

Bedford Public
Schools



Educating for Life!

Year Ended
June 30, 2018

Financial
Statements

BEDFORD PUBLIC SCHOOLS

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INDEPENDENT AUDITORS' REPORT

September 26, 2018

Board of Education
Bedford Public Schools
Temperance, Michigan**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of *Bedford Public Schools* (the "District"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Independent Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Bedford Public Schools as of June 30, 2018, and the respective changes in financial position thereof and the budgetary comparison for the general fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Implementation of GASB Statement No. 75

As described in Note 19, the District implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, in the current year. Accordingly, beginning net position of governmental activities was restated. Our opinion is not modified with respect to this matter.

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied by us in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, report dated September 26, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Rehmann Lobson LLC

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MANAGEMENT'S DISCUSSION AND ANALYSIS

BEDFORD PUBLIC SCHOOLS

Management's Discussion and Analysis

As management of Bedford Public Schools, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2018.

Financial Highlights

· Total net position	\$ (55,694,101)
· Change in total net position	5,507,505
· Fund balances, governmental funds	7,565,590
· Change in fund balances, governmental funds	5,908,316
· Unassigned fund balance, general fund	1,735,724
· Change in fund balance, general fund	778,815
· Installment debt outstanding	1,393,122
· Change in installment debt	(497,587)

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private sector business.

The statement of net position presents information on all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, community services, athletics and food service. The District had no business-type activities during the year.

BEDFORD PUBLIC SCHOOLS

Management's Discussion and Analysis

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains several individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison statements or schedules have been provided for the general fund and special revenue funds herein to demonstrate compliance with those budgets.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This is limited to this management's discussion and analysis and the schedules for the MPSERS pension and other postemployment benefit plan immediately following the notes to the financial statements. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the above required supplementary information.

BEDFORD PUBLIC SCHOOLS

Management's Discussion and Analysis

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a district's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$55,694,101 at the close of the most recent fiscal year.

	Net Position	
	Governmental Activities	
	2018	2017
Assets		
Current and other assets	\$ 21,041,835	\$ 15,940,173
Capital assets, net	20,221,084	20,910,319
Total assets	41,262,919	36,850,492
Deferred outflows of resources	17,548,331	10,752,383
Liabilities		
Other liabilities	106,295,507	82,599,638
Long-term debt	2,245,020	2,928,832
Total liabilities	108,540,527	85,528,470
Deferred inflows of resources	5,964,824	204,174
Net position		
Net investment in capital assets	19,332,280	19,686,832
Restricted	5,740,689	547,825
Unrestricted (deficit)	(80,767,070)	(58,364,426)
Total net position	\$(55,694,101)	\$ (38,129,769)

A portion of the District's net position (\$19,332,280) reflects its investment in capital assets (e.g., land, buildings, vehicles, and equipment); less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to the students it serves; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The deficit of \$80,767,070 in unrestricted net position of governmental activities represents the accumulated results of all past years' operations including the impact of implementing GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. More detailed information on this can be seen in the notes to the financial statements. This number represents the amount that would remain if the District had to pay all bills today, including all noncurrent liabilities. This figure is comparable to a business' "net worth" or "owners' equity". This balance is directly affected each year by the District's operating results.

BEDFORD PUBLIC SCHOOLS

Management's Discussion and Analysis

The results of this year's operations for the District as a whole are reported in the statement of activities, which shows the changes in net position for the fiscal year 2018.

	Changes in Net Position	
	Governmental Activities	
	2018	2017
Revenues		
Program revenues:		
Charges for services	\$ 4,003,352	\$ 3,642,159
Operating grants and contributions	12,107,457	6,910,691
General revenues:		
Property taxes	3,460,278	3,335,473
State school aid	29,128,492	28,825,705
Grants and contributions not restricted to specific programs	1,647,838	1,484,083
Other	141,764	95,948
Total revenues	50,489,181	44,294,059
Expenses		
Instruction	25,930,780	25,501,596
Support services	14,724,621	14,933,289
Community services	1,245,671	1,133,487
Athletics	886,502	920,733
Food service	1,098,865	1,188,858
Unallocated depreciation	924,151	852,073
Interest on long-term debt	171,086	163,819
Total expenses	44,981,676	44,693,855
Change in net position	5,507,505	(399,796)
Net position, beginning of year	(38,129,769)	(37,729,973)
Restatement for implementation of GASB 75	(23,071,837)	-
Net position, end of year	\$(55,694,101)	\$ (38,129,769)

Governmental activities. Net position increased by \$5,507,505.

The key elements of this increase are as follows:

- . Increased grant funding.
- . Newly gifted Thomas George Trust.
- . Increased tax revenue due to slightly rising property values in the area.
- . Decreased expenditures in support services (not directly effecting student services).
- . Increased participation in the food service program while increasing efficiencies.

BEDFORD PUBLIC SCHOOLS

Management's Discussion and Analysis

Financial Analysis of the Government's Funds

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$7,565,590, an increase of \$5,908,316 in comparison with the prior year. Approximately 23% of this total amount (\$1,735,724) constitutes unassigned fund balance, which is available for spending at the District's discretion. The District reports restricted fund balances to indicate those amounts that are for a specific purpose and reports committed fund balances to indicate amounts that are constrained for specific purposes by the formal action of the District's Board of Education.

The general fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1,735,724. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 4.2% of the total general fund expenditures and transfers out and total fund balance represents approximately 4.3% percent of total general fund expenditures and transfers out.

The unassigned fund balance of the District's general fund increased by \$773,324 during the current fiscal year and the total fund balance of the District's general fund increased by \$778,815. This increase can be partially attributed to increases in program operating grants and contributions, increases in state and property tax funding, decrease in athletic program costs, decrease in food service costs while increasing program participation, and decrease in interest payments on long-term debt.

The permanent fund reported nonspendable fund balance of \$4,579,570 during the current fiscal year. This was a new fund for the Thomas George Trust bequest to the District to spend interest earnings on math and science.

General Fund Budgetary Highlights

Over the course of the year, the District revises its budget as it attempts to deal with changes in revenues and expenditures. State law requires that the budget be amended to ensure that expenditures do not exceed appropriations. The final amendment to the budget was actually adopted just before year end. A statement showing the District's original and final budget amounts compared with amounts actually earned and expended is provided in these financial statements.

Differences between the original and final amended budgets related to updates in salaries and benefits costs, installment purchase agreement loan payments, and student count for the District. Once this additional information was known, subsequent budget amendments recognized the additional revenue and additional planned expenditures and the individual various District program budgets were adjusted accordingly. Actual revenues and expenditures were both less than the final amended budget amounts. The overall actual increase in fund balance was favorable to the District when compared to the budgeted amount.

BEDFORD PUBLIC SCHOOLS

Management's Discussion and Analysis

Capital Asset and Debt Administration

Capital assets. The District's investment in capital assets for its governmental activities as of June 30, 2018, amounted to \$20,221,084 (net of accumulated depreciation). This investment in capital assets includes land improvements, buildings and improvements, machinery and equipment and vehicles. The District's total capital assets decreased by \$689,235, due primarily to depreciation of capitalized assets. Additional information on the District's capital assets can be found in the notes to the financial statements section of this report.

Long-term debt. At the end of the current fiscal year, the District had total installment debt outstanding of \$1,393,122. This amount represents the general obligations of the District that do constitute an indebtedness of the District within any constitutional or statutory limitations.

The District's total debt decreased by \$683,812 during the current fiscal year, due primarily to debt service payments being made on installment purchase agreements. Additional information on the District's long-term debt can be found in the notes to the financial statements section of this report.

Factors Bearing on the District's Future

Our elected school board officials and administration considered many factors when setting the District's 2019 fiscal year budget. One of the most important factors affecting the budget is our student count. The State foundation revenue is determined by multiplying the blended student count by the foundation allowance per pupil. Currently, the blended count for the 2018 fiscal year is 10 percent of February 2018 and 90 percent of the October 2018 student counts. The 2019 fiscal year budget was adopted in June 2018, based on an estimate of students that will be enrolled in October 2018. Approximately 65% of general fund revenues received by the District are directly related to the foundation allowance (89% from the state and 11% from non-homestead local property taxes). Under State law, the District cannot access additional property tax revenue for general operations. As a result, District funding is heavily dependent on the State's ability to fund local school operations. Based on early enrollment data at the start of the 2018-2019 school year, we anticipate that the fall student count will approximate the blended count of 2017-2018. Once the final student count and related per pupil funding is validated, State law requires the District to amend the budget if actual District resources are not sufficient to fund original appropriations.

Since the District's revenue is heavily dependent on State funding and the health of the State's School Aid Fund, the actual revenue received depends on the State's ability to collect revenues to fund its appropriation to school districts. There is also opportunity this fiscal year for incentive funding provided by the State. Those guidelines will be proved to the District at a later date. The 2018 foundation allowance for the district is \$7,631. The District must continue to meet increased contractual obligations, increasing health care costs, and State mandated retirement rates through continued budget management and attracting student enrollment.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Bedford Public Schools Business Office, 1623 West Sterns Road, Temperance, MI 48182.

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BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

BEDFORD PUBLIC SCHOOLS

Statement of Net Position June 30, 2018

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 9,570,906
Investments	4,579,570
Receivables	6,846,399
Other assets	44,960
Capital assets being depreciated, net	<u>20,221,084</u>
Total assets	<u>41,262,919</u>
Deferred outflows of resources	
Deferred pension amounts	16,092,959
Deferred other postemployment benefit amounts	<u>1,455,372</u>
Total deferred outflows of resources	<u>17,548,331</u>
Liabilities	
Accounts payable and accrued liabilities	4,796,182
Short-term notes payable	8,500,000
Unearned revenue	187,432
Long-term debt:	
Due within one year	719,635
Due in more than one year	1,525,385
Net pension liability	69,131,627
Net other postemployment benefit liability	<u>23,680,266</u>
Total liabilities	<u>108,540,527</u>
Deferred inflows of resources	
Deferred pension amounts	5,122,826
Deferred other postemployment benefit amounts	<u>841,998</u>
Total deferred inflows of resources	<u>5,964,824</u>
Net position	
Net investment in capital assets	19,332,280
Restricted for:	
Food service	30,483
Technology millage	210,849
Senior center	785,653
Health van	78,161
Recreation	33,437
Capital projects	22,536
Thomas George Trust (nonexpendable)	4,579,570
Unrestricted (deficit)	<u>(80,767,070)</u>
Total net position	<u>\$ (55,694,101)</u>

The accompanying notes are an integral part of these financial statements.

BEDFORD PUBLIC SCHOOLS

Statement of Activities

For the Year Ended June 30, 2018

Functions / Programs	Expenses	Program Revenues		Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction	\$ 25,930,780	\$ 1,353,353	\$ 6,968,886	\$ (17,608,541)
Support services	14,724,621	-	4,599,941	(10,124,680)
Community services	1,245,671	1,740,091	-	494,420
Athletics	886,502	264,669	-	(621,833)
Food service	1,098,865	645,239	538,630	85,004
Unallocated depreciation	924,151	-	-	(924,151)
Interest on long-term debt	171,086	-	-	(171,086)
Total governmental activities	\$ 44,981,676	\$ 4,003,352	\$ 12,107,457	(28,870,867)
General revenues				
Property taxes				3,460,278
State school aid				29,128,492
Grants and contributions not restricted to specific programs				1,647,838
Gain on sale of capital assets				9,623
Unrestricted investment earnings				132,141
Total general revenues				34,378,372
Change in net position				5,507,505
Net position, beginning of year, as restated				(61,201,606)
Net position, end of year				\$ (55,694,101)

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS

BEDFORD PUBLIC SCHOOLS

Balance Sheet Governmental Funds June 30, 2018

	General Fund	Thomas George Trust	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 8,307,473	\$ -	\$ 1,263,433	\$ 9,570,906
Investments	-	4,579,570	-	4,579,570
Accounts receivable	57,732	-	104,573	162,305
Due from other governments	6,677,409	-	6,685	6,684,094
Inventories	15,427	-	15,820	31,247
Prepaid items	13,011	-	702	13,713
Total assets	\$ 15,071,052	\$ 4,579,570	\$ 1,391,213	\$ 21,041,835
Liabilities				
Accounts payable	\$ 833,641	\$ -	\$ 51,576	\$ 885,217
Interest payable	126,298	-	-	126,298
Salaries payable	3,705,268	-	72,030	3,777,298
Short-term notes payable	8,500,000	-	-	8,500,000
Unearned revenue	141,683	-	45,749	187,432
Total liabilities	13,306,890	-	169,355	13,476,245
Fund balances				
Nonspendable:				
Inventories and prepaid items	28,438	-	16,522	44,960
Thomas George Trust	-	4,579,570	-	4,579,570
Restricted for:				
Food service	-	-	14,663	14,663
Technology millage	-	-	210,268	210,268
Senior center	-	-	785,532	785,532
Health van	-	-	78,161	78,161
Recreation	-	-	33,437	33,437
Capital projects	-	-	22,536	22,536
Committed for:				
Capital projects	-	-	10,086	10,086
Technology	-	-	50,653	50,653
Unassigned	1,735,724	-	-	1,735,724
Total fund balances	1,764,162	4,579,570	1,221,858	7,565,590
Total liabilities and fund balances	\$ 15,071,052	\$ 4,579,570	\$ 1,391,213	\$ 21,041,835

The accompanying notes are an integral part of these financial statements.

BEDFORD PUBLIC SCHOOLS

Reconciliation

Fund Balances of Governmental Funds
to Net Position of Governmental Activities
June 30, 2018

Fund balances - total governmental funds	\$ 7,565,590
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Capital assets	46,788,960
Accumulated depreciation	(26,567,876)
Certain liabilities, such as bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Installment purchase agreements	(1,393,122)
Accrued interest	(7,369)
Compensated absences	(851,898)
Certain pension and other postemployment benefit-related amounts, such as the net pension liability, net other postemployment benefit liability and deferred amounts are not due and payable in the current period or do not represent current financial resources and therefore are not reported in the funds.	
Net pension liability	(69,131,627)
Net other postemployment benefit liability	(23,680,266)
Deferred outflows related to the net pension liability	16,092,959
Deferred inflows related to the net pension liability	(5,122,826)
Deferred outflows related to the net other postemployment benefit liability	1,455,372
Deferred inflows related to the net other postemployment benefit liability	(841,998)
Net position of governmental activities	<u>\$ (55,694,101)</u>

The accompanying notes are an integral part of these financial statements.

BEDFORD PUBLIC SCHOOLS

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2018

	General Fund	Thomas George Trust	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Local sources:				
Property taxes	\$ 3,460,278	\$ -	\$ -	\$ 3,460,278
Donations	-	4,579,570	-	4,579,570
Other local sources	1,893,968	120,358	3,770,888	5,785,214
State sources	35,537,977	-	71,987	35,609,964
Federal sources	535,117	-	509,415	1,044,532
Total revenues	41,427,340	4,699,928	4,352,290	50,479,558
Expenditures				
Current:				
Instruction	25,769,715	-	-	25,769,715
Support services	13,442,356	-	937,601	14,379,957
Community services	-	-	1,238,399	1,238,399
Food service	-	-	1,095,378	1,095,378
Athletics	879,080	-	-	879,080
Debt service:				
Principal	497,587	-	-	497,587
Interest and fiscal charges	173,576	-	-	173,576
Capital outlay	79,062	-	468,111	547,173
Total expenditures	40,841,376	-	3,739,489	44,580,865
Revenues over expenditures	585,964	4,699,928	612,801	5,898,693
Other financing sources (uses)				
Proceeds from sale of capital assets	6,500	-	3,123	9,623
Transfers in	187,091	-	28,069	215,160
Transfers out	(740)	(120,358)	(94,062)	(215,160)
Total other financing sources (uses)	192,851	(120,358)	(62,870)	9,623
Change in fund balances	778,815	4,579,570	549,931	5,908,316
Fund balances, beginning of year	985,347	-	671,927	1,657,274
Fund balances, end of year	\$ 1,764,162	\$ 4,579,570	\$ 1,221,858	\$ 7,565,590

The accompanying notes are an integral part of these financial statements.

BEDFORD PUBLIC SCHOOLS

Reconciliation

Net Changes in Fund Balances of Governmental Funds
to Change in Net Position of Governmental Activities
For the Year Ended June 30, 2018

Net change in fund balances - total governmental funds \$ 5,908,316

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

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

Capital assets purchased	234,916
Depreciation expense	(924,151)
Proceeds from sales of capital assets	(9,623)
Gain on sale of capital assets	9,623

Bond proceeds provide current financial resources to governmental funds in the
period issued, but issuing bonds or obtaining financing through capital leases
increases long-term liabilities in the statement of net position. Repayment of
bond principal or other long-term debt is an expenditure in the governmental
funds, but the repayment reduces long-term liabilities in the statement
of net position.

Principal payments on long-term debt	497,587
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Some expenses reported in the statement of activities do not require the use of
current financial resources and therefore are not reported as expenditures in the funds.

Change in net pension liability and related deferred amounts	(402,823)
Change in net other postemployment benefit liability and related deferred amounts	4,945
Change in accrued interest payable on long-term debt	2,490
Change in the accrual for compensated absences	186,225

Change in net position of governmental activities \$ 5,507,505

The accompanying notes are an integral part of these financial statements.

BEDFORD PUBLIC SCHOOLS

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Local sources:				
Property taxes	\$ 3,535,528	\$ 3,457,942	\$ 3,460,278	\$ 2,336
Other local sources	2,061,365	2,007,001	1,893,968	(113,033)
State sources	33,764,871	35,589,076	35,537,977	(51,099)
Federal sources	838,226	628,693	535,117	(93,576)
Total revenues	40,199,990	41,682,712	41,427,340	(255,372)
Expenditures				
Instruction:				
Basic programs	20,367,607	22,266,644	21,116,613	(1,150,031)
Added needs	4,524,279	4,492,399	4,536,596	44,197
Adult and continuing education	108,216	110,039	99,631	(10,408)
Other	14,000	18,000	16,875	(1,125)
Total instruction	25,014,102	26,887,082	25,769,715	(1,117,367)
Support services:				
Pupil	1,830,292	1,788,108	1,911,077	122,969
Instructional services	1,096,516	1,021,941	1,016,832	(5,109)
General administration	645,148	697,200	720,283	23,083
School administration	2,943,044	2,817,758	2,962,255	144,497
Business	498,595	487,469	468,947	(18,522)
Maintenance	3,724,328	3,389,632	3,393,692	4,060
Transportation	2,189,654	2,238,560	2,310,089	71,529
Other support services	715,083	659,622	659,181	(441)
Total support services	13,642,660	13,100,290	13,442,356	342,066
Athletics	888,620	824,947	879,080	54,133
Debt service:				
Principal	494,386	497,726	497,587	(139)
Interest and fiscal charges	169,657	154,979	173,576	18,597
Total debt service	664,043	652,705	671,163	18,458
Capital outlay	44,662	79,142	79,062	(80)
Total expenditures	40,254,087	41,544,166	40,841,376	(702,790)
Revenues over (under) expenditures	(54,097)	138,546	585,964	447,418

continued...

BEDFORD PUBLIC SCHOOLS

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - General Fund

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Other financing sources (uses)				
Proceeds from sale of capital assets	\$ 954	\$ 6,500	\$ 6,500	\$ -
Transfers in	116,987	68,000	187,091	119,091
Transfers out	-	-	(740)	740
Total other financing sources (uses)	117,941	74,500	192,851	118,351
Change in fund balance	63,844	213,046	778,815	565,769
Fund balance, beginning of year	985,347	985,347	985,347	-
Fund balance, end of year	\$ 1,049,191	\$ 1,198,393	\$ 1,764,162	\$ 565,769

concluded.

The accompanying notes are an integral part of these financial statements.

BEDFORD PUBLIC SCHOOLS

Statement of Fiduciary Assets and Liabilities

June 30, 2018

	Agency Fund
Assets	
Cash and cash equivalents	\$ <u>695,785</u>
Liabilities	
Due to student groups	\$ <u>695,785</u>

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Bedford Public Schools (the “District”) has followed the guidelines of the Governmental Accounting Standards Board and has determined that no entities should be included in its basic financial statements as component units. Therefore, the reporting entity consists of the primary government financial statements only. The criteria for including a component unit include significant operational or financial relationships with the District.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District had no business-type activities during the year.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting* as are the fiduciary fund financial statements. However, agency funds do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for reimbursement-based grants that use one year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

Property taxes, intergovernmental revenues, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for and reported in another fund.

The *Thomas George Trust permanent fund* accounts for monies provided by a private bequest to fund math and science programs of the District. The principal amount of the bequest is to remain intact and invested. Investment earnings are used for the above stated purposes.

Additionally, the District reports the following fund types:

The *special revenue funds* are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

Capital projects funds are used to account for all financial resources restricted, committed or assigned to expenditure for the acquisition or construction of capital assets.

The *agency fund* accounts for assets held for other groups and organizations and is custodial in nature.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, and then unrestricted resources as they are needed.

The effect of interfund activity has been eliminated from the government-wide financial statements.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Equity

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the District are reported at fair value.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans).

Accounts payable and other payables reflected in the financial statements are based on when the liability is incurred.

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition cost at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

	Years
Land improvements	20
Buildings and improvements	50
Machinery and equipment	5-20
Vehicles	8

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports deferred outflows of resources related to the net pension liability and the net other postemployment benefit liability. A portion of these costs represent contributions to the plan subsequent to the plan measurement date.

Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused sick pay benefits. These are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

Depending on their respective contracts, some employees accrue sick leave each year, which accumulates if not used. Certain contracts allow for sick time to be paid upon termination if they have ten or more years of service with the District, while other contracts allow for sick time to be paid upon death with no minimum years of service. The maximum payout upon termination varies, depending on the employee's contract.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to one or more future periods and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds may also report unavailable revenues, which arise only under a modified accrual basis of accounting that are reported as deferred inflows of resources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District's deferred inflows of resources are related to pension and other postemployment benefit liabilities.

Long-term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the governmental activities statement of net position. Where applicable, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received in debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Fund Equity

Governmental funds report *nonspendable fund balance* for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. *Restricted fund balance* is reported when externally imposed constraints are placed on the use of the resources by grantors, contributors, or laws or regulations of other governments. *Committed fund balance*, if any, is reported for amounts that can be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority, the Board of Education. A formal resolution of the Board of Education is required to establish, modify or rescind a fund balance commitment. The District reports assigned fund balance for amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Board of Education has delegated the authority to assign fund balance to the Superintendent or his/her designee. Unassigned fund balance is the residual classification for the general fund.

When the District incurs an expenditure for purposes for which various fund balance classifications can be used, it is the District's policy to use restricted fund balance first, then committed fund balance, assigned fund balance, and finally unassigned fund balance.

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

Pensions and Other Postemployment Benefits

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

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. BUDGETARY INFORMATION

The general and special revenue funds are under formal budgetary control. Budgets shown in the financial statements are adopted annually on a basis consistent with generally accepted accounting principles (GAAP), and are not significantly different from the modified accrual basis used to reflect actual results, and consist only of those amounts contained in the formal budget as originally adopted or as amended by the Board of Education. The budgets for the general and special revenue funds are adopted on a functional basis.

3. EXCESS OF EXPENDITURES OVER BUDGET

P.A. 621 of 1978, as amended, provides that a government shall not incur expenditures in excess of the amount appropriated. The approved budgets of the District were adopted on a detailed functional level basis.

During the year ended June 30, 2018, the District incurred expenditures in excess of the amounts appropriated at the legal level of budgetary control as follows:

	Final Budget	Actual	Variance
General fund			
Instruction -			
Added needs	\$ 4,492,399	\$ 4,536,596	\$ 44,197
Support services:			
Pupil	1,788,108	1,911,077	122,969
General administration	697,200	720,283	23,083
School administration	2,817,758	2,962,255	144,497
Maintenance	3,389,632	3,393,692	4,060
Transportation	2,238,560	2,310,089	71,529
Athletics	824,947	879,080	54,133
Interest and fiscal charges	154,979	173,576	18,597
Transfers out	-	740	740

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BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

	Final Budget	Actual	Variance
Food service fund			
Transfers out	\$ 2,000	\$ 24,026	\$ 22,026
Senior center fund			
Capital outlay	920	999	79
Transfers out	15,042	15,512	470
Health van fund			
Community services	200,140	200,432	292
Transfers out	8,890	9,467	577
Recreation fund			
Transfers out	41,835	45,057	3,222
Latchkey fund			
Community services	323,402	333,223	9,821

concluded.

4. DEPOSITS AND INVESTMENTS

A reconciliation of cash and investments as shown on the Statement of Net Position and Statement of Fiduciary Assets and Liabilities follows:

Statement of Net Position	
Cash and cash equivalents	\$ 9,570,906
Investments	4,579,570
Statement of Fiduciary Assets and Liabilities	
Agency fund -	
Cash and cash equivalents	<u>695,785</u>
Total	<u>\$ 14,846,261</u>
Deposits and investments:	
Bank deposits (checking/savings accounts and CD's due within one year)	\$ 10,265,691
Investments	4,579,570
Cash on hand	<u>1,000</u>
Total	<u>\$ 14,846,261</u>

Statutory Authority

State statutes authorize the District to deposit and invest in:

- a. Bonds, bills, or notes of the United States; obligations, the principal and interest of which are fully guaranteed by the United States; or obligations of the State. In a primary or fourth class school district, the bonds, bills, or notes shall be payable at the option of the holder upon not more than 90 days notice or, if not so payable, shall have maturity dates not more than 5 years after the purchase dates.

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

- b. Certificates of deposit insured by a State or national bank, savings accounts of a state or federal savings and loan association, or certificates of deposit or share certificates of a state or federal credit union organized and authorized to operate in this State.
- c. Commercial paper rated prime at the time of purchase and maturing not more than 270 days after the date of purchase.
- d. Securities issued or guaranteed by agencies or instrumentalities of the United States government or federal agency obligation repurchase agreements, and bankers' acceptance issued by a bank that is a member of the federal deposit insurance corporation.
- e. Mutual funds composed entirely of investment vehicles that are legal for direct investment by a school district.
- f. Investment pools, as authorized by the surplus funds investment pool act, composed entirely of instruments that are legal for direct investment by a school district.

The District's investment policy allows for all of these types of investments.

The District's investments listed below are held in trust by a third party. The investment decisions are outside of the control of the District, and therefore, are not subject to the criteria listed above.

As of year end, the District had the following investments:

Investment	Maturity	Fair Value	Rating
Equity mutual funds	n/a	\$ 2,920,522	Not rated
Fixed income mutual funds	n/a	1,426,600	Not rated
Money market cash management funds	n/a	<u>232,448</u>	Not rated
		<u>\$ 4,579,570</u>	

Investment and Deposit Risk

Interest Rate Risk. State law limits the allowable investments and the maturities of some of the allowable investments as identified in list of authorized investments above. The District's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in the list of authorized investments above. The District's investment policy does not have specific limits in excess of state law on investment credit risk. The ratings for each investment are identified above for investments held at year end.

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. State law does not require and the District does not have a policy for deposit custodial credit risk. As of year end, \$9,952,178, of the District's bank balance of \$11,056,675 was exposed to custodial credit risk because it was uninsured and uncollateralized.

Custodial Credit Risk - Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require and the District does not have a policy for investment custodial credit risk. The investments of the District in mutual funds and money market funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book form.

Concentration of Credit Risk. State law limits allowable investments but does not limit concentration of credit risk as identified in the list of authorized investments above. The District's investment policy does not have specific limits in excess of state law on concentration of credit risk.

Fair Value Measurement. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District's recurring fair value measurements as of June 30, 2018 are related to its investments in mutual funds and money market cash management funds. The money market cash management funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The investments in mutual funds are valued using significant other observable inputs (Level 2 inputs).

5. RECEIVABLES

Receivables as of year end for the District's major fund and nonmajor funds in the aggregate, are as follows:

	General Fund	Nonmajor Funds	Total
Accounts receivable	\$ 57,732	\$ 104,573	\$ 162,305
Due from other governments	6,677,409	6,685	6,684,094
	<u>\$ 6,735,141</u>	<u>\$ 111,258</u>	<u>\$ 6,846,399</u>

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

6. CAPITAL ASSETS

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

	Beginning Balance	Additions	Disposals	Ending Balance
Governmental activities				
Capital assets being depreciated:				
Land improvements	\$ 1,197,168	\$ 137,240	\$ -	\$ 1,334,408
Buildings and improvements	39,518,306	9,115	-	39,527,421
Machinery and equipment	1,099,038	88,561	-	1,187,599
Vehicles	4,839,958	-	(100,426)	4,739,532
Total capital assets being depreciated	<u>46,654,470</u>	<u>234,916</u>	<u>(100,426)</u>	<u>46,788,960</u>
Less accumulated depreciation for:				
Land improvements	(1,181,133)	(2,556)	-	(1,183,689)
Buildings and improvements	(20,110,027)	(667,969)	-	(20,777,996)
Machinery and equipment	(962,088)	(31,291)	-	(993,379)
Vehicles	(3,490,903)	(222,335)	100,426	(3,612,812)
Total accumulated depreciation	<u>(25,744,151)</u>	<u>(924,151)</u>	<u>100,426</u>	<u>(26,567,876)</u>
Capital assets, net	<u>\$ 20,910,319</u>	<u>\$ (689,235)</u>	<u>\$ -</u>	<u>\$ 20,221,084</u>

Depreciation expense of \$924,151 was reported as “unallocated depreciation”, and was not allocated to specific functions.

7. PAYABLES

Accounts payable and accrued liabilities as of year end for the District’s major fund and nonmajor funds in the aggregate, are as follows:

	General Fund	Nonmajor Funds	Total
Accounts payable	\$ 833,641	\$ 51,576	\$ 885,217
Interest payable	126,298	-	126,298
Salaries payable	3,705,268	72,030	3,777,298
	<u>\$ 4,665,207</u>	<u>\$ 123,606</u>	4,788,813
Accrued interest on long-term debt			<u>7,369</u>
			<u>\$ 4,796,182</u>

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

8. INTERFUND TRANSFERS

For the year ending June 30, 2018, interfund transfers consisted of the following:

	Transfers out	Transfers in
General fund	\$ 740	\$ 187,091
Thomas George Trust	120,358	-
Nonmajor governmental funds	94,062	28,069
	<u>\$ 215,160</u>	<u>\$ 215,160</u>

Transfers are used to: (1) move revenues from the fund that is required to collect them to the fund that is required or allowed to expend them; (2) move receipts restricted to or allowed for debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. For the year ended June 30, 2018, the District transferred \$740 from the general fund to the food service fund to cover excess costs and \$27,329 from the recreation fund to the latchkey fund to cover excess costs. Additionally, \$24,026 from the food service fund, \$15,512 from the senior center fund, \$9,467 from the health van fund, and \$17,728 from the recreation fund were transferred to the general fund for indirect costs. \$120,358 in interest earnings was transferred from the Thomas George Trust fund to the general fund.

9. LONG-TERM DEBT

The following is a summary of long-term debt transactions of the District for the year ended June 30, 2018:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Installment purchase agreements	\$ 1,890,709	\$ -	\$ (497,587)	\$ 1,393,122	\$ 506,635
Compensated absences	1,038,123	259,531	(445,756)	851,898	213,000
	<u>\$ 2,928,832</u>	<u>\$ 259,531</u>	<u>\$ (943,343)</u>	<u>\$ 2,245,020</u>	<u>\$ 719,635</u>

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

Installment purchase agreements at year end are comprised of the following:

\$926,528 for the purchase of ten school buses due in annual installments ranging from \$147,543 to \$161,467 through 2020; interest rate at 1.82%	\$ 320,049
\$311,724 for the purchase of media center technology due in annual installments ranging from \$49,733 to \$53,699 through 2020; interest rate at 1.58%	163,795
\$570,655 for the purchase of buses, due in annual installments ranging from \$92,453 to \$98,424 through 2021; interest at 1.58%	290,723
\$7,755 for the purchase of sixty roughneck stands and seventy-five student chairs, due in installments ranging from \$1,272 to \$1,338 through 2021; interest rate at 1.58%	3,951
\$14,400 for the purchase of one cello and one bass due in annual installments ranging from \$2,333 to \$2,484 through 2021; interest at 1.58%	7,336
\$217,169 for the purchase of ELA curriculum materials for 6th grade through 12th grade students due in annual installments ranging from \$35,183 to \$37,456 through 2021; interest rate at 1.58%	110,626
\$245,550 for the purchase of ELA curriculum materials for young 5s through 12th grade students due in annual installments ranging from \$39,782 to \$42,351 through 2021; interest rate at 1.58%	125,083
\$324,436 for the purchase of ELA curriculum materials for young 5s through 5th grade students due in annual installments ranging from \$52,562 to \$55,957 through 2021; interest rate at 1.58%	165,268
\$26,550 for the purchase of exercise equipment due in annual installments ranging from \$4,301 to \$4,579 through 2021; interest rate at 1.58%	13,525
\$154,158 for the purchase of instruments due in annual installments ranging from \$24,975 to \$26,588 through 2021; interest rate at 1.58%	78,529
\$76,400 for track surfacing due in annual installments ranging from \$12,378 to \$13,177 through 2021; interest rate at 1.58%	38,918
\$147,856 for the purchase of three plow trucks due in annual installments ranging from \$23,954 to \$25,501 through 2021; interest rate at 1.58%	75,319
Total installment purchase agreements	<u>\$ 1,393,122</u>

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

Annual debt service requirements to maturity for installment purchase agreements are as follows:

Year Ended June 30,	Principal	Interest	Total
2019	\$ 506,635	\$ 23,384	\$ 530,019
2020	515,841	14,801	530,642
2021	370,646	6,030	376,676
	<u>\$ 1,393,122</u>	<u>\$ 44,215</u>	<u>\$ 1,437,337</u>

Compensated absences are generally liquidated by the general fund.

10. SHORT-TERM NOTES PAYABLE

At year-end, the District has a short-term state aid anticipation note outstanding of \$8,500,000 plus accrued interest of \$126,298, both of which are recorded as liabilities in the general fund. The note carries an interest rate of 1.49% and is due August 20, 2018.

Short-term debt activity for the year ended June 30, 2018, was as follows:

	Beginning Balance	Additions	Deductions	Ending Balance
State aid note	<u>\$ 9,000,000</u>	<u>\$ 8,500,000</u>	<u>\$ 9,000,000</u>	<u>\$ 8,500,000</u>

11. OPERATING LEASE

The District entered into an operating lease for copiers in 2014 with total original minimum lease payments of \$210,310. The lease term is sixty (60) months, ending August 4, 2020. The cost per year will vary due to the flexible use of equipment and the number of copies produced per month. The following is a schedule of future minimum lease payments:

Year Ended June 30,	Amount
2019	\$ 42,062
2020	<u>7,010</u>
	<u>\$ 49,072</u>

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

12. RISK MANAGEMENT

The District is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries (workers' compensation), as well as medical benefits provided to employees. The District has purchased commercial insurance for general liability, employee injuries/workers' compensation, property and casualty and health claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage during the last fiscal year.

13. CONTINGENCIES

Under the terms of various Federal and State grants and regulatory requirements, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants and requirements. Such audits could lead to reimbursement of the grantor or regulatory agencies. However, management does not believe such disallowances, if any, would be material to the financial position of the District.

14. PROPERTY TAXES

Property taxes levied by the District are collected by various municipalities and periodically remitted to the District. The taxes are levied as of July 1 and December 1, and are due upon receipt of the billing by the taxpayer. The actual due dates are September 14 and February 14, after which time the bills become delinquent and penalties and interest may be assessed by the collecting entity. District property tax revenues are recognized when levied to the extent that they result in current receivables (collected within sixty days after year end). Amounts received subsequent to August 29 are recognized as revenue when collected.

15. PENSION AND OTHER POSTEMPLOYMENT BENEFITS PLANS

Plan Description

The Michigan Public School Employees' Retirement System (the "System" or MPERS) is a cost-sharing, multiple employer, state-wide, defined benefit public employee retirement plan governed by the State of Michigan (the "State") originally created under Public Act 136 of 1945, recodified and currently operating under the provisions of Public Act 300 of 1980, as amended. Section 25 of this act establishes the board's authority to promulgate or amend the provisions of the System. The board consists of twelve members - eleven appointed by the Governor and the State Superintendent of Instruction, who serves as an ex-officio member.

The System's pension plan was established by the State to provide retirement, survivor and disability benefits to public school employees. In addition, the System's health plan provides all retirees with the option of receiving health, prescription drug, dental and vision coverage under the Michigan Public School Employees' Retirement Act (1980 PA 300 as amended).

The System is administered by the Office of Retirement Services (ORS) within the Michigan Department of Technology, Management & Budget. The Department Director appoints the Office Director, with whom the general oversight of the System resides. The State Treasurer serves as the investment officer and custodian for the System.

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

The System's financial statements are available at the ORS website at www.michigan.gov/orsschools.

Pension Benefits Provided

Benefit provisions of the defined benefit pension plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions for the defined benefit (DB) pension plan. Depending on the plan option selected, member retirement benefits are determined by final average compensation, years of service, and a pension factor ranging from 1.25% to 1.50%. DB members are eligible to receive a monthly benefit when they meet certain age and service requirements. The System also provides disability and survivor benefits to DB plan members.

A DB member plan member who leaves Michigan public school employment may request a refund of his or her member contributions to the retirement system account if applicable. A refund cancels a former member's rights to future benefits. However, returning members who previously received a refund of their contributions may reinstate their service through repayment of the refund upon satisfaction of certain requirements.

Other Postemployment Benefits Provided

Benefit provisions of the postemployment healthcare plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions. Retirees have the option of health coverage, which, through 2012, was funded on a cash disbursement basis. Beginning fiscal year 2013, it is funded on a prefunded basis. The System has contracted to provide the comprehensive group medical, prescription drug, dental and vision coverage for retirees and beneficiaries. A subsidized portion of the premium is paid by the System with the balance deducted from the monthly pension of each retiree healthcare recipient. For members who first worked before July 1, 2008, (Basic, MIP-Fixed, and MIP Graded plan members) the subsidy is the maximum allowed by statute. To limit future liabilities of Other Postemployment Benefits, members who first worked on or after July 1, 2008 (MIP-Plus plan members) have a graded premium subsidy based on career length where they accrue credit towards their insurance premiums in retirement, not to exceed the maximum allowable by statute. Public Act 300 of 2012 sets the maximum subsidy at 80% beginning January 1, 2013; 90% for those Medicare eligible and enrolled in the insurances as of that date. Dependents are eligible for healthcare coverage if they meet the dependency requirements set forth in Public Act 300 of 1980, as amended.

Public Act 300 of 2012 granted all active members of the Michigan Public School Employees Retirement System, who earned service credit in the 12 months ending September 3, 2012 or were on an approved professional services or military leave of absence on September 3, 2012, a voluntary election regarding their retirement healthcare. Any changes to a member's healthcare benefit are effective as of the member's transition date, which is defined as the first day of the pay period that begins on or after February 1, 2013.

Under Public Act 300 of 2012, members were given the choice between continuing the 3% contribution to retiree healthcare and keeping the premium subsidy benefit described above, or choosing not to pay the 3% contribution and instead opting out of the subsidy benefit and becoming a participant in the Personal Healthcare Fund (PHF), a portable, tax-deferred fund that can be used to pay healthcare expenses in retirement. Participants in the PHF are automatically enrolled in a 2% employee contribution into their 457 account as of their transition date, earning them a 2% employer match into a 401(k) account. Members who selected this option stop paying the 3% contribution to retiree healthcare as of the day before their transition date, and their prior contributions were deposited into their 401(k) account.

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

Contributions

Employers are required by Public Act 300 of 1980, as amended, to contribute amounts necessary to finance the coverage of active and retired members. Contribution provisions are specified by State statute and may be amended only by action of the State Legislature.

Employer contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The portion of this cost allocated to the current valuation year is called the normal cost. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis. The unfunded (overfunded) actuarial accrued liability as of the September 30, 2016 valuation will be amortized over a 22-year period for the 2017 fiscal year.

The table below summarizes pension contribution rates in effect for fiscal year 2018:

Benefit Structure	Member Rates	Employer Rates
Basic	0.00% - 4.00%	17.89% - 19.03%
Member Investment Plan (MIP)	3.00% - 7.00%	17.89% - 19.03%
Pension Plus	3.00% - 6.40%	16.61% - 18.40%
Pension Plus 2	6.20%	19.74%
Defined Contribution	0.00%	13.54% - 15.27%

Required contributions to the pension plan from the District were \$7,181,504 for the year ended June 30, 2018.

The table below summarizes OPEB contribution rates in effect for fiscal year 2018:

Benefit Structure	Member Rates	Employer Rates
Premium Subsidy	3.00%	5.91% - 7.67%
Personal Healthcare Fund (PHF)	0.00%	5.69% - 7.42%

Required contributions to the OPEB plan from the District were \$1,629,361 for the year ended June 30, 2018.

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

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

At June 30, 2018, the District reported a liability of \$69,131,627 for its proportionate share of the MPERS net pension liability. The net pension liability was measured as of September 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation rolled forward from September 2016. The District's proportion of the net pension liability was determined by dividing each employer's statutorily required pension contributions to the system during the measurement period by the percent of pension contributions required from all applicable employers during the measurement period. At September 30, 2017, the District's proportion was 0.26677%, which was a decrease of 0.00701% from its proportion measured as of September 30, 2016.

For the year ended June 30, 2018, the District recognized pension expense of \$7,416,599. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Differences between expected and actual experience	\$ 600,801	\$ 339,214	\$ 261,587
Changes in assumptions	7,573,919	-	7,573,919
Net difference between projected and actual earnings on pension plan investments	-	3,304,947	(3,304,947)
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,314,246	1,478,665	(164,419)
	<u>9,488,966</u>	<u>5,122,826</u>	<u>4,366,140</u>
District contributions subsequent to the measurement date	6,603,993	-	6,603,993
	<u>6,603,993</u>	<u>-</u>	<u>6,603,993</u>
Total	<u>\$ 16,092,959</u>	<u>\$ 5,122,826</u>	<u>\$ 10,970,133</u>

\$6,603,993 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Amount
2019	\$ 1,510,402
2020	2,508,070
2021	705,425
2022	<u>(357,757)</u>
Total	<u>\$ 4,366,140</u>

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

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

At June 30, 2018, the District reported a liability of \$23,680,266 for its proportionate share of the MPERS net OPEB liability. The net OPEB liability was measured as of September 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation rolled forward from September 2016. The District's proportion of the net OPEB liability was determined by dividing each employer's statutorily required OPEB contributions to the system during the measurement period by the percent of OPEB contributions required from all applicable employers during the measurement period. At September 30, 2017, the District's proportion was 0.26741%.

For the year ended June 30, 2018, the District recognized OPEB expense of \$1,574,656. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows (Inflows) of Resources
Differences between expected and actual experience	\$ -	\$ 252,125	\$ (252,125)
Net difference between projected and actual earnings on OPEB plan investments	-	548,440	(548,440)
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	41,433	(41,433)
	-	841,998	(841,998)
District contributions subsequent to the measurement date	1,455,372	-	1,455,372
Total	\$ 1,455,372	\$ 841,998	\$ 613,374

\$1,455,372 reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows:

Year Ended June 30,	Amount
2019	\$ (202,718)
2020	(202,718)
2021	(202,718)
2022	(202,718)
2023	(31,126)
Total	\$ (841,998)

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

Actuarial Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The total pension and OPEB liabilities in the September 30, 2016 actuarial valuation were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age, normal
Wage inflation rate	3.5%
Investment rate of return:	
MIP and Basic plans (non-hybrid)	7.5%
Pension Plus plan (hybrid)	7.0%
OPEB plans	7.5%
Projected salary increases	3.5% - 12.3%, including wage inflation at 3.5%
Cost of living adjustments	3% annual non-compounded for MIP members
Healthcare cost trend rate	7.5% Year 1 graded to 3.5% Year 12
Mortality	RP-2000 Male and Female Combined Healthy Life Mortality Tables, adjusted for mortality improvements to 2025 using projection scale BB. This assumption was first used for the September 30, 2014 valuation of the System. For retirees, 100% of the table rates were used. For active members, 80% of the table rates were used for males and 70% of the table rates were used for females.
Other OPEB assumptions:	
Opt out assumptions	21% of eligible participants hired before July 1, 2008 and 30% of those hired after June 30, 2008 are assumed to opt out of the retiree health plan
Survivor coverage	80% of male retirees and 67% of female retirees are assumed to have coverages continuing after the retiree's death
Coverage election at retirement	75% of male and 60% of female future retirees are assumed to elect coverage for 1 or more dependents.

Assumption changes as a result of an experience study for the period 2007 through 2012 have been adopted by the System for use in the annual pension valuations beginning with the September 30, 2014 valuation. The total pension liability as of September 30, 2017, is based on the results of an actuarial valuation date of September 30, 2016, and rolled forward using generally accepted actuarial procedures, including the experience study. The recognition period for pension liabilities is 4.5188 years which is the average of the expected remaining service lives of all employees. The recognition period for OPEB liabilities is 5.4744 years which is the average of the expected remaining service lives of all employees. The recognition period for assets is 5 years.

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

Long-term Expected Return on Plan Assets

The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the plan's target asset allocation as of September 30, 2017, are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Expected Money-Weighted Rate of Return
Domestic equity pools	28.00%	5.60%	1.56%
Alternative investment pools	18.00%	8.70%	1.57%
International equity	16.00%	7.20%	1.15%
Fixed income pools	10.50%	-0.10%	-0.01%
Real estate and infrastructure pools	10.00%	4.20%	0.42%
Absolute return pools	15.50%	5.00%	0.78%
Short-term investment pools	2.00%	-0.90%	-0.02%
	100.00%		5.45%
Inflation			2.05%
Investment rate of return			7.50%

Discount Rate

A discount rate of 7.5% was used to measure the total pension and OPEB liabilities (7.0% for the Pension Plus plan, a hybrid plan provided through non-university employers only). This discount rate was based on the long-term expected rate of return on pension and OPEB plan investments of 7.5% (7.0% for the Pension Plus plan). The projection of cash flows used to determine this discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension and OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension and OPEB plan investments was applied to all periods of projected benefit payments to determine the total pension and OPEB liabilities.

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

Sensitivity of District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.5% (7.0% for the Hybrid Plan), as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage higher:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
District's proportionate share of the net pension liability	\$ 90,055,515	\$ 69,131,627	\$ 51,515,045

Sensitivity of District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 7.5%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage higher:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
District's proportionate share of the net OPEB liability	\$ 27,736,436	\$ 23,680,266	\$ 20,237,848

Sensitivity of District's Proportionate Share of the Net OPEB Liability to Healthcare Cost Trend Rate

The following presents the District's proportionate share of the net OPEB liability calculated using the assumed trend rates, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a trend rate that is 1 percentage point lower or 1 percentage higher:

	1% Decrease (6.5%)	Current Healthcare Cost Trend Rate (7.5%)	1% Increase (8.5%)
District's proportionate share of the net OPEB liability	\$ 20,054,002	\$ 23,680,266	\$ 27,797,636

Pension and OPEB Plans Fiduciary Net Position

Detailed information about the pension and OPEB plan's fiduciary net position is available in the separately issued MPSERS financial statements available on the State of Michigan Office of Retirement Services website at www.michigan.gov/orsschools.

BEDFORD PUBLIC SCHOOLS

Notes to the Financial Statements

Payable to the Pension Plan

At June 30, 2018, the District reported a payable of \$890,923 for the outstanding amount of pension contributions to the Plan required for the year ended June 30, 2018.

Payable to the OPEB Plan

At June 30, 2018, the District reported a payable of \$170,597 for the outstanding amount of OPEB contributions to the Plan required for the year ended June 30, 2018.

16. NET INVESTMENT IN CAPITAL ASSETS

As of June 30, 2018, net investment in capital assets was comprised of the following:

Invested in capital assets -	
Capital assets being depreciated, net	<u>\$ 20,221,084</u>
Related debt -	
Installment loans	(1,393,122)
Less: installment loans for noncapital items	<u>504,318</u>
Total related debt	<u>(888,804)</u>
 Net investment in capital assets	 <u><u>\$ 19,332,280</u></u>

17. SINKING FUND

The District records capital project activities funded with a sinking fund millage in the Sinking Fund capital projects fund. For this fund, the District has complied with the applicable provisions of §1212(1) of the Michigan Revised School Code and the applicable section of the Revised Bulletin for School District Audits of Bonded Construction Funds and Sinking Funds in Michigan.

18. SUBSEQUENT EVENTS

State Aid Anticipation Notes

On August 20, 2018, the District borrowed \$8,000,000 in State Aid Anticipation Notes. The notes bear interest at a rate of 2.50% and are due on August 20, 2019.

19. RESTATEMENT

The District adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, in the current year. As a result of this change, beginning net position of governmental activities was decreased by \$23,071,837.



REQUIRED SUPPLEMENTARY INFORMATION

BEDFORD PUBLIC SCHOOLS

Required Supplementary Information MPSERS Cost-Sharing Multiple Employer Plan

Schedule of the District's Proportionate Share of the Net Pension Liability

	Year Ended June 30,			
	2018	2017	2016	2015
District's proportion of the net pension liability	\$ 69,131,627	\$ 68,306,880	\$ 66,306,598	\$ 57,250,349
District's proportionate share of the net pension liability	0.26677%	0.27378%	0.27147%	0.25992%
District's covered payroll	\$ 22,037,320	\$ 23,220,386	\$ 22,823,373	\$ 22,289,692
District's proportionate share of the net pension liability as a percentage of its covered payroll	313.70%	294.17%	290.52%	256.85%
Plan fiduciary net position as a percentage of the total pension liability	64.21%	63.27%	63.17%	66.20%

The amounts presented for each fiscal year were determined as of September 30 of the preceding year.

Note: GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

BEDFORD PUBLIC SCHOOLS

Required Supplementary Information MPSERS Cost-Sharing Multiple Employer Plan

Schedule of the District's Pension Contributions

	Year Ended June 30,			
	2018	2017	2016	2015
Statutorily required contribution	\$ 7,181,504	\$ 6,231,118	\$ 6,101,948	\$ 6,369,011
Contributions in relation to the statutorily required contribution	<u>(7,181,504)</u>	<u>(6,231,118)</u>	<u>(6,101,948)</u>	<u>(6,369,011)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 22,188,828	\$ 22,133,786	\$ 22,607,610	\$ 22,828,272
Contributions as a percentage of covered payroll	32.37%	28.15%	26.99%	27.90%

Note: GASB 68 was implemented in fiscal year 2015. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

BEDFORD PUBLIC SCHOOLS

Required Supplementary Information MPERS Cost-Sharing Multiple Employer Plan

Schedule of the District's Proportionate Share of the Net Other Postemployment Benefit Liability

	Year Ended June 30, 2018
District's proportion of the net OPEB liability	\$ 23,680,266
District's proportionate share of the net OPEB liability	0.26741%
District's covered payroll	\$ 22,037,320
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	107.46%
Plan fiduciary net position as a percentage of the total OPEB liability	36.39%

The amounts presented for each fiscal year were determined as of September 30 of the preceding year.

Note: GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

BEDFORD PUBLIC SCHOOLS

Required Supplementary Information MPSERS Cost-Sharing Multiple Employer Plan

Schedule of the District's Other Postemployment Benefit Contributions

	Year Ended June 30, 2018
Statutorily required contribution	\$ 1,629,361
Contributions in relation to the statutorily required contribution	<u>(1,629,361)</u>
Contribution deficiency (excess)	<u>\$ -</u>
District's covered payroll	\$ 22,188,828
Contributions as a percentage of covered payroll	7.34%

Note: GASB 75 was implemented in fiscal year 2018. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

BEDFORD PUBLIC SCHOOLS

Combining Balance Sheet Nonmajor Governmental Funds June 30, 2018

	Special Revenue			
	Food Service	Technology Enhancement	Senior Center	Health Van
Assets				
Cash and cash equivalents	\$ 78,579	\$ 267,251	\$ 774,241	\$ 50,141
Accounts receivable	-	2,140	28,011	34,870
Due from other governments	6,685	-	-	-
Inventories	15,820	-	-	-
Prepaid items	-	581	121	-
Total assets	\$ 101,084	\$ 269,972	\$ 802,373	\$ 85,011
Liabilities				
Accounts payable	\$ 33,643	\$ 884	\$ 6,979	\$ 542
Salaries payable	8,346	6,907	9,741	6,308
Unearned revenue	28,612	679	-	-
Total liabilities	70,601	8,470	16,720	6,850
Fund balances				
Nonspendable	15,820	581	121	-
Restricted	14,663	210,268	785,532	78,161
Committed	-	50,653	-	-
Total fund balances	30,483	261,502	785,653	78,161
Total liabilities and fund balances	\$ 101,084	\$ 269,972	\$ 802,373	\$ 85,011

Special Revenue		Capital Projects		Total Nonmajor Governmental Funds
Recreation	Latchkey	Sinking Fund	Capital Maintenance	
\$ 33,146	\$ 26,534	\$ 23,455	\$ 10,086	\$ 1,263,433
25,000	14,552	-	-	104,573
-	-	-	-	6,685
-	-	-	-	15,820
-	-	-	-	702
<u>\$ 58,146</u>	<u>\$ 41,086</u>	<u>\$ 23,455</u>	<u>\$ 10,086</u>	<u>\$ 1,391,213</u>
\$ 7,948	\$ 661	\$ 919	\$ -	\$ 51,576
16,761	23,967	-	-	72,030
-	16,458	-	-	45,749
<u>24,709</u>	<u>41,086</u>	<u>919</u>	<u>-</u>	<u>169,355</u>
-	-	-	-	16,522
33,437	-	22,536	-	1,144,597
-	-	-	10,086	60,739
<u>33,437</u>	<u>-</u>	<u>22,536</u>	<u>10,086</u>	<u>1,221,858</u>
<u>\$ 58,146</u>	<u>\$ 41,086</u>	<u>\$ 23,455</u>	<u>\$ 10,086</u>	<u>\$ 1,391,213</u>

BEDFORD PUBLIC SCHOOLS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2018

	Special Revenue			
	Food Service	Technology Enhancement	Senior Center	Health Van
Revenues				
Local sources	\$ 645,239	\$ 1,441,036	\$ 774,972	\$ 208,685
State sources	53,499	-	-	18,488
Federal sources	485,131	-	24,284	-
Total revenues	1,183,869	1,441,036	799,256	227,173
Expenditures				
Current:				
Support services	-	937,601	-	-
Community services	-	-	328,351	200,432
Food service	1,095,378	-	-	-
Capital outlay	34,722	304,636	999	564
Total expenditures	1,130,100	1,242,237	329,350	200,996
Revenues over (under) expenditures	53,769	198,799	469,906	26,177
Other financing sources (uses)				
Proceeds from sale of capital assets	-	3,123	-	-
Transfers in	740	-	-	-
Transfers out	(24,026)	-	(15,512)	(9,467)
Total other financing sources (uses)	(23,286)	3,123	(15,512)	(9,467)
Net change in fund balances	30,483	201,922	454,394	16,710
Fund balances, beginning of year	-	59,580	331,259	61,451
Fund balances, end of year	\$ 30,483	\$ 261,502	\$ 785,653	\$ 78,161

Special Revenue		Capital Projects		Total Nonmajor Governmental Funds
Recreation	Latchkey	Sinking Fund	Capital Maintenance	
\$ 394,604	\$ 306,317	\$ 35	\$ -	\$ 3,770,888
-	-	-	-	71,987
-	-	-	-	509,415
<u>394,604</u>	<u>306,317</u>	<u>35</u>	<u>-</u>	<u>4,352,290</u>
-	-	-	-	937,601
376,393	333,223	-	-	1,238,399
-	-	-	-	1,095,378
-	423	12,751	114,016	468,111
<u>376,393</u>	<u>333,646</u>	<u>12,751</u>	<u>114,016</u>	<u>3,739,489</u>
<u>18,211</u>	<u>(27,329)</u>	<u>(12,716)</u>	<u>(114,016)</u>	<u>612,801</u>
-	-	-	-	3,123
-	27,329	-	-	28,069
<u>(45,057)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(94,062)</u>
<u>(45,057)</u>	<u>27,329</u>	<u>-</u>	<u>-</u>	<u>(62,870)</u>
(26,846)	-	(12,716)	(114,016)	549,931
<u>60,283</u>	<u>-</u>	<u>35,252</u>	<u>124,102</u>	<u>671,927</u>
<u>\$ 33,437</u>	<u>\$ -</u>	<u>\$ 22,536</u>	<u>\$ 10,086</u>	<u>\$ 1,221,858</u>

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BEDFORD PUBLIC SCHOOLS

Schedule of Revenues and Other Financing Sources - By Source Budget and Actual - General Fund For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Local sources				
Property taxes	\$ 3,535,528	\$ 3,457,942	\$ 3,460,278	\$ 2,336
Local contributions	30,000	30,000	30,000	-
Rental income	50,700	48,000	55,133	7,133
Tuition	64,400	66,110	66,790	680
Earnings on investments	2,730	3,845	4,261	416
Athletics	257,500	269,000	264,669	(4,331)
County special education tax	1,373,581	1,353,353	1,353,353	-
Other local revenue	282,454	236,693	119,762	(116,931)
Total local sources	5,596,893	5,464,943	5,354,246	(110,697)
State sources				
Unrestricted:				
Proposal A obligation	16,450,693	16,663,357	16,714,021	50,664
Discretionary payment	11,784,272	12,410,139	12,410,141	2
Renaissance zone	8,582	4,330	4,330	-
Restricted:				
Adult education	29,725	34,050	32,800	(1,250)
Headlee - special education	1,362,589	1,388,836	1,392,444	3,608
Headlee - data collection	110,357	110,235	110,265	30
At-risk	475,707	669,757	571,489	(98,268)
MPSERS cost offset	327,860	313,783	313,784	1
MPSERS UAAL	2,905,412	3,422,051	3,435,142	13,091
Vocational education	-	7,254	7,255	1
Other	9,550	283,284	287,206	3,922
Transfer from intermediate school district - School readiness	300,124	282,000	259,100	(22,900)
Total state sources	33,764,871	35,589,076	35,537,977	(51,099)
Federal sources				
Title I	534,558	380,309	324,177	(56,132)
Title II - improving teacher quality	187,558	136,526	96,830	(39,696)
Title III - limited english proficiency	3,084	3,084	2,770	(314)
Adult education - ABE instruction	40,000	42,000	46,233	4,233
Transfer from intermediate school district:				
Medicaid outreach	8,567	8,567	7,596	(971)
Homeless	600	600	-	(600)
Career and technical education	63,859	57,607	57,511	(96)
Total federal sources	838,226	628,693	535,117	(93,576)
Total revenues	40,199,990	41,682,712	41,427,340	(255,372)
Other financing sources				
Proceeds from sale of capital assets	954	6,500	6,500	-
Transfers in	116,987	68,000	187,091	119,091
Total other financing sources	117,941	74,500	193,591	119,091
Total revenues and other financing sources	\$ 40,317,931	\$ 41,757,212	\$ 41,620,931	\$ (136,281)

BEDFORD PUBLIC SCHOOLS

Schedule of Expenditures and Other Uses - By Activity

Budget and Actual - General Fund

For the Year Ended June 30, 2018

	Salaries	Employee Benefits	Purchased Services	Repair and Maintenance Services
Instruction				
Basic programs:				
Elementary	\$ 5,018,962	\$ 3,688,130	\$ 343,955	\$ 33,280
Middle School	2,584,959	1,978,186	57,209	14,962
High school	3,668,299	2,613,886	114,868	37,502
Other basic programs	238,852	9,970	20,811	-
	<u>11,511,072</u>	<u>8,290,172</u>	<u>536,843</u>	<u>85,744</u>
Added needs:				
Special education	1,695,942	1,083,108	119,100	-
Compensatory education	486,596	225,415	272	-
Vocational education	483,458	264,351	9,116	-
	<u>2,665,996</u>	<u>1,572,874</u>	<u>128,488</u>	<u>-</u>
Adult and continuing education:				
Basic	12,784	4,398	-	-
Secondary	12,602	4,343	-	-
Enrichment	16,978	7,998	40,085	-
	<u>42,364</u>	<u>16,739</u>	<u>40,085</u>	<u>-</u>
Other instructional services	-	16,875	-	-
	<u>-</u>	<u>16,875</u>	<u>-</u>	<u>-</u>
Total instruction	<u>14,219,432</u>	<u>9,896,660</u>	<u>705,416</u>	<u>85,744</u>
Support services				
Pupil:				
Guidance	346,282	250,063	-	-
Health	186,551	99,835	6,633	-
Speech	386,087	290,664	-	-
Other	146,205	70,655	114,242	-
	<u>1,065,125</u>	<u>711,217</u>	<u>120,875</u>	<u>-</u>

Supplies and Materials	Capital Outlay	Other	Totals	Final Budget	Actual Over (Under) Final Budget
\$ 116,896	\$ -	\$ -	\$ 9,201,223	\$ 9,183,592	\$ 17,631
94,681	-	-	4,729,997	4,730,040	(43)
122,579	-	336,377	6,893,511	8,014,149	(1,120,638)
22,249	-	-	291,882	338,863	(46,981)
<u>356,405</u>	<u>-</u>	<u>336,377</u>	<u>21,116,613</u>	<u>22,266,644</u>	<u>(1,150,031)</u>
4,203	-	-	2,902,353	2,793,376	108,977
14,781	-	-	727,064	798,399	(71,335)
149,524	-	730	907,179	900,624	6,555
<u>168,508</u>	<u>-</u>	<u>730</u>	<u>4,536,596</u>	<u>4,492,399</u>	<u>44,197</u>
-	-	-	17,182	35,469	(18,287)
-	-	-	16,945	-	16,945
309	-	134	65,504	74,570	(9,066)
<u>309</u>	<u>-</u>	<u>134</u>	<u>99,631</u>	<u>110,039</u>	<u>(10,408)</u>
-	-	-	16,875	18,000	(1,125)
<u>525,222</u>	<u>-</u>	<u>337,241</u>	<u>25,769,715</u>	<u>26,887,082</u>	<u>(1,117,367)</u>
252	-	-	596,597	553,411	43,186
1,100	-	-	294,119	275,994	18,125
-	-	-	676,751	624,912	51,839
-	-	12,508	343,610	333,791	9,819
<u>1,352</u>	<u>-</u>	<u>12,508</u>	<u>1,911,077</u>	<u>1,788,108</u>	<u>122,969</u>

continued...

BEDFORD PUBLIC SCHOOLS

Schedule of Expenditures and Other Uses - By Activity (Continued)

Budget and Actual - General Fund

For the Year Ended June 30, 2018

	Salaries	Employee Benefits	Purchased Services	Repair and Maintenance Services
Support services (continued)				
Instructional services:				
Improvement	\$ 10,577	\$ 4,928	\$ 120,310	\$ -
Education media services	160,909	104,404	-	-
Instruction related technology	-	-	-	-
Supervision direction	4,887	1,594	1,085	-
Academic student assessment	11,000	841	1,964	-
Other	316,859	211,115	3,741	-
	<u>504,232</u>	<u>322,882</u>	<u>127,100</u>	<u>-</u>
General administration:				
Board of education	3,000	-	173,839	-
Executive administration	377,635	135,987	5,652	-
	<u>380,635</u>	<u>135,987</u>	<u>179,491</u>	<u>-</u>
School administration:				
Principals	21,975	1,732	-	-
Other	1,740,833	1,176,066	4,331	-
	<u>1,762,808</u>	<u>1,177,798</u>	<u>4,331</u>	<u>-</u>
Business:				
Fiscal services	212,049	151,499	7,465	-
Internal services	-	-	16,838	-
Other	-	-	-	-
	<u>212,049</u>	<u>151,499</u>	<u>24,303</u>	<u>-</u>
Maintenance	<u>1,143,580</u>	<u>821,079</u>	<u>337,505</u>	<u>172,032</u>
Transportation	<u>1,169,722</u>	<u>894,259</u>	<u>36,861</u>	<u>41,361</u>
Other support services:				
Planning, research and development	23,901	10,969	-	-
Information services	-	-	16,882	-
Staff services	280,900	204,432	31,537	-
Other	-	-	62,626	6,473
	<u>304,801</u>	<u>215,401</u>	<u>111,045</u>	<u>6,473</u>
Total support services	<u>6,542,952</u>	<u>4,430,122</u>	<u>941,511</u>	<u>219,866</u>

Supplies and Materials	Capital Outlay	Other	Totals	Final Budget	Actual Over (Under) Final Budget
\$ 29,751	\$ -	\$ 1,468	\$ 167,034	\$ 208,222	\$ (41,188)
11,895	-	-	277,208	267,023	10,185
257	-	-	257	2,317	(2,060)
-	-	13,472	21,038	25,384	(4,346)
3,668	-	-	17,473	16,214	1,259
1,701	-	406	533,822	502,781	31,041
<u>47,272</u>	<u>-</u>	<u>15,346</u>	<u>1,016,832</u>	<u>1,021,941</u>	<u>(5,109)</u>
26	-	9,016	185,881	208,203	(22,322)
1,304	-	13,824	534,402	488,997	45,405
<u>1,330</u>	<u>-</u>	<u>22,840</u>	<u>720,283</u>	<u>697,200</u>	<u>23,083</u>
3,591	-	2,197	29,495	30,894	(1,399)
4,895	-	6,635	2,932,760	2,786,864	145,896
<u>8,486</u>	<u>-</u>	<u>8,832</u>	<u>2,962,255</u>	<u>2,817,758</u>	<u>144,497</u>
1,453	-	11,825	384,291	401,149	(16,858)
-	-	-	16,838	17,000	(162)
-	-	67,818	67,818	69,320	(1,502)
<u>1,453</u>	<u>-</u>	<u>79,643</u>	<u>468,947</u>	<u>487,469</u>	<u>(18,522)</u>
912,893	-	6,603	3,393,692	3,389,632	4,060
<u>167,553</u>	<u>-</u>	<u>333</u>	<u>2,310,089</u>	<u>2,238,560</u>	<u>71,529</u>
-	-	-	34,870	33,044	1,826
1,012	-	97	17,991	18,834	(843)
17,404	-	3,331	537,604	518,207	19,397
-	-	(383)	68,716	89,537	(20,821)
<u>18,416</u>	<u>-</u>	<u>3,045</u>	<u>659,181</u>	<u>659,622</u>	<u>(441)</u>
<u>1,158,755</u>	<u>-</u>	<u>149,150</u>	<u>13,442,356</u>	<u>13,100,290</u>	<u>342,066</u>

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BEDFORD PUBLIC SCHOOLS

Schedule of Expenditures and Other Uses - By Activity (Concluded)
 Budget and Actual - General Fund
 For the Year Ended June 30, 2018

	Salaries	Employee Benefits	Purchased Services	Repair and Maintenance Services
Athletics	\$ 428,454	\$ 228,182	\$ 100,863	\$ 18,167
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total debt service	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	21,190,838	14,554,964	1,747,790	323,777
Other financing uses				
Transfers out	-	-	-	-
Total expenditures and transfers out	\$ 21,190,838	\$ 14,554,964	\$ 1,747,790	\$ 323,777



Supplies and Materials	Capital Outlay	Other	Totals	Final Budget	Actual Over (Under) Final Budget
\$ 62,771	\$ -	\$ 40,643	\$ 879,080	\$ 824,947	\$ 54,133
-	-	497,587	497,587	497,726	(139)
-	-	173,576	173,576	154,979	18,597
-	-	671,163	671,163	652,705	18,458
-	79,062	-	79,062	79,142	(80)
1,746,748	79,062	1,198,197	40,841,376	41,544,166	(702,790)
-	-	740	740	-	740
<u>\$ 1,746,748</u>	<u>\$ 79,062</u>	<u>\$ 1,198,937</u>	<u>\$ 40,842,116</u>	<u>\$ 41,544,166</u>	<u>\$ (702,050)</u>

concluded.

BEDFORD PUBLIC SCHOOLS

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Food Service Fund

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Local sources -				
Food sales	\$ 660,600	\$ 645,655	\$ 645,239	\$ (416)
State sources -				
Restricted grants	27,291	48,904	53,499	4,595
Federal sources:				
School lunch program	457,453	440,000	421,214	(18,786)
Federal commodities	66,547	74,156	63,917	(10,239)
Total revenues	1,211,891	1,208,715	1,183,869	(24,846)
Expenditures				
Food service:				
Salaries	341,798	307,185	293,829	(13,356)
Benefits	182,481	189,098	157,796	(31,302)
Purchased services	161,685	190,603	184,425	(6,178)
Repair and maintenance	2,544	2,094	2,094	-
Supplies and materials	471,230	477,616	453,394	(24,222)
Other	5,500	3,912	3,840	(72)
Capital outlay	-	35,000	34,722	(278)
Total expenditures	1,165,238	1,205,508	1,130,100	(75,408)
Revenues over expenditures	46,653	3,207	53,769	50,562
Other financing sources (uses)				
Transfers in	-	-	740	740
Transfers out	(46,653)	(2,000)	(24,026)	22,026
Total other financing sources (uses)	(46,653)	(2,000)	(23,286)	(21,286)
Change in fund balance	-	1,207	30,483	29,276
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ 1,207	\$ 30,483	\$ 29,276

BEDFORD PUBLIC SCHOOLS

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Technology Enhancement Fund

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Local sources -				
Other	\$ 1,287,076	\$ 1,387,945	\$ 1,441,036	\$ 53,091
Expenditures				
Support services:				
Salaries	421,587	461,500	445,340	(16,160)
Benefits	232,480	345,427	317,729	(27,698)
Purchased services	145,901	134,456	121,137	(13,319)
Repair and maintenance	15,773	31,120	28,581	(2,539)
Supplies and materials	27,275	29,000	24,814	(4,186)
Capital outlay	412,171	338,000	304,636	(33,364)
Total expenditures	1,255,187	1,339,503	1,242,237	(97,266)
Revenues over expenditures	31,889	48,442	198,799	150,357
Other financing sources				
Proceeds from sale of capital assets	(210)	3,123	3,123	-
Change in fund balance	31,679	51,565	201,922	150,357
Fund balance, beginning of year	59,580	59,580	59,580	-
Fund balance, end of year	\$ 91,259	\$ 111,145	\$ 261,502	\$ 150,357

BEDFORD PUBLIC SCHOOLS

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Senior Center Fund

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Local sources:				
Local unit appropriations	\$ 218,340	\$ 224,685	\$ 217,717	\$ (6,968)
Contributions and donations	95,995	519,306	533,168	13,862
Other local revenues	15,155	14,093	24,087	9,994
Federal sources -				
Nutrition services	20,500	20,500	24,284	3,784
Total revenues	349,990	778,584	799,256	20,672
Expenditures				
Community services:				
Salaries	145,345	137,700	132,911	(4,789)
Benefits	55,631	62,621	58,780	(3,841)
Purchased services	31,981	28,412	27,489	(923)
Repair and maintenance	3,465	4,325	4,144	(181)
Supplies and materials	95,463	103,855	103,321	(534)
Other	1,400	1,706	1,706	-
Capital outlay	2,515	920	999	79
Total expenditures	335,800	339,539	329,350	(10,189)
Revenues over expenditures	14,190	439,045	469,906	30,861
Other financing uses				
Transfers out	(12,619)	(15,042)	(15,512)	470
Change in fund balance	1,571	424,003	454,394	30,391
Fund balance, beginning of year	331,259	331,259	331,259	-
Fund balance, end of year	\$ 332,830	\$ 755,262	\$ 785,653	\$ 30,391

BEDFORD PUBLIC SCHOOLS

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Health Van Fund

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Local sources:				
Local unit appropriations	\$ 44,076	\$ 38,200	\$ 40,495	\$ 2,295
Service fees	76,459	145,000	168,185	23,185
Contributions and donations	-	5	5	-
State sources -				
Other state grants	12,606	24,650	18,488	(6,162)
Total revenues	133,141	207,855	227,173	19,318
Expenditures				
Community services:				
Salaries	75,816	107,055	106,329	(726)
Benefits	33,343	44,451	44,795	344
Purchased services	3,923	13,078	14,452	1,374
Supplies and materials	24,740	35,431	34,732	(699)
Other	50	125	124	(1)
Capital outlay	2,328	565	564	(1)
Total expenditures	140,200	200,705	200,996	291
Revenues over (under) expenditures	(7,059)	7,150	26,177	19,027
Other financing uses				
Transfers out	(6,350)	(8,890)	(9,467)	577
Change in fund balance	(13,409)	(1,740)	16,710	18,450
Fund balance, beginning of year	61,451	61,451	61,451	-
Fund balance, end of year	\$ 48,042	\$ 59,711	\$ 78,161	\$ 18,450

BEDFORD PUBLIC SCHOOLS

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual - Recreation Fund

For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Local sources:				
Local unit appropriations	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
Service fees	329,494	363,435	346,297	(17,138)
Rental income	5,100	23,300	23,307	7
Total revenues	<u>359,594</u>	<u>411,735</u>	<u>394,604</u>	<u>(17,131)</u>
Expenditures				
Community services:				
Salaries	172,476	185,428	181,952	(3,476)
Benefits	63,622	81,058	75,193	(5,865)
Purchased services	77,035	85,957	82,996	(2,961)
Supplies and materials	29,090	28,393	36,175	7,782
Other	113	74	77	3
Total expenditures	<u>342,336</u>	<u>380,910</u>	<u>376,393</u>	<u>(4,517)</u>
Revenues over expenditures	17,258	30,825	18,211	(12,614)
Other financing uses				
Transfers out	<u>(13,899)</u>	<u>(41,835)</u>	<u>(45,057)</u>	<u>3,222</u>
Change in fund balance	3,359	(11,010)	(26,846)	(15,836)
Fund balance, beginning of year	<u>60,283</u>	<u>60,283</u>	<u>60,283</u>	<u>-</u>
Fund balance, end of year	<u>\$ 63,642</u>	<u>\$ 49,273</u>	<u>\$ 33,437</u>	<u>\$ (15,836)</u>

BEDFORD PUBLIC SCHOOLS

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual - Latchkey Fund For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Actual Over (Under) Final Budget
Revenues				
Local sources -				
Tuition	\$ 320,175	\$ 282,000	\$ 306,317	\$ 24,317
Expenditures				
Community services:				
Salaries	204,302	213,423	222,577	9,154
Benefits	88,174	92,482	92,093	(389)
Purchased services	7,431	10,195	11,137	942
Supplies and materials	7,777	7,302	7,416	114
Capital outlay	-	433	423	(10)
Total expenditures	307,684	323,835	333,646	9,811
Revenues over (under) expenditures	12,491	(41,835)	(27,329)	14,506
Other financing sources (uses)				
Transfers in	-	41,835	27,329	(14,506)
Transfers out	(12,491)	-	-	-
Total other financing sources (uses)	(12,491)	41,835	27,329	(14,506)
Change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -

BEDFORD PUBLIC SCHOOLS

Statement of Changes in Fiduciary Assets and Liabilities Student Activities Agency Fund For the Year Ended June 30, 2018

	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Cash and cash equivalents	<u>\$ 641,305</u>	<u>\$ 1,317,559</u>	<u>\$ 1,263,079</u>	<u>\$ 695,785</u>
Liabilities				
Due to student groups	<u>\$ 641,305</u>	<u>\$ 1,317,559</u>	<u>\$ 1,263,079</u>	<u>\$ 695,785</u>

BEDFORD PUBLIC SCHOOLS

Schedule of Receipts and Disbursements

Student Activities Agency Fund
For the Year Ended June 30, 2018

	Beginning Balance	Additions	Deductions	Ending Balance
High School				
All Mules Matter	\$ 646	\$ 8,532	\$ 7,928	\$ 1,250
Anatomy	14	690	694	10
Angie Mull Bennett Band	800	-	-	800
AP	4,082	24,562	23,165	5,479
Art	391	9,806	9,442	755
Artist Guild	357	-	354	3
Athletics-General	8,584	14,643	12,229	10,998
Auto	1,354	2,308	3,469	193
Baking and Pastry Arts	1,612	336	1,405	543
Band	3,540	48,890	46,860	5,570
Baseball	620	12,826	12,443	1,003
BEA	600	600	1,200	-
Bedford Flower & Garden Club	1,000	1,000	1,000	1,000
Bedford Football Parents	2,726	56,093	26,516	32,303
Bedford Secretarial Assoc	200	200	200	200
Billing	(4,176)	34,551	33,144	(2,769)
Boys Basketball	6,379	1,965	5,380	2,964
Boys CC	230	6,375	5,936	669
Boys Golf	76	4,686	4,762	-
Boys Soccer	14,202	6,725	6,641	14,286
Boys Swim & Dive	-	8,952	8,880	72
Boys Tennis	805	300	389	716
Boys Track	3,168	3,463	4,180	2,451
BPA	3,282	7,972	8,759	2,495
Bradley Lorenzo Scholarship	1,500	1,500	2,000	1,000
Butterfly Project	920	-	492	428
Calculators	195	1,609	293	1,511
Carpentry	6,393	703	140	6,956
Cheer Club	-	43,197	33,229	9,968
Choir	5,883	10,201	9,045	7,039
Chromebook Insurance	840	14,748	14,815	773
Class of 2006	63	-	63	-
Class of 2016	5,568	-	5,568	-
Class of 2017	5,482	-	-	5,482
Class of 2018	7,640	-	3,208	4,432
Class of 2019	1,686	23,905	19,592	5,999
Class of 2020	325	1,996	1,172	1,149
Class of 2021	-	1,209	310	899
Clothing & Textile Arts	82	3,294	3,375	1
Colton Durbin Memorial	2,000	-	500	1,500
Compass Group	2,000	2,000	2,000	2,000
Costa Rica Trip	33	-	-	33
DECA	1,223	24,924	25,152	995
Drama	15,121	31,359	23,922	22,558
Drew Boggess	7,767	2,915	2,250	8,432
Ecology	10	-	10	-

BEDFORD PUBLIC SCHOOLS

Schedule of Receipts and Disbursements

Student Activities Agency Fund
For the Year Ended June 30, 2018

	Beginning Balance	Additions	Deductions	Ending Balance
High School (Continued)				
FCS	\$ 57	\$ 346	\$ 170	\$ 233
Fines	3,712	1,969	1,164	4,517
Fitness Field Trip	-	20	20	-
Food Service Unpaid Balances	-	265	-	265
Football	4,358	61,620	54,927	11,051
Forest View Lanes	1,000	-	-	1,000
French	262	-	-	262
Gargas Service	-	185	130	55
General - Scholarship	898	-	-	898
General-Rousselo	25,019	13,580	15,579	23,020
German	789	238	-	1,027
Girls Basketball	2,073	12,213	13,275	1,011
Girls CC	555	16,433	12,425	4,563
Girls Golf	326	2,900	3,226	-
Girls Soccer	6,753	5,451	6,227	5,977
Girls Swim Team	5,419	150	1,706	3,863
Girls Tennis	1,209	298	961	546
Girls Track	5,877	100	1,791	4,186
Giving Fund	-	584	255	329
Golf	-	7,797	6,353	1,444
Graduates Inactive	32,833	5,631	-	38,464
Grapplettes	1,220	4,428	3,728	1,920
Guidance Office	471	16	8	479
Health Fair	211	-	98	113
Hockey	10,708	34,317	33,706	11,319
HOSA	171	4,245	4,154	262
Hutchinson Memorial	597	-	-	597
Insight	12,000	1,850	13,237	613
Kwiatkowski Drama	945	-	945	-
Lauren Yates Memorial	600	500	750	350
Law & Society	329	662	846	145
Media Center	3,232	810	93	3,949
MME	219	-	-	219
Mr. GQ	3,468	-	-	3,468
MTS	3,000	3,500	3,000	3,500
Mule Mart	5,489	17,619	20,535	2,573
Mules for Hope	925	-	-	925
NHS	4,636	2,050	3,633	3,053
Orchestra	554	1,629	1,939	244
PAC	371	-	-	371
Parking	526	1,090	755	861
PE Locks	4,412	11,819	11,663	4,568
Philip Zuchowski	8,050	1,260	1,500	7,810
Photo	2,814	3,715	4,321	2,208
Pickard Machine Technology	300	-	-	300

BEDFORD PUBLIC SCHOOLS

Schedule of Receipts and Disbursements

Student Activities Agency Fund
For the Year Ended June 30, 2018

	Beginning Balance	Additions	Deductions	Ending Balance
High School (Continued)				
PSAT	\$ 1,366	\$ 4,452	\$ 4,436	\$ 1,382
Psychology	112	275	147	240
Quiz Bowl	222	-	110	112
Red Cross	1,768	-	307	1,461
Richard Karazim	-	66,087	65,731	356
Robotics	1,912	-	-	1,912
Ronald P Rejent	500	322	-	822
Running Club	-	2,185	-	2,185
Ryan Wolniewicz Golf	7,481	-	-	7,481
Ryan Wolniewicz Hockey	239	-	-	239
SADD	500	1,332	1,631	201
Sanderson Art	312	1,509	3,086	(1,265)
Sauk Valley	1,577	-	10,076	(8,499)
Scout Strong	10,076	21,464	19,487	12,053
Senior Send Off	4,285	374	1,688	2,971
Silver Spoon	-	4,975	1,594	3,381
Skills USA	1,972	-	3,870	(1,898)
Softball	16,152	1,448	1,401	16,199
Soiree	3,870	-	-	3,870
Spanish	182	-	-	182
Speech	11	2,464	1,465	1,010
SPLT	298	-	295	3
Sports Marketing	295	18,980	15,840	3,435
Student Council	3,750	1,000	1,500	3,250
Student Council Memorial	7,000	1,770	883	7,887
Students In Action	763	-	1,500	(737)
Suzanne Schumaker	10,501	1,000	1,000	10,501
Temperance Animal Hospital	1,000	-	5,582	(4,582)
Track Resurfacing	5,582	-	500	5,082
Vanessa Pirrone Memorial	7,781	560	662	7,679
VICA	635	3,370	559	3,446
Volleyball	12,459	28,229	23,548	17,140
Weight Room	1,162	1,000	280	1,882
Weight Room - Staff	1,382	-	-	1,382
Wood Shop	9,074	-	205	8,869
Wrestling	2,923	180	-	3,103
Wrestling Room	124	-	124	-
Yearbook	183	19,118	16,976	2,325
	<u>389,060</u>	<u>820,419</u>	<u>779,715</u>	<u>429,764</u>
Junior High				
#Hixon Strong	-	2,444	2,444	-
All Mules Matter	429	1,477	1,172	734
America's Culture	3,080	1,111	1,085	3,106
Art Club	1,120	603	1,153	570
Assignment Books	22	-	-	22
Band	6,598	8,672	10,703	4,567
Banquet	-	11,615	11,615	-

BEDFORD PUBLIC SCHOOLS

Schedule of Receipts and Disbursements

Student Activities Agency Fund
For the Year Ended June 30, 2018

	Beginning Balance	Additions	Deductions	Ending Balance
Junior High (Continued)				
Basketball- Boys	\$ 3,714	\$ 1,301	\$ -	\$ 5,015
Basketball-Girls	3,015	2,202	1,712	3,505
Beautification Committee	-	1,116	309	807
Book Fair	-	2,243	1,573	670
Book Fines	248	90	-	338
Book Reimbursement	628	118	-	746
Box Tops	5,769	682	830	5,621
Charity Club	67	30	25	72
Chess Club	104	-	104	-
Choir	152	1,180	1,332	-
Chromebook Bag	225	250	450	25
Chromebook Charges	400	625	800	225
Chromebook Deductibles	233	122	233	122
Chromebooks	295	16,868	16,078	1,085
Computer Club	275	-	-	275
CPR Cards	-	826	785	41
Detroit Pistons	-	520	520	-
Drama Club	166	319	306	179
Ear Buds	237	8	-	245
Football	239	14,642	14,881	-
Football Food	2,462	1,724	992	3,194
FTC Robotics	14,082	17,685	14,134	17,633
Fundraiser	63	15,123	15,037	149
Game Club	293	-	38	255
General Fund	1,730	5,653	5,586	1,797
Grapplerettes	934	-	-	934
Henry Ford FT	-	445	445	-
ID Replacement	10	42	-	52
Imagination FT	26	-	-	26
Jakubowski Field Trip	391	1,348	1,619	120
Journalism	17,858	2,382	4,055	16,185
Jr Girls Track	1,980	-	-	1,980
Juggling	511	-	-	511
Knights of Columbus	211	-	-	211
Library	2,665	67	395	2,337
Lunchroom Donations	-	40	-	40
Malicki	3,029	-	-	3,029
Math Club	132	-	115	17
Mud Hens	14	3,511	3,525	-
Music Department Cedar Point	(6,475)	20,979	10,803	3,701
N.J.H.S.	-	386	386	-
Newspaper	55	386	386	55
PD Savings	171	-	171	-
Physical Education	1,787	48	-	1,835
Picture Commission	2,717	6,508	6,333	2,892
Pizza Party	-	97	96	1
Pride Club	-	27	27	-
PTSA Cedar Point	-	6,476	6,476	-
PTSA Grant Money	550	-	235	315
Read A thon	337	-	-	337
Reimbursement	-	10,801	10,801	-
Science Department	173	-	-	173
Sign Board	294	-	-	294

BEDFORD PUBLIC SCHOOLS

Schedule of Receipts and Disbursements

Student Activities Agency Fund
For the Year Ended June 30, 2018

	Beginning Balance	Additions	Deductions	Ending Balance
Junior High (Continued)				
Strings	\$ 198	\$ 2,709	\$ 2,463	\$ 444
Student Council	8,885	8,000	7,941	8,944
Students Interact	1,883	1,500	719	2,664
Summer Fines	-	1,246	715	531
Swim Team	772	1,449	1,537	684
Tech Ed Field Trip	-	196	21	175
Technology Education	7,848	4,586	649	11,785
Track- Boys	779	359	1,055	83
Track- Girls	466	674	517	623
Vending	867	1,617	2,213	271
Vocabulary	148	-	148	-
Volleyball	4,418	6,830	7,564	3,684
Walleye Field Trip	-	4,770	4,490	280
Washington DC Trip	503	19,212	18,050	1,665
Wrestling	806	14	-	820
YMCA	261	-	261	-
	<u>100,850</u>	<u>215,954</u>	<u>198,108</u>	<u>118,696</u>
Douglas				
5th Grade	1,642	-	1,521	121
Andrews, Matt	360	-	360	-
Burgermeister, Laura	288	-	288	-
Camp	2,349	23,228	23,529	2,048
Chromebooks	-	2,538	2,390	148
Classroom Magazines	154	1,178	1,203	129
Davies, Carole	335	-	-	335
Digby, Laura	1,455	-	1,455	-
Dinwoody, Cailaen	533	-	533	-
Field Trips	9,333	12,543	11,093	10,783
Food Service Unpaid Balances	-	80	57	23
General Account	12,857	9,515	17,477	4,895
Go Green	1,160	-	1,160	-
Goa, Kim	1,094	-	1,094	-
Gossard, Michelle	336	-	336	-
Healthy School	-	3,282	280	3,002
Hill, Julie	1,006	-	1,006	-
Hirsch, Erin	103	-	103	-
Hite, Nicole	115	-	115	-
Kearney, Jeanne	337	-	337	-
Keiser, Dawn	166	-	166	-
Kindergarten Snacks	109	-	109	-
Kinney, Bev	1	-	1	-
Kohlhofer, Kelly	5	-	5	-
Kudzia, Tina	481	480	961	-
Magazine Sale	792	-	486	306
Manning, Roger	431	-	431	-
Market Day	1,343	-	1,343	-

BEDFORD PUBLIC SCHOOLS

Schedule of Receipts and Disbursements

Student Activities Agency Fund
For the Year Ended June 30, 2018

	Beginning Balance	Additions	Deductions	Ending Balance
Douglas (Continued)				
Media Center	\$ 1,183	\$ 120	\$ -	\$ 1,303
Miller, Michelle	161	-	161	-
Nigh, Sarah	2	-	2	-
Relay for Life	8	-	8	-
Resource Room	585	-	-	585
Robotics	3,604	4,559	4,888	3,275
Shepherd, Sean	174	-	174	-
Snyder, Jeremy	1,323	-	1,323	-
Social Committee	362	804	275	891
Special Events	4,024	13,295	5,970	11,349
Steinman, Wendy	18	-	18	-
Student Council	776	108	186	698
Taweel, Hoda	28	-	28	-
Wuwert, Sandy	346	-	346	-
Yearbook	395	617	48	964
	<u>49,774</u>	<u>72,347</u>	<u>81,266</u>	<u>40,855</u>
Jackman				
Art & Music Department	5,153	25	266	4,912
Box Top Income	3,196	1,650	1,800	3,046
Camp	2,897	30,514	28,465	4,946
Chromebook Insurance	25	1,710	1,705	30
Developmental Kdg	166	384	317	233
Fund Raisers	79	-	-	79
General	14,612	35,510	41,553	8,569
Landscaping Grant	8	3,750	666	3,092
Lansing Field Trip	60	7,608	7,668	-
Library	1,114	67	-	1,181
Lounge	98	189	287	-
Richardson Scholarship	5,238	8	600	4,646
Robotics I	306	-	-	306
Shoe	2,269	1,153	1,100	2,322
Sixth Grade	157	-	-	157
Song Flute	216	506	-	722
Student Council	1,399	38	208	1,229
Unpaid Food Service	-	80	-	80
	<u>36,993</u>	<u>83,192</u>	<u>84,635</u>	<u>35,550</u>
Monroe				
Arnold 1st Grade	-	90	57	33
Boberg 2nd Grade	149	90	164	75
Camp Fund	4,256	21,131	25,367	20
Candy Fund	145	-	-	145
Chromebook Insurance	-	725	725	-
Chrysochoos 5th Grade	3	-	-	3
Culligan	-	491	491	-

BEDFORD PUBLIC SCHOOLS

Schedule of Receipts and Disbursements

Student Activities Agency Fund
For the Year Ended June 30, 2018

	Beginning Balance	Additions	Deductions	Ending Balance
Monroe (Continued)				
DeRupa 3rd Grade	\$ 98	\$ -	\$ -	\$ 98
Eby 3rd Grade	111	220	124	207
Enrichment Fund	1,277	-	-	1,277
Etts 4th Grade	1	20	20	1
Field Trip	9,195	10,672	11,835	8,032
Food Service	122	40	36	126
General	34,938	74,340	61,041	48,237
Gladieux 4th Grade	-	10	-	10
Gyolai 5th Grade	-	140	86	54
Glick 3rd Grade	-	130	121	9
Harasta 5th Grade	7	-	-	7
Herr Kindergarten	39	41	31	49
Hiemstra 2nd Grade	147	-	-	147
Hooper 4th Grade	-	2	-	2
Hulsebus 3rd Grade	159	130	215	74
Jewell 2nd Grade	149	70	145	74
Kelly 4th Grade	79	30	-	109
Kiss 3rd Grade	162	108	111	159
Knights of Columbus	3,135	-	1,128	2,007
Kohlhofer	135	-	-	135
Kudzia Young 5's	-	60	60	-
Kwiatkowski 2nd Grade	75	65	-	140
Lykowski 5th Grade	113	50	18	145
Macke 5th Grade	139	110	58	191
Mazza Lockwood Memorial	825	-	-	825
Mazza Reading Fund	-	750	-	750
Media Center	672	2,878	3,113	437
Micham 1st Grade	120	85	94	111
Moore 4th Grade	2	-	-	2
Music-Newmeyer	15	-	-	15
Office	219	-	-	219
One District One Book	3,576	-	2,135	1,441
Outdoor Educ. Tree Fund	278	-	-	278
PTA	-	4,243	4,243	-
Reading Enrichment	1,099	-	-	1,099
Relay for Life	219	-	-	219
Robotics	93	-	-	93
Seegert 1st Grade	71	26	-	97
Sensory Room	-	1,800	694	1,106
Shinaver Kdg	43	80	40	83
Ski Trip	151	5,415	5,566	-
Snyder 1st Grade	260	70	126	204
Stanley 5th Grade	34	90	22	102
Steele Kdg	-	85	7	78
Student Council	1,256	-	144	1,112
Sunshine Fund	1,061	1,360	1,338	1,083
	<u>64,628</u>	<u>125,647</u>	<u>119,355</u>	<u>70,920</u>
Total	\$ 641,305	\$ 1,317,559	\$ 1,263,079	\$ 695,785

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