	28,328	39,200	46,004
158,185	221,161	695,542	1,096,439	164,911	123,363
0	0	0	0	75,118	0
8,401	7,417	9,817	5,888	5,735	5,085
1,617,588	1,774,677	1,820,095	1,851,927	1,966,153	1,947,668
458,815	399,743	301,294	314,959	337,926	311,477
144,946	144,681	143,059	250,512	276,120	264,134
<u>\$7,160,360</u>	<u>\$8,040,489</u>	<u>\$7,193,885</u>	<u>\$7,909,223</u>	<u>\$7,665,830</u>	<u>\$6,616,433</u>

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

	2004	2005	2006	2007
General Fund				
Nonspendable	\$0	\$0	\$0	\$0
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	4,094,412	3,660,981	3,439,751	3,666,990
Unreserved	3,712,624	4,804,712	5,838,425	9,322,692
Total General Fund	7,807,036	8,465,693	9,278,176	12,989,682
All Other Governmental Funds				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Committed	0	0	0	0
Unassigned (Deficit)	0	0	0	0
Reserved	382,674	1,252,888	1,914,332	1,768,180
Unreserved, Undesignated, Reported in:				
Special Revenue funds (Deficit)	354,559	(173,184)	53,339	740,804
Debt Service funds	1,486,406	1,557,858	1,626,389	1,746,847
Capital Projects funds (Deficit)	(149,376)	(33,451)	123,526	(553,176)
Total All Other Governmental Funds	2,074,263	2,604,111	3,717,586	3,702,655
Total Governmental Funds	\$9,881,299	\$11,069,804	\$12,995,762	\$16,692,337

Note: The School District implemented GASB 54 in 2010.



2008	2009	2010	2011	2012	2013
\$0	\$0	\$364,235	\$381,025	\$438,142	\$449,469
0	0	127,115	24,172	75,118	20,379
0	0	0	263,940	10,475	17,157
0	0	648,703	254,886	574,438	807,488
0	0	12,983,706	16,669,230	18,031,928	15,861,977
4,182,334	4,388,316	0	0	0	0
8,804,371	9,200,375	0	0	0	0
<u>12,986,705</u>	<u>13,588,691</u>	<u>14,123,759</u>	<u>17,593,253</u>	<u>19,130,101</u>	<u>17,156,470</u>
0	0	7,739	6,275	8,986	7,657
0	0	3,388,085	2,646,554	2,293,997	1,522,221
0	0	292,344	276,279	333,159	338,636
0	0	(164,492)	(126,044)	(141,019)	(585,439)
522,929	498,702	0	0	0	0
587,229	528,073	0	0	0	0
1,898,375	1,933,159	0	0	0	0
(81,771)	315,706	0	0	0	0
<u>2,926,762</u>	<u>3,275,640</u>	<u>3,523,676</u>	<u>2,803,064</u>	<u>2,495,123</u>	<u>1,283,075</u>
<u>\$15,913,467</u>	<u>\$16,864,331</u>	<u>\$17,647,435</u>	<u>\$20,396,317</u>	<u>\$21,625,224</u>	<u>\$18,439,545</u>

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

	2004	2005	2006	2007
Revenues				
Taxes	\$32,961,433	\$33,822,981	\$35,356,794	\$35,140,155
Intergovernmental	10,859,955	12,105,042	11,698,017	14,196,345
Interest	174,106	325,033	759,074	1,126,745
Charges for Services	797,804	765,852	817,551	809,373
Tuition and Fees	1,156,288	257,961	1,338,900	1,600,541
Rentals	39,324	32,230	32,638	39,582
Extracurricular Activities	228,572	215,339	195,733	211,472
Contributions and Donations	50,192	349,198	30,082	38,846
Miscellaneous	146,944	170,909	427,969	458,559
<i>Total Revenues</i>	<u>46,414,618</u>	<u>48,044,545</u>	<u>50,656,758</u>	<u>53,621,618</u>
Expenditures				
Current:				
Instruction	22,335,604	23,048,542	23,599,077	23,114,104
Support Services:				
Pupil	2,691,337	2,711,466	2,748,756	2,715,900
Instructional Staff	1,603,092	1,715,964	1,746,185	1,601,990
Board of Education	264,211	208,201	407,852	310,042
Administration	3,453,470	3,279,005	3,955,263	3,360,610
Fiscal	1,295,384	1,291,119	1,215,241	1,258,900
Business	491,350	576,563	835,376	706,100
Operation and Maintenance of Plant	6,612,776	5,980,389	6,574,042	6,622,764
Pupil Transportation	3,648,846	3,296,585	3,919,612	3,659,119
Central	281,725	298,512	295,527	291,343
Food Service Operations	1,314,097	1,414,479	1,459,746	1,613,500
Operation of Non-Instructional Services	460,734	485,150	408,581	491,939
Extracurricular Activities	648,879	654,996	695,384	693,657
Capital Outlay	2,356,466	353,204	2,737,132	1,832,344
Debt Service:				
Principal Retirement	982,214	1,133,049	1,184,647	1,402,204
Interest and Fiscal Charges	425,600	408,816	360,493	400,527
Capital Appreciation Bond Accretion	0	0	0	0
<i>Total Expenditures</i>	<u>48,865,785</u>	<u>46,856,040</u>	<u>52,142,914</u>	<u>50,075,043</u>
<i>Excess of Revenue Over (Under) Expenditures</i>	<u>(2,451,167)</u>	<u>1,188,505</u>	<u>(1,486,156)</u>	<u>3,546,575</u>
Other Financing Sources (Uses):				
Sale of Capital Assets	0	0	0	0
General Obligation Bonds Issued	0	0	3,562,114	0
Capital Lease Issued	918,117	0	0	0
Transfers In	296,873	234,972	116,963	462,281
Transfers Out	(296,873)	(234,972)	(116,963)	(462,281)
<i>Total Other Financing Sources (Uses)</i>	<u>918,117</u>	<u>0</u>	<u>3,562,114</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(\$1,533,050)</u>	<u>\$1,188,505</u>	<u>\$2,075,958</u>	<u>\$3,546,575</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	3.03%	3.32%	3.13%	3.79%

2008	2009	2010	2011	2012	2013
\$33,001,370	\$28,115,325	\$26,973,653	\$30,111,839	\$28,956,997	\$27,447,886
16,300,797	20,286,057	22,845,958	22,656,406	20,612,383	19,207,456
891,414	289,072	27,574	27,479	11,272	18,041
767,700	695,664	633,791	616,090	582,866	579,174
1,644,257	1,901,550	1,610,786	1,472,019	1,724,635	1,517,077
46,235	27,107	31,425	23,328	33,300	38,204
196,848	201,572	215,149	235,356	259,838	250,250
33,624	60,689	33,137	27,790	37,781	33,755
546,579	492,000	433,459	371,913	394,204	223,307
<u>53,428,824</u>	<u>52,069,036</u>	<u>52,804,932</u>	<u>55,542,220</u>	<u>52,613,276</u>	<u>49,315,150</u>
26,886,187	24,342,434	26,608,416	24,627,785	24,679,082	25,139,343
3,027,291	3,018,391	3,044,855	3,027,990	3,014,361	3,080,800
1,848,397	2,017,649	2,501,589	2,735,415	2,647,904	2,725,416
235,547	220,840	243,585	85,953	98,729	112,719
3,404,060	4,406,969	2,831,149	3,939,104	3,924,347	4,100,197
1,324,697	1,197,973	1,358,705	1,297,089	1,471,701	1,339,748
790,875	662,858	665,426	628,133	673,193	782,706
6,724,407	6,496,796	6,663,901	6,184,358	5,700,942	5,880,883
3,579,251	3,418,883	3,313,997	3,610,092	3,594,296	3,726,869
322,631	333,187	321,490	329,489	210,786	192,020
1,647,393	1,697,381	1,674,162	1,704,502	1,766,973	1,870,279
434,894	382,279	309,029	355,463	334,491	337,726
737,178	748,612	672,221	735,104	744,770	799,675
1,413,163	259,071	78,408	2,306,236	712,729	929,228
1,428,306	1,436,113	1,448,248	1,612,105	1,669,411	838,479
406,964	357,686	286,647	221,156	155,354	108,157
0	0	0	0	0	823,670
<u>54,211,241</u>	<u>50,997,122</u>	<u>52,021,828</u>	<u>53,399,974</u>	<u>51,399,069</u>	<u>52,787,915</u>
<u>(782,417)</u>	<u>1,071,914</u>	<u>783,104</u>	<u>2,142,246</u>	<u>1,214,207</u>	<u>(3,472,765)</u>
3,547	0	0	16,250	14,700	12,508
0	0	0	0	0	274,578
0	0	0	590,386	0	0
162,380	108,712	395,712	391,980	390,230	330,450
<u>(162,380)</u>	<u>(108,712)</u>	<u>(395,712)</u>	<u>(391,980)</u>	<u>(390,230)</u>	<u>(330,450)</u>
<u>3,547</u>	<u>0</u>	<u>0</u>	<u>606,636</u>	<u>14,700</u>	<u>287,086</u>
<u>(\$778,870)</u>	<u>\$1,071,914</u>	<u>\$783,104</u>	<u>\$2,748,882</u>	<u>\$1,228,907</u>	<u>(\$3,185,679)</u>
3.50%	3.54%	3.35%	3.62%	3.61%	3.47%

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

Collection Year	Real Estate			Estimated Actual Value	Tangible Personal	
	Assessed Value				Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial	Total			
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
2011	392,377,120	297,270,960	689,648,080	1,970,423,086	0	0
2012	393,002,580	296,627,520	689,630,100	1,970,371,714	0	0
2013	354,654,020	276,995,450	631,649,470	1,804,712,771	0	0

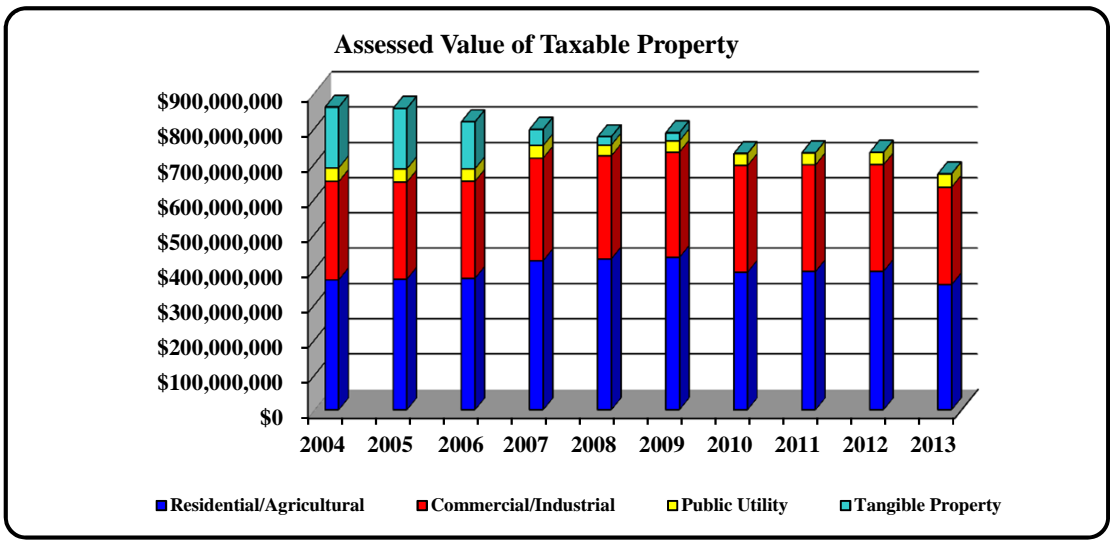
Source: Ohio Department of Taxation

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 beginning 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
\$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	44.22237
33,947,590	38,576,807	723,595,670	2,008,999,893	44.21174
34,725,840	39,461,182	724,355,940	2,009,832,896	43.13937
37,511,790	42,627,034	669,161,260	1,847,339,806	45.62376



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

	2004	2005	2006	2007	2008
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	6.759800	6.758900	6.767100	6.012330	6.012653
Commercial/Industrial	12.855900	12.957500	12.976200	12.387131	12.323169
Tangible/Public Utility Personal	29.300000	29.300000	29.300000	29.300000	29.300000
1983 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.061200	3.060800	3.064500	2.722704	2.722849
Commercial/Industrial	4.318900	4.353000	4.359300	4.161418	4.139929
Tangible/Public Utility Personal	6.600000	6.600000	6.600000	6.600000	6.600000
1986 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	2.447900	2.447500	2.450500	2.177165	2.177285
Commercial/Industrial	3.434100	3.461300	3.466300	3.308895	3.291805
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	0.270000	0.270000
1991 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	2.871300	2.870900	2.874400	2.553800	2.553940
Commercial/Industrial	3.692900	3.722100	3.727500	3.558260	3.539885
Tangible/Public Utility Personal	5.000000	5.000000	5.000000	5.000000	5.000000
2007 Permanent Improvement					
Effective Millage Rates					
Residential/Agricultural	0.574300	0.574200	0.574900	0.510760	0.510788
Commercial/Industrial	0.738600	0.744400	0.745500	0.711652	0.707977
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	1.410000	1.410000
1995 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.303100	3.302600	3.306600	2.937780	2.937937
Commercial/Industrial	3.946500	3.977700	3.983400	3.802590	3.782952
Tangible/Public Utility Personal	4.600000	4.600000	4.600000	4.600000	4.600000
1999 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.873700	3.873200	3.877845	3.445317	3.445503
Commercial/Industrial	4.356900	4.391300	4.397678	4.197991	4.176309
Tangible/Public Utility Personal	4.900000	4.900000	4.900000	4.900000	4.900000
2004 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	0.000000	4.899309	4.900000	4.353458	4.353694
Commercial/Industrial	0.000000	4.900000	4.900000	4.677554	4.653397
Tangible/Public Utility Personal	0.000000	4.900000	4.900000	4.900000	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	\$24.371300	\$29.267409	\$29.295845	\$26.393314	\$26.394649
Commercial/Industrial	34.823800	39.987300	40.035878	38.485491	38.295423
Tangible/Public Utility Personal	57.880000	62.780000	62.780000	62.980000	62.980000

2009	2010	2011	2012	2013
\$4.620000	\$4.620000	\$4.620000	\$4.620000	\$4.620000
6.008287	6.689483	6.690040	6.710345	7.447914
12.287716	12.446933	12.472072	12.521677	13.228833
29.300000	29.300000	29.300000	29.300000	29.300000
2.720869	3.029341	3.029591	3.038779	3.372778
4.128016	4.181509	4.189944	4.206609	4.444176
6.600000	6.600000	6.600000	6.600000	6.600000
2.175700	2.422365	2.422565	2.429910	2.696990
3.282335	3.324865	3.331585	3.344830	3.533730
5.000000	5.000000	5.000000	5.000000	5.000000
0.270000	0.270000	0.270000	0.270000	0.270000
2.552085	2.841420	2.841655	2.850270	3.163550
3.529700	3.575435	3.582655	3.596900	3.800035
5.000000	5.000000	5.000000	5.000000	5.000000
0.510417	0.568284	0.568331	0.570054	0.632710
0.705940	0.715087	0.716531	0.719380	0.760007
1.000000	1.000000	1.000000	1.000000	1.000000
1.680000	1.410000	1.410000	0.210000	0.210000
2.935802	3.268645	3.268916	3.278825	3.639207
3.772069	3.820944	3.828663	3.843884	4.060967
4.600000	4.600000	4.600000	4.600000	4.600000
3.442999	3.833344	3.833662	3.845285	4.267929
4.164294	4.218253	4.226769	4.243576	4.483231
4.900000	4.900000	4.900000	4.900000	4.900000
4.350528	4.843758	4.844160	4.858845	4.900000
4.640009	4.700129	4.709615	4.728343	4.900000
4.900000	4.900000	4.900000	4.900000	4.900000
0.000000	4.900000	4.900000	4.900000	4.900000
0.000000	4.900000	4.900000	4.900000	4.900000
0.000000	4.900000	4.900000	4.900000	4.900000
\$26.646687	\$34.076640	\$34.078920	\$32.962313	\$35.501078
38.460079	43.563155	43.637834	42.585199	44.590979
63.250000	67.880000	67.880000	66.680000	66.680000

(continued)

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

	2004	2005	2006	2007	2008
Total Direct Millage by Type of Property					
Residential/Agricultural	\$28.991300	\$33.887409	\$33.915845	\$31.013314	\$31.014649
Commercial/Industrial	39.443800	44.607300	44.655878	43.105491	42.915423
Tangible/Public Utility Personal	62.500000	67.400000	67.400000	67.600000	67.600000
Total Weighted Average Tax Rate	<u>\$40.606160</u>	<u>\$45.520110</u>	<u>\$44.424590</u>	<u>\$46.954130</u>	<u>\$38.047370</u>
Overlapping Rates by Taxing District					
City of Bedford Heights					
Effective Millage Rates					
Residential/Agricultural	\$13.000000	\$13.000000	\$13.000000	\$13.000000	\$13.000000
Commercial/Industrial	13.000000	13.000000	13.000000	13.000000	13.000000
Tangible/Public Utility Personal	13.000000	13.000000	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	14.497100	15.312800	16.061300	18.690000	17.836490
Commercial/Industrial	15.794900	16.539400	17.168000	18.760000	18.705333
Tangible/Public Utility Personal	17.850000	18.450000	18.450000	20.200000	20.200000
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

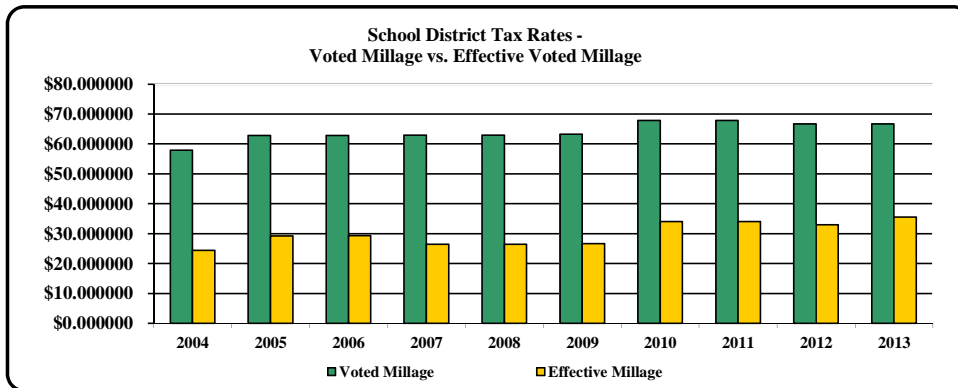
Source: Ohio Department of Taxation

(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.



2009	2010	2011	2012	2013
\$31.266687	\$38.696640	\$38.698920	\$37.582313	\$40.121078
43.080079	48.183155	48.257834	47.205199	49.210979
<u>67.870000</u>	<u>72.500000</u>	<u>72.500000</u>	<u>71.300000</u>	<u>71.300000</u>
<u>\$38.265890</u>	<u>\$44.222370</u>	<u>\$44.211740</u>	<u>\$43.139370</u>	<u>\$45.623760</u>
\$13.000000	\$13.000000	\$21.900000	\$21.900000	\$21.900000
13.000000	13.000000	21.900000	21.900000	21.900000
13.000000	13.000000	21.900000	21.900000	21.900000
12.800000	21.700000	21.700000	21.700000	21.700000
12.800000	21.700000	21.700000	21.700000	21.700000
12.800000	21.700000	21.700000	21.700000	21.700000
19.320480	20.160000	20.676506	20.622370	20.783492
19.706536	19.740000	20.186219	20.149382	20.149382
20.600000	20.600000	20.900000	20.800000	20.800000
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	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)(4)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
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
2010	32,114,650	30,357,160	94.53	1,493,447	31,850,607	99.18
2011	32,156,135	29,816,395	92.72	1,629,813	31,446,208	97.79
2012	31,053,021	29,075,980	93.63	1,234,644	30,310,624	97.61

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

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) The 2013 information cannot be presented because all collections have not been made by June 30, 2013.
- (3) The County does not maintain delinquency information by tax year.
- (4) Penalties and interest are included, since by Ohio Law, they become part of the tax obligation as assessment occurs.

Note: The School District is aware of the requirement to report delinquent tax collections by levy year rather than by collection year. However, the County's current computer system tracks levy amounts by either current levy or delinquent levy. Once amounts become part of the delinquent levy, the ability to track information by levy year is lost. The School District is looking at options to improve the presentation.

Bedford City School District

Principal Taxpayers

Real Estate Tax

2013 and 2004 (1)

2013		
Name of Taxpayer	Assessed Valuation	Percent of Real Assessed Value
Ben Venue Laboratories, Incorporated	\$8,420,760	1.33
Riser Foods Company	5,985,740	0.95
Columbus Park Property Ownership	5,484,130	0.87
Ford Motor Company	5,076,330	0.80
Bedford Colony Club Apartments	4,889,220	0.77
Wal-Mart Stores East	4,605,380	0.73
South Point Towers Limited	4,382,760	0.70
Southgate Towers LLC	4,382,760	0.70
Bear Creek Properties	3,795,910	0.60
CSH-ING Woodside Village LP	3,612,460	0.57
Total	\$50,635,450	8.02%
Total Real Estate Valuation	\$631,649,470	
2004		
Name of Taxpayer	Assessed Valuation	Percent of Real Assessed Value
Ford Motor Company	\$9,269,400	1.44
Ben Venue Laboratories, Incorporated	8,048,050	1.25
Bear Creek Investment Company	6,814,270	1.05
Riser Foods Company	6,650,000	1.03
Krick Road Reality	4,450,980	0.69
Bedford Colony Club Apartments	4,225,420	0.65
Brandybrook, LLC	3,964,120	0.61
University Hospitals	3,766,670	0.58
Weston	3,565,520	0.55
Mayfred Company	3,565,520	0.54
Total	\$54,319,950	8.39%
Total Real Estate Valuation	\$647,753,420	

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

(1) The amounts presented represent the assessed values upon which 2013 and 2004 collections were based.

Bedford City School District

Principal Taxpayers

Public Utilities Tax

2013 and 2004 (1)

<hr/> <hr/>		
2013		
<hr/> Name of Taxpayer	<hr/> Assessed Valuation	<hr/> Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$26,146,590	69.70%
American Transmission System	8,793,860	23.44
The East Ohio Gas Company	1,934,900	5.16
Total	<hr/> \$36,875,350	<hr/> 98.30%
Total Public Utility Valuation	<hr/> \$37,511,790	
<hr/> <hr/>		
2004		
<hr/> Name of Taxpayer	<hr/> Assessed Valuation	<hr/> Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$19,436,090	49.99%
American Transmission System	8,709,960	22.40
Ohio Bell Telephone Company	4,771,710	12.27
The East Ohio Gas Company	981,600	2.52
Norfolk Southern Combined	302,980	0.78
Total	<hr/> \$34,202,340	<hr/> 87.96%
Total Public Utility Valuation	<hr/> \$38,882,620	

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

(1) The amounts presented represent the assessed values upon which 2013 and 2004 collections were based.

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

	2004	2005	2006	2007
Total Assessed Valuation	\$858,303,832	\$854,733,064	\$816,579,269	\$795,490,777
Less Railroad and Telephone Property Valuation	0	0	(11,401,681)	(5,624,070)
Less General Business Tangible Personal Property Valuation	0	0	(132,472,759)	(45,893,227)
Total Assessed Valuation Used to Calculate Legal Debt Margin (1)	858,303,832	854,733,064	672,704,829	743,973,480
Overall Debt Limitation - 9% of Assessed Valuation (2)	77,247,345	76,925,976	60,543,435	66,957,613
Gross Indebtedness Authorized by the School District	9,764,300	8,787,300	11,315,414	10,067,582
Less Exempt Debt:				
Tax Anticipation Note	(865,000)	0	0	0
Energy Conservation	(155,000)	(80,000)	(3,562,114)	(3,336,282)
Debt within 9.0% limitation	8,744,300	8,707,300	7,753,300	6,731,300
Less Amount Available in Debt Service	(1,611,028)	(1,904,007)	(1,752,212)	(1,916,465)
Net Debt within 9.0% limitation	7,133,272	6,803,293	6,001,088	4,814,835
Legal debt margin within 9.0% limitation	<u>\$70,114,073</u>	<u>\$70,122,683</u>	<u>\$54,542,347</u>	<u>\$62,142,778</u>
Legal Debt Margin as a Percentage of Debt Limit	90.77%	91.16%	90.09%	92.81%
Energy Conservation Debt limitation 0.9% of assessed valuation	7,724,734	7,692,598	6,054,343	6,695,761
Net Debt within 0.9% limitation	(155,000)	(80,000)	(3,562,114)	(3,336,282)
Energy Conservation Debt Margin	<u>\$7,569,734</u>	<u>\$7,612,598</u>	<u>\$2,492,229</u>	<u>\$3,359,479</u>
Energy Conservation Debt Margin as a Percentage of the Energy Conservation Debt Limit	97.99%	98.96%	41.16%	50.17%
Unvoted Legal Debt Limit - .10% of Assessed Value (2)	\$858,304	\$854,733	\$672,705	\$743,973
Gross Indebtedness Authorized by the School District	1,020,000	80,000	3,562,114	3,336,282
Less Exempt Debt:				
Tax Anticipation Note	(865,000)	0	0	0
Energy Conservation	(155,000)	(80,000)	(3,562,114)	(3,336,282)
Legal debt margin within .10% limitation	<u>\$858,304</u>	<u>\$854,733</u>	<u>\$672,705</u>	<u>\$743,973</u>
Unvoted Legal Debt Margin as a Percentage of the Excess of Revenues Over (Under) Expenditures	100.00%	100.00%	100.00%	100.00%

Source: Cuyahoga County Fiscal Officer 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 telecommunication 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.

2008	2009	2010	2011	2012	2013
\$774,251,314	\$785,857,194	\$726,625,040	\$723,595,670	\$724,355,940	\$669,161,260
(21,638,265)	(315,340)	(145,790)	(226,900)	(227,020)	(237,950)
(22,946,614)	(22,970,064)	0	0	0	0
729,666,435	762,571,790	726,479,250	723,368,770	724,128,920	668,923,310
65,669,979	68,631,461	65,383,133	65,103,189	65,171,603	60,203,098
8,677,507	7,346,998	5,946,750	4,450,445	2,962,754	2,536,575
0	0	0	0	0	0
(3,155,207)	(2,966,698)	(2,770,450)	(2,566,145)	(2,353,452)	(2,132,027)
5,522,300	4,380,300	3,176,300	1,884,300	609,302	404,548
(2,103,486)	(2,154,602)	(2,025,391)	(1,944,665)	(1,307,415)	(394,533)
3,418,814	2,225,698	1,150,909	(60,365)	(698,113)	10,015
<u>\$62,251,165</u>	<u>\$66,405,763</u>	<u>\$64,232,224</u>	<u>\$65,163,554</u>	<u>\$65,869,716</u>	<u>\$60,193,083</u>
94.79%	96.76%	98.24%	100.09%	101.07%	99.98%
6,566,998	6,863,146	6,538,313	6,510,319	6,517,160	6,020,310
(3,155,207)	(2,966,698)	(2,770,450)	(2,566,145)	(2,353,452)	(2,132,027)
<u>\$3,411,791</u>	<u>\$3,896,448</u>	<u>\$3,767,863</u>	<u>\$3,944,174</u>	<u>\$4,163,708</u>	<u>\$3,888,283</u>
51.95%	56.77%	57.63%	60.58%	63.89%	64.59%
\$729,666	\$762,572	\$726,479	\$723,369	\$724,129	\$668,923
3,155,207	2,966,698	2,770,450	2,566,145	2,353,452	2,132,027
0	0	0	0	0	0
(3,155,207)	(2,966,698)	(2,770,450)	(2,566,145)	(2,353,452)	(2,132,027)
<u>\$729,666</u>	<u>\$762,572</u>	<u>\$726,479</u>	<u>\$723,369</u>	<u>\$724,129</u>	<u>\$668,923</u>
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 (1)	Population (2)	Estimated Actual Value of Taxable Property(3)	General Bonded Debt		
				General Bonded Debt Outstanding(4)	Ratio of Bonded Debt to Estimated Actual Value	Bonded Debt per Capita
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
2011	606,094,428	26,307	2,008,999,893	5,161,954	0.26	196.22
2012	606,094,428	26,307	2,009,832,896	3,911,235	0.19	148.68
2013	606,094,428	26,307	1,847,339,806	2,822,588	0.15	107.29

- Sources:** (1) 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
- (2) 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
- (3) Office of the Fiscal Officer, Cuyahoga County, Ohio
- (4) Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

General Debt

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
\$558,000	\$868,903	\$10,705,496	0.41	1.82	\$382.49
506,000	712,854	9,661,395	0.38	1.64	345.19
452,000	562,207	12,134,071	0.47	2.06	433.53
395,000	407,835	10,834,033	0.44	1.84	387.08
336,000	249,604	9,395,668	0.38	1.60	335.69
274,000	144,000	8,078,171	0.32	1.37	288.62
210,000	96,000	6,758,208	0.33	1.15	241.46
143,000	570,586	5,875,540	0.29	0.97	223.35
73,000	388,868	4,373,103	0.22	0.72	166.23
0	251,144	3,073,732	0.17	0.51	116.84

Bedford City School District
*Computation of Direct and Overlapping
 Governmental Activities Debt
 December 31, 2012*

	General Debt Outstanding	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
Bedford City School District			
General Obligation Bonds	\$2,822,588	100.00%	\$2,822,588
Capital Leases	251,144	100.00	251,144
Total Direct	<u>3,073,732</u>	100.00	<u>3,073,732</u>
Overlapping:			
Cuyahoga County			
General Obligation Bonds	280,466,552	2.43	6,815,337
Revenue Bonds	442,206,354	2.43	10,745,614
Capital Lease Obligations	98,268,690	2.43	2,387,929
Loans Payable	7,238,621	2.43	175,898
Regional Transit Authority			
General Obligation Bonds	151,940,000	2.43	3,692,142
Capital Lease Obligations	17,793,437	2.43	432,381
City of Bedford			
General Obligation Bonds	10,984,030	37.02	4,066,288
Special Assessment Bonds	170,000	37.02	62,934
OPWC Loans	733,253	37.02	271,450
Capital Lease Obligation	44,475	37.02	16,465
City of Bedford Heights			
General Obligation Bonds	2,031,400	29.23	593,778
OPWC Loans	217,635	29.23	63,615
Capital Lease Obligation	509,943	29.23	149,056
Village of Oakwood			
General Obligation Bonds	<u>2,651,194</u>	16.42	<u>435,326</u>
Total Overlapping	<u>1,015,255,584</u>		<u>29,908,213</u>
Total	<u><u>\$1,018,329,316</u></u>		<u><u>\$32,981,945</u></u>

Source: Office of the Fiscal Officer, 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 2013 collection year.

Bedford City School District

Principal Employers

2013 and 2004

2013

Employer	City	Nature of Business or Activity	Number of Employees
Ben Venue Laboratories, Incorporated	Bedford	Sterile Pharmaceuticals	1,477
University Hospital Health Systems	Bedford	Health Care	915
Riser Foods Company	Bedford Heights	Retail Grocery	700
Wal-Mart Stores East	Bedford	Retail	618
Bedford City School District	Bedford	Public Education	515
B & B Launch	Oakwood Village	In-Home Senior Care	417
U.S. Bank Leader Mortgage	Bedford	Banking Service	416
City of Bedford	Bedford	Municipal Government	346
Ford Motor Company	Walton Hills	Motor Vehicle Parts and Accessories	316
New York Frozen Foods Inc.	Bedford Heights	Retail	225
City of Bedford Heights	Bedford Heights	Municipal Government	220
Cleveland Coca-Cola Bottling Company	Bedford Heights	Retail Grocery	220
Total			6,385
Total Employment within the School District			n/a

2004

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, Incorporated	Bedford	Sterile Pharmaceuticals	986
University Hospital Health Systems	Bedford	Health Care	898
Sysco Foods	Bedford Heights	Wholesale Food Distribution	600
Bedford City School District	Bedford	Public Education	491
First National Supermarkets	Bedford Heights	Retail Grocery	400
City of Bedford	Bedford	Municipal Government	345
U.S. Bank Leader Mortgage	Bedford	Banking	285
Target Division of Dayton Hudson	Bedford	Retail	266
Alltell Communications	Bedford	Communications	229
Total			5,900
Total Employment within the School District			n/a

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

n/a -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
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
2011	13,074	312,808,524	23,926	10,751	234,275,041	21,791
2012	13,074	312,808,524	23,926	10,751	234,275,041	21,791
2013	13,074	312,808,524	23,926	10,751	234,275,041	21,791

Source 2000 U.S. Census Bureau and 2010 U.S. Census Bureau
Office of the Fiscal Officer, Cuyahoga County

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	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
3,667	71,169,136	19,408	2,281	63,372,000	27,783	8.9	723,595,670
3,667	71,169,136	19,408	2,281	63,372,000	27,783	8.9	724,355,940
3,667	71,169,136	19,408	2,281	63,372,000	27,783	7.7	669,161,260

Bedford City School District
Building Statistics
Last Ten Fiscal Years

	2004	2005	2006
Bedford High School			
Constructed in 1954			
Additions in 1955, 1958, 1971, 1994			
Total Building Square Footage	400,000	400,000	400,000
Media Center Square Footage	18,400	18,400	18,400
Cafeteria and Kitchen Square Footage	12,500	12,500	12,500
Auditorium Square Footage	15,000	15,000	15,000
Gymnasium (3 each) Square Footage	27,000	27,000	27,000
Pool Square Footage	10,000	10,000	10,000
Enrollment Grades 9-12	1,176	1,237	1,306
Student Capacity	1,800	1,800	1,800
Regular Instruction Classrooms	90	92	93
Regular Instruction Teachers	51	55	46
Special Instruction Classrooms	15	13	12
Special Instruction Teachers	15	13	12
Vocational Instruction Classrooms	16	16	16
Vocational Instruction Teachers	9	8	9
Heskett Middle School			
Constructed in 1968			
Total Building Square Footage	105,000	105,000	105,000
Media Center Square Footage	5,040	5,040	5,040
Cafeteria and Kitchen Square Footage	7,400	7,400	7,400
Auditorium Square Footage	4,500	4,500	4,500
Gymnasium Square Footage	8,000	8,000	8,000
Enrollment Grades 7-8	684	666	635
Student Capacity	800	800	800
Regular Instruction Classrooms	37	37	37
Regular Instruction Teachers	35	35	27
Special Instruction Classrooms	12	12	12
Special Instruction Teachers	12	12	12
Aurora Upper Intermediate School (1)			
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
Media Center Square Footage	1,700	1,700	1,700
Cafeteria and Kitchen Square Footage	3,400	3,400	3,400
Gymnasium Square Footage	2,500	2,500	2,500
Enrollment Grade 6 Only	331	291	308
Student Capacity	460	460	460
Regular Instruction Classrooms	16	18	19
Regular Instruction Teachers	12	13	10
Special Instruction Classrooms	7	5	4
Special Instruction Teachers	7	5	4

2007	2008	2009	2010	2011	2012	2013
400,000	400,000	400,000	400,000	400,000	400,000	400,000
18,400	18,400	18,400	18,400	18,400	18,400	18,400
12,500	12,500	12,500	12,500	12,500	12,500	12,500
15,000	15,000	15,000	15,000	15,000	15,000	15,000
27,000	27,000	27,000	27,000	27,000	27,000	27,000
10,000	10,000	10,000	10,000	10,000	10,000	10,000
1,371	1,322	1,268	1,215	1,177	1,174	1,129
1,800	1,800	1,800	1,800	1,800	1,800	1,800
93	94	93	93	93	93	93
59	58	59	50	47	49	48
12	12	13	13	13	13	13
13	14	15	12	12	13	15
16	16	16	16	16	16	16
17	14	14	11	9	7	7
105,000	105,000	105,000	105,000	105,000	105,000	105,000
5,040	5,040	5,040	5,040	5,040	5,040	5,040
7,400	7,400	7,400	7,400	7,400	7,400	7,400
4,500	4,500	4,500	4,500	4,500	4,500	4,500
8,000	8,000	8,000	8,000	8,000	8,000	8,000
654	603	587	576	603	524	516
800	800	800	800	800	800	800
37	37	37	37	37	37	37
35	35	33	31	30	30	30
12	12	9	9	9	9	9
12	15	15	11	13	12	12
65,000	65,000	65,000	65,000	65,000	65,000	65,000
1,700	1,700	1,700	1,700	1,700	1,700	1,700
3,400	3,400	3,400	3,400	3,400	3,400	3,400
2,500	2,500	2,500	2,500	2,500	2,500	2,500
274	0	0	0	0	0	0
460	460	460	460	460	460	460
19	19	19	19	19	19	19
17	0	0	0	0	0	0
4	4	4	4	4	4	4
4	0	0	0	0	0	0

(continued)

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

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

(1) 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.

(2) Source of Information - School District Records

2007	2008	2009	2010	2011	2012	2013
44,285	44,285	44,285	44,285	44,285	44,285	44,285
1,200	1,200	1,200	1,200	1,200	1,200	1,200
3,200	3,200	3,200	3,200	3,200	3,200	3,200
423	423	433	433	401	407	396
520	438	438	438	438	438	438
27	27	19	19	19	19	19
21	24	21	19	18	18	18
3	3	5	5	5	5	5
6	7	6	8	10	11	10
71,125	71,125	71,125	71,125	71,125	71,125	71,125
1,400	1,400	1,400	1,400	1,400	1,400	1,400
3,200	3,200	3,200	3,200	3,200	3,200	3,200
12,000	12,000	12,000	12,000	12,000	12,000	12,000
438	423	415	388	381	373	369
525	525	525	525	525	525	525
32	32	32	32	32	32	32
23	26	23	22	21	18	18
4	4	5	5	5	5	5
7	9	7	8	9	8	8
72,500	72,500	72,500	72,500	72,500	72,500	72,500
1,700	1,700	400	400	400	400	400
3,400	3,400	3,400	3,400	3,400	3,400	3,400
396	525	539	568	524	542	543
520	520	520	520	520	520	520
27	27	26	26	26	26	26
21	21	21	29	28	27	27
3	3	2	2	2	2	2
4	5	5	5	6	6	6
66,000	66,000	66,000	66,000	66,000	66,000	66,000
1,920	1,920	700	700	700	700	700
1,430	1,430	1,430	1,430	1,430	1,430	1,430
2,400	2,400	2,400	2,400	2,400	2,400	2,400
369	481	493	473	482	465	477
520	520	520	520	520	520	520
26	26	25	25	25	25	25
17	17	18	23	23	21	21
5	5	5	5	5	5	5
5	7	5	7	9	9	8

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
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
2011	3,568	(2.33)	51,566,713	14,453
2012	3,529	(1.09)	49,574,304	14,048
2013	3,430	(2.81)	51,017,609	14,874

(1) Debt Service totals have been excluded.
Source of Information - School District Records

Governmental Activities		Students Receiving Free or Reduced Lunch	Percentage Of Enrollment
Total Expenses	Per Pupil Cost		
\$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
50,825,758	14,245	2,265	63.48
51,043,602	14,464	2,334	66.14
50,875,526	14,833	2,296	66.94

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

Function/Program	2004	2005	2006	2007
Regular Instruction				
Elementary Classroom Teachers	101	107	95	94
Middle School Classroom Teachers	35	35	35	35
High School Classroom Teachers	58	56	60	59
Aides*	0	0	0	0
Special Instruction				
Preschool Teachers	3	2.5	2.5	2.5
Elementary Classroom Teachers	30	28	27	28
Gifted Education Teachers	1	1	1	1
Middle School Classroom Teachers	9	11	12	12
High School Classroom Teachers	11	12	12	13
Paraprofessionals/Aides*	0	0	0	0
Vocational Instruction				
High School Classroom Teachers	18	14	17	17
Pupil Support Services				
Guidance Counselors	9	9	11	11
Librarians	2	4	2	2
Psychologists	3	3.5	4	4
Speech & Language Pathologists	4	4	4	4
Data and Technology Coach*	0	0	0	0
Administrators				
Elementary	5	5	5	5
Middle School	3	3	3	3
High School	5	5	5	5
Districtwide	17	19	16	16
Clerical, Technology, Finance*	0	0	0	0
Operation of Plant				
Custodians, Security*	40	39	40	38
Maintenance	8	8	8	8
Pupil Transportation				
Bus Drivers	68	60	59	62
Bus Aides	15	18	16	13
Mechanics	5	5	5	5
Food Service Program*				
Elementary Cooks	13	12	11	11
Middle School Cooks	10	10	10	10
High School Cooks	18	18	18	18
Total Employees	<u>491</u>	<u>489</u>	<u>478.5</u>	<u>476.5</u>

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.

* Beginning in 2012 all classified personnel are included in the calculation.

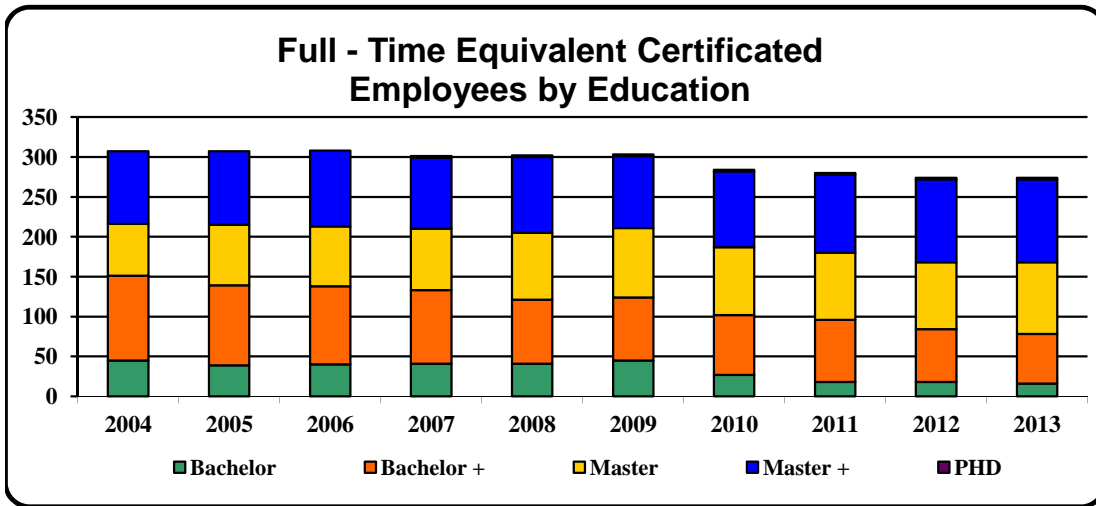
(1) Source of Information - School District Records

2008	2009	2010	2011	2012	2013
88	98	83	90	84	87
36	33	31	30	30	30
58	59	50	47	49	48
0	0	0	0	17	19
2.5	2	2	2	2	2
24	24	27	32	31	30
1	1	1	1	1	1
15	15	11	14	12	12
15	15	12	12	13	15
0	0	0	0	20	22
14	14	11	9	7	7
10	10	10	10	10	10
2	2	1	1	6	6
4	4	3	4	4	4
4	4	4	4	3	4
0	0	0	0	5	5
4	4	5	4	4	4
3	3	3	3	3	3
5	5	5	5	5	5
16	16	15	16	16	16
0	0	0	0	40	38
35	34	30	29	38	34
8	8	9	8	8	8
66	65	63	59	60	54
9	9	10	12	12	10
5	5	5	5	5	5
8	8	10	8	12	12
10	10	9	9	10	10
18	18	15	14	15	14
<u>460.5</u>	<u>466</u>	<u>425</u>	<u>428</u>	<u>522</u>	<u>515</u>

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

Degree	2004	2005	2006	2007	2008
Bachelor	45	39	40	41	41
Bachelor Including 150 Hours	63	63	59	51	44
Bachelor Including 180 Hours	43	37	39	41	36
Master	65	76	75	77	84
Master +9	40	39	36	36	46
Master +18	13	12	17	15	13
Master +27	13	11	11	13	11
Master +36	6	6	7	5	6
Master + 45	14	16	16	13	13
Master + 54	5	8	8	7	6
PhD or JD	0	0	0	2	2
Total	307	307	308	301	302

(1) Includes any employee that has a teaching certificate.
Source: School District Records



Source: School District Records

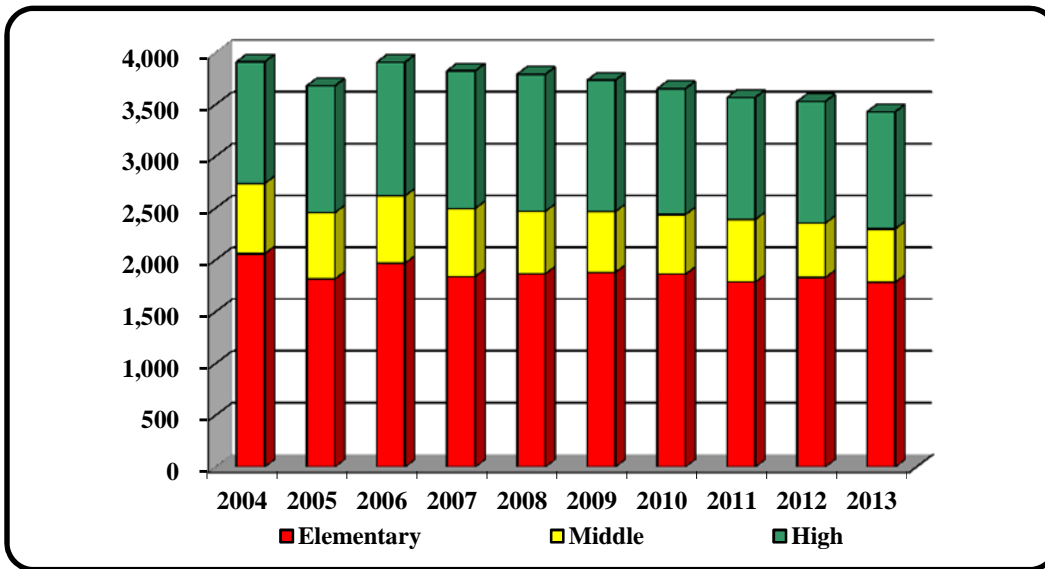
<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
45	27	18	19	16
46	48	46	38	39
33	27	32	28	23
87	85	84	84	90
43	38	38	47	46
14	22	23	21	23
10	9	11	11	11
4	4	3	3	3
12	12	13	13	12
7	10	10	8	9
<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
<u>303</u>	<u>284</u>	<u>280</u>	<u>274</u>	<u>274</u>

Bedford City School District

Enrollment Statistics

Last Ten Fiscal Years

Fiscal Year	Elementary Schools	Middle School	High School	Total
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
2011	1,788	603	1,177	3,568
2012	1,831	524	1,174	3,529
2013	1,785	516	1,129	3,430



Source: Bedford City School Records

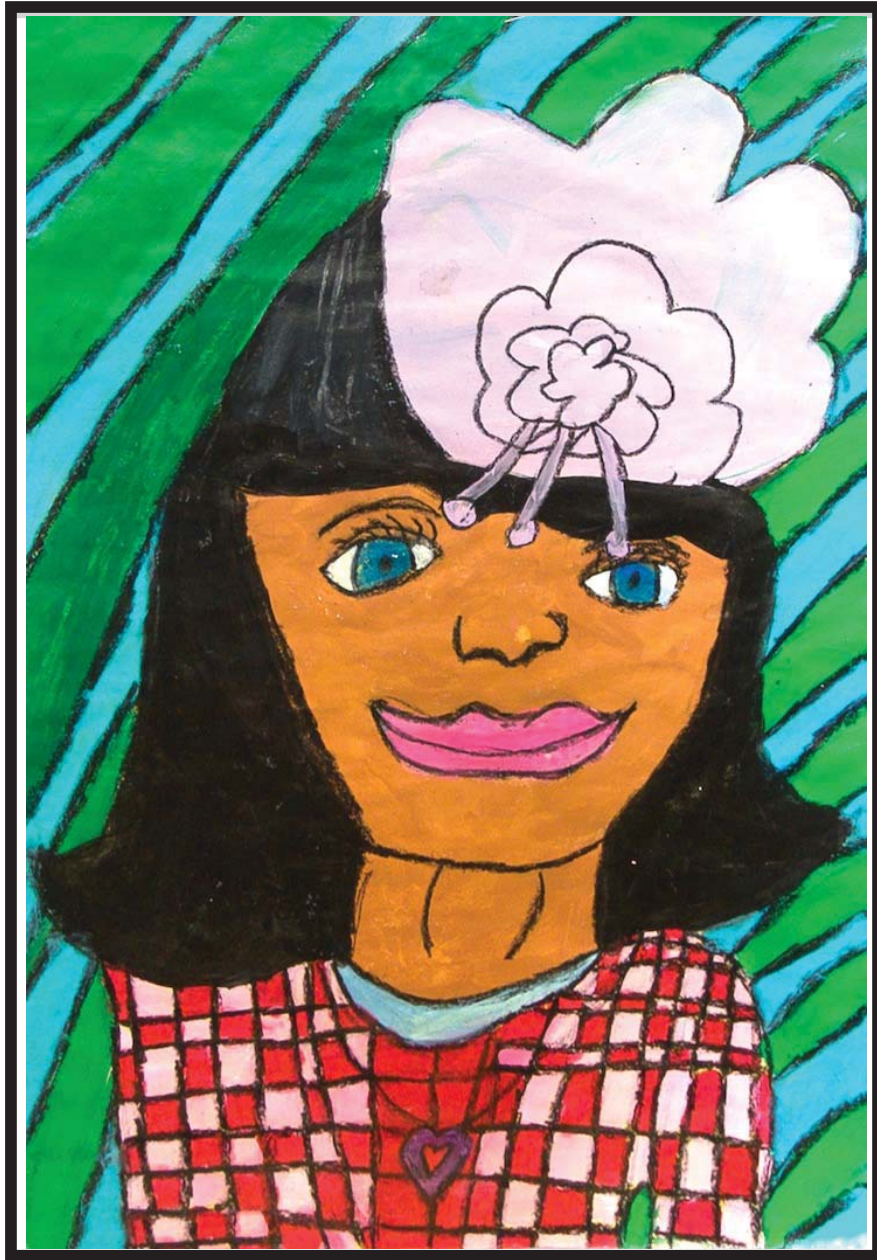
Bedford City School District
Attendance and Graduation Rates
Last Ten Fiscal Years

Fiscal Year	Bedford City School District Attendance Rate	State Average	Bedford City School District Graduation Rate *	State Average *
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
2011	95.10	94.50	82.90	84.30
2012	95.30	94.50	77.30	81.30
2013	93.00	94.20	N/A	84.30

Source: Ohio Department of Education Local Report Cards

* Beginning with the 2011-2012 school year the Ohio Department of Education is using the "4-Year Longitudinal Graduation Rate" which places students into a cohort when they enter the 9th grade. Each student is then tracked to identify whether they graduate within four years.

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Artwork by: Sage Stephens

5th Grade Student

Columbus Intermediate School

Art Teacher: Marjorie Falk

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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 4, 2014**