

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

**AUDIT REPORT**

**FOR THE FISCAL YEAR  
ENDED JUNE 30, 2018**

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



# OHIO AUDITOR OF STATE KEITH FABER



Board of Education  
Bedford City School District  
475 Northfield Rd  
Bedford, OH 44146

We have reviewed the *Independent Auditor's Report* of the Bedford City School District, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period July 1, 2017 through June 30, 2018. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

February 19, 2019

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**BEDFORD CITY SCHOOL DISTRICT  
CUYAHOGA COUNTY, OHIO  
AUDIT REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	Under Separate Cover
Comprehensive Annual Financial Report	Under Separate Cover
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	1-2
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 the Uniform Guidance	3-5
Schedule of Expenditures of Federal Awards	6
Notes to the Schedule of Expenditures of Federal Awards	7
Schedule of Findings and Questioned Costs	8
Schedule of Prior Audit Findings and Recommendations	9

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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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(216) 475 - 6136

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**

To the Members of 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, each 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, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2018, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 District'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 District'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 are 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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

December 21, 2018



**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

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**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT  
ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON  
THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
REQUIRED BY THE UNIFORM GUIDANCE**

To the Members of 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 (the District) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the District's major federal program for the year ended June 30, 2018. The District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the District'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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 District'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 District's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, the Bedford City School District 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, 2018.

### ***Report on Internal Control over Compliance***

Management of the District 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 District's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, 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 District'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.

## Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have also audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 21, 2018, which contained unmodified opinions on those financial statements, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. 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 the purpose of additional analysis as required by the Uniform Guidance 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.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



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

December 21, 2018

**BEDFORD CITY SCHOOL DISTRICT  
 CUYAHOGA COUNTY, OHIO  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

<b>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Receipts</b>	<b>Non-Cash Receipts</b>	<b>Ependitures</b>	<b>Non-Cash Expenditures</b>
<b>U.S. Department of Agriculture</b>					
<i>Passed through Ohio Department of Education</i>					
Child Nutrition Cluster:					
School Breakfast Program	10.553	\$ 395,408	\$ 0	\$ 395,408	\$ 0
National School Lunch Program	10.555	845,071	107,684	845,071	107,684
Total Child Nutrition Cluster		<u>1,240,479</u>	<u>107,684</u>	<u>1,240,479</u>	<u>107,684</u>
<b>Total U.S. Department of Agriculture</b>		<u>1,240,479</u>	<u>107,684</u>	<u>1,240,479</u>	<u>107,684</u>
<b>U.S. Department of Education</b>					
<i>Passed through Ohio Department of Education</i>					
Title I - Grants to Local Educational Agencies	84.010	<u>1,202,970</u>	<u>0</u>	<u>1,238,622</u>	<u>0</u>
Special Education Cluster (IDEA):					
Special Education - Grants to States	84.027	849,539	0	749,560	0
Special Education - Preschool Grants	84.173	29,784	0	22,121	0
Total Special Education Cluster		<u>879,323</u>	<u>0</u>	<u>771,681</u>	<u>0</u>
Career and Technical Education - Basic Grants to States	84.048	<u>124,768</u>	<u>0</u>	<u>136,841</u>	<u>0</u>
English Language Acquisition State Grants	84.365	<u>11,362</u>	<u>0</u>	<u>10,882</u>	<u>0</u>
Improving Teacher Quality States Grants	84.367	<u>92,656</u>	<u>0</u>	<u>100,080</u>	<u>0</u>
Student Support and Academic Enrichment Program	84.424	<u>16,070</u>	<u>0</u>	<u>16,766</u>	<u>0</u>
<b>Total U.S. Department of Education</b>		<u>2,327,149</u>	<u>0</u>	<u>2,274,872</u>	<u>0</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		<u>\$ 3,567,628</u>	<u>\$ 107,684</u>	<u>\$ 3,515,351</u>	<u>\$ 107,684</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, 2018**

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**NOTE 1: BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Bedford City School District under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Bedford City School District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Bedford City School District.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3: INDIRECT COST RATE**

The Bedford City School District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**NOTE 4: 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 5: 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  
 UNIFORM GUIDANCE  
 JUNE 30, 2018**

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

2018(i)	Type of Financial Statement Opinion	Unmodified
2018(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2018(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2018(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2018(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2018(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2018(v)	Type of Major Programs' Compliance Opinions	Unmodified
2018(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2018(vii)	Major Programs (list):  Child Nutrition Cluster - CFDA #10.553 and CFDA #10.555	
2018(viii)	Dollar Threshold: A/B Program	Type A: \$750,000 Type B: All Others
2018(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, 2018**

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The prior audit report, as of June 30, 2017, included no findings or management letter recommendations.

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

**Comprehensive Annual**  
**FINANCIAL REPORT**  
**For the Fiscal Year Ended**  
**June 30, 2018**





**Artwork by: Anna Grayson**

Grade 12

Bedford High School

Art Teacher: Jennifer Pozz

# **Bedford City School District**

Bedford, Ohio

## **Comprehensive Annual Financial Report**

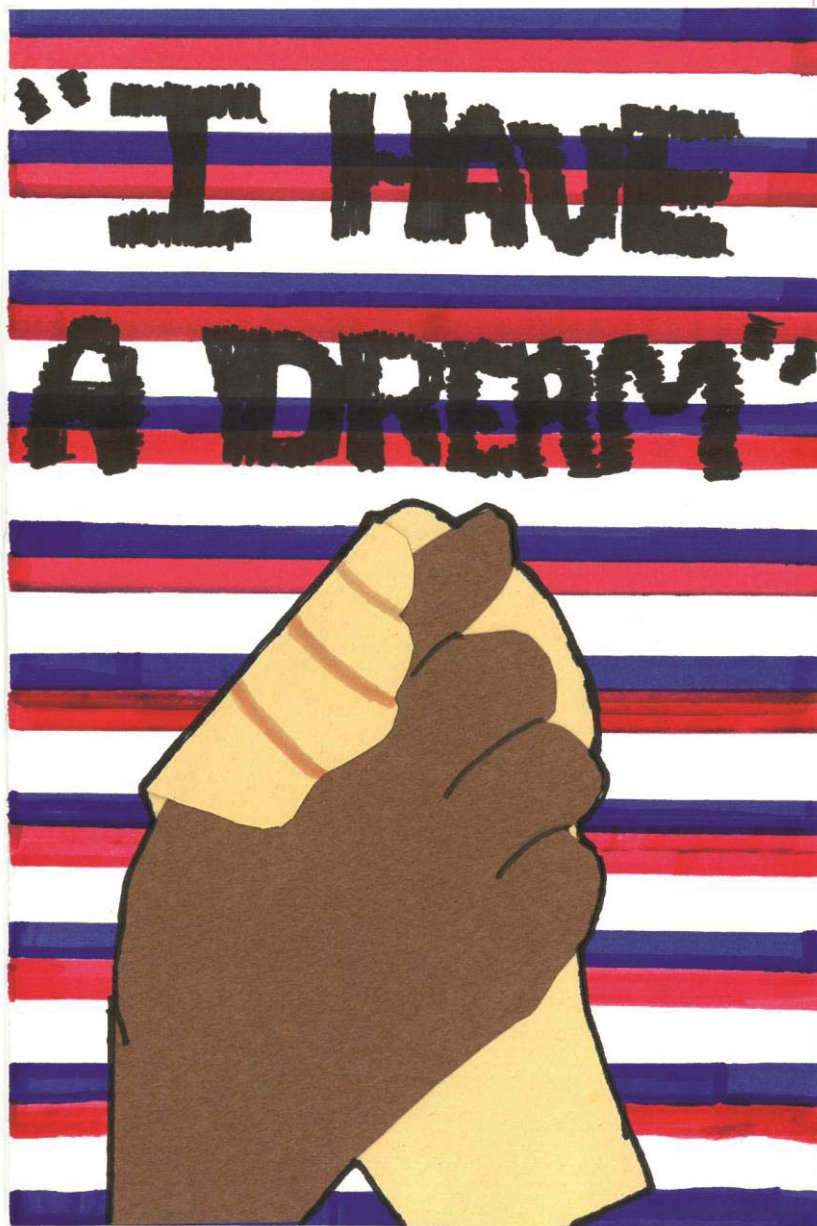
*For the Fiscal Year Ended June 30, 2018*

Prepared by:

Janet M. Pavlic, CPA  
Treasurer

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# Introductory Section



**Artwork by: Ka Leah Jones**

Grade: 8

Heskett Middle School

Art Teacher: Leah McKeen





**Artwork by: Catori Bivins**

Grade 6

Carylwood Intermediate School

Art Teacher: Beverly Brown

**Bedford City School District**  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended June 30, 2018*

*Table of Contents*

	<u>Page</u>
<b>I. Introductory Section</b>	
Table of Contents .....	i
Letter of Transmittal .....	v
Principal Officials .....	xiv
Organizational Chart .....	xv
GFOA Certificate of Achievement .....	xvi
 <b>II. Financial Section</b>	
Independent Auditor’s Report.....	1
Management’s Discussion and Analysis.....	5
<b>Basic Financial Statements:</b>	
<b>Government-wide Financial Statements:</b>	
Statement of Net Position .....	16
Statement of Activities .....	17
 <b>Fund Financial Statements:</b>	
Balance Sheet – Governmental Funds.....	18
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities.....	19
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.....	20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	21
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual - General Fund.....	22
Statement of Net Position – Internal Service Funds.....	23
Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds .....	24
Statement of Cash Flows – Internal Service Funds.....	25
Statement of Fiduciary Net Position – Fiduciary Funds.....	26
Statement of Changes in Fiduciary Net Position – Private Purpose Trust Fund .....	27
Notes to the Basic Financial Statements .....	28

Required Supplementary Information

Schedule of the School District’s Proportionate Share of the Net Pension Liability -  
School Employees Retirement System of Ohio – Last Five Fiscal Years .....70

Schedule of the School District’s Proportionate Share of the Net OPEB Liability -  
School Employees Retirement System of Ohio – Last Two Fiscal Years .....72

Schedule of the School District’s Proportionate Share of the Net Pension Liability -  
State Teachers Retirement System of Ohio – Last Five Fiscal Years.....74

Schedule of the School District’s Proportionate Share of the Net OPEB Liability -  
State Teachers Retirement System of Ohio – Last Two Fiscal Years .....76

Schedule of the School District’s Contributions -  
School Employees Retirement System of Ohio – Last Ten Fiscal Years .....78

Schedule of the School District’s Contributions -  
State Teachers Retirement System of Ohio – Last Ten Fiscal Years .....80

Notes to the Required Supplementary Information.....82

Combining and Individual Fund Statements and Schedules:

Combining Statements – Nonmajor Governmental Funds:

Fund Descriptions ..... 86

Combining Balance Sheet – Nonmajor Governmental Funds ..... 89

Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances – Nonmajor Governmental Funds ..... 90

Combining Balance Sheet – Nonmajor Special Revenue Funds ..... 91

Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances – Nonmajor Special Revenue Funds ..... 94

Combining Balance Sheet – Nonmajor Capital Projects Funds..... 97

Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances – Nonmajor Capital Projects Funds..... 98

Agency Fund Descriptions and Statement of Changes in Assets and Liabilities – Agency Funds..... 99

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

Major Fund:  
General Fund..... 101

Nonmajor Funds:  
Food Service Fund ..... 106  
Local Grants Fund ..... 107  
District Managed Student Activities Fund..... 109  
Auxiliary Services Fund ..... 111

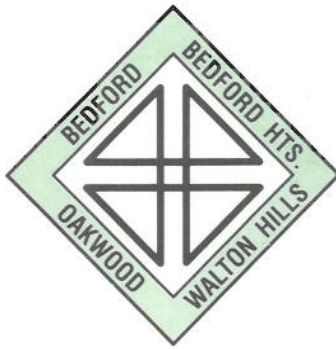


Public School Preschool Fund .....	112
Data Communications Fund .....	113
Miscellaneous State Grants Fund.....	114
Title VI-B Fund.....	115
Vocational Education Fund .....	117
Title III Fund.....	119
Title I Fund .....	120
Preschool Handicapped Fund .....	122
Title VI-R Fund .....	124
Miscellaneous Federal Grants Fund.....	125
Recreation Fund.....	127
Public School Support Fund .....	128
Special Enterprise Fund .....	130
Summer School Fund.....	131
Adult and Community Education Fund .....	132
Underground Fuel Storage Tank Fund .....	133
Bond Retirement Fund.....	134
Permanent Improvement Fund.....	135
Building Fund .....	137
Capital Replacement Fund.....	138
Self Insurance Fund .....	139
Scholarship Fund .....	140

### III. Statistical Section

Statistical Section Description .....	S1
Net Position by Component – Last Ten Fiscal Years .....	S2
Changes in Net Position – Last Ten Fiscal Years .....	S4
Program Revenues by Function – Last Ten Fiscal Years .....	S8
Fund Balances, Governmental Funds – Last Ten Fiscal Years.....	S10
Changes in Fund Balances – Last Ten Fiscal Years .....	S12
Assessed and Estimated Actual Value of Taxable Property – Last Ten Years .....	S14
Property Tax Rates – Direct and Overlapping Governments (per \$1,000 of Assessed Value) – Last Ten Years .....	S16
Property Tax Levies and Collections – Last Ten Years.....	S20
Principal Taxpayers – 2018 and 2009	
Real Estate Tax .....	S21
Public Utilities Tax .....	S22
Computation of Legal Debt Margin.....	S24
Ratio of Debt to Assessed Value And Debt per Capita – Last Ten Fiscal Years.....	S26

Computation of Direct and Overlapping Governmental Activities Debt.....	S28
Principal Employers – 2018 and 2009 .....	S29
Demographic and Economic Statistics – Last Ten Years .....	S30
Building Statistics – Last Ten Fiscal Years .....	S32
Per Pupil Cost – Last Ten Fiscal Years.....	S36
School District Employees by Function/Program – Last Ten Fiscal Years .....	S38
Full-Time Equivalent Certificated School District Employees By Education – Last Ten Fiscal Years.....	S40
Enrollment Statistics – Last Ten Fiscal Years .....	S42



# BEDFORD CITY SCHOOL DISTRICT

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

December 21, 2018

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, 2018. 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, 2018, 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 3,096 students in grades K-12, and 104 students in Pre-Kindergarten programs. 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 ensure 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 Connect and Ohio Schools Council Association. These organizations are presented in Notes 17 and 21 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 \$691,993,180 is divided among the four municipalities making up the School District in the following manner: Bedford 33 percent, Bedford Heights 28 percent, Oakwood Village 17 percent and Walton Hills 22 percent. Approximately 50 percent of the tax base is residential real property, 11 percent is public utility tangible property and 39 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 (CRA) 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 CRA gave the City the ability to maintain and expand business located in the City and created new jobs.

Art of Beauty, located in the Tinkers Creek Commerce Park Development, added \$6.1 million in real estate improvements to the property, and transferred 45 employees to the site. It is expected to create 50 more jobs within 6 years per their CRA agreement.

The Hemisphere Corporation and Hull & Associates have completed building a new headquarters on their site at a cost of \$3.2 million.

Beginning in 1996 Ben Venue and the City participated in various abatements in the Community Reinvestment area allowing numerous expansion projects. The company stopped production of all products within the 1 million square foot of manufacturing area at the end of 2013.

The facility was purchased by West-Ward Pharmaceuticals who is utilizing the Lab Office Building complex for the research and development. At the year-end 2016, West-Ward pharmaceuticals had 61 employees on site. West-Ward pharmaceuticals sold four of the buildings to Xellia Pharmaceuticals late in 2015, with the assistance from the State of Ohio offering business incentives. In 2017, Xellia has completed construction on the facilities to allow distribution of products. Distribution is expected to begin soon, resulting in the additional hiring of up to 170 employees by year-end.

The City of Bedford is home to the Historic Automile, which has enjoyed significant growth and construction in the past several years.

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.

In 2018, development of a new \$3.5 million headquarters for Universal Windows Direct was commenced. The company has pledged to bring 80 full-time employees to Bedford Heights and create another 40 full-time jobs in the future.

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 recently discontinued its operations in Walton Hills as well. New development has taken place in Walton Hills in 2018. Dakar Recording Studios has broken ground and when completed will be the first full service audio recording, film, and television production facility in Ohio.

## **General Information**

3,096 students were enrolled in the School District's six schools (two primary, two intermediate schools, one middle school, and one high school). The School District also offers various pre-school programs which have 100 students enrolled. 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, 2018, the School District employed 267 professional staff members (including 244 teachers and 23 administrators) and 239 non-teaching and support staff employees.

## **Instructional Program**

### **Academic Program Highlights**

#### **School District Achievements and Academic Program Highlights**

The Bedford City School District's academic program includes the following highlights from the 2017-2018 school year:

- Bedford City School District offers a full-day kindergarten program to ensure students' academic, social and emotional success. The School District also expanded preschool programming in Fall 2017 by offering two full-day general education preschool classes in addition to the current integrated half-day classes for children with developmental delays and peer models. The School District's preschool program received a Step Up To Quality (SUTQ) 5 star rating from the Ohio Department of Education, which is the highest rating possible.
- Accelerated and/or honors classes in grades K-12 (including Gifted and Talented Education/GATE opportunities), as well as dual credit opportunities in grades 7-12, ensure that students at every level of learning are given the opportunity to reach their full potential.
- Gifted students (grades 3-12) are provided a continuum of services, including inclusion with a qualified regular education teacher for identified creative thinkers in grades 3-5, as well as accelerated reading and math in grades 4-8 with a certified Gifted Interventionist. In grades 9-12 gifted students' needs are met through the Advanced Placement (AP) courses. Qualified regular education teachers who have had extensive hours of professional development in gifted education teach many of the AP courses.
- The elementary schools offer embedded, as well as extended-day, opportunities for students grades K-6 who are struggling in the areas of reading and math. The STEPS for Success (Students Trying Every Possible Strategy for Success) program provides students with intense reading intervention through the LLI program (Leveled Literacy Intervention) during the school day as an extension of their reading block. The Scholars program was launched in the 2017-18 school year, providing an additional opportunity for students to receive individualized and targeted instruction in a blended approach utilizing the iReady platform. This program is offered from 4-6 p.m. two days per week. Other after-school tutoring programs are offered in many of the schools.

- Bedford High School offers approximately 165 courses to meet a wide range of students' needs. These include Honors and Advanced Placement, college preparatory, career and technical education, world languages (Spanish, French, Chinese and Individual Investigation World Language), music and fine and cultural arts.
- Middle school students have the opportunity to earn high school credit for six different eighth-grade courses.
- In 2018, the following four students were named as AP Scholars: Daniel Burrell, Tamara Jeffries, Amina Niasse, and Kaitlyn Walker. AP Scholars recognize high school students who have demonstrated college-level achievement through Advanced Placement (AP) courses and exams. AP Scholar is granted to students who receive scores of 3 or higher on three or more AP exams.
- Bedford High School offers dual credit (high school and college credit bearing) courses on campus through an arrangement with Lorain Community College. Through this College Credit Plus (CCP) agreement, students have the opportunity to earn up to 30 dual credits. Career and Technical Education students can also earn articulated credit (varies by program) through an agreement with Cuyahoga Community College. In 2018, three Bedford High School students earned their associate's degree and one student earned two associate's degrees from Tri-C before high school graduation.
- Through a consortium agreement, students interested in pursuing a career through the district's Career and Technical Education path can participate in any programs offered at five area districts: Bedford, Maple Heights, Shaker Heights, Cleveland Heights-University Heights and Warrensville Heights. Students have the opportunity to earn professional certifications, industry-recognized credentials, and college credit in 23 unique pathways.
- The COMPASS Academy in grades 7-12 affords students the opportunity to recover credits and achieve on-time grade promotion and/or graduation. Academy students work online during the school day (grades 9-12) under the guidance of classroom teachers who give clarity and assistance as needed. Additionally, the COMPASS Academy Twilight program (grades 7-12), operating from 2:45-4:45 p.m. daily, offers the opportunity for students to extend their learning by completing course work outside of the traditional school day. This Blended Learning Model allows students 24/7 access to learning as well as work-study, counseling and mentorship opportunities.
- The grand opening of the new Bedford High School Makerspace was part of the School District-wide Parent Technology Night. Makerspace is an on-site facility that promotes problem-solving skills by pairing 3D printers, robotics, and computer science with traditional woodworking and shop methods. It is a space that gives students a safe and engaging place to invent, create, design, and prototype. New and experienced "makers" can gather to work on real and personally meaningful projects, informed by helpful mentors with the necessary expertise.
- The School District began to offer students a new Digital Library through OverDrive in the fall of 2017. This free service allows students to borrow digital content anytime, anywhere. Students can enjoy reading on a computer, tablet, smartphone or eReader and will only be able to access age-appropriate digital content.
- Fourteen Bedford High School students were inducted into the National Honor Society (NHS) in 2018 for having demonstrated excellence in the areas of Scholarship, Leadership, Service, and Character.
- Bedford High School University Bound Scholars (UBS) inducted 46 new members, including five seniors, one junior, 21 sophomores and 19 freshmen from Bedford High School, as well as nine Heskett 8th graders. UBS provides students and their families with a network of support during the college preparation and exploration period. Students must maintain at least a 3.4 GPA and be enrolled in at least one honors-level class. Additionally, UBS students have the opportunity to take a bus trip to visit Ivy League Colleges and other highly selective universities to help inspire them to set greater goals in their college admissions aspirations.

- Bedford High School sophomore India Gardener was the first-place winner in the 9-12th-grade division of the 28th Annual Martin Luther King Jr. Essay Awards Contest sponsored by East View United Church of Christ in Shaker Heights. She was honored and presented with the top prize of \$500 at a Breakfast Program on the Martin Luther King holiday.
- Bedford High School health teacher Stephanie Moision's Operation Keepsake/Peer Leadership Council students were selected to showcase the short film they created at the Student Achievement Fair at the Ohio School Boards Association Capital Conference in November 2017. The students' film, titled I've Got Big Plans, received OK Inc.'s 2017 Friends4Friends Short Film Award and was meant to inspire students to stand up and speak out against sexual pressure.
- Nine Heskett Middle School students were inducted into the National Junior Honor Society (NJHS) in the 2017-2018 school year. The inductees are Helen Needham, Cydney Harkness, Skylar Simon, Emily Garberich, Jackson Roberts, Aaliyah Simmons, Christian Davis, Wale Onamusi and Anna Vlk. The NJHS advisor is Heskett language arts teacher Jennifer Wolters.
- Four Heskett Middle School seventh grade girls-- Laniah Thornton, Alanna Brook, Kaitlyn Olds and Neveah Miller-- joined other seventh grade girls from throughout Northeast Ohio in April 2018 to spend two days building a working energy bike, which was then donated to the school as part of NOPEC's Energy Bike Project: Activating and Energizing Girls in Science! This project was intended to increase awareness of energy conservation and the advantages of energy-efficiency. They also participated in a variety of other STEM (Science, Technology, Engineering and Mathematics) related games and activities.
- Heskett 7th grade teachers, led by Michelle Hinegardner, were awarded the First Energy STEM Grant for the 2017-2018 school year to support a cross curricular project. Students designed and built scale model catapults as a culminating project about ancient Greek and Roman cultures.

**Parent and Community Engagement:**

- The Bedford High School Class of 2018 completed 13,874 hours of community service during the 2017-18 school year.
- The School District maintains a strong partnership with The Mentoring Network. The group oversees several programs at the high school and middle school that focus on instilling character, leadership, and positive relationships. The Mentoring Network received a grant, which enabled them to add staff and expand their programs.
- The Bedford School District is part of a unique book-gifting program that mails a brand new book to enrolled children every month from birth until five years of age, which is funded by the Dolly Parton Imagination Library.
- Other volunteer mentoring/tutoring programs include a character development program with the high school football and basketball teams; the Kids Hope program at Central and Glendale Primary Schools; the Homework Club at Carylwood Intermediate School; 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. The School District also has the V.I.P. program (Volunteering Is Powerful). This program encourages volunteers to contribute their time to assist with the advancement of the students, whether it is in academic, athletic, or fine arts programs.
- Bedford High School TLC (Teens who Listen & Care) sponsored a Breast Cancer Health and Awareness Ceremony and Walk in October to celebrate loved ones who are breast cancer survivors or who lost the battle against the disease. Donations benefited The Gathering Place, Minority Women with Breast Cancer Uniting, Inc., and The Eric R. Beverly Family Foundation.



- Members of the Bedford High School band performed the popular United States Armed Forces Medley for the residents and staff of Bedford's Light of Hearts Villa as part of a special pinning ceremony to help celebrate Veteran's Day.
- Through a program called "Project Lead The Way," Central Primary School had been teamed up with Thompson Elementary School in Houston, Texas, which was hit hard by Hurricane Harvey. This was a year-long initiative that was spearheaded by Central teachers Bret Johnson and Karen Brastoff in which their students were involved in monthly projects that helped the Texas students.
- Central Primary School partnered with Bedford Walgreens in May to celebrate Walgreens Red Nose Day, after Central teachers purchased red noses for their students. Red Nose purchases help kids who need it most. The purpose of the campaign is to end child poverty, and all money earned at the Bedford Walgreens that day stays in our community.
- Carylwood students collected recycled eyeglasses, sunglasses and cases to donate to the Bedford Lions Club.
- Columbus Intermediate and Heskett Middle Schools partnered with the city of Bedford Heights and the Cuyahoga Soil and Water Conservation District in May 2018 to plant 18 trees at the two schools. Bedford Heights had been named a Tree City by the Arbor Day Foundation, and Bedford Heights Mayor Fletcher Berger presented a proclamation to the School District for helping the city maintain that status by planting more trees.
- Superintendent Dr. Andrea Celico met on a quarterly basis with the mayors of the School District's four communities, the local Clergy, and the Superintendent's Advisory Council, a committee consisting of parents, elected officials, students, clergy and community members. She also held monthly meetings with a group of Bedford High School seniors named the Supe's Troops.
- The School District reaches 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 Bedford High School Varsity B Club, continued to turn out quite a crowd in its 27th year in 2018.
- Members of the Bedford Board of Education conduct Community Engagement Walk-in Sessions at a local coffee shop one Saturday morning a month to interact with their constituents and to gain feedback and answer questions about the School District.
- Other community engagement activities in the schools include: 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; Grandparents' Day at Central; and 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 School District Art Show.
- 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 Bedford High School Career and Technical Education students at its 60th Annual Career-Tech Recognition Banquet in May.

- Students at every grade level engage with the community on a regular basis. Some examples are: Elementary school students sent cards to veterans on Veterans Day. Students from various grade levels visited with senior citizens at local senior care facilities, and different school musical groups performed for the residents of these facilities. Schools had holiday food drives and donated the collected food to the local hunger center. The Bedford High School Madrigal Singers performed at many community events, including Christmas in Bedford Falls, Bedford Rotary Club meetings and Board of Education events.

## **Employees**

As of June 30, 2018, the School District had 506 employees. A Statewide public employee collective bargaining law applies generally to public employee relations and collective bargaining.

As of June 30, 2018, 267 of the School District's employees were professionals (certified or licensed by the State Department of Education) serving as treasurer, business manager, classroom teachers, education specialists and certificated administrators, of whom all had at least a bachelor's degree and 72 percent or 194 held advanced degrees. The 2017-2018 starting salary for a teacher with a bachelor's degree was \$40,732; the maximum teacher salary (for a teacher with a master's degree plus 45 semester hours and 18 years' experience) was \$84,488. The average current base salary of a School District teacher for 2017-2018 was \$68,061, compared to a State classroom teachers' average salary of (fiscal year 2016 last year available) \$58,690.

All of the School District's teachers and educational specialists (excluding 18 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, 2016 and will be in effect through June 30, 2019.

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 6 administrators and 3 confidential secretaries, the Communications and Public Relations Specialist, Accounting Manager, Data Entry Manager, Transportation Specialist and the EMIS Specialist. The present contract between the Board of Education and the Association became effective on January 1, 2016 and will be in effect through December 31, 2018. 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, 2017. 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. Tabitha Armstrong, Accounting Manager, 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 2018 CAFR.

Ms. Beth Russell, Coordinator of Communications and Public Relations is credited with providing content to the fiscal year 2018 CAFR. The digital 2018 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, 2018**

**Board of Education**

Mr. Tim Tench	President
Mrs. Barbara A. Patterson	Vice President
Mr. Phil Stevens	Member
Mr. Joseph V. Mestnik	Member
Mr. Robert C. Kennedy	Member

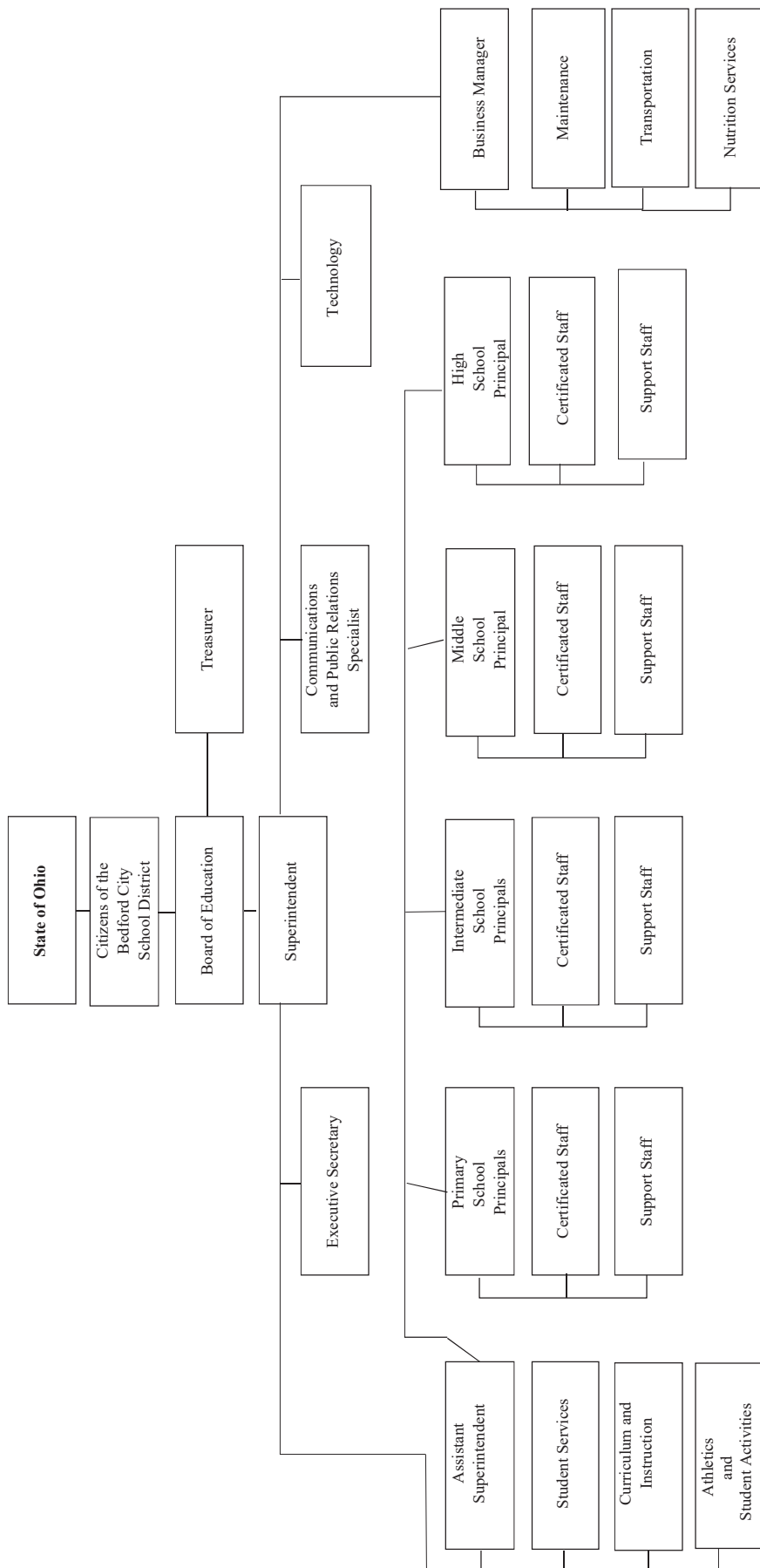
**Treasurer**

Mrs. Janet M. Pavlic, CPA

**Administration**

Ms. Andrea Celico, Ph.D.	Superintendent
Mrs. Cassandra Johnson, Ph.D.	Assistant Superintendent
Mr. Jerry Zgrabik	Business Manager

# Organizational Chart of the Bedford City School District





Government Finance Officers Association

**Certificate of  
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Presented to

**Bedford City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO

# Financial Section



**Artwork by: George Sanchez**

Grade 5

Columbus Intermediate School

Art Teacher: Victoria Watkins





**Artwork by: Dallas Coleman**

Kindergarten

Glendale Primary School

Art Teacher: Raylene Talpas



**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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**INDEPENDENT AUDITOR'S REPORT**

To the Members of 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, each 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, 2018, 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, each major fund, and the aggregate remaining fund information of the Bedford City School District as of June 30, 2018, 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 discussed in Note 23 to the basic financial statements, during 2018, the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. 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 and Schedules of Net Pension and Postemployment Benefit Liabilities and Pension and Postemployment Benefit 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 District'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 21, 2018, on our consideration of the District'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 District's internal control over financial reporting and compliance.



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

December 21, 2018

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**Bedford City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2018*  
*Unaudited*

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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, 2018. 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 2018 are as follows:

- The School District provided educational services to 3,085 students during fiscal year 2018. This is a decrease from the prior fiscal year. The School District also provides preschool education to 52 handicapped and 52 regular education students.
- The School District purchased the property (land and building), formerly operated as the Saint Peter Chanel School for \$1,400,000.
- Outstanding long-term obligations for the School District decreased from the prior fiscal year due to decreases in the net pension/OPEB liabilities combined with an additional year of debt payments.
- 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.
- Capital assets increased from the prior fiscal year due to current year additions outpacing an additional year of depreciation. Capital asset additions included the Saint Peter Chanel property mentioned previously, stadium turf replacement and four busses, among other items.

### **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.

**Bedford City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2018*  
*Unaudited*

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

*Statement of Net Position and the Statement of Activities*

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

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 School District’s overall net position increased in fiscal year 2018.

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 with the balance sheet. 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 self insurance fund accounts for health insurance, prescription drugs and dental coverage and is reported as the School District’s only proprietary fund.

**Bedford City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2018*  
*Unaudited*

**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). Table 1 provides a summary of the School District's governmental activities net position for fiscal year 2018 compared to fiscal year 2017:

**Table 1**  
Net Position

	2018	2017	Change
<b>Assets</b>			
Current and Other Assets	\$59,765,014	\$56,841,651	\$2,923,363
Capital Assets, Net	19,239,409	18,184,902	1,054,507
<i>Total Assets</i>	<u>79,004,423</u>	<u>75,026,553</u>	<u>3,977,870</u>
<b>Deferred Outflows of Resources</b>			
Pension	17,003,874	15,146,333	1,857,541
OPEB	580,616	118,334	462,282
<i>Total Deferred Outflows of Resources</i>	<u>17,584,490</u>	<u>15,264,667</u>	<u>2,319,823</u>
<b>Liabilities</b>			
Current and Other Liabilities	6,683,238	6,815,629	132,391
Long-Term Liabilities:			
Due Within One Year	2,172,591	1,966,297	(206,294)
Due in More than One Year			
Net Pension Liability	59,535,350	82,441,957	22,906,607
Net OPEB Liability	14,389,711	17,706,246	3,316,535
Other Amounts	3,419,399	3,582,671	163,272
<i>Total Liabilities</i>	<u>86,200,289</u>	<u>112,512,800</u>	<u>26,312,511</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	29,393,703	26,666,892	(2,726,811)
Pension	3,383,807	269,791	(3,114,016)
OPEB	1,853,028	0	(1,853,028)
<i>Total Deferred Inflows of Resources</i>	<u>34,630,538</u>	<u>26,936,683</u>	<u>(7,693,855)</u>
<b>Net Position</b>			
Net Investment in Capital Assets	17,992,839	16,507,065	1,485,774
Restricted:			
Capital Projects	327,176	672,773	(345,597)
Debt Service	95,854	33,428	62,426
Other Purposes	1,179,195	1,050,858	128,337
Unrestricted (Deficit)	<u>(43,836,978)</u>	<u>(67,422,387)</u>	<u>23,585,409</u>
<i>Total</i>	<u><u>(\$24,241,914)</u></u>	<u><u>(\$49,158,263)</u></u>	<u><u>\$24,916,349</u></u>

**Bedford City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2018*  
*Unaudited*

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The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2018, and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For fiscal year 2018, the School District adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). 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 OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 requires the net pension liability to equal the School District's proportionate share of each plan's collective:

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

GASB notes that pension and OPEB 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 and other postemployment benefits. GASB noted that the unfunded portion of this 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 these liabilities. 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 Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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 retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *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 retirement system is responsible for the administration of the pension and OPEB plans.



**Bedford City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2018*  
*Unaudited*

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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 or the net OPEB liability. As explained previously, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, 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 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 and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the School District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

As a result of implementing GASB 75, the School District is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2017, from (\$31,570,351) to (\$49,158,263).

Cash and cash equivalents increased as the School District plans for future capital projects and continues cost cutting measures through reductions in staff. The decrease in intergovernmental receivables is primarily due to fewer foundation adjustments from the Ohio Department of Education after fiscal year end. Capital assets increased significantly, primarily due to the purchase of the property formerly operated by Saint Peter Chanel School. This purchase combined with several additional capital asset additions, including the replacement of the stadium turf, exceeded current year depreciation. There was an increase in deferred outflows of resources and a decrease in the net pension/OPEB liabilities and deferred inflows of resources related to the net pension liability from the prior fiscal year. This resulted in an overall increase in net position for the School District. Total liabilities decreased from the prior fiscal year primarily due to a decrease in the net pension/OPEB liabilities combined with a decrease in outstanding debt due to the continued pay down of the debt issuances.

**Bedford City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2018*  
*Unaudited*

Table 2 shows changes in governmental net position for fiscal years 2018 and 2017.

**Table 2**  
Changes in Net Position

	2018	2017	Change
<b>Revenues</b>			
<i>Program Revenues:</i>			
Charges for Services and Sales	\$2,801,267	\$3,125,045	(\$323,778)
Operating Grants, Contributions and Interest	6,173,524	5,509,502	664,022
Capital Grants	39,241	39,293	(52)
<i>Total Program Revenues</i>	<u>9,014,032</u>	<u>8,673,840</u>	<u>340,192</u>
<i>General Revenue:</i>			
Property Taxes	32,831,987	29,305,451	3,526,536
Grants and Entitlements	14,071,284	14,153,589	(82,305)
Unrestricted Contributions	3,754	6,008	(2,254)
Investments	305,640	132,124	173,516
Payments in Lieu of Taxes	145,906	199,431	(53,525)
Gain on Sale of Capital Assets	0	1,239	(1,239)
Miscellaneous	315,662	291,939	23,723
<i>Total General Revenues</i>	<u>47,674,233</u>	<u>44,089,781</u>	<u>3,584,452</u>
<b>Total Revenues</b>	<u>56,688,265</u>	<u>52,763,621</u>	<u>3,924,644</u>
<b>Program Expenses</b>			
Instruction	10,243,312	29,781,153	19,537,841
Support Services:			
Pupil	2,263,289	4,108,605	1,845,316
Instructional Staff	1,385,051	2,617,368	1,232,317
Board of Education	150,798	213,177	62,379
Administration	2,552,233	4,297,333	1,745,100
Fiscal	1,301,180	1,279,440	(21,740)
Business	734,238	776,122	41,884
Operation and Maintenance of Plant	6,202,970	7,057,531	854,561
Pupil Transportation	3,723,821	4,085,397	361,576
Central	207,069	143,369	(63,700)
Operation of Non-Instructional Services:			
Food Service Operations	1,882,515	1,904,457	21,942
Other Non-Instructional Services	188,924	200,868	11,944
Extracurricular Activities	886,854	1,103,957	217,103
Interest and Fiscal Charges	49,662	63,907	14,245
<i>Total Program Expenses</i>	<u>31,771,916</u>	<u>57,632,684</u>	<u>25,860,768</u>
<i>Net Change in Net Position</i>	24,916,349	(4,869,063)	29,785,412
<i>Net Position Beginning of Year</i>	<u>(49,158,263)</u>	N/A	N/A
<i>Net Position End of Year</i>	<u>(\$24,241,914)</u>	<u>(\$49,158,263)</u>	<u>\$24,916,349</u>

**Bedford City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2018*  
*Unaudited*

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$118,334 computed under GASB 45. GASB 45 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report negative OPEB expense of \$1,765,470. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

Total 2018 program expenses under GASB 75	\$31,771,916
Negative OPEB expense under GASB 75	1,765,470
2018 contractually required contribution	<u>160,319</u>
Adjusted 2018 program expenses	33,697,705
Total 2017 program expenses under GASB 45	<u>57,632,684</u>
Decrease in program expenses not related to OPEB	<u><u>(\$23,934,979)</u></u>

The largest component of the decrease in program expenses results from changes in assumptions and benefit terms related to pensions. STRS adopted certain assumption changes, including a reduction in their discount rate, and also voted to suspend cost of living adjustments (COLA). SERS decreased their COLA assumption. (See Note 15) As a result of these changes, pension expense decreased from \$6,646,752 in fiscal year 2017 to a negative pension expense of \$17,645,124 for fiscal year 2018. The allocation of the fiscal year 2018 negative pension expense to program expenses is as follows:

<b>Program Expenses</b>	<b>2018 Program Expenses Related to Negative Pension Expense</b>
Instruction:	
Regular	(\$10,690,243)
Special	(2,574,310)
Vocational	(339,156)
Support Services:	
Pupils	(1,091,079)
Instructional Staff	(618,828)
Administration	(1,548,094)
Fiscal	(32,800)
Business	(24,750)
Operation and Maintenance of Plant	(240,153)
Pupil Transportation	(147,051)
Central	(21,353)
Operation of	
Non-Instructional Services	(11,308)
Operation of Food Service	(38,478)
Extracurricular Activities	<u>(267,521)</u>
Total Expenses	<u><u>(\$17,645,124)</u></u>

**Bedford City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2018*  
*Unaudited*

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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 2018, followed by grants, entitlements and contributions and then charges for services, investments, unrestricted contributions and other revenue made up the remaining revenues.

General revenues increased from 2017. In 2018, the School District experienced higher property tax revenues. Grant and entitlement revenues remained relatively consistent with the prior year. The increase in property tax revenues is due to the timing of advance settlements and an increase in assessed values. 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 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The School District continues to seek out new grant monies available through various federal programs.

Program revenues increased from 2017 as a result of the School District collecting increased amounts of grants, entitlements and contributions as the School District continues to seek out additional sources of funding.

Program expenses decreased in fiscal year 2018 due to changes in the net pension/OPEB liabilities. As mentioned previously, pension expense decreased by \$24,291,876 compared to the prior fiscal year. The recording of the net OPEB liability resulted in an additional \$1,765,470 decrease to program expenses.

Program expenses, excluding amounts related to the net pension/OPEB liabilities, only increased by about \$360,000. This increase can be attributed to the increase in capital outlay expenditures in fiscal year 2018. The School District continues to show vigilance in monitoring all facets of spending.

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

**Bedford City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2018*  
*Unaudited*

**Table 3**  
 Net Cost of Governmental Activities

	Total Cost of Services 2018	Net Cost of Services 2018	Total Cost of Services 2017	Net Cost of Services 2017
Instruction	\$10,243,312	\$5,652,996	\$29,781,153	\$25,048,978
Support Services:				
Pupil	2,263,289	1,385,912	4,108,605	3,327,772
Instructional Staff	1,385,051	512,880	2,617,368	2,030,144
Board of Education	150,798	150,798	213,177	213,177
Administration	2,552,233	2,404,760	4,297,333	4,163,231
Fiscal	1,301,180	1,301,180	1,279,440	1,279,440
Business	734,238	614,625	776,122	693,928
Operation and Maintenance of Plant	6,202,970	6,157,892	7,057,531	7,018,238
Pupil Transportation	3,723,821	3,685,680	4,085,397	4,085,397
Central	207,069	205,921	143,369	141,351
Operation of Non-Instructional Services:				
Food Service Operations	1,882,515	(9,796)	1,904,457	(5,409)
Other Non-Instructional Services	188,924	6,914	200,868	60,506
Extracurricular Activities	886,854	638,460	1,103,957	838,184
Interest and Fiscal Charges	49,662	49,662	63,907	63,907
<i>Total</i>	<u>\$31,771,916</u>	<u>\$22,757,884</u>	<u>\$57,632,684</u>	<u>\$48,958,844</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 \$56,095,620 and expenditures of \$55,820,790. The increase in fund balance for the general fund was primarily due to an increase in tax revenues due to the timing of advance settlements and an increase in assessed values. General fund expenditures remained relatively consistent with the prior year as the Administration carefully monitors the budget to ensure positive cash flows. The School District continues to seek out additional sources of funding. The decrease in fund balance for all other governmental funds was primarily due to increased capital outlay expenditures as the School District made multiple capital asset additions during the fiscal year.

**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 2018, the School District amended its general fund budget several times, but no change was significant. The general fund final budget revenue amount was higher than the original budget amount as the School District adjusted estimates with updated information. The increase

**Bedford City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2018*  
*Unaudited*

---

was due to the greater than anticipated collection of tax and intergovernmental revenues from larger disbursements in foundation settlements and from the Ohio Department of Education. Actual revenues were higher than the final budget amount due in large part to greater tax and intergovernmental revenues than anticipated. Actual expenditures were less than the final budget amount. The School District made a conscious effort to keep expenditures below budgeted amounts. Savings were the greatest in regular instruction, operation and maintenance of plant and pupil transportation due to management taking cost cutting measures. The School District ended the fiscal year with an unencumbered fund balance of \$15,013,230, an increase from fiscal year 2017 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 Long-Term Obligations**

#### ***Capital Assets***

At the end of fiscal year 2018, the School District had, at cost, \$58,683,192 invested in land, buildings and improvements, furniture and equipment, and vehicles. That total carries an accumulated depreciation of \$39,443,783.

In fiscal year 2018, the School District purchased the property formerly operated as the Saint Peter Chanel School for \$1,400,000. Other capital asset additions included the stadium turf replacement and four busses, among other items.

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 \$42,230, provides funds which are used exclusively for capital purchases. These funds are currently being used to finance several construction projects in 2018. 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 \$171,000 and \$113,000 was transferred to the permanent improvement and the capital replacement capital projects funds, respectively, to be used for technology and furniture in the schools. For additional information on capital assets, see Note 12 of the notes to the basic financial statements.

#### ***Long-Term Obligations***

Energy conservation bonds were issued for the purpose of improvements throughout the School District. These bonds will be paid from the general fund. As of June 30, 2018, the remaining principal outstanding was \$880,843.

The School District's overall debt margin was \$61,469,265 with an unvoted debt margin of \$691,427. For additional information on long-term obligations, see Note 20 of the notes to the basic financial statements.

**Bedford City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2018*  
*Unaudited*

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***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.

***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.

**Bedford City School District***Statement of Net Position**June 30, 2018*

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$19,772,364
Accounts Receivable	8,321
Intergovernmental Receivable	1,643,976
Inventory Held for Resale	27,678
Materials and Supplies Inventory	459,252
Taxes Receivable	37,853,423
Nondepreciable Capital Assets	2,225,500
Depreciable Capital Assets	<u>17,013,909</u>
<i>Total Assets</i>	<u>79,004,423</u>
<b>Deferred Outflows of Resources</b>	
Pension	17,003,874
OPEB	<u>580,616</u>
<i>Total Deferred Outflows of Resources</i>	<u>17,584,490</u>
<b>Liabilities</b>	
Accounts Payable	746,100
Contracts Payable	42,724
Accrued Wages and Benefits Payable	4,125,891
Intergovernmental Payable	962,426
Notes Payable	365,727
Matured Compensated Absences Payable	142,846
Accrued Interest Payable	26,224
Claims Payable	271,300
Long-Term Liabilities:	
Due Within One Year	2,172,591
Due in More Than One Year:	
Net Pension Liability (See Note 15)	59,535,350
Net OPEB Liability (See Note 16)	14,389,711
Other Amounts	<u>3,419,399</u>
<i>Total Liabilities</i>	<u>86,200,289</u>
<b>Deferred Inflows of Resources</b>	
Property Taxes	29,393,703
Pension	3,383,807
OPEB	<u>1,853,028</u>
<i>Total Deferred Inflows of Resources</i>	<u>34,630,538</u>
<b>Net Position</b>	
Net Investment in Capital Assets	17,992,839
Restricted for:	
Capital Projects	327,176
Debt Service	95,854
Food Service	877,478
Athletic Facilities	42,269
Other Purposes	259,448
Unrestricted (Deficit)	<u>(43,836,978)</u>
<i>Total Net Position</i>	<u>(\$24,241,914)</u>

See accompanying notes to the basic financial statements



**Bedford City School District**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2018

	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	\$7,121,889	\$1,488,688	\$47,983	\$0	(\$5,585,218)
Special	2,694,229	408,856	2,272,409	0	(12,964)
Vocational	416,879	51,325	321,055	0	(44,499)
Student Intervention Services	10,315	0	0	0	(10,315)
Support Services:					
Pupil	2,263,289	0	877,377	0	(1,385,912)
Instructional Staff	1,385,051	0	872,171	0	(512,880)
Board of Education	150,798	0	0	0	(150,798)
Administration	2,552,233	0	147,473	0	(2,404,760)
Fiscal	1,301,180	0	0	0	(1,301,180)
Business	734,238	90,616	28,997	0	(614,625)
Operation and Maintenance of Plant	6,202,970	0	5,837	39,241	(6,157,892)
Pupil Transportation	3,723,821	0	38,141	0	(3,685,680)
Central	207,069	0	1,148	0	(205,921)
Operation of Non-Instructional Services:					
Food Service Operations	1,882,515	522,748	1,369,563	0	9,796
Other Non-Instructional Services	188,924	0	182,010	0	(6,914)
Extracurricular Activities	886,854	239,034	9,360	0	(638,460)
Interest and Fiscal Charges	49,662	0	0	0	(49,662)
<b>Total Governmental Activities</b>	<b>\$31,771,916</b>	<b>\$2,801,267</b>	<b>\$6,173,524</b>	<b>\$39,241</b>	<b>(22,757,884)</b>
<b>General Revenues</b>					
Property Taxes Levied for:					
General Purposes					32,454,268
Debt Service					56,156
Capital Outlay					321,563
Grants and Entitlements not Restricted to Specific Programs					14,071,284
Unrestricted Contributions					3,754
Investment Earnings					305,640
Payments in Lieu of Taxes					145,906
Miscellaneous					315,662
<b>Total General Revenues</b>					<b>47,674,233</b>
Change in Net Position					24,916,349
Net Position Beginning of Year (Restated - See Note 23)					(49,158,263)
Net Position End of Year					(\$24,241,914)

See accompanying notes to the basic financial statement

**Bedford City School District**  
*Balance Sheet*  
*Governmental Funds*  
*June 30, 2018*

	General	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$16,861,198	\$2,911,166	\$19,772,364
Accounts Receivable	8,321	0	8,321
Intergovernmental Receivable	896,012	747,964	1,643,976
Inventory Held for Resale	0	27,678	27,678
Materials and Supplies Inventory	452,283	6,969	459,252
Interfund Receivable	2,656,001	0	2,656,001
Taxes Receivable	37,303,368	550,055	37,853,423
<i>Total Assets</i>	<u>\$58,177,183</u>	<u>\$4,243,832</u>	<u>\$62,421,015</u>
<b>Liabilities</b>			
Accounts Payable	\$497,861	\$248,239	\$746,100
Contracts Payable	36,393	6,331	42,724
Accrued Wages and Benefits Payable	3,909,861	216,030	4,125,891
Intergovernmental Payable	892,067	70,359	962,426
Accrued Interest Payable	418	191	609
Interfund Payable	0	2,629,350	2,629,350
Notes Payable	250,914	114,813	365,727
Matured Compensated Absences Payable	130,482	12,364	142,846
<i>Total Liabilities</i>	<u>5,717,996</u>	<u>3,297,677</u>	<u>9,015,673</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes	28,964,513	429,190	29,393,703
Unavailable Revenue	4,680,357	759,330	5,439,687
<i>Total Deferred Inflows of Resources</i>	<u>33,644,870</u>	<u>1,188,520</u>	<u>34,833,390</u>
<b>Fund Balances</b>			
Nonspendable	452,283	6,969	459,252
Restricted	23,016	1,407,872	1,430,888
Committed	393,979	107,995	501,974
Assigned	5,519,905	0	5,519,905
Unassigned (Deficit)	12,425,134	(1,765,201)	10,659,933
<i>Total Fund Balances (Deficit)</i>	<u>18,814,317</u>	<u>(242,365)</u>	<u>18,571,952</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$58,177,183</u>	<u>\$4,243,832</u>	<u>\$62,421,015</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, 2018*

<b>Total Governmental Funds Balances</b>		\$18,571,952
 <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.		19,239,409
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	4,557,314	
Tuition and Fees	36,350	
Intergovernmental	846,023	
Total	5,439,687	5,439,687
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(25,615)
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.		(297,951)
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	17,003,874	
Deferred Outflows - OPEB	580,616	
Net Pension Liability	(59,535,350)	
Net OPEB Liability	(14,389,711)	
Deferred Inflows - Pension	(3,383,807)	
Deferred Inflows - OPEB	(1,853,028)	
Total	(61,577,406)	(61,577,406)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(880,843)	
Compensated Absences	(4,711,147)	
Total	(5,591,990)	(5,591,990)
<i>Net Position of Governmental Activities</i>		<u><u>(\$24,241,914)</u></u>

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, 2018*

	General	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>			
Taxes	\$32,252,068	\$374,814	\$32,626,882
Intergovernmental	16,274,458	3,507,654	19,782,112
Interest	305,640	17	305,657
Charges for Services	402	523,451	523,853
Tuition and Fees	1,926,578	0	1,926,578
Rentals	90,616	0	90,616
Extracurricular Activities	98,424	139,505	237,929
Contributions and Donations	3,754	35,192	38,946
Payments in Lieu of Taxes	247,385	0	247,385
Miscellaneous	259,049	56,613	315,662
<i>Total Revenues</i>	<u>51,458,374</u>	<u>4,637,246</u>	<u>56,095,620</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	20,502,078	26,834	20,528,912
Special	5,598,351	350,118	5,948,469
Vocational	710,046	120,008	830,054
Student Intervention Services	10,315	0	10,315
Support Services:			
Pupil	2,832,621	836,071	3,668,692
Instructional Staff	1,465,680	751,833	2,217,513
Board of Education	150,798	0	150,798
Administration	4,375,321	149,868	4,525,189
Fiscal	1,334,784	0	1,334,784
Business	597,472	20,000	617,472
Operation and Maintenance of Plant	6,059,309	3,735	6,063,044
Pupil Transportation	3,764,206	33,650	3,797,856
Central	246,131	1,000	247,131
Operation of Non-Instructional Services:			
Food Service Operations	0	1,937,262	1,937,262
Other Non-Instructional Services	2,080	155,655	157,735
Extracurricular Activities	738,962	258,752	997,714
Capital Outlay	97,111	2,362,435	2,459,546
Debt Service:			
Principal Retirement	270,767	0	270,767
Interest and Fiscal Charges	53,815	3,722	57,537
<i>Total Expenditures</i>	<u>48,809,847</u>	<u>7,010,943</u>	<u>55,820,790</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,648,527</u>	<u>(2,373,697)</u>	<u>274,830</u>
<b>Other Financing Sources (Uses)</b>			
Sale of Capital Assets	23,124	0	23,124
Transfers In	839	389,691	390,530
Transfers Out	(948,925)	(1,605)	(950,530)
<i>Total Other Financing Sources (Uses)</i>	<u>(924,962)</u>	<u>388,086</u>	<u>(536,876)</u>
<i>Net Change in Fund Balances</i>	1,723,565	(1,985,611)	(262,046)
<i>Fund Balances Beginning of Year</i>	<u>17,090,752</u>	<u>1,743,246</u>	<u>18,833,998</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$18,814,317</u>	<u>(\$242,365)</u>	<u>\$18,571,952</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, 2018*

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**Net Change in Fund Balances -Total Governmental Funds** (\$262,046)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital outlay exceeded depreciation in the current period:

Capital Asset Additions	2,784,840	
Current Year Depreciation	<u>(1,559,965)</u>	
Total		1,224,875

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. (170,368)

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

Delinquent Property Taxes	205,105	
Tuition and Fees	22,291	
Payments in Lieu of Taxes	(101,479)	
Grants	<u>466,728</u>	
Total		592,645

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds an interest expenditure is reported when due. 7,875

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. 270,767

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows:

Pension	4,005,008	
OPEB	<u>160,319</u>	
Total		4,165,327

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities:

Pension	17,645,124	
OPEB	<u>1,765,470</u>	
Total		19,410,594

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. (313,789)

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. (9,531)

*Change in Net Position of Governmental Activities* \$24,916,349

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, 2018*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$31,824,912	\$32,060,000	\$33,191,834	\$1,131,834
Intergovernmental	12,142,285	12,231,979	16,277,222	4,045,243
Interest	297,800	300,000	305,640	5,640
Charges for Services	0	0	166	166
Tuition and Fees	2,323,636	2,349,363	2,428,212	78,849
Rentals	24,817	25,000	62,527	37,527
Payments in Lieu of Taxes	287,874	290,000	294,947	4,947
Miscellaneous	196,231	197,830	256,801	58,971
<i>Total Revenues</i>	<u>47,097,555</u>	<u>47,454,172</u>	<u>52,817,349</u>	<u>5,363,177</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	20,301,225	21,239,512	20,785,238	454,274
Special	5,607,834	5,867,019	5,716,137	150,882
Vocational	728,263	761,922	744,061	17,861
Support Services:				
Pupil	2,963,106	3,100,055	2,940,244	159,811
Instructional Staff	1,798,729	1,881,863	1,729,715	152,148
Board of Education	258,377	270,321	200,127	70,194
Administration	4,403,106	4,606,610	4,455,651	150,959
Fiscal	1,496,065	1,565,209	1,386,693	178,516
Business	612,232	640,528	620,907	19,621
Operation and Maintenance of Plant	6,590,431	6,895,030	6,333,937	561,093
Pupil Transportation	4,154,069	4,346,064	4,004,581	341,483
Central	360,396	377,053	319,618	57,435
Extracurricular Activities	704,107	736,650	730,882	5,768
Capital Outlay	4,779	5,000	4,511	489
Debt Service:				
Principal Retirement	270,767	270,767	270,767	0
Interest and Fiscal Charges	47,280	47,280	47,280	0
<i>Total Expenditures</i>	<u>50,300,766</u>	<u>52,610,883</u>	<u>50,290,349</u>	<u>2,320,534</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,203,211)</u>	<u>(5,156,711)</u>	<u>2,527,000</u>	<u>7,683,711</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	20,170	20,170	23,124	2,954
Advances In	2,000,000	2,000,000	2,558,000	558,000
Advances Out	(3,185,138)	(3,332,350)	(3,332,350)	0
Transfers Out	(923,254)	(965,925)	(965,925)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(2,088,222)</u>	<u>(2,278,105)</u>	<u>(1,717,151)</u>	<u>560,954</u>
<i>Net Change in Fund Balance</i>	(5,291,433)	(7,434,816)	809,849	8,244,665
<i>Fund Balance Beginning of Year</i>	12,409,565	12,409,565	12,409,565	0
Prior Year Encumbrances Appropriated	1,793,816	1,793,816	1,793,816	0
<i>Fund Balance End of Year</i>	<u>\$8,911,948</u>	<u>\$6,768,565</u>	<u>\$15,013,230</u>	<u>\$8,244,665</u>

See accompanying notes to the basic financial statements

**Bedford City School District**

*Statement of Net Position*

*Internal Service Funds*

*June 30, 2018*

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<b>Assets</b>	<u>\$0</u>
<b>Liabilities</b>	
<i>Current Liabilities:</i>	
Interfund Payable	26,651
Claims Payable	<u>271,300</u>
<i>Total Liabilities</i>	<u>297,951</u>
<b>Net Position</b>	
Unrestricted (Deficit)	<u><u>(\$297,951)</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, 2018*

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<b>Operating Revenues</b>	
Charges for Services	<u>\$4,502,852</u>
<b>Operating Expenses</b>	
Purchased Services	845,967
Claims	<u>4,226,416</u>
<i>Total Operating Expenses</i>	<u>5,072,383</u>
<i>Income (Loss) before Transfers</i>	(569,531)
Transfers In	<u>560,000</u>
<i>Change in Net Position</i>	(9,531)
<i>Net Position (Deficit) Beginning of Year</i>	<u>(288,420)</u>
<i>Net Position (Deficit) End of Year</i>	<u><u>(\$297,951)</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, 2018

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

**Cash Flows from Operating Activities**

Cash Received from Interfund Services	\$4,502,852
Cash Payments for Purchased Services	(845,967)
Cash Payments for Claims	(4,231,616)
	(574,731)

*Net Cash Provided by (Used for) Operating Activities* (574,731)

**Cash Flows from Noncapital and  
Related Financing Activities**

Advances In	576,651
Advances Out	(561,920)
Transfers In	560,000
	574,731

*Net Cash Provided by (Used for)  
Noncapital and Related Financing Activities* 574,731

*Net Increase (Decrease) in Cash and Cash Equivalents* 0

*Cash and Cash Equivalents Beginning of Year* 0

*Cash and Cash Equivalents End of Year* \$0

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

Operating Income (Loss) (\$569,531)

*Adjustments*

Increase (Decrease) in Claims Payable (5,200)

*Net Cash Provided by (Used for) Operating Activities* (\$574,731)

See accompanying notes to the basic financial statements

**Bedford City School District**  
*Statement of Fiduciary Net Position*  
*Fiduciary Funds*  
*June 30, 2018*

	Private Purpose Trust	
	Scholarship	Agency
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$61,877	\$59,801
<b>Liabilities</b>		
Due to Students	0	\$59,801
<b>Net Position</b>		
Held in Trust for Scholarships	\$61,877	

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, 2018*

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	<u>Scholarship</u>
<b>Additions</b>	
Interest	\$709
<b>Deductions</b>	
	<u>0</u>
<i>Change in Net Position</i>	709
<i>Net Position Beginning of Year</i>	<u>61,168</u>
<i>Net Position End of Year</i>	<u><u>\$61,877</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, 2018*

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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 provides education to 3,096 students in grades K through 12. The School District also provides preschool education to 52 handicapped and 52 regular education 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 is one nonpublic school, Safely Home. Current State legislation provides funding to this non-public school. These monies are received and disbursed by the School District on behalf of the non-public school by the Treasurer of the School District, as directed by the non-public school. 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, Connect and Ohio Schools Council Association. These organizations are presented in Notes 17 and 21 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, 2018*

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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, 2018*

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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 one internal service fund.

***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 one internal service fund to account for the operation of the School District's self insurance program for hospitalization/medical benefits, dental and prescription benefits.

***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, 2018*

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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, payments in lieu of taxes, 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 and OPEB plans. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 15 and 16.

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, OPEB plans and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2018, but which were levied to finance fiscal year 2019 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, charges for services and intergovernmental revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities fund on page 19. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 15 and 16)

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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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/Other Postemployment Benefits (OPEB)***

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans 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, 2018*

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During fiscal year 2018, the School District's investments were limited to STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of 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 has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The School District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For fiscal year 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice is appreciated for deposits and withdrawals of \$25 million or more. STAR Ohio reserves the right to limit the transactions to \$100 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

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 2018 amounted to \$305,640, which includes \$45,979 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 acquisition 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 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:

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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Description	Governmental Activities Estimated Lives
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.

***Compensated Absences***

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

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

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

On the financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account "Matured Compensated Absences Payable" in the fund from which the employee who has accumulated unpaid leave will be paid.

***Accrued Liabilities and Long-Term Obligations***

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds are recognized as a liability on the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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***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:

***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 recreation, public school support, summer school and fiscal year 2019 operations.

***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.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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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.

***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, 2018, the following funds had deficit fund balances:

	<u>Amount</u>
<b>Special Revenue Funds:</b>	
Public School Preschool	\$1,465
Title VI-B	89,402
Title III	10,319
Title I	314,168
Preschool Handicapped	260
Title VI-R	13,179
Miscellaneous Federal Grants	697
<b>Capital Project Fund:</b>	
Building	1,335,711

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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 fund and all other governmental funds are presented below:

Fund Balances	General	Other Governmental Funds	Total
<b><i>Nonspendable</i></b>			
Inventory	\$452,283	\$6,969	\$459,252
<b><i>Restricted for</i></b>			
Food Service	0	940,955	940,955
Technology Improvements	0	99,563	99,563
Athletics	0	42,269	42,269
Community Involvement	23,016	0	23,016
Vocational Education	0	603	603
Debt Service Payments	0	121,469	121,469
Capital Improvements	0	203,013	203,013
<b><i>Total Restricted</i></b>	<b>23,016</b>	<b>1,407,872</b>	<b>1,430,888</b>
<b><i>Committed to</i></b>			
Educational Services	379,004	0	379,004
Health Services	3,975	0	3,975
Underground Storage Tanks	11,000	0	11,000
Capital Improvements	0	107,995	107,995
<b><i>Total Committed</i></b>	<b>393,979</b>	<b>107,995</b>	<b>501,974</b>
<b><i>Assigned to</i></b>			
Recreation	20,484	0	20,484
Public School Support	118,480	0	118,480
Summer School	15,281	0	15,281
Fiscal Year 2019 Operations	4,517,447	0	4,517,447
Purchases on Order			
Instruction	116,611	0	116,611
Support Services	731,602	0	731,602
<b><i>Total Assigned</i></b>	<b>5,519,905</b>	<b>0</b>	<b>5,519,905</b>
<b><i>Unassigned (Deficit)</i></b>	<b>12,425,134</b>	<b>(1,765,201)</b>	<b>10,659,933</b>
<b><i>Total Fund Balances (Deficit)</i></b>	<b>\$18,814,317</b>	<b>(\$242,365)</b>	<b>\$18,571,952</b>

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

**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.
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, summer school and underground storage tanks funds are classified to the general fund for GAAP reporting.

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

Net Change in Fund Balance	
GAAP Basis	\$1,723,565
Net Adjustment for Revenue Accruals	1,528,906
Advances In	2,558,000
Net Adjustment for Expenditure Accruals	(64,016)
Advances Out	(3,332,350)
Beginning Unrecorded Cash	(1,713)
Ending Unrecorded Cash	2,531
Perspective Difference:	
Recreation	(12,002)
Public School Support	25,993
Special Enterprise	76,100
Summer School	(6,125)
Underground Storage Tanks	(11,000)
Adjustment for Encumbrances	(1,678,040)
Budget Basis	\$809,849

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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**Note 6 - Deposits and Investments**

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

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

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

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations bonds and other obligations of political subdivisions 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) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio); and
8. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

***Deposits***

***Custodial credit risk*** for deposits is the risk that in the event of a bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At June 30, 2018, \$149,716 of the School District's total bank balance of \$787,985 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. The School District's financial institution participates in the Ohio Pooled Collateral System (OPCS) and was approved for a reduced collateral floor of 67.73 percent resulting in the uninsured and uncollateralized balance.

The School District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the School District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least one hundred five percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be one hundred two percent of the deposits being secured or a rate set by the Treasurer of State.

**Investments**

As of June 30, 2018, the School District had STAR Ohio as an investment. STAR Ohio is being held with an amount of \$19,579,939 which is insured at net asset value per share. The average maturity is 48.9 days.

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

***Credit Risk*** Standard & Poor's has assigned an AAAM money market rating, its highest rating, to STAR Ohio. 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.



**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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**Note 7 - Receivables**

Receivables at June 30, 2018, consisted of taxes, accounts (student fees and tuition), payments in lieu of taxes, 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 delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of principal items of intergovernmental receivables follows:

Governmental Activities	Amount
Foundation Adjustments	\$585,326
Title I Grants and Subsidies	493,772
School Employees Retirement System	151,402
Bureau of Workers' Compensation Refund	144,346
Title VI-B Grants and Subsidies	92,717
Vocational Education Grants and Subsidies	72,010
Title VI-R Grants and Subsidies	49,231
Public School Preschool Grants and Subsidies	17,648
Title III Grants and Subsidies	11,155
Medicaid Reimbursement	9,469
Preschool Handicapped Grants and Subsidies	8,533
E-Rate Reimbursement	3,120
Miscellaneous State Grants and Subsidies	2,102
Village of Oakwood	1,439
Miscellaneous Federal Grants and Subsidies	796
City of Bedford Heights	370
Cuyahoga County Board of Elections	340
City of Bedford	200
Total	\$1,643,976

**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 2018 represents collections of calendar year 2017 taxes. Real property taxes received in calendar year 2018 were levied after April 1, 2017, on the assessed value listed as of January 1, 2017, 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.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

Public utility property tax revenues received in calendar year 2018 represents collections of calendar year 2017 taxes. Public utility real and tangible personal property taxes received in calendar year 2018 become a lien December 31, 2016, were levied after April 1, 2017 and are collected in 2018 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Cuyahoga County. The County Fiscal Officer periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2018, are available to finance fiscal year 2018 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, 2018 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, 2018 was \$3,846,250 in the general fund and \$56,156 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2017, was \$4,874,595 in the general fund and \$71,043 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 2018 taxes were collected are:

	2017 Second Half Collections		2018 First Half Collections	
	Amount	Percent	Amount	Percent
Residential/Agricultural	\$349,003,880	52.06 %	\$347,876,990	50.27 %
Other Real Estate	258,758,450	38.60	265,429,220	38.36
Public Utility Personal	62,613,050	9.34	78,686,970	11.37
<b>Total</b>	<b>\$670,375,380</b>	<b>100.00 %</b>	<b>\$691,993,180</b>	<b>100.00 %</b>
Tax rate per \$1,000 of assessed valuation	\$75.72		\$75.72	

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

**Note 9 – Tax Abatements**

School District property taxes were reduced as follows under Community Reinvestment Area (CRA) agreements entered into by overlapping governments:

Overlapping Government	Amount of Fiscal Year 2018 Taxes Abated
<i>Community Reinvestment Areas:</i>	
City of Bedford	\$152,848
Village of Oakwood	408,944
Village of Walton Hills	47,442

Pursuant to Section 5709.82 of the Ohio Revised Code, the overlapping governments and the Bedford City School District created various CRA compensation agreements. The following are the required amounts of income tax dollars received by the School District in fiscal year 2018:

Overlapping Government	Fiscal Year 2018 Income Tax Dollars Received
City of Bedford	\$34,048
Village of Oakwood	95,536
Village of Walton Hills	16,322
Total	\$145,906

**Note 10 - 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), 370 days for administrators and administrative assistants hired before July 1, 2016 and 340 days for administrative assistants hired after July 1, 2016. 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, 55 days for administrators and 30 days for administrative assistants, plus one-tenth of the days remaining. The maximum number of days to be paid out is 63.5 days for certificated staff, 86.5 days for administrators, 64 days for administrative assistants hired before July 1, 2016 and 61 days for administrative assistants hired after July 1, 2016. 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.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

**Note 11 - Interfund Transfers and Balances**

***Interfund Transfers***

The general fund transferred \$104,900 to the district managed student activities special revenue fund to provide financial support for the School District's athletics, \$171,025 to the permanent improvement capital projects fund to help fund capital improvements, \$113,000 to the capital replacement capital projects fund for bus purchases and \$560,000 to the self-insurance internal service fund to provide financial support for the School District's insurance expenses. The bond retirement fund transferred \$839 to the general fund, \$581 to the permanent improvement capital projects fund, and \$185 to the capital replacement capital projects fund to pay for the respective funds' portions of the tax anticipation note payments.

***Interfund Balances***

Interfund balances at June 30, 2018, consist of the following individual fund receivables and payables:

Interfund Payable	Interfund Receivable
Other Governmental Funds	General
Public School Preschool	\$34,000
Miscellaneous State Grants	2,350
Title VI-B	225,000
Vocational Education	90,000
Title III	25,000
Title I	660,000
Preschool Handicapped	40,000
Title VI-R	143,000
Miscellaneous Federal Grants	10,000
Building	1,400,000
<i>Total Other Governmental Funds</i>	2,629,350
<b>Internal Service Fund</b>	26,651
<b>Grand Total</b>	\$2,656,001

The interfund receivables and payables are advances due to the timing of the receipt of grant monies and other monies collected for some programs received by various funds. The general fund provides money to operate the programs until grants and other monies are received and the advances can be repaid. These advances are expected to be repaid within the next fiscal year.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

**Note 12 - Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2018, was as follows:

	Balance 6/30/17	Additions	Deletions	Balance 6/30/18
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$1,525,500	\$700,000	\$0	\$2,225,500
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	42,943,724	1,301,325	(369,000)	43,876,049
Furniture and Equipment	6,573,056	477,459	(27,664)	7,022,851
Vehicles	5,549,537	306,056	(296,801)	5,558,792
<b>Total Capital Assets, being depreciated</b>	<b>55,066,317</b>	<b>2,084,840</b>	<b>(693,465)</b>	<b>56,457,692</b>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(30,255,704)	(1,007,249)	232,394	(31,030,559)
Furniture and Equipment	(4,743,039)	(269,533)	27,111	(4,985,461)
Vehicles	(3,408,172)	(283,183)	263,592	(3,427,763)
<b>Total Accumulated Depreciation</b>	<b>(38,406,915)</b>	<b>(1,559,965) *</b>	<b>523,097</b>	<b>(39,443,783)</b>
<b>Total Capital Assets, being depreciated, net</b>	<b>16,659,402</b>	<b>524,875</b>	<b>(170,368)</b>	<b>17,013,909</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$18,184,902</b>	<b>\$1,224,875</b>	<b>(\$170,368)</b>	<b>\$19,239,409</b>

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

Instruction	
Regular	\$270,324
Special	1,504
Vocational	14,686
Support Services	
Pupil	1,709
Instructional Staff	9,951
Administration	500
Fiscal	629
Business	152,503
Operation and Maintenance of Plant	661,885
Pupil Transportation	252,649
Central	470
Operation of Non-Instructional Services:	
Food Service Operations	19,894
Other Non-Instructional Services	40,015
Extracurricular Activities	133,246
<b>Total Depreciation Expense</b>	<b>\$1,559,965</b>

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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**Note 13 - 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, in the opinion of management, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2018, 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. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2018 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2018 financial statements is not determinable, at this time. Management believes this may result in either an additional 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 14 - 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 2018, 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 Netherlands Insurance Company (member of Liberty Mutual Group) is the carrier for the School District's insurance.

Aggregate property coverage is \$154,866,362 with a \$5,000 deductible. The policy is renewable on July 1, 2019, for each coverage. Casualty and fleet insurance coverage was provided with a combined single limit of \$1 million. 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*  
*For the Fiscal Year Ended June 30, 2018*

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***Worker's Compensation***

For fiscal year 2018, the School District participated in the Ohio School Boards Association Workers' Compensation Group Retrospective Rating Program, an insurance purchasing pool (Note 17). The intent of the Group Rating Program, (GRP) is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost control and actuarial services to the GRP.

***Employee Benefits***

The School District has elected to provide employee hospitalization/medical benefits and prescription drug benefits to full time employees through a self-insurance program as of January 1, 2013. 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.

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 88 percent of the premium required. In 2018 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 and prescription - \$540 (single), \$1,487 (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. Medical Mutual is also available as a fully-insured health and prescription option. The premiums were \$552.65 (single) and \$1,436.52 (family).

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.

The claims liability of \$271,300 reported in the self insurance fund at June 30, 2018, 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 <u>Beginning of Year</u>	Current Year <u>Claims</u>	Claim <u>Payments</u>	Balance at <u>End of Year</u>
2017	\$229,300	\$4,643,782	\$4,596,582	\$276,500
2018	276,500	4,226,416	4,231,616	271,300

**Note 15 – Defined Benefit Pension Plans**

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

***Net Pension Liability/Net OPEB Liability***

The net pension liability and the net OPEB liability reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/OPEB 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/OPEB liability represent the School District’s proportionate share of each pension/OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan’s fiduciary net position. The net pension/OPEB 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 these estimates 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 and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability. Resulting adjustments to the net pension/OPEB liability would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 16 for the required OPEB disclosures.

***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



**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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 years 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, 2018, the allocation to pension, death benefits, and Medicare B was 13.5 percent. The remaining .5 percent was allocated to the Health Care Fund.

The School District's contractually required contribution to SERS was \$1,156,861 for fiscal year 2018. Of this amount \$55,392 is reported as an intergovernmental payable.

***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 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.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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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 is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017, the cost-of-living adjustment was reduced to zero. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 26 years of service, or 31 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

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, 12 percent of the 14 percent member rate goes to the DC Plan and the remaining 2 percent goes to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member 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 service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

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 to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2018, the employer rate was 14 percent and the plan members were also required to contribute 14 percent of covered salary. The fiscal year 2018 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$2,848,147 for fiscal year 2018. Of this amount \$451,475 is reported as an intergovernmental payable.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

***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, 2017, 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>
Proportion of the Net Pension Liability Prior Measurement Date	0.26957880%	0.18734875%	
Proportion of the Net Pension Liability Current Measurement Date	<u>0.27472640%</u>	<u>0.18152248%</u>	
Change in Proportionate Share	<u>0.00514760%</u>	<u>-0.00582627%</u>	
Proportionate Share of the Net Pension Liability	\$16,414,296	\$43,121,054	\$59,535,350
Pension Expense	(\$702,516)	(\$16,942,608)	(\$17,645,124)

At June 30, 2018, 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	\$706,415	\$1,665,132	\$2,371,547
Changes of assumptions	848,796	9,431,048	10,279,844
Changes in proportionate Share and difference between School District contributions and proportionate share of contributions	218,391	129,084	347,475
School District contributions subsequent to the measurement date	<u>1,156,861</u>	<u>2,848,147</u>	<u>4,005,008</u>
Total Deferred Outflows of Resources	<u>\$2,930,463</u>	<u>\$14,073,411</u>	<u>\$17,003,874</u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$0	\$347,539	\$347,539
Net difference between projected and actual earnings on pension plan investments	77,915	1,423,045	1,500,960
Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions	<u>119,181</u>	<u>1,416,127</u>	<u>1,535,308</u>
Total Deferred Inflows of Resources	<u>\$197,096</u>	<u>\$3,186,711</u>	<u>\$3,383,807</u>

\$4,005,008 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, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

Fiscal Year Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2019	\$616,257	\$1,648,023	\$2,264,280
2020	1,035,918	3,583,852	4,619,770
2021	306,983	2,397,686	2,704,669
2022	<u>(382,652)</u>	<u>408,992</u>	<u>26,340</u>
Total	<u>\$1,576,506</u>	<u>\$8,038,553</u>	<u>\$9,615,059</u>

**Actuarial Assumptions - SERS**

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2017, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.5 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

Prior to 2017, an assumption of 3 percent was used for COLA or Ad Hoc COLA.

For 2017, the mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates. Mortality among disabled members were based upon the RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2018

The most recent experience study was completed for the five year period ended June 30, 2015.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00 %	0.50 %
US Stocks	22.50	4.75
Non-US Stocks	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	10.00	3.00
 Total	100.00 %	

**Discount Rate** The total pension liability was calculated using the discount rate of 7.50 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 (7.50 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 7.50 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 (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
School District's proportionate share of the net pension liability	\$22,778,777	\$16,414,296	\$11,082,745

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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**Actuarial Assumptions - STRS**

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2017, actuarial valuation, compared with July 1, 2016 are presented below:

	July 1, 2017	July 1, 2016
Inflation	2.50 percent	2.75 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation	7.75 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3.5 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017	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 commences on fifth anniversary of retirement date.

For the July 1, 2017, actuarial valuation, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For the July 1, 2016 actuarial valuation, 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 no set back from age 90 and above.

Actuarial assumptions used in the July 1 2017, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016. Actuarial assumptions used in the June 30, 2016, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2018

Asset Class	Target Allocation	Long-Term Expected Rate of Return *
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
<b>Total</b>	<b>100.00 %</b>	

\* 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

**Discount Rate** The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2017. The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2016. The projection of cash flows used to determine the discount rate assumes that 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. 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, 2017. Therefore, the long-term expected rate of return on pension plan investments of 7.45 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2017.

**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 7.45 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 (6.45 percent) or one-percentage-point higher (8.45 percent) than the current rate:

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net pension liability	\$61,812,564	\$43,121,054	\$27,376,259

**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, 2018, two members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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**Note 16 - Defined Benefit OPEB Plans**

See Note 15 for a description of the net OPEB liability.

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

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 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. 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. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, 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 pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2018, .5 percent of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2018, this amount was \$23,700. 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 2018, the School District's surcharge obligation was \$117,472.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$160,319 for fiscal year 2018. Of this amount \$119,524 is reported as an intergovernmental payable.



**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

***Plan Description - State Teachers Retirement System (STRS)***

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered 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 partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2020. 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 to offer the Plan and gives the Retirement Board discretionary 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. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2018, STRS did not allocate any employer contributions to post-employment health care.

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

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	SERS	STRS	Total
Proportion of the Net OPEB Liability			
Prior Measurement Date	0.26967680%	0.18734875%	
Proportion of the Net OPEB Liability			
Current Measurement Date	0.27228350%	0.18152248%	
Change in Proportionate Share	0.00260670%	-0.00582627%	
Proportionate Share of the Net			
OPEB Liability	\$7,307,374	\$7,082,337	\$14,389,711
OPEB Expense	\$440,190	(\$2,205,660)	(\$1,765,470)

At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2018

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$0	\$408,836	\$408,836
Changes in proportionate Share and difference between School District contributions and proportionate share of contributions	11,461	0	11,461
School District contributions subsequent to the measurement date	<u>160,319</u>	<u>0</u>	<u>160,319</u>
Total Deferred Outflows of Resources	<u>\$171,780</u>	<u>\$408,836</u>	<u>\$580,616</u>
<b>Deferred Inflows of Resources</b>			
Changes of assumptions	\$693,432	\$570,505	\$1,263,937
Net difference between projected and actual earnings on OPEB plan investments	19,297	302,716	322,013
Changes in Proportionate Share and Difference between School District contributions and proportionate share of contributions	<u>0</u>	<u>267,078</u>	<u>267,078</u>
Total Deferred Inflows of Resources	<u>\$712,729</u>	<u>\$1,140,299</u>	<u>\$1,853,028</u>

\$160,319 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2019	(\$251,916)	(\$147,137)	(\$399,053)
2020	(251,916)	(147,137)	(399,053)
2021	(192,612)	(147,137)	(339,749)
2022	(4,824)	(147,138)	(151,962)
2023	0	(71,458)	(71,458)
Thereafter	<u>0</u>	<u>(71,456)</u>	<u>(71,456)</u>
Total	<u>(\$701,268)</u>	<u>(\$731,463)</u>	<u>(\$1,432,731)</u>

***Actuarial Assumptions - SERS***

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each 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 terminations). 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.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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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 OPEB liability in the latest actuarial valuation date of June 30, 2017, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	3.56 percent
Prior Measurement Date	2.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	3.63 percent
Prior Measurement Date	2.98 percent
Medical Trend Assumption	
Medicare	5.50 to 5.00 percent
Pre-Medicare	7.50 to 5.00 percent

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120 percent of male rates and 110 percent of female rates. RP-2000 Disabled Mortality Table with 90 percent for male rates and 100 percent for female rates set back five years.

The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

The SERS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 15.

**Discount Rate** The discount rate used to measure the total OPEB liability at June 30, 2017 was 3.63 percent. The discount rate used to measure total OPEB liability prior to June 30, 2017 was 2.98 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and 0.50 percent of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.56 percent, as of June 30, 2017 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

**Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates** The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.63 percent) and higher (4.63 percent) than the current discount rate (3.63 percent). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.5 percent decreasing to 4.0 percent) and higher (8.5 percent decreasing to 6.0 percent) than the current rate.

	1% Decrease (2.63%)	Current Discount Rate (3.63%)	1% Increase (4.63%)
School District's proportionate share of the net OPEB liability	\$8,824,584	\$7,307,374	\$6,105,356
		Current Trend Rate	
	1% Decrease (6.5 % decreasing to 4.0 %)	(7.5 % decreasing to 5.0 %)	1% Increase (8.5 % decreasing to 6.0 %)
School District's proportionate share of the net OPEB liability	\$5,929,386	\$7,307,374	\$9,131,164

**Actuarial Assumptions – STRS**

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2017, actuarial valuation are presented as follows:

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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Inflation	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017
Blended Discount Rate of Return	4.13 percent
Health Care Cost Trends	6 to 11 percent initial, 4.5 percent ultimate

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2017, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

Since the prior measurement date, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB *Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Also since the prior measurement date, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. Subsequent to the current measurement date, the date for discontinuing remaining Medicare Part B premium reimbursements was extended to January 2020.

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 15.

**Discount Rate** The discount rate used to measure the total OPEB liability was 4.13 percent as of June 30, 2017. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was not projected to be sufficient to make all projected future benefit payments of current plan members. The OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2037. Therefore, the long-term expected rate of return on OPEB plan assets was used to determine the present value of the projected benefit payments through the fiscal year ending June 30, 2036 and the Bond Buyer 20-year municipal bond rate of 3.58

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

percent as of June 30, 2017 (i.e. municipal bond rate), was used to determine the present value of the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The blended discount rate of 4.13 percent, which represents the long-term expected rate of return of 7.45 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 3.58 percent for the unfunded benefit payments, was used to measure the total OPEB liability as of June 30, 2017. A blended discount rate of 3.26 percent which represents the long term expected rate of return of 7.75 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 2.85 percent for the unfunded benefit payments was used to measure the total OPEB liability at June 30, 2016.

***Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount and Health Care Cost Trend Rate*** The following table represents the net OPEB liability as of June 30, 2017, calculated using the current period discount rate assumption of 4.13 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.13 percent) or one percentage point higher (5.13 percent) than the current assumption. Also shown is the net OPEB liability as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
School District's proportionate share of the net OPEB liability	\$9,507,924	\$7,082,337	\$5,165,331
	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB liability	\$4,920,504	\$7,082,337	\$9,927,562

**Note 17 - Insurance Purchasing Pool**

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

**Note 18 - Set Asides**

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

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

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

	Capital Improvement
Set-aside Balances as of June 30, 2017	\$0
Current Year Set-aside Requirement	566,716
Current Year Offsets	(334,925)
Qualifying Disbursements	(3,245,147)
Totals	(\$3,013,356)
Set-aside Balance Carried Forward to Future Fiscal Years	\$0
Set-aside Balances as of June 30, 2018	\$0

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

**Note 19 – Notes Payable**

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

	Outstanding 6/30/2017	Issued	Retired	Outstanding 6/30/2018
<b>Governmental Activities</b>				
Tax Anticipation Notes, Series 2014	\$118,954	\$0	(\$59,500)	\$59,454
Tax Anticipation Notes, Series 2016	407,273	0	(101,000)	306,273
Total Governmental Activities	\$526,227	\$0	(\$160,500)	\$365,727

In fiscal year 2014, the School District issued \$297,454 in tax anticipation notes for capital projects. The notes will be paid from the permanent improvement capital projects fund.

In fiscal year 2016, the School District issued \$609,273 in tax anticipation notes for capital projects. The notes will be paid from the general fund and the capital replacement capital projects fund. Principal and interest payments to retire the tax anticipation notes are as follows:

	Principal	Interest	Total
2019	\$161,454	\$7,315	\$168,769
2020	102,000	4,086	106,086
2021	102,273	2,045	104,318
Total	\$365,727	\$13,446	\$379,173

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.

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

**Note 20 - 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
Energy Conservation Improvement Bonds	2006	\$3,562,114	4.11%	October 15, 2020

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

	Principal Outstanding 6/30/17	Additions	(Reductions)	Principal Outstanding 6/30/18	Amount Due in One Year
<b>Governmental Activities:</b>					
Energy Conservation Improvement Bonds	\$1,151,610	\$0	(\$270,767)	\$880,843	\$281,883
<b>Other Long Term Obligations:</b>					
Net Pension Liability:					
STRS	62,711,275	0	(19,590,221)	43,121,054	0
SERS	19,730,682	0	(3,316,386)	16,414,296	0
Total Net Pension Liability	82,441,957	0	(22,906,607)	59,535,350	0
Net OPEB Liability:					
STRS	10,019,460	0	(2,937,123)	7,082,337	0
SERS	7,686,786	0	(379,412)	7,307,374	0
Total OPEB Liability	17,706,246	0	(3,316,535)	14,389,711	0
Compensated Absences	4,397,358	2,009,319	(1,695,530)	4,711,147	1,890,708
<i>Total Other Long Term Obligation</i>	104,545,561	2,009,319	(27,918,672)	78,636,208	1,890,708
Total Governmental Activities	\$105,697,171	\$2,009,319	(\$28,189,439)	\$79,517,051	\$2,172,591

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 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, title VI-B, title I and title VI-R special revenue funds. There are no repayment schedules for the net pension liability and net OPEB liability. However, employer pension contributions are made from the general fund and the food service, district managed student activities, public school preschool, title VI-B and title I special revenue funds. For additional information related to the net pension and net OPEB liabilities see Notes 15 and 16.

The overall debt margin of the School District as of June 30, 2018, was \$61,469,265 with an unvoted debt margin of \$691,427. Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2018, are as follows:



**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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	Energy Conservation Improvement Bonds	
	Principal	Interest
2019	\$281,883	\$36,164
2020	293,456	24,591
2021	305,504	12,543
Total	<u>\$880,843</u>	<u>\$73,298</u>

**Note 21 - Jointly Governed Organizations**

***Connect***

North Coast Council, which became Connect effective April 1, 2016, is a jointly governed organization comprised of twenty-four member school districts, three educational service centers and the Ohio Schools Council. The jointly governed organization was formed for the purpose of providing support and leadership which enables organizations to achieve their objectives through innovative and cost effective shared technology solutions. Connect is governed by a four member Board of Directors consisting of the Superintendent of the Educational Service Center of Cuyahoga County, the Superintendent of the Educational Service Center of Lorain County, the Superintendent of the Educational Service Center of Medina County and the Executive Director of the Ohio Schools Council. Each participating entity's contribution to Connect is dependent upon student enrollment and/or software packages and services utilized. Financial information for Connect can be obtained by contacting the Treasurer at the Cuyahoga County Educational Service Center, which serves as fiscal agent. During fiscal year 2018, the School District contributed \$76,015 to Connect.

***Ohio Schools Council Association***

The Ohio Schools Council Association (Council) is a jointly governed organization among 231 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 2018, the School District paid \$779 to the Council. Financial information can be obtained by contacting William J. Zelei, the Executive Director of the Ohio Schools' Council at 6393 Oak Tree 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. Constellation New Energy, formerly known as Compass Energy, serves as the new supplier and program manager for the period from April 1, 2016 through March 31, 2019. There are currently 157 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

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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(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 \$0.0518 per kwh for the generation of electricity. There are currently 267 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.

**Note 22 – 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	\$1,678,040
Other Governmental Funds	774,253
Internal Service	925
Total	<u><u>\$2,453,218</u></u>

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

For fiscal year 2018, the School District implemented Governmental Accounting Standards Board (GASB) Statement No. 85, *Omnibus 2017*, Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, and related guidance from (GASB) Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*.

For fiscal year 2018, the School District also implemented the Governmental Accounting Standards Board's (GASB) *Implementation Guide No. 2017-1*. These changes were incorporated in the School District's fiscal year 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits (OPEB)). These changes were incorporated in the School District's fiscal year 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 75 established standards for measuring and recognizing Postemployment benefit liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported June 30, 2017:

**Bedford City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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Net Position June 30, 2017	(\$31,570,351)
Adjustments:	
Net OPEB Liability	(17,706,246)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>118,334</u>
Restated Net Position June 30, 2017	<u><u>(\$49,158,263)</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, 2018*

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## Required Supplementary Information

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

	2018	2017	2016
School District's Proportion of the Net Pension Liability	0.27472640%	0.26957880%	0.27142040%
School District's Proportionate Share of the Net Pension Liability	\$16,414,296	\$19,730,682	\$15,487,511
School District's Covered Payroll	\$8,554,100	\$8,825,571	\$8,203,703
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered - Payroll	191.89%	223.56%	188.79%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.50%	62.98%	69.16%

(1) Although this schedule is intended to reflect information for ten years, information prior to fiscal year 2014 is not available. An additional column will be added each year.

\*Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information

<u>2015</u>	<u>2014</u>
0.27752900%	0.27752900%
\$14,045,584	\$16,503,759
\$8,159,191	\$7,988,321
172.14%	206.60%
71.70%	65.52%

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

	2018	2017
School District's Proportion of the Net OPEB Liability	0.27228350%	0.26967680%
School District's Proportionate Share of the Net OPEB Liability	\$7,307,374	\$7,686,786
School District's Covered Payroll	\$8,554,100	\$8,825,571
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered - Payroll	85.43%	87.10%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	12.46%	11.49%

(1) Although this schedule is intended to reflect information for ten years, information prior to fiscal year 2017 is not available. An additional column will be added each year.

\*Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information



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

	2018	2017	2016
School District's Proportion of the Net Pension Liability	0.18152248%	0.18734875%	0.18712752%
School District's Proportionate Share of the Net Pension Liability	\$43,121,054	\$62,711,275	\$51,716,575
School District's Covered Payroll	\$20,027,343	\$19,176,686	\$19,570,471
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered - Payroll	215.31%	327.02%	264.26%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.30%	66.80%	72.10%

(1) Although this schedule is intended to reflect information for ten years, information prior to fiscal year 2014 is not available. An additional column will be added each year.

\*Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information

<u>2015</u>	<u>2014</u>
0.18588748%	0.18588748%
\$45,214,269	\$53,858,941
\$19,579,223	\$19,212,138
230.93%	280.34%
74.70%	69.30%

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

	2018	2017
School District's Proportion of the Net OPEB Liability	0.18152248%	0.18734875%
School District's Proportionate Share of the Net OPEB Liability	\$7,082,337	\$10,019,460
School District's Covered Payroll	\$20,027,343	\$19,176,686
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered - Payroll	35.36%	52.25%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.10%	37.30%

(1) Although this schedule is intended to reflect information for ten years, information prior to fiscal year 2017 is not available. An additional column will be added each year.

\*Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Net Pension Liability</b>				
Contractually Required Contribution	\$1,156,861	\$1,197,574	\$1,235,580	\$1,081,248
Contributions in Relation to the Contractually Required Contribution	<u>(1,156,861)</u>	<u>(1,197,574)</u>	<u>(1,235,580)</u>	<u>(1,081,248)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (1)	\$8,569,341	\$8,554,100	\$8,825,571	\$8,203,703
Pension Contributions as a Percentage of Covered Payroll	<u>13.50%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>13.18%</u>
<b>Net OPEB Liability</b>				
Contractually Required Contribution (2)	160,319	118,334	121,391	178,291
Contributions in Relation to the Contractually Required Contribution	<u>(160,319)</u>	<u>(118,334)</u>	<u>(121,391)</u>	<u>(178,291)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>1.87%</u>	<u>1.38%</u>	<u>1.38%</u>	<u>2.17%</u>
Total Contributions as a Percentage of Covered Payroll (2)	<u>15.37%</u>	<u>15.38%</u>	<u>15.38%</u>	<u>15.35%</u>

(1) The School District's covered payroll is the same for Pension and OPEB.

(2) Includes Surcharge

See accompanying notes to the required supplementary information

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$1,130,864	\$1,105,584	\$1,083,749	\$1,014,939	\$764,140	\$844,270
<u>(1,130,864)</u>	<u>(1,105,584)</u>	<u>(1,083,749)</u>	<u>(1,014,939)</u>	<u>(764,140)</u>	<u>(844,270)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$8,159,191	\$7,988,321	\$8,057,614	\$8,074,293	\$5,643,576	\$8,579,978
<u>13.86%</u>	<u>13.84%</u>	<u>13.45%</u>	<u>12.57%</u>	<u>13.54%</u>	<u>9.84%</u>
101,587	118,397	158,294	240,504	182,998	484,201
<u>(101,587)</u>	<u>(118,397)</u>	<u>(158,294)</u>	<u>(240,504)</u>	<u>(182,998)</u>	<u>(484,201)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>1.25%</u>	<u>1.48%</u>	<u>1.96%</u>	<u>2.98%</u>	<u>3.24%</u>	<u>5.64%</u>
<u>15.11%</u>	<u>15.32%</u>	<u>15.41%</u>	<u>15.55%</u>	<u>16.78%</u>	<u>15.48%</u>

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Net Pension Liability</b>				
Contractually Required Contribution	\$2,848,147	\$2,803,828	\$2,684,736	\$2,739,866
Contributions in Relation to the Contractually Required Contribution	<u>(2,848,147)</u>	<u>(2,803,828)</u>	<u>(2,684,736)</u>	<u>(2,739,866)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (1)	\$20,343,907	\$20,027,343	\$19,176,686	\$19,570,471
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
<b>Net OPEB Liability</b>				
Contractually Required Contribution	\$0	\$0	\$0	\$0
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>

(1) The School District's covered payroll is the same for Pension and OPEB.

See accompanying notes to the required supplementary information



<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$2,545,299	\$2,497,578	\$2,460,983	\$2,469,571	\$2,518,241	\$2,621,381
<u>(2,545,299)</u>	<u>(2,497,578)</u>	<u>(2,460,983)</u>	<u>(2,469,571)</u>	<u>(2,518,241)</u>	<u>(2,621,381)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$19,579,223	\$19,212,138	\$18,930,638	\$18,996,700	\$19,371,085	\$20,164,469
<u>13.00%</u>	<u>13.00%</u>	<u>13.00%</u>	<u>13.00%</u>	<u>13.00%</u>	<u>13.00%</u>
\$195,792	\$192,121	\$189,306	\$189,967	\$193,711	\$201,645
<u>(195,792)</u>	<u>(192,121)</u>	<u>(189,306)</u>	<u>(189,967)</u>	<u>(193,711)</u>	<u>(201,645)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>
<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>

**Bedford City School District**  
*Notes to Required Supplementary Information*  
*For the Fiscal Year Ended June 30, 2018*

**Net Pension Liability**

**Changes in Assumptions – SERS**

For fiscal year 2018, an assumption of 2.5 percent was used for COLA or Ad Hoc Cola. Prior to 2018, an assumption of 3 percent was used.

Beginning with fiscal year 2017, amounts reported incorporate changes in assumptions used by SERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2016 and prior are presented below:

	<u>Fiscal Year 2017</u>	<u>Fiscal Year 2016 and Prior</u>
Wage Inflation	3.00 percent	3.25 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent	4.00 percent to 22.00 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation	7.75 percent net of investments expense, including inflation

Beginning with fiscal year 2017, mortality assumptions use mortality rates that are based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Amounts reported for fiscal year 2016 and prior, use mortality assumptions that are based on the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables were used for the period after disability retirement.

**Changes in Assumptions - STRS**

Amounts reported for fiscal year 2018 incorporate changes in assumptions and changes in benefit terms used by STRS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2017 and prior are presented below:

	<u>Fiscal Year 2018</u>	<u>Fiscal Year 2017 and Prior</u>
Inflation	2.50 percent	2.75 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation	7.75 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3.5 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017	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 commences on fifth anniversary of retirement date.

For fiscal year 2018 post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected

**Bedford City School District**  
*Notes to Required Supplementary Information*  
*For the Fiscal Year Ended June 30, 2018*

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forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For fiscal year 2017 and prior actuarial valuation, 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 no set back from age 90 and above.

**Net OPEB Liability**

**Changes in Assumptions – SERS**

Amounts reported for fiscal year 2018 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:	
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

**Changes in Assumptions – STRS**

For fiscal year 2018, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB *Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Also for fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.

**Bedford City School District**  
*Notes to Required Supplementary Information*  
*For the Fiscal Year Ended June 30, 2018*

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**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.

***Public School Preschool Fund*** To account for and report restricted monies from the State of Ohio to assist in paying the cost of the preschool program run by the School District.

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

***Miscellaneous State Grants Fund*** To account for and report State monies restricted for academic and enrichment programs for the student body.

***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.

***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.

(continued)

*Combining Statements – Nonmajor Governmental Funds (continued)*

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*Nonmajor Special Revenue Funds (continued)*

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

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

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

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

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

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

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

***Underground Fuel Storage Tank Fund*** To account for and report monies set aside for costs related to the spill and/or leakage of fuel from the underground storage tank. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

### *Nonmajor Debt Service Fund*

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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, 2018*

	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	\$2,245,786	\$65,313	\$600,067	\$2,911,166
Intergovernmental Receivable	747,964	0	0	747,964
Inventory Held for Resale	27,678	0	0	27,678
Materials and Supplies Inventory	6,969	0	0	6,969
Taxes Receivable	0	168,769	381,286	550,055
<i>Total Assets</i>	<u>\$3,028,397</u>	<u>\$234,082</u>	<u>\$981,353</u>	<u>\$4,243,832</u>
<b>Liabilities</b>				
Accounts Payable	\$144,804	\$0	\$103,435	\$248,239
Contracts Payable	0	0	6,331	6,331
Accrued Wages and Benefits Payable	216,030	0	0	216,030
Intergovernmental Payable	70,359	0	0	70,359
Accrued Interest Payable	0	0	191	191
Interfund Payable	1,229,350	0	1,400,000	2,629,350
Notes Payable	0	0	114,813	114,813
Matured Compensated Absences Payable	12,364	0	0	12,364
<i>Total Liabilities</i>	<u>1,672,907</u>	<u>0</u>	<u>1,624,770</u>	<u>3,297,677</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	0	112,613	316,577	429,190
Unavailable Revenue	694,621	0	64,709	759,330
<i>Total Deferred Inflows of Resources</i>	<u>694,621</u>	<u>112,613</u>	<u>381,286</u>	<u>1,188,520</u>
<b>Fund Balances</b>				
Nonspendable	6,969	0	0	6,969
Restricted	1,083,390	121,469	203,013	1,407,872
Committed	0	0	107,995	107,995
Unassigned (Deficit)	(429,490)	0	(1,335,711)	(1,765,201)
<i>Total Fund Balances (Deficit)</i>	<u>660,869</u>	<u>121,469</u>	<u>(1,024,703)</u>	<u>(242,365)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$3,028,397</u>	<u>\$234,082</u>	<u>\$981,353</u>	<u>\$4,243,832</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, 2018*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Taxes	\$0	\$56,156	\$318,658	\$374,814
Intergovernmental	3,468,413	0	39,241	3,507,654
Interest	17	0	0	17
Charges for Services	523,451	0	0	523,451
Extracurricular Activities	139,505	0	0	139,505
Contributions and Donations	35,192	0	0	35,192
Miscellaneous	670	0	55,943	56,613
<i>Total Revenues</i>	<u>4,167,248</u>	<u>56,156</u>	<u>413,842</u>	<u>4,637,246</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	26,834	0	0	26,834
Special	350,118	0	0	350,118
Vocational	120,008	0	0	120,008
Support Services:				
Pupil	836,071	0	0	836,071
Instructional Staff	751,833	0	0	751,833
Administration	149,868	0	0	149,868
Business	20,000	0	0	20,000
Operation and Maintenance of Plant	3,735	0	0	3,735
Pupil Transportation	33,650	0	0	33,650
Central	1,000	0	0	1,000
Operation of Non-Instructional Services:				
Food Service Operations	1,937,262	0	0	1,937,262
Other Non-Instructional Services	155,655	0	0	155,655
Extracurricular Activities	258,752	0	0	258,752
Capital Outlay	0	0	2,362,435	2,362,435
Debt Service:				
Interest and Fiscal Charges	0	0	3,722	3,722
<i>Total Expenditures</i>	<u>4,644,786</u>	<u>0</u>	<u>2,366,157</u>	<u>7,010,943</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(477,538)</u>	<u>56,156</u>	<u>(1,952,315)</u>	<u>(2,373,697)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	104,900	0	284,791	389,691
Transfers Out	0	(1,605)	0	(1,605)
<i>Total Other Financing Sources (Uses)</i>	<u>104,900</u>	<u>(1,605)</u>	<u>284,791</u>	<u>388,086</u>
<i>Net Change in Fund Balances</i>	<u>(372,638)</u>	<u>54,551</u>	<u>(1,667,524)</u>	<u>(1,985,611)</u>
<i>Fund Balances Beginning of Year</i>	<u>1,033,507</u>	<u>66,918</u>	<u>642,821</u>	<u>1,743,246</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$660,869</u>	<u>\$121,469</u>	<u>(\$1,024,703)</u>	<u>(\$242,365)</u>

**Bedford City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2018*

	Food Service	Local Grants	District Managed Student Activities	Public School Preschool
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$1,061,395	\$105,928	\$48,120	\$31,610
Intergovernmental Receivable	0	0	0	17,648
Inventory Held for Resale	27,678	0	0	0
Materials and Supplies Inventory	6,969	0	0	0
<i>Total Assets</i>	<u>\$1,096,042</u>	<u>\$105,928</u>	<u>\$48,120</u>	<u>\$49,258</u>
<b>Liabilities</b>				
Accounts Payable	\$2,522	\$6,365	\$5,851	\$1,615
Accrued Wages and Benefits Payable	86,252	0	0	4,993
Intergovernmental Payable	46,980	0	0	637
Interfund Payable	0	0	0	34,000
Matured Compensated Absences Payable	12,364	0	0	0
<i>Total Liabilities</i>	<u>148,118</u>	<u>6,365</u>	<u>5,851</u>	<u>41,245</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue	0	0	0	9,478
<b>Fund Balances</b>				
Nonspendable	6,969	0	0	0
Restricted	940,955	99,563	42,269	0
Unassigned (Deficit)	0	0	0	(1,465)
<i>Total Fund Balances (Deficit)</i>	<u>947,924</u>	<u>99,563</u>	<u>42,269</u>	<u>(1,465)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$1,096,042</u>	<u>\$105,928</u>	<u>\$48,120</u>	<u>\$49,258</u>

(continued)

**Bedford City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*June 30, 2018*

	<u>Miscellaneous State Grants</u>	<u>Title VI-B</u>	<u>Vocational Education</u>	<u>Title III</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$2,350	\$164,431	\$53,920	\$25,000
Intergovernmental Receivable	2,102	92,717	72,010	11,155
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$4,452</u>	<u>\$257,148</u>	<u>\$125,930</u>	<u>\$36,155</u>
<b>Liabilities</b>				
Accounts Payable	\$0	\$1,790	\$8,490	\$10,001
Accrued Wages and Benefits Payable	0	22,498	0	0
Intergovernmental Payable	0	4,545	0	318
Interfund Payable	2,350	225,000	90,000	25,000
Matured Compensated Absences Payable	0	0	0	0
<i>Total Liabilities</i>	<u>2,350</u>	<u>253,833</u>	<u>98,490</u>	<u>35,319</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue	2,102	92,717	26,837	11,155
<b>Fund Balances</b>				
Nonspendable	0	0	0	0
Restricted	0	0	603	0
Unassigned (Deficit)	0	(89,402)	0	(10,319)
<i>Total Fund Balances (Deficit)</i>	<u>0</u>	<u>(89,402)</u>	<u>603</u>	<u>(10,319)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$4,452</u>	<u>\$257,148</u>	<u>\$125,930</u>	<u>\$36,155</u>

<u>Title I</u>	<u>Preschool Handicapped</u>	<u>Title VI-R</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$569,916	\$39,740	\$134,073	\$9,303	\$2,245,786
493,772	8,533	49,231	796	747,964
0	0	0	0	27,678
0	0	0	0	6,969
<u>\$1,063,688</u>	<u>\$48,273</u>	<u>\$183,304</u>	<u>\$10,099</u>	<u>\$3,028,397</u>
\$104,284	\$0	\$3,886	\$0	\$144,804
102,287	0	0	0	216,030
17,513	0	366	0	70,359
660,000	40,000	143,000	10,000	1,229,350
0	0	0	0	12,364
<u>884,084</u>	<u>40,000</u>	<u>147,252</u>	<u>10,000</u>	<u>1,672,907</u>
<u>493,772</u>	<u>8,533</u>	<u>49,231</u>	<u>796</u>	<u>694,621</u>
0	0	0	0	6,969
0	0	0	0	1,083,390
<u>(314,168)</u>	<u>(260)</u>	<u>(13,179)</u>	<u>(697)</u>	<u>(429,490)</u>
<u>(314,168)</u>	<u>(260)</u>	<u>(13,179)</u>	<u>(697)</u>	<u>660,869</u>
<u>\$1,063,688</u>	<u>\$48,273</u>	<u>\$183,304</u>	<u>\$10,099</u>	<u>\$3,028,397</u>

**Bedford City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2018*

	Food Service	Local Grants	District Managed Student Activities	Auxiliary Services
<b>Revenues</b>				
Intergovernmental	\$1,369,563	\$70,633	\$0	\$4,575
Interest	0	0	0	17
Charges for Services	522,748	0	703	0
Extracurricular Activities	0	0	139,505	0
Contributions and Donations	0	25,832	9,360	0
Miscellaneous	0	0	670	0
<i>Total Revenues</i>	<u>1,892,311</u>	<u>96,465</u>	<u>150,238</u>	<u>4,592</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	5,326	0	0
Special	0	335	0	0
Vocational	0	0	0	0
Support Services:				
Pupil	0	0	0	0
Instructional Staff	0	0	0	0
Administration	0	0	0	0
Business	0	20,000	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	1,937,262	0	0	0
Other Non-Instructional Services	0	40,872	0	6,678
Extracurricular Activities	0	0	258,752	0
<i>Total Expenditures</i>	<u>1,937,262</u>	<u>66,533</u>	<u>258,752</u>	<u>6,678</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(44,951)	29,932	(108,514)	(2,086)
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	104,900	0
<i>Net Change in Fund Balances</i>	(44,951)	29,932	(3,614)	(2,086)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>992,875</u>	<u>69,631</u>	<u>45,883</u>	<u>2,086</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$947,924</u>	<u>\$99,563</u>	<u>\$42,269</u>	<u>\$0</u>

Public School Preschool	Data Communications	Miscellaneous State Grants	Title VI-B	Vocational Education	Title III	Title I
\$49,682	\$10,800	\$3,735	\$659,078	\$138,840	\$8,478	\$1,035,132
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
49,682	10,800	3,735	659,078	138,840	8,478	1,035,132
0	0	0	0	0	0	20,580
0	0	0	45,474	0	14,155	289,230
0	0	0	0	120,008	0	0
0	0	0	526,341	0	0	288,403
0	10,800	0	682	9,949	3,709	633,346
0	0	0	144,448	5,420	0	0
0	0	0	0	0	0	0
0	0	3,735	0	0	0	0
0	0	0	0	0	0	33,650
0	0	0	0	1,000	0	0
0	0	0	0	0	0	0
48,236	0	0	26,645	0	318	29,751
0	0	0	0	0	0	0
48,236	10,800	3,735	743,590	136,377	18,182	1,294,960
1,446	0	0	(84,512)	2,463	(9,704)	(259,828)
0	0	0	0	0	0	0
1,446	0	0	(84,512)	2,463	(9,704)	(259,828)
(2,911)	0	0	(4,890)	(1,860)	(615)	(54,340)
(\$1,465)	\$0	\$0	(\$89,402)	\$603	(\$10,319)	(\$314,168)

(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, 2018*

	Preschool Handicapped	Title VI-R	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
<b>Revenues</b>				
Intergovernmental	\$20,087	\$81,740	\$16,070	\$3,468,413
Interest	0	0	0	17
Charges for Services	0	0	0	523,451
Extracurricular Activities	0	0	0	139,505
Contributions and Donations	0	0	0	35,192
Miscellaneous	0	0	0	670
<i>Total Revenues</i>	<u>20,087</u>	<u>81,740</u>	<u>16,070</u>	<u>4,167,248</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	0	928	26,834
Special	0	0	924	350,118
Vocational	0	0	0	120,008
Support Services:				
Pupil	18,213	0	3,114	836,071
Instructional Staff	0	83,737	9,610	751,833
Administration	0	0	0	149,868
Business	0	0	0	20,000
Operation and Maintenance of Plant	0	0	0	3,735
Pupil Transportation	0	0	0	33,650
Central	0	0	0	1,000
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	1,937,262
Other Non-Instructional Services	0	964	2,191	155,655
Extracurricular Activities	0	0	0	258,752
<i>Total Expenditures</i>	<u>18,213</u>	<u>84,701</u>	<u>16,767</u>	<u>4,644,786</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	1,874	(2,961)	(697)	(477,538)
<b>Other Financing Sources (Uses)</b>				
Transfers In	0	0	0	104,900
<i>Net Change in Fund Balances</i>	1,874	(2,961)	(697)	(372,638)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(2,134)</u>	<u>(10,218)</u>	<u>0</u>	<u>1,033,507</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$260)</u>	<u>(\$13,179)</u>	<u>(\$697)</u>	<u>\$660,869</u>



**Bedford City School District**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*June 30, 2018*

	<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	\$268,897	\$64,289	\$266,881	\$600,067
Taxes Receivable	381,286	0	0	381,286
<i>Total Assets</i>	<u>\$650,183</u>	<u>\$64,289</u>	<u>\$266,881</u>	<u>\$981,353</u>
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$103,435	\$103,435
Contracts Payable	6,331	0	0	6,331
Accrued Interest Payable	99	0	92	191
Interfund Payable	0	1,400,000	0	1,400,000
Notes Payable	59,454	0	55,359	114,813
<i>Total Liabilities</i>	<u>65,884</u>	<u>1,400,000</u>	<u>158,886</u>	<u>1,624,770</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	316,577	0	0	316,577
Unavailable Revenue	64,709	0	0	64,709
<i>Total Deferred Inflows of Resources</i>	<u>381,286</u>	<u>0</u>	<u>0</u>	<u>381,286</u>
<b>Fund Balances</b>				
Restricted	203,013	0	0	203,013
Committed	0	0	107,995	107,995
Unrestricted (Deficit)	0	(1,335,711)	0	(1,335,711)
<i>Total Fund Balances (Deficit)</i>	<u>203,013</u>	<u>(1,335,711)</u>	<u>107,995</u>	<u>(1,024,703)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$650,183</u>	<u>\$64,289</u>	<u>\$266,881</u>	<u>\$981,353</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, 2018*

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Capital Replacement</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Revenues</b>				
Taxes	\$299,116	\$0	\$19,542	\$318,658
Intergovernmental	39,241	0	0	39,241
Miscellaneous	0	55,943	0	55,943
<i>Total Revenues</i>	<u>338,357</u>	<u>55,943</u>	<u>19,542</u>	<u>413,842</u>
<b>Expenditures</b>				
Capital Outlay	765,639	1,422,699	174,097	2,362,435
Debt Service:				
Interest and Fiscal Charges	2,281	0	1,441	3,722
<i>Total Expenditures</i>	<u>767,920</u>	<u>1,422,699</u>	<u>175,538</u>	<u>2,366,157</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(429,563)	(1,366,756)	(155,996)	(1,952,315)
<b>Other Financing Sources (Uses)</b>				
Transfers In	171,606	0	113,185	284,791
<i>Net Change in Fund Balances</i>	(257,957)	(1,366,756)	(42,811)	(1,667,524)
<i>Fund Balances Beginning of Year</i>	<u>460,970</u>	<u>31,045</u>	<u>150,806</u>	<u>642,821</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$203,013</u></u>	<u><u>(\$1,335,711)</u></u>	<u><u>\$107,995</u></u>	<u><u>(\$1,024,703)</u></u>

**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 Funds*  
*For the Fiscal Year Ended June 30, 2018*

	<u>Beginning Balance June 30, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance June 30, 2018</u>
<b>Student Activities Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$49,635	\$58,895	\$48,729	\$59,801
<b>Liabilities</b>				
Due to Students	\$49,635	\$58,895	\$48,729	\$59,801
<b>District Agency Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$66,421	\$66,421	\$0
<b>Liabilities</b>				
Due to Students	\$0	\$66,421	\$66,421	\$0
<b>All Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$49,635	\$125,316	\$115,150	\$59,801
<b>Liabilities</b>				
Due to Students	\$49,635	\$125,316	\$115,150	\$59,801

**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, 2018*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$31,824,912	\$32,060,000	\$33,191,834	\$1,131,834
Intergovernmental	12,142,285	12,231,979	16,277,222	4,045,243
Interest	297,800	300,000	305,640	5,640
Charges for Services	0	0	166	166
Tuition and Fees	2,323,636	2,349,363	2,428,212	78,849
Rentals	24,817	25,000	62,527	37,527
Payments in Lieu of Taxes	287,874	290,000	294,947	4,947
Miscellaneous	196,231	197,830	256,801	58,971
<i>Total Revenues</i>	47,097,555	47,454,172	52,817,349	5,363,177
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries and Wages	10,675,905	11,169,326	11,105,462	63,864
Fringe Benefits	3,850,285	4,028,239	3,948,643	79,596
Purchased Services	4,712,002	4,929,783	4,785,436	144,347
Materials and Supplies	975,500	1,020,586	865,234	155,352
Capital Outlay	70,758	74,028	64,579	9,449
Other	16,775	17,550	15,884	1,666
Total Regular	20,301,225	21,239,512	20,785,238	454,274
Special:				
Salaries and Wages	4,027,839	4,213,999	4,152,588	61,411
Fringe Benefits	1,366,011	1,429,146	1,348,447	80,699
Purchased Services	212,892	222,732	214,910	7,822
Materials and Supplies	1,092	1,142	192	950
Total Special	5,607,834	5,867,019	5,716,137	150,882
Vocational:				
Salaries and Wages	459,751	481,000	473,508	7,492
Fringe Benefits	150,313	157,260	146,891	10,369
Purchased Services	16,335	17,090	17,090	0
Materials and Supplies	36,230	37,905	37,905	0
Capital Outlay	65,634	68,667	68,667	0
Total Vocational	728,263	761,922	744,061	17,861
Total Instruction	\$26,637,322	\$27,868,453	\$27,245,436	\$623,017

(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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Support Services:				
Pupil:				
Salaries and Wages	\$1,920,727	\$2,009,500	\$1,898,724	\$110,776
Fringe Benefits	632,872	662,122	634,636	27,486
Purchased Services	354,952	371,357	361,861	9,496
Materials and Supplies	47,429	49,621	40,872	8,749
Capital Outlay	6,170	6,455	4,051	2,404
Other	956	1,000	100	900
Total Pupil	2,963,106	3,100,055	2,940,244	159,811
Instructional Staff:				
Salaries and Wages	897,758	939,251	902,061	37,190
Fringe Benefits	356,991	373,490	351,995	21,495
Purchased Services	313,364	327,847	282,275	45,572
Materials and Supplies	122,371	128,027	98,250	29,777
Capital Outlay	108,102	113,098	95,134	17,964
Other	143	150	0	150
Total Instructional Staff	1,798,729	1,881,863	1,729,715	152,148
Board of Education:				
Salaries and Wages	19,116	20,000	17,499	2,501
Fringe Benefits	3,345	3,500	1,694	1,806
Purchased Services	204,757	214,221	162,534	51,687
Materials and Supplies	669	700	330	370
Capital Outlay	3,823	4,000	0	4,000
Other	26,667	27,900	18,070	9,830
Total Board of Education	258,377	270,321	200,127	70,194
Administration:				
Salaries and Wages	2,458,425	2,572,049	2,565,660	6,389
Fringe Benefits	1,241,442	1,298,819	1,270,108	28,711
Purchased Services	518,783	542,760	474,640	68,120
Materials and Supplies	78,102	81,712	57,120	24,592
Capital Outlay	27,814	29,100	18,865	10,235
Other	78,540	82,170	69,258	12,912
Total Administration	\$4,403,106	\$4,606,610	\$4,455,651	\$150,959

(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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Fiscal:</b>				
Salaries and Wages	\$381,613	\$399,250	\$353,238	\$46,012
Fringe Benefits	149,056	155,945	148,679	7,266
Purchased Services	156,623	163,862	154,943	8,919
Materials and Supplies	9,356	9,788	5,375	4,413
Capital Outlay	20,126	21,056	4,229	16,827
Other	779,291	815,308	720,229	95,079
<b>Total Fiscal</b>	<b>1,496,065</b>	<b>1,565,209</b>	<b>1,386,693</b>	<b>178,516</b>
<b>Business:</b>				
Salaries and Wages	288,659	302,000	301,318	682
Fringe Benefits	156,306	163,530	154,882	8,648
Purchased Services	128,791	134,743	129,651	5,092
Materials and Supplies	9,563	10,005	8,517	1,488
Capital Outlay	24,203	25,322	22,357	2,965
Other	4,710	4,928	4,182	746
<b>Total Business</b>	<b>612,232</b>	<b>640,528</b>	<b>620,907</b>	<b>19,621</b>
<b>Operation and Maintenance of Plant:</b>				
Salaries and Wages	2,501,103	2,616,700	2,526,807	89,893
Fringe Benefits	1,069,291	1,118,712	1,070,563	48,149
Purchased Services	2,184,312	2,285,267	1,867,760	417,507
Materials and Supplies	419,264	438,642	437,904	738
Capital Outlay	412,523	431,589	427,627	3,962
Other	3,938	4,120	3,276	844
<b>Total Operation and Maintenance of Plant</b>	<b>6,590,431</b>	<b>6,895,030</b>	<b>6,333,937</b>	<b>561,093</b>
<b>Pupil Transportation:</b>				
Salaries and Wages	2,169,717	2,269,998	2,070,845	199,153
Fringe Benefits	658,973	689,430	661,222	28,208
Purchased Services	563,158	589,186	518,663	70,523
Materials and Supplies	495,879	518,798	479,657	39,141
Capital Outlay	262,734	274,877	273,485	1,392
Other	3,608	3,775	709	3,066
<b>Total Pupil Transportation</b>	<b>\$4,154,069</b>	<b>\$4,346,064</b>	<b>\$4,004,581</b>	<b>\$341,483</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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Central:				
Salaries and Wages	\$190,304	\$199,100	\$197,993	\$1,107
Fringe Benefits	64,614	67,600	61,846	5,754
Purchased Services	89,074	93,191	50,662	42,529
Materials and Supplies	11,356	11,881	7,376	4,505
Capital Outlay	3,136	3,281	1,281	2,000
Other	1,912	2,000	460	1,540
Total Central	<u>360,396</u>	<u>377,053</u>	<u>319,618</u>	<u>57,435</u>
Total Support Services	<u>22,636,511</u>	<u>23,682,733</u>	<u>21,991,473</u>	<u>1,691,260</u>
Extracurricular Activities:				
Academic and Subject Oriented:				
Salaries and Wages	58,238	60,930	60,580	350
Fringe Benefits	6,308	6,600	6,508	92
Total Academic and Subject Oriented	<u>64,546</u>	<u>67,530</u>	<u>67,088</u>	<u>442</u>
Occupation Oriented:				
Salaries and Wages	4,588	4,800	4,580	220
Fringe Benefits	1,004	1,050	583	467
Total Occupation Oriented	<u>5,592</u>	<u>5,850</u>	<u>5,163</u>	<u>687</u>
Sports Oriented:				
Salaries and Wages	477,625	499,700	496,903	2,797
Fringe Benefits	100,954	105,620	104,609	1,011
Total Sports Oriented	<u>578,579</u>	<u>605,320</u>	<u>601,512</u>	<u>3,808</u>
School and Public Service Oriented:				
Salaries and Wages	50,945	53,300	52,510	790
Fringe Benefits	4,445	4,650	4,609	41
Total School and Public Service Oriented	<u>55,390</u>	<u>57,950</u>	<u>57,119</u>	<u>831</u>
Total Extracurricular Activities	<u>\$704,107</u>	<u>\$736,650</u>	<u>\$730,882</u>	<u>\$5,768</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, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Capital Outlay:				
Architecture and Engineering Services				
Capital Outlay	\$4,779	\$5,000	\$4,511	\$489
Debt Service:				
Principal Retirement	270,767	270,767	270,767	0
Interest and Fiscal Charges	47,280	47,280	47,280	0
Total Debt Service	318,047	318,047	318,047	0
<i>Total Expenditures</i>	<u>50,300,766</u>	<u>52,610,883</u>	<u>50,290,349</u>	<u>2,320,534</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,203,211)</u>	<u>(5,156,711)</u>	<u>2,527,000</u>	<u>7,683,711</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	20,170	20,170	23,124	2,954
Advances In	2,000,000	2,000,000	2,558,000	558,000
Advances Out	(3,185,138)	(3,332,350)	(3,332,350)	0
Transfers Out	(923,254)	(965,925)	(965,925)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(2,088,222)</u>	<u>(2,278,105)</u>	<u>(1,717,151)</u>	<u>560,954</u>
<i>Net Change in Fund Balance</i>	(5,291,433)	(7,434,816)	809,849	8,244,665
<i>Fund Balance Beginning of Year</i>	12,409,565	12,409,565	12,409,565	0
Prior Year Encumbrances Appropriated	1,793,816	1,793,816	1,793,816	0
<i>Fund Balance End of Year</i>	<u>\$8,911,948</u>	<u>\$6,768,565</u>	<u>\$15,013,230</u>	<u>\$8,244,665</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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,261,000	\$1,261,879	\$879
Charges for Services	489,000	522,748	33,748
<i>Total Revenues</i>	<u>1,750,000</u>	<u>1,784,627</u>	<u>34,627</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Food Services Operations:			
Salaries and Wages	778,435	756,537	21,898
Fringe Benefits	233,581	227,298	6,283
Purchased Services	30,041	22,200	7,841
Materials and Supplies	865,536	810,055	55,481
Capital Outlay	74,140	62,820	11,320
Other	3,250	3,250	0
<i>Total Expenditures</i>	<u>1,984,983</u>	<u>1,882,160</u>	<u>102,823</u>
<i>Net Change in Fund Balance</i>	(234,983)	(97,533)	137,450
<i>Fund Balance Beginning of Year</i>	1,093,068	1,093,068	0
Prior Year Encumbrances Appropriated	49,983	49,983	0
<i>Fund Balance End of Year</i>	<u><u>\$908,068</u></u>	<u><u>\$1,045,518</u></u>	<u><u>\$137,450</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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$71,902	\$70,633	(\$1,269)
Contributions and Donations	38,098	25,832	(12,266)
<i>Total Revenues</i>	<u>110,000</u>	<u>96,465</u>	<u>(13,535)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	8,196	6,712	1,484
Capital Outlay	9,161	0	9,161
Other	263	100	163
Total Regular	<u>17,620</u>	<u>6,812</u>	<u>10,808</u>
Special:			
Purchased Services	456	299	157
Materials and Supplies	1,091	861	230
Total Special	<u>1,547</u>	<u>1,160</u>	<u>387</u>
Vocational:			
Purchased Services	3,000	0	3,000
Materials and Supplies	73	0	73
Total Vocational	<u>3,073</u>	<u>0</u>	<u>3,073</u>
Total Instruction	<u>22,240</u>	<u>7,972</u>	<u>14,268</u>
Support Services:			
Business:			
Other	22,462	20,000	2,462
Operation and Maintenance of Plant:			
Purchased Services	3,974	0	3,974
Total Support Services	<u>\$26,436</u>	<u>\$20,000</u>	<u>\$6,436</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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services			
Salaries and Wages	\$7,505	\$2,399	\$5,106
Fringe Benefits	495	319	176
Purchased Services	10,011	6,261	3,750
Materials and Supplies	33,101	29,799	3,302
Capital Outlay	5,550	5,032	518
Other	60,030	1,299	58,731
Total Operation of Non-Instructional Services	116,692	45,109	71,583
<i>Total Expenditures</i>	165,368	73,081	92,287
<i>Net Change in Fund Balance</i>	(55,368)	23,384	78,752
<i>Fund Balance Beginning of Year</i>	69,660	69,660	0
Prior Year Encumbrances Appropriated	368	368	0
<i>Fund Balance End of Year</i>	\$14,660	\$93,412	\$78,752

**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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$0	\$703	\$703
Extracurricular Activities	140,000	139,855	(145)
Contributions and Donations	9,100	9,360	260
Miscellaneous	0	670	670
<i>Total Revenues</i>	<u>149,100</u>	<u>150,588</u>	<u>1,488</u>
<b>Expenditures</b>			
Current:			
Extracurricular Activities:			
Academic and Subject Oriented:			
Materials and Supplies	34,599	32,317	2,282
Occupational Oriented:			
Materials and Supplies	1,014	0	1,014
Sport Oriented Activities:			
Salaries and Wages	12,896	12,896	0
Fringe Benefits	1,078	1,075	3
Purchased Services	107,423	107,374	49
Materials and Supplies	104,344	92,305	12,039
Total Sport Oriented Activities	<u>\$225,741</u>	<u>\$213,650</u>	<u>\$12,091</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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
School and Public Service Oriented:			
Purchased Services	\$37,184	\$17,066	\$20,118
Materials and Supplies	3,610	1,609	2,001
Other	13	0	13
Total School and Public Service Oriented	<u>40,807</u>	<u>18,675</u>	<u>22,132</u>
<i>Total Expenditures</i>	<u>302,161</u>	<u>264,642</u>	<u>37,519</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(153,061)</u>	<u>(114,054)</u>	<u>39,007</u>
<b>Other Financing Sources (Uses)</b>			
Advances In	63,000	63,000	0
Advances Out	(63,000)	(63,000)	0
Transfers In	104,900	104,900	0
Total Other Financing Sources (Uses)	<u>104,900</u>	<u>104,900</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(48,161)	(9,154)	39,007
<i>Fund Balance Beginning of Year</i>	39,098	39,098	0
Prior Year Encumbrances Appropriated	<u>9,161</u>	<u>9,161</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$98</u></u>	<u><u>\$39,105</u></u>	<u><u>\$39,007</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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$4,600	\$4,575	(\$25)
Interest	0	17	17
<i>Total Revenues</i>	<u>4,600</u>	<u>4,592</u>	<u>(8)</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services:			
Purchased Services	167	167	0
Materials and Supplies	17,542	17,542	0
Capital Outlay	10,724	10,724	0
<i>Total Expenditures</i>	<u>28,433</u>	<u>28,433</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(23,833)	(23,841)	(8)
<b>Other Financing Sources (Uses)</b>			
Advances Out	(500)	(500)	0
<i>Net Change in Fund Balance</i>	(24,333)	(24,341)	(8)
<i>Fund Balance Beginning of Year</i>	532	532	0
Prior Year Encumbrances Appropriated	23,809	23,809	0
<i>Fund Balance End of Year</i>	<u>\$8</u>	<u>\$0</u>	<u>(\$8)</u>

**Bedford City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Preschool Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$62,350	\$61,797	(\$553)
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services:			
Salaries and Wages	31,279	26,731	4,548
Fringe Benefits	10,803	9,194	1,609
Purchased Services	4,002	797	3,205
Materials and Supplies	22,926	16,124	6,802
Capital Outlay	21,777	17,631	4,146
<i>Total Expenditures</i>	90,787	70,477	20,310
<i>Excess of Revenues Over (Under) Expenditures</i>	(28,437)	(8,680)	19,757
<b>Other Financing Sources (Uses)</b>			
Advances In	34,000	34,000	0
Advances Out	(25,014)	(25,000)	14
<i>Total Other Financing Sources (Uses)</i>	8,986	9,000	14
<i>Net Change in Fund Balance</i>	(19,451)	320	19,771
<i>Fund Balance Beginning of Year</i>	5,945	5,945	0
Prior Year Encumbrances Appropriated	15,301	15,301	0
<i>Fund Balance End of Year</i>	\$1,795	\$21,566	\$19,771



**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, 2018*

	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*  
*Miscellaneous State Grants Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$3,735	\$3,735	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Materials and Supplies	1,728	1,728	0
Support Services:			
Instructional Staff:			
Other	600	410	190
Operation and Maintenance of Plant:			
Purchased Services	3,735	3,735	0
Total Support Services	4,335	4,145	190
<i>Total Expenditures</i>	6,063	5,873	190
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,328)	(2,138)	190
<b>Other Financing Source (Uses)</b>			
Advances In	92,350	92,350	0
Advances Out	(90,000)	(90,000)	0
<i>Total Other Financing Sources (Uses)</i>	2,350	2,350	0
<i>Net Change in Fund Balance</i>	22	212	190
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$22	\$212	\$190

**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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$849,000	\$849,539	\$539
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Salaries and Wages	26,611	22,785	3,826
Fringe Benefits	10,914	9,321	1,593
Purchased Services	9,739	9,420	319
Materials and Supplies	6,360	6,360	0
Capital Outlay	3,500	3,465	35
Total Instruction	57,124	51,351	5,773
Support Services:			
Pupil:			
Salaries and Wages	57,030	48,446	8,584
Fringe Benefits	16,510	14,172	2,338
Purchased Services	579,544	579,425	119
Materials and Supplies	9,679	8,958	721
Total Pupil	662,763	651,001	11,762
Instructional Staff:			
Salaries and Wages	120	120	0
Fringe Benefits	19	19	0
Purchased Services	3,700	1,700	2,000
Materials and Supplies	506	506	0
Total Instructional Staff	\$4,345	\$2,345	\$2,000

(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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Administration:			
Salaries and Wages	\$114,603	\$103,927	\$10,676
Fringe Benefits	43,325	39,444	3,881
Total Administration	157,928	143,371	14,557
Total Support Services	825,036	796,717	28,319
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services:			
Purchased Services	28,924	28,924	0
<i>Total Expenditures</i>	911,084	876,992	34,092
<i>Excess of Revenues Over (Under) Expenditures</i>	(62,084)	(27,453)	34,631
<b>Other Financing Sources (Uses)</b>			
Advances In	225,000	225,000	0
Advances Out	(350,000)	(350,000)	0
<i>Total Other Financing Sources (Uses)</i>	(125,000)	(125,000)	0
<i>Net Change in Fund Balance</i>	(187,084)	(152,453)	34,631
<i>Fund Balance Beginning of Year</i>	150,868	150,868	0
Prior Year Encumbrances Appropriated	38,584	38,584	0
<i>Fund Balance End of Year</i>	\$2,368	\$36,999	\$34,631

**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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$127,700	\$124,768	(\$2,932)
<b>Expenditures</b>			
Current:			
Instruction:			
Vocational:			
Salaries	4,800	2,000	2,800
Fringe Benefits	815	186	629
Purchased Services	18,266	18,176	90
Materials and Supplies	30,254	23,288	6,966
Capital Outlay	30,731	30,366	365
Other	73,803	73,726	77
Total Instruction	158,669	147,742	10,927
Support Services:			
Instructional Staff:			
Salaries and Wages	5,598	2,540	3,058
Fringe Benefits	1,124	318	806
Purchased Services	6,426	5,915	511
Other	4,702	4,702	0
Total Instructional Staff	17,850	13,475	4,375
Administration:			
Materials and Supplies	6,999	5,690	1,309
Capital Outlay	3,510	2,666	844
Total Administration	10,509	8,356	2,153
Central:			
Purchased Services	1,000	1,000	0
Total Support Services	29,359	22,831	6,528
<i>Total Expenditures</i>	<u>\$188,028</u>	<u>\$170,573</u>	<u>\$17,455</u>

(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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Excess of Revenues Over (Under) Expenditures</i>	(\$60,328)	(\$45,805)	\$14,523
<b>Other Financing Sources (Uses)</b>			
Advances In	90,000	90,000	0
Advances Out	(66,000)	(66,000)	0
<i>Total Other Financing Sources (Uses)</i>	24,000	24,000	0
<i>Net Change in Fund Balance</i>	(36,328)	(21,805)	14,523
<i>Fund Balance Beginning of Year</i>	19,265	19,265	0
Prior Year Encumbrances Appropriated	22,728	22,728	0
<i>Fund Balance End of Year</i>	\$5,665	\$20,188	\$14,523

**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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$10,200	\$11,362	\$1,162
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Purchased Services	11,281	4,647	6,634
Materials and Supplies	13,796	11,912	1,884
Total Instruction	25,077	16,559	8,518
Support Services:			
Instructional Staff:			
Purchased Services	5,615	3,278	2,337
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services:			
Salaries and Wages	1,000	0	1,000
Fringe Benefits	201	0	201
Purchased Services	500	0	500
Materials and Supplies	1,531	1,046	485
Total Operation of Non-Instructional Services	3,232	1,046	2,186
<i>Total Expenditures</i>	33,924	20,883	13,041
<i>Excess of Revenues Over (Under) Expenditures</i>	(23,724)	(9,521)	14,203
<b>Other Financing Sources (Uses)</b>			
Advances In	25,000	25,000	0
Advances Out	(15,500)	(15,500)	0
<b>Total Other Financing Sources (Uses)</b>	9,500	9,500	0
<i>Net Change in Fund Balance</i>	(14,224)	(21)	14,203
<i>Fund Balance Beginning of Year</i>	6,226	6,226	0
Prior Year Encumbrances Appropriated	8,794	8,794	0
<i>Fund Balance End of Year</i>	\$796	\$14,999	\$14,203

**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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,277,000	\$1,202,969	(\$74,031)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	50,872	50,872	0
Materials and Supplies	2,506	2,506	0
Capital Outlay	5,127	5,127	0
Total Regular	58,505	58,505	0
Special:			
Salaries and Wages	107,000	75,981	31,019
Fringe Benefits	22,500	10,685	11,815
Purchased Services	48,151	46,034	2,117
Materials and Supplies	104,936	102,463	2,473
Capital Outlay	198,922	198,909	13
Total Special	481,509	434,072	47,437
Total Instruction	540,014	492,577	47,437
Support Services:			
Pupil:			
Salaries and Wages	190,510	135,596	54,914
Fringe Benefits	77,329	57,073	20,256
Purchased Services	83,323	83,043	280
Materials and Supplies	46,948	46,846	102
Total Pupil	\$398,110	\$322,558	\$75,552

(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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Instructional Staff:			
Salaries and Wages	\$507,323	\$392,080	\$115,243
Fringe Benefits	170,168	137,458	32,710
Purchased Services	89,546	87,060	2,486
Materials and Supplies	19,130	16,743	2,387
<b>Total Instructional Staff</b>	<b>786,167</b>	<b>633,341</b>	<b>152,826</b>
Pupil Transportation:			
Salaries and Wages	23,500	23,039	461
Fringe Benefits	3,850	3,725	125
Purchased Services	6,900	6,886	14
<b>Total Pupil Transportation</b>	<b>34,250</b>	<b>33,650</b>	<b>600</b>
<b>Total Support Services</b>	<b>1,218,527</b>	<b>989,549</b>	<b>228,978</b>
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services:			
Salaries and Wages	600	600	0
Fringe Benefits	100	96	4
Purchased Services	16,600	12,431	4,169
Materials and Supplies	21,624	17,003	4,621
Capital Outlay	4,500	4,487	13
<b>Total Operation of Non-Instructional Services</b>	<b>43,424</b>	<b>34,617</b>	<b>8,807</b>
<b>Total Expenditures</b>	<b>1,801,965</b>	<b>1,516,743</b>	<b>285,222</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(524,965)</b>	<b>(313,774)</b>	<b>211,191</b>
<b>Other Financing Sources (Uses)</b>			
Advances In	583,000	660,000	77,000
Advances Out	(850,048)	(850,000)	48
<b>Total Other Financing Sources (Uses)</b>	<b>(267,048)</b>	<b>(190,000)</b>	<b>77,048</b>
<b>Net Change in Fund Balance</b>	<b>(792,013)</b>	<b>(503,774)</b>	<b>288,239</b>
<b>Fund Balance Beginning of Year</b>	<b>673,386</b>	<b>673,386</b>	<b>0</b>
<b>Prior Year Encumbrances Appropriated</b>	<b>122,183</b>	<b>122,183</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$3,556</b>	<b>\$291,795</b>	<b>\$288,239</b>

**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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$33,200	\$29,784	(\$3,416)
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Salaries and Wages	2,843	0	2,843
Purchased Services	6,000	6,000	0
Materials and Supplies	5,000	2,511	2,489
Capital Outlay	3,530	2,206	1,324
Total Instruction	17,373	10,717	6,656
Support Services:			
Pupil:			
Purchased Services	31,535	27,034	4,501
Materials and Supplies	3,774	2,756	1,018
Capital Outlay	2,000	1,683	317
Total Pupil	37,309	31,473	5,836
Instructional Staff:			
Salaries and Wages	4,000	0	4,000
Fringe Benefits	723	0	723
Total Instructional Staff	4,723	0	4,723
Total Support Services	42,032	31,473	10,559
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	500	0	500
<i>Total Expenditures</i>	\$59,905	\$42,190	\$17,715

(continued)

**Bedford City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Preschool Handicapped Fund (continued)*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Excess of Revenues Over (Under) Expenditures</i>	(\$26,705)	(\$12,406)	\$14,299
<b>Other Financing Sources (Uses)</b>			
Advances In	40,000	40,000	0
Advances Out	(51,000)	(51,000)	0
<i>Total Other Financing Sources (Uses)</i>	(11,000)	(11,000)	0
<i>Net Change in Fund Balance</i>	(37,705)	(23,406)	14,299
<i>Fund Balance Beginning of Year</i>	37,692	37,692	0
Prior Year Encumbrances Appropriated	5,385	5,385	0
<i>Fund Balance End of Year</i>	\$5,372	\$19,671	\$14,299

**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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$93,600	\$92,657	(\$943)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	63	0	63
Support Services:			
Instructional Staff:			
Salaries and Wages	64,500	24,242	40,258
Fringe Benefits	11,876	3,722	8,154
Purchased Services	131,762	59,196	72,566
Materials and Supplies	24,318	20,932	3,386
Total Support Services	232,456	108,092	124,364
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	964	964	0
<i>Total Expenditures</i>	233,483	109,056	124,427
<i>Excess of Revenues Over (Under) Expenditures</i>	(139,883)	(16,399)	123,484
<b>Other Financing Sources (Uses)</b>			
Advances In	142,000	143,000	1,000
Advances Out	(77,000)	(77,000)	0
<i>Total Other Financing Sources (Uses)</i>	65,000	66,000	1,000
<i>Net Change in Fund Balance</i>	(74,883)	49,601	124,484
<i>Fund Balance Beginning of Year</i>	43,113	43,113	0
Prior Year Encumbrances Appropriated	32,383	32,383	0
<i>Fund Balance End of Year</i>	\$613	\$125,097	\$124,484

**Bedford City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous Federal Grants Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$24,500	\$16,070	(\$8,430)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries and Wages	295	0	295
Materials and Supplies	1,501	928	573
Total Regular	1,796	928	868
Special:			
Salaries and Wages	1,500	801	699
Fringe Benefits	300	123	177
Total Special	1,800	924	876
Total Instruction	3,596	1,852	1,744
Support Services:			
Pupils:			
Salaries and Wages	2,100	2,100	0
Fringe Benefits	499	324	175
Purchased Services	3,400	690	2,710
Total Pupils	5,999	3,114	2,885
Instructional Staff:			
Salaries and Wages	1,900	270	1,630
Fringe Benefits	552	42	510
Purchased Services	9,700	9,421	279
Total Instructional Staff	12,152	9,733	2,419
Total Support Services	\$18,151	\$12,847	\$5,304

(continued)

**Bedford City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous Federal Grants Fund (continued)*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services:			
Purchased Services	\$709	\$148	\$561
Capital Outlay	2,044	2,043	1
Total Operation of Non-Instructional Services	2,753	2,191	562
<i>Total Expenditures</i>	24,500	16,890	7,610
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(820)	(820)
<b>Other Financing Sources (Uses)</b>			
Advances In	10,000	10,000	0
<i>Net Change in Fund Balance</i>	10,000	9,180	(820)
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$10,000	\$9,180	(\$820)

**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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Rentals	\$2,000	\$12,002	\$10,002
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services:			
Salaries and Wages	6,650	0	6,650
Fringe Benefits	1,350	0	1,350
<i>Total Expenditures</i>	8,000	0	8,000
<i>Net Change in Fund Balance</i>	(6,000)	12,002	18,002
<i>Fund Balance Beginning of Year</i>	8,482	8,482	0
<i>Fund Balance End of Year</i>	\$2,482	\$20,484	\$18,002

**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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Tuition and Fees	\$2,300	\$2,477	\$177
Extracurricular Activities	104,500	98,424	(6,076)
Contributions and Donations	3,600	3,754	154
Miscellaneous	4,600	5,468	868
<i>Total Revenues</i>	<u>115,000</u>	<u>110,123</u>	<u>(4,877)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	115,338	92,085	23,253
Materials and Supplies	36,360	12,181	24,179
Capital Outlay	1,026	203	823
Other	38,278	27,557	10,721
Total Regular	191,002	132,026	58,976
Vocational:			
Materials and Supplies	3	0	3
Total Instruction	<u>191,005</u>	<u>132,026</u>	<u>58,979</u>
Support Services:			
Pupil:			
Materials and Supplies	620	0	620
Instructional Staff:			
Fringe Benefits	2,515	455	2,060
Purchased Services	540	0	540
Materials and Supplies	22,073	3,587	18,486
Capital Outlay	75	0	75
Total Instructional Staff	<u>25,203</u>	<u>4,042</u>	<u>21,161</u>
Administration:			
Purchased Services	1,177	0	1,177
Materials and Supplies	2,713	701	2,012
Total Administration	<u>3,890</u>	<u>701</u>	<u>3,189</u>
Business:			
Materials and Supplies	9,235	723	8,512
Capital Outlay	123	0	123
Total Business	<u>\$9,358</u>	<u>\$723</u>	<u>\$8,635</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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Central:			
Purchased Services	\$2,715	\$2,699	\$16
Materials and Supplies	604	0	604
Other	572	0	572
Total Central	3,891	2,699	1,192
Total Support Services	42,962	8,165	34,797
Operation of Non-Instructional Services:			
Other Non-Instructional Services:			
Community Services:			
Purchased Services	2,208	2,080	128
Other	2	0	2
Total Operation of Non-Instructional Services	2,210	2,080	130
Extracurricular Activities:			
Academic Oriented Activities:			
Purchased Services	17	0	17
Other	12	0	12
Total Academic Oriented Activities	29	0	29
School and Public Service Oriented:			
Purchased Services	2,305	1,013	1,292
Materials and Supplies	578	426	152
Other	6,359	2,648	3,711
Total School and Public Service Oriented	9,242	4,087	5,155
Total Extracurricular Activities	9,271	4,087	5,184
<i>Total Expenditures</i>	245,448	146,358	99,090
<i>Net Change in Fund Balance</i>	(130,448)	(36,235)	94,213
<i>Fund Balance Beginning of Year</i>	133,312	133,312	0
Prior Year Encumbrances Appropriated	12,448	12,448	0
<i>Fund Balance End of Year</i>	\$15,312	\$109,525	\$94,213

**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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Rentals	\$17,000	\$16,500	(\$500)
<b>Expenditures</b>			
Capital Outlay:			
Building Improvement Services			
Capital Outlay	92,600	92,600	0
<i>Net Change in Fund Balance</i>	(75,600)	(76,100)	(500)
<i>Fund Balance Beginning of Year</i>	76,100	76,100	0
<i>Fund Balance End of Year</i>	\$500	\$0	(\$500)

**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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Tuition and Fees	\$12,245	\$15,145	\$2,900
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Purchased Services	100	0	100
Materials and Supplies	300	0	300
Total Regular	400	0	400
Student Intervention Services:			
Salaries and Wages	14,400	8,886	5,514
Fringe Benefits	2,250	1,429	821
Total Student Intervention Services	16,650	10,315	6,335
Total Instruction	17,050	10,315	6,735
Support Services:			
Administration:			
Salaries and Wages	8,600	4,113	4,487
Fringe Benefits	1,750	592	1,158
Total Support Services	10,350	4,705	5,645
<i>Total Expenditures</i>	27,400	15,020	12,380
<i>Excess of Revenues Over (Under) Expenditures</i>	(15,155)	125	15,280
<b>Other Financing Sources (Uses)</b>			
Transfers In	6,000	6,000	0
<i>Net Change in Fund Balance</i>	(9,155)	6,125	15,280
<i>Fund Balance Beginning of Year</i>	9,156	9,156	0
<i>Fund Balance End of Year</i>	\$1	\$15,281	\$15,280

**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, 2018*

	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*  
*Underground Fuel Storage Tank Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	\$0	\$0	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Operation and Maintenance of Plant:			
Purchased Services	11,000	0	11,000
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(11,000)</u>	<u>0</u>	<u>11,000</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	11,000	11,000	0
<i>Net Change in Fund Balance</i>	0	11,000	11,000
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$11,000</u></u>	<u><u>\$11,000</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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Taxes	\$171,025	\$169,420	(\$1,605)
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	160,500	160,500	0
Interest and Fiscal Charges	10,525	10,525	0
<i>Total Expenditures</i>	171,025	171,025	0
<i>Net Change in Fund Balance</i>	0	(1,605)	(1,605)
<i>Fund Balance Beginning of Year</i>	66,918	66,918	0
<i>Fund Balance End of Year</i>	\$66,918	\$65,313	(\$1,605)

**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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Taxes	\$282,001	\$308,860	\$26,859
Intergovernmental	39,435	39,241	(194)
<i>Total Revenues</i>	<u>321,436</u>	<u>348,101</u>	<u>26,665</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Capital Outlay	176,000	176,000	0
Special:			
Capital Outlay	44,000	44,000	0
Total Instruction	<u>220,000</u>	<u>220,000</u>	<u>0</u>
Support Services:			
Instructional Staff:			
Capital Outlay	110,000	110,000	0
Business:			
Purchased Services	222,135	0	222,135
Central:			
Capital Outlay	36,230	36,227	3
Total Support Services	<u>368,365</u>	<u>146,227</u>	<u>222,138</u>
Capital Outlay:			
Architecture and Engineering Services:			
Purchased Services	4,235	4,235	0
Building Improvement Services:			
Purchased Services	13,095	12,925	170
Capital Outlay	380,155	380,155	0
Total Building Improvement Services	<u>393,250</u>	<u>393,080</u>	<u>170</u>
Total Capital Outlay	<u>397,485</u>	<u>397,315</u>	<u>170</u>
<i>Total Expenditures</i>	<u>\$985,850</u>	<u>\$763,542</u>	<u>\$222,308</u>

(continued)

**Bedford City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Permanent Improvement Fund (continued)*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Excess of Revenues Over (Under) Expenditures</i>	(\$664,414)	(\$415,441)	\$248,973
<b>Other Financing Sources (Uses)</b>			
Transfers In	171,025	171,025	0
<i>Net Change in Fund Balance</i>	(493,389)	(244,416)	248,973
<i>Fund Balance Beginning of Year</i>	427,463	427,463	0
Prior Year Encumbrances Appropriated	85,850	85,850	0
<i>Fund Balance End of Year</i>	\$19,924	\$268,897	\$248,973



**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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Miscellaneous	\$0	\$55,943	\$55,943
<b>Expenditures</b>			
Capital Outlay:			
Site Acquisition Services:			
Capital Outlay	708,000	708,000	0
Building Acquisition and Construction Services:			
Capital Outlay	705,867	705,832	35
Building Improvement Services:			
Capital Outlay	17,000	16,867	133
<i>Total Expenditures</i>	<u>1,430,867</u>	<u>1,430,699</u>	<u>168</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,430,867)</u>	<u>(1,374,756)</u>	<u>56,111</u>
<b>Other Financing Sources (Uses)</b>			
Advances In	1,400,000	1,400,000	0
Advances Out	(420,000)	(420,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>980,000</u>	<u>980,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(450,867)	(394,756)	56,111
<i>Fund Balance Beginning of Year</i>	34,178	34,178	0
Prior Year Encumbrances Appropriated	416,867	416,867	0
<i>Fund Balance End of Year</i>	<u>\$178</u>	<u>\$56,289</u>	<u>\$56,111</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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Capital Outlay	<u>220,614</u>	<u>187,680</u>	<u>32,934</u>
Support Services:			
Business:			
Capital Outlay	95,253	81,031	14,222
Operation and Maintenance of Plant:			
Capital Outlay	<u>20,988</u>	<u>17,855</u>	<u>3,133</u>
Total Support Services	<u>116,241</u>	<u>98,886</u>	<u>17,355</u>
<i>Total Expenditures</i>	<u>336,855</u>	<u>286,566</u>	<u>50,289</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(336,855)	(286,566)	50,289
<b>Other Financing Sources (Uses)</b>			
Transfers In	<u>120,000</u>	<u>113,000</u>	<u>(7,000)</u>
<i>Net Change in Fund Balance</i>	(216,855)	(173,566)	43,289
<i>Fund Balance Beginning of Year</i>	211,688	211,688	0
Prior Year Encumbrances Appropriated	<u>12,855</u>	<u>12,855</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$7,688</u>	<u>\$50,977</u>	<u>\$43,289</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, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$4,505,000	\$4,502,852	(\$2,148)
<b>Expenses</b>			
Purchased Services	848,350	846,117	2,233
Claims	4,242,233	4,231,978	10,255
<i>Total Expenses</i>	<u>5,090,583</u>	<u>5,078,095</u>	<u>12,488</u>
<i>Income (Loss) Before Transfers and Advances</i>	(585,583)	(575,243)	10,340
Advances In	550,000	550,000	0
Advances Out	(550,000)	(550,000)	0
Transfers In	<u>560,000</u>	<u>560,000</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	(25,583)	(15,243)	10,340
<i>Fund Equity Beginning of Year</i>	31,834	31,834	0
Prior Year Encumbrances Appropriated	<u>583</u>	<u>583</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$6,834</u></u>	<u><u>\$17,174</u></u>	<u><u>\$10,340</u></u>

**Bedford City School District**  
*Schedule of Revenues, Expenses and Changes*  
*in Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Scholarship Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$1,000	\$709	(\$291)
<b>Expenses</b>			
Other	20,000	0	20,000
<i>Net Change in Fund Equity</i>	(19,000)	709	19,709
<i>Fund Equity Beginning of Year</i>	61,168	61,168	0
<i>Fund Equity End of Year</i>	\$42,168	\$61,877	\$19,709

# Statistical Section



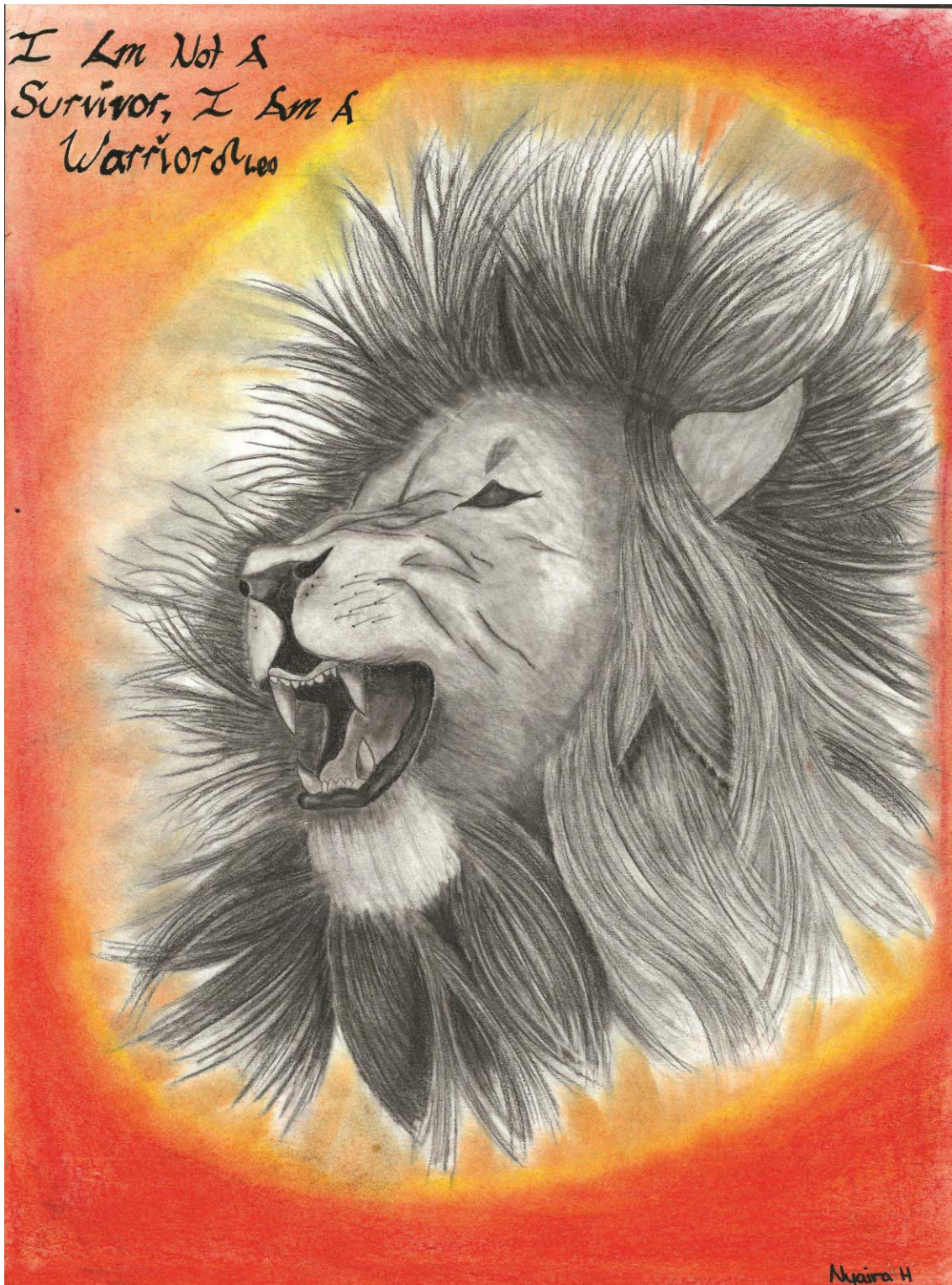
**Artwork by: Karlian Torres**

Kindergarten

Central Primary School

Art Teacher: Kenan Gabriel





**Artwork by: Ny'Aira Huguley**

Grade 11

Bedford High School

Art Teacher: Sarah Pinto

## 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.

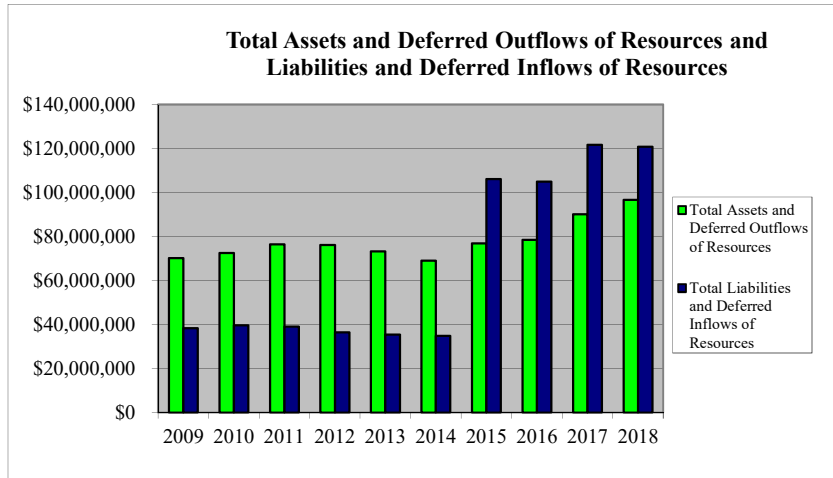
<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S2 - S13
<b>Revenue Capacity</b> These schedules contain information to help 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)*

	2009	2010	2011
Net Investment in Capital Assets	\$13,531,705	\$13,534,897	\$15,853,913
Restricted for:			
Capital Projects	557,011	1,400,209	229,779
Debt Service	2,264,251	2,148,734	2,086,003
Other Purposes	1,337,606	557,401	650,968
Unrestricted*	14,189,965	14,996,566	18,642,545
<i>Total Net Position</i>	<u>\$31,880,538</u>	<u>\$32,637,807</u>	<u>\$37,463,208</u>

- (1) The School District reported the impact of GASB Statement No. 68 beginning in fiscal year 2014.  
(2) The School District reported the impact of GASB Statement No. 75 beginning in fiscal year 2017.



**Source:** School District Financial Records



<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$16,816,971	\$17,309,870	\$17,784,600	\$18,124,171	\$16,997,654	\$16,507,065	\$17,992,839
303,671	855,811	622,695	155,448	357,564	672,773	327,176
1,342,336	411,780	9,869	13,714	26,481	33,428	95,854
694,518	789,177	918,821	1,010,363	991,799	1,050,858	1,179,195
<u>20,565,803</u>	<u>18,373,016</u>	<u>(51,666,872)</u>	<u>(48,795,299)</u>	<u>(45,074,786)</u>	<u>(67,422,387)</u>	<u>(43,836,978)</u>
<u>\$39,723,299</u>	<u>\$37,739,654</u>	<u>(\$32,330,887)</u>	<u>(\$29,491,603)</u>	<u>(\$26,701,288)</u>	<u>(\$49,158,263)</u>	<u>(\$24,241,914)</u>

**Bedford City School District**

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

	2009	2010	2011	2012
<b>Expenses</b>				
Governmental Activities:				
Instruction	\$25,229,256	\$26,802,708	\$25,022,834	\$25,716,544
Pupil Support	3,025,366	3,015,745	3,034,339	3,049,560
Instructional Staff Support	2,074,281	2,544,377	2,735,600	2,687,012
Board of Education	220,840	243,585	85,953	98,729
Administration	4,408,025	3,079,356	3,969,440	3,963,083
Fiscal	1,213,939	1,381,083	1,309,344	1,480,370
Business	728,529	667,683	877,396	721,405
Operation and Maintenance of Plant	6,937,228	7,070,172	6,645,111	6,237,787
Pupil Transportation	3,615,129	3,578,892	3,513,967	3,609,183
Central	338,807	321,466	335,344	199,941
Food Service Operations	1,682,513	1,697,599	1,705,905	1,775,328
Operation of Non-Instructional Services	427,311	340,054	394,207	351,270
Extracurricular Activities	875,259	804,712	838,622	848,288
Interest and Fiscal Charges	479,677	437,058	357,696	305,102
<i>Total Governmental Activities Expenses</i>	<i>51,256,160</i>	<i>51,984,490</i>	<i>50,825,758</i>	<i>51,043,602</i>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services and Sales:				
Instruction	1,974,620	1,688,961	1,472,019	1,724,635
Instructional Staff Support	926	1,454	0	0
Administration	691	0	0	0
Business	27,281	31,312	23,328	33,300
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	0
Central	1,988	4,470	0	0
Food Service Operations	682,879	620,301	601,725	569,496
Operation of Non-Instructional Services	3,714	3,207	0	0
Extracurricular Activities	133,794	141,446	249,721	273,208
Operating Grants and Contributions				
Instruction	2,424,680	1,571,907	1,507,787	1,204,769
Pupil Support	403,482	325,493	577,014	977,853
Instructional Staff Support	388,009	556,001	661,300	750,623
Administration	272,640	48,225	143,050	142,787
Fiscal	0	0	0	0
Business	481	725	5,000	5,900
Operation and Maintenance of Plant	1,645	469,365	900,022	0
Pupil Transportation	0	0	0	75,118
Central	5,429	5,347	5,888	5,735
Food Service Operations	1,091,798	1,199,794	1,250,202	1,396,657
Operation of Non-Instructional Services	396,029	298,087	314,959	337,926
Extracurricular Activities	10,887	1,613	791	2,912

2013	2014	2015	2016	2017	2018
\$26,152,704	\$27,081,004	\$26,532,855	\$27,642,091	\$29,781,153	\$10,243,312
3,110,210	3,263,687	3,290,160	3,536,861	4,108,605	2,263,289
2,759,639	2,003,829	1,923,812	2,194,517	2,617,368	1,385,051
112,719	83,190	114,703	233,401	213,177	150,798
4,084,593	4,062,197	3,980,365	4,032,622	4,297,333	2,552,233
1,322,883	1,313,648	1,154,870	1,265,455	1,279,440	1,301,180
627,177	818,885	1,008,331	1,186,654	776,122	734,238
5,446,227	6,107,562	6,875,154	6,625,222	7,057,531	6,202,970
3,752,999	4,032,774	4,083,284	3,628,375	4,085,397	3,723,821
196,277	127,195	112,684	117,901	143,369	207,069
1,843,501	1,732,185	1,842,879	1,989,023	1,904,457	1,882,515
353,879	160,160	54,194	68,135	200,868	188,924
903,193	1,030,314	1,084,015	1,087,388	1,103,957	886,854
209,525	155,265	78,576	73,740	63,907	49,662
<u>50,875,526</u>	<u>51,971,895</u>	<u>52,135,882</u>	<u>53,681,385</u>	<u>57,632,684</u>	<u>31,771,916</u>
1,517,077	1,390,958	1,352,934	1,166,244	2,306,468	1,948,869
0	0	0	0	0	0
0	0	0	0	0	0
38,204	47,920	58,751	65,427	74,749	90,616
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
565,787	531,101	538,862	525,439	488,531	522,748
0	0	0	0	0	0
263,637	288,819	238,812	262,122	255,297	239,034
1,932,314	2,578,667	2,623,887	2,909,207	2,425,707	2,641,447
665,691	588,498	678,032	674,918	780,833	877,377
656,491	666,804	623,502	487,234	587,224	872,171
150,000	152,914	157,164	136,058	134,102	147,473
31,118	0	0	0	0	0
7,800	6,163	22,799	11,254	7,445	28,997
0	0	6,698	1,811	0	5,837
0	0	0	0	0	38,141
5,085	2,794	4,227	1,317	2,018	1,148
1,381,881	1,377,293	1,408,849	1,464,220	1,421,335	1,369,563
311,477	117,091	14,629	32,652	140,362	182,010
497	10,936	4,136	5,930	10,476	9,360

(continued)

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

	2009	2010	2011	2012
Capital Grants and Contributions				
Operation and Maintenance of Plant	\$219,516	\$226,177	\$196,417	\$164,911
<i>Total Governmental Activities Program Revenues</i>	<u>8,040,489</u>	<u>7,193,885</u>	<u>7,909,223</u>	<u>7,665,830</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	<u>(43,215,671)</u>	<u>(44,790,605)</u>	<u>(42,916,535)</u>	<u>(43,377,772)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Property Taxes Levied For:				
General Purposes	24,728,995	26,041,020	28,733,772	28,614,838
Debt Service	1,146,612	1,071,389	1,141,941	415,891
Capital Outlay	427,167	410,979	445,659	443,720
Grants and Entitlements not Restricted to Specific Programs	15,598,148	17,563,453	17,019,801	15,758,170
Gain on Sale of Capital Assets	0	0	1,371	0
Unrestricted Contributions	0	0	0	0
Investment Earnings	288,540	27,574	27,479	11,040
Payments in Lieu of Taxes	0	0	0	0
Miscellaneous	492,000	433,459	371,913	394,204
<i>Total Governmental Activities</i>	<u>42,681,462</u>	<u>45,547,874</u>	<u>47,741,936</u>	<u>45,637,863</u>
<b>Change in Net Position</b>	<u>(\$534,209)</u>	<u>\$757,269</u>	<u>\$4,825,401</u>	<u>\$2,260,091</u>

(1) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in fiscal year 2015

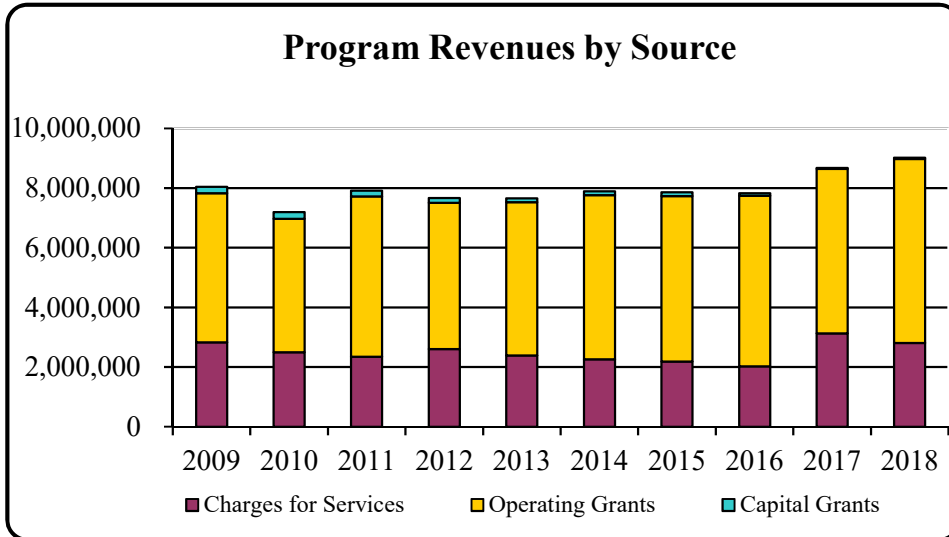
(2) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in fiscal year 2018

**Source:** School District Financial Records

2013	2014	2015	2016	2017	2018
\$123,363	\$123,999	\$124,050	\$81,738	\$39,293	\$39,241
7,650,422	7,883,957	7,857,332	7,825,571	8,673,840	9,014,032
(43,225,104)	(44,087,938)	(44,278,550)	(45,855,814)	(48,958,844)	(22,757,884)
25,978,460	25,942,420	32,013,999	32,123,159	28,979,775	32,454,268
271,534	55,185	0	6,867	0	56,156
410,456	412,345	466,331	287,019	325,676	321,563
14,339,855	13,684,383	14,514,981	15,460,746	14,153,589	14,071,284
0	0	0	0	1,239	0
0	11,303	0	18,939	6,008	3,754
17,847	4,762	9,135	57,378	132,124	305,640
0	0	0	280,741	199,431	145,906
223,307	606,613	361,853	411,280	291,939	315,662
41,241,459	40,717,011	47,366,299	48,646,129	44,089,781	47,674,233
(\$1,983,645)	(\$3,370,927)	\$3,087,749	\$2,790,315	(\$4,869,063)	\$24,916,349

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

	2009	2010	2011	2012
<b>Governmental Activities</b>				
Instruction	\$4,399,300	\$3,260,868	\$2,979,806	\$2,929,404
Pupil Support	403,482	325,493	577,014	977,853
Instructional Staff Support	388,935	557,455	661,300	750,623
Administration	273,331	48,225	143,050	142,787
Fiscal	0	0	0	0
Business	27,762	32,037	28,328	39,200
Operation and Maintenance of Plant	221,161	695,542	1,096,439	164,911
Pupil Transportation	0	0	0	75,118
Central	7,417	9,817	5,888	5,735
Food Service Operations	1,774,677	1,820,095	1,851,927	1,966,153
Operation of Non-Instructional Services	399,743	301,294	314,959	337,926
Extracurricular Activities	144,681	143,059	250,512	276,120
<b>Total Governmental Activities Program Revenues</b>	<b>\$8,040,489</b>	<b>\$7,193,885</b>	<b>\$7,909,223</b>	<b>\$7,665,830</b>

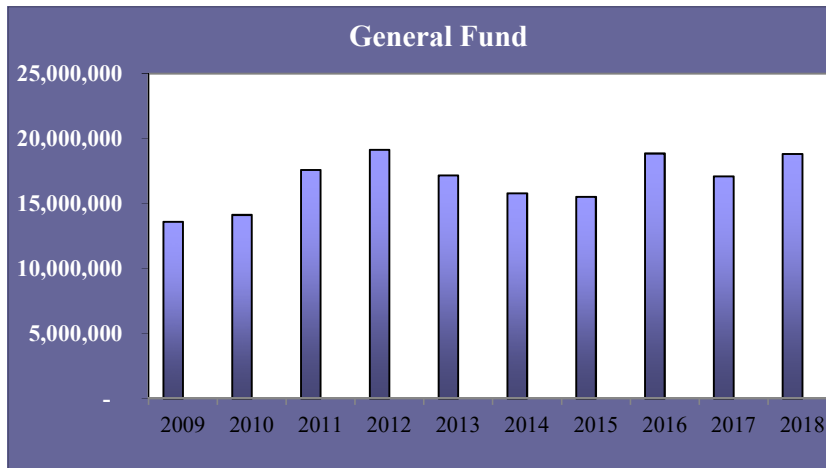


2013	2014	2015	2016	2017	2018
\$3,449,391	\$3,969,625	\$3,976,821	\$4,075,451	\$4,732,175	\$4,590,316
665,691	588,498	678,032	674,918	780,833	877,377
656,491	666,804	623,502	487,234	587,224	872,171
150,000	152,914	157,164	136,058	134,102	147,473
31,118	0	0	0	0	0
46,004	54,083	81,550	76,681	82,194	119,613
123,363	123,999	130,748	83,549	39,293	45,078
0	0	0	0	0	38,141
5,085	2,794	4,227	1,317	2,018	1,148
1,947,668	1,908,394	1,947,711	1,989,659	1,909,866	1,892,311
311,477	117,091	14,629	32,652	140,362	182,010
264,134	299,755	242,948	268,052	265,773	248,394
<u>\$7,650,422</u>	<u>\$7,883,957</u>	<u>\$7,857,332</u>	<u>\$7,825,571</u>	<u>\$8,673,840</u>	<u>\$9,014,032</u>

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

	2009	2010	2011	2012
<b>General Fund</b>				
Nonspendable	\$0	\$364,235	\$381,025	\$438,142
Restricted	0	127,115	24,172	75,118
Committed	0	0	263,940	10,475
Assigned	0	648,703	254,886	574,438
Unassigned	0	12,983,706	16,669,230	18,031,928
Reserved	4,388,316	0	0	0
Unreserved	9,200,375	0	0	0
<b>Total General Fund</b>	<b>13,588,691</b>	<b>14,123,759</b>	<b>17,593,253</b>	<b>19,130,101</b>
<b>All Other Governmental Funds</b>				
Nonspendable	0	7,739	6,275	8,986
Restricted	0	3,388,085	2,646,554	2,293,997
Committed	0	292,344	276,279	333,159
Unassigned (Deficit)	0	(164,492)	(126,044)	(141,019)
Reserved	498,702	0	0	0
Unreserved, Undesignated, Reported in:				
Special Revenue funds	528,073	0	0	0
Debt Service funds	1,933,159	0	0	0
Capital Projects funds (Deficit)	315,706	0	0	0
<b>Total All Other Governmental Funds</b>	<b>3,275,640</b>	<b>3,523,676</b>	<b>2,803,064</b>	<b>2,495,123</b>
<b>Total Governmental Funds</b>	<b>\$16,864,331</b>	<b>\$17,647,435</b>	<b>\$20,396,317</b>	<b>\$21,625,224</b>

Note: The School District implemented GASB 54 in 2010.





2013	2014	2015	2016	2017	2018
\$449,469	\$349,108	\$112,005	\$426,569	\$451,190	\$452,283
20,379	22,111	21,692	20,494	21,631	23,016
17,157	27,964	163,399	379,692	237,619	393,979
807,488	960,842	1,590,751	1,269,145	4,978,383	5,519,905
15,861,977	14,425,907	13,623,821	16,757,749	11,401,929	12,425,134
0	0	0	0	0	0
0	0	0	0	0	0
<u>17,156,470</u>	<u>15,785,932</u>	<u>15,511,668</u>	<u>18,853,649</u>	<u>17,090,752</u>	<u>18,814,317</u>
7,657	8,049	8,044	7,207	5,095	6,969
1,522,221	1,121,060	1,223,112	1,267,270	1,664,313	1,407,872
338,636	324,171	237,261	188,908	150,806	107,995
(585,439)	(371,296)	(93,828)	(482,417)	(76,968)	(1,765,201)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>1,283,075</u>	<u>1,081,984</u>	<u>1,374,589</u>	<u>980,968</u>	<u>1,743,246</u>	<u>(242,365)</u>
<u>\$18,439,545</u>	<u>\$16,867,916</u>	<u>\$16,886,257</u>	<u>\$19,834,617</u>	<u>\$18,833,998</u>	<u>\$18,571,952</u>

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

	2009	2010	2011	2012
<b>Revenues</b>				
Taxes	\$28,115,325	\$26,973,653	\$30,111,839	\$28,956,997
Intergovernmental	20,286,057	22,845,958	22,656,406	20,612,383
Interest	289,072	27,574	27,479	11,272
Charges for Services	695,664	633,791	616,090	582,866
Tuition and Fees	1,901,550	1,610,786	1,472,019	1,724,635
Rentals	27,107	31,425	23,328	33,300
Extracurricular Activities	201,572	215,149	235,356	259,838
Contributions and Donations	60,689	33,137	27,790	37,781
Payments in Lieu of Taxes	0	0	0	0
Miscellaneous	492,000	433,459	371,913	394,204
<i>Total Revenues</i>	<u>52,069,036</u>	<u>52,804,932</u>	<u>55,542,220</u>	<u>52,613,276</u>
<b>Expenditures</b>				
Current:				
Instruction	24,342,434	26,608,416	24,627,785	24,679,082
Support Services:				
Pupil	3,018,391	3,044,855	3,027,990	3,014,361
Instructional Staff	2,017,649	2,501,589	2,735,415	2,647,904
Board of Education	220,840	243,585	85,953	98,729
Administration	4,406,969	2,831,149	3,939,104	3,924,347
Fiscal	1,197,973	1,358,705	1,297,089	1,471,701
Business	662,858	665,426	628,133	673,193
Operation and Maintenance of Plant	6,496,796	6,663,901	6,184,358	5,700,942
Pupil Transportation	3,418,883	3,313,997	3,610,092	3,594,296
Central	333,187	321,490	329,489	210,786
Food Service Operations	1,697,381	1,674,162	1,704,502	1,766,973
Operation of Non-Instructional Services	382,279	309,029	355,463	334,491
Extracurricular Activities	748,612	672,221	735,104	744,770
Capital Outlay	259,071	78,408	2,306,236	712,729
Debt Service:				
Principal Retirement	1,436,113	1,448,248	1,612,105	1,669,411
Interest and Fiscal Charges	357,686	286,647	221,156	155,354
Capital Appreciation Bond Accretion	0	0	0	0
<i>Total Expenditures</i>	<u>50,997,122</u>	<u>52,021,828</u>	<u>53,399,974</u>	<u>51,399,069</u>
<i>Excess of Revenue Over (Under) Expenditures</i>	<u>1,071,914</u>	<u>783,104</u>	<u>2,142,246</u>	<u>1,214,207</u>
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	0	0	16,250	14,700
General Obligation Bonds Issued	0	0	0	0
Capital Lease Issued	0	0	590,386	0
Transfers In	108,712	395,712	391,980	390,230
Transfers Out	(108,712)	(395,712)	(391,980)	(390,230)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>606,636</u>	<u>14,700</u>
<i>Net Change in Fund Balances</i>	<u>\$1,071,914</u>	<u>\$783,104</u>	<u>\$2,748,882</u>	<u>\$1,228,907</u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	3.54%	3.35%	3.62%	3.61%

2013	2014	2015	2016	2017	2018
\$27,447,886	\$28,572,423	\$29,517,762	\$32,785,403	\$29,058,166	\$32,626,882
19,207,456	19,449,806	20,216,766	20,902,751	19,966,465	19,782,112
18,041	4,818	9,142	57,382	132,143	305,657
579,174	536,697	542,236	527,451	489,846	523,853
1,517,077	1,390,958	1,353,634	1,166,244	2,292,409	1,926,578
38,204	47,920	58,051	65,427	74,749	90,616
250,250	283,223	235,438	260,110	253,982	237,929
33,755	32,986	56,251	36,474	27,914	38,946
0	0	0	236,264	142,429	247,385
223,307	606,613	361,853	411,280	291,939	315,662
49,315,150	50,925,444	52,351,133	56,448,786	52,730,042	56,095,620
25,139,343	25,959,835	26,191,469	27,140,768	27,428,966	27,317,750
3,080,800	3,241,612	3,351,860	3,567,062	3,771,790	3,668,692
2,725,416	1,992,930	1,925,223	2,199,694	2,512,740	2,217,513
112,719	83,190	114,703	233,591	209,505	150,798
4,100,197	4,088,382	4,070,934	4,221,670	4,016,342	4,525,189
1,339,748	1,301,579	1,208,467	1,279,596	1,263,340	1,334,784
782,706	725,838	885,775	1,018,461	614,130	617,472
5,880,883	6,251,959	6,312,660	6,028,679	6,123,975	6,063,044
3,726,869	3,970,386	3,895,525	3,438,418	3,764,490	3,797,856
192,020	125,255	114,132	108,037	193,059	247,131
1,870,279	1,790,125	1,822,792	1,987,297	1,881,488	1,937,262
337,726	117,475	50,645	28,132	158,420	157,735
799,675	909,855	967,983	971,888	950,872	997,714
929,228	1,003,110	934,922	866,238	323,993	2,459,546
838,479	543,748	398,986	364,652	328,723	270,767
108,157	97,464	89,216	79,243	72,458	57,537
823,670	305,030	0	0	0	0
52,787,915	52,507,773	52,335,292	53,533,426	53,614,291	55,820,790
(3,472,765)	(1,582,329)	15,841	2,915,360	(884,249)	274,830
12,508	10,700	2,500	33,000	13,630	23,124
274,578	0	0	0	0	0
0	0	0	0	0	0
330,450	333,400	289,600	485,875	416,134	390,530
(330,450)	(333,400)	(289,600)	(485,875)	(546,134)	(950,530)
287,086	10,700	2,500	33,000	(116,370)	(536,876)
(\$3,185,679)	(\$1,571,629)	\$18,341	\$2,948,360	(\$1,000,619)	(\$262,046)
1.86%	1.27%	0.95%	0.84%	0.76%	0.62%

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

Collection Year	Real Estate			Estimated Actual Value	Tangible Personal	
	Assessed Value				Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial	Total			
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
2016	349,512,680	262,252,180	611,764,860	1,747,899,600	0	0
2017	349,003,880	258,758,450	607,762,330	1,736,463,800	0	0
2018	347,876,990	265,429,220	613,306,210	1,752,303,457	0	0

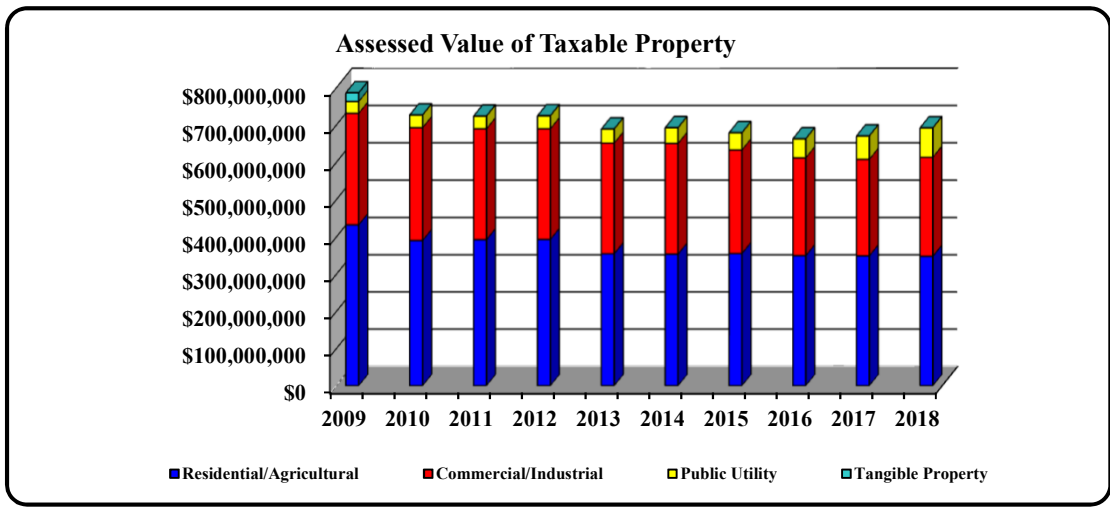
**Source:** Ohio Department of Taxation

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 tax has been phased out, and during the phase out period, all general business tangible personal property was assessed at 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, at 5 percent for 2010. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers, (except telephone companies whose last year to pay tangible personal property tax was 2010).

The tangible personal property values associated with each year were 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 a 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed.

Public Utility Personal		Total		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Weighted Average Tax Rate
\$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
51,032,600	57,991,591	662,797,460	1,805,891,191	50.75310
62,613,050	71,151,193	670,375,380	1,807,614,993	51.71102
78,686,970	89,417,011	691,993,180	1,841,720,469	54.20088



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

	2009	2010	2011	2012	2013
<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	6.008287	6.689483	6.690040	6.710345	7.447914
Commercial/Industrial	12.287716	12.446933	12.472072	12.521677	13.228833
Tangible/Public Utility Personal	29.300000	29.300000	29.300000	29.300000	29.300000
1983 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	2.720869	3.029341	3.029591	3.038779	3.372778
Commercial/Industrial	4.128016	4.181509	4.189944	4.206609	4.444176
Tangible/Public Utility Personal	6.600000	6.600000	6.600000	6.600000	6.600000
1986 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	2.175700	2.422365	2.422565	2.429910	2.696990
Commercial/Industrial	3.282335	3.324865	3.331585	3.344830	3.533730
Tangible/Public Utility Personal	5.000000	5.000000	5.000000	5.000000	5.000000
1988 Bond (\$2,000,000)	0.270000	0.270000	0.270000	0.270000	0.270000
1991 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	2.552085	2.841420	2.841655	2.850270	3.163550
Commercial/Industrial	3.529700	3.575435	3.582655	3.596900	3.800035
Tangible/Public Utility Personal	5.000000	5.000000	5.000000	5.000000	5.000000
2007 Permanent Improvement					
Effective Millage Rates					
Residential/Agricultural	0.510417	0.568284	0.568331	0.570054	0.632710
Commercial/Industrial	0.705940	0.715087	0.716531	0.719380	0.760007
Tangible/Public Utility Personal	1.000000	1.000000	1.000000	1.000000	1.000000
1992 Bond (\$12,000,000)	1.680000	1.410000	1.410000	0.210000	0.210000
1995 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	2.935802	3.268645	3.268916	3.278825	3.639207
Commercial/Industrial	3.772069	3.820944	3.828663	3.843884	4.060967
Tangible/Public Utility Personal	4.600000	4.600000	4.600000	4.600000	4.600000
1999 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.442999	3.833344	3.833662	3.845285	4.267929
Commercial/Industrial	4.164294	4.218253	4.226769	4.243576	4.483231
Tangible/Public Utility Personal	4.900000	4.900000	4.900000	4.900000	4.900000
2004 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	4.350528	4.843758	4.844160	4.858845	4.900000
Commercial/Industrial	4.640009	4.700129	4.709615	4.728343	4.900000
Tangible/Public Utility Personal	4.900000	4.900000	4.900000	4.900000	4.900000
2010 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	0.000000	4.900000	4.900000	4.900000	4.900000
Commercial/Industrial	0.000000	4.900000	4.900000	4.900000	4.900000
Tangible/Public Utility Personal	0.000000	4.900000	4.900000	4.900000	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	\$26.646687	\$34.076640	\$34.078920	\$32.962313	\$35.501078
Commercial/Industrial	38.460079	43.563155	43.637834	42.585199	44.590979
Tangible/Public Utility Personal	63.250000	67.880000	67.880000	66.680000	66.680000

2014	2015	2016	2017	2018
\$4.620000	\$4.620000	\$4.620000	\$4.620000	\$4.620000
7.484392 13.363319 29.300000	7.508593 13.472579 29.300000	7.632239 14.319906 29.300000	7.643842 14.298575 29.300000	7.675486 14.451112 29.300000
3.389291 4.489353 6.600000	3.400247 4.526049 6.600000	3.456241 4.810700 6.600000	3.461488 4.803532 6.600000	3.475817 4.854769 6.600000
2.710195 3.569650 5.000000	2.718955 3.598830 5.000000	2.763730 3.825165 5.000000	2.767930 3.819465 5.000000	2.779390 3.860205 5.000000
0.000000	0.000000	0.000000	0.000000	0.000000
3.179040 3.838660 5.000000	3.189315 3.870040 5.000000	3.241835 4.113435 5.000000	3.246760 4.107305 5.000000	3.260200 4.151115 5.000000
0.635808 0.767732 1.000000	0.637863 0.774008 1.000000	0.648367 0.822687 1.000000	0.649352 0.821461 1.000000	0.652040 0.830223 1.000000
0.000000	0.000000	0.000000	0.000000	0.000000
3.657023 4.102243 4.600000	3.668845 4.135777 4.600000	3.729256 4.395884 4.600000	3.734919 4.389333 4.600000	3.750380 4.436153 4.600000
4.288823 4.528800 4.900000	4.302685 4.565820 4.900000	4.373534 4.852969 4.900000	4.380173 4.845737 4.900000	4.398304 4.897423 4.900000
4.900000 4.900000 4.900000	4.900000 4.900000 4.900000	4.900000 4.900000 4.900000	4.900000 4.892694 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 4.892694 4.900000	4.900000 4.900000 4.900000
0.000000 0.000000 0.000000	4.900000 4.900000 4.900000	4.900000 4.900000 4.900000	4.900000 4.892694 4.900000	4.900000 4.900000 4.900000
\$35.144572 44.459757 66.200000	\$40.126503 49.643103 71.100000	\$40.545202 51.840746 71.100000	\$40.584464 51.763490 71.100000	\$40.691617 52.181000 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)*

	2009	2010	2011	2012	2013
<b>Total Direct Millage by Type of Property</b>					
Residential/Agricultural	\$31.266687	\$38.696640	\$38.698920	\$37.582313	\$40.121078
Commercial/Industrial	43.080079	48.183155	48.257834	47.205199	49.210979
Tangible/Public Utility Personal	67.870000	72.500000	72.500000	71.300000	71.300000
<b>Total Weighted Average Tax Rate</b>	<b>\$38.265890</b>	<b>\$44.222370</b>	<b>\$44.211740</b>	<b>\$43.139370</b>	<b>\$45.623760</b>
<b>Overlapping Rates by Taxing District</b>					
<b>City of Bedford Heights</b>					
Effective Millage Rates					
Residential/Agricultural	\$13.000000	\$13.000000	\$21.900000	\$21.900000	\$21.900000
Commercial/Industrial	13.000000	13.000000	21.900000	21.900000	21.900000
Tangible/Public Utility Personal	13.000000	13.000000	21.900000	21.900000	21.900000
<b>City of Bedford</b>					
Effective Millage Rates					
Residential/Agricultural	12.800000	21.700000	21.700000	21.700000	21.700000
Commercial/Industrial	12.800000	21.700000	21.700000	21.700000	21.700000
Tangible/Public Utility Personal	12.800000	21.700000	21.700000	21.700000	21.700000
<b>Cuyahoga County</b>					
Effective Millage Rates					
Residential/Agricultural	19.320480	20.160000	20.676506	20.622370	20.783492
Commercial/Industrial	19.706536	19.740000	20.186219	20.149382	20.149382
Tangible/Public Utility Personal	20.600000	20.600000	20.900000	20.800000	20.800000
<b>Oakwood Village</b>					
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
<b>Walton Hills Village</b>					
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

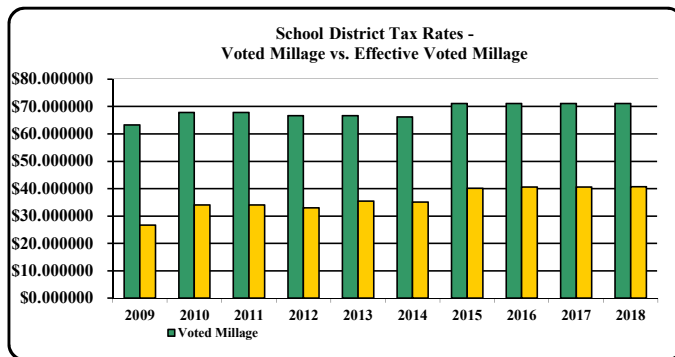
Source: Ohio Department of Taxation

(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.





2014	2015	2016	2017	2018
\$39.764572	\$44.746503	\$45.165202	\$45.204464	\$45.311617
49.079757	54.263103	56.460746	56.383490	56.801000
<u>70.820000</u>	<u>75.720000</u>	<u>75.720000</u>	<u>75.720000</u>	<u>75.720000</u>
<u>\$45.821010</u>	<u>\$50.736340</u>	<u>\$50.753100</u>	<u>\$51.711020</u>	<u>\$54.200880</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
22.513900	23.414311	23.106609	23.121031	23.677836
22.333720	23.359565	23.417551	23.356123	19.362250
22.530000	23.430000	23.430000	23.430000	23.930000
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
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
2015	34,836,192	32,918,429	94.49	1,070,565	33,988,994	97.57
2016	35,260,055	33,377,396	94.66	1,351,906	34,729,302	98.49
2017	36,660,628	34,529,503	94.19	1,401,127	35,930,630	98.01

**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 2018 information cannot be presented because all collections have not been made by June 30, 2018.
- (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*

*2018 and 2009 (1)*

<hr/> <hr/>		
2018		
Name of Taxpayer	Assessed Valuation	Percent of Real Assessed Value
Xellia Pharmaceuticals USA, LLC	\$6,860,030	1.12
Columbus Park Property Ownership	5,279,900	0.86
Riser Foods Company	5,176,640	0.84
Bedford Colony Club Apartments	4,781,400	0.78
Wal-Mart Stores East	4,592,180	0.75
South Point Towers Limited	4,295,110	0.70
Mayfred Company	3,365,660	0.55
First Interstate	3,324,140	0.54
Bedford Senior Living Real Estate, LLC	3,185,010	0.52
Ford Motor Company	3,153,160	0.52
Total	<u>\$44,013,230</u>	<u>7.18%</u>
Total Real Estate Valuation	<u>\$613,306,210</u>	
2009		
Name of Taxpayer	Assessed Valuation	Percent of Real Assessed Value
Ben Venue Laboratories, Incorporated	\$8,508,040	1.16
Bear Creek Properties	7,159,350	0.98
Ford Motor Company	6,650,000	0.91
Riser Foods Company	6,650,000	0.91
Wal-Mart Stores East	6,389,290	0.87
First Interstate	6,319,560	0.86
5977 Bear Creek Road, LLC	5,962,160	0.82
Bedford Colony Club Apartments	4,571,110	0.63
South Point Towers Limited	4,221,790	0.58
Mayfred Company	3,512,480	0.48
Total	<u>\$59,943,780</u>	<u>8.20%</u>
Total Real Estate Valuation	<u>\$731,209,160</u>	

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

(1) The amounts presented represent the assessed values upon which 2018 and 2009 collections were based.

**Bedford City School District**

*Principal Taxpayers*

*Public Utilities Tax*

*2018 and 2009 (1)*

<hr/> <hr/>		
	2018	
<u>Name of Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percent of Public Utility Assessed Value</u>
American Transmission System	\$42,181,530	53.61 %
Cleveland Electric Illuminating Company	33,662,600	42.78
The East Ohio Gas Company	2,276,630	2.89
Total	<u>\$78,120,760</u>	<u>99.28%</u>
Total Public Utility Valuation	<u>\$78,686,970</u>	
<hr/> <hr/>		
	2009	
<u>Name of Taxpayer</u>	<u>Assessed Valuation</u>	<u>Percent of Public Utility Assessed Value</u>
Cleveland Electric Illuminating Company	\$21,125,150	66.69 %
American Transmission System	8,470,840	26.74
The East Ohio Gas Company	1,564,880	4.94
Total	<u>\$31,160,870</u>	<u>98.37%</u>
Total Public Utility Valuation	<u>\$31,677,970</u>	

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

(1) The amounts presented represent the assessed values upon which 2018 and 2009 collections were based.

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

	2009	2010	2011	2012
Total Assessed Valuation	\$785,857,194	\$726,625,040	\$723,595,670	\$724,355,940
Less Railroad and Telephone Property Valuation	(315,340)	(145,790)	(226,900)	(227,020)
Less General Business Tangible Personal Property Valuation	<u>(22,970,064)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assessed Valuation Used to Calculate Legal Debt Margin (1)	762,571,790	726,479,250	723,368,770	724,128,920
Overall Debt Limitation - 9% of Assessed Valuation (2)	68,631,461	65,383,133	65,103,189	65,171,603
Gross Indebtedness Authorized by the School District	7,346,998	5,946,750	4,450,445	2,962,754
Less Exempt Debt:				
Tax Anticipation Note	0	0	0	0
Energy Conservation	<u>(2,966,698)</u>	<u>(2,770,450)</u>	<u>(2,566,145)</u>	<u>(2,353,452)</u>
Debt within 9.0% limitation	4,380,300	3,176,300	1,884,300	609,302
Less Amount Available in Debt Service	<u>(2,154,602)</u>	<u>(2,025,391)</u>	<u>(1,944,665)</u>	<u>(1,307,415)</u>
Net Debt within 9.0% limitation	2,225,698	1,150,909	(60,365)	(698,113)
Legal debt margin within 9.0% limitation	<u>\$66,405,763</u>	<u>\$64,232,224</u>	<u>\$65,163,554</u>	<u>\$65,869,716</u>
Legal Debt Margin as a Percentage of Debt Limit	96.76%	98.24%	100.09%	101.07%
Energy Conservation Debt limitation 0.9% of assessed valuation	6,863,146	6,538,313	6,510,319	6,517,160
Net Debt within 0.9% limitation	<u>(2,966,698)</u>	<u>(2,770,450)</u>	<u>(2,566,145)</u>	<u>(2,353,452)</u>
Energy Conservation Debt Margin	<u>\$3,896,448</u>	<u>\$3,767,863</u>	<u>\$3,944,174</u>	<u>\$4,163,708</u>
Energy Conservation Debt Margin as a Percentage of the Energy Conservation Debt Limit	56.77%	57.63%	60.58%	63.89%
Unvoted Legal Debt Limit - .10% of Assessed Value (2)	\$762,572	\$726,479	\$723,369	\$724,129
Gross Indebtedness Authorized by the School District	2,966,698	2,770,450	2,566,145	2,353,452
Less Exempt Debt:				
Tax Anticipation Note	0	0	0	0
Energy Conservation	<u>(2,966,698)</u>	<u>(2,770,450)</u>	<u>(2,566,145)</u>	<u>(2,353,452)</u>
Net Debt within .10% Limitation	0	0	0	0
Legal Debt Margin within .10% Limitation	<u>\$762,572</u>	<u>\$726,479</u>	<u>\$723,369</u>	<u>\$724,129</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 telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations.
- (2) Ohio Bond Law sets a limit of 9 percent for voted debt and .10 percent for unvoted debt.
- (3) Approach has been revised beginning in 2016.

2013	2014	2015	2016	2017	2018
\$669,161,260	\$674,622,820	\$678,913,220	\$662,797,460	\$670,375,380	\$691,993,180
(237,950)	(240,430)	(252,120)	(243,700)	(513,450)	(563,840)
0	0	0	0	0	0
668,923,310	674,382,390	678,661,100	662,553,760	669,861,930	691,429,340
60,203,098	60,694,415	61,079,499	59,629,838	60,287,574	62,228,641
2,536,575	2,434,899	2,051,775	2,167,072	1,677,839	1,246,572
0	0	0	(686,727)	(526,227)	(365,727)
(2,132,027)	(1,901,511)	(1,661,531)	0	0	0
404,548	533,388	390,244	1,480,345	1,151,612	880,845
(394,533)	(61,655)	(61,655)	(68,522)	(66,918)	(121,469)
10,015	471,733	328,589	1,411,823	1,084,694	759,376
<u>\$60,193,083</u>	<u>\$60,222,682</u>	<u>\$60,750,910</u>	<u>\$58,218,015</u>	<u>\$59,202,880</u>	<u>\$61,469,265</u>
99.98%	99.22%	99.46%	97.63%	98.20%	98.78%
6,020,310	6,069,442	6,107,950	5,962,984	6,028,757	6,222,864
(2,132,027)	(1,901,511)	(1,661,531)	(1,411,699)	(1,084,694)	(759,376)
<u>\$3,888,283</u>	<u>\$4,167,931</u>	<u>\$4,446,419</u>	<u>\$4,551,285</u>	<u>\$4,944,063</u>	<u>\$5,463,488</u>
64.59%	68.67%	72.80%	76.33%	82.01%	87.80%
\$668,923	\$674,382	\$678,661	\$662,554	\$669,862	\$691,429
2,132,027	1,901,511	1,661,531	2,167,072	1,677,839	1,246,572
0	0	0	(686,727)	(526,227)	(365,727)
(2,132,027)	(1,901,511)	(1,661,531)	(1,411,699)	(1,151,610)	(880,843)
0	0	0	68,646	2	2
<u>\$668,923</u>	<u>\$674,382</u>	<u>\$678,661</u>	<u>\$593,908</u>	<u>\$669,860</u>	<u>\$691,427</u>
100.00%	100.00%	100.00%	89.64%	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
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
2016	606,094,428	26,307	1,805,891,191	1,480,333	0.08	56.27
2017	606,094,428	26,307	1,807,614,993	1,151,610	0.06	43.78
2018	606,094,428	26,307	1,841,720,469	880,843	0.05	33.48

- 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
\$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
0	0	1,480,333	0.08	0.24	56.27
0	0	1,151,610	0.06	0.19	43.78
0	0	880,843	0.05	0.15	33.48

**Bedford City School District**  
*Computation of Direct and Overlapping*  
*Governmental Activities Debt*  
*June 30, 2018*

	General Debt Outstanding	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
Bedford City School District			
General Obligation Bonds	\$880,843	100.00%	\$880,843
Overlapping:			
Cuyahoga County			
General Obligation Bonds	222,259,855	2.45	5,445,366
Revenue Bonds	712,717,846	2.45	17,461,587
Certificates of Participation	246,517,627	2.45	6,039,682
Capital Lease Obligations	361,144,312	2.45	8,848,036
Loans Payable	1,677,337	2.45	41,095
Regional Transit Authority			
General Obligation Bonds	126,876,963	2.45	3,108,486
City of Bedford			
General Obligation Bonds	7,911,134	34.93	2,763,359
OPWC Loans	440,633	34.93	153,913
Capital Lease Obligation	39,728	34.93	13,877
City of Bedford Heights			
General Obligation Bonds	183,300	28.97	53,102
OPWC Loans	616,441	28.97	178,583
Capital Lease Obligation	138,198	28.97	40,036
Village of Walton Hills			
Various Purpose Notes	1,710,000	18.72	320,112
OPWC Loans	553,558	18.72	103,626
Village of Oakwood			
General Obligation Bonds	3,635,000	17.37	631,400
General Obligation Notes	2,346,500	17.37	407,587
OPWC Loans	785,929	17.37	117,496
Total Overlapping	1,689,554,361		45,727,343
Total	\$1,690,435,204		\$46,608,186

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 2017 collection year.

**Bedford City School District***Principal Employers**2018 and 2009*

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<b>2018</b>			
<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	1,010
Riser Foods Company	Bedford Heights	Retail Grocery	700
Bedford City School District	Bedford	Public Education	506
U.S. Bank National Association	Bedford	Banking	395
City of Bedford	Bedford	Municipal Government	364
B & B Launch	Oakwood Village	In-Home Senior Care	340
Ganley Bedford Imports Inc.	Bedford	Retail	333
Brand Castle	Bedford Heights	Retail Bakery	198
Motorcars Acquisitions	Bedford	Retail	190
Jay Pontiac Inc.	Bedford	Retail	178
Total			<u>4,214</u>
Total Employment within the School District			<u>n/a</u>

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<b>2009</b>			
<u>Employer</u>	<u>City</u>	<u>Nature of Business or Activity</u>	<u>Number of Employees</u>
Ben Venue Laboratories	Bedford	Sterile Pharmaceuticals	1,229
University Hospital Health Systems	Bedford	Health Care	1,040
Giant Eagle	Bedford Heights	Retail Grocery	958
Northeast Ohio Electric	Bedford Heights	Electrical Contractor	753
Walmart Associates Inc.	Bedford	Retail	693
Ford Motor Company	Walton Hills	Motor Vehicle Parts and Accessories	607
Bedford Board of Education	Bedford	Public Education	600
City of Bedford	Bedford	Municipal Government	353
U.S. Bank Leader Mortgage	Bedford	Banking Service	294
Target	Bedford	Retail	272
City of Bedford Heights	Bedford Heights	Municipal Government	269
Total			<u>7,068</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
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
2016	13,074	312,808,524	23,926	10,751	234,275,041	21,791
2017	13,074	312,808,524	23,926	10,751	234,275,041	21,791
2018	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

(1) Beginning in 2016, the unemployment rate comes from the most recent CAFR of the City of Bedford

Village of Oakwood			Village of Walton Hills			Cuyahoga County Unemployment Rate (1)	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	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
3,667	71,169,136	19,408	2,281	63,372,000	27,783	4.0	662,797,460
3,667	71,169,136	19,408	2,281	63,372,000	27,783	5.3	670,375,380
3,667	71,169,136	19,408	2,281	63,372,000	27,783	4.8	691,993,180

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

	<u>2009</u>	<u>2010</u>	<u>2011</u>
<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	1,268	1,215	1,177
Student Capacity	1,800	1,800	1,800
Regular Instruction Classrooms	93	93	93
Regular Instruction Teachers	59	50	47
Special Instruction Classrooms	13	13	13
Special Instruction Teachers	15	12	12
Vocational Instruction Classrooms	16	16	16
Vocational Instruction Teachers	14	11	9
<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	587	576	603
Student Capacity	800	800	800
Regular Instruction Classrooms	37	37	37
Regular Instruction Teachers	33	31	30
Special Instruction Classrooms	9	9	9
Special Instruction Teachers	15	11	13
<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	0	0	0
Student Capacity	460	460	460
Regular Instruction Classrooms	19	19	19
Regular Instruction Teachers	0	0	0
Special Instruction Classrooms	4	4	4
Special Instruction Teachers	0	0	0

2012	2013	2014	2015	2016	2017	2018
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
1,174	1,129	1,101	1,020	1,020	992	1,000
1,800	1,800	1,800	1,800	1,800	1,800	1,800
93	93	93	93	93	93	93
49	48	48	52	51	49	49
13	13	13	13	13	13	13
13	15	15	15	14	15	12
16	16	16	16	16	16	16
7	7	7	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
524	516	537	521	521	531	517
800	800	800	800	800	800	800
37	37	37	37	37	37	37
30	30	28	28	28	28	28
9	9	9	9	9	9	9
12	12	11	12	13	12	10
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*

	2009	2010	2011
<b>Carylwood 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	433	433	401
Student Capacity	438	438	438
Regular Instruction Classrooms	19	19	19
Regular Instruction Teachers	21	19	18
Special Instruction Classrooms	5	5	5
Special Instruction Teachers	6	8	10
<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	415	388	381
Student Capacity	525	525	525
Regular Instruction Classrooms	32	32	32
Regular Instruction Teachers	23	22	21
Special Instruction Classrooms	5	5	5
Special Instruction Teachers	7	8	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	400	400	400
Gym, Cafeteria and Kitchen Square Footage	3,400	3,400	3,400
Enrollment Grades K-3	539	568	524
Student Capacity	520	520	520
Regular Instruction Classrooms	26	26	26
Regular Instruction Teachers	21	29	28
Special Instruction Classrooms	2	2	2
Special Instruction Teachers	5	5	6
<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	700	700	700
Cafeteria and Kitchen Square Footage	1,430	1,430	1,430
Gymnasium Square Footage	2,400	2,400	2,400
Enrollment Grades K-3	493	473	482
Student Capacity	520	520	520
Regular Instruction Classrooms	25	25	25
Regular Instruction Teachers	18	23	23
Special Instruction Classrooms	5	5	5
Special Instruction Teachers	5	7	9

- (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



2012	2013	2014	2015	2016	2017	2018
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
407	396	395	389	389	339	333
438	438	438	438	438	438	438
19	19	19	19	19	19	19
18	18	18	19	19	17	17
5	5	5	5	5	5	5
11	10	9	8	8	9	7
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
373	369	369	402	402	391	401
525	525	525	525	525	525	525
32	32	32	32	32	32	32
18	18	18	20	19	19	19
5	5	5	5	5	5	5
8	8	7	7	8	9	8
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
542	543	548	554	554	483	444
520	520	520	520	520	520	520
26	26	26	26	26	26	23
27	27	26	27	27	25	25
2	2	2	2	2	2	2
6	6	5	5	7	7	6
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
465	477	487	486	486	425	401
520	520	520	520	520	520	520
25	25	25	25	25	25	25
21	21	23	25	21	21	20
5	5	5	5	5	5	5
9	8	9	10	9	10	11

**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
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
2016	3,188	(5.46)	53,089,531	16,653
2017	3,161	(0.85)	53,213,110	16,834
2018	3,096	(2.06)	55,492,486	17,924

(1) Debt Service totals have been excluded.

Source of Information - School District Records

Governmental Activities		Students Receiving Free or Reduced Lunch	Percentage Of Enrollment
Total Expenses (1)	Per Pupil Cost		
\$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
53,607,645	16,815	2,249	70.55
57,568,777	18,212	2,164	68.46
31,722,254	10,246	2,113	68.25

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

<b>Function/Program</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Regular Instruction</b>				
Elementary Classroom Teachers	98	83	90	84
Middle School Classroom Teachers	33	31	30	30
High School Classroom Teachers	59	50	47	49
Aides*	0	0	0	17
<b>Special Instruction</b>				
Preschool Teachers	2	2	2	2
Elementary Classroom Teachers	24	27	32	31
Gifted Education Teachers	1	1	1	1
Middle School Classroom Teachers	15	11	14	12
High School Classroom Teachers	15	12	12	13
TESOL	0	0	0	0
Paraprofessionals/Aides*	0	0	0	20
<b>Vocational Instruction</b>				
High School Classroom Teachers	14	11	9	7
<b>Pupil Support Services</b>				
Guidance Counselors	10	10	10	10
Librarians	2	1	1	6
Psychologists	4	3	4	4
Speech & Language Pathologists	4	4	4	3
Data and Technology Coach*	0	0	0	5
<b>Administrators</b>				
Elementary	4	5	4	4
Middle School	3	3	3	3
High School	5	5	5	5
Districtwide	16	15	16	16
Clerical, Technology, Finance*	0	0	0	40
<b>Operation of Plant</b>				
Custodians, Security*	34	30	29	38
Maintenance	8	9	8	8
<b>Pupil Transportation</b>				
Bus Drivers	65	63	59	60
Bus Aides	9	10	12	12
Mechanics	5	5	5	5
<b>Food Service Program*</b>				
Elementary Cooks	8	10	8	12
Middle School Cooks	10	9	9	10
High School Cooks	18	15	14	15
Total Employees	<u>466</u>	<u>425</u>	<u>428</u>	<u>522</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.

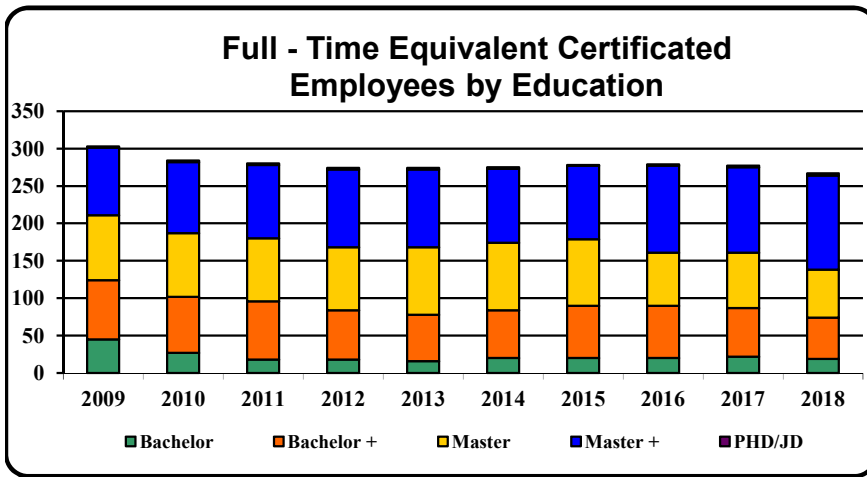
(1) Source of Information - School District Records

2013	2014	2015	2016	2017	2018
87	87	91	86	84	81
30	28	28	27	26	26
48	49	52	51	49	50
19	18	21	21.5	20	21
2	2	3	4	4	5
30	28	27	28	29	24
1	1	1	1	2	2
12	11	11	13	12	9
15	15	15	14	14	11
0	0	0	0	1	2
22	23	26	21.5	29	29
7	7	7	6	7	7
10	10	10	10	10	10
6	4	3	5	4	4
4	4	4	5	5	5
4	5	5	5	5	5
5	5	5	5	9	12
4	4	4	5	5	4
3	3	3	3	3	3
5	5	5	4	4	4
16	16	15	15	15	13
38	36	35	33	35	38
34	36	38	37	37	34
8	8	8	10	9	9
54	55	53	56	53	50
10	10	10	10	12	10
5	5	5	5	4	4
12	12	12	15	12	12
10	10	10	8	9	8
14	14	17	17	16	14
<u>515</u>	<u>511</u>	<u>524</u>	<u>521</u>	<u>524</u>	<u>506</u>

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

Degree	2009	2010	2011	2012	2013
Bachelor	45	27	18	19	16
Bachelor Including 150 Hours	46	48	46	38	39
Bachelor Including 180 Hours	33	27	32	28	23
Master	87	85	84	84	90
Master +9	43	38	38	47	46
Master +18	14	22	23	21	23
Master +27	10	9	11	11	11
Master +36	4	4	3	3	3
Master + 45	12	12	13	13	12
Master + 54	7	10	10	8	9
PhD or JD	2	2	2	2	2
<b>Total</b>	<b>303</b>	<b>284</b>	<b>280</b>	<b>274</b>	<b>274</b>

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



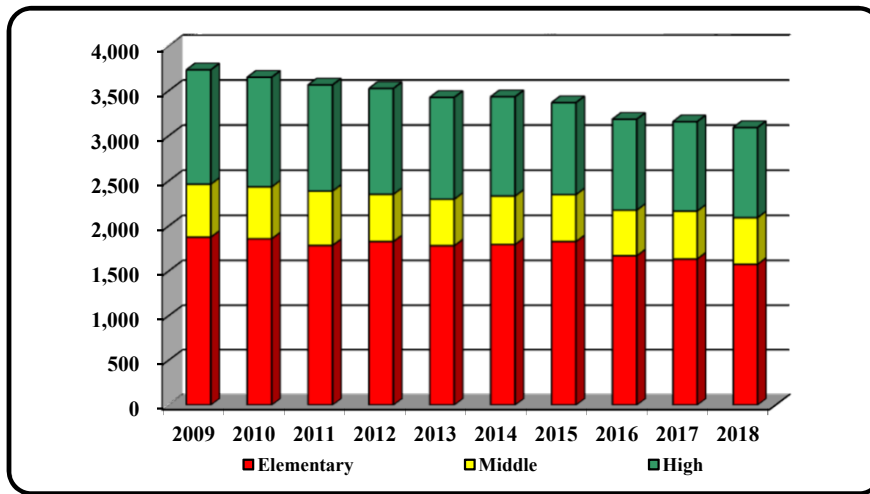
Source: School District Records

2014	2015	2016	2017	2018
20	22	20	22	19
39	42	43	42	37
25	28	27	23	18
90	89	71	74	64
38	39	45	46	43
20	18	25	26	37
11	11	18	14	21
4	5	4	4	4
13	14	15	15	14
13	9	9	9	7
2	1	2	2	3
<u>275</u>	<u>278</u>	<u>279</u>	<u>277</u>	<u>267</u>

**Bedford City School District**

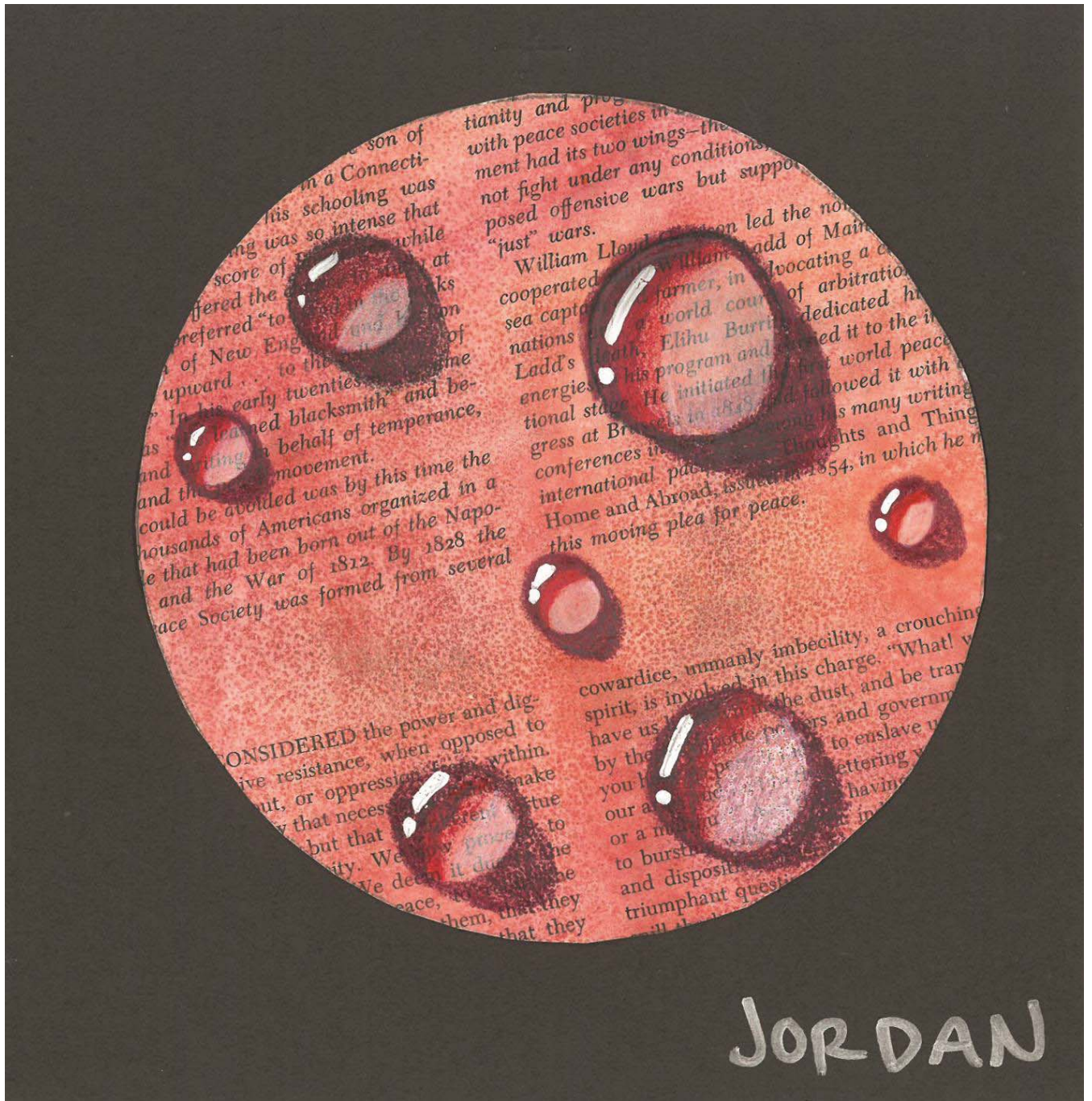
*Enrollment Statistics  
Last Ten Fiscal Years*

Fiscal Year	Elementary Schools	Middle School	High School	Total
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
2016	1,674	506	1,008	3,188
2017	1,638	531	992	3,161
2018	1,579	517	1,000	3,096



Source: Bedford City School Records





JORDAN

**Artwork by: Jordan Crosby**  
Grade 9  
Bedford High School  
Art Teacher: Rebecca Genao

**Bedford City School District**  
475 Northfield Road, Bedford, Ohio 44146  
Phone: 440-786-3501 • Fax: 440-439-4327



OHIO AUDITOR OF STATE  
**KEITH FABER**



**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 5, 2019**