# Bedford Public Schools

Year Ended
June 30, 2026

# Financial Statements and Supplementary Information

Rehmann

**This page intentionally left blank.**

# BEDFORD PUBLIC SCHOOLS

## Table of Contents


| | Page |
|---|---|
| **Independent Auditors' Report** | 1 |
| **Management's Discussion and Analysis** | 5 |
| **Basic Financial Statements** | |
| Government-wide Financial Statements: | |
| Statement of Net Position | 16 |
| Statement of Activities | 17 |
| Fund Financial Statements: | |
| Balance Sheet – Governmental Funds | 18 |
| Reconciliation of Fund Balances of Governmental Funds to Net Position of Governmental Activities | 19 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds | 20 |
| Reconciliation of Net Change in Fund Balances of Governmental Funds to Change in Net Position of Governmental Activities | 21 |
| Notes to the Financial Statements | 23 |
| **Required Supplementary Information** | |
| Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual - General Fund | 52 |
| MPSERS Cost-Sharing Multiple-Employer Plan: | 54 |
| Schedule of the District's Proportionate Share of the Net Pension Liability | |
| Schedule of the District's Pension Contributions | 56 |
| Schedule of the District's Proportionate Share of the Net Other Postemployment Benefit (Asset) Liability | 58 |
| Schedule of the District's Other Postemployment Benefit Contributions | 60 |
| Notes to Required Supplementary Information | 62 |
| **Combining and Individual Fund Statements and Schedules** | |
| Combining Balance Sheet – Nonmajor Governmental Funds | 70 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds | 72 |
| Schedule of Revenues and Other Financing Sources – By Source – Budget and Actual – General Fund | 75 |
| Schedule of Expenditures and Other Financing Uses – By Activity – Budget and Actual – General Fund | 76 |

# BEDFORD PUBLIC SCHOOLS

## Table of Contents


**Page**

**Combining and Individual Fund Statements and Schedules (Continued)**

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:

- Food Service Fund 82
- Technology Enhancement Fund 83
- Student/School Activity Fund 84
- Health Van Fund 85
- Recreation Fund 86
- Latchkey Fund 87

Rehmann

**INDEPENDENT AUDITORS' REPORT**

October 23, 2026

Board of Education
Bedford Public Schools
Temperance, Michigan

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the 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, 2026, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2026, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Independent Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Implementation of GASB Statement No. 103***

The District implemented the provisions of GASB Statement No. 103, *Financial Reporting Model Improvements,* in the current year. Our opinion is not modified with respect to this matter.

HLB We are an independent member of THE GLOBAL ADVISORY AND ACCOUNTING NETWORK

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Independent Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards,* we:

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the budgetary comparisons for the general fund, and the schedules for the pension and other postemployment benefit plans, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

***Supplementary 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. Such information is 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual 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, our report dated October 23, 2026, 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 solely 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 the effectiveness of the District's 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.



**This page intentionally left blank.**

# MANAGEMENT'S DISCUSSION AND ANALYSIS

# BEDFORD PUBLIC SCHOOLS

## Management's Discussion and Analysis

The purpose of management's discussion and analysis (MD&A) is to help District residents and other readers understand what the financial statements and notes in this financial report say about the District's financial health and why it changed since last year. It contains information drawn from those other parts of the report, accompanied by explanations informed by the finance staff's knowledge of the District's finances.

If you have questions about this report or require further information, contact the Bedford Public Schools Business Office, 1135 Smith Road, Temperance, MI 48182.

**Overview of the Financial Statements**

This discussion and analysis is 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 required and other supplementary information in addition to the basic financial statements, including management's discussion and analysis, budgetary comparison schedule for the general fund, schedules for the pension and other postemployment benefit plans, and combining and individual fund financial statements.

***Government-wide Financial Statements***

The government-wide financial statements are full accrual basis statements that provide information about the District's overall financial status. They are used to help determine whether or not the District is better off, or worse off, as the result of the year's activities. The *Statement of Net Position* reports all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, both short-term and long-term, whether they are "currently available" or not. Capital assets and long-term obligations of the District are reported in this statement. All of the current year's revenues and expenses are accounted for in the *Statement of Activities,* regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position, the difference between the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, is one way to measure the District's financial health or position.

- Over time, increases or decreases in net position are an indicator of whether the District's financial position is improving or deteriorating.

- To assess the District's overall health, you need to consider additional non-financial factors such as changes in the District's property tax base, the quality of the education provided, and the condition of the District's buildings.

In the government-wide statements, the District's activities are classified as *governmental activities.* This includes all of the District's instruction, support services, community services, athletics, and food service. Governmental activities primarily are financed by taxes paid by District residents and businesses and grants from the State of Michigan and the federal government.

## Management's Discussion and Analysis

***Fund Financial Statements***

The fund financial statements focus on individual parts of the District, while reporting the District's operations in more detail than the government-wide statements. The fund level statements are reported on a *modified accrual basis.* Only those assets that are *"measurable"* and *"currently available"* are reported. Liabilities are recognized to the extent that they are normally expected to be paid with current financial resources.

Fund statements are formatted to comply with the legal requirements of the Michigan Department of Education's "Accounting Manual." In the State of Michigan, the District's major instructional and instructional support activities are reported in the *general fund.* Additional activities are reported in their relevant funds including: *special revenue funds* for food service, technology enhancement, student/school activity, health van, recreation, and latchkey, a *permanent fund,* a *debt service fund,* and *capital projects funds.*

In fund financial statements, capital asset purchases are reported as expenditures in the year of acquisition, not as capital assets. The issuance of debt is recorded as a financial resource. The current year's payments of principal and interest on long-term obligations are recorded as expenditures. Future year's debt obligations are not recorded.

***Notes to the Financial Statements***

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the financial statements. The District uses notes to (1) present information in greater detail than is possible within the financial statements themselves, (2) explain the nature of amounts reported in the financial statements and how those amounts were determined, and (3) report certain information that does not meet the requirements for inclusion in the financial statements.

***Other Information***

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information. The District presents a budgetary comparison schedule for the general fund. In addition, the District reports its progress in funding its obligations to provide pension and other postemployment benefits (OPEB) to its employees. Required supplementary information can be found immediately after the notes to the financial statements.

The combining and individual fund statements and schedules referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on budgetary comparisons, and pensions and OPEB.

## Management's Discussion and Analysis

**Financial Summary and Detailed Analysis**

The net position of the District at June 30, 2026 was as follows:

| | Net Position | | Percentage Change |
|---|---|---|---|
| | 2026 | 2025 | |
| **Assets** | | | |
| Current and other assets | $ 54,915,062 | $ 51,349,543 | 7% |
| Capital assets, net | 42,399,819 | 43,844,171 | -3% |
| **Total assets** | 97,314,881 | 95,193,714 | 2% |
| **Deferred outflows of resources** | 14,632,371 | 19,053,760 | -23% |
| **Liabilities** | | | |
| Other liabilities | 6,377,215 | 6,993,534 | -9% |
| Long-term liabilities | 78,460,972 | 90,880,971 | -14% |
| **Total liabilities** | 84,838,187 | 97,874,505 | -13% |
| **Deferred inflows of resources** | 28,440,610 | 32,474,474 | -12% |
| **Net position** | | | |
| Net investment in capital assets | 14,136,013 | 14,420,000 | -2% |
| Restricted | 23,222,827 | 19,230,309 | 21% |
| Unrestricted (deficit) | (38,690,385) | (49,751,814) | -22% |
| **Total net position** | $ (1,331,545) | $ (16,101,505) | -92% |

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

The remaining net position, with the exception of the amount specifically restricted for food service, technology millage, debt service, other postemployment benefits, and the Thomas George Trust (nonexpendable), represents the unrestricted portion of the District's net position. Because of the requirement to present the District's proportionate share of the Michigan Public School Employees' Retirement System (MPSERS) net pension liability, this unrestricted net position is a deficit.

Current and other assets increased by $3,565,519 from the prior year primarily due to an increase in the net other postemployment benefit asset of $2,889,718.

Deferred outflows of resources decreased by $4,421,389 and deferred inflows of resources decreased by $4,033,864 primarily due to changes in the pension and other postemployment benefits plans. These amounts will be recognized in pension and OPEB expense in future years. Additional information on the District's pension and other postemployment benefits plans can be found in Note 14 of this report.

## Management's Discussion and Analysis

Long-term liabilities decreased by $12,419,999 primarily due to a decrease in the net pension liability of $11,418,722.

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The District reported a deficit net position of $1,331,545 at June 30, 2026.

The net position of the District increased by $14,769,960 during the 2026 fiscal year. The table below shows the breakdown of this change. The Statement of Activities, presented later in the government-wide financial statements, provides greater detail on the District's annual activity. The cost of the District's governmental activities for the year was $48,858,816. However, the amount that the District's taxpayers, the State School Aid Fund, and unrestricted grants and contributions ultimately financed for these activities was $43,577,683. $3,753,567 of the cost was paid for by those who benefited from the programs, and $15,889,768 was paid for by other governments and organizations who subsidized certain programs with grants and contributions, while the remainder was supported by unrestricted investment earnings and gain on sale of capital assets.

| | Change in Net Position | | Percentage Change |
|---|---|---|---|
| | 2026 | 2025 | |
| **Revenues** | | | |
| Program revenues: | | | |
| Charges for services | $ 3,753,567 | $ 3,153,803 | 19% |
| Operating grants and contributions | 15,889,768 | 17,889,731 | -11% |
| General revenues: | | | |
| Property taxes | 7,865,818 | 7,553,208 | 4% |
| State school aid | 33,143,513 | 32,594,041 | 2% |
| Grants and contributions not restricted to specific programs | 2,568,352 | 2,615,836 | -2% |
| Unrestricted investment earnings | 355,943 | 412,768 | -14% |
| Gain on sale of capital assets | 51,815 | - | 100% |
| **Total revenues** | 63,628,776 | 64,219,387 | -1% |
| **Expenses** | | | |
| Instruction | 21,663,563 | 22,492,050 | -4% |
| Support services | 17,077,666 | 16,820,991 | 2% |
| Community services | 1,154,316 | 1,137,413 | 1% |
| Athletics | 1,066,195 | 1,073,989 | -1% |
| Food service | 1,850,840 | 1,699,824 | 9% |
| Unallocated depreciation/amortization | 5,022,407 | 4,816,887 | 4% |
| Interest on long-term liabilities | 1,023,829 | 1,198,727 | -15% |
| **Total expenses** | 48,858,816 | 49,239,881 | -1% |
| **Change in net position** | 14,769,960 | 14,979,506 | -1% |
| Net position, beginning of year | (16,101,505) | (31,081,011) | -48% |
| **Net position, end of year** | $ (1,331,545) | $ (16,101,505) | -92% |

## Management's Discussion and Analysis

Charges for services increased as compared to the prior year by $599,764 primarily due to increased 2024-25 special education costs resulting in a higher 2025-26 allocation and increased participation in the latchkey program.

Operating grants and contributions decreased as compared to the prior year by $1,999,963 primarily due to the elimination of four section 147 state funding sources, the elimination of section 35j state funds and a reduction in section 31aa carryover funds from the prior fiscal year.

Property tax revenue increased as compared to the prior year by $312,610, primarily due to a 6.47% increase in property values.

Overall expenses decreased by $381,065, or 0.77%, primarily due to the reduction in technology staff through attrition, the completion of 2019 bond projects, and the retirement of seven teachers and two administrators.

**Detailed Analysis of Governmental Funds**

***General Fund***

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 $17,972,441 while the total fund balance was $18,471,011. 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 and transfers out. Unassigned fund balance and total fund balance represent approximately 33.3% and 34.2%, respectively, of total general fund expenditures and transfers out. The fund balance of the District's general fund increased by $91,239 during the current fiscal year.

Property tax revenue increased by $199,035 due to an increase in property values.

State aid revenue decreased by $872,907 primarily due to the elimination of several categoricals.

Federal revenue decreased by $788,311 primarily due to the termination of COVID Relief funds.

Grant expenditures decreased by $2,657,648 primarily due to the elimination of COVID Relief funds and state categoricals.

Overall expenditures for the general fund increased by 4.84%, or $2,394,124. The key elements of this increase are as follows:

- 3.0% increase in employee compensation.
- 17% increase in facility maintenance and operations expenditures.
- $580,000 increase in capital outlay.
- 26% increase in transportation operations and repairs expenditures.

## Management's Discussion and Analysis

***Thomas George Trust Permanent Fund***

The Thomas George Trust permanent fund accounts for monies provided by a private bequest to fund high school 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. At year end, the total fund balance was $6,888,643, an increase of $848,603 from the prior year. The increase in fund balance was due to investment gains caused by strong market performance of the diverse portfolio.

***Capital Maintenance Capital Projects Fund***

The capital maintenance capital projects fund is used to account for all financial resources restricted or committed to expenditure for the acquisition or construction of capital assets. At year end, the total fund balance was $4,769,676, an increase of $274,482 from the prior year. The District transferred approximately $2.1 million from the General Fund pursuant to its capital maintenance funding strategy. Capital project expenditures totaled approximately $1.8 million during the year, including roof replacement and other maintenance projects, resulting in a portion of the transferred resources remaining available at year end.

**Significant Capital Asset and Long-term Financing Activity**

**Capital Assets.** The District's investment in capital assets for its governmental activities as of June 30, 2026 amounted to $42,399,819 (net of accumulated depreciation/amortization). This investment in capital assets includes construction in progress, land improvements, buildings and improvements, machinery and equipment, vehicles, lease equipment, and subscription assets. The total decrease in capital assets for the current fiscal year was 3.29%.

| | Capital Assets (Net of Depreciation/Amortization) | |
|---|---|---|
| | 2026 | 2025 |
| Construction in progress | $ 1,050,575 | $ - |
| Land improvements | 3,468,934 | 3,201,017 |
| Buildings and improvements | 32,715,703 | 36,045,546 |
| Machinery and equipment | 3,094,473 | 3,113,511 |
| Vehicles | 1,411,577 | 963,991 |
| Lease equipment | 194,499 | 245,780 |
| Subscription assets | 464,058 | 274,326 |
| **Total capital assets, net** | $ 42,399,819 | $ 43,844,171 |

Major capital assets events during the current fiscal year included the following:

- Roof replacements at the Senior High School and Monroe Road Elementary School.
- Replacement of six buses and five fleet vehicles.
- Food service kitchen equipment updates
- Transportation bus depot lot improvements.

## Management's Discussion and Analysis

Both lease equipment and subscription assets are intangible, right to use assets. The District does not own these assets, but rather has the right to use them in operations, as specified in their respective contracts. When entering into a lease or subscription contract, a liability is also recognized, which is included as part of long-term financings discussion below.

Additional information on the District's capital assets can be found in Note 5 of this report.

**Long-term Financing.** At the end of the current fiscal year, the District had total long-term financing liabilities of $28,066,458, composed of general obligation bonds, unamortized premiums, lease liabilities and subscription liabilities. During the current year, long-term financing liabilities decreased by $1,439,313 primarily due to scheduled debt service payments.

| | Long-Term Financing | |
|---|---|---|
| | **2026** | **2025** |
| General obligation bonds | $ 24,580,000 | $ 25,955,000 |
| Unamortized premiums | 3,006,905 | 3,257,480 |
| Lease liabilities | 229,182 | 273,917 |
| Subscription liabilities | 250,371 | 19,374 |
| **Total long-term financing** | $ 28,066,458 | $ 29,505,771 |

The $24,580,000 general obligation bonds are bonded debt, backed by the full faith and credit of the District.

The District's overall bond obligations and premiums decreased due to scheduled semi-annual debt retirement payments on the 2019 bond issue. The District entered into six new subscription based technology agreements to improve safety and security and implement new curriculum resulting in an increase in long-term subscription liabilities.

Under State statute, the District is legally restricted from incurring long-term bonded debt in excess of 15% of the assessed value of taxable property within the school district. The current debt limitation for the District is approximately $231.4 million, which is significantly more than the District's outstanding general obligation debt.

Additional information on the District's long-term financing can be found in Note 8 of this report.

## Management's Discussion and Analysis

**Currently Known Facts, Decisions or Conditions**

The District is aware of the following items that will impact future finances and were considered in developing the 2026-2027 fiscal year budget.

- Student enrollment estimated at a loss of 50 students with a foundation allowance increase to $10,300 per student.
- The MPSERS UAAL Rate Stabilization at 15.02% (July 1, 2026 through September 30, 2026) and 13.51% (October 1, 2026 through June 30, 2027) of total payroll.
- Health insurance premiums increase of 5%.
- 2 teacher hires, 1 social worker hire and 1 school safety coordinator hire.
- MPSERS rate ranging from 15.21% to 29.91%.
- Scheduled salary increase of 3%.

At the end of the current fiscal year, the unassigned fund balance in the General Fund was $17,972,441. The District adopted a balanced budget for the 2026-2027 fiscal year that includes a 2% transfer from the General Fund into the Capital Maintenance fund for the purpose of completing necessary capital maintenance projects during the school year.

**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, 1135 Smith Road, Temperance, MI 48182.

**This page intentionally left blank.**

# BASIC FINANCIAL STATEMENTS

## BEDFORD PUBLIC SCHOOLS

### Statement of Net Position

June 30, 2026

| | Governmental Activities |
|---|---|
| **Assets** | |
| Cash and cash equivalents | $ 26,612,339 |
| Investments | 6,195,917 |
| Receivables | 8,678,895 |
| Other assets | 593,594 |
| Net other postemployment benefit asset | 12,834,317 |
| Capital assets not being depreciated/amortized | 1,050,575 |
| Capital assets being depreciated/amortized, net | 41,349,244 |
| **Total assets** | 97,314,881 |
| **Deferred outflows of resources** | |
| Deferred pension amounts | 12,394,196 |
| Deferred other postemployment benefit amounts | 2,238,175 |
| **Total deferred outflows of resources** | 14,632,371 |
| **Liabilities** | |
| Accounts payable and accrued liabilities | 5,947,591 |
| Unearned revenue | 429,624 |
| Bonds and other long-term liabilities: | |
| Due within one year | 6,032,451 |
| Due in more than one year | 26,789,374 |
| Net pension liability (due in more than one year) | 45,639,147 |
| **Total liabilities** | 84,838,187 |
| **Deferred inflows of resources** | |
| Deferred pension amounts | 17,183,044 |
| Deferred other postemployment benefit amounts | 11,257,566 |
| **Total deferred inflows of resources** | 28,440,610 |
| **Net position** | |
| Net investment in capital assets | 14,136,013 |
| Restricted for: | |
| Food service | 1,700,182 |
| Technology millage | 513,506 |
| Debt service | 1,286,179 |
| Other postemployment benefits | 12,834,317 |
| Thomas George Trust (nonexpendable) | 6,888,643 |
| Unrestricted (deficit) | (38,690,385) |
| **Total net position** | $ (1,331,545) |

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

# BEDFORD PUBLIC SCHOOLS

## Statement of Activities

For the Year Ended June 30, 2026

| Functions / Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Net (Expense) Revenue |
|---|---|---|---|---|
| **Governmental activities** | | | | |
| Instruction | $ 21,663,563 | $ 2,040,342 | $ 12,393,353 | $ (7,229,868) |
| Support services | 17,077,666 | - | 1,163,741 | (15,913,925) |
| Community services | 1,154,316 | 1,217,584 | - | 63,268 |
| Athletics | 1,066,195 | 279,130 | - | (787,065) |
| Food service | 1,850,840 | 216,511 | 2,332,674 | 698,345 |
| Unallocated depreciation/amortization | 5,022,407 | - | - | (5,022,407) |
| Interest on long-term liabilities | 1,023,829 | - | - | (1,023,829) |
| **Total governmental activities** | $ 48,858,816 | $ 3,753,567 | $ 15,889,768 | (29,215,481) |
| **General revenues** | | | | |
| Property taxes | | | | 7,865,818 |
| State school aid | | | | 33,143,513 |
| Grants and contributions not restricted to specific programs | | | | 2,568,352 |
| Unrestricted investment earnings | | | | 355,943 |
| Gain on sale of capital assets | | | | 51,815 |
| **Total general revenues** | | | | 43,985,441 |
| **Change in net position** | | | | 14,769,960 |
| Net position, beginning of year | | | | (16,101,505) |
| **Net position, end of year** | | | | $ (1,331,545) |

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

## BEDFORD PUBLIC SCHOOLS

### Balance Sheet

Governmental Funds
June 30, 2026

| | General | Thomas George Trust | Capital Maintenance | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Cash and cash equivalents | $ 15,424,794 | $ 435,750 | $ 4,936,024 | $ 5,815,771 | $ 26,612,339 |
| Investments | - | 6,195,917 | - | - | 6,195,917 |
| Accounts receivable | 118,476 | 260,030 | - | 91,323 | 469,829 |
| Due from other governments | 7,984,263 | - | - | 224,803 | 8,209,066 |
| Inventories | 16,853 | - | - | 27,008 | 43,861 |
| Prepaid items | 242,156 | - | 31,000 | 37,016 | 310,172 |
| Land held for resale | 239,561 | - | - | - | 239,561 |
| **Total assets** | $ 24,026,103 | $ 6,891,697 | $ 4,967,024 | $ 6,195,921 | $ 42,080,745 |
| **Liabilities** | | | | | |
| Accounts payable | $ 1,042,642 | $ 3,054 | $ 197,348 | $ 261,108 | $ 1,504,152 |
| Accrued liabilities | 4,193,285 | - | - | 48,846 | 4,242,131 |
| Unearned revenue | 319,165 | - | - | 110,459 | 429,624 |
| **Total liabilities** | 5,555,092 | 3,054 | 197,348 | 420,413 | 6,175,907 |
| **Fund balances** | | | | | |
| Nonspendable: | | | | | |
| Inventories, prepaid items, and land held for resale | 498,570 | - | 31,000 | 64,024 | 593,594 |
| Thomas George Trust | - | 6,888,643 | - | - | 6,888,643 |
| Restricted for: | | | | | |
| Food service | - | - | - | 1,671,474 | 1,671,474 |
| Technology millage | - | - | - | 509,367 | 509,367 |
| Debt service | - | - | - | 1,487,487 | 1,487,487 |
| Committed for: | | | | | |
| Student/school activity | - | - | - | 746,952 | 746,952 |
| Health van | - | - | - | 178,051 | 178,051 |
| Recreation | - | - | - | 244,468 | 244,468 |
| Latchkey | - | - | - | 873,685 | 873,685 |
| Capital projects | - | - | 4,738,676 | - | 4,738,676 |
| Unassigned | 17,972,441 | - | - | - | 17,972,441 |
| **Total fund balances** | 18,471,011 | 6,888,643 | 4,769,676 | 5,775,508 | 35,904,838 |
| **Total liabilities and fund balances** | $ 24,026,103 | $ 6,891,697 | $ 4,967,024 | $ 6,195,921 | $ 42,080,745 |

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, 2026

| | |
|---|---|
| **Fund balances - total governmental funds** | $ 35,904,838 |
| Amounts reported for *governmental activities* 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 not being depreciated/amortized | 1,050,575 |
| Capital assets being depreciated/amortized | 90,811,360 |
| Accumulated depreciation/amortization | (49,462,116) |
| Certain liabilities, such as bonds payable and other long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds. | |
| Bonds and other long-term liabilities | (25,059,553) |
| Unamortized bond premium | (3,006,905) |
| Accrued interest payable | (201,308) |
| Compensated absences | (4,755,367) |
| Certain pension and other postemployment benefit-related amounts, such as the net pension liability, the net other postemployment benefit asset 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 | (45,639,147) |
| Deferred outflows of resources related to the net pension liability | 12,394,196 |
| Deferred inflows of resources related to the net pension liability | (17,183,044) |
| Net other postemployment benefit asset | 12,834,317 |
| Deferred outflows of resources related to the net other postemployment benefit asset | 2,238,175 |
| Deferred inflows of resources related to the net other postemployment benefit asset | (11,257,566) |
| **Net position of governmental activities** | $ (1,331,545) |

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, 2026

| | General | Thomas George Trust | Capital Maintenance | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Local sources: | | | | | |
| Property taxes | $ 5,114,208 | $ - | $ - | $ 2,751,610 | $ 7,865,818 |
| Other local sources | 2,965,192 | 964,682 | - | 3,823,954 | 7,753,828 |
| State sources | 44,887,856 | - | - | 1,631,076 | 46,518,932 |
| Federal sources | 596,804 | - | - | 841,579 | 1,438,383 |
| **Total revenues** | 53,564,060 | 964,682 | - | 9,048,219 | 63,576,961 |
| **Expenditures** | | | | | |
| Current: | | | | | |
| Instruction | 29,993,126 | - | - | - | 29,993,126 |
| Support services | 19,505,942 | 116,079 | - | 2,485,337 | 22,107,358 |
| Community services | 4,956 | - | - | 1,271,011 | 1,275,967 |
| Athletics | 1,430,064 | - | - | - | 1,430,064 |
| Food service | - | - | - | 2,022,328 | 2,022,328 |
| Debt service: | | | | | |
| Principal | 167,317 | - | - | 1,375,000 | 1,542,317 |
| Interest and fiscal charges | 9,263 | - | - | 1,276,600 | 1,285,863 |
| Capital outlay | 701,765 | - | 1,846,032 | 496,874 | 3,044,671 |
| **Total expenditures** | 51,812,433 | 116,079 | 1,846,032 | 8,927,150 | 62,701,694 |
| Revenues over (under) expenditures | 1,751,627 | 848,603 | (1,846,032) | 121,069 | 875,267 |
| **Other financing sources (uses)** | | | | | |
| Proceeds from sale of capital assets | 51,815 | - | - | - | 51,815 |
| Issuance of other long-term liabilities | 353,579 | - | - | - | 353,579 |
| Transfers in | 99,657 | - | 2,120,514 | 61,181 | 2,281,352 |
| Transfers out | (2,165,439) | - | - | (115,913) | (2,281,352) |
| **Total other financing sources (uses)** | (1,660,388) | - | 2,120,514 | (54,732) | 405,394 |
| **Net change in fund balances** | 91,239 | 848,603 | 274,482 | 66,337 | 1,280,661 |
| Fund balances, beginning of year | 18,379,772 | 6,040,040 | 4,495,194 | 5,709,171 | 34,624,177 |
| **Fund balances, end of year** | $ 18,471,011 | $ 6,888,643 | $ 4,769,676 | $ 5,775,508 | $ 35,904,838 |

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

# BEDFORD PUBLIC SCHOOLS

## Reconciliation

Net Change in Fund Balances of Governmental Funds
to Change in Net Position of Governmental Activities
For the Year Ended June 30, 2026

| | |
|---|---|
| **Net change in fund balances - total governmental funds** | $ 1,280,661 |
| 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/amortization expense. | |
| Capital assets purchased/constructed | 3,578,055 |
| Depreciation/amortization expense | (5,022,407) |
| Bond proceeds provide current financial resources to governmental funds in the period issued, but issuing bonds increases bonds and other long-term liabilities in the statements of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces bonds and other long-term liabilities in the statement of net position. | |
| Issuance of other long-term liabilities | (353,579) |
| Amortization of bond premium | 250,575 |
| Principal payments on bonds and other long-term liabilities | 1,542,317 |
| 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 | 9,050,206 |
| Change in net other postemployment benefit asset and related deferred amounts | 4,870,709 |
| Change in accrued interest payable on bonds | 11,459 |
| Change in the accrual for compensated absences | (438,036) |
| **Change in net position of governmental activities** | $ 14,769,960 |

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

**This page intentionally left blank.**

# NOTES TO THE FINANCIAL STATEMENTS

## 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.

**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.*

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.* 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 District 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.

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 District.

## Notes to the Financial Statements

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District, 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 high school 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.

*The capital maintenance capital projects fund is* used to account for all financial resources restricted or committed to expenditure for the acquisition or construction of capital assets.

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.

The *debt service fund* is used to account for financial resources restricted to expenditure for principal and interest.

*The capital projects fund is* used to account for all financial resources restricted or committed to expenditure for the acquisition or construction of capital assets.

When both restricted and unrestricted resources are available for use, it is the District'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.

The District's investments 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.

## 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 District 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 | 10-20 |
| Buildings and improvements | 5-50 |
| Machinery and equipment | 5-20 |
| Vehicles | 5-8 |

***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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District also reports deferred outflows of resources related to the net pension liability and the net other postemployment benefit asset. A portion of these costs represent contributions to the plan subsequent to the plan measurement date.

***Compensated Absences***

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. Based on the criteria listed, one type of leave qualifies for liability recognition for compensated absences - sick. The liability for compensated absences is reported as 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 and retirements. The liability for compensated absences includes salary-related benefits, where applicable.

***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 assets that applies to one or more future periods and so will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District reports deferred inflows of resources related to pension and other postemployment benefit costs in the government-wide statement of net position.

***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.

***Leases***

*Lessee.* The District is a lessee for noncancellable leases of equipment. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price (if applicable) that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

***Subscription-based Information Technology Arrangements (SBITA)***

The District has noncancellable subscription-based information technology arrangements. The District recognizes a subscription liability and an intangible right-to-use subscription asset in the government-wide financial statements. The District recognizes subscription liabilities with an initial, individual value of $5,000 or more.

At the commencement of a subscription, the District initially measures the subscription liability at the present value of payments expected to be made during the SBITA term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to subscriptions include how the District determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) subscription term, and (3) subscription payments. The District uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for SBITAs. The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price (if applicable) that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its subscription and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

## Notes to the Financial Statements

***Fund Balances***

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.

***Pensions and Other Postemployment Benefits***

For purposes of measuring the net pension liability, the net other postemployment benefit asset, 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 (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

***Change in Accounting Principle***

During the current year, the District implemented GASB Statement No. 103, *Financial Reporting Model Improvements.* GASB 103 introduces targeted enhancements to the financial reporting model to improve clarity, relevance, and decision-usefulness of governmental financial statements. As part of the implementation, MD&A content is now streamlined to focus on prescribed sections with clearer analytical explanations and reduced duplication. Additionally, budgetary comparison information is no longer included within MD&A and is presented separately as Required Supplementary Information. The District has updated reporting processes and presentation formats to comply with these requirements. Adoption of GASB 103 did not result in a restatement of prior period balances.

## Notes to the Financial Statements

### 2. BUDGETARY COMPLIANCE

**Excess of Expenditures over Appropriations in Budgetary Funds**

During the year ended June 30, 2026, the District incurred expenditures in certain budgetary funds which were in excess of the amounts appropriated, as follows:

| | Total Appropriations | Total Expenditures | Budget Variance |
|---|---|---|---|
| **General fund** | | | |
| Current - | | | |
| Support services: | | | |
| Pupil | $ 2,436,203 | $ 2,447,752 | $ 11,549 |
| Other support services | 1,191,333 | 1,251,942 | 60,609 |
| Debt service: | | | |
| Principal | 117,000 | 167,317 | 50,317 |
| Interest and fiscal charges | 7,800 | 9,263 | 1,463 |
| Capital outlay | 677,873 | 701,765 | 23,892 |
| **Food service fund** | | | |
| Current - | | | |
| Food service | 876,150 | 914,156 | 38,006 |
| Transfers out | 37,500 | 41,252 | 3,752 |
| **Technology enhancement fund** | | | |
| Current - | | | |
| Support services | 998,936 | 1,001,832 | 2,896 |
| **Student/school activity fund** | | | |
| Current - | | | |
| Support services - other | 780,000 | 816,273 | 36,273 |
| **Health van fund** | | | |
| Current - | | | |
| Community services | 80 | 129 | 49 |
| **Recreation fund** | | | |
| Current - | | | |
| Community services | 138,295 | 146,033 | 7,738 |
| **Latchkey fund** | | | |
| Current - | | | |
| Community services | 513,905 | 538,042 | 24,137 |
| Transfers out | 37,290 | 38,772 | 1,482 |

## Notes to the Financial Statements

### 3. DEPOSITS AND INVESTMENTS

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

| | |
|---|---|
| **Statement of Net Position** | |
| Cash and cash equivalents | $ 26,612,339 |
| Investments | 6,195,917 |
| **Total** | $ 32,808,256 |
| **Deposits and investments:** | |
| Bank deposits (checking/savings accounts) | $ 26,611,839 |
| Investments | 6,195,917 |
| Cash on hand | 500 |
| **Total** | $ 32,808,256 |

**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 five years after the purchase dates.

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.

## Notes to the Financial Statements

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 | $ 3,996,988 | Not rated |
| Fixed income mutual funds | n/a | 1,767,569 | Not rated |
| Money market cash management funds | n/a | 431,360 | Not rated |
| | | $ 6,195,917 | |

**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. The maturities for each investment are identified above for investments held at year end.

*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.

*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, $27,762,919, of the District's bank balance of $28,481,706 (book balance was $26,611,839) 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.

## Notes to the Financial Statements

*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, 2026 are related to its investments in mutual funds and money market cash management funds. The money market cash management funds and mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs).

### 4. RECEIVABLES

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

| | General | Thomas George Trust | Nonmajor Governmental Funds | Total |
|---|---|---|---|---|
| Accounts receivable | $ 118,476 | $ 260,030 | $ 91,323 | $ 469,829 |
| Due from other governments | 7,984,263 | - | 224,803 | 8,209,066 |
| | $ 8,102,739 | $ 260,030 | $ 316,126 | $ 8,678,895 |

## Notes to the Financial Statements

### 5. CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2026 was as follows:

| | Beginning Balance | Additions | Disposals | Transfers | Ending Balance |
|---|---|---|---|---|---|
| Capital assets not being depreciated/amortized - | | | | | |
| Construction in progress | $ - | $ 1,050,575 | $ - | $ - | $ 1,050,575 |
| Capital assets being depreciated/amortized: | | | | | |
| Land improvements | 5,197,032 | 540,418 | - | - | 5,737,450 |
| Buildings and improvements | 72,816,494 | 241,722 | - | - | 73,058,216 |
| Machinery and equipment | 5,907,073 | 634,391 | (28,938) | - | 6,512,526 |
| Vehicles | 4,481,733 | 719,320 | (911,505) | - | 4,289,548 |
| Lease equipment (Note 9) | 339,754 | 20,837 | - | - | 360,591 |
| Subscription assets (Note 10) | 482,237 | 370,792 | - | - | 853,029 |
| | 89,224,323 | 2,527,480 | (940,443) | - | 90,811,360 |
| Less accumulated depreciation/amortization for: | | | | | |
| Land improvements | (1,996,015) | (272,501) | - | - | (2,268,516) |
| Buildings and improvements | (36,770,948) | (3,571,565) | - | - | (40,342,513) |
| Machinery and equipment | (2,793,562) | (653,429) | 28,938 | - | (3,418,053) |
| Vehicles | (3,517,742) | (271,734) | 911,505 | - | (2,877,971) |
| Lease equipment (Note 9) | (93,974) | (72,118) | - | - | (166,092) |
| Subscription assets (Note 10) | (207,911) | (181,060) | - | - | (388,971) |
| | (45,380,152) | (5,022,407) | 940,443 | - | (49,462,116) |
| Total capital assets being depreciated/amortized, net | 43,844,171 | (2,494,927) | - | - | 41,349,244 |
| **Governmental activities capital assets, net** | $ 43,844,171 | $ (1,444,352) | $ - | $ - | $ 42,399,819 |

Depreciation/amortization expense of $5,022,407 was reported as “unallocated depreciation/amortization” and was not allocated to specific functions.

As of year-end, the District had outstanding construction commitments of $1,952,009.

## Notes to the Financial Statements

### 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

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

| | General | Thomas George Trust | Capital Maintenance Fund | Nonmajor Governmental Funds | Total |
|---|---|---|---|---|---|
| Accounts payable | $ 1,042,642 | $ 3,054 | $ 197,348 | $ 261,108 | $ 1,504,152 |
| Accrued liabilities | 4,193,285 | - | - | 48,846 | 4,242,131 |
| | $ 5,235,927 | $ 3,054 | $ 197,348 | $ 309,954 | 5,746,283 |
| Government-wide financial statements - Accrued interest payable | | | | | 201,308 |
| | | | | | $ 5,947,591 |

### 7. INTERFUND TRANSFERS

For the year ending June 30, 2026, interfund transfers consisted of the following:

| | Transfers in | Transfers out |
|---|---|---|
| General | $ 99,657 | $ 2,165,439 |
| Capital maintenance | 2,120,514 | - |
| Nonmajor governmental funds | 61,181 | 115,913 |
| | $ 2,281,352 | $ 2,281,352 |

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; (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; and (4) move funds from ancillary programs into general or other parent funds to offset the overhead, or indirect costs, of operation.

## Notes to the Financial Statements

### 8. BONDS AND OTHER LONG-TERM LIABILITIES

The following is a summary of bonds and other long-term liabilities transactions of the District for the year ended June 30, 2026:

| | Beginning Balance | Additions | Deductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| General obligation bonds | $ 25,955,000 | $ - | $ (1,375,000) | $ 24,580,000 | $ 1,510,000 |
| Unamortized premiums | 3,257,480 | - | (250,575) | 3,006,905 | 250,575 |
| Compensated absences* | 4,317,331 | 438,036 | - | 4,755,367 | 4,119,704 |
| Lease liabilities (Note 9) | 273,917 | 20,837 | (65,572) | 229,182 | 69,442 |
| Subscription liabilities (Note 10) | 19,374 | 332,742 | (101,745) | 250,371 | 82,730 |
| **Total bonds and other long-term liabilities** | $ 33,823,102 | $ 791,615 | $ (1,792,892) | $ 32,821,825 | $ 6,032,451 |

* The change in compensated absences above is a net change for the year.

The District's general obligation bonds consists of the following item -

| | |
|---|---|
| $31,690,000 2019 School Building and Site Bonds due in annual installments ranging from $580,000 to $2,535,000 through 2038; interest payable at 4.00% to 5.00%. | $ 24,580,000 |

Annual debt service requirements to maturity on general obligation bonds are as follows:

| Year Ended June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2027 | $ 1,510,000 | $ 1,170,100 | $ 2,680,100 |
| 2028 | 1,655,000 | 1,090,975 | 2,745,975 |
| 2029 | 1,810,000 | 1,004,350 | 2,814,350 |
| 2030 | 1,975,000 | 909,725 | 2,884,725 |
| 2031 | 2,150,000 | 806,600 | 2,956,600 |
| 2032-2036 | 10,765,000 | 2,373,350 | 13,138,350 |
| 2037-2038 | 4,715,000 | 358,000 | 5,073,000 |
| | $ 24,580,000 | $ 7,713,100 | $ 32,293,100 |

## Notes to the Financial Statements

### 9. LEASES

**Lessee -** The District is involved in four agreements as a lessee that qualify as long-term lease agreements. Below is a summary of the nature of these agreements. These agreements qualify as intangible, right-to-use assets and not financed purchases, as the District will not own the assets at the end of the contract term and the noncancelable term of the agreements surpass one year.

The right-to-use assets and the related activity are included in Note 5, Capital Assets. The lease liability and related activity are presented in Note 8, Bonds and Other Long-term Liabilities.

| | Remaining Term of Agreements |
|---|---|
| **Asset Type** | |
| Equipment | 3 - 5 years |

The net present value of future minimum payments as of June 30, 2026, were as follows:

| Year Ended June 30, | Principal | Interest |
|---|---|---|
| 2027 | $ 69,442 | $ 7,178 |
| 2028 | 71,937 | 4,684 |
| 2029 | 53,268 | 2,309 |
| 2030 | 29,054 | 669 |
| 2031 | 5,481 | 45 |
| | $ 229,182 | $ 14,885 |

### 10. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The District is involved in fourteen arrangements that qualify as long-term subscription-based information technology arrangements ("SBITA"). Below is a summary of the nature of these arrangements. These arrangements qualify as intangible, right-to-use subscription assets as the District has the control of the right to use another party's IT software and the noncancelable term of the arrangement surpasses one year. The present values are discounted using an interest rate based on the District's incremental borrowing rate.

The right-to-use assets and the related activity are included in Note 5, Capital Assets. The subscription liability and related activity are presented in Note 8, Bonds and Other Long-term Liabilities.

| | Remaining Term of Arrangements |
|---|---|
| **Asset Type** | |
| Subscription assets | 4 years |

The net present value of future minimum payments as of June 30, 2026, were as follows:

| Year Ended June 30, | Principal | Interest |
|---|---|---|
| 2027 | $ 82,730 | $ 7,511 |
| 2028 | 76,968 | 5,029 |
| 2029 | 43,739 | 2,720 |
| 2030 | 46,934 | 1,408 |
| | $ 250,371 | $ 16,668 |

## 11. 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.

## 12. 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.

## 13. 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 60 days after year end). Amounts received subsequent to August 29 are recognized as revenue when collected.

## 14. PENSION AND OTHER POSTEMPLOYMENT BENEFITS PLANS

***Plan Description***

The Michigan Public School Employees' Retirement System (the "System" or MPSERS) 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.

## Notes to the Financial Statements

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.

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.

Participants in the defined contribution plan consist of one of the following: (1) members who worked for a Michigan public school on or after September 4, 2012 and elected to be enrolled in the defined contribution plan; (2) members who elected to transfer from the defined benefit plan to the defined contribution plan under the reform (P.A. 300) of 2012; or (3) members who worked for a Michigan public school on or after February 1, 2018 and did not elect participation in the Pension Plus 2 plan. Members who worked for a Michigan public school on or after September 4, 2012 and elected to be enrolled in the defined contribution plan receive a 100% match of the member contribution rate up to a maximum of 3% based on the member's gross earnings. Additionally, there is a mandatory employer contribution of 4% of the member's gross earnings for MPSERS members who elected to convert from a Basic or MIP benefit plan to the defined contribution benefit plan. Members electing the Pension Plus or Pension Plus 2 benefit plan receive a 50% match of the member's contribution percent up to a maximum of 1% based on the member's gross earnings. Effective October 1, 2017, there is a mandatory employer contribution of 4% of the member's gross earnings for members who elect the Defined Contribution benefit plan. The employer must match 100% of the employee contribution for any member who elected the Personal Healthcare Fund up to a maximum of 2% of the member's gross earnings. For all members with a Personal Health Care Fund (PHF), the first 2% of DC contributions must go into the PHF and must be matched 100% by the employer.

## Notes to the Financial Statements

***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.

***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, 2024 valuation will be amortized over a 14-year period beginning October 1, 2024 and ending September 30, 2038.

## Notes to the Financial Statements

The table below summarizes pension contribution rates in effect for fiscal year 2026:

| Benefit Structure | Member Rates | Employer Rates |
|---|---|---|
| Basic | 0.00% - 4.00% | 26.08% - 30.11% |
| Member Investment Plan (MIP) | 3.00% - 7.00% | 26.08% - 30.11% |
| Pension Plus | 3.00% - 6.40% | 21.34% - 26.27% |
| Pension Plus 2 | 6.00% - 6.20% | 21.41% - 27.16% |
| Defined Contribution | 0.00% | 15.21% - 20.96% |

For the year ended June 30, 2026, required and actual contributions from the District to the pension plan were $9,915,143, which included $3,730,911, the amount received from the State and remitted to the System to fund the MPSERS unfunded actuarial accrued liability ("UAAL") stabilization rate

The table below summarizes OPEB contribution rates in effect for fiscal year 2026:

| Benefit Structure | Member Rates | Employer Rates |
|---|---|---|
| Premium Subsidy | 0.00% - 3.00% | 1.25% - 3.83% |
| Personal Healthcare Fund (PHF) | 0.00% | 0.00% |

For the year ended June 30, 2026, required and actual contributions from the District to the OPEB plan were $507,057.

The table below summarizes defined contribution rates in effect for fiscal year 2026:

| Benefit Structure | Member Rates | Employer Rates |
|---|---|---|
| Defined Contribution | 0.00% - 3.00% | 0.00% - 7.00% |
| Personal Healthcare Fund (PHF) | 0.00% - 2.00% | 0.00% - 2.00% |

For the year ended June 30, 2026, required and actual contributions from the District for those members with a defined contribution benefit were $468,457.

## 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, 2026, the District reported a liability of $45,639,147 for its proportionate share of the MPSERS net pension liability. The net pension liability was measured as of September 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation rolled forward from September 2024. 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, 2025, the District's proportion was 0.22782%, which was a decrease of 0.00524% from its proportion measured as of September 30, 2024.

For the year ended June 30, 2026, the District recognized pension expense of $538,955. At June 30, 2026, 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 | $ 1,767,735 | $ 406,504 | $ 1,361,231 |
| Changes in assumptions | 1,638,120 | 2,412,139 | (774,019) |
| Net difference between projected and actual earnings on pension plan investments | - | 10,906,779 | (10,906,779) |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 7,675 | 3,457,622 | (3,449,947) |
| | 3,413,530 | 17,183,044 | (13,769,514) |
| District contributions subsequent to the measurement date | 8,980,666 | - | 8,980,666 |
| **Total** | $ 12,394,196 | $ 17,183,044 | $ (4,788,848) |

## Notes to the Financial Statements

The amount reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2027. 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 |
|---|---|
| 2027 | $ (2,043,053) |
| 2028 | (6,054,717) |
| 2029 | (4,383,476) |
| 2030 | (1,288,268) |
| **Total** | $ (13,769,514) |

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

At June 30, 2026, the District reported an asset of $12,834,317 for its proportionate share of the MPSERS net OPEB asset. The net OPEB asset was measured as of September 30, 2025, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation rolled forward from September 2024. The District's proportion of the net OPEB asset 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, 2025, the District's proportion was 0.21112% which was a decrease of 0.01991% from its proportion measured as of September 30, 2024.

## Notes to the Financial Statements

For the year ended June 30, 2026, the District recognized OPEB benefit of $4,346,190. At June 30, 2026, 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 | $ - | $ 8,786,982 | $ (8,786,982) |
| Changes in assumptions | 1,712,877 | 136,119 | 1,576,758 |
| Net difference between projected and actual earnings on OPEB plan investments | - | 1,803,501 | (1,803,501) |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 29,632 | 530,964 | (501,332) |
| | 1,742,509 | 11,257,566 | (9,515,057) |
| District contributions subsequent to the measurement date | 495,666 | - | 495,666 |
| **Total** | $ 2,238,175 | $ 11,257,566 | $ (9,019,391) |

The amount reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as an adjustment to the net OPEB asset in the year ended June 30, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year Ended June 30, | Amount |
|---|---|
| 2027 | $ (2,579,603) |
| 2028 | (2,473,931) |
| 2029 | (2,290,055) |
| 2030 | (1,496,217) |
| 2031 | (517,378) |
| Thereafter | (157,873) |
| **Total** | $ (9,515,057) |

## 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, 2024 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 | 2.75% |
| Investment rate of return: | |
| MIP and Basic plans (non-hybrid) | 6.00% |
| Pension Plus plan (hybrid) | 6.00% |
| Pension Plus 2 plan (hybrid) | 6.00% |
| OPEB plans | 6.00% |
| Projected salary increases | 2.75% - 11.55%, including wage inflation at 2.75% |
| Cost of living adjustments | 3% annual non-compounded for MIP members |
| Healthcare cost trend rate | Pre-65: 7.75% Year 1 graded to 3.5% Year 15<br>Post-65: 6.50% Year 1 graded to 3.5% Year 15 |
| Mortality | Retirees: PubT-2010 Male and Female Retiree Mortality Tables scaled by 116% for males and 116% for females and adjusted for mortality improvements using projection scale MP-2021 from 2010.<br>Active: PubT-2010 Male and Female Employee Mortality Tables scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010. |
| 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 electing two-person coverage are assumed to have coverages continuing after the retiree's death. |
| Coverage election at retirement | Of those not opting out, 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 2017 through 2022 have been adopted by the System for use in the annual pension and OPEB valuations beginning with the September 30, 2023 valuation. The total pension and OPEB liabilities as of September 30, 2025, are based on the results of an actuarial valuation date of September 30, 2024, and rolled forward using generally accepted actuarial procedures, including the experience study. The recognition period for pension liabilities is 4.4524 years which is the average of the expected remaining service lives of all employees. The recognition period for OPEB liabilities is 6.4654 years which is the average of the expected remaining service lives of all employees. The recognition period for assets is 5 years.

*Changes in assumptions.* Healthcare cost trend rates for pre-65 increased from 7.25% to 7.75%.

## Notes to the Financial Statements

***Long-term Expected Return on Pension and OPEB Plan Assets***

The long-term expected rate of return on pension and OPEB 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/OPEB 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 pension and OPEB plans' target asset allocation as of September 30, 2025, are summarized in the following table:

***Pension***

| Asset Class | Target Allocation | Long-term Expected Real Rate of Return | Expected Money-Weighted Rate of Return |
|---|---|---|---|
| Domestic equity pools | 21.00% | 5.48% | 1.15% |
| Private equity pools | 16.00% | 8.78% | 1.40% |
| International equity pools | 14.00% | 5.29% | 0.74% |
| Fixed income pools | 15.00% | 2.36% | 0.35% |
| Real estate and infrastructure pools | 8.00% | 6.61% | 0.53% |
| Absolute return pools | 13.00% | 4.15% | 0.54% |
| Real return/opportunistic pools | 9.00% | 6.61% | 0.59% |
| Short-term investment pools | 4.00% | 1.23% | 0.05% |
| | 100.00% | | 5.35% |
| Inflation | | | 2.40% |
| Risk adjustment | | | -1.75% |
| **Investment rate of return** | | | 6.00% |

***OPEB***

| Asset Class | Target Allocation | Long-term Expected Real Rate of Return | Expected Money-Weighted Rate of Return |
|---|---|---|---|
| Domestic equity pools | 16.00% | 5.48% | 0.88% |
| Private equity pools | 16.00% | 8.78% | 1.40% |
| International equity pools | 11.00% | 5.29% | 0.58% |
| Fixed income pools | 26.00% | 2.36% | 0.61% |
| Real estate and infrastructure pools | 5.00% | 6.61% | 0.33% |
| Absolute return pools | 15.00% | 4.15% | 0.62% |
| Real return/opportunistic pools | 7.00% | 6.61% | 0.46% |
| Short-term investment pools | 4.00% | 1.23% | 0.05% |
| | 100.00% | | 4.93% |
| Inflation | | | 2.40% |
| Risk adjustment | | | -1.33% |
| **Investment rate of return** | | | 6.00% |

***Rate of Return***

For the fiscal year ended September 30, 2025, the annual money-weighted rate of return on pension and OPEB plan investments, net of pension and OPEB plan investment expense, was 9.81% and 9.24%, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

***Discount Rate***

A discount rate of 6.00% was used to measure the total pension and OPEB liabilities. This discount rate was based on the long-term expected rate of return on pension and OPEB plan investments of 6.00%. The projection of cash flows used to determine these discount rates 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.

## Notes to the Financial Statements

***Sensitivity of the 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 6.00%, 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 point higher:

| | 1% Decrease (5.00%) | Current Discount Rate (6.00%) | 1% Increase (7.00%) |
|---|---|---|---|
| District's proportionate share of the net pension liability | $ 72,021,091 | $ 45,639,147 | $ 23,666,365 |

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

The following presents the District's proportionate share of the net OPEB asset calculated using the discount rate of 6.00%, as well as what the District's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher:

| | 1% Decrease (5.00%) | Current Discount Rate (6.00%) | 1% Increase (7.00%) |
|---|---|---|---|
| District's proportionate share of the net OPEB asset | $ (11,057,576) | $ (12,834,317) | $ (14,389,350) |

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

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

| | 1% Decrease | Current Healthcare Cost Trend Rate | 1% Increase |
|---|---|---|---|
| District's proportionate share of the net OPEB asset | $ (14,375,161) | $ (12,834,317) | $ (11,216,482) |

***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.

***Payable to the Pension Plan***

At June 30, 2026, the District reported a payable of $1,352,363 for the outstanding amount of pension contributions to the Plan required for the year ended June 30, 2026.

***Payable to the OPEB Plan***

At June 30, 2026, the District reported a payable of $98,938 for the outstanding amount of OPEB contributions to the Plan required for the year ended June 30, 2026.

## 15. NET INVESTMENT IN CAPITAL ASSETS

As of June 30, 2026, net investment in capital assets was comprised of the following:

| | |
|---|---|
| Capital assets not being depreciated/amortized | $ 1,050,575 |
| Capital assets being depreciated/amortized, net | 41,349,244 |
| General obligation bonds | (24,580,000) |
| Unamortized premiums | (3,006,905) |
| Lease liabilities | (229,182) |
| Subscription liabilities | (250,371) |
| Construction related payables | (197,348) |
| **Net investment in capital assets** | $ 14,136,013 |

**This page intentionally left blank.**

# REQUIRED SUPPLEMENTARY INFORMATION

## BEDFORD PUBLIC SCHOOLS

### Required Supplemental Information

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund
For the Year Ended June 30, 2026

| | Original Budget | Final Budget | Variance with Original Budget | Actual | Variance with Final Budget |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Local sources: | | | | | |
| Property taxes | $ 4,353,000 | $ 5,160,803 | $ 807,803 | $ 5,114,208 | $ (46,595) |
| Other local sources | 2,098,810 | 2,927,969 | 829,159 | 2,965,192 | 37,223 |
| State sources | 41,764,145 | 44,878,203 | 3,114,058 | 44,887,856 | 9,653 |
| Federal sources | 740,955 | 600,254 | (140,701) | 596,804 | (3,450) |
| **Total revenues** | 48,956,910 | 53,567,229 | 4,610,319 | 53,564,060 | (3,169) |
| **Expenditures** | | | | | |
| Current: | | | | | |
| Instruction: | | | | | |
| Basic programs | 23,001,383 | 23,522,638 | 521,255 | 22,919,379 | (603,259) |
| Added needs | 7,105,895 | 7,200,970 | 95,075 | 6,940,413 | (260,557) |
| Adult and continuing education | 139,516 | 138,306 | (1,210) | 133,334 | (4,972) |
| Other | 35,000 | - | (35,000) | - | - |
| Total instruction | 30,281,794 | 30,861,914 | 580,120 | 29,993,126 | (868,788) |
| Support services: | | | | | |
| Pupil | 2,460,659 | 2,436,203 | (24,456) | 2,447,752 | 11,549 |
| Instructional services | 1,945,796 | 2,304,363 | 358,567 | 2,241,011 | (63,352) |
| General administration | 1,308,844 | 1,424,597 | 115,753 | 1,271,907 | (152,690) |
| School administration | 3,719,257 | 3,969,653 | 250,396 | 3,873,637 | (96,016) |
| Business | 540,442 | 510,271 | (30,171) | 505,669 | (4,602) |
| Maintenance | 4,224,533 | 4,803,088 | 578,555 | 4,658,040 | (145,048) |
| Transportation | 3,146,919 | 3,355,392 | 208,473 | 3,255,984 | (99,408) |
| Other support services | 1,146,471 | 1,191,333 | 44,862 | 1,251,942 | 60,609 |
| Total support services | 18,492,921 | 19,994,900 | 1,501,979 | 19,505,942 | (488,958) |
| Community services | 9,475 | 10,049 | 574 | 4,956 | (5,093) |
| Athletics | 1,477,237 | 1,468,124 | (9,113) | 1,430,064 | (38,060) |
| Debt service: | | | | | |
| Principal | 158,000 | 117,000 | (41,000) | 167,317 | 50,317 |
| Interest and fiscal charges | 2,850 | 7,800 | 4,950 | 9,263 | 1,463 |
| Total debt service | 160,850 | 124,800 | (36,050) | 176,580 | 51,780 |
| Capital outlay | 15,000 | 677,873 | 662,873 | 701,765 | 23,892 |
| **Total expenditures** | 50,437,277 | 53,137,660 | 2,700,383 | 51,812,433 | (1,325,227) |
| Revenues over (under) expenditures | (1,480,367) | 429,569 | 1,909,936 | 1,751,627 | 1,322,058 |

continued...

## BEDFORD PUBLIC SCHOOLS

### Required Supplemental Information

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund
For the Year Ended June 30, 2026

| | Original Budget | Final Budget | Variance with Original Budget | Actual | Variance with Final Budget |
|---|---|---|---|---|---|
| **Other financing sources (uses)** | | | | | |
| Proceeds from sale of capital assets | $ - | $ 51,815 | $ 51,815 | $ 51,815 | $ - |
| Issuance of other long-term liabilities | 205,000 | 275,000 | 70,000 | 353,579 | 78,579 |
| Transfers in | 74,316 | 96,101 | 21,785 | 99,657 | 3,556 |
| Transfers out | (1,005,549) | (2,165,439) | 1,159,890 | (2,165,439) | - |
| **Total other financing uses** | (726,233) | (1,742,523) | (1,016,290) | (1,660,388) | 82,135 |
| **Net change in fund balance** | (2,206,600) | (1,312,954) | 893,646 | 91,239 | 1,404,193 |
| Fund balance, beginning of year | 18,379,772 | 18,379,772 | - | 18,379,772 | - |
| **Fund balance, end of year** | $ 16,173,172 | $ 17,066,818 | $ 893,646 | $ 18,471,011 | $ 1,404,193 |

concluded

See notes to 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, | | | |
|---|---|---|---|---|
| | 2026 | 2025 | 2024 | 2023 |
| District's proportionate share of the net pension liability | $ 45,639,147 | $ 57,057,869 | $ 77,883,203 | $ 92,985,806 |
| District's proportion of the net pension liability | 0.22782% | 0.23306% | 0.24063% | 0.24725% |
| District's covered payroll | $ 25,313,372 | $ 24,611,733 | $ 23,618,494 | $ 23,969,057 |
| District's proportionate share of the net pension liability as a percentage of its covered payroll | 180.30% | 231.83% | 329.76% | 387.94% |
| Plan fiduciary net position as a percentage of the total pension liability | 79.44% | 74.44% | 65.91% | 60.77% |

See notes to required supplementary information.

| Year Ended June 30, | | | | | |
|---|---|---|---|---|---|
| 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| $ 58,661,363 | $ 86,989,238 | $ 84,031,859 | $ 77,311,559 | $ 69,131,627 | $ 68,306,880 |
| 0.24777% | 0.25324% | 0.25375% | 0.25718% | 0.26677% | 0.27378% |
| $ 22,155,741 | $ 22,320,849 | $ 22,397,196 | $ 21,411,273 | $ 22,037,320 | $ 23,220,386 |
| 264.77% | 389.72% | 375.19% | 361.08% | 313.70% | 294.17% |
| 72.60% | 59.72% | 60.31% | 62.36% | 64.21% | 63.27% |

## BEDFORD PUBLIC SCHOOLS

### Required Supplementary Information

MPSERS Cost-Sharing Multiple-Employer Plan
Schedule of the District's Pension Contributions

| | Year Ended June 30, | | | |
|---|---|---|---|---|
| | 2026 | 2025 | 2024 | 2023 |
| Statutorily required contributions | $ 9,915,143 | $ 9,266,481 | $ 9,686,609 | $ 8,853,917 |
| Contributions in relation to the statutorily required contributions | (9,915,143) | (9,266,481) | (9,686,609) | (8,853,917) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - |
| District's covered payroll | $ 27,137,751 | $ 25,742,920 | $ 24,780,023 | $ 23,517,310 |
| Contributions as a percentage of covered payroll | 36.54% | 36.00% | 39.09% | 37.65% |

See notes to required supplementary information.

| Year Ended June 30, | | | | | |
|---|---|---|---|---|---|
| 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| $ 8,218,449 | $ 7,405,248 | $ 6,981,461 | $ 6,744,987 | $ 7,181,504 | $ 6,231,118 |
| (8,218,449) | (7,405,248) | (6,981,461) | (6,744,987) | (7,181,504) | (6,231,118) |
| $ - | $ - | $ - | $ - | $ - | $ - |
| $ 22,977,502 | $ 22,051,194 | $ 22,632,508 | $ 22,471,175 | $ 22,188,828 | $ 22,133,786 |
| 35.77% | 33.58% | 30.85% | 30.02% | 32.37% | 28.15% |

## BEDFORD PUBLIC SCHOOLS

### Required Supplementary Information

MPSERS Cost-Sharing Multiple-Employer Plan
Schedule of the District's Proportionate Share of the Net Other Postemployment Benefit (Asset) Liability

| | Year Ended June 30, | | | |
|---|---|---|---|---|
| | 2026 | 2025 | 2024 | 2023 |
| District's proportionate share of the net OPEB (asset) liability | $ (12,834,317) | $ (9,944,599) | $ (1,330,557) | $ 5,208,661 |
| District's proportion of the net OPEB asset/liability | 0.21112% | 0.23103% | 0.23521% | 0.24592% |
| District's covered payroll | $ 25,313,372 | $ 24,611,733 | $ 23,618,494 | $ 23,969,057 |
| District's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll | -50.70% | -40.41% | -5.63% | 21.73% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 164.94% | 143.08% | 105.04% | 83.09% |

See notes to required supplementary information.

| Year Ended June 30, | | | | |
|---|---|---|---|---|
| 2022 | 2021 | 2020 | 2019 | 2018 |
| $ 3,734,194 | $ 13,475,352 | $ 18,382,455 | $ 19,983,159 | $ 23,680,266 |
| 0.24464% | 0.25153% | 0.25610% | 0.25139% | 0.26741% |
| $ 22,155,741 | $ 22,320,849 | $ 22,397,196 | $ 21,411,273 | $ 22,037,320 |
| 16.85% | 60.37% | 82.07% | 93.33% | 107.46% |
| 87.33% | 59.44% | 48.46% | 42.95% | 36.39% |

## 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, | | | |
|---|---|---|---|---|
| | 2026 | 2025 | 2024 | 2023 |
| Statutorily required contributions | $ 507,057 | $ 435,883 | $ 1,913,307 | $ 1,904,424 |
| Contributions in relation to the statutorily required contributions | (507,057) | (435,883) | (1,913,307) | (1,904,424) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - |
| District's covered payroll | $ 27,137,751 | $ 25,742,920 | $ 24,780,023 | $ 23,517,310 |
| Contributions as a percentage of covered payroll | 1.87% | 1.69% | 7.72% | 8.10% |

See notes to required supplementary information.

| Year Ended June 30, | | | | |
|---|---|---|---|---|
| 2022 | 2021 | 2020 | 2019 | 2018 |
| $ 1,799,989 | $ 1,798,703 | $ 1,795,863 | $ 1,728,859 | $ 1,629,361 |
| (1,799,989) | (1,798,703) | (1,795,863) | (1,728,859) | (1,629,361) |
| $ - | $ - | $ - | $ - | $ - |
| $ 22,977,502 | $ 22,051,194 | $ 22,632,508 | $ 22,471,175 | $ 22,188,828 |
| 7.83% | 8.16% | 7.93% | 7.69% | 7.34% |

# BEDFORD PUBLIC SCHOOLS

## Notes to Required Supplementary Information

**Budgets and Budgetary Accounting**

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.

**Excess of Expenditures over Appropriations in Budgetary Funds**

During the year ended June 30, 2026, the District incurred general fund expenditures in excess of the amounts appropriated, as follows:

| | Total Appropriations | Total Expenditures | Budget Variance |
|---|---|---|---|
| **General fund** | | | |
| Current - | | | |
| Support services: | | | |
| Pupil | $ 2,436,203 | $ 2,447,752 | $ 11,549 |
| Other support services | 1,191,333 | 1,251,942 | 60,609 |
| Debt service: | | | |
| Principal | 117,000 | 167,317 | 50,317 |
| Interest and fiscal charges | 7,800 | 9,263 | 1,463 |
| Capital outlay | 677,873 | 701,765 | 23,892 |

# BEDFORD PUBLIC SCHOOLS

## Notes to Required Supplementary Information

**General Fund Budgetary Highlights**

| | Amount |
|---|---|
| **Budgetary revenues** | |
| Variances - original budget to final budget: | |
| Local sources: | |
| Property taxes | $ 807,803 |
| A conservative 90% tax collection rate was used to build the original budget. The final budget was adjusted to reflect a 98% collection rate on the non-homestead operating tax levied in December 2025. | |
| Other local sources | 829,159 |
| The original budget reflected an allocation from the Monroe County ISD for special education costs equivalent to the prior fiscal year's allocation. After analysis of the prior fiscal year's actual expenditures for special education costs, the final budget reflects an allocation increase of $525,000, or 37%. In addition, sound financial planning led to steady cash flow throughout the year resulting in an increase of $180,000 in interest earnings. | |
| State sources | 3,114,058 |
| At the time of the original budget's adoption, the state had not yet passed a budget so a conservative budgeting approach was utilized. Once the state budget was approved, the District's budget was adjusted to reflect $885,000 in section 27l funds, a 7% increase in section 22b discretionary funds and 45% increase in section 147c1 funds. | |
| Variances - final budget to actual - | |
| There were no significant variances from final budget to actual | |
| **Budgetary expenditures** | |
| Variances - original budget to final budget: | |
| Current: | |
| Instruction - | |
| Basic programs | 521,255 |
| After school and summer school tutoring programs increased the basic programs budget by $133,000. Unanticipated section 27l state revenue intended as compensation for employees resulted in an increase of $242,000 and additional section 147c state funds resulted in an 11% increase in the retirement budget. | |
| Support services: | |
| Instructional services | 358,567 |
| Budget increases are mainly attributed to $190,000 increase in wages due to section 27l state funding and 15% increase in retirement benefits due to additional section 147c state funding. | |

# BEDFORD PUBLIC SCHOOLS

## Notes to Required Supplementary Information

### General Fund Budgetary Highlights

| | Amount |
|---|---|
| **Budgetary expenditures (continued)** | |
| Variances - original budget to final budget: | |
| Current: | |
| Instruction - | |
| School administration | $ 250,396 |
| Oversight of the summer school program increased the budget by $18,000. Section 147c state revenue resulted in a 15% or approximately $129,000 increase in retirement expenses. Section 27l resulted in a $37,000 increase in wages and a 9% increase in insurance benefit premiums added an additional $34,000. | |
| Maintenance | 578,555 |
| Budget increases include $212,000 on safety and security improvements and the addition of a campus/student support position at the Junior High School utilizing section 31aa per-pupil funding carried over from the previous fiscal year. Utility rates increased by 19% or approximately $159,000 and section 147c state revenue resulted in a 22%, or $110,000, increase in the retirement budget. | |
| Transportation | 208,473 |
| A mid-year increase in hourly rates and the disbursement of section 27l state funds resulted in a $127,000 increase in wages and retirement benefit cost. Additional hours for drivers and secretarial staff to accommodate transportation for summer and after school tutoring programs resulted in an increase in wages and retirement benefits of $63,000. | |
| Capital outlay | 662,873 |
| Due to unforeseen changes in communication regulations, the District replaced 43 two-way radios in the District's bus fleet at a cost of $60,000 and made improvements totaling $540,000 to the infrastructure of the transportation bus lot. | |
| Variances - final budget to actual: | |
| Current: | |
| Instruction: | |
| Basic programs | (603,259) |
| The District utilizes a conservative approach to budgeting. Retirement expenditures are budgeted at the highest ORS retirement rate of 29.91% but the actual average retirement rate is lower resulting in overbudgeted retirement expense by $314,000. Decreased year end need for teaching subs, supply cost, and dual enrollment and middle college tuition were also contributing factors. | |
| Added needs | (260,557) |
| The District utilizes a conservative approach to budgeting. Retirement expenditures are budgeted at the highest ORS retirement rate of 29.91% but the actual average retirement rate is lower resulting in overbudgeted retirement expense by $147,000. Decreased year end hourly aide wages was also a contributing factor. | |

# BEDFORD PUBLIC SCHOOLS

## Notes to Required Supplementary Information

**General Fund Budgetary Highlights**

| | Amount |
|---|---|
| **Budgetary other financing sources (uses)** | |
| Variances - original budget to final budget - | |
| Transfers out | $ (1,159,890) |

The original budget included a 2% transfer from the general fund to the capital maintenance fund. A strong financial forecast and increased proposed costs for upcoming maintenance projects resulted in an increase to a 4% transfer to the capital maintenance fund.

Variances - final budget to actual:

There were no significant variances from final budget to actual

## Notes to Required Supplementary Information

**Pension Information**

The amounts presented in the schedule of the District's Proportionate Share of the Net Pension Liability were determined as of September 30 of the preceding year (the plan year).

The significant changes in assumptions for each of the fiscal years ended June 30 were as follows:

- 2026 - There have been no material changes in the valuation assumptions.
- 2025 - The method for amortizing UAAL transitioned from the level percent of payroll to the level dollar method.
- 2024 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2025 and 2026 employer contributions decreased from 2.00% to 1.50% and 1.50% to 0.75%, respectively. In addition, the PubT-2010 mortality tables were used in the September 2022 valuation compared to the RP-2014 mortality tables used in the September 2021 valuation.
- 2023 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2024 employer contributions decreased from 2.5% to 2.0%. Additionally, the discount rate used in the September 30, 2021 actuarial valuation decreased to 6.00% for the MIP and Basic plans, and 6.00% for the Pension Plus Plan.
- 2022 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2023 employer contributions decreased from 3.0% to 2.5%.
- 2021 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2022 employer contributions decreased from 3.5% to 3.0%.
- 2020 - The discount rate used in the September 30, 2018 actuarial valuation decreased to 6.80% for the MIP and Basic plans, 6.80% for the Pension Plus Plan, and 6.00% for the Pension Plus 2 Plan.
- 2019 - The discount rate used in the September 30, 2017 actuarial valuation decreased to 7.05% for the MIP and Basic plans, 7.00% for the Pension Plus plan, and 6.00% for the Pension Plus 2 plan.
- 2018 - The discount rate used in the September 30, 2016 actuarial valuation decreased to 7.50% for the MIP and Basic plans and 7.00% for the Pension Plus plan.

# BEDFORD PUBLIC SCHOOLS

## Notes to Required Supplementary Information

**OPEB Information**

GASB 75 was implemented in fiscal year 2018. The OPEB plan schedules are being built prospectively. Ultimately, 10 years of data will be presented.

The amounts presented in the schedule of the District's Proportionate Share of the Net OPEB (Asset) Liability were determined as of September 30 of the preceding year (the plan year).

The significant changes in assumptions for each of the fiscal years ended June 30 were as follows:

- 2026 - Healthcare cost trend rates for pre-65 increased from 7.25% to 7.75%.
- 2025 - The method for amortizing UAAL transitioned from the level percent of payroll to the level dollar method. In addition, healthcare cost trend rates for pre-65 decreased from 7.50% to 7.25% and post-65 increased from 6.25% to 6.50%.
- 2024 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2025 and 2026 employer contributions decreased from 2.00% to 1.50% and 1.50% to 0.75%, respectively. In addition, the PubT-2010 mortality tables were used in the September 2022 valuation compared to the RP-2014 mortality tables used in the September 2021 valuation. Finally, healthcare cost trend rates for pre-65 decreased from 7.75% to 7.50% and post-65 increased from 5.25% to 6.25%.
- 2023 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2024 employer contributions decreased from 2.5% to 2.0%. Additionally, the discount rate used in the September 30, 2021 actuarial valuation decreased to 6.00%.
- 2022 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2023 employer contributions decreased from 3.0% to 2.5%. The healthcare cost trend rate used in the September 30, 2020 actuarial valuation increased to 7.75%.
- 2021 - The payroll growth assumption for amortization purposes used in determining the fiscal year 2022 employer contributions decreased from 3.5% to 3.0%. The healthcare cost trend rate used in the September 30, 2019 actuarial valuation decreased to 7.0%.
- 2020 - The discount rate used in the September 30, 2018 actuarial valuation decreased to 6.95%.
- 2019 - The discount rate used in the September 30, 2017 actuarial valuation decreased to 7.15%.

**This page intentionally left blank.**

# COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## BEDFORD PUBLIC SCHOOLS

### Combining Balance Sheet

Nonmajor Governmental Funds
June 30, 2026

| | Special Revenue | | | |
|---|---|---|---|---|
| | Food Service | Technology Enhancement | Student/School Activity | Health Van |
| **Assets** | | | | |
| Cash and cash equivalents | $ 1,625,787 | $ 534,257 | $ 801,692 | $ 156,564 |
| Accounts receivable | - | 287 | 18,657 | 30,802 |
| Due from other governments | 224,803 | - | - | - |
| Inventories | 27,008 | - | - | - |
| Prepaid items | 1,700 | 4,139 | 21,150 | 27 |
| **Total assets** | $ 1,879,298 | $ 538,683 | $ 841,499 | $ 187,393 |
| **Liabilities** | | | | |
| Accounts payable | $ 153,207 | $ 782 | $ 66,577 | $ 274 |
| Salaries and benefits payable | 1,812 | 24,395 | - | 9,041 |
| Unearned revenue | 24,097 | - | 6,820 | - |
| **Total liabilities** | 179,116 | 25,177 | 73,397 | 9,315 |
| **Fund balances** | | | | |
| Nonspendable | 28,708 | 4,139 | 21,150 | 27 |
| Restricted | 1,671,474 | 509,367 | - | - |
| Committed | - | - | 746,952 | 178,051 |
| **Total fund balances** | 1,700,182 | 513,506 | 768,102 | 178,078 |
| **Total liabilities and fund balances** | $ 1,879,298 | $ 538,683 | $ 841,499 | $ 187,393 |

| Special Revenue | | Debt Service | Capital Projects | |
|---|---|---|---|---|
| Recreation | Latchkey | 2019 | 2019 Bond | Total |
| $ 340,502 | $ 869,482 | $ 1,487,487 | $ - | $ 5,815,771 |
| 960 | 40,617 | - | - | 91,323 |
| - | - | - | - | 224,803 |
| - | - | - | - | 27,008 |
| 10,000 | - | - | - | 37,016 |
| $ 351,462 | $ 910,099 | $ 1,487,487 | $ - | $ 6,195,921 |
| $ 7,541 | $ 32,727 | $ - | $ - | $ 261,108 |
| 9,976 | 3,622 | - | - | 48,846 |
| 79,477 | 65 | - | - | 110,459 |
| 96,994 | 36,414 | - | - | 420,413 |
| 10,000 | - | - | - | 64,024 |
| - | - | 1,487,487 | - | 3,668,328 |
| 244,468 | 873,685 | - | - | 2,043,156 |
| 254,468 | 873,685 | 1,487,487 | - | 5,775,508 |
| $ 351,462 | $ 910,099 | $ 1,487,487 | $ - | $ 6,195,921 |

## BEDFORD PUBLIC SCHOOLS

### Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds
For the Year Ended June 30, 2026

| | Special Revenue | | | |
|---|---|---|---|---|
| | Food Service | Technology Enhancement | Student/School Activity | Health Van |
| **Revenues** | | | | |
| Local sources: | | | | |
| Property taxes | $ - | $ - | $ - | $ - |
| Other local sources | 216,511 | 1,620,216 | 821,295 | 122,889 |
| State sources | 1,491,095 | 52,206 | - | 87,775 |
| Federal sources | 841,579 | - | - | - |
| **Total revenues** | 2,549,185 | 1,672,422 | 821,295 | 210,664 |
| **Expenditures** | | | | |
| Current: | | | | |
| Support services | - | 1,669,064 | 816,273 | - |
| Community services | - | - | - | 226,719 |
| Food service | 2,022,328 | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest and fiscal charges | - | - | - | - |
| Capital outlay | 414,659 | - | - | - |
| **Total expenditures** | 2,436,987 | 1,669,064 | 816,273 | 226,719 |
| Revenues over (under) expenditures | 112,198 | 3,358 | 5,022 | (16,055) |
| **Other financing sources (uses)** | | | | |
| Transfers in | - | - | - | - |
| Transfers out | (41,252) | - | - | (14,874) |
| **Total other financing sources (uses)** | (41,252) | - | - | (14,874) |
| **Net change in fund balances** | 70,946 | 3,358 | 5,022 | (30,929) |
| Fund balances, beginning of year | 1,629,236 | 510,148 | 763,080 | 209,007 |
| **Fund balances, end of year** | $ 1,700,182 | $ 513,506 | $ 768,102 | $ 178,078 |

| Special Revenue | | Debt Service | Capital Projects | |
|---|---|---|---|---|
| Recreation | Latchkey | 2019 | 2019 Bond | Total |
| $ - | $ - | $ 2,751,610 | $ - | $ 2,751,610 |
| 505,275 | 513,654 | 23,499 | 615 | 3,823,954 |
| - | - | - | - | 1,631,076 |
| - | - | - | - | 841,579 |
| 505,275 | 513,654 | 2,775,109 | 615 | 9,048,219 |
| - | - | - | - | 2,485,337 |
| 456,841 | 587,451 | - | - | 1,271,011 |
| - | - | - | - | 2,022,328 |
| - | - | 1,375,000 | - | 1,375,000 |
| - | - | 1,276,600 | - | 1,276,600 |
| - | - | - | 82,215 | 496,874 |
| 456,841 | 587,451 | 2,651,600 | 82,215 | 8,927,150 |
| 48,434 | (73,797) | 123,509 | (81,600) | 121,069 |
| 16,256 | - | 44,925 | - | 61,181 |
| (21,015) | (38,772) | - | - | (115,913) |
| (4,759) | (38,772) | 44,925 | - | (54,732) |
| 43,675 | (112,569) | 168,434 | (81,600) | 66,337 |
| 210,793 | 986,254 | 1,319,053 | 81,600 | 5,709,171 |
| $ 254,468 | $ 873,685 | $ 1,487,487 | $ - | $ 5,775,508 |

**This page intentionally left blank.**

## BEDFORD PUBLIC SCHOOLS

### Schedule of Revenues and Other Financing Sources - By Source

Budget and Actual - General Fund
For the Year Ended June 30, 2026

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|---|
| **Local sources** | | | | |
| Property taxes | $ 4,353,000 | $ 5,160,803 | $ 5,114,208 | $ (46,595) |
| Rental income | 28,000 | 34,440 | 33,040 | (1,400) |
| Earnings on investments | 175,000 | 354,630 | 355,944 | 1,314 |
| Athletics | 260,000 | 277,643 | 279,130 | 1,487 |
| County special education tax | 1,472,310 | 2,086,186 | 2,125,971 | 39,785 |
| Other local revenue | 163,500 | 175,070 | 171,107 | (3,963) |
| **Total local sources** | 6,451,810 | 8,088,772 | 8,079,400 | (9,372) |
| **State sources** | | | | |
| Unrestricted: | | | | |
| Proposal A obligation | 12,817,384 | 12,434,136 | 12,447,279 | 13,143 |
| Discretionary payment | 19,196,912 | 20,680,823 | 20,696,234 | 15,411 |
| Other | 56,876 | - | - | - |
| Restricted: | | | | |
| Adult education | 278,732 | 267,353 | 250,295 | (17,058) |
| Headlee - special education | 1,746,734 | 1,692,537 | 1,692,537 | - |
| Headlee - data collection | 114,541 | 112,910 | 112,948 | 38 |
| At-risk | 1,500,000 | 1,554,590 | 1,463,640 | (90,950) |
| MPSERS cost offset | 1,219,829 | 883,370 | 965,357 | 81,987 |
| MPSERS UAAL | 2,763,497 | 4,261,040 | 4,264,243 | 3,203 |
| Vocational education | 223,160 | 230,256 | 230,343 | 87 |
| Per pupil | 220,000 | 470,083 | 470,083 | - |
| Other | 1,149,590 | 1,881,863 | 1,885,130 | 3,267 |
| Transfer from intermediate school district - | | | | |
| School readiness | 476,890 | 409,242 | 409,767 | 525 |
| **Total state sources** | 41,764,145 | 44,878,203 | 44,887,856 | 9,653 |
| **Federal sources** | | | | |
| Title I | 465,524 | 360,641 | 349,693 | (10,948) |
| Title II - improving teacher quality | 124,242 | 51,700 | 51,611 | (89) |
| Title III - limited english proficiency | 2,543 | 2,907 | 2,907 | - |
| Title IV - student support and academic enrichment | 35,531 | 43,579 | 43,579 | - |
| Adult education - ABE instruction | 40,000 | 40,000 | 40,000 | - |
| Transfer from intermediate school district: | | | | |
| Medicaid outreach | 20,000 | 37,000 | 45,099 | 8,099 |
| Homeless | 13,273 | 24,585 | 24,073 | (512) |
| Career and technical education | 39,842 | 39,842 | 39,842 | - |
| **Total federal sources** | 740,955 | 600,254 | 596,804 | (3,450) |
| **Total revenues** | 48,956,910 | 53,567,229 | 53,564,060 | (3,169) |
| **Other financing sources** | | | | |
| Proceeds from sale of capital assets | - | 51,815 | 51,815 | - |
| Issuance of other long-term liabilities | 205,000 | 275,000 | 353,579 | 78,579 |
| Transfers in | 74,316 | 96,101 | 99,657 | 3,556 |
| **Total other financing sources** | 279,316 | 422,916 | 505,051 | 82,135 |
| **Total revenues and other financing sources** | $ 49,236,226 | $ 53,990,145 | $ 54,069,111 | $ 78,966 |

## BEDFORD PUBLIC SCHOOLS

### Schedule of Expenditures and Other Financing Uses - By Activity

Budget and Actual - General Fund
For the Year Ended June 30, 2026

| | Salaries | Employee Benefits | Purchased Services | Repair and Maintenance Services |
|---|---|---|---|---|
| **Instruction** | | | | |
| Basic programs: | | | | |
| Elementary | $ 5,778,154 | $ 4,228,166 | $ 214,345 | $ 2,320 |
| Middle school | 2,878,994 | 2,137,185 | 92,580 | 28,519 |
| High school | 3,514,630 | 2,498,550 | 614,139 | 46,729 |
| Other basic programs | 254,181 | 123,952 | 5,785 | - |
| | 12,425,959 | 8,987,853 | 926,849 | 77,568 |
| Added needs: | | | | |
| Special education | 2,403,144 | 1,569,241 | 103,835 | - |
| Compensatory education | 1,158,716 | 512,483 | 36,160 | - |
| Vocational education | 624,577 | 337,663 | 33,259 | 524 |
| | 4,186,437 | 2,419,387 | 173,254 | 524 |
| Adult and continuing education: | | | | |
| Basic | 56,300 | 20,995 | 9,121 | - |
| Secondary | 27,929 | 9,892 | 2,468 | - |
| | 84,229 | 30,887 | 11,589 | - |
| **Total instruction** | 16,696,625 | 11,438,127 | 1,111,692 | 78,092 |
| **Support services** | | | | |
| Pupil: | | | | |
| Guidance | 486,284 | 299,127 | - | - |
| Health | 98,024 | 51,789 | 197,377 | - |
| Speech | 415,697 | 318,091 | 19,333 | - |
| Other | 103,709 | 33,026 | 406,120 | - |
| | 1,103,714 | 702,033 | 622,830 | - |

| Supplies and Materials | Capital Outlay | Other | Totals | Final Budget | Variance with Final Budget |
|---|---|---|---|---|---|
| $ 161,187 | $ - | $ - | $ 10,384,172 | $ 10,592,036 | $ (207,864) |
| 58,949 | - | - | 5,196,227 | 5,298,077 | (101,850) |
| 266,798 | - | - | 6,940,846 | 7,220,069 | (279,223) |
| 14,216 | - | - | 398,134 | 412,456 | (14,322) |
| 501,150 | - | - | 22,919,379 | 23,522,638 | (603,259) |
| | | | | | |
| 3,601 | - | - | 4,079,821 | 4,197,069 | (117,248) |
| 6,583 | - | - | 1,713,942 | 1,835,395 | (121,453) |
| 149,231 | - | 1,396 | 1,146,650 | 1,168,506 | (21,856) |
| 159,415 | - | 1,396 | 6,940,413 | 7,200,970 | (260,557) |
| | | | | | |
| 2,393 | - | - | 88,809 | 90,297 | (1,488) |
| 4,236 | - | - | 44,525 | 48,009 | (3,484) |
| 6,629 | - | - | 133,334 | 138,306 | (4,972) |
| | | | | | |
| 667,194 | - | 1,396 | 29,993,126 | 30,861,914 | (868,788) |
| | | | | | |
| 500 | - | - | 785,911 | 782,279 | 3,632 |
| 2,949 | - | - | 350,139 | 370,175 | (20,036) |
| - | - | - | 753,121 | 762,000 | (8,879) |
| 12,438 | - | 3,288 | 558,581 | 521,749 | 36,832 |
| 15,887 | - | 3,288 | 2,447,752 | 2,436,203 | 11,549 |

continued…

## BEDFORD PUBLIC SCHOOLS

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

Budget and Actual - General Fund
For the Year Ended June 30, 2026

| | Salaries | Employee Benefits | Purchased Services | Repair and Maintenance Services |
|---|---|---|---|---|
| **Support services (concluded)** | | | | |
| Instructional services: | | | | |
| Improvement | $ 92,874 | $ 90,243 | $ 484,999 | $ - |
| Education media services | 300,813 | 234,838 | - | - |
| Instruction related technology | - | - | - | - |
| Supervision direction | 52,681 | 13,536 | - | - |
| Academic student assessment | - | 21,160 | 9,763 | - |
| Other | 516,455 | 339,580 | 56,102 | - |
| | 962,823 | 699,357 | 550,864 | - |
| General administration: | | | | |
| Board of education | 265,000 | 28,226 | 206,291 | - |
| Executive administration | 479,401 | 215,037 | 16,900 | - |
| | 744,401 | 243,263 | 223,191 | - |
| School administration: | | | | |
| Principals | 80,600 | 43,755 | 13,218 | - |
| Other | 2,124,126 | 1,512,874 | 63,926 | - |
| | 2,204,726 | 1,556,629 | 77,144 | - |
| Business: | | | | |
| Fiscal services | 273,177 | 185,386 | 17,926 | 291 |
| Internal services | - | - | 16,594 | - |
| | 273,177 | 185,386 | 34,520 | 291 |
| Maintenance | 1,487,711 | 994,878 | 665,622 | 282,010 |
| Transportation | 1,622,298 | 1,213,724 | 53,805 | 240,577 |
| Other support services: | | | | |
| Planning, research and development | 48,087 | 21,845 | 9,905 | - |
| Information services | 16,025 | 5,218 | 32,702 | - |
| Staff services | 371,329 | 273,185 | 110,088 | - |
| Technology services | 7,705 | 2,270 | 230,997 | - |
| Other | - | - | 92,300 | 18,245 |
| | 443,146 | 302,518 | 475,992 | 18,245 |
| **Total support services** | 8,841,996 | 5,897,788 | 2,703,968 | 541,123 |

| Supplies and Materials | Capital Outlay | Other | Totals | Final Budget | Variance with Final Budget |
|---|---|---|---|---|---|
| $ 691 | $ - | $ 175 | $ 668,982 | $ 689,438 | $ (20,456) |
| 15,623 | - | - | 551,274 | 565,683 | (14,409) |
| 858 | - | - | 858 | 858 | - |
| 1,034 | - | 1,426 | 68,677 | 78,672 | (9,995) |
| 1,810 | - | - | 32,733 | 31,095 | 1,638 |
| 5,443 | - | 907 | 918,487 | 938,617 | (20,130) |
| 25,459 | - | 2,508 | 2,241,011 | 2,304,363 | (63,352) |
| - | - | 11,984 | 511,501 | 526,321 | (14,820) |
| 4,269 | - | 44,799 | 760,406 | 898,276 | (137,870) |
| 4,269 | - | 56,783 | 1,271,907 | 1,424,597 | (152,690) |
| 4,253 | - | - | 141,826 | 160,809 | (18,983) |
| 15,171 | - | 15,714 | 3,731,811 | 3,808,844 | (77,033) |
| 19,424 | - | 15,714 | 3,873,637 | 3,969,653 | (96,016) |
| 2,573 | - | 9,722 | 489,075 | 493,671 | (4,596) |
| - | - | - | 16,594 | 16,600 | (6) |
| 2,573 | - | 9,722 | 505,669 | 510,271 | (4,602) |
| 1,224,791 | - | 3,028 | 4,658,040 | 4,803,088 | (145,048) |
| 9,482 | - | 116,098 | 3,255,984 | 3,355,392 | (99,408) |
| - | - | 150 | 79,987 | 78,209 | 1,778 |
| 6,289 | - | 1,393 | 61,627 | 63,700 | (2,073) |
| 2,538 | - | 1,460 | 758,600 | 764,878 | (6,278) |
| - | - | - | 240,972 | 165,816 | 75,156 |
| 230 | - | (19) | 110,756 | 118,730 | (7,974) |
| 9,057 | - | 2,984 | 1,251,942 | 1,191,333 | 60,609 |
| 1,310,942 | - | 210,125 | 19,505,942 | 19,994,900 | (488,958) |

continued…

## BEDFORD PUBLIC SCHOOLS

### Schedule of Expenditures and Other Financing Uses - By Activity (Concluded)

Budget and Actual - General Fund
For the Year Ended June 30, 2026

| | Salaries | Employee Benefits | Purchased Services | Repair and Maintenance Services |
|---|---|---|---|---|
| **Community services** | $ - | $ - | $ 2,809 | $ - |
| **Athletics** | 662,705 | 379,865 | 214,992 | 107,453 |
| **Debt service** | - | - | - | - |
| **Capital outlay** | - | - | - | - |
| **Total expenditures** | 26,201,326 | 17,715,780 | 4,033,461 | 726,668 |
| **Other financing uses** | | | | |
| Transfers out | - | - | - | - |
| **Total expenditures and other financing uses** | $ 26,201,326 | $ 17,715,780 | $ 4,033,461 | $ 726,668 |

| Supplies and Materials | Capital Outlay | Other | Totals | Final Budget | Variance with Final Budget |
|---|---|---|---|---|---|
| $ 2,147 | $ - | $ - | $ 4,956 | $ 10,049 | $ (5,093) |
| 49,758 | - | 15,291 | 1,430,064 | 1,468,124 | (38,060) |
| - | - | 176,580 | 176,580 | 124,800 | 51,780 |
| - | 701,765 | - | 701,765 | 677,873 | 23,892 |
| 2,030,041 | 701,765 | 403,392 | 51,812,433 | 53,137,660 | (1,325,227) |
| - | - | 2,165,439 | 2,165,439 | 2,165,439 | - |
| $ 2,030,041 | $ 701,765 | $ 2,568,831 | $ 53,977,872 | $ 55,303,099 | $ (1,325,227) |

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, 2026

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|---|
| **Revenues** | | | | |
| Local sources - | | | | |
| Food sales | $ 190,000 | $ 208,000 | $ 216,511 | $ 8,511 |
| State sources - | | | | |
| Restricted grants | 1,120,950 | 1,466,642 | 1,491,095 | 24,453 |
| Federal sources: | | | | |
| School nutrition program | 732,000 | 665,480 | 671,304 | 5,824 |
| Federal commodities | 100,000 | 150,000 | 170,275 | 20,275 |
| **Total revenues** | 2,142,950 | 2,490,122 | 2,549,185 | 59,063 |
| **Expenditures** | | | | |
| Current - | | | | |
| Food service: | | | | |
| Salaries | 498,500 | 567,600 | 563,168 | (4,432) |
| Benefits | 237,501 | 278,966 | 244,946 | (34,020) |
| Purchased services | 245,760 | 277,500 | 275,288 | (2,212) |
| Repair and maintenance | 9,252 | 9,975 | 9,967 | (8) |
| Supplies and materials | 935,850 | 876,150 | 914,156 | 38,006 |
| Other | 4,900 | 15,050 | 14,803 | (247) |
| Capital outlay | 500,000 | 605,000 | 414,659 | (190,341) |
| **Total expenditures** | 2,431,763 | 2,630,241 | 2,436,987 | (193,254) |
| Revenues over (under) expenditures | (288,813) | (140,119) | 112,198 | 252,317 |
| **Other financing uses** | | | | |
| Transfers out | (30,000) | (37,500) | (41,252) | 3,752 |
| **Net change in fund balance** | (318,813) | (177,619) | 70,946 | 256,069 |
| Fund balance, beginning of year | 1,629,236 | 1,629,236 | 1,629,236 | - |
| **Fund balance, end of year** | $ 1,310,423 | $ 1,451,617 | $ 1,700,182 | $ 256,069 |

## BEDFORD PUBLIC SCHOOLS

### Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Technology Enhancement Fund
For the Year Ended June 30, 2026

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|---|
| **Revenues** | | | | |
| Local sources - | | | | |
| Other local sources | $ 1,511,850 | $ 1,581,010 | $ 1,620,216 | $ 39,206 |
| State sources - | | | | |
| Restricted grants | 313,234 | 52,206 | 52,206 | - |
| **Total revenues** | 1,825,084 | 1,633,216 | 1,672,422 | 39,206 |
| **Expenditures** | | | | |
| Current - | | | | |
| Support services: | | | | |
| Salaries | 499,625 | 536,589 | 537,606 | 1,017 |
| Benefits | 297,058 | 300,080 | 291,312 | (8,768) |
| Purchased services | 321,228 | 462,347 | 464,226 | 1,879 |
| Repair and maintenance | 54,000 | 51,895 | 51,579 | (316) |
| Supplies and materials | 380,500 | 329,850 | 324,341 | (5,509) |
| Capital outlay | 331,234 | - | - | - |
| **Total expenditures** | 1,883,645 | 1,680,761 | 1,669,064 | (11,697) |
| **Net change in fund balance** | (58,561) | (47,545) | 3,358 | 50,903 |
| Fund balance, beginning of year | 510,148 | 510,148 | 510,148 | - |
| **Fund balance, end of year** | $ 451,587 | $ 462,603 | $ 513,506 | $ 50,903 |

## BEDFORD PUBLIC SCHOOLS

### Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Student/School Activity Fund
For the Year Ended June 30, 2026

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|---|
| **Revenues** | | | | |
| Local sources - | | | | |
| Other local revenues | $ 832,000 | $ 777,000 | $ 821,295 | $ 44,295 |
| **Expenditures** | | | | |
| Current - | | | | |
| Support services - | | | | |
| Other | 850,000 | 780,000 | 816,273 | 36,273 |
| **Net change in fund balance** | (18,000) | (3,000) | 5,022 | 8,022 |
| Fund balance, beginning of year | 763,080 | 763,080 | 763,080 | - |
| **Fund balance, end of year** | $ 745,080 | $ 760,080 | $ 768,102 | $ 8,022 |

## BEDFORD PUBLIC SCHOOLS

### Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Health Van Fund
For the Year Ended June 30, 2026

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|---|
| **Revenues** | | | | |
| Local sources: | | | | |
| Local unit appropriations | $ 63,000 | $ 70,000 | $ 68,808 | $ (1,192) |
| Service fees | 105,000 | 59,275 | 54,081 | (5,194) |
| State sources - | | | | |
| Other state grants | 40,000 | 75,534 | 87,775 | 12,241 |
| **Total revenues** | 208,000 | 204,809 | 210,664 | 5,855 |
| **Expenditures** | | | | |
| Current - | | | | |
| Community services: | | | | |
| Salaries | 146,945 | 133,903 | 130,973 | (2,930) |
| Benefits | 63,152 | 60,027 | 52,850 | (7,177) |
| Purchased services | 20,200 | 22,800 | 22,684 | (116) |
| Supplies and materials | 32,100 | 20,575 | 20,083 | (492) |
| Other | 205 | 80 | 129 | 49 |
| **Total expenditures** | 262,602 | 237,385 | 226,719 | (10,666) |
| Revenues under expenditures | (54,602) | (32,576) | (16,055) | 16,521 |
| **Other financing uses** | | | | |
| Transfers out | (16,019) | (15,668) | (14,874) | (794) |
| **Net change in fund balance** | (70,621) | (48,244) | (30,929) | 17,315 |
| Fund balance, beginning of year | 209,007 | 209,007 | 209,007 | - |
| **Fund balance, end of year** | $ 138,386 | $ 160,763 | $ 178,078 | $ 17,315 |

## BEDFORD PUBLIC SCHOOLS

### Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Recreation Fund
For the Year Ended June 30, 2026

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|---|
| **Revenues** | | | | |
| Local sources: | | | | |
| Service fees | $ 504,500 | $ 477,935 | $ 484,809 | $ 6,874 |
| Rental income | 12,500 | 19,500 | 20,466 | 966 |
| **Total revenues** | 517,000 | 497,435 | 505,275 | 7,840 |
| **Expenditures** | | | | |
| Current - | | | | |
| Community services: | | | | |
| Salaries | 211,328 | 213,939 | 207,004 | (6,935) |
| Benefits | 84,735 | 77,649 | 63,622 | (14,027) |
| Purchased services | 136,600 | 138,295 | 146,033 | 7,738 |
| Supplies and materials | 38,500 | 41,600 | 40,119 | (1,481) |
| Other | 1,150 | 65 | 63 | (2) |
| **Total expenditures** | 472,313 | 471,548 | 456,841 | (14,707) |
| Revenues over expenditures | 44,687 | 25,887 | 48,434 | 22,547 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 14,610 | 16,048 | 16,256 | 208 |
| Transfers out | (19,365) | (21,691) | (21,015) | (676) |
| **Total other financing sources (uses)** | (4,755) | (5,643) | (4,759) | 884 |
| **Net change in fund balance** | 39,932 | 20,244 | 43,675 | 23,431 |
| Fund balance, beginning of year | 210,793 | 210,793 | 210,793 | - |
| **Fund balance, end of year** | $ 250,725 | $ 231,037 | $ 254,468 | $ 23,431 |

## BEDFORD PUBLIC SCHOOLS

### Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual - Latchkey Fund
For the Year Ended June 30, 2026

| | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|---|
| **Revenues** | | | | |
| Local sources - | | | | |
| Tuition | $ 455,000 | $ 475,000 | $ 513,654 | $ 38,654 |
| **Expenditures** | | | | |
| Current - | | | | |
| Community services: | | | | |
| Salaries | 75,250 | 72,590 | 73,032 | 442 |
| Benefits | 30,464 | 29,305 | 28,434 | (871) |
| Purchased services | 341,695 | 441,315 | 465,010 | 23,695 |
| Supplies and materials | 20,500 | 21,800 | 20,975 | (825) |
| **Total expenditures** | 467,909 | 565,010 | 587,451 | 22,441 |
| Revenues over (under) expenditures | (12,909) | (90,010) | (73,797) | 16,213 |
| **Other financing uses** | | | | |
| Transfers out | (28,542) | (37,290) | (38,772) | 1,482 |
| **Net change in fund balance** | (41,451) | (127,300) | (112,569) | 14,731 |
| Fund balance, beginning of year | 986,254 | 986,254 | 986,254 | - |
| **Fund balance, end of year** | $ 944,803 | $ 858,954 | $ 873,685 | $ 14,731 |

**This page intentionally left blank.**