

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

AUDIT REPORT

**FOR THE FISCAL YEAR
ENDED JUNE 30, 2012**

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



Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the Bedford City School District, Cuyahoga County, prepared by James G. Zupka, CPA, Inc., for the audit period July 1, 2011 through June 30, 2012. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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

Dave Yost
Auditor of State

January 11, 2013

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**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
AUDIT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

TABLE OF CONTENTS

	<u>Page</u>
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 with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	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
Independent Accountant's Report on Applying Agreed-Upon Procedures	10

JAMES G. ZUPKA, C.P.A., INC.
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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Education
Bedford City School District
Bedford, Ohio

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Bedford City School District, Cuyahoga County, Ohio, as of and for the year ended June 30, 2012, which collectively comprise the Bedford City School District, Ohio's basic financial statements and have issued our report thereon dated October 29, 2012, wherein we noted that the District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

We noted certain matters that we reported to the management of the Bedford City School District, Ohio, in a separate letter dated October 29, 2012.

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



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

October 29, 2012

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

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

Board of Education
Bedford City School District
Bedford, Ohio

Compliance

We have audited the Bedford City School District, Cuyahoga County, Ohio's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the Bedford City School District, Ohio's major federal program for the year ended June 30, 2012. The Bedford City School District, Ohio's major federal program is identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal program is the responsibility of the Bedford City School District, Ohio's management. Our responsibility is to express an opinion on the Bedford City School District, Ohio's compliance based on our audit.

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

In our opinion, the Bedford City School District, Ohio complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2012.

Internal Control Over Compliance

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

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

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Bedford City School District, Ohio, as of and for the year ended June 30, 2012, and have issued our report thereon dated October 29, 2012, which contained unqualified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

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



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

October 29, 2012

**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012**

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass- Through Grantor Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
U.S. Department of Agriculture						
Passed through State Department of Education						
<i>Child Nutrition Cluster:</i>						
National School Breakfast Program	10.553	2012	\$ 376,141	\$ 0	\$ 376,141	\$ 0
National School Lunch Program	10.555	2012	881,651	113,127	881,651	113,127
<i>Total Child Nutrition Cluster</i>			<u>1,257,792</u>	<u>113,127</u>	<u>1,257,792</u>	<u>113,127</u>
Total U.S. Department of Agriculture			<u>1,257,792</u>	<u>113,127</u>	<u>1,257,792</u>	<u>113,127</u>
U.S. Department of Education						
Passed through State Department of Education						
<i>Title I School Subsidy Cluster:</i>						
Title I - Grants to Local Educational Agencies	84.010	2011	213,912	0	168,257	0
Title I - Grants to Local Educational Agencies	84.010	2012	989,961	0	1,044,248	0
<i>Total CFDA #84.010</i>			<u>1,203,873</u>	<u>0</u>	<u>1,212,505</u>	<u>0</u>
ARRA - Title I - Grants to Local Educational Agencies	84.389	2011	22,798	0	22,143	0
<i>Total Title I School Subsidy Cluster</i>			<u>1,226,671</u>	<u>0</u>	<u>1,234,648</u>	<u>0</u>
<i>Special Education Cluster:</i>						
Special Education - IDEA Part B	84.027	2011	119,916	0	108,859	0
Special Education - IDEA Part B	84.027	2012	832,108	0	946,383	0
<i>Total CFDA #84.027</i>			<u>952,024</u>	<u>0</u>	<u>1,055,242</u>	<u>0</u>
Special Education - Preschool Grants (IDEA Preschool)	84.173	2011	4,620	0	0	0
Special Education - Preschool Grants (IDEA Preschool)	84.173	2012	34,469	0	36,307	0
<i>Total CFDA #84.173</i>			<u>39,089</u>	<u>0</u>	<u>36,307</u>	<u>0</u>
ARRA - Special Education Grants to States	84.391	2011	233,690	0	134,334	0
ARRA - Special Education - Preschool Grant (IDEA Preschool), Recovery Act	84.392	2011	11,771	0	9,920	0
<i>Total Special Education Cluster</i>			<u>1,236,574</u>	<u>0</u>	<u>1,235,803</u>	<u>0</u>
Vocational Education - Basic Grants to States	84.048	2011	91,510	0	86,220	0
Vocational Education - Basic Grants to States	84.048	2012	69,886	0	98,733	0
<i>Total CFDA #84.048</i>			<u>161,396</u>	<u>0</u>	<u>184,953</u>	<u>0</u>
<i>Education Technology State Grants Cluster:</i>						
Education Technology State Grants	84.318	2011	7,426	0	6,161	0
Education Technology State Grants	84.318	2012	197	0	7,832	0
<i>Total CFDA #84.318</i>			<u>7,623</u>	<u>0</u>	<u>13,993</u>	<u>0</u>
ARRA - Education Technology State Grants	84.386	2011	43,950	0	33,229	0
<i>Total Education Technology State Grants Cluster</i>			<u>51,573</u>	<u>0</u>	<u>47,222</u>	<u>0</u>
English Language Acquisition Grant	84.365	2012	7,179	0	7,179	0
Improving Teacher Quality State Grants	84.367	2011	41,201	0	38,293	0
Improving Teacher Quality State Grants	84.367	2012	85,405	0	86,965	0
<i>Total CFDA #84.367</i>			<u>126,606</u>	<u>0</u>	<u>125,258</u>	<u>0</u>
ARRA - Race to the Top Grant	84.395	2012	2,450	0	2,450	0
Education Jobs Fund	84.410	2012	240,245	0	240,245	0
Total U.S. Department of Education			<u>3,052,694</u>	<u>0</u>	<u>3,077,758</u>	<u>0</u>
Environmental Protection Agency						
Passed through Ohio Environmental Protection Agency						
State Clean Diesel Grant	66.040	2012	25,216	0	0	0
State Clean Diesel Grant	66.040	2011	49,902	0	49,902	0
Total Environmental Protection Agency			<u>75,118</u>	<u>0</u>	<u>49,902</u>	<u>0</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 4,385,604</u>	<u>\$ 113,127</u>	<u>\$ 4,385,452</u>	<u>\$ 113,127</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, 2012**

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 2: CHILD NUTRITION CLUSTER

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

NOTE 3: FOOD DONATION PROGRAM

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

**BEDFORD CITY SCHOOL DISTRICT
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 OMB CIRCULAR A-133 & .505
 JUNE 30, 2012**

1. SUMMARY OF AUDITOR'S RESULTS

2012(i)	Type of Financial Statement Opinion	Unqualified
2012(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2012(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2012(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2012(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2012(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
2012(v)	Type of Major Program's Compliance Opinion	Unqualified
2012(vi)	Are there any reportable findings under .510?	No
2012(vii)	Major Programs (list): Child Nutrition Cluster: National School Breakfast Program - CFDA #10.553 National School Lunch Program - CFDA #10.555	
2012(viii)	Dollar Threshold: Type A\B Program	Type A: \$300,000 or more Type B: All others less than \$300,000
2012(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, 2012**

The prior audit report, as of June 30, 2011, included no citations or instances of noncompliance. Management letter recommendations were corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

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

Certified Public Accountants

5240 East 98th Street

Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

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Ohio Society of Certified Public Accountants

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

Bedford City School District
475 Northfield Road
Bedford, Ohio

To the Board of Education:

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

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

1. We noted the Board amended its anti-harassment policy on January 26, 2012 to include violence within a dating relationship within its definition of harassment, intimidation, or bullying. We read the amended policy, noting it now includes all the requirements listed in the Ohio Revised Code Section 3313.666.

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

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



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

October 29, 2012

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BEDFORD CITY SCHOOL DISTRICT
Bedford, Ohio

Comprehensive Annual
FINANCIAL REPORT
For the Fiscal Year Ended
June 30, 2012





Artwork by: Angela Travarca

12th Grade Student

Bedford High School

Art Teacher: Dagmar Clements

Bedford City School District

Bedford, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2012

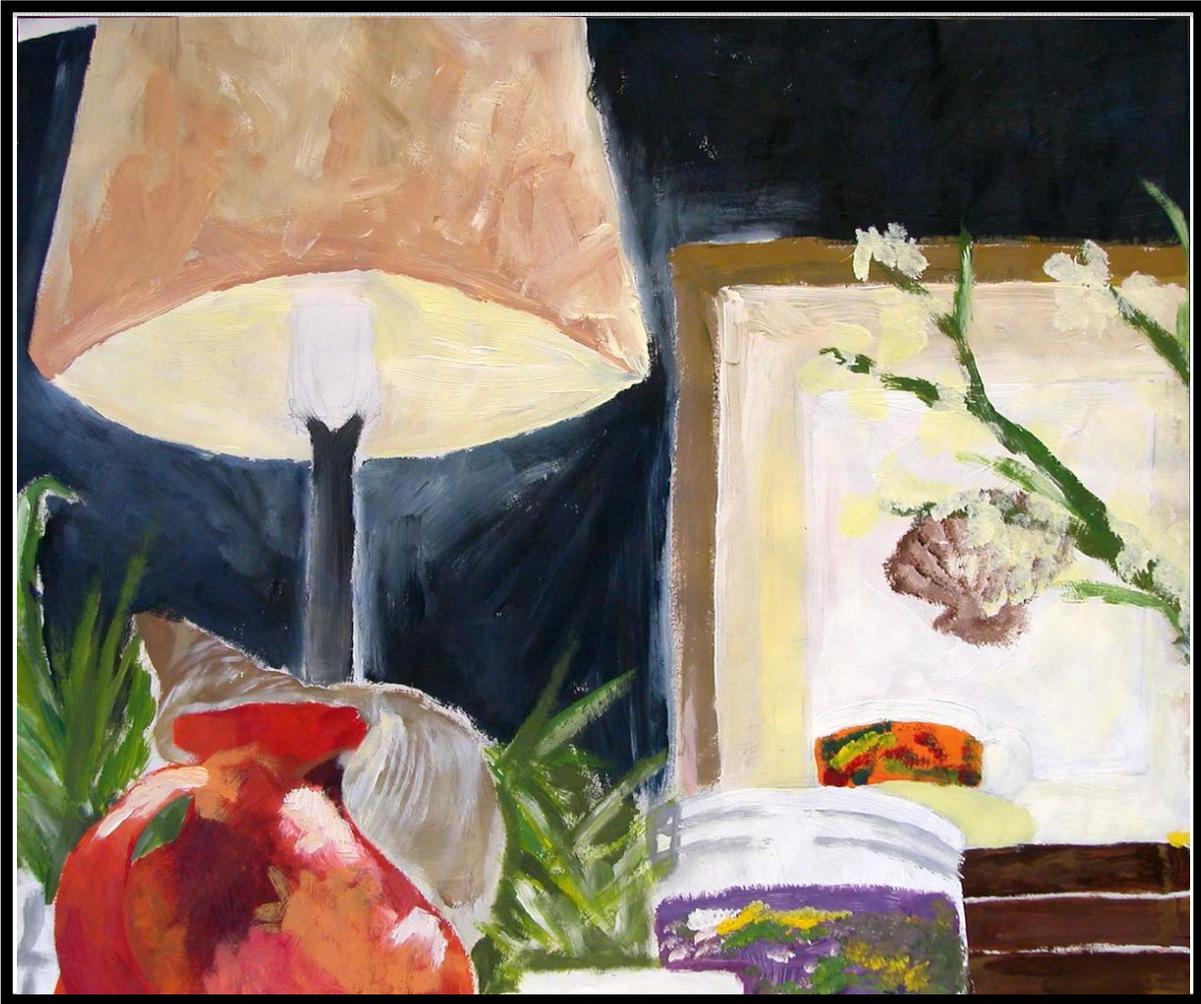
Prepared by:

Janet M. Pavlic, CPA
Treasurer

Donald E. Houghton, Jr.
Assistant Treasurer

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Introductory Section

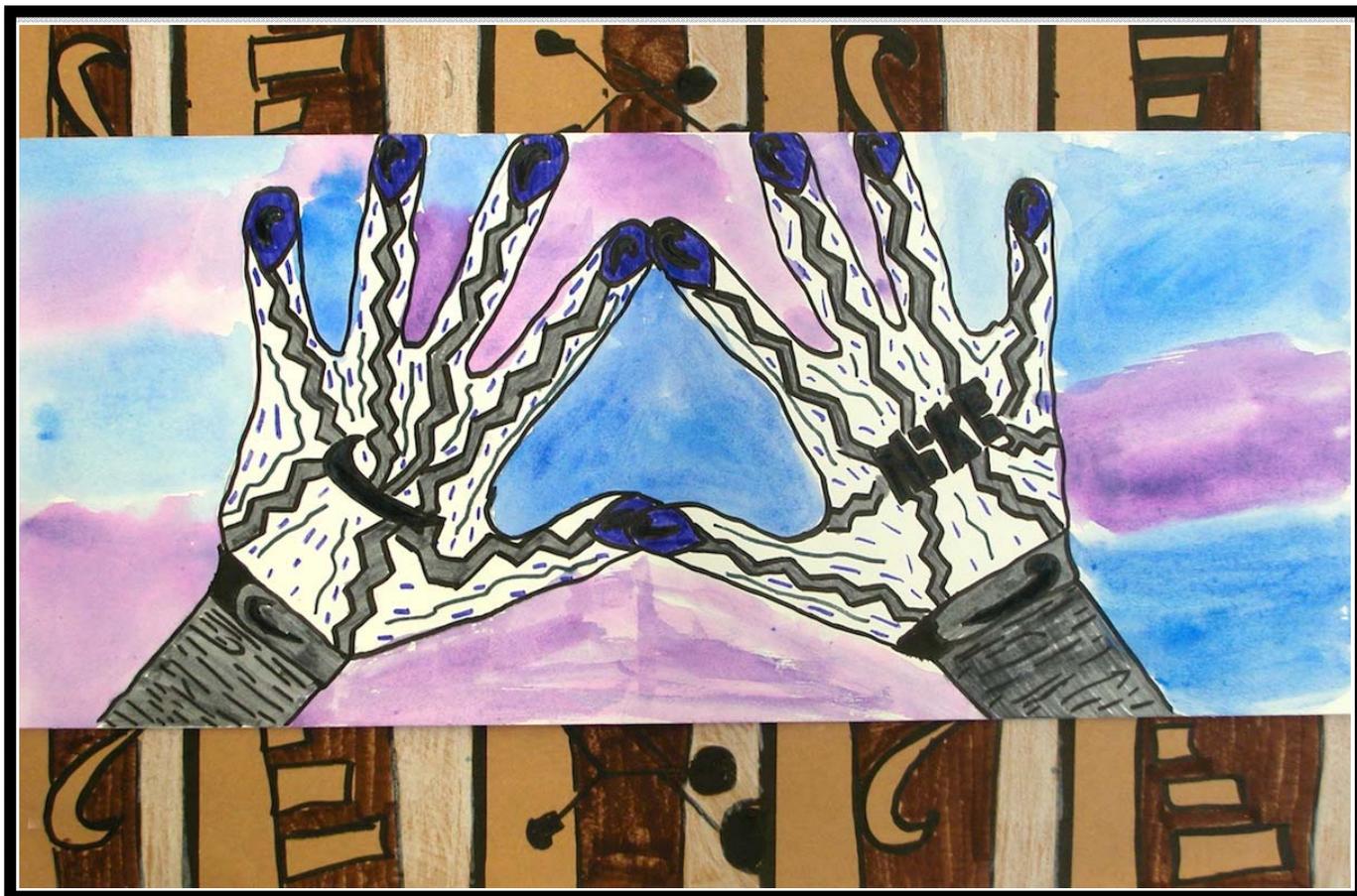


Artwork by: Ashley Rowell

11th Grade Student

Bedford High School

Art Teacher: Jennifer Pozz



Artwork by: Coryon Rice

6th Grade Student

Carylwood Intermediate School

Art Teacher: April Devincentis

Bedford City School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2012

Table of Contents

	<u>Page</u>
I. Introductory Section	
Table of Contents	i
Letter of Transmittal	v
Principal Officials	xviii
Organizational Chart	xix
GFOA Certificate of Achievement	xx
 II. Financial Section	
Independent Accountants' Report.....	1
Management's Discussion and Analysis.....	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements:	
Balance Sheet – Governmental Funds.....	14
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities.....	15
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.....	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual - General Fund.....	18
Statement of Net Position – Internal Service Funds	19
Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds	20
Statement of Cash Flows – Internal Service Funds	21
Statement of Net Position – Fiduciary Funds	22
Statement of Changes in Net Position – Private Purpose Trust Fund	23
Notes to the Basic Financial Statements	24

Combining Statements and Individual Fund Schedules:

Combining Statements – Nonmajor Governmental Funds:

Fund Descriptions	50
Combining Balance Sheet – Nonmajor Governmental Funds	53
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	54
Combining Balance Sheet – Nonmajor Special Revenue Funds	55
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	58
Combining Balance Sheet – Nonmajor Capital Projects Funds.....	61
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds.....	62

Combining Statements - Internal Service Funds:

Fund Descriptions	63
Combining Statement of Net Position – Internal Service Funds.....	64
Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds	65
Combining Statement of Cash Flows – Internal Service Funds	66

Agency Fund Descriptions and Statement of Changes in Assets and Liabilities – Agency Fund 67

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

Major Fund:

General Fund.....	69
-------------------	----

Nonmajor Funds:

Food Service Fund	74
Local Grants Fund	75
District Managed Student Activities Fund.....	77
Auxiliary Services Fund	79
Education Management Information Systems Fund.....	80
Data Communications Fund	81
Education Jobs Fund.....	82
Race to the Top Fund.....	83
Title VI-B Fund	84
Vocational Education Fund.....	86
Technology Title II-D Fund.....	88
Title III Fund.....	89
Title I Fund	90
Preschool Handicapped Fund	92

Title VI-R Fund	93
Miscellaneous Federal Grants Fund.....	94
Recreation Fund.....	95
Public School Support Fund	96
Special Enterprise Fund	98
Summer School Fund.....	99
Adult and Community Education Fund	100
Bond Retirement Fund.....	101
Permanent Improvement Fund.....	102
Building Fund	103
Capital Replacement Fund.....	104
Self Insurance Fund	105
Computer Network Fund	106
Scholarship Fund	107

III. Statistical Section

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 – 2012 and 2003	
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 – June 30, 2012	S28
Principal Employers – 2012 and 2003	S29
Demographic and Economic Statistics – Last Ten Years	S30
Building Statistics – Last Nine 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

Attendance and Graduation Rates – Last Ten Fiscal Years S43



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

October 29, 2012

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, 2012. 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 ended June 30, 2012, 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 613 school districts in the State of Ohio and one of 31 in Cuyahoga County. The School District provided, as of June 30, 2012, education to 3,529 students in grades K-12. Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide services authorized by charter and further mandated by State and Federal agencies.

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

Reporting Entity

The Bedford City School District has reviewed its reporting entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity". In evaluating how to define the School District for financial reporting purposes, management has considered its relationship with all departments, boards, and agencies that make up the Bedford City School District. For Bedford City School District, this includes general operations, food service and student related activities of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District has no component units. Excluded from the reporting entity because they are fiscally independent of the School District are the City of Bedford, City of Bedford Heights, the Villages of Oakwood and Walton Hills, the Cuyahoga County Public Library, the Parent Teacher Association and the non-public school districts located in the School District. The governing bodies of these entities are not appointed by the School District, nor are they fiscally dependent on the School District.

The School District participates in an insurance purchasing pool and two jointly governed organizations. These organizations are the Ohio School Boards Association Workers' Compensation Group Retrospective Rating Program, the North Coast Council and Ohio Schools' Council Association. These organizations are presented in Notes 17 and 20 of the notes to the basic financial statements.

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

Economic Condition and Outlook

The School District is well-located at the conjunction of Interstate Highways 480 and 271. Downtown Cleveland is 20 minutes away, and all the major metropolitan areas of Ohio are directly accessible via the interstate system. Residential property is middle class, and properties are well kept. The tax base of \$724,355,940 is divided among the four municipalities making up the School District in the following manner: Bedford 37 percent, Bedford Heights 29 percent, Oakwood Village 17 percent and Walton Hills 17 percent. Approximately 54 percent of the tax base is residential real property, 5 percent is public utility tangible property and 41 percent is commercial/industrial property. Each of the four municipalities actively encourages the maintenance and growth of the tax base.

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

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

Ben Venue Laboratories, Inc., the City of Bedford's largest employer, was acquired by Boehringer Ingelheim Corporation on December 1, 1997. Boehringer Ingelheim is privately held and the 15th largest pharmaceutical company in the world having more than 39,000 employees with locations in over 46 countries. Under Boehringer Ingelheim's ownership, Ben Venue has many options as to where to manufacture and distribute Ben Venue's products. Boehringer Ingelheim has highly automated manufacturing facilities throughout the world including locations in Columbus, Ohio, Mexico City, Mexico and Barcelona, Spain. Ben Venue has a long-standing reputation as the premier contract manufacturer of injectable pharmaceuticals. Ben Venue is the largest and oldest manufacturer of lyophilized (freeze-dried) injectable drugs in the United States. Since 1995, Ben Venue has obtained over 130 Abbreviated New Drug Application (ANDA) approvals for injectable drugs from the FDA, building a portfolio of over 260 products and dosages, and is a major player in the injectable pharmaceutical industry. Ben Venue continues to work with the City of Bedford, Cuyahoga County and the State of Ohio in adding value to the community.

Ben Venue's history of continued growth is one any city could hope for. Going back to 1995, Ben Venue employed 419 employees and operated within their 250,000 square foot facility. From 1996 to present, Ben Venue has approached the City for abatements in the Community Reinvestment area, regarding Real Estate development and tax exemptions to be able to conduct various expansion projects. Subsequently, Ben Venue has been able to continue to grow within their Bedford, Ohio location. At year end, 2010, headcount has increased to 1,289 and they are now operating within 1 million square foot of manufacturing area. Most recent projects include their Cyto Geno Facility and Laboratory Office Building. Ben Venue added a laboratory and administrative office area in recent years. On November 2, 2006, Ben Venue signed a Community Reinvestment Area Agreement (#3) with the City to construct a 90,000 square feet free standing office building complex now known as the Quality and Development Center. The total amount of project investment was \$17.5 million with building costs of \$14.8 million and an investment of new machinery at a cost of \$1.5 million. The City offered incentives in the form of an abatement of real estate only at 50 percent for 15 years. This project was completed by mid-2008 and received Silver Certification by LEED standards through the US Green Building Coalition in 2009.

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

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 suburban Cuyahoga County.

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

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

A Community Development Block Grant enabled the city to complete a comprehensive update on the 1998 Community Masterplan. The yearlong process was arduous but city council unanimously supported the plan. Another grant enabled the city to conduct a comprehensive energy audit on all municipal buildings. Upon completion of the energy audit, the city was permitted to apply for funding to implement energy efficiency improvements.

The Economic and Community Development Department was successful at retaining two long-term companies in the community, Amara Home Care Inc. and Stoneworks. Amara, located in Bedford Heights for six years, employed 35 full-time and 101 part-time employees that generated a \$1,500,000 annual payroll. Amara was able to find new space at 5285 Northfield Road; a long time vacant building. The move involved the renovation of a blighted property and created 8 full-time and 30 part-time jobs.

Stoneworks, located in the community for 15 plus years, needed additional manufacturing and warehousing space to accommodate new product lines. The Bedford Heights Development Department worked with the county to secure financing to relocate the company and renovate a vacant property. Prior to the expansion Stoneworks employed 61 people and had an annual payroll of \$2,206,000. The expansion enabled Stoneworks to remain near their existing showroom and hire another 10 people for an additional \$500,000 annual payroll.

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. located in Oakwood, is developing image-guided radiation therapy technology. The company's Renaissance System 1000 uses magnetic resonance images to precisely target cancer tumors with gamma radiation with little damage to surrounding healthy tissue. A group of East and West coast investors offered ViewRay a \$25 million investment if it moved from Gainesville, Fla., to a center of bioscience innovation. The region's medical imaging heritage, clinical and medical academic institutions, and economic development teamwork won over the company. Some tax incentives also helped. The Ohio Tax Credit Authority granted ViewRay job-creation tax credits worth \$537,431 over 10 years.

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.

Oakwood is continuing to grow its economic base in the field of science, medicine, technology and even in the field of woodworking with the incorporation of one of the most recent members of the Hawthorne Valley Shopping Center. Woodcraft is offering educational classes on building basics to cabinet construction.

General Information

As of October 2011, 3,529 students were enrolled in the School District's six schools (two primary, two intermediate schools, one middle school, and one high school). In addition to its six schools, the Bedford City School District operates a variety of facilities to complement the educational program. These include athletic facilities, a central administration building, a maintenance facility, and a transportation garage. As of June 30, 2012, the School District employed 293 professional staff members (including 265 teachers and 28 administrators) and 229 non-teaching and support staff employees.

Instructional Program

Academic Program Highlights

The School District's academic program includes the following highlights from the 2011-2012 school year:

- The Bedford City School District earned the "EFFECTIVE" rating on the Ohio Department of Education's 2011-2012 Report Card. The School District's Performance Index was 89.5, 2.5 points higher than the year before. The performance index is a weighted average of student performance which reflects the achievement of every student enrolled for the full academic year. Central and Glendale Primary Schools and Carylwood and Columbus Intermediate Schools also all earned "EFFECTIVE" ratings. Heskett Middle School and Bedford High School both earned "CONTINUOUS IMPROVEMENT" ratings. The School District met 13 out of 26 State Indicators (previously called "performance standards"), having gained two indicators from the previous fiscal year. The State Indicators are based on State assessments (test scores), as well as on attendance and graduation rates. The School District exceeded the attendance standard with an average of 95.3 percent across the district, which was a 0.2 percent increase from the previous year's attendance rate. These results are still considered preliminary, as the Ohio State Auditor conducts an ongoing investigation into attendance data tampering by some districts, with the intent to "scrub" some students' poor test scores so these scores didn't count in schools' performance rating on the Ohio Report Card. Bedford is NOT one of the districts being investigated. Therefore, it is fairly certain Bedford's ratings will not change when made "official".
- The School District earned ABOVE expected growth in the Value-Added Measure, which is an important indicator of the progress a district has made with its students since last school year. A score of "Above" indicates greater than one year of progress has been achieved.

- The School District's theme for the 2011-2012 school year was: *Making a Difference, One Student at a Time*. Using data from the Ohio Report Card to determine which particular academic areas to focus on, the goal was to reach each and every one of the students in the School District, so every student can improve every year and achieve academically.
- Out of the 247 June graduates in the Bedford High School Class of 2012, 201 of them—or 81 percent—planned to pursue higher education. Another 4 percent planned to enter the military, while 6 percent were entering the workforce, and 9 percent were undecided or their plans were unknown as of graduation. The graduates were awarded approximately \$2.5 million in LOCAL scholarships alone.
- A total of 103 seniors contributed 7,570 hours of community service, averaging nearly 74 hours per student. These students earned burgundy Honor Cords to wear at Commencement.
- Central Primary School was a winner of the 2012 *Hall of Fame* School Recognition Award from the Ohio Association of Elementary School Administrators (OAESA). Nominations for this award were received from schools across the State of Ohio, and only four of these were named Hall of Fame schools, which represent “the finest schools in the State of Ohio,” according to the OAESA.
- Glendale Primary School won a \$10,000 IBM Community Impact Grant. Glendale was one of four non-profit institutions who received such a grant from IBM. The school used the grant money to bolster its early learning programs by purchasing new technology, including interactive white boards and iPads.
- The School District piloted an Accelerated Kindergarten Program after first quarter to build academic rigor starting with the youngest students in primary school and identifying gifted students as early as possible. This group will continue to be challenged with more rigorous academic coursework as the students move through middle school and high school.
- A team of four female Bedford High School seniors finished third at the Fifth Annual Biotech Olympics at Cuyahoga Community College in May, earning a Bronze Medal. This is the first time that Bedford High has scored in the top three at this event.
- A Bedford High School senior had a book published, entitled *365 Ways to Improve*, which includes a motivational tip for each day for a year. Writing the book stemmed from a summer internship she had with Improve Consulting and Training Group. A portion of the profit from all book sales will be used to support the student's future educational pursuits. Her accomplishment was spotlighted in the Cleveland Plain Dealer and on local television stations.
- A Heskett Middle School 8th grader was awarded Honorable Mention in the Stossel in the Classroom's 2011-2012 essay contest. There were 3,944 essays submitted by students aged 12-18 from around the country, with 225 essays chosen as prize winners. Students were asked to write essays about “Politicians' Promises Gone Wrong,” after viewing John Stossel's Fox News Special on that same subject.
- A Central Primary School 2nd grader won a Cleveland Plain Dealer essay contest entitled *Fully Charged!* The contest promoted the Ringling Bros. and Barnum & Bailey Circus. The student's essay, which won her several tickets to the circus, described how to get energized and fully charged each day.

- Student leaders at Carylwood Intermediate School collected nearly 1,200 items of food from the school's students and staff around Thanksgiving time, which they donated to the Salvation Army's Bedford Unit.
- The fiscal year 2011 Bedford High School yearbook, the Epic, received a First Place Award from the American Scholastic Press Association annual yearbook competition in fiscal year 2012. BHS was one of only nine schools in Ohio to receive the award.
- A team of Heskett Middle School Students took first place for the 7th and 8th grade division in the annual Equations Northeast Regional Academic Games competition in January at the Cuyahoga County Educational Service Center. Two members of that team also took the First Place and the Second Place individual awards for 8th grade. A 4th grade student from Carylwood Intermediate School also took First Place for the 4th grade division in the contest.
- Heskett students also fared well at the 2012 Greater Cleveland Council of Teachers of Mathematics (GCCTM) Math contest in March. Three teams of 8th graders worked through four events, each of which challenged them to solve a number of problems, testing their math skills. One of the teams scored in the top 20 percent in the contest, earning team members medallions, the highest possible award. Two teams also won blue ribbons at the event and one team earned a red ribbon.
- Bedford High School inducted 21 students into the National Honor Society and Heskett Middle School inducted 16 students into the National Junior Honor Society last year.
- A Glendale 2nd grader won third place in the Primary Division in the MLK Statewide Martin Luther King Jr. Oratorical Contest in Columbus, Ohio in April.
- A Heskett 8th grader and a BHS 9th grader were named to the 2012 Class of MLK Holiday Scholars by the Cleveland-based Martin Luther King, Jr. Holiday Scholarship Committee, as part of the reward for being winners in the "Happy Birthday Dr. King!" Birthday Card Contest. Each student received a scholarship and other prizes and was a guest at the Eleventh Annual Dr. Martin Luther King, Jr. Holiday Breakfast Celebration in downtown Cleveland.
- Four Heskett Middle School students earned high honor awards at the Northeast Ohio Engineering & Science Fair at Cleveland State University on March 17.
- A team of Heskett Middle School 8th graders took 3rd place at the 2nd Annual Edward P. Campbell design Squad Challenge March 19 at the Idea Center at Playhouse Square. The team had to tackle three engineering challenges, building specific items using only the materials provided.
- Three Carylwood 4th grade gifted education students had their poems about tornados published in the Winter 2011 edition of the *Review*, a publication of the Ohio Association for Gifted Children.
- A Bedford High School senior won a Gold Key (1st place) award in the 31st Annual Scholastic Art Awards competition held at the Cleveland Institute of Art.
- A Bedford High School senior won first place for Mixed-Media in the annual 11th Congressional District Art Competition sponsored by U.S. Congresswoman Marcia Fudge.

- Students in a Columbus Intermediate School 4th grade class were the lucky winners in the Cleveland Cavaliers’ annual “Read to Achieve” program. As a reward for their 100 percent participation, they were invited to the Cavs’ practice facility, where they spent the afternoon playing Scrabble with the players and their mascot, Sir. C. C.
- About a dozen Bedford High School students spent part of their spring break touring Brown University, Northwestern University, Boston College, Massachusetts Institute of Technology (MIT), Harvard, and University of Massachusetts, Amherst. Their visit was among the many activities sponsored for members of the University Bound Scholars (UBS) program. This program encourages students to “think big,” by considering admission to some of the most prestigious colleges and universities in the United States. Students must have at least a 3.4 GPA and be enrolled in at least one honors course to be considered for UBS membership.
- Bedford High School students in the Marketing Education Program participated in the annual Distributive Education Clubs of America (DECA) District 10 competitive events at Cuyahoga Community College in February. Events included written exams, as well as presentations of case studies to judges who were professionals in the marketing field. Four BHS students won awards and qualified to advance and compete in the State Marketing Education Career Development Conference in Columbus, Ohio.
- Glendale was one of a handful of Cleveland-area schools chosen to participate in the 2nd Annual Back to School with The HistoryMakers program in September. As part of this innovative program, Dr. H. Leslie Adams, an accomplished composer, pianist, educator and arts advocate, spent the day at the school, meeting and talking with students. The program is intended to raise awareness about the achievements of local African American “HistoryMakers” in communities across the nation.
- Bedford High School students created about 25 large, bold, colorful graffiti tag banners for each team in the Cleveland Summer Am-Pro basketball league, at the request of the league manager. The banners were displayed throughout the season at the Cleveland State University Woodling Gymnasium, where all league games were played.
- The popular Cleveland Indians mascot, Slider, paid a surprise visit to about 200 Columbus Intermediate School students in September. The assembly was a reward for those students who completed all of their summer reading work. Before Slider appeared, the students were treated to a live concert, to tie in with the theme of the summer reading program “Reading Rocks.”
- Carylwood students were rewarded for making their Accelerated Reader (AR) Goal at 80 percent accuracy. These winners were then entered into a raffle for a mountain bike and helmet.

Long-term Planning

The Bedford City School District has been engaged in a strategic planning process since 1990, and continues to build on planning initiatives to enhance academic achievement, promote cultural diversity, increase parental involvement, expand the use of technology, expand staff development opportunities, and provide ongoing support for the emotional needs of the students and staff. Additionally, the Superintendent and the Board of Education had set forth new goals and initiatives for the Bedford City School District in a 5-year plan called *A Focused Effort on Success—2009-2014*. Goals in this plan reference Board Relations, Academic Programming, Community Engagement, Accountability, Staff Wellness and Morale, Diversifying the Workforce and Records Management.

Some key elements addressed during the 2011-2012 school year from these plans were:

- **Advancing the Arts and Cultural Diversity:**
 - *SpringFest:* The Bedford City School District held its first SpringFest—A Celebration of art and culture, which was a new event that blended the district’s traditional Art Show and its Multicultural Fair. The new event was intended to promote and showcase students’ artwork and multicultural studies. The art show was held in the gym, cultural exhibits were displayed through the hallways, and students from every school performed in the auditorium.

- **Expanding the Use of Classroom Technology:**
 - *Digital Learning Day:* The School District participated in the first-ever Digital Learning Day campaign February 1, which was a national campaign created by the Alliance for Excellent Learning to bring awareness to the more cutting-edge uses of technology in the schools, to celebrate innovative teaching, and to high- light practices that make learning more personalized and engaging for students. Every teacher in the district was urged to participate in some way, and the day culminated with a district-wide Connectivity Fair at the high school. The community was invited to see teacher and student exhibits and demonstrations highlighting creative uses of technology at all grade levels.

 - *Distance Learning:* For the first time, the School District offered students a Distance Learning class, in which High Definition Video Conferencing equipment was used to join other classrooms, through the North Ohio Technology Association. Students joined Brush and Warrensville Height High School students to take a Chinese I course, taught at Brush. Distance learning opportunities offer a cost-effective way to continue offering courses with low enrollment. In addition to Chinese, an OGT Science Preparatory Course and an ACT Preparatory Course were offered via Distance Learning to BHS students.

 - *Moodle:* BHS and Heskett teachers used this online course management system to post assignments, give tests and quizzes, and to make digital copies of instructional materials available to students. Moodle extends the walls of the classroom, as teachers can communicate with students through this media. Teachers also use Moodle as a way to collaborate with other teachers in their departments, to share ideas, resources, and materials.

 - The School District continued to offer online programming for at-risk students through its Alternative School.

 - The School District installed an Academic Coaching Lab at Bedford High School and two Computer Labs at Heskett Middle School, as well as approximately 70 computers throughout the School District, including iPads, laptops, netbooks, desktops and HP All-in-Ones.

 - The School District’s Technology coach, along with two middle school teachers, presented at the National Middle School Association’s 38th Annual Conference & Exhibit in Louisville, Ky., on “Using Handheld Devices in the Classroom: Collaboration, Communication & Engagement in the Palm of Your Hand.”

- **Improving Staff Wellness and Morale:**

- *Health Care Committee:* Members of the Health Care Committee include representatives appointed by the groups that hold a stake in the outcomes associated with wellness and its impact on health care costs. These include four members from the Administrative team, four members from the certificated employees' bargaining unit and four members from the classified employees' bargaining unit. The members of the Health Care Committee have been trained in how health insurance is purchased and how it is best utilized. The School District's consultants from the Oswald Companies meet regularly with the committee to provide updates on how the health care costs are being driven by utilization and how the committee can affect that utilization. They have begun to work in conjunction with the Wellness Committee to address the needs of the group as a whole, and they identified as a first step a "health screening day" which was conducted in December of 2011. The results from that screening will be used to drive the wellness program.
- *Wellness Program:* The Wellness Committee implemented several health- and fitness-related programs throughout the year, including Weight Watchers at Work, Fall into Fitness, Holiday Weight Maintenance Challenge, and Rounding Out Your Health. Employees who completed the Weight Watchers at Work program were reimbursed for part of the program cost by Medical Mutual, and employees who completed the other programs were eligible to win gift cards and other prizes.
- *Health Fair:* Bedford Schools' Health and Physical Education instructors sponsored a Health Fair in April in conjunction with the Bedford Schools Foundation Run/Walk and the Bedford Rotary's Pancake Breakfast. The health fair featured a variety of vendors, exhibits and activities focused on wellness, health and physical fitness. Representatives from area medical and dental facilities and other health, wellness, and fitness organizations participated. The event was free and opened to the public.
- *Behind the Fence Party:* This was the second year that the School District hosted a "Behind the Fence" party for all employees and their families. This tailgate-type party was held before a home football game, to help boost staff morale and encourage employee bonding. After eating and socializing, employees and their family members were treated to free admission to the football game.
- *Friday Cheer!:* To help the staff stay connected and know what was going on in the other buildings, the communications coordinator started sending out a weekly e-newsletter to staff every Friday. The newsletter contained bits of good news that happened throughout the district that week, along with pictures.

- **Community Engagement:**

- *Mentoring Program:* Bedford High School football players have been involved in a very successful program in which a local pastor acts as the team's Coach of Character Development. The football players then acted as mentors to younger students in a program called "Bearcat Buddies." Planning began in the 2011-2012 school year to expand this mentoring and character coaching into a School District-wide program for the 2012-2013 school year, in which volunteers work with at-risk students in the School District to instill character, confidence and leadership through mentoring. The goal is that all the students in the Bedford Schools will eventually go through a character curriculum

taught by a professional. The four communities in the School District will be asked to partner with the district in this expanded program and make donations to help insure its success.

- *Patriot Day Program:* The School District honored military personnel, veterans and local safety forces at its 10th Annual Patriot Day commemoration. Besides military personnel and members of the local police and fire departments, elected officials were invited, as was the community-at-large. Students performed in this program.
- *Senior Citizen Outreach:* The School District continued to reach out to the senior citizens in its four communities by offering three ElderClass programs during the 2011-12 school year. Elderclass is an intergenerational program designed to build a positive relationship between the Bedford Schools, its students, and the senior citizens of Bedford, Bedford Heights, Oakwood, and Walton Hills. ElderClass is predominantly funded by corporate sponsorships and donations. In addition, senior citizens were once again invited to the very popular annual Senior Citizens Valentine’s Day Dance sponsored by Bedford High School’s Varsity B club. Senior Citizens may attend any school function (spring musical, sporting event, concert, etc.) free of charge.
- *Community Engagement Walk-in Sessions:* Members of the Bedford Board of Education decided to go out into the community to interact with their constituents and get their feedback on the School District. Once every month, two school board members went to a local coffee house on a Saturday morning, and all community members were invited to share their perceptions about the schools, and ask questions or voice concerns.
- *Math & Science Night:* Bedford High School sponsored a “Math & Science Community Engagement Night” before a home Bearcat football game to showcase some of the work completed by high school students in their math and science classes for family and community members.

Other Achievements

- Bedford City School District was named by the Cleveland Plain Dealer as one of “Northeast Ohio’s Top Workplaces—The Best Employers in the Region.” The Plain Dealer’s third annual list of Top Workplaces is culled from the opinions of more than 49,000 employees at companies in 11 counties. The School District was among 100 companies, nonprofits and government agencies ranked the highest in keeping their employees happy with respect, trust and challenges.
- The Bedford High School Orchestra opened the 2011-2012 “Fab Friday” series sponsored by the Kent State University Hugh A. Glauser School of Music Division of Bands in October. Students spent the day at KSU performing music for music education students and faculty, participating in a music in-service and master classes, and working with the school’s conducting staff, applied faculty, and graduate and undergraduate music education students.
- The Bedford High School Madrigal Singers proudly sang the National Anthem at Jacobs Field before the Cleveland Indians game against the Tampa Bay Devil Rays on May 12.
- A parent support group called *Parents Lending Hands* was established to help families of children with special needs to navigate through the rearing and educational careers of their children.

- A Bedford High School senior finished 1st at the Sectional Golf Tournament in the fall which qualified her to play in the Ohio High School Athletic Associations 2011 District Golf Tournament.

Employees

As of June 30, 2012, the School District had 522 employees. A Statewide public employee collective bargaining law applies generally to public employee relations and collective bargaining.

As of June 30, 2012, 293 of the School District's employees were professionals (certified or licensed by the State Department of Education) serving as treasurer, assistant treasurer, business manager, classroom teachers, education specialists and certificated administrators, of whom all had at least a bachelor's degree and 69 percent or 193 held advanced degrees. The 2011-2012 starting salary for a teacher with a bachelor's degree was \$38,277; the maximum teacher salary (for a teacher with a master's degree plus 45 semester hours and 18 years' experience) was \$79,531. The average current base salary of a School District teacher for 2011-2012 was \$62,004, compared to a State average of (fiscal year 2011) \$56,715.

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

All of the School District's classified support staff (secretarial-clerical, custodial, maintenance, transportation and cafeteria staff) members are represented for bargaining purposes by the Ohio Association of Public School Employees ("OAPSE"), with the exception of 9 administrators and 3 confidential secretaries the Coordinator of Communications and Public Relations, and the EMIS Coordinator. A new contract was negotiated and will expire on December 31, 2013. There have been no work stoppages in the last 19 years. In the judgment of the Board of Education, labor relations with all of its employees are excellent.

Awards

The Governmental Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Bedford City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011. The Certificate is the highest form of recognition in the area of governmental financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Acknowledgements

The publication of this report continues the School District's commitment to professionalism in financial reporting. Appreciation is extended to the staff of the treasurer's department: Mrs. Loretta Dunkel, Payroll Specialist, Mrs. Bonnie Baschko, Accounts Receivable/Leave Accounting Specialist, and Mrs. Sonya Jackson, Accounts Payable Specialist. A school district cannot produce a CAFR without an efficient treasurer's department. The dedication and accurate work of these employees ensures a smooth day-to-day operation and the accurate maintenance of records. It is their work that makes a timely audit possible. These employees have made a major contribution toward the School District's fiscal year 2012 CAFR. The fiscal year 2012 CAFR is also the work of Assistant Treasurer, Donald E. Houghton, Jr., whose name appears on the title page.

Layout and content of the fiscal year 2012 CAFR, are credited to Mrs. Margaret Bierman, Coordinator of Technology and Electronic Media and Beth Russell, Coordinator of Communications and Public Relations. Ms. Debi Jones, Technology Clerk, was instrumental in the graphic design of this report. The digital 2012 CAFR was produced by the Information Technology Department of the Bedford City School District.

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

Respectfully submitted,



Janet M. Pavlic, CPA
Treasurer/CFO



Sherman C. Micsak
Superintendent of Schools

**Bedford City School District
Principal Officials
June 30, 2012**

Board of Education

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

President
Vice President
Member
Member
Member

Treasurer

Mrs. Janet M. Pavlic, CPA

Assistant Treasurer

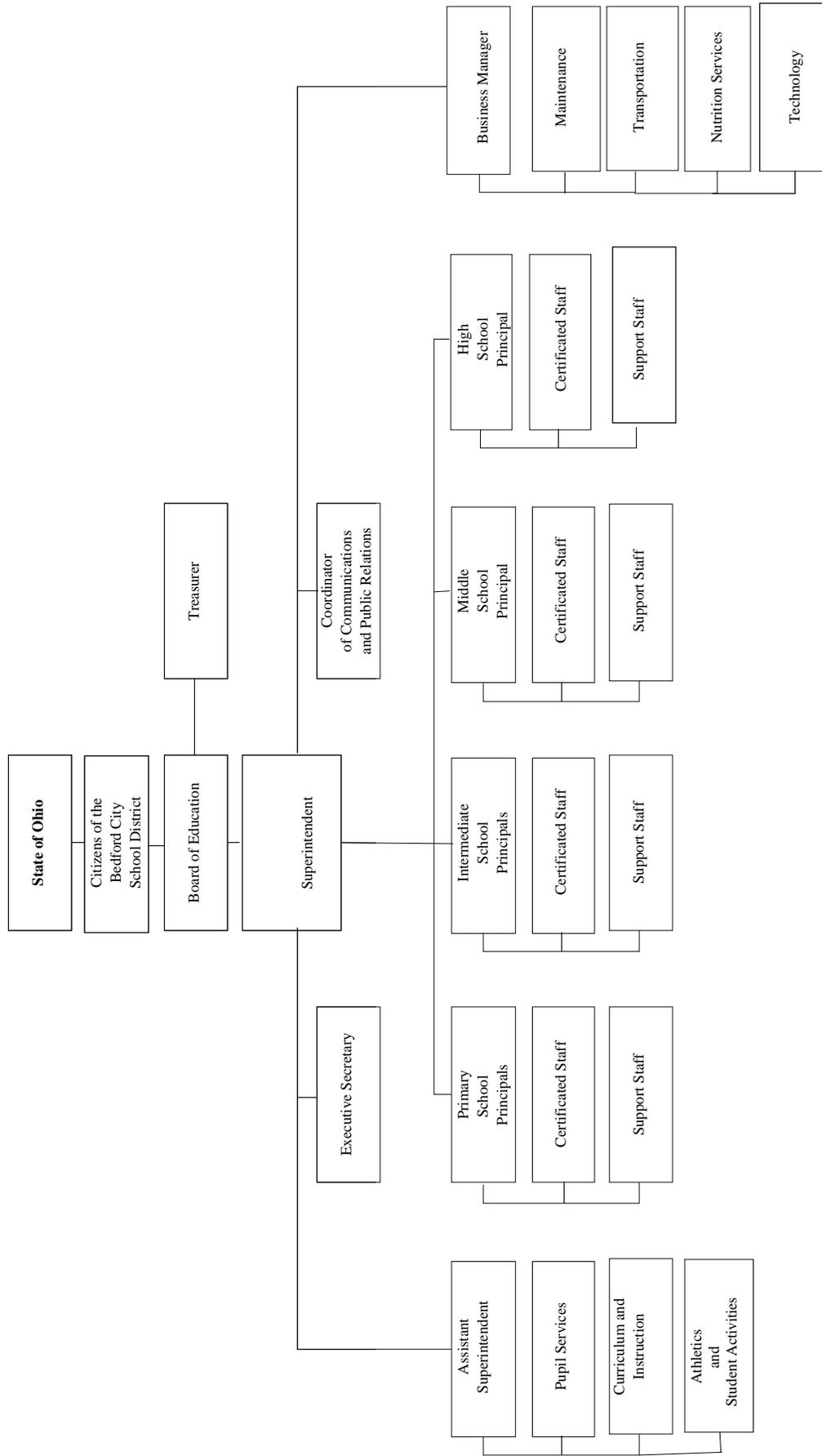
Mr. Donald E. Houghton, Jr.

Administration

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

Superintendent
Assistant Superintendent
Business Manager

Organizational Chart of the Bedford City School District



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Bedford City School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

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



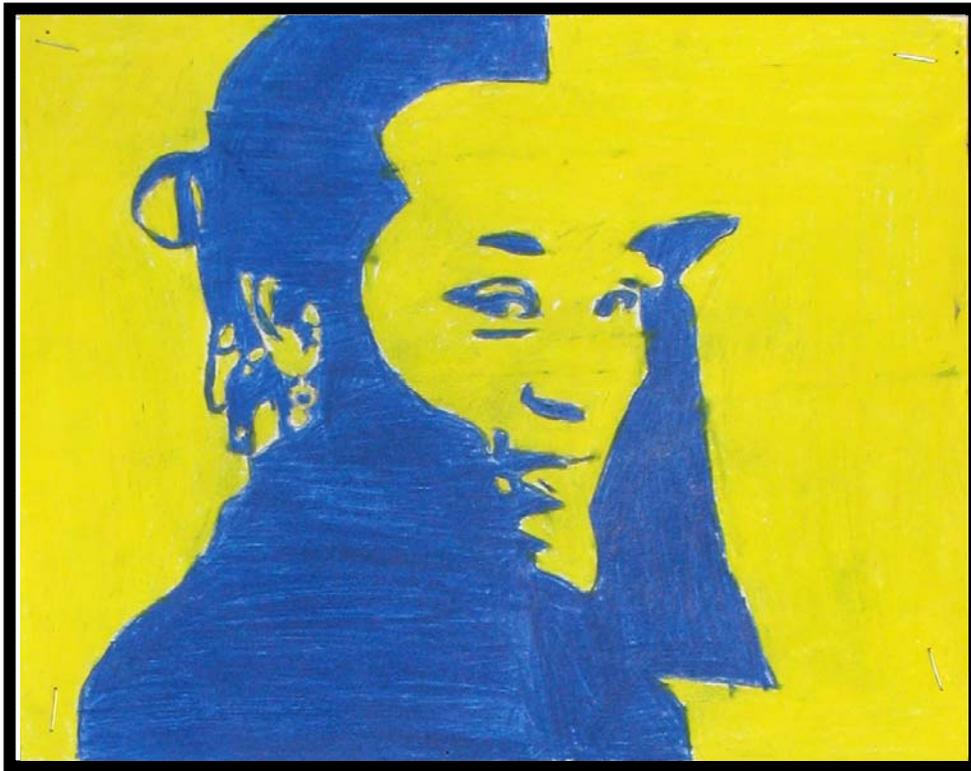
Linda C. Dandson

President

Jeffrey R. Egan

Executive Director

Financial Section



Artwork by: Kylah Hardy

8th Grade Student

Heskett Middle School

Art Teacher: Rebecca Genao



Artwork by: Taverion Shepherd

2nd Grade Student

Central Primary School

Art Teacher: Kenan Gabriel

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

Certified Public Accountants

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Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Education
Bedford City School District
Bedford, Ohio

The Honorable Dave Yost
Auditor of State
State of Ohio

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Bedford City School District, Cuyahoga County, Ohio, as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Bedford City School District, Ohio's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Bedford City School District, Ohio, as of June 30, 2012, 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 conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2012, on our consideration of the Bedford City School District, Ohio's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

As described in Note 3 to the basic financial statements, the District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

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

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


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

October 29, 2012

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

The discussion and analysis of the Bedford City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2012. 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 2012 are as follows:

- The School District did not receive any new grants to replace the Fiscal Stabilization funds that had been received in fiscal years 2011 and 2010.
- The School District had slightly lower operation and maintenance expenses than the previous fiscal year, mainly due to the extremely mild winter.
- Capital assets in the School District are being carried with a relatively old physical plant and bus fleet. The buildings of the School District are well maintained and in good repair. The School District consistently makes improvements when and where needed in order to ensure sustainability.

Using This Comprehensive Annual Financial Report ("CAFR")

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

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

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

Statement of Net Position and the Statement of Activities

The analysis of the School District as a whole begins on page 4. 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 *liabilities* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting recognizes all of the current year's revenues and expenses regardless of when cash is received or paid.

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

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

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

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

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

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

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

The School District as a Whole

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

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Table 1 provides a summary of the School District's governmental activities net position for fiscal year 2012 compared to fiscal year 2011:

Table 1
 Net Position

	2012	2011	Change
Assets			
Current and Other Assets	\$56,028,964	\$55,582,811	\$446,153
Capital Assets, Net	20,166,639	20,863,033	(696,394)
<i>Total Assets</i>	<u>76,195,603</u>	<u>76,445,844</u>	<u>(250,241)</u>
Deferred Outflows of Resources			
Deferred Charge on Refunding	15,818	45,165	(29,347)
Liabilities			
Current and Other Liabilities	5,889,855	6,927,926	1,038,071
Long-Term Liabilities:			
Due Within One Year	2,098,073	2,810,335	712,262
Due in More than One Year	5,997,930	6,366,881	368,951
<i>Total Liabilities</i>	<u>13,985,858</u>	<u>16,105,142</u>	<u>2,119,284</u>
Deferred Inflows of Resources			
Property Taxes	22,502,264	22,922,659	420,395
Net Position			
Net Investment in Capital Assets	16,816,971	15,853,913	963,058
Restricted:			
Capital Projects	303,671	229,779	73,892
Debt Service	1,342,336	2,086,003	(743,667)
Other Purposes	694,518	650,968	43,550
Unrestricted	20,565,803	18,642,545	1,923,258
<i>Total</i>	<u>\$39,723,299</u>	<u>\$37,463,208</u>	<u>\$2,260,091</u>

The increase in assets was predominantly due to an increase in cash due to decreases in operating and maintenance costs, as well as a decrease in debt service. Total liabilities decreased from prior fiscal year due to fewer accounts, contracts and intergovernmental payables due at the end of the fiscal year as a result of management making an effort to reduce outstanding payables at the end of the fiscal year. Another contributing factor to the decrease in total liabilities is the pay down of debt.

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Table 2 shows changes in governmental net position for fiscal years 2012 and 2011.

Table 2
Changes in Net Position

	2012	2011	Change
Revenues			
<i>Program Revenues:</i>			
Charges for Services and Sales	\$2,600,639	\$2,346,793	\$253,846
Operating Grants, Contributions and Interest	4,900,280	5,366,013	(465,733)
Capital Grants	164,911	196,417	(31,506)
<i>Total Program Revenues</i>	<u>7,665,830</u>	<u>7,909,223</u>	<u>(243,393)</u>
<i>General Revenue:</i>			
Property Taxes	29,474,449	30,321,372	(846,923)
Grants and Entitlements	15,758,170	17,019,801	(1,261,631)
Investments	11,040	27,479	(16,439)
Gain on Sale of Capital Assets	0	1,371	(1,371)
Miscellaneous	394,204	371,913	22,291
<i>Total General Revenues</i>	<u>45,637,863</u>	<u>47,741,936</u>	<u>(2,104,073)</u>
Total Revenues	<u>53,303,693</u>	<u>55,651,159</u>	<u>(2,347,466)</u>
Program Expenses			
Instruction	25,716,544	25,022,834	(693,710)
Support Services:			
Pupil	3,049,560	3,034,339	(15,221)
Instructional Staff	2,687,012	2,735,600	48,588
Board of Education	98,729	85,953	(12,776)
Administration	3,963,083	3,969,440	6,357
Fiscal	1,480,370	1,309,344	(171,026)
Business	721,405	877,396	155,991
Operation and Maintenance of Plant	6,237,787	6,645,111	407,324
Pupil Transportation	3,609,183	3,513,967	(95,216)
Central	199,941	335,344	135,403
Operation of Non-Instructional Services:			
Food Service Operations	1,775,328	1,705,905	(69,423)
Other Non-Instructional Services	351,270	394,207	42,937
Extracurricular Activities	848,288	838,622	(9,666)
Interest and Fiscal Charges	305,102	357,696	52,594
<i>Total Program Expenses</i>	<u>51,043,602</u>	<u>50,825,758</u>	<u>(217,844)</u>
<i>Net Change in Net Position</i>	2,260,091	4,825,401	(2,565,310)
<i>Net Position Beginning of Year</i>	<u>37,463,208</u>	<u>32,637,807</u>	<u>4,825,401</u>
<i>Net Position End of Year</i>	<u>\$39,723,299</u>	<u>\$37,463,208</u>	<u>\$2,260,091</u>

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

General revenues decreased from 2011. In 2012, the School District experienced decreased levels of property tax collections due to a decrease in tax rates and delinquencies as well as decreased grant and entitlement revenues due to the conclusion of federal award programs.

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

The School District continues to hold expenditure spending at an even level, while continuing to upgrade instructional programs. These efforts are evident by the slight overall increase in expenditures from fiscal year 2011 to 2012.

Governmental Activities

The School District went to the voters in May, 2009 seeking approval of a 4.9 mill operating levy in order to keep on track with rising costs and lower revenues incoming from taxes and school foundation funding. Prior to this attempt, the last operating levy approved by voters was 4.9 mills in November 2004. The May, 2009 levy passed.

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

The School District is heavily dependent on property taxes and is hampered by a lack of revenue growth. Thus, the School District must regularly return to the voters to maintain a constant level of service. Property taxes made up over half of total revenues in the School District for fiscal year 2012, followed by grants, entitlements and contributions and then charges for services, investments and other revenue made up the remaining revenues.

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

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

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Table 3
 Net Cost of Governmental Activities

	Total Cost of Services 2012	Net Cost of Services 2012	Total Cost of Services 2011	Net Cost of Services 2011
Instruction	\$25,716,544	\$22,787,140	\$25,022,834	\$22,043,028
Support Services:				
Pupil	3,049,560	2,071,707	3,034,339	2,457,325
Instructional Staff	2,687,012	1,936,389	2,735,600	2,074,300
Board of Education	98,729	98,729	85,953	85,953
Administration	3,963,083	3,820,296	3,969,440	3,826,390
Fiscal	1,480,370	1,480,370	1,309,344	1,309,344
Business	721,405	682,205	877,396	849,068
Operation and Maintenance of Plant	6,237,787	6,072,876	6,645,111	5,548,672
Pupil Transportation	3,609,183	3,534,065	3,513,967	3,513,967
Central	199,941	194,206	335,344	329,456
Operation of Non-Instructional Services:				
Food Service Operations	1,775,328	(190,825)	1,705,905	(146,022)
Other Non-Instructional Services	351,270	13,344	394,207	79,248
Extracurricular Activities	848,288	572,168	838,622	588,110
Interest and Fiscal Charges	305,102	305,102	357,696	357,696
<i>Total</i>	<u>\$51,043,602</u>	<u>\$43,377,772</u>	<u>\$50,825,758</u>	<u>\$42,916,535</u>

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

The School District's Funds

Information about the School District's governmental funds starts on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$52,613,276 and expenditures of \$51,399,069. The increase in the general fund was primarily due to the diligence of management to keep expenditures below revenues during fiscal year 2012. The decrease in all other governmental funds was primarily due to a decrease in property tax revenues from the 2011 fiscal year as well as the loss of stimulus funding due to the American Recovery and Reinvestment Act coming to an end.

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

General Fund Budgeting Highlights

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

During the course of fiscal year 2012, the School District amended its general fund budget several times, but no change was significant. The general fund final budget revenue amount is higher than the original budget amount. The increase was due to the higher than anticipated collection of tuition and fees and miscellaneous revenues. Actual revenues are higher than the final budget amount due in large part to greater tax and tuition and fee revenues than anticipated. Actual expenditures are less than the final budget amount. The School District made a conscious effort to keep expenditures below budgeted amounts. Savings were the greatest in regular instruction and administration. The School District ended the fiscal year with a fund balance of \$18,399,305, an increase from fiscal year 2011 and higher than what was estimated.

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

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2012, the School District had, at cost, \$53,755,308 invested in land, construction in progress, buildings and improvements, furniture and equipment, and vehicles. That total carries an accumulated depreciation of \$33,588,669. Table 4 shows fiscal year 2012 balances compared to fiscal year 2011.

Table 4
 Capital Assets at June 30
 Governmental Activities

	2012	2011
Land	\$1,525,500	\$1,525,500
Construction in Progress	91,223	618,860
Buildings and Improvements	14,766,988	14,871,053
Furniture and Equipment	1,961,265	2,068,698
Vehicles	1,821,663	1,778,922
	\$20,166,639	\$20,863,033

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

In November of 2010, voters in the School District approved the renewal of a one mill permanent improvement levy. This levy generates approximately \$490,000 a year, and coupled with reimbursements for lost levy proceeds in the amount of \$112,000, provides funds which are used exclusively for capital purchases. These funds are currently being used to finance several construction projects in 2012. 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. For additional information on capital assets, see Note 10 of the notes to the basic financial statements.

Debt

At June 30, 2012, the School District had \$4,373,103 in bonds, loans and leases outstanding, \$838,479 of which was due within one year. Table 5 summarizes bonds and loans outstanding.

Table 5
Outstanding Debt at June 30
Governmental Activities

	2012	2011
2001 Refunding Serial Bonds	\$0	\$1,205,000
2001 Refunding Capital Appreciation Bonds	1,557,783	1,435,974
2006 Energy Conservation Improvement Bonds	2,353,452	2,566,145
2002 Maintenance Facility Loan	73,000	143,000
Capital Leases	388,868	570,586
Totals	\$4,373,103	\$5,920,705

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

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

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

The School District's overall debt margin was \$65,869,716 with an unvoted debt margin of \$724,129. For additional information on long-term obligations, see Note 19 of the notes to the basic financial statements.

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Current Financial Related Activities

As the preceding information shows, the School District is heavily dependent on property taxes. Property tax revenue does not increase solely as a result of inflation. Therefore, the School District must continue to monitor its revenues and expenses to ensure the public's confidence and support. Due to prudent fiscal management the School District has not asked the voters for new operating funds since 2009.

School Funding

The State funding formula for K-12 education in Ohio has changed several times in recent years. Governor Strickland developed and proposed the Ohio Evidence-Based Model Education Program (OEBM), most of which was incorporated into the fiscal 2010-2011 biennial State budget, House Bill No.1. The OEBM represented a significant overhaul to the historical per pupil funding model utilized by the State, and was scheduled to be phased-in over the ensuing ten to twelve years. The State of Ohio utilized approximately \$8 billion of the Federal Stimulus package (American Recovery and Reinvestment Act, aka ARRA) to fill its budgetary hole for the 2010-2011 biennium, under which, the School District's State Foundation funding has continued to be under the guarantee subject to a one percent reduction during each of the two fiscal years of the biennium. In November 2010, Governor Strickland lost his bid for re-election to Governor Kasich. The new governor carried through on his promise to repeal the OEBM and has replaced it with a "Bridge" Formula. A new formula is currently under development, and is expected to be unveiled in the next year. Once again, further cuts to education are expected. Consequently, all of the School District's financial abilities will be called upon to meet the challenges the future will bring. The School District's Board and management team continue to carefully and prudently plan in order to provide the resources required to meet the future needs of its students.

The State Legislature has also affected the deregulation of electric public utilities. Electric deregulation took place January 1, 2001. The Department of Education will pay to each school district their share of school district property tax replacement funds. The calculated amount for the Bedford City School District is \$1.1 million annually for five years, beginning in calendar year 2002. Beginning in 2008, by State law, each School District will be evaluated annually as to whether they will continue to receive deregulation funds. The School District was evaluated and did not qualify to receive electric deregulation funds in 2012.

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, 2012*

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$23,953,313
Accounts Receivable	34,805
Intergovernmental Receivable	623,211
Inventory Held for Resale	27,080
Materials and Supplies Inventory	447,128
Taxes Receivable	30,943,427
Nondepreciable Capital Assets	1,616,723
Depreciable Capital Assets	<u>18,549,916</u>
<i>Total Assets</i>	<u>76,195,603</u>
Deferred Outflows of Resources	
Deferred Charge on Refunding	<u>15,818</u>
Liabilities	
Accounts Payable	469,189
Contracts Payable	300,872
Accrued Wages and Benefits Payable	3,589,463
Intergovernmental Payable	1,292,941
Matured Compensated Absences Payable	142,277
Accrued Interest Payable	22,050
Claims Payable	73,063
Long-Term Liabilities:	
Due Within One Year	2,098,073
Due in More Than One Year	<u>5,997,930</u>
<i>Total Liabilities</i>	<u>13,985,858</u>
Deferred Inflows of Resources	
Property Taxes	<u>22,502,264</u>
Net Position	
Net Investment in Capital Assets	16,816,971
Restricted for:	
Capital Projects	303,671
Debt Service	1,342,336
Food Service	556,734
Athletic Facilities	24,002
Other Purposes	113,782
Unrestricted	<u>20,565,803</u>
<i>Total Net Position</i>	<u><u>\$39,723,299</u></u>

See accompanying notes to the basic financial statements

Bedford City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2012

	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services and Sales	Operating Grants Contributions and Interest	Capital Grants	
Governmental Activities					
Instruction:					
Regular	\$19,447,101	\$1,724,635	\$131,219	\$0	(\$17,591,247)
Special	5,337,718	0	908,443	0	(4,429,275)
Vocational	910,177	0	165,107	0	(745,070)
Student Intervention Services	21,548	0	0	0	(21,548)
Support Services:					
Pupil	3,049,560	0	977,853	0	(2,071,707)
Instructional Staff	2,687,012	0	750,623	0	(1,936,389)
Board of Education	98,729	0	0	0	(98,729)
Administration	3,963,083	0	142,787	0	(3,820,296)
Fiscal	1,480,370	0	0	0	(1,480,370)
Business	721,405	33,300	5,900	0	(682,205)
Operation and Maintenance of Plant	6,237,787	0	0	164,911	(6,072,876)
Pupil Transportation	3,609,183	0	75,118	0	(3,534,065)
Central	199,941	0	5,735	0	(194,206)
Operation of Non-Instructional Services:					
Food Service Operations	1,775,328	569,496	1,396,657	0	190,825
Other Non-Instructional Services	351,270	0	337,926	0	(13,344)
Extracurricular Activities	848,288	273,208	2,912	0	(572,168)
Interest and Fiscal Charges	305,102	0	0	0	(305,102)
<i>Total Governmental Activities</i>	<u>\$51,043,602</u>	<u>\$2,600,639</u>	<u>\$4,900,280</u>	<u>\$164,911</u>	<u>(43,377,772)</u>

General Revenues

Property Taxes Levied for:

General Purposes	28,614,838
Debt Service	415,891
Capital Outlay	443,720
Grants and Entitlements not Restricted to Specific Programs	15,758,170
Investment Earnings	11,040
Miscellaneous	394,204

Total General Revenues

45,637,863

Change in Net Position

2,260,091

Net Position Beginning of Year

37,463,208

Net Position End of Year

\$39,723,299

See accompanying notes to the basic financial statements

Bedford City School District

Balance Sheet

Governmental Funds

June 30, 2012

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$19,240,047	\$3,273,567	\$22,513,614
Accounts Receivable	26,804	8,001	34,805
Intergovernmental Receivable	34,971	588,240	623,211
Inventory Held for Resale	0	27,080	27,080
Materials and Supplies Inventory	438,142	8,986	447,128
Interfund Receivable	530,000	60,000	590,000
Taxes Receivable	30,130,554	812,873	30,943,427
<i>Total Assets</i>	<u>\$50,400,518</u>	<u>\$4,778,747</u>	<u>\$55,179,265</u>
Liabilities			
Accounts Payable	\$347,911	\$121,278	\$469,189
Contracts Payable	0	300,872	300,872
Accrued Wages and Benefits Payable	3,356,461	233,002	3,589,463
Intergovernmental Payable	1,162,538	130,403	1,292,941
Interfund Payable	0	590,000	590,000
Matured Compensated Absences Payable	142,277	0	142,277
<i>Total Liabilities</i>	<u>5,009,187</u>	<u>1,375,555</u>	<u>6,384,742</u>
Deferred Inflows of Resources			
Property Taxes	21,925,237	577,027	22,502,264
Unavailable Revenue	4,335,993	331,042	4,667,035
<i>Total Deferred Inflows of Resources</i>	<u>26,261,230</u>	<u>908,069</u>	<u>27,169,299</u>
Fund Balances			
Nonspendable	438,142	8,986	447,128
Restricted	75,118	2,293,997	2,369,115
Committed	10,475	333,159	343,634
Assigned	574,438	0	574,438
Unassigned (Deficit)	18,031,928	(141,019)	17,890,909
<i>Total Fund Balances</i>	<u>19,130,101</u>	<u>2,495,123</u>	<u>21,625,224</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$50,400,518</u>	<u>\$4,778,747</u>	<u>\$55,179,265</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, 2012*

Total Governmental Funds Balances		\$21,625,224
 <i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		20,166,639
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	4,460,623	
Grants	206,412	
Total	4,667,035	4,667,035
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(22,050)
The internal service funds are used by management to charge the costs of insurance and goods warehoused and distributed to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		1,366,636
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(3,911,235)	
Loan Payable	(73,000)	
Capital Leases	(388,868)	
Compensated Absences	(3,722,900)	
Deferred Charge on Refunding	15,818	
Total	(8,080,185)	(8,080,185)
 <i>Net Position of Governmental Activities</i>		 \$39,723,299

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, 2012

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$27,992,917	\$964,080	\$28,956,997
Intergovernmental	15,685,530	4,926,853	20,612,383
Interest	11,039	233	11,272
Charges for Services	11,249	571,617	582,866
Tuition and Fees	1,724,635	0	1,724,635
Rentals	33,300	0	33,300
Extracurricular Activities	100,189	159,649	259,838
Contributions and Donations	18,669	19,112	37,781
Miscellaneous	278,168	116,036	394,204
<i>Total Revenues</i>	<u>45,855,696</u>	<u>6,757,580</u>	<u>52,613,276</u>
Expenditures			
Current:			
Instruction:			
Regular	18,427,660	102,304	18,529,964
Special	4,367,984	863,771	5,231,755
Vocational	720,104	175,711	895,815
Student Intervention Services	21,548	0	21,548
Support Services:			
Pupil	2,050,274	964,087	3,014,361
Instructional Staff	1,938,482	709,422	2,647,904
Board of Education	98,729	0	98,729
Administration	3,781,319	143,028	3,924,347
Fiscal	1,466,882	4,819	1,471,701
Business	667,206	5,987	673,193
Operation and Maintenance of Plant	5,700,942	0	5,700,942
Pupil Transportation	3,544,394	49,902	3,594,296
Central	204,586	6,200	210,786
Operation of Non-Instructional Services:			
Food Service Operations	0	1,766,973	1,766,973
Other Non-Instructional Services	3,859	330,632	334,491
Extracurricular Activities	500,723	244,047	744,770
Capital Outlay	6,767	705,962	712,729
Debt Service:			
Principal Retirement	330,693	1,338,718	1,669,411
Interest and Fiscal Charges	111,166	44,188	155,354
<i>Total Expenditures</i>	<u>43,943,318</u>	<u>7,455,751</u>	<u>51,399,069</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,912,378</u>	<u>(698,171)</u>	<u>1,214,207</u>
Other Financing Sources (Uses)			
Sale of Capital Assets	14,700	0	14,700
Transfers In	0	390,230	390,230
Transfers Out	(390,230)	0	(390,230)
<i>Total Other Financing Sources (Uses)</i>	<u>(375,530)</u>	<u>390,230</u>	<u>14,700</u>
<i>Net Change in Fund Balances</i>	1,536,848	(307,941)	1,228,907
<i>Fund Balances Beginning of Year</i>	<u>17,593,253</u>	<u>2,803,064</u>	<u>20,396,317</u>
<i>Fund Balances End of Year</i>	<u>\$19,130,101</u>	<u>\$2,495,123</u>	<u>\$21,625,224</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, 2012*

Net Change in Fund Balances -Total Governmental Funds		\$1,228,907
 <i>Amounts reported for governmental activities in the statement of activities are different because</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period:		
Capital Asset Additions	846,229	
Current Year Depreciation	<u>(1,520,586)</u>	
Total		(674,357)
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.		
		(22,037)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Delinquent Property Taxes	517,452	
Intergovernmental	<u>172,965</u>	
Total		690,417
In the statement of activities, interest is accrued on outstanding bonds, bond accretion, bond premium, bond issuance costs and loss on refunding are amortized over the term of the bonds, whereas in governmental funds an interest expenditure is reported when due and premiums, issuance costs and loss on refunding are reported when the bonds are issued:		
Accrued Interest	1,408	
Annual Accretion	(147,535)	
Amortization of Premium on Bonds	25,726	
Amortization of Deferred Charge on Refunding	<u>(29,347)</u>	
Total		(149,748)
Repayment of bond, loan and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		1,669,411
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.		
		(466,389)
The internal service fund used by management to charge the costs of insurance to individual funds are not reported in the district-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund are allocated among the governmental activities.		
		<u>(16,113)</u>
<i>Change in Net Position of Governmental Activities</i>		<u><u>\$2,260,091</u></u>
See accompanying notes to the basic financial statements		

Bedford City School District
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$27,249,028	\$27,249,028	\$28,378,583	\$1,129,555
Intergovernmental	15,573,075	15,573,075	15,746,290	173,215
Interest	28,000	28,000	11,039	(16,961)
Charges for Services	12,000	12,000	11,249	(751)
Tuition and Fees	743,912	942,130	1,713,993	771,863
Rentals	370	370	5,670	5,300
Miscellaneous	135,100	235,100	365,937	130,837
<i>Total Revenues</i>	<u>43,741,485</u>	<u>44,039,703</u>	<u>46,232,761</u>	<u>2,193,058</u>
Expenditures				
Current:				
Instruction:				
Regular	18,831,337	19,186,529	18,747,065	439,464
Special	4,447,033	4,464,833	4,354,763	110,070
Vocational	788,694	819,968	763,731	56,237
Support Services:				
Pupil	2,249,813	2,336,734	2,136,636	200,098
Instructional Staff	2,034,724	2,099,232	1,963,234	135,998
Board of Education	274,880	289,427	155,412	134,015
Administration	4,193,677	4,093,424	3,812,340	281,084
Fiscal	1,411,025	1,517,595	1,490,671	26,924
Business	751,749	767,093	719,153	47,940
Operation and Maintenance of Plant	6,213,542	6,254,509	6,002,522	251,987
Pupil Transportation	3,757,991	3,945,384	3,772,210	173,174
Central	217,468	260,470	235,943	24,527
Extracurricular Activities	504,520	520,520	494,044	26,476
Capital Outlay	5,000	6,767	6,767	0
Debt Service:				
Principal Retirement	380,603	404,971	404,970	1
Interest and Fiscal Charges	120,158	120,158	120,157	1
<i>Total Expenditures</i>	<u>46,182,214</u>	<u>47,087,614</u>	<u>45,179,618</u>	<u>1,907,996</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,440,729)</u>	<u>(3,047,911)</u>	<u>1,053,143</u>	<u>4,101,054</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	14,700	14,700
Advances In	300,000	300,000	1,663,900	1,363,900
Advances Out	(1,244,580)	(1,229,330)	(798,400)	430,930
Transfers Out	(280,480)	(390,330)	(390,230)	100
<i>Total Other Financing Sources (Uses)</i>	<u>(1,225,060)</u>	<u>(1,319,660)</u>	<u>489,970</u>	<u>1,809,630</u>
<i>Net Change in Fund Balance</i>	<u>(3,665,789)</u>	<u>(4,367,571)</u>	<u>1,543,113</u>	<u>5,910,684</u>
<i>Fund Balance Beginning of Year</i>	15,914,968	15,914,968	15,914,968	0
Prior Year Encumbrances Appropriated	941,224	941,224	941,224	0
<i>Fund Balance End of Year</i>	<u>\$13,190,403</u>	<u>\$12,488,621</u>	<u>\$18,399,305</u>	<u>\$5,910,684</u>

See accompanying notes to the basic financial statements

Bedford City School District

Statement of Net Position

Internal Service Funds

June 30, 2012

Assets	
Equity in Pooled Cash and Cash Equivalents	\$1,439,699
Liabilities	
Claims Payable	<u>73,063</u>
Net Position	
Unrestricted	<u><u>\$1,366,636</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, 2012*

Operating Revenues	
Charges for Services	<u>\$1,194,302</u>
Operating Expenses	
Purchased Services	52,989
Claims	<u>1,157,426</u>
<i>Total Operating Expenses</i>	<u>1,210,415</u>
<i>Change in Net Position</i>	(16,113)
<i>Net Position Beginning of Year</i>	<u>1,382,749</u>
<i>Net Position End of Year</i>	<u><u>\$1,366,636</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, 2012

Increase (Decrease) in Cash and Cash Equivalents

Cash Flows from Operating Activities

Cash Received from Interfund Services	\$1,194,302
Cash Payments for Purchased Services	(52,989)
Cash Payments for Claims	<u>(1,146,146)</u>

Net Decrease in Cash and Cash Equivalents (4,833)

Cash and Cash Equivalents Beginning of Year 1,444,532

Cash and Cash Equivalents End of Year \$1,439,699

***Reconciliation of Operating Loss to Net
Cash Used for Operating Activities***

Operating Loss (\$16,113)

Adjustments:

Increase in Claims Payable 11,280

Net Cash Used For Operating Activities (\$4,833)

See accompanying notes to the basic financial statements

Bedford City School District

Statement of Net Position

Fiduciary Funds

June 30, 2012

	Private Purpose Trust	
	<u>Scholarship</u>	<u>Agency</u>
Assets		
Equity in Pooled Cash and Cash Equivalents	\$81,698	<u>\$32,149</u>
Liabilities		
Due to Students	<u>0</u>	<u>\$32,149</u>
Net Position		
Held in Trust for Scholarships	<u>\$81,698</u>	

See accompanying notes to the basic financial statements

Bedford City School District
Statement of Changes in Net Position
Private Purpose Trust Fund
For the Fiscal Year Ended June 30, 2012

	<u>Scholarship</u>
Additions	
Interest	\$22
Deductions	
Scholarships Awarded	<u>0</u>
<i>Change in Net Position</i>	22
<i>Net Position Beginning of Year</i>	<u>81,676</u>
<i>Net Position End of Year</i>	<u><u>\$81,698</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, 2012

Note 1 - Description of the School District and Reporting Entity

Bedford City School District (the School District) is a city school district as defined by Section 3311.02 of the Ohio Revised Code. The School District is one of the 613 school districts in the State of Ohio and one of 31 in Cuyahoga County, and provides education to 3,529 students in grades K through 12. The School District also provides preschool education to 56 handicapped students. The School District is located in northeast Ohio, covers approximately 25 square miles and includes the City of Bedford, most of the City of Bedford Heights, and the Villages of Walton Hills and Oakwood. The operation of the School District is governed by an elected five-member Board of Education.

Reporting Entity

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

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

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

The School District participates in an insurance purchasing pool and two jointly governed organizations. These organizations are the Ohio School Boards Association Workers' Compensation Group Retrospective Rating Program, the North Coast Council and Ohio Schools Council Association. These organizations are presented in Notes 17 and 20 of the notes to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

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 are 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 liabilities is reported as fund balance. The following is the School District's only major governmental fund:

General Fund The general fund is the operating fund of the School District and is used to account for 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, 2012

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

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

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

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

Measurement Focus

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

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

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Basis of Accounting

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

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note 9). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

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

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2012, but which were levied to finance fiscal year 2013 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District unavailable revenue includes delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

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

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

Budgetary Data

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

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

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

Cash and Cash Equivalents

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

During fiscal year 2012, the School District's investments were limited to the State Treasurer's Asset Reserve (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's net asset value per share, which is the price the investment could be sold for on June 30, 2012.

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 2012 amounted to \$11,039, which includes \$1,436 assigned from other School District funds.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

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

Inventory

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

Capital Assets

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

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

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

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

Bond Premium

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

Deferred Charge on Refunding

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Interfund Balances

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

Compensated Absences

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

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

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

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

Accrued Liabilities and Long-Term Obligations

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

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

Internal Activity

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

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

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. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education.

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

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

Net Position

Net Position represents the difference between assets and liabilities. 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 non-public schools and community involvement.

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Operating Revenues and Expenses

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

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 3 – Change in Accounting Principles

For fiscal year 2012, the School District has implemented Governmental Accounting Standard Board (GASB) Statement No. 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,” Statement No. 64, “Derivative Instruments: Application of Hedge Accounting Termination Provisions – and amendment of GASB Statement No. 53” Fund Balance Reporting and Governmental Fund Type Definitions” and Statement No. 65, “Items Previously Reported as Assets and Liabilities.”

GASB Statement No. 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related note disclosures. These changes were incorporated in the School District’s fiscal year 2012 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of this statement did not result in any change in the School District’s financial statements.

GASB Statement No. 65 properly classifies certain items that were previously reported as assets and liabilities as deferred outflows of resources or deferred inflows of resources or recognizes certain items that were previously reported as assets and liabilities as outflows of resources (expenses or expenditures) or inflows of resources (revenues). These changes were incorporated in the School District’s fiscal year 2012 financial statements; however, there was no effect on beginning net position/fund balance.

Note 4 –Accountability and Compliance

Accountability

At June 30, 2012, the following funds had deficit fund balances:

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

	Amount
Special Revenue Funds:	
Education Jobs	\$18,976
Title VI-B	51,983
Vocational Education	25,057
Title I	38,333
Preschool Handicapped	1
Title VI-R	6,669

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.

Compliance

The following funds had total original appropriations in excess of estimated resources plus carryover balances, contrary to Section 5705.39, Revised Code.

Fund	Original Estimated Revenues Plus Carryover Balance	Original Appropriations	Excess
Governmental Funds			
<i>Special Revenue Funds:</i>			
District Managed Student Activities	\$305,462	\$306,155	\$693
Auxiliary Services	350,082	419,839	69,757
Title VI-B	1,614,586	1,819,103	204,517
Vocational Education	251,710	290,997	39,287
Preschool Handicapped	59,529	67,124	7,595
<i>Capital Projects Fund:</i>			
Permanent Improvement	1,317,983	1,355,716	37,733

The following funds had total final appropriations in excess of estimated resources plus carryover balances, contrary to Section 5705.39, Revised Code.

Fund	Final Estimated Revenues Plus Carryover Balance	Final Appropriations	Excess
Governmental Funds			
<i>Special Revenue Funds:</i>			
Local Grants	\$93,315	\$103,706	\$10,391
Auxiliary Services	551,370	568,227	16,857
Title VI-B	1,949,586	1,979,103	29,517
Vocational Education	265,710	295,997	30,287
Technology Title II-D	113,015	131,683	18,668
Title I	1,737,078	1,768,000	30,922
Preschool Handicapped	74,329	76,124	1,795
Title VI-R	158,692	159,078	386
<i>Capital Projects Fund:</i>			
Permanent Improvement	1,321,517	1,655,716	334,199

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Although these violations were not corrected by fiscal year end, management has indicated that appropriations and cash balances will be closely monitored to ensure no future violations.

Note 5 – Fund Balances

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

Fund Balances	General	Other Governmental Funds	Total
<i>Nonspendable</i>			
Inventory	\$438,142	\$8,986	\$447,128
<i>Restricted for</i>			
Food Service	0	632,572	632,572
Technology Improvements	0	60,550	60,550
Athletics	0	24,002	24,002
Community Involvement	75,118	0	75,118
Non-Public Schools	0	33,446	33,446
Debt Service Payments	0	1,307,415	1,307,415
Capital Improvements	0	236,012	236,012
<i>Total Restricted</i>	<u>75,118</u>	<u>2,293,997</u>	<u>2,369,115</u>
<i>Committed to</i>			
Other Purposes	10,475	333,159	343,634
<i>Assigned to</i>			
Other Purposes	574,438	0	574,438
<i>Unassigned (Deficit)</i>	<u>18,031,928</u>	<u>(141,019)</u>	<u>17,890,909</u>
<i>Total Fund Balances</i>	<u><u>\$19,130,101</u></u>	<u><u>\$2,495,123</u></u>	<u><u>\$21,625,224</u></u>

Note 6 - Budgetary Basis of Accounting

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

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis)
5. Budgetary revenues and expenditures of the recreation, public school support, special enterprise, summer school, schoolnet professional development and poverty aid 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	\$1,536,848
Net Adjustment for Revenue Accruals	377,065
Advances In	1,663,900
Net Adjustment for Expenditure Accruals	(558,578)
Advances Out	(798,400)
Ending Unrecorded Cash	3,017
Excess of revenues (over) under expenditures:	
Recreation	(2,952)
Public School Support	968
Special Enterprise	2,396
Summer School	22,773
Adjustment for Encumbrances	(703,924)
Budget Basis	\$1,543,113

Note 7 - Deposits and Investments

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

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

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

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

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

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio); and
8. Commercial paper and bankers acceptances if training requirements have been met.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

Investments

As of June 30, 2012, the School District had a STAR Ohio investment with a fair value of \$24,417,810, an average maturity of 52.5 days and a rating of AAAM by Standard and Poor's.

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

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

Note 8 - Receivables

Receivables at June 30, 2012, consisted of taxes, accounts (student fees and tuition), interfund, School Employees Retirement System reimbursement and intergovernmental grants. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. All receivables except for manuscript debt and delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

A summary of principal items of intergovernmental receivables follows:

<u>Governmental Activities</u>	<u>Amount</u>
Title VI-B Grants and Subsidies	\$218,396
Title I Grants and Subsidies	212,244
Vocational Education Grants and Subsidies	58,332
Ed Jobs	49,510
Title VI-R Grants and Subsidies	35,593
State of Ohio - CAFS	20,996
Cleveland Municipality School District	10,891
Title II-D Technology	7,635
Preschool Handicapped Grants and Subsidies	4,635
School Employees Retirement System	3,084
Cuyahoga County Education Service Center	<u>1,895</u>
Total	<u><u>\$623,211</u></u>

Note 9 - Property Taxes

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenues received in calendar year 2012 represent the collection of calendar year 2011 taxes. Real property taxes received in calendar year 2012 were levied after April 1, 2011, on the assessed values as of January 1, 2011, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2012 represent the collection of calendar year 2011 taxes. Public utility real and tangible personal property taxes received in calendar year 2012 became a lien on December 31, 2010, were levied after April 1, 2011, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently 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, 2012, are available to finance fiscal year 2012 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, 2012 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 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset to deferred inflows of resources – property taxes.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

The amount available as an advance at June 30, 2012 was \$3,869,324 in the general fund, \$50,839 in the bond retirement debt service fund, and \$60,377 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2011, was \$4,017,031 in the general fund, \$185,093 in the bond retirement debt service fund, and \$62,693 in the permanent improvement capital projects fund. The difference was in timing and collection by the County Auditor.

On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

The assessed values upon which the fiscal year 2012 taxes were collected are:

	2011 Second Half Collections		2012 First Half Collections	
	Amount	Percent	Amount	Percent
Residential/Agricultural	\$392,377,120	54.23 %	\$393,002,580	54.26 %
Other Real Estate	297,270,960	41.08	296,627,520	40.95
Public Utility Personal	33,947,590	4.69	34,725,840	4.79
Total	\$723,595,670	100.00 %	\$724,355,940	100.00 %
Tax rate per \$1,000 of assessed valuation	\$72.50		\$71.30	

Note 10 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2012, was as follows:

	Balance 6/30/11	Additions	Deletions	Balance 6/30/12
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$1,525,500	\$0	\$0	\$1,525,500
Construction in Progress	618,860	208,145	(735,782)	91,223
Total Capital Assets, not being depreciated	\$2,144,360	\$208,145	(\$735,782)	\$1,616,723

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

	Balance 6/30/11	Additions	Deletions	Balance 6/30/12
Governmental Activities (continued)				
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	\$41,284,503	\$872,779	\$0	\$42,157,282
Furniture and Equipment	5,271,250	184,158	(61,640)	5,393,768
Vehicles	4,439,780	316,929	(169,174)	4,587,535
<i>Total Capital Assets, being depreciated</i>	<u>50,995,533</u>	<u>1,373,866</u>	<u>(230,814)</u>	<u>52,138,585</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(26,413,450)	(976,844)	0	(27,390,294)
Furniture and Equipment	(3,202,552)	(274,935)	44,984	(3,432,503)
Vehicles	(2,660,858)	(268,807)	163,793	(2,765,872)
Total Accumulated Depreciation	<u>(32,276,860)</u>	<u>(1,520,586) *</u>	<u>208,777</u>	<u>(33,588,669)</u>
<i>Total Capital Assets, being depreciated, net</i>	<u>18,718,673</u>	<u>(146,720)</u>	<u>(22,037)</u>	<u>18,549,916</u>
Governmental Activities Capital Assets, Net	<u>\$20,863,033</u>	<u>\$61,425</u>	<u>(\$757,819)</u>	<u>\$20,166,639</u>

* Depreciation expense was charged to governmental functions as follows:

Instruction	
Regular	\$365,782
Special	25,557
Vocational	23,488
Support Services:	
Pupil	1,674
Instructional Staff	29,117
Administration	3,341
Fiscal	2,527
Business	107,851
Operation and Maintenance of Plant	553,792
Pupil Transportation	256,626
Central	470
Operation of Non-Instructional Services:	
Food Service Operations	4,261
Other Non-Instructional Services	42,582
Extracurricular Activities	<u>103,518</u>
Total Depreciation Expense	<u>\$1,520,586</u>

Note 11 - Contingencies

Grants

The Auditor of State is currently performing a statewide review of supporting documentation for student attendance data reported to the Ohio Department of Education. The results of this review are still pending and will be reported separately to the Ohio Department of Education at a later date.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

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. This also encompasses the Auditor of State's ongoing review of student attendance data. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2012, if applicable, cannot be determined at this time.

Litigation

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

Note 12 - Interfund Transfers and Balances

Interfund Transfers

The general fund transferred \$95,630 to the district managed student activities special revenue fund to provide financial support for the School District's athletics and \$294,600 to the capital replacement capital projects fund for bus purchases.

Interfund Balances

Interfund balances at June 30, 2012, consist of the following individual fund receivables and payables:

Interfund Payable	Interfund Receivable		Total
	General Fund	Other Governmental Funds	
Other Governmental Funds			
Education Jobs	\$10,000	\$0	\$10,000
Title VI-B	300,000	0	300,000
Vocational Education	40,000	0	40,000
Technology Title II-D	20,000	0	20,000
Title I	140,000	0	140,000
Preschool Handicapped	10,000	0	10,000
Title VI-R	10,000	0	10,000
Permanent Improvement	0	60,000	60,000
<i>Total Governmental Activities</i>	\$530,000	\$60,000	\$590,000

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

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

	Outstanding June 30, 2011	Additions	Deletions	Outstanding June 30, 2012
Manuscript Bond - Facility Acquisition	\$75,000	\$0	\$15,000	\$60,000

Note 13 - Risk Management

Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2012, the School District contracted for property and general liability insurance, and boiler and machinery coverage through the Ohio Schools Council Association Group Purchasing Consortium. The Ohio Casualty Insurance Company is the carrier for the School District's insurance.

Aggregate property coverage is \$132,628,043 with a \$5,000 deductible. Aggregate boiler and machinery coverage is approximately \$50 million with a \$1,000 deductible. The policy is renewable on July 1, 2012, for each coverage. Casualty and fleet insurance coverage was provided with a combined single limit of \$1 million and \$1,000 deductible. Education and umbrella liability insurance coverage was provided with a combined single limit of \$8 million each occurrence and combined aggregate of \$8 million. The Treasurer is covered by a \$100,000 surety bond and the Superintendent, Board of Education President, and Business Manager are covered by \$50,000 position bonds.

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

Worker's Compensation

For fiscal year 2012, 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 dental and prescription drug benefits to full time employees through a self-insurance program. Hospitalization and medical benefits are provided with a fully-insured program. Full time is defined as the full 186 day academic year, or 1,700 hours for non-certificated employees. Employees working shorter calendars pay a prorated portion of the health care premiums. The School District maintains a self-insurance internal service fund to account for and finance its uninsured risk

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

of loss in the drug and dental programs. Dental claims are limited to \$2,500 per covered individual per year, with a lifetime limit of \$1,000 on orthodontia. There is no limitation on prescription drug benefits as this type of coverage is not subject to catastrophic loss. A third party administrator, Medical Mutual of Ohio, reviews and pays all claims. The School District pays the following monthly premium into the self-funded benefits fund, which represents 91 percent of the premium required: dental - \$22.69 (single), \$68.04 (family); drug - \$95.75 (single), \$263.29 (family). These premiums are paid by the fund that pays the salary for each employee and is based on historical cost information.

The claims liability of \$73,063 reported in the self insurance fund at June 30, 2012, is based on an estimate provided by the Treasurer and the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

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

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2011	\$58,532	\$1,219,909	\$1,216,658	\$61,783
2012	61,783	1,157,426	1,146,146	73,063

Note 14 - Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn ten to twenty days of vacation per year, depending upon length of service and hours worked. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time. Each employee earns sick leave at a rate of one and one-fourth days per month. Sick leave may be accumulated to a maximum of 275 days for non-certificated, 260 days for certificated employees and 370 days for administrators. Upon retirement or termination after 25 years of service, payment is made for up to 35 days for certificated employees, 30 days for administrators, plus one-tenth of the days remaining. The maximum number of days to be paid out is 54 days for certificated staff and 73 days for administrators. The non-certificated employees payment is calculated using one-fourth of the days unless the employee has accumulated 90 percent or more of their maximum number of days in which case the calculation is made at 30 percent for a maximum of 78 days. For purposes of retirement, the employee receiving such payment must meet the eligibility requirement provisions set by STRS or SERS.

Note 15 - Defined Benefit Pension Plans

School Employees Retirement System

Plan Description – The School District participates in the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

information. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the 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, 2012, the allocation to pension and death benefits was 12.70 percent. The remaining 1.30 percent of the 14 percent employer contribution rate is allocated to the Medicare B and Health Care funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2012, 2011 and 2010 were \$1,023,317, \$953,574 and \$721,249, respectively. For fiscal year 2012, 96.63 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

State Teachers Retirement System of Ohio

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

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

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

Funding Policy - Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon the recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. For the fiscal year ended June 30, 2012, plan members were required to contribute 10 percent of their annual covered salary. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

The School District's required contributions to STRS Ohio for the DB Plan and for the defined benefit portion of the Combined Plan were \$2,404,840 and \$56,143 for the fiscal year ended June 30, 2012, \$2,426,228 and \$43,343 for the fiscal year ended June 30, 2011, and \$2,471,141 and \$47,100 for the fiscal year ended June 30, 2010. For fiscal year 2012, 84.62 percent has been contributed for the DB plan and 84.62 percent has been contributed for the Combined Plan, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

Contributions made to STRS Ohio for the DC Plan and for fiscal year 2012 were \$54,858 made by the School District and \$39,184 made by the plan members. In addition, member contributions of \$40,102 were made for fiscal year 2012 for the defined contribution portion of the Combined Plan.

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2012, two members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages.

Note 16- Postemployment Benefits

School Employee Retirement System

Plan Description – The School District participates in two cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligation to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For fiscal year 2012, 0.55 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for fiscal year 2012, this amount was \$35,800. During fiscal year 2012, the School District paid \$113,977 in surcharge.

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

The School District's contributions for health care for the fiscal years ended June 30, 2012, 2011 and 2010 were \$158,293, \$240,504 and \$487,115, respectively. For fiscal year 2012, 96.63 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2012, this actuarially required allocation was 0.75 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2012, 2011 and 2010, were \$60,432, \$61,365 and \$59,509 respectively. For fiscal year 2012, 96.63 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

State Teachers Retirement System

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2012, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to post-employment health care. The School District's contributions for health care for the fiscal years ended June 30, 2012, 2011 and 2010 were \$184,988, \$185,780 and \$186,669 respectively. For fiscal year 2012, 84.62 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

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, 2012

	Capital Improvement Reserve
Set-aside Reserve Balances as of June 30, 2011	\$0
Current Year Set-aside Requirement	616,900
Current Year Offsets	(477,966)
Qualifying Disbursements	(1,864,153)
Totals	(\$1,725,219)
Set-aside Balance Carried Forward to Future Fiscal Years	\$0
Set-aside Reserve Balances as of June 30, 2012	\$0

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

Note 19 - Long Term Obligations

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

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

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

	Principal Outstanding 6/30/11	Additions	(Reductions)	Principal Outstanding 6/30/12	Amount Due in One Year
Governmental Activities:					
General Obligations Bonds:					
Serial Library and Facilities Refunding Bonds	\$1,205,000	\$0	(\$1,205,000)	\$0	\$0
Unamortized Premium on Serial Bonds	39,592	0	(25,726)	13,866	0
Capital Appreciation Refunding Bonds	536,300	0	0	536,300	406,330
Accretion on Capital Appreciation Bonds	860,082	147,535	0	1,007,617	0
Energy Conservation Improvement Bonds	2,566,145	0	(212,693)	2,353,452	221,425
<i>Total General Obligation Bonds</i>	5,207,119	147,535	(1,443,419)	3,911,235	627,755
Maintenance Facilities Loan	143,000	0	(70,000)	73,000	73,000
Capital Leases	570,586	0	(181,718)	388,868	137,724
Compensated Absences	3,256,511	1,607,313	(1,140,924)	3,722,900	1,259,594
Total Governmental Activities	\$9,177,216	\$1,754,848	(\$2,836,061)	\$8,096,003	\$2,098,073

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

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

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

The maintenance facilities loan will be paid from the general fund. The capital leases will be paid from the general fund and the capital replacement capital projects fund. Compensated absences will be paid from the general fund, the food service, auxiliary services, title VI-B, title I, education jobs and title VI-R special revenue funds.

In November 2001, the School District issued general obligation refunding bonds having an original face value of \$9,096,300. These refunding bonds consist of \$8,560,000 in current interest serial bonds and \$536,300 in capital appreciation bonds. The serial bonds were retired in full in fiscal year 2012. This year the addition on the capital appreciation bonds was \$147,535 which represents the annual accretion of discounted interest. The final maturity amount of these bonds is \$1,665,000. The bonds were issued at a \$900,303 premium.

The refunding bonds were issued to defease the 1993 library construction and facilities renovations general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District's financial statements. On June 30, 2012, all of the bonds outstanding were considered defeased.

The overall debt margin of the School District as of June 30, 2012, was \$65,869,716 with an unvoted debt margin of \$724,129. Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2012, are as follows:

	Capital Appreciation Bonds		Maintenance Facilities Loan	
	Principal	Interest	Principal	Interest
2013	\$406,330	\$823,669	\$73,000	\$1,516
2014	129,970	305,031	0	0
Total	\$536,300	\$1,128,700	\$73,000	\$1,516

	Energy Conservation Improvement Bonds		Total	
	Principal	Interest	Principal	Interest
2013	\$221,425	\$96,622	\$700,755	\$921,807
2014	230,516	87,531	360,486	392,562
2015	239,980	78,067	239,980	78,067
2016	249,832	68,215	249,832	68,215
2017	260,089	57,958	260,089	57,958
2018-2021	1,151,610	120,578	1,151,610	120,578
Total	\$2,353,452	\$508,971	\$2,962,752	\$1,639,187

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

Note 20 - Jointly Governed Organizations

North Coast Council

The North Coast Council (NCC) is a jointly governed organization among thirty-two school districts, two educational service centers and the Bedford City School District. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among the member districts. Each of the school districts support NCC based on a per pupil charge. The School District paid \$106,552 to NCC during fiscal year 2012.

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

Ohio Schools' Council Association

The Ohio Schools' Council Association (Council) is a jointly governed organization among 179 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly from September through June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2012, the School District paid \$400 to the Council. Financial information can be obtained by contacting William J. Zelei, the Executive Director of the Ohio Schools' Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Compass Energy is the supplier and program manager for the period from October 1, 2010 through March 31, 2013. There are currently 147 participants in the Program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

The School District also participates in the Council's current electricity group purchase program. The Council's current program, which began in June 2011 and runs through December 2019, provides as much as 24 percent in savings to 251 school districts in the First Energy territory.

Note 21 - Capital Leases - Lessee Disclosure

On November 4, 2010, the School District entered into a \$433,136 five year lease purchase agreement with Key Government Finance for a network upgrade and related equipment. The School District also entered into a \$157,250 three year lease purchase agreement with Key Government Finance for the acquisition of Dell

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

computers. In prior fiscal years, the School District entered into a capital lease agreement for the installation of artificial turf at the football stadium of the School District. The School District's lease obligations meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases." Capital lease payments for the installation of artificial turf are reflected as debt service expenditures in the general fund on the basic financial statements. Capital lease payments for the network upgrade and Dell computer leases are reflected as debt service expenditures in the capital replacement capital projects fund on the basic financial statements.

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

Capital assets acquired by lease have been capitalized as follows:

Governmental Activities:	
Capital Assets, being depreciated:	
Building and Improvements	\$385,000
Furniture and Equipment	590,386
<i>Total Capital Assets, being depreciated</i>	975,386
Accumulated Depreciation	(228,764)
<i>Governmental Activities Capital Assets, Net</i>	\$746,622

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2012.

Fiscal Year Ending June 30	Governmental Activities
2013	\$147,785
2014	120,553
2015	93,324
2016	46,662
Total	408,324
Less: Amount Representing Interest	(19,456)
Present Value of Net Minimum Lease Payments	\$388,868

Note 22 – Significant Commitments

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 fund	\$709,253
Nonmajor funds	768,266
Total	\$1,477,519

COMBINING and INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

Food Service Fund To account for and report the charges for services 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.

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

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

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

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

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

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

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

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

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

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

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

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

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

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

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

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

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

Adult and Continuing 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 revenue source.

Nonmajor Debt Service Fund

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

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

Nonmajor Capital Projects Funds

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

Permanent Improvement Fund To account for and report bond proceeds restricted 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, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,155,094	\$1,196,576	\$921,897	\$3,273,567
Accounts Receivable	8,001	0	0	8,001
Intergovernmental Receivable	588,240	0	0	588,240
Inventory Held for Resale	27,080	0	0	27,080
Materials and Supplies Inventory	8,986	0	0	8,986
Interfund Receivable	0	60,000	0	60,000
Taxes Receivable	0	342,272	470,601	812,873
<i>Total Assets</i>	<u>\$1,787,401</u>	<u>\$1,598,848</u>	<u>\$1,392,498</u>	<u>\$4,778,747</u>
Liabilities				
Accounts Payable	\$69,047	\$0	\$52,231	\$121,278
Contracts Payable	0	0	300,872	300,872
Accrued Wages and Benefits Payable	233,002	0	0	233,002
Intergovernmental Payable	130,403	0	0	130,403
Interfund Payable	530,000	0	60,000	590,000
<i>Total Liabilities</i>	<u>962,452</u>	<u>0</u>	<u>413,103</u>	<u>1,375,555</u>
Deferred Inflows of Resources				
Property Taxes	0	234,462	342,565	577,027
Unavailable Revenue	206,412	56,971	67,659	331,042
<i>Total Deferred Inflows of Resources</i>	<u>206,412</u>	<u>291,433</u>	<u>410,224</u>	<u>908,069</u>
Fund Balances				
Nonspendable	8,986	0	0	8,986
Restricted	750,570	1,307,415	236,012	2,293,997
Committed	0	0	333,159	333,159
Unassigned (Deficit)	(141,019)	0	0	(141,019)
<i>Total Fund Balances</i>	<u>618,537</u>	<u>1,307,415</u>	<u>569,171</u>	<u>2,495,123</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$1,787,401</u>	<u>\$1,598,848</u>	<u>\$1,392,498</u>	<u>\$4,778,747</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, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$0	\$530,054	\$434,026	\$964,080
Intergovernmental	4,689,302	72,640	164,911	4,926,853
Interest	232	0	1	233
Charges for Services	571,617	0	0	571,617
Extracurricular Activities	159,649	0	0	159,649
Contributions and Donations	19,112	0	0	19,112
Miscellaneous	7,712	0	108,324	116,036
<i>Total Revenues</i>	<u>5,447,624</u>	<u>602,694</u>	<u>707,262</u>	<u>6,757,580</u>
Expenditures				
Current:				
Instruction:				
Regular	102,304	0	0	102,304
Special	863,771	0	0	863,771
Vocational	175,711	0	0	175,711
Support Services:				
Pupil	964,087	0	0	964,087
Instructional Staff	709,422	0	0	709,422
Administration	143,028	0	0	143,028
Fiscal	0	4,819	0	4,819
Business	5,987	0	0	5,987
Pupil Transportation	49,902	0	0	49,902
Central	6,200	0	0	6,200
Operation of Non-Instructional Services:				
Food Service Operations	1,766,973	0	0	1,766,973
Other Non-Instructional Services	330,632	0	0	330,632
Extracurricular Activities	244,047	0	0	244,047
Capital Outlay	0	0	705,962	705,962
Debt Service:				
Principal Retirement	0	1,205,000	133,718	1,338,718
Interest and Fiscal Charges	0	30,125	14,063	44,188
<i>Total Expenditures</i>	<u>5,362,064</u>	<u>1,239,944</u>	<u>853,743</u>	<u>7,455,751</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	85,560	(637,250)	(146,481)	(698,171)
Other Financing Sources				
Transfers In	95,630	0	294,600	390,230
<i>Net Change in Fund Balances</i>	181,190	(637,250)	148,119	(307,941)
<i>Fund Balances Beginning of Year</i>	<u>437,347</u>	<u>1,944,665</u>	<u>421,052</u>	<u>2,803,064</u>
<i>Fund Balances End of Year</i>	<u>\$618,537</u>	<u>\$1,307,415</u>	<u>\$569,171</u>	<u>\$2,495,123</u>

Bedford City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	Food Service	Local Grants	District Managed Student Activities	Auxiliary Services
Assets				
Equity in Pooled Cash and Cash Equivalents	\$689,078	\$59,200	\$28,780	\$56,478
Accounts Receivable	3,611	0	4,390	0
Intergovernmental Receivable	0	1,895	0	0
Inventory Held for Resale	27,080	0	0	0
Materials and Supplies Inventory	8,986	0	0	0
<i>Total Assets</i>	<u>\$728,755</u>	<u>\$61,095</u>	<u>\$33,170</u>	<u>\$56,478</u>
Liabilities				
Accounts Payable	\$151	\$545	\$9,121	\$20,823
Accrued Wages and Benefits Payable	22,956	0	0	610
Intergovernmental Payable	64,090	0	47	1,599
Interfund Payable	0	0	0	0
<i>Total Liabilities</i>	<u>87,197</u>	<u>545</u>	<u>9,168</u>	<u>23,032</u>
Deferred Inflows of Resources				
Unavailable Revenue	0	0	0	0
Fund Balances				
Nonspendable	8,986	0	0	0
Restricted	632,572	60,550	24,002	33,446
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>641,558</u>	<u>60,550</u>	<u>24,002</u>	<u>33,446</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$728,755</u>	<u>\$61,095</u>	<u>\$33,170</u>	<u>\$56,478</u>

(continued)

Bedford City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2012

	Education Jobs	Title VI-B	Vocational Education	Technology Title II-D
Assets				
Equity in Pooled Cash and Cash Equivalents	\$9,999	\$185,727	\$11,153	\$12,365
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	49,510	218,396	58,332	7,635
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$59,509</u>	<u>\$404,123</u>	<u>\$69,485</u>	<u>\$20,000</u>
Liabilities				
Accounts Payable	\$0	\$36,105	\$1,990	\$0
Accrued Wages and Benefits Payable	39,277	42,880	0	0
Intergovernmental Payable	6,227	13,536	25,508	0
Interfund Payable	10,000	300,000	40,000	20,000
<i>Total Liabilities</i>	<u>55,504</u>	<u>392,521</u>	<u>67,498</u>	<u>20,000</u>
Deferred Inflows of Resources				
Unavailable Revenue	22,981	63,585	27,044	0
Fund Balances				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Unassigned (Deficit)	(18,976)	(51,983)	(25,057)	0
<i>Total Fund Balances (Deficit)</i>	<u>(18,976)</u>	<u>(51,983)</u>	<u>(25,057)</u>	<u>0</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$59,509</u>	<u>\$404,123</u>	<u>\$69,485</u>	<u>\$20,000</u>

Title I	Preschool Handicapped	Title VI-R	Total Nonmajor Special Revenue Funds
\$85,712	\$8,162	\$8,440	\$1,155,094
0	0	0	8,001
212,244	4,635	35,593	588,240
0	0	0	27,080
0	0	0	8,986
<u>\$297,956</u>	<u>\$12,797</u>	<u>\$44,033</u>	<u>\$1,787,401</u>
\$262	\$0	\$50	\$69,047
114,871	0	12,408	233,002
17,631	0	1,765	130,403
140,000	10,000	10,000	530,000
<u>272,764</u>	<u>10,000</u>	<u>24,223</u>	<u>962,452</u>
<u>63,525</u>	<u>2,798</u>	<u>26,479</u>	<u>206,412</u>
0	0	0	8,986
0	0	0	750,570
<u>(38,333)</u>	<u>(1)</u>	<u>(6,669)</u>	<u>(141,019)</u>
<u>(38,333)</u>	<u>(1)</u>	<u>(6,669)</u>	<u>618,537</u>
<u>\$297,956</u>	<u>\$12,797</u>	<u>\$44,033</u>	<u>\$1,787,401</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, 2012

	Food Service	Local Grants	District Managed Student Activities	Auxiliary Services
Revenues				
Intergovernmental	\$1,396,657	\$20,102	\$0	\$279,621
Interest	0	0	0	232
Charges for Services	569,496	0	2,121	0
Extracurricular Activities	3,611	0	156,038	0
Contributions and Donations	0	16,200	2,912	0
Miscellaneous	0	0	7,712	0
<i>Total Revenues</i>	<u>1,969,764</u>	<u>36,302</u>	<u>168,783</u>	<u>279,853</u>
Expenditures				
Current:				
Instruction:				
Regular	0	13,723	0	0
Special	0	0	0	0
Vocational	0	1,918	0	0
Support Services:				
Pupil	0	3,100	0	0
Instructional Staff	0	8,437	0	0
Administration	0	44	0	0
Business	0	5,987	0	0
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	1,766,973	0	0	0
Other Non-Instructional Services	0	4,500	0	288,211
Extracurricular Activities	0	0	244,047	0
<i>Total Expenditures</i>	<u>1,766,973</u>	<u>37,709</u>	<u>244,047</u>	<u>288,211</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	202,791	(1,407)	(75,264)	(8,358)
Other Financing Sources				
Transfers In	0	0	95,630	0
<i>Net Change in Fund Balances</i>	202,791	(1,407)	20,366	(8,358)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>438,767</u>	<u>61,957</u>	<u>3,636</u>	<u>41,804</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$641,558</u>	<u>\$60,550</u>	<u>\$24,002</u>	<u>\$33,446</u>

Data Communications	Education Jobs	Race to the Top	Title VI-B	Vocational Education	Technology Title II-D	Title III
\$10,800	\$266,773	\$2,450	\$1,057,684	\$157,301	\$27,255	\$7,179
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
10,800	266,773	2,450	1,057,684	157,301	27,255	7,179
0	0	2,450	0	0	5,000	7,179
0	0	0	380,088	0	0	0
0	0	0	585	173,208	0	0
0	280,113	0	532,021	0	0	0
10,800	5,636	0	12,373	12,545	22,549	0
0	0	0	135,646	7,338	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	6,200	0	0
0	0	0	0	0	0	0
0	0	0	22,243	0	0	0
0	0	0	0	0	0	0
10,800	285,749	2,450	1,082,956	199,291	27,549	7,179
0	(18,976)	0	(25,272)	(41,990)	(294)	0
0	0	0	0	0	0	0
0	(18,976)	0	(25,272)	(41,990)	(294)	0
0	0	0	(26,711)	16,933	294	0
\$0	(\$18,976)	\$0	(\$51,983)	(\$25,057)	\$0	\$0

(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, 2012

	Title I	Preschool Handicapped	Title VI-R	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
Revenues					
Intergovernmental	\$1,217,416	\$46,227	\$124,719	\$75,118	\$4,689,302
Interest	0	0	0	0	232
Charges for Services	0	0	0	0	571,617
Extracurricular Activities	0	0	0	0	159,649
Contributions and Donations	0	0	0	0	19,112
Miscellaneous	0	0	0	0	7,712
<i>Total Revenues</i>	<u>1,217,416</u>	<u>46,227</u>	<u>124,719</u>	<u>75,118</u>	<u>5,447,624</u>
Expenditures					
Current:					
Instruction:					
Regular	59,001	0	13,415	1,536	102,304
Special	471,446	12,237	0	0	863,771
Vocational	0	0	0	0	175,711
Support Services:					
Pupil	146,081	2,772	0	0	964,087
Instructional Staff	501,605	31,218	104,259	0	709,422
Administration	0	0	0	0	143,028
Business	0	0	0	0	5,987
Pupil Transportation	0	0	0	49,902	49,902
Central	0	0	0	0	6,200
Operation of Non-Instructional Services:					
Food Service Operations	0	0	0	0	1,766,973
Other Non-Instructional Services	15,678	0	0	0	330,632
Extracurricular Activities	0	0	0	0	244,047
<i>Total Expenditures</i>	<u>1,193,811</u>	<u>46,227</u>	<u>117,674</u>	<u>51,438</u>	<u>5,362,064</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	23,605	0	7,045	23,680	85,560
Other Financing Sources					
Transfers In	0	0	0	0	95,630
<i>Net Change in Fund Balances</i>	23,605	0	7,045	23,680	181,190
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(61,938)</u>	<u>(1)</u>	<u>(13,714)</u>	<u>(23,680)</u>	<u>437,347</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>(\$38,333)</u></u>	<u><u>(\$1)</u></u>	<u><u>(\$6,669)</u></u>	<u><u>\$0</u></u>	<u><u>\$618,537</u></u>

Bedford City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2012

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Capital Replacement</u>	<u>Total Nonmajor Capital Projects Funds</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$505,762	\$30,745	\$385,390	\$921,897
Taxes Receivable	470,601	0	0	470,601
<i>Total Assets</i>	<u>\$976,363</u>	<u>\$30,745</u>	<u>\$385,390</u>	<u>\$1,392,498</u>
Liabilities				
Accounts Payable	\$0	\$0	\$52,231	\$52,231
Contracts Payable	300,872	0	0	300,872
Interfund Payable	60,000	0	0	60,000
<i>Total Liabilities</i>	<u>360,872</u>	<u>0</u>	<u>52,231</u>	<u>413,103</u>
Deferred Inflows of Resources				
Property Taxes	342,565	0	0	342,565
Unavailable Revenue	67,659	0	0	67,659
<i>Total Deferred Inflows of Resources</i>	<u>410,224</u>	<u>0</u>	<u>0</u>	<u>410,224</u>
Fund Balances				
Restricted	205,267	30,745	0	236,012
Committed	0	0	333,159	333,159
<i>Total Fund Balances</i>	<u>205,267</u>	<u>30,745</u>	<u>333,159</u>	<u>569,171</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$976,363</u>	<u>\$30,745</u>	<u>\$385,390</u>	<u>\$1,392,498</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, 2012*

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Capital Replacement</u>	<u>Total Nonmajor Capital Projects Funds</u>
Revenues				
Taxes	\$434,026	\$0	\$0	\$434,026
Intergovernmental	164,911	0	0	164,911
Interest	0	0	1	1
Miscellaneous	15,000	0	93,324	108,324
<i>Total Revenues</i>	<u>613,937</u>	<u>0</u>	<u>93,325</u>	<u>707,262</u>
Expenditures				
Capital Outlay	522,698	0	183,264	705,962
Debt Service:				
Principal Retirement	0	0	133,718	133,718
Interest and Fiscal Charges	0	0	14,063	14,063
<i>Total Expenditures</i>	<u>522,698</u>	<u>0</u>	<u>331,045</u>	<u>853,743</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	91,239	0	(237,720)	(146,481)
Other Financing Sources				
Transfers In	0	0	294,600	294,600
<i>Net Change in Fund Balances</i>	91,239	0	56,880	148,119
<i>Fund Balances Beginning of Year</i>	<u>114,028</u>	<u>30,745</u>	<u>276,279</u>	<u>421,052</u>
<i>Fund Balances End of Year</i>	<u>\$205,267</u>	<u>\$30,745</u>	<u>\$333,159</u>	<u>\$569,171</u>

Combining Statements - Internal Service Funds

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

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

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

Bedford City School District
Combining Statement of Net Position
Internal Service Funds
June 30, 2012

	Self Insurance	Computer Network	Total Internal Service Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$1,439,121	\$578	\$1,439,699
Liabilities			
Claims Payable	73,063	0	73,063
Net Position			
Unrestricted	\$1,366,058	\$578	\$1,366,636

Bedford City School District
*Combining Statement of Revenues,
Expenses and Changes in Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2012*

	Self Insurance	Computer Network	Total Internal Service Funds
Operating Revenues			
Charges for Services	\$1,194,302	\$0	\$1,194,302
Operating Expenses			
Purchased Services	52,989	0	52,989
Claims	1,157,426	0	1,157,426
<i>Total Operating Expenses</i>	1,210,415	0	1,210,415
<i>Change in Net Position</i>	(16,113)	0	(16,113)
<i>Net Position Beginning of Year</i>	1,382,171	578	1,382,749
<i>Net Position End of Year</i>	\$1,366,058	\$578	\$1,366,636

Bedford City School District
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2012

	Self Insurance	Computer Network	Total Internal Service Funds
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows from Operating Activities			
Cash Received from Interfund Services	\$1,194,302	\$0	\$1,194,302
Cash Payments for Purchased Services	(52,989)	0	(52,989)
Cash Payments for Claims	(1,146,146)	0	(1,146,146)
<i>Net Decrease in Cash and Cash Equivalents</i>	(4,833)	0	(4,833)
<i>Cash and Cash Equivalents Beginning of Year</i>	1,443,954	578	1,444,532
<i>Cash and Cash Equivalents End of Year</i>	\$1,439,121	\$578	\$1,439,699
Reconciliation of Operating Loss to Net Cash Used for Operating Activities			
Operating Loss	(\$16,113)	\$0	(\$16,113)
<i>Adjustments:</i>			
Increase in Claims Payable	11,280	0	11,280
<i>Net Cash Used for Operating Activities</i>	(\$4,833)	\$0	(\$4,833)

Agency Fund

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

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

Bedford City School District
Statement of Changes in Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2012

	Beginning Balance June 30, 2011	Additions	Reductions	Ending Balance June 30, 2012
Student Activities Fund				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$33,711	\$54,360	\$55,922	\$32,149
Liabilities				
Due to Students	\$33,711	\$54,360	\$55,922	\$32,149

**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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Taxes	\$27,249,028	\$27,249,028	\$28,378,583	\$1,129,555
Intergovernmental	15,573,075	15,573,075	15,746,290	173,215
Interest	28,000	28,000	11,039	(16,961)
Charges for Services	12,000	12,000	11,249	(751)
Tuition and Fees	743,912	942,130	1,713,993	771,863
Rentals	370	370	5,670	5,300
Miscellaneous	135,100	235,100	365,937	130,837
<i>Total Revenues</i>	<u>43,741,485</u>	<u>44,039,703</u>	<u>46,232,761</u>	<u>2,193,058</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	10,725,374	10,600,619	10,422,754	177,865
Fringe Benefits	3,770,179	3,556,640	3,467,317	89,323
Purchased Services	3,832,264	4,184,695	4,149,753	34,942
Materials and Supplies	468,772	776,489	648,557	127,932
Capital Outlay	21,598	54,995	46,324	8,671
Other	13,150	13,091	12,360	731
Total Regular	<u>18,831,337</u>	<u>19,186,529</u>	<u>18,747,065</u>	<u>439,464</u>
Special:				
Salaries and Wages	3,285,910	3,324,410	3,300,950	23,460
Fringe Benefits	1,160,800	1,139,800	1,053,343	86,457
Materials and Supplies	323	623	470	153
Total Special	<u>4,447,033</u>	<u>4,464,833</u>	<u>4,354,763</u>	<u>110,070</u>
Vocational:				
Salaries and Wages	484,230	497,230	496,099	1,131
Fringe Benefits	227,700	227,700	177,728	49,972
Purchased Services	19,495	21,797	17,493	4,304
Materials and Supplies	20,994	31,751	30,946	805
Capital Outlay	36,275	41,290	41,265	25
Other	0	200	200	0
Total Vocational	<u>788,694</u>	<u>819,968</u>	<u>763,731</u>	<u>56,237</u>
Total Instruction	<u>\$24,067,064</u>	<u>\$24,471,330</u>	<u>\$23,865,559</u>	<u>\$605,771</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Support Services:				
Pupil:				
Salaries and Wages	\$1,250,103	\$1,280,503	\$1,265,364	\$15,139
Fringe Benefits	550,300	508,300	416,866	91,434
Purchased Services	407,035	470,279	395,041	75,238
Materials and Supplies	42,375	77,652	59,365	18,287
Total Pupil	<u>2,249,813</u>	<u>2,336,734</u>	<u>2,136,636</u>	<u>200,098</u>
Instructional Staff:				
Salaries and Wages	1,261,793	1,262,733	1,258,829	3,904
Fringe Benefits	478,946	481,842	424,559	57,283
Purchased Services	200,700	215,272	186,630	28,642
Materials and Supplies	85,283	110,965	70,219	40,746
Capital Outlay	7,802	28,063	22,695	5,368
Other	200	357	302	55
Total Instructional Staff	<u>2,034,724</u>	<u>2,099,232</u>	<u>1,963,234</u>	<u>135,998</u>
Board of Education:				
Salaries and Wages	23,000	23,000	16,250	6,750
Fringe Benefits	7,100	7,100	6,863	237
Purchased Services	210,650	224,872	110,230	114,642
Materials and Supplies	500	500	310	190
Capital Outlay	2,000	2,000	0	2,000
Other	31,630	31,955	21,759	10,196
Total Board of Education	<u>274,880</u>	<u>289,427</u>	<u>155,412</u>	<u>134,015</u>
Administration:				
Salaries and Wages	2,417,595	2,351,095	2,244,786	106,309
Fringe Benefits	1,009,100	1,043,600	896,792	146,808
Purchased Services	619,401	540,143	533,822	6,321
Materials and Supplies	72,675	80,720	67,393	13,327
Capital Outlay	10,240	11,751	11,673	78
Other	64,666	66,115	57,874	8,241
Total Administration	<u>\$4,193,677</u>	<u>\$4,093,424</u>	<u>\$3,812,340</u>	<u>\$281,084</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Fiscal:				
Salaries and Wages	\$323,750	\$340,750	\$336,220	\$4,530
Fringe Benefits	161,300	161,300	153,597	7,703
Purchased Services	106,150	132,209	122,913	9,296
Materials and Supplies	8,800	9,311	7,391	1,920
Capital Outlay	4,000	4,000	1,537	2,463
Other	807,025	870,025	869,013	1,012
Total Fiscal	<u>1,411,025</u>	<u>1,517,595</u>	<u>1,490,671</u>	<u>26,924</u>
Business:				
Salaries and Wages	299,783	312,583	311,421	1,162
Fringe Benefits	143,166	143,166	118,923	24,243
Purchased Services	212,500	230,486	218,385	12,101
Materials and Supplies	18,000	25,568	24,557	1,011
Capital Outlay	75,000	51,871	44,089	7,782
Other	3,300	3,419	1,778	1,641
Total Business	<u>751,749</u>	<u>767,093</u>	<u>719,153</u>	<u>47,940</u>
Operation and Maintenance of Plant:				
Salaries and Wages	2,374,387	2,374,387	2,304,815	69,572
Fringe Benefits	1,132,330	1,143,430	1,111,779	31,651
Purchased Services	2,286,625	2,147,548	1,999,837	147,711
Materials and Supplies	259,000	313,704	311,965	1,739
Capital Outlay	157,000	270,140	269,084	1,056
Other	4,200	5,300	5,042	258
Total Operation and Maintenance of Plant	<u>6,213,542</u>	<u>6,254,509</u>	<u>6,002,522</u>	<u>251,987</u>
Pupil Transportation:				
Salaries and Wages	2,105,407	2,105,407	2,039,397	66,010
Fringe Benefits	707,100	708,087	637,115	70,972
Purchased Services	240,369	300,966	269,798	31,168
Materials and Supplies	497,315	592,634	587,686	4,948
Capital Outlay	205,000	237,961	237,888	73
Other	2,800	329	326	3
Total Pupil Transportation	<u>\$3,757,991</u>	<u>\$3,945,384</u>	<u>\$3,772,210</u>	<u>\$173,174</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Central:				
Salaries and Wages	\$97,268	\$113,468	\$113,458	\$10
Fringe Benefits	80,300	80,300	65,635	14,665
Purchased Services	32,600	57,577	51,345	6,232
Materials and Supplies	5,300	6,449	3,144	3,305
Capital Outlay	2,000	1,951	1,636	315
Other	0	725	725	0
Total Central	<u>217,468</u>	<u>260,470</u>	<u>235,943</u>	<u>24,527</u>
Total Support Services	<u>21,104,869</u>	<u>21,563,868</u>	<u>20,288,121</u>	<u>1,275,747</u>
Extracurricular Activities:				
Academic and Subject Oriented:				
Salaries and Wages	35,650	35,650	32,392	3,258
Fringe Benefits	5,420	5,420	3,966	1,454
Total Academic and Subject Oriented	<u>41,070</u>	<u>41,070</u>	<u>36,358</u>	<u>4,712</u>
Occupation Oriented:				
Salaries and Wages	4,500	4,500	2,678	1,822
Fringe Benefits	550	550	0	550
Total Occupation Oriented	<u>5,050</u>	<u>5,050</u>	<u>2,678</u>	<u>2,372</u>
Sports Oriented:				
Salaries and Wages	352,200	368,200	367,251	949
Fringe Benefits	58,650	58,650	47,878	10,772
Total Sports Oriented	<u>\$410,850</u>	<u>\$426,850</u>	<u>\$415,129</u>	<u>\$11,721</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
School and Public Service Oriented:				
Salaries and Wages	\$41,050	\$41,050	\$37,367	\$3,683
Fringe Benefits	6,500	6,500	2,512	3,988
Total School and Public Service Oriented	<u>47,550</u>	<u>47,550</u>	<u>39,879</u>	<u>7,671</u>
Total Extracurricular Activities	<u>504,520</u>	<u>520,520</u>	<u>494,044</u>	<u>26,476</u>
Capital Outlay:				
Architecture and Engineering Services				
Capital Outlay	<u>5,000</u>	<u>6,767</u>	<u>6,767</u>	<u>0</u>
Debt Service:				
Principal Retirement	380,603	404,971	404,970	1
Interest and Fiscal Charges	<u>120,158</u>	<u>120,158</u>	<u>120,157</u>	<u>1</u>
Total Debt Service	<u>500,761</u>	<u>525,129</u>	<u>525,127</u>	<u>2</u>
<i>Total Expenditures</i>	<u>46,182,214</u>	<u>47,087,614</u>	<u>45,179,618</u>	<u>1,907,996</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,440,729)</u>	<u>(3,047,911)</u>	<u>1,053,143</u>	<u>4,101,054</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	14,700	14,700
Advances In	300,000	300,000	1,663,900	1,363,900
Advances Out	(1,244,580)	(1,229,330)	(798,400)	430,930
Transfers Out	<u>(280,480)</u>	<u>(390,330)</u>	<u>(390,230)</u>	<u>100</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(1,225,060)</u>	<u>(1,319,660)</u>	<u>489,970</u>	<u>1,809,630</u>
<i>Net Change in Fund Balance</i>	<u>(3,665,789)</u>	<u>(4,367,571)</u>	<u>1,543,113</u>	<u>5,910,684</u>
<i>Fund Balance Beginning of Year</i>	15,914,968	15,914,968	15,914,968	0
Prior Year Encumbrances Appropriated	<u>941,224</u>	<u>941,224</u>	<u>941,224</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$13,190,403</u>	<u>\$12,488,621</u>	<u>\$18,399,305</u>	<u>\$5,910,684</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$1,013,000	\$1,258,000	\$1,283,530	\$25,530
Charges for Services	587,000	592,000	575,007	(16,993)
<i>Total Revenues</i>	<u>1,600,000</u>	<u>1,850,000</u>	<u>1,858,537</u>	<u>8,537</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Food Services Operations:				
Salaries and Wages	653,700	653,700	644,334	9,366
Fringe Benefits	191,700	194,552	185,056	9,496
Purchased Services	47,112	21,829	17,949	3,880
Materials and Supplies	786,000	786,601	776,010	10,591
Capital Outlay	27,500	49,330	48,218	1,112
Other	3,000	3,000	0	3,000
<i>Total Expenditures</i>	<u>1,709,012</u>	<u>1,709,012</u>	<u>1,671,567</u>	<u>37,445</u>
<i>Net Change in Fund Balance</i>	(109,012)	140,988	186,970	45,982
<i>Fund Balance Beginning of Year</i>	492,238	492,238	492,238	0
Prior Year Encumbrances Appropriated	<u>9,012</u>	<u>9,012</u>	<u>9,012</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$392,238</u></u>	<u><u>\$642,238</u></u>	<u><u>\$688,220</u></u>	<u><u>\$45,982</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, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$20,000	\$19,376	\$20,207	\$831
Contributions and Donations	6,000	6,000	16,200	10,200
<i>Total Revenues</i>	<u>26,000</u>	<u>25,376</u>	<u>36,407</u>	<u>11,031</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	50,790	19,378	14,668	4,710
Special:				
Purchased Services	450	326	326	0
Vocational:				
Purchased Services	750	750	620	130
Materials and Supplies	2,684	2,684	2,080	604
Total Vocational	<u>3,434</u>	<u>3,434</u>	<u>2,700</u>	<u>734</u>
Total Instruction	<u>54,674</u>	<u>23,138</u>	<u>17,694</u>	<u>5,444</u>
Support Services:				
Pupil				
Materials and Supplies	2,000	3,100	3,100	0
Instructional Staff:				
Salaries and Wages	4,371	4,360	4,360	0
Fringe Benefits	602	616	616	0
Purchased Services	2,600	2,600	2,600	0
Materials and Supplies	7,132	7,632	7,630	2
Total Instructional Staff	<u>14,705</u>	<u>15,208</u>	<u>15,206</u>	<u>2</u>
Administration:				
Materials and Supplies	0	44	44	0
Business:				
Other	3,400	9,500	5,987	3,513
Total Support Services	<u>\$20,105</u>	<u>\$27,852</u>	<u>\$24,337</u>	<u>\$3,515</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services				
Other	\$15,551	\$52,716	\$4,500	\$48,216
<i>Total Expenditures</i>	<u>90,330</u>	<u>103,706</u>	<u>46,531</u>	<u>57,175</u>
<i>Net Change in Fund Balance</i>	(64,330)	(78,330)	(10,124)	68,206
<i>Fund Balance Beginning of Year</i>	52,609	52,609	52,609	0
Prior Year Encumbrances Appropriated	<u>15,330</u>	<u>15,330</u>	<u>15,330</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$3,609</u>	<u>(\$10,391)</u>	<u>\$57,815</u>	<u>\$68,206</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
District Managed Student Activities Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$1,200	\$1,200	\$2,121	\$921
Extracurricular Activities	156,220	156,220	151,648	(4,572)
Contributions and Donations	800	800	2,912	2,112
Miscellaneous	<u>0</u>	<u>7,500</u>	<u>7,712</u>	<u>212</u>
<i>Total Revenues</i>	<u>158,220</u>	<u>165,720</u>	<u>164,393</u>	<u>(1,327)</u>
Expenditures				
Current:				
Extracurricular Activities:				
Academic and Subject Oriented:				
Materials and Supplies	<u>138,981</u>	<u>28,365</u>	<u>28,210</u>	<u>155</u>
Occupational Oriented:				
Materials and Supplies	<u>0</u>	<u>1,342</u>	<u>349</u>	<u>993</u>
Sport Oriented Activities:				
Salaries and Wages	0	9,510	9,510	0
Fringe Benefits	0	3,473	3,468	5
Purchased Services	400	60,480	58,673	1,807
Materials and Supplies	<u>155,624</u>	<u>121,643</u>	<u>116,234</u>	<u>5,409</u>
Total Sport Oriented Activities	<u>\$156,024</u>	<u>\$195,106</u>	<u>\$187,885</u>	<u>\$7,221</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
School and Public Service Oriented:				
Purchased Services	\$5,660	\$39,071	\$31,892	\$7,179
Materials and Supplies	0	2,011	283	1,728
Other	0	110	110	0
	<u>5,660</u>	<u>41,192</u>	<u>32,285</u>	<u>8,907</u>
<i>Total School and Public Service Oriented</i>				
	<u>5,660</u>	<u>41,192</u>	<u>32,285</u>	<u>8,907</u>
<i>Total Expenditures</i>	<u>300,665</u>	<u>266,005</u>	<u>248,729</u>	<u>17,276</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(142,445)</u>	<u>(100,285)</u>	<u>(84,336)</u>	<u>15,949</u>
Other Financing Sources (Uses)				
Advances In	63,000	63,000	63,000	0
Advances Out	(5,490)	(63,000)	(63,000)	0
Transfers In	72,780	92,780	95,630	2,850
	<u>130,290</u>	<u>92,780</u>	<u>95,630</u>	<u>2,850</u>
<i>Total Other Financing Sources (Uses)</i>				
	<u>130,290</u>	<u>92,780</u>	<u>95,630</u>	<u>2,850</u>
<i>Net Change in Fund Balance</i>	(12,155)	(7,505)	11,294	18,799
<i>Fund Balance Beginning of Year</i>	5,307	5,307	5,307	0
Prior Year Encumbrances Appropriated	<u>6,155</u>	<u>6,155</u>	<u>6,155</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$693)</u>	<u>\$3,957</u>	<u>\$22,756</u>	<u>\$18,799</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$272,100	\$273,388	\$279,621	\$6,233
Interest	0	0	232	232
<i>Total Revenues</i>	<u>272,100</u>	<u>273,388</u>	<u>279,853</u>	<u>6,465</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Salaries and Wages	248,642	18,050	15,539	2,511
Fringe Benefits	742	5,764	5,015	749
Purchased Services	572	178,989	177,769	1,220
Materials and Supplies	137,327	111,990	92,099	19,891
Capital Outlay	32,556	37,234	35,726	1,508
<i>Total Expenditures</i>	<u>419,839</u>	<u>352,027</u>	<u>326,148</u>	<u>25,879</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(147,739)</u>	<u>(78,639)</u>	<u>(46,295)</u>	<u>32,344</u>
Other Financing Sources (Uses)				
Advances In	0	200,000	200,000	0
Advances Out	0	(216,200)	(204,000)	12,200
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(16,200)</u>	<u>(4,000)</u>	<u>12,200</u>
<i>Net Change in Fund Balance</i>	(147,739)	(94,839)	(50,295)	44,544
<i>Fund Balance Beginning of Year</i>	8,143	8,143	8,143	0
Prior Year Encumbrances Appropriated	69,839	69,839	69,839	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$69,757)</u>	<u>(\$16,857)</u>	<u>\$27,687</u>	<u>\$44,544</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Education Management Information Systems Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$6,900	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	<u>5,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	1,900	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,900</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Data Communications Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$8,500	\$10,800	\$10,800	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	<u>13,650</u>	<u>10,800</u>	<u>10,800</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(5,150)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Other Financing Sources (Uses)				
Advances In	5,500	5,400	5,400	0
Advances Out	<u>0</u>	<u>(5,400)</u>	<u>(5,400)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>5,500</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	350	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$350</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Education Jobs Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$285,000	\$239,600	\$240,244	\$644
Expenditures				
Current:				
Support Services:				
Pupil:				
Salaries and Wages	221,762	184,883	184,769	114
Fringe Benefits	911	53,346	51,517	1,829
Total Pupil	<u>222,673</u>	<u>238,229</u>	<u>236,286</u>	<u>1,943</u>
Instructional Staff:				
Salaries and Wages	0	7,371	3,959	3,412
Purchased Services	60,327	0	0	0
Total Instructional Staff	<u>60,327</u>	<u>7,371</u>	<u>3,959</u>	<u>3,412</u>
<i>Total Expenditures</i>	<u>283,000</u>	<u>245,600</u>	<u>240,245</u>	<u>5,355</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	2,000	(6,000)	(1)	5,999
Other Financing Sources				
Advances In	0	10,000	10,000	0
<i>Net Change in Fund Balance</i>	2,000	4,000	9,999	5,999
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$2,000</u></u>	<u><u>\$4,000</u></u>	<u><u>\$9,999</u></u>	<u><u>\$5,999</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Race to the Top Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$2,450	\$2,450	\$2,450	\$0
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	2,450	2,450	2,450	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-B Fund
For the Fiscal Year Ended June 30, 2012

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental	\$1,145,000	\$1,180,000	\$1,185,714	\$5,714
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	167,864	160,917	146,867	14,050
Fringe Benefits	45,038	46,319	38,262	8,057
Purchased Services	478,543	190,812	189,232	1,580
Materials and Supplies	47,523	25,048	22,203	2,845
Capital Outlay	91,423	88,304	88,194	110
Total Special	830,391	511,400	484,758	26,642
Vocational:				
Salaries and Wages	6,267	6,268	6,268	0
Fringe Benefits	4,266	1,759	1,759	0
Total Vocational	10,533	8,027	8,027	0
Total Instruction	840,924	519,427	492,785	26,642
Support Services:				
Pupil:				
Salaries and Wages	66,659	72,810	62,879	9,931
Fringe Benefits	32,097	31,027	27,048	3,979
Purchased Services	299,264	557,886	557,886	0
Materials and Supplies	11,666	10,775	10,760	15
Total Pupil	409,686	672,498	658,573	13,925
Instructional Staff:				
Salaries and Wages	12,558	9,178	9,178	0
Fringe Benefits	3,597	3,572	3,572	0
Purchased Services	12,722	9,657	5,813	3,844
Total Instructional Staff	\$28,877	\$22,407	\$18,563	\$3,844

(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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Administration:				
Salaries and Wages	\$101,720	\$108,202	\$98,777	\$9,425
Fringe Benefits	44,539	47,381	42,566	4,815
Total Administration	<u>146,259</u>	<u>155,583</u>	<u>141,343</u>	<u>14,240</u>
Total Support Services	<u>584,822</u>	<u>850,488</u>	<u>818,479</u>	<u>32,009</u>
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Purchased Services	31,602	27,502	27,502	0
Capital Outlay	1,755	1,686	1,686	0
Total Operation of Non-Instructional Services	<u>33,357</u>	<u>29,188</u>	<u>29,188</u>	<u>0</u>
Total Expenditures	<u>1,459,103</u>	<u>1,399,103</u>	<u>1,340,452</u>	<u>58,651</u>
Excess of Revenues Under Expenditures	<u>(314,103)</u>	<u>(219,103)</u>	<u>(154,738)</u>	<u>64,365</u>
Other Financing Sources (Uses)				
Advances In	0	300,000	300,000	0
Advances Out	(360,000)	(580,000)	(580,000)	0
Total Other Financing Sources (Uses)	<u>(360,000)</u>	<u>(280,000)</u>	<u>(280,000)</u>	<u>0</u>
Net Change in Fund Balance	<u>(674,103)</u>	<u>(499,103)</u>	<u>(434,738)</u>	<u>64,365</u>
Fund Balance Beginning of Year	260,483	260,483	260,483	0
Prior Year Encumbrances Appropriated	<u>209,103</u>	<u>209,103</u>	<u>209,103</u>	<u>0</u>
Fund Balance (Deficit) End of Year	<u>(\$204,517)</u>	<u>(\$29,517)</u>	<u>\$34,848</u>	<u>\$64,365</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Vocational Education Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$187,000	\$187,000	\$161,396	(\$25,604)
Expenditures				
Current:				
Instruction:				
Vocational:				
Salaries	2,912	4,282	4,282	0
Fringe Benefits	575	725	250	475
Purchased Services	15,934	12,815	12,594	221
Materials and Supplies	77,938	97,977	72,674	25,303
Capital Outlay	55,637	19,904	19,415	489
Other	66,202	57,539	52,802	4,737
Total Instruction	219,198	193,242	162,017	31,225
Support Services:				
Instructional Staff:				
Salaries and Wages	0	800	0	800
Fringe Benefits	0	156	6	150
Purchased Services	5,267	5,267	5,071	196
Other	8,902	8,902	7,895	1,007
Total Instructional Staff	14,169	15,125	12,972	2,153
Administration:				
Materials and Supplies	7,318	7,318	7,256	62
Capital Outlay	4,112	4,112	4,006	106
Total Administration	11,430	11,430	11,262	168
Central:				
Purchased Services	4,200	4,200	4,200	0
Other	2,000	2,000	2,000	0
Total Central	6,200	6,200	6,200	0
Total Support Services	31,799	32,755	30,434	2,321
<i>Total Expenditures</i>	\$250,997	\$225,997	\$192,451	\$33,546

(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, 2012*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<i>Excess of Revenues Under Expenditures</i>	<u>(\$63,997)</u>	<u>(\$38,997)</u>	<u>(\$31,055)</u>	<u>\$7,942</u>
Other Financing Sources (Uses)				
Advances In	0	14,000	40,000	26,000
Advances Out	<u>(40,000)</u>	<u>(70,000)</u>	<u>(70,000)</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(40,000)</u>	<u>(56,000)</u>	<u>(30,000)</u>	<u>26,000</u>
<i>Net Change in Fund Balance</i>	(103,997)	(94,997)	(61,055)	33,942
<i>Fund Balance Beginning of Year</i>	23,713	23,713	23,713	0
Prior Year Encumbrances Appropriated	<u>40,997</u>	<u>40,997</u>	<u>40,997</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$39,287)</u>	<u>(\$30,287)</u>	<u>\$3,655</u>	<u>\$33,942</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Technology Title II-D Fund
For the Fiscal Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$50,000	\$50,000	\$51,573	\$1,573
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	36,966	26,400	0	26,400
Purchased Services	17,806	5,000	5,000	0
Total Instruction	54,772	31,400	5,000	26,400
Support Services:				
Instructional Staff:				
Salaries and Wages	2,983	10,097	10,097	0
Fringe Benefits	2,981	3,978	3,978	0
Purchased Services	25,393	23,411	23,411	0
Materials and Supplies	610	197	197	0
Capital Outlay	4,586	7,229	6,864	365
Total Support Services	36,553	44,912	44,547	365
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Materials and Supplies	118	371	118	253
Capital Outlay - New	240	0	0	0
Total Operation of Non-Instructional Services	358	371	118	253
<i>Total Expenditures</i>	91,683	76,683	49,665	27,018
<i>Excess of Revenues Over (Under) Expenditures</i>	(41,683)	(26,683)	1,908	28,591
Other Financing Sources (Uses)				
Advances In	0	20,000	20,000	0
Advances Out	0	(55,000)	(55,000)	0
<i>Total Other Financing Sources (Uses)</i>	0	(35,000)	(35,000)	0
<i>Net Change in Fund Balance</i>	(41,683)	(61,683)	(33,092)	28,591
<i>Fund Balance Beginning of Year</i>	12,832	12,832	12,832	0
Prior Year Encumbrances Appropriated	30,183	30,183	30,183	0
<i>Fund Balance (Deficit) End of Year</i>	\$1,332	(\$18,668)	\$9,923	\$28,591

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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$7,300	\$7,180	\$7,179	(\$1)
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	<u>7,800</u>	<u>7,179</u>	<u>7,179</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(500)	1	0	(1)
Other Financing Uses				
Advances Out	<u>0</u>	<u>(500)</u>	<u>(500)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(500)	(499)	(500)	(1)
<i>Fund Balance Beginning of Year</i>	<u>500</u>	<u>500</u>	<u>500</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$1</u>	<u>\$0</u>	<u>(\$1)</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$1,510,000	\$1,345,700	\$1,226,672	(\$119,028)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	65,040	10,330	6,810	3,520
Fringe Benefits	2,117	956	954	2
Purchased Services	40,038	44,954	44,954	0
Materials and Supplies	6,359	8,167	8,131	36
Total Regular	113,554	64,407	60,849	3,558
Special:				
Salaries and Wages	488,566	330,359	270,689	59,670
Fringe Benefits	103,320	99,365	85,210	14,155
Purchased Services	266,842	190,691	186,967	3,724
Materials and Supplies	12,853	7,125	4,883	2,242
Capital Outlay	5,505	4,867	4,867	0
Total Special	877,086	632,407	552,616	79,791
Total Instruction	990,640	696,814	613,465	83,349
Support Services:				
Pupil:				
Salaries and Wages	135,194	120,108	99,159	20,949
Fringe Benefits	53,842	43,630	35,568	8,062
Purchased Services	0	10,000	10,000	0
Total Pupil	189,036	173,738	144,727	29,011
Instructional Staff:				
Salaries and Wages	402,937	361,220	307,931	53,289
Fringe Benefits	184,426	112,944	86,921	26,023
Purchased Services	124,899	115,627	115,145	482
Materials and Supplies	4,455	11,541	10,499	1,042
Capital Outlay	2,193	2,193	2,193	0
Total Instructional Staff	718,910	603,525	522,689	80,836
Total Support Services	\$907,946	\$777,263	\$667,416	\$109,847

(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, 2012

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Purchased Services	\$25,190	\$24,473	\$14,969	\$9,504
Materials and Supplies	2,535	2,761	1,687	1,074
Total Operation of Non-Instructional Services	27,725	27,234	16,656	10,578
<i>Total Expenditures</i>	1,926,311	1,501,311	1,297,537	203,774
<i>Excess of Revenues Over Expenditures</i>	(416,311)	(155,611)	(70,865)	84,746
Other Financing Sources (Uses)				
Advances In	0	20,000	140,000	120,000
Advances Out	0	(314,000)	(465,000)	(151,000)
<i>Total Other Financing Sources (Uses)</i>	0	(294,000)	(325,000)	(31,000)
<i>Net Change in Fund Balance</i>	(416,311)	(449,611)	(395,865)	53,746
<i>Fund Balance Beginning of Year</i>	371,377	371,377	371,377	0
Prior Year Encumbrances Appropriated	47,311	47,311	47,311	0
<i>Fund Balance End of Year</i>	\$2,377	(\$30,923)	\$22,823	\$53,746

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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$46,000	\$50,800	\$50,860	\$60
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	16,891	5,891	0	5,891
Capital Outlay	15,920	12,237	12,237	0
Total Instruction	32,811	18,128	12,237	5,891
Support Services:				
Pupil:				
Purchased Services	10,000	3,717	3,455	262
Instructional Staff:				
Purchased Services	24,313	34,279	34,278	1
Total Support Services	34,313	37,996	37,733	263
<i>Total Expenditures</i>	67,124	56,124	49,970	6,154
<i>Excess of Revenues Over (Under) Expenditures</i>	(21,124)	(5,324)	890	6,214
Other Financing Sources (Uses)				
Advances In	0	10,000	10,000	0
Advances Out	0	(20,000)	(20,000)	0
<i>Total Other Financing Sources (Uses)</i>	0	(10,000)	(10,000)	0
<i>Net Change in Fund Balance</i>	(21,124)	(15,324)	(9,110)	6,214
<i>Fund Balance Beginning of Year</i>	5,405	5,405	5,405	0
Prior Year Encumbrances Appropriated	8,124	8,124	8,124	0
<i>Fund Balance (Deficit) End of Year</i>	(\$7,595)	(\$1,795)	\$4,419	\$6,214

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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$179,000	\$136,600	\$126,606	(\$9,994)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	3,582	15,885	15,885	0
Fringe Benefits	5,371	5,486	5,486	0
Total Instruction	8,953	21,371	21,371	0
Support Services:				
Instructional Staff:				
Salaries and Wages	74,728	70,867	69,695	1,172
Fringe Benefits	30,980	25,367	21,812	3,555
Purchased Services	44,786	12,286	10,157	2,129
Materials and Supplies	3,081	3,641	2,974	667
Total Support Services	153,575	112,161	104,638	7,523
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	0	546	0	546
Total Expenditures	162,528	134,078	126,009	8,069
Excess of Revenues Over Expenditures	16,472	2,522	597	(1,925)
Other Financing Sources (Uses)				
Advances In	0	0	10,000	10,000
Advances Out	0	(25,000)	(25,000)	0
Total Other Financing Sources (Uses)	0	(25,000)	(15,000)	10,000
Net Change in Fund Balance	16,472	(22,478)	(14,403)	8,075
Fund Balance Beginning of Year	18,364	18,364	18,364	0
Prior Year Encumbrances Appropriated	3,728	3,728	3,728	0
Fund Balance (Deficit) End of Year	\$38,564	(\$386)	\$7,689	\$8,075

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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$25,000	\$75,120	\$75,118	(\$2)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	26,672	1,662	1,319	343
Fringe Benefits	328	217	217	0
Total Instruction	27,000	1,879	1,536	343
Support Services:				
Pupil Transportation:				
Materials and Supplies	0	51,560	49,902	1,658
<i>Total Expenditures</i>	27,000	53,439	51,438	2,001
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,000)	21,681	23,680	1,999
Other Financing Uses				
Advances Out	0	(24,000)	(26,000)	(2,000)
<i>Net Change in Fund Balance</i>	(2,000)	(2,319)	(2,320)	(1)
<i>Fund Balance Beginning of Year</i>	2,320	2,320	2,320	0
<i>Fund Balance End of Year</i>	\$320	\$1	\$0	(\$1)

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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Rentals	\$4,000	\$4,000	\$6,811	\$2,811
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Salaries and Wages	5,500	5,500	3,298	2,202
Fringe Benefits	1,500	1,500	561	939
<i>Total Expenditures</i>	<u>7,000</u>	<u>7,000</u>	<u>3,859</u>	<u>3,141</u>
<i>Net Change in Fund Balance</i>	(3,000)	(3,000)	2,952	5,952
<i>Fund Balance Beginning of Year</i>	<u>3,116</u>	<u>3,116</u>	<u>3,116</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$116</u>	<u>\$116</u>	<u>\$6,068</u>	<u>\$5,952</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Tuition and Fees	\$1,700	\$2,700	\$2,649	(\$51)
Extracurricular Activities	68,900	98,900	100,187	1,287
Contributions and Donations	3,000	18,000	18,669	669
Miscellaneous	2,400	10,400	14,109	3,709
<i>Total Revenues</i>	<u>76,000</u>	<u>130,000</u>	<u>135,614</u>	<u>5,614</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	96,859	85,059	66,965	18,094
Materials and Supplies	15,917	43,165	28,195	14,970
Capital Outlay	5,331	9,051	5,447	3,604
Other	6,364	19,343	15,495	3,848
Total Regular	124,471	156,618	116,102	40,516
Special:				
Materials and Supplies	17	12	12	0
Vocational:				
Materials and Supplies	3	3	0	3
Total Instruction	<u>124,491</u>	<u>156,633</u>	<u>116,114</u>	<u>40,519</u>
Support Services:				
Pupils:				
Materials and Supplies	0	620	0	620
Instructional Staff:				
Fringe Benefits	905	2,318	1,130	1,188
Materials and Supplies	3,877	14,828	7,206	7,622
Total Instructional Staff	<u>4,782</u>	<u>17,146</u>	<u>8,336</u>	<u>8,810</u>
Administration:				
Purchased Services	1,177	1,177	0	1,177
Materials and Supplies	1,323	4,330	200	4,130
Total Administration	<u>\$2,500</u>	<u>\$5,507</u>	<u>\$200</u>	<u>\$5,307</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Business:				
Materials and Supplies	\$9,259	\$11,747	\$2,452	\$9,295
Capital Outlay	123	123	0	123
Total Business	9,382	11,870	2,452	9,418
Central:				
Purchased Services	1,785	4,167	2,740	1,427
Materials and Supplies	1,177	1,777	912	865
Other	384	1,169	660	509
Total Central	3,346	7,113	4,312	2,801
Total Support Services	20,010	42,256	15,300	26,956
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services:				
Other	102	102	0	102
Extracurricular Activities:				
Academic Oriented Activities:				
Purchased Services	99	99	0	99
Other	12	12	0	12
Total Academic Oriented Activities	111	111	0	111
School and Public Service Oriented:				
Purchased Services	1,653	3,264	2,468	796
Materials and Supplies	0	73	0	73
Other	3,967	6,759	2,700	4,059
Total School and Public Service Oriented	5,620	10,096	5,168	4,928
Total Extracurricular Activities	5,731	10,207	5,168	5,039
Total Expenditures	150,334	209,198	136,582	72,616
Net Change in Fund Balance	(74,334)	(79,198)	(968)	78,230
Fund Balance Beginning of Year	79,734	79,734	79,734	0
Prior Year Encumbrances Appropriated	4,198	4,198	4,198	0
Fund Balance End of Year	\$9,598	\$4,734	\$82,964	\$78,230

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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Rentals	\$48,000	\$23,000	\$22,700	(\$300)
Expenditures				
Current:				
Support Services:				
Business:				
Other	10,000	40	40	0
Debt Service:				
Principal Retirement	25,000	23,632	23,632	0
Interest and Fiscal Charges	15,000	1,424	1,424	0
Total Debt Service	40,000	25,056	25,056	0
<i>Total Expenditures</i>	50,000	25,096	25,096	0
<i>Net Change in Fund Balance</i>	(2,000)	(2,096)	(2,396)	(300)
<i>Fund Balance Beginning of Year</i>	2,396	2,396	2,396	0
<i>Fund Balance End of Year</i>	\$396	\$300	\$0	(\$300)

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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Tuition and Fees	\$27,000	\$17,000	\$17,136	\$136
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	0	746	746	0
Fringe Benefits	0	6	6	0
Purchased Services	0	6,250	6,250	0
Materials and Supplies	0	500	480	20
Total Regular	0	7,502	7,482	20
Student Intervention:				
Salaries and Wages	0	18,755	18,755	0
Fringe Benefits	0	2,793	2,793	0
Total Student Intervention	0	21,548	21,548	0
Total Instruction	0	29,050	29,030	20
Support Services:				
Administration:				
Salaries and Wages	40,000	8,959	8,888	71
Fringe Benefits	0	1,991	1,991	0
Total Support Services	40,000	10,950	10,879	71
Total Expenditures	40,000	40,000	39,909	91
Net Change in Fund Balance	(13,000)	(23,000)	(22,773)	227
Fund Balance Beginning of Year	45,230	45,230	45,230	0
Fund Balance End of Year	\$32,230	\$22,230	\$22,457	\$227

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, 2012

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

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$665,000	\$662,749	\$670,034	\$7,285
Intergovernmental	57,721	57,721	72,640	14,919
<i>Total Revenues</i>	<u>722,721</u>	<u>720,470</u>	<u>742,674</u>	<u>22,204</u>
Expenditures				
Current:				
Support Services:				
Fiscal:				
Purchased Services	14,875	14,875	4,819	10,056
Debt Service:				
Principal Retirement	1,205,000	1,205,000	1,205,000	0
Interest and Fiscal Charges	30,125	30,125	30,125	0
<i>Total Debt Service</i>	<u>1,235,125</u>	<u>1,235,125</u>	<u>1,235,125</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,239,944</u>	<u>10,056</u>
<i>Net Change in Fund Balance</i>	(527,279)	(529,530)	(497,270)	32,260
<i>Fund Balance Beginning of Year</i>	<u>1,753,846</u>	<u>1,753,846</u>	<u>1,753,846</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,226,567</u></u>	<u><u>\$1,224,316</u></u>	<u><u>\$1,256,576</u></u>	<u><u>\$32,260</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$301,000	\$304,534	\$439,750	\$135,216
Intergovernmental	175,566	175,566	164,911	(10,655)
<i>Total Revenues</i>	<u>476,566</u>	<u>480,100</u>	<u>604,661</u>	<u>124,561</u>
Expenditures				
Current:				
Support Services:				
Business:				
Purchased Services	650,000	253,391	0	253,391
Capital Outlay:				
Architecture and Engineering Services:				
Capital Outlay	705,716	1,252,325	1,234,085	18,240
<i>Total Expenditures</i>	<u>1,355,716</u>	<u>1,505,716</u>	<u>1,234,085</u>	<u>271,631</u>
<i>Excess of Revenues Under Expenditures</i>	(879,150)	(1,025,616)	(629,424)	396,192
Other Financing Uses				
Advances Out	0	(150,000)	(150,000)	0
<i>Net Change in Fund Balance</i>	(879,150)	(1,175,616)	(779,424)	396,192
<i>Fund Balance Beginning of Year</i>	135,701	135,701	135,701	0
Prior Year Encumbrances Appropriated	705,716	705,716	705,716	0
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$37,733)</u>	<u>(\$334,199)</u>	<u>\$61,993</u>	<u>\$396,192</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Building Fund
For the Fiscal Year Ended June 30, 2012

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

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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$0	\$0	\$1	\$1
Expenditures				
Current:				
Support Services:				
Business:				
Capital Outlay - New	579,145	573,990	345,331	228,659
Debt Service:				
Principal Retirement	49,303	50,810	50,809	1
Interest and Fiscal Charges	0	3,648	3,648	0
Total Debt Service	49,303	54,458	54,457	1
<i>Total Expenditures</i>	628,448	628,448	399,788	228,660
<i>Excess of Revenues Under Expenditures</i>	(628,448)	(628,448)	(399,787)	228,661
Other Financing Sources				
Transfers In	200,000	200,000	294,600	94,600
<i>Net Change in Fund Balance</i>	(428,448)	(428,448)	(105,187)	323,261
<i>Fund Balance Beginning of Year</i>	325,081	325,081	325,081	0
Prior Year Encumbrances Appropriated	108,448	108,448	108,448	0
<i>Fund Balance End of Year</i>	<u>\$5,081</u>	<u>\$5,081</u>	<u>\$328,342</u>	<u>\$323,261</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, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$1,300,000	\$1,194,000	\$1,194,302	\$302
Expenses				
Purchased Services	254,004	254,004	53,748	200,256
Claims	1,146,146	1,146,146	1,146,146	0
<i>Total Expenses</i>	<u>1,400,150</u>	<u>1,400,150</u>	<u>1,199,894</u>	<u>200,256</u>
<i>Net Change in Fund Equity</i>	(100,150)	(206,150)	(5,592)	200,558
<i>Fund Equity Beginning of Year</i>	1,443,804	1,443,804	1,443,804	0
Prior Year Encumbrances Appropriated	<u>150</u>	<u>150</u>	<u>150</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$1,343,804</u></u>	<u><u>\$1,237,804</u></u>	<u><u>\$1,438,362</u></u>	<u><u>\$200,558</u></u>

Bedford City School District
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Computer Network Fund
For the Fiscal Year Ended June 30, 2012

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues	\$0	\$0	\$0	\$0
Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues over Expenses Before Transfers</i>	0	0	0	0
Transfers Out	<u>(578)</u>	<u>(578)</u>	<u>0</u>	<u>578</u>
<i>Net Change in Fund Equity</i>	(578)	(578)	0	578
<i>Fund Equity Beginning of Year</i>	<u>578</u>	<u>578</u>	<u>578</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$578</u></u>	<u><u>\$578</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, 2012

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$3,000	\$3,000	\$22	(\$2,978)
Miscellaneous	5,000	5,000	0	(5,000)
<i>Total Revenues</i>	8,000	8,000	22	(7,978)
Expenses				
Other	35,000	35,000	0	35,000
<i>Net Change in Fund Equity</i>	(27,000)	(27,000)	22	27,022
<i>Fund Equity Beginning of Year</i>	81,676	81,676	81,676	0
<i>Fund Equity End of Year</i>	\$54,676	\$54,676	\$81,698	\$27,022

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Artwork by: Emily Shirak

12th Grade Student

Bedford High School

Art Teacher: Dagmar Clements

Statistical Section

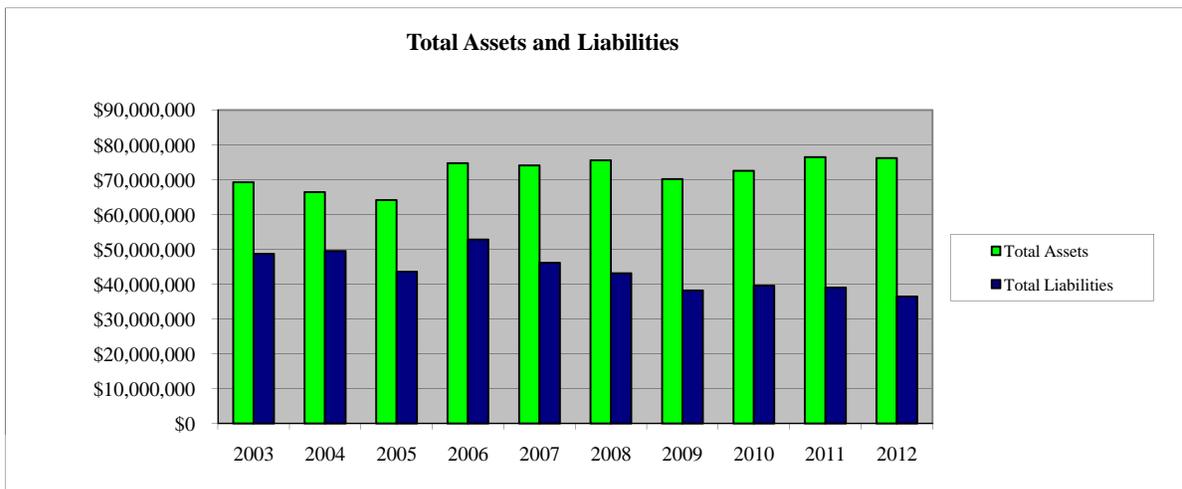
This part of the Bedford City School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S2 - S13
Revenue Capacity These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.	S14 - S22
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S24 - S28
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	S29 - S31
Operating Information These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S32 - S43

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

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

	2003	2004	2005	2006
Net Investment in Capital Assets	\$9,267,931	\$10,168,889	\$10,390,724	\$9,900,232
Restricted for:				
Capital Projects	575,693	190,733	397,551	1,882,830
Debt Service	1,587,484	997,556	1,418,198	1,381,463
Other Purposes	616,921	725,176	849,525	511,238
Unrestricted	8,537,864	4,831,045	7,486,212	8,373,797
<i>Total Net Position</i>	<u>\$20,585,893</u>	<u>\$16,913,399</u>	<u>\$20,542,210</u>	<u>\$22,049,560</u>



Source: School District Financial Records

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$12,218,017	\$13,434,685	\$13,531,705	\$13,534,897	\$15,853,913	\$16,816,971
805,810	173,255	557,011	1,400,209	229,779	303,671
1,772,547	2,278,168	2,264,251	2,148,734	2,086,003	1,342,336
1,106,057	1,025,781	1,337,606	557,401	650,968	694,518
<u>15,595,855</u>	<u>15,502,858</u>	<u>14,189,965</u>	<u>14,996,566</u>	<u>18,642,545</u>	<u>20,565,803</u>
<u>\$31,498,286</u>	<u>\$32,414,747</u>	<u>\$31,880,538</u>	<u>\$32,637,807</u>	<u>\$37,463,208</u>	<u>\$39,723,299</u>

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

	2003	2004	2005	2006
Expenses				
Governmental Activities:				
Instruction	\$19,716,538	\$23,153,227	\$22,869,124	\$24,090,319
Pupil Support	2,444,186	2,721,877	2,665,621	2,758,509
Instructional Staff Support	1,452,726	1,620,852	1,586,546	1,762,862
Board of Education	164,324	59,311	207,937	407,852
Administration	2,791,248	3,565,984	3,204,240	3,942,749
Fiscal	1,457,382	1,290,723	1,249,303	1,236,174
Business	477,013	402,210	555,487	777,247
Operation and Maintenance of Plant	5,596,383	6,772,564	5,865,329	6,731,992
Pupil Transportation	3,227,782	3,914,942	3,372,082	3,851,122
Central	261,748	306,326	291,782	309,079
Food Service Operations	1,335,836	1,362,041	1,312,760	1,471,121
Operation of Non-Instructional Services	573,662	502,320	514,115	454,710
Extracurricular Activities	593,241	915,504	916,721	826,605
Interest and Fiscal Charges	526,618	531,995	514,430	467,718
<i>Total Governmental Activities Expenses</i>	<i>40,618,687</i>	<i>47,119,876</i>	<i>45,125,477</i>	<i>49,088,059</i>
Program Revenues				
Governmental Activities:				
Charges for Services and Sales:				
Instruction	281,844	1,275,519	351,669	\$1,246,793
Pupil Support	0	200	0	0
Instructional Staff Support	3,733	2,683	3,693	1,558
Administration	0	0	0	0
Business	1,455	1,611	5,301	185,583
Operation and Maintenance of Plant	4,949	34,899	27,745	31,472
Pupil Transportation	0	0	0	2,726
Central	5,911	7,576	1,412	0
Food Service Operations	742,396	792,140	760,722	812,352
Operation of Non-Instructional Services	64,719	11,605	11,845	10,637
Extracurricular Activities	100,721	95,755	108,995	93,701
Operating Grants and Contributions				
Instruction	1,335,778	1,631,369	2,035,753	1,573,434
Pupil Support	57,994	56,854	33,728	193,061
Instructional Staff Support	196,937	183,012	182,834	171,723
Administration	102,441	93,893	115,923	149,752
Business	815	65	83	308
Operation and Maintenance of Plant	0	3,539	94,094	59,209
Pupil Transportation	0	509	97,143	0
Central	9,671	5,953	6,977	2,488
Food Service Operations	517,566	490,206	518,616	610,070
Operation of Non-Instructional Services	517,772	480,659	495,433	428,920
Extracurricular Activities	3,221	18,281	23,644	12,636

2007	2008	2009	2010	2011	2012
\$24,029,388	\$27,576,746	\$25,229,256	\$26,802,708	\$25,022,834	\$25,716,544
2,764,302	2,997,511	3,025,366	3,015,745	3,034,339	3,049,560
1,651,433	1,834,242	2,074,281	2,544,377	2,735,600	2,687,012
310,042	235,547	220,840	243,585	85,953	98,729
3,501,283	3,438,272	4,408,025	3,079,356	3,969,440	3,963,083
1,290,060	1,330,855	1,213,939	1,381,083	1,309,344	1,480,370
779,116	847,097	728,529	667,683	877,396	721,405
6,357,050	6,724,899	6,937,228	7,070,172	6,645,111	6,237,787
3,792,614	3,875,037	3,615,129	3,578,892	3,513,967	3,609,183
299,502	337,904	338,807	321,466	335,344	199,941
1,629,821	1,651,021	1,682,513	1,697,599	1,705,905	1,775,328
539,445	484,150	427,311	340,054	394,207	351,270
826,657	867,928	875,259	804,712	838,622	848,288
520,086	524,154	479,677	437,058	357,696	305,102
48,290,799	52,725,363	51,256,160	51,984,490	50,825,758	51,043,602
\$1,686,260	\$1,705,852	\$1,974,620	\$1,688,961	\$1,472,019	\$1,724,635
0	0	0	0	0	0
94	1,215	926	1,454	0	0
7,765	9,966	691	0	0	0
38,356	44,661	27,281	31,312	23,328	33,300
0	0	0	0	0	0
0	0	0	0	0	0
0	4,541	1,988	4,470	0	0
792,684	750,540	682,879	620,301	601,725	569,496
4,191	4,782	3,714	3,207	0	0
131,618	133,483	133,794	141,446	249,721	273,208
2,543,592	2,248,787	2,424,680	1,571,907	1,507,787	1,204,769
206,957	233,872	403,482	325,493	577,014	977,853
209,937	278,710	388,009	556,001	661,300	750,623
116,658	142,926	272,640	48,225	143,050	142,787
30,114	106,436	481	725	5,000	5,900
35,955	2,132	1,645	469,365	900,022	0
0	0	0	0	0	75,118
5,150	3,860	5,429	5,347	5,888	5,735
755,707	867,048	1,091,798	1,199,794	1,250,202	1,396,657
443,358	454,033	396,029	298,087	314,959	337,926
5,542	11,463	10,887	1,613	791	2,912

(continued)

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

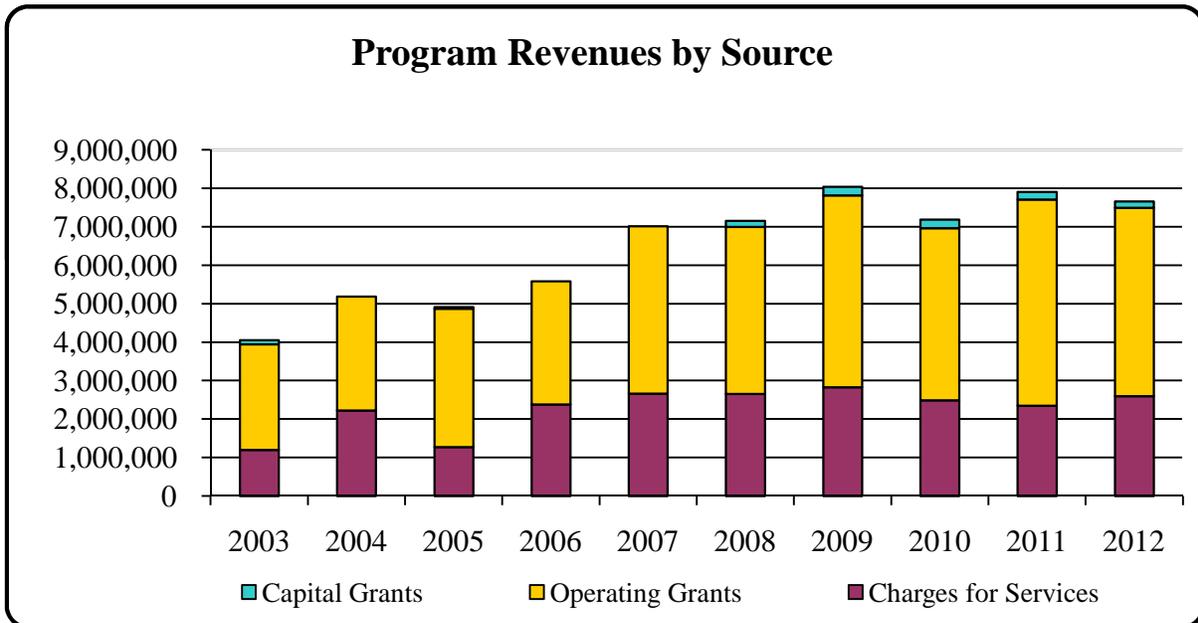
	2003	2004	2005	2006
Capital Grants and Contributions				
Instruction	\$13,753	\$0	\$0	\$0
Instructional Staff Support	0	0	35,910	0
Operation and Maintenance of Plant	58,715	0	0	0
Pupil Transportation	37,069	0	0	0
Central	0	0	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>4,057,460</u>	<u>5,186,328</u>	<u>4,911,520</u>	<u>5,586,423</u>
Net (Expense)/Revenue				
Governmental Activities	<u>(36,561,227)</u>	<u>(41,933,548)</u>	<u>(40,213,957)</u>	<u>(43,501,636)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Property and Other Local Taxes Levied For:				
General Purposes	29,904,312	28,471,588	32,156,621	34,235,814
Debt Service	1,030,078	1,050,439	1,366,766	963,017
Capital Outlay	558,855	670,221	682,633	473,225
Grants and Entitlements not Restricted to Specific Programs	8,634,340	7,747,756	9,140,806	8,149,887
Gain on Sale of Capital Assets	0	0	0	0
Investment Earnings	239,106	174,106	325,033	759,074
Miscellaneous	125,231	146,944	170,909	427,969
Transfers	23,663	0	0	0
<i>Total Governmental Activities</i>	<u>40,515,585</u>	<u>38,261,054</u>	<u>43,842,768</u>	<u>45,008,986</u>
Change in Net Position	<u><u>\$3,954,358</u></u>	<u><u>(\$3,672,494)</u></u>	<u><u>\$3,628,811</u></u>	<u><u>\$1,507,350</u></u>

Source: School District Financial Records

2007	2008	2009	2010	2011	2012
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	156,053	219,516	226,177	196,417	164,911
0	0	0	0	0	0
0	0	0	0	0	0
7,013,938	7,160,360	8,040,489	7,193,885	7,909,223	7,665,830
(41,276,861)	(45,565,003)	(43,215,671)	(44,790,605)	(42,916,535)	(43,377,772)
36,899,607	31,323,005	24,728,995	26,041,020	28,733,772	28,614,838
1,456,398	1,372,001	1,146,612	1,071,389	1,141,941	415,891
702,373	530,429	427,167	410,979	445,659	443,720
10,081,905	11,817,104	15,598,148	17,563,453	17,019,801	15,758,170
0	1,726	0	0	1,371	0
1,126,745	890,620	288,540	27,574	27,479	11,040
458,559	546,579	492,000	433,459	371,913	394,204
0	0	0	0	0	0
50,725,587	46,481,464	42,681,462	45,547,874	47,741,936	45,637,863
\$9,448,726	\$916,461	(\$534,209)	\$757,269	\$4,825,401	\$2,260,091

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

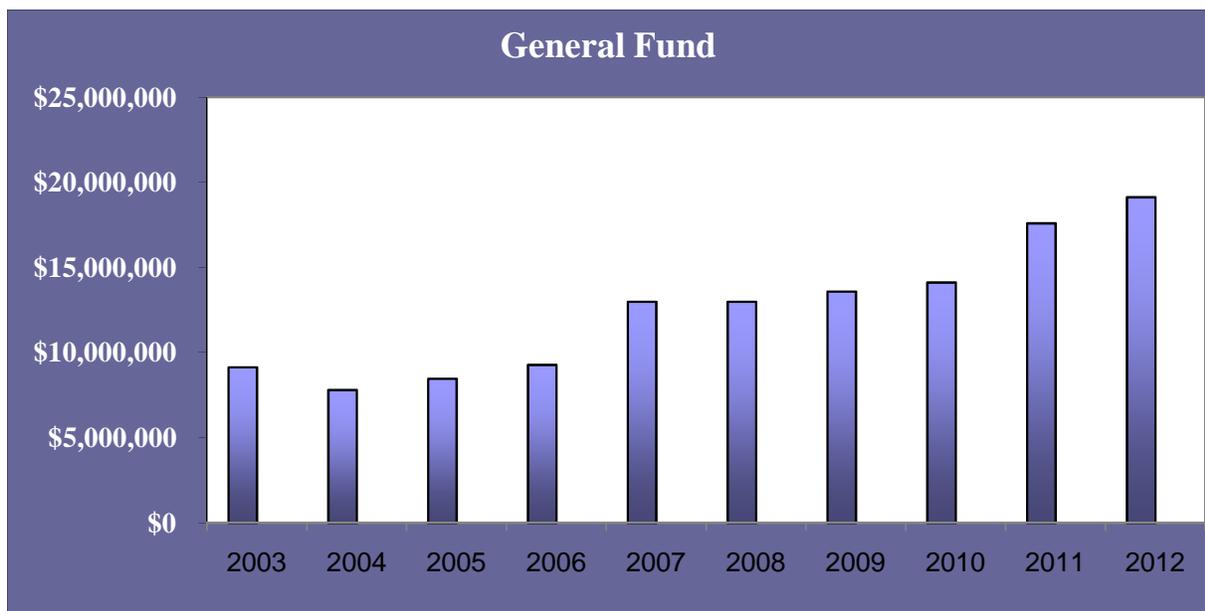
	2003	2004	2005	2006
Governmental Activities				
Instruction	\$1,631,375	\$2,906,888	\$2,395,811	\$2,820,227
Pupil Support	57,994	57,054	33,728	193,061
Instructional Staff Support	200,670	185,695	222,437	173,281
Administration	103,896	95,504	121,224	335,335
Business	5,764	34,964	27,828	31,780
Operation and Maintenance of Plant	58,715	3,539	94,094	59,209
Pupil Transportation	37,069	509	97,143	2,726
Central	15,582	13,529	105,817	2,488
Food Service Operations	1,259,962	1,282,346	1,279,338	1,422,422
Operation of Non-Instructional Services	582,491	492,264	507,278	439,557
Extracurricular Activities	103,942	114,036	132,639	106,337
Total Governmental Activities Program Revenues	\$4,057,460	\$5,186,328	\$4,911,520	\$5,586,423



2007	2008	2009	2010	2011	2012
\$4,229,852	\$3,954,639	\$4,399,300	\$3,260,868	\$2,979,806	\$2,929,404
206,957	233,872	403,482	325,493	577,014	977,853
210,031	279,925	388,935	557,455	661,300	750,623
124,423	152,892	273,331	48,225	143,050	142,787
68,470	151,097	27,762	32,037	28,328	39,200
35,955	158,185	221,161	695,542	1,096,439	164,911
0	0	0	0	0	75,118
5,150	8,401	7,417	9,817	5,888	5,735
1,548,391	1,617,588	1,774,677	1,820,095	1,851,927	1,966,153
447,549	458,815	399,743	301,294	314,959	337,926
137,160	144,946	144,681	143,059	250,512	276,120
<u>\$7,013,938</u>	<u>\$7,160,360</u>	<u>\$8,040,489</u>	<u>\$7,193,885</u>	<u>\$7,909,223</u>	<u>\$7,665,830</u>

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

	2003	2004	2005	2006
General Fund				
Nonspendable	\$0	\$0	\$0	\$0
Restricted	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Reserved	2,150,457	4,094,412	3,660,981	3,439,751
Unreserved	6,986,451	3,712,624	4,804,712	5,838,425
<i>Total General Fund</i>	<u>9,136,908</u>	<u>7,807,036</u>	<u>8,465,693</u>	<u>9,278,176</u>
All Other Governmental Funds				
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Committed	0	0	0	0
Unassigned (Deficit)	0	0	0	0
Reserved	1,698,199	382,674	1,252,888	1,914,332
Unreserved, Undesignated, Reported in:				
Special Revenue funds (Deficit)	93,573	354,559	(173,184)	53,339
Debt Service funds	1,457,428	1,486,406	1,557,858	1,626,389
Capital Projects funds (Deficit)	(971,759)	(149,376)	(33,451)	123,526
<i>Total All Other Governmental Funds</i>	<u>2,277,441</u>	<u>2,074,263</u>	<u>2,604,111</u>	<u>3,717,586</u>
<i>Total Governmental Funds</i>	<u><u>\$11,414,349</u></u>	<u><u>\$9,881,299</u></u>	<u><u>\$11,069,804</u></u>	<u><u>\$12,995,762</u></u>



2007	2008	2009	2010	2011	2012
\$0	\$0	\$0	\$364,235	\$381,025	\$438,142
0	0	0	127,115	24,172	75,118
0	0	0	0	263,940	10,475
0	0	0	648,703	254,886	574,438
0	0	0	12,983,706	16,669,230	18,031,928
3,666,990	4,182,334	4,388,316	0	0	0
9,322,692	8,804,371	9,200,375	0	0	0
<u>12,989,682</u>	<u>12,986,705</u>	<u>13,588,691</u>	<u>14,123,759</u>	<u>17,593,253</u>	<u>19,130,101</u>
0	0	0	7,739	6,275	8,986
0	0	0	3,388,085	2,646,554	2,293,997
0	0	0	292,344	276,279	333,159
0	0	0	(164,492)	(126,044)	(141,019)
1,768,180	522,929	498,702	0	0	0
740,804	587,229	528,073	0	0	0
1,746,847	1,898,375	1,933,159	0	0	0
(553,176)	(81,771)	315,706	0	0	0
<u>3,702,655</u>	<u>2,926,762</u>	<u>3,275,640</u>	<u>3,523,676</u>	<u>2,803,064</u>	<u>2,495,123</u>
<u>\$16,692,337</u>	<u>\$15,913,467</u>	<u>\$16,864,331</u>	<u>\$17,647,435</u>	<u>\$20,396,317</u>	<u>\$21,625,224</u>

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

	2003	2004	2005	2006
Revenues				
Taxes	\$28,568,195	\$32,961,433	\$33,822,981	\$35,356,794
Intergovernmental	11,064,263	10,859,955	12,105,042	11,698,017
Interest	239,106	174,106	325,033	759,074
Charges for Services	767,185	797,804	765,852	817,551
Tuition and Fees	209,354	1,156,288	257,961	1,338,900
Rentals	51,113	39,324	32,230	32,638
Extracurricular Activities	178,076	228,572	215,339	195,733
Contributions and Donations	59,816	50,192	349,198	30,082
Miscellaneous	125,231	146,944	170,909	427,969
<i>Total Revenues</i>	<u>41,262,339</u>	<u>46,414,618</u>	<u>48,044,545</u>	<u>50,656,758</u>
Expenditures				
Current:				
Instruction	20,163,293	22,335,604	23,048,542	23,599,077
Support Services:				
Pupil	2,587,565	2,691,337	2,711,466	2,748,756
Instructional Staff	1,596,091	1,603,092	1,715,964	1,746,185
Board of Education	174,001	264,211	208,201	407,852
Administration	2,904,410	3,453,470	3,279,005	3,955,263
Fiscal	1,450,531	1,295,384	1,291,119	1,215,241
Business	420,750	491,350	576,563	835,376
Operation and Maintenance of Plant	5,703,847	6,612,776	5,980,389	6,574,042
Pupil Transportation	3,008,535	3,648,846	3,296,585	3,919,612
Central	253,416	281,725	298,512	295,527
Food Service Operations	543,327	1,314,097	1,414,479	1,459,746
Operation of Non-Instructional Services	1,353,409	460,734	485,150	408,581
Extracurricular Activities	626,835	648,879	654,996	695,384
Capital Outlay	1,343,445	2,356,466	353,204	2,737,132
Debt Service:				
Principal Retirement	940,000	982,214	1,133,049	1,184,647
Interest and Fiscal Charges	422,208	425,600	408,816	360,493
<i>Total Expenditures</i>	<u>43,491,663</u>	<u>48,865,785</u>	<u>46,856,040</u>	<u>52,142,914</u>
<i>Excess of Revenue Over (Under) Expenditures</i>	<u>(2,229,324)</u>	<u>(2,451,167)</u>	<u>1,188,505</u>	<u>(1,486,156)</u>
Other Financing Sources (Uses):				
Sale of Capital Assets	600	0	0	0
General Obligation Bonds Issued	0	0	0	3,562,114
Loan Issued	606,000	0	0	0
Capital Lease Issued	0	918,117	0	0
Transfers In	314,432	296,873	234,972	116,963
Transfers Out	(290,769)	(296,873)	(234,972)	(116,963)
<i>Total Other Financing Sources (Uses)</i>	<u>630,263</u>	<u>918,117</u>	<u>0</u>	<u>3,562,114</u>
<i>Net Change in Fund Balances</i>	<u>(\$1,599,061)</u>	<u>(\$1,533,050)</u>	<u>\$1,188,505</u>	<u>\$2,075,958</u>
<i>Debt Service as a Percentage of</i>				
<i>Noncapital Expenditures</i>	3.23%	3.03%	3.32%	3.13%

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

2007	2008	2009	2010	2011	2012
\$35,140,155	\$33,001,370	\$28,115,325	\$26,973,653	\$30,111,839	\$28,956,997
14,196,345	16,300,797	20,286,057	22,845,958	22,656,406	20,612,383
1,126,745	891,414	289,072	27,574	27,479	11,272
809,373	767,700	695,664	633,791	616,090	582,866
1,600,541	1,644,257	1,901,550	1,610,786	1,472,019	1,724,635
39,582	46,235	27,107	31,425	23,328	33,300
211,472	196,848	201,572	215,149	235,356	259,838
38,846	33,624	60,689	33,137	27,790	37,781
458,559	546,579	492,000	433,459	371,913	394,204
53,621,618	53,428,824	52,069,036	52,804,932	55,542,220	52,613,276
23,114,104	26,886,187	24,342,434	26,608,416	24,627,785	24,679,082
2,715,900	3,027,291	3,018,391	3,044,855	3,027,990	3,014,361
1,601,990	1,848,397	2,017,649	2,501,589	2,735,415	2,647,904
310,042	235,547	220,840	243,585	85,953	98,729
3,360,610	3,404,060	4,406,969	2,831,149	3,939,104	3,924,347
1,258,900	1,324,697	1,197,973	1,358,705	1,297,089	1,471,701
706,100	790,875	662,858	665,426	628,133	673,193
6,622,764	6,724,407	6,496,796	6,663,901	6,184,358	5,700,942
3,659,119	3,579,251	3,418,883	3,313,997	3,610,092	3,594,296
291,343	322,631	333,187	321,490	329,489	210,786
1,613,500	1,647,393	1,697,381	1,674,162	1,704,502	1,766,973
491,939	434,894	382,279	309,029	355,463	334,491
693,657	737,178	748,612	672,221	735,104	744,770
1,832,344	1,413,163	259,071	78,408	2,306,236	712,729
1,402,204	1,428,306	1,436,113	1,448,248	1,612,105	1,669,411
400,527	406,964	357,686	286,647	221,156	155,354
50,075,043	54,211,241	50,997,122	52,021,828	53,399,974	51,399,069
3,546,575	(782,417)	1,071,914	783,104	2,142,246	1,214,207
0	3,547	0	0	16,250	14,700
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	590,386	0
462,281	162,380	108,712	395,712	391,980	390,230
(462,281)	(162,380)	(108,712)	(395,712)	(391,980)	(390,230)
0	3,547	0	0	606,636	14,700
\$3,546,575	(\$778,870)	\$1,071,914	\$783,104	\$2,748,882	\$1,228,907
3.79%	3.50%	3.54%	3.35%	3.62%	3.61%

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

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

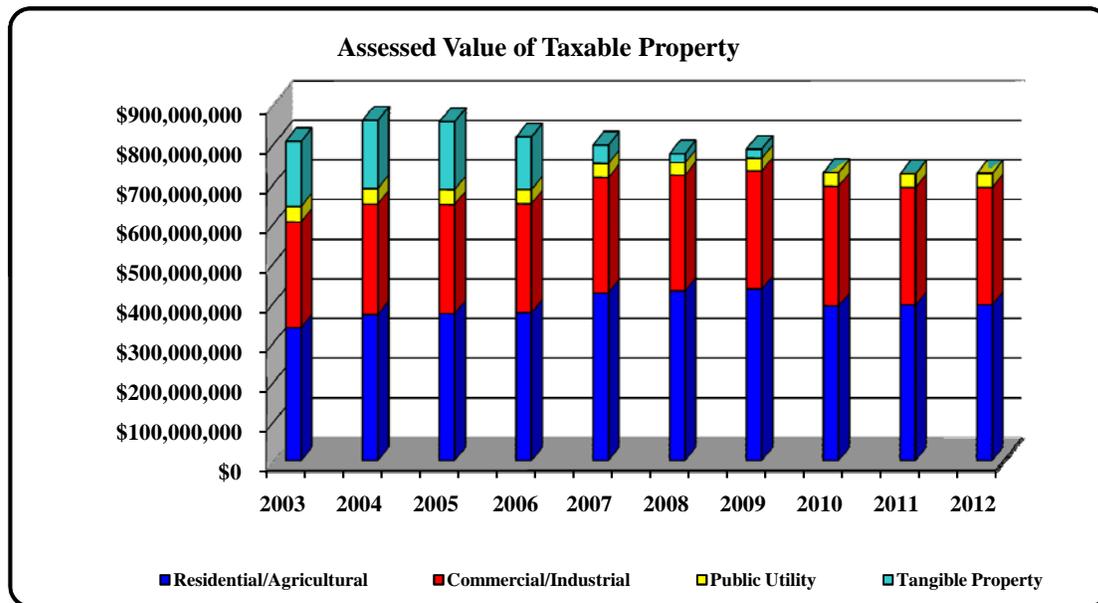
Source: Ohio Department of Taxation

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

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

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

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



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

	2003	2004	2005	2006	2007
Unvoted Millage					
Operating	\$4.620000	\$4.620000	\$4.620000	\$4.620000	\$4.620000
Voted Millage - by levy					
1976 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	7.420200	6.759800	6.758900	6.767100	6.012330
Commercial/Industrial	13.045900	12.855900	12.957500	12.976200	12.387131
Tangible/Public Utility Personal	29.300000	29.300000	29.300000	29.300000	29.300000
1983 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.360300	3.061200	3.060800	3.064500	2.722704
Commercial/Industrial	4.382700	4.318900	4.353000	4.359300	4.161418
Tangible/Public Utility Personal	6.600000	6.600000	6.600000	6.600000	6.600000
1986 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	2.687000	2.447900	2.447500	2.450500	2.177165
Commercial/Industrial	3.484900	3.434100	3.461300	3.466300	3.308895
Tangible/Public Utility Personal	5.000000	5.000000	5.000000	5.000000	5.000000
1988 Bond (\$2,000,000)	0.170000	0.170000	0.170000	0.170000	0.270000
1991 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.151800	2.871300	2.870900	2.874400	2.553800
Commercial/Industrial	3.747500	3.692900	3.722100	3.727500	3.558260
Tangible/Public Utility Personal	5.000000	5.000000	5.000000	5.000000	5.000000
2007 Permanent Improvement					
Effective Millage Rates					
Residential/Agricultural	0.630400	0.574300	0.574200	0.574900	0.510760
Commercial/Industrial	0.749500	0.738600	0.744400	0.745500	0.711652
Tangible/Public Utility Personal	1.000000	1.000000	1.000000	1.000000	1.000000
1992 Bond (\$12,000,000)	1.310000	1.310000	1.310000	1.310000	1.410000
1995 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.625700	3.303100	3.302600	3.306600	2.937780
Commercial/Industrial	4.004800	3.946500	3.977700	3.983400	3.802590
Tangible/Public Utility Personal	4.600000	4.600000	4.600000	4.600000	4.600000
1999 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	4.252100	3.873700	3.873200	3.877845	3.445317
Commercial/Industrial	4.421300	4.356900	4.391300	4.397678	4.197991
Tangible/Public Utility Personal	4.900000	4.900000	4.900000	4.900000	4.900000
2004 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	0.000000	0.000000	4.899309	4.900000	4.353458
Commercial/Industrial	0.000000	0.000000	4.900000	4.900000	4.677554
Tangible/Public Utility Personal	0.000000	0.000000	4.900000	4.900000	4.900000
2010 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	0.000000	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial	0.000000	0.000000	0.000000	0.000000	0.000000
Tangible/Public Utility Personal	0.000000	0.000000	0.000000	0.000000	0.000000
Total Effective Voted Millage by type of property					
Residential/Agricultural	26.607500	24.371300	29.267409	29.295845	26.393314
Commercial/Industrial	35.316600	34.823800	39.987300	40.035878	38.485491
Tangible/Public Utility Personal	57.880000	57.880000	62.780000	62.780000	62.980000

2008	2009	2010	2011	2012
<u>\$4.620000</u>	<u>\$4.620000</u>	<u>\$4.620000</u>	<u>\$4.620000</u>	<u>\$4.620000</u>
6.012653	6.008287	6.689483	6.690040	6.710345
12.323169	12.287716	12.446933	12.472072	12.521677
29.300000	29.300000	29.300000	29.300000	29.300000
2.722849	2.720869	3.029341	3.029591	3.038779
4.139929	4.128016	4.181509	4.189944	4.206609
6.600000	6.600000	6.600000	6.600000	6.600000
2.177285	2.175700	2.422365	2.422565	2.429910
3.291805	3.282335	3.324865	3.331585	3.344830
5.000000	5.000000	5.000000	5.000000	5.000000
0.270000	0.270000	0.270000	0.270000	0.270000
2.553940	2.552085	2.841420	2.841655	2.850270
3.539885	3.529700	3.575435	3.582655	3.596900
5.000000	5.000000	5.000000	5.000000	5.000000
0.510788	0.510417	0.568284	0.568331	0.570054
0.707977	0.705940	0.715087	0.716531	0.719380
1.000000	1.000000	1.000000	1.000000	1.000000
1.410000	1.680000	1.410000	1.410000	0.210000
2.937937	2.935802	3.268645	3.268916	3.278825
3.782952	3.772069	3.820944	3.828663	3.843884
4.600000	4.600000	4.600000	4.600000	4.600000
3.445503	3.442999	3.833344	3.833662	3.845285
4.176309	4.164294	4.218253	4.226769	4.243576
4.900000	4.900000	4.900000	4.900000	4.900000
4.353694	4.350528	4.843758	4.844160	4.858845
4.653397	4.640009	4.700129	4.709615	4.728343
4.900000	4.900000	4.900000	4.900000	4.900000
0.000000	0.000000	4.900000	4.900000	4.900000
0.000000	0.000000	4.900000	4.900000	4.900000
0.000000	0.000000	4.900000	4.900000	4.900000
26.394649	26.646687	34.076640	34.078920	32.962313
38.295423	38.460079	43.563155	43.637834	42.585199
<u>62.980000</u>	<u>63.250000</u>	<u>67.880000</u>	<u>67.880000</u>	<u>66.680000</u>

(continued)

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

	2003	2004	2005	2006	2007
Total Direct Millage by Type of Property					
Residential/Agricultural	\$31.227500	\$28.991300	\$33.887409	\$33.915845	\$31.013314
Commercial/Industrial	39.936600	39.443800	44.607300	44.655878	43.105491
Tangible/Public Utility Personal	<u>62.500000</u>	<u>62.500000</u>	<u>67.400000</u>	<u>67.400000</u>	<u>67.600000</u>
Total Weighted Average Tax Rate	\$41.987170	\$40.606160	\$45.520110	\$44.424590	\$46.954130
Overlapping Rates by Taxing District					
City of Bedford Heights					
Effective Millage Rates					
Residential/Agricultural	13.000000	13.000000	13.000000	13.000000	13.000000
Commercial/Industrial	13.000000	13.000000	13.000000	13.000000	13.000000
Tangible/Public Utility Personal	13.000000	13.000000	13.000000	13.000000	13.000000
City of Bedford					
Effective Millage Rates					
Residential/Agricultural	12.800000	12.800000	12.800000	12.800000	12.800000
Commercial/Industrial	12.800000	12.800000	12.800000	12.800000	12.800000
Tangible/Public Utility Personal	12.800000	12.800000	12.800000	12.800000	12.800000
Cuyahoga County					
Effective Millage Rates					
Residential/Agricultural	14.993200	14.497100	15.312800	16.061300	18.690000
Commercial/Industrial	15.426100	15.794900	16.539400	17.168000	18.760000
Tangible/Public Utility Personal	17.600000	17.850000	18.450000	18.450000	20.200000
Oakwood Village					
Effective Millage Rates					
Residential/Agricultural	3.800000	3.800000	3.800000	3.800000	3.800000
Commercial/Industrial	3.800000	3.800000	3.800000	3.800000	3.800000
Tangible/Public Utility Personal	3.800000	3.800000	3.800000	3.800000	3.800000
Walton Hills Village					
Effective Millage Rates					
Residential/Agricultural	0.300000	0.300000	0.300000	0.300000	0.300000
Commercial/Industrial	0.300000	0.300000	0.300000	0.300000	0.300000
Tangible/Public Utility Personal	0.300000	0.300000	0.300000	0.300000	0.300000

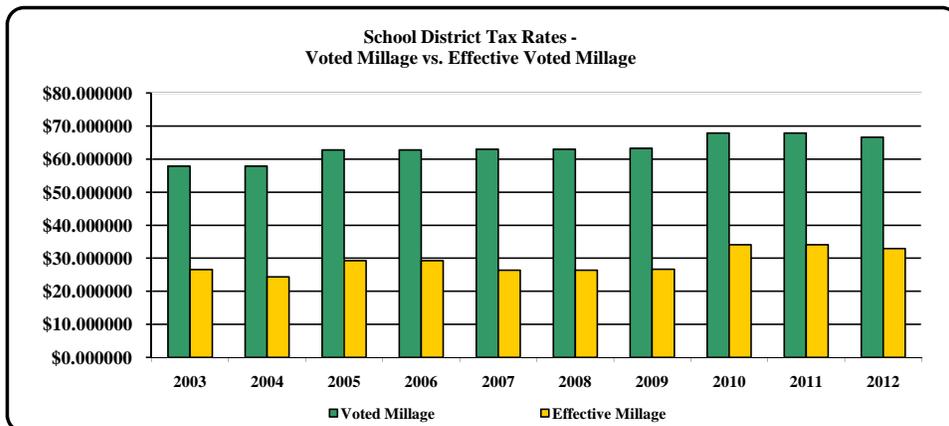
Source: Ohio Department of Taxation

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

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

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

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



2008	2009	2010	2011	2012
\$31.014649	\$31.266687	\$38.696640	38.698920	37.582313
42.915423	43.080079	48.183155	48.257834	47.205199
67.600000	67.870000	72.500000	72.500000	71.300000
\$38.047370	\$38.265890	\$44.222370	\$44.211740	\$43.139370
13.000000	13.000000	13.000000	21.900000	21.900000
13.000000	13.000000	13.000000	21.900000	21.900000
13.000000	13.000000	13.000000	21.900000	21.900000
12.800000	12.800000	21.700000	21.700000	21.700000
12.800000	12.800000	21.700000	21.700000	21.700000
12.800000	12.800000	21.700000	21.700000	21.700000
17.836490	19.320480	20.160000	20.676506	20.622370
18.705333	19.706536	19.740000	20.186219	20.149382
20.200000	20.600000	20.600000	20.900000	20.800000
3.800000	3.800000	3.800000	3.800000	3.800000
3.800000	3.800000	3.800000	3.800000	3.800000
3.800000	3.800000	3.800000	3.800000	3.800000
0.300000	0.300000	0.300000	0.300000	0.300000
0.300000	0.300000	0.300000	0.300000	0.300000
0.300000	0.300000	0.300000	0.300000	0.300000

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

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

Source: Office of the Auditor, Cuyahoga County, Ohio

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) The 2012 information cannot be presented because all collections have not been made by June 30, 2012.
- (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.

Bedford City School District

Principal Taxpayers

Real Estate Tax

2012 and 2003 (1)

Name of Taxpayer	2012	
	Assessed Valuation	Percent of Real Assessed Value
Ben Venue Laboratories, Incorporated	\$8,946,180	1.30
Wal-Mart Stores East	6,610,700	0.96
Bear Creek Properties	6,513,350	0.94
Riser Foods Company	6,317,510	0.92
Ford Motor Company	6,317,500	0.91
Columbus Park Property Ownership	5,962,160	0.86
Bedford Colony Club Apartments	4,571,110	0.66
South Point Towers Limited	4,221,790	0.61
Mayfred Company	3,512,480	0.52
Southgate Towers LLC	3,246,260	0.47
Total	<u>\$56,219,040</u>	<u>8.15%</u>
Total Real Estate Valuation	<u>\$689,630,100</u>	
Name of Taxpayer	2003	
	Assessed Valuation	Percent of Real Assessed Value
Marotta Glazer Realty Company	\$24,339,040	4.04
Fourteen Plus, LLC	13,176,800	2.19
Pick N Pay Supermarkets, Inc.	11,326,000	1.88
Lee G. Siedman Properties	10,505,600	1.74
Ford Motor Company	10,137,960	1.68
Miles Road, LLC	9,973,200	1.66
Bear Creek Investment Company	5,906,440	0.98
FB Properties, LLC	5,678,400	0.94
Riser Foods Company	5,430,600	0.90
Bear Creek Properties Company	4,742,240	0.79
Total	<u>\$101,216,280</u>	<u>16.80%</u>
Total Real Estate Valuation	<u>\$602,594,640</u>	

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) The amounts presented represent the assessed values upon which 2012 and 2003 collections were based.

Bedford City School District

Principal Taxpayers

Public Utilities Tax

2012 and 2003 (1)

Name of Taxpayer	2012	
	Assessed Valuation	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$24,028,920	69.20%
American Transmission System	8,526,170	24.55
The East Ohio Gas Company	1,867,730	5.39
Total	<u>\$34,422,820</u>	<u>99.13%</u>
Total Public Utility Valuation	<u>\$34,725,840</u>	

Name of Taxpayer	2003	
	Assessed Valuation	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$19,455,220	50.16%
American Transmission System	10,075,630	25.98
Ohio Bell Telephone Company	5,071,310	13.07
The East Ohio Gas Company	1,374,250	3.54
Norfolk Southern Combined	934,320	2.41
Total	<u>\$36,910,730</u>	<u>95.16%</u>
Total Public Utility Valuation	<u>\$38,787,420</u>	

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) The amounts presented represent the assessed values upon which 2012 and 2003 collections were based.

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

	2003	2004	2005	2006
Total Assessed Valuation	\$805,335,375	\$858,303,832	\$854,733,064	\$816,579,269
Less Railroad and Telephone Property Valuation	0	0	0	(11,401,681)
Less General Business Tangible Personal Property Valuation	0	0	0	(132,472,759)
Total Assessed Valuation Used to Calculate Legal Debt Margin (1)	805,335,375	858,303,832	854,733,064	672,704,829
Overall Debt Limitation - 9% of Assessed Valuation (2)	72,480,184	77,247,345	76,925,976	60,543,435
Gross Indebtedness Authorized by the School District	10,697,300	9,764,300	8,787,300	11,315,414
Less Exempt Debt:				
Tax Anticipation Note	0	(865,000)	0	0
Energy Conservation	(230,000)	(155,000)	(80,000)	(3,562,114)
Debt within 9.0% limitation	10,467,300	8,744,300	8,707,300	7,753,300
Less Amount Available in Debt Service	(1,521,398)	(1,611,028)	(1,904,007)	(1,752,212)
Net Debt within 9.0% limitation	8,945,902	7,133,272	6,803,293	6,001,088
Legal debt margin within 9.0% limitation	<u>\$63,534,282</u>	<u>\$70,114,073</u>	<u>\$70,122,683</u>	<u>\$54,542,347</u>
Legal Debt Margin as a Percentage of Debt Limit	87.66%	90.77%	91.16%	90.09%
Energy Conservation Debt limitation 0.9% of assessed valuation	7,248,018	7,724,734	7,692,598	6,054,343
Net Debt within 0.9% limitation	(230,000)	(155,000)	(80,000)	(3,562,114)
Energy Conservation Debt Margin	<u>\$7,018,018</u>	<u>\$7,569,734</u>	<u>\$7,612,598</u>	<u>\$2,492,229</u>
Energy Conservation Debt Margin as a Percentage of the Energy Conservation Debt Limit	96.83%	97.99%	98.96%	41.16%
Unvoted Legal Debt Limit - .10% of Assessed Value (2)	\$805,335	\$858,304	\$854,733	\$672,705
Gross Indebtedness Authorized by the School District	230,000	1,020,000	80,000	3,562,114
Less Exempt Debt:				
Tax Anticipation Note	0	(865,000)	0	0
Energy Conservation	(230,000)	(155,000)	(80,000)	(3,562,114)
Legal debt margin within .10% limitation	<u>\$805,335</u>	<u>\$858,304</u>	<u>\$854,733</u>	<u>\$672,705</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 Auditor and School District Financial Records

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

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

2007	2008	2009	2010	2011	2012
\$795,490,777	\$774,251,314	\$785,857,194	\$726,625,040	\$723,595,670	\$724,355,940
(5,624,070)	(21,638,265)	(315,340)	(145,790)	(226,900)	(227,020)
<u>(45,893,227)</u>	<u>(22,946,614)</u>	<u>(22,970,064)</u>	<u>0</u>	<u>0</u>	<u>0</u>
743,973,480	729,666,435	762,571,790	726,479,250	723,368,770	724,128,920
66,957,613	65,669,979	68,631,461	65,383,133	65,103,189	65,171,603
10,067,582	8,677,507	7,346,998	5,946,750	4,450,445	2,962,754
0	0	0	0	0	0
<u>(3,336,282)</u>	<u>(3,155,207)</u>	<u>(2,966,698)</u>	<u>(2,770,450)</u>	<u>(2,566,145)</u>	<u>(2,353,452)</u>
6,731,300	5,522,300	4,380,300	3,176,300	1,884,300	609,302
<u>(1,916,465)</u>	<u>(2,103,486)</u>	<u>(2,154,602)</u>	<u>(2,025,391)</u>	<u>(1,944,665)</u>	<u>(1,307,415)</u>
4,814,835	3,418,814	2,225,698	1,150,909	(60,365)	(698,113)
<u>\$62,142,778</u>	<u>\$62,251,165</u>	<u>\$66,405,763</u>	<u>\$64,232,224</u>	<u>\$65,163,554</u>	<u>\$65,869,716</u>
92.81%	94.79%	96.76%	98.24%	100.09%	101.07%
6,695,761	6,566,998	6,863,146	6,538,313	6,510,319	6,517,160
<u>(3,336,282)</u>	<u>(3,155,207)</u>	<u>(2,966,698)</u>	<u>(2,770,450)</u>	<u>(2,566,145)</u>	<u>(2,353,452)</u>
<u>\$3,359,479</u>	<u>\$3,411,791</u>	<u>\$3,896,448</u>	<u>\$3,767,863</u>	<u>\$3,944,174</u>	<u>\$4,163,708</u>
50.17%	51.95%	56.77%	57.63%	60.58%	63.89%
\$743,973	\$729,666	\$762,572	\$726,479	\$723,369	\$724,129
3,336,282	3,155,207	2,966,698	2,770,450	2,566,145	2,353,452
0	0	0	0	0	0
<u>(3,336,282)</u>	<u>(3,155,207)</u>	<u>(2,966,698)</u>	<u>(2,770,450)</u>	<u>(2,566,145)</u>	<u>(2,353,452)</u>
<u>\$743,973</u>	<u>\$729,666</u>	<u>\$762,572</u>	<u>\$726,479</u>	<u>\$723,369</u>	<u>\$724,129</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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

Fiscal Year	Personal Income (3)	Population (1)(a)	Estimated Actual Value of Taxable Property(2)	General Bonded Debt		
				General Bonded Debt Outstanding	Ratio of Bonded Debt to Estimated Actual Value	Bonded Debt per Capita
2003	\$587,859,891	27,989	\$2,421,588,845	\$10,080,723	0.42	\$360.17
2004	587,859,891	27,989	2,581,580,021	9,278,593	0.36	331.51
2005	587,859,891	27,989	2,572,316,470	8,442,541	0.33	301.64
2006	587,859,891	27,989	2,599,981,726	11,119,864	0.43	397.29
2007	587,859,891	27,989	2,448,152,133	10,031,198	0.41	358.40
2008	587,859,891	27,989	2,460,689,615	8,810,064	0.36	314.77
2009	587,859,891	27,989	2,492,687,746	7,660,171	0.31	273.69
2010	587,859,891	27,989	2,017,740,070	6,452,208	0.32	230.53
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	2,889,752	0.14	109.85

Sources: (1) The population can be found on S30-S31

(a) population is calculated by the following:

- 100% of the City of Bedford
- 100% of the Village of Oakwood
- 100% of the Village of Walton Hills
- 67.76% of the City of Bedford Heights

(2) Office of the Auditor, Cuyahoga County, Ohio

(3) The personal income can be found on S30-S31

(a) personal income is calculated by the following:

- 100% of the City of Bedford
- 100% of the Village of Oakwood
- 100% of the Village of Walton Hills
- 67.76% of the City of Bedford Heights

(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

General Bonded Debt Outstanding	Loans	Capital Leases	Total Debt	Ratio of General Debt to Estimated Actual Value	Ratio of General Debt to Personal Income (3)	General Debt Per Capita
\$10,080,723	\$606,000	\$0	\$10,686,723	0.44	1.82	\$381.82
9,278,593	558,000	868,903	10,705,496	0.41	1.82	382.49
8,442,541	506,000	712,854	9,661,395	0.38	1.64	345.19
11,119,864	452,000	562,207	12,134,071	0.47	2.06	433.53
10,031,198	395,000	407,835	10,834,033	0.44	1.84	387.08
8,810,064	336,000	249,604	9,395,668	0.38	1.60	335.69
7,660,171	274,000	144,000	8,078,171	0.32	1.37	288.62
6,452,208	210,000	96,000	6,758,208	0.33	1.15	241.46
5,161,954	143,000	570,586	5,875,540	0.29	0.97	223.35
2,889,752	73,000	388,868	3,351,620	0.17	0.55	127.40

Bedford City School District
Computation of Direct and Overlapping
Governmental Activities Debt
June 30, 2012

	General Debt Outstanding	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
Bedford City School District			
General Obligation Bonds	\$3,911,235	100.00%	\$3,911,235
Loan	73,000	100.00	73,000
Capital Leases	388,868	100.00	388,868
Total Direct	4,373,103	100.00	4,373,103
Overlapping:			
Cuyahoga County			
General Obligation Bonds	288,861,552	2.43	7,683,717
Revenue Bonds	453,236,354	2.43	12,056,087
Capital Lease Obligations	14,847,331	2.43	394,939
Loans Payable	7,819,583	2.43	208,001
Regional Transit Authority			
General Obligation Bonds	142,080,000	2.43	3,779,328
Capital Lease Obligations	19,365,767	2.43	515,129
City of Bedford			
General Obligation Bonds	11,392,905	37.02	4,227,907
Special Assessment Bonds	240,000	37.02	86,928
OPWC Loans	807,359	37.02	299,611
Capital Lease Obligation	12,915	37.02	4,793
City of Bedford Heights			
General Obligation Bonds	2,736,900	29.23	800,543
OPWC Loans	223,853	29.23	65,477
Capital Lease Obligation	334,996	29.23	97,986
Village of Oakwood			
General Obligation Bonds	2,856,230	16.42	465,851
Total Overlapping	944,815,745		30,686,297
Total	\$949,188,848		\$35,059,400

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2012 collection year.

Bedford City School District

Principal Employers

2012 and 2003

2012

Employer	City	Nature of Business or Activity	Number of Employees
Ben Venue Laboratories	Bedford	Sterile Pharmaceuticals	1,443
University Hospital Health Systems	Bedford	Health Care	1,016
Riser Foods Company	Bedford Heights	Retail Grocery	700
Walmart Associates Inc.	Bedford	Retail	668
Bedford Board of Education	Bedford	Public Education	522
Ford Motor Company	Walton Hills	Motor Vehicle Parts and Accessories	432
U.S. Bank Leader Mortgage	Bedford	Banking Service	381
City of Bedford	Bedford	Municipal Government	342
City of Bedford Heights	Bedford Heights	Municipal Government	238
Cleveland Coca-Cola Bottling Company	Bedford Heights	Retail Grocery	220
New York Frozen Foods Inc.	Bedford Heights	Retail	220
Total			6,182
Total Employment within the School District			n/a

2003

Employer	City	Nature of Business or Activity	Number of Employees
Ford Motor Company	Walton Hills	Motor Vehicle Parts and Accessories	1,400
Ben Venue Laboratories	Bedford	Sterile Pharmaceuticals	859
University Hospital Health Systems	Bedford	Health Care	721
Sysco Foods	Bedford Heights	Wholesale Food Distribution	600
Bedford Board of Education	Bedford	Public Education	568
Target Division of Dayton Hudson	Bedford	Retail	411
First National Supermarkets	Bedford Heights	Retail Grocery	400
City of Bedford	Bedford	Municipal Government	323
Alltell Communications	Bedford	Communications	229
Tops Superstore	Bedford Heights	Retail Grocery	228
Total			5,739
Total Employment within the School District			n/a

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

n/a -Total employment within the School District not available.

Bedford City School District
Demographic and Economic Statistics
Last Ten Years

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

Source 2000 U.S. Census Bureau and 2010 U.S. Census Bureau

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

Bedford City School District

Building Statistics

Last Nine Fiscal Years (1)

	<u>2004</u>	<u>2005</u>	<u>2006</u>
Bedford High School			
Constructed in 1954			
Additions in 1955, 1958, 1971, 1994			
Total Building Square Footage	400,000	400,000	400,000
Media Center Square Footage	18,400	18,400	18,400
Cafeteria and Kitchen Square Footage	12,500	12,500	12,500
Auditorium Square Footage	15,000	15,000	15,000
Gymnasium (3 each) Square Footage	27,000	27,000	27,000
Pool Square Footage	10,000	10,000	10,000
Enrollment Grades 9-12	1,176	1,237	1,306
Student Capacity	1,800	1,800	1,800
Regular Instruction Classrooms	90	92	93
Regular Instruction Teachers	51	55	46
Special Instruction Classrooms	15	13	12
Special Instruction Teachers	15	13	12
Vocational Instruction Classrooms	16	16	16
Vocational Instruction Teachers	9	8	9
Heskett Middle School			
Constructed in 1968			
Total Building Square Footage	105,000	105,000	105,000
Media Center Square Footage	5,040	5,040	5,040
Cafeteria and Kitchen Square Footage	7,400	7,400	7,400
Auditorium Square Footage	4,500	4,500	4,500
Gymnasium Square Footage	8,000	8,000	8,000
Enrollment Grades 7-8	684	666	635
Student Capacity	800	800	800
Regular Instruction Classrooms	37	37	37
Regular Instruction Teachers	35	35	27
Special Instruction Classrooms	12	12	12
Special Instruction Teachers	12	12	12
Aurora Upper Intermediate School (2)			
Constructed in 1952			
Additions in 1955, 1965			
Building not utilized as a school in 2008			
Total Building Square Footage	65,000	65,000	65,000
Media Center Square Footage	1,700	1,700	1,700
Cafeteria and Kitchen Square Footage	3,400	3,400	3,400
Gymnasium Square Footage	2,500	2,500	2,500
Enrollment Grade 6 Only	331	291	308
Student Capacity	460	460	460
Regular Instruction Classrooms	16	18	19
Regular Instruction Teachers	12	13	10
Special Instruction Classrooms	7	5	4
Special Instruction Teachers	7	5	4

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

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

(3) Source of Information - School District Records

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

(continued)

Bedford City School District

Building Statistics (continued)

Last Nine Fiscal Years (1)

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

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

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

(3) Source of Information - School District Records

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

Bedford City School District

Per Pupil Cost

Last Ten Fiscal Years

Fiscal Year	Student Enrollment		General Governmental	
	Average Enrollment	Percentage of Change	Total Expenditures (1)	Per Pupil Cost
2003	3,637	(2.23) %	\$42,129,455	\$11,584
2004	3,912	7.56	47,457,971	12,131
2005	3,680	(5.93)	45,314,175	12,314
2006	3,908	6.20	50,597,774	12,947
2007	3,825	(2.12)	48,272,312	12,620
2008	3,792	(0.86)	52,375,971	13,812
2009	3,735	(1.50)	49,203,323	13,174
2010	3,653	(2.20)	50,286,933	13,766
2011	3,568	(2.33)	51,566,713	14,453
2012	3,529	(1.09)	49,574,304	14,048

(1) Debt Service totals have been excluded.

Source of Information - School District Records

<u>Governmental Activities</u>		<u>Students Receiving Free or Reduced Lunch</u>	<u>Percentage Of Enrollment</u>
<u>Total Expenses</u>	<u>Per Pupil Cost</u>		
\$40,618,687	\$11,168	1,233	33.90%
47,119,876	12,045	1,400	35.79
45,125,477	12,262	1,502	40.82
49,088,059	12,561	1,664	42.58
48,290,799	12,625	1,701	44.47
52,725,363	13,904	1,767	46.60
51,256,160	13,723	2,088	55.90
51,714,154	14,157	2,043	55.93
50,825,758	14,245	2,265	63.48
51,043,602	14,464	2,334	66.14

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

Function/Program	2003	2004	2005	2006
Regular Instruction				
Elementary Classroom Teachers	107	101	107	95
Middle School Classroom Teachers	32	35	35	35
High School Classroom Teachers	57	58	56	60
Aides*	0	0	0	0
Special Instruction				
Preschool Teachers	4	3	2.5	2.5
Elementary Classroom Teachers	22	30	28	27
Gifted Education Teachers	1	1	1	1
Middle School Classroom Teachers	8	9	11	12
High School Classroom Teachers	10	11	12	12
Paraprofessionals/Aides*	0	0	0	0
Vocational Instruction				
High School Classroom Teachers	18	18	14	17
Pupil Support Services				
Guidance Counselors	9	9	9	11
Librarians	2	2	4	2
Psychologists	3	3	3.5	4
Speech & Language Pathologists	4	4	4	4
Data and Technology Coach*	0	0	0	0
Administrators				
Elementary	5	5	5	5
Middle School	3	3	3	3
High School	5	5	5	5
Districtwide	19	17	19	16
Clerical, Technology, Finance*	0	0	0	0
Operation of Plant				
Custodians, Security*	40	40	39	40
Maintenance	8	8	8	8
Pupil Transportation				
Bus Drivers	67	68	60	59
Bus Aides	20	15	18	16
Mechanics	5	5	5	5
Food Service Program*				
Elementary Cooks	12	13	12	11
Middle School Cooks	10	10	10	10
High School Cooks	18	18	18	18
Total Employees	489	491	489	478.5

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

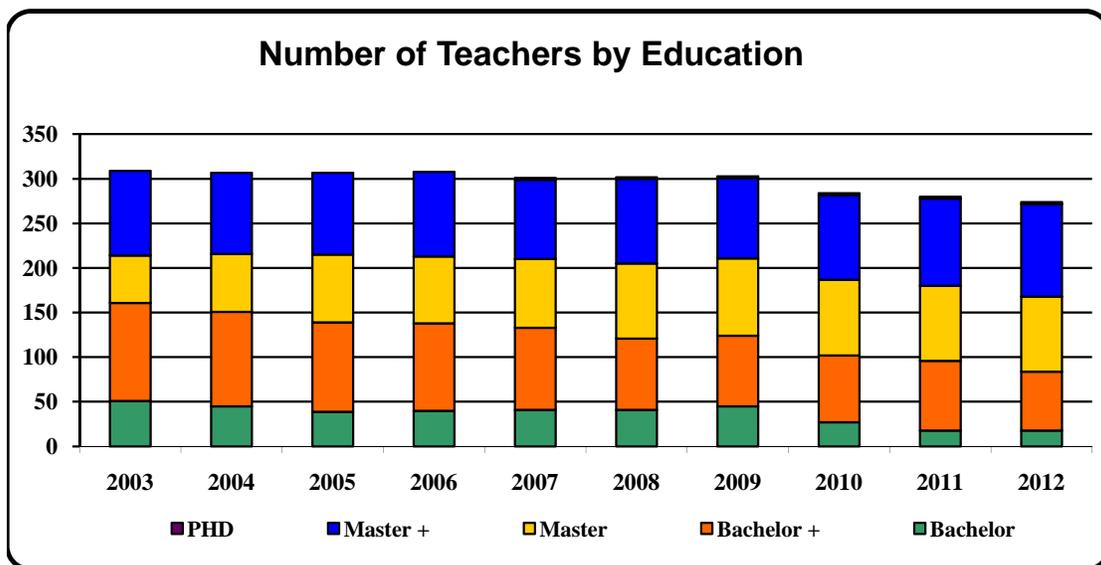
2007	2008	2009	2010	2011	2012
94	88	98	83	90	84
35	36	33	31	30	30
59	58	59	50	47	49
0	0	0	0	0	17
2.5	2.5	2	2	2	2
28	24	24	27	32	31
1	1	1	1	1	1
12	15	15	11	14	12
13	15	15	12	12	13
0	0	0	0	0	20
17	14	14	11	9	7
11	10	10	10	10	10
2	2	2	1	1	6
4	4	4	3	4	4
4	4	4	4	4	3
0	0	0	0	0	5
5	4	4	5	4	4
3	3	3	3	3	3
5	5	5	5	5	5
16	16	16	15	16	16
0	0	0	0	0	40
38	35	34	30	29	38
8	8	8	9	8	8
62	66	65	63	59	60
13	9	9	10	12	12
5	5	5	5	5	5
11	8	8	10	8	12
10	10	10	9	9	10
18	18	18	15	14	15
<u>476.5</u>	<u>460.5</u>	<u>466</u>	<u>425</u>	<u>428</u>	<u>522</u>

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

Degree	2003	2004	2005	2006	2007
Bachelor	51	45	39	40	41
Bachelor Including 150 Hours	67	63	63	59	51
Bachelor Including 180 Hours	43	43	37	39	41
Master	53	65	76	75	77
Master +9	43	40	39	36	36
Master +18	14	13	12	17	15
Master +27	12	13	11	11	13
Master +36	6	6	6	7	5
Master + 45	14	14	16	16	13
Master + 54	6	5	8	8	7
PhD or JD	0	0	0	0	2
Total	309	307	307	308	301

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

Source: School District Records



Source: School District Records

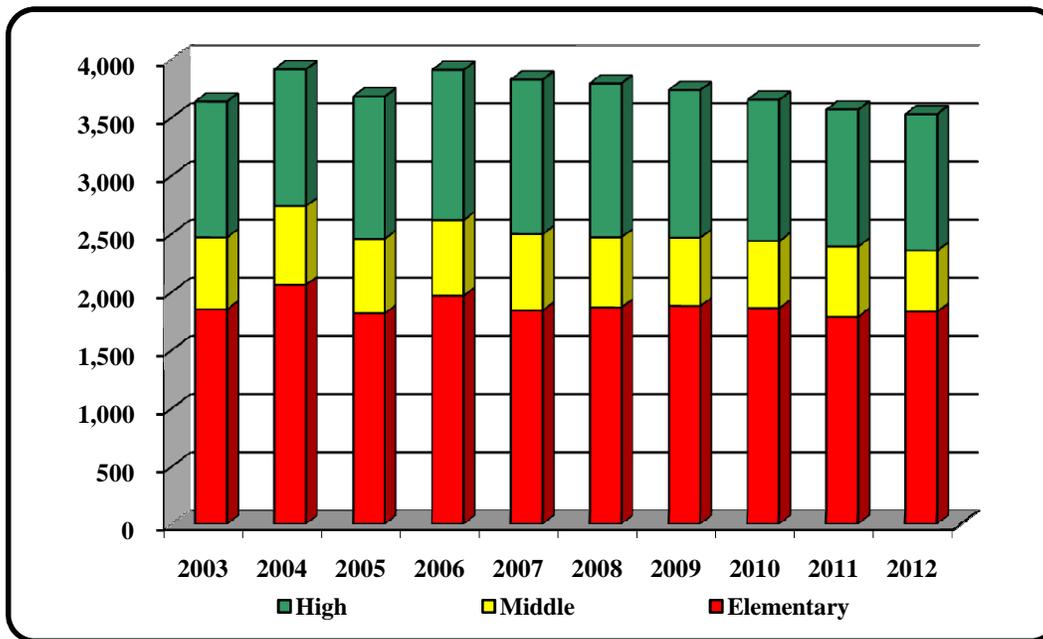
<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
41	45	27	18	19
44	46	48	46	38
36	33	27	32	28
84	87	85	84	84
46	43	38	38	47
13	14	22	23	21
11	10	9	11	11
6	4	4	3	3
13	12	12	13	13
6	7	10	10	8
<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
<u>302</u>	<u>303</u>	<u>284</u>	<u>280</u>	<u>274</u>

Bedford City School District

Enrollment Statistics

Last Ten Fiscal Years

Fiscal Year	Elementary Schools	Middle School	High School	Total
2003	1,851	618	1,168	3,637
2004	2,061	677	1,174	3,912
2005	1,817	640	1,223	3,680
2006	1,969	650	1,289	3,908
2007	1,841	656	1,328	3,825
2008	1,867	603	1,322	3,792
2009	1,880	587	1,268	3,735
2010	1,862	576	1,215	3,653
2011	1,788	603	1,177	3,568
2012	1,831	524	1,174	3,529



Source: Bedford City School Records

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

Fiscal Year	Bedford City School District Attendance Rate	State Average	Bedford City School District Graduation Rate	State Average
2003	94.40%	94.50%	76.50%	83.90
2004	94.90	94.50	78.60	84.30
2005	95.00	94.30	86.20	85.90
2006	95.20	94.10	90.40	86.20
2007	95.00	94.10	86.30	86.10
2008	95.00	94.20	84.60	86.90
2009	95.00	97.30	91.90	84.60
2010	94.70	94.30	87.80	83.00
2011	95.10	94.50	82.90	84.30
2012	95.30	94.50	N/A	84.30

Source: Ohio Department of Education Local Report Cards

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Artwork by: Joanna Money

12th Grade Student

Bedford High School

Art Teacher: Dagmar Clements

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





Dave Yost • Auditor of State

BEDFORD CITY SCHOOL DISTRICT

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 24, 2013**