

Mary Taylor, CPA
Auditor of State

**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

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**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2007**

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed Through Ohio Department of Education:</i>						
Food Distribution	N/A	10.550	\$0	\$104,684	\$0	\$125,196
Nutrition Cluster:						
School Breakfast Program	043562-05PU-2006	10.553	38,732	0	38,732	0
	043562-05PU-2007	10.553	97,548	0	97,548	0
Total School Breakfast Program			136,280	0	136,280	0
National School Lunch Program						
	043562-LLP4-2006	10.555	172,220	0	172,220	0
	043562-LLP4-2007	10.555	372,017	0	372,017	0
	043562-VGS1-2007	10.555	16,955	0	16,955	0
Total National School Lunch Program			561,192	0	561,192	0
Total Nutrition Cluster			697,472	0	697,472	0
Total U.S. Department of Agriculture			697,472	104,684	697,472	125,196
U.S. DEPARTMENT OF EDUCATION						
<i>Passed Through Ohio Department of Education:</i>						
Special Education Cluster:						
Special Education: Grants to States	043562-6BSF-2006	84.027	60,827	0	92,726	0
	043562-6BSF-2007	84.027	865,485	0	873,361	0
Total Special Education Grants to States			926,312	0	966,087	0
Special Education: Preschool Grants						
	043562-PGS1-2006	84.173	1,227	0	0	0
	043562-PGS1-2007	84.173	27,854	0	32,159	0
Total Special Education Preschool Grants			29,081	0	32,159	0
Total Special Education Cluster			955,393	0	998,246	0
Title I Grants to Local Educational Agencies						
	043562-C1S1-2006	84.010	50,780	0	63,027	0
	043562-C1S1-2007	84.010	407,640	0	407,138	0
	043562-C1SD-2006	84.010	17,863	0	17,071	0
	043562-C1SD-2007	84.010	1,981	0	81	0
Total Title I Grants to Local Education Agencies			478,264	0	487,317	0
Vocational Education: Basic Grants to States						
	043562-20C1-2006	84.048	41,522	0	57,259	0
	043562-20C1-2007	84.048	78,024	0	78,734	0
Total Vocation Education: Basic Grants to States			119,546	0	135,993	0
Safe and Drug-Free Schools and Communities State Grants						
	043562-DRS1-2006	84.186	0	0	1,193	0
	043562-DRS1-2007	84.186	15,589	0	18,114	0
Total Safe and Drug-Free Schools and Communities State Grants			15,589	0	19,307	0
Innovative Education Program Strategies						
	043562-C2S1-2006	84.298	685	0	190	0
	043562-C2S1-2007	84.298	9,604	0	10,336	0
Total Innovative Education Program Strategies			10,289	0	10,526	0
Education Technology State Grants						
	043562-TJS1-2006	84.318	7,500	0	7,226	0
	043562-TJS1-2007	84.318	3,139	0	4,359	0
Total Education Technology State Grants			10,639	0	11,585	0
Comprehensive School Reform Demonstration						
	043562-RFCC-2006	84.332	86,867	0	75,553	0
	043562-RFCC-2007	84.332	46,300	0	42,623	0
Total Comprehensive School Reform Demonstration			133,167	0	118,176	0
English Language Acquisition Grants						
	043562-T3S1-2007	84.365	3,677	0	3,677	0
Improving Teacher Quality State Grants						
	043562-TRS1-2006	84.367	13,825	0	15,026	0
	043562-TRS1-2007	84.367	112,031	0	110,242	0
Total Improving Teacher Quality State Grants			125,856	0	125,268	0
Total U.S. Department of Education			1,852,420	0	1,910,095	0
Total Federal Awards Receipts and Expenditures			\$2,549,892	\$104,684	\$2,607,567	\$125,196

The accompanying notes to this schedule are an integral part of this schedule.

**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2007**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of federal awards receipts and expenditures is a summary of the activity of the District's federal awards programs. The schedule has been prepared on the cash basis of accounting.

NOTE B - FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed.

NOTE C - NATIONAL SCHOOL LUNCH AND BREAKFAST PROGRAMS

Federal monies received by the District for these programs are commingled with State grants and local revenues. It is assumed that federal monies are expended first.

CFDA - Catalog of Federal Domestic Assistance



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Bedford City School District
Cuyahoga County
475 Northfield Road
Bedford, Ohio 44146

To the Board of Education:

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, (the District) as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 12, 2007. 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 the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more than inconsequential financial statement misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

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

Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect 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 an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note a certain noncompliance or other matter that we reported to the District's management in a separate letter dated December 12, 2007.

We intend this report solely for the information and use of the audit committee, management, the Board of Education, and federal awarding agencies and pass-through entities. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

December 12, 2007



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Bedford City School District
Cuyahoga County
475 Northfield Road
Bedford, Ohio 44146

To the Board of Education:

Compliance

We have audited the compliance of the Bedford City School District, Cuyahoga County, Ohio, (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended June 30, 2007. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District'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 reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the Bedford City School District, Cuyahoga County, Ohio, complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2007

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that the District's internal control will not prevent or detect more than inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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 Federal Awards Receipts and Expenditures Schedule

We have also 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, 2007, and have issued our report thereon dated December 12, 2007. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of federal awards receipts and expenditures provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

We intend this report solely for the information and use of the audit committee, management, the Board of Education, federal awarding agencies and pass-through entities. It is not intended for anyone other than these specified parties.



Mary Taylor, CPA
Auditor of State

December 12, 2007

**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2007**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Program(list):	CFDA # 84.027 & # 84.173 – Special Education Cluster & CFDA # 84.010 Title I
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

**BEDFORD CITY SCHOOL DISTRICT
CUYAHOGA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
JUNE 30, 2007
(Continued)**

**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

Bedford, Ohio

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2007

Prepared by:

Janet M. Pavlic, CPA
Treasurer

Donald E. Houghton, Jr.
Assistant Treasurer

Bedford City School District
Comprehensive Annual Financial Report
For the Year Ended June 30, 2007

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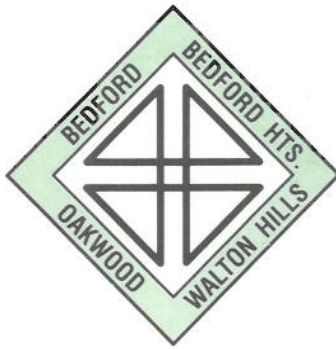
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BEDFORD CITY SCHOOL DISTRICT

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

December 12, 2007

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, 2007. This CAFR conforms to generally accepted accounting principles as applicable to governmental entities, and enables the School District to comply with the legal requirement to file an annual report with the Auditor of State within 150 days of the 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.

State statutes require the School District to be subjected to an annual examination by an independent auditor or the State Auditor's Office. For the fiscal year 2007, the School District was audited by the Auditor of State's Office. Their unqualified opinion is included in the financial section of this CAFR.

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 District's geographical area encompasses approximately 25 square miles.

Formed as Township 6 in Range 11 of the Western Reserve of Ohio in 1823, Bedford Township consisted of what today is known as the five communities of Bedford, Bedford Heights, Oakwood, Walton Hills and Maple Heights. In 1837, the Village of Bedford was formed from the center of the Township and for the next 70-plus years, the two communities – Village of Bedford and Bedford Township – coexisted. In 1915, residents of the northwest corner of Bedford Township formed a separate municipality, to be called the Village of Maple Heights, with its own separate school district. In 1951, Bedford Township as a government ceased to exist when the Villages of Bedford Heights, Oakwood and Walton Hills were formed from the remaining areas. Today, the School District serves as a common bond, linking the four communities of Bedford, Bedford Heights, Oakwood and Walton Hills.

Bedford City School District is one of the 614 school districts in the State of Ohio and one of 33 in Cuyahoga County. The School District provided, as of June 30, 2007, education to 3,825 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 Rating Program, the Lakeshore Northeast Ohio Computer Association and the Ohio Schools Council Association. These organizations are presented in Notes 15 and 18 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 \$882,070,309 is divided among the four municipalities making up the School District in the following manner: Bedford 36 percent, Bedford Heights 30 percent, Oakwood Village 15 percent and Walton Hills 19 percent. Approximately 48 percent of the tax base is residential real property, 15 percent is personal tangible property, 4 percent is public utility tangible property and 33 percent is commercial/industrial property. Each of the four municipalities actively encourages the maintenance and growth of the tax base.

The City of Bedford administration continues to be involved with the Bedford Community Development Corporation a 501C (3) organization dedicated to the renovation and expansion of its Historic Downtown Business District and at the same time helping to promote future growth and development of the entire City's industrial areas. The City of Bedford has on hand an Economic Development Director to promote economic and community development throughout the City of Bedford.

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

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

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 is the 9th largest pharmaceutical company in the world having more than 36,000 employees with locations on every continent. Under Boehringer Ingelheim's ownership, Ben Venue has many options as to where to manufacture and distribute Ben Venue's products. Boehringer Ingelheim has many highly automated manufacturing facilities located in Columbus, Ohio (Roxanne Laboratories), Mexico City, Mexico and Barcelona, Spain. On August 17, 2001 Ben Venue Laboratories was approved by the City for abatement in the Community Reinvestment area regarding Real Estate development and applied for a tax exemption on recovered property through the City's Enterprise Zone program. Ben Venue Laboratories expanded its facilities by 165,000 square feet for manufacturing operations of pharmaceutical products. Ben Venue has a long-standing reputation as the premier contract manufacturer of injectable pharmaceuticals. Ben Venue has the number one market position in this core business and has the largest capacity for manufacturing lyophilized (freeze-dried) and vacuum-dried injectable drugs in the United States. Since 1995, Ben Venue obtained over 126 Abbreviated New Drug Applications ("ANDA") approvals for injectable drugs from the FDA, more than any other firm, and has become a major player in the injectable pharmaceutical industry. Ben Venue wishes to continue to work with the City of Bedford, Cuyahoga County and the State of Ohio in adding value to the Community. Over the last several years Ben Venue continued to expand its operations within Bedford, increasing both property and payroll.

The Ganley Real Estate Company expects to finish constructing a new building; approximately 34,000 square feet (\$2.04 million), to expand its Volkswagen operations in 2007. The company intends to purchase \$925,000 in new machinery and equipment, \$75,000 in furniture and fixtures and \$4,000,000 in new inventory. The total investment shall not be less than \$6 million. Equipment transferred from another location will total \$600,000. The Company is expected to create 50 new jobs and retain the 42 jobs already existing in Ohio for an additional payroll of \$1.9 million.

The University Hospitals Health Systems, Bedford Community Hospital over the past 3 years and with future plans will have invested \$12.5 million in improvements. These improvements include an MRI expansion with new equipment valued at \$1.9 million, ED expansion (\$1.0 million), CT acquisition (\$3.2 million), lobby renovation (\$200,000), as well as another \$500,000 in capital allocations. The Hospital administration, based upon compiled demographics of the immediate area and future needs, has created a fourth floor, Cardiovascular Unit which finished construction of these improvements in 2006 at a cost of \$5.7 million.

The Ganley Real Estate Co. expects to finish constructing a new approximately 4,800 square foot building to expand its Suzuki operations. The company intends to invest \$3.84 million in buildings, new machinery and equipment, furniture and fixtures. Inventory will also be added. The Company is expected to create 30 new jobs and create an additional payroll of \$1.4 million. The City utilized its Jobs creation program in lieu of abatement affecting the School District as an incentive to do business in the City. The City will grant 6 years of non-tax dollars based upon the payroll amount and income taxes paid reported at year-end.

The Ganley Real Estate Co. expects to finish constructing in 2007, a new approximately 8,100 square foot building to expand its Subaru operations. The company intends to invest \$6.48 million in buildings and service center, new machinery and equipment, furniture and fixtures. Inventory will also be added. The Company is expected to create 35 new jobs and create an additional payroll of \$1.6 million. The City utilized its Jobs Creation program in lieu of abatement affecting the School District as an incentive to do business in the city. The City will grant 6 years of non-tax dollars based upon the payroll amount and income taxes paid reported at year-end.

Masserati of Cleveland/Bedford Collision Center, in 2005 completed a new expansion spending \$1,500,000 - \$1,750,000 in total investment in a new facility. With this investment they created 24 new jobs and create a payroll of \$602,500. The City utilized its Jobs creation program in lieu of abatement affecting the School District as an incentive to do business in the City. The Business will be replaced by a used Mercedes dealership in 2007. The number of jobs is expected to remain intact.

Other successful development projects include the following:

- The Uptown Bedford Retail Strip was constructed on Broadway Avenue and had full occupancy at the end of 2006.
- The Thomas Homes – The Bentbrook Development has started construction at the end of 2006 and is expected to create a taxable real estate investment estimated to be \$8,910,000 after all homes are constructed. The number of units is expected to be 50.
- The Ryser Properties homes at Bedford Falls are expected to create a taxable real estate investment estimated to be \$9,805,000. The number of units is expected to be 53.
- The Walgreens drugstore has completed construction at a cost of \$4,000,000. This project is expected to retain 15 jobs at a payroll of \$244,800.

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

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

In 2006, the City's economic conditions have improved along with the regional economies of Northeast Ohio. Sales for the steel distribution cluster consisting of Olympic Steel, Majestic Steel USA, and EMJ Steel have increased to higher levels comparable to fiscal years 2004 and 2005.

Doan Pyramid, LLC, an existing Bedford Heights company since the 1990s added a new business called Doan Pyramid Solutions (DPS). DPS offers energy management systems to profit, non-profit and public entities. The City offered a small incentive through the Job Creation Tax Grant Program to encourage that the company located DPS in the community. DPS will employ an additional 23 people with an approximate \$1,000,000 payroll. The incentive also required Doan Pyramid to maintain their employee base of 571 full and part time employees.

Cardinal Fastener & Specialty, Inc., a long-standing Bedford Heights company merged their Rhode Island facility with their Richmond Road facility. Cardinal's customer base is approximately 50 percent military contracts and the balance is high end for profit companies; therefore, quality is a high priority. The City, working with the Ohio Industrial Training Program obtained funds to train their existing and relocated workforce. The state training funds encouraged Cardinal to retain their existing 30 jobs (\$2,250,000 payroll), immediately create 15 jobs (\$350,000 payroll) and potentially could add an additional 27 jobs (\$700,000 payroll).

Kool-Aire, dba – Bessamaire an existing Bedford Heights company, including real estate, was purchased by Hunter J. Banbury and William Sullivan. The new owners have family ties in Denver and the East Coast. They strongly considered relocating the company and using the building for distribution. With help from Cuyahoga County's Revolving Loan Fund and the State of Ohio's Job Creation Tax Credit Program, the owners decided to keep the company in Bedford Heights. At the time of the purchase, the company employed 15 people and was on track to hire 25 more employees for an annual payroll of \$1,500,000.

Erico Inc., a Solon based business expanded into a facility on Fargo Road. The facility was vacant for 4 years prior to the relocation. This project brought in 45 new jobs with an approximate annual payroll of \$1,800,000.

Tavens Container consolidated their Cleveland and Garfield Heights facilities and relocated them to the former Weyerhaeuser facility on Aurora Road. Tavens is seeking financing through the Cuyahoga County MADE program to purchase additional equipment. The project resulted in 44 new employees (\$1,700,000 payroll) to Bedford Heights with an additional 10 to be hired within 2 years.

Giant Eagle/Seaway Foods, one of our largest employers hired an additional 125+ employees upon the closure of Tops Grocery. Giant Eagle presently employs 875 people at their Richmond Road facility. The City continually works with them to make it easier to conduct business. For example, Giant Eagle requested a stop light to be installed at the intersection of Richmond and Hist Roads. Through a public-private agreement, the City, Giant Eagle and Olympic Steel equally contributed to the installation of a stop light. The light enables semi-trucks and employee vehicles to turn on Richmond Road in a safer manner.

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.

The Village of Oakwood's Geis Companies of Streetsboro, through Broad Oak Development began its investment of approximately \$12,500,000 in the Village in the development of a business park on a 27 acre site on Broadway Avenue. Phase I of a three year project commenced in early spring of 2003. Upon completion, these attractive, high-bay, multi-tenant buildings will offer 325,000 square feet of desirable lease space.

The Village of Oakwood is also home to the King Group who is developing Access Point at First Place. It is a mini-life science park with eight companies specializing in the fields of biomedical engineering, prescription medicine, medical equipment and life science research. It is comprised of six attractive one-story flex buildings totaling approximately 165,000 rentable square feet. The park currently has a 90 percent occupancy rate.

Oakwood Office Glen is located on Forbes Road. The plan calls for 4 two-story 14,000 square foot buildings designed by the Howe Group. The first of four buildings has a shared occupancy with Howe Group, Chagrin Valley Engineering and Open Systems of Cleveland. Its high aesthetic appeal offers users feelings of connection with the earth and reinforces the thought that “the places where we spend our time affect the people we are and can become”.

The Village of Oakwood is to be the future home of Tartabini Office Park. Magnificent landscaping will provide a campus-like setting for this office park. The site adjoins the five mile fitness trail network which has been recognized nationally. The Oakwood Community Park, Mt. Zion of Oakwood Village, delicatessens and eateries, daycare facilities, the Holiday Inn Express, Roseland Bowling Lanes and Turle’s Gymnastic Center are all easily accessible from this site. The Village is open to discussion in connection with offering aggressive and creative tax incentives to high end companies, lowering overall occupancy cost.

School District General Information

As of October 2006, 3,825 students were enrolled in the School District’s seven schools (two primary, two intermediate schools, one sixth-grade school, one middle school, and one high school). As of June 30, 2007, the School District employed 301 professional staff members and 281 non-teaching and support staff employees. The 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.

Instructional Program

Bedford Schools offer a wide range of programs and services to meet the interests and skill levels of students of all ages. Helping children build the strong foundation for the learning process is a major focus in the primary grades where teachers help children master basic skills. Intermediate school educators work to broaden educational opportunities to help children reach their maximum potential. The middle school experience provides expanded opportunities for math, computer science, foreign language, art, family and consumer science, and industrial arts. Students may earn high school credit by taking French, German, or Spanish I, and Algebra I in the 7th or 8th grade.

Bedford High School is fully accredited by the North Central Association of Colleges and Schools. The curriculum offers more than 200 courses to meet a wide range of students’ needs. These include Honors and Advanced Placement, college preparatory, modified, foreign language, music, and fine and cultural arts courses. An on-site Career and Technology Education program includes traditional vocational trades as well as Tech-Prep programs to prepare students for technology-based careers. Career and Technology Education courses include Biotechnology, Health Sciences/Pre-nursing, Computerized Accounting, Microsoft Office®, Automotive Technology, Quick-Serve Automotive Care, CISCO Network Academy, Community Job Skills, Cosmetology, Home Improvement and Maintenance, Graphic Communications, and Family and Consumer Science. Tech-Prep students can earn credits toward an Associate’s Degree at Cuyahoga Community College. The credits may later transfer to a four-year college. Students may also choose from five work-study programs: Cooperative Business Education, Occupational Work Experience, Occupational Work Adjustment, Diversified Cooperative Training, and Marketing Education. More than 70 extra-curricular programs and activities are offered.

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

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

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

Academic Program Highlights

The Bedford School District's academic program includes the following highlights from the 2006-2007 school year:

- The Bedford District retained its "Continuous Improvement" rating on the Ohio Report Card, as did all of its schools. The School District's Performance Index was 85.0. The Performance Index is a composite measure of the level of performance of every student in all tested subjects. Two schools in the Bedford District – Carylwood Intermediate and Glendale Primary -- met the federal designation for Adequate Yearly Progress (AYP). AYP is a measure of yearly progress toward reaching State academic standards.
- Approximately 89 percent of the Class of 2007 made plans to pursue higher education. Another 4 percent entered the workforce, while 3 percent entered the military and 4 percent were undecided. The Class also earned \$2,035,000 in academic and athletic scholarships.
- Eighty-six Bedford graduates contributed 30 or more hours of community service during their high school years, and earned a burgundy honor cord, which they proudly wore at graduation. All totaled, the Class of 2007 accumulated a total of 8,790 hours in volunteer hours.
- In the area of technology, Bedford High School acquired new computers and equipment, including several Smart Boards. The boards, which replace conventional blackboard and dry-erase boards, enable information to be moved, rotated, and manipulated on the screen as opposed to erasing and rewriting information. They have been particularly advantageous for teaching subjects such as geometry. New Dell computers were also installed in the business education lab for students enrolled in the Financial Management and Microsoft Office © programs. Peachtree software, an industry standard in the field of accounting and finance, also was installed, enabling students to use the most up-to-date business technology available today.
- A Glendale School, first grade "playwright" was named a winner in the 29th Annual Marilyn Bianchi Kids' playwriting festival. His play, "How the Monkeys Saved the Jungle" was produced during a benefit performance in June at Cain Park's Alma Theatre.
- During the 2006-2007 school year, students at Heskett Middle School began participating in double math periods. The daily 85-minute-long sessions are designed to help students strengthen their math skills in preparation for the Ohio Graduation Test. Students must pass the test in order to earn a high school diploma.
- A Glendale School kindergartner took 2nd place in the Kindergarten Division in the annual Ohio Martin Luther King, Jr. Oratorical Contest. Participants included students from throughout the State of Ohio.
- A team of Aurora gifted students took first place at the Equations competition, a complex math contest involving gifted and talented students from nine area schools.
- Heskett School's 7th grade gifted and talented students began taking Algebra I during the 2006-2007 school year. These students will have the option to take geometry as 8th graders in the 2007-2008 school year. Both courses enable students to earn high school credit while in middle school.

- A Heskett Middle School 8th grader qualified to compete in the State Power of the Pen creative writing competition. This is the second time that she advanced from School District and regional competitions to participate in the contest at the State level.
- Three students took top honors in the 27th Annual Scholastic Art Awards competition in February, 2007 at the Cleveland Institute of Art. A Heskett 8th grader, won a Silver Key Award (2nd place) for his mixed-media entry entitled “Self Portrait.” Two BHS seniors also earned honorable mention.
- BHS Science Department was awarded a \$22,800 grant from the Martha Holden Jennings Foundation. The funds will be used to provide high school science classes with instructional technology in the form of Probeware and Smart Boards.
- A Columbus Intermediate School Fourth-grader received the R.A. Horn Outstanding Achievement award. This State-level recognition honors extraordinary achievements by students with special challenges. The award was for excelling in math. Another Columbus third grader won an Outstanding Student Achievement Award from the Cuyahoga Special Education Service Center.
- Two Heskett eighth graders were honored at the Rock-n-Roll Hall of Fame in June for their award-winning posters promoting seat belt safety. One won 1st place while the other won 3rd place in the “Pause to Click” seat belt program sponsored by University Hospitals.
- Plans were finalized to enable Bedford High School students to earn college credit during the school day without ever having to leave the building. Beginning with the 2007-2008 school year, an arrangement with Lorain County Community College will make it possible for students to take college-level English and Spanish as part of the Ohio Post-secondary enrollment option. This State-funded program allows Ohio students to earn college credit while in high school, earning dual credit for the courses they take.
- A Central student received a \$500 award from the Dr. Martin Luther King, Jr. Holiday Scholarship Committee of Cleveland. He was named a winner in the Happy Birthday Dr. King Contest.

Other achievements

- The School District was presented with an Achievement Award from the Greater Cleveland Safety Council. The award recognized the School District’s effort to reduce its accident rate by 25 percent or more over the previous year.
- Bedford High School’s sports teams brought home four league championships during the 2006-2007 school year: soccer, wrestling, girls’ basketball, and boys’ basketball. The boys’ soccer championship was the first in the history of the team, while the wrestling team’s championship was the first since 1956. Bedford is a member of the Lake Erie League, Erie Division.
- The Board of Education continuously reviews and updates School District policies. During the 2006-2007 school year a revision to the athletic eligibility and participation in extra-curricular activities policy went into effect. Students were required to produce a 1.75 grade point average (up from a 1.50 grade point average the previous year) in order to participate in activities. The grade point average will jump to 2.0 in the in the 2007-2008 school year. The Board of Education also updated its policy with regard to public records and the distribution and use of cellular telephones and pagers by employees.

Long-term Planning

The Bedford District has been engaged in a formalized strategic planning process since 1990. Following the completion of several recommendations, the existing strategic plan was “retired” and a new plan was adopted in 2003. This plan, which is currently in place, contains eight strategies plus one strategy that was carried over from the previous plan. These strategies are:

1. We will develop and implement an individual instructional plan for every student to address his or her strengths and developmental needs.
2. We will develop and implement a program to establish the Bedford City School District as the local and national leader in promoting, maintaining, and utilizing our multi-cultural advantage.
3. We will develop and implement a plan to enhance academic achievement and maintain diversity through the optimum configuration of our grade levels and facilities.
4. We will develop and implement a comprehensive program to dramatically increase parental involvement at school and home across the Bedford City School District.
5. We will develop and implement a plan that provides on-going support for the emotional needs of the students and staff.
6. We will develop and implement a comprehensive preK-post secondary measurement program to evaluate and improve our educational process and programs.
7. We will develop and implement a comprehensive program to provide and require the use of state-of-the-art, accessible technology for all students, parents/guardians, and staff.
8. We will implement and expand on-going staff development that maximizes opportunities for all personnel to grow professionally.
9. (Carryover recommendation from previous Strategic Plan) We will develop and implement a comprehensive improvement and maintenance plan for our buildings and their utilization, resulting in up-to-date technological facilities from a learning and physical resource perspective.

During the 2006-2007 school year, elements in the new plan were addressed. For example:

- (Strategy #2). The Bedford District held a Multicultural Fair in May 2007 to celebrate the School District’s diversity and expose children to cultures that are not present in the School District but are important for them to learn as they prepare to live and work in our global society. Among the participants were Native American, West African, Chinese, Hispanic, and American Swing dancers, a Scottish bagpipe player, and performers representing each of the School District’s schools.
- (Strategy #3). Plans were set in place to close Aurora Upper Intermediate School, which served the School District’s sixth graders. Grade levels were reconfigured for the remaining four elementary schools. The two primary buildings were transformed from preschool through grade two to preschool through grade three. The two intermediate buildings were changed from grades three through five to grades four through six. This reconfiguration reduced the number of building transitions of students who attend the Bedford Schools thereby improving continuity in the educational process. At the same time, the closing enabled the School District to save about \$500,000 annually as part of an overall effort to reduce spending and stretch taxpayer dollars as far as possible between operating levies.

- (Strategy #4). The School District implemented ProgressBook™ an on-line grading system that enables parents to monitor their children’s progress in school. By providing information on tests, quizzes, projects, attendance, homework, and other information, parents can stay current with what’s happening in the classroom on a daily basis.
- (Strategy #5). The School District continued its relationship with Beachbrook counseling services to assist children whose home situation impacts upon their ability to stay focused in school. Trained counselors work with children and their families to help them develop coping skills and/or find solutions to problems that make it possible for children to better focus their energies on academic achievement.
- (Strategy #6). Bedford Schools expanded use of the Measure of Academic Progress (MAP) assessment program to monitor students’ progress in math and reading during the school year. These assessments were combined with other data to assist teachers in planning lessons and developing curriculum to meet individual student’s needs.
- (Strategy #8). Several staff development activities took place during the school year. Workshops focusing on Formula Writing, Reading Fluency, Professional Learning Communities, and Cultural Diversity were aimed at improving student achievement among students with diverse needs and backgrounds.
- (Strategy #7). The use of technology was expanded with the purchase of computer labs and equipment at the high school, including state-of-the-art SmartBoards, software, and terminals featuring the latest software used by the business world. In doing so, the School District helped students to prepare to live and work in a highly technological world.
- (Strategy #8). Plans were finalized and construction began on site improvements at Glendale Primary School. Improvements included a new playground, expansion of the visitor parking area, construction of a separate roadway for buses, erection of a shed/pavilion for the Glendale garden, and the addition of canopies at both entrances to provide protection from inclement weather. The project, which cost about \$1.3 million, was paid with funds from a 1.0 mill permanent improvement renewal levy.

The Board of Education and the Cabinet hold a financial retreat annually to review the current financial status of the School District and develop plans for achieving both short and long term financial goals. The School District also convenes a meeting of the Financial Professional Review Committee comprised of members of the finance community with the expertise to review current strategies.

Employees

As of June 30, 2007, the School District had 582 employees. A statewide public employee collective bargaining law applies generally to public employee relations and collective bargaining.

As of June 30, 2007, 301 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 58 percent or 178 held advanced degrees. The 2006-2007 starting salary for a teacher with a bachelor’s degree was \$34,839; the maximum teacher salary (for a teacher with a master’s degree plus 45 semester hours and 18 years’ experience) was \$72,590. The average current base salary of a School District teacher for 2006-2007 was \$54,204, compared to a State average of (Fiscal Year 2007) \$53,536.

All of the School District’s teachers and educational specialists (excluding 22 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, 2007 and will be in effect through June 30, 2008.

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 10 administrators and 3 confidential secretaries and the EMIS Coordinator. A new contract was negotiated and will expire on December 31, 2007. There have been no work stoppages in the last 15 years. In the judgment of the Board of Education, labor relations with all of its employees are excellent.

Awards

The Governmental Finance Officers Association ("GFOA") of the United States and Canada awarded the Bedford City School District a Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report ("CAFR") for the fiscal year ended June 30, 2006.

This was the tenth consecutive year that the School District has achieved the prestigious Certificate of Achievement. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both accounting principles generally accepted 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 Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

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 2007 CAFR. The 2007 CAFR is also the work of Assistant Treasurer, Donald E. Houghton, Jr., whose name appears on the title page.

Layout and production of the 2007 CAFR, as they have been since 1997, are credited to Mrs. Margaret Bierman, Communications Coordinator.

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

Respectfully submitted,



Janet M. Pavlic, CPA
Treasurer/CFO



Martha A. Motsco, Esq.
Superintendent of Schools

**Bedford City School District
Principal Officials
June 30, 2007**

Board of Education

Mrs. Debora J. Kozak	President
Mrs. Barbara A. Patterson	Vice President
Mr. Joseph V. Mestnik	Member
Mr. Andrew C.M. Mizensak, M.A.P.	Member
Mr. Tim Tench	Member

Treasurer

Mrs. Janet M. Pavlic, CPA

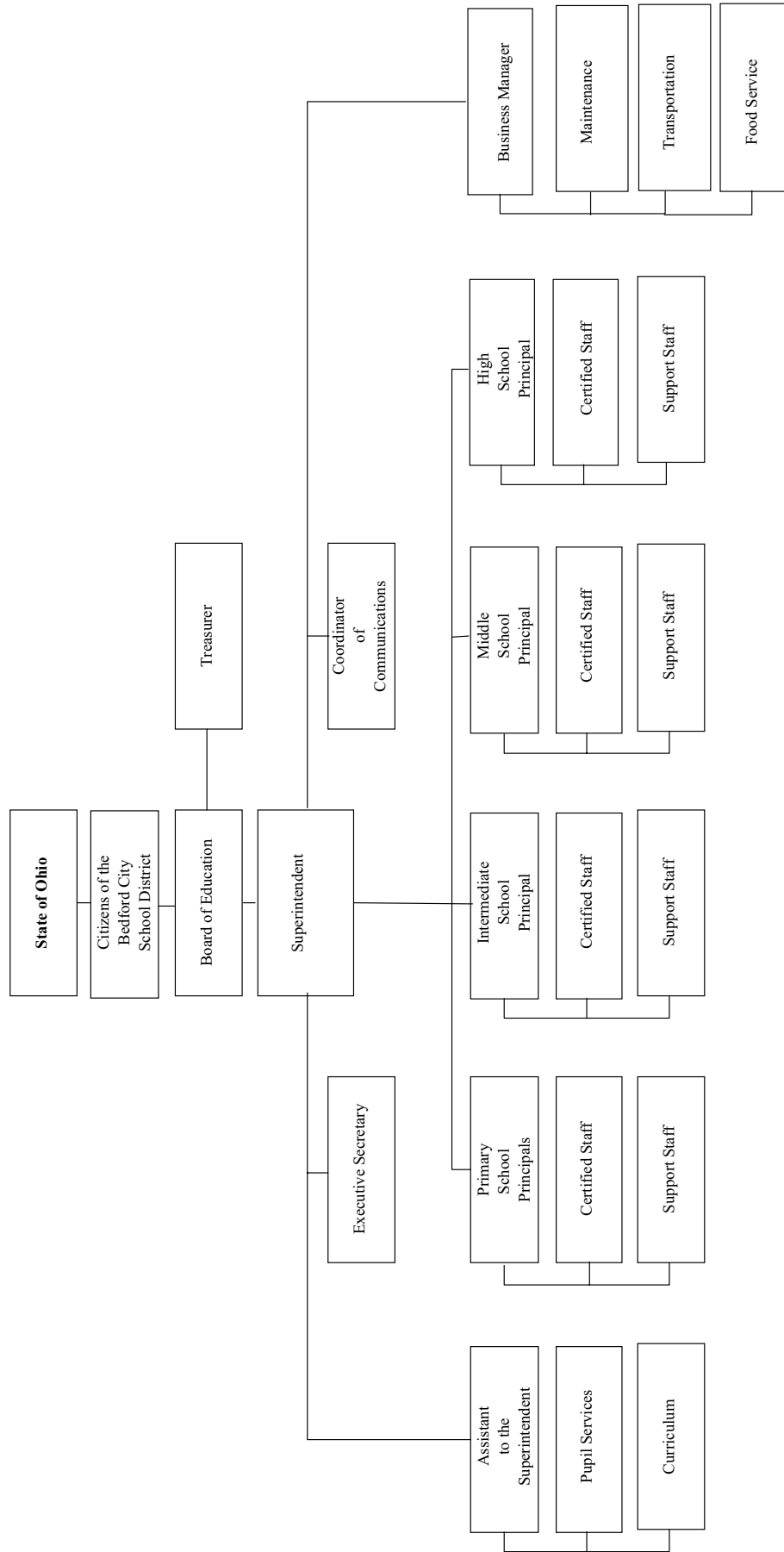
Assistant Treasurer

Mr. Donald E. Houghton, Jr.

Administration

Mrs. Martha A. Motsco, Esq.	Superintendent
Mr. Sherman C. Micsak	Assistant Superintendent
Mr. Jerry Zgrabik	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, 2006

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



A handwritten signature in black ink, appearing to read "Ronald J. Sloan".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director



Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Bedford City School District
Cuyahoga County
475 Northfield Road
Bedford, Ohio 44146

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the Bedford City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2007, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District'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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure 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 significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe 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, Cuyahoga County, Ohio, as of June 30, 2007, 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 December 12, 2007, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information accounting principles generally accepted in the United States of America requires. We have applied certain limited procedures, consisting principally of inquiries of management regarding the methods of measuring and presenting the required supplementary information. However, we did not audit the information and express no opinion on it.

We conducted our audit to opine on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining nonmajor fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

December 12, 2007

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
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, 2007. 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 2007 are as follows:

- In total, net assets increased \$5,905,781, a 26.78 percent increase over fiscal year 2006.
- For fiscal year 2007, the School District saw a decrease in current and other assets of \$1,801,728, primarily due to a decrease in taxes receivable.
- General revenues accounted for \$47,182,642 in revenues or 87.06 percent of all revenues. Program specific revenues in the form of charges for services and sales, operating grants and contributions accounted for \$7,013,938 or 12.94 percent of total revenues of \$54,196,580.
- The School District had \$48,290,799 in expenses related to governmental activities; only \$7,013,938 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues related to governmental activities of \$47,182,642 were adequate to provide for the amounts not offset by program revenues.
- The general fund had \$46,298,470 in revenues and \$42,124,683 in expenditures. The general fund's fund balance increased by \$3,711,506 in 2007.

Using This Comprehensive Annual Financial Report ("CAFR")

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

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

Bedford City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2007
Unaudited

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

Statement of Net Assets and the Statement of Activities

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

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

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

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

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

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

Proprietary Funds - Proprietary funds have historically operated as *enterprise* and *internal service funds* using the same basis of accounting as business-type activities. In 2005 the School District reclassified the enterprise funds as *special revenue funds*. The internal service funds account for the self insurance fund for prescription drugs and dental coverage and the computer network fund which accounts for the costs associated with computer supplies available to all departments and are reported as the School District's only proprietary funds.

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The District as a Whole

Recall that the *Statement of Net Assets* provides the perspective of the School District as a whole, showing assets, liabilities and the difference between them (net assets). Table 1 provides a summary of the School District's governmental activities net assets for fiscal year 2007 compared to fiscal year 2006:

Table 1
 Net Assets

	2007	2006	Change
Assets			
Current and Other Assets	\$51,777,882	\$53,579,610	(\$1,801,728)
Capital Assets, Net	22,328,686	21,294,015	1,034,671
<i>Total Assets</i>	<u>74,106,568</u>	<u>74,873,625</u>	<u>(767,057)</u>
Liabilities			
Current and Other Liabilities	32,255,985	38,132,251	(5,876,266)
Long-Term Liabilities:			
Due Within One Year	2,736,098	2,372,354	363,744
Due in More than One Year	11,159,144	12,319,460	(1,160,316)
<i>Total Liabilities</i>	<u>46,151,227</u>	<u>52,824,065</u>	<u>(6,672,838)</u>
Net Assets			
Invested in Capital Assets, Net of Debt	12,218,017	9,900,232	2,317,785
Restricted:			
Capital Projects	749,072	1,882,830	(1,133,758)
Debt Service	1,645,652	1,381,463	264,189
Other Purposes	1,106,057	511,238	594,819
Unrestricted	12,236,543	8,373,797	3,862,746
<i>Total</i>	<u>\$27,955,341</u>	<u>\$22,049,560</u>	<u>\$5,905,781</u>

The \$767,057 decrease in assets was predominantly due to a decrease of \$3,849,182 in taxes receivable. This decrease is offset by decreases in accrued wages and benefits payable, deferred revenue, and long-term liabilities of \$1,188,606, \$4,457,663, and \$796,572, respectively.

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Table 2 shows changes in governmental net assets for fiscal years 2007 and 2006.

Table 2
 Changes in Net Assets

	2007	2006	Change
Revenues			
<i>Program Revenues:</i>			
Charges for Services and Sales	\$2,660,968	\$2,384,822	\$276,146
Operating Grants and Contributions	4,352,970	3,201,601	1,151,369
<i>Total Program Revenues</i>	<u>7,013,938</u>	<u>5,586,423</u>	<u>1,427,515</u>
<i>General Revenue:</i>			
Property Taxes	35,515,433	35,672,056	(156,623)
Grants and Entitlements	10,081,905	8,149,887	1,932,018
Investments	1,126,745	759,074	367,671
Other	458,559	427,969	30,590
<i>Total General Revenues</i>	<u>47,182,642</u>	<u>45,008,986</u>	<u>2,173,656</u>
Total Revenues	<u>54,196,580</u>	<u>50,595,409</u>	<u>3,601,171</u>
Program Expenses			
Instruction	24,029,388	24,090,319	(60,931)
Support Services:			
Pupils	2,764,302	2,758,509	5,793
Instructional Staff	1,651,433	1,762,862	(111,429)
Board of Education	310,042	407,852	(97,810)
Administration	3,501,283	3,942,749	(441,466)
Fiscal	1,290,060	1,236,174	53,886
Business	779,116	777,247	1,869
Operation and Maintenance of Plant	6,357,050	6,731,992	(374,942)
Pupil Transportation	3,792,614	3,851,122	(58,508)
Central	299,502	309,079	(9,577)
Operation of Non-Instructional Services:			
Food Services Operations	1,629,821	1,471,121	158,700
Other Non-Instructional Services	539,445	454,710	84,735
Extracurricular Activities	826,657	826,605	52
Interest and Fiscal Charges	520,086	467,718	52,368
<i>Total Program Expenses</i>	<u>48,290,799</u>	<u>49,088,059</u>	<u>(797,260)</u>
<i>Net Change in Net Assets</i>	5,905,781	1,507,350	4,398,431
<i>Net Assets Beginning of Year</i>	<u>22,049,560</u>	<u>20,542,210</u>	<u>1,507,350</u>
<i>Net Assets End of Year</i>	<u>\$27,955,341</u>	<u>\$22,049,560</u>	<u>\$5,905,781</u>

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General revenues increased \$2,173,656 from 2006. Grants and Entitlements were increased due to the shifting of collections of personal property tax monies to this category. Interest revenues increased \$367,671 due to a combination of a slight rise in interest rates, as well as the availability of more cash for investment purposes.

The increase of \$1,427,515 in program revenues is largely due to the School District receiving new funding for all-day, everyday kindergarten.

The decrease of \$797,260 in program expenses is the result of planned reductions throughout the School District, which included staffing reductions as well as budgetary reductions, which affected every department and building.

Governmental Activities

The School District went to the voters in November, 2004 who approved a 4.9 mill operating levy in order to keep on track with rising costs and lower revenues incoming from taxes and school foundation funding.

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 65.53 percent of total revenues in the School District for fiscal year 2007. Grants, entitlements and contributions made up 26.63 percent of total revenues. Charges for services, investments and other revenue made up the remaining 7.84 percent.

Instructional expenses account for 49.78 percent of total program expenses. Building maintenance and pupil transportation cost made up 20.99 percent of current year expenses, while administrative costs made up 7.25 percent.

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.

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Table 3
 Net Cost of Governmental Activities

	Total Cost of Services 2007	Net Cost of Services 2007	Total Cost of Services 2006	Net Cost of Services 2006
Instruction	\$24,029,388	(\$19,799,536)	\$24,090,319	(\$21,270,092)
Support Services:				
Pupils	2,764,302	(2,557,345)	2,758,509	(2,565,448)
Instructional Staff	1,651,433	(1,441,402)	1,762,862	(1,589,581)
Board of Education	310,042	(310,042)	407,852	(407,852)
Administration	3,501,283	(3,376,860)	3,942,749	(3,607,414)
Fiscal	1,290,060	(1,290,060)	1,236,174	(1,236,174)
Business	779,116	(710,646)	777,247	(745,467)
Operation and Maintenance of Plant	6,357,050	(6,321,095)	6,731,992	(6,672,783)
Pupil Transportation	3,792,614	(3,792,614)	3,851,122	(3,848,396)
Central	299,502	(294,352)	309,079	(306,591)
Operation of Non-Instructional Services:				
Food Service Operations	1,629,821	(81,430)	1,471,121	(48,699)
Other Non-Instructional Services	539,445	(91,896)	454,710	(15,153)
Extracurricular Activities	826,657	(689,497)	826,605	(720,268)
Interest and Fiscal Charges	520,086	(520,086)	467,718	(467,718)
<i>Total</i>	<u>\$48,290,799</u>	<u>(\$41,276,861)</u>	<u>\$49,088,059</u>	<u>(\$43,501,636)</u>

The total cost of governmental activities' services decreased by \$797,260 or 1.62 percent from fiscal year 2006 to fiscal year 2007, as a result of district-wide cost containment measures, which helped offset the increase in Food Service operational costs.

The dependence on tax revenues and state subsidies for governmental activities is apparent. 82.40 percent of instructional activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is over 85.47 percent.

The School District's Funds

Information about the School District's governmental funds starts on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$53,621,618 and expenditures of \$50,075,043. The net change in fund balance for the year in the general fund increased by \$3,711,506, with a \$164,931 decrease in all other governmental funds. The increase in the general fund balance is the result of a combination of increased revenues and decreased expenditures. Revenues increased primarily due to the receipt of additional personal property tax dollars as the result of a settlement of prior year's liability, as well as increased interest earnings. General fund spending was significantly reduced through the continuation of an expenditure reduction plan in 2007.

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General Fund Budgeting Highlights

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

During the course of fiscal year 2007, the School District amended its general fund budget several times, but no change was significant. The general fund final budget revenue amount of \$45,254,850 is \$1,782,563 or 4.10 percent higher than the original budget amount of \$43,472,287. The increase was due to the unanticipated receipt of personal property tax funds as the result of a settlement agreement. Actual revenues of \$46,087,516 are \$832,666 or 1.84 percent higher than the final budget amount. Actual expenditures of \$44,228,706 are \$2,011,958 or 4.35 percent less than the final budget amount of \$46,240,664. The School District ended the fiscal year with a fund balance of \$11,316,193, an increase of \$1,379,184 from fiscal year 2006, and \$2,844,674 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 2007 the School District had, at cost, \$49,735,474 invested in land, buildings and improvements, furniture and equipment, and vehicles. That total carries an accumulated depreciation of \$27,406,788. Table 4 shows fiscal year 2007 balances compared to fiscal year 2006.

Table 4
 Capital Assets at June 30
 Governmental Activities

	2007	2006
Land	\$2,432,595	\$2,283,183
Construction in Progress	365,316	2,180,192
Buildings and Improvements	15,754,365	13,012,043
Furniture and Equipment	1,730,710	1,900,001
Vehicles	2,045,700	1,918,596
Totals	\$22,328,686	\$21,294,015

In May of 2006 voters in the School District approved the renewal of a one mill permanent improvement levy. This levy generates approximately \$1,000,000 a year which is used exclusively for capital purchases. The net value of governmental capital assets is 44.89 percent of the value of the capital assets at cost. This ratio reflects a relatively old physical plant and bus fleet. The buildings of the School District are well maintained and in good repair. The School District has established a capital replacement fund for the purpose of orderly replacement of buses. The long-term bus replacement plan calls for

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depreciation of the fleet to be matched by transfers from the general fund to the capital replacement fund for bus replacement. For additional information on capital assets, see Note 8 of the notes to the basic financial statements.

Debt

At June 30, 2007, the School District had \$10,834,033 in bonds, loans and leases outstanding, \$1,428,306 of which was due within one year. Table 5 summarizes bonds and loans outstanding.

Table 5
Outstanding Debt at June 30
Governmental Activities

	2007	2006
1994 Facilities Acquisition Manuscript Bond	\$135,000	\$150,000
2001 Refunding Serial Bonds	5,625,529	6,562,642
2001 Refunding Capital Appreciation Bonds	934,387	845,108
2002 Maintenance Facility Loan	395,000	452,000
2004 Astro Turf Lease	238,000	284,000
2004 Telecommunications Lease	169,835	278,207
2006 Energy Conservation Improvement Bonds	3,336,282	3,562,114
Totals	\$10,834,033	\$12,134,071

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, the refunding of \$975,000 in library construction bonds and \$8,215,000 in facilities renovation bonds. The refunding bonds also consisted of \$565,505 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 and telecommunications leases. The accumulated rental fees for the use of the stadium will be paying for the astro turf lease at no additional cost to taxpayers. The telecommunications lease will be paid from the general fund. Telephones have been installed in all classrooms for better parent/teacher communication as well as for emergency purposes.

The School District's overall debt margin was \$62,142,778 with an unvoted debt margin of \$608,973. For additional information on long-term obligations, see Note 17 of the notes to the basic financial statements.

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Current Financial Related Activities

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

School Funding

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding decision is unconstitutional.

The Supreme Court relinquished jurisdiction over the case and directs "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient..."

The School District is currently unable to determine what effect, if any, this decision will have on future State funding and on its financial operations.

The State Legislature has also effected the deregulation of electric public utilities. Electric deregulation took place January 1, 2001. The Department of Education will pay to each school district their share of school district property tax replacement funds. The calculated amount for the Bedford City School District is \$1.1 million annually for five years, beginning in calendar year 2002. Beginning in 2007, by State law, each District will be evaluated annually as to whether they will continue to receive deregulation funds. The School District was evaluated and did qualify to receive electric deregulation funds in 2007.

House Bill 66

The Bedford City School District does not anticipate any meaningful growth in revenue as a result of any of the changes in taxes from House Bill 66. Based on these factors, the Board of Education and the administration of the School District must maintain careful financial planning and prudent fiscal management in order to preserve the financial stability of the School District.

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

Contacting the School District's Financial Management

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

Bedford City School District

Statement of Net Assets

June 30, 2007

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$18,263,384
Accounts Receivable	6,620
Intergovernmental Receivable	626,263
Inventory Held for Resale	29,347
Materials and Supplies Inventory	285,187
Taxes Receivable	32,522,197
Deferred Charges	44,884
Nondepreciable Capital Assets	2,797,911
Depreciable Capital Assets	19,530,775
	<hr/>
<i>Total Assets</i>	74,106,568
	<hr/>
Liabilities	
Accounts Payable	147,240
Accrued Wages and Benefits Payable	2,332,880
Intergovernmental Payable	1,443,135
Deferred Revenue	27,969,824
Matured Compensated Absences Payable	241,803
Accrued Interest Payable	38,103
Claims Payable	83,000
Long-Term Liabilities:	
Due Within One Year	2,736,098
Due in More Than One Year	11,159,144
	<hr/>
<i>Total Liabilities</i>	46,151,227
	<hr/>
Net Assets	
Invested in Capital Assets, Net of Related Debt	12,218,017
Restricted for:	
Capital Projects	749,072
Debt Service	1,645,652
Local Grants	463,011
Athletic Facilities	111,735
Federal Grants	275,403
Other Purposes	255,908
Unrestricted	12,236,543
	<hr/>
<i>Total Net Assets</i>	\$27,955,341
	<hr/> <hr/>

See accompanying notes to the basic financial statements

Bedford City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2007

	Program Revenues			Net Expenses and Changes in Net Assets
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	
Governmental Activities				
Instruction:				
Regular	\$17,066,048	\$1,347,949	\$1,170,947	(\$14,547,152)
Special	5,386,687	337,777	1,179,124	(3,869,786)
Vocational	1,576,653	534	193,521	(1,382,598)
Support Services:				
Pupil	2,764,302	0	206,957	(2,557,345)
Instructional Staff	1,651,433	94	209,937	(1,441,402)
Board of Education	310,042	0	0	(310,042)
Administration	3,501,283	7,765	116,658	(3,376,860)
Fiscal	1,290,060	0	0	(1,290,060)
Business	779,116	38,356	30,114	(710,646)
Operation and Maintenance of Plant	6,357,050	0	35,955	(6,321,095)
Pupil Transportation	3,792,614	0	0	(3,792,614)
Central	299,502	0	5,150	(294,352)
Operation of Non-Instructional Services:				
Food Service Operations	1,629,821	792,684	755,707	(81,430)
Other Non-Instructional Services	539,445	4,191	443,358	(91,896)
Extracurricular Activities	826,657	131,618	5,542	(689,497)
Interest and Fiscal Charges	520,086	0	0	(520,086)
<i>Total Governmental Activities</i>	<u>\$48,290,799</u>	<u>\$2,660,968</u>	<u>\$4,352,970</u>	<u>(41,276,861)</u>
General Revenues				
Property Taxes Levied for:				
General Purposes				33,540,295
Debt Service				1,329,503
Capital Outlay				645,635
Grants and Entitlements not Restricted to Specific Programs				10,081,905
Investment Earnings				1,126,745
Miscellaneous				458,559
<i>Total General Revenues</i>				<u>47,182,642</u>
Change in Net Assets				5,905,781
<i>Net Assets Beginning of Year</i>				<u>22,049,560</u>
<i>Net Assets End of Year</i>				<u>\$27,955,341</u>

See accompanying notes to the basic financial statements

Bedford City School District*Balance Sheet**Governmental Funds**June 30, 2007*

	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$12,232,035	\$4,671,659	\$16,903,694
Accounts Receivable	1,327	5,293	6,620
Intergovernmental Receivable	42,753	583,510	626,263
Inventory Held for Resale	0	29,347	29,347
Materials and Supplies Inventory	279,320	5,867	285,187
Interfund Receivable	1,301,500	0	1,301,500
Taxes Receivable	30,719,240	1,802,957	32,522,197
<i>Total Assets</i>	<u>\$44,576,175</u>	<u>\$7,098,633</u>	<u>\$51,674,808</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$126,359	\$20,881	\$147,240
Accrued Wages and Benefits Payable	2,218,418	114,462	2,332,880
Intergovernmental Payable	1,331,070	112,065	1,443,135
Interfund Payable	0	1,301,500	1,301,500
Deferred Revenue	27,668,843	1,847,070	29,515,913
Matured Compensated Absences Payable	241,803	0	241,803
<i>Total Liabilities</i>	<u>31,586,493</u>	<u>3,395,978</u>	<u>34,982,471</u>
Fund Balances			
Reserved for Encumbrances	758,761	1,546,926	2,305,687
Reserved for Property Taxes	2,908,229	221,254	3,129,483
Unreserved, Undesignated Reported in:			
General Fund	9,322,692	0	9,322,692
Special Revenue Funds	0	740,804	740,804
Debt Service Fund	0	1,746,847	1,746,847
Capital Projects Funds (Deficit)	0	(553,176)	(553,176)
<i>Total Fund Balances</i>	<u>12,989,682</u>	<u>3,702,655</u>	<u>16,692,337</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$44,576,175</u>	<u>\$7,098,633</u>	<u>\$51,674,808</u>

See accompanying notes to the basic financial statements

Bedford City School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2007*

Total Governmental Funds Balances		\$16,692,337
 <i>Amounts reported for governmental activities in the statement of net assets are different because</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		22,328,686
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes	1,229,444	
Grants	316,645	
		1,546,089
Bond issuance costs will be amortized over the life of the bonds on the statement of net assets.		44,884
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(38,103)
The internal service funds are used by management to charge the costs of insurance and goods warehoused and distributed to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		1,276,690
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(9,136,282)	
Capital Appreciation Bonds	(934,387)	
Bond Premium	(280,393)	
Loan Payable	(395,000)	
Capital Leases	(407,835)	
Refunding	319,864	
Compensated Absences	(3,061,209)	
Total		(13,895,242)
 <i>Net Assets of Governmental Activities</i>		 \$27,955,341

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, 2007

	General	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	\$33,187,472	\$1,952,683	\$35,140,155
Intergovernmental	9,999,351	4,196,994	14,196,345
Interest	1,108,529	18,216	1,126,745
Charges for Services	14,910	794,463	809,373
Tuition and Fees	1,560,928	39,613	1,600,541
Rentals	667	38,915	39,582
Extracurricular Activities	0	211,472	211,472
Contributions and Donations	0	38,846	38,846
Miscellaneous	426,613	31,946	458,559
<i>Total Revenues</i>	<u>46,298,470</u>	<u>7,323,148</u>	<u>53,621,618</u>
Expenditures			
Current:			
Instruction:			
Regular	15,372,107	904,532	16,276,639
Special	4,223,537	1,082,337	5,305,874
Vocational	1,383,793	147,798	1,531,591
Support Services:			
Pupil	2,534,420	181,480	2,715,900
Instructional Staff	1,412,709	189,281	1,601,990
Board of Education	310,042	0	310,042
Administration	3,243,434	117,176	3,360,610
Fiscal	1,258,900	0	1,258,900
Business	685,853	20,247	706,100
Operation and Maintenance of Plant	6,622,115	649	6,622,764
Pupil Transportation	3,659,119	0	3,659,119
Central	287,623	3,720	291,343
Operation of Non-Instructional Services:			
Food Service Operations	0	1,613,500	1,613,500
Other Non-Instructional Services	0	491,939	491,939
Extracurricular Activities	465,877	227,780	693,657
Capital Outlay	149,412	1,682,932	1,832,344
Debt Service:			
Principal Retirement	406,204	996,000	1,402,204
Interest and Fiscal Charges	109,538	290,989	400,527
<i>Total Expenditures</i>	<u>42,124,683</u>	<u>7,950,360</u>	<u>50,075,043</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,173,787</u>	<u>(627,212)</u>	<u>3,546,575</u>
Other Financing Sources (Uses)			
Transfers In	0	462,281	462,281
Transfers Out	(462,281)	0	(462,281)
<i>Total Other Financing Sources (Uses)</i>	<u>(462,281)</u>	<u>462,281</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	3,711,506	(164,931)	3,546,575
<i>Fund Balances Beginning of Year</i>	<u>9,278,176</u>	<u>3,867,586</u>	<u>13,145,762</u>
<i>Fund Balances End of Year</i>	<u>\$12,989,682</u>	<u>\$3,702,655</u>	<u>\$16,692,337</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, 2007*

Net Change in Fund Balances -Total Governmental Funds		\$3,546,575
 <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 capital outlay exceeded depreciation in the current period.		
Capital Asset Additions	2,448,912	
Current Year Depreciation	<u>(1,402,196)</u>	
Total		1,046,716
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.		
		(12,045)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent Property Taxes	375,278	
Intergovernmental	<u>199,684</u>	
Total		574,962
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	(2,738)	
Annual Accretion	(89,279)	
Amortization of Premium on Bonds	91,548	
Amortization of Loss on Refunding	(104,435)	
Amortization of Issuance Costs	<u>(14,655)</u>	
Total		(119,559)
Repayment of bond, loan and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
		1,402,204
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.		
Compensated Absences		(503,466)
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>(29,606)</u>
<i>Change in Net Assets of Governmental Activities</i>		<u><u>\$5,905,781</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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$30,781,038	\$32,418,442	\$33,015,783	\$597,341
Intergovernmental	10,258,049	9,915,049	9,998,851	83,802
Interest	800,000	1,024,582	1,108,529	83,947
Charges for Services	15,000	15,000	14,910	(90)
Tuition and Fees	1,123,200	1,473,979	1,517,727	43,748
Rentals	3,500	3,500	667	(2,833)
Miscellaneous	491,500	404,298	431,049	26,751
<i>Total Revenues</i>	43,472,287	45,254,850	46,087,516	832,666
Expenditures				
Current:				
Instruction:				
Regular	18,913,704	17,327,567	16,469,571	857,996
Special	4,522,387	4,496,762	4,476,431	20,331
Vocational	1,438,440	1,531,464	1,416,680	114,784
Support Services:				
Pupil	3,044,957	2,746,496	2,660,082	86,414
Instructional Staff	1,670,408	1,709,289	1,500,887	208,402
Board of Education	346,223	346,223	318,473	27,750
Administration	3,615,503	3,669,245	3,371,839	297,406
Fiscal	1,259,671	1,291,701	1,253,940	37,761
Business	653,024	773,677	749,576	24,101
Operation and Maintenance of Plant	6,911,347	7,070,674	6,797,004	273,670
Pupil Transportation	3,758,999	3,823,099	3,778,246	44,853
Central	304,035	313,630	303,573	10,057
Extracurricular Activities	438,100	471,000	467,250	3,750
Capital Outlay	13,565	153,565	149,412	4,153
Debt Service:				
Principal Retirement	391,256	406,256	406,204	52
Interest and Fiscal Charges	110,016	110,016	109,538	478
<i>Total Expenditures</i>	47,391,635	46,240,664	44,228,706	2,011,958
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,919,348)	(985,814)	1,858,810	2,844,624
Other Financing Sources (Uses)				
Advances In	600,000	443,500	443,500	0
Advances Out	0	(1,301,550)	(1,301,500)	50
Transfers Out	(86,825)	(462,281)	(462,281)	0
<i>Total Other Financing Sources (Uses)</i>	513,175	(1,320,331)	(1,320,281)	50
<i>Net Change in Fund Balance</i>	(3,406,173)	(2,306,145)	538,529	2,844,674
<i>Fund Balance Beginning of Year</i>	9,937,009	9,937,009	9,937,009	0
Prior Year Encumbrances Appropriated	840,655	840,655	840,655	0
<i>Fund Balance End of Year</i>	\$7,371,491	\$8,471,519	\$11,316,193	\$2,844,674

See accompanying notes to the basic financial statements

Bedford City School District

Statement of Fund Net Assets

Internal Service Funds

June 30, 2007

Assets	
Equity in Pooled Cash and Cash Equivalents	\$1,359,690
Liabilities	
Claims Payable	<u>83,000</u>
Net Assets	
Unrestricted	<u><u>\$1,276,690</u></u>

See accompanying notes to the basic financial statements

Bedford City School District
*Statement of Revenues, Expenses and
Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year Ended June 30, 2007*

Operating Revenues	
Charges for Services	<u>\$1,100,031</u>
Operating Expenses	
Purchased Services	21,281
Claims	<u>1,108,356</u>
<i>Total Operating Expenses</i>	<u>1,129,637</u>
<i>Change in Net Assets</i>	(29,606)
<i>Net Assets Beginning of Year</i>	<u>1,306,296</u>
<i>Net Assets End of Year</i>	<u><u>\$1,276,690</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, 2007

Increase (Decrease) in Cash and Cash Equivalents

Cash Flows from Operating Activities

Cash Received from Interfund Services	\$1,100,031
Cash Payments for Purchased Services	(21,281)
Cash Payments for Claims	<u>(1,091,326)</u>

Net Decrease in Cash and Cash Equivalents (12,576)

Cash and Cash Equivalents Beginning of Year 1,372,266

Cash and Cash Equivalents End of Year \$1,359,690

Reconciliation of Operating Loss to Net

Cash Used for Operating Activities

Operating Loss (\$29,606)

Adjustments:

Increase in Claims Payable 17,030

Net Cash Provided by Operating Activities (\$12,576)

See accompanying notes to the basic financial statements

Bedford City School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2007

	Private Purpose Trust	
	Scholarship	Agency
Assets		
Equity in Pooled Cash and Cash Equivalents	\$78,009	\$30,826
Liabilities		
Due to Students	0	\$30,826
Net Assets		
Held in Trust for Scholarships	\$78,009	

See accompanying notes to the basic financial statements

Bedford City School District
Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Fund
For the Fiscal Year Ended June 30, 2007

	<u>Scholarship</u>
Additions	
Interest	\$2,606
Miscellaneous	<u>21,990</u>
<i>Total Additions</i>	24,596
Deductions	
Scholarships Awarded	<u>2,400</u>
<i>Change in Net Assets</i>	22,196
<i>Net Assets Beginning of Year</i>	<u>55,813</u>
<i>Net Assets End of Year</i>	<u><u>\$78,009</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, 2007

Note 1 - Description of the School District and Reporting Entity

Bedford City School District (the School District) is a city school district as defined by Section 3311.02 of the Ohio Revised Code. The School District is one of the 614 school districts in the State of Ohio and one of 33 in Cuyahoga County, and provides education to 3,825 students in grades K through 12. The District also provides preschool education to 31 handicapped students. The School District is located in northeast Ohio, covers approximately 25 square miles and includes the City of Bedford, most of the City of Bedford Heights, and the Villages of Walton Hills and Oakwood. The operation of the School District is governed by an elected five-member Board of Education.

Reporting Entity

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

Nonpublic Schools - Within the School District boundaries, there are various nonpublic schools, including Holy Spirit, Chanel, and New Covenant Christian Academy. 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 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 Rating Program, the Lakeshore Northeast Ohio Computer Association (LNOCA) and Ohio Schools Council Association. These organizations are presented in Notes 15 and 18 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, 2007

A. Basis of Presentation

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

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

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

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

B. Fund Accounting

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

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

General Fund The general fund is the operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund.

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

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

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

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

C. Measurement Focus

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

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

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

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

D. 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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (See Note 7). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

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

Property taxes for which there is an enforceable legal claim as of June 30, 2007, but which were levied to finance fiscal year 2008 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

E. 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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

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.

F. 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 2007, the School District's investments were limited to a Bedford City School District Facilities Acquisition Manuscript Bond and the State Treasurer's Asset Reserve (STAROhio).

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating contracts such as certificate of deposits and repurchase agreements are reported at cost.

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio 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 STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2007.

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 2007 amounted to \$1,108,529, which includes \$352,801 assigned from other School District funds.

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2007, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the fiscal year in which services are consumed.

H. Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used.

Inventories consist of donated food, purchased food and school supplies held for resale and materials and supplies held for consumption.

I. Capital Assets

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

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

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

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

J. Bond Issuance Costs

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

K. Bond Premium

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

L. Gain/Loss on Refunding

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

M. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental activity column of the statement of net assets.

N. 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.

O. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, and contractually required pension contributions 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.

P. Internal Activity

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities.

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, 2007

Q. Fund Balance Reserves

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

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

R. Net Assets

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

The government-wide statement of net assets reports \$3,500,781 of restricted net assets, none of which is restricted by enabling legislation.

Net assets restricted for other purposes includes summer school, adult/continuing education, and recreation functions and activities.

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

S. 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.

T. 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.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 3 – Compliance and Accountability

A. Compliance

Contrary to Section 5705.39, Ohio Revised Code, the following funds had original appropriations in excess of estimated revenues and carryover balances:

	Original Estimated Revenues Plus Beginning Balances	Original Appropriations	Excess
<i>Special Revenue Funds:</i>			
District Managed Student Activities	\$198,415	\$306,968	\$108,553
SchoolNet Professional Development	5,355	5,719	364
Title VI-B	1,085,648	1,141,850	56,202
Title I	719,139	819,314	100,175
Title VI	1,005	14,190	13,185
Drug Free Schools	17,317	24,317	7,000
Preschool Handicapped	43,973	49,468	5,495
Title VI-R	150,251	175,222	24,971

These budgetary violations were corrected by year end.

B. Accountability

At June 30, 2007, the following funds had deficit fund balances:

	<u>Amount</u>
Special Revenue Funds:	
Miscellaneous State Grants	\$4,500
Title I	42,970

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

Note 4 - 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).

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).
4. Advance in and advance out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis)

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

Net Change in Fund Balance	
GAAP Basis	\$3,711,506
Net Adjustment for Revenue Accruals	(210,954)
Advances In	443,500
Net Adjustment for Expenditure Accruals	(1,188,181)
Advances Out	(1,301,500)
Adjustment for Encumbrances	(915,842)
Budget Basis	<u>\$538,529</u>

Note 5 - Deposits and Investments

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

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

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

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

Bedford City School District
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3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio); and
8. Commercial paper and bankers acceptances if training requirements have been met.

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

Deposits

Custodial Credit Risk Custodial credit risk is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in possession of an outside party. At fiscal year end, \$1,316,030 of the School District's bank balance of \$1,516,030 was uninsured and uncollateralized. Although the securities were held by the pledging institution's trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

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

Investments

Investments are reported at fair value. As of June 30, 2007, the School District had a STAROhio investment with a fair value of \$17,949,078 and an average maturity of thirty-three days and they also hold a Bedford City School District Facilities Acquisition Manuscript Bond in the amount of \$135,000.

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 except for the manuscript bond. The manuscript bond represents an investment in which the School District purchased its own real estate acquisition bond. This bond matures on December 1, 2015.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Credit Risk. STAROhio carries a rating of AAA by Standards and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The School District has no investment policy that addresses credit risk.

Note 6 - Receivables

Receivables at June 30, 2007, consisted of taxes, accounts (student fees and tuition), intergovernmental and 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 year guarantee of federal funds. All receivables are expected to be collected within one year.

A summary of principal items of intergovernmental receivables follows:

<u>Governmental Activities</u>	<u>Amount</u>
Federal Lunch Subsidy	\$101,136
Ohio Reads Grants and Subsidies	14,020
Miscellaneous State Grants and Subsidies	31,604
Title VI-B Grants and Subsidies	137,261
Vocational Education Grants and Subsidies	65,844
Title I Grants and Subsidies	150,761
Title VI Grants and Subsidies	3,939
Drug Free Schools Grants and Subsidies	6,615
Preschool Handicapped Grants and Subsidies	21,729
Title VI-R Grants and Subsidies	44,260
Miscellaneous Federal Grants and Subsidies	6,341
Tri-C Substitute Reimbursement	<u>42,753</u>
Total	<u><u>\$626,263</u></u>

Note 7 - Property Taxes

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar year 2007 represents collections of calendar year 2006 taxes. Real property taxes received in calendar year 2007 were levied after April 1, 2006, on the assessed value listed as of January 1, 2006, the lien date. Assessed values for real property are established by State law at thirty-five percent of appraised market value. Real property are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Bedford City School District
Notes to the Basic Financial Statements
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Public utility property tax revenue received in calendar year 2007 represents collections of calendar year 2006 taxes. Public utility real and tangible personal property taxes received in calendar year 2007 become a lien December 31, 2005, were levied after April 1, 2006 and are collected in 2007 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar 2007 (other than public utility property) represents the collection of 2007 taxes. Tangible personal property taxes received in calendar year 2007 were levied after April 1, 2006, on the value as of December 31, 2006. In prior years, tangible personal property was assessed at twenty-five percent of true value for capital assets and twenty-three percent of true value for inventory. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory for 2007 is 12.5 percent. This will be reduced to 6.25 percent for 2008 and zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30. This year, the June 2007 tangible personal property tax settlement was not received until July 2007.

The School District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2007, are available to finance fiscal year 2007 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, public utility property and tangible personal property taxes which are measurable as of June 30, 2007 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the delayed settlement of personal property tax and the amount of real property taxes available as an advance at June 30 were levied to finance current fiscal year operations are reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2007 was \$2,908,229 in the general fund, \$169,618 in the bond retirement debt service fund, and \$51,636 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2006, was \$2,704,757 in the general fund, \$125,823 in the bond retirement debt service fund, and \$48,659 in the permanent improvement capital projects fund. The difference was in timing and collection by the County Auditor.

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

The assessed values upon which the fiscal year 2007 taxes were collected are:

Bedford City School District
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For the Fiscal Year Ended June 30, 2007

	2006 Second Half Collections		2007 First Half Collections	
	Amount	Percent	Amount	Percent
Residential/Agricultural	\$373,351,700	43.67 %	\$423,446,610	48.01 %
Other Real Estate	275,230,390	32.19	290,875,660	32.98
Public Utility Personal	35,524,420	4.16	35,275,280	4.00
Tangible Personal Property	170,826,004	19.98	132,472,759	15.01
Total	\$854,932,514	100.00 %	\$882,070,309	100.00 %
Tax rate per \$1,000 of assessed valuation	\$67.40		\$67.60	

Note 8 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2007, was as follows:

	Balance 6/30/06	Additions	Deletions	Balance 6/30/07
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$2,283,183	\$149,412	\$0	\$2,432,595
Construction in Progress	2,180,192	365,316	(2,180,192)	365,316
Total Capital Assets, not being depreciated	4,463,375	514,728	(2,180,192)	2,797,911
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	34,629,162	3,668,098	0	38,297,260
Furniture and Equipment	3,996,745	87,447	(10,256)	4,073,936
Vehicles	4,393,792	358,831	(186,256)	4,566,367
Total Capital Assets, being depreciated	43,019,699	4,114,376	(196,512)	46,937,563
Less Accumulated Depreciation:				
Buildings and Improvements	(21,617,119)	(925,776)	0	(22,542,895)
Furniture and Equipment	(2,096,744)	(255,903)	9,421	(2,343,226)
Vehicles	(2,475,196)	(220,517)	175,046	(2,520,667)
Total Accumulated Depreciation	(26,189,059)	(1,402,196) *	184,467	(27,406,788)
Total Capital Assets, being depreciated, net	16,830,640	2,712,180	(12,045)	19,530,775
Governmental Activities Capital Assets, Net	\$21,294,015	\$3,226,908	(\$2,192,237)	\$22,328,686

Bedford City School District
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For the Fiscal Year Ended June 30, 2007

* Depreciation expense was charged to governmental functions as follows:

Instruction	
Regular	\$665,727
Special	30,802
Vocational	34,927
Support Services:	
Pupil	10,111
Instructional Staff	21,479
Administration	10,330
Fiscal	4,130
Business	53,498
Operation and Maintenance of Plant	171,753
Pupil Transportation	213,549
Central	4,550
Operation of Non-Instructional Services:	
Food Service Operations	3,148
Other Non-Instructional Services	45,192
Extracurricular Activities	<u>133,000</u>
Total Depreciation Expense	<u><u>\$1,402,196</u></u>

Note 9 - Contingencies

A. Grants

The School District received financial assistance from federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2007.

B. 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.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 10 - Interfund Balances

Interfund balances at June 30, 2007, consist of the following individual fund receivables and payables:

Interfund Payable	Interfund Receivable General Fund
<i>Governmental Activities</i>	
Non-Major Funds	
Food Service	\$100,000
Summer School	25,000
Ohio Reads Grant	18,000
Miscellaneous State Grants	10,000
Title VI-B	75,000
Vocational Education	90,000
Title I	67,000
Title VI	3,500
Drug Free Schools	6,000
Preschool Handicapped	22,000
Title VI-R	30,000
Miscellaneous Federal Grants	5,000
Permanent Improvement	850,000
<i>Total Governmental Activities</i>	\$1,301,500

The interfund payables are advances for grant monies that were not received by fiscal year end and for capital improvement projects to be repaid from tax revenue. The School District expects to receive the grant monies and repay the advances within the next fiscal year.

The School District transferred the following amounts to various funds during fiscal year 2007.

Transfers In	Transfers Out General Fund
Non-Major Funds	
Food Service	\$350,000
Summer School	8,456
District Managed Activities	103,825
<i>Total Governmental Activities</i>	\$462,281

The general fund transfer to the district managed student activities special revenue fund was to provide financial support for the School District's athletics and music programs and food service program. The other transfer from the general fund to the summer school program is due to expenditures which exceeded grant amounts.

Bedford City School District
Notes to the Basic Financial Statements
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Note 11 - Risk Management

A. 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 2007, the School District contracted for property and general liability insurance, and boiler and machinery coverage through the 91-member Ohio Schools Council Association Group Purchasing Consortium. The Indiana Insurance Company is the carrier for the School District's insurance.

Aggregate property coverage is \$100,256,400 with a \$5,000 deductible. Aggregate boiler and machinery coverage is approximately \$30 million with a \$1,000 deductible. The policy is renewable on July 1, 2008, 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 \$500,000 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.

B. Worker's Compensation

For fiscal year 2007, the School District participated in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool (Note 15). The intent of the 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 Gates McDonald & Co. provides administrative, cost control, and actuarial services to the GRP.

C. Employee Benefits

The School District has elected to provide employee dental and prescription drug benefits to full time employees through a self-insurance program, while hospitalization and medical benefits are provided with a fully-insured program. Full time is defined as the full 186 day academic year, or 1,700 hours for non-certificated employees. Employees working shorter calendars pay a prorated portion of the health care premiums. The School District maintains a self-insurance internal service fund to account for and finance its uninsured risk of loss in the drug and dental programs. Dental claims are limited to \$2,500 per covered individual per year, with a lifetime limit of \$1,000 on orthodontia. There is no limitation on prescription drug benefits as this type of coverage is not subject to catastrophic loss. A third party administrator, Medical Mutual of Ohio, reviews and pays all claims. The School District pays the following monthly premium into the self-funded benefits fund, which represents the entire premium required: dental - \$25.00 (single), \$75.02 (family); drug - \$66.28 (single), \$186.16 (family). These premiums are paid by the fund that pays the salary for each employee and is based on historical cost information.

Bedford City School District
Notes to the Basic Financial Statements
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The claims liability of \$83,000 reported in the self insurance fund at June 30, 2007, 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
2006	\$72,601	\$1,118,139	\$1,124,770	\$65,970
2007	65,970	1,108,356	1,091,326	83,000

Note 12 - 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 235 days (certificated employees), 250 days (non-certificated employees) and 355 days (administrators). Upon retirement or termination after 25 years of service, payment is made for up to 30 days plus 1/10th of the days remaining up to a maximum of 49 days (certificated employees), or one-fourth of the days (non-certificated employees), or up to 59.5 days (administrators). For purposes of retirement, the employee receiving such payment must meet the eligibility requirement provisions set by STRS or SERS.

Note 13 - Defined Benefit Pension Plans

A. School Employees Retirement System

The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3476.

Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2007, 10.68 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2007, 2006 and 2005 were \$933,480, \$950,237 and \$854,615 respectively; 69.92 percent has been contributed for fiscal year 2007 and 100 percent for fiscal years 2006 and 2005.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

B. State Teachers Retirement System of Ohio

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3371, by calling (614) 227-4090, or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times 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 Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Existing members with less than five years of service credit as of June 30, 2001, were given the option of making a one time irrevocable decision to transfer their account balances from the existing DB Plan into the DC Plan or the Combined Plan. This option expired on December 31, 2001. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years 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 dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

For the fiscal year ended June 30, 2007, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2006, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2007, 2006, and 2005 were \$2,367,875, \$2,424,468, and \$2,309,483, respectively; 81.26 percent has been contributed for fiscal year 2007 and 100 percent for fiscal years 2006 and 2005. Contributions to the DC and Combined Plans for fiscal year 2007 were \$34,453 made by the School District and \$75,773 made by the plan members.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 14- Postemployment Benefits

The School District provides comprehensive health care benefits to retired teachers and their dependents through the State Teachers Retirement System (STRS Ohio), and to retired non-certificated employees and their dependents through the School Employees Retirement System (SERS). Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by the Systems based on authority granted by State statute. Both systems are funded on a pay-as-you-go basis.

All STRS Ohio retirees who participated in the DB or Combined Plans and their dependents are eligible for health care coverage. The STRS Ohio Board has statutory authority over how much, if any, of the health care cost will be absorbed by STRS Ohio. All benefit recipients pay a portion of the health care cost in the form of a monthly premium. By law, the cost of coverage paid from STRS Ohio funds is included in the employer contribution rate, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2007, the STRS Board allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. For the School District, this amount equaled \$182,144 for fiscal year 2007.

STRS Ohio pays health care benefits from the Health Care Stabilization Fund. At June 30, 2006, (the latest information available) the balance in the Fund was \$3.5 billion. For the year ended June 30, 2006, net health care costs paid by STRS were \$282,743,000 and STRS had 119,184 eligible benefit recipients.

For SERS, coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. All retirees and beneficiaries are required to pay a portion of their health care premium. The portion is based on years of service, Medicare eligibility, and retirement status.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2007, employer contributions to fund health care benefits were 3.32 percent of covered payroll, compared to 3.42 percent of covered payroll for fiscal year 2006. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2007, the minimum pay was established at \$35,800. However, the surcharge is capped at two percent of each employer's SERS salaries. For the School District, the amount contributed to fund health care benefits, including the surcharge, during the 2007 fiscal year equaled \$469,862.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of the projected claims less premium contributions for the next year. Expenses for health care at June 30, 2006, (the latest information available), were \$158,751,207. At June 30, 2006, SERS had net assets available for payment of health care benefits of \$295.6 million. SERS has 59,492 participants eligible to receive benefits.

Note 15 - Insurance Purchasing Pool

Ohio School Boards Association Workers' Compensation Group Rating Program - The School District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The GRP'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 GRP to cover the costs of administering the program.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Note 16 - Set Asides

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

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

	Textbooks Instructional Materials Reserve	Capital Improvement Reserve
Set-aside Reserve Balances as of June 30, 2006	(\$940,401)	\$0
Current Year Set-aside Requirement	580,985	580,985
Qualifying Disbursements	(707,632)	(1,156,026)
Totals	(\$1,067,048)	(\$575,041)
Set-aside Balance Carried Forward to Future Fiscal Years	(\$1,067,048)	\$0
Set-aside Reserve Balances as of June 30, 2007	\$0	\$0

The School District had qualifying disbursements during the fiscal year that reduced the textbook set-aside amount below zero. This extra amount may be used to reduce the set-aside requirements of future fiscal years. While the 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 17 - 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:				
Facilities Acquisition	1994	300,000	5.25%	December 1, 2015
Serial Library and Facilities Refunding Bonds	2001	8,560,000	3.00-5.00%	December 1, 2011
Capital Appreciation Refunding Bonds	2001	536,300	10.30%	December 1, 2012
Energy Conservation Improvement Bonds	2006	3,562,114	4.11%	October 15, 2020
Maintenance Facility Loan	2002	606,000	3.64%	December 1, 2012
Astro Turf Lease	2004	385,000	3.29%	June 1, 2012
Telecommunications Lease	2004	533,117	3.53%	September 1, 2009

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

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

	Principal Outstanding 6/30/06	Additions	(Reductions)	Principal Outstanding 6/30/07	Amount Due in One Year
Governmental Activities:					
General Obligations Bonds:					
Facilities Acquisition	\$150,000	\$0	(\$15,000)	\$135,000	\$15,000
Serial Library and Facilities Refunding Bonds	6,615,000	0	(950,000)	5,665,000	1,015,000
Unamortized Premium on Serial Bonds	371,941	0	(91,548)	280,393	0
Unamortized Loss on Refunding on Serial Bonds	(424,299)	104,435	0	(319,864)	0
Capital Appreciation Refunding Bonds	536,300	0	0	536,300	0
Accretion on Capital Appreciation Bonds	308,808	89,279	0	398,087	0
Energy Conservation Improvement	3,562,114	0	(225,832)	3,336,282	181,075
<i>Total General Obligation Bonds</i>	<u>11,119,864</u>	<u>193,714</u>	<u>(1,282,380)</u>	<u>10,031,198</u>	<u>1,211,075</u>
Maintenance Facilities Loan	452,000	0	(57,000)	395,000	59,000
Astro Turf Lease	284,000	0	(46,000)	238,000	46,000
Telecommunications Lease	278,207	0	(108,372)	169,835	112,231
Compensated Absences	2,557,743	737,126	(233,660)	3,061,209	1,307,792
Total Governmental Activities	<u>\$14,691,814</u>	<u>\$930,840</u>	<u>(\$1,727,412)</u>	<u>\$13,895,242</u>	<u>\$2,736,098</u>

Facilities acquisition bonds were issued for an addition to Columbus Road School and will be paid from general revenues in the general fund. The serial library and facilities refunding bonds and capital appreciation refunding bonds will be paid from property taxes. These bonds will be paid from the bond retirement fund.

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

In November 2001, the School District issued general obligation refunding bonds having an original face value of \$9,096,300. These refunding bonds consist of \$8,560,000 in current interest serial bonds and \$536,300 in capital appreciation bonds. This year the addition on the capital appreciation bonds was \$89,279 which represents the annual accretion of discounted interest. The final maturity amount of these bonds is \$1,665,000. The bonds were issued at a \$900,303 premium and issuance costs were \$144,116.

The refunding bonds were issued to defease the 1993 library construction and facilities renovations general obligation bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District's financial statements. On June 30, 2007, \$8,495,000 of bonds outstanding were considered defeased.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

The overall debt margin of the School District as of June 30, 2007, was \$62,142,778 with an unvoted debt margin of \$608,973. Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2007, are as follows:

	General Obligation Bonds		Capital Appreciation Bonds	
	Principal	Interest	Principal	Interest
2008	\$1,211,075	\$386,060	\$0	\$0
2009	1,283,509	335,938	0	0
2010	1,351,248	277,312	0	0
2011	1,444,305	209,342	0	0
2012	1,432,693	139,417	406,331	823,669
2013-2017	1,261,842	396,269	129,969	305,031
2018-2021	1,151,610	120,578	0	0
Total	<u>\$9,136,282</u>	<u>\$1,864,916</u>	<u>\$536,300</u>	<u>\$1,128,700</u>

	Maintenance Facilities Loan		Total	
	Principal	Interest	Principal	Interest
2008	\$59,000	\$15,346	\$1,270,075	\$401,406
2009	62,000	12,799	1,345,509	348,737
2010	64,000	10,147	1,415,248	287,459
2011	67,000	7,390	1,511,305	216,732
2012	70,000	4,506	1,909,024	967,592
2013-2017	73,000	1,516	1,464,811	702,816
2018-2021	0	0	1,151,610	120,578
Total	<u>\$395,000</u>	<u>\$51,704</u>	<u>\$10,067,582</u>	<u>\$3,045,320</u>

Note 18 - Jointly Governed Organizations

A. Lakeshore Northeast Ohio Computer Association

The Lakeshore Northeast Ohio Computer Association (LNOCA) is a jointly governed organization among sixteen school districts, one educational service center and the Bedford City School District. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among the member districts. Each of the school districts support LNOCA based on a per pupil charge. The School District paid \$111,053 to LNOCA during fiscal year 2007.

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

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

B. Ohio Schools Council Association

The Ohio Schools Council Association (Council) is a jointly governed organization among 108 school districts. The jointly governed organization was formed to purchase quality products and services at the lowest possible cost to the member districts. Each district supports the Council by paying an annual participation fee. The Council's Board consists of seven superintendents of the participating districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2007, the School District paid \$800 to the Council. Financial information can be obtained by contacting Dr. David A. Cottrell, the Executive Director of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The School District participates in the Council's electric purchase program which was implemented during fiscal year 1998. This program allows school districts to purchase electricity at reduced rates, if the school districts will commit to participating for an eight year period. The participants make monthly payments based on estimated usage. Each June these estimated payments are compared to their actual usage for the year and any necessary adjustments are made.

Energy Acquisition Corp., a non-profit corporation with a self-appointing board, issued \$119,140,000 in debt to purchase eight years of electricity from Cleveland Electric Illuminating (CEI) for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates its agreement, the district is required to repay the savings to CEI and CEI will refund the remaining prepayment related to that participant to Energy Acquisition Corp.

The School District also participates in the Council's prepaid natural gas program which was implemented during fiscal year 2000. This program allows school districts to purchase natural gas at reduced rates, if the school districts will commit to participating for a twelve year period. The participants make monthly payments based on estimated usage. Each month these estimated payments are compared to their actual usage and any necessary adjustments are made.

The City of Hamilton, a municipal corporation and political subdivision duly organized and existing under the laws of the State of Ohio, issued \$89,450,000 in debt to purchase twelve years of natural gas from CMS Energy Corporation for the participants. The participating school districts are not obligated in any manner for this debt. If a participating school district terminates its agreement, the district is entitled to recover that amount, if any, of its contributions to the operating fund which are not encumbered for its share of program administrative costs.

Note 19 - Capital Leases - Lessee Disclosure

In prior years, the School District entered into two capital lease agreements for the installation of astro turf at the football stadium and telecommunications equipment for 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 are reflected as debt service expenditures in the general fund on the basic financial statements.

As part of the agreement for the astro turf lease and the telecommunications lease, National City and Key Bank, respectively, as lessors, deposited monies in segregated accounts for the installation of the astro turf and the telecommunications system. 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 these capital leases.

Bedford City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2007

Capital assets acquired by lease have been capitalized as follows:

Governmental Activities:	
Capital Assets, being depreciated:	
Building and Improvements	\$385,000
Furniture and Equipment	533,117
<i>Total Capital Assets, being depreciated</i>	<u>918,117</u>
Less Accumulated Depreciation:	
Building and Improvements	(57,750)
Furniture and Equipment	(79,968)
<i>Total Accumulated Depreciation</i>	<u>(137,718)</u>
 <i>Governmental Activities Capital Assets, Net</i>	 <u><u>\$780,399</u></u>

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, 2007.

Fiscal Year Ending June 30, 2007	<u>Governmental Activities</u>
2008	\$171,527
2009	113,379
2010	53,111
2011	51,343
2012	49,466
	<u>438,826</u>
Total	438,826
Less: Amount Representing Interest	<u>(30,991)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$407,835</u></u>

Note 20 – Subsequent Event

After 55 years as a school in the Bedford District, Aurora Upper Intermediate School in Bedford Heights closed at the end of the 2006-2007 school year. Originally built as a kindergarten through sixth grade building, Aurora later became a building for grades three through five. Since 1993, the 65,000-sq. ft. school has served exclusively for sixth-grade students. The decision to close Aurora School at the end of the 2006-2007 school year was part of an effort to limit spending and to stretch tax dollars as far as possible. The closing is expected to save the School District approximately \$500,000 a year. As a result of the closing, the grade-level configuration of Central and Glendale Primary Schools in the Bedford District will change from Pre-K through Grade 2 to Pre-K through Grade 3; and Columbus and Carylwood Intermediate Schools from Grades 3 through 5 to Grades 4 through 6. The decision will have no impact on programs and services. Students and parents can expect the same level of quality education that has been offered in the past. Though the building will close, the Board of Education will retain ownership of the property. A portion of the property will be leased to a local private school for the 2007-2008 school year.

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

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

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

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

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

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

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

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

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

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

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

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

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

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

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

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

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

Miscellaneous State Grants Fund To account for State monies not otherwise designated to a specific purpose.

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

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

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

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

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

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

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

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

Miscellaneous Federal Grants Fund To account for federal monies not otherwise designated to a specific purpose.

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Debt Service Fund

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

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

Nonmajor Capital Projects Funds

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

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

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

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

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

Bedford City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,297,499	\$1,714,703	\$1,659,457	\$4,671,659
Accounts Receivable	5,293	0	0	5,293
Intergovernmental Receivable	583,510	0	0	583,510
Inventory Held for Resale	29,347	0	0	29,347
Materials and Supplies Inventory	5,867	0	0	5,867
Taxes Receivable	0	1,279,343	523,614	1,802,957
<i>Total Assets</i>	<u>\$1,921,516</u>	<u>\$2,994,046</u>	<u>\$2,183,071</u>	<u>\$7,098,633</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$20,881	\$0	\$0	\$20,881
Accrued Wages and Benefits Payable	114,462	0	0	114,462
Intergovernmental Payable	112,065	0	0	112,065
Interfund Payable	451,500	0	850,000	1,301,500
Deferred Revenue	316,645	1,077,581	452,844	1,847,070
<i>Total Liabilities</i>	<u>1,015,553</u>	<u>1,077,581</u>	<u>1,302,844</u>	<u>3,395,978</u>
Fund Balances:				
Reserved for Encumbrances	165,159	0	1,381,767	1,546,926
Reserved for Property Taxes	0	169,618	51,636	221,254
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	740,804	0	0	740,804
Debt Service Funds	0	1,746,847	0	1,746,847
Capital Projects Funds (Deficit)	0	0	(553,176)	(553,176)
<i>Total Fund Balances</i>	<u>905,963</u>	<u>1,916,465</u>	<u>880,227</u>	<u>3,702,655</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,921,516</u>	<u>\$2,994,046</u>	<u>\$2,183,071</u>	<u>\$7,098,633</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, 2007

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$0	\$1,312,999	\$639,684	\$1,952,683
Intergovernmental	4,078,485	82,554	35,955	4,196,994
Interest	1,248	0	16,968	18,216
Charges for Services	794,463	0	0	794,463
Tuition and Fees	39,613	0	0	39,613
Rentals	38,915	0	0	38,915
Extracurricular Activities	211,472	0	0	211,472
Contributions and Donations	38,846	0	0	38,846
Miscellaneous	30,486	0	1,460	31,946
<i>Total Revenues</i>	<u>5,233,528</u>	<u>1,395,553</u>	<u>694,067</u>	<u>7,323,148</u>
Expenditures				
Current:				
Instruction:				
Regular	904,532	0	0	904,532
Special	1,082,337	0	0	1,082,337
Vocational	147,798	0	0	147,798
Support Services:				
Pupil	181,480	0	0	181,480
Instructional Staff	189,281	0	0	189,281
Administration	117,176	0	0	117,176
Business	20,247	0	0	20,247
Operation and Maintenance of Plant	649	0	0	649
Central	3,720	0	0	3,720
Operation of Non-Instructional Services:				
Food Service Operations	1,613,500	0	0	1,613,500
Other Non-Instructional Services	491,939	0	0	491,939
Extracurricular Activities	227,780	0	0	227,780
Capital Outlay	0	0	1,682,932	1,682,932
Debt Service:				
Principal Retirement	46,000	950,000	0	996,000
Interest and Fiscal Charges	9,689	281,300	0	290,989
<i>Total Expenditures</i>	<u>5,036,128</u>	<u>1,231,300</u>	<u>1,682,932</u>	<u>7,950,360</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	197,400	164,253	(988,865)	(627,212)
Transfers In	462,281	0	0	462,281
<i>Net Change in Fund Balances</i>	659,681	164,253	(988,865)	(164,931)
<i>Fund Balances Beginning of Year</i>	<u>246,282</u>	<u>1,752,212</u>	<u>1,869,092</u>	<u>3,867,586</u>
<i>Fund Balances End of Year</i>	<u>\$905,963</u>	<u>\$1,916,465</u>	<u>\$880,227</u>	<u>\$3,702,655</u>

Bedford City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2007

	Food Service	Summer School	Adult and Continuing Education	Recreation
Assets				
Equity in Pooled Cash and Cash Equivalents	\$181,053	\$54,196	\$23,017	\$8,549
Accounts Receivable	0	2,793	0	0
Intergovernmental Receivable	101,136	0	0	0
Inventory Held for Resale	29,347	0	0	0
Materials and Supplies Inventory	5,867	0	0	0
<i>Total Assets</i>	<u>\$317,403</u>	<u>\$56,989</u>	<u>\$23,017</u>	<u>\$8,549</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$0
Accrued Wages and Benefits Payable	42,373	0	0	0
Intergovernmental Payable	77,112	4,012	0	642
Interfund Payable	100,000	25,000	0	0
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>219,485</u>	<u>29,012</u>	<u>0</u>	<u>642</u>
Fund Balances				
Reserved for Encumbrances	660	0	0	0
Unreserved, Undesignated (Deficit)	97,258	27,977	23,017	7,907
<i>Total Fund Balances (Deficit)</i>	<u>97,918</u>	<u>27,977</u>	<u>23,017</u>	<u>7,907</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$317,403</u>	<u>\$56,989</u>	<u>\$23,017</u>	<u>\$8,549</u>

Public School Support	Local Grants	Special Enterprise	District Managed Student Activities	Auxiliary Services
\$82,473	\$71,656	\$111,735	\$12,134	\$45,077
0	2,500	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$82,473</u>	<u>\$74,156</u>	<u>\$111,735</u>	<u>\$12,134</u>	<u>\$45,077</u>
387	\$2,000	\$0	\$463	\$9,260
0	0	0	0	1,731
0	127	0	77	5,034
0	0	0	0	0
0	0	0	0	0
<u>387</u>	<u>2,127</u>	<u>0</u>	<u>540</u>	<u>16,025</u>
6,728	3,497	0	4,642	29,267
75,358	68,532	111,735	6,952	(215)
<u>82,086</u>	<u>72,029</u>	<u>111,735</u>	<u>11,594</u>	<u>29,052</u>
<u>\$82,473</u>	<u>\$74,156</u>	<u>\$111,735</u>	<u>\$12,134</u>	<u>\$45,077</u>

(continued)

Bedford City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2007

	Education Management Information Systems	Ohio Reads Grant	Poverty Aid	Miscellaneous State Grants
Assets				
Equity in Pooled Cash and Cash Equivalents	\$5,901	\$16,045	\$389,635	\$5,500
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	0	14,020	0	31,604
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$5,901</u>	<u>\$30,065</u>	<u>\$389,635</u>	<u>\$37,104</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$0	\$0	\$0
Accrued Wages and Benefits Payable	0	0	0	0
Intergovernmental Payable	0	87	0	0
Interfund Payable	0	18,000	0	10,000
Deferred Revenue	0	10,040	0	31,604
<i>Total Liabilities</i>	<u>0</u>	<u>28,127</u>	<u>0</u>	<u>41,604</u>
Fund Balances				
Reserved for Encumbrances	5,900	12,937	0	0
Unreserved, Undesignated (Deficit)	1	(10,999)	389,635	(4,500)
<i>Total Fund Balances (Deficit)</i>	<u>5,901</u>	<u>1,938</u>	<u>389,635</u>	<u>(4,500)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$5,901</u>	<u>\$30,065</u>	<u>\$389,635</u>	<u>\$37,104</u>

Title VI-B	Vocational Education	Title I	Title VI	Drug Free Schools
\$67,124	\$89,289	\$73,078	\$2,768	\$3,475
0	0	0	0	0
137,261	65,844	150,761	3,939	6,615
0	0	0	0	0
0	0	0	0	0
<u>\$204,385</u>	<u>\$155,133</u>	<u>\$223,839</u>	<u>\$6,707</u>	<u>\$10,090</u>

\$488	\$5,940	\$294	\$0	\$0
24,573	0	36,886	0	0
9,805	0	11,868	0	29
75,000	90,000	67,000	3,500	6,000
37,261	40,146	150,761	1,838	3,518
<u>147,127</u>	<u>136,086</u>	<u>266,809</u>	<u>5,338</u>	<u>9,547</u>
18,569	18,727	42,855	15	572
38,689	320	(85,825)	1,354	(29)
<u>57,258</u>	<u>19,047</u>	<u>(42,970)</u>	<u>1,369</u>	<u>543</u>
<u>\$204,385</u>	<u>\$155,133</u>	<u>\$223,839</u>	<u>\$6,707</u>	<u>\$10,090</u>

(continued)

Bedford City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2007

	Preschool Handicapped	Title VI-R	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$17,695	\$31,789	\$5,310	\$1,297,499
Accounts Receivable	0	0	0	5,293
Intergovernmental Receivable	21,729	44,260	6,341	583,510
Inventory Held for Resale	0	0	0	29,347
Materials and Supplies Inventory	0	0	0	5,867
<i>Total Assets</i>	<u>\$39,424</u>	<u>\$76,049</u>	<u>\$11,651</u>	<u>\$1,921,516</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$2,049	\$0	\$0	\$20,881
Accrued Wages and Benefits Payable	0	8,899	0	114,462
Intergovernmental Payable	0	3,252	20	112,065
Interfund Payable	22,000	30,000	5,000	451,500
Deferred Revenue	10,488	26,636	4,353	316,645
<i>Total Liabilities</i>	<u>34,537</u>	<u>68,787</u>	<u>9,373</u>	<u>1,015,553</u>
Fund Balances				
Reserved for Encumbrances	15,167	4,976	647	165,159
Unreserved, Undesignated (Deficit)	(10,280)	2,286	1,631	740,804
<i>Total Fund Balances (Deficit)</i>	<u>4,887</u>	<u>7,262</u>	<u>2,278</u>	<u>905,963</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$39,424</u>	<u>\$76,049</u>	<u>\$11,651</u>	<u>\$1,921,516</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, 2007

	Food Service	Summer School	Adult and Continuing Education	Recreation
Revenues				
Intergovernmental	\$755,707	\$1,000	\$0	\$0
Interest	0	0	0	0
Charges for Services	792,684	0	0	0
Tuition and Fees	0	34,087	0	0
Rentals	0	0	0	3,785
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	4,296
<i>Total Revenues</i>	<u>1,548,391</u>	<u>35,087</u>	<u>0</u>	<u>8,081</u>
Expenditures				
Current:				
Instruction:				
Regular	0	28,366	0	0
Special	0	0	0	0
Vocational	0	0	0	0
Support Services:				
Pupil	0	0	0	0
Instructional Staff	0	0	0	0
Administration	0	6,087	0	0
Business	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	1,613,500	0	0	0
Other Non-Instructional Services	0	0	0	9,079
Extracurricular Activities	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>1,613,500</u>	<u>34,453</u>	<u>0</u>	<u>9,079</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(65,109)	634	0	(998)
Transfers In	<u>350,000</u>	<u>8,456</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	284,891	9,090	0	(998)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(186,973)</u>	<u>18,887</u>	<u>23,017</u>	<u>8,905</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$97,918</u>	<u>\$27,977</u>	<u>\$23,017</u>	<u>\$7,907</u>

(continued)

Bedford City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2007

	Public School Support	Local Grants	Special Enterprise	District Managed Student Activities
Revenues				
Intergovernmental	\$0	\$60,325	\$0	\$0
Interest	0	0	0	0
Charges for Services	0	0	0	1,779
Tuition and Fees	5,526	0	0	0
Rentals	0	0	35,130	0
Extracurricular Activities	99,944	0	0	111,528
Contributions and Donations	20,066	13,885	0	4,895
Miscellaneous	26,168	0	0	22
<i>Total Revenues</i>	<u>151,704</u>	<u>74,210</u>	<u>35,130</u>	<u>118,224</u>
Expenditures				
Current:				
Instruction:				
Regular	154,454	30,106	0	0
Special	0	255	0	0
Vocational	853	10,539	0	0
Support Services:				
Pupil	0	35	0	0
Instructional Staff	150	6,889	0	0
Administration	2,783	25	0	0
Business	4,087	0	0	0
Operation and Maintenance of Plant	649	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Other Non-Instructional Services	0	6,227	0	0
Extracurricular Activities	5,431	0	0	222,349
Debt Service:				
Principal Retirement	0	0	46,000	0
Interest and Fiscal Charges	0	0	9,689	0
<i>Total Expenditures</i>	<u>168,407</u>	<u>54,076</u>	<u>55,689</u>	<u>222,349</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(16,703)	20,134	(20,559)	(104,125)
Transfers In	<u>0</u>	<u>0</u>	<u>0</u>	<u>103,825</u>
<i>Net Change in Fund Balances</i>	(16,703)	20,134	(20,559)	(300)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>98,789</u>	<u>51,895</u>	<u>132,294</u>	<u>11,894</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$82,086</u>	<u>\$72,029</u>	<u>\$111,735</u>	<u>\$11,594</u>

Auxiliary Services	Education Management Information Systems	Data Communications	SchoolNet Professional Development	Ohio Reads Grant
\$372,752	\$13,570	\$21,000	\$0	\$15,027
1,248	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
374,000	13,570	21,000	0	15,027
0	0	0	0	5,214
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	14,346	21,000	938	1,779
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
422,477	0	0	0	2,963
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
422,477	14,346	21,000	938	9,956
(48,477)	(776)	0	(938)	5,071
0	0	0	0	0
(48,477)	(776)	0	(938)	5,071
77,529	6,677	0	938	(3,133)
\$29,052	\$5,901	\$0	\$0	\$1,938

(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, 2007

	Poverty Aid	Miscellaneous State Grants	Title VI-B	Vocational Education
Revenues				
Intergovernmental	\$929,703	\$28,023	\$988,339	\$145,244
Interest	0	0	0	0
Charges for Services	0	0	0	0
Tuition and Fees	0	0	0	0
Rentals	0	0	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>929,703</u>	<u>28,023</u>	<u>988,339</u>	<u>145,244</u>
Expenditures				
Current:				
Instruction:				
Regular	540,068	0	0	0
Special	0	0	661,043	0
Vocational	0	0	31,964	104,442
Support Services:				
Pupil	0	9,863	113,455	10,257
Instructional Staff	0	6,500	2,952	11,943
Administration	0	0	105,510	2,771
Business	0	16,160	0	0
Operation and Maintenance of Plant	0	0	0	0
Central	0	0	0	3,720
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Other Non-Instructional Services	0	0	19,813	0
Extracurricular Activities	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
<i>Total Expenditures</i>	<u>540,068</u>	<u>32,523</u>	<u>934,737</u>	<u>133,133</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	389,635	(4,500)	53,602	12,111
Transfers In	0	0	0	0
<i>Net Change in Fund Balances</i>	389,635	(4,500)	53,602	12,111
<i>Fund Balances (Deficit) Beginning of Year</i>	0	0	3,656	6,936
<i>Fund Balances (Deficit) End of Year</i>	<u>\$389,635</u>	<u>(\$4,500)</u>	<u>\$57,258</u>	<u>\$19,047</u>

Title III	Title I	Title VI	Drug Free Schools	Preschool Handicapped
\$3,677	\$532,781	\$11,895	\$18,786	\$38,746
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
3,677	532,781	11,895	18,786	38,746
3,677	0	9,438	5,272	0
0	387,339	0	0	33,700
0	0	0	0	0
0	47,870	0	0	0
0	107,443	0	13,194	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	28,817	1,088	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
3,677	571,469	10,526	18,466	33,700
0	(38,688)	1,369	320	5,046
0	0	0	0	0
0	(38,688)	1,369	320	5,046
0	(4,282)	0	223	(159)
\$0	(\$42,970)	\$1,369	\$543	\$4,887

(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, 2007

	Title VI-R	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
Revenues			
Intergovernmental	\$129,807	\$12,103	\$4,078,485
Interest	0	0	1,248
Charges for Services	0	0	794,463
Tuition and Fees	0	0	39,613
Rentals	0	0	38,915
Extracurricular Activities	0	0	211,472
Contributions and Donations	0	0	38,846
Miscellaneous	0	0	30,486
<i>Total Revenues</i>	<u>129,807</u>	<u>12,103</u>	<u>5,233,528</u>
Expenditures			
Current:			
Instruction:			
Regular	118,869	9,068	904,532
Special	0	0	1,082,337
Vocational	0	0	147,798
Support Services:			
Pupil	0	0	181,480
Instructional Staff	2,134	13	189,281
Administration	0	0	117,176
Business	0	0	20,247
Operation and Maintenance of Plant	0	0	649
Central	0	0	3,720
Operation of Non-Instructional Services:			
Food Service Operations	0	0	1,613,500
Other Non-Instructional Services	731	744	491,939
Extracurricular Activities	0	0	227,780
Debt Service:			
Principal Retirement	0	0	46,000
Interest and Fiscal Charges	0	0	9,689
<i>Total Expenditures</i>	<u>121,734</u>	<u>9,825</u>	<u>5,036,128</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	8,073	2,278	197,400
Transfers In	<u>0</u>	<u>0</u>	<u>462,281</u>
<i>Net Change in Fund Balances</i>	8,073	2,278	659,681
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(811)</u>	<u>0</u>	<u>246,282</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$7,262</u>	<u>\$2,278</u>	<u>\$905,963</u>

Bedford City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2007

	Permanent Improvement	Building	Capital Replacement	Total Nonmajor Capital Projects Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$1,419,738	\$88,875	\$150,844	\$1,659,457
Taxes Receivable	523,614	0	0	523,614
<i>Total Assets</i>	<u>\$1,943,352</u>	<u>\$88,875</u>	<u>\$150,844</u>	<u>\$2,183,071</u>
Liabilities and Fund Balances				
Liabilities				
Interfund Payable	\$850,000	\$0	\$0	\$850,000
Deferred Revenue	452,844	0	0	452,844
<i>Total Liabilities</i>	<u>1,302,844</u>	<u>0</u>	<u>0</u>	<u>1,302,844</u>
Fund Balances:				
Reserved for Encumbrances	1,381,767	0	0	1,381,767
Reserved for Property Taxes	51,636	0	0	51,636
Unreserved, Undesignated (Deficit)	(792,895)	88,875	150,844	(553,176)
<i>Total Fund Balances</i>	<u>640,508</u>	<u>88,875</u>	<u>150,844</u>	<u>880,227</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,943,352</u>	<u>\$88,875</u>	<u>\$150,844</u>	<u>\$2,183,071</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, 2007

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Capital Replacement</u>	<u>SchoolNet</u>	<u>Total Nonmajor Capital Projects Funds</u>
Revenues					
Taxes	\$639,684	\$0	\$0	\$0	\$639,684
Intergovernmental	35,955	0	0	0	35,955
Interest	0	16,968	0	0	16,968
Miscellaneous	1,460	0	0	0	1,460
<i>Total Revenues</i>	677,099	16,968	0	0	694,067
Expenditures					
Capital Outlay	472,129	1,210,739	0	64	1,682,932
<i>Net Change in Fund Balances</i>	204,970	(1,193,771)	0	(64)	(988,865)
<i>Fund Balances Beginning of Year</i>	435,538	1,282,646	150,844	64	1,869,092
<i>Fund Balances End of Year</i>	<u>\$640,508</u>	<u>\$88,875</u>	<u>\$150,844</u>	<u>\$0</u>	<u>\$880,227</u>

Combining Statements - Internal Service Funds

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

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

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

Bedford City School District
Combining Statement of Fund Net Assets
Internal Service Funds
June 30, 2007

	Self Insurance	Computer Network	Total Internal Service Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$1,359,112	\$578	\$1,359,690
Liabilities			
Claims Payable	83,000	0	83,000
Net Assets			
Unrestricted	<u>\$1,276,112</u>	<u>\$578</u>	<u>\$1,276,690</u>

Bedford City School District
*Combining Statement of Revenues,
Expenses and Changes in Fund Net Assets
Internal Service Funds
For the Fiscal Year Ended June 30, 2007*

	Self Insurance	Computer Network	Total Internal Service Funds
Operating Revenues			
Charges for Services	\$1,100,031	\$0	\$1,100,031
Operating Expenses			
Purchased Services	21,281	0	21,281
Claims	1,108,356	0	1,108,356
<i>Total Operating Expenses</i>	1,129,637	0	1,129,637
<i>Change in Net Assets</i>	(29,606)	0	(29,606)
<i>Net Assets Beginning of Year</i>	1,305,718	578	1,306,296
<i>Net Assets End of Year</i>	\$1,276,112	\$578	\$1,276,690

Bedford City School District
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2007

	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	\$1,100,031	\$0	\$1,100,031
Cash Payments for Purchased Services	(21,281)	0	(21,281)
Cash Payments for Claims	(1,091,326)	0	(1,091,326)
<i>Net Decrease in Cash and Cash Equivalents</i>	(12,576)	0	(12,576)
<i>Cash and Cash Equivalents Beginning of Year</i>	1,371,688	578	1,372,266
<i>Cash and Cash Equivalents End of Year</i>	\$1,359,112	\$578	\$1,359,690
 Reconciliation of Operating Loss to Net Cash Used for Operating Activities			
Operating Loss	(\$29,606)	\$0	(\$29,606)
<i>Adjustments:</i>			
Increase in Claims Payable	17,030	0	17,030
<i>Net Cash Provided by Operating Activities</i>	(\$12,576)	\$0	(\$12,576)

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, 2007

	Beginning Balance June 30, 2006	Additions	Reductions	Ending Balance June 30, 2007
<i>Student Activities Fund</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$35,208	\$71,333	\$75,715	\$30,826
Liabilities				
Due to Students	\$35,208	\$71,333	\$75,715	\$30,826

**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, 2007

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$30,781,038	\$32,418,442	\$33,015,783	\$597,341
Intergovernmental	10,258,049	9,915,049	9,998,851	83,802
Interest	800,000	1,024,582	1,108,529	83,947
Charges for Services	15,000	15,000	14,910	(90)
Tuition and Fees	1,123,200	1,473,979	1,517,727	43,748
Rentals	3,500	3,500	667	(2,833)
Miscellaneous	491,500	404,298	431,049	26,751
<i>Total Revenues</i>	<u>43,472,287</u>	<u>45,254,850</u>	<u>46,087,516</u>	<u>832,666</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	12,004,804	10,489,934	10,271,634	218,300
Fringe Benefits	4,381,950	3,905,468	3,455,787	449,681
Purchased Services	1,776,434	2,008,543	1,998,281	10,262
Materials and Supplies	713,927	897,016	725,604	171,412
Capital Outlay - New	10,380	11,481	9,979	1,502
Capital Outlay - Replacement	5,000	2,500	0	2,500
Other	21,209	12,625	8,286	4,339
Total Regular	<u>18,913,704</u>	<u>17,327,567</u>	<u>16,469,571</u>	<u>857,996</u>
Special:				
Salaries and Wages	3,561,400	3,502,700	3,486,717	15,983
Fringe Benefits	948,000	980,000	979,025	975
Purchased Services	2,475	2,361	2,160	201
Materials and Supplies	7,562	9,628	7,021	2,607
Other	2,950	2,073	1,508	565
Total Special	<u>4,522,387</u>	<u>4,496,762</u>	<u>4,476,431</u>	<u>20,331</u>
Vocational:				
Salaries and Wages	1,050,000	1,050,000	962,432	87,568
Fringe Benefits	318,000	411,000	410,621	379
Purchased Services	8,979	8,979	6,399	2,580
Materials and Supplies	40,711	40,735	29,492	11,243
Capital Outlay - New	15,000	15,000	7,736	7,264
Capital Outlay - Replacement	5,750	5,750	0	5,750
Total Vocational	<u>1,438,440</u>	<u>1,531,464</u>	<u>1,416,680</u>	<u>114,784</u>
Total Instruction	<u>\$24,874,531</u>	<u>\$23,355,793</u>	<u>\$22,362,682</u>	<u>\$993,111</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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Support Services:				
Pupil:				
Salaries and Wages	\$2,000,000	\$1,682,000	\$1,625,215	\$56,785
Fringe Benefits	503,000	503,000	483,034	19,966
Purchased Services	467,042	483,385	482,443	942
Materials and Supplies	74,915	78,111	69,390	8,721
Total Pupil	3,044,957	2,746,496	2,660,082	86,414
Instructional Staff:				
Salaries and Wages	1,000,000	954,417	785,510	168,907
Fringe Benefits	302,500	305,518	293,938	11,580
Purchased Services	170,733	236,688	222,119	14,569
Materials and Supplies	172,233	159,320	146,895	12,425
Capital Outlay - New	15,987	49,848	49,047	801
Capital Outlay - Replacement	3,419	2,886	2,886	0
Other	5,536	612	492	120
Total Instructional Staff	1,670,408	1,709,289	1,500,887	208,402
Board of Education:				
Salaries and Wages	30,000	30,000	24,875	5,125
Fringe Benefits	29,200	29,200	11,797	17,403
Purchased Services	276,523	214,168	209,437	4,731
Materials and Supplies	500	700	577	123
Other	10,000	72,155	71,787	368
Total Board of Education	346,223	346,223	318,473	27,750
Administration:				
Salaries and Wages	2,375,100	2,375,100	2,181,998	193,102
Fringe Benefits	814,778	860,015	859,228	787
Purchased Services	263,754	262,051	185,738	76,313
Materials and Supplies	55,570	76,879	65,756	11,123
Capital Outlay - New	5,000	18,116	15,400	2,716
Other	101,301	77,084	63,719	13,365
Total Administration	\$3,615,503	\$3,669,245	\$3,371,839	\$297,406

(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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Fiscal:				
Salaries and Wages	\$332,800	\$332,800	\$307,486	\$25,314
Fringe Benefits	120,000	123,150	119,334	3,816
Purchased Services	101,151	133,727	130,030	3,697
Materials and Supplies	8,579	12,964	10,043	2,921
Capital Outlay - New	6,000	0	0	0
Capital Outlay - Replacement	6,000	3,251	3,216	35
Other	685,141	685,809	683,831	1,978
Total Fiscal	1,259,671	1,291,701	1,253,940	37,761
Business:				
Salaries and Wages	297,000	297,000	291,523	5,477
Fringe Benefits	97,395	104,295	104,265	30
Purchased Services	189,503	253,617	244,558	9,059
Materials and Supplies	20,926	20,926	20,112	814
Capital Outlay - New	19,000	24,414	21,837	2,577
Capital Outlay - Replacement	12,000	65,970	60,236	5,734
Principal Retirement	15,000	0	0	0
Other	2,200	7,455	7,045	410
Total Business	653,024	773,677	749,576	24,101
Operation and Maintenance of Plant:				
Salaries and Wages	2,600,000	2,600,000	2,524,613	75,387
Fringe Benefits	1,029,439	1,248,639	1,247,892	747
Purchased Services	2,892,483	2,840,810	2,651,767	189,043
Materials and Supplies	233,655	231,455	226,466	4,989
Capital Outlay - New	77,071	71,071	68,659	2,412
Capital Outlay - Replacement	72,639	72,639	71,700	939
Other	6,060	6,060	5,907	153
Total Operation and Maintenance of Plant	6,911,347	7,070,674	6,797,004	273,670
Pupil Transportation:				
Salaries and Wages	2,000,000	2,049,000	2,048,628	372
Fringe Benefits	505,311	561,311	560,508	803
Purchased Services	320,807	326,507	301,599	24,908
Materials and Supplies	566,631	562,531	551,744	10,787
Capital Outlay - New	1,500	1,000	0	1,000
Capital Outlay - Replacement	362,000	320,000	313,030	6,970
Other	2,750	2,750	2,737	13
Total Pupil Transportation	\$3,758,999	\$3,823,099	\$3,778,246	\$44,853

(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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Central:				
Salaries and Wages	\$174,000	\$174,000	\$165,165	\$8,835
Fringe Benefits	53,500	62,000	61,930	70
Purchased Services	66,179	68,279	67,565	714
Materials and Supplies	5,171	6,604	6,183	421
Capital Outlay - New	2,000	1,747	1,747	0
Capital Outlay - Replacement	2,000	0	0	0
	1,185	1,000	983	17
Total Central	304,035	313,630	303,573	10,057
Total Support Services	21,564,167	21,744,034	20,733,620	1,010,414
Extracurricular Activities:				
Academic and Subject Oriented:				
Salaries and Wages	43,000	46,700	46,670	30
Fringe Benefits	0	1,500	1,416	84
Total Academic and Subject Oriented	43,000	48,200	48,086	114
Occupation Oriented:				
Salaries and Wages	5,300	5,300	4,808	492
Fringe Benefits	0	1,800	1,777	23
Total Occupation Oriented	5,300	7,100	6,585	515
Sports Oriented:				
Salaries and Wages	350,200	350,200	347,640	2,560
Fringe Benefits	6,900	24,900	24,441	459
Total Sports Oriented	357,100	375,100	372,081	3,019
School and Public Service Oriented:				
Salaries and Wages	31,200	37,200	37,189	11
Fringe Benefits	1,500	3,400	3,309	91
Total School and Public Service Oriented	32,700	40,600	40,498	102
Total Extracurricular Activities	438,100	471,000	467,250	3,750
Capital Outlay:				
Site Acquisition Services				
Capital Outlay	13,565	153,565	149,412	4,153
Debt Service:				
Principal Retirement	391,256	406,256	406,204	52
Interest and Fiscal Charges	110,016	110,016	109,538	478
Total Debt Service	\$501,272	\$516,272	\$515,742	\$530

(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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<i>Total Expenditures</i>	\$47,391,635	\$46,240,664	\$44,228,706	\$2,011,958
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,919,348)	(985,814)	1,858,810	2,844,624
Other Financing Sources (Uses)				
Advances In	600,000	443,500	443,500	0
Advances Out	0	(1,301,550)	(1,301,500)	50
Transfers Out	(86,825)	(462,281)	(462,281)	0
<i>Total Other Financing Sources (Uses)</i>	513,175	(1,320,331)	(1,320,281)	50
<i>Net Change in Fund Balance</i>	(3,406,173)	(2,306,145)	538,529	2,844,674
<i>Fund Balance Beginning of Year</i>	9,937,009	9,937,009	9,937,009	0
Prior Year Encumbrances Appropriated	840,655	840,655	840,655	0
<i>Fund Balance End of Year</i>	<u>\$7,371,491</u>	<u>\$8,471,519</u>	<u>\$11,316,193</u>	<u>\$2,844,674</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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$522,000	\$685,500	\$723,521	\$38,021
Charges for Services	824,000	804,000	792,684	(11,316)
<i>Total Revenues</i>	1,346,000	1,489,500	1,516,205	26,705
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Food Services Operations:				
Salaries and Wages	0	619,355	617,981	1,374
Fringe Benefits	0	203,695	197,212	6,483
Purchased Services	546,250	122,509	12,808	109,701
Materials and Supplies	691,970	735,571	717,131	18,440
Capital Outlay - New	6,280	7,280	6,569	711
Capital Outlay - Replacement	10,000	7,590	7,590	0
<i>Total Expenditures</i>	1,254,500	1,696,000	1,559,291	136,709
<i>Excess of Revenues Over (Under) Expenditures</i>	91,500	(206,500)	(43,086)	163,414
Other Financing Sources (Uses)				
Advances In	57,000	100,000	100,000	0
Advances Out	(203,000)	(300,000)	(300,000)	0
Transfers In	0	350,000	350,000	0
<i>Total Other Financing Sources (Uses)</i>	(146,000)	150,000	150,000	0
<i>Net Change in Fund Balance</i>	(54,500)	(56,500)	106,914	163,414
<i>Fund Balance Beginning of Year</i>	68,979	68,979	68,979	0
Prior Year Encumbrances Appropriated	4,500	4,500	4,500	0
<i>Fund Balance End of Year</i>	\$18,979	\$16,979	\$180,393	\$163,414

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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$0	\$1,000	\$1,000	\$0
Tuition and Fees	30,000	46,500	31,294	(15,206)
<i>Total Revenues</i>	30,000	47,500	32,294	(15,206)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	75,000	64,524	25,914	38,610
Fringe Benefits	0	3,156	3,156	0
Materials and Supplies	31	531	531	0
Total Instruction	75,031	68,211	29,601	38,610
Support Services:				
Administration:				
Salaries and Wages	0	5,414	5,414	0
Fringe Benefits	0	1,406	1,406	0
Total Administration	0	6,820	6,820	0
<i>Total Expenditures</i>	75,031	75,031	36,421	38,610
<i>Excess of Revenues Under Expenditures</i>	(45,031)	(27,531)	(4,127)	23,404
Other Financing Sources (Uses)				
Advances In	51,000	25,000	25,000	0
Advances Out	(25,000)	(25,000)	(25,000)	0
Transfers In	0	8,500	8,456	(44)
<i>Total Other Financing Sources (Uses)</i>	26,000	8,500	8,456	(44)
<i>Net Change in Fund Balance</i>	(19,031)	(19,031)	4,329	23,360
<i>Fund Balance Beginning of Year</i>	49,836	49,836	49,836	0
Prior Year Encumbrances Appropriated	31	31	31	0
<i>Fund Balance End of Year</i>	\$30,836	\$30,836	\$54,196	\$23,360

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Adult and Continuing Education Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues	\$0	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>23,017</u>	<u>23,017</u>	<u>23,017</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$23,017</u></u>	<u><u>\$23,017</u></u>	<u><u>\$23,017</u></u>	<u><u>\$0</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Rentals	\$8,000	\$8,000	\$3,785	(\$4,215)
Miscellaneous	5,000	5,000	4,296	(704)
<i>Total Revenue</i>	<u>13,000</u>	<u>13,000</u>	<u>8,081</u>	<u>(4,919)</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Recreation Services:				
Salaries and Wages	7,902	7,902	7,875	27
Fringe Benefits	1,213	1,513	1,281	232
Purchased Services	100	100	32	68
Materials and Supplies	100	100	0	100
Capital Outlay - New	685	385	0	385
<i>Total Expenditures</i>	<u>10,000</u>	<u>10,000</u>	<u>9,188</u>	<u>812</u>
<i>Net Change in Fund Balance</i>	3,000	3,000	(1,107)	(4,107)
<i>Fund Balance Beginning of Year</i>	<u>9,656</u>	<u>9,656</u>	<u>9,656</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$12,656</u></u>	<u><u>\$12,656</u></u>	<u><u>\$8,549</u></u>	<u><u>(\$4,107)</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Tuition and Fees	\$6,000	\$6,000	\$5,526	(\$474)
Extracurricular Activities	111,900	111,900	99,944	(11,956)
Contributions and Donations	11,000	11,000	20,066	9,066
Miscellaneous	38,100	38,100	27,668	(10,432)
<i>Total Revenues</i>	<u>167,000</u>	<u>167,000</u>	<u>153,204</u>	<u>(13,796)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	60,329	62,560	78,586	(16,026)
Materials and Supplies	105,284	78,131	54,909	23,222
Capital Outlay - New	223	5,707	5,497	210
Capital Outlay - Replacement	162	1,062	979	83
Other	15,909	30,857	24,254	6,603
Total Regular	181,907	178,317	164,225	14,092
Vocational:				
Materials and Supplies	1,082	856	853	3
Total Instruction	<u>182,989</u>	<u>179,173</u>	<u>165,078</u>	<u>14,095</u>
Support Services:				
Pupils:				
Materials and Supplies	0	735	0	735
Instructional Staff:				
Salaries and Wages	6,844	6,633	0	6,633
Fringe Benefits	1,577	2,124	350	1,774
Purchased Services	1,435	1,435	0	1,435
Materials and Supplies	2,168	2,168	170	1,998
Other	16	16	0	16
Total Instructional Staff	<u>\$12,040</u>	<u>\$12,376</u>	<u>\$520</u>	<u>\$11,856</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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Administration:				
Purchased Services	\$1,177	\$1,177	\$0	\$1,177
Materials and Supplies	3,841	6,536	2,783	3,753
Total Administration	<u>5,018</u>	<u>7,713</u>	<u>2,783</u>	<u>4,930</u>
Business:				
Materials and Supplies	7,853	13,224	3,919	9,305
Capital Outlay - New	123	123	0	123
Total Business	<u>7,976</u>	<u>13,347</u>	<u>3,919</u>	<u>9,428</u>
Operation and Maintenance of Plant:				
Other	539	957	500	457
Total Support Services	<u>25,573</u>	<u>35,128</u>	<u>7,722</u>	<u>27,406</u>
Operation of Non-Instructional Services:				
Community Services:				
Materials and Supplies	0	1,217	649	568
Extracurricular Activities:				
School and Public Service Oriented:				
Purchased Services	430	430	0	430
Other	4,583	7,627	5,431	2,196
Total Extracurricular Activities	<u>5,013</u>	<u>8,057</u>	<u>5,431</u>	<u>2,626</u>
<i>Total Expenditures</i>	<u>213,575</u>	<u>223,575</u>	<u>178,880</u>	<u>44,695</u>
<i>Net Change in Fund Balance</i>	(46,575)	(56,575)	(25,676)	30,899
<i>Fund Balance Beginning of Year</i>	87,459	87,459	87,459	0
Prior Year Encumbrances Appropriated	<u>13,576</u>	<u>13,576</u>	<u>13,576</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$54,460</u>	<u>\$44,460</u>	<u>\$75,359</u>	<u>\$30,899</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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$52,000	\$75,600	\$60,325	(\$15,275)
Contributions and Donations	0	11,400	11,385	(15)
<i>Total Revenues</i>	<u>52,000</u>	<u>87,000</u>	<u>71,710</u>	<u>(15,290)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Fringe Benefits	66	66	66	0
Purchased Services	44	8,077	44	8,033
Materials and Supplies	9,699	29,892	24,578	5,314
Capital Outlay - New	0	5,500	5,500	0
Total Regular	<u>9,809</u>	<u>43,535</u>	<u>30,188</u>	<u>13,347</u>
Special:				
Materials and Supplies	255	255	255	0
Vocational:				
Salaries and Wages	0	2,580	2,580	0
Fringe Benefits	90	525	525	0
Purchased Services	0	4,561	4,061	500
Materials and Supplies	163	11,225	6,769	4,456
Total Vocational	<u>253</u>	<u>18,891</u>	<u>13,935</u>	<u>4,956</u>
Total Instruction	<u>10,317</u>	<u>62,681</u>	<u>44,378</u>	<u>18,303</u>
Support Services:				
Pupil				
Materials and Supplies	300	300	35	265
Instructional Staff:				
Salaries and Wages	1,185	10,671	5,000	5,671
Fringe Benefits	186	1,700	614	1,086
Purchased Services	329	1,829	1,153	676
Materials and Supplies	38	38	38	0
Total Instructional Staff	<u>\$1,738</u>	<u>\$14,238</u>	<u>\$6,805</u>	<u>\$7,433</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Administration:				
Capital Outlay	\$25	\$25	\$25	\$0
Total Support Services	2,063	14,563	6,865	7,698
Operation of Non-Instructional Services:				
Other Non-Instructional Services:				
Community Services				
Other	48,584	54,969	6,227	48,742
Total Expenditures	60,964	132,213	57,470	74,743
Net Change in Fund Balance	(8,964)	(45,213)	14,240	59,453
Fund Balance Beginning of Year	50,955	50,955	50,955	0
Prior Year Encumbrances Appropriated	964	964	964	0
Fund Balance End of Year	<u>\$42,955</u>	<u>\$6,706</u>	<u>\$66,159</u>	<u>\$59,453</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Enterprise Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Rentals	\$37,000	\$37,000	\$35,130	(\$1,870)
Expenditures				
Debt Service:				
Principal Retirement	46,000	46,000	46,000	0
Interest and Fiscal Charges	9,700	9,700	9,689	11
<i>Total Expenditures</i>	<u>55,700</u>	<u>55,700</u>	<u>55,689</u>	<u>11</u>
<i>Net Change in Fund Balance</i>	(18,700)	(18,700)	(20,559)	(1,859)
<i>Fund Balance Beginning of Year</i>	<u>132,294</u>	<u>132,294</u>	<u>132,294</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$113,594</u>	<u>\$113,594</u>	<u>\$111,735</u>	<u>(\$1,859)</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
Revenues				
Charges for Services	\$0	\$0	\$1,779	\$1,779
Extracurricular Activities	102,175	154,175	111,528	(42,647)
Contributions and Donations	0	0	4,895	4,895
Miscellaneous	0	0	22	22
<i>Total Revenues</i>	<u>102,175</u>	<u>154,175</u>	<u>116,445</u>	<u>(37,730)</u>
Expenditures				
Current:				
Extracurricular Activities:				
Academic and Subject Oriented:				
Purchased Services	150	150	0	150
Materials and Supplies	46	18,074	17,843	231
Total Academic and Subject Oriented	<u>196</u>	<u>18,224</u>	<u>17,843</u>	<u>381</u>
Occupational Oriented:				
Materials and Supplies	0	1,968	1,968	0
Sport Oriented Activities:				
Salaries and Wages	125	7,445	6,740	705
Fringe Benefits	22	103	81	22
Purchased Services	545	54,369	51,651	2,718
Materials and Supplies	293,602	120,777	105,248	15,529
Other	15	1,321	515	806
Total Sport Oriented Activities	<u>\$294,309</u>	<u>\$184,015</u>	<u>\$164,235</u>	<u>\$19,780</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, 2007

	<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	\$11,101	\$48,527	\$43,536	\$4,991
Materials and Supplies	1,318	4,681	3,366	1,315
Other	44	1,553	1,487	66
Total School and Public Service Oriented	<u>12,463</u>	<u>54,761</u>	<u>48,389</u>	<u>6,372</u>
<i>Total Expenditures</i>	<u>306,968</u>	<u>258,968</u>	<u>232,435</u>	<u>26,533</u>
<i>Excess of Revenues Under Expenditures</i>	(204,793)	(104,793)	(115,990)	(11,197)
Other Financing Sources				
Transfers In	<u>78,825</u>	<u>102,825</u>	<u>103,825</u>	<u>1,000</u>
<i>Net Change in Fund Balance</i>	(125,968)	(1,968)	(12,165)	(10,197)
<i>Fund Balance Beginning of Year</i>	10,447	10,447	10,447	0
Prior Year Encumbrances Appropriated	<u>6,968</u>	<u>6,968</u>	<u>6,968</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>(\$108,553)</u>	<u>\$15,447</u>	<u>\$5,250</u>	<u>(\$10,197)</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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$393,000	\$393,000	\$372,752	(\$20,248)
Interest	1,300	6,300	1,248	(5,052)
<i>Total Revenues</i>	<u>394,300</u>	<u>399,300</u>	<u>374,000</u>	<u>(25,300)</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	389,638	49,043	29,282	19,761
Fringe Benefits	1,372	9,416	8,034	1,382
Purchased Services	27,909	282,269	282,134	135
Materials and Supplies	51,452	120,817	120,639	178
Capital Outlay - New	4,529	18,355	18,355	0
<i>Total Expenditures</i>	<u>474,900</u>	<u>479,900</u>	<u>458,444</u>	<u>21,456</u>
<i>Net Change in Fund Balance</i>	(80,600)	(80,600)	(84,444)	(3,844)
<i>Fund Balance Beginning of Year</i>	35,669	35,669	35,669	0
Prior Year Encumbrances Appropriated	54,901	54,901	54,901	0
<i>Fund Balance End of Year</i>	<u>\$9,970</u>	<u>\$9,970</u>	<u>\$6,126</u>	<u>(\$3,844)</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, 2007*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$12,000	\$14,000	\$13,570	(\$430)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	<u>17,000</u>	<u>20,410</u>	<u>20,409</u>	<u>1</u>
<i>Net Change in Fund Balance</i>	(5,000)	(6,410)	(6,839)	(429)
<i>Fund Balance Beginning of Year</i>	<u>6,840</u>	<u>6,840</u>	<u>6,840</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,840</u></u>	<u><u>\$430</u></u>	<u><u>\$1</u></u>	<u><u>(\$429)</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Entry Year Teachers Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$9,800	\$16,800	\$0	(\$16,800)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Salaries and Wages	9,800	16,800	0	16,800
<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
Data Communications Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$21,000	\$21,000	\$21,000	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
SchoolNet Professional Development Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$3,300	\$4,300	\$0	(\$4,300)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	<u>5,719</u>	<u>5,719</u>	<u>2,055</u>	<u>3,664</u>
<i>Net Change in Fund Balance</i>	(2,419)	(1,419)	(2,055)	(636)
<i>Fund Balance Beginning of Year</i>	336	336	336	0
Prior Year Encumbrances Appropriated	<u>1,719</u>	<u>1,719</u>	<u>1,719</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$364)</u></u>	<u><u>\$636</u></u>	<u><u>\$0</u></u>	<u><u>(\$636)</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Reads Grant Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$39,000	\$26,000	\$11,047	(\$14,953)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	0	3,450	3,450	0
Fringe Benefits	0	550	550	0
Purchased Services	200	0	0	0
Materials and Supplies	19,058	16,761	14,190	2,571
Total Instruction	19,258	20,761	18,190	2,571
Support Services:				
Instructional Staff:				
Salaries and Wages	0	2,000	1,725	275
Fringe Benefits	0	240	25	215
Purchased Services	206	0	0	0
Total Support Services	206	2,240	1,750	490
Operation of Non-Instructional Services:				
Other Non-Instructional Services				
Other	1,888	3,011	2,963	48
Total Expenditures	21,352	26,012	22,903	3,109
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>17,648</i>	<i>(12)</i>	<i>(11,856)</i>	<i>(11,844)</i>
Other Financing Sources (Uses)				
Advances In	5,000	18,000	18,000	0
Advances Out	(5,000)	(5,000)	(5,000)	0
Total Other Financing Sources (Uses)	0	13,000	13,000	0
<i>Net Change in Fund Balance</i>	<i>17,648</i>	<i>12,988</i>	<i>1,144</i>	<i>(11,844)</i>
<i>Fund Balance Beginning of Year</i>	<i>112</i>	<i>112</i>	<i>112</i>	<i>0</i>
Prior Year Encumbrances Appropriated	1,852	1,852	1,852	0
Fund Balance End of Year	\$19,612	\$14,952	\$3,108	(\$11,844)

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Poverty Aid Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	<u>\$251,000</u>	<u>\$986,000</u>	<u>\$929,703</u>	<u>(\$56,297)</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	251,000	670,852	362,097	308,755
Fringe Benefits	0	185,859	120,822	65,037
Purchased Services	0	50,650	35,400	15,250
Materials and Supplies	0	21,451	21,191	260
Other	<u>0</u>	<u>558</u>	<u>558</u>	<u>0</u>
<i>Total Expenditures</i>	<u>251,000</u>	<u>929,370</u>	<u>540,068</u>	<u>389,302</u>
<i>Net Change in Fund Balance</i>	0	56,630	389,635	333,005
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$56,630</u></u>	<u><u>\$389,635</u></u>	<u><u>\$333,005</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$0	\$61,000	\$28,023	(\$32,977)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	0	2,999	0	2,999
Fringe Benefits	0	511	0	511
Materials and Supplies	4,000	7,037	0	7,037
Total Regular	4,000	10,547	0	10,547
Support Services:				
Pupil:				
Purchased Services	0	9,863	9,863	0
Instructional Staff:				
Salaries and Wages	0	1,620	0	1,620
Fringe Benefits	0	280	0	280
Purchased Services	0	24,234	6,500	17,734
Materials and Supplies	0	960	0	960
Total Instructional Staff	0	27,094	6,500	20,594
Business:				
Purchased Services	0	16,160	16,160	0
Total Support Services	0	53,117	32,523	20,594
<i>Total Expenditures</i>	4,000	63,664	32,523	31,141
<i>Excess of Revenues Under Expenditures</i>	(4,000)	(2,664)	(4,500)	(1,836)
Other Financing Sources				
Advances In	4,000	10,000	10,000	0
<i>Net Change in Fund Balance</i>	0	7,336	5,500	(1,836)
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$7,336	\$5,500	(\$1,836)

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, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$1,040,000	\$1,037,000	\$926,312	(\$110,688)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	25,530	145,462	114,572	30,890
Fringe Benefits	10,901	30,151	19,456	10,695
Purchased Services	1,038,097	561,515	504,575	56,940
Materials and Supplies	17,848	43,136	41,355	1,781
Capital Outlay - New	1,656	6,000	5,978	22
Total Special	<u>1,094,032</u>	<u>786,264</u>	<u>685,936</u>	<u>100,328</u>
Vocational:				
Salaries and Wages	5,424	31,138	26,969	4,169
Fringe Benefits	112	16,458	12,145	4,313
Total Vocational	<u>5,536</u>	<u>47,596</u>	<u>39,114</u>	<u>8,482</u>
Total Instruction	<u>1,099,568</u>	<u>833,860</u>	<u>725,050</u>	<u>108,810</u>
Support Services:				
Pupil:				
Salaries and Wages	22,703	116,325	92,217	24,108
Fringe Benefits	7,853	39,208	32,217	6,991
Materials and Supplies	341	0	0	0
Total Pupil	<u>30,897</u>	<u>155,533</u>	<u>124,434</u>	<u>31,099</u>
Instructional Staff:				
Purchased Services	1,664	5,000	2,529	\$2,471
Materials and Supplies	0	5,000	1,970	3,030
Total Instructional Staff	<u>\$1,664</u>	<u>\$10,000</u>	<u>\$4,499</u>	<u>\$5,501</u>

(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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Administration:				
Salaries and Wages	\$7,633	\$85,203	\$76,789	\$8,414
Fringe Benefits	2,088	37,441	34,559	2,882
Total Administration	<u>9,721</u>	<u>122,644</u>	<u>111,348</u>	<u>11,296</u>
Total Support Services	<u>42,282</u>	<u>288,177</u>	<u>240,281</u>	<u>47,896</u>
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	<u>0</u>	<u>19,813</u>	<u>19,813</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,141,850</u>	<u>1,141,850</u>	<u>985,144</u>	<u>156,706</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(101,850)</u>	<u>(104,850)</u>	<u>(58,832)</u>	<u>46,018</u>
Other Financing Sources (Uses)				
Advances In	0	75,000	75,000	0
Advances Out	<u>0</u>	<u>(13,750)</u>	<u>(13,750)</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>61,250</u>	<u>61,250</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(101,850)	(43,600)	2,418	46,018
<i>Fund Balance Beginning of Year</i>	49	49	49	0
Prior Year Encumbrances Appropriated	<u>45,599</u>	<u>45,599</u>	<u>45,599</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>(\$56,202)</u></u>	<u><u>\$2,048</u></u>	<u><u>\$48,066</u></u>	<u><u>\$46,018</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Vocational Education Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$201,000	\$130,760	\$119,546	(\$11,214)
Expenditures				
Current:				
Instruction:				
Vocational:				
Purchased Services	0	12,770	12,005	765
Materials and Supplies	160,256	31,580	31,514	66
Capital Outlay - New	40,274	104,100	50,601	53,499
Other	32	30,000	30,000	0
Total Instruction	<u>200,562</u>	<u>178,450</u>	<u>124,120</u>	<u>54,330</u>
Support Services:				
Pupil:				
Materials and Supplies	0	7,600	6,853	747
Other	3,898	7,529	4,669	2,860
Total Pupil	<u>3,898</u>	<u>15,129</u>	<u>11,522</u>	<u>3,607</u>
Instructional Staff:				
Purchased Services	179	6,000	5,801	199
Other	3,635	12,635	7,479	5,156
Total Instructional Staff	<u>3,814</u>	<u>18,635</u>	<u>13,280</u>	<u>5,355</u>
Administration:				
Materials and Supplies	9	6,400	6,018	382
Capital Outlay - New	0	2,000	2,000	0
Total Administration	<u>9</u>	<u>8,400</u>	<u>8,018</u>	<u>382</u>
Central:				
Purchased Services	0	1,100	1,100	0
Other	1,520	5,120	2,620	2,500
Total Central	<u>1,520</u>	<u>6,220</u>	<u>3,720</u>	<u>2,500</u>
Total Support Services	<u>9,241</u>	<u>48,384</u>	<u>36,540</u>	<u>11,844</u>
<i>Total Expenditures</i>	<u>\$209,803</u>	<u>\$226,834</u>	<u>\$160,660</u>	<u>\$66,174</u>

(continued)

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Vocational Education Fund (continued)
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
<i>Excess of Revenues Under Expenditures</i>	(\$8,803)	(\$96,074)	(\$41,114)	\$54,960
Other Financing Sources				
Advances In	<u>0</u>	<u>90,000</u>	<u>90,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(8,803)	(6,074)	48,886	54,960
<i>Fund Balance Beginning of Year</i>	6,933	6,933	6,933	0
Prior Year Encumbrances Appropriated	<u>8,803</u>	<u>8,803</u>	<u>8,803</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$6,933</u>	<u>\$9,662</u>	<u>\$64,622</u>	<u>\$54,960</u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title III Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$5,600	\$5,600	\$3,677	(\$1,923)
Expenditures				
Current:				
Instruction:				
Regular:				
Purchased Services	<u>5,600</u>	<u>5,600</u>	<u>3,677</u>	<u>1,923</u>
<i>Net Change in Fund Balance</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$635,000	\$716,000	\$611,431	(\$104,569)
Expenditures				
Current:				
Instruction:				
Regular:				
Materials and Supplies	0	4,256	4,256	0
Special:				
Salaries and Wages	566,968	379,125	303,105	76,020
Fringe Benefits	19,512	109,819	97,967	11,852
Purchased Services	0	2,686	0	2,686
Materials and Supplies	6,478	4,654	4,510	144
Total Special	592,958	496,284	405,582	90,702
Total Instruction	592,958	500,540	409,838	90,702
Support Services:				
Pupil:				
Salaries and Wages	0	55,311	35,037	20,274
Fringe Benefits	0	18,330	10,681	7,649
Materials and Supplies	1,824	0	0	0
Total Pupil	1,824	73,641	45,718	27,923
Instructional Staff:				
Salaries and Wages	11,907	15,740	14,850	890
Fringe Benefits	3,805	5,331	5,096	235
Purchased Services	69,513	102,861	101,554	1,307
Materials and Supplies	9,885	13,410	13,410	0
Total Instructional Staff	\$95,110	\$137,342	\$134,910	\$2,432

(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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Administration:				
Purchased Services	\$20,000	\$0	\$0	\$0
Total Support Services	116,934	210,983	180,628	30,355
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	13,965	13,653	13,653	0
Fringe Benefits	2,359	1,104	1,104	0
Purchased Services	6,308	45,212	36,616	8,596
Materials and Supplies	2,790	5,330	5,191	139
Capital Outlay - New	0	1,626	1,612	14
Total Operation of Non-Instructional Services	25,422	66,925	58,176	8,749
<i>Total Expenditures</i>	<i>735,314</i>	<i>778,448</i>	<i>648,642</i>	<i>129,806</i>
<i>Excess of Revenues Under Expenditures</i>	<i>(100,314)</i>	<i>(62,448)</i>	<i>(37,211)</i>	<i>25,237</i>
Other Financing Sources (Uses)				
Advances In	0	67,000	67,000	0
Advances Out	(84,000)	(84,000)	(84,000)	0
<i>Total Other Financing Sources (Uses)</i>	<i>(84,000)</i>	<i>(17,000)</i>	<i>(17,000)</i>	<i>0</i>
<i>Net Change in Fund Balance</i>	<i>(184,314)</i>	<i>(79,448)</i>	<i>(54,211)</i>	<i>25,237</i>
<i>Fund Balance Beginning of Year</i>	<i>26</i>	<i>26</i>	<i>26</i>	<i>0</i>
Prior Year Encumbrances Appropriated	84,113	84,113	84,113	0
<i>Fund Balance (Deficit) End of Year</i>	<i>(\$100,175)</i>	<i>\$4,691</i>	<i>\$29,928</i>	<i>\$25,237</i>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$500	\$11,000	\$10,289	(\$711)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	9,030	0	0	0
Fringe Benefits	752	0	0	0
Purchased Services	2,749	7,938	7,938	0
Materials and Supplies	0	4,300	1,500	2,800
Total Instruction	12,531	12,238	9,438	2,800
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	524	190	190	0
Materials and Supplies	135	1,306	913	393
Total Operation of Non-Instructional Services	659	1,496	1,103	393
<i>Total Expenditures</i>	13,190	13,734	10,541	3,193
<i>Excess of Revenues Under Expenditures</i>	(12,690)	(2,734)	(252)	2,482
Other Financing Sources (Uses)				
Advances In	0	3,500	3,500	0
Advances Out	(1,000)	(1,000)	(1,000)	0
<i>Total Other Financing Sources (Uses)</i>	(1,000)	2,500	2,500	0
<i>Net Change in Fund Balance</i>	(13,690)	(234)	2,248	2,482
<i>Fund Balance Beginning of Year</i>	315	315	315	0
Prior Year Encumbrances Appropriated	190	190	190	0
<i>Fund Balance (Deficit) End of Year</i>	(\$13,185)	\$271	\$2,753	\$2,482

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Drug Free Schools Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$16,000	\$20,000	\$17,465	(\$2,535)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	281	2,577	2,578	(1)
Fringe Benefits	780	984	143	841
Purchased Services	1,669	1,905	1,905	0
Materials and Supplies	2,818	2,341	1,147	1,194
Total Instruction	5,548	7,807	5,773	2,034
Support Services:				
Instructional Staff:				
Salaries and Wages	13,443	0	0	0
Fringe Benefits	152	0	0	0
Purchased Services	2,053	10,237	9,037	1,200
Capital Outlay - New	1,121	5,311	5,027	284
Total Support Services	16,769	15,548	14,064	1,484
Operation of Non-Instructional Services				
Community Services:				
Materials and Supplies	0	42	42	0
<i>Total Expenditures</i>	22,317	23,397	19,879	3,518
<i>Excess of Revenues Under Expenditures</i>	(6,317)	(3,397)	(2,414)	983
Other Financing Sources (Uses)				
Advances In	0	6,000	6,000	0
Advances Out	(2,000)	(2,000)	(2,000)	0
<i>Total Other Financing Sources (Uses)</i>	(2,000)	4,000	4,000	0
<i>Net Change in Fund Balance</i>	(8,317)	603	1,586	983
<i>Fund Balance Beginning of Year</i>	0	0	0	0
Prior Year Encumbrances Appropriated	1,317	1,317	1,317	0
<i>Fund Balance (Deficit) End of Year</i>	(\$7,000)	\$1,920	\$2,903	\$983

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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$41,000	\$30,000	\$29,081	(\$919)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	39,035	0	0	0
Fringe Benefits	7	0	0	0
Purchased Services	6,226	47,783	47,782	1
Materials and Supplies	0	1,800	1,593	207
<i>Total Expenditures</i>	45,268	49,583	49,375	208
<i>Excess of Revenues Under Expenditures</i>	(4,268)	(19,583)	(20,294)	(711)
Other Financing Sources (Uses)				
Advances In	0	22,000	22,000	0
Advances Out	(4,200)	(4,200)	(4,200)	0
<i>Total Other Financing Sources (Uses)</i>	(4,200)	17,800	17,800	0
<i>Net Change in Fund Balance</i>	(8,468)	(1,783)	(2,494)	(711)
<i>Fund Balance Beginning of Year</i>	5	5	5	0
Prior Year Encumbrances Appropriated	2,968	2,968	2,968	0
<i>Fund Balance (Deficit) End of Year</i>	(\$5,495)	\$1,190	\$479	(\$711)

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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$137,000	\$144,000	\$125,856	(\$18,144)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	162,759	112,108	94,695	17,413
Fringe Benefits	6,234	32,077	26,635	5,442
Total Instruction	168,993	144,185	121,330	22,855
Support Services:				
Instructional Staff:				
Salaries and Wages	0	8,362	0	8,362
Fringe Benefits	0	2,499	46	2,453
Purchased Services	3,525	13,808	7,042	6,766
Materials and Supplies	0	750	409	341
Total Support Services	3,525	25,419	7,497	17,922
Operation of Non-Instructional Services:				
Purchased Services	1,430	4,407	1,256	3,151
Materials and Supplies	224	161	161	0
Total Operation of Non-Instructional Services	1,654	4,568	1,417	3,151
<i>Total Expenditures</i>	174,172	174,172	130,244	43,928
<i>Excess of Revenues Under Expenditures</i>	(37,172)	(30,172)	(4,388)	25,784
Other Financing Sources (Uses)				
Advances In	11,000	30,000	30,000	0
Advances Out	(1,050)	(1,050)	(1,050)	0
<i>Total Other Financing Sources (Uses)</i>	9,950	28,950	28,950	0
<i>Net Change in Fund Balance</i>	(27,222)	(1,222)	24,562	25,784
<i>Fund Balance Beginning of Year</i>	29	29	29	0
Prior Year Encumbrances Appropriated	2,222	2,222	2,222	0
<i>Fund Balance (Deficit) End of Year</i>	(\$24,971)	\$1,029	\$26,813	\$25,784

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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$14,000	\$15,430	\$13,439	(\$1,991)
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	0	2,447	1,215	1,232
Fringe Benefits	0	383	55	328
Purchased Services	8,554	8,986	8,919	67
Materials and Supplies	179	2,366	2,287	79
Total Regular	8,733	14,182	12,476	1,706
Support Services:				
Instructional Staff:				
Salaries and Wages	1,850	2,500	0	2,500
Fringe Benefits	297	591	13	578
Purchased Services	0	1,270	0	1,270
Total Support Services	2,147	4,361	13	4,348
Operation of Non-Instructional Services:				
Community Services:				
Purchased Services	300	530	530	0
Materials and Supplies	0	487	483	4
Total Operation of Non-Instructional Services	300	1,017	1,013	4
<i>Total Expenditures</i>	11,180	19,560	13,502	6,058
<i>Excess of Revenues Over (Under) Expenditures</i>	2,820	(4,130)	(63)	4,067
Other Financing Sources (Uses)				
Advances In	0	5,000	5,000	0
Advances Out	(5,036)	(7,500)	(7,500)	0
<i>Total Other Financing Sources (Uses)</i>	(5,036)	(2,500)	(2,500)	0
<i>Net Change in Fund Balance</i>	(2,216)	(6,630)	(2,563)	4,067
<i>Fund Balance Beginning of Year</i>	10	10	10	0
Prior Year Encumbrances Appropriated	7,216	7,216	7,216	0
<i>Fund Balance End of Year</i>	\$5,010	\$596	\$4,663	\$4,067

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, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$1,234,175	\$1,239,222	\$1,258,864	\$19,642
Intergovernmental	80,000	80,000	82,554	2,554
<i>Total Revenues</i>	<u>1,314,175</u>	<u>1,319,222</u>	<u>1,341,418</u>	<u>22,196</u>
Expenditures				
Current:				
Support Services:				
Fiscal:				
Purchased Services	3,700	3,700	0	3,700
Debt Service:				
Principal Retirement	950,000	950,000	950,000	0
Interest and Fiscal Charges	281,300	281,300	281,300	0
<i>Total Debt Service</i>	<u>1,231,300</u>	<u>1,231,300</u>	<u>1,231,300</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,235,000</u>	<u>1,235,000</u>	<u>1,231,300</u>	<u>3,700</u>
<i>Net Change in Fund Balance</i>	79,175	84,222	110,118	18,496
<i>Fund Balance Beginning of Year</i>	<u>1,604,585</u>	<u>1,604,585</u>	<u>1,604,585</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$1,683,760</u></u>	<u><u>\$1,688,807</u></u>	<u><u>\$1,714,703</u></u>	<u><u>\$25,896</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$531,883	\$677,481	\$568,914	(\$108,567)
Intergovernmental	71,328	98,828	99,346	518
Miscellaneous	0	1,460	1,460	0
<i>Total Revenues</i>	<u>603,211</u>	<u>777,769</u>	<u>669,720</u>	<u>(108,049)</u>
Expenditures				
Current:				
Support Services:				
Operation and Maintenance of Plant:				
Capital Outlay - New	308,780	433,884	433,884	0
Capital Outlay:				
Site Improvement Services:				
Capital Outlay	0	1,304,072	1,304,072	0
Architecture and Engineering Services:				
Purchased Services	329,375	200,199	117,927	82,272
Total Capital Outlay	329,375	1,504,271	1,421,999	82,272
<i>Total Expenditures</i>	<u>638,155</u>	<u>1,938,155</u>	<u>1,855,883</u>	<u>82,272</u>
<i>Excess of Revenues Under Expenditures</i>	(34,944)	(1,160,386)	(1,186,163)	(25,777)
Other Financing Sources				
Advances In	0	850,000	850,000	0
<i>Net Change in Fund Balance</i>	(34,944)	(310,386)	(336,163)	(25,777)
<i>Fund Balance Beginning of Year</i>	58,433	58,433	58,433	0
Prior Year Encumbrances Appropriated	338,155	338,155	338,155	0
<i>Fund Balance End of Year</i>	<u>\$361,644</u>	<u>\$86,202</u>	<u>\$60,425</u>	<u>(\$25,777)</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$64,000	\$0	\$0	\$0
Interest	0	0	16,968	16,968
<i>Total Revenues</i>	<u>64,000</u>	<u>0</u>	<u>16,968</u>	<u>16,968</u>
Expenditures				
Capital Outlay:				
Architecture and Engineering Services:				
Purchased Services	1,388,845	1,388,845	1,388,845	0
Captial Outlay - New	49,999	49,999	0	49,999
<i>Total Expenditures</i>	<u>1,438,844</u>	<u>1,438,844</u>	<u>1,388,845</u>	<u>49,999</u>
<i>Net Change in Fund Balance</i>	(1,374,844)	(1,438,844)	(1,371,877)	66,967
<i>Fund Balance Beginning of Year</i>	71,907	71,907	71,907	0
Prior Year Encumbrances Appropriated	<u>1,388,845</u>	<u>1,388,845</u>	<u>1,388,845</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$85,908</u></u>	<u><u>\$21,908</u></u>	<u><u>\$88,875</u></u>	<u><u>\$66,967</u></u>

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Replacement Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures	0	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	150,844	150,844	150,844	0
<i>Fund Balance End of Year</i>	\$150,844	\$150,844	\$150,844	\$0

Bedford City School District
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
SchoolNet Fund
For the Fiscal Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Capital Outlay - New	63	64	64	0
<i>Net Change in Fund Balance</i>	(63)	(64)	(64)	0
<i>Fund Balance Beginning of Year</i>	64	64	64	0
<i>Fund Balance End of Year</i>	\$1	\$0	\$0	\$0

Bedford City School District
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Self Insurance Fund
For the Fiscal Year Ended June 30, 2007

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Charges for Services	\$1,200,000	\$1,200,000	\$1,100,031	(\$99,969)
Expenses				
Purchased Services	48,000	48,000	22,781	25,219
Claims	1,258,000	1,258,000	1,091,326	166,674
<i>Total Expenses</i>	<u>1,306,000</u>	<u>1,306,000</u>	<u>1,114,107</u>	<u>191,893</u>
<i>Net Change in Fund Equity</i>	(106,000)	(106,000)	(14,076)	91,924
<i>Fund Equity Beginning of Year</i>	1,365,688	1,365,688	1,365,688	0
Prior Year Encumbrances Appropriated	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$1,265,688</u></u>	<u><u>\$1,265,688</u></u>	<u><u>\$1,357,612</u></u>	<u><u>\$91,924</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, 2007

	<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>Net Change in Fund Equity</i>	0	0	0	0
<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>\$578</u></u>	<u><u>\$578</u></u>	<u><u>\$578</u></u>	<u><u>\$0</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, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$1,200	\$1,200	\$2,606	\$1,406
Miscellaneous	6,200	0	21,990	21,990
<i>Total Revenues</i>	7,400	1,200	24,596	23,396
Expenses				
Other	10,000	10,000	2,400	7,600
<i>Net Change in Fund Equity</i>	(2,600)	(8,800)	22,196	30,996
<i>Fund Equity Beginning of Year</i>	55,813	55,813	55,813	0
<i>Fund Equity End of Year</i>	<u>\$53,213</u>	<u>\$47,013</u>	<u>\$78,009</u>	<u>\$30,996</u>

Statistical Section

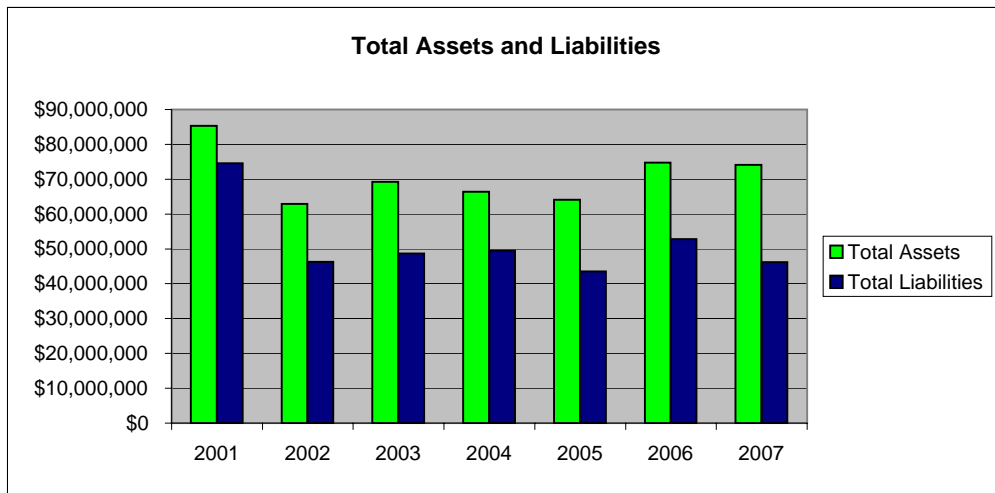
This part of the Bedford City School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S2 - S13
Revenue Capacity These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.	S14 - S23
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S24 - S28
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	S29 - S31
Operating Information These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S32 - S42

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

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

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



Source: School District Financial Records

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

2004	2005	2006	2007
\$10,168,889	\$10,390,724	\$9,900,232	\$12,218,017
190,733	397,551	1,882,830	749,072
997,556	1,418,198	1,381,463	1,645,652
725,176	849,525	511,238	1,106,057
4,831,045	7,486,212	8,373,797	12,236,543
<u>\$16,913,399</u>	<u>\$20,542,210</u>	<u>\$22,049,560</u>	<u>\$27,955,341</u>

Bedford City School District

Changes in Net Assets

Last Seven Fiscal Years

(accrual basis of accounting)

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

2005	2006	2007
\$22,869,124	\$24,090,319	\$24,029,388
2,665,621	2,758,509	2,764,302
1,586,546	1,762,862	1,651,433
207,937	407,852	310,042
3,204,240	3,942,749	3,501,283
1,249,303	1,236,174	1,290,060
555,487	777,247	779,116
5,865,329	6,731,992	6,357,050
3,372,082	3,851,122	3,792,614
291,782	309,079	299,502
1,312,760	1,471,121	1,629,821
514,115	454,710	539,445
916,721	826,605	826,657
514,430	467,718	520,086
<u>45,125,477</u>	<u>49,088,059</u>	<u>48,290,799</u>
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
<u>0</u>	<u>0</u>	<u>0</u>
<u>45,125,477</u>	<u>49,088,059</u>	<u>48,290,799</u>
351,669	\$1,246,793	\$1,686,260
0	0	0
3,693	1,558	94
0	0	7,765
5,301	185,583	38,356
27,745	31,472	0
0	2,726	0
1,412	0	0
760,722	812,352	792,684
11,845	10,637	4,191
108,995	93,701	131,618
2,035,753	1,573,434	2,543,592
33,728	193,061	206,957
182,834	171,723	209,937
115,923	149,752	116,658
83	308	30,114
94,094	59,209	35,955
97,143	0	0
6,977	2,488	5,150
518,616	610,070	755,707
495,433	428,920	443,358
23,644	12,636	5,542

(continued)

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

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

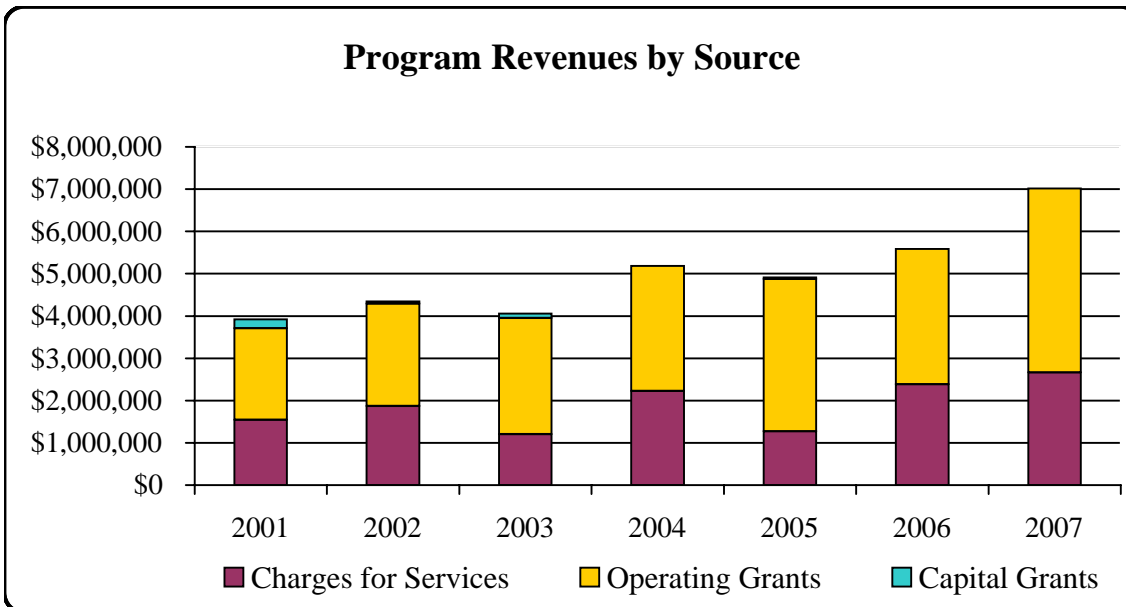
Source: School District Financial Records

2005	2006	2007
\$0	\$0	\$0
35,910	0	0
0	0	0
0	0	0
0	0	0
<u>4,911,520</u>	<u>5,586,423</u>	<u>7,013,938</u>
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
<u>0</u>	<u>0</u>	<u>0</u>
<u>4,911,520</u>	<u>5,586,423</u>	<u>7,013,938</u>
(40,213,957)	(43,501,636)	(41,276,861)
0	0	0
<u>(40,213,957)</u>	<u>(43,501,636)</u>	<u>(41,276,861)</u>
32,156,621	34,235,814	33,540,295
1,366,766	963,017	1,329,503
682,633	473,225	645,635
9,140,806	8,149,887	10,081,905
0	0	0
0	0	0
325,033	759,074	1,126,745
170,909	427,969	458,559
0	0	0
<u>43,842,768</u>	<u>45,008,986</u>	<u>47,182,642</u>
0	0	0
0	0	0
<u>43,842,768</u>	<u>45,008,986</u>	<u>47,182,642</u>
3,628,811	1,507,350	5,905,781
0	0	0
<u>\$3,628,811</u>	<u>\$1,507,350</u>	<u>\$5,905,781</u>

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

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

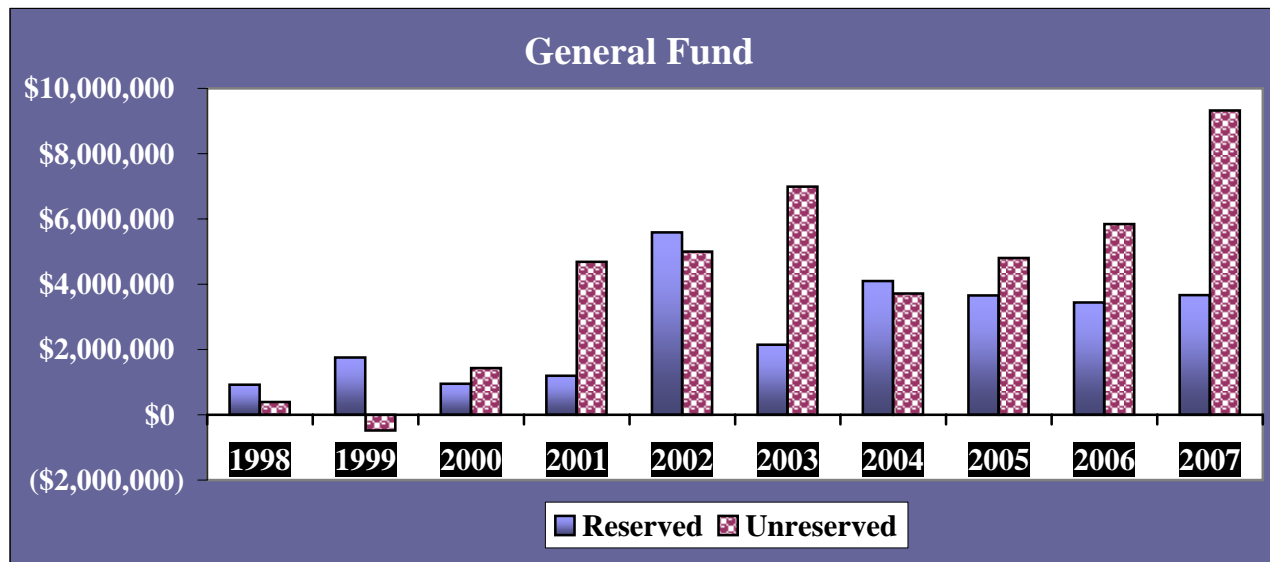
(1) The School District reclassified enterprise funds to special revenue funds.



2004	2005	2006	2007
\$2,906,888	\$2,395,811	\$2,820,227	\$4,229,852
57,054	33,728	193,061	206,957
185,695	222,437	173,281	210,031
95,504	121,224	335,335	124,423
34,964	27,828	31,780	68,470
3,539	94,094	59,209	35,955
509	97,143	2,726	0
13,529	105,847	2,488	5,150
1,282,346	1,279,338	1,422,422	1,548,391
492,264	507,278	439,557	447,549
114,036	132,639	106,337	137,160
<u>\$5,186,328</u>	<u>\$4,911,520</u>	<u>\$5,586,423</u>	<u>\$7,013,938</u>

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

	1998	1999	2000	2001
General Fund				
Reserved	\$919,261	\$1,758,142	\$953,875	\$1,199,737
Unreserved	389,965	(484,443)	1,429,584	4,684,650
<i>Total General Fund</i>	<u>1,309,226</u>	<u>1,273,699</u>	<u>2,383,459</u>	<u>5,884,387</u>
All Other Governmental Funds				
Reserved	326,896	276,683	553,179	660,477
Unreserved, Undesignated, Reported in:				
Special Revenue funds (Deficit)	245,647	231,547	276,874	28,444
Debt Service funds	1,194,129	1,262,349	1,269,570	1,354,436
Capital Projects funds (Deficit)	81,005	434,196	510,551	606,599
<i>Total All Other Governmental Funds</i>	<u>1,847,677</u>	<u>2,204,775</u>	<u>2,610,174</u>	<u>2,649,956</u>
<i>Total Governmental Funds</i>	<u><u>\$3,156,903</u></u>	<u><u>\$3,478,474</u></u>	<u><u>\$4,993,633</u></u>	<u><u>\$8,534,343</u></u>



2002	2003	2004	2005	2006	2007
\$5,586,029	\$2,150,457	\$4,094,412	\$3,660,981	\$3,439,751	\$3,666,990
4,995,540	6,986,451	3,712,624	4,804,712	5,838,425	9,322,692
10,581,569	9,136,908	7,807,036	8,465,693	9,278,176	12,989,682
455,442	1,698,199	382,674	1,252,888	1,914,332	1,768,180
418,393	93,573	354,559	(173,184)	53,339	740,804
1,289,607	1,457,428	1,486,406	1,557,858	1,626,389	1,746,847
268,399	(971,759)	(149,376)	(33,451)	123,526	(553,176)
2,431,841	2,277,441	2,074,263	2,604,111	3,717,586	3,702,655
\$13,013,410	\$11,414,349	\$9,881,299	\$11,069,804	\$12,995,762	\$16,692,337

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

	1998	1999	2000	2001
Revenues				
Taxes	\$28,009,547	\$28,360,641	\$28,332,126	\$32,204,001
Intergovernmental	7,574,956	7,739,499	7,895,103	8,165,161
Interest	482,063	426,787	530,711	773,562
Charges for Services	0	21,515	1,083	115,014
Tuition and Fees	92	89,245	249,045	254,377
Rentals	0	0	0	0
Extracurricular Activities	163,428	143,243	148,635	236,821
Contributions and Donations	0	0	0	0
Miscellaneous	1,000,967	423,637	647,685	285,645
<i>Total Revenues</i>	<u>37,231,053</u>	<u>37,204,567</u>	<u>37,804,388</u>	<u>42,034,581</u>
Expenditures				
Current:				
Instruction	18,304,233	18,680,078	18,430,323	19,305,665
Support Services:				
Pupil	2,216,485	2,220,545	2,037,451	2,178,366
Instructional Staff	1,488,894	1,418,112	1,257,482	1,517,140
Board of Education	189,634	238,036	277,402	184,482
Administration	2,575,316	2,581,044	2,483,284	2,549,537
Fiscal	1,006,996	1,040,304	1,141,137	992,467
Business	349,725	320,302	349,599	330,128
Operation and Maintenance of Plant	5,430,177	5,081,737	5,076,352	5,982,969
Pupil Transportation	2,425,413	2,343,340	2,426,571	2,820,794
Central	271,693	197,415	188,711	204,128
Food Service Operations	0	0	0	0
Operation of Non-Instructional Services	480,302	455,880	436,838	537,787
Extracurricular Activities	533,195	527,393	579,345	568,549
Capital Outlay	257,018	30,684	43,708	8,850
Debt Service:				
Principal Retirement	590,000	635,000	690,000	750,000
Interest and Fiscal Charges	794,362	767,421	737,011	702,849
Bond Issuance Costs	0	0	0	0
<i>Total Expenditures</i>	<u>36,913,443</u>	<u>36,537,291</u>	<u>36,155,214</u>	<u>38,633,711</u>
<i>Excess of Revenue Over (Under) Expenditures</i>	<u>317,610</u>	<u>667,276</u>	<u>1,649,174</u>	<u>3,400,870</u>
Other Financing Sources (Uses):				
Sale of Capital Assets	6,057	300	34	247,800
General Obligation Bonds Issued	0	0	0	0
Loan Issued	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Capital Lease Issued	0	0	0	0
Refund of Prior Year's Receipts	0	0	0	0
Transfers In	156,916	90,320	97,754	277,120
Transfers Out	(916,099)	(436,325)	(231,803)	(385,080)
<i>Total Other Financing Sources (Uses)</i>	<u>(753,126)</u>	<u>(345,705)</u>	<u>(134,015)</u>	<u>139,840</u>
<i>Net Change in Fund Balances</i>	<u>(\$435,516)</u>	<u>\$321,571</u>	<u>\$1,515,159</u>	<u>\$3,540,710</u>
<i>Debt Service as a Percentage of</i>				
<i>Noncapital Expenditures</i>	3.78%	3.84%	3.95%	3.76%

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

2002	2003	2004	2005	2006	2007
\$34,566,466	\$28,568,195	\$32,961,433	\$33,822,981	\$35,356,794	\$35,140,155
9,186,016	11,064,263	10,859,955	12,105,042	11,698,017	14,196,345
379,978	239,106	174,106	325,033	759,074	1,126,745
357,219	767,185	797,804	765,852	817,551	809,373
110,106	209,354	1,156,288	257,961	1,338,900	1,600,541
0	51,113	39,324	32,230	32,638	39,582
271,316	178,076	228,572	215,339	195,733	211,472
0	59,816	50,192	349,198	30,082	38,846
316,604	125,231	146,944	170,909	427,969	458,559
45,187,705	41,262,339	46,414,618	48,044,545	50,656,758	53,621,618
19,632,965	20,163,293	22,335,604	23,048,542	23,599,077	23,114,104
2,493,276	2,587,565	2,691,337	2,711,466	2,748,756	2,715,900
1,634,091	1,596,091	1,603,092	1,715,964	1,746,185	1,601,990
147,718	174,001	264,211	208,201	407,852	310,042
2,655,897	2,904,410	3,453,470	3,279,005	3,955,263	3,360,610
1,218,995	1,450,531	1,295,384	1,291,119	1,215,241	1,258,900
395,226	420,750	491,350	576,563	835,376	706,100
6,386,456	5,703,847	6,612,776	5,980,389	6,574,042	6,622,764
3,271,744	3,008,535	3,648,846	3,296,585	3,919,612	3,659,119
234,295	253,416	281,725	298,512	295,527	291,343
0	543,327	1,314,097	1,414,479	1,459,746	1,613,500
520,883	1,353,409	460,734	485,150	408,581	491,939
570,268	626,835	648,879	654,996	695,384	693,657
15,949	1,343,445	2,356,466	353,204	2,737,132	1,832,344
820,000	940,000	982,214	1,133,049	1,184,647	1,402,204
324,814	422,208	425,600	408,816	360,493	400,527
144,116	0	0	0	0	0
40,466,693	43,491,663	48,865,785	46,856,040	52,142,914	50,075,043
4,721,012	(2,229,324)	(2,451,167)	1,188,505	(1,486,156)	3,546,575
50,753	600	0	0	0	0
9,996,603	0	0	0	3,562,114	0
0	606,000	0	0	0	0
(10,217,038)	0	0	0	0	0
0	0	918,117	0	0	0
0	0	0	0	0	0
271,039	314,432	296,873	234,972	116,963	462,281
(343,302)	(290,769)	(296,873)	(234,972)	(116,963)	(462,281)
(241,945)	630,263	918,117	0	3,562,114	0
\$4,479,067	(\$1,599,061)	(\$1,533,050)	\$1,188,505	\$2,075,958	\$3,546,575
2.83%	3.23%	3.03%	3.32%	3.13%	3.79%

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

Collection Year	Real Estate			Estimated Actual Value	Tangible Personal	
	Assessed Value				Assessed Value	Estimated Actual Value
	Residential/ Agricultural	Commercial/ Industrial	Total			
1998	\$281,995,550	\$218,696,960	\$500,692,510	\$1,430,550,029	\$168,251,180	\$673,004,720
1999	283,906,660	224,721,410	508,628,070	1,453,223,057	162,002,170	648,008,680
2000	285,752,010	226,602,230	512,354,240	1,463,869,257	163,417,945	653,671,780
2001	328,540,310	253,970,390	582,510,700	1,664,316,286	171,559,371	686,237,484
2002	331,671,010	255,673,720	587,344,730	1,678,127,800	176,119,963	704,479,852
2003	335,640,150	266,954,490	602,594,640	1,721,698,971	165,250,542	661,002,168
2004	368,986,650	278,766,770	647,753,420	1,850,724,057	163,953,315	655,813,260
2005	370,753,750	275,375,240	646,128,990	1,846,082,829	171,667,792	686,671,168
2006	373,351,700	275,230,390	648,582,090	1,853,091,686	170,826,004	911,072,021
2007	423,446,610	290,875,660	714,322,270	2,040,920,771	132,472,759	1,059,782,072

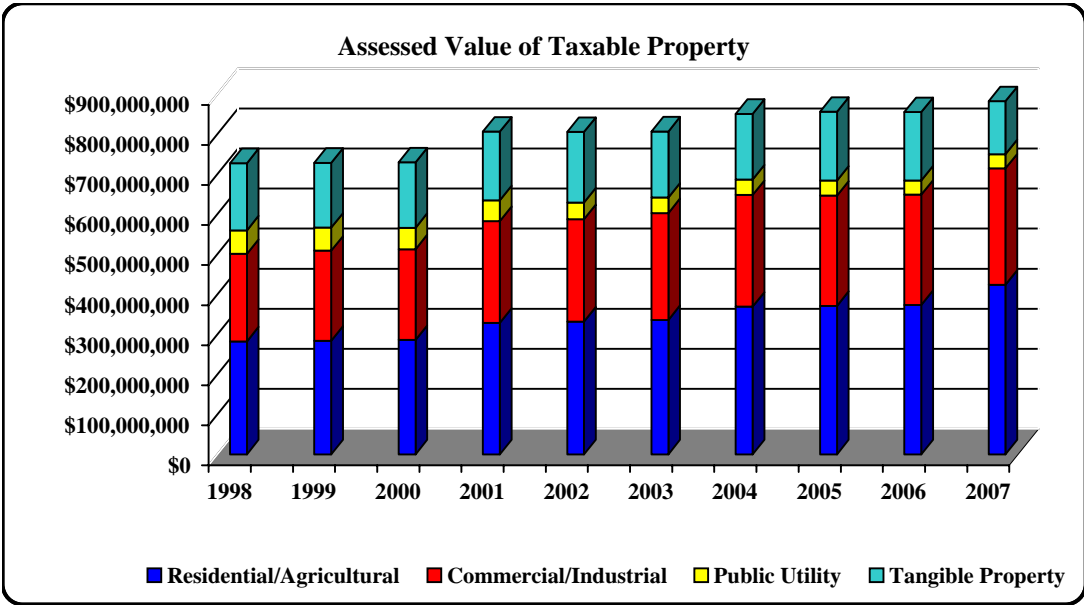
Source: Office of the County Auditor, Cuyahoga County, Ohio

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. Personal property tax is assessed on all tangible personal property used in business in Ohio. 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 started to be phased out in 2006. The listing percentage is 12.5 percent for 2007, 6.25 percent for 2008, and zero for 2009.

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		Total		
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Weighted Average Tax Rate
\$58,651,190	\$66,649,080	\$727,594,880	\$2,170,203,828	\$38.35946
57,620,420	65,477,750	759,951,942	2,166,709,487	37.40621
53,750,330	61,079,920	729,522,515	2,178,620,958	35.04925
51,899,040	58,976,182	805,969,111	2,409,529,952	38.19253
41,718,240	47,407,091	805,182,933	2,430,014,743	37.97863
38,787,420	44,076,614	806,632,602	2,426,777,753	42.02016
38,882,620	44,184,795	850,589,355	2,550,722,113	40.40759
37,778,070	42,929,625	855,574,852	2,575,683,622	45.54194
35,524,420	40,368,659	854,932,514	2,804,532,366	46.06339
35,275,280	40,085,545	882,070,309	3,140,788,389	41.95877



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

	1999	2000	2001	2002	2003
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	8.550700	8.545900	7.443300	7.421300	7.420200
Commercial/Industrial	14.416400	14.458500	13.058200	13.052600	13.045900
Tangible/Public Utility Personal	29.300000	29.300000	29.300000	29.300000	29.300000
1983 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.872300	3.870100	3.370800	3.360800	3.360300
Commercial/Industrial	4.843100	4.857300	4.386800	4.385000	4.382700
Tangible/Public Utility Personal	6.600000	6.600000	6.600000	6.600000	6.600000
1986 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.096400	3.094700	2.695400	2.687400	2.687000
Commercial/Industrial	3.851000	3.862200	3.488200	3.486700	3.484900
Tangible/Public Utility Personal	5.000000	5.000000	5.000000	5.000000	5.000000
1988 Bond (\$2,000,000)	0.170000	0.170000	0.170000	0.170000	0.170000
1991 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	3.632100	3.630000	3.161700	3.152300	3.151800
Commercial/Industrial	4.141200	4.153300	3.751000	3.749400	3.747500
Tangible/Public Utility Personal	5.000000	5.000000	5.000000	5.000000	5.000000
1991 Permanent Improvement					
Effective Millage Rates					
Residential/Agricultural	0.726400	0.726000	0.632300	0.630500	0.630400
Commercial/Industrial	0.828200	0.830700	0.750200	0.749900	0.749500
Tangible/Public Utility Personal	1.000000	1.000000	1.000000	1.000000	1.000000
1992 Bond (\$12,000,000)	1.410000	1.410000	1.310000	1.310000	1.310000
1995 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	4.178200	4.175800	3.637100	3.626300	3.625700
Commercial/Industrial	4.425500	4.438500	4.008600	4.006900	4.004800
Tangible/Public Utility Personal	4.600000	4.600000	4.600000	4.600000	4.600000
1999 Operating - continuing					
Effective Millage Rates					
Residential/Agricultural	0.000000	0.000000	0.000000	0.000000	4.252100
Commercial/Industrial	0.000000	0.000000	0.000000	0.000000	4.421300
Tangible/Public Utility Personal	0.000000	0.000000	0.000000	0.000000	4.900000
2004 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	25.636100	25.622500	22.420600	22.358600	26.607500
Commercial/Industrial	34.085400	34.180500	30.923000	30.910500	35.316600
Tangible/Public Utility Personal	53.080000	53.080000	52.980000	52.980000	57.880000

2004	2005	2006	2007
<u>\$4.620000</u>	<u>\$4.620000</u>	<u>\$4.620000</u>	<u>\$4.620000</u>
6.759800	6.758900	6.767100	6.012330
12.855900	12.957500	12.976200	12.387131
29.300000	29.300000	29.300000	29.300000
3.061200	3.060800	3.064500	2.722704
4.318900	4.353000	4.359300	4.161418
6.600000	6.600000	6.600000	6.600000
2.447900	2.447500	2.450500	2.177165
3.434100	3.461300	3.466300	3.308895
5.000000	5.000000	5.000000	5.000000
0.170000	0.170000	0.170000	0.270000
2.871300	2.870900	2.874400	2.553800
3.692900	3.722100	3.727500	3.558260
5.000000	5.000000	5.000000	5.000000
0.574300	0.574200	0.574900	0.510760
0.738600	0.744400	0.745500	0.711652
1.000000	1.000000	1.000000	1.000000
1.310000	1.310000	1.310000	1.410000
3.303100	3.302600	3.306600	2.937780
3.946500	3.977700	3.983400	3.802590
4.600000	4.600000	4.600000	4.600000
3.873700	3.873200	4.900000	3.445317
4.356900	4.391300	4.900000	4.197991
4.900000	4.900000	4.900000	4.900000
0.000000	4.900000	4.900000	4.353458
0.000000	4.900000	4.900000	4.677554
0.000000	4.900000	4.900000	4.900000
24.371300	29.268100	30.318000	26.393314
34.823800	39.987300	40.538200	38.485491
<u>57.880000</u>	<u>62.780000</u>	<u>62.780000</u>	<u>62.980000</u>

(continued)

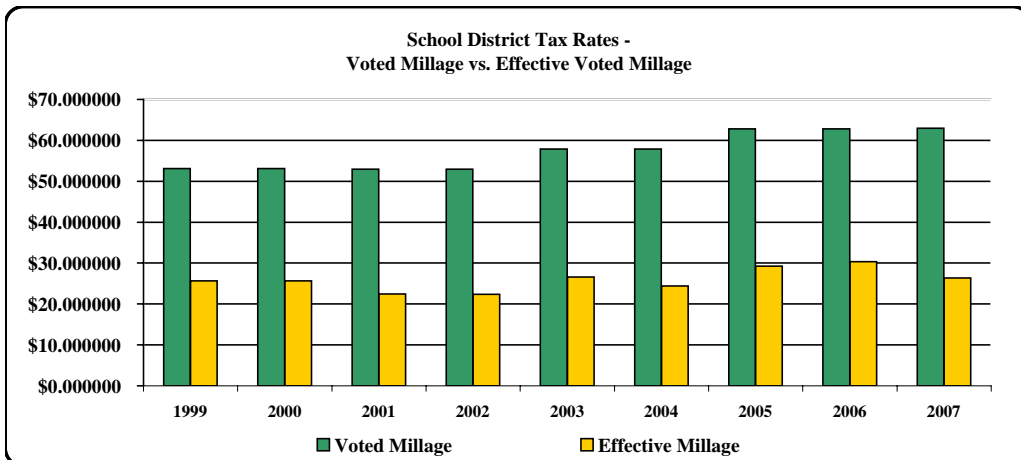
Bedford City School District
Property Tax Rates - Direct and Overlapping Governments (continued)
(per \$1,000 of assessed value)
Last Nine Years (1)

	1999	2000	2001	2002	2003
Total Millage by Type of Property					
Residential/Agricultural	\$38.705400	\$30.242500	\$27.040600	\$26.978600	\$31.227500
Commercial/Industrial	37.125400	38.800500	35.543000	35.530500	39.936600
Tangible/Public Utility Personal	57.700000	57.700000	57.600000	57.600000	62.500000
Overlapping Rates by Taxing District					
City of Bedford Heights					
Effective Millage Rates					
Residential/Agricultural	12.000000	12.000000	12.000000	12.000000	13.000000
Commercial/Industrial	12.000000	12.000000	12.000000	12.000000	13.000000
Tangible/Public Utility Personal	12.000000	12.000000	12.000000	12.000000	13.000000
City of Bedford					
Effective Millage Rates					
Residential/Agricultural	8.920000	12.800000	12.800000	12.800000	12.800000
Commercial/Industrial	8.920000	12.800000	12.800000	12.800000	12.800000
Tangible/Public Utility Personal	8.920000	12.800000	12.800000	12.800000	12.800000
Cuyahoga County					
Effective Millage Rates					
Residential/Agricultural	13.984000	14.235600	13.938900	13.916900	14.993200
Commercial/Industrial	15.182300	15.265900	14.455100	14.534300	15.426100
Tangible/Public Utility Personal	16.700000	16.700000	17.600000	17.600000	17.600000
Oakwood Village					
Effective Millage Rates					
Residential/Agricultural	3.800000	3.800000	3.800000	3.800000	3.800000
Commercial/Industrial	3.800000	3.800000	3.800000	3.800000	3.800000
Tangible/Public Utility Personal	3.800000	3.800000	3.800000	3.800000	3.800000
Walton Hills Village					
Effective Millage Rates					
Residential/Agricultural	0.300000	0.300000	0.300000	0.300000	0.300000
Commercial/Industrial	0.300000	0.300000	0.300000	0.300000	0.300000
Tangible/Public Utility Personal	0.300000	0.300000	0.300000	0.300000	0.300000

Source: Office of the County Auditor, Cuyahoga County, Ohio

(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 received in that year. Information prior to 1999 is not available.

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



2004	2005	2006	2007
\$28.991300	\$33.888100	\$34.938000	\$31.013314
39.443800	44.607300	45.158200	43.105491
62.500000	67.400000	67.400000	67.600000

13.000000	13.000000	13.000000	13.000000
13.000000	13.000000	13.000000	13.000000
13.000000	13.000000	13.000000	13.000000

12.800000	12.800000	12.800000	12.800000
12.800000	12.800000	12.800000	12.800000
12.800000	12.800000	12.800000	12.800000

14.497100	15.312800	16.061300	18.690000
15.794900	16.539400	17.168000	18.760000
17.850000	18.450000	18.450000	20.200000

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

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

Collection Year (2)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
1997	\$30,037,572	\$28,571,049	95.12%	\$1,554,914	\$30,125,963	100.29%
1998	29,930,844	28,289,144	94.52	1,229,508	29,518,652	98.62
1999	30,031,043	28,714,883	95.62	1,314,860	30,029,743	100.00
2000	34,019,081	32,225,384	94.73	762,654	32,988,038	96.97
2001	34,608,563	32,642,761	94.32	1,894,258	34,537,019	99.79
2002	34,024,245	31,964,580	93.95	1,920,631	33,885,211	99.59
2003	33,913,009	31,967,962	94.26	986,961	32,954,923	97.17
2004	34,910,147	33,137,146	94.92	4,226,193	37,363,339	107.03
2005	38,946,152	36,666,088	94.15	1,565,188	38,231,276	98.16
2006	36,749,231	33,793,627	91.96	2,740,642	36,534,269	99.42

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 2007 information cannot be presented because all collections have not been made by June 30, 2007.
- (3) The County does not maintain delinquency information by tax year.

Bedford City School District

Principal Taxpayers

Real Estate Tax

2007 and 1998 (1)

Name of Taxpayer	2007	
	Assessed Valuation	Percent of Real Assessed Value
Ford Motor Company	\$8,369,830	1.17%
Bear Creek Properties	7,175,520	1.00
Riser Foods Company	6,650,000	0.93
First Interstate	6,615,210	0.93
5977 Bear Creek Road, LLC	5,864,340	0.82
Ben Venue Laboratories, Incorporated	5,780,320	0.81
Bedford Colony Club Apartments	4,571,110	0.64
South Point Towers Limited	4,221,790	0.59
Mayfred Company	3,512,480	0.49
University Hospitals Health Systems	3,498,580	0.49
Total	<u>\$56,259,180</u>	<u>7.88%</u>
Total Real Estate Valuation	<u>\$714,322,270</u>	

Name of Taxpayer	1998	
	Assessed Valuation	Percent of Real Assessed Value
Ford Motor Company	\$11,454,700	2.29%
Heritage Wholesalers, Incorporated	6,483,440	1.29
Bear Creek Investment Company	5,177,450	1.03
Bear Creek Properties Company	4,498,070	0.90
Bedford Colony Club Apartments	3,758,440	0.75
Angeles Partners XII	3,699,010	0.74
Southeast Harley Davidson	3,555,900	0.71
ARV Assisted Living, Incorporated	3,097,500	0.62
S.M.P. Company	3,094,000	0.62
Mayfred Company	2,867,980	0.57
Total	<u>\$47,686,490</u>	<u>9.52%</u>
Total Real Estate Valuation	<u>\$500,692,510</u>	

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) The amounts presented represent the assessed values upon which 2007 and 1998 collections were based.

Bedford City School District

Principal Taxpayers

Tangible Personal Property Tax

2007 and 1998 (1)

<u>Name of Taxpayer</u>	<u>2007</u>	
	<u>Assessed Valuation</u>	<u>Percent of Tangible Assessed Value</u>
Ben Venue Laboratories, Incorporated	\$20,672,550	15.61%
Ford Motor Company	13,639,680	10.30
Riser Foods Company	8,019,130	6.05
Majestic Steel Service, Incorporated	4,702,060	3.55
Motorcars Acquisition	3,283,465	2.48
Weyerhaeuser Company	3,102,500	2.34
Illinois Tool Works, Incorporated	2,647,350	2.00
Earl M. Jorgensen Company	2,616,210	1.97
Jay Pontiac, Inc.	2,542,130	1.92
I. Schumann & Company	1,985,000	1.50
Total	<u>\$63,210,075</u>	<u>47.72%</u>
Total Tangible Assessed Valuation	<u>\$132,472,759</u>	

<u>Name of Taxpayer</u>	<u>1998</u>	
	<u>Assessed Valuation</u>	<u>Percent of Tangible Assessed Value</u>
Ford Motor Company	\$31,629,440	18.80%
Rini Rego Supermarkets	11,079,040	6.58
Ben Venue Laboratories, Incorporated	4,934,340	2.93
Ferro Corporation	4,190,470	2.49
Wilmington Trust Company	4,024,550	2.39
Barmet Aluminum Corporation	2,647,700	1.57
ITT Automotive, Incorporated	2,606,920	1.55
I. Schumann and Company	2,454,000	1.46
Illinois Tool Works, Incorporated	2,168,220	1.29
Sysco Food Services of Ohio, Inc.	1,888,300	1.12
Total	<u>\$67,622,980</u>	<u>40.19%</u>
Total Tangible Assessed Valuation	<u>\$168,251,180</u>	

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) The amounts presented represent the assessed values upon which 2007 and 1998 collections were based.

Bedford City School District

Principal Taxpayers

Public Utilities Tax

2007 and 1998 (1)

Name of Taxpayer	2007	
	Assessed Valuation	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$19,598,440	55.56%
American Transmission System	8,345,580	23.66
Ohio Bell Telephone Company	3,491,460	9.90
The East Ohio Gas Company	1,585,900	4.50
Norfolk Southern Combined	795,660	2.26
New Cingular Wireless PCS, LLC	422,860	1.20
New Par	421,220	1.19
Ohio Edison	386,910	1.10
Alltel Ohio Limited Partner	199,330	0.57
Total	\$35,247,360	99.92%
Total Public Utility Valuation	\$35,275,280	
Name of Taxpayer	1998	
	Assessed Valuation	Percent of Public Utility Assessed Value
Cleveland Electric Illuminating Company	\$45,051,530	76.81%
Ohio Bell Telephone Company	8,084,110	13.78
The East Ohio Gas Company	4,085,950	6.97
Total	\$57,221,590	97.56%
Total Public Utility Valuation	\$58,651,190	

Source: Office of the Auditor, Cuyahoga County, Ohio

(1) The amounts presented represent the assessed values upon which 2007 and 1998 collections were based.

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

	1998	1999	2000	2001
Assessed Valuation (1)	<u>\$727,594,880</u>	<u>\$759,951,942</u>	<u>\$729,522,515</u>	<u>\$805,969,111</u>
Debt Limit - 9% of Assessed Value (2)	\$65,483,539	\$68,395,675	\$65,657,026	\$72,537,220
Amount of Debt Outstanding				
General Obligation Bonds:				
Serial Library and Facilities Refunding Bonds	12,170,000	11,795,000	11,375,000	10,910,000
Facilities Acquisition	270,000	255,000	240,000	225,000
Energy Conservation	1,580,000	1,335,000	1,080,000	810,000
Capital Appreciation Bonds	0	0	0	0
Maintenance Facility Loan	0	0	0	0
Less Amount Available in Debt Service	<u>(1,194,129)</u>	<u>(1,262,349)</u>	<u>(1,269,570)</u>	<u>(1,354,436)</u>
Total	12,825,871	12,122,651	11,425,430	10,590,564
Exemptions:				
Energy Conservation Bonds	<u>(1,580,000)</u>	<u>(1,335,000)</u>	<u>(1,080,000)</u>	<u>(810,000)</u>
Amount of Debt Subject to Limit	<u>11,245,871</u>	<u>10,787,651</u>	<u>10,345,430</u>	<u>9,780,564</u>
Overall Debt Margin	<u>\$54,237,668</u>	<u>\$57,608,024</u>	<u>\$55,311,596</u>	<u>\$62,756,656</u>
Legal Debt Margin as a Percentage of Debt Limit	82.83%	84.23%	84.24%	86.52%
Unvoted Legal Debt Limit - .10% of Assessed Value (2)	\$727,595	\$759,952	\$729,523	\$805,969
Amount of Debt Subject to Limit	<u>(270,000)</u>	<u>(255,000)</u>	<u>(240,000)</u>	<u>(225,000)</u>
Unvoted Debt Margin	<u>\$457,595</u>	<u>\$504,952</u>	<u>\$489,523</u>	<u>\$580,969</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	62.89%	66.45%	67.10%	72.08%
Additional Limit for Unvoted Energy Conservation Bonds				
Unvoted Legal Debt Limit - .9% of Assessed Value	6,548,354	6,839,567	6,565,703	7,253,722
Amount of Debt Subject to Limit	<u>(1,580,000)</u>	<u>(1,335,000)</u>	<u>(1,080,000)</u>	<u>(810,000)</u>
Additional Unvoted Debt Margin	<u>\$4,968,354</u>	<u>\$5,504,567</u>	<u>\$5,485,703</u>	<u>\$6,443,722</u>

Source: Cuyahoga County Auditor and School District Financial Records

(1) For fiscal year 2006, HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.

(2) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.

2002	2003	2004	2005	2006	2007
<u>\$805,182,933</u>	<u>\$806,632,602</u>	<u>\$850,589,355</u>	<u>\$855,574,852</u>	<u>\$672,704,829</u>	<u>\$743,973,480</u>
\$72,466,464	\$72,596,934	\$76,553,042	\$77,001,737	\$60,543,435	\$66,957,613
9,760,000	9,130,000	8,335,000	7,500,000	6,615,000	5,665,000
210,000	195,000	180,000	165,000	150,000	135,000
525,000	230,000	155,000	80,000	3,562,114	3,336,282
536,300	536,300	536,300	536,300	536,300	536,300
0	606,000	558,000	506,000	452,000	395,000
<u>(1,503,513)</u>	<u>(1,521,398)</u>	<u>(1,611,028)</u>	<u>(1,904,007)</u>	<u>(1,752,212)</u>	<u>(1,916,465)</u>
9,527,787	9,175,902	8,153,272	6,883,293	9,563,202	8,151,117
<u>(525,000)</u>	<u>(230,000)</u>	<u>(155,000)</u>	<u>(80,000)</u>	<u>(3,562,114)</u>	<u>(3,336,282)</u>
9,002,787	8,945,902	7,133,272	6,803,293	6,001,088	4,814,835
<u>\$63,463,677</u>	<u>\$63,651,032</u>	<u>\$69,419,770</u>	<u>\$70,198,444</u>	<u>\$54,542,347</u>	<u>\$62,142,778</u>
87.58%	87.68%	90.68%	91.16%	90.09%	92.81%
\$805,183	\$806,633	\$850,589	\$855,575	\$672,705	\$743,973
<u>(210,000)</u>	<u>(195,000)</u>	<u>(180,000)</u>	<u>(165,000)</u>	<u>(150,000)</u>	<u>(135,000)</u>
<u>\$595,183</u>	<u>\$611,633</u>	<u>\$670,589</u>	<u>\$690,575</u>	<u>\$522,705</u>	<u>\$608,973</u>
73.92%	75.83%	78.84%	80.71%	77.70%	81.85%
7,246,646	7,259,693	7,655,304	7,700,174	6,054,343	6,695,761
<u>(525,000)</u>	<u>(230,000)</u>	<u>(155,000)</u>	<u>(80,000)</u>	<u>(3,562,114)</u>	<u>(3,336,282)</u>
<u>\$6,721,646</u>	<u>\$7,029,693</u>	<u>\$7,500,304</u>	<u>\$7,620,174</u>	<u>\$2,492,229</u>	<u>\$3,359,479</u>

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

Fiscal Year	Population (1)		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	General Bonded Debt Outstanding	Loans
1998	29,324	a	\$2,170,203,828	\$14,020,000	0.65%	\$437.38	\$14,020,000	\$0
1999	29,324	a	2,166,709,487	13,385,000	0.62	413.40	13,385,000	0
2000	29,324	b	2,178,620,958	12,695,000	0.58	389.63	12,695,000	0
2001	27,989	b	2,409,529,952	11,945,000	0.50	378.38	11,945,000	0
2002	27,989	b	2,430,014,743	10,944,054	0.45	337.29	10,944,054	0
2003	27,989	b	2,426,777,753	10,080,723	0.42	305.81	10,080,723	606,000
2004	27,989	b	2,550,722,113	9,278,593	0.36	273.95	9,278,593	558,000
2005	27,989	b	2,575,683,622	8,442,541	0.33	233.61	8,442,541	506,000
2006	27,989	b	2,804,532,366	11,119,864	0.40	334.69	11,119,864	452,000
2007	27,989	b	3,140,788,389	10,031,198	0.32	289.93	10,031,198	395,000

Sources: (1) U.S. Bureau of Census, Census of Population
(a) 1990 Federal Census
(b) 2000 Federal Census

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

General Debt			
Capital Leases	Total Debt	Ratio of General Debt to Estimated Actual Value	General Debt Per Capita
\$0	\$14,020,000	0.65%	\$478.11
0	13,385,000	0.62	456.45
0	12,695,000	0.58	432.92
0	11,945,000	0.50	426.77
0	10,944,054	0.45	391.01
0	10,686,723	0.44	381.82
868,903	10,705,496	0.42	382.49
712,854	9,661,395	0.38	345.19
562,207	12,134,071	0.43	433.53
407,835	10,834,033	0.34	387.08

Bedford City School District
Computation of Direct and Overlapping
Governmental Activities Debt
December 31, 2006

	General Debt Outstanding	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
Bedford City School District			
General Obligation Bonds	\$10,031,198	100.00%	\$10,031,198
Loan	395,000	100	395,000
Capital Leases	407,835	100	407,835
Total Direct	10,834,033	100	10,834,033
Overlapping:			
Cuyahoga County			
General Obligation Bonds	208,194,000	2.66	5,537,960
Revenue Bonds	106,016,000	2.66	2,820,026
Capital Lease Obligations	29,485,000	2.66	784,301
Loans Payable	7,574,000	2.66	201,468
Regional Transit Authority			
General Obligation Bonds	156,500,000	2.66	4,162,900
State Infrastructure Bank Loan	4,580,196	2.66	121,833
City of Bedford			
General Obligation Bonds	11,816,833	36.22	4,280,057
OPWC Loans	529,955	36.22	191,950
Capital Lease Obligation	12,458	36.22	4,512
City of Bedford Heights			
General Obligation Bonds	4,690,000	29.67	1,391,523
Capital Lease Obligation	1,000,522	29.67	296,855
Notes Payable	175,000	29.67	51,923
Village of Oakwood			
General Obligation Bonds	2,091,816	14.95	312,726
Total Overlapping	532,665,780		20,158,034
Total	\$543,499,813		\$30,992,067

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 2007 collection year.

Bedford City School District

Principal Employers

2006 and 2001

2006

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

2001

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

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

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

Bedford City School District
Demographic and Economic Statistics
Last Eight Years (1)

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
2000	14,214	\$285,360,264	\$20,076	11,375	\$247,872,625	\$21,791
2001	14,214	285,360,264	20,076	11,375	247,872,625	21,791
2002	14,214	285,360,264	20,076	11,375	247,872,625	21,791
2003	14,214	285,360,264	20,076	11,375	247,872,625	21,791
2004	14,214	285,360,264	20,076	11,375	247,872,625	21,791
2005	14,214	285,360,264	20,076	11,375	247,872,625	21,791
2006	14,214	285,360,264	20,076	11,375	247,872,625	21,791
2007	14,214	285,360,264	20,076	11,375	247,872,625	21,791

Source 2000 U.S. Census Bureau

1) Information prior to 2000 not available

Village of Oakwood			Village of Oakwood			Unemployment Rate	Total Assessed Property Value
Estimated Population	Total Personal Income	Personal Income Per Capita	Estimated Population	Total Personal Income	Personal Income Per Capita		
3,667	\$71,169,136	\$19,408	2,400	\$63,372,000	\$26,405	5.0%	\$729,522,515
3,667	71,169,136	19,408	2,400	63,372,000	26,405	4.3	805,969,111
3,667	71,169,136	19,408	2,400	63,372,000	26,405	6.0	805,182,933
3,667	71,169,136	19,408	2,400	63,372,000	26,405	6.0	806,632,602
3,667	71,169,136	19,408	2,400	63,372,000	26,405	6.6	850,589,355
3,667	71,169,136	19,408	2,400	63,372,000	26,405	6.6	855,574,852
3,667	71,169,136	19,408	2,400	63,372,000	26,405	5.6	854,932,514
3,667	71,169,136	19,408	2,400	63,372,000	26,405	6.6	882,070,309

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Bedford High School				
Constructed in 1954				
Additions in 1955, 1958, 1971, 1994				
Total Building Square Footage	400,000	400,000	400,000	400,000
Media Center Square Footage	18,400	18,400	18,400	18,400
Cafeteria and Kitchen Square Footage	12,500	12,500	12,500	12,500
Auditorium Square Footage	15,000	15,000	15,000	15,000
Gymnasium (3 each) Square Footage	27,000	27,000	27,000	27,000
Pool Square Footage	10,000	10,000	10,000	10,000
Enrollment Grades 9-12	1,176	1,237	1,306	1,371
Student Capacity	1,800	1,800	1,800	1,800
Regular Instruction Classrooms	90	92	93	93
Regular Instruction Teachers	51	55	46	59
Special Instruction Classrooms	15	13	12	12
Special Instruction Teachers	15	13	12	13
Vocational Instruction Classrooms	16	16	16	16
Vocational Instruction Teachers	9	8	9	17
Heskett Middle School				
Constructed in 1968				
Total Building Square Footage	105,000	105,000	105,000	105,000
Media Center Square Footage	5,040	5,040	5,040	5,040
Cafeteria and Kitchen Square Footage	7,400	7,400	7,400	7,400
Auditorium Square Footage	4,500	4,500	4,500	4,500
Gymnasium Square Footage	8,000	8,000	8,000	8,000
Enrollment Grades 7-8	684	666	635	654
Student Capacity	800	800	800	800
Regular Instruction Classrooms	37	37	37	37
Regular Instruction Teachers	35	35	27	35
Special Instruction Classrooms	12	12	12	12
Special Instruction Teachers	12	12	12	12
Aurora Upper Intermediate School				
Constructed in 1952				
Additions in 1955, 1965				
Total Building Square Footage	65,000	65,000	65,000	65,000
Media Center Square Footage	1,700	1,700	1,700	1,700
Cafeteria and Kitchen Square Footage	3,400	3,400	3,400	3,400
Gymnasium Square Footage	2,500	2,500	2,500	2,500
Enrollment Grade 6 Only	331	291	308	274
Student Capacity	460	460	460	460
Regular Instruction Classrooms	16	18	19	19
Regular Instruction Teachers	12	13	10	17
Special Instruction Classrooms	7	5	4	4
Special Instruction Teachers	7	5	4	4

(continued)

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

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

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
1998	3,869	0.39%	\$35,529,081	\$9,183
1999	3,883	0.36	35,134,870	9,048
2000	3,866	(0.44)	34,728,203	8,983
2001	3,842	(0.62)	37,180,862	9,677
2002	3,720	(3.18)	39,177,763	10,532
2003	3,637	(2.23)	42,129,455	11,584
2004	3,912	7.56	47,457,971	12,131
2005	3,680	(5.93)	45,314,175	12,314
2006	3,908	6.20	50,597,774	12,947
2007	3,825	(2.12)	48,272,312	12,620

(1) Debt Service totals have been excluded.

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

(3) Information prior to 1999 is not available.

Governmental Activities		Students	
Total	Per	Receiving Free	Percentage
Expenses (2)	Pupil Cost	or Reduced	Of Enrollment
		Lunch (3)	
N/A	N/A	N/A	N/A
N/A	N/A	1,000	25.75%
N/A	N/A	1,078	27.88
\$37,793,574	\$9,837	1,161	30.22
40,606,923	10,916	1,172	31.51
40,618,687	11,168	1,233	33.90
47,119,876	12,045	1,400	35.79
45,125,477	12,262	1,502	40.82
49,088,059	12,561	1,664	42.58
48,290,799	12,625	1,701	44.47

Bedford City School District
School District Employees by Function/Program
Last Nine Fiscal Years (1)

Function/Program	1999	2000	2001	2002
Regular Instruction				
Elementary Classroom Teachers	102	101	106	107
Middle School Classroom Teachers	38	36	36	34
High School Classroom Teachers	62	56	55	54
Special Instruction				
Preschool Teachers	4	4	4	4
Elementary Classroom Teachers	21	23	23	25
Gifted Education Teachers	1	1	1	1
Middle School Classroom Teachers	7	6	9	6
High School Classroom Teachers	8	9	9	9
Vocational Instruction				
High School Classroom Teachers	19	18	17	17
Pupil Support Services				
Guidance Counselors	10	9	10	9
Librarians	2	2	2	2
Psychologists	3	3	3	3
Speech & Language Pathologists	3	3	3	4
Administrators				
Elementary	5	5	5	5
Middle School	3	3	3	3
High School	5	5	5	5
Districtwide	16	16	18	19
Operation of Plant				
Custodians	44	41	41	41
Maintenance	9	8	8	8
Pupil Transportation				
Bus Drivers	60	54	55	61
Bus Aides	12	13	13	14
Mechanics	5	5	5	5
Food Service Program				
Elementary Cooks	11	11	11	11
Middle School Cooks	10	10	10	10
High School Cooks	16	17	18	18

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

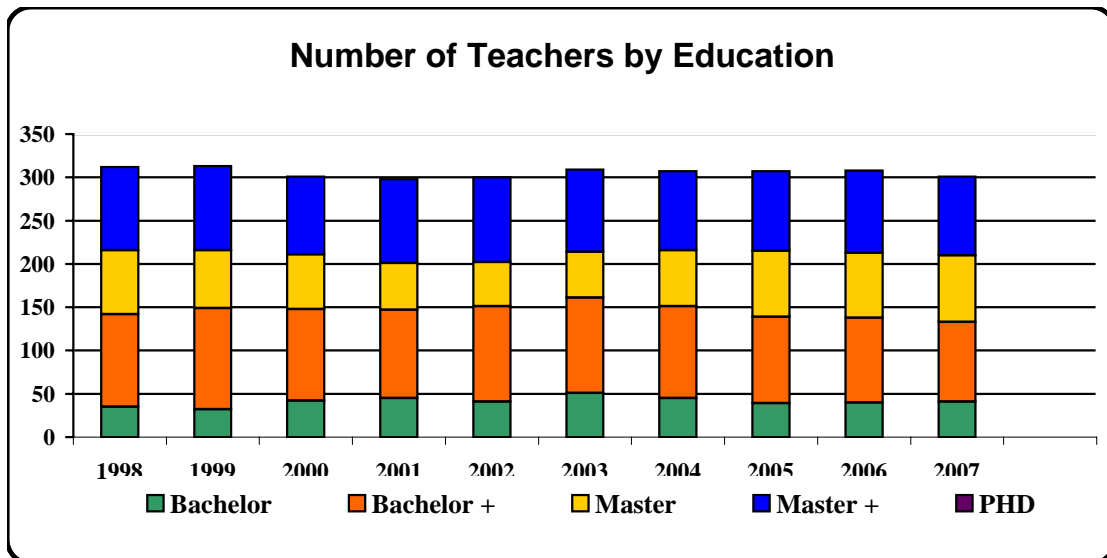
(1) Information prior to 1999 is not available.

2003	2004	2005	2006	2007
107	101	107	95	94
32	35	35	35	35
57	58	56	60	59
4	3	2.5	2.5	2.5
22	30	28	27	28
1	1	1	1	1
8	9	11	12	12
10	11	12	12	13
18	18	14	17	17
9	9	9	11	11
2	2	4	2	2
3	3	3.5	4	4
4	4	4	4	4
5	5	5	5	5
3	3	3	3	3
5	5	5	5	5
19	17	19	16	16
40	40	39	40	38
8	8	8	8	8
67	68	60	59	62
20	15	18	16	13
5	5	5	5	5
12	13	12	11	11
10	10	10	10	10
18	18	18	18	18

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

Degree	1998	1999	2000	2001	2002
Bachelor	35	32	42	45	41
Bachelor Including 150 Hours	80	83	75	65	68
Bachelor Including 180 Hours	27	34	31	37	42
Master	74	67	63	54	51
Master +9	40	39	39	43	40
Master +18	11	14	9	12	17
Master +27	15	12	13	11	10
Master +36	11	11	8	9	9
Master + 45	19	16	15	16	16
Master + 54	0	5	6	6	6
PhD or JD	0	0	0	0	0
Total	312	313	301	298	300

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



Source: School District Records

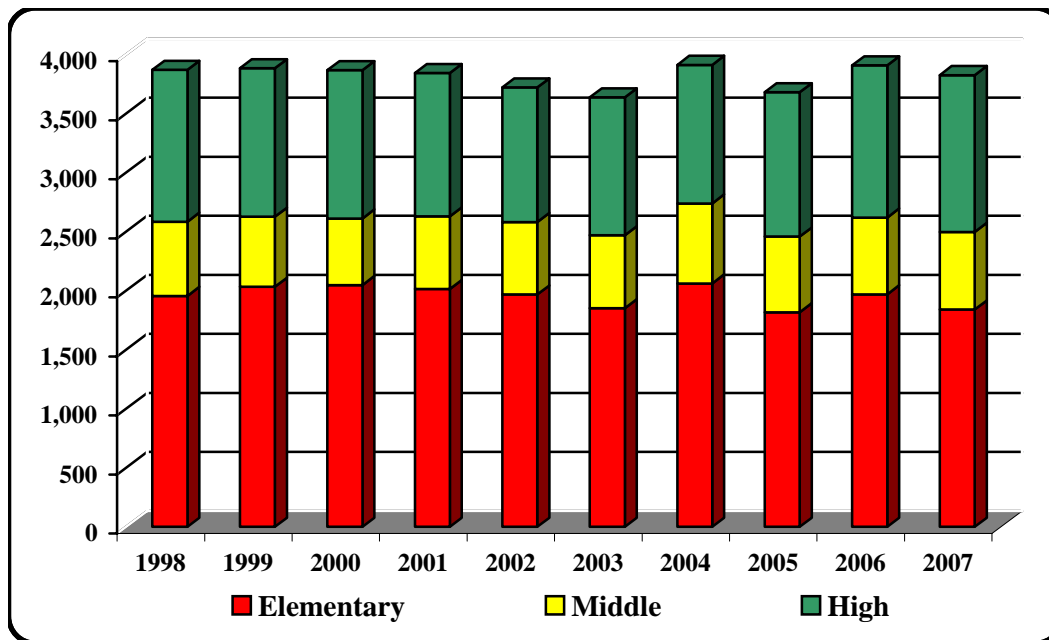
2003	2004	2005	2006	2007
51	45	39	40	41
67	63	63	59	51
43	43	37	39	41
53	65	76	75	77
43	40	39	36	36
14	13	12	17	15
12	13	11	11	13
6	6	6	7	5
14	14	16	16	13
6	5	8	8	7
0	0	0	0	2
<u>309</u>	<u>307</u>	<u>307</u>	<u>308</u>	<u>301</u>

Bedford City School District

Enrollment Statistics

Last Ten Fiscal Years

Fiscal Year	Elementary Schools	Middle School	High School	Total
1998	1,955	629	1,285	3,869
1999	2,032	593	1,258	3,883
2000	2,047	564	1,255	3,866
2001	2,013	615	1,214	3,842
2002	1,967	614	1,139	3,720
2003	1,851	618	1,168	3,637
2004	2,061	677	1,174	3,912
2005	1,817	640	1,223	3,680
2006	1,969	650	1,289	3,908
2007	1,841	656	1,328	3,825



Source: Bedford City School Records

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

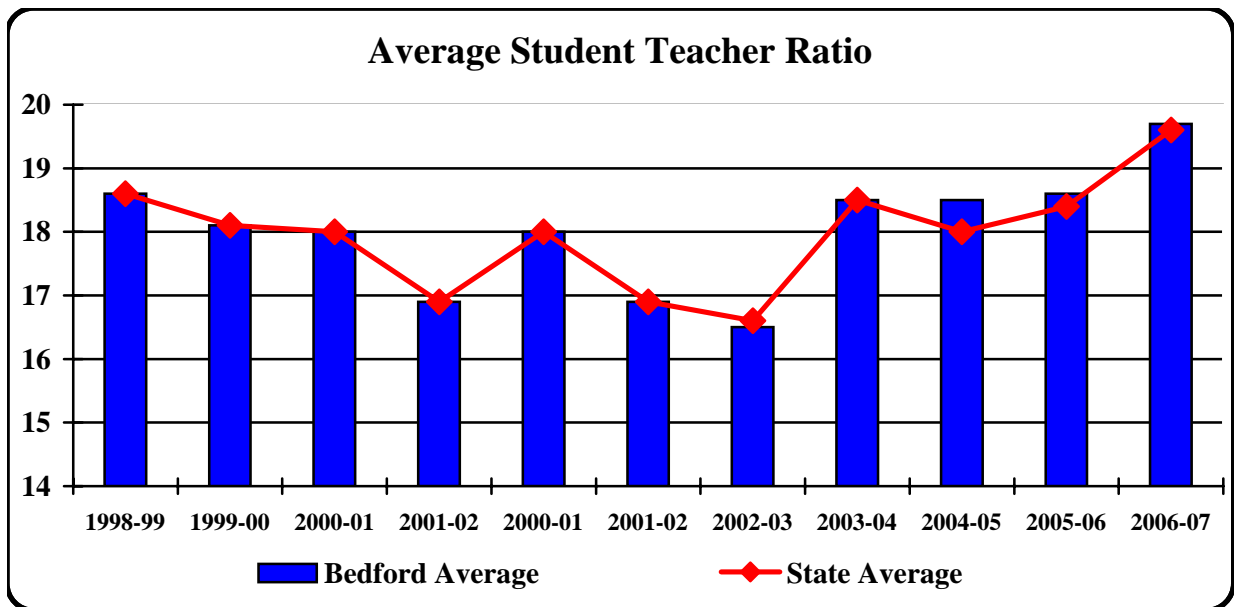
Fiscal Year	Bedford City School District Attendance Rate	State Average	Bedford City School District Graduation Rate	State Average
1998	93.90%	93.90%	71.30%	79.90%
1999	93.70	93.50	85.70	81.40
2000	93.50	93.60	74.60	80.70
2001	93.00	93.90	84.80	81.20
2002	93.70	94.30	76.50	82.80
2003	94.40	94.50	76.50	83.90
2004	94.90	94.50	78.60	84.30
2005	95.00	94.30	86.20	85.90
2006	95.20	94.10	90.40	86.20
2007	95.00	94.10	86.30	86.10

Source: Ohio Department of Education Local Report Cards

Bedford City School District
Average Number of Students per Teacher
Last Ten School Years

School Year	Bedford Average	State Average
1997 - 1998	20.4	20.4
1998 - 1999	18.6	18.6
1999 - 2000	18.1	18.1
2000 - 2001	18.0	18.0
2001 - 2002	16.9	16.9
2002 - 2003	16.5	16.5
2003 - 2004	18.5	18.5
2004 - 2005	18.5	18.5
2005 - 2006	18.6	18.6
2006 - 2007	19.7	19.6

Source: Ohio Department of Education, EMIS Reports





Mary Taylor, CPA
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 15, 2008