

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

**AUDIT REPORT**

**FOR THE FISCAL YEAR  
ENDED JUNE 30, 2015**

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





# Dave Yost • Auditor of State

Board of Education  
Bedford City School District  
475 Northfield Road  
Bedford, Ohio 44146-2201

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, 2014 through June 30, 2015. 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 cursive script that reads "Dave Yost".

Dave Yost  
Auditor of State

March 14, 2016

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**BEDFORD CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO  
AUDIT REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**JAMES G. ZUPKA, C.P.A., INC.**  
*Certified Public Accountants*  
*5240 East 98<sup>th</sup> Street*  
*Garfield Hts., Ohio 44125*

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Ohio Society of Certified Public Accountants

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

Board of Education  
Bedford City School District  
Bedford, Ohio

The Honorable Dave Yost  
Auditor of State  
State of 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 (the District), as of and for the year ended June 30, 2015, 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 16, 2015, wherein we noted that the District adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, and restated its net position of governmental activities at June 30, 2014.

**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**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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, President**  
James G. Zupka, CPA, Inc.  
Certified Public Accountants

Digitally signed by James G. Zupka, CPA,  
President  
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Date: 2015.12.30 12:09:49 -05'00'

December 16, 2015

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

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

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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

The Honorable Dave Yost  
Auditor of State  
State of 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, 2015. 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, 2015.

### **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 its 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, 2015, 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 16, 2015, 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, President**  
James G. Zupka, CPA, Inc.  
Certified Public Accountants

Digitally signed by James G. Zupka, CPA,  
President  
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December 16, 2015

**BEDFORD CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

<b>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Non-Cash Receipts</b>	<b>Receipts</b>	<b>Non-Cash Expenditures</b>	<b>Expenditures</b>
<b><u>U.S. Department of Agriculture</u></b>					
<i>Passed through Ohio Department of Education</i>					
Child Nutrition Cluster:					
National School Breakfast Program	10.553	\$ 354,493	\$ 0	\$ 354,493	\$ 0
National School Lunch Program	10.555	<u>890,363</u>	<u>79,046</u>	<u>890,363</u>	<u>79,046</u>
Total Child Nutrition Cluster		<u>1,244,856</u>	<u>79,046</u>	<u>1,244,856</u>	<u>79,046</u>
<b>Total U.S. Department of Agriculture</b>		<u>1,244,856</u>	<u>79,046</u>	<u>1,244,856</u>	<u>79,046</u>
<b><u>U.S. Department of Education</u></b>					
<i>Passed through Ohio Department of Education</i>					
Title I - Grants to Local Educational Agencies	84.010	<u>1,083,189</u>	<u>0</u>	<u>1,097,431</u>	<u>0</u>
Special Education Cluster:					
Special Education - Grants to States (IDEA, Part B)	84.027	752,226	0	748,153	0
Special Education - Preschool Grants (IDEA Preschool)	84.173	<u>5,895</u>	<u>0</u>	<u>5,864</u>	<u>0</u>
Total Special Education Cluster		<u>758,121</u>	<u>0</u>	<u>754,017</u>	<u>0</u>
Vocational Education - Basic Grants to States	84.048	<u>135,276</u>	<u>0</u>	<u>163,273</u>	<u>0</u>
English Language Acquisition Grant	84.365	<u>0</u>	<u>0</u>	<u>9,000</u>	<u>0</u>
Improving Teacher Quality State Grants	84.367	<u>126,791</u>	<u>0</u>	<u>126,052</u>	<u>0</u>
ARRA - Race to the Top	84.395	<u>3,500</u>	<u>0</u>	<u>3,500</u>	<u>0</u>
<b>Total U.S. Department of Education</b>		<u>2,106,877</u>	<u>0</u>	<u>2,153,273</u>	<u>0</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		<u>\$ 3,351,733</u>	<u>\$ 79,046</u>	<u>\$ 3,398,129</u>	<u>\$ 79,046</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, 2015**

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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, 2015**

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**1. SUMMARY OF AUDITOR'S RESULTS**

2015(i)	Type of Financial Statement Opinion	Unmodified
2015(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2015(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2015(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2015(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2015(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2015(v)	Type of Major Program's Compliance Opinion	Unmodified
2015(vi)	Are there any reportable findings under .510(a)?	No
2015(vii)	Major Programs (list):  Child Nutrition Cluster: National School Breakfast Program - CFDA #10.553 National School Lunch Program - CFDA #10.555	
2015(viii)	Dollar Threshold: Type A\B Program	Type A: \$300,000 or more Type B: All others less than \$300,000
2015(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, 2015**

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The prior audit report, as of June 30, 2014, included no citations or instances of noncompliance. Management letter recommendations were corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

**BEDFORD CITY SCHOOL DISTRICT**  
**Bedford, Ohio**

**Comprehensive Annual**  
**FINANCIAL REPORT**  
**For the Fiscal Year Ended**  
**June 30, 2015**





**Artwork by: Aria Cronin**

Grade 6

Carylwood Intermediate School

Art Teacher: Beverly Brown

# **Bedford City School District**

Bedford, Ohio

## **Comprehensive Annual Financial Report**

*For the Fiscal Year Ended June 30, 2015*

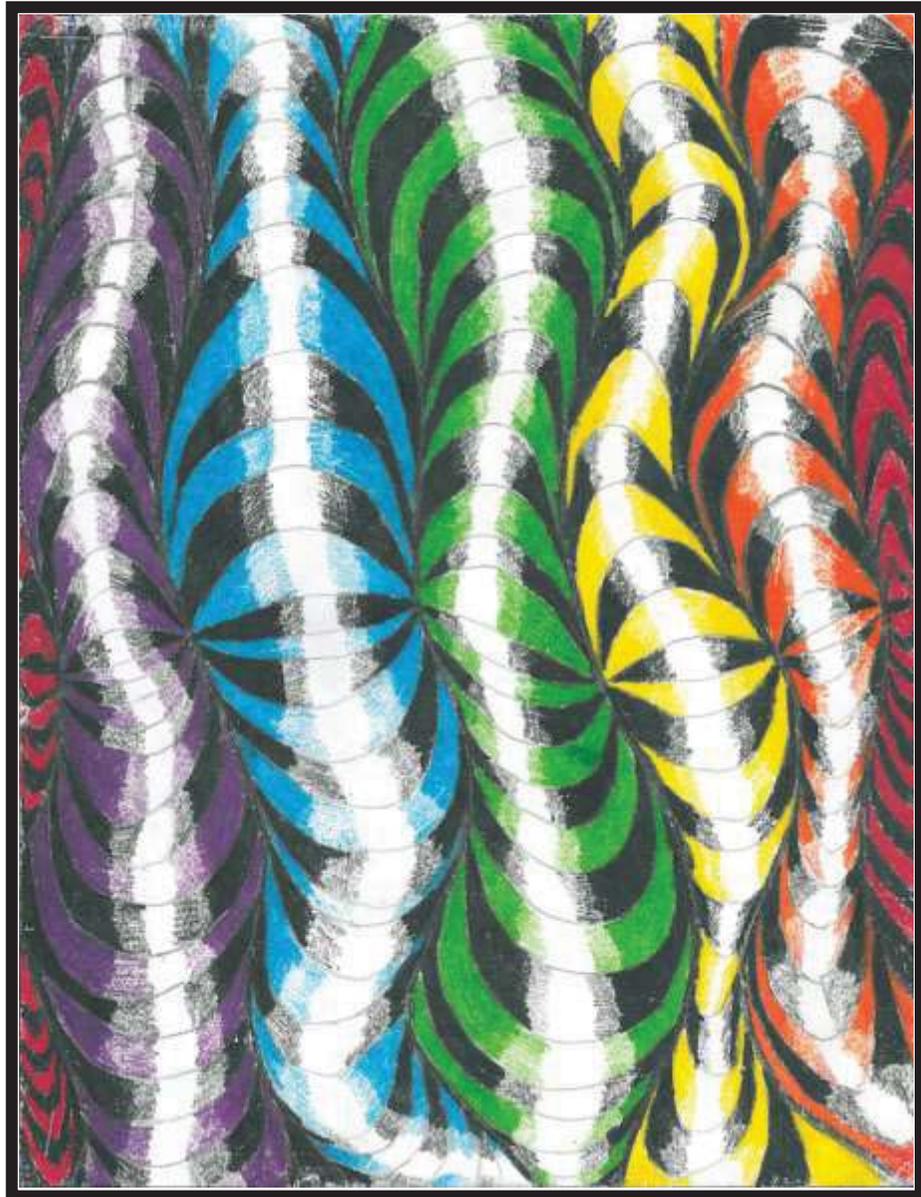
Prepared by:

Janet M. Pavlic, CPA  
Treasurer

Donald E. Houghton, Jr.  
Assistant Treasurer

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# Introductory Section



**Artwork by: Katie Ferencie**

Grade 8

Heskett Middle School

Art Teacher: Rebecca Genao



**Artwork by: Jade Jones**

Grade 3

Central Primary School

Art Teacher: Kenan Gabriel

**Bedford City School District**  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended June 30, 2015*

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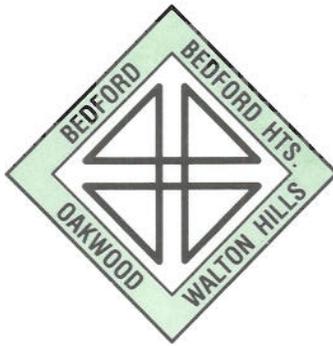
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# BEDFORD CITY SCHOOL DISTRICT

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Phone: 440-439-4670 • FAX: 440-439-4327 • Website: [www.bedford.k12.oh.us](http://www.bedford.k12.oh.us)

December 16, 2015

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, 2015. 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, 2015, 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 611 school districts in the State of Ohio and one of 31 in Cuyahoga County. The School District provided education to 3,425 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 16 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 \$678,913,220 is divided among the four municipalities making up the School District in the following manner: Bedford 36 percent, Bedford Heights 30 percent, Oakwood Village 18 percent and Walton Hills 16 percent. Approximately 52 percent of the tax base is residential real property, 7 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, left the facility and it is now occupied by the Art of Beauty company. Art of Beauty added \$6.1 million in real estate improvements to the property, and will transfer 40 employees immediately to the site and create 50 more jobs within 6 years per their community reinvestment area agreement (CRA).

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 were operating within 1 million square feet 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. Working with various governmental officials, a buyer was found for this property. In mid-May, Hikma Pharmaceuticals purchased the property under the name of West-Ward Injectables, Inc., and currently has 65 employees on site.

The City of Bedford is home to the Historic Automile. Expansion of the Automile is continuing with projects by 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.

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, Florida, 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.

The Village of Walton Hills has been home to the Ford Motor Company Stamping plant for many years. The plant closed in early 2015. The Village has been working with State and Federal officials to find a suitable owner for the property. Arhaus Furniture (Pagoda Properties) has expanded their world headquarters to include manufacturing and shipping of their fine furniture and accessories.

## **General Information**

3,372 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, 2014, the School District employed 278 professional staff members (including 251 teachers and 27 administrators) and 246 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 2014-2015 school year:

- The School District's Academic Achievement on the 2014 Ohio Schools Report Card has continued to make gains. For the fifth consecutive year, the School District has increased its Performance Index score. This is a measure of the test results of every student, not just those who scored proficient or higher. The School District also received an A for the third consecutive year in the overall Progress (value added) measure, illustrating that students achieved 2+ years of growth in one year in math and reading. Bedford ranked #35 out of 611 public school districts in Ohio on this Value Added measure.

- Academic achievement gains can be attributed to a great degree to the effective use of instructional data provided at the student level, with input and implementation measures from the School District leadership team, teacher based teams, and building leadership teams, who monitor and assess instructional practices and outcomes.
- Five teachers completed the year-long rigorous portfolio of the Ohio Department of Education's Master Teacher Program and were approved to receive the Master Teacher Designation.
- The 2014-2015 school year started with preparations for a 4.9-mil operating levy on the November 4th ballot. Due in large part to the hard work of the staff, who made phone calls, walked door to door, passed out yard signs and volunteered to do other campaign work, all on their own time, the School District was able to pass the operating levy by the largest margin in 46 years.
- The School District continued to keep safety and security as a top priority, practicing regular fire, tornado and secure-our-schools drills and training employees in A.L.I.C.E. protocols. Additional surveillance cameras were installed at all buildings to bring the total to 232.
- For the fourth 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 ranked #15 in the Large Business category (500+ employees) of the 150 companies, nonprofits and government agencies selected as Top Workplaces.
- The School District offered accelerated and/or honors classes for every grade K-12, as well as a strong Special Education program to ensure that students at every level of learning are given the opportunity to reach their maximum potential.
- Middle school students had the opportunity to earn high school credit for five different eighth-grade courses.
- Bedford High School offered approximately 200 courses to meet a wide range of students' needs. These included Honors and Advanced Placement, college preparatory, world languages (Spanish, French and Chinese and Individual Investigation World Language), music and fine and cultural arts. Ten AP courses were offered at Bedford High School.
- Through an arrangement with Lorain Community College, students were able to take college-level courses during the school day right at Bedford High School and earn dual credit (high school and college). Students also had the opportunity to earn dual credit by participating in the Post-Secondary Enrollment Options program or by enrolling in one of the eight Career and Technical Education programs offered on-site. An online alternative high school program was also offered to students at risk of not graduating.
- A comprehensive School District report called the Quality Profile was released in the fall to coincide with the release of the Ohio Report Card. The report defined the educational value of the Bedford Schools and included additional accountability measures that better define a high education and are not included in the state's report card. A link to the report can be found on our website.

- Out of the 219 graduates in the class of 2015, 178 planned to further their education (81 percent); 12 planned to enter the military (6 percent); 11 planned to enter the workforce (5 percent); and 18 were undecided or their plans were unknown (8 percent) as of graduation.
- Seven members of the BHS Class of 2015 graduated Summa Cum Laude (3.9 or higher GPA), receiving Academic Honors Diplomas.
- Heskett inducted nine students into the National Junior Honor Society during a ceremony in December.
- Glendale Primary School was presented with a \$10,000 donation in September to be used to complete renovations and make upgrades to the Glendale Discovery Garden. The donation was from the 100+ Women Who Care of the Western Reserve.
- The Bedford Bearcat football team brought a great amount of excitement to the School District and community at large. Not only did they win the Lake Erie League Championship, but for the first time in history, the Bearcats had their first undefeated season with a record of 10-0. They made it through the first two rounds of playoff games and were the #1 seed in Division II Region 3. Four members of this winning team secured athletic scholarships to continue to play football at the collegiate level.
- Central Primary and Columbus Intermediate Schools both hosted The NED Show. This is an assembly that encourages students to become champions at school and in life. NED's name serves as an acronym that makes the message easy to remember—Never Give up, Encourage Others, and Do Your Best.
- BHS music students brought home 12 number one (I) ratings (the highest rating possible), nine number 2 (II) ratings, one number 3 (III) rating and three “comments only” (C/O) ratings in the annual Ohio Music Education Association's District 7 Solo and Ensemble Contest in January.
- The BHS Marketing Education Program continued its tradition of excellence as 25 students participated in the Distributive Education Clubs of America (DECA) District 10 regional competitive events in January at the Kalahari Resort in Sandusky, Ohio. Nearly 200 students from area high schools competed in the events that included written exams, business case scenarios, advertising campaign presentations, fashion presentations, and employability skills presentations to judges who are professionals in the marketing field. In all, 19 BHS students won awards and placed in different marketing events, and an unprecedented 16 students qualified to compete in the events at the State Marketing Education Career Development Conference (CDC) in Columbus in March.
- WEWS Channel 5 News spotlighted a BHS health class in a story the station did on domestic violence. A representative from Operation Keepsake was in the classroom that day teaching students about safe relationships and how to get out of unhealthy ones. The Channel 5 story was also posted on Cleveland.com with the headline: Bedford students discuss healthy relationships.
- Cleveland.com also featured an article about the School District's Transportation Department, interviewing the department's supervisor, who explained how the School District implemented more thorough guidelines for bus evacuation drills after a bus rolled during a drill and struck another bus in 2003.

- Heskett’s Co-ed soccer team had an undefeated season at 8-0. The team consisted of 30 7th and 8th graders. Every player contributed and played in every game, as long as they kept their grades above a 2.0. Many students had above a 3.0 GPA, which was the team goal.
- Twenty six BHS University Bound Scholars (UBS) went on a four-day college tour in October. They toured University of Notre Dame, University of Chicago, Loyola University Chicago, and Northwestern University.
- Thirty-four University Bound Scholars (UBS) were inducted into the organization in March: one from the Class of 2015, seven from the Class of 2016, ten from the Class of 2017, seven from the Class of 2018, and nine from the Class of 2019. UBS is a group of students who have earned a cumulative GPA of 3.4, are enrolled in honors or Advance Placement (AP) courses, and are interested in preparing for a rigorous path to post-secondary education.

#### Community Engagement:

- Community mentoring and tutoring programs expanded within the School District under the direction of The Mentoring Network. The Network is a collaborative effort between the School District, the communities, and several local churches. Its main objective is to raise funds and recruit additional mentors for students. They paid an instructor to teach character education classes at the high school and middle school. They also oversee a program at Heskett Middle School called UbUr3 (You Be Yourself—focusing on Respect, Responsibility and Right Relationships). The program was previously just for boys who were mentored by men, but it has been expanded to include women mentoring girls in the middle school.
- Other mentoring/tutoring programs include a character development program with the high school football and basketball teams; the Kids Hope program at Central Primary School; the Homework Club at Carylwood Intermediate School; a long-standing tutoring partnership program at Glendale Primary School with U.S. Bank Home Mortgage employees; and a long-standing Reading Dog program at Glendale, in which therapy dogs are brought into the school so children can practice their reading skills by reading to the dogs. AmeriCorps tutors are also working with Glendale students.
- Bedford High School sponsored a Community Panel Discussion in February called “It Takes a Community to Graduate a Student.” The discussion centered on the importance of graduation, how the road to graduation begins in kindergarten, and strategies for improving graduation rates.
- The Bedford City Schools District’s Physical Education Department hosted Family Fitness Night at BHS in October, an evening of fun and fitness for families in the community. Activities included kickboxing, basketball, line dancing, Zumba, and swimming.
- Bedford Bearcat Stadium was selected as the backdrop for several scenes in a movie that was produced in Northeast Ohio called #50 Fathers. The Bearcat football team was also featured and highlighted in the film, as the lead character was a football player. The team’s name in the movie was also the Bedford Bearcats.
- The School District held a Teddy Bear Sleepover at the Southeast Library in November for preschoolers and their parents. Besides being an informative evening for parents about Kindergarten Registration and Kindergarten Readiness, children participated in fun activities, learned about safety, and had the opportunity to be fingerprinted. While the children went home

with their parents, the teddy bears were invited to spend the night at the library. When parents returned the next day to pick them up, they received photos of the sleepover of what the bears did while they were gone, along with a packet of important information about getting ready for school.

- Parents and community members were invited to attend 20 different musical and dramatic arts performances over the school year, through the School District's Winter and Spring Festival of the Arts programs.
- In October, as they have for several years, Heskett Middle School teachers and students participated in Make A Difference Day, the largest national day of community service. Students, staff and parents came to the school and made cards and care packages to send to the troops overseas, as part of Operation Gratitude. They also planted flowerbeds around the school grounds.
- Glendale was awarded a \$1,600 "Update the Plate" mini-grant from the OSU Extension Cuyahoga County and the Cuyahoga County Board of Health. The funds were made available to schools in the county to help them create healthier food environments, in celebration of National Farm to School month. The grant was used on the Glendale Discovery Garden.
- Two teams of Columbus fifth graders and two teams of sixth graders (16 students total) participated in the 34th Annual Problem Solving Tournament, sponsored by The Greater Cleveland Council of Teachers of Mathematics. The students did well, competing against students from three prestigious private schools and took home "special recognition."
- Carylwood students participated in the 5th and 6th grade Annual Problem Solving Tournament at John Carroll University and took home a second place ribbon for their efforts.
- Eight BHS seniors from the Cisco Networking class placed in the Region 18 Business Professionals of America (BPA) Competitive Events Awards Program in February and two of those students advanced to the state-level competition.
- A BHS wrestler was a state qualifier in the 106-pound weight class and wrestled three rounds at the State Wrestling Tournament in Columbus.
- Bedford students from several classes from BHS and Heskett participated in the Hour of Code, earning certificates upon completion of the tutorial. This was part of Computer Science Education Week 2014 and the second annual Hour of Code. The Hour of Code is a one-hour introduction to computer science designed to demystify code and show that anybody can learn the basics.
- Carylwood's principal and guidance counselor traveled to Columbus, Ohio in November with three students to host a display at the Ohio School Boards Association (OSBA) Capital Conference's Student Achievement Fair. The Carylwood team demonstrated "brain testing" using em Wave technology, a new technology software being used at Carylwood. By measuring pressure pulse and heart rate variability, this software program gives students physiological feedback, which helps to teach them stress reduction and emotional management skills and how to re-balance the mind to a state of high coherence and peak performance.
- The BHS TLC (Teens who Listen and Care) students were featured on the Ramona's Kids segment of the Channel 19 Action News 6:00 and 11:00 newscasts. Channel 19 news anchor

Ramona Robinson talked with the students about what inspired them to join this service-oriented club and how they felt about the work they did out in the community.

- Heskett held its Sixth Annual Science Fair and Family Science Night in January. Dinner was available for purchase before the fair kicked off. The science fair gave attendees the opportunity to engage in hands-on science activities alongside Heskett's science teachers. Student science fair projects were also on display.
- The School District honored military personnel, veterans and local safety forces at its 13th Annual Patriot Day commemoration at Bearcat Stadium during a home football game.
- The Bedford Wrestling team hosted a wrestling match for the fifth consecutive year called "Krushing Kancer" to raise funds to donate to cancer research at the Cleveland Clinic's Taussig Research Center. Although the team raised \$1,100, the point of the event was not just to raise money, but to raise awareness of the disease and to help the team remember that there is more to life than sports.
- BHS students from the organizations NHS, TLC and S.A.D.D. attended the Diversity Conference in March at John Carroll University. The students came together with middle and high school students from 15 different schools to explore diversity and other issues as they relate to race, (dis)ability, ethnicity, socioeconomic status, gender identity, and age.
- Several BHS and Heskett students served on the Hawthorne Valley Youth Council (HVYC) during the 2014-15 school year. The council offers students experience in civic leadership through hands-on experience. The students were involved in local volunteer projects and actively learned the role and process of the legislative, executive and judicial branches of State government, along with citizenship. They also attended the Youth Leadership Association (YLA) Ohio Youth in Government Conference at the State Capitol in Columbus in April.
- Central and Glendale Primary Schools hosted a Kindergarten Registration and Preschool Fair in March at Glendale. The Kindergarten Registration Event was intended to encourage parents to register early for kindergarten for the following school year. The Preschool Fair gave children ages three to five years old the opportunity to participate in free developmental screenings.
- The School District reached out to senior citizens in its four communities by offering a quarterly ElderClass program. ElderClass is an intergenerational program designed to build a positive relationship between the Bedford Schools, its students, and senior citizens. The Annual Senior Citizens Valentine's Day Dance, sponsored by the BHS Varsity B Club, continued to turn out a crowd in its 24th year in 2015.
- BHS students performed Oklahoma for their annual spring musical in March. There were two evening performances as well as a Sunday matinee. Senior Citizens were admitted for free.
- Members of the Bedford Board of Education held Community Engagement Walk-in Sessions at a local coffee shop one Saturday morning a month to interact with their constituents and to gain feedback on and answer questions about the School District.
- Grammy Award winning trumpeter and BHS alumnus Curtis Taylor performed a concert in the high school auditorium in April. Bedford Band and Orchestra Parents (BBOP) sponsored the concert, which featured Taylor and his jazz quartet. Proceeds benefited the BHS music program.

- Other community engagement activities in the schools included: Muffins for Moms and Donuts for Dads at Carylwood, Central and Columbus; PTA Family Fun Nights at Central, Glendale and Columbus; a Science Fair at Carylwood and Heskett; a Study Island/Accelerated Reader Night at Carylwood; the WATCH D.O.G.S. (Dads of Great Students) program at Carylwood; a Popsicle Social at Glendale and Central, and Grandparents Day at Central, in addition to volunteer recognition programs at most schools.
- The School District, in partnership with the Bedford Rotary Club and the Bedford Schools Foundation, held its annual Sunday Funday in April, offering a 5-mile run or 2-mile run/walk, a Pancake Breakfast, and a Health Fair.
- The Bedford Rotary Club honored selected students of the month and National Honor Society students by inviting them to luncheon meetings. The Rotary also honored outstanding BHS Career and Technical Education students at its 57th Annual Career-Tech Recognition Banquet in May.
- Bedford hosted the Regional Special Olympics Meet in May. Track & Field events were held at Bearcat Stadium, Volleyball in the BHS gymnasium, and Cycling on the track at Heskett Middle Schools. Nearly 400 athletes from 13 schools/facilities from Cuyahoga, Geauga, Lake, Lorain, and Medina Counties competed in 24 track and field events, plus the volleyball game and four cycling races.
- For the 51st consecutive year, the Bedford Council of PTA offered Safety Town in June to children ages five to six years old, including incoming and current kindergartners. This is a comprehensive safety education program that has proven to be effective in reducing deaths and accidents among children. The inception of Safety Town, a national program, started in Bedford in 1964.
- BHS students once again helped to prepare for the community's annual Memorial Day Parade by marking all the veterans' gravesites at the Bedford Cemetery with flags.
- The BHS Madrigal Singers performed the National Anthem at Progressive Field before a Cleveland Indians game. They performed at many other community events as well, including Christmas in Bedford Falls, Bedford Rotary Club meetings and Board of Education events.
- Fourth grade Columbus students were treated to a special visit in April from the Kids Card Planning Team from American Greetings. The team, consisting of product developers, editors and creative designers, spent an hour in each of two classes, explaining the entire creative process involved in developing greeting cards for kids. They also received valuable feedback from our students about what appeals to children, to help in their greeting card designs.
- The Cleveland Orchestra Musical Rainbows program went to Glendale in May, thanks to the Bedford Arts and Culture Board, which sponsored the program, "The Vivacious Viola." Carylwood's 5th and 6th grade strings students were also invited to attend. On their way back to Carylwood, the student musicians stopped at UH Bedford Medical Center to perform in the lobby for employees, patients, and visitors.
- For the third consecutive year, Central has awarded a \$500 scholarship to a BHS graduating senior. Two worthy seniors were chosen by the BHS 12th grade principal and guidance counselor, and each Central student who paid \$2 got the opportunity to attend an assembly to

listen to each of the seniors speak about themselves and their future plans. Central children then cast their votes for one of the two seniors. The other senior was then surprised with an award of \$100.

- Bedford Church of the Nazarene once again sponsored a Back to School Bash, inviting Central Primary School families to the church for food, games and other festivities. The church also donated dress-code compliant clothing and school supplies to the students.
- Nationally-featured children's book author Diane Z. Shore came to Central, Glendale, Columbus and Carylwood from Georgia to talk with and read to the children and hold a book-signing.

## **Employees**

As of June 30, 2015, the School District had 524 employees. A Statewide public employee collective bargaining law applies generally to public employee relations and collective bargaining.

As of June 30, 2015, 278 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 67 percent or 187 held advanced degrees. The 2014-2015 starting salary for a teacher with a bachelor's degree was \$39,047; the maximum teacher salary (for a teacher with a master's degree plus 45 semester hours and 18 years' experience) was \$81,086. The average current base salary of a School District teacher for 2014-2015 was \$64,690, compared to a State average of (fiscal year 2014 last year available) \$55,916.

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, 2016.

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 8 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 School 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, 2014. 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 2015 CAFR. The fiscal year 2015 CAFR is also the work of Assistant Treasurer, Donald E. Houghton, Jr., whose name appears on the title page.

Ms. Beth Russell, Coordinator of Communications and Public Relations is credited with providing content to the fiscal year 2015 CAFR. Ms. Debi Jones, Technology Clerk, was instrumental in the graphic design of this report. The digital 2015 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



Andrea Celico, Ph.D.  
Superintendent of Schools

**Bedford City School District  
Principal Officials  
June 30, 2015**

**Board of Education**

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

President  
Vice President  
Member  
Member  
Member

**Treasurer**

Mrs. Janet M. Pavlic, CPA

**Assistant Treasurer**

Mr. Donald E. Houghton, Jr.

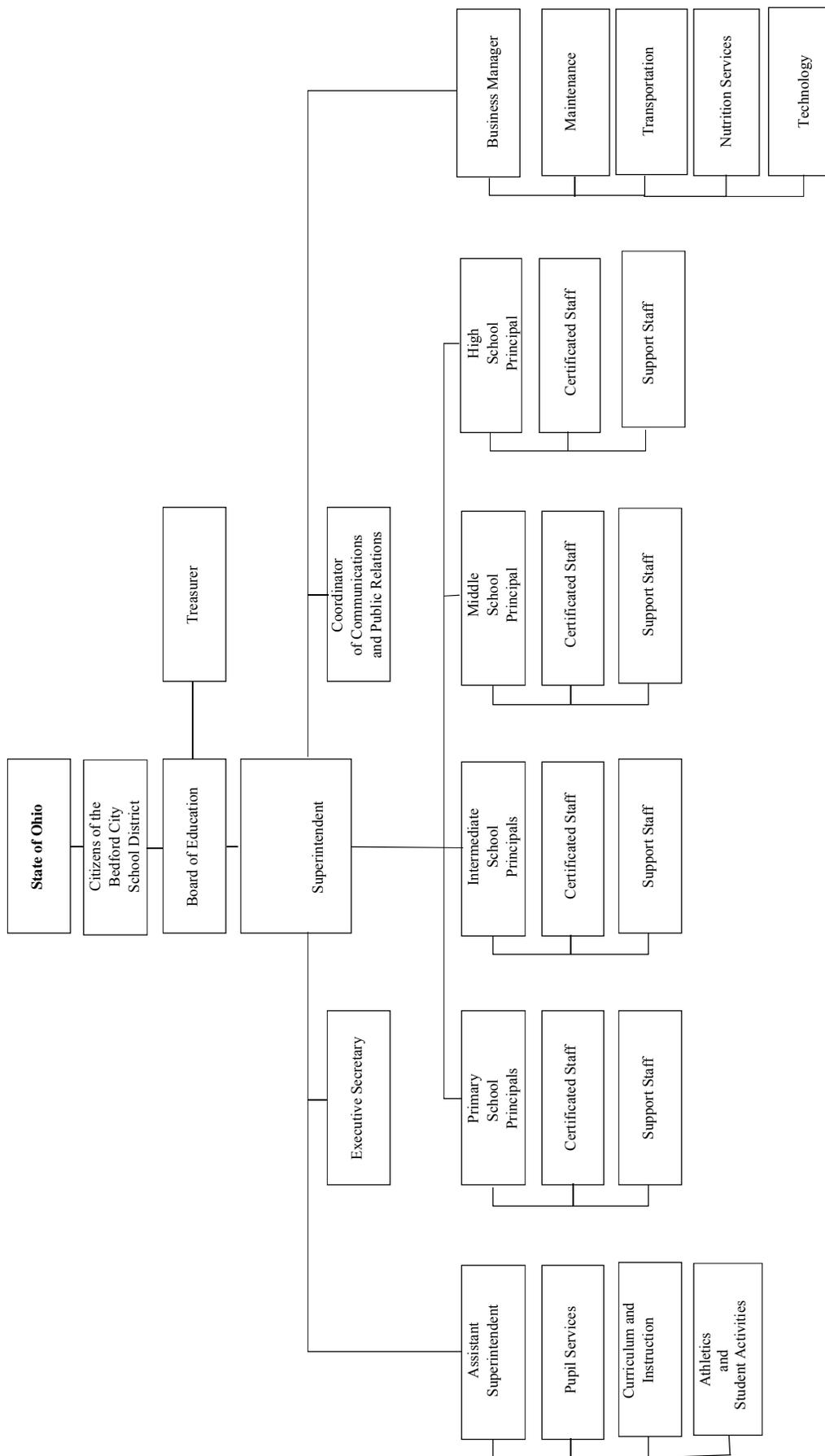
**Administration**

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

Superintendent  
Assistant Superintendent  
Business Manager

\*Andrea Celico, Ph.D. was named Superintendent effective August 1, 2015.

# Organizational Chart of the Bedford City School District





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
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Presented to

**Bedford City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

# Financial Section

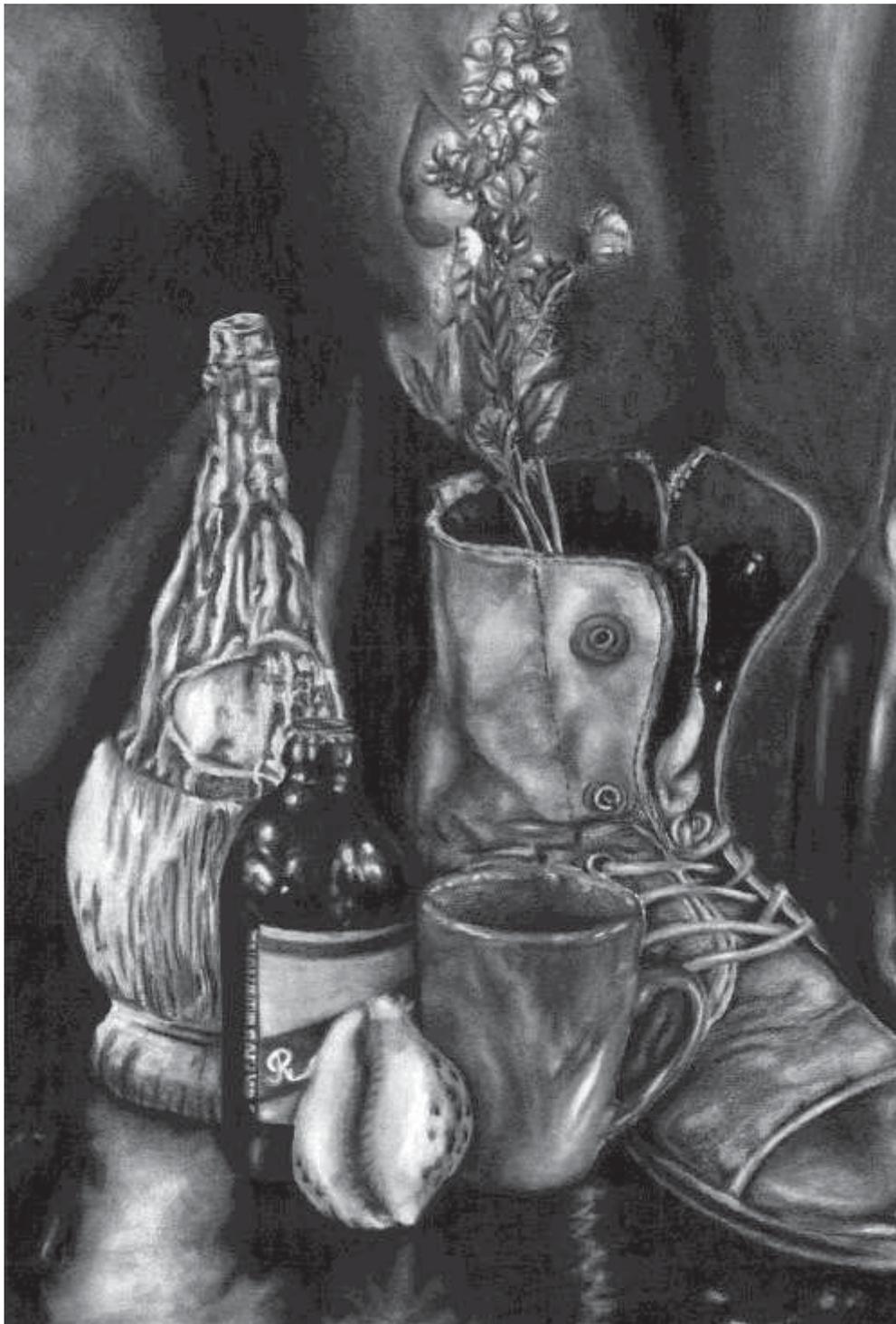


**Artwork by: Jessica Lunge**

Grade 6

Carylwood Intermediate School

Art Teacher: Beverly Brown



**Artwork by: Joey Travarca**

Grade 12

Bedford High School

Art Teacher: Dagmar Clements

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

*Certified Public Accountants*

*5240 East 98<sup>th</sup> Street*

*Garfield Hts., Ohio 44125*

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

***Management's Responsibility for the Financial Statements***

Management is responsible for 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, 2015, 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.

### ***Emphasis of Matter***

As described in Note 23 to the basic financial statements, the Bedford City School District, Ohio, adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, and restated its net position of the governmental activities at June 30, 2014. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedules of the School District's Proportionate Share of the Net Pension Liability and the Schedules of the School District's Contributions 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 16, 2015, 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 16, 2015

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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, 2015. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, 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 2015 are as follows:

- The School District implemented GASB 68 and GASB 71, which establish standards for measuring and recognizing pension liabilities, deferred outflows/inflows of resources and expense/expenditure. The implementation of these GASB statements resulted in a significant change to the financial statements for the School District.
- 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.
- The School District had slightly higher expenses than in the previous fiscal year, due to higher costs in business and operation and maintenance of plant expenses.

### **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*

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similar to the accounting used by most private-sector companies. This basis of accounting recognizes all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's *net 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 11. 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).

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Table 1 provides a summary of the School District's governmental activities net position for fiscal year 2015 compared to fiscal year 2014:

**Table 1**  
Net Position

	2015	2014	Change
<b>Assets</b>			
Current and Other Assets	\$52,514,492	\$48,976,276	\$3,538,216
Capital Assets, Net	19,969,156	20,517,198	(548,042)
<i>Total Assets</i>	<u>72,483,648</u>	<u>69,493,474</u>	<u>2,990,174</u>
<b>Deferred Outflows of Resources</b>			
	4,375,944	3,663,086	712,858
<b>Liabilities</b>			
Current and Other Liabilities	7,149,928	7,436,339	286,411
Long-Term Liabilities:			
Due Within One Year	1,659,652	1,802,132	142,480
Due in More than One Year			
Net Pension Liability	59,259,853	70,362,700	11,102,847
Other Amounts	4,184,776	4,361,118	176,342
<i>Total Liabilities</i>	<u>72,254,209</u>	<u>83,962,289</u>	<u>11,708,080</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	23,204,072	21,525,158	(1,678,914)
Pension	10,644,449	0	(10,644,449)
<i>Total Deferred Inflows of Resources</i>	<u>33,848,521</u>	<u>21,525,158</u>	<u>(12,323,363)</u>
<b>Net Position</b>			
Net Investment in Capital Assets	18,124,171	17,784,600	339,571
Restricted:			
Capital Projects	155,448	622,695	(467,247)
Debt Service	13,714	9,869	3,845
Other Purposes	1,027,366	918,821	108,545
Unrestricted (Deficit)	(48,563,837)	(51,666,872)	3,103,035
<i>Total</i>	<u>(\$29,243,138)</u>	<u>(\$32,330,887)</u>	<u>\$3,087,749</u>

During 2015, the School District adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension costs, GASB 27 focused on a funding approach. This approach limited pension costs to

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contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability*. GASB 68 takes an earnings approach to pension accounting; however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

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

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

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

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

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

As a result of implementing GASB 68, the School District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2014, from \$34,368,727 to (\$32,330,887).

The increase in net position was predominantly due to an increase in cash as a result of property taxes increasing due to the new tax levy beginning collections in January 2015. Total liabilities decreased from prior fiscal year due to decreases in accounts and contracts payable attributable to construction projects during the year which as well as decreases in net pension liability and outstanding debt due to continued pay down.

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Table 2 shows changes in governmental net position for fiscal years 2015 and 2014.

**Table 2**  
Changes in Net Position

	2015	2014	Change
<b>Revenues</b>			
<i>Program Revenues:</i>			
Charges for Services and Sales	\$2,189,359	\$2,258,798	(\$69,439)
Operating Grants, Contributions and Interest	5,543,923	5,501,160	42,763
Capital Grants	124,050	123,999	51
<i>Total Program Revenues</i>	<u>7,857,332</u>	<u>7,883,957</u>	<u>(26,625)</u>
<i>General Revenue:</i>			
Property Taxes	32,480,330	26,409,950	6,070,380
Grants and Entitlements	14,514,981	13,684,383	830,598
Unrestricted Contributions	0	11,303	(11,303)
Investments	9,135	4,762	4,373
Miscellaneous	361,853	606,613	(244,760)
<i>Total General Revenues</i>	<u>47,366,299</u>	<u>40,717,011</u>	<u>6,649,288</u>
<b>Total Revenues</b>	<u>55,223,631</u>	<u>48,600,968</u>	<u>6,622,663</u>
<b>Program Expenses</b>			
Instruction	26,532,855	27,081,004	548,149
Support Services:			
Pupil	3,290,160	3,263,687	(26,473)
Instructional Staff	1,923,812	2,003,829	80,017
Board of Education	114,703	83,190	(31,513)
Administration	3,980,365	4,062,197	81,832
Fiscal	1,154,870	1,313,648	158,778
Business	1,008,331	818,885	(189,446)
Operation and Maintenance of Plant	6,875,154	6,107,562	(767,592)
Pupil Transportation	4,083,284	4,032,774	(50,510)
Central	112,684	127,195	14,511
Operation of Non-Instructional Services:			
Food Service Operations	1,842,879	1,732,185	(110,694)
Other Non-Instructional Services	54,194	160,160	105,966
Extracurricular Activities	1,084,015	1,030,314	(53,701)
Interest and Fiscal Charges	78,576	155,265	76,689
<i>Total Program Expenses</i>	<u>52,135,882</u>	<u>51,971,895</u>	<u>(163,987)</u>
<i>Net Change in Net Position</i>	3,087,749	(3,370,927)	6,458,676
<i>Net Position Beginning of Year</i>	<u>(32,330,887)</u>	N/A	
<i>Net Position End of Year</i>	<u>(\$29,243,138)</u>	<u>(\$32,330,887)</u>	<u>\$3,087,749</u>

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The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$3,663,086 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$2,649,858. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

Total 2015 program expenses under GASB 68	\$52,135,882
2015 Pension expense under GASB 68	(2,649,858)
2015 contractually required contribution	<u>3,821,114</u>
Adjusted 2015 program expenses	53,307,138
Total 2014 program expenses under GASB 27	<u>51,971,895</u>
Increase in program expenses not related to pension	<u><u>\$1,335,243</u></u>

General revenues increased from 2014. In 2015, the School District experienced increased levels of property tax collections and grant and entitlement revenues. The majority of the change is due to collections on the new 4.9 mill operating levy which began collections in January 2015.

The decrease in program revenues is due to decreases in charges for services and sales as a result of the School District collecting decreased amounts of tuitions as well as other charges.

**Governmental Activities**

In November, 2014, the voters approved 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 passage, the last operating levy approved by voters was 4.9 mills in May 2009.

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 2015, 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.

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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.

**Table 3**  
 Net Cost of Governmental Activities

	Total Cost of Services 2015	Net Cost of Services 2015	Total Cost of Services 2014	Net Cost of Services 2014
Instruction	\$26,532,855	\$22,556,034	\$27,081,004	\$23,111,379
Support Services:				
Pupil	3,290,160	2,612,128	3,263,687	2,675,189
Instructional Staff	1,923,812	1,300,310	2,003,829	1,337,025
Board of Education	114,703	114,703	83,190	83,190
Administration	3,980,365	3,823,201	4,062,197	3,909,283
Fiscal	1,154,870	1,154,870	1,313,648	1,313,648
Business	1,008,331	926,781	818,885	764,802
Operation and Maintenance of Plant	6,875,154	6,744,406	6,107,562	5,983,563
Pupil Transportation	4,083,284	4,083,284	4,032,774	4,032,774
Central	112,684	108,457	127,195	124,401
Operation of Non-Instructional Services:				
Food Service Operations	1,842,879	(104,832)	1,732,185	(176,209)
Other Non-Instructional Services	54,194	39,565	160,160	43,069
Extracurricular Activities	1,084,015	841,067	1,030,314	730,559
Interest and Fiscal Charges	78,576	78,576	155,265	155,265
<i>Total</i>	<u>\$52,135,882</u>	<u>\$44,278,550</u>	<u>\$51,971,895</u>	<u>\$44,087,938</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 major funds begins with the balance sheet. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$52,351,133 and expenditures of \$52,335,292. The decrease in fund balance for the general fund was primarily due to increases in tax, intergovernmental and rental revenues which was offset by increases in regular instruction, business and operation and maintenance of plant expenses. The increase in fund balance for all other governmental funds was primarily due to revenues and other financing sources exceeding expenditures during fiscal year 2015.

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***General Fund Budgeting Highlights***

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

During the course of fiscal year 2015, the School District amended its general fund budget several times, but no change was significant. The general fund final budget revenue amount is higher than the original budget amount. The increase was due to the greater than anticipated collection of tax and intergovernmental 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 and special instruction, fiscal and administration from management taking cost cutting measures. The School District ended the fiscal year with a fund balance of \$11,496,273, a decrease from fiscal year 2014 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 Obligations**

***Capital Assets***

At the end of fiscal year 2015, the School District had, at cost, \$55,936,773 invested in land, construction in progress, buildings and improvements, furniture and equipment, and vehicles. That total carries an accumulated depreciation of \$35,967,617. Table 4 shows fiscal year 2015 balances compared to fiscal year 2014.

**Table 4**  
 Capital Assets at June 30  
 Governmental Activities

	2015	2014
Land	\$1,525,500	\$1,525,500
Construction in Progress	253,631	676,740
Buildings and Improvements	14,127,545	14,267,510
Furniture and Equipment	2,102,231	2,133,579
Vehicles	1,960,249	1,913,869
	\$19,969,156	\$20,517,198

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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 \$475,000 a year, and coupled with reimbursements for lost levy proceeds in the amount of \$75,000, provides funds which are used exclusively for capital purchases. These funds are currently being used to finance several construction projects in 2015. 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 \$250,000 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 10 of the notes to the basic financial statements.

***Debt***

At June 30, 2015, the School District had \$1,844,985 in outstanding debt, \$364,640 of which was due within one year. Table 5 summarizes the outstanding debt for fiscal year 2015 compared with fiscal year 2014.

**Table 5**  
**Outstanding Debt Obligations at June 30**  
**Governmental Activities**

	2015	2014
2012 Radio Equipment Acquisition Bonds	\$137,290	\$205,934
2006 Energy Conservation Improvement Bonds	1,661,531	1,901,511
Capital Leases	46,164	136,526
Totals	\$1,844,985	\$2,243,971

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 general fund.

During 2011, the School District entered into a network upgrade lease and a Dell computer lease (retired in 2013). These will be paid from the capital replacement fund.

The School District's overall debt margin was \$60,750,910 with an unvoted debt margin of \$678,661. For additional information on long-term obligations, see Note 19 of the notes to the basic financial statements.

***Current Financial Related Activities***

As the preceding information shows, the School District is heavily dependent on property taxes. Property tax revenue does not increase solely as a result of inflation. Therefore, the School District must continue to monitor its revenues and expenses to ensure the public's confidence and support. In response to this need the School District asked the voters to approve a 4.9 mill operating levy in November, 2014. The community approved this request and the additional revenue began being collected in January 2015.

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*School Funding*

The State funding formula for K-12 education in Ohio has changed several times in recent years. The current formula utilizes a different weighting formula taking into account both property and income wealth of school districts. The formula results in a large increase in State funding for the School District, however the State of Ohio is unable to fund the formula as designed. Therefore, the School District received a small increase over the previous years' funding. Changes continue to be made to the formula for reimbursing the School District for losses suffered due to the elimination of the Tangible Personal Property Tax. As a result the School District has experienced a measured decline in this source of funding. 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 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.

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*Basic Financial Statements*

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**Bedford City School District**  
*Statement of Net Position*  
*June 30, 2015*

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$17,699,895
Accounts Receivable	5,859
Intergovernmental Receivable	683,913
Inventory Held for Resale	40,193
Materials and Supplies Inventory	120,049
Taxes Receivable	33,964,583
Nondepreciable Capital Assets	1,779,131
Depreciable Capital Assets	18,190,025
<i>Total Assets</i>	<i>72,483,648</i>
<b>Deferred Outflows of Resources</b>	
Pension	4,375,944
<b>Liabilities</b>	
Accounts Payable	639,586
Contracts Payable	315,077
Accrued Wages and Benefits Payable	4,185,458
Intergovernmental Payable	1,212,111
Notes Payable	237,954
Matured Compensated Absences Payable	226,101
Accrued Interest Payable	47,941
Claims Payable	285,700
Long-Term Liabilities:	
Due Within One Year	1,659,652
Due in More Than One Year:	
Net Pension Liability (See Note 14)	59,259,853
Other Amounts	4,184,776
<i>Total Liabilities</i>	<i>72,254,209</i>
<b>Deferred Inflows of Resources</b>	
Property Taxes	23,204,072
Pension	10,644,449
<i>Total Deferred Inflows of Resources</i>	<i>33,848,521</i>
<b>Net Position</b>	
Net Investment in Capital Assets	18,124,171
Restricted for:	
Capital Projects	155,448
Debt Service	13,714
Food Service	883,726
Athletic Facilities	36,078
Other Purposes	107,562
Unrestricted	(48,563,837)
<i>Total Net Position</i>	<i>(\$29,243,138)</i>

See accompanying notes to the basic financial statements

**Bedford City School District**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2015

	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
	Expenses	Charges for Services and Sales	Operating Grants Contributions and Interest		Capital Grants
<b>Governmental Activities</b>				Governmental Activities	
Instruction:					
Regular	\$19,582,163	\$1,352,934	\$50,781	\$0	(\$18,178,448)
Special	6,128,068	0	2,347,709	0	(3,780,359)
Vocational	797,381	0	225,397	0	(571,984)
Student Intervention Services	25,243	0	0	0	(25,243)
Support Services:					
Pupil	3,290,160	0	678,032	0	(2,612,128)
Instructional Staff	1,923,812	0	623,502	0	(1,300,310)
Board of Education	114,703	0	0	0	(114,703)
Administration	3,980,365	0	157,164	0	(3,823,201)
Fiscal	1,154,870	0	0	0	(1,154,870)
Business	1,008,331	58,751	22,799	0	(926,781)
Operation and Maintenance of Plant	6,875,154	0	6,698	124,050	(6,744,406)
Pupil Transportation	4,083,284	0	0	0	(4,083,284)
Central	112,684	0	4,227	0	(108,457)
Operation of Non-Instructional Services:					
Food Service Operations	1,842,879	538,862	1,408,849	0	104,832
Other Non-Instructional Services	54,194	0	14,629	0	(39,565)
Extracurricular Activities	1,084,015	238,812	4,136	0	(841,067)
Interest and Fiscal Charges	78,576	0	0	0	(78,576)
<b>Total Governmental Activities</b>	<u>\$52,135,882</u>	<u>\$2,189,359</u>	<u>\$5,543,923</u>	<u>\$124,050</u>	<u>(44,278,550)</u>
<b>General Revenues</b>					
Property Taxes Levied for:					
General Purposes					32,013,999
Capital Outlay					466,331
Grants and Entitlements not Restricted to Specific Programs					14,514,981
Investment Earnings					9,135
Miscellaneous					361,853
<b>Total General Revenues</b>					<u>47,366,299</u>
Change in Net Position					3,087,749
<i>Net Position Beginning of Year - Restated (See Note 23)</i>					<u>(32,330,887)</u>
<i>Net Position End of Year</i>					<u>(\$29,243,138)</u>

See accompanying notes to the basic financial statement

**Bedford City School District**  
*Balance Sheet*  
*Governmental Funds*  
*June 30, 2015*

	General	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$13,841,568	\$3,042,636	\$16,884,204
Accounts Receivable	5,859	0	5,859
Intergovernmental Receivable	164,154	519,759	683,913
Inventory Held for Resale	0	40,193	40,193
Materials and Supplies Inventory	112,005	8,044	120,049
Interfund Receivable	1,183,000	15,000	1,198,000
Taxes Receivable	33,482,766	481,817	33,964,583
<i>Total Assets</i>	<u>\$48,789,352</u>	<u>\$4,107,449</u>	<u>\$52,896,801</u>
<b>Liabilities</b>			
Accounts Payable	\$555,226	\$84,360	\$639,586
Contracts Payable	0	315,077	315,077
Accrued Wages and Benefits Payable	3,928,398	257,060	4,185,458
Intergovernmental Payable	1,120,457	91,654	1,212,111
Accrued Interest Payable	0	397	397
Interfund Payable	0	1,198,000	1,198,000
Notes Payable	0	237,954	237,954
Matured Compensated Absences Payable	226,101	0	226,101
<i>Total Liabilities</i>	<u>5,830,182</u>	<u>2,184,502</u>	<u>8,014,684</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	22,878,451	325,621	23,204,072
Unavailable Revenue	4,569,051	222,737	4,791,788
<i>Total Deferred Inflows of Resources</i>	<u>27,447,502</u>	<u>548,358</u>	<u>27,995,860</u>
<b>Fund Balances</b>			
Nonspendable	112,005	8,044	120,049
Restricted	21,692	1,223,112	1,244,804
Committed	163,399	237,261	400,660
Assigned	1,590,751	0	1,590,751
Unassigned (Deficit)	13,623,821	(93,828)	13,529,993
<i>Total Fund Balances</i>	<u>15,511,668</u>	<u>1,374,589</u>	<u>16,886,257</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$48,789,352</u>	<u>\$4,107,449</u>	<u>\$52,896,801</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, 2015*

<b>Total Governmental Funds Balances</b>		\$16,886,257
 <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.		19,969,156
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	4,473,282	
Intergovernmental	318,506	
Total	4,791,788	4,791,788
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(47,544)
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.		529,991
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	4,375,944	
Deferred Inflows - Pension	(10,644,449)	
Net Pension Liability	(59,259,853)	
Total		(65,528,358)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(1,798,821)	
Capital Leases	(46,164)	
Compensated Absences	(3,999,443)	
Total	(5,844,428)	(5,844,428)
<i>Net Position of Governmental Activities</i>		(\$29,243,138)

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, 2015*

	General	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Taxes	\$29,094,525	\$423,237	\$29,517,762
Intergovernmental	16,254,359	3,962,407	20,216,766
Interest	9,135	7	9,142
Charges for Services	693	541,543	542,236
Tuition and Fees	1,353,634	0	1,353,634
Rentals	58,051	0	58,051
Extracurricular Activities	100,789	134,649	235,438
Contributions and Donations	18,507	37,744	56,251
Miscellaneous	183,706	178,147	361,853
<i>Total Revenues</i>	<u>47,073,399</u>	<u>5,277,734</u>	<u>52,351,133</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	19,024,394	11,244	19,035,638
Special	5,790,135	528,039	6,318,174
Vocational	688,423	123,991	812,414
Student Intervention Services	25,243	0	25,243
Support Services:			
Pupil	2,679,822	672,038	3,351,860
Instructional Staff	1,306,673	618,550	1,925,223
Board of Education	114,703	0	114,703
Administration	3,910,270	160,664	4,070,934
Fiscal	1,208,467	0	1,208,467
Business	873,775	12,000	885,775
Operation and Maintenance of Plant	6,308,162	4,498	6,312,660
Pupil Transportation	3,895,525	0	3,895,525
Central	109,632	4,500	114,132
Operation of Non-Instructional Services:			
Food Service Operations	0	1,822,792	1,822,792
Other Non-Instructional Services	1,315	49,330	50,645
Extracurricular Activities	729,689	238,294	967,983
Capital Outlay	4,511	930,411	934,922
Debt Service:			
Principal Retirement	308,624	90,362	398,986
Interest and Fiscal Charges	81,200	8,016	89,216
<i>Total Expenditures</i>	<u>47,060,563</u>	<u>5,274,729</u>	<u>52,335,292</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>12,836</u>	<u>3,005</u>	<u>15,841</u>
<b>Other Financing Sources (Uses)</b>			
Sale of Capital Assets	2,500	0	2,500
Transfers In	0	289,600	289,600
Transfers Out	(289,600)	0	(289,600)
<i>Total Other Financing Sources (Uses)</i>	<u>(287,100)</u>	<u>289,600</u>	<u>2,500</u>
<i>Net Change in Fund Balances</i>	(274,264)	292,605	18,341
<i>Fund Balances Beginning of Year</i>	<u>15,785,932</u>	<u>1,081,984</u>	<u>16,867,916</u>
<i>Fund Balances End of Year</i>	<u>\$15,511,668</u>	<u>\$1,374,589</u>	<u>\$16,886,257</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, 2015*

<b>Net Change in Fund Balances -Total Governmental Funds</b>	<b>\$18,341</b>
 <i>Amounts reported for governmental activities in the statement of activities are different because</i>	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period:	
Capital Asset Additions	1,138,948
Current Year Depreciation	<u>(1,626,050)</u>
Total	(487,102)
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.	(60,940)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:	
Delinquent Property Taxes	2,962,568
Grants	<u>(90,070)</u>
Total	2,872,498
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds an interest expenditure is reported when due.	10,640
Repayment of bond, loan and lease principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	398,986
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.	3,821,114
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.	(2,649,858)
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.	(80,164)
The internal service funds 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.	<u>(755,766)</u>
<i>Change in Net Position of Governmental Activities</i>	<u><u>\$3,087,749</u></u>
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, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$25,379,600	\$27,751,600	\$27,752,610	\$1,010
Intergovernmental	14,921,824	16,621,293	16,658,763	37,470
Interest	7,214	8,000	9,135	1,135
Charges for Services	0	0	693	693
Tuition and Fees	1,161,801	1,295,050	1,329,005	33,955
Rentals	30,497	33,822	34,869	1,047
Miscellaneous	384,012	325,000	344,723	19,723
<i>Total Revenues</i>	41,884,948	46,034,765	46,129,798	95,033
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	20,127,944	19,828,673	19,381,812	446,861
Special	5,881,075	6,010,615	5,845,089	165,526
Vocational	708,403	696,504	682,805	13,699
Support Services:				
Pupil	2,764,500	2,794,322	2,710,411	83,911
Instructional Staff	1,392,785	1,468,766	1,376,833	91,933
Board of Education	265,280	225,044	180,132	44,912
Administration	4,282,142	4,311,725	4,156,956	154,769
Fiscal	1,610,655	1,506,278	1,258,550	247,728
Business	1,335,200	1,263,860	1,236,699	27,161
Operation and Maintenance of Plant	6,695,284	6,596,506	6,557,349	39,157
Pupil Transportation	3,804,100	4,058,104	3,941,814	116,290
Central	195,692	199,456	159,483	39,973
Extracurricular Activities	690,350	761,557	720,343	41,214
Capital Outlay	5,000	5,000	4,511	489
Debt Service:				
Principal Retirement	473,486	473,486	473,486	0
Interest and Fiscal Charges	89,800	89,800	89,797	3
<i>Total Expenditures</i>	50,321,696	50,289,696	48,776,070	1,513,626
<i>Excess of Revenues Over (Under) Expenditures</i>	(8,436,748)	(4,254,931)	(2,646,272)	1,608,659
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	0	4,000	2,500	(1,500)
Advances In	842,000	1,019,500	1,019,500	0
Advances Out	(1,092,000)	(1,246,000)	(1,246,000)	0
Transfers Out	(294,200)	(290,200)	(289,600)	600
<i>Total Other Financing Sources (Uses)</i>	(544,200)	(512,700)	(513,600)	(900)
<i>Net Change in Fund Balance</i>	(8,980,948)	(4,767,631)	(3,159,872)	1,607,759
<i>Fund Balance Beginning of Year</i>	13,505,269	13,505,269	13,505,269	0
Prior Year Encumbrances Appropriated	1,150,876	1,150,876	1,150,876	0
<i>Fund Balance End of Year</i>	\$5,675,197	\$9,888,514	\$11,496,273	\$1,607,759

See accompanying notes to the basic financial statements

**Bedford City School District**

*Statement of Net Position*

*Internal Service Funds*

*June 30, 2015*

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<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$815,691
<b>Liabilities</b>	
Claims Payable	<u>285,700</u>
<b>Net Position</b>	
Unrestricted	<u><u>\$529,991</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, 2015*

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<b>Operating Revenues</b>	
Charges for Services	<u>\$4,761,586</u>
<b>Operating Expenses</b>	
Purchased Services	786,384
Claims	<u>4,730,968</u>
<i>Total Operating Expenses</i>	<u>5,517,352</u>
<i>Change in Net Position</i>	(755,766)
<i>Net Position Beginning of Year</i>	<u>1,285,757</u>
<i>Net Position End of Year</i>	<u><u>\$529,991</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, 2015*

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**Increase (Decrease) in Cash and Cash Equivalents**

**Cash Flows from Operating Activities**

Cash Received from Interfund Services	\$4,761,586
Cash Payments for Purchased Services	(786,384)
Cash Payments for Claims	<u>(4,868,168)</u>

*Net Increase (Decrease) in Cash and Cash Equivalents* (892,966)

*Cash and Cash Equivalents Beginning of Year* 1,708,657

*Cash and Cash Equivalents End of Year* \$815,691

***Reconciliation of Operating Income (Loss) to Net  
Cash Provided by (Used for) Operating Activities***

Operating Income (Loss) (\$755,766)

*Adjustments*

Increase (Decrease) in Claims Payable (137,200)

*Net Cash Provided by (Used for) Operating Activities* (\$892,966)

See accompanying notes to the basic financial statements

**Bedford City School District**  
*Statement of Fiduciary Net Position*  
*Fiduciary Funds*  
*June 30, 2015*

	Private Purpose Trust	
	Scholarship	Agency
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$81,766	\$41,098
<b>Liabilities</b>		
Due to Students	0	\$41,098
<b>Net Position</b>		
Held in Trust for Scholarships	\$81,766	

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, 2015*

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	<u>Scholarship</u>
<b>Additions</b>	
Interest	\$22
<b>Deductions</b>	
	<u>0</u>
<i>Change in Net Position</i>	22
<i>Net Position Beginning of Year</i>	<u>81,744</u>
<i>Net Position End of Year</i>	<u><u>\$81,766</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, 2015*

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**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 611 school districts in the State of Ohio and one of 31 in Cuyahoga County, and provides education to 3,372 students in grades K through 12. The School District also provides preschool education to 30 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 16 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, 2015*

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***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, 2015*

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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, which has been closed during fiscal year 2015 as the School District no longer sees it necessary.

***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 has two agency funds, the student activities fund that reports resources belonging to the student bodies of the various schools and the district agency fund that reports Ohio High School Athletic Association tournament monies.

***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, 2015*

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***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 outflows/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 8). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, 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 represent 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 are reported on the government-wide statement of net position for pension. The deferred outflows of resources related to pension are explained in Note 14.

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 until that time. For the School District, deferred inflows of resources include property taxes, pension and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2015, but which were levied to finance fiscal year 2016 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and 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. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 14)

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

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***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.

***Pensions***

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

***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."

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

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During fiscal year 2015, 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, 2015.

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 2015 amounted to \$9,135, which includes \$1,677 assigned from other School District funds.

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

***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

***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.

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

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***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, compensated absences and net pension liability that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds and capital leases are recognized as a liability on the fund financial statements when due.

***Internal Activity***

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

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

***Fund Balance 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:

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

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***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, delegated that authority by State statute. State statute authorizes the Treasurer to assign fund balance purchases on order provided such amounts have been lawfully appropriated. The Board of Education assigned fund balance for regular instruction.

***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.

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

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

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***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 –Accountability**

At June 30, 2015, the following funds had deficit fund balances:

	<u>Amount</u>
<b>Special Revenue Funds:</b>	
Title VI-B	\$19,735
Vocational Education	1,038
Title I	62,917
Preschool Handicapped	1,444
Title VI-R	8,694

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 4 – 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:

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
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Fund Balances	General	Other Governmental Funds	Total
<b><i>Nonspendable</i></b>			
Inventory	\$112,005	\$8,044	\$120,049
<b><i>Restricted for</i></b>			
Food Service	0	954,091	954,091
Technology Improvements	0	75,058	75,058
Athletics	0	36,078	36,078
Community Involvement	21,692	0	21,692
Non-Public Schools	0	7,751	7,751
Debt Service Payments	0	61,655	61,655
Capital Improvements	0	88,479	88,479
<b><i>Total Restricted</i></b>	<b>21,692</b>	<b>1,223,112</b>	<b>1,244,804</b>
<b><i>Committed to</i></b>			
Educational Services	163,399	0	163,399
Capital Improvements	0	237,261	237,261
<b><i>Total Committed</i></b>	<b>163,399</b>	<b>237,261</b>	<b>400,660</b>
<b><i>Assigned to</i></b>			
Purchases on Order			
Regular Instruction	891,948	0	891,948
Administration	230,200	0	230,200
Operatin and Maintenance of Plant	256,120	0	256,120
Pupil Transportation	212,483	0	212,483
<b><i>Total Assigned</i></b>	<b>1,590,751</b>	<b>0</b>	<b>1,590,751</b>
<b><i>Unassigned (Deficit)</i></b>	<b>13,623,821</b>	<b>(93,828)</b>	<b>13,529,993</b>
<b><i>Total Fund Balances</i></b>	<b>\$15,511,668</b>	<b>\$1,374,589</b>	<b>\$16,886,257</b>

**Note 5 - Budgetary Basis of Accounting**

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than 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.

**Bedford City School District**  
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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	(\$274,264)
Net Adjustment for Revenue Accruals	(943,601)
Advances In	1,019,500
Net Adjustment for Expenditure Accruals	427,698
Advances Out	(1,246,000)
Beginning Unrecorded Cash	(3,719)
Ending Unrecorded Cash	4,083
Perspective Difference:	
Recreation	(686)
Public School Support	1,088
Special Enterprise	(26,906)
Summer School	7,386
Adjustment for Encumbrances	<u>(2,124,451)</u>
Budget Basis	<u><u>(\$3,159,872)</u></u>

**Note 6 - Deposits and Investments**

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

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

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

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
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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, none of the School District's bank balance of \$376,495 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.

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, 2015, the School District had a STAR Ohio investment with a fair value of \$17,952,325, an average maturity of 53.4 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.

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

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**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 7 - Receivables**

Receivables at June 30, 2015, 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:

<u>Governmental Activities</u>	<u>Amount</u>
Title I Grants and Subsidies	\$206,701
Title VI-B Grants and Subsidies	172,103
School Employees Retirement System	162,341
State of Ohio - Lunch Subsidy	60,152
Vocational Education Grants and Subsidies	40,471
Title VI-R Grants and Subsidies	30,320
Title III	9,545
Tax Abatements	1,000
Bureau of Workers Compensation	813
Preschool Handicapped Grants and Subsidies	<u>467</u>
Total	<u><u>\$683,913</u></u>

**Note 8 - Property Taxes**

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

Property taxes include amounts levied against all real property and public utility property located in the School District. Real property tax revenues received in calendar year 2015 represents collections of calendar year 2014 taxes. Real property taxes received in calendar year 2015 were levied after April 1, 2014, on the assessed value listed as of January 1, 2014, 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 2015 represents collections of calendar year 2014 taxes. Public utility real and tangible personal property taxes received in calendar year 2015 become a lien December 31, 2013, were levied after April 1, 2014 and are collected in 2015 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

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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, 2015, are available to finance fiscal year 2015 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which are measurable as of June 30, 2015 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the 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, 2015 was \$6,197,605 in the general fund and \$89,624 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2014, was \$4,855,690 in the general fund and \$78,900 in the permanent improvement capital projects fund. The difference was in timing and collection by the County Fiscal Officer.

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

	2014 Second Half Collections		2015 First Half Collections	
	Amount	Percent	Amount	Percent
Residential/Agricultural	\$353,802,970	52.45 %	\$355,263,290	52.33 %
Other Real Estate	278,758,910	41.32	277,672,580	40.90
Public Utility Personal	42,060,940	6.23	45,977,350	6.77
<b>Total</b>	<b>\$674,622,820</b>	<b>100.00 %</b>	<b>\$678,913,220</b>	<b>100.00 %</b>
Tax rate per \$1,000 of assessed valuation	\$70.82		\$75.72	

On November 4, 2014, the residents of the School District approved a 4.9 mill continuing operating levy for current operating expenses. Tax revenue from this levy was received beginning in January 2015.

**Note 9 - Interfund Transfers and Balances**

*Interfund Transfers*

The general fund transferred \$89,600 to the district managed student activities special revenue fund to provide financial support for the School District’s athletics and \$200,000 to the capital replacement capital projects fund for bus purchases.

**Bedford City School District**  
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***Interfund Balances***

Interfund balances at June 30, 2015, consist of the following individual fund receivables and payables:

<u>Interfund Payable</u>	<u>Interfund Receivable</u>		
	General	Other Governmental Funds	Total
<b>Other Governmental Funds</b>			
Title VI-B	\$500,000	\$0	\$500,000
Vocational Education	90,000	0	90,000
Title III	12,000	0	12,000
Title I	500,000	0	500,000
Preschool Handicapped	35,000	0	35,000
Title VI-R	46,000	0	46,000
Permanent Improvement	0	15,000	15,000
<i>Total Other Governmental Funds</i>	<u>\$1,183,000</u>	<u>\$15,000</u>	<u>\$1,198,000</u>

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

The interfund transaction between the bond retirement debt service and permanent improvement capital projects fund is a manuscript bond. The manuscript bond consists of a facility acquisition bond and was issued by the School District and purchased by the bond retirement debt service fund as an investment. Principal payments in the amount of \$15,000 will be made for fiscal year 2016. The manuscript bond will mature on December 1, 2015.

	<u>Outstanding June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Outstanding June 30, 2015</u>
Manuscript Bond - Facility Acquisition	<u>\$30,000</u>	<u>\$0</u>	<u>\$15,000</u>	<u>\$15,000</u>

**Bedford City School District**  
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**Note 10 - Capital Assets**

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

	Balance 6/30/14	Additions	Deletions	Balance 6/30/15
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$1,525,500	\$0	\$0	\$1,525,500
Construction in Progress	676,740	507,110	(930,219)	253,631
<b>Total Capital Assets, not being depreciated</b>	<b>2,202,240</b>	<b>507,110</b>	<b>(930,219)</b>	<b>1,779,131</b>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	43,675,068	984,602	(1,984,140)	42,675,530
Furniture and Equipment	6,112,826	248,285	0	6,361,111
Vehicles	4,816,800	329,170	(24,969)	5,121,001
<b>Total Capital Assets, being depreciated</b>	<b>54,604,694</b>	<b>1,562,057</b>	<b>(2,009,109)</b>	<b>54,157,642</b>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(29,407,558)	(1,070,243)	1,929,816	(28,547,985)
Furniture and Equipment	(3,979,247)	(279,633)	0	(4,258,880)
Vehicles	(2,902,931)	(276,174)	18,353	(3,160,752)
<b>Total Accumulated Depreciation</b>	<b>(36,289,736)</b>	<b>(1,626,050) *</b>	<b>1,948,169</b>	<b>(35,967,617)</b>
<b>Total Capital Assets, being depreciated, net</b>	<b>18,314,958</b>	<b>(63,993)</b>	<b>(60,940)</b>	<b>18,190,025</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$20,517,198</b>	<b>\$443,117</b>	<b>(\$991,159)</b>	<b>\$19,969,156</b>

\* Depreciation expense was charged to governmental functions as follows:

Instruction	
Regular	\$365,160
Special	18,673
Vocational	17,508
Support Services:	
Pupil	1,088
Instructional Staff	18,583
Administration	2,298
Fiscal	142
Business	134,522
Operation and Maintenance of Plant	657,259
Pupil Transportation	249,824
Central	470
Operation of Non-Instructional Services:	
Food Service Operations	15,354
Other Non-Instructional Services	41,651
Extracurricular Activities	103,518
<b>Total Depreciation Expense</b>	<b>\$1,626,050</b>

**Bedford City School District**  
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**Note 11 - 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, 2015, if applicable, cannot be determined at this time.

***School Foundation***

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

***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 12 - Risk Management**

***Property and Liability***

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2015, 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 \$151,829,766 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, 2015, 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 \$9 million each occurrence and combined aggregate of \$9 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.

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.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
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***Worker's Compensation***

For fiscal year 2015, the School District participated in the Ohio School Boards Association Workers' Compensation Group Retrospective Rating Program, an insurance purchasing pool (Note 16). The intent of the Group Rating Program, (GRP) is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. 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. 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. 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 89 percent of the premium required. In 2015 three different plans were offered through Cigna. The premiums charged were different for each plan. The School District rates for the most popular plan design were as follows: Hospitalization - \$374 (single), \$1,029 (family); drug - \$108 (single), \$298 (family). These premiums are paid by the fund that pays the salary for each employee and is based on historical cost information. 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.

Dental benefits are provided with a fully-insured program and claims are limited to \$2,500 per covered individual per year, with a lifetime limit of \$1,000 on orthodontia. Healthspan is also available as a fully-insured health and prescription option. The premiums were \$437.31 (single) and \$1,202.59 (family).

The claims liability of \$285,700 reported in the self insurance fund at June 30, 2015, 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
2014	\$242,956	\$4,203,700	\$4,023,756	\$422,900
2015	422,900	4,730,968	4,868,168	285,700

**Note 13 - 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 14 – Defined Benefit Pension Plans**

***Net Pension Liability***

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

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

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

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

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

***Plan Description - School Employees Retirement System (SERS)***

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

Age and service requirements for retirement are as follows:

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

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2015, the allocation to pension, death benefits, and Medicare B was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The School District’s contractually required contribution to SERS was \$1,081,248 for fiscal year 2015. Of this amount \$27,616 is reported as an intergovernmental payable.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
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***Plan Description - State Teachers Retirement System (STRS)***

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

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

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

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

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

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

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Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2015, plan members were required to contribute 12 percent of their annual covered salary. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2015 contribution rates were equal to the statutory maximum rates.

The School District’s contractually required contribution to STRS was \$2,739,866 for fiscal year 2015. Of this amount \$454,404 is reported as an intergovernmental payable.

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

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$14,045,584	\$45,214,269	\$59,259,853
Proportion of the Net Pension Liability	0.277529%	0.18588748%	
Pension Expense	\$819,707	\$1,830,151	\$2,649,858

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$119,543	\$435,286	\$554,829
School District contributions subsequent to the measurement date	<u>1,081,248</u>	<u>2,739,866</u>	<u>3,821,114</u>
Total Deferred Outflows of Resources	<u>\$1,200,791</u>	<u>\$3,175,152</u>	<u>\$4,375,943</u>
<b>Deferred Inflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	<u>\$2,279,638</u>	<u>\$8,364,811</u>	<u>\$10,644,449</u>

\$3,821,114 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

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	SERS	STRS	Total
Fiscal Year Ending June 30:			
2016	(\$539,722)	(\$1,982,381)	(\$2,522,103)
2017	(539,722)	(1,982,381)	(2,522,103)
2018	(539,722)	(1,982,381)	(2,522,103)
2019	(540,929)	(1,982,382)	(2,523,311)
Total	(\$2,160,095)	(\$7,929,525)	(\$10,089,620)

**Actuarial Assumptions - SERS**

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

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

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

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

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

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

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

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

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rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

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

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

**Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.75 percent, as well as what each plan’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
School District's proportionate share of the net pension liability	\$20,038,875	\$14,045,584	\$9,004,709

**Actuarial Assumptions - STRS**

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

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

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

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

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

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

**Discount Rate** The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2014. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2014. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2014.

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
School District's proportionate share of the net pension liability	\$64,729,155	\$45,214,269	\$28,711,241

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

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***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, 2015, two members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages.

**Note 15 - Postemployment Benefits**

***School Employees Retirement System***

Health Care Plan Description - The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2015, 0.82 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, prorated according to service credit earned. For fiscal year 2015, this amount was \$20,450. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2015, the School District's surcharge obligation was \$111,021.

The School District's contributions for health care for the fiscal years ended June 30, 2015, 2014 and 2013 were \$178,291, \$101,587 and \$118,397, respectively. For fiscal year 2015, 97.57 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2014 and 2013.

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

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***State Teachers Retirement System***

Plan Description – The School District participates in the cost-sharing multiple-employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians’ fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS which can be obtained by visiting [www.strsoh.org](http://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. Active employee members do not contribute to the Health Care 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 employer contributions. For fiscal year 2015, STRS did not allocate any employer contributions to post-employment health care. The School District’s contributions for health care for the fiscal years ended June 30, 2015, 2014 and 2013 were \$0, \$192,243, and \$189,045 respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

**Note 16 - 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 17 - Set Asides**

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the 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, 2014	\$0
Current Year Set-aside Requirement	586,190
Current Year Offsets	(438,812)
Qualifying Disbursements	(2,439,732)
Totals	(\$2,292,354)
Set-aside Balance Carried Forward to Future Fiscal Years	\$0
Set-aside Balances as of June 30, 2015	\$0

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

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

**Note 18 – Notes Payable**

The School’s note activity, including amounts outstanding and interest rates is as follows:

	Outstanding 6/30/2014	Issued	Retired	Outstanding 6/30/2015
<b>Governmental Activities</b>				
Tax Anticipation Notes	\$297,454	\$0	(\$59,500)	\$237,954

In fiscal year 2014, the School issued \$297,454 in tax anticipation notes for capital projects. The notes will be paid from the permanent improvement capital projects fund. Principal and interest payments to retire the tax anticipation notes are as follows:

	Principal	Interest	Total
2016	\$59,500	\$4,760	\$64,260
2017	59,500	3,570	63,070
2018	59,500	2,380	61,880
2019	59,454	1,190	60,644
Total	\$237,954	\$11,900	\$249,854

All notes are backed by the full faith and credit of the School. The note liability is reflected in the fund which received the proceeds and will repay the debt.

**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:

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
Energy Conservation Improvement Bonds	2006	3,562,114	4.11%	October 15, 2020

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

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

	Principal Outstanding 6/30/14	Additions	(Reductions)	Principal Outstanding 6/30/15	Amount Due in One Year
<b>Governmental Activities:</b>					
General Obligations Bonds:					
Radio Equipment Acquisition Bonds	\$205,934	\$0	(\$68,644)	\$137,290	\$68,644
Energy Conservation Improvement Bonds	1,901,511	0	(239,980)	1,661,531	249,832
<i>Total General Obligation Bonds</i>	<u>2,107,445</u>	<u>0</u>	<u>(308,624)</u>	<u>1,798,821</u>	<u>318,476</u>
<b>Other Long Term Obligations:</b>					
Net Pension Liability:					
STRS	53,858,941	0	(8,644,672)	45,214,269	0
SERS	16,503,759	0	(2,458,175)	14,045,584	0
Total Net Pension Liability	70,362,700	0	(11,102,847)	59,259,853	0
Capital Leases	136,526	0	(90,362)	46,164	46,164
Compensated Absences	3,919,279	1,483,310	(1,403,146)	3,999,443	1,295,012
<i>Total Other Long Term Obligation</i>	<u>74,418,505</u>	<u>1,483,310</u>	<u>(12,596,355)</u>	<u>63,305,460</u>	<u>1,341,176</u>
Total Governmental Activities	<u>\$76,525,950</u>	<u>\$1,483,310</u>	<u>(\$12,904,979)</u>	<u>\$65,104,281</u>	<u>\$1,659,652</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 capital leases will be paid from the capital replacement capital projects fund. The School District pays obligations related to employee compensation from the fund benefitting from their service. Compensated absences are paid from the general fund, the food service, auxiliary services, title VI-B, title I and title VI-R special revenue funds. For additional information related to net pension liability see Note 14.

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 School District pays obligations related to employee compensation from the fund benefitting from their service.

The overall debt margin of the School District as of June 30, 2015, was \$60,750,910 with an unvoted debt margin of \$678,661. Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2015, are as follows:

	Radio Equipment Acquisition Bonds		Energy Conservation Improvement Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$68,644	\$2,088	\$249,832	\$68,215	\$318,476	\$70,303
2017	68,646	1,047	260,089	57,958	328,735	59,005
2018	0	0	270,767	47,280	270,767	47,280
2019	0	0	281,883	36,164	281,883	36,164
2020	0	0	293,456	24,591	293,456	24,591
2021	0	0	305,504	12,543	305,504	12,543
Total	<u>\$137,290</u>	<u>\$3,135</u>	<u>\$1,661,531</u>	<u>\$246,751</u>	<u>\$1,798,821</u>	<u>\$249,886</u>

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

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**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 \$82,261 to NCC during fiscal year 2015.

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 5700 West Canal Road, Valley View, Ohio 44125.

***Ohio Schools' Council Association***

The Ohio Schools' Council Association (Council) is a jointly governed organization among 199 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly from September through June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. 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 2015, the School District paid \$1,220 to the Council. Financial information can be obtained by contacting William J. Zelei, the Executive Director of the Ohio Schools' Council at 6393 OakTree Blvd, Suite 377, 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 electric purchase program. The Power 4 Schools Program provides a fixed price rate for electricity supplied by First Energy Solutions of \$0.0602 per kwh for the generation of electricity. There are currently 251 participants in the program including the School District. School districts are not charged a fee by OSC to participate in this program. School districts pay the utility (Ohio Edison, Toledo Edison or Cleveland Electric Illuminating Co.) directly and receive a discount for the fixed price of generation.

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

**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's lease obligations meet the criteria of a capital lease. Capital lease payments for the network upgrade 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 lease, 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:

<b>Capital Assets, being depreciated:</b>	
Furniture and Equipment	\$433,136
Accumulated Depreciation	(173,254)
<i>Governmental Activities Capital Assets, Net</i>	<i>\$259,882</i>

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, 2015.

Fiscal Year Ending June 30	Governmental Activities
2016	\$46,663
Less: Amount Representing Interest	(499)
Present Value of Net Minimum Lease Payments	\$46,164

**Note 22 – Significant Commitments**

***Contractual Commitments***

As of June 30, 2015, the School District had the following contractual construction commitments outstanding:

Vendor Name	Contract Amount	Amount Paid To Date	Remaining Contract
Daktronics - BHS Stadium Scoreboard	\$270,938	\$243,844	\$27,094
Capital Aluminum and Glass - Columbus Windows Phase III	332,700	0	332,700
Capital Aluminum and Glass - Administration Building Windows	52,000	0	52,000
Fieldturf USA - Resurface Heskett Track	228,211	0	228,211
Total	\$883,849	\$243,844	\$640,005

Remaining commitment amounts were encumbered at year end.

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

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***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	\$2,124,451
Other Governmental Funds	629,484
Internal Service	<u>1,503</u>
Total	<u><u>\$2,755,438</u></u>

**Note 23 – Change in Accounting Principle and Restatement of Net Position**

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

Net Position June 30, 2014	\$34,368,727
Adjustments:	
Net Pension Liability	(70,362,700)
Deferred Outflow -	
Payments Subsequent to Measurement Date	<u>3,663,086</u>
Restated Net Position June 30, 2014	<u><u>(\$32,330,887)</u></u>

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

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

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## Required Supplementary Information

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**Bedford City School District, Ohio**  
*Required Supplementary Information*  
*Schedule of the School District's Proportionate Share of the*  
*Net Pension Liability*  
*School Employees Retirement System of Ohio*  
*Last Two Fiscal Years (1)*

	2014	2013
School District's Proportion of the Net Pension Liability	0.277529%	0.277529%
School District's Proportionate Share of the Net Pension Liability	\$14,045,584	\$16,503,759
School District's Covered-Employee Payroll	\$8,064,847	\$7,988,321
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	174.16%	206.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.70%	65.52%

(1) Information prior to 2013 is not available.

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

**Bedford City School District, Ohio**  
*Required Supplementary Information*  
*Schedule of the School District's Proportionate Share of the*  
*Net Pension Liability*  
*State Teachers Retirement System of Ohio*  
*Last Two Fiscal Years (1)*

	2014	2013
School District's Proportion of the Net Pension Liability	0.18588748%	0.18588748%
School District's Proportionate Share of the Net Pension Liability	\$45,214,269	\$53,858,941
School District's Covered-Employee Payroll	\$19,579,221	\$19,212,138
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	230.93%	280.34%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	69.30%

(1) Information prior to 2013 is not available.

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

**Bedford City School District, Ohio**  
*Required Supplementary Information*  
*Schedule of the School District's Contributions*  
*School Employees Retirement System of Ohio*  
*Last Ten Fiscal Years*

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$1,081,248	\$1,117,787	\$1,105,584	\$1,083,749
Contributions in Relation to the Contractually Required Contribution	<u>(1,081,248)</u>	<u>(1,117,787)</u>	<u>(1,105,584)</u>	<u>(1,083,749)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered-Employee Payroll	\$8,203,700	\$8,064,847	\$7,988,321	\$8,057,614
Contributions as a Percentage of Covered-Employee Payroll	13.18%	13.86%	13.84%	13.45%

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$1,014,939	\$764,140	\$844,270	\$830,814	\$874,045	\$886,231
<u>(1,014,939)</u>	<u>(764,140)</u>	<u>(844,270)</u>	<u>(830,814)</u>	<u>(874,045)</u>	<u>(886,231)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$8,074,293	\$5,643,576	\$8,579,978	\$8,460,426	\$8,183,942	\$8,376,474
12.57%	13.54%	9.84%	9.82%	10.68%	10.58%

**Bedford City School District, Ohio**  
*Required Supplementary Information*  
*Schedule of the School District's Contributions*  
*State Teachers Retirement System of Ohio*  
*Last Ten Fiscal Years*

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$2,739,866	\$2,545,299	\$2,497,578	\$2,460,983
Contributions in Relation to the Contractually Required Contribution	<u>(2,739,866)</u>	<u>(2,545,299)</u>	<u>(2,497,578)</u>	<u>(2,460,983)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered-Employee Payroll	\$19,570,471	\$19,579,221	\$19,212,138	\$18,930,638
Contributions as a Percentage of Covered-Employee Payroll	14.00%	13.00%	13.00%	13.00%

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$2,469,571	\$2,518,241	\$2,621,381	\$2,438,865	\$2,367,875	\$2,424,468
<u>(2,469,571)</u>	<u>(2,518,241)</u>	<u>(2,621,381)</u>	<u>(2,438,865)</u>	<u>(2,367,875)</u>	<u>(2,424,468)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$18,996,700	\$19,371,085	\$20,164,469	\$18,760,500	\$18,214,423	\$18,649,754
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

# COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## *Combining Statements – Nonmajor Governmental Funds*

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### *Nonmajor Special Revenue Funds*

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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.

***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. This fund did not have any budgetary activity in fiscal year 2014, therefore, budgetary information is not provided.

***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.

(continued)

*Combining Statements – Nonmajor Governmental Funds (continued)*

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*Nonmajor Special Revenue Funds (continued)*

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***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.

***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.

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***Nonmajor Debt Service Fund***

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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.

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***Nonmajor Capital Projects Funds***

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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, 2015*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,191,437	\$46,655	\$804,544	\$3,042,636
Intergovernmental Receivable	519,759	0	0	519,759
Inventory Held for Resale	40,193	0	0	40,193
Materials and Supplies Inventory	8,044	0	0	8,044
Interfund Receivable	0	15,000	0	15,000
Taxes Receivable	0	0	481,817	481,817
<i>Total Assets</i>	<u>\$2,759,433</u>	<u>\$61,655</u>	<u>\$1,286,361</u>	<u>\$4,107,449</u>
<b>Liabilities</b>				
Accounts Payable	\$84,360	\$0	\$0	\$84,360
Contracts Payable	0	0	315,077	315,077
Accrued Wages and Benefits Payable	257,060	0	0	257,060
Intergovernmental Payable	91,654	0	0	91,654
Accrued Interest Payable	0	0	397	397
Interfund Payable	1,183,000	0	15,000	1,198,000
Notes Payable	0	0	237,954	237,954
<i>Total Liabilities</i>	<u>1,616,074</u>	<u>0</u>	<u>568,428</u>	<u>2,184,502</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	0	0	325,621	325,621
Unavailable Revenue	156,165	0	66,572	222,737
<i>Total Deferred Inflows of Resources</i>	<u>156,165</u>	<u>0</u>	<u>392,193</u>	<u>548,358</u>
<b>Fund Balances</b>				
Nonspendable	8,044	0	0	8,044
Restricted	1,072,978	61,655	88,479	1,223,112
Committed	0	0	237,261	237,261
Unassigned (Deficit)	(93,828)	0	0	(93,828)
<i>Total Fund Balances</i>	<u>987,194</u>	<u>61,655</u>	<u>325,740</u>	<u>1,374,589</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$2,759,433</u>	<u>\$61,655</u>	<u>\$1,286,361</u>	<u>\$4,107,449</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, 2015*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Taxes	\$0	\$0	\$423,237	\$423,237
Intergovernmental	3,838,357	0	124,050	3,962,407
Interest	7	0	0	7
Charges for Services	541,543	0	0	541,543
Extracurricular Activities	134,649	0	0	134,649
Contributions and Donations	37,744	0	0	37,744
Miscellaneous	4,688	0	173,459	178,147
<i>Total Revenues</i>	<u>4,556,988</u>	<u>0</u>	<u>720,746</u>	<u>5,277,734</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	11,244	0	0	11,244
Special	528,039	0	0	528,039
Vocational	123,991	0	0	123,991
Support Services:				
Pupil	672,038	0	0	672,038
Instructional Staff	618,550	0	0	618,550
Administration	160,664	0	0	160,664
Business	12,000	0	0	12,000
Operation and Maintenance of Plant	4,498	0	0	4,498
Central	4,500	0	0	4,500
Operation of Non-Instructional Services:				
Food Service Operations	1,822,792	0	0	1,822,792
Other Non-Instructional Services	49,330	0	0	49,330
Extracurricular Activities	238,294	0	0	238,294
Capital Outlay	0	0	930,411	930,411
Debt Service:				
Principal Retirement	0	0	90,362	90,362
Interest and Fiscal Charges	0	0	8,016	8,016
<i>Total Expenditures</i>	<u>4,245,940</u>	<u>0</u>	<u>1,028,789</u>	<u>5,274,729</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	311,048	0	(308,043)	3,005
<b>Other Financing Sources (Uses)</b>				
Transfers In	89,600	0	200,000	289,600
<i>Net Change in Fund Balances</i>	400,648	0	(108,043)	292,605
<i>Fund Balances Beginning of Year</i>	<u>586,546</u>	<u>61,655</u>	<u>433,783</u>	<u>1,081,984</u>
<i>Fund Balances End of Year</i>	<u>\$987,194</u>	<u>\$61,655</u>	<u>\$325,740</u>	<u>\$1,374,589</u>

**Bedford City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2015*

	Food Service	Local Grants	District Managed Student Activities	Auxiliary Services
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$987,188	\$76,163	\$37,087	\$15,263
Intergovernmental Receivable	60,152	0	0	0
Inventory Held for Resale	40,193	0	0	0
Materials and Supplies Inventory	8,044	0	0	0
<i>Total Assets</i>	<u>\$1,095,577</u>	<u>\$76,163</u>	<u>\$37,087</u>	<u>\$15,263</u>
<b>Liabilities</b>				
Accounts Payable	\$0	\$1,105	\$1,009	\$7,512
Accrued Wages and Benefits Payable	82,409	0	0	0
Intergovernmental Payable	51,033	0	0	0
Interfund Payable	0	0	0	0
<i>Total Liabilities</i>	<u>133,442</u>	<u>1,105</u>	<u>1,009</u>	<u>7,512</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue	0	0	0	0
<b>Fund Balances</b>				
Nonspendable	8,044	0	0	0
Restricted	954,091	75,058	36,078	7,751
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>962,135</u>	<u>75,058</u>	<u>36,078</u>	<u>7,751</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$1,095,577</u>	<u>\$76,163</u>	<u>\$37,087</u>	<u>\$15,263</u>

(continued)

**Bedford City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*June 30, 2015*

	<u>Title VI-B</u>	<u>Vocational Education</u>	<u>Title III</u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$461,242	\$58,647	\$3,000
Intergovernmental Receivable	172,103	40,471	9,545
Inventory Held for Resale	0	0	0
Materials and Supplies Inventory	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u><u>\$633,345</u></u>	<u><u>\$99,118</u></u>	<u><u>\$12,545</u></u>
<b>Liabilities</b>			
Accounts Payable	\$64,836	\$6,057	\$545
Accrued Wages and Benefits Payable	23,133	0	0
Intergovernmental Payable	16,343	0	0
Interfund Payable	<u>500,000</u>	<u>90,000</u>	<u>12,000</u>
<i>Total Liabilities</i>	<u>604,312</u>	<u>96,057</u>	<u>12,545</u>
<b>Deferred Inflows of Resources</b>			
Unavailable Revenue	<u>48,768</u>	<u>4,099</u>	<u>0</u>
<b>Fund Balances</b>			
Nonspendable	0	0	0
Restricted	0	0	0
Unassigned (Deficit)	<u>(19,735)</u>	<u>(1,038)</u>	<u>0</u>
<i>Total Fund Balances (Deficit)</i>	<u>(19,735)</u>	<u>(1,038)</u>	<u>0</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u><u>\$633,345</u></u>	<u><u>\$99,118</u></u>	<u><u>\$12,545</u></u>

Title I	Preschool Handicapped	Title VI-R	Total Nonmajor Special Revenue Funds
\$472,030	\$35,000	\$45,817	\$2,191,437
206,701	467	30,320	519,759
0	0	0	40,193
0	0	0	8,044
\$678,731	\$35,467	\$76,137	\$2,759,433
\$1,852	\$1,444	\$0	\$84,360
135,631	0	15,887	257,060
20,756	0	3,522	91,654
500,000	35,000	46,000	1,183,000
658,239	36,444	65,409	1,616,074
83,409	467	19,422	156,165
0	0	0	8,044
0	0	0	1,072,978
(62,917)	(1,444)	(8,694)	(93,828)
(62,917)	(1,444)	(8,694)	987,194
\$678,731	\$35,467	\$76,137	\$2,759,433

**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, 2015*

	Food Service	Local Grants	District Managed Student Activities	Auxiliary Services
<b>Revenues</b>				
Intergovernmental	\$1,408,849	\$10,228	\$0	\$1,661
Interest	0	0	0	7
Charges for Services	538,862	0	2,681	0
Extracurricular Activities	0	0	134,649	0
Contributions and Donations	0	33,608	4,136	0
Miscellaneous	0	0	4,688	0
<i>Total Revenues</i>	<u>1,947,711</u>	<u>43,836</u>	<u>146,154</u>	<u>1,668</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	5,810	0	0
Special	0	500	0	0
Vocational	0	0	0	0
Support Services:				
Pupil	0	0	0	0
Instructional Staff	0	411	0	0
Administration	0	0	0	0
Business	0	12,000	0	0
Operation and Maintenance of Plant	0	4,498	0	0
Central	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	1,822,792	0	0	0
Other Non-Instructional Services	0	3,400	0	14,584
Extracurricular Activities	0	0	238,294	0
<i>Total Expenditures</i>	<u>1,822,792</u>	<u>26,619</u>	<u>238,294</u>	<u>14,584</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	124,919	17,217	(92,140)	(12,916)
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	89,600	0
<i>Net Change in Fund Balances</i>	124,919	17,217	(2,540)	(12,916)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>837,216</u>	<u>57,841</u>	<u>38,618</u>	<u>20,667</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$962,135</u>	<u>\$75,058</u>	<u>\$36,078</u>	<u>\$7,751</u>

<u>Data Communications</u>	<u>Race to the Top</u>	<u>Title VI-B</u>	<u>Vocational Education</u>	<u>Title III</u>
\$10,800	\$0	\$875,561	\$171,648	\$9,545
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>0</u>	<u>875,561</u>	<u>171,648</u>	<u>9,545</u>
0	0	0	0	0
0	0	109,685	0	9,545
0	0	0	123,991	0
0	0	476,998	0	0
10,800	0	16,903	15,861	0
0	3,500	150,235	6,929	0
0	0	0	0	0
0	0	0	0	0
0	0	0	4,500	0
0	0	0	0	0
0	0	10,441	0	0
0	0	0	0	0
<u>10,800</u>	<u>3,500</u>	<u>764,262</u>	<u>151,281</u>	<u>9,545</u>
0	(3,500)	111,299	20,367	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	(3,500)	111,299	20,367	0
<u>0</u>	<u>3,500</u>	<u>(131,034)</u>	<u>(21,405)</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>	<u>(\$19,735)</u>	<u>(\$1,038)</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, 2015*

	Title I	Preschool Handicapped	Title VI-R	Total Nonmajor Special Revenue Funds
<b>Revenues</b>				
Intergovernmental	\$1,206,481	\$5,895	\$137,689	\$3,838,357
Interest	0	0	0	7
Charges for Services	0	0	0	541,543
Extracurricular Activities	0	0	0	134,649
Contributions and Donations	0	0	0	37,744
Miscellaneous	0	0	0	4,688
<i>Total Revenues</i>	<u>1,206,481</u>	<u>5,895</u>	<u>137,689</u>	<u>4,556,988</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	5,434	0	0	11,244
Special	404,757	3,552	0	528,039
Vocational	0	0	0	123,991
Support Services:				
Pupil	195,040	0	0	672,038
Instructional Staff	445,063	1,315	128,197	618,550
Administration	0	0	0	160,664
Business	0	0	0	12,000
Operation and Maintenance of Plant	0	0	0	4,498
Central	0	0	0	4,500
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	1,822,792
Other Non-Instructional Services	20,905	0	0	49,330
Extracurricular Activities	0	0	0	238,294
<i>Total Expenditures</i>	<u>1,071,199</u>	<u>4,867</u>	<u>128,197</u>	<u>4,245,940</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	135,282	1,028	9,492	311,048
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	0	89,600
<i>Net Change in Fund Balances</i>	135,282	1,028	9,492	400,648
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(198,199)</u>	<u>(2,472)</u>	<u>(18,186)</u>	<u>586,546</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$62,917)</u>	<u>(\$1,444)</u>	<u>(\$8,694)</u>	<u>\$987,194</u>

**Bedford City School District**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*June 30, 2015*

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Capital Replacement</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$528,973	\$31,045	\$244,526	\$804,544
Taxes Receivable	481,817	0	0	481,817
<i>Total Assets</i>	<u>\$1,010,790</u>	<u>\$31,045</u>	<u>\$244,526</u>	<u>\$1,286,361</u>
<b>Liabilities</b>				
Contracts Payable	\$307,812	\$0	\$7,265	\$315,077
Accrued Interest Payable	397	0	0	397
Interfund Payable	15,000	0	0	15,000
Notes Payable	237,954	0	0	237,954
<i>Total Liabilities</i>	<u>561,163</u>	<u>0</u>	<u>7,265</u>	<u>568,428</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	325,621	0	0	325,621
Unavailable Revenue	66,572	0	0	66,572
<i>Total Deferred Inflows of Resources</i>	<u>392,193</u>	<u>0</u>	<u>0</u>	<u>392,193</u>
<b>Fund Balances</b>				
Restricted	57,434	31,045	0	88,479
Committed	0	0	237,261	237,261
<i>Total Fund Balances</i>	<u>57,434</u>	<u>31,045</u>	<u>237,261</u>	<u>325,740</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$1,010,790</u>	<u>\$31,045</u>	<u>\$244,526</u>	<u>\$1,286,361</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, 2015*

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Capital Replacement</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Revenues</b>				
Taxes	\$423,237	\$0	\$0	\$423,237
Intergovernmental	124,050	0	0	124,050
Miscellaneous	80,135	0	93,324	173,459
<i>Total Revenues</i>	<u>627,422</u>	<u>0</u>	<u>93,324</u>	<u>720,746</u>
<b>Expenditures</b>				
Capital Outlay	627,177	15,790	287,444	930,411
Debt Service:				
Principal Retirement	0	0	90,362	90,362
Interest and Fiscal Charges	5,588	0	2,428	8,016
<i>Total Expenditures</i>	<u>632,765</u>	<u>15,790</u>	<u>380,234</u>	<u>1,028,789</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(5,343)	(15,790)	(286,910)	(308,043)
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	200,000	200,000
<i>Net Change in Fund Balances</i>	(5,343)	(15,790)	(86,910)	(108,043)
<i>Fund Balances Beginning of Year</i>	<u>62,777</u>	<u>46,835</u>	<u>324,171</u>	<u>433,783</u>
<i>Fund Balances End of Year</i>	<u><u>\$57,434</u></u>	<u><u>\$31,045</u></u>	<u><u>\$237,261</u></u>	<u><u>\$325,740</u></u>

***Combining Statements - Internal Service Funds***

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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.

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**Bedford City School District**  
*Combining Statement of Revenues,  
Expenses and Changes in Net Position  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2015*

	Self Insurance	Computer Network	Total Internal Service Funds
<b>Operating Revenues</b>			
Charges for Services	\$4,761,586	\$0	\$4,761,586
<b>Operating Expenses</b>			
Purchased Services	785,806	578	786,384
Claims	4,730,968	0	4,730,968
<i>Total Operating Expenses</i>	<u>5,516,774</u>	<u>578</u>	<u>5,517,352</u>
<i>Change in Net Position</i>	(755,188)	(578)	(755,766)
<i>Net Position Beginning of Year</i>	<u>1,285,179</u>	<u>578</u>	<u>1,285,757</u>
<i>Net Position End of Year</i>	<u><u>\$529,991</u></u>	<u><u>\$0</u></u>	<u><u>\$529,991</u></u>

**Bedford City School District**  
*Combining Statement of Cash Flows*  
*Internal Service Funds*  
For the Fiscal Year Ended June 30, 2015

	Self Insurance	Computer Network	Total Internal Service Funds
<b>Increase (Decrease) in Cash and Cash Equivalents</b>			
<b>Cash Flows from Operating Activities</b>			
Cash Received from Interfund Services	\$4,761,586	\$0	\$4,761,586
Cash Payments for Purchased Services	(785,806)	(578)	(786,384)
Cash Payments for Claims	(4,868,168)	0	(4,868,168)
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(892,388)	(578)	(892,966)
<i>Cash and Cash Equivalents Beginning of Year</i>	1,708,079	578	1,708,657
<i>Cash and Cash Equivalents End of Year</i>	\$815,691	\$0	\$815,691
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>			
Operating Income (Loss)	(\$755,188)	(\$578)	(\$755,766)
<i>Adjustment:</i>			
Increase (Decrease) in Claims Payable	(137,200)	0	(137,200)
<i>Net Cash Provided by (Used for) Operating Activities</i>	(\$892,388)	(\$578)	(\$892,966)

**Agency Funds**

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.

**District Agency Fund** To account for Ohio High School Athletic Association tournament monies.

**Bedford City School District**  
*Statement of Changes in Assets and Liabilities*  
*Agency Fund*  
*For the Fiscal Year Ended June 30, 2015*

	<u>Beginning Balance June 30, 2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance June 30, 2015</u>
<b>Student Activities Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$47,488	\$53,707	\$60,097	\$41,098
<b>Liabilities</b>				
Due to Students	\$47,488	\$53,707	\$60,097	\$41,098
<b>District Agency Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$26,959	\$26,959	\$0
<b>Liabilities</b>				
Due to Students	\$0	\$26,959	\$26,959	\$0
<b>All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$47,488	\$80,666	\$87,056	\$41,098
<b>Liabilities</b>				
Due to Students	\$47,488	\$80,666	\$87,056	\$41,098

**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, 2015*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Taxes	\$25,379,600	\$27,751,600	\$27,752,610	\$1,010
Intergovernmental	14,921,824	16,621,293	16,658,763	37,470
Interest	7,214	8,000	9,135	1,135
Charges for Services	0	0	693	693
Tuition and Fees	1,161,801	1,295,050	1,329,005	33,955
Rentals	30,497	33,822	34,869	1,047
Miscellaneous	384,012	325,000	344,723	19,723
<i>Total Revenues</i>	<u>41,884,948</u>	<u>46,034,765</u>	<u>46,129,798</u>	<u>95,033</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	11,456,894	10,922,764	10,898,053	24,711
Fringe Benefits	3,848,403	3,829,753	3,781,648	48,105
Purchased Services	4,281,809	4,580,904	4,332,417	248,487
Materials and Supplies	438,594	350,808	263,591	87,217
Capital Outlay	93,226	133,253	96,348	36,905
Other	9,018	11,191	9,755	1,436
Total Regular	<u>20,127,944</u>	<u>19,828,673</u>	<u>19,381,812</u>	<u>446,861</u>
Special:				
Salaries and Wages	4,199,700	4,326,855	4,302,690	24,165
Fringe Benefits	1,452,000	1,454,500	1,371,081	83,419
Purchased Services	228,100	228,100	170,836	57,264
Materials and Supplies	1,275	1,160	482	678
Total Special	<u>5,881,075</u>	<u>6,010,615</u>	<u>5,845,089</u>	<u>165,526</u>
Vocational:				
Salaries and Wages	475,000	460,100	459,697	403
Fringe Benefits	169,750	150,650	144,828	5,822
Purchased Services	20,303	17,075	13,045	4,030
Materials and Supplies	13,500	31,040	27,597	3,443
Capital Outlay	29,850	37,639	37,638	1
Total Vocational	<u>708,403</u>	<u>696,504</u>	<u>682,805</u>	<u>13,699</u>
Total Instruction	<u>\$26,717,422</u>	<u>\$26,535,792</u>	<u>\$25,909,706</u>	<u>\$626,086</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, 2015*

	<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	\$1,752,700	\$1,790,310	\$1,779,220	\$11,090
Fringe Benefits	614,850	624,696	602,555	22,141
Purchased Services	335,650	302,382	255,678	46,704
Materials and Supplies	60,300	71,134	67,249	3,885
Capital Outlay	1,000	5,800	5,709	91
Total Pupil	<u>2,764,500</u>	<u>2,794,322</u>	<u>2,710,411</u>	<u>83,911</u>
Instructional Staff:				
Salaries and Wages	714,200	752,000	735,728	16,272
Fringe Benefits	279,350	300,254	291,823	8,431
Purchased Services	304,975	291,860	253,346	38,514
Materials and Supplies	73,945	99,040	75,678	23,362
Capital Outlay	20,265	25,562	20,258	5,304
Other	50	50	0	50
Total Instructional Staff	<u>1,392,785</u>	<u>1,468,766</u>	<u>1,376,833</u>	<u>91,933</u>
Board of Education:				
Salaries and Wages	20,000	20,000	19,125	875
Fringe Benefits	500	800	631	169
Purchased Services	208,650	167,407	137,030	30,377
Materials and Supplies	500	500	350	150
Capital Outlay	2,000	2,382	2,381	1
Other	33,630	33,955	20,615	13,340
Total Board of Education	<u>265,280</u>	<u>225,044</u>	<u>180,132</u>	<u>44,912</u>
Administration:				
Salaries and Wages	2,360,000	2,362,325	2,349,209	13,116
Fringe Benefits	1,062,300	1,064,296	1,048,516	15,780
Purchased Services	712,472	690,168	592,938	97,230
Materials and Supplies	61,070	86,286	65,623	20,663
Capital Outlay	11,200	23,665	22,131	1,534
Other	75,100	84,985	78,539	6,446
Total Administration	<u>\$4,282,142</u>	<u>\$4,311,725</u>	<u>\$4,156,956</u>	<u>\$154,769</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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Fiscal:</b>				
Salaries and Wages	\$375,000	\$379,000	\$347,412	\$31,588
Fringe Benefits	158,100	158,867	157,245	1,622
Purchased Services	134,255	169,690	127,809	41,881
Materials and Supplies	9,300	9,806	5,936	3,870
Capital Outlay	2,000	3,415	1,369	2,046
Other	932,000	785,500	618,779	166,721
<b>Total Fiscal</b>	<b>1,610,655</b>	<b>1,506,278</b>	<b>1,258,550</b>	<b>247,728</b>
<b>Business:</b>				
Salaries and Wages	317,500	303,900	300,911	2,989
Fringe Benefits	136,400	146,334	145,735	599
Purchased Services	213,800	220,481	204,943	15,538
Materials and Supplies	18,500	27,098	23,518	3,580
Capital Outlay	645,000	561,947	558,002	3,945
Other	4,000	4,100	3,590	510
<b>Total Business</b>	<b>1,335,200</b>	<b>1,263,860</b>	<b>1,236,699</b>	<b>27,161</b>
<b>Operation and Maintenance of Plant:</b>				
Salaries and Wages	2,597,000	2,413,095	2,412,863	232
Fringe Benefits	1,109,550	1,145,761	1,120,793	24,968
Purchased Services	2,194,800	2,103,570	2,093,256	10,314
Materials and Supplies	368,200	424,510	422,608	1,902
Capital Outlay	420,934	505,507	503,857	1,650
Other	4,800	4,063	3,972	91
<b>Total Operation and Maintenance of Plant</b>	<b>6,695,284</b>	<b>6,596,506</b>	<b>6,557,349</b>	<b>39,157</b>
<b>Pupil Transportation:</b>				
Salaries and Wages	2,023,400	2,050,475	1,992,114	58,361
Fringe Benefits	568,200	698,630	687,052	11,578
Purchased Services	322,700	335,178	319,118	16,060
Materials and Supplies	569,400	593,354	575,587	17,767
Capital Outlay	318,000	378,117	367,621	10,496
Other	2,400	2,350	322	2,028
<b>Total Pupil Transportation</b>	<b>\$3,804,100</b>	<b>\$4,058,104</b>	<b>\$3,941,814</b>	<b>\$116,290</b>

(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, 2015*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Central:				
Salaries and Wages	\$101,200	\$79,900	\$70,312	\$9,588
Fringe Benefits	31,042	26,116	24,026	2,090
Purchased Services	49,800	67,270	48,593	18,677
Materials and Supplies	7,950	16,769	9,713	7,056
Capital Outlay	3,000	6,701	6,154	547
Other	2,700	2,700	685	2,015
Total Central	<u>195,692</u>	<u>199,456</u>	<u>159,483</u>	<u>39,973</u>
Total Support Services	<u>22,345,638</u>	<u>22,424,061</u>	<u>21,578,227</u>	<u>845,834</u>
Extracurricular Activities:				
Academic and Subject Oriented:				
Salaries and Wages	60,900	59,312	47,547	11,765
Fringe Benefits	6,200	8,400	8,110	290
Total Academic and Subject Oriented	<u>67,100</u>	<u>67,712</u>	<u>55,657</u>	<u>12,055</u>
Occupation Oriented:				
Salaries and Wages	2,200	4,600	4,478	122
Fringe Benefits	0	500	459	41
Total Occupation Oriented	<u>2,200</u>	<u>5,100</u>	<u>4,937</u>	<u>163</u>
Sports Oriented:				
Salaries and Wages	483,000	490,445	472,885	17,560
Fringe Benefits	86,750	134,050	122,682	11,368
Total Sports Oriented	<u>569,750</u>	<u>624,495</u>	<u>595,567</u>	<u>28,928</u>
School and Public Service Oriented:				
Salaries and Wages	51,300	56,100	56,078	22
Fringe Benefits	0	8,150	8,104	46
Total School and Public Service Oriented	<u>51,300</u>	<u>64,250</u>	<u>64,182</u>	<u>68</u>
Total Extracurricular Activities	<u>\$690,350</u>	<u>\$761,557</u>	<u>\$720,343</u>	<u>\$41,214</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, 2015*

	<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	\$5,000	\$5,000	\$4,511	\$489
Debt Service:				
Principal Retirement	473,486	473,486	473,486	0
Interest and Fiscal Charges	89,800	89,800	89,797	3
Total Debt Service	563,286	563,286	563,283	3
<i>Total Expenditures</i>	<u>50,321,696</u>	<u>50,289,696</u>	<u>48,776,070</u>	<u>1,513,626</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(8,436,748)</u>	<u>(4,254,931)</u>	<u>(2,646,272)</u>	<u>1,608,659</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	0	4,000	2,500	(1,500)
Advances In	842,000	1,019,500	1,019,500	0
Advances Out	(1,092,000)	(1,246,000)	(1,246,000)	0
Transfers Out	(294,200)	(290,200)	(289,600)	600
<i>Total Other Financing Sources (Uses)</i>	<u>(544,200)</u>	<u>(512,700)</u>	<u>(513,600)</u>	<u>(900)</u>
<i>Net Change in Fund Balance</i>	(8,980,948)	(4,767,631)	(3,159,872)	1,607,759
<i>Fund Balance Beginning of Year</i>	13,505,269	13,505,269	13,505,269	0
Prior Year Encumbrances Appropriated	1,150,876	1,150,876	1,150,876	0
<i>Fund Balance End of Year</i>	<u>\$5,675,197</u>	<u>\$9,888,514</u>	<u>\$11,496,273</u>	<u>\$1,607,759</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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,227,000	\$1,269,651	\$42,651
Charges for Services	523,000	538,862	15,862
<i>Total Revenues</i>	<u>1,750,000</u>	<u>1,808,513</u>	<u>58,513</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Food Services Operations:			
Salaries and Wages	718,800	697,088	21,712
Fringe Benefits	217,837	183,368	34,469
Purchased Services	37,050	31,124	5,926
Materials and Supplies	1,150,145	835,713	314,432
Capital Outlay	29,788	17,908	11,880
Other	200	100	100
<i>Total Expenditures</i>	<u>2,153,820</u>	<u>1,765,301</u>	<u>388,519</u>
<i>Net Change in Fund Balance</i>	(403,820)	43,212	447,032
<i>Fund Balance Beginning of Year</i>	879,014	879,014	0
Prior Year Encumbrances Appropriated	<u>53,820</u>	<u>53,820</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$529,014</u></u>	<u><u>\$976,046</u></u>	<u><u>\$447,032</u></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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$10,300	\$10,228	(\$72)
Contributions and Donations	34,000	34,108	108
<i>Total Revenues</i>	<u>44,300</u>	<u>44,336</u>	<u>36</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	8,523	5,729	2,794
Capital Outlay	4,182	876	3,306
Other	27	0	27
Total Regular	<u>12,732</u>	<u>6,605</u>	<u>6,127</u>
Special:			
Purchased Services	500	500	0
Materials and Supplies	1	0	1
Total Special	<u>501</u>	<u>500</u>	<u>1</u>
Vocational:			
Purchased Services	130	0	130
Materials and Supplies	605	0	605
Total Vocational	<u>735</u>	<u>0</u>	<u>735</u>
Total Instruction	<u>13,968</u>	<u>7,105</u>	<u>6,863</u>
Support Services:			
Instructional Staff:			
Purchased Services	411	411	0
Business:			
Other	15,462	12,000	3,462
Operation and Maintenance of Plant:			
Purchased Services	10,242	4,498	5,744
Pupil Transportation:			
Purchased Services	250	0	250
Total Support Services	<u>\$26,365</u>	<u>\$16,909</u>	<u>\$9,456</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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services			
Materials and Supplies	\$112	\$0	\$112
Other	61,439	4,400	57,039
Total Operation of Non-Instructional Services	61,551	4,400	57,151
<i>Total Expenditures</i>	101,884	28,414	73,470
<i>Net Change in Fund Balance</i>	(57,584)	15,922	73,506
<i>Fund Balance Beginning of Year</i>	54,957	54,957	0
Prior Year Encumbrances Appropriated	2,884	2,884	0
<i>Fund Balance End of Year</i>	\$257	\$73,763	\$73,506

**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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$2,000	\$2,681	\$681
Extracurricular Activities	122,750	135,277	12,527
Contributions and Donations	16,050	4,136	(11,914)
Miscellaneous	9,600	4,688	(4,912)
<i>Total Revenues</i>	<u>150,400</u>	<u>146,782</u>	<u>(3,618)</u>
<b>Expenditures</b>			
Current:			
Extracurricular Activities:			
Academic and Subject Oriented:			
Materials and Supplies	9,004	7,108	1,896
Occupational Oriented:			
Materials and Supplies	1,014	0	1,014
Sport Oriented Activities:			
Salaries and Wages	12,735	12,735	0
Fringe Benefits	990	990	0
Purchased Services	78,420	78,415	5
Materials and Supplies	128,051	113,112	14,939
Capital Outlay	904	904	0
Total Sport Oriented Activities	<u>\$221,100</u>	<u>\$206,156</u>	<u>\$14,944</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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
School and Public Service Oriented:			
Purchased Services	\$37,567	\$25,985	\$11,582
Materials and Supplies	4,025	2,589	1,436
Other	245	157	88
Total School and Public Service Oriented	<u>41,837</u>	<u>28,731</u>	<u>13,106</u>
<i>Total Expenditures</i>	<u>272,955</u>	<u>241,995</u>	<u>30,960</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(122,555)</u>	<u>(95,213)</u>	<u>27,342</u>
<b>Other Financing Sources (Uses)</b>			
Advances In	63,000	63,000	0
Advances Out	(63,710)	(63,000)	710
Transfers In	85,000	89,600	4,600
Total Other Financing Sources (Uses)	<u>84,290</u>	<u>89,600</u>	<u>5,310</u>
<i>Net Change in Fund Balance</i>	(38,265)	(5,613)	32,652
<i>Fund Balance Beginning of Year</i>	38,228	38,228	0
Prior Year Encumbrances Appropriated	<u>2,665</u>	<u>2,665</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,628</u></u>	<u><u>\$35,280</u></u>	<u><u>\$32,652</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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,621	\$1,661	\$40
Interest	13	7	(6)
<i>Total Revenues</i>	<u>1,634</u>	<u>1,668</u>	<u>34</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services:			
Salaries and Wages	2,109	2,109	0
Fringe Benefits	337	337	0
Purchased Services	12,583	12,403	180
Materials and Supplies	4,658	4,293	365
Capital Outlay	11,294	11,070	224
<i>Total Expenditures</i>	<u>30,981</u>	<u>30,212</u>	<u>769</u>
<i>Net Change in Fund Balance</i>	(29,347)	(28,544)	803
<i>Fund Balance Beginning of Year</i>	20,435	20,435	0
Prior Year Encumbrances Appropriated	<u>8,947</u>	<u>8,947</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$35</u></u>	<u><u>\$838</u></u>	<u><u>\$803</u></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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$10,800	\$10,800	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff:			
Purchased Services	10,800	10,800	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$3,500	\$3,500	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Administration:			
Purchased Services	3,500	3,500	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,400,000	\$752,226	(\$647,774)
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Salaries and Wages	20,000	0	20,000
Fringe Benefits	4,001	40	3,961
Purchased Services	283,350	114,831	168,519
Materials and Supplies	25,292	13,073	12,219
Capital Outlay	11,650	10,695	955
Total Instruction	344,293	138,639	205,654
Support Services:			
Pupil:			
Salaries and Wages	80,197	68,129	12,068
Fringe Benefits	31,634	26,909	4,725
Purchased Services	440,239	428,462	11,777
Materials and Supplies	48,437	38,209	10,228
Capital Outlay	8,000	7,987	13
Total Pupil	608,507	569,696	38,811
Instructional Staff:			
Salaries and Wages	26,827	6,070	20,757
Fringe Benefits	4,043	420	3,623
Purchased Services	20,100	12,761	7,339
Total Instructional Staff	\$50,970	\$19,251	\$31,719

(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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Administration:			
Salaries and Wages	\$114,718	\$104,654	\$10,064
Fringe Benefits	47,300	46,353	947
Total Administration	162,018	151,007	11,011
Total Support Services	821,495	739,954	81,541
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services:			
Purchased Services	18,416	18,416	0
<i>Total Expenditures</i>	1,184,204	897,009	287,195
<i>Excess of Revenues Over (Under) Expenditures</i>	215,796	(144,783)	(360,579)
<b>Other Financing Sources (Uses)</b>			
Advances In	0	500,000	500,000
Advances Out	(325,000)	(325,000)	0
<i>Total Other Financing Sources (Uses)</i>	(325,000)	175,000	500,000
<i>Net Change in Fund Balance</i>	(109,204)	30,217	139,421
<i>Fund Balance Beginning of Year</i>	120,463	120,463	0
Prior Year Encumbrances Appropriated	161,704	161,704	0
<i>Fund Balance End of Year</i>	\$172,963	\$312,384	\$139,421

**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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$225,000	\$135,276	(\$89,724)
<b>Expenditures</b>			
Current:			
Instruction:			
Vocational:			
Salaries	1,920	1,000	920
Fringe Benefits	313	301	12
Purchased Services	22,851	21,227	1,624
Materials and Supplies	50,496	19,313	31,183
Capital Outlay	35,000	34,483	517
Other	74,222	64,120	10,102
Total Instruction	184,802	140,444	44,358
Support Services:			
Instructional Staff:			
Salaries and Wages	4,020	3,100	920
Fringe Benefits	607	451	156
Purchased Services	6,359	5,285	1,074
Other	7,915	7,476	439
Total Instructional Staff	18,901	16,312	2,589
Administration:			
Materials and Supplies	4,936	4,872	64
Capital Outlay	5,149	5,104	45
Total Administration	10,085	9,976	109
Central:			
Purchased Services	2,500	2,500	0
Other	2,000	2,000	0
Total Central	4,500	4,500	0
Total Support Services	33,486	30,788	2,698
<i>Total Expenditures</i>	\$218,288	\$171,232	\$47,056

(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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>\$6,712</u>	<u>(\$35,956)</u>	<u>(\$42,668)</u>
<b>Other Financing Sources (Uses)</b>			
Advances In	0	90,000	90,000
Advances Out	<u>(55,000)</u>	<u>(55,000)</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(55,000)</u>	<u>35,000</u>	<u>90,000</u>
<i>Net Change in Fund Balance</i>	(48,288)	(956)	47,332
<i>Fund Balance Beginning of Year</i>	28,356	28,356	0
Prior Year Encumbrances Appropriated	<u>23,288</u>	<u>23,288</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,356</u></u>	<u><u>\$50,688</u></u>	<u><u>\$47,332</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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$9,500	\$0	(\$9,500)
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Purchased Services	9,813	9,545	268
Materials and Supplies	800	0	800
Total Instruction	10,613	9,545	1,068
Support Services:			
Instructional Staff:			
Purchased Services	1,000	1,000	0
Materials and Supplies	200	0	200
Total Support Services	1,200	1,000	200
<i>Total Expenditures</i>	11,813	10,545	1,268
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,313)	(10,545)	(8,232)
<b>Other Financing Sources (Uses)</b>			
Advances In	2,500	12,000	9,500
<i>Net Change in Fund Balance</i>	187	1,455	1,268
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$187	\$1,455	\$1,268

**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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,600,000	\$1,083,189	(\$516,811)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	17,659	17,434	225
Materials and Supplies	1,297	0	1,297
Capital Outlay	4,773	4,773	0
Total Regular	23,729	22,207	1,522
Special:			
Salaries and Wages	406,177	274,882	131,295
Fringe Benefits	130,233	98,405	31,828
Purchased Services	46,000	45,357	643
Materials and Supplies	11,891	6,165	5,726
Capital Outlay	40,000	2,100	37,900
Total Special	634,301	426,909	207,392
Total Instruction	658,030	449,116	208,914
Support Services:			
Pupil:			
Salaries and Wages	183,972	119,793	64,179
Fringe Benefits	66,316	50,090	16,226
Purchased Services	16,000	13,280	2,720
Materials and Supplies	6,831	2,312	4,519
Capital Outlay	15,000	9,208	5,792
Total Pupil	288,119	194,683	93,436
Instructional Staff:			
Salaries and Wages	404,354	337,079	67,275
Fringe Benefits	139,998	104,496	35,502
Purchased Services	23,501	22,482	1,019
Materials and Supplies	10,693	2,173	8,520
Total Instructional Staff	578,546	466,230	112,316
Total Support Services	\$866,665	\$660,913	\$205,752

(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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services:			
Purchased Services	\$6,649	\$2,882	\$3,767
Materials and Supplies	11,952	5,646	6,306
Total Operation of Non-Instructional Services	18,601	8,528	10,073
<i>Total Expenditures</i>	1,543,296	1,118,557	424,739
<i>Excess of Revenues Over (Under) Expenditures</i>	56,704	(35,368)	(92,072)
<b>Other Financing Sources (Uses)</b>			
Advances In	0	500,000	500,000
Advances Out	(475,000)	(475,000)	0
<i>Total Other Financing Sources (Uses)</i>	(475,000)	25,000	500,000
<i>Net Change in Fund Balance</i>	(418,296)	(10,368)	407,928
<i>Fund Balance Beginning of Year</i>	442,976	442,976	0
Prior Year Encumbrances Appropriated	18,296	18,296	0
<i>Fund Balance End of Year</i>	\$42,976	\$450,904	\$407,928

**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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$45,000	\$5,895	(\$39,105)
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Salaries and Wages	27,098	0	27,098
Fringe Benefits	4,501	0	4,501
Purchased Services	3,000	2,721	279
Materials and Supplies	3,254	2,253	1,001
Total Instruction	37,853	4,974	32,879
Support Services:			
Instructional Staff:			
Purchased Services	1,500	1,315	185
<i>Total Expenditures</i>	39,353	6,289	33,064
<i>Excess of Revenues Over (Under) Expenditures</i>	5,647	(394)	(6,041)
<b>Other Financing Sources (Uses)</b>			
Advances In	0	35,000	35,000
Advances Out	(1,500)	(1,500)	0
<i>Total Other Financing Sources (Uses)</i>	(1,500)	33,500	35,000
<i>Net Change in Fund Balance</i>	4,147	33,106	28,959
<i>Fund Balance Beginning of Year</i>	616	616	0
Prior Year Encumbrances Appropriated	853	853	0
<i>Fund Balance End of Year</i>	\$5,616	\$34,575	\$28,959

**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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$183,000	\$126,791	(\$56,209)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	7,106	0	7,106
Support Services:			
Instructional Staff:			
Salaries and Wages	121,433	93,297	28,136
Fringe Benefits	35,397	28,380	7,017
Purchased Services	7,765	4,395	3,370
Total Support Services	164,595	126,072	38,523
<i>Total Expenditures</i>	171,701	126,072	45,629
<i>Excess of Revenues Over (Under) Expenditures</i>	11,299	719	(10,580)
<b>Other Financing Sources (Uses)</b>			
Advances In	0	46,000	46,000
Advances Out	(50,000)	(50,000)	0
<i>Total Other Financing Sources (Uses)</i>	(50,000)	(4,000)	46,000
<i>Net Change in Fund Balance</i>	(38,701)	(3,281)	35,420
<i>Fund Balance Beginning of Year</i>	47,377	47,377	0
Prior Year Encumbrances Appropriated	1,701	1,701	0
<i>Fund Balance End of Year</i>	\$10,377	\$45,797	\$35,420

**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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Rentals	\$2,000	\$1,975	(\$25)
Miscellaneous	0	27	27
<i>Total Revenues</i>	<u>2,000</u>	<u>2,002</u>	<u>2</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services:			
Salaries and Wages	4,326	1,090	3,236
Fringe Benefits	674	226	448
<i>Total Expenditures</i>	<u>5,000</u>	<u>1,316</u>	<u>3,684</u>
<i>Net Change in Fund Balance</i>	(3,000)	686	3,686
<i>Fund Balance Beginning of Year</i>	<u>7,796</u>	<u>7,796</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$4,796</u></u>	<u><u>\$8,482</u></u>	<u><u>\$3,686</u></u>

**Bedford City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Support Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Tuition and Fees	\$1,600	\$1,557	(\$43)
Extracurricular Activities	102,200	100,789	(1,411)
Contributions and Donations	18,400	18,286	(114)
Miscellaneous	5,800	8,666	2,866
<i>Total Revenues</i>	<u>128,000</u>	<u>129,298</u>	<u>1,298</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	113,900	70,598	43,302
Materials and Supplies	34,252	16,064	18,188
Capital Outlay	4,639	1,725	2,914
Other	46,256	34,496	11,760
Total Instruction	<u>199,047</u>	<u>122,883</u>	<u>76,164</u>
Support Services:			
Pupil:			
Materials and Supplies	620	0	620
Instructional Staff:			
Fringe Benefits	2,240	607	1,633
Materials and Supplies	15,723	2,668	13,055
Total Instructional Staff	<u>17,963</u>	<u>3,275</u>	<u>14,688</u>
Administration:			
Purchased Services	1,177	0	1,177
Materials and Supplies	2,213	150	2,063
Total Administration	<u>\$3,390</u>	<u>\$150</u>	<u>\$3,240</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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Business:			
Materials and Supplies	\$9,855	\$725	\$9,130
Capital Outlay	123	0	123
Total Business	9,978	725	9,253
Central:			
Purchased Services	956	890	66
Materials and Supplies	604	0	604
Other	3,471	1,056	2,415
Total Central	5,031	1,946	3,085
Total Support Services	36,982	6,096	30,886
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services:			
Other	102	0	102
Extracurricular Activities:			
Academic Oriented Activities:			
Purchased Services	279	100	179
Other	10	0	10
Total Academic Oriented Activities	289	100	189
School and Public Service Oriented:			
Purchased Services	1,673	298	1,375
Materials and Supplies	440	326	114
Other	11,056	9,467	1,589
Total School and Public Service Oriented	13,169	10,091	3,078
Total Extracurricular Activities	13,458	10,191	3,267
<i>Total Expenditures</i>	249,589	139,170	110,419
<i>Net Change in Fund Balance</i>	(121,589)	(9,872)	111,717
<i>Fund Balance Beginning of Year</i>	111,106	111,106	0
Prior Year Encumbrances Appropriated	10,589	10,589	0
<i>Fund Balance End of Year</i>	\$106	\$111,823	\$111,717

**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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Rentals	\$19,300	\$19,300	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Purchased Services	15,000	0	15,000
<i>Net Change in Fund Balance</i>	4,300	19,300	15,000
<i>Fund Balance Beginning of Year</i>	29,500	29,500	0
<i>Fund Balance End of Year</i>	\$33,800	\$48,800	\$15,000

**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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Tuition and Fees	\$25,000	\$23,143	(\$1,857)
Miscellaneous	0	5,169	5,169
<i>Total Revenues</i>	<u>25,000</u>	<u>28,312</u>	<u>3,312</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Fringe Benefits	59	0	59
Purchased Services	100	68	32
Materials and Supplies	200	200	0
Total Regular	<u>359</u>	<u>268</u>	<u>91</u>
Student Intervention Services:			
Salaries and Wages	28,005	21,682	6,323
Fringe Benefits	3,761	3,561	200
Total Student Intervention Services	<u>31,766</u>	<u>25,243</u>	<u>6,523</u>
Total Instruction	<u>32,125</u>	<u>25,511</u>	<u>6,614</u>
Support Services:			
Administration:			
Salaries and Wages	8,600	8,060	540
Fringe Benefits	2,384	2,127	257
Materials and Supplies	1,891	0	1,891
Total Support Services	<u>12,875</u>	<u>10,187</u>	<u>2,688</u>
<i>Total Expenditures</i>	<u>45,000</u>	<u>35,698</u>	<u>9,302</u>
<i>Net Change in Fund Balance</i>	(20,000)	(7,386)	12,614
<i>Fund Balance Beginning of Year</i>	<u>31,407</u>	<u>31,407</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$11,407</u>	<u>\$24,021</u>	<u>\$12,614</u>

**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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Adult Continuing:			
Salaries and Wages	<u>5,000</u>	<u>0</u>	<u>5,000</u>
<i>Net Change in Fund Balance</i>	(5,000)	0	5,000
<i>Fund Balance Beginning of Year</i>	<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>\$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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Fiscal:			
Purchased Services	10,000	0	10,000
<i>Net Change in Fund Balance</i>	(10,000)	0	10,000
<i>Fund Balance Beginning of Year</i>	61,655	61,655	0
<i>Fund Balance End of Year</i>	\$51,655	\$61,655	\$10,000

**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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Taxes	\$411,900	\$412,513	\$613
Intergovernmental	124,462	124,050	(412)
<i>Total Revenues</i>	<u>536,362</u>	<u>536,563</u>	<u>201</u>
<b>Expenditures</b>			
Capital Outlay:			
Site Improvement Services:			
Capital Outlay	1,229,389	1,147,788	81,601
Architecture and Engineering Services:			
Capital Outlay	61,690	61,054	636
<i>Total Expenditures</i>	<u>1,291,079</u>	<u>1,208,842</u>	<u>82,237</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(754,717)	(672,279)	82,438
<b>Other Financing Sources (Uses)</b>			
Advances Out	(50,000)	(50,000)	0
<i>Net Change in Fund Balance</i>	(804,717)	(722,279)	82,438
<i>Fund Balance Beginning of Year</i>	84,323	84,323	0
Prior Year Encumbrances Appropriated	766,079	766,079	0
<i>Fund Balance End of Year</i>	<u>\$45,685</u>	<u>\$128,123</u>	<u>\$82,438</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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Capital Outlay:			
Facilities Acquisition and Construction Services:			
Capital Outlay	45,790	15,790	30,000
<i>Net Change in Fund Balance</i>	(45,790)	(15,790)	30,000
<i>Fund Balance Beginning of Year</i>	31,045	31,045	0
Prior Year Encumbrances Appropriated	15,790	15,790	0
<i>Fund Balance End of Year</i>	<u>\$1,045</u>	<u>\$31,045</u>	<u>\$30,000</u>

**Bedford City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Capital Replacement Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Capital Outlay:			
Facilities Acquisition and Construction Services:			
Capital Outlay	602,536	372,245	230,291
<i>Excess of Revenues Over (Under) Expenditures</i>	(602,536)	(372,245)	230,291
<b>Other Financing Sources (Uses)</b>			
Transfers In	200,000	200,000	0
<i>Net Change in Fund Balance</i>	(402,536)	(172,245)	230,291
<i>Fund Balance Beginning of Year</i>	324,090	324,090	0
Prior Year Encumbrances Appropriated	82,536	82,536	0
<i>Fund Balance End of Year</i>	<u>\$4,090</u>	<u>\$234,381</u>	<u>\$230,291</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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$4,670,000	\$4,761,586	\$91,586
<b>Expenses</b>			
Purchased Services	853,915	786,608	67,307
Claims	5,147,162	4,830,875	316,287
<i>Total Expenses</i>	<u>6,001,077</u>	<u>5,617,483</u>	<u>383,594</u>
<i>Net Change in Fund Equity</i>	(1,331,077)	(855,897)	475,180
<i>Fund Equity Beginning of Year</i>	1,711,484	1,711,484	0
Prior Year Encumbrances Appropriated	<u>1,077</u>	<u>1,077</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$381,484</u></u>	<u><u>\$856,664</u></u>	<u><u>\$475,180</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, 2015*

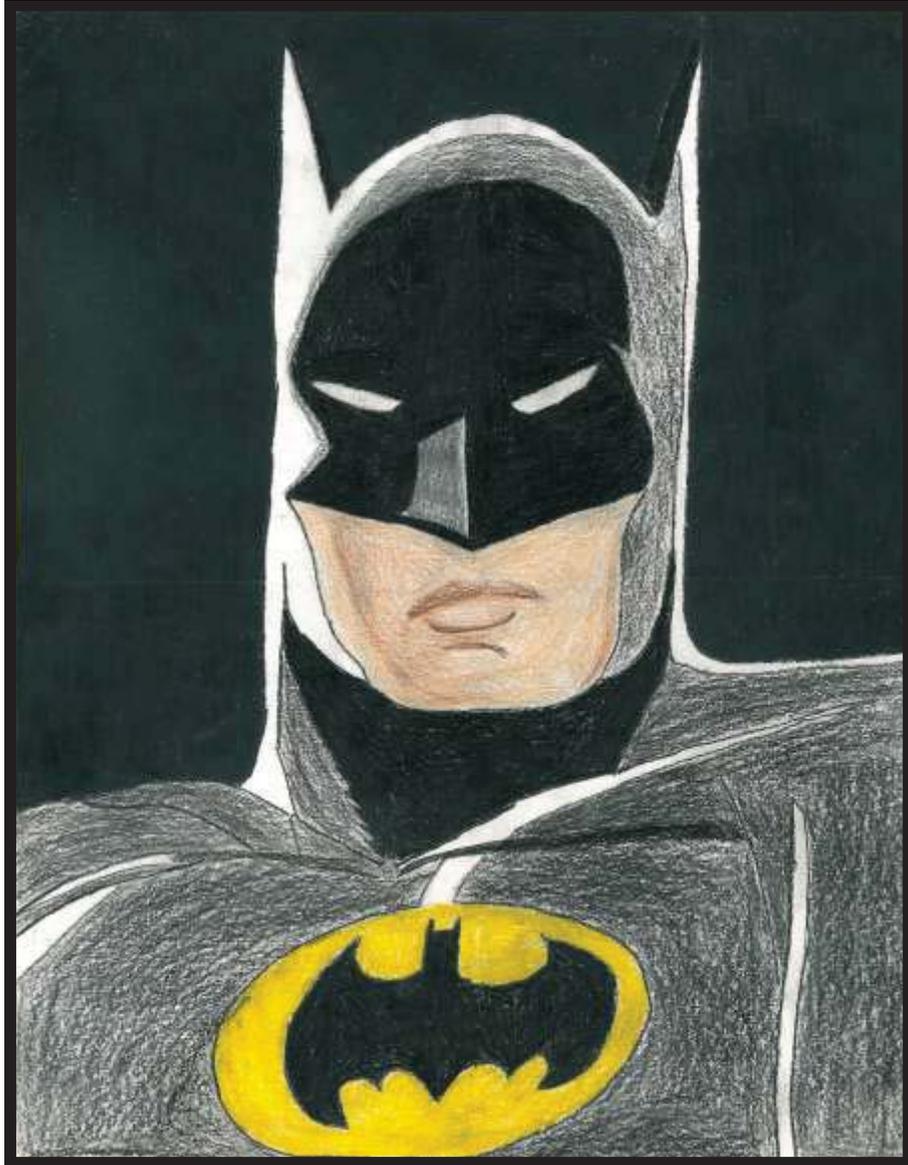
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenses</b>			
Purchased Services	578	578	0
<i>Net Change in Fund Equity</i>	(578)	(578)	0
<i>Fund Equity Beginning of Year</i>	578	578	0
<i>Fund Equity End of Year</i>	\$0	\$0	\$0

**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, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$0	\$22	\$22
<b>Expenses</b>			
Other	43,000	0	43,000
<i>Net Change in Fund Equity</i>	(43,000)	22	43,022
<i>Fund Equity Beginning of Year</i>	81,744	81,744	0
<i>Fund Equity End of Year</i>	\$38,744	\$81,766	\$43,022

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# Statistical Section

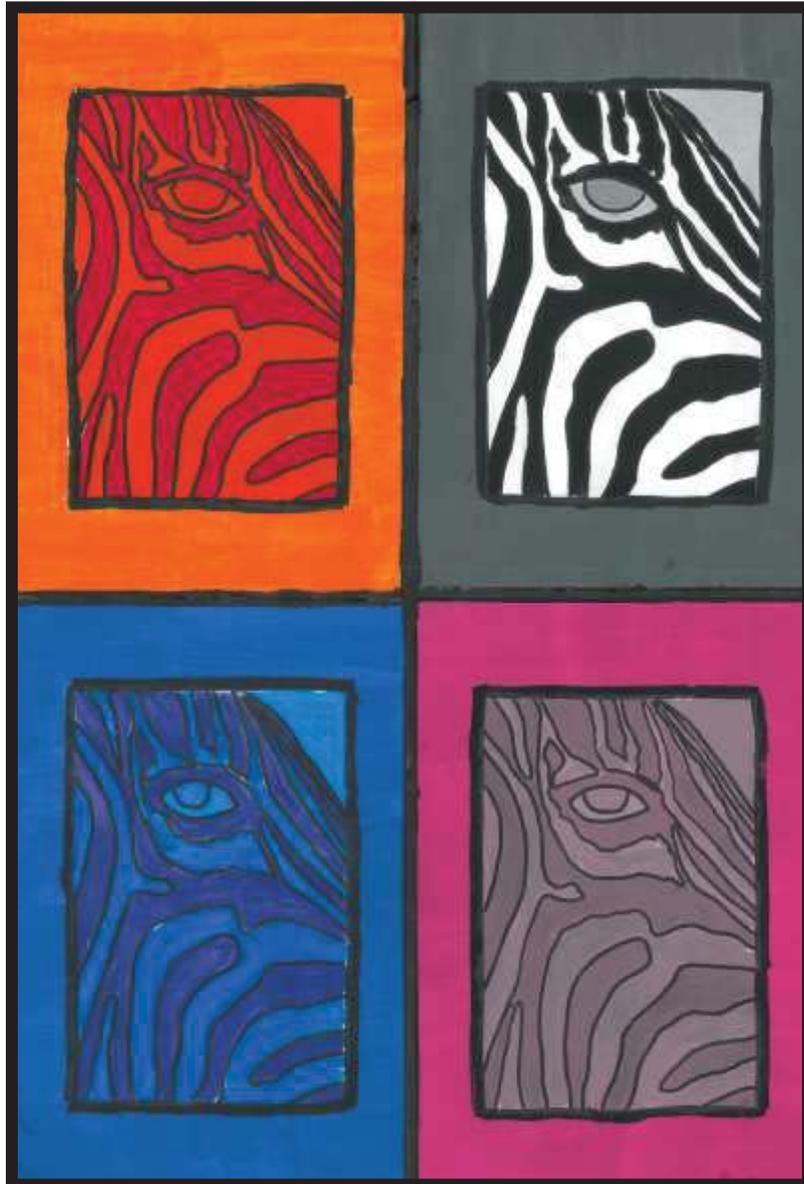


**Artwork by: Vinny Giunto**

Grade 8

Heskett Middle School

Art Teacher: Rebecca Genao



**Artwork by: Kyla Beville**

Grade 9

Bedford High School

Art Teacher: Sara Holt

## 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.

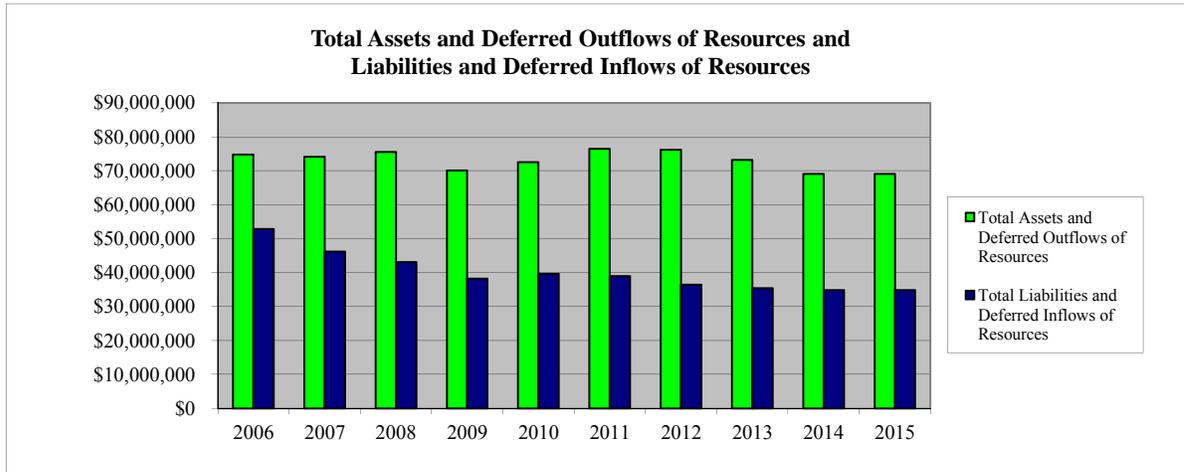
<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S2 - S13
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.	S14 - S22
<b>Debt Capacity</b> 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
<b>Economic and Demographic Information</b> 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
<b>Operating Information</b> 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 - S42

**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)*

	2006	2007	2008	2009
Net Investment in Capital Assets	\$9,900,232	\$12,218,017	\$13,434,685	\$13,531,705
Restricted for:				
Capital Projects	1,882,830	805,810	173,255	557,011
Debt Service	1,381,463	1,772,547	2,278,168	2,264,251
Other Purposes	511,238	1,106,057	1,025,781	1,337,606
Unrestricted*	<u>8,373,797</u>	<u>15,595,855</u>	<u>15,502,858</u>	<u>14,189,965</u>
<b>Total Net Position</b>	<u><u>\$22,049,560</u></u>	<u><u>\$31,498,286</u></u>	<u><u>\$32,414,747</u></u>	<u><u>\$31,880,538</u></u>

\*Note: The School District implemented GASB 68 in 2015.



Source: School District Financial Records

2010	2011	2012	2013	2014	2015
\$13,534,897	\$15,853,913	\$16,816,971	\$17,309,870	\$17,784,600	\$18,124,171
1,400,209	229,779	303,671	855,811	622,695	155,448
2,148,734	2,086,003	1,342,336	411,780	9,869	13,714
557,401	650,968	694,518	789,177	918,821	1,027,366
14,996,566	18,642,545	20,565,803	18,373,016	(51,666,872)	(48,563,837)
<u>\$32,637,807</u>	<u>\$37,463,208</u>	<u>\$39,723,299</u>	<u>\$37,739,654</u>	<u>(\$32,330,887)</u>	<u>(\$29,243,138)</u>

**Bedford City School District**

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

	2006	2007	2008	2009
<b>Expenses</b>				
Governmental Activities:				
Instruction	\$24,090,319	\$24,029,388	\$27,576,746	\$25,229,256
Pupil Support	2,758,509	2,764,302	2,997,511	3,025,366
Instructional Staff Support	1,762,862	1,651,433	1,834,242	2,074,281
Board of Education	407,852	310,042	235,547	220,840
Administration	3,942,749	3,501,283	3,438,272	4,408,025
Fiscal	1,236,174	1,290,060	1,330,855	1,213,939
Business	777,247	779,116	847,097	728,529
Operation and Maintenance of Plant	6,731,992	6,357,050	6,724,899	6,937,228
Pupil Transportation	3,851,122	3,792,614	3,875,037	3,615,129
Central	309,079	299,502	337,904	338,807
Food Service Operations	1,471,121	1,629,821	1,651,021	1,682,513
Operation of Non-Instructional Services	454,710	539,445	484,150	427,311
Extracurricular Activities	826,605	826,657	867,928	875,259
Interest and Fiscal Charges	467,718	520,086	524,154	479,677
<i>Total Governmental Activities Expenses</i>	<i>49,088,059</i>	<i>48,290,799</i>	<i>52,725,363</i>	<i>51,256,160</i>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services and Sales:				
Instruction	1,246,793	1,686,260	1,705,852	1,974,620
Instructional Staff Support	1,558	94	1,215	926
Administration	0	7,765	9,966	691
Business	185,583	38,356	44,661	27,281
Operation and Maintenance of Plant	31,472	0	0	0
Pupil Transportation	2,726	0	0	0
Central	0	0	4,541	1,988
Food Service Operations	812,352	792,684	750,540	682,879
Operation of Non-Instructional Services	10,637	4,191	4,782	3,714
Extracurricular Activities	93,701	131,618	133,483	133,794
Operating Grants and Contributions				
Instruction	1,573,434	2,543,592	2,248,787	2,424,680
Pupil Support	193,061	206,957	233,872	403,482
Instructional Staff Support	171,723	209,937	278,710	388,009
Administration	149,752	116,658	142,926	272,640
Fiscal	0	0	0	0
Business	308	30,114	106,436	481
Operation and Maintenance of Plant	59,209	35,955	2,132	1,645
Pupil Transportation	0	0	0	0
Central	2,488	5,150	3,860	5,429
Food Service Operations	610,070	755,707	867,048	1,091,798
Operation of Non-Instructional Services	428,920	443,358	454,033	396,029
Extracurricular Activities	12,636	5,542	11,463	10,887

2010	2011	2012	2013	2014	2015
\$26,802,708	\$25,022,834	\$25,716,544	\$26,152,704	\$27,081,004	\$26,532,855
3,015,745	3,034,339	3,049,560	3,110,210	3,263,687	3,290,160
2,544,377	2,735,600	2,687,012	2,759,639	2,003,829	1,923,812
243,585	85,953	98,729	112,719	83,190	114,703
3,079,356	3,969,440	3,963,083	4,084,593	4,062,197	3,980,365
1,381,083	1,309,344	1,480,370	1,322,883	1,313,648	1,154,870
667,683	877,396	721,405	627,177	818,885	1,008,331
7,070,172	6,645,111	6,237,787	5,446,227	6,107,562	6,875,154
3,578,892	3,513,967	3,609,183	3,752,999	4,032,774	4,083,284
321,466	335,344	199,941	196,277	127,195	112,684
1,697,599	1,705,905	1,775,328	1,843,501	1,732,185	1,842,879
340,054	394,207	351,270	353,879	160,160	54,194
804,712	838,622	848,288	903,193	1,030,314	1,084,015
437,058	357,696	305,102	209,525	155,265	78,576
51,984,490	50,825,758	51,043,602	50,875,526	51,971,895	52,135,882
1,688,961	1,472,019	1,724,635	1,517,077	1,390,958	1,352,934
1,454	0	0	0	0	0
0	0	0	0	0	0
31,312	23,328	33,300	38,204	47,920	58,751
0	0	0	0	0	0
0	0	0	0	0	0
4,470	0	0	0	0	0
620,301	601,725	569,496	565,787	531,101	538,862
3,207	0	0	0	0	0
141,446	249,721	273,208	263,637	288,819	238,812
1,571,907	1,507,787	1,204,769	1,932,314	2,578,667	2,623,887
325,493	577,014	977,853	665,691	588,498	678,032
556,001	661,300	750,623	656,491	666,804	623,502
48,225	143,050	142,787	150,000	152,914	157,164
0	0	0	31,118	0	0
725	5,000	5,900	7,800	6,163	22,799
469,365	900,022	0	0	0	6,698
0	0	75,118	0	0	0
5,347	5,888	5,735	5,085	2,794	4,227
1,199,794	1,250,202	1,396,657	1,381,881	1,377,293	1,408,849
298,087	314,959	337,926	311,477	117,091	14,629
1,613	791	2,912	497	10,936	4,136

(continued)

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

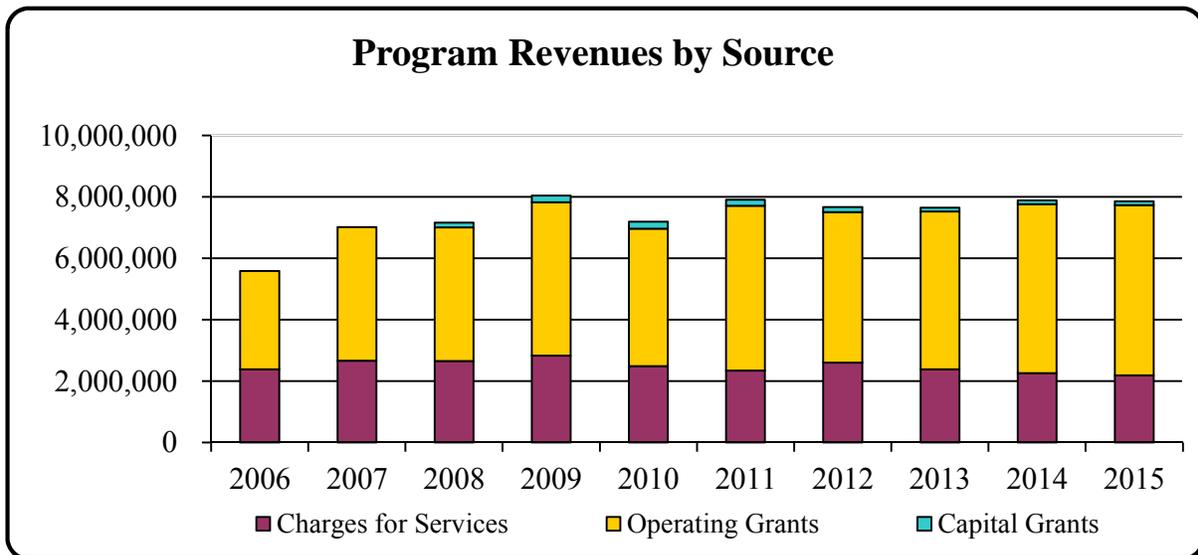
	2006	2007	2008	2009
Capital Grants and Contributions				
Operation and Maintenance of Plant	\$0	\$0	\$156,053	\$219,516
<i>Total Governmental Activities Program Revenues</i>	<u>5,586,423</u>	<u>7,013,938</u>	<u>7,160,360</u>	<u>8,040,489</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	<u>(43,501,636)</u>	<u>(41,276,861)</u>	<u>(45,565,003)</u>	<u>(43,215,671)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Property Taxes Levied For:				
General Purposes	34,235,814	36,899,607	31,323,005	24,728,995
Debt Service	963,017	1,456,398	1,372,001	1,146,612
Capital Outlay	473,225	702,373	530,429	427,167
Grants and Entitlements not Restricted to Specific Programs	8,149,887	10,081,905	11,817,104	15,598,148
Gain on Sale of Capital Assets	0	0	1,726	0
Unrestricted Contributions	0	0	0	0
Investment Earnings	759,074	1,126,745	890,620	288,540
Miscellaneous	427,969	458,559	546,579	492,000
<i>Total Governmental Activities</i>	<u>45,008,986</u>	<u>50,725,587</u>	<u>46,481,464</u>	<u>42,681,462</u>
<b>Change in Net Position</b>	<u>\$1,507,350</u>	<u>\$9,448,726</u>	<u>\$916,461</u>	<u>(\$534,209)</u>

Source: School District Financial Records

2010	2011	2012	2013	2014	2015
\$226,177	\$196,417	\$164,911	\$123,363	\$123,999	\$124,050
7,193,885	7,909,223	7,665,830	7,650,422	7,883,957	7,857,332
(44,790,605)	(42,916,535)	(43,377,772)	(43,225,104)	(44,087,938)	(44,278,550)
26,041,020	28,733,772	28,614,838	25,978,460	25,942,420	32,013,999
1,071,389	1,141,941	415,891	271,534	55,185	0
410,979	445,659	443,720	410,456	412,345	466,331
17,563,453	17,019,801	15,758,170	14,339,855	13,684,383	14,514,981
0	1,371	0	0	0	0
0	0	0	0	11,303	0
27,574	27,479	11,040	17,847	4,762	9,135
433,459	371,913	394,204	223,307	606,613	361,853
45,547,874	47,741,936	45,637,863	41,241,459	40,717,011	47,366,299
\$757,269	\$4,825,401	\$2,260,091	(\$1,983,645)	(\$3,370,927)	\$3,087,749

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

	2006	2007	2008	2009
<b>Governmental Activities</b>				
Instruction	\$2,820,227	\$4,229,852	\$3,954,639	\$4,399,300
Pupil Support	193,061	206,957	233,872	403,482
Instructional Staff Support	173,281	210,031	279,925	388,935
Administration	335,335	124,423	152,892	273,331
Fiscal	0	0	0	0
Business	31,780	68,470	151,097	27,762
Operation and Maintenance of Plant	59,209	35,955	158,185	221,161
Pupil Transportation	2,726	0	0	0
Central	2,488	5,150	8,401	7,417
Food Service Operations	1,422,422	1,548,391	1,617,588	1,774,677
Operation of Non-Instructional Services	439,557	447,549	458,815	399,743
Extracurricular Activities	106,337	137,160	144,946	144,681
<b>Total Governmental Activities Program Revenues</b>	<b>\$5,586,423</b>	<b>\$7,013,938</b>	<b>\$7,160,360</b>	<b>\$8,040,489</b>

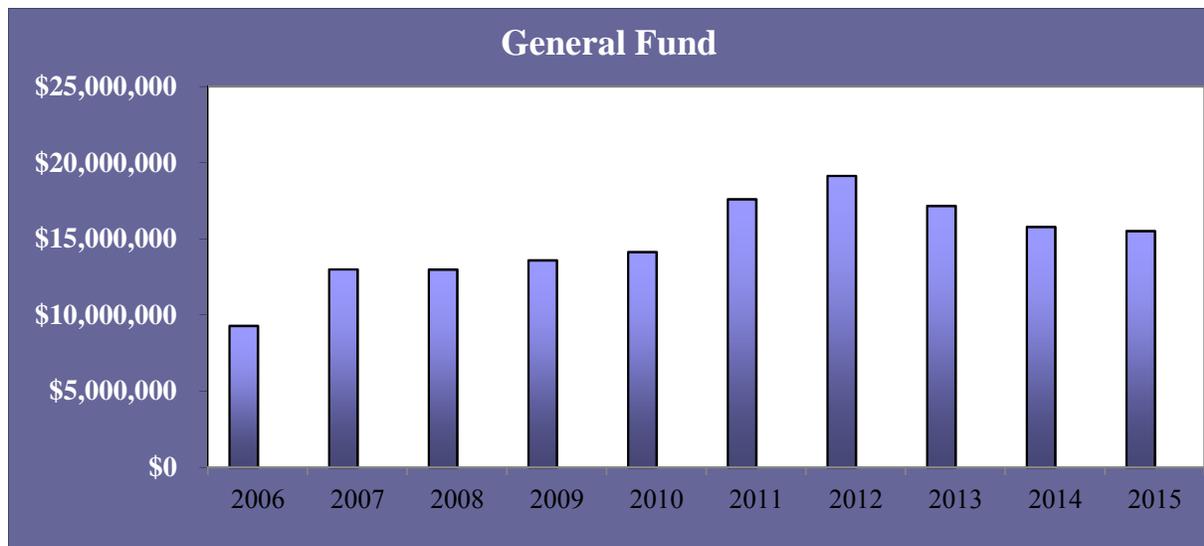


2010	2011	2012	2013	2014	2015
\$3,260,868	\$2,979,806	\$2,929,404	\$3,449,391	\$3,969,625	\$3,976,821
325,493	577,014	977,853	665,691	588,498	678,032
557,455	661,300	750,623	656,491	666,804	623,502
48,225	143,050	142,787	150,000	152,914	157,164
0	0	0	31,118	0	0
32,037	28,328	39,200	46,004	54,083	81,550
695,542	1,096,439	164,911	123,363	123,999	130,748
0	0	75,118	0	0	0
9,817	5,888	5,735	5,085	2,794	4,227
1,820,095	1,851,927	1,966,153	1,947,668	1,908,394	1,947,711
301,294	314,959	337,926	311,477	117,091	14,629
143,059	250,512	276,120	264,134	299,755	242,948
<u>\$7,193,885</u>	<u>\$7,909,223</u>	<u>\$7,665,830</u>	<u>\$7,650,422</u>	<u>\$7,883,957</u>	<u>\$7,857,332</u>

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

	2006	2007	2008	2009
<b>General Fund</b>				
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	3,439,751	3,666,990	4,182,334	4,388,316
Unreserved	5,838,425	9,322,692	8,804,371	9,200,375
<b>Total General Fund</b>	<b>9,278,176</b>	<b>12,989,682</b>	<b>12,986,705</b>	<b>13,588,691</b>
<b>All Other Governmental Funds</b>				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Committed	0	0	0	0
Unassigned (Deficit)	0	0	0	0
Reserved	1,914,332	1,768,180	522,929	498,702
Unreserved, Undesignated, Reported in:				
Special Revenue funds	53,339	740,804	587,229	528,073
Debt Service funds	1,626,389	1,746,847	1,898,375	1,933,159
Capital Projects funds (Deficit)	123,526	(553,176)	(81,771)	315,706
<b>Total All Other Governmental Funds</b>	<b>3,717,586</b>	<b>3,702,655</b>	<b>2,926,762</b>	<b>3,275,640</b>
<b>Total Governmental Funds</b>	<b>\$12,995,762</b>	<b>\$16,692,337</b>	<b>\$15,913,467</b>	<b>\$16,864,331</b>

Note: The School District implemented GASB 54 in 2010.



2010	2011	2012	2013	2014	2015
\$364,235	\$381,025	\$438,142	\$449,469	\$349,108	\$112,005
127,115	24,172	75,118	20,379	22,111	21,692
0	263,940	10,475	17,157	27,964	163,399
648,703	254,886	574,438	807,488	960,842	1,590,751
12,983,706	16,669,230	18,031,928	15,861,977	14,425,907	13,623,821
0	0	0	0	0	0
0	0	0	0	0	0
14,123,759	17,593,253	19,130,101	17,156,470	15,785,932	15,511,668
7,739	6,275	8,986	7,657	8,049	8,044
3,388,085	2,646,554	2,293,997	1,522,221	1,121,060	1,223,112
292,344	276,279	333,159	338,636	324,171	237,261
(164,492)	(126,044)	(141,019)	(585,439)	(371,296)	(93,828)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
3,523,676	2,803,064	2,495,123	1,283,075	1,081,984	1,374,589
\$17,647,435	\$20,396,317	\$21,625,224	\$18,439,545	\$16,867,916	\$16,886,257

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

	2006	2007	2008	2009
<b>Revenues</b>				
Taxes	\$35,356,794	\$35,140,155	\$33,001,370	\$28,115,325
Intergovernmental	11,698,017	14,196,345	16,300,797	20,286,057
Interest	759,074	1,126,745	891,414	289,072
Charges for Services	817,551	809,373	767,700	695,664
Tuition and Fees	1,338,900	1,600,541	1,644,257	1,901,550
Rentals	32,638	39,582	46,235	27,107
Extracurricular Activities	195,733	211,472	196,848	201,572
Contributions and Donations	30,082	38,846	33,624	60,689
Miscellaneous	427,969	458,559	546,579	492,000
<i>Total Revenues</i>	<u>50,656,758</u>	<u>53,621,618</u>	<u>53,428,824</u>	<u>52,069,036</u>
<b>Expenditures</b>				
Current:				
Instruction	23,599,077	23,114,104	26,886,187	24,342,434
Support Services:				
Pupil	2,748,756	2,715,900	3,027,291	3,018,391
Instructional Staff	1,746,185	1,601,990	1,848,397	2,017,649
Board of Education	407,852	310,042	235,547	220,840
Administration	3,955,263	3,360,610	3,404,060	4,406,969
Fiscal	1,215,241	1,258,900	1,324,697	1,197,973
Business	835,376	706,100	790,875	662,858
Operation and Maintenance of Plant	6,574,042	6,622,764	6,724,407	6,496,796
Pupil Transportation	3,919,612	3,659,119	3,579,251	3,418,883
Central	295,527	291,343	322,631	333,187
Food Service Operations	1,459,746	1,613,500	1,647,393	1,697,381
Operation of Non-Instructional Services	408,581	491,939	434,894	382,279
Extracurricular Activities	695,384	693,657	737,178	748,612
Capital Outlay	2,737,132	1,832,344	1,413,163	259,071
Debt Service:				
Principal Retirement	1,184,647	1,402,204	1,428,306	1,436,113
Interest and Fiscal Charges	360,493	400,527	406,964	357,686
Capital Appreciation Bond Accretion	0	0	0	0
<i>Total Expenditures</i>	<u>52,142,914</u>	<u>50,075,043</u>	<u>54,211,241</u>	<u>50,997,122</u>
<i>Excess of Revenue Over (Under) Expenditures</i>	<u>(1,486,156)</u>	<u>3,546,575</u>	<u>(782,417)</u>	<u>1,071,914</u>
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	3,547	0
General Obligation Bonds Issued	3,562,114	0	0	0
Capital Lease Issued	0	0	0	0
Transfers In	116,963	462,281	162,380	108,712
Transfers Out	(116,963)	(462,281)	(162,380)	(108,712)
<i>Total Other Financing Sources (Uses)</i>	<u>3,562,114</u>	<u>0</u>	<u>3,547</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>\$2,075,958</u>	<u>\$3,546,575</u>	<u>(\$778,870)</u>	<u>\$1,071,914</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	3.13%	3.79%	3.50%	3.54%

2010	2011	2012	2013	2014	2015
\$26,973,653	\$30,111,839	\$28,956,997	\$27,447,886	\$28,572,423	\$29,517,762
22,845,958	22,656,406	20,612,383	19,207,456	19,449,806	20,216,766
27,574	27,479	11,272	18,041	4,818	9,142
633,791	616,090	582,866	579,174	536,697	542,236
1,610,786	1,472,019	1,724,635	1,517,077	1,390,958	1,353,634
31,425	23,328	33,300	38,204	47,920	58,051
215,149	235,356	259,838	250,250	283,223	235,438
33,137	27,790	37,781	33,755	32,986	56,251
433,459	371,913	394,204	223,307	606,613	361,853
52,804,932	55,542,220	52,613,276	49,315,150	50,925,444	52,351,133
26,608,416	24,627,785	24,679,082	25,139,343	25,959,835	26,191,469
3,044,855	3,027,990	3,014,361	3,080,800	3,241,612	3,351,860
2,501,589	2,735,415	2,647,904	2,725,416	1,992,930	1,925,223
243,585	85,953	98,729	112,719	83,190	114,703
2,831,149	3,939,104	3,924,347	4,100,197	4,088,382	4,070,934
1,358,705	1,297,089	1,471,701	1,339,748	1,301,579	1,208,467
665,426	628,133	673,193	782,706	725,838	885,775
6,663,901	6,184,358	5,700,942	5,880,883	6,251,959	6,312,660
3,313,997	3,610,092	3,594,296	3,726,869	3,970,386	3,895,525
321,490	329,489	210,786	192,020	125,255	114,132
1,674,162	1,704,502	1,766,973	1,870,279	1,790,125	1,822,792
309,029	355,463	334,491	337,726	117,475	50,645
672,221	735,104	744,770	799,675	909,855	967,983
78,408	2,306,236	712,729	929,228	1,003,110	934,922
1,448,248	1,612,105	1,669,411	838,479	543,748	398,986
286,647	221,156	155,354	108,157	97,464	89,216
0	0	0	823,670	305,030	0
52,021,828	53,399,974	51,399,069	52,787,915	52,507,773	52,335,292
783,104	2,142,246	1,214,207	(3,472,765)	(1,582,329)	15,841
0	16,250	14,700	12,508	10,700	2,500
0	0	0	274,578	0	0
0	590,386	0	0	0	0
395,712	391,980	390,230	330,450	333,400	289,600
(395,712)	(391,980)	(390,230)	(330,450)	(333,400)	(289,600)
0	606,636	14,700	287,086	10,700	2,500
\$783,104	\$2,748,882	\$1,228,907	(\$3,185,679)	(\$1,571,629)	\$18,341
3.35%	3.62%	3.61%	1.86%	1.27%	0.95%

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

Collection Year	Real Estate			Tangible Personal		
	Assessed Value			Estimated Actual Value	Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial	Total			
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
2014	353,802,970	278,758,910	632,561,880	1,807,319,657	0	0
2015	355,263,290	277,672,580	632,935,870	1,808,388,200	0	0

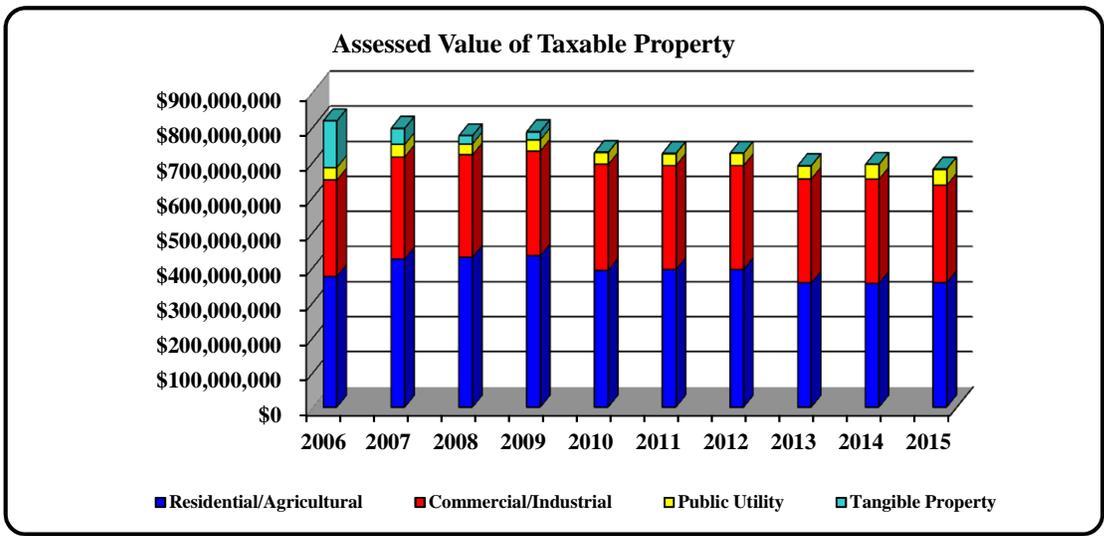
**Source:** Ohio Department of Taxation

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
\$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
42,060,940	47,796,523	674,622,820	1,855,116,180	45.82101
45,977,350	52,246,989	678,913,220	1,860,635,189	50.73634



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

	2006	2007	2008	2009	2010
<b>Unvoted Millage</b>					
Operating	\$4.620000	\$4.620000	\$4.620000	\$4.620000	\$4.620000
<b>Voted Millage - by levy</b>					
1976 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	6.767100	6.012330	6.012653	6.008287	6.689483
Commercial/Industrial	12.976200	12.387131	12.323169	12.287716	12.446933
Tangible/Public Utility Personal	29.300000	29.300000	29.300000	29.300000	29.300000
1983 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.064500	2.722704	2.722849	2.720869	3.029341
Commercial/Industrial	4.359300	4.161418	4.139929	4.128016	4.181509
Tangible/Public Utility Personal	6.600000	6.600000	6.600000	6.600000	6.600000
1986 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	2.450500	2.177165	2.177285	2.175700	2.422365
Commercial/Industrial	3.466300	3.308895	3.291805	3.282335	3.324865
Tangible/Public Utility Personal	5.000000	5.000000	5.000000	5.000000	5.000000
1988 Bond (\$2,000,000)	0.170000	0.270000	0.270000	0.270000	0.270000
1991 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	2.874400	2.553800	2.553940	2.552085	2.841420
Commercial/Industrial	3.727500	3.558260	3.539885	3.529700	3.575435
Tangible/Public Utility Personal	5.000000	5.000000	5.000000	5.000000	5.000000
2007 Permanent Improvement					
Effective Millage Rates					
Residential/Agricultural	0.574900	0.510760	0.510788	0.510417	0.568284
Commercial/Industrial	0.745500	0.711652	0.707977	0.705940	0.715087
Tangible/Public Utility Personal	1.000000	1.000000	1.000000	1.000000	1.000000
1992 Bond (\$12,000,000)	1.310000	1.410000	1.410000	1.680000	1.410000
1995 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.306600	2.937780	2.937937	2.935802	3.268645
Commercial/Industrial	3.983400	3.802590	3.782952	3.772069	3.820944
Tangible/Public Utility Personal	4.600000	4.600000	4.600000	4.600000	4.600000
1999 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.877845	3.445317	3.445503	3.442999	3.833344
Commercial/Industrial	4.397678	4.197991	4.176309	4.164294	4.218253
Tangible/Public Utility Personal	4.900000	4.900000	4.900000	4.900000	4.900000
2004 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	4.900000	4.353458	4.353694	4.350528	4.843758
Commercial/Industrial	4.900000	4.677554	4.653397	4.640009	4.700129
Tangible/Public Utility Personal	4.900000	4.900000	4.900000	4.900000	4.900000
2010 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	0.000000	0.000000	0.000000	0.000000	4.900000
Commercial/Industrial	0.000000	0.000000	0.000000	0.000000	4.900000
Tangible/Public Utility Personal	0.000000	0.000000	0.000000	0.000000	4.900000
2014 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
<b>Total Effective Voted Millage by type of property</b>					
Residential/Agricultural	\$29.295845	\$26.393314	\$26.394649	\$26.646687	\$34.076640
Commercial/Industrial	40.035878	38.485491	38.295423	38.460079	43.563155
Tangible/Public Utility Personal	62.780000	62.980000	62.980000	63.250000	67.880000

2011	2012	2013	2014	2015
\$4.620000	\$4.620000	\$4.620000	\$4.620000	\$4.620000
6.690040	6.710345	7.447914	7.484392	7.508593
12.472072	12.521677	13.228833	13.363319	13.472579
29.300000	29.300000	29.300000	29.300000	29.300000
3.029591	3.038779	3.372778	3.389291	3.400247
4.189944	4.206609	4.444176	4.489353	4.526049
6.600000	6.600000	6.600000	6.600000	6.600000
2.422565	2.429910	2.696990	2.710195	2.718955
3.331585	3.344830	3.533730	3.569650	3.598830
5.000000	5.000000	5.000000	5.000000	5.000000
0.270000	0.270000	0.270000	0.000000	0.000000
2.841655	2.850270	3.163550	3.179040	3.189315
3.582655	3.596900	3.800035	3.838660	3.870040
5.000000	5.000000	5.000000	5.000000	5.000000
0.568331	0.570054	0.632710	0.635808	0.637863
0.716531	0.719380	0.760007	0.767732	0.774008
1.000000	1.000000	1.000000	1.000000	1.000000
1.410000	0.210000	0.210000	0.000000	0.000000
3.268916	3.278825	3.639207	3.657023	3.668845
3.828663	3.843884	4.060967	4.102243	4.135777
4.600000	4.600000	4.600000	4.600000	4.600000
3.833662	3.845285	4.267929	4.288823	4.302685
4.226769	4.243576	4.483231	4.528800	4.565820
4.900000	4.900000	4.900000	4.900000	4.900000
4.844160	4.858845	4.900000	4.900000	4.900000
4.709615	4.728343	4.900000	4.900000	4.900000
4.900000	4.900000	4.900000	4.900000	4.900000
4.900000	4.900000	4.900000	4.900000	4.900000
4.900000	4.900000	4.900000	4.900000	4.900000
0.000000	0.000000	0.000000	0.000000	4.900000
0.000000	0.000000	0.000000	0.000000	4.900000
0.000000	0.000000	0.000000	0.000000	4.900000
\$34.078920	\$32.962313	\$35.501078	\$35.144572	\$40.126503
43.637834	42.585199	44.590979	44.459757	49.643103
67.880000	66.680000	66.680000	66.200000	71.100000

(continued)

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

	2006	2007	2008	2009	2010
<b>Total Direct Millage by Type of Property</b>					
Residential/Agricultural	\$33.915845	\$31.013314	\$31.014649	\$31.266687	\$38.696640
Commercial/Industrial	44.655878	43.105491	42.915423	43.080079	48.183155
Tangible/Public Utility Personal	<u>67.400000</u>	<u>67.600000</u>	<u>67.600000</u>	<u>67.870000</u>	<u>72.500000</u>
<b>Total Weighted Average Tax Rate</b>	<u>\$44.424590</u>	<u>\$46.954130</u>	<u>\$38.047370</u>	<u>\$38.265890</u>	<u>\$44.222370</u>
<b>Overlapping Rates by Taxing District</b>					
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	21.700000
Commercial/Industrial	12.800000	12.800000	12.800000	12.800000	21.700000
Tangible/Public Utility Personal	12.800000	12.800000	12.800000	12.800000	21.700000
Cuyahoga County					
Effective Millage Rates					
Residential/Agricultural	16.061300	18.690000	17.836490	19.320480	20.160000
Commercial/Industrial	17.168000	18.760000	18.705333	19.706536	19.740000
Tangible/Public Utility Personal	18.450000	20.200000	20.200000	20.600000	20.600000
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

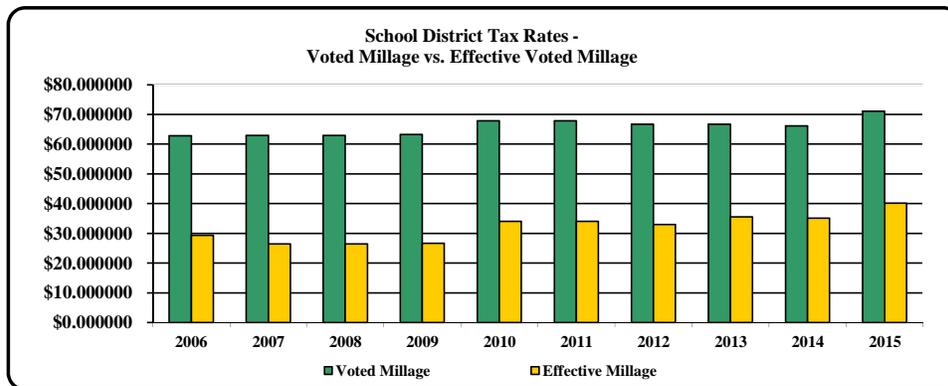
Source: Ohio Department of Taxation

(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.



2011	2012	2013	2014	2015
\$38.698920	\$37.582313	\$40.121078	\$39.764572	\$44.746503
48.257834	47.205199	49.210979	49.079757	54.263103
<u>72.500000</u>	<u>71.300000</u>	<u>71.300000</u>	<u>70.820000</u>	<u>75.720000</u>
<u>\$44.211740</u>	<u>\$43.139370</u>	<u>\$45.623760</u>	<u>\$45.821010</u>	<u>\$45.821010</u>
\$21.900000	\$21.900000	\$21.900000	\$21.900000	\$21.900000
21.900000	21.900000	21.900000	21.900000	21.900000
21.900000	21.900000	21.900000	21.900000	21.900000
21.700000	21.700000	21.700000	21.700000	21.700000
21.700000	21.700000	21.700000	21.700000	21.700000
21.700000	21.700000	21.700000	21.700000	21.700000
20.676506	20.622370	20.783492	22.513900	23.414311
20.186219	20.149382	20.149382	22.333720	23.359565
20.900000	20.800000	20.800000	22.530000	23.430000
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
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
2013	30,883,691	27,708,967	89.72	1,539,724	29,248,691	94.71
2014	34,692,346	31,329,752	90.31	1,216,496	32,546,248	93.81

**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 2015 information cannot be presented because all collections have not been made by June 30, 2015.
- (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*

*2015 and 2006 (1)*

Name of Taxpayer	2015	
	Assessed Valuation	Percent of Real Assessed Value
West-Ward Injectables, Inc.	\$9,560,680	1.51
Columbus Park Property Ownership	5,484,130	0.87
Riser Foods Company	5,176,640	0.82
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	0.69
CSH-ING Woodside Village LP	3,612,460	0.57
Mayfred Company	3,434,360	0.54
First Interstate	3,326,770	0.53
Ford Motor Company	3,185,000	0.50
Total	<u>\$47,657,400</u>	<u>7.53%</u>
Total Real Estate Valuation	<u>\$632,935,870</u>	
Name of Taxpayer	2006	
	Assessed Valuation	Percent of Real Assessed Value
Ford Motor Company	\$8,369,830	1.29
Bear Creek Investment Company	7,175,520	1.11
Riser Foods Company	6,650,000	1.03
First Interstate	6,615,210	1.02
5977 Bear Creek Road LLC	5,864,340	0.90
Ben Venue Laboratories, Incorporated	5,780,320	0.89
Bedford Colony Club Apartments	4,571,110	0.70
South Point Towers Limited	4,221,790	0.65
Mayfred Company	3,512,480	0.54
University Hospitals Health Systems	3,498,580	0.54
Total	<u>\$56,259,180</u>	<u>8.67%</u>
Total Real Estate Valuation	<u>\$648,582,090</u>	

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

(1) The amounts presented represent the assessed values upon which 2015 and 2006 collections were based.

**Bedford City School District**

*Principal Taxpayers*

*Public Utilities Tax*

*2015 and 2006 (1)*

<hr/> <hr/>		
2015		
<u>Name of Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percent of Public Utility Assessed Value</u>
Cleveland Electric Illuminating Company	\$30,015,550	65.28%
American Transmission System	13,228,800	28.77
The East Ohio Gas Company	2,037,840	4.43
Ohio Edison Co.	695,160	1.52
Total	<u>\$45,977,350</u>	<u>100.00%</u>
Total Public Utility Valuation	<u>\$45,977,350</u>	
<hr/> <hr/>		
2006		
<u>Name of Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percent of Public Utility Assessed Value</u>
Cleveland Electric Illuminating Company	\$19,598,440	55.17%
American Transmission System	8,345,580	23.49
Ohio Bell Telephone Company	3,491,460	9.83
The East Ohio Gas Company	1,585,900	4.46
Norfolk Southern Combined	795,660	2.24
Total	<u>\$33,817,040</u>	<u>95.19%</u>
Total Public Utility Valuation	<u>\$35,524,420</u>	

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

(1) The amounts presented represent the assessed values upon which 2015 and 2006 collections were based.

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

	2006	2007	2008	2009
Total Assessed Valuation	\$816,579,269	\$795,490,777	\$774,251,314	\$785,857,194
Less Railroad and Telephone Property Valuation	(11,401,681)	(5,624,070)	(21,638,265)	(315,340)
Less General Business Tangible Personal Property Valuation	<u>(132,472,759)</u>	<u>(45,893,227)</u>	<u>(22,946,614)</u>	<u>(22,970,064)</u>
Total Assessed Valuation Used to Calculate Legal Debt Margin (1)	672,704,829	743,973,480	729,666,435	762,571,790
Overall Debt Limitation - 9% of Assessed Valuation (2)	60,543,435	66,957,613	65,669,979	68,631,461
Gross Indebtedness Authorized by the School District	11,315,414	10,067,582	8,677,507	7,346,998
Less Exempt Debt:				
Energy Conservation	<u>(3,562,114)</u>	<u>(3,336,282)</u>	<u>(3,155,207)</u>	<u>(2,966,698)</u>
Debt within 9.0% limitation	7,753,300	6,731,300	5,522,300	4,380,300
Less Amount Available in Debt Service	<u>(1,752,212)</u>	<u>(1,916,465)</u>	<u>(2,103,486)</u>	<u>(2,154,602)</u>
Net Debt within 9.0% limitation	6,001,088	4,814,835	3,418,814	2,225,698
Legal debt margin within 9.0% limitation	<u>\$54,542,347</u>	<u>\$62,142,778</u>	<u>\$62,251,165</u>	<u>\$66,405,763</u>
Legal Debt Margin as a Percentage of Debt Limit	90.09%	92.81%	94.79%	96.76%
Energy Conservation Debt limitation 0.9% of assessed valuation	6,054,343	6,695,761	6,566,998	6,863,146
Net Debt within 0.9% limitation	<u>(3,562,114)</u>	<u>(3,336,282)</u>	<u>(3,155,207)</u>	<u>(2,966,698)</u>
Energy Conservation Debt Margin	<u>\$2,492,229</u>	<u>\$3,359,479</u>	<u>\$3,411,791</u>	<u>\$3,896,448</u>
Energy Conservation Debt Margin as a Percentage of the Energy Conservation Debt Limit	41.16%	50.17%	51.95%	56.77%
Unvoted Legal Debt Limit - .10% of Assessed Value (2)	\$672,705	\$743,973	\$729,666	\$762,572
Gross Indebtedness Authorized by the School District	3,562,114	3,336,282	3,155,207	2,966,698
Less Exempt Debt:				
Energy Conservation	<u>(3,562,114)</u>	<u>(3,336,282)</u>	<u>(3,155,207)</u>	<u>(2,966,698)</u>
Legal debt margin within .10% limitation	<u>\$672,705</u>	<u>\$743,973</u>	<u>\$729,666</u>	<u>\$762,572</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.

2010	2011	2012	2013	2014	2015
\$726,625,040	\$723,595,670	\$724,355,940	\$669,161,260	\$674,622,820	\$678,913,220
(145,790)	(226,900)	(227,020)	(237,950)	(240,430)	(252,120)
0	0	0	0	0	0
726,479,250	723,368,770	724,128,920	668,923,310	674,382,390	678,661,100
65,383,133	65,103,189	65,171,603	60,203,098	60,694,415	61,079,499
5,946,750	4,450,445	2,962,754	2,536,575	2,434,899	2,051,775
(2,770,450)	(2,566,145)	(2,353,452)	(2,132,027)	(1,901,511)	(1,661,531)
3,176,300	1,884,300	609,302	404,548	533,388	390,244
(2,025,391)	(1,944,665)	(1,307,415)	(394,533)	(61,655)	(61,655)
1,150,909	(60,365)	(698,113)	10,015	471,733	328,589
\$64,232,224	\$65,163,554	\$65,869,716	\$60,193,083	\$60,222,682	\$60,750,910
98.24%	100.09%	101.07%	99.98%	99.22%	99.46%
6,538,313	6,510,319	6,517,160	6,020,310	6,069,442	6,107,950
(2,770,450)	(2,566,145)	(2,353,452)	(2,132,027)	(1,901,511)	(1,661,531)
\$3,767,863	\$3,944,174	\$4,163,708	\$3,888,283	\$4,167,931	\$4,446,419
57.63%	60.58%	63.89%	64.59%	68.67%	72.80%
\$726,479	\$723,369	\$724,129	\$668,923	\$674,382	\$678,661
2,770,450	2,566,145	2,353,452	2,132,027	1,901,511	1,661,531
(2,770,450)	(2,566,145)	(2,353,452)	(2,132,027)	(1,901,511)	(1,661,531)
\$726,479	\$723,369	\$724,129	\$668,923	\$674,382	\$678,661
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
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
2014	606,094,428	26,307	1,855,116,180	2,107,445	0.11	80.11
2015	606,094,428	26,307	1,860,635,189	1,798,821	0.10	68.38

- 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
\$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
0	136,526	2,243,971	0.12	0.37	85.30
0	46,164	1,844,985	0.10	0.30	70.13

**Bedford City School District**  
*Computation of Direct and Overlapping*  
*Governmental Activities Debt*  
*June 30, 2015*

	General Debt Outstanding	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
Bedford City School District			
General Obligation Bonds	\$1,798,821	100.00%	\$1,798,821
Capital Leases	46,164	100.00	46,164
Total Direct	<u>1,844,985</u>	100.00	<u>1,844,985</u>
Overlapping:			
Cuyahoga County			
General Obligation Bonds	320,822,118	2.45	7,860,142
Revenue Bonds	402,184,477	2.45	9,853,520
Capital Lease Obligations	350,196,997	2.45	8,579,826
Loans Payable	17,430,058	2.45	427,036
Regional Transit Authority			
General Obligation Bonds	135,834,194	2.45	3,327,938
Capital Lease Obligations	14,430,918	2.45	353,557
City of Bedford			
General Obligation Bonds	10,525,186	34.93	3,676,447
Special Assessment Bonds	60,000	34.93	20,958
OPWC Loans	596,171	34.93	208,243
Capital Lease Obligation	27,222	34.93	9,509
City of Bedford Heights			
General Obligation Bonds	1,115,000	28.97	323,016
OPWC Loans	704,527	28.97	204,101
Capital Lease Obligation	161,798	28.97	46,873
Village of Walton Hills			
General Obligation Bonds	425,000	18.72	79,560
OPWC Loans	510,566	18.72	95,578
Village of Oakwood			
General Obligation Bonds	1,395,974	17.37	242,481
Total Overlapping	<u>1,256,420,206</u>		<u>35,308,788</u>
Total	<u><u>\$1,258,265,191</u></u>		<u><u>\$37,153,773</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 2014 collection year.

**Bedford City School District**

*Principal Employers*

2015 and 2006

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**2015**

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<u>Employer</u>	<u>City</u>	<u>Nature of Business or Activity</u>	<u>Number of Employees</u>
University Hospital Health Systems	Bedford	Health Care	841
Riser Foods Company	Bedford Heights	Retail Grocery	700
Wal-Mart Stores East	Bedford	Retail	544
Bedford City School District	Bedford	Public Education	524
U.S. Bank Leader Mortgage	Bedford	Banking	405
City of Bedford	Bedford	Municipal Government	367
B & B Launch	Oakwood Village	In-Home Senior Care	320
HB Employee Services LLC	Bedford	Service	236
Cleveland Coca Cola Bottling	Bedford Heights	Carbonated Soft Drinks	230
Arhaus Furniture	Walton Hills	Retail	230
Total			<u>4,397</u>
Total Employment within the School District			<u>n/a</u>

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**2006**

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<u>Employer</u>	<u>City</u>	<u>Nature of Business or Activity</u>	<u>Number of Employees</u>
Ben Venue Laboratories, Incorporated	Bedford	Sterile Pharmaceuticals	1,133
University Hospital Health Systems	Bedford	Health Care	941
Ford Motor Company	Walton Hills	Motor Vehicle Parts and Accessories	929
Giant Eagle	Bedford Heights	Retail Grocery	875
Bedford City School District	Bedford	Public Education	582
Doan/Pyramid	Bedford	Electronics Contractor	370
City of Bedford	Bedford	Municipal Government	342
Target Division of Dayton Hudson	Bedford	Retail	278
U.S. Bank Leader Mortgage	Bedford	Banking	253
Cleveland Coca Cola Bottling	Bedford Heights	Carbonated Soft Drinks	220
Total			<u>5,923</u>
Total Employment within the School District			<u>n/a</u>

**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
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
2014	13,074	312,808,524	23,926	10,751	234,275,041	21,791
2015	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	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
3,667	71,169,136	19,408	2,281	63,372,000	27,783	6.1	674,622,820
3,667	71,169,136	19,408	2,281	63,372,000	27,783	6.1	678,913,220

**Bedford City School District**  
*Building Statistics*  
*Last Ten Fiscal Years*

	2006	2007	2008
<b>Bedford High School</b>			
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	1,306	1,371	1,322
Student Capacity	1,800	1,800	1,800
Regular Instruction Classrooms	93	93	94
Regular Instruction Teachers	46	59	58
Special Instruction Classrooms	12	12	12
Special Instruction Teachers	12	13	14
Vocational Instruction Classrooms	16	16	16
Vocational Instruction Teachers	9	17	14
<b>Heskett Middle School</b>			
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	635	654	603
Student Capacity	800	800	800
Regular Instruction Classrooms	37	37	37
Regular Instruction Teachers	27	35	35
Special Instruction Classrooms	12	12	12
Special Instruction Teachers	12	12	15
<b>Aurora Upper Intermediate School (1)</b>			
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	308	274	0
Student Capacity	460	460	460
Regular Instruction Classrooms	19	19	19
Regular Instruction Teachers	10	17	0
Special Instruction Classrooms	4	4	4
Special Instruction Teachers	4	4	0

2009	2010	2011	2012	2013	2014	2015
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
1,268	1,215	1,177	1,174	1,129	1,101	1,020
1,800	1,800	1,800	1,800	1,800	1,800	1,800
93	93	93	93	93	93	93
59	50	47	49	48	48	52
13	13	13	13	13	13	13
15	12	12	13	15	15	15
16	16	16	16	16	16	16
14	11	9	7	7	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
587	576	603	524	516	537	521
800	800	800	800	800	800	800
37	37	37	37	37	37	37
33	31	30	30	30	28	28
9	9	9	9	9	9	9
15	11	13	12	12	11	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
0	0	0	0	0	0	0
460	460	460	460	460	460	460
19	19	19	19	19	19	19
0	0	0	0	0	0	0
4	4	4	4	4	4	4
0	0	0	0	0	0	0

(continued)

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

	2006	2007	2008
<b>Carywood Intermediate School (2)</b>			
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	373	423	423
Student Capacity	520	520	438
Regular Instruction Classrooms	27	27	27
Regular Instruction Teachers	13	21	24
Special Instruction Classrooms	3	3	3
Special Instruction Teachers	3	6	7
<b>Columbus Intermediate School (2)</b>			
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	433	438	423
Student Capacity	525	525	525
Regular Instruction Classrooms	32	32	32
Regular Instruction Teachers	20	23	26
Special Instruction Classrooms	4	4	4
Special Instruction Teachers	4	7	9
<b>Central Primary School (2)</b>			
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	387	396	525
Student Capacity	520	520	520
Regular Instruction Classrooms	27	27	27
Regular Instruction Teachers	13	21	21
Special Instruction Classrooms	3	3	3
Special Instruction Teachers	3	4	5
<b>Glendale Primary School (2)</b>			
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	330	369	481
Student Capacity	520	520	520
Regular Instruction Classrooms	26	26	26
Regular Instruction Teachers	12	17	17
Special Instruction Classrooms	5	5	5
Special Instruction Teachers	5	5	7

(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

2009	2010	2011	2012	2013	2014	2015
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
433	433	401	407	396	395	389
438	438	438	438	438	438	438
19	19	19	19	19	19	19
21	19	18	18	18	18	19
5	5	5	5	5	5	5
6	8	10	11	10	9	8
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
415	388	381	373	369	369	402
525	525	525	525	525	525	525
32	32	32	32	32	32	32
23	22	21	18	18	18	20
5	5	5	5	5	5	5
7	8	9	8	8	7	7
72,500	72,500	72,500	72,500	72,500	72,500	72,500
400	400	400	400	400	400	400
3,400	3,400	3,400	3,400	3,400	3,400	3,400
539	568	524	542	543	548	554
520	520	520	520	520	520	520
26	26	26	26	26	26	26
21	29	28	27	27	26	27
2	2	2	2	2	2	2
5	5	6	6	6	5	5
66,000	66,000	66,000	66,000	66,000	66,000	66,000
700	700	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
493	473	482	465	477	487	486
520	520	520	520	520	520	520
25	25	25	25	25	25	25
18	23	23	21	21	23	25
5	5	5	5	5	5	5
5	7	9	9	8	9	10

**Bedford City School District**

*Per Pupil Cost*

*Last Ten Fiscal Years*

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Fiscal Year	Student Enrollment		General Governmental	
	Average Enrollment	Percentage of Change	Total Expenditures (1)	Per Pupil Cost
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
2014	3,437	0.20	51,561,531	15,002
2015	3,372	(1.89)	51,847,090	15,376

(1) Debt Service totals have been excluded.

Source of Information - School District Records

Governmental Activities		Students	
Total	Per	Receiving Free	Percentage
Expenses	Pupil Cost	or Reduced	Of Enrollment
		Lunch	
\$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
51,816,630	15,076	2,299	66.89
52,057,306	15,438	2,267	67.23

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

<b>Function/Program</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Regular Instruction</b>				
Elementary Classroom Teachers	95	94	88	98
Middle School Classroom Teachers	35	35	36	33
High School Classroom Teachers	60	59	58	59
Aides*	0	0	0	0
<b>Special Instruction</b>				
Preschool Teachers	2.5	2.5	2.5	2
Elementary Classroom Teachers	27	28	24	24
Gifted Education Teachers	1	1	1	1
Middle School Classroom Teachers	12	12	15	15
High School Classroom Teachers	12	13	15	15
Paraprofessionals/Aides*	0	0	0	0
<b>Vocational Instruction</b>				
High School Classroom Teachers	17	17	14	14
<b>Pupil Support Services</b>				
Guidance Counselors	11	11	10	10
Librarians	2	2	2	2
Psychologists	4	4	4	4
Speech & Language Pathologists	4	4	4	4
Data and Technology Coach*	0	0	0	0
<b>Administrators</b>				
Elementary	5	5	4	4
Middle School	3	3	3	3
High School	5	5	5	5
Districtwide	16	16	16	16
Clerical, Technology, Finance*	0	0	0	0
<b>Operation of Plant</b>				
Custodians, Security*	40	38	35	34
Maintenance	8	8	8	8
<b>Pupil Transportation</b>				
Bus Drivers	59	62	66	65
Bus Aides	16	13	9	9
Mechanics	5	5	5	5
<b>Food Service Program*</b>				
Elementary Cooks	11	11	8	8
Middle School Cooks	10	10	10	10
High School Cooks	18	18	18	18
Total Employees	<u>478.5</u>	<u>476.5</u>	<u>460.5</u>	<u>466</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.

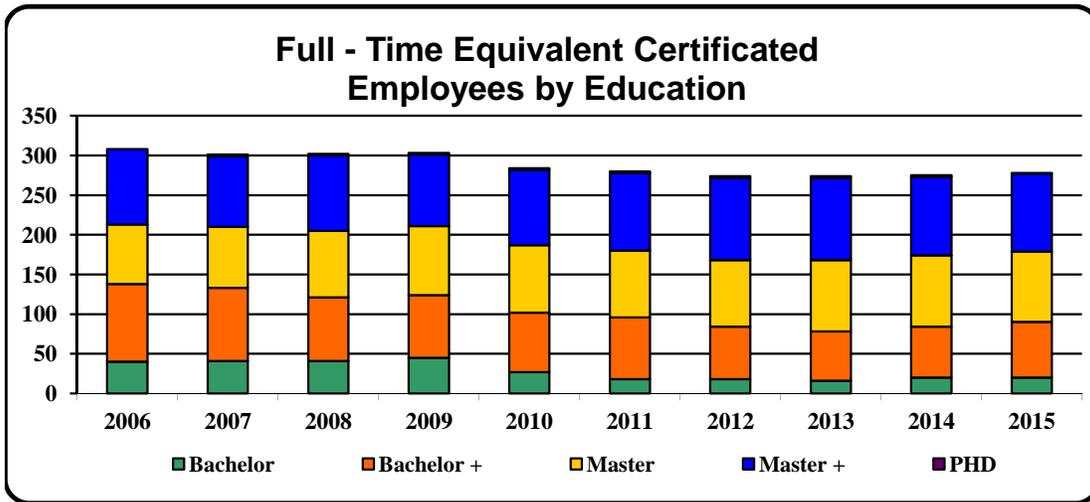
(1) Source of Information - School District Records

2010	2011	2012	2013	2014	2015
83	90	84	87	87	91
31	30	30	30	28	28
50	47	49	48	49	52
0	0	17	19	18	21
2	2	2	2	2	3
27	32	31	30	28	27
1	1	1	1	1	1
11	14	12	12	11	11
12	12	13	15	15	15
0	0	20	22	23	26
11	9	7	7	7	7
10	10	10	10	10	10
1	1	6	6	4	3
3	4	4	4	4	4
4	4	3	4	5	5
0	0	5	5	5	5
5	4	4	4	4	4
3	3	3	3	3	3
5	5	5	5	5	5
15	16	16	16	16	15
0	0	40	38	36	35
30	29	38	34	36	38
9	8	8	8	8	8
63	59	60	54	55	53
10	12	12	10	10	10
5	5	5	5	5	5
10	8	12	12	12	12
9	9	10	10	10	10
15	14	15	14	14	17
<u>425</u>	<u>428</u>	<u>522</u>	<u>515</u>	<u>511</u>	<u>524</u>

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

Degree	2006	2007	2008	2009	2010
Bachelor	40	41	41	45	27
Bachelor Including 150 Hours	59	51	44	46	48
Bachelor Including 180 Hours	39	41	36	33	27
Master	75	77	84	87	85
Master +9	36	36	46	43	38
Master +18	17	15	13	14	22
Master +27	11	13	11	10	9
Master +36	7	5	6	4	4
Master + 45	16	13	13	12	12
Master + 54	8	7	6	7	10
PhD or JD	0	2	2	2	2
Total	308	301	302	303	284

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



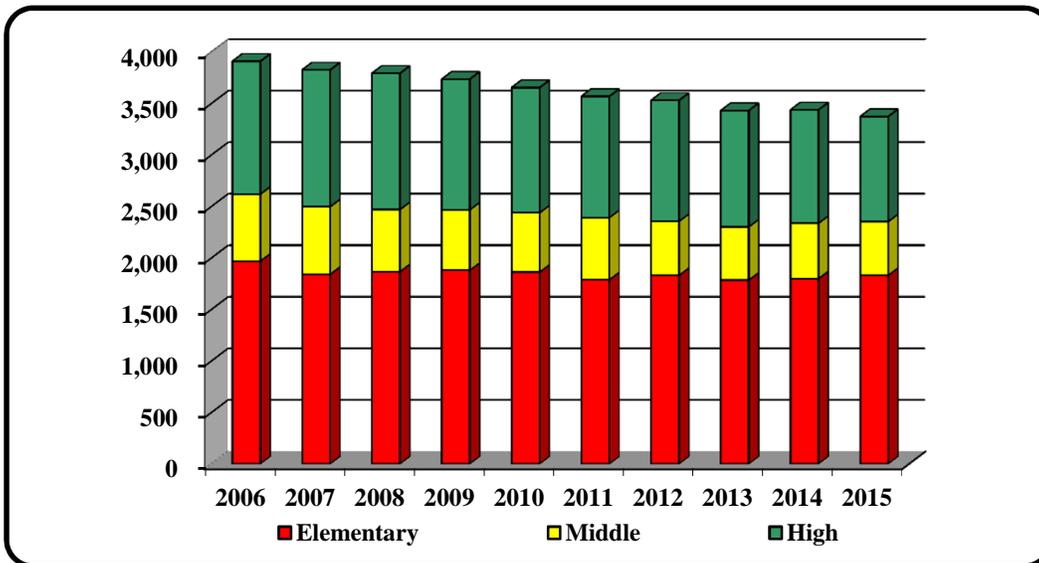
Source: School District Records

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
18	19	16	20	22
46	38	39	39	42
32	28	23	25	28
84	84	90	90	89
38	47	46	38	39
23	21	23	20	18
11	11	11	11	11
3	3	3	4	5
13	13	12	13	14
10	8	9	13	9
<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>
<u>280</u>	<u>274</u>	<u>274</u>	<u>275</u>	<u>278</u>

## Bedford City School District

*Enrollment Statistics  
Last Ten Fiscal Years*

Fiscal Year	Elementary Schools	Middle School	High School	Total
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
2014	1,799	537	1,101	3,437
2015	1,831	521	1,020	3,372



Source: Bedford City School Records



**Artwork by: Ta’Nia Williams Betts**

Grade 8

Heskett Middle School

Art Teacher: Rebecca Genao

**Bedford City School District**  
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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  
MARCH 24, 2016**