



Dave Yost • Auditor of State

CITY OF BEDFORD
CUYAHOGA COUNTY

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Dave Yost • Auditor of State

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

City of Bedford
Cuyahoga County
165 Center Road
Bedford, Ohio 44146

To the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bedford, Cuyahoga County, (the City) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 28, 2015.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

May 28, 2015

City of Bedford, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2014
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CITY OF BEDFORD OHIO

May 28, 2015

Honorable Mayor Stan Koci
Members of City Council
Citizens of Bedford, Ohio

We are presenting to you the City of Bedford's (the City) Comprehensive Annual Financial Report (CAFR). This report enables the City to comply with the Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 which requires the cities reporting on a GAAP basis to file unaudited annual report with the Auditor of State within 150 days of the fiscal year end.

The Comprehensive Annual Financial Report of the City of Bedford, Ohio, for the year ending December 31, 2014 is submitted herewith. The City, and more specifically the Department of Finance, assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures contained within this report. The accuracy and completeness of the data, is based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the City. We have included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities.

Ohio law requires independent audits to be performed on all financial operations of the City either by the Auditor of State or an independent public accounting firm, if permitted by the Auditor of State. The Auditor of State, has issued an unmodified ("clean") opinion on the City of Bedford's financial statements for the year ended December 31, 2014. The Independent Auditor's Report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

The City has reviewed its reporting entity definition in order to ensure conformance with GASB Statement No. 14, "The Reporting Entity" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34". In evaluating how to define the City for financial reporting purposes, management has considered its relationship with all departments, boards and agencies that make up the City of Bedford. For the City of Bedford, this includes police, fire, rescue, recreation programs, street maintenance and repairs, sanitation, water, wastewater treatment, storm water, municipal court and general services.

The Bedford City School District, Bedford Community Development Corporation, and the (Greater Cleveland) Regional Transit Authority have not been included in the accompanying financial statements. The boards of these entities are not appointed by the City, nor is either fiscally dependent on the City of Bedford.

The Southeast Regional Council of Governments is a tax exempt independent Council of Governments (COG) with legislative oversight provided by the Mayors of Maple Heights, Bedford Heights, Garfield Heights and the City Manager of the City of Bedford over the "Southeast Emergency Communications Center" (SECC). The SECC is an independent entity that consists of an Administrative Board of the Chiefs of Police and Fire for the purpose of providing regional 911 Dispatch Emergency communication functions. The SECC hires an administrator, a treasurer and Law Director to handle daily oversight of 911 Dispatch operations.

History of Bedford and Form of Government

The City of Bedford, located in northeastern Ohio and southeast of Cleveland, has a good mix of business and industry as well as a long established residential community, and covers 5.6 square miles. The City's 2010 estimated population from the Federal census was 13,074. The City was first established as a township in 1797 and became a village in 1837. It was incorporated as a City under Ohio law in 1932 and operates under its own charter, which was adopted that same year. The Charter provides that the City operate under the Council/Manager Form of Government. The City Manager, Law Director, Clerk of Council and Director of Finance are appointed by the seven-member elected Council. The City Manager is the Chief Administrative Officer of the City.

The City Manager, under the City Charter, has the authority to appoint and to remove all other administrative officers and employees. Other administrative officers include the positions of Directors of Service, Public Works and Recreation. Also, appointments to Building Commissioner and Police and Fire Chiefs are under his authority. The Police and Fire Chief also follow the Civil Service Commission appointment rules and procedures.

City Council holds its regular bi-monthly council meetings on the first and third Mondays of each month, with the exception of summer months when the City Council meets once a month, scheduled by Council before the summer months. The Charter provides procedures for special or emergency meetings, if the need arises. The City Manager, Director of Finance, Law Director and Council Clerk attend all council meetings. City Council generally meets in Committee of the Whole on these scheduled Monday evenings prior to the council meetings.

The Police Department enforces local, state, and federal laws in addition to protecting citizens and their property. The department has taken a more community oriented policing approach that has met with great success. Numerous programs are offered to citizens and students. The department, which is headed by the Chief of Police, consists of jail operations, animal control, auxiliary police, as well as a staff of patrol officers. Administrative services consist of secretaries, dispatchers (last year 2014), school guards and community service programs such as drug use prevention and the juvenile diversion program. While promoting regionalism, in 2014 the animal control services also included the neighboring City of Bedford Heights. The Police Department is located adjacent to City Hall. The City formed a Regional Council of Governments between Bedford, Bedford Heights, Garfield Heights, and Maple Heights to provide 911 dispatch services. The operations of the dispatch center will be provided by the Southeast Emergency Communications Center (SECC). Most of the equipment and communication costs are expected to be funded through grants.

The Fire Department provides fire protection and emergency medical services (paramedic) to City of Bedford citizens, as well as placing strong emphasis on community involvement and education. A Chief and his assistant lead the department. A fire prevention officer focuses on the reduction of potential fires and loss of property within the City. The fire facility is located in a separate facility in front of City Hall. The Fire Departments of Maple Heights, Bedford Heights and Bedford are promoting regionalism by coordinating their departments to respond to fire calls together providing more manpower at fire alarms. Also the resources of a fire pumper and ladder truck have been reallocated for better response time and may allow less equipment to be purchased in the future, saving taxpayers money. The Fire Chiefs have initiated better services while not increasing any costs to our citizens.

The Service Department is comprised of several divisions administered by the Service Director and a Public Works Superintendent. The Service Department is responsible for the maintenance of all City vehicles, street signs, and snow and leaf removal. The City purchases water in bulk from the City of Cleveland through master meters and then distributes the water to City residents through the City's water mains. The City owns and maintains the water mains and bills all water users for the consumption of water on a monthly basis. The City will continue to invest heavily in the improvement of its water system to tighten it from leaks or any loss of water in the system. Therefore, billings to the public in line with payments for water usage to the City of Cleveland will be more accurate and collections increased. Another service provided is the storm/sanitary sewers maintenance for proper drainage control. The department assists with the writing of recycling grants and overseeing the contractors that collect waste and process recyclables. The Parks Division is also under the direction of the Service Department and maintains the City parks. The City utilizes the services of a forester to monitor tree plantings and removal of trees throughout the City. The City has received the award of Tree City, U.S.A., sponsored by the National Arbor Day Foundation in cooperation with the U.S. Forestry Service.

The Service Department is responsible for all non-contractual street repairs. The City also owns and operates one cemetery.

The Recreation Department in addition to the basic services continues to offer superior recreational facilities for its residents. The City operates four municipal playgrounds and tot lots, Hutchinson soccer/baseball/football fields, a swimming pool, the Ellenwood Recreation and Senior Citizens Center (a former grade school building which has been converted to a municipal recreation and senior citizen activity center). Included within the parks are the usual sports, playground and picnic facilities. The City abuts the Cleveland Metroparks – Bedford Reservation Nature area. This provides even more recreational facilities including horseback riding trails, walking, hiking and biking trails and golf. The Recreation Department provides numerous courses and programs throughout the year. During summer months, the department operates the pool located on Lamson Drive where swimming lessons are also offered. The City owns the skateboard park also located on Lamson Drive.

The Director of Economic and Community Development is responsible for promoting the City to businesses while creating jobs and development within the City. This department also has the responsibility of writing grants for all major projects to achieve proper funding levels. The department is heavily involved in community programs for the citizens throughout the year. Community programs include The Bedford Falls Winter Festival, summer concerts on the Town Square, the Children's Fall Festival, the Pooka arts program, the City newsletter, Bedford Arts and Cultural programs and the coordination of the Outdoor Produce Market.

The Finance Department is responsible for the accurate recording of all receipts and disbursements. The department issues bi-weekly payrolls, personnel issues, monitors debt payments, and maintains a capital asset system. The department compiles the annual budget, prepares the Comprehensive Annual Financial Report and assists the Mayor, City Council and City Manager in all financial decisions.

The Municipal Income Tax Department is responsible for the collection of the municipal income tax from 6,372 resident returns, 2,623 business net profits returns and the collection from 926 withholding accounts from businesses within the City. The department offers on our website, <http://www.bedfordoh.gov> an award winning free on-line municipal income tax preparation program, credit card and electronic check tax payments, as well as free preparation in-house service for the municipal income tax returns.

The Law Department advises the Mayor, Council, the City Manager and all departments on legal matters concerning the City. The department prepares all contract, legislation and legal documents. The Prosecutor is the Law Director and the law department has an assistant law director.

The Building Department is responsible for interpreting and enforcing all building codes in the City. The department issues permits and citations, conducts site inspections and licenses all contractors. The department works with qualifying residents to improve their housing through various CDBG housing grant programs. These programs provide funding for the purchase of homes, repairs and sale of homes to be reinvested again into the same programs. Depending upon the program, costs may be incurred to qualifying residents.

Economic Condition and Outlook

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

The City is in progress to complete a new industrial development in cooperation with the Hemisphere Corporation on the site designated as the Tinkers Creek Commerce Park. Taylor Chair Corporation completed the construction of their headquarters building, left the facility and is now occupied by the company Art of Beauty. Art of Beauty added \$6.1 million in real estate improvements to the property, and will transfer 40 employees immediately to the site and create 50 more jobs within 6 years per their community reinvestment area agreement (CRA).

The Hemisphere Corporation and Hull & Associates completed construction building a new headquarters on this site at a cost of \$3.2 million and additionally added \$600,000 in furniture and fixtures. This was constructed on a Brownfield site and the site is to be developed by receiving grants from the Cuyahoga County Brownfield Fund, Brush Wellman prior owners of the site, The State of Ohio 629 Fund and the Federal Housing and Urban Development Fund (Brownfield Economic Development Initiative Grant, BEDI grant).

Within a period of 5 years after completion of construction, Hemisphere was to create 3 new jobs and transfer 5 current jobs to the site. Hull & Associates was to create 16 new jobs and transfer 29 jobs to the site and in total both companies were to create additional payroll of \$1,300,375. Current annual payroll of both companies is \$2,222,011 with 32 employees on site.

Ben Venue added a laboratory and administrative office area in recent years. On November 2, 2006, Ben Venue signed a Community Reinvestment Area Agreement (#3) with the City to construct a 90,000 square foot free standing office building complex now known as the Quality & Development Center. The total amount of project investment was \$17.5 million with building costs of \$14.8 million and an investment of new machinery at a cost of \$1.5 million. The City offered incentives in the form of an abatement of real estate only at 50 percent for 15 years. This project was completed by mid-2008 and received Silver Certification by LEED standards through the US Green Building Coalition in 2009.

In November 2009, Cuyahoga County was the recipient of a \$2.5 million Clean Ohio Revitalization Fund grant that will be used to conduct remediation activities at the Ben Venue site.

Ben Venue Laboratories: Going back to 1995, Ben Venue employed 419 employees and operated within their 250,000 square foot facility. From 1996 to present, Ben Venue approached the City for abatements in the Community Reinvestment area, regarding Real Estate development and tax exemptions to be able to conduct various expansion projects. During 2012, Ben Venue continued to grow within and the headcount had increased to 1,343; however, at the end of 2013 Ben Venue stopped production of all products within the 1 million square foot of manufacturing area. The City's goal is to work with the new purchaser West-Ward Pharmaceuticals to start up production of pharmaceutical drugs at this site. As of December 31, 2014, West-Ward pharmaceuticals had 65 employees on site.

The Penske Auto Group Improvements

As stated by the Penske Auto Group administration:

“Penske Automotive Group has collectively decided to double down on our commitment to the Bedford Automile and gentrify over 22 acres of automotive retail space bridging Audi, Toyota, Scion, Smart and Mercedes Benz of Bedford. Additionally, we will double the size of our Bedford Collision center through the acquisition of the long abandoned facility formerly known as Sterling Auto Body. We had the opportunity to relocate our entire footprint but given the natural gravity of the Automile, the expense of rebuilding, and our

intent to reinvest rather than leave behind a trail of blight we are planning to put nearly \$10 million of capital expenditure into our existing facilities (\$3 million Audi, \$3 million Toyota, and \$4 million Mercedes Benz). This will ensure five fully factory compliant facilities are in Bedford for the foreseeable future. Our employment and revenue projections increase by nearly 15 percent in the first year and by as much as 30 percent in the subsequent two years. Nowhere in the state of Ohio is there a larger aggregation and selection of brands for customer selection. It truly is a unique nameplate in northeast Ohio to be able to claim you're a member of the Historic Bedford Automile."

The Penske Auto Group made improvements at the Audi Dealership in the amount of \$14,039,359 and now has 67 jobs on the site. The level of real estate investment on the Toyota site was \$9,936,797 and now has 101 employees on this site at year end.

The Ganley Auto Group – Bedford, Ohio

In July 2012, Ganley Chrysler Jeep Dodge Ram moved into newly-renovated facilities that previously housed Ganley Lincoln of Bedford (closed in January 2012.) The cost of renovations excluding investments in equipment, furniture and signage amounted to over \$1.4 million.

In July 2013, Ganley Subaru of Bedford relocated to 123 Broadway, the former Chrysler Dodge Jeep Ram store. The facility was renovated and is expected to be the first Eco-Friendly Subaru store in Northeast Ohio. The cost of renovations was constructed at an estimated \$1.5 million.

When Subaru relocated from its current location at 240 Broadway, the existing building became a Certified Used Vehicle Sales and Service Center for Ganley Volkswagen of Bedford.

The Ganley Real Estate Company finished constructing, in 2007, a new approximately 8,100 square foot building to expand its Subaru operations (the previously occupied building). The Company invested approximately \$4 million in buildings and service center, site work, new machinery and equipment, furniture and fixtures and inventories. The Company created 36 new jobs and created an additional payroll of \$1.9 million. The City utilized our jobs creation program in lieu of abatement affecting the school district as an incentive to do business in the City. The City will grant 6 years of non-tax dollars based upon the payroll amount and income taxes paid reported at year-end.

The above projects will expand employment in Bedford over the next several years by 20 to 30 additional full-time employees.

The Ganley Real Estate Company finished constructing a new approximately 34,000 square foot (\$4.4 million) building and expanded its Volkswagen operations in 2007. The Company purchased \$1,050,000 in new machinery and equipment, \$75,000 in furniture and fixtures and \$5,856,514 in new inventory. Almost \$1 million was invested in a retaining wall to solidify the land behind the development in addition to the building improvements. The total investment was more than \$6 million. Equipment being transferred from another City was total \$600,000.

The Ganley Real Estate Company, owning both Volkswagen and Subaru created 53 new jobs and retained the 42 jobs already existing in Ohio for an additional payroll of \$3.7 million to the City.

In 2008, a Wal-Mart Super Store was completed at a cost of \$7.5 million dollars. The Wal-Mart store created 700 new jobs at a payroll of \$6,535,166 annually. Overall Income tax dollars received by the City was \$147,041 in 2014, Real estate value was placed at \$6.6 Million dollars and real estate taxes for 2014 were over \$500,000 and the total estimated revenue to be received by the City (including Real Estate Taxes) is over \$275,000 annually.

Major Initiatives

Going back to the year ending, December 31, 2013, the City completed or made substantial progress toward several major goals or projects:

- The improvements and resurfacing to 22 streets
- The Broadway Water Main Line
- 21 Wastewater Plant Improvements projects
- Refunding of 2002-2 Various Purpose Long Term General Obligation Bonds
- Refunding of 2002 Various Purpose Long Term General Obligation

Future and completed projects that required the City to apply for various grants are:

The City Council and the Administration went to the voters to pass a permanent 8.9 mill Safety Forces Levy on November 3, 2009. The Levy passed (71 percent for the levy), and the City received \$2.354 million in 2010.

A total deficit of \$2.7 million per year was estimated in 2009, due to the reduced revenues from State funded sources (\$700,000 per year) (inheritance taxes, personal property taxes, and local government funds) and \$2.0 million less revenues from net profit taxes from businesses annually. Based upon the receipt of the above levy funds, the City was able to balance the budget for 2010 through 2014 in the general fund.

The City is dealing with cuts in revenue passed through from the State of Ohio which include three of the City's larger revenue sources: Inheritance (Estate) taxes is no longer collected as of January 1, 2013 and costs the City an additional \$278,000 per year. The Local Government Fund was reduced 50 percent after 2012 and thereafter. This led to a loss of revenue in the amount of \$203,506 in 2012 and \$442,000, thereafter. Finally the last loss of revenue was in the form of an accelerated reduction in the CAT tax currently replacing the City's past personal property tax. This tax was eliminated starting in 2012 realizing a reduction totaling \$462,672 per year. These cuts from the State now require the City to make an additional \$1,162,672 in adjustments to its future budgets.

In 2015, the City will start seeing the effects from no manufacturing by Ben Venue Laboratories. The 2014 withholding was \$2.0 million.

The City administration prepared and, through Council, adopted the 2014 annual budget (appropriations) before December 31, 2013; thereby allowing the City Departments to bid early in the Spring to take advantage of lower bids on construction costs and allow more efficiency in preparing for recreational activities of the summer. The City will be looking at more ways to reduce more spending and increase revenues in the budget for 2015 and forward.

Various types of grants received in 2014:

The City was awarded a grant in 2014 from the U.S. Department of Justice for the continuation of the Southeast Area Law Enforcement Program in the amount of \$45,000 and a grant of \$116,836 from the 2014 Law Enforcement (LEF) Grant and still received \$38,612 and \$8,679 from the 2013 Law Enforcement Grant and SEALE Byrne Grant

The program utilizes grant funding, matching funds, program income of confiscated funding, and Federal stimulus money to continue the program. This program assists the police monetarily in their efforts to arrest those that sell or use illegal drugs. This program has led to various arrests and items have been confiscated including currency. This year's confiscated dollars were \$152,910 in 2014, \$134,561 in 2013 and \$258,211 in 2012. This year's total revenue from all sources was \$416,237 in 2014.

These funds were utilized to reconstruct the addresses of: 741 Washington Street, 775 Lincoln Ave, 831 Lincoln Blvd., and 166 Woodrow Ave. Additional costs will be assigned to these houses as incurred (real estate taxes, utility payments, etc.). The House at 741 Washington Street was sold in 2014 for \$76,680.

The City received other grants not from stimulus funds as follows:

- Community development grant for the Ellenwood Improvements in the amount of \$150,000, however, the bids for construction were too high and the City only received reimbursement for architect fees of \$13,300.
- A FEMA 2013 Capital Grant in the amount of \$168,856 was approved for various radios, SCBA's, turnout gear extractor, and communication equipment. The City received \$159,661 from this grant for these purchases.
- A 2012 - 2013 AFG grant was awarded to the Fire department in the amount of \$168,856 for Self Contained Breathing Apparatus (SCBA); the City will match \$8,887. The Fire department was awarded a FEMA SAFER Grant 2013 - 2014 in the amount of \$359,174 for two years and it pays for two fire fighters to be added to the department. This addition of employees will allow the Fire department to operate two ambulance squads instead of one.

Other projects:

- The street lighting special assessment rate of millage was increased in the 2013 tax budget for collection in 2014 and 2015 to 1.2 mills due to decreases in valuation of City property. A slight increase occurred in 2014 for collection in 2015. Prior to this, the City was at 1.1 mills. Cuyahoga County performed its six-year reappraisal of industry and residential property values in 2009. A new 6 year reappraisal is scheduled to be performed in 2015. Due to the economy and housing foreclosure problems, the County estimated that the collections on real estate taxes for tax year 2014 would have a delinquency rate of 6.46 percent. Actual collections were much better as stated below.

General Fund estimated Real Estate Collections (000's)

	<u>At 100 Percent</u>	<u>Estimated</u>	<u>Actual</u>
2009 for Collection in 2010	\$2.573	\$2.414	\$2.487
2010 for Collection in 2011	2.523	2.381	2.462
2011 for Collection in 2012	2.521	2.280	2.182
2012 for Collection in 2013	2.000	2.000	2.200
2013 for Collection in 2014	2.216	2.073	2.118

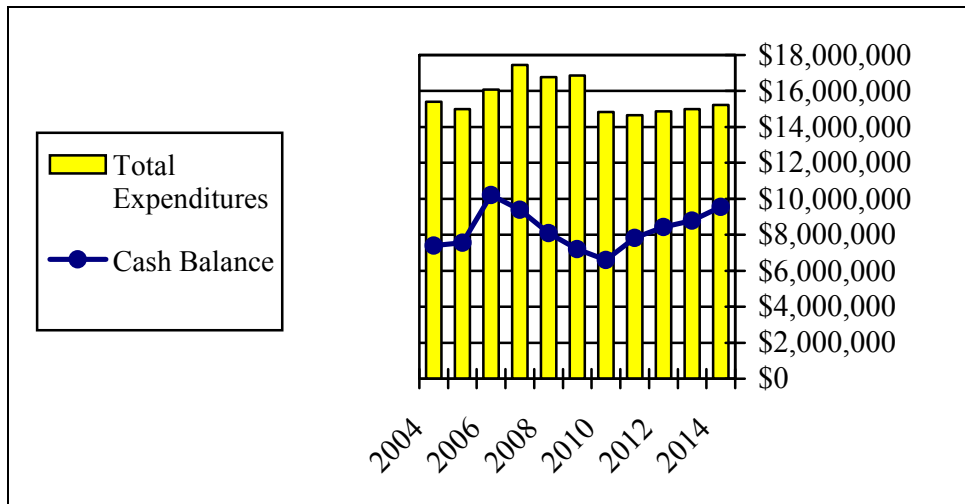
- The City realized its final year of wastewater saving from refinancing the 20-year bonds in an amount of \$200,000. Without this transaction, wastewater rates would have increased by 25.5 percent more than City is charging today (over \$4.0 million was saved).

- The Tax Department utilized the innovation award winning on-line income tax preparation system for the past twelve years throughout the 2014 tax season. Taxpayers and professional tax preparers were able to complete accurate returns with software that simplified the preparation process. The users of this system found it accurate and available for use 24 hours a day. The program allows the taxpayer convenience of this preparation in the comfort of their home or office.
- The Bedford Fire Department performed 1,893 ambulance runs in the year 2014. The ambulance runs generated reimbursement revenue in the total amount of \$414,024 in 2014, \$418,560 in 2013, and \$436,301 in 2012. The City pays a 7 percent administrative billing fee to Great Lakes Billing Company on an annual basis.
- The City has been self-insured regarding employee Health Insurance costs for the past 20 years. In 2014 the City saved \$71,724 by being self-funded for health insurance. The City had its worst claims in the years 2013 and 2012. In 2014 and all but 4 other years, the net savings from this type of program was over \$200,000 versus a premium plan program. The estimated savings to the general fund from being self-insured to date for the past 21 years is over \$1,804,468.

Financial Information

Long-term financial planning

As you can see from the following graph, the general fund ended the year with a budgetary cash balance of \$9,548,423. The 2014 ending operating cash balance represented 62.71 percent of the total general fund expenditures or 232 days of general fund operating expenditures. This cash balance falls above the City’s general fund balance written policy and to the rating agencies of maintaining a minimum required balance of \$5.8 million dollars in the general fund.



The City has completed an updated master and strategic plan for future projects and needs.

Accounting Policies and Budgetary Control

The City of Bedford utilizes automated governmental accounting software developed and licensed by Software Solutions Incorporated (SSI). This software controls budgetary, accounting, payroll and capital assets. The City utilizes a software package for utility billing developed by Fund Balance Inc.

The City of Bedford's accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein. These funds are segregated for the purposes of carrying on specific activities or attaining certain objectives in accordance with the special regulations, restrictions, or limitations. Generally Accepted Accounting Principles (GAAP) determines the type of funds used.

The annual budget serves as the foundation for the City of Bedford's financial planning and control. The level of budgetary control is at the department level. All non-fiduciary funds are budgeted annually. The City also controls its expenditures at levels of personal services and all other expenditures as required by the City's Charter. The City did have amendments to the original appropriations ordinance to account for new funds and increased grants received during 2014.

The Finance Director is authorized to transfer appropriations between line items within the personal services and all other expenditure levels within a department. Any increase in the total appropriation for a department or transfers between levels within a department must be approved by City Council. The City's fully automated financial system maintains the budgetary control through its purchase order/encumbrance feature. The purchase order, required before making any purchase, is reviewed for certification of the availability of funds and the estimated expenditure is encumbered against the available appropriation. Encumbrances, which would exceed the available appropriation, are not approved or recorded until City Council authorizes additional appropriations. Encumbrances do not lapse at year-end and are a reserve of fund equity, which is carried forward into the next year.

Some major budgetary initiatives that had a significant impact on the current financial statements:

- Reduced funding from the State revenue sources (inheritance taxes, local government funding) and slight reductions in valuation from real estate sales caused the City to reduce spending on capital items such as police cruisers and service department equipment (bucket tree trimming truck and other trucks) needed for operations.
- Increased fees for building department and all other fees.
- Decreased spending on workers compensation from retrospective rating savings in 2014.
- Dispatch center to open in 2015 and relieve City of these employees, some savings are anticipated in 2015 versus buying new required equipment for 800 MHz communication system.
- Additional two fire employees all year under safer grant funding.

Internal accounting and reporting control

As part of its continuing commitment to excellence in financial reporting, the City utilizes a fully integrated, computerized financial accounting, budgeting and reporting system. Because the system is integrated, the financial and budgetary information maintained by the system is available to the City's management on a daily basis. The timeliness and accuracy of the information provided by the City's accounting, budgeting and reporting system provides each member of the City's management with a solid, informed financial basis for daily decision-making, performance evaluation and planning.

Financial Policies that had significant impact on the current year's financial statements:

The mission of the City is to develop, maintain and implement financial accounting policies and procedures to protect and optimize the financial resources of the City. The City provides a sound accounting system for safeguarding the City's assets through the recording and reporting of financial transactions according to mandated laws and guidelines of Federal law, Ohio Revised Code, Generally Accepted Accounting Principles (GAAP), and the City of Bedford's Codified Ordinances. The departmental goals are to develop sound fiscal policies, provide solid fiscal management for the City, maintain reserves and fiscal integrity, and protect the assets of the citizens of Bedford.

General Fund Balance Policy

The City has a formal general fund unassigned balance and reserve policy to maintain 15 percent of general fund's appropriations. The current reserve is set at \$5.8 million and with other current available funds at \$3,745,263. These amounts represented, as stated above a 62.71 percent fund balance to operating expenditures ratio. The \$5.8 million balance is earmarked to cover any future negative changes to our largest taxpayers.

Debt Policy

The City has a debt policy, which has been utilized recently and analyzed yearly.

In 2014, the City issued \$2,900,000 General Obligation Various purpose Refunding Bonds, Series 2014, to refund the City's outstanding Build America Bonds. The City received Aa3 and AA ratings from Moody's and Standard and Poor's, respectfully. The Moody's rating was a result of a downgrade. The present value savings as a percent of refunded bonds (assuming a reduced interest subsidy from the Federal Government, 32.48 percent of interest due) is 2.22 percent, and a full subsidy would be a present value savings of 0.73 percent.

Original issue premiums were obtained in the amount of \$168,913 with no original issue discounts. The true interest costs were 3.16 percent while the net interest cost was 3.29 percent. The all-in true interest cost was 3.34 percent, while the net present value savings was \$65,768.

In 2013, the City issued general obligation debt for streets, water and wastewater plant improvements. The City refunded the prior 2002 and 2002-2 bond issues. Our debt issues are in line with our debt capacity and in line with our affordability requirements. The City issued this debt for projects and improvements deemed necessary, timely, and affordable by the Administration and City Council.

Investment Policy

Cash management is a vital component in the City of Bedford's overall financial strategy. The primary objective of the City's investment activity is the preservation and the protection of investment principal. A prudent investment program is maintained to assure the overnight and over-the-weekend investments of all possible dollars, as well as longer term investments. In addition to the security of the investment, a major consideration is the timing of needed cash to pay City liabilities. Cash resources of all City funds are combined for maximum return and are invested in accordance with the Ohio Revised Code. The total investment income from governmental activities during 2014 was \$42,732, \$26,397 in 2013, and \$20,824 in 2012.

The City has established an Investment Board consisting of the City Manager, Law Director and Director of Finance. They meet weekly to plan investment strategy, utilizing cash flow analysis programs for maximum investment yield in line with cash flow needs and the City's investment policy. See Note 5 to the financial statements for risk analysis and details of investments.

Independent Audit

In accordance with Ohio law an annual independent audit is required to be performed on all financial operations of the City. These audits are conducted by either the Auditor of the State of Ohio or, if the Auditor permits, an independent public accounting firm. The Auditor of State of Ohio's office performed these services for 2014, and an unmodified opinion is presented in the financial section.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) award a Certificate of Achievement for Excellence in Financial Reporting for a Comprehensive Annual Financial Report. The Certificate of Achievement is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR), whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting standards and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The 2013 CAFR received the Certificate of Achievement and we believe our current report will conform to the requirements and standards of the Certificate of Achievement Program. Thus, we are submitting the 2014 Comprehensive Annual Report to the GFOA for award consideration.

Acknowledgments

Successful preparation of a report of this scope depends upon the dedicated contribution of many employees. The sincere appreciation of those primarily responsible for its completion is extended to all contributors, but especially to those employees in the Department of Finance, to a greater extent Jonathan Lindow and the employees of the Local Government Services Section of the Auditor of State, which contributed significantly to the preparation of this report. Finally, the City Administration wants to extend its appreciation to the Mayor and City Council for their support and commitment to responsible fiscal reporting.

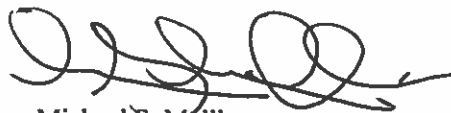
Postscript

The employees of the City of Bedford are proud of the community in which we work and live. We pledge our continued dedication to providing the highest possible level of service to the citizens of the City, and we commit ourselves to enhancing the quality of life that our residents have come to expect and enjoy.

Respectfully submitted,



Frank C. Gambosi, CPA
Finance Director



Michael S. Mallis
City Manager

City of Bedford, Ohio
List of Principal Officials
December 31, 2014

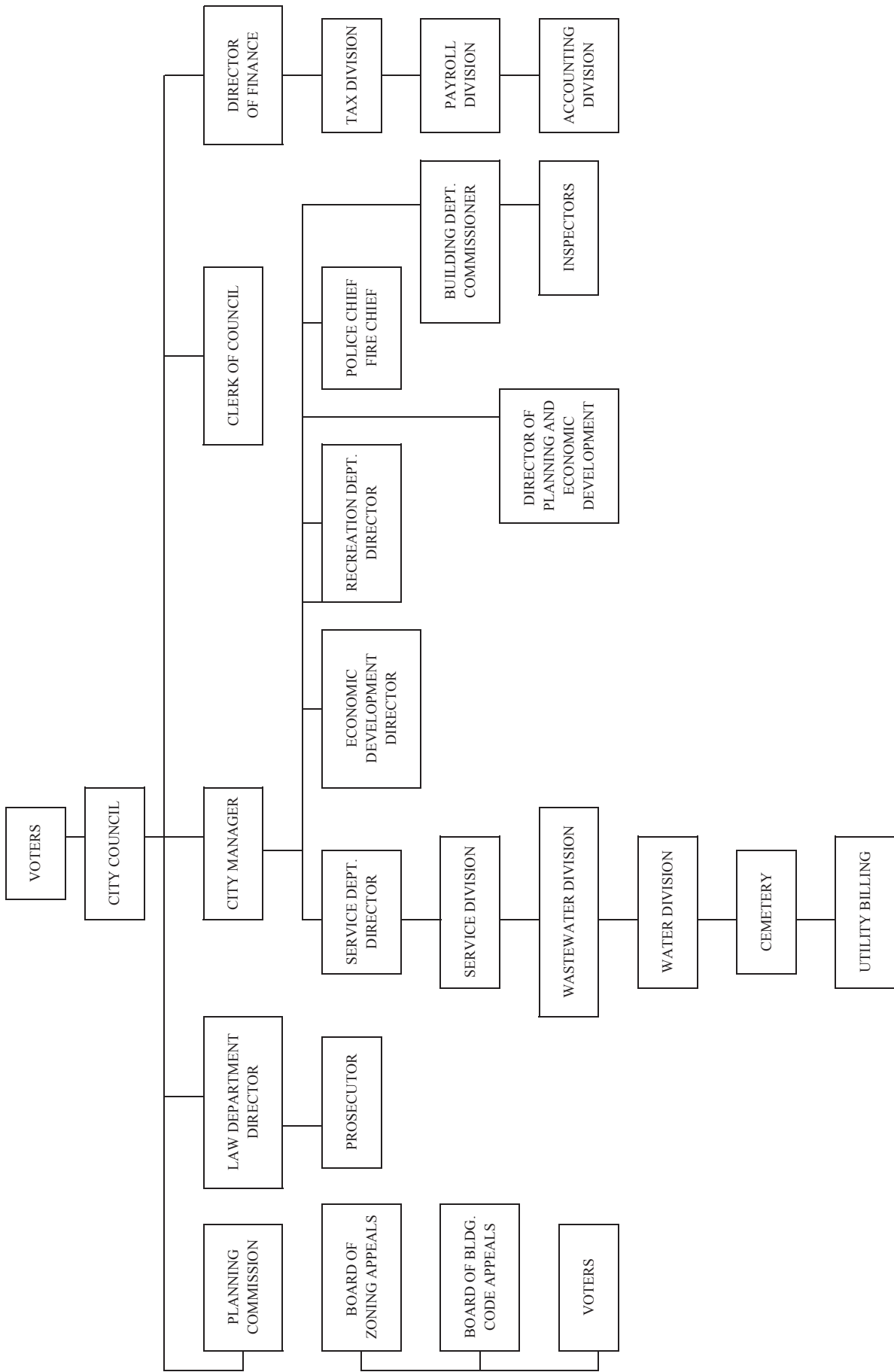
Elected Officials

Mayor..... Stanley Koci
Vice Mayor Marilyn B. Zolata
Council Member Paula Mizak
Council Member Donald A. Saunders
Council Member Walter Genutis
Council Member Gregory E. Pozar
Council Member Sandy Spinks
Presiding Judge..... Brian J. Melling

Appointed Officials

City Manager Michael S. Mallis
Director of Finance Frank C. Gambosi
Law Director John Montello
Clerk of Council..... Lorree Villers
Director of Economic and
Community Development..... Michael S. Mallis
Building Commissioner..... Calvin Beverly
Service Director Clint E. Bellar
Superintendent of Public Works Shawn Francis
Chief of Fire..... David V. Nagy
Police Chief..... Kris Nietert
Director of Recreation Randall J. Lewis

**ORGANIZATIONAL CHART
CITY OF BEDFORD, OHIO**





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Bedford
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

City of Bedford
Cuyahoga County
165 Center Road
Bedford, Ohio 44146

To the City Council:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bedford, Cuyahoga County, Ohio (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bedford, Cuyahoga County, Ohio, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General and Public Safety Funds thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2015, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

Dave Yost
Auditor of State
Columbus, Ohio

May 28, 2015

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City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014
Unaudited

The discussion and analysis of the City of Bedford's financial performance provides an overall review of the City's financial activities for the year ended December 31, 2014. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

- Total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at the close of the most recent year (2014) by \$49,774,529 compared to \$50,085,120 at the end of 2013. Of this amount, the governmental activities \$12,487,021 in (2014) and \$12,257,378 in (2013) may be used to meet the government's ongoing obligations to citizens and creditors provided it is expended or transferred according to the charter of the City of Bedford and/or the general laws of Ohio.
- Capital assets of governmental activities decreased by \$1,897,914, which represents a 6.29 percent decrease from 2013. Capital assets of business-type activities increased \$756,662, which represents a 4.49 percent increase from 2013. Overall capital assets decreased due to current year acquisitions being less than current year depreciation. The City issued general obligation debt in 2014 to refund all previously issued Build America Bonds (2010 BAB's). The City issued bonds in 2013 to improve: streets, the Broadway Avenue water line, and many wastewater plant improvements including replacing the Primary Digester Floating Cover, and replacing pumps in 5 stations and 18 other plant improvements. The City issued tax exempt bonds to make the improvements.
- The total amount of general obligation bonds refunded in 2014 was \$2,900,000. The bonds were issued to currently refund the City's outstanding Various Purpose Bonds, Series 2010B (BAB's). The BAB's were originally issued for the following purposes \$1,170,000 for water improvements, \$945,000 for Wastewater improvements, \$40,000 for Vehicle acquisitions, \$730,000 for various street improvements, and \$80,000 for the Broadway Road Bridge improvements. The debt is to be paid from the following revenue sources: Water and Wastewater general obligation bonds with applicable water and sewer rates billed to utility users to pay for the annual debt service. The resurfacing and improvements of streets are to be paid from the 3.28 inside mills of real estate taxes collected in the general fund; however, the annual general obligation bonded debt amount is then paid from the general obligation debt service fund after transfers of monies are made into this fund, from the general fund.
- In 2014, the rating agency of Standard & Poor's maintained the City's Bond rating at the AA level with a negative outlook, while Moody's Investor Services assigned and downgraded the City rating to Aa3.
- Total governmental assets decreased by \$2,039,079 due to: more depreciation expense versus less capital asset replacements funds, and less value associated with houses held for resale. One of the major reasons for the decrease in total governmental revenues is attributable to a decrease in the municipal income tax collections; however, an increase occurred with equity in pooled cash and cash equivalents. Decreases in intergovernmental receivables were due to the State cuts in the Commercial Activity Tax, local government tax and less reimbursements from Housing Improvement NSP Grants.
- Total liabilities of governmental activities decreased over 2013 by \$1,161,255. This was due to a decrease in long term liabilities specifically debt service due in more than one year from refunding and debt payments, in the amount of \$1,038,158. There was a decrease in intergovernmental payables in the amount of \$101,060 was due to pension payments to the State of Ohio's Police & Fire Pension system changing from quarterly to monthly basis. The business-type activities current liabilities increased by

City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014
Unaudited

\$56,479 during the current year. This increase was due to more accounts payable - water invoice amounts due at year end and decreases in retainage on projects not yet completed.

- The total municipal income tax revenues for all funds in 2014 were \$10,449,479 versus \$10,684,058 in 2013. This equates to a \$234,579 (2.20 percent) decrease in income tax revenue. In 2014 the City moved 7 percent of income tax collections from the wastewater fund to the debt service fund; therefore, the governmental activities reflect most municipal income tax collections in 2014. The cash basis of accounting shows, the individual payments decreased by \$323,980. The withholding from businesses increased by \$205,929, while the municipal net profit income taxes paid by businesses increased by \$366,500 for the tax year 2014. Ben Venue Laboratories announced in the last quarter of 2013 that they were ceasing production of goods. They continued to pay income tax withholding on wages for all employees located at this facility throughout the end of the calendar year 2014. Severance pay and bonuses were afforded employees and paid in 2014. Due to the loss of Ben Venue laboratories, Income tax withholding collections are expected to be significantly decreased by \$1.8 million in 2015 on a cash basis.
- The City is committed to providing the Citizens of Bedford with the highest quality of services while maintaining efficiency and cost effectiveness. Overall, governmental activities expenses in 2014 decreased by \$275,621 a 1.23 percent decrease over 2013 as a result of decreases in general government part time administrative employees, salt purchases, fuel purchases, less interest and fiscal charges for debt as the City refunded debt issues in 2013 and 2014. Safety forces payroll decreased due to retirements and timing of new hires. Service department payroll decreased due to retirements and timing of new hires. The City actively pursues grants to offset costs of providing services and to offer new programs.

Overview of the Financial Statements

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

Government-wide Financial Statements The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Bedford's finances, in a manner similar to private sector businesses. The *statement of net position* and *statement of activities* provide information about the activities of the whole City, presenting both an aggregate view of the City's finances and a longer-term view of those assets. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short term as well as what dollars remain for future spending. The fund financial statements look at the City's most significant funds with all other nonmajor funds presented in total in one column.

The *statement of net position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between all elements reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Bedford is improving or deteriorating. The *statement of activities* presents information showing how the government's net position changed during the recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014
Unaudited

Both of the government-wide financial statements distinguish functions of the City of Bedford that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Bedford include general government, security of persons and property (Police and Fire), public health and welfare, leisure time activities, community development, transportation and basic utility services. The business-type activities include water and wastewater.

The government-wide financial statements can be found starting on page 19 of this report.

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

Governmental Funds *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds and governmental activities*. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the general fund and the public safety special revenue fund which are considered to be major funds. Data from the other governmental funds are combined into single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The City of Bedford adopts an annual appropriated budget for each of its funds. A budgetary comparison schedule (non-GAAP basis) has been provided as supplementary information for each governmental and proprietary fund to demonstrate budgetary compliance.

Proprietary Funds The City of Bedford maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and wastewater operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains such a fund for its self-insurance program of health related employee benefits. Because this predominately benefits governmental rather than business functions, it has been included within governmental activities in the government-wide financial statements. The proprietary fund financial statements provide separate information for the water and wastewater operations as they are considered major funds. The basic proprietary fund financial statements can be found on pages 28 through 31 of this report.

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City's fiduciary funds are agency. The fiduciary fund financial statement can be found on page 32 of this report.

City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014
Unaudited

Notes to the Basic Financial Statements The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes provide a supplement to the financial statements and disclosures that include GASB No. 63 Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position. Please see the Statement of Net Position concerning data reporting these changes and the further clarification of Deferred Outflows of Resources and Deferred Inflows of resources. The notes to the basic financial statements can be found on pages 33 through 64 of this report.

Other information In addition to the basic financial statements and accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the financial statements, the combining statements referred to earlier in connection with nonmajor governmental funds are presented as well as individual detailed budgetary comparisons for all funds. This information can be found starting on page 65 of this report.

Government-Wide Financial Analysis While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2014?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by the private sector. The basis for this accounting takes into account all of the current year's revenues and expenses regardless of when the cash is received or paid. These two statements report the City's net position and the changes in that position. The change in position is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of City capital assets will also need to be evaluated.

The Statement of Net Position and the Statement of Activities are divided into the following categories:

- Assets
- Deferred Outflows of Resources
- Liabilities
- Deferred Inflows of Resources
- Net Position (Assets and Deferred Outflows minus Liabilities and Deferred Inflows)
- Program Expenses and Revenues
- General Revenues
- Net Position Beginning and End of Year

The City of Bedford as a Whole

Recall that the Statement of Net Position looks at the City as a whole. The following provides a summary of the City's net position for 2014 compared to 2013.

(Table 1)
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets						
Current and Other Assets	\$24,661,413	\$24,802,578	\$10,436,907	\$11,097,484	\$35,098,320	\$35,900,062
Capital Assets, Net	28,266,984	30,164,898	17,620,129	16,863,467	45,887,113	47,028,365
<i>Total Assets</i>	52,928,397	54,967,476	28,057,036	27,960,951	80,985,433	82,928,427
Deferred Outflows of Resources	\$281,345	\$307,783	\$19,813	\$24,622	\$301,158	\$332,405

City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014
Unaudited

(Table 1)

Net Position (continued)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Liabilities						
Current and Other Liabilities	\$2,153,874	\$2,341,802	\$642,462	\$585,713	\$2,796,336	\$2,927,515
Long-Term Liabilities:						
Due Within One Year	1,511,308	1,446,477	681,742	685,567	2,193,050	2,132,044
Due in More than One Year	11,254,776	12,292,934	10,589,986	11,157,039	21,844,762	23,449,973
<i>Total Liabilities</i>	14,919,958	16,081,213	11,914,190	12,428,319	26,834,148	28,509,532
Deferred Inflows of Resources	4,677,914	4,666,180	0	0	4,677,914	4,666,180
Net Position						
Net Investment in Capital Assets	17,339,750	18,337,265	6,470,775	5,177,762	23,810,525	23,515,027
Restricted:						
Capital Projects	92,838	119,889	0	0	92,838	119,889
Debt Service	469,155	449,033	0	0	469,155	449,033
Municipal Courts	311,668	254,776	0	0	311,668	254,776
Streets	1,186,093	1,215,660	0	0	1,186,093	1,215,660
Community Development	571,801	715,120	0	0	571,801	715,120
Street Lighting	505,179	504,173	0	0	505,179	504,173
Drug Force Violations	140,459	162,132	0	0	140,459	162,132
Other Purposes	507,906	512,440	0	0	507,906	512,440
Unrestricted	12,487,021	12,257,378	9,691,884	10,379,492	22,178,905	22,636,870
<i>Total Net Position</i>	\$33,611,870	\$34,527,866	\$16,162,659	\$15,557,254	\$49,774,529	\$50,085,120

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the City, total assets and deferred outflows of resources exceed total liabilities and deferred inflows of resources by \$50,085,120 at December 31, 2013 and \$49,774,529 at the close of the most recent year.

The largest portion of the City's net position (47.84 percent) reflects "Net Investment in Capital Assets" (i.e. land, construction in progress, buildings, improvements, machinery and equipment, vehicles and infrastructure), less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Total governmental assets decreased by \$2,039,079 from 2013 to 2014, while the City's total governmental liabilities decreased by \$1,161,255. The most significant changes in total assets were the decrease in net capital assets of \$1,897,914, the decrease in assets held for resale in the amount of \$320,658, and a decrease in income taxes receivable in the amount of \$247,126. The decrease in assets held for resale was due to less house values and fewer existing homes owned by the City. Another item affecting the total assets was the accumulated depreciation on assets which reduced capital assets in 2014.

At the end of the current year, the City of Bedford is able to report positive balances in all three categories of net position, both for the government as a whole as well as for its separate governmental and business-type activities.

Most of the decrease in governmental net position is due to the decrease in capital assets and specifically annual depreciation expense. Also, due to the State of Ohio's budget problems, and the Ohio legislature's mindset to change the tax structure of the State and thus affecting their payments to local governments, the

City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014
Unaudited

State of Ohio has eliminated the inheritance tax as of January 1, 2013. This change has had a negative effect on the revenue stream in the City. This change in taxation will lead to a total loss of inheritance tax revenue yearly starting with 2014. Inheritance tax collection for 2014 was \$69,719 and \$278,169 in 2013.

The State of Ohio has also adopted House Bill 66 that phased-out the personal property tax, with 2008 being the last year of collection. The State of Ohio passed a Commercial Activities Tax (CAT) to allow the State to reimburse the City for four years through 2010. Thereafter, the State budget eliminated the CAT tax revenues, and cost the City annually a total of \$462,672 in 2012 and thereafter. The State of Ohio reduced the local government funds to cities at 25 percent in 2011-2012 and 50 percent in 2012-2013. These cuts resulted in the loss of \$272,628 in 2012, \$456,033 in 2013 and \$393,070 in 2014. These losses will remain per year thereafter unless more funds are collected or the State of Ohio changes the funding amounts. The State of Ohio used these revenue reductions to help them make up their budget deficits.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2014 and 2013.

(Table 2)
Changes in Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Revenues						
Program Revenues						
Charges for Services	\$3,289,947	\$3,319,711	\$6,628,521	\$7,267,226	\$9,918,468	\$10,586,937
Operating Grants and Contributions	2,012,315	2,245,711	18,477	0	2,030,792	2,245,711
<i>Total Program Revenues</i>	5,302,262	5,565,422	6,646,998	7,267,226	11,949,260	12,832,648
General Revenues						
Property Taxes	4,432,896	4,690,391	0	0	4,432,896	4,690,391
Municipal Income Taxes	10,449,462	10,379,299	17	304,759	10,449,479	10,684,058
Grants and Entitlements not Restricted to Specific Programs	777,765	675,467	0	0	777,765	675,467
Investment Income	42,732	26,397	48,047	49,334	90,779	75,731
Gain on Sale of Capital Assets	644	5,645	0	1,074	644	6,719
Miscellaneous	267,595	271,230	36,285	16,118	303,880	287,348
<i>Total General Revenues</i>	15,971,094	16,048,429	84,349	371,285	16,055,443	16,419,714
<i>Total Revenues</i>	\$21,273,356	\$21,613,851	\$6,731,347	\$7,638,511	\$28,004,703	\$29,252,362

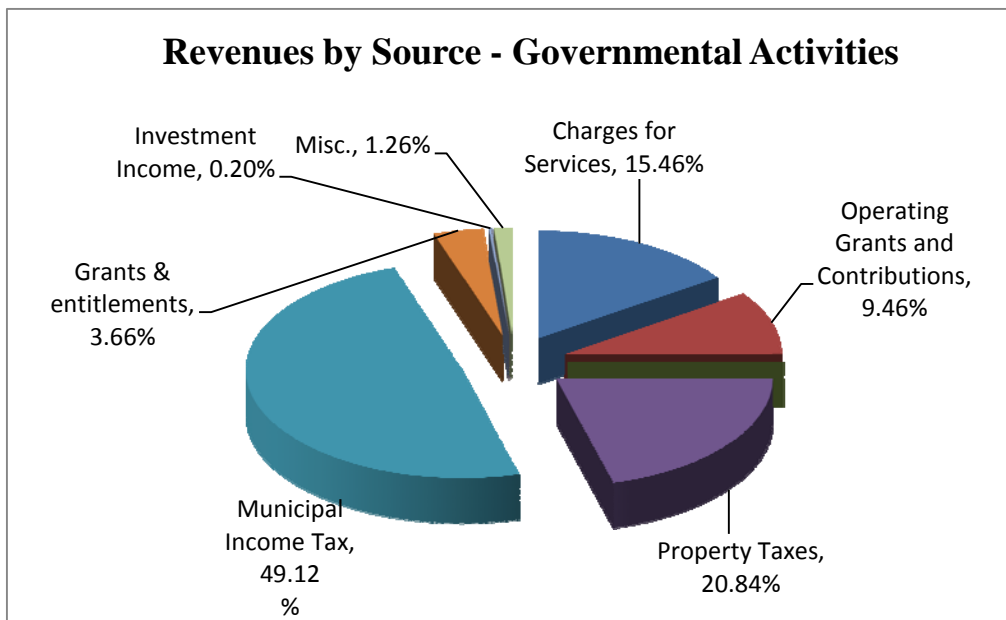
City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014
Unaudited

(Table 2)
Changes in Net Position (continued)

	Governmental Activities		Business-Type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Program Expenses						
General Government	\$5,075,154	\$4,922,271	\$0	\$0	\$5,075,154	\$4,922,271
Security of Persons and Property						
Police	5,453,595	5,560,147	0	0	5,453,595	5,560,147
Fire	4,091,826	3,976,171	0	0	4,091,826	3,976,171
Public Health and Welfare	192,212	176,774	0	0	192,212	176,774
Leisure Time Activities	1,348,774	1,316,269	0	0	1,348,774	1,316,269
Community Development	867,243	753,096	0	0	867,243	753,096
Basic Utility Services	1,035,156	1,036,719	0	0	1,035,156	1,036,719
Transportation	3,700,311	4,343,828	0	0	3,700,311	4,343,828
Interest and Fiscal Charges	425,081	379,698	0	0	425,081	379,698
Water	0	0	3,785,358	3,853,350	3,785,358	3,853,350
Wastewater	0	0	2,340,584	2,175,580	2,340,584	2,175,580
<i>Total Program Expenses</i>	<u>22,189,352</u>	<u>22,464,973</u>	<u>6,125,942</u>	<u>6,028,930</u>	<u>28,315,294</u>	<u>28,493,903</u>
Change in Net Position	(915,996)	(851,122)	605,405	1,609,581	(310,591)	758,459
Net Position Beginning of Year	34,527,866	35,378,988	15,557,254	13,947,673	50,085,120	49,326,661
Net Position End of Year	<u>\$33,611,870</u>	<u>\$34,527,866</u>	<u>\$16,162,659</u>	<u>\$15,557,254</u>	<u>\$49,774,529</u>	<u>\$50,085,120</u>

Governmental Activities

Governmental activities decreased the City's net position from \$34,527,866 to \$33,611,870 or by the amount of \$915,966. The primary reason for the decrease in net position relates to the decrease in revenues from the property tax collections and fewer operating grants and contributions especially from State funds and the Ohio Public Works Commission. Decreased spending on the police force payroll and capital projects accounted for reduced expenses.



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The income tax rate was 2.25 percent for 2014, the same as the prior year. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if Bedford residents work in another locality that has a municipal income tax, the City provides up to 100 percent credit to a limit of 1.50 percent for those who pay income tax to another City. City Council could, by Ordinance, choose to reduce that income tax credit and create additional revenues for the City.

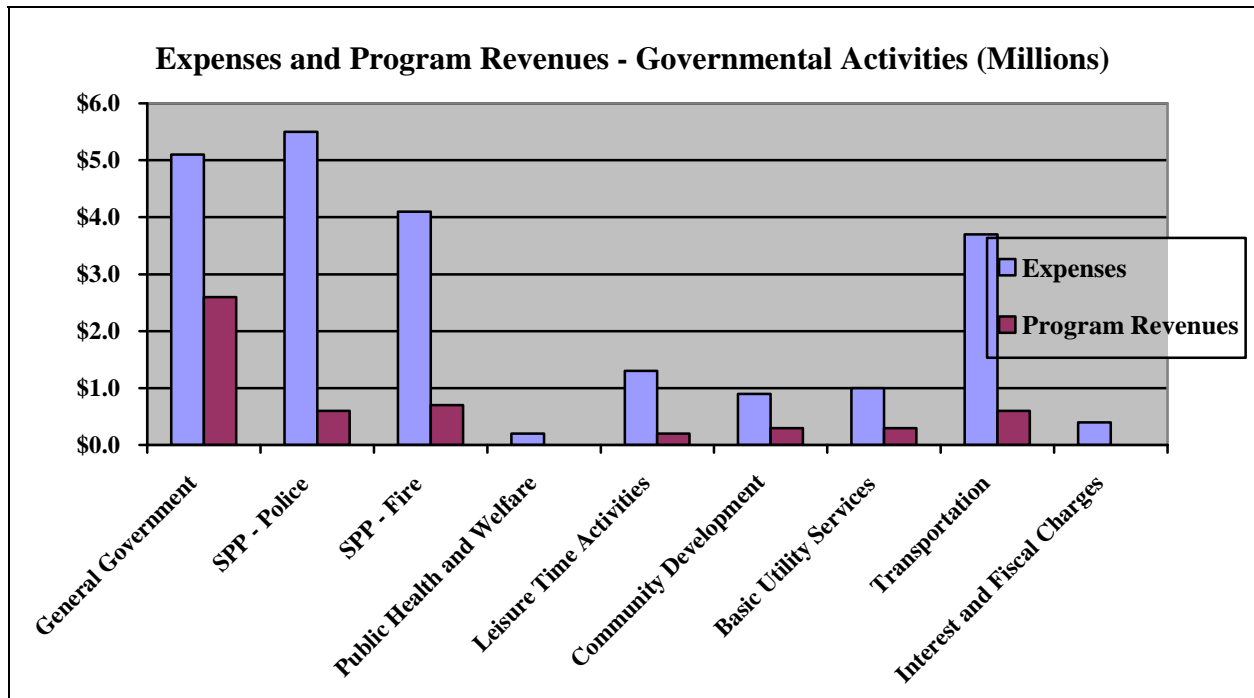
General revenues from grants and entitlements, such as local government funds, are also revenue generators. The City monitors its source of revenues very closely for fluctuations.

Decreases in various program expenses were the result of not replacing four employees leaving service as well as one layoff of a police officer. Most other expenses closely parallel inflation and growth in the demand for services. Increases were caused by contracted wage increases along with the related pension costs and employee hospitalization costs.

The largest program for the City relates to the security of persons and property police and fire program expenses. During 2014, \$9,545,421 was spent or 43.02 percent of program expenses related to security of persons and property compared to 2013, when \$9,536,318 was spent or 42.45 percent. The cost increase was slight due to reduced payrolls in police and increased payrolls in fire at year-end. The pension payments were finalized in 2014 to report and pay on a monthly basis versus quarterly.

The next largest expenses were from general government expenses. The City reduced spending in all departments.

The third largest program expenses were related to the transportation system for street and highway maintenance, including snow removal. The winters were difficult during 2013-2014 and 2014-2015; this had the City buying more salt and paying much more overtime for service workers. A slight change in spending was due to a wage increase of 1 percent. The City maintains salt funding for two years of winter storms at all times.



City of Bedford, Ohio
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For the Year Ended December 31, 2014
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Business-Type Activities

The business-type activities of the City, which include the City's water and wastewater operations, increased the City's net position by \$605,405. Program revenues were more than program expenses in the amount of \$557,609 for the water operations in 2014. This increase in net position is due to increased water rates of 6.1 percent in 2014. There were more delinquencies due to foreclosures in water billings in 2014. This revenue is classified as charges for services. The minimum water rate increases of three percent annually went into effect in 2011. The City of Cleveland sells water to the City of Bedford at a discount; however, the City of Cleveland increased its water rates to the City of Bedford and the City rebills this rate increase to our residents at the rate of 3.14 percent in 2014.

Program revenues were less than program expenses in the amount of (\$36,553) for the wastewater operations for 2014. A 4 percent increase in wastewater rates was placed into effect in 2011, 2012, 2013, 2014 and a 15 percent increase was placed into effect in 2015. The loss of revenue from the closing of Ben Venue laboratories was the main reason for the decreased revenue. Foreclosed homes and delinquencies have increased and more assessments have been recorded on parcels of non-payment. Total program revenues for wastewater operations recorded in 2014 were \$2,304,031 versus \$2,467,029 in 2013.

EXPENSES AND PROGRAM REVENUES
(in millions)



Financial Analysis of the Government's Funds

As noted earlier, the City of Bedford uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year. Information about the City's governmental funds begins on page 22. These funds are accounted for using the modified accrual basis of accounting.

All governmental funds had total revenues of \$21,429,298 in 2014 and \$21,398,956 in 2013, and total expenditures of \$21,266,554 in 2014 and \$22,236,129 in 2013 leaving a difference of revenues over (under) expenditures of \$162,744 and (\$837,173) respectively. The most significant change in our funds from 2013 to 2014 was the increase in municipal income taxes of \$671,574 and decrease in property taxes of \$318,119, due to reduction in real estate values. Also there was another decrease in intergovernmental revenue of \$188,545 which was the direct result of the previously mentioned State revenue cuts and elimination of revenue to municipalities. The main reason for the decrease in expenses was capital outlay \$1,198,568 as the projects constructed in 2013 with bond funds were completed. Increases in spending occurred in the fire department as two employees were added and funded by the Safer Grant.

City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2014
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The general fund is the chief operating fund of the City. At the end of the current year, total fund balance for the general fund was \$11,313,637 compared to \$10,921,371 in 2013 of which \$10,580,613 in 2014 was unassigned at year-end. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balances to total fund expenditures including transfers out. The 2014 unassigned fund balance represents 69.74 percent of total general fund expenditures and transfers out, while total fund balances represents 74.58 percent. The unassigned fund balance will cover 255 days of City general fund expenditures. This is another way to express the general fund's liquidity.

During the current year, the fund balance of the City's general fund increased by \$392,266. The increase in the general fund balance is due to level spending in: general government departments, police and fire spending, and a decrease in transportation activities. The income tax revenue in the general fund for 2014 was \$9,507,499 and was \$9,194,643 in 2013. The transfers out of \$4,060,131 in 2014 were more than the \$3,977,525 in 2013 due to the public safety and street maintenance and repair special revenue funds needing additional transfers in. These transfers are identified in Note 11 to the Basic Financial Statements.

The public safety major special revenue fund's balance as of December 31, 2014 was \$163,794 and \$182,717 in 2013. This fund accounts for the City's police and fire departments.

Other governmental funds had a decrease in fund balance due to a slight increase in transfers out. More expenditure occurred within the Security of Persons and Property areas associated with new fire department employment. The City continues to maximize income tax and grant money to provide the citizens with a dynamic place to call home.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund. During the course of 2014, the City amended its general fund budget on various occasions. All recommendations for budget changes come to the whole Council for Ordinance enactment on the changes. The City does allow small interdepartmental budget changes that modify line items within departments within the same fund. The general fund supports many of our major activities such as our service department, and the municipal court activities, as well as most legislative and executive activities. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

The general fund's original budgeted revenues were \$15,227,333. The final budgeted revenue amount was \$15,305,490. The general fund's actual revenues were \$15,498,691. The general fund's original appropriations were budgeted at \$10,198,815. The final budgeted appropriations were \$10,707,157. The general fund's actual expenditures were \$9,836,028. The City of Bedford's ending unencumbered cash balance in the general fund was increased by \$1,271,792 above the final budgeted amount.

The differences between the general fund's original and final amended revenue budget were minor, the largest variance (negative) was with the State of Ohio funding of intergovernmental revenues (estate tax) of \$70,985; however, expenditure budget amounts did have major changes as follows:

- The most significant budget (appropriation) change was the increase in general government as the budget was amended by \$328,716 more for increases in income tax refunds and updated equipment purchases. The transfers out from the general fund to the police and fire pension funds were needed to pay a one month extra employer pension costs to the Ohio Police and Fire Pension systems as they changed employer contributions from quarterly submission of the payments to monthly payments.

City of Bedford, Ohio
Management's Discussion and Analysis
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- ❑ The transfers out to other funds had unspent \$329,342 (5.75 percent) of expenditures versus final budgeted amounts due to less money being needed to support street maintenance programs, recreation programs and the G.O. debt service fund.
- ❑ The general government expenditures left unspent \$558,481 consisting of the following major unspent levels:
 - ❑ The municipal court left \$119,622 unspent (5.65 percent) of anticipated expenditures in 2014.
 - ❑ The income tax department left unspent \$143,543 due to tax refunds under audit.
 - ❑ The City Manager's department left unspent \$62,739 due to savings from new City Manager hiring.
 - ❑ The law department left unspent \$88,257 due to savings from Law Director hiring.
- ❑ The police (non-officer) department left unspent \$180,001 (8.60 percent) of anticipated expenditures in 2014.

Actual expenditures were \$871,129 less than appropriations due mainly to less employees and the diligence of management to keep costs low.

Capital Assets and Debt Administration

Capital Assets

(Table 3)
Capital Assets at December 31,
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Totals	
	2014	2013	2014	2013	2014	2013
Land	\$2,908,079	\$2,908,079	\$28,620	\$28,620	\$2,936,699	\$2,936,699
Construction in Progress	0	12,463	821,072	2,292,863	821,072	2,305,326
Buildings and Improvements	12,798,311	13,182,119	6,398,399	6,621,679	19,196,710	19,803,798
Machinery and Equipment	996,166	927,464	1,145,670	213,432	2,141,836	1,140,896
Furniture and Fixtures	116,758	95,092	0	0	116,758	95,092
Vehicles	689,085	833,523	167,450	213,467	856,535	1,046,990
Infrastructure	10,758,585	12,206,158	9,058,918	7,493,406	19,817,503	19,699,564
Total	\$28,266,984	\$30,164,898	\$17,620,129	\$16,863,467	\$45,887,113	\$47,028,365

Total governmental capital assets decreased by \$1,897,914 in 2014. Decreases in many capital asset categories occurred in 2014 mostly due to depreciation expense and the disposal of \$24,373 in net governmental capital assets. The depreciation expense of governmental activity assets for the year 2014 was \$2,298,893. The City had \$437,815 of additions to governmental capital assets in 2014. The business-type construction in progress completed \$2,000,024 in finished projects that consisted primarily of the water meter project, the completion of the Broadway water lines and the basin pumps replacement.

City of Bedford, Ohio
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The City is committed to a long-term goal of meeting the needs of its infrastructure and facilities. We have a five-year capital plan in place that provides for street improvements and adding facilities to complement our current structures. Additional information concerning the City's capital assets can be found in Note 12 to the basic financial statements.

Debt

(Table 4)
Outstanding Long-term Obligations at Year End

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
General Obligation Bonds	\$10,525,186	\$11,330,105	\$8,591,978	\$8,916,167	\$19,117,164	\$20,246,272
Special Assessment Bonds	60,000	115,000	0	0	60,000	115,000
OPWC Loans	596,171	659,147	1,264,195	1,362,192	1,860,366	2,021,339
OWDA Loans	0	0	1,324,296	1,444,998	1,324,296	1,444,998
Police Pension	166,917	171,961	0	0	166,917	171,961
Capital Leases	27,222	31,164	0	0	27,222	31,164
Compensated Absences	1,390,588	1,432,034	91,259	119,249	1,481,847	1,551,283
Total	\$12,766,084	\$13,739,411	\$11,271,728	\$11,842,606	\$24,037,812	\$25,582,017

In 2014, the City issued \$2,900,000 General Obligation Various purpose Refunding Bonds, Series 2014, to refund the City's Outstanding Build America Bonds. The bonds were issued with interest rates varying from 2.25 percent to 4.0 percent. The bonds were issued for a 20 year period with final maturities in 2036. The bonds were retired through the bond retirement debt service fund and the water and wastewater enterprise funds. The City received Aa3 and AA ratings from Moody's and Standard and Poor's, respectfully. The Moody's rating was a resulted in a downgrade. Standard and Poor's, assigned a negative outlook on the City's bonds. The present value savings as a percent of refunded bonds (assuming a reduced interest subsidy from the Federal Government, 32.48 percent of interest due) is 2.22 percent, and a full subsidy would be a PV savings of .73 percent.

The special assessment bonds consist of one street-resurfacing project. The County Fiscal Officer assesses the specific property owners who primarily benefit from the projects. The assessments collected are used to pay the principal and interest for these bonds. In the event that property owners fail to make their special assessment payments, the City is responsible for providing the resources to meet the annual principal and interest payments.

There are three OPWC loans that are being paid semi-annually from the general obligation debt service fund and funded by general fund revenues. These three loans are zero interest 20-year loans for the 2010 Broadway/Wood Creek Bridge/Culvert, the Willard and Wandle Avenue street rehabilitation projects.

The police pension liability loan is the unfunded portion of the pension due for employees hired before the Police and Firemen's Disability and Pension Fund was established.

The business-type debt consisted of general obligation bonds along with OPWC and OWDA loans.

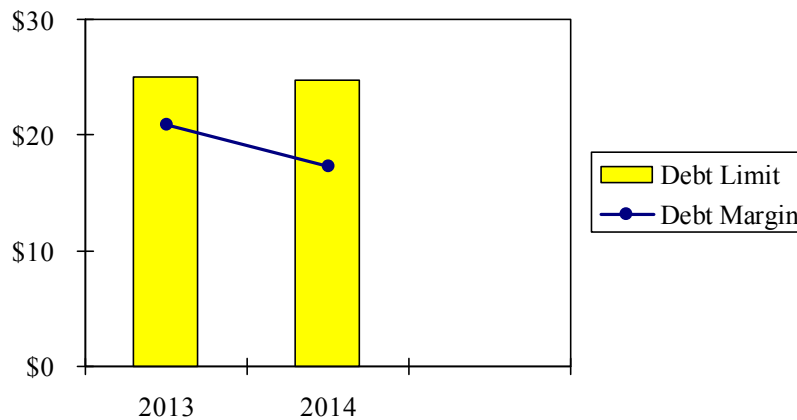
The Grand, Magnolia and Franklin water line OPWC project (\$454,000) will be repaid from the water rates, and the funds to match this grant came from the bond proceeds issued in 2010. This 2010 issue is to be repaid from the water rates and water bill collections. The 2006 general obligation debt was issued for the water lines of Washington Street, Tinkers Creek Commerce Park and Forbes Road water line. The amount of \$646,000 out of the \$1,900,000, 2006 new money was issued to pay for these water lines.

City of Bedford, Ohio
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The Water Rates and sewer rates along with respective collections pay for the retirement of an Ohio Public Works Commission Loan (Oxidation Tower Project) and the Ohio Water Development Authority Loan (Rapid Sandfilter Project). The City received a grant of \$945,000 in 2004 from the State's Issue II funding, and an OPWC - Oxidation Tower Loan has been granted up to the amount of \$945,000. The City also has an OPWC loan for the completed construction of the flow control project and an OWDA loan for plant improvements that are paid through sewer user rates and from sewer collections.

Most of the City's wastewater plant debt consisted of OWDA loans that were issued prior to 1994. The City has one of these loans outstanding for the following purposes: the 2003 Rapid Sandfilter Improvement (\$1,324,296 outstanding). This loan is for 20 years at 3.90 percent respectively.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10½ percent of total assessed valuation. The City's overall legal debt limit decreased from \$25.0 to \$24.8 million from 2013 to 2014. This is the amount of debt the City could issue. The legal debt margin decreased \$20.9 to \$17.3 or \$3.6 million from 2013 to 2014 due to the increase in current year debt and the reduction in real estate values.



The City continues to monitor its outstanding debt. Information relative to debt is identified in Note 14 to the basic financial statements.

Current Financial Related Activities

The City of Bedford has continued to maintain the highest standards of services to our citizens while diligently planning expenses, to stay within the City's revenues. As with all cities in the State of Ohio, State funding issues are constantly monitored to determine the impact on the City. As the preceding information shows, the City is heavily reliant on income and property taxpayers. Additional revenues must not be treated as a windfall to expand programs but as an opportunity to extend the time horizon of the life of the levies. All of the City's financial abilities will be needed to meet the challenges of the future.

The City of Bedford continues to be financially strong although Moody's Investors Service's on December 4, 2014, "has downgraded to Aa3 from Aa2 the rating on the City of Bedford, OH's outstanding general obligation limited tax (GOLT) debt. Moody's has also assigned a Aa3 rating to the City's \$2.9 million General Obligation Limited Tax (GOLT) Various Purpose Refunding Bonds, Series 2014". Moody's Investors Service is quoted as stating "The Aa3 rating incorporates Bedford's modestly sized tax base located south of Cleveland (A1 stable), somewhat challenged demographic profile relative to other highly rated local governments, and recent economic loss of the City's largest employer and taxpayer. Credit pressure tied to the employer loss will be offset by the City's very strong fiscal and management profile".

City of Bedford, Ohio
Management's Discussion and Analysis
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Strengths were quoted as follows:

- Very healthy operating fund balance equivalent to 56 percent of revenue on a GAAP basis at the close of fiscal year 2013 and expectation of positive financial operations in 2014.
- Strong fiscal management practices that include maintenance of a formal financial reserve policy, annually updated five-year operating forecast, and the identification of revenue enhancements.

Challenges were quoted as follows:

- Very modest tax base size that incorporates cumulative 28 percent decline in value from 2006-2014.
- Challenged demographic profile relative to other highly rated local governments as indicated by a negative population trend and falling income levels relative to the nation.
- Recent departure of the City's largest employer and taxpayer that, while partially mitigated by the purchase of the vacated facilities by an industry peer, is expected to drive a sizeable reduction in income tax revenue in the coming year.
- Above average debt burden and exposure to unfunded pension liabilities of two cost-sharing retirement plans.

On December 4, 2014, Standard and Poor's assigned its AA long-term rating to the City of Bedford, Ohio series 2014 limited-tax general obligation (GO) various purpose improvements and refunding bonds. At the same time they affirmed their AA long-term rating and underlying rating (SPUR) on the City of Bedford's previously issued GO debt. Standard & Poor's Ratings Services quoted the following: "The Outlook is negative".

"The AA rating reflects our assessment of the following factors for the City:

- Weak economy, though it benefits from participation in the broad and diverse Cleveland-Elyria metropolitan statistical area (MSA)
- Adequate budgetary performance, which could worsen following the loss of the City's leading income taxpayer.
- Very strong budgetary flexibility, with 2013 available reserves at 59 percent of adjusted general fund expenditures;
- Very strong liquidity providing very strong cash to cover both debt service and expenditures;
- Very strong management with strong financial policies and practices; and
- Adequate debt and contingency liability position.

In conclusion, the City of Bedford along with many other cities in Ohio, have been facing both significant challenges and opportunities. Management has performed well in adjusting to the State cuts in revenue, the loss of the City's largest taxpayer and is committed to working with all stakeholders to craft solutions that will most effectively use the available resources to continue to provide excellent services to the residents of the City.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, tax payers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends, or invests. If you have any questions about this report or need financial information please contact Frank C. Gambosi, Director of Finance, City of Bedford, 165 Center Road, Bedford, Ohio 44146, telephone (440) 735-6500, or use our web site at www.bedfordoh.gov.

City of Bedford, Ohio
Statement of Net Position
December 31, 2014

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Cash Equivalents	\$14,205,606	\$8,907,016	\$23,112,622
Cash and Cash Equivalents with Fiscal Agents	0	25,399	25,399
Accounts Receivable	75,738	1,261,846	1,337,584
Accrued Interest Receivable	2,610	5,470	8,080
Intergovernmental Receivable	867,522	18,477	885,999
Internal Balances	24,299	(24,299)	0
Income Taxes Receivable	2,842,061	0	2,842,061
Materials and Supplies Inventory	142,097	242,998	385,095
Prepaid Items	83,438	0	83,438
Property Taxes Receivable	5,021,810	0	5,021,810
Special Assessments Receivable	617,768	0	617,768
Assets Held for Resale	778,464	0	778,464
Nondepreciable Capital Assets	2,908,079	849,692	3,757,771
Depreciable Capital Assets, Net	25,358,905	16,770,437	42,129,342
<i>Total Assets</i>	<u>52,928,397</u>	<u>28,057,036</u>	<u>80,985,433</u>
Deferred Outflows of Resources			
Deferred Charge on Refunding	281,345	19,813	301,158
Liabilities			
Accounts Payable	209,474	374,135	583,609
Accrued Wages	488,596	52,931	541,527
Intergovernmental Payable	281,466	27,138	308,604
Vacation Benefits Payable	710,961	81,099	792,060
Claims Payable	193,752	0	193,752
Unearned Revenue	238,000	0	238,000
Retainage Payable	0	25,399	25,399
Accrued Interest Payable	31,625	81,760	113,385
Long-Term Liabilities:			
Due Within One Year	1,511,308	681,742	2,193,050
Due In More Than One Year	11,254,776	10,589,986	21,844,762
<i>Total Liabilities</i>	<u>14,919,958</u>	<u>11,914,190</u>	<u>26,834,148</u>
Deferred Inflows of Resources			
Property Taxes	4,677,914	0	4,677,914
Net Position			
Net Investment in Capital Assets	17,339,750	6,470,775	23,810,525
Restricted for:			
Capital Projects	92,838	0	92,838
Debt Service	469,155	0	469,155
Municipal Courts	311,668	0	311,668
Streets	1,186,093	0	1,186,093
Community Development	571,801	0	571,801
Street Lighting	505,179	0	505,179
Drug Force Violations	140,459	0	140,459
Other Purposes	507,906	0	507,906
Unrestricted	12,487,021	9,691,884	22,178,905
<i>Total Net Position</i>	<u>\$33,611,870</u>	<u>\$16,162,659</u>	<u>\$49,774,529</u>

See accompanying notes to the basic financial statements

City of Bedford, Ohio
Statement of Activities
For the Year Ended December 31, 2014

	Program Revenues		
	Expenses	Charges for Services and Operating Assessments	Operating Grants and Contributions
Governmental Activities			
General Government	\$5,075,154	\$1,991,734	\$532,841
Security of Persons and Property			
Police	5,453,595	63,182	527,943
Fire	4,091,826	421,128	272,107
Public Health and Welfare	192,212	16,260	51,589
Leisure Time Activities	1,348,774	155,147	9,114
Community Development	867,243	319,742	13,300
Basic Utility Services	1,035,156	322,754	0
Transportation	3,700,311	0	605,421
Interest and Fiscal Charges	425,081	0	0
<i>Total Governmental Activities</i>	<u>22,189,352</u>	<u>3,289,947</u>	<u>2,012,315</u>
Business-Type Activities			
Water	3,785,358	4,332,748	10,219
Wastewater	2,340,584	2,295,773	8,258
<i>Total Business-Type Activities</i>	<u>6,125,942</u>	<u>6,628,521</u>	<u>18,477</u>
<i>Total</i>	<u>\$28,315,294</u>	<u>\$9,918,468</u>	<u>\$2,030,792</u>

General Revenues

Property Taxes Levied for:

 General Purposes

 Public Safety

Municipal Income Taxes Levied for:

 General Purposes

 Debt Service

 Wastewater

Grants and Entitlements not Restricted
to Specific Programs

Investment Income

Gain on Sale of Capital Assets

Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-Type Activities	Total
(\$2,550,579)	\$0	(\$2,550,579)
(4,862,470)	0	(4,862,470)
(3,398,591)	0	(3,398,591)
(124,363)	0	(124,363)
(1,184,513)	0	(1,184,513)
(534,201)	0	(534,201)
(712,402)	0	(712,402)
(3,094,890)	0	(3,094,890)
(425,081)	0	(425,081)
<u>(16,887,090)</u>	<u>0</u>	<u>(16,887,090)</u>
0	557,609	557,609
<u>0</u>	<u>(36,553)</u>	<u>(36,553)</u>
<u>0</u>	<u>521,056</u>	<u>521,056</u>
<u>(16,887,090)</u>	<u>521,056</u>	<u>(16,366,034)</u>
1,925,157	0	1,925,157
2,507,739	0	2,507,739
9,379,819	0	9,379,819
1,069,643	0	1,069,643
0	17	17
777,765	0	777,765
42,732	48,047	90,779
644	0	644
<u>267,595</u>	<u>36,285</u>	<u>303,880</u>
<u>15,971,094</u>	<u>84,349</u>	<u>16,055,443</u>
(915,996)	605,405	(310,591)
<u>34,527,866</u>	<u>15,557,254</u>	<u>50,085,120</u>
<u>\$33,611,870</u>	<u>\$16,162,659</u>	<u>\$49,774,529</u>

City of Bedford, Ohio

Balance Sheet

Governmental Funds

December 31, 2014

	General	Public Safety	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$10,177,692	\$496,669	\$3,184,419	\$13,858,780
Property Taxes Receivable	2,175,368	2,846,442	0	5,021,810
Income Taxes Receivable	2,842,061	0	0	2,842,061
Accounts Receivable	75,738	0	0	75,738
Intergovernmental Receivable	328,086	202,617	336,819	867,522
Interfund Receivable	340,482	0	0	340,482
Accrued Interest Receivable	2,610	0	0	2,610
Materials and Supplies Inventory	142,097	0	0	142,097
Prepaid Items	83,438	0	0	83,438
Special Assessments Receivable	137,031	0	480,737	617,768
Assets Held for Resale	48,535	0	729,929	778,464
<i>Total Assets</i>	<u>\$16,353,138</u>	<u>\$3,545,728</u>	<u>\$4,731,904</u>	<u>\$24,630,770</u>
Liabilities				
Accounts Payable	\$132,532	\$0	\$76,942	\$209,474
Accrued Wages	243,438	238,573	6,585	488,596
Intergovernmental Payable	122,473	155,448	3,545	281,466
Interfund Payable	0	0	340,482	340,482
Unearned Revenue	0	0	238,000	238,000
<i>Total Liabilities</i>	<u>498,443</u>	<u>394,021</u>	<u>665,554</u>	<u>1,558,018</u>
Deferred Inflows of Resources				
Property Taxes	2,026,377	2,651,537	0	4,677,914
Unavailable Revenue	2,514,681	336,376	681,688	3,532,745
<i>Total Deferred Inflows of Resources</i>	<u>4,541,058</u>	<u>2,987,913</u>	<u>681,688</u>	<u>8,210,659</u>
Fund Balances				
Nonspendable	274,070	0	0	274,070
Restricted	0	163,794	3,130,950	3,294,744
Committed	74,017	0	1,000	75,017
Assigned	384,937	0	368,211	753,148
Unassigned (Deficit)	10,580,613	0	(115,499)	10,465,114
<i>Total Fund Balances</i>	<u>11,313,637</u>	<u>163,794</u>	<u>3,384,662</u>	<u>14,862,093</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$16,353,138</u>	<u>\$3,545,728</u>	<u>\$4,731,904</u>	<u>\$24,630,770</u>

See accompanying notes to the basic financial statements

City of Bedford, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2014*

Total Governmental Fund Balances \$14,862,093

*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. 28,266,984

Other long-term assets are not available to pay for current-period expenditures
 and therefore are reported as unavailable revenue in the funds:

Delinquent Property Taxes	343,895
Income Taxes	2,016,856
Special Assessments	617,768
Intergovernmental	<u>554,226</u>

Total 3,532,745

An internal service fund is used by management to charge the costs of insurance to
 individual funds. The assets and liabilities of the internal service fund are
 included in governmental activities in the statement of net position.

Net Position	153,074
Internal Balances	<u>24,299</u>

Total 177,373

In the statement of activities, interest is accrued on outstanding bonds, whereas
 in governmental funds, an interest expenditure is reported when due. (31,625)

Vacation benefits payable is not expected to be paid with expendable available
 financial resources and therefore not reported in the funds. (710,961)

Long-term liabilities are not due and payable in the current period and therefore
 are not reported in the funds:

General Obligation Bonds	(10,525,186)
Special Assessment Bonds	(60,000)
OPWC Loans	(596,171)
Police Pension	(166,917)
Capital Leases	(27,222)
Compensated Absences	(1,390,588)
Deferred Charge on Refunding	<u>281,345</u>

Total (12,484,739)

Net Position of Governmental Activities \$33,611,870

See accompanying notes to the basic financial statements

City of Bedford, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2014

	General	Public Safety	Other Governmental Funds	Total Governmental Funds
Revenues				
Property Taxes	\$1,913,278	\$2,492,200	\$0	\$4,405,478
Municipal Income Taxes	9,507,499	0	1,069,643	10,577,142
Charges for Services	808,617	0	575	809,192
Fees, Licenses and Permits	206,423	18	0	206,441
Fines and Forfeitures	1,613,761	0	232,802	1,846,563
Intergovernmental	1,313,763	476,080	1,029,279	2,819,122
Special Assessments	33,498	0	368,745	402,243
Contributions and Donations	0	0	1,430	1,430
Interest	29,608	1,717	10,088	41,413
Rentals	94,528	0	0	94,528
Other	35,791	50	189,905	225,746
<i>Total Revenues</i>	<u>15,556,766</u>	<u>2,970,065</u>	<u>2,902,467</u>	<u>21,429,298</u>
Expenditures				
Current:				
General Government	4,606,765	0	116,525	4,723,290
Security of Persons and Property:				
Police	1,902,358	2,957,257	465,290	5,324,905
Fire	337,328	3,798,914	11,484	4,147,726
Public Health and Welfare	171,223	0	20,207	191,430
Leisure Time Activities	1,250,787	0	17,128	1,267,915
Community Development	684,736	0	197,408	882,144
Basic Utility Services	718,513	0	322,414	1,040,927
Transportation	1,422,538	0	676,736	2,099,274
Capital Outlay	0	0	202,915	202,915
Debt Service:				
Principal Retirement	8,986	0	937,476	946,462
Interest and Fiscal Charges	7,255	0	402,852	410,107
Bond Issuance Costs	0	0	29,459	29,459
<i>Total Expenditures</i>	<u>11,110,489</u>	<u>6,756,171</u>	<u>3,399,894</u>	<u>21,266,554</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,446,277</u>	<u>(3,786,106)</u>	<u>(497,427)</u>	<u>162,744</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	6,120	500	200	6,820
General Obligation Refunding Bonds Issued	0	0	835,000	835,000
Premium on Bonds Issued	0	0	39,099	39,099
Payment to Refunded Bond Escrow Agent	0	0	(850,000)	(850,000)
Transfers In	0	3,766,683	337,793	4,104,476
Transfers Out	(4,060,131)	0	(44,345)	(4,104,476)
<i>Total Other Financing Sources (Uses)</i>	<u>(4,054,011)</u>	<u>3,767,183</u>	<u>317,747</u>	<u>30,919</u>
<i>Net Change in Fund Balances</i>	392,266	(18,923)	(179,680)	193,663
<i>Fund Balances Beginning of Year - (Restated - See Note 20)</i>	<u>10,921,371</u>	<u>182,717</u>	<u>3,564,342</u>	<u>14,668,430</u>
<i>Fund Balances End of Year</i>	<u>\$11,313,637</u>	<u>\$163,794</u>	<u>\$3,384,662</u>	<u>\$14,862,093</u>

See accompanying notes to the basic financial statements

City of Bedford, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2014*

Net Change in Fund Balances - Total Governmental Funds \$193,663

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

Capital Asset Additions	425,352	
Current Year Depreciation	(2,298,893)	
Total		(1,873,541)

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (24,373)

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

Delinquent Property Taxes	27,418	
Income Taxes	(127,680)	
Special Assessments	(69,020)	
Intergovernmental	(30,472)	
Total		(199,754)

Other financing sources in the governmental funds increase long-term liabilities in the statement of net position.

General Obligation Refunding Bonds Issued	(835,000)	
Premium on Bonds Issued	(39,099)	
Total		(874,099)

Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal Retirement	946,462	
Payment to Refunded Bond Escrow Agent	850,000	
Total		1,796,462

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 governmental funds.

Accrued Interest	1,946	
Amortization of Premium	12,107	
Amortization of Discount	(2,589)	
Amortization of Deferred Charge on Refunding	(26,438)	
Total		(14,974)

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 governmental funds.

Compensated Absences	41,446	
Vacation Benefits Payable	(5,467)	
Total		35,979

The internal service fund used to charge the costs of insurance to individual funds is not reported in the City-wide statement of activities. Governmental fund expenditures and related internal service fund revenue are eliminated.

The net revenue (expense) of the internal service fund is allocated among the governmental and business-type activities.

Change in Net Position	44,799	
Change in Internal Balance	(158)	
Total		44,641

Change in Net Position of Governmental Activities (\$915,996)

See accompanying notes to the basic financial statements

City of Bedford, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$1,995,675	\$2,002,847	\$1,913,278	(\$89,569)
Municipal Income Taxes	9,157,965	9,157,965	9,626,945	468,980
Charges for Services	653,970	653,970	617,156	(36,814)
Fees, Licenses and Permits	247,200	247,200	201,753	(45,447)
Fines and Forfeitures	1,647,900	1,647,900	1,607,061	(40,839)
Intergovernmental	1,355,803	1,426,788	1,332,384	(94,404)
Special Assessments	25,000	25,000	33,498	8,498
Interest	14,350	14,350	28,676	14,326
Rentals	91,820	91,820	94,528	2,708
Other	37,650	37,650	43,412	5,762
<i>Total Revenues</i>	15,227,333	15,305,490	15,498,691	193,201
Expenditures				
Current:				
General Government	4,964,675	5,293,391	4,734,910	558,481
Security of Persons and Property:				
Police	2,028,990	2,145,875	1,965,874	180,001
Fire	366,491	366,491	358,149	8,342
Public Health and Welfare	51,250	51,250	51,250	0
Leisure Time Activities	120,770	120,770	107,280	13,490
Community Development	473,754	481,554	456,807	24,747
Basic Utility Services	714,000	719,941	716,061	3,880
Transportation	1,478,885	1,527,885	1,445,697	82,188
<i>Total Expenditures</i>	10,198,815	10,707,157	9,836,028	871,129
<i>Excess of Revenues Over (Under) Expenditures</i>	5,028,518	4,598,333	5,662,663	1,064,330
Other Financing Sources (Uses)				
Sale of Capital Assets	10,000	10,000	6,120	(3,880)
Advances In	360,000	353,000	235,000	(118,000)
Transfers Out	(5,690,590)	(5,720,590)	(5,391,248)	329,342
<i>Total Other Financing Sources (Uses)</i>	(5,320,590)	(5,357,590)	(5,150,128)	207,462
<i>Net Change in Fund Balance</i>	(292,072)	(759,257)	512,535	1,271,792
<i>Fund Balance Beginning of Year</i>	8,794,502	8,794,502	8,794,502	0
Prior Year Encumbrances Appropriated	241,386	241,386	241,386	0
<i>Fund Balance End of Year</i>	\$8,743,816	\$8,276,631	\$9,548,423	\$1,271,792

See accompanying notes to the basic financial statements

City of Bedford, Ohio
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Safety Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$2,609,531	\$2,609,531	\$2,492,200	(\$117,331)
Fees, Licenses and Permits	50	50	18	(32)
Intergovernmental	566,878	566,878	455,480	(111,398)
Interest	1,065	1,065	1,717	652
Other	500	500	50	(450)
<i>Total Revenues</i>	3,178,024	3,178,024	2,949,465	(228,559)
Expenditures				
Current:				
Security of Persons and Property:				
Police	3,138,610	3,204,980	2,966,726	238,254
Fire	3,895,125	3,984,987	3,809,699	175,288
<i>Total Expenditures</i>	7,033,735	7,189,967	6,776,425	413,542
<i>Excess of Revenues Over (Under) Expenditures</i>	(3,855,711)	(4,011,943)	(3,826,960)	184,983
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	500	500
Transfers In	3,772,475	3,802,475	3,766,683	(35,792)
<i>Total Other Financing Sources (Uses)</i>	3,772,475	3,802,475	3,767,183	(35,292)
<i>Net Change in Fund Balance</i>	(83,236)	(209,468)	(59,777)	149,691
<i>Fund Balance Beginning of Year</i>	551,056	551,056	551,056	0
Prior Year Encumbrances Appropriated	668	668	668	0
<i>Fund Balance End of Year</i>	\$468,488	\$342,256	\$491,947	\$149,691

See accompanying notes to the basic financial statements

City of Bedford, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2014

	Enterprise			Internal Service
	Water	Wastewater	Total	
Assets				
<i>Current Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$4,925,599	\$3,981,417	\$8,907,016	\$346,826
Restricted Assets:				
Cash and Cash Equivalents				
with Fiscal Agents	15,000	10,399	25,399	0
Receivables:				
Accounts	782,331	479,515	1,261,846	0
Intergovernmental	10,219	8,258	18,477	0
Accrued Interest	3,025	2,445	5,470	0
Materials and Supplies Inventory	165,208	77,790	242,998	0
<i>Total Current Assets</i>	<u>5,901,382</u>	<u>4,559,824</u>	<u>10,461,206</u>	<u>346,826</u>
<i>Noncurrent Assets</i>				
Nondepreciable Capital Assets	0	849,692	849,692	0
Depreciable Capital Assets, Net	7,212,849	9,557,588	16,770,437	0
<i>Total Noncurrent Assets</i>	<u>7,212,849</u>	<u>10,407,280</u>	<u>17,620,129</u>	<u>0</u>
<i>Total Assets</i>	<u>13,114,231</u>	<u>14,967,104</u>	<u>28,081,335</u>	<u>346,826</u>
Deferred Outflows of Resources				
Deferred Charge on Refunding	7,050	12,763	19,813	0
Liabilities				
<i>Current Liabilities</i>				
Accounts Payable	170,469	203,666	374,135	0
Accrued Wages	17,846	35,085	52,931	0
Intergovernmental Payable	9,527	17,611	27,138	0
Retainage Payable	15,000	10,399	25,399	0
Vacation Benefits Payable	25,880	55,219	81,099	0
Compensated Absences Payable	813	56,041	56,854	0
Accrued Interest Payable	8,718	73,042	81,760	0
General Obligation Bonds Payable	185,600	220,000	405,600	0
OPWC Loans Payable	42,700	51,133	93,833	0
OWDA Loans Payable	0	125,455	125,455	0
Claims Payable	0	0	0	193,752
<i>Total Current Liabilities</i>	<u>476,553</u>	<u>847,651</u>	<u>1,324,204</u>	<u>193,752</u>
<i>Long-Term Liabilities (net of current portion)</i>				
Compensated Absences Payable	21,854	12,551	34,405	0
General Obligation Bonds Payable	3,440,357	4,746,021	8,186,378	0
OPWC Loans Payable	644,550	525,812	1,170,362	0
OWDA Loans Payable	0	1,198,841	1,198,841	0
<i>Total Long-Term Liabilities</i>	<u>4,106,761</u>	<u>6,483,225</u>	<u>10,589,986</u>	<u>0</u>
<i>Total Liabilities</i>	<u>4,583,314</u>	<u>7,330,876</u>	<u>11,914,190</u>	<u>193,752</u>
Net Position				
Net Investment in Capital Assets	2,914,091	3,556,684	6,470,775	0
Unrestricted	5,623,876	4,092,307	9,716,183	153,074
<i>Total Net Position</i>	<u>\$8,537,967</u>	<u>\$7,648,991</u>	<u>16,186,958</u>	<u>\$153,074</u>

Net position reported for business-type activities in the statement of net position are different because they include accumulated overpayments to the internal service fund: (24,299)

Net position of business-type activities \$16,162,659

See accompanying notes to the basic financial statements

City of Bedford, Ohio
*Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2014*

	Enterprise			Internal Service
	Water	Wastewater	Total	
Operating Revenues				
Charges for Services	\$4,332,748	\$2,295,773	\$6,628,521	\$2,811,837
Other	34,660	1,625	36,285	41,849
<i>Total Operating Revenues</i>	<u>4,367,408</u>	<u>2,297,398</u>	<u>6,664,806</u>	<u>2,853,686</u>
Operating Expenses				
Personal Services	566,875	1,062,399	1,629,274	0
Contractual Services	2,634,453	223,134	2,857,587	364,777
Materials and Supplies	276,651	460,907	737,558	0
Depreciation	133,560	321,041	454,601	0
Claims	0	0	0	2,445,429
Other	1,084	2,343	3,427	0
<i>Total Operating Expenses</i>	<u>3,612,623</u>	<u>2,069,824</u>	<u>5,682,447</u>	<u>2,810,206</u>
<i>Operating Income (Loss)</i>	<u>754,785</u>	<u>227,574</u>	<u>982,359</u>	<u>43,480</u>
Non-Operating Revenues (Expenses)				
Interest	25,950	22,097	48,047	1,319
Municipal Income Taxes	0	17	17	0
Grants	10,219	8,258	18,477	0
Interest and Fiscal Charges	(131,534)	(237,665)	(369,199)	0
Bond Issuance Costs	(41,259)	(33,195)	(74,454)	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(136,624)</u>	<u>(240,488)</u>	<u>(377,112)</u>	<u>1,319</u>
<i>Change in Net Position</i>	618,161	(12,914)	605,247	44,799
<i>Net Position Beginning of Year</i>	<u>7,919,806</u>	<u>7,661,905</u>		<u>108,275</u>
<i>Net Position End of Year</i>	<u>\$8,537,967</u>	<u>\$7,648,991</u>		<u>\$153,074</u>

Some amounts reported for business-type activities in the statement of activities are different because a portion of the change in net position of the internal service fund is reported with business-type activities:

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Change in net position of business-type activities

\$605,405

See accompanying notes to the basic financial statements

City of Bedford, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2014

	Enterprise			Internal Service
	Water	Wastewater	Total	
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash Received from Customers	\$4,399,854	\$2,279,244	\$6,679,098	\$0
Cash Received from Interfund Services Provided	0	0	0	2,811,837
Other Cash Receipts	34,660	1,625	36,285	41,849
Cash Payments to Employees for Services	(606,696)	(1,064,391)	(1,671,087)	0
Cash Payments for Goods and Services	(2,949,920)	(535,283)	(3,485,203)	(364,777)
Cash Payments for Claims	0	0	0	(2,436,379)
Other Cash Payments	(1,084)	(2,343)	(3,427)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>876,814</u>	<u>678,852</u>	<u>1,555,666</u>	<u>52,530</u>
Cash Flows from Noncapital Financing Activities				
Cash Received from Municipal Income Taxes	<u>0</u>	<u>17</u>	<u>17</u>	<u>0</u>
Cash Flows from Capital and Related Financing Activities				
Proceeds from General Obligation Refunding Bonds	1,145,000	920,000	2,065,000	0
Premium from General Obligation Refunding Bonds	71,749	58,065	129,814	0
Principal Paid on General Obligation Bonds	(178,900)	(216,600)	(395,500)	0
Interest Paid on General Obligation Bonds	(133,548)	(154,585)	(288,133)	0
Principal Paid on OWDA Loans	0	(120,702)	(120,702)	0
Interest Paid on OWDA Loans	0	(55,189)	(55,189)	0
Principal Paid on OPWC Loans	(42,700)	(55,297)	(97,997)	0
Bond Issuance Costs	(41,259)	(33,195)	(74,454)	0
Payment to Refunded Bond Escrow Agent	(1,170,000)	(945,000)	(2,115,000)	0
Cash Payments for Retainage Contracts	(45,408)	(42,664)	(88,072)	0
Payments for Capital Acquisitions	(632,272)	(578,991)	(1,211,263)	0
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(1,027,338)</u>	<u>(1,224,158)</u>	<u>(2,251,496)</u>	<u>0</u>
Cash Flows from Investing Activities				
Interest on Investments	<u>26,679</u>	<u>22,998</u>	<u>49,677</u>	<u>1,319</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	(123,845)	(522,291)	(646,136)	53,849
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>5,064,444</u>	<u>4,514,107</u>	<u>9,578,551</u>	<u>292,977</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$4,940,599</u></u>	<u><u>\$3,991,816</u></u>	<u><u>\$8,932,415</u></u>	<u><u>\$346,826</u></u>

(continued)

City of Bedford, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2014

	Enterprise			Internal Service
	Water	Wastewater	Total	
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Operating Income (Loss)	\$754,785	\$227,574	\$982,359	\$43,480
Adjustments:				
Depreciation	133,560	321,041	454,601	0
(Increase) Decrease in Assets:				
Accounts Receivable	67,106	(16,529)	50,577	0
Materials and Supplies Inventory	(11,428)	(7,703)	(19,131)	0
Increase (Decrease) in Liabilities:				
Accounts Payable	(27,388)	156,461	129,073	0
Accrued Wages	(3,653)	1,636	(2,017)	0
Intergovernmental Payable	(3,495)	(2,846)	(6,341)	0
Vacation Benefits Payable	(6,217)	752	(5,465)	0
Compensated Absences Payable	(26,456)	(1,534)	(27,990)	0
Claims Payable	0	0	0	9,050
<i>Total Adjustments</i>	122,029	451,278	573,307	9,050
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$876,814	\$678,852	\$1,555,666	\$52,530

See accompanying notes to the basic financial statements

City of Bedford, Ohio
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2014

Assets	
Equity in Pooled Cash and Cash Equivalents	\$170,828
Cash and Cash Equivalents in Segregated Accounts	<u>196,016</u>
<i>Total Assets</i>	<u><u>\$366,844</u></u>
Liabilities	
Deposits Held and Due to Others	<u><u>\$366,844</u></u>

See accompanying notes to the basic financial statements

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 1 – Description of the City and Reporting Entity

The City of Bedford (the City) was incorporated as a village in 1837. In 1932, the residents of the City adopted the City's first charter. The City is a home rule municipal corporation under the laws of the State of Ohio which operates under the Council-Manager form of government with the Council appointing the City Manager, Finance Director, Law Director and Clerk of Council. The legislative power of the City is vested in the seven-member Council.

Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the City consists of all funds, agencies, departments and offices that are not legally separate from the City. For the City of Bedford this includes the agencies and departments that provide the following services: police, fire, rescue, recreation programs, street maintenance and repairs, sanitation, water, wastewater treatment, storm water, municipal court and general administrative services. The City purchases its water from the City of Cleveland and in turn bills its customers. The City of Bedford owns and operates its own wastewater treatment facility. Except for water and sewage, the major utilities are provided by private entities.

The clerk of courts is appointed by the presiding Judge of the Bedford Municipal Court and has a fiduciary responsibility for the collection and distribution of court fees and fines. The Municipal Court Judges are elected by residents of the participating cities and work under the authority of the Chief Justice of the Supreme Court of Ohio.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The reporting entity of the City does not include any component units.

The City participates in a jointly governed organization. This organization is the Southeast Emergency Communication Center and is presented in Note 19 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

The financial statements of the City of Bedford have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

Basis of Presentation

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Government-wide Financial Statements The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid “doubling up” revenues and expenses. The statements distinguish between those activities of the City that are governmental and those that are considered business-type.

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

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

Fund Accounting

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

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

General Fund The general fund accounts for and reports all financial resources except those required to be accounted for and reported in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City of Bedford and/or the general laws of Ohio.

Public Safety Fund The public safety special revenue fund accounts for and reports the property tax revenue restricted for the police and fire departments, paramedic services and police and fire pension contributions.

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as either enterprise or internal service.

Enterprise Funds Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds.

Water Fund The water fund accounts for the provision of water service to the residents and commercial users located within the City.

Wastewater Fund The wastewater fund accounts for the provision of sanitary sewer service to the residents and commercial users located within the City.

Internal Service Fund Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. The City's only internal service fund is a health fund that accounts for vision, dental, prescription drug and hospital/medical claims of the City employees.

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for the State inspection fee program, the amounts collected by the municipal court that are paid to other governments and confiscated monies received by the SEALE Drug Task Force.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the Statement of Net Position. The Statement of Activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net position.

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

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Basis of Accounting

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

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

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: income tax, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), fines and forfeitures, interest and grants and entitlements.

Unearned Revenue Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because the amounts have not yet been earned. The City recognizes unearned revenue for the long-term leasing of billboards throughout the City.

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

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2014, but which were levied to finance 2015 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

revenue includes delinquent property taxes, income taxes, special assessments and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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

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

Pooled Cash and Cash Equivalents

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

The City utilizes a financial institution to service bonded construction payments as they come due. The balances in these accounts are presented in the statements as "cash and cash equivalents with fiscal agents."

The City has segregated bank accounts for monies held separate from the City's central bank account. These interest bearing depository accounts are presented as "cash and cash equivalents in segregated accounts" since they are not required to be deposited into the City Treasury.

During 2014, investments were limited to repurchase agreements, money market, municipal bonds, federal national mortgage association notes, federal mortgage association corporation notes, federal home loan bank bonds and STAR Ohio, the State Treasurer's Investment Pool.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. The fair value of the money market fund is determined by the fund's current share price. Nonparticipating investment contracts such as nonnegotiable certificates of deposit and repurchase agreements are reported at cost.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's net asset value per share which is the price the investment could be sold at December 31, 2014.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2014 amounted to \$29,608, of which \$275 was assigned from other funds.

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are presented on the financial statements as cash equivalents.

Materials and Supplies Inventory

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2014, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

Assets Held for Resale

Assets held for resale represents assets consisting of homes purchased and repaired which will be resold under the Community Development and Housing Rehabilitation in-fill housing project. These programs are reported in the community development block grant special revenue fund and in the general fund.

Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors or laws of other governments or imposed by law through constitutional provisions. Restricted assets in the water and wastewater enterprise funds represent money set aside as retainage payable on construction projects.

Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of two thousand five hundred dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of proprietary fund capital assets is also capitalized.

All capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and Improvements	50 years	50 years
Machinery and Equipment	5-20 years	5-20 years
Furniture and Fixtures	10 years	10 years
Vehicles	5-10 years	7-10 years
Infrastructure	20-50 years	50 years

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

The City's infrastructure consists of roads, traffic signals, storm sewers and water and sewer lines and includes infrastructure acquired prior to December 31, 1980.

Interfund Balances

On the fund financial statements, receivables and payables resulting from transactions between funds for services provided or goods received and from short-term interfund loans are classified as "interfund receivables/payables." Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time when earned for all employees. Since the City's policy limits the accrual of vacation time to one year from the employee's anniversary date, the outstanding liability is recorded as "vacation benefits payable" on the statement of net position rather than as a long-term liability.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future (those employees who will be eligible to receive termination payments in the next twenty years). The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the City's termination policy. The City records a liability for accumulated unused sick leave for all employees after ten years of service and for employees who have met retirement standards of age and/or years of service.

Accrued Liabilities and Long-term Obligations

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

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

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Net position restricted for other purposes include security of persons and property through the police and fire departments and recreational activities. The City applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable: The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

Restricted: Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances).

Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party—such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed: The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (ordinance or resolution, as both are equally binding) of City Council. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution, as both are equally binding) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned: Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by City Council. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance or by State Statute. State statute authorizes the Finance Director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. City Council assigned fund balance for recreation, cemetery, enterprise zones and capital improvements.

Unassigned: Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit fund balance.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water and sewer services and self-insurance programs. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

Deferred Charge on Refunding

The difference between the reacquisition price (funds required to refund the old debt) of various refunding bonds and the net carrying amount of the old debt, the deferred amount (loss) on refunding, is being amortized as a component of interest expense. This accounting loss is amortized over the remaining life of the old debt or the life of the new debt whichever is shorter, using the effective interest method and is presented as deferred outflows of resources on the statement of net position.

Bond Premiums and Discounts

On the government-wide financial statements, bond premiums and discounts are deferred and amortized over the term of the bonds using the straight line method. Bond premiums are presented as an increase of the face amount of the general obligation bonds payable. On fund financial statements, bond premiums are receipted in the year the bonds are issued. On the government-wide financial statements, bond discounts are presented as a decrease of the face amount of the general obligation bonds payable. On fund financial statements, bond discounts are expended in the year the bonds are issued.

Interfund Activity

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

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

Estimates

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Minimum fund balance policy

The governing council has adopted a financial policy to maintain a minimum level of unrestricted fund balance (the total of the committed, assigned and unassigned components of fund balance) in the general fund. The target level is set at 15 percent of general fund's appropriations. This amount is intended to provide fiscal stability when economic downturns and other unexpected events occur. If fund balance falls below the minimum target level because it has been used, essentially as a "revenue" source, as dictated by current circumstances, the policy provides for actions to replenish the amount to the minimum target level. Generally, replenishment is to occur within a three-year period.

Budgetary Data

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the department level and personal services and other for all funds. Budgetary modifications may only be made by resolution of the City Council at the legal level of control. Authority to further allocate Council appropriations within departments has been given to the Director of Finance.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Finance Director. The amounts reported as the original and final budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original and final appropriations were enacted by Council.

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

Note 3 – Fund Balances

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

Fund Balances	General	Public Safety	Other Governmental Funds	Total
<u>Nonspendable:</u>				
Prepays	\$83,438	\$0	\$0	\$83,438
Inventory	142,097	0	0	142,097
Assets Held for Resale	48,535	0	0	48,535
<i>Total Nonspendable</i>	<u>\$274,070</u>	<u>\$0</u>	<u>\$0</u>	<u>\$274,070</u>

City of Bedford, Ohio
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For the Year Ended December 31, 2014

Fund Balances	General	Public Safety	Other Governmental Funds	Total
<u>Restricted for:</u>				
Public Safety Services	\$0	\$163,794	\$0	\$163,794
Community Development	0	0	571,801	571,801
State Highway Maintenance	0	0	133,530	133,530
Indigent Drivers Rehabilitation	0	0	246,384	246,384
Seale Narcotics Law Enforcement	0	0	140,459	140,459
Enforcement and Education - Alcohol	0	0	3,927	3,927
Street Lighting	0	0	182,269	182,269
Street Construction, Maintenance and Repair	0	0	675,124	675,124
Cemetery Improvements	0	0	43,627	43,627
Municipal Court Special Programs	0	0	297,028	297,028
Indigent Interlock and Monitoring	0	0	83,198	83,198
Debt service payments	0	0	315,731	315,731
Capital Improvements	0	0	92,838	92,838
Other Purposes	0	0	345,034	345,034
<i>Total Restricted</i>	<u>0</u>	<u>163,794</u>	<u>3,130,950</u>	<u>3,294,744</u>
<u>Committed to:</u>				
Capital Improvements	0	0	1,000	1,000
Construction	12,660	0	0	12,660
Contractual Agreements	23,435	0	0	23,435
Purchases of Software	37,922	0	0	37,922
<i>Total Committed</i>	<u>74,017</u>	<u>0</u>	<u>1,000</u>	<u>75,017</u>
<u>Assigned to:</u>				
Capital Improvements	0	0	368,211	368,211
Recreation, Cemetery and Enterprise Zones	293,842	0	0	293,842
Purchases on Order	91,095	0	0	91,095
<i>Total Assigned</i>	<u>384,937</u>	<u>0</u>	<u>368,211</u>	<u>753,148</u>
Unassigned (Deficit)	<u>10,580,613</u>	<u>0</u>	<u>(115,499)</u>	<u>10,465,114</u>
Total Fund Balances	<u><u>\$11,313,637</u></u>	<u><u>\$163,794</u></u>	<u><u>\$3,384,662</u></u>	<u><u>\$14,862,093</u></u>

Note 4- Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).

City of Bedford, Ohio
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For the Year Ended December 31, 2014

2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than restricted, committed, or assigned fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budgetary statements, but which are reported on the operating statements prepared using GAAP.
5. Investments are reported at cost (budget) rather than fair value (GAAP).
6. Advances-In and Advances-Out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
7. Budgetary revenues and expenditures of the enterprise zone, cemetery and recreation funds are classified to the general fund for GAAP reporting.

Adjustments necessary to convert the results of operations at the end of the year on the GAAP basis to the Budget basis are as follows:

Net Change in Fund Balances		
General and Public Safety Special Revenue Funds		
	General	Public Safety
GAAP Basis	\$392,266	(\$18,923)
Net Adjustment for Revenue Accruals	1,482,475	(20,600)
Beginning Fair Value of Adjustments for Investments	(3,718)	0
Ending Fair Value of Adjustments for Investments	4,039	0
Beginning Unrecorded Cash	123,806	0
Ending Unrecorded Cash	(129,095)	0
Net Adjustment for Expenditure Accruals	(1,385,066)	(15,532)
Advances In	235,000	0
Perspective Difference:		
Enterprise Zone	(48,942)	0
Cemetery	(8,723)	0
Recreation	37,889	0
Encumbrances	(187,396)	(4,722)
Budget Basis	\$512,535	(\$59,777)

Note 5 - Deposits and Investments

The City has chosen to follow State statute and classify monies held by the City into three categories.

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

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

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

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

1. United States Treasury bills, bonds notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio;
6. The State Treasurer's investment pool (STAR Ohio); and
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one hundred eighty days in an amount not to exceed 25 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

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

The City may also invest monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State, as to which there is no default of principal, interest or coupons; and

City of Bedford, Ohio
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For the Year Ended December 31, 2014

3. Obligations of the City.

Deposits

Custodial Credit Risk Custodial credit risk for deposits is the risk that in the event of bank failure, the City will not be able to recover deposits or collateral securities that are in possession of an outside party. At year end, \$3,124,519 of the City's bank balance of \$4,040,756 was uninsured and uncollateralized. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the Federal Deposit Insurance Corporation.

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

Investments

Investments are reported at fair value. As of December 31, 2014, the City had the following investments:

	Fair Value	Maturity	Moody Rating	Percent of Total Investments
Repurchase Agreements	\$12,771,457	Less than 30 days	AAAm	64.12%
Money Market Account	1,842,541	Less than one year	AAAm	9.25%
Municipal Bonds	245,093	Less than three years	N/A	1.23%
Federal National Mortgage Association Notes	2,896,500	Less than five years	AAA	14.54%
Federal Mortgage Association Corporation Notes	549,655	Less than five years	AAA	2.76%
Federal Home Loan Bank Bonds	1,300,000	Less than five years	AAA	6.53%
STAR Ohio	312,250	50.1 days	AAAm	N/A
Total Investments	<u>\$19,917,496</u>			

Interest Rate Risk As a means of limiting its exposure to fair value losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and that the City's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity. Repurchase agreements are limited to 30 days and the market value of the securities must exceed the principal value of the agreement by at least 2 percent and be marked to market daily.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The securities underlying the repurchase agreements are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty. The City has an investment policy

City of Bedford, Ohio
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For the Year Ended December 31, 2014

dealing with investment custodial credit risk beyond the requirement in State statute that requires securities shall be delivered into the custody of the finance director or governing board or an agent designated by the finance director or governing board.

Credit Risk All investments of the City carry a rating of AAA and AAAM by Moody's. The municipal bonds are unrated. The City has an investment policy that addresses credit risk.

Concentration of Credit Risk The City places no limit on the amount it may invest in any one issuer.

Note 6 - Contingencies

Grants

The City receives financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the overall financial position of the City at December 31, 2014.

Litigation

The City is a party to various legal proceedings seeking damages. The City management is of the opinion that ultimate disposition of these claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

Investigation

On April 6, 2011, the City of Bedford Police Department, with assistance from the Cuyahoga County Prosecutor's office, started an investigation into the City of Bedford's Home Rehabilitation Program and possible improprieties related to administering the grant. The City feels it is highly unlikely that an adverse outcome will materially affect the fair presentation of the City's basic financial statements.

The matter is still under investigation. However, based on the City's internal review of the program, the City believes the likelihood of the investigation resulting in any material potential loss or liability, including the possibility of significant disallowance findings related to Federal grant programs, is remote, and that any adverse outcome from those charges would pertain to the City officials and employees subject to the investigation.

Note 7 - Receivables

Receivables at December 31, 2014, consisted primarily of municipal income taxes, property taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, accrued interest on investments, and accounts (billings for utility service).

No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant. All receivables except property taxes and special assessments are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

City of Bedford, Ohio
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For the Year Ended December 31, 2014

Special assessments expected to be collected in more than one year amount to \$157,827. At December 31, 2014, the amount of delinquent special assessments was \$380,013 in the general fund, the street, construction maintenance and repair fund and the special assessment bond retirement fund.

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2014 for real and public utility property taxes represents collections of 2013 taxes.

2014 real property taxes were levied after October 1, 2014, on the assessed value as of January 1, 2014, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2014 real property taxes are collected in and intended to finance 2015.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2014 public utility property taxes which became a lien December 31, 2013, are levied after October 1, 2014, and are collected in 2015 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2014, was \$21.70 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2014 property tax receipts were based are as follows:

Real Property	
Residential/Agricultural	\$127,867,150
Commercial Industrial/Public Utility	99,086,210
Tangible Personal Property	
Public Utility	<u>8,776,990</u>
Total	<u><u>\$235,730,350</u></u>

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the county, including the City. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2014, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2014 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

Income Taxes

The City levies an income tax of 2.25 percent on all income earned within the City as well as income of residents earned outside the City. The City allows a credit of 1.50 percent on the income earned outside the City and paid to another municipality. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Intergovernmental Receivables

A summary of the principal items of intergovernmental receivables follows:

Governmental Activities	<u>Amount</u>
Homestead and Rollback	\$247,915
Gasoline Tax	215,679
Local Government	167,931
Grants	85,953
Court Costs	48,143
Motor Vehicle License Tax	47,349
Permissive Tax	42,189
IRS Reimbursement	6,795
Cuyahoga County	4,620
Tangible Personal Property Loss Reimbursements	<u>948</u>
Total Governmental Activities	867,522
Business-Type Activities	
Water	10,219
Wastewater	<u>8,258</u>
Total	<u><u>\$885,999</u></u>

Note 8 – Compensated Absences

Vacation leave is earned at rates which vary depending upon length of service and standard work week. Current policy permits vacation leave to be accumulated up to one year from the one year anniversary date of hire, thereafter, all vacation must be used by December 31. City employees are paid for earned, unused vacation leave at the time of termination of employment.

Sick leave is earned at the rate of one and one quarter days per month of service. Employees with accumulated sick leave in excess of 120 days at November 1 of each year receive payment for the excess over 120 days at the rate of one half the accumulated sick leave over 120 days. Upon retirement, employees are paid one half of the accumulated sick leave.

Note 9 – Assets Held for Resale

Assets held for resale represents homes purchased and repaired to be resold under the Community Development in-fill housing project. During 2014, the City sold two homes. As of December 31, 2014, the City has eight homes remaining which are being held for resale.

Note 10 – Accountability

At December 31, 2014, the HUD Rehabilitation Program special revenue fund had a deficit fund balance of \$115,499. The special revenue fund deficit is the result of the recognition of expenditures on a modified accrual basis of accounting which are substantially greater than the expenditures recognized on a cash basis. The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 11 - Interfund Transfers and Balances

Interfund Transfers

Transfer To	Transfer From		Total
	General	Other Governmental Funds	
Major Funds:			
Public Safety	\$3,766,683	\$0	\$3,766,683
Other Governmental Funds:			
Street Construction, Maintenance and Repair	41,667	0	41,667
Grants	13,750	0	13,750
General Obligation Bond Retirement	238,031	44,345	282,376
Total Other Governmental Funds	293,448	44,345	337,793
Total	\$4,060,131	\$44,345	\$4,104,476

The general fund transfers to the major and nonmajor governmental funds were made to provide additional resources for current operations. The transfer from the municipal court special programs special revenue fund to the general obligation bond retirement fund was to pay the court's portion of the principal and interest due on the bonds issued to build the Court.

Interfund Balances

The interfund balance at December 31, 2014, consists of an interfund receivable/payable between the general fund and the nonmajor governmental funds in the amount of \$340,482. These loans were made to support housing rehabilitation programs and projects pending the receipt of grant money that will be used to repay the loans. These loans are expected to be repaid in one year.

Note 12 – Capital Assets

A summary of changes in capital assets during 2014 follows:

	Balance 12/31/13	Additions	Deletions	Balance 12/31/14
Governmental Activities				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$2,908,079	\$0	\$0	\$2,908,079
Construction in Progress	12,463	0	(12,463)	0
<i>Total Capital Assets Not Being Depreciated</i>	\$2,920,542	\$0	(\$12,463)	\$2,908,079

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

	Balance 12/31/13	Additions	Deletions	Balance 12/31/14
Governmental Activities (continued)				
<i>Capital Assets Being Depreciated</i>				
Buildings and Improvements	\$17,627,091	\$0	\$0	\$17,627,091
Machinery and Equipment	4,322,885	292,755	(190,616)	4,425,024
Furniture and Fixtures	920,810	40,678	0	961,488
Vehicles	4,400,943	58,298	(50,491)	4,408,750
Infrastructure:				
Roads	41,522,734	46,084	0	41,568,818
Traffic Signals	1,588,375	0	0	1,588,375
Railroad Closures/Barriers	410,203	0	0	410,203
Storm Sewers	3,508,512	0	0	3,508,512
<i>Total Capital Assets Being Depreciated</i>	<u>74,301,553</u>	<u>437,815</u>	<u>(241,107)</u>	<u>74,498,261</u>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(4,444,972)	(383,808)	0	(4,828,780)
Machinery and Equipment	(3,395,421)	(203,157)	169,720	(3,428,858)
Furniture and Fixtures	(825,718)	(19,012)	0	(844,730)
Vehicles	(3,567,420)	(199,259)	47,014	(3,719,665)
Infrastructure:				
Roads	(33,036,529)	(1,348,427)	0	(34,384,956)
Traffic Signals	(718,847)	(63,535)	0	(782,382)
Railroad Closures/Barriers	(25,891)	(11,524)	0	(37,415)
Storm Sewers	(1,042,399)	(70,171)	0	(1,112,570)
<i>Total Accumulated Depreciation</i>	<u>(47,057,197)</u>	<u>(2,298,893) *</u>	<u>216,734</u>	<u>(49,139,356)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>27,244,356</u>	<u>(1,861,078)</u>	<u>(24,373)</u>	<u>25,358,905</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$30,164,898</u>	<u>(\$1,861,078)</u>	<u>(\$36,836)</u>	<u>\$28,266,984</u>
Business-Type Activities				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$28,620	\$0	\$0	\$28,620
Construction in Progress	2,292,863	528,233	(2,000,024)	821,072
<i>Total Capital Assets Not Being Depreciated</i>	<u>2,321,483</u>	<u>528,233</u>	<u>(2,000,024)</u>	<u>849,692</u>
<i>Capital Assets, Being Depreciated</i>				
Buildings and Improvements	10,617,942	0	0	10,617,942
Machinery and Equipment	6,491,888	974,020	0	7,465,908
Furniture and Fixtures	93,772	0	0	93,772
Vehicles	559,141	0	0	559,141
Infrastructure:				
Water Lines	6,370,853	1,709,034	0	8,079,887
Sanitary Sewer Lines	3,184,837	0	0	3,184,837
<i>Total Capital Assets Being Depreciated</i>	<u>\$27,318,433</u>	<u>\$2,683,054</u>	<u>\$0</u>	<u>\$30,001,487</u>

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

	Balance 12/31/13	Additions	Deletions	Balance 12/31/14
Business-Type Activities (continued)				
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(\$3,996,263)	(\$223,280)	\$0	(\$4,219,543)
Machinery and Equipment	(6,278,456)	(41,782)	0	(6,320,238)
Furniture and Fixtures	(93,772)	0	0	(93,772)
Vehicles	(345,674)	(46,017)	0	(391,691)
Infrastructure:				
Water Lines	(1,159,742)	(103,752)	0	(1,263,494)
Sanitary Sewer Lines	(902,542)	(39,770)	0	(942,312)
<i>Total Accumulated Depreciation</i>	<u>(12,776,449)</u>	<u>(454,601)</u>	<u>0</u>	<u>(13,231,050)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>14,541,984</u>	<u>2,228,453</u>	<u>0</u>	<u>16,770,437</u>
<i>Total Business-Type Capital Assets, Net</i>	<u>\$16,863,467</u>	<u>\$2,756,686</u>	<u>(\$2,000,024)</u>	<u>\$17,620,129</u>

* Depreciation expense was charged to governmental functions as follows:

General Government	\$235,833
Security of Persons and Property	
Police	138,550
Fire	209,479
Public Health and Welfare	945
Leisure Time Activities	105,295
Community Development	7,676
Basic Utilities Services	412
Transportation	1,600,703
Total	<u>\$2,298,893</u>

Note 13 - Capital Leases

The City entered into lease agreements for a copier and postage meter. The City's lease obligation meets the criteria of a capital lease and has been recorded on the government-wide statements. The original amounts capitalized for the capital lease and the book value as of December 31, 2014 follows:

	Amounts
Asset:	
Equipment	\$80,385
Less: Accumulated Depreciation	(56,661)
Current Book Value	<u>\$23,724</u>

The following is a schedule of the future long-term minimum lease payments required under the capital lease and present value of the minimum lease payments is as follows:

City of Bedford, Ohio
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For the Year Ended December 31, 2014

<u>Year Ending December 31,</u>	
2015	\$8,376
2016	8,376
2017	<u>10,470</u>
Present Value of Minimum Lease	<u><u>\$27,222</u></u>

Capital lease payments have been reclassified and reflected as debt service in the fund financial statement for the general fund. These expenditures are reflected as program expenditures on a budgetary basis.

Note 14 - Long-term Obligations

The original issue date, maturity date, interest rate and original issuance amount for each of the City's bonds and loans follows:

	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
Governmental Activities				
General Obligation Bonds				
Various Purpose Refunding	2006	2027	4.00-4.125 %	\$8,929,000
General Obligation Refunding Bonds I	2013	2028	1.0-2.75	2,314,300
Capital Improvement	2010	2031	2.3-5.65	2,145,000
General Obligation Refunding Bonds II	2014	2031	2.25-4.0	835,000
Special Assessment Bonds				
Northfield and Rockside Resurfacing #2	1996	2015	4.6-6.625	760,000
Ohio Public Works Commission Loans				
Willard Avenue	1994	2014	0.00	445,200
Wandle Avenue	2001	2021	0.00	518,579
Broadway Culvert	2011	2031	0.00	492,432
Police Pension	1968	2035	4.25	245,922
Business-Type Activities				
General Obligation Bonds				
<i>Water</i>				
Washington Street Water	2006	2026	4.00-4.125	646,000
Capital Improvement	2010	2036	2.3-5.65	1,625,000
General Obligation Refunding Bonds I	2013	2038	1.0-3.5	1,770,000
General Obligation Refunding Bonds II	2014	2036	2.25-4.0	1,145,000
<i>Wastewater</i>				
Sewer Improvement Refunding Bonds	2006	2022	4.00-4.125	315,000
Sewer Improvement (Refunded \$290,000)	2002	2016	3.00-5.00	725,000
Capital Improvement	2010	2036	2.3-5.65	1,320,000
General Obligation Refunding Bonds I	2013	2038	1.0-3.5	3,555,700
General Obligation Refunding Bonds II	2014	2036	2.25-4.0	920,000
Ohio Water Development Loans				
<i>Wastewater</i>				
Rapid Sandfilter	2002	2023	3.90	2,427,022

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Business-Type Activities (continued)	Issue Date	Maturity Date	Interest Rate	Original Issue Amount
Ohio Public Works Commission Loans				
<i>Water</i>				
Northfield Road Water Line	2007	2029	0.00 %	\$400,000
Grand, Franklin Water Line	2012	2032	0.00	454,000
<i>Wastewater</i>				
Flow Control	1995	2015	0.00	83,265
Oxidation Tower Improvements	2004	2025	0.00	822,286
Sludge Thickener	2008	2029	0.00	200,336

Changes in long-term obligations during the year ended December 31, 2014, consisted of the following:

	Balance 12/31/13	Increase	Decrease	Balance 12/31/14	Amounts Due in One Year
Governmental Activities					
<i>General Obligation Bonds</i>					
Various Purpose Refunding Bonds					
Serial	\$7,239,000	\$0	\$401,100	\$6,837,900	\$414,400
Premium	39,600	0	2,862	36,738	0
Discount	(35,821)	0	(2,589)	(33,232)	0
Total Various Purpose Refunding Bonds	7,242,779	0	401,373	6,841,406	414,400
General Obligation Refunding Bonds I					
Serial	2,134,200	0	283,400	1,850,800	285,000
Premium	62,319	0	6,812	55,507	0
Total General Obligation Bonds I	2,196,519	0	290,212	1,906,307	285,000
Capital Improvement Bonds					
Serial	1,025,000	0	135,000	890,000	140,000
Build America Bonds - Term	850,000	0	850,000	0	0
Premium	15,807	0	2,371	13,436	0
Total Capital Improvement Bonds	1,890,807	0	987,371	903,436	140,000
General Obligation Refunding Bonds II					
Premium	0	835,000	0	835,000	0
	0	39,099	62	39,037	0
Total General Obligation Bonds II	0	874,099	62	874,037	0
<i>Total General Obligation Bonds</i>	11,330,105	874,099	1,679,018	10,525,186	839,400
<i>Special Assessment Bonds</i>					
Northfield and Rockside Resurfacing #2	115,000	0	55,000	60,000	60,000
<i>Ohio Public Works Commission Loans</i>					
Willard Avenue	11,130	0	11,130	0	0
Wandle Avenue	181,502	0	25,929	155,573	25,929
Broadway Culvert	466,515	0	25,917	440,598	25,919
<i>Total Ohio Public Works Commission Loans</i>	659,147	0	62,976	596,171	51,848
<i>Other Long-Term Obligations</i>					
Police Pension	171,961	0	5,044	166,917	5,257
Capital Leases Payable	31,164	0	3,942	27,222	8,376
Compensated Absences Payable	1,432,034	454,138	495,584	1,390,588	546,427
<i>Total Other Long-Term Obligations</i>	1,635,159	454,138	504,570	1,584,727	560,060
<i>Total Governmental Activities</i>	\$13,739,411	\$1,328,237	\$2,301,564	\$12,766,084	\$1,511,308

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

	Balance 12/31/13	Increase	Decrease	Balance 12/31/14	Amounts Due in One Year
Business-Type Activities					
<i>General Obligation Bonds</i>					
Washington Street Water	\$476,000	\$0	\$28,900	\$447,100	\$30,600
Unamortized Premium	2,927	0	212	2,715	0
Unamortized Discount	(2,639)	0	(191)	(2,448)	0
Total Washington Street Water	476,288	0	28,921	447,367	30,600
<i>Capital Improvement Bonds</i>					
Serial	365,000	0	50,000	315,000	50,000
Build America Bonds - Term	1,170,000	0	1,170,000	0	0
Unamortized Premium	5,511	0	827	4,684	0
Total Capital Improvement - Water	1,540,511	0	1,220,827	319,684	50,000
<i>General Obligation Refunding Bonds I</i>					
Serial	1,255,000	0	100,000	1,155,000	100,000
Term	465,000	0	0	465,000	0
Unamortized Premium	35,646	0	2,144	33,502	0
Unamortized Discount	(11,765)	0	(483)	(11,282)	0
Total General Obligation Bonds I - Water	1,743,881	0	101,661	1,642,220	100,000
<i>General Obligation Refunding Bonds II</i>					
Unamortized Premium	0	1,145,000	0	1,145,000	5,000
Unamortized Discount	0	71,749	63	71,686	0
Total General Obligation Bonds II - Water	0	1,216,749	63	1,216,686	5,000
<i>Sewer Improvement Refunding</i>					
Serial	300,000	0	0	300,000	0
Unamortized Premium	792	0	58	734	0
Unamortized Discount	(527)	0	(38)	(489)	0
Total Sewer Improvement Refunding	300,265	0	20	300,245	0
<i>Capital Improvement Bonds</i>					
Serial	295,000	0	40,000	255,000	40,000
Build America Bonds - Term	945,000	0	945,000	0	0
Unamortized Premium	4,592	0	689	3,903	0
Total Capital Improvement - Sewer	1,244,592	0	985,689	258,903	40,000
<i>General Obligation Refunding Bonds I</i>					
Serial	3,305,800	0	176,600	3,129,200	180,000
Term	215,000	0	0	215,000	0
Unamortized Premium	100,231	0	5,708	94,523	0
Unamortized Discount	(10,401)	0	(537)	(9,864)	0
Total General Obligation Bonds I - Sewer	3,610,630	0	181,771	3,428,859	180,000
<i>General Obligation Refunding Bonds II</i>					
Unamortized Premium	0	920,000	0	920,000	0
Unamortized Discount	0	58,065	51	58,014	0
Total General Obligation Bonds II - Sewer	0	978,065	51	978,014	0
Total General Obligation Bonds	8,916,167	2,194,814	2,519,003	8,591,978	405,600
<i>OWDA Loans</i>					
Rapid Sandfilter	\$1,444,998	\$0	\$120,702	\$1,324,296	\$125,455

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

	Balance 12/31/13	Increase	Decrease	Balance 12/31/14	Amounts Due in One Year
Business-Type Activities					
<i>OPWC Loans</i>					
Northfield Road Water Line	\$310,000	\$0	\$20,000	\$290,000	\$20,000
Grand, Franklin Water Line	419,950	0	22,700	397,250	22,700
Flow Control	4,166	0	4,166	0	0
Oxidation Tower Improvements	472,816	0	41,114	431,702	41,116
Sludge Thickener	155,260	0	10,017	145,243	10,017
<i>Total OPWC Loans</i>	<u>1,362,192</u>	<u>0</u>	<u>97,997</u>	<u>1,264,195</u>	<u>93,833</u>
<i>Other Long-Term Liabilities</i>					
Compensated Absences	119,249	43,378	71,368	91,259	56,854
<i>Total Business-Type Activities</i>	<u>\$11,842,606</u>	<u>\$2,238,192</u>	<u>\$2,809,070</u>	<u>\$11,271,728</u>	<u>\$681,742</u>

General obligation bonds will be paid from the general obligation bond retirement debt service fund as well as user charges from the appropriate enterprise fund. A portion of the general obligation bonds, specifically for the construction of the municipal complex and the court, is backed by a .25 percent municipal income tax and a municipal court fee added to court cases, respectively. Special assessment bonds will be paid from the proceeds of special assessments against benefited property owners. Special assessment monies will be received in and the debt will be retired from the special assessment debt service fund. In the event that property owners fail to make their special assessment payments, the City is responsible for providing the resources to meet the annual principal and interest payments.

The OPWC loans will be paid from the general bond retirement debt service fund as well as user charges from the appropriate enterprise fund and income tax. The OWDA loans will be paid from user charges and income tax in the enterprise funds.

Compensated absences will be paid from the general fund, recreation, street construction maintenance and repair and public safety special revenue funds and water and wastewater enterprise funds. The capital leases payable will be paid from the general fund. The police pension loan will be paid from the general fund.

In 2006, the City defeased a 1999 city hall general obligation bond issue, a 2000 city hall general obligation bond issue, a 2000 city hall court general obligation bond issue and a 2002 sewer improvement general obligation bond issue in order to take advantage of lower interest rates. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2014, \$5,545,000 of the defeased bonds are still outstanding.

In 2013, the City defeased a 2002 various purpose general obligation bond issue in order to take advantage of lower interest rates. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2014, \$1,065,000 of the defeased bonds are still outstanding.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

During 2010, the City issued \$5,090,000 in Capital Improvement Bonds. The issue consisted of tax exempt bonds (serial and term) and Build America Bonds (BABs). The bonds were issued for the purpose of street and bridge/culvert construction, the purchase of an ambulance and a loader, as well as water and sewer infrastructure construction. As part of the American Recovery and Reinvestment Act of 2009, Congress added Sections 54AA and 6431 to the Code, which permit state or local governments to obtain certain tax advantages when they issue BABs. Under Section 6431 of the Code, the City may elect to receive payments directly from the Secretary of the United States Treasury equal to 35 percent of the corresponding interest payable on this issue. In 2014, the BABs portion of this debt issue were refunded. The bonds will be repaid from the bond retirement debt service fund and the water and sewer enterprise funds.

In 2014, the City issued general obligation bonds, in the amount of \$2,900,000, to currently refund the Build America Bonds previously issued in 2010 for capital improvements. The bonds were issued with interest rates varying from 2.25 percent to 4 percent. The bonds were issued for a twenty-three year period with a final maturity during 2036. The bonds will be retired through the bond retirement debt service fund and the water and sewer enterprise funds.

The net proceeds of \$2,965,000 (including a premium of \$168,913 and after payments of \$103,913 in underwriting fees and other issuance costs) were used to current refund the outstanding Build America Bonds in the amount of \$850,000 for governmental activities, \$1,170,000 from water and \$945,000 from wastewater. As a result, these bonds are considered defeased and the liability for the refunded bonds have been removed from the City's financial statements. The difference between the requisition price and the carrying amount of the old debt was not significant.

The City in effect decreased its aggregate debt service payments for governmental activities by \$18,937 over the next seventeen years and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$25,831.

The City in effect decreased its aggregate debt service payments for the water and sewer funds by \$25,967 and \$20,864, respectively over the next twenty-two years and obtained an economic gain (difference between the present values of the old and new debt service payments) of \$35,421 and \$28,460, respectively.

The City has pledged future revenues, net of operating expenses, to repay OWDA and OPWC loans in the wastewater fund. The debt is payable solely from net revenues through 2029. Annual principal and interest payments on the debt issues are expected to require 40.62 percent of net revenues. The total principal and interest remaining to be paid on the debt is \$2,159,962. Principal and interest paid for the current year and total net revenues available were \$231,188 and \$569,087, respectively.

The City has pledged future revenues, net of operating expenses, to repay OPWC loans in the water fund. The debt is payable solely from net revenues through 2032. Annual principal payments on the debt issues are expected to require 4.85 percent of net revenues. The total principal remaining to be paid on the debt is \$687,250. Principal paid for the current year and total net revenues available were \$42,700 and \$879,635, respectively.

The City's overall legal debt margin was \$17,270,942 at December 31, 2014. Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2014, are as follows:

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Governmental Activities

Year	General Obligation Bonds		Special Assessment Bonds		Police Pension		OPWC Loan
	Principal	Interest	Principal	Interest	Principal	Interest	
2015	\$839,400	\$396,803	\$60,000	\$3,660	\$5,257	\$7,039	\$51,848
2016	860,200	376,108	0	0	5,483	6,813	51,847
2017	902,700	350,416	0	0	5,719	6,578	51,846
2018	961,000	320,608	0	0	5,964	6,332	51,846
2019	991,000	287,793	0	0	6,221	6,075	51,846
2020-2024	3,534,500	854,940	0	0	35,348	26,133	155,516
2025-2029	2,304,900	177,648	0	0	43,621	17,892	129,587
2030-2034	20,000	1,200	0	0	53,828	7,652	51,835
2035	0	0	0	0	5,476	116	0
Total	<u>\$10,413,700</u>	<u>\$2,765,516</u>	<u>\$60,000</u>	<u>\$3,660</u>	<u>\$166,917</u>	<u>\$84,630</u>	<u>\$596,171</u>

Business-Type Activities

Year	General Obligation Bonds		OWDA Loans		OPWC Loan
	Principal	Interest	Principal	Interest	
2015	\$405,600	\$354,627	\$125,455	\$50,436	\$93,833
2016	409,800	353,289	130,395	45,495	93,831
2017	417,300	344,382	135,530	40,361	93,830
2018	374,000	335,639	140,868	35,024	93,831
2019	379,000	327,305	146,415	29,476	93,830
2020-2024	1,935,500	1,021,679	645,633	57,929	469,156
2024-2029	1,895,100	627,862	0	0	269,134
2030-2034	1,885,000	308,109	0	0	56,750
2035-2038	645,000	48,125	0	0	0
Total	<u>\$8,346,300</u>	<u>\$3,721,017</u>	<u>\$1,324,296</u>	<u>\$258,721</u>	<u>\$1,264,195</u>

Note 15 - Defined Benefit Pension Plans

Ohio Public Employees Retirement System

Plan Description - The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan. Under the combined plan, OPERS invests employer contributions to provide a formula retirement benefit similar in nature to, but less than, the traditional plan benefit. Member contributions, the investment of which is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for state and local employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10 percent of covered payroll. For the year ended December 31, 2014, members in state and local classifications contributed 10 percent of covered payroll. For 2014, member and employer contribution rates were consistent across all three plans.

The City's 2014 contribution rate was 14 percent. The portion of the City's contribution used to fund pension benefits is net of postemployment health care benefits. The portion of the City's contribution allocated to health care for members in both the traditional and combined plans was 2 percent for 2014. Effective January 1, 2015, the portion of the employer contribution allocated to health care remained at 2 percent. Employer contribution rates are actuarially determined.

The City's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2014, 2013 and 2012 was \$797,793, \$890,309 and \$644,187, respectively. For 2014, 91.82 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2013 and 2012. Contributions to the member-directed plan for 2014 were 14,147 made by the City and \$10,105 made by plan members.

Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report that may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - Employer and employee contribution rates are set by the Ohio Revised Code. From January 1, 2014, through July 1, 2014, plan members were required to contribute 10.75 percent of their annual covered salary. From July 2, 2014, through December 31, 2014, plan members were required to contribute 11.5 percent of their annual covered salary. Throughout 2014, employers were required to contribute 19.5 percent for police officers and 24 percent for firefighters.

The OPF pension fund is authorized by the Ohio Revised Code to allocate a portion of the employer contribution to retiree health care benefits. For 2014, the portion of the City's contribution used to fund pension benefits was 19 percent of covered payroll for police officers and 23.5 percent of covered payroll for firefighters. The City's contribution to OPF for police and firefighters pension was \$495,474 and \$587,691 for the year ended December 31, 2014, \$434,700 and \$513,895 for the year ended December 31, 2013, and \$314,494 and \$374,149 for the year ended December 31, 2012. For 2014, 91.80 and 91.95 percent have been contributed for police and firefighters, respectively, with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2013 and 2012.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 16 – Postemployment Benefits

Ohio Public Employees Retirement System

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: the traditional plan, a cost-sharing, multiple-employer defined benefit pension plan; the member-directed plan, a defined contribution plan; and the combined plan, a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care plan for qualifying members of both the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits, including postemployment health care coverage. The plan includes a medical plan, a prescription drug program, and Medicare Part B premium reimbursement.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional and combined plans must have ten or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The Ohio Revised Code permits, but does not mandate, OPERS to provide health care benefits to its eligible members and beneficiaries. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report which may be obtained by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 800-222-7377.

Funding Policy - The postemployment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). The Ohio Revised Code provides the statutory authority requiring public employers to fund postemployment health care through contributions to OPERS. A portion of each employer's contribution to OPERS is set aside for the funding of postemployment health care.

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2014, state and local employers contributed 14 percent of covered payroll. This is the maximum employer contribution rate permitted by the Ohio Revised Code.

Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding postemployment health care benefits. The portion of the employer contribution allocated to health care for members in both the traditional and combined plans was 2 percent for 2014. Effective January 1, 2015, the portion of the employer contribution allocated to health care remained at 2 percent for both plans as recommended by the OPERS actuary.

The OPERS retirement board is also authorized to establish rules for the payment of a portion of the health care benefits provided by the retiree or the retiree's surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected. Active members do not make contributions to the postemployment health care plan.

The City's contribution allocated to fund postemployment health care benefits for the years ended December 31, 2014, 2013 and 2012 was 132,965, \$68,485, and \$257,675, respectively. For 2014, 91.82 percent has been contributed with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2013 and 2012.

City of Bedford, Ohio
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For the Year Ended December 31, 2014

Changes to the health care plan were adopted by the OPERS Board of Trustees on September 9, 2012, with a transition plan commencing on January 1, 2014. With the passage of pension legislation under SB 343 and the approved health care changes, OPERS expects to be able to consistently allocate 4 percent of the employer contribution toward the health care fund after the end of the transition period.

Ohio Police and Fire Pension Fund

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OPF) sponsored healthcare program, a cost-sharing, multiple-employer defined postemployment healthcare plan administered by OPF. OPF provides health care benefits including coverage for medical, prescription drug, dental, vision, Medicare Part B Premium, and long-term care to retirees, qualifying benefit recipients, and their eligible dependents.

OPF provides access to postretirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check, or is a spouse or eligible dependent child of such person. The health care coverage provided by OPF meets the definition of an Other Postemployment Benefit (OPEB) as described in Government Accounting Standards Board (GASB) Statement No. 45.

The Ohio Revised Code allows, but does not mandate, OPF to provide OPEB benefits. Authority for the OPF Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OPF issues a publicly available financial report that includes financial information and required supplementary information for the plan. The report may be obtained by visiting the OPF website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OPF defined benefit pension plan. Participating employers are required by the Ohio Revised Code to contribute to the pension plan at rates expressed as a percentage of payroll of active pension plan members, currently 19.5 percent and 24 percent of covered payroll for police and firefighters, respectively. Active members do not make contributions to the OPEB Plan.

OPF maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B premium reimbursements administered as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan under the authority granted by the Ohio Revised Code to the OPF Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contribution made to the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For 2014, the employer contribution allocated to the health care plan was .5 percent of covered payroll. The amount of employer contribution allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OPF Board of Trustees is also authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contribution to OPF which was allocated to fund postemployment health care benefits for police and firefighters was \$13,039 and \$12,504 for the year ended December 31, 2014, \$104,975 and \$96,286 for the year

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

ended December 31, 2013, and \$166,497 and \$146,406 for the year ended December 31, 2012. For 2014, 91.80 and 91.95 percent have been contributed for police and firefighters, respectively, with the balance being reported as an intergovernmental payable. The full amount has been contributed for 2013 and 2012.

Note 17 – Significant Commitments

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

<i>Governmental Funds:</i>		<i>Proprietary Funds:</i>	
General	\$187,396	Water	\$3,480
Public Safety	4,722	Wastewater	980,004
Other Governmental Funds	207,610	Total Proprietary	<u>983,484</u>
Total Governmental	<u>\$399,728</u>		

Contractual Commitments

As of December 31, 2014, the City had the following contract balances for various construction projects:

Replace Pumps in Other Stations	\$588,625
Archer Road Pump Station Rehabilitation	12,078
Sludge Well Repair	9,797
Municipal Center Parking Lot Repairs	9,572
West Glandale Avenue Repairs	7,903
3-Way Valve Replacement Piping	7,125
Electrical Voltage/Phase Monitoring	4,052
Total	<u>\$639,152</u>

Remaining commitment amounts were encumbered at year end.

Note 18 - Risk Management

The City is exposed to various risks of loss related to torts; theft, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year, the City contracted with the Ohio Municipal League Joint Insurance Group for all insurance. The coverage and deductibles are as follows:

City of Bedford, Ohio
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For the Year Ended December 31, 2014

Type of Coverage	Coverage	Deductible
Automobile Liability	\$5,000,000	\$0
General Liability	5,000,000 per occurrence	1,000
Property Liability	50,381,362	1,000
Boiler and Machinery	10,000,000	1,000
Emergency Medical Services Liability	5,000,000 per occurrence	1,000
Law Enforcement Liability	5,000,000 per occurrence	2,500
Public Officials Liability	5,000,000 aggregate	2,500
Employee Benefit Liability	1,000,000 aggregate	1,000
Uninsured Motorists	25,000	0
Stop Gap	1,000,000 aggregate	1,000
Municipal Attorney and Law Director Liability	1,000,000	2,500
Fire Damage Liability	100,000	1,000

Settled claims have not exceeded this commercial coverage in any of the past three years and there was no significant reduction in coverage from the prior year.

The City has elected to provide employee hospital/medical, prescription, dental, and vision insurance benefits through a partially self-insured program. The City established a health insurance internal service fund to account for and finance the cost of this program.

Medical Mutual of Ohio serves as the third party administrator who reviews and processes medical, prescription, dental and vision claims which the City then pays after discounts are applied. The City has stop loss coverage of \$100,000 per individual. The departments are charged an amount annually equal to the estimated costs for the year divided by the number of qualified covered employees.

The claims liability of \$193,752 as estimated by the third party administrator and reported in the health insurance internal service fund at December 31, 2014, is based on the requirements of GASB Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the funds claims liability amount in 2013 and 2014 were as follows:

	Balance at Beginning of Year	Current Year Claims	Claim Payments	Balance at End of Year
2013	\$342,245	\$2,512,268	\$2,669,811	\$184,702
2014	184,702	2,445,429	2,436,379	193,752

Workers' compensation coverage is provided by the State of Ohio. The City pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

Note 19 – Jointly Governed Organization

The City is a member of the Southeast Emergency Communication Center (SECC). SECC was formed by the Southeast Regional Council of Governments to foster cooperation through the sharing of operations of a central dispatch center for safety forces of the participating cities. SECC is currently comprised of 4 communities.

The SECC is provided with legislative oversight from the Mayors of Maple Heights, Bedford Heights, Garfield Heights and the City Manager for the City of Bedford. The SECC’s Administrative Board consists of the chiefs of police and fire of each member municipality. If additional municipal corporations contract with the SECC for dispatch services, the Board of Trustees in their discretion shall determine whether or not to increase the size of the Board of Trustees to include new representation. The Board oversees and manages the operation of the program. The degree of control exercised by any participating government is limited to its representation in the general assembly and on the Board. The City of Bedford contributed \$39,486 to SECC during 2014. Financial information can be obtained by contacting Ross Cirincionne, Administrator, 5661 Perkins Road, Bedford Heights, Ohio 44146.

Note 20 – Restatement of Prior Year Fund Balance

During 2013, an intergovernmental receivable was posted to the cemetery donations special revenue fund that should have been posted to the general fund. This change had the following effect on fund balance as previously reported:

	General	Public Safety	Other Governmental Funds	Total Governmental Funds
Balance as reported, December 31, 2013	\$10,919,271	\$182,717	\$3,566,442	\$14,668,430
Intergovernmental Receivable	2,100	0	(2,100)	0
Adjusted Balance as reported, December 31, 2013	<u>\$10,921,371</u>	<u>\$182,717</u>	<u>\$3,564,342</u>	<u>\$14,668,430</u>

Note 21 – Subsequent Event

The City formed a Regional Council of Governments (COG) between the cities of Bedford, Bedford Heights, Maple Heights and Garfield Heights. The City of Bedford will not be providing any transfer of assets to the COG. However, due to the transfer of services into the COG, employees leaving service with the City created a liability of separation pay effective January 1, 2015. The COG will provide 911 dispatch services through the entity called the Southeast Emergency Communication Center.

**Combining and Individual
Fund Statements and Schedules**

Combining and Individual Fund Statements and Schedules

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

Community Development Block Grant Fund - To account for and report restricted monies received from the Federal government and expenditures as prescribed under the Community Development Block Grant Program.

State Highway Fund - To account for and report that portion of the State gasoline tax and motor vehicle registration fees restricted for maintenance of State highways within the City.

Indigent Drivers Fund - To account for and report the restricted additional fees collected by the Bedford Municipal Court under State law. Such funds are to be used in the rehabilitation of DUI indigent citizens.

SEALE Narcotics Fund - To account for and report restricted monies received from the Governor's Office of Criminal Justice Services for the enforcement of drug law violations within multi-jurisdiction organizations.

Enforcement and Education Fund - To account for and report restricted court fines used to pay costs incurred in educating the public about the dangers of and enforcing the laws against operating a motor vehicle while under the influence of alcohol.

Street Lighting Fund - To account for and report the collection of special assessments restricted for street lighting.

Street Construction, Maintenance and Repair Fund - To account for and report that portion of the State gasoline tax and motor vehicle registration fees restricted for street maintenance and repair.

Law Enforcement Trust Fund - To account for and report restricted monies received from the confiscated property and all fines from drug law violations to be used solely for drug law enforcement purposes.

Motor Vehicle License Fund - To account for and report the City's share of additional motor vehicle registration fees. Expenditures are restricted by State law for the maintenance and repair of streets.

Grants Fund - To account for and report restricted monies received through various grants and donations given to the City.

Municipal Court Special Programs Fund - To account for and report the restricted receipts of fees collected by the Court used for professional services and capital items for security.

Housing and Urban Development (HUD) Rehabilitation Program Fund - To account for and report Housing and Urban Development grants restricted to the acquisition, rehabilitation, and resale of foreclosed and abandoned homes.

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

Indigent Interlock and Monitoring Fund - To account for and report fines and forfeitures restricted for the indigent interlock and monitoring program.

Cemetery Donations Fund - To account for and report restricted cemetery charges to maintain gravesites.

Bedford Municipal Court Legal Research Fund - To account for and report the restricted fines used for personnel researching case law and issues pertinent to the operation of the Court.

Enterprise Zone Fund - To account for and report monies collected from a contract with the City of Solon used to promote development for the City of Bedford. This fund is included with the general fund for GAAP reporting because the ordinance establishing the fund does not include a revenue source.

Cemetery Fund - To account for and report the operation and maintenance of City owned cemeteries. This fund is included with the general fund for GAAP reporting because the ordinance establishing the fund does not include a revenue source.

Recreation Fund - To account for and report the receipts of recreation activity fees to pay for the costs of operating the City's recreation programs. This fund is included with the general fund for GAAP reporting because the ordinance establishing the fund does not include a revenue source.

Nonmajor Debt Service Funds

Debt service funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

General Obligation Bond Retirement Fund - To account for and report resources restricted for the payment of principal and interest and fiscal charges on general obligation debt.

Special Assessment Bond Retirement Fund - To account for and report the collection of special assessments levied against benefited properties restricted for the payment of special assessment bond principal, interest and related costs.

Nonmajor Capital Projects Funds

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

Municipal Court Computer Fund - To account for and report the receipt of specific court fees and related expenditures which are restricted to the purchase and upgrade of computer equipment for the Court.

Capital Improvement Fund - To account for and report various revenues which are assigned for various capital improvements.

City of Bedford, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,172,786	\$308,936	\$702,697	\$3,184,419
Intergovernmental Receivable	330,024	6,795	0	336,819
Special Assessments Receivable	322,910	157,827	0	480,737
Assets Held for Resale	729,929	0	0	729,929
<i>Total Assets</i>	<u>\$3,555,649</u>	<u>\$473,558</u>	<u>\$702,697</u>	<u>\$4,731,904</u>
Liabilities				
Accounts Payable	\$74,294	\$0	\$2,648	\$76,942
Accrued Wages	6,585	0	0	6,585
Intergovernmental Payable	3,545	0	0	3,545
Interfund Payable	340,482	0	0	340,482
Unearned Revenue	0	0	238,000	238,000
<i>Total Liabilities</i>	<u>424,906</u>	<u>0</u>	<u>240,648</u>	<u>665,554</u>
Deferred Inflows of Resources				
Unavailable Revenue	523,861	157,827	0	681,688
Fund Balances				
Restricted	2,722,381	315,731	92,838	3,130,950
Committed	0	0	1,000	1,000
Assigned	0	0	368,211	368,211
Unassigned (Deficit)	(115,499)	0	0	(115,499)
<i>Total Fund Balances</i>	<u>2,606,882</u>	<u>315,731</u>	<u>462,049</u>	<u>3,384,662</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$3,555,649</u>	<u>\$473,558</u>	<u>\$702,697</u>	<u>\$4,731,904</u>

City of Bedford, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
Revenues				
Municipal Income Taxes	\$0	\$1,069,643	\$0	\$1,069,643
Charges for Services	575	0	0	575
Fines and Forfeitures	176,724	0	56,078	232,802
Intergovernmental	1,015,713	13,566	0	1,029,279
Special Assessments	288,491	80,254	0	368,745
Contributions and Donations	1,430	0	0	1,430
Interest	5,660	2,221	2,207	10,088
Other	129,345	0	60,560	189,905
<i>Total Revenues</i>	<u>1,617,938</u>	<u>1,165,684</u>	<u>118,845</u>	<u>2,902,467</u>
Expenditures				
Current:				
General Government	116,525	0	0	116,525
Security of Persons and Property:				
Police	465,290	0	0	465,290
Fire	11,484	0	0	11,484
Public Health and Welfare	20,207	0	0	20,207
Leisure Time Activities	17,128	0	0	17,128
Community Development	197,408	0	0	197,408
Basic Utility Services	322,414	0	0	322,414
Transportation	676,736	0	0	676,736
Capital Outlay	0	0	202,915	202,915
Debt Service:				
Principal Retirement	0	937,476	0	937,476
Interest and Fiscal Charges	0	402,852	0	402,852
Bond Issuance Costs	0	29,459	0	29,459
<i>Total Expenditures</i>	<u>1,827,192</u>	<u>1,369,787</u>	<u>202,915</u>	<u>3,399,894</u>
<i>Excess of Revenues</i> <i>Over (Under) Expenditures</i>	<u>(209,254)</u>	<u>(204,103)</u>	<u>(84,070)</u>	<u>(497,427)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	200	0	0	200
General Obligation Refunding Bonds Issued	0	835,000	0	835,000
Premium on Bonds Issued	0	39,099	0	39,099
Payment to Refunded Bond Escrow Agent	0	(850,000)	0	(850,000)
Transfers In	55,417	282,376	0	337,793
Transfers Out	(44,345)	0	0	(44,345)
<i>Total Other Financing Sources (Uses)</i>	<u>11,272</u>	<u>306,475</u>	<u>0</u>	<u>317,747</u>
<i>Net Change in Fund Balances</i>	<u>(197,982)</u>	<u>102,372</u>	<u>(84,070)</u>	<u>(179,680)</u>
<i>Fund Balances Beginning of Year</i>	<u>2,804,864</u>	<u>213,359</u>	<u>546,119</u>	<u>3,564,342</u>
<i>Fund Balances End of Year</i>	<u>\$2,606,882</u>	<u>\$315,731</u>	<u>\$462,049</u>	<u>\$3,384,662</u>

City of Bedford, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2014

	Community Development Block Grant	State Highway	Indigent Drivers
Assets			
Equity in Pooled Cash and Cash Equivalents	\$46,983	\$131,540	\$242,915
Intergovernmental Receivable	3,378	19,683	4,720
Special Assessments Receivable	0	0	0
Assets Held for Resale	525,030	0	0
<i>Total Assets</i>	<u>\$575,391</u>	<u>\$151,223</u>	<u>\$247,635</u>
Liabilities			
Accounts Payable	\$3,590	\$4,838	\$1,251
Accrued Wages	0	0	0
Intergovernmental Payable	0	0	0
Interfund Payable	0	0	0
<i>Total Liabilities</i>	<u>3,590</u>	<u>4,838</u>	<u>1,251</u>
Deferred Inflows of Resources			
Unavailable Revenue	0	12,855	0
Fund Balances			
Restricted	571,801	133,530	246,384
Unassigned (Deficit)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>571,801</u>	<u>133,530</u>	<u>246,384</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$575,391</u>	<u>\$151,223</u>	<u>\$247,635</u>

<u>SEALE Narcotics</u>	<u>Enforcement and Education</u>	<u>Street Lighting</u>	<u>Street Construction, Maintenance and Repair</u>	<u>Law Enforcement Trust</u>
\$146,678	\$3,927	\$182,269	\$606,150	\$14,484
4,711	0	0	243,345	0
0	0	322,910	0	0
0	0	0	0	0
<u>\$151,389</u>	<u>\$3,927</u>	<u>\$505,179</u>	<u>\$849,495</u>	<u>\$14,484</u>
\$10,930	\$0	\$0	\$5,185	\$0
0	0	0	6,585	0
0	0	0	3,545	0
0	0	0	0	0
<u>10,930</u>	<u>0</u>	<u>0</u>	<u>15,315</u>	<u>0</u>
0	0	322,910	159,056	0
140,459	3,927	182,269	675,124	14,484
0	0	0	0	0
<u>140,459</u>	<u>3,927</u>	<u>182,269</u>	<u>675,124</u>	<u>14,484</u>
<u>\$151,389</u>	<u>\$3,927</u>	<u>\$505,179</u>	<u>\$849,495</u>	<u>\$14,484</u>

(continued)

City of Bedford, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2014

	Motor Vehicle License	Grants	Municipal Court Special Programs
Assets			
Equity in Pooled Cash and Cash Equivalents	\$186,475	\$153,939	\$297,028
Intergovernmental Receivable	42,189	10,847	0
Special Assessments Receivable	0	0	0
Assets Held for Resale	0	0	0
<i>Total Assets</i>	<u>\$228,664</u>	<u>\$164,786</u>	<u>\$297,028</u>
Liabilities			
Accounts Payable	\$0	\$48,500	\$0
Accrued Wages	0	0	0
Intergovernmental Payable	0	0	0
Interfund Payable	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>48,500</u>	<u>0</u>
Deferred Inflows of Resources			
Unavailable Revenue	29,040	0	0
Fund Balances			
Restricted	199,624	116,286	297,028
Unassigned (Deficit)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>199,624</u>	<u>116,286</u>	<u>297,028</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$228,664</u>	<u>\$164,786</u>	<u>\$297,028</u>

HUD Rehabilitation Program	Indigent Interlock and Monitoring	Cemetery Donations	Bedford Municipal Court Legal Research	Total Nonmajor Special Revenue Funds
\$20,084	\$82,047	\$43,627	\$14,640	\$2,172,786
0	1,151	0	0	330,024
0	0	0	0	322,910
204,899	0	0	0	729,929
<u>\$224,983</u>	<u>\$83,198</u>	<u>\$43,627</u>	<u>\$14,640</u>	<u>\$3,555,649</u>
\$0	\$0	\$0	\$0	\$74,294
0	0	0	0	6,585
0	0	0	0	3,545
340,482	0	0	0	340,482
<u>340,482</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>424,906</u>
0	0	0	0	523,861
0	83,198	43,627	14,640	2,722,381
(115,499)	0	0	0	(115,499)
<u>(115,499)</u>	<u>83,198</u>	<u>43,627</u>	<u>14,640</u>	<u>2,606,882</u>
<u>\$224,983</u>	<u>\$83,198</u>	<u>\$43,627</u>	<u>\$14,640</u>	<u>\$3,555,649</u>

City of Bedford, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2014

	Community Development Block Grant	State Highway	Indigent Drivers	SEALE Narcotics
Revenues				
Charges for Services	\$0	\$0	\$0	\$0
Fines and Forfeitures	0	0	0	0
Intergovernmental	13,300	39,532	51,589	261,665
Special Assessments	0	0	0	0
Contributions and Donations	0	0	0	0
Interest	0	461	724	0
Other	0	0	0	129,295
<i>Total Revenues</i>	<u>13,300</u>	<u>39,993</u>	<u>52,313</u>	<u>390,960</u>
Expenditures				
Current:				
General Government	0	0	0	0
Security of Persons and Property:				
Police	0	0	0	412,633
Fire	0	0	0	0
Public Health and Welfare	0	0	20,207	0
Leisure Time Activities	0	0	0	0
Community Development	156,619	0	0	0
Basic Utility Services	0	0	0	0
Transportation	0	39,362	0	0
<i>Total Expenditures</i>	<u>156,619</u>	<u>39,362</u>	<u>20,207</u>	<u>412,633</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(143,319)</u>	<u>631</u>	<u>32,106</u>	<u>(21,673)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>(143,319)</u>	<u>631</u>	<u>32,106</u>	<u>(21,673)</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>715,120</u>	<u>132,899</u>	<u>214,278</u>	<u>162,132</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$571,801</u>	<u>\$133,530</u>	<u>\$246,384</u>	<u>\$140,459</u>

Enforcement and Education	Street Lighting	Street Construction, Maintenance and Repair	Law Enforcement Trust	Motor Vehicle License	Grants	Municipal Court Special Programs
\$0	\$0	\$0	\$0	\$0	\$575	\$0
0	0	0	120	0	0	137,891
794	0	488,992	0	85,824	74,017	0
0	288,491	0	0	0	0	0
0	0	0	0	0	1,430	0
11	666	2,009	46	491	0	875
0	0	0	0	0	0	0
805	289,157	491,001	166	86,315	76,022	138,766
0	0	0	0	0	56,250	35,663
0	0	0	89	0	52,568	0
0	0	0	0	0	11,484	0
0	0	0	0	0	0	0
0	0	0	0	0	17,128	0
0	0	0	0	0	0	0
0	322,414	0	0	0	0	0
0	0	618,056	0	14,960	4,358	0
0	322,414	618,056	89	14,960	141,788	35,663
805	(33,257)	(127,055)	77	71,355	(65,766)	103,103
0	0	0	0	0	200	0
0	0	41,667	0	0	13,750	0
0	0	0	0	0	0	(44,345)
0	0	41,667	0	0	13,950	(44,345)
805	(33,257)	(85,388)	77	71,355	(51,816)	58,758
3,122	215,526	760,512	14,407	128,269	168,102	238,270
\$3,927	\$182,269	\$675,124	\$14,484	\$199,624	\$116,286	\$297,028

(continued)

City of Bedford, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds (continued)
For the Year Ended December 31, 2014

	HUD Rehabilitation Program	Indigent Interlock and Monitoring	Cemetery Donations	Bedford Municipal Court Legal Research	Total Nonmajor Special Revenue Funds
Revenues					
Charges for Services	\$0	\$0	\$0	\$0	\$575
Fines and Forfeitures	0	20,579	0	18,134	176,724
Intergovernmental	0	0	0	0	1,015,713
Special Assessments	0	0	0	0	288,491
Contributions and Donations	0	0	0	0	1,430
Interest	0	239	138	0	5,660
Other	0	0	50	0	129,345
<i>Total Revenues</i>	<u>0</u>	<u>20,818</u>	<u>188</u>	<u>18,134</u>	<u>1,617,938</u>
Expenditures					
Current:					
General Government	0	4,612	0	20,000	116,525
Security of Persons and Property:					
Police	0	0	0	0	465,290
Fire	0	0	0	0	11,484
Public Health and Welfare	0	0	0	0	20,207
Leisure Time Activities	0	0	0	0	17,128
Community Development	40,789	0	0	0	197,408
Basic Utility Services	0	0	0	0	322,414
Transportation	0	0	0	0	676,736
<i>Total Expenditures</i>	<u>40,789</u>	<u>4,612</u>	<u>0</u>	<u>20,000</u>	<u>1,827,192</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(40,789)</u>	<u>16,206</u>	<u>188</u>	<u>(1,866)</u>	<u>(209,254)</u>
Other Financing Sources (Uses)					
Sale of Capital Assets	0	0	0	0	200
Transfers In	0	0	0	0	55,417
Transfers Out	0	0	0	0	(44,345)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>11,272</u>
<i>Net Change in Fund Balances</i>	<u>(40,789)</u>	<u>16,206</u>	<u>188</u>	<u>(1,866)</u>	<u>(197,982)</u>
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(74,710)</u>	<u>66,992</u>	<u>43,439</u>	<u>16,506</u>	<u>2,804,864</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$115,499)</u>	<u>\$83,198</u>	<u>\$43,627</u>	<u>\$14,640</u>	<u>\$2,606,882</u>

City of Bedford, Ohio
Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2014

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$215,360	\$93,576	\$308,936
Intergovernmental Receivable	6,795	0	6,795
Special Assessments Receivable	0	157,827	157,827
<i>Total Assets</i>	<u>\$222,155</u>	<u>\$251,403</u>	<u>\$473,558</u>
Liabilities			
	\$0	\$0	\$0
Deferred Inflows of Resources			
Unavailable Revenue	0	157,827	157,827
Fund Balances			
Restricted	<u>222,155</u>	<u>93,576</u>	<u>315,731</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$222,155</u>	<u>\$251,403</u>	<u>\$473,558</u>

City of Bedford, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended December 31, 2014

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
Revenues			
Municipal Income Taxes	\$1,069,643	\$0	\$1,069,643
Intergovernmental	13,566	0	13,566
Special Assessments	0	80,254	80,254
Interest	1,887	334	2,221
<i>Total Revenues</i>	<u>1,085,096</u>	<u>80,588</u>	<u>1,165,684</u>
Expenditures			
Debt Service:			
Principal Retirement	882,476	55,000	937,476
Interest and Fiscal Charges	395,837	7,015	402,852
Bond Issuance Costs	29,459	0	29,459
<i>Total Expenditures</i>	<u>1,307,772</u>	<u>62,015</u>	<u>1,369,787</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(222,676)</u>	<u>18,573</u>	<u>(204,103)</u>
Other Financing Sources (Uses)			
General Obligation Refunding Bonds Issued	835,000	0	835,000
Premium on Bonds Issued	39,099	0	39,099
Payment to Refunded Bond Escrow Agent	(850,000)	0	(850,000)
Transfers In	282,376	0	282,376
<i>Total Other Financing Sources (Uses)</i>	<u>306,475</u>	<u>0</u>	<u>306,475</u>
<i>Net Change in Fund Balances</i>	83,799	18,573	102,372
<i>Fund Balances Beginning of Year</i>	<u>138,356</u>	<u>75,003</u>	<u>213,359</u>
<i>Fund Balances End of Year</i>	<u><u>\$222,155</u></u>	<u><u>\$93,576</u></u>	<u><u>\$315,731</u></u>

City of Bedford, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2014

	Municipal Court Computer	Capital Improvement	Total Nonmajor Capital Projects Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$92,838	\$609,859	\$702,697
Liabilities			
Accounts Payable	\$0	\$2,648	\$2,648
Unearned Revenue	0	238,000	238,000
<i>Total Liabilities</i>	0	240,648	240,648
Fund Balances			
Restricted	92,838	0	92,838
Committed	0	1,000	1,000
Assigned	0	368,211	368,211
<i>Total Fund Balances</i>	92,838	369,211	462,049
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	\$92,838	\$609,859	\$702,697

City of Bedford, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2014

	Municipal Court Computer	Capital Improvement	Total Nonmajor Capital Projects Funds
Revenues			
Fines and Forfeitures	\$56,078	\$0	\$56,078
Interest	259	1,948	2,207
Other	18,560	42,000	60,560
<i>Total Revenues</i>	74,897	43,948	118,845
Expenditures			
Capital Outlay	101,948	100,967	202,915
<i>Net Change in Fund Balances</i>	(27,051)	(57,019)	(84,070)
<i>Fund Balances Beginning of Year</i>	119,889	426,230	546,119
<i>Fund Balances End of Year</i>	\$92,838	\$369,211	\$462,049

Combining Statement - Agency Funds

Agency Funds

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations and other governmental units. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

Municipal Court Fund - To account for assets received and disbursed by the Bedford Municipal Court to the participating cities, villages and townships pursuant to the laws of the State of Ohio.

State Inspection Fee Fund - To account for monies received and disbursed to the State of Ohio for the State building standards program.

SEALE Unforfeited Fund - To account for confiscated monies received by the SEALE Drug Task Force and disbursed as directed by Cuyahoga County and the municipal court.

City of Bedford, Ohio
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2014

	Beginning Balance 12/31/13	Additions	Deductions	Ending Balance 12/31/14
<i>Municipal Court</i>				
Assets				
Cash and Cash Equivalents In Segregated Accounts	\$202,360	\$5,877,195	\$5,883,539	\$196,016
Liabilities				
Deposits Held and Due to Others	\$202,360	\$5,877,195	\$5,883,539	\$196,016
<i>State Inspection Fee</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$50	\$1,183	\$1,145	\$88
Liabilities				
Deposits Held and Due to Others	\$50	\$1,183	\$1,145	\$88
<i>SEALE Unforfeited</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$0	\$263,767	\$93,027	\$170,740
Liabilities				
Deposits Held and Due to Others	\$0	\$263,767	\$93,027	\$170,740
<i>All Agency Funds</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$50	\$264,950	\$94,172	\$170,828
Cash and Cash Equivalents In Segregated Accounts	202,360	5,877,195	5,883,539	196,016
Total Assets	\$202,410	\$6,142,145	\$5,977,711	\$366,844
Liabilities				
Deposits Held and Due to Others	\$202,410	\$6,142,145	\$5,977,711	\$366,844

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

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$1,995,675	\$2,002,847	\$1,913,278	(\$89,569)
Municipal Income Taxes	9,157,965	9,157,965	9,626,945	468,980
Charges for Services	653,970	653,970	617,156	(36,814)
Fees, Licenses and Permits	247,200	247,200	201,753	(45,447)
Fines and Forfeitures	1,647,900	1,647,900	1,607,061	(40,839)
Intergovernmental	1,355,803	1,426,788	1,332,384	(94,404)
Special Assessments	25,000	25,000	33,498	8,498
Interest	14,350	14,350	28,676	14,326
Rentals	91,820	91,820	94,528	2,708
Other	37,650	37,650	43,412	5,762
<i>Total Revenues</i>	15,227,333	15,305,490	15,498,691	193,201
Expenditures				
Current:				
General Government:				
Council and Clerk:				
Personal Services	284,465	285,480	282,365	3,115
Other	37,994	69,351	51,922	17,429
<i>Total Council and Clerk</i>	322,459	354,831	334,287	20,544
Finance Department:				
Personal Services	440,100	440,100	431,004	9,096
Capital Outlay	25,160	25,160	25,160	0
Other	46,699	66,699	52,700	13,999
<i>Total Finance Department</i>	511,959	531,959	508,864	23,095
Income Tax Department:				
Personal Services	223,130	223,130	216,239	6,891
Other	162,800	333,800	197,148	136,652
<i>Total Income Tax Department</i>	385,930	556,930	413,387	143,543
City Manager:				
Personal Services	339,375	339,375	283,879	55,496
Other	12,915	10,915	3,672	7,243
<i>Total City Manager</i>	\$352,290	\$350,290	\$287,551	\$62,739

(continued)

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Law Department:				
Personal Services	\$139,335	\$139,335	\$97,578	\$41,757
Other	101,000	101,000	54,230	46,770
Total Law Department	240,335	240,335	151,808	88,527
Engineering:				
Personal Services	14,700	14,700	14,694	6
Other	25,000	25,000	20,063	4,937
Total Engineering	39,700	39,700	34,757	4,943
Municipal Court:				
Personal Services	1,936,870	1,936,870	1,859,686	77,184
Other	276,900	300,900	258,462	42,438
Total Municipal Court	2,213,770	2,237,770	2,118,148	119,622
Special Projects:				
Other	70,080	86,280	72,488	13,792
Civil Service Commission:				
Personal Services	3,085	3,085	2,069	1,016
Other	14,200	14,200	11,391	2,809
Total Civil Service Commission	17,285	17,285	13,460	3,825
Municipal Complex:				
Personal Services	170,660	170,660	149,734	20,926
Capital Outlay	9,572	37,737	30,037	7,700
Other	509,635	548,614	525,021	23,593
Total Municipal Complex	689,867	757,011	704,792	52,219
County Auditor Deductions:				
Other	121,000	121,000	95,368	25,632
Total General Government	\$4,964,675	\$5,293,391	\$4,734,910	\$558,481

(continued)

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Security of Persons and Property:				
Police:				
Police Department:				
Personal Services	\$1,648,370	\$1,711,355	\$1,620,469	\$90,886
Capital Outlay	0	14,900	14,372	528
Other	380,620	419,620	331,033	88,587
Total Police	2,028,990	2,145,875	1,965,874	180,001
Fire:				
Fire Department:				
Personal Services	45,000	45,000	45,000	0
Capital Outlay	319,491	319,491	312,916	6,575
Other	2,000	2,000	233	1,767
Total Fire	366,491	366,491	358,149	8,342
Total Security of Persons and Property	2,395,481	2,512,366	2,324,023	188,343
Public Health and Welfare:				
Health Department:				
Other	51,250	51,250	51,250	0
Leisure Time Activities:				
Parks and Playground:				
Personal Services	11,970	11,970	11,396	574
Other	108,800	108,800	95,884	12,916
Total Leisure Time Activities	120,770	120,770	107,280	13,490
Community Development:				
Planning Commission Department:				
Personal Services	595	2,395	1,560	835
Other	1,700	1,700	1,692	8
Total Planning Commission Department	\$2,295	\$4,095	\$3,252	\$843

(continued)

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund (continued)
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Building Department:				
Personal Services	\$440,935	\$446,935	\$434,669	\$12,266
Other	30,524	30,524	18,886	11,638
Total Building Department	471,459	477,459	453,555	23,904
Total Community Development	473,754	481,554	456,807	24,747
Basic Utility Services:				
Refuse Collection:				
Other	714,000	719,941	716,061	3,880
Transportation:				
Service Department:				
Personal Services	1,450,105	1,499,105	1,434,905	64,200
Capital Outlay	5,150	5,150	5,150	0
Other	23,630	23,630	5,642	17,988
Total Transportation	1,478,885	1,527,885	1,445,697	82,188
<i>Total Expenditures</i>	10,198,815	10,707,157	9,836,028	871,129
<i>Excess of Revenues</i>				
<i>Over (Under) Expenditures</i>	5,028,518	4,598,333	5,662,663	1,064,330
Other Financing Sources (Uses)				
Sale of Capital Assets	10,000	10,000	6,120	(3,880)
Advances In	360,000	353,000	235,000	(118,000)
Transfers Out	(5,690,590)	(5,720,590)	(5,391,248)	329,342
<i>Total Other Financing Sources (Uses)</i>	(5,320,590)	(5,357,590)	(5,150,128)	207,462
<i>Net Change in Fund Balance</i>	(292,072)	(759,257)	512,535	1,271,792
<i>Fund Balance Beginning of Year</i>	8,794,502	8,794,502	8,794,502	0
Prior Year Encumbrances Appropriated	241,386	241,386	241,386	0
<i>Fund Balance End of Year</i>	\$8,743,816	\$8,276,631	\$9,548,423	\$1,271,792

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Safety Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$2,609,531	\$2,609,531	\$2,492,200	(\$117,331)
Fees, Licenses and Permits	50	50	18	(32)
Intergovernmental	566,878	566,878	455,480	(111,398)
Interest	1,065	1,065	1,717	652
Other	500	500	50	(450)
<i>Total Revenues</i>	<u>3,178,024</u>	<u>3,178,024</u>	<u>2,949,465</u>	<u>(228,559)</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Police Pension:				
Personal Services	532,500	532,500	484,534	47,966
Safety Forces:				
Personal Services	2,606,110	2,672,480	2,482,192	190,288
Total Police	<u>3,138,610</u>	<u>3,204,980</u>	<u>2,966,726</u>	<u>238,254</u>
Fire:				
Fire Medic Levy:				
Personal Services	3,160,257	3,240,119	3,080,471	159,648
Other	164,648	157,506	141,866	15,640
Total Fire Medic Levy	<u>3,324,905</u>	<u>3,397,625</u>	<u>3,222,337</u>	<u>175,288</u>
Fire Pension:				
Personal Services	570,220	587,362	587,362	0
Total Fire	<u>3,895,125</u>	<u>3,984,987</u>	<u>3,809,699</u>	<u>175,288</u>
<i>Total Expenditures</i>	<u>7,033,735</u>	<u>7,189,967</u>	<u>6,776,425</u>	<u>413,542</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,855,711)</u>	<u>(4,011,943)</u>	<u>(3,826,960)</u>	<u>184,983</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	0	0	500	500
Transfers In	3,772,475	3,802,475	3,766,683	(35,792)
<i>Total Other Financing Sources (Uses)</i>	<u>3,772,475</u>	<u>3,802,475</u>	<u>3,767,183</u>	<u>(35,292)</u>
<i>Net Change in Fund Balance</i>	(83,236)	(209,468)	(59,777)	149,691
<i>Fund Balance Beginning of Year</i>	551,056	551,056	551,056	0
Prior Year Encumbrances Appropriated	668	668	668	0
<i>Fund Balance End of Year</i>	<u>\$468,488</u>	<u>\$342,256</u>	<u>\$491,947</u>	<u>\$149,691</u>

City of Bedford, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Water Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$3,808,325	\$3,808,325	\$4,399,854	\$591,529
Other	15,000	15,000	34,660	19,660
Interest	37,943	37,943	26,102	(11,841)
General Obligation Refunding Bonds Issued	1,145,000	1,145,000	1,145,000	0
Premium on Refunding Bonds Issued	77,490	71,749	71,749	0
<i>Total Revenues</i>	5,083,758	5,078,017	5,677,365	599,348
Expenses				
Personal Services	593,375	670,994	607,257	63,737
Contractual Services	2,887,300	2,887,300	2,664,160	223,140
Materials and Supplies	300,428	300,428	288,679	11,749
Capital Outlay	540,419	811,065	632,272	178,793
Other	3,000	3,000	1,084	1,916
Debt Service:				
Principal Retirement	221,600	221,600	221,600	0
Payment to Refunded Bond Escrow Agent	1,170,000	1,170,000	1,170,000	0
Interest and Fiscal Charges	133,550	133,550	133,548	2
Bond Issuance Costs	41,259	41,259	41,259	0
<i>Total Expenses</i>	5,890,931	6,239,196	5,759,859	479,337
<i>Net Change in Fund Equity</i>	(807,173)	(1,161,179)	(82,494)	1,078,685
<i>Fund Equity Beginning of Year</i>	4,448,758	4,448,758	4,448,758	0
Prior Year Encumbrances Appropriated	560,536	560,536	560,536	0
<i>Fund Equity End of Year</i>	\$4,202,121	\$3,848,115	\$4,926,800	\$1,078,685

City of Bedford, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Wastewater Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$2,046,155	\$2,107,540	\$2,279,244	\$171,704
Municipal Income Taxes	0	0	17	17
Other	1,000	1,000	1,625	625
Interest	27,232	27,232	22,094	(5,138)
General Obligation Refunding Bonds Issued	920,000	920,000	920,000	0
Premium on Refunding Bonds Issued	58,065	58,065	58,065	0
<i>Total Revenues</i>	3,052,452	3,113,837	3,281,045	167,208
Expenses				
Personal Services	1,167,460	1,167,460	1,065,284	102,176
Contractual Services	277,000	107,000	71,455	35,545
Materials and Supplies	319,039	493,539	470,883	22,656
Capital Outlay	454,992	3,273,694	1,551,047	1,722,647
Other	3,000	3,000	2,343	657
Debt Service:				
Principal Retirement	392,600	392,600	392,599	1
Payment to Refunded Bond Escrow Agent	945,000	945,000	945,000	0
Interest and Fiscal Charges	209,780	209,780	209,774	6
Bond Issuance Costs	33,195	33,195	33,195	0
<i>Total Expenses</i>	3,802,066	6,625,268	4,741,580	1,883,688
<i>Net Change in Fund Equity</i>	(749,614)	(3,511,431)	(1,460,535)	2,050,896
<i>Fund Equity Beginning of Year</i>	4,093,703	4,093,703	4,093,703	0
Prior Year Encumbrances Appropriated	372,031	372,031	372,031	0
<i>Fund Equity End of Year</i>	\$3,716,120	\$954,303	\$3,005,199	\$2,050,896

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Development Block Grant Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$0	\$0	\$13,300	\$13,300
Expenditures				
Current:				
Community Development:				
CDBG Department:				
Capital Outlay	27,000	27,000	18,366	8,634
Other	18,986	18,986	13,300	5,686
<i>Total Expenditures</i>	<u>45,986</u>	<u>45,986</u>	<u>31,666</u>	<u>14,320</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(45,986)</u>	<u>(45,986)</u>	<u>(18,366)</u>	<u>27,620</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	160,000	160,000	76,680	(83,320)
Advances Out	(160,000)	(160,000)	(160,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>(83,320)</u>	<u>(83,320)</u>
<i>Net Change in Fund Balance</i>	(45,986)	(45,986)	(101,686)	(55,700)
<i>Fund Balance Beginning of Year</i>	<u>148,669</u>	<u>148,669</u>	<u>148,669</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$102,683</u>	<u>\$102,683</u>	<u>\$46,983</u>	<u>(\$55,700)</u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
State Highway Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$39,500	\$39,500	\$38,863	(\$637)
Interest	200	200	461	261
<i>Total Revenues</i>	39,700	39,700	39,324	(376)
Expenditures				
Current:				
Transportation:				
Street Construction, Maintenance and Repair:				
Other	39,700	39,700	39,700	0
<i>Net Change in Fund Balance</i>	0	0	(376)	(376)
<i>Fund Balance Beginning of Year</i>	126,740	126,740	126,740	0
<i>Fund Balance End of Year</i>	<u>\$126,740</u>	<u>\$126,740</u>	<u>\$126,364</u>	<u>(\$376)</u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Drivers Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$36,000	\$36,000	\$51,993	\$15,993
Interest	345	345	724	379
<i>Total Revenues</i>	36,345	36,345	52,717	16,372
Expenditures				
Current:				
Public Health and Welfare:				
Indigent Drivers:				
Other	40,000	40,000	18,956	21,044
<i>Net Change in Fund Balance</i>	(3,655)	(3,655)	33,761	37,416
<i>Fund Balance Beginning of Year</i>	206,933	206,933	206,933	0
<i>Fund Balance End of Year</i>	<u>\$203,278</u>	<u>\$203,278</u>	<u>\$240,694</u>	<u>\$37,416</u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
SEALE Narcotics Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$349,127	\$349,127	\$286,942	(\$62,185)
Other	152,910	152,910	129,295	(23,615)
<i>Total Revenues</i>	<u>502,037</u>	<u>502,037</u>	<u>416,237</u>	<u>(85,800)</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
SEALE Narcotics:				
Personal Services	338,439	338,439	254,974	83,465
Capital Outlay	217,736	217,736	147,491	70,245
Other	47,345	47,345	29,519	17,826
<i>Total Expenditures</i>	<u>603,520</u>	<u>603,520</u>	<u>431,984</u>	<u>171,536</u>
<i>Net Change in Fund Balance</i>	(101,483)	(101,483)	(15,747)	85,736
<i>Fund Balance Beginning of Year</i>	<u>162,425</u>	<u>162,425</u>	<u>162,425</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$60,942</u></u>	<u><u>\$60,942</u></u>	<u><u>\$146,678</u></u>	<u><u>\$85,736</u></u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Enforcement and Education Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$850	\$850	\$813	(\$37)
Interest	<u>10</u>	<u>10</u>	<u>11</u>	<u>1</u>
<i>Total Revenues</i>	860	860	824	(36)
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Enforcement and Education:				
Personal Services	<u>860</u>	<u>3,277</u>	<u>0</u>	<u>3,277</u>
<i>Net Change in Fund Balance</i>	0	(2,417)	824	3,241
<i>Fund Balance Beginning of Year</i>	<u>3,018</u>	<u>3,018</u>	<u>3,018</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$3,018</u></u>	<u><u>\$601</u></u>	<u><u>\$3,842</u></u>	<u><u>\$3,241</u></u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Lighting Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Special Assessments	\$288,645	\$288,645	\$288,491	(\$154)
Interest	500	500	666	166
<i>Total Revenues</i>	289,145	289,145	289,157	12
Expenditures				
Current:				
Basic Utility Services:				
Street Lighting:				
Other	317,000	362,200	356,892	5,308
<i>Net Change in Fund Balance</i>	(27,855)	(73,055)	(67,735)	5,320
<i>Fund Balance Beginning of Year</i>	250,004	250,004	250,004	0
<i>Fund Balance End of Year</i>	<u>\$222,149</u>	<u>\$176,949</u>	<u>\$182,269</u>	<u>\$5,320</u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Construction, Maintenance and Repair Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$491,000	\$491,000	\$480,782	(\$10,218)
Interest	1,200	1,200	2,009	809
Other	300	300	0	(300)
<i>Total Revenues</i>	<u>492,500</u>	<u>492,500</u>	<u>482,791</u>	<u>(9,709)</u>
Expenditures				
Current:				
Transportation:				
Street Construction, Maintenance and Repair:				
Personal Services	218,345	223,345	213,470	9,875
Capital Outlay	4,000	4,000	0	4,000
Other	568,605	598,605	487,129	111,476
<i>Total Expenditures</i>	<u>790,950</u>	<u>825,950</u>	<u>700,599</u>	<u>125,351</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(298,450)</u>	<u>(333,450)</u>	<u>(217,808)</u>	<u>115,642</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	3,500	3,500	0	(3,500)
Transfers In	100,000	100,000	41,667	(58,333)
<i>Total Other Financing Sources (Uses)</i>	<u>103,500</u>	<u>103,500</u>	<u>41,667</u>	<u>(61,833)</u>
<i>Net Change in Fund Balance</i>	(194,950)	(229,950)	(176,141)	53,809
<i>Fund Balance Beginning of Year</i>	640,973	640,973	640,973	0
Prior Year Encumbrances Appropriated	91,104	91,104	91,104	0
<i>Fund Balance End of Year</i>	<u>\$537,127</u>	<u>\$502,127</u>	<u>\$555,936</u>	<u>\$53,809</u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Trust Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$0	\$150	\$120	(\$30)
Interest	<u>0</u>	<u>0</u>	<u>46</u>	<u>46</u>
<i>Total Revenues</i>	<u>0</u>	<u>150</u>	<u>166</u>	<u>16</u>
Expenditures				
Current:				
Security of Persons and Property:				
Police:				
Law Enforcement:				
Personal Services	0	14,318	0	14,318
Other	<u>0</u>	<u>89</u>	<u>89</u>	<u>0</u>
<i>Total Expenditures</i>	<u>0</u>	<u>14,407</u>	<u>89</u>	<u>14,318</u>
<i>Net Change in Fund Balance</i>	0	(14,257)	77	14,334
<i>Fund Balance Beginning of Year</i>	<u>14,407</u>	<u>14,407</u>	<u>14,407</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$14,407</u>	<u>\$150</u>	<u>\$14,484</u>	<u>\$14,334</u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Motor Vehicle License Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$86,400	\$86,400	\$86,359	(\$41)
Interest	400	400	491	91
<i>Total Revenues</i>	86,800	86,800	86,850	50
Expenditures				
Current:				
Transportation:				
Street Construction, Maintenance and Repair:				
Other	101,760	101,760	101,760	0
<i>Net Change in Fund Balance</i>	(14,960)	(14,960)	(14,910)	50
<i>Fund Balance Beginning of Year</i>	99,625	99,625	99,625	0
Prior Year Encumbrances Appropriated	14,960	14,960	14,960	0
<i>Fund Balance End of Year</i>	<u>\$99,625</u>	<u>\$99,625</u>	<u>\$99,675</u>	<u>\$50</u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Grants Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$575	\$575	\$575	\$0
Intergovernmental	65,473	65,473	70,296	4,823
Contributions and Donations	1,400	1,400	1,430	30
<i>Total Revenues</i>	<u>67,448</u>	<u>67,448</u>	<u>72,301</u>	<u>4,853</u>
Expenditures				
Current:				
General Government:				
NOPEC Energy Grant				
Capital Outlay	88,197	88,197	56,250	31,947
Security of Persons and Property:				
Police:				
High Visibility Enforcement:				
Personal Services	15,423	15,423	13,643	1,780
Other	13,956	13,956	5,377	8,579
Total High Visibility Enforcement	<u>29,379</u>	<u>29,379</u>	<u>19,020</u>	<u>10,359</u>
Community Diversion:				
Personal Services	4,200	4,200	4,200	0
Other	1,628	1,628	495	1,133
Total Community Diversion	<u>5,828</u>	<u>5,828</u>	<u>4,695</u>	<u>1,133</u>
Violence Against Women:				
Personal Services	26,853	26,853	26,853	0
Other	2,001	2,001	2,000	1
Total Violence Against Women	<u>\$28,854</u>	<u>\$28,854</u>	<u>\$28,853</u>	<u>\$1</u>

(continued)

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Grants Fund (continued)
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
DARE Enforcement:				
Personal Services	\$11,095	\$11,095	\$0	\$11,095
Other	99	99	0	99
Total DARE Enforcement	11,194	11,194	0	11,194
Total Police	75,255	75,255	52,568	22,687
Fire:				
Fire Department:				
Other	12,907	12,907	11,484	1,423
Total Security of Persons and Property	88,162	88,162	64,052	24,110
Leisure Time Activities:				
Soccer Donations				
Other	6,704	6,704	0	6,704
Food Bank - Recreation:				
Other	27,000	27,000	15,020	11,980
Cuyahoga Arts Council				
Other	2,108	2,108	2,108	0
Total Leisure Time Activities	35,812	35,812	17,128	18,684
Transportation:				
Service Department Recycling Grant				
Other	5,000	5,000	4,358	642
<i>Total Expenditures</i>	217,171	217,171	141,788	75,383
<i>Excess of Revenues Over (Under) Expenditures</i>	(149,723)	(149,723)	(69,487)	80,236
Other Financing Sources (Uses)				
Sale of Capital Assets	200	200	200	0
Transfers In	15,000	15,000	13,750	(1,250)
<i>Total Other Financing Sources (Uses)</i>	15,200	15,200	13,950	(1,250)
<i>Net Change in Fund Balance</i>	(134,523)	(134,523)	(55,537)	78,986
<i>Fund Balance Beginning of Year</i>	153,401	153,401	153,401	0
Prior Year Encumbrances Appropriated	7,577	7,577	7,577	0
<i>Fund Balance End of Year</i>	\$26,455	\$26,455	\$105,441	\$78,986

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Special Programs Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and Forfeitures	\$180,000	\$180,000	\$138,242	(\$41,758)
Interest	1,000	1,000	875	(125)
<i>Total Revenues</i>	<u>181,000</u>	<u>181,000</u>	<u>139,117</u>	<u>(41,883)</u>
Expenditures				
Current:				
General Government:				
Municipal Court Special Programs:				
Capital Outlay	15,000	30,000	28,450	1,550
Other	35,000	20,000	7,213	12,787
<i>Total Expenditures</i>	<u>50,000</u>	<u>50,000</u>	<u>35,663</u>	<u>14,337</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	131,000	131,000	103,454	(27,546)
Other Financing Sources (Uses)				
Transfers Out	(44,345)	(44,345)	(44,345)	0
<i>Net Change in Fund Balance</i>	86,655	86,655	59,109	(27,546)
<i>Fund Balance Beginning of Year</i>	<u>228,108</u>	<u>228,108</u>	<u>228,108</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$314,763</u>	<u>\$314,763</u>	<u>\$287,217</u>	<u>(\$27,546)</u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Housing and Urban Development Rehabilitation Program Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Community Development:				
HUD Housing Rehabilitation:				
Capital Outlay	0	21,998	21,914	84
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(21,998)	(21,914)	84
Other Financing Sources (Uses)				
Sale of Capital Assets	200,000	200,000	102,000	(98,000)
Advances Out	(200,000)	(193,000)	(75,000)	118,000
<i>Total Other Financing Sources (Uses)</i>	0	7,000	27,000	20,000
<i>Net Change in Fund Balance</i>	0	(14,998)	5,086	20,084
<i>Fund Balance Beginning of Year</i>	14,998	14,998	14,998	0
<i>Fund Balance End of Year</i>	\$14,998	\$0	\$20,084	\$20,084

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Interlock and Monitoring Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and Forfeitures	\$20,000	\$20,000	\$20,145	\$145
Interest	100	100	239	139
<i>Total Revenues</i>	20,100	20,100	20,384	284
Expenditures				
Current:				
General Government:				
Indigent Interlock and Monitoring:				
Other	15,000	15,000	4,612	10,388
<i>Net Change in Fund Balance</i>	5,100	5,100	15,772	10,672
<i>Fund Balance Beginning of Year</i>	65,465	65,465	65,465	0
<i>Fund Balance End of Year</i>	<u>\$70,565</u>	<u>\$70,565</u>	<u>\$81,237</u>	<u>\$10,672</u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cemetery Donations Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest	\$100	\$100	\$138	\$38
Other	100	100	50	(50)
<i>Total Revenues</i>	200	200	188	(12)
Expenditures				
Current:				
Public Health and Welfare:				
Cemetery:				
Other	1,000	1,000	0	1,000
<i>Net Change in Fund Balance</i>	(800)	(800)	188	988
<i>Fund Balance Beginning of Year</i>	43,439	43,439	43,439	0
<i>Fund Balance End of Year</i>	<u>\$42,639</u>	<u>\$42,639</u>	<u>\$43,627</u>	<u>\$988</u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Bedford Municipal Court Legal Research Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Fines and Forfeitures	\$20,000	\$20,000	\$18,138	(\$1,862)
Expenditures				
Current:				
General Government:				
Municipal Court Special Programs:				
Personal Services	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	(1,862)	(1,862)
<i>Fund Balance Beginning of Year</i>	<u>15,207</u>	<u>15,207</u>	<u>15,207</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$15,207</u></u>	<u><u>\$15,207</u></u>	<u><u>\$13,345</u></u>	<u><u>(\$1,862)</u></u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Enterprise Zone Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fees, Licenses and Permits	\$6,500	\$6,500	\$7,000	\$500
Interest	250	250	155	(95)
<i>Total Revenues</i>	<u>6,750</u>	<u>6,750</u>	<u>7,155</u>	<u>405</u>
Expenditures				
Current:				
Community Development:				
Enterprise Zone:				
Personal Services	90,400	56,900	54,337	2,563
Other	206,250	223,015	187,946	35,069
<i>Total Expenditures</i>	<u>296,650</u>	<u>279,915</u>	<u>242,283</u>	<u>37,632</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(289,900)	(273,165)	(235,128)	38,037
Other Financing Sources (Uses)				
Transfers In	299,965	299,965	288,855	(11,110)
<i>Net Change in Fund Balance</i>	10,065	26,800	53,727	26,927
<i>Fund Balance Beginning of Year</i>	<u>18,777</u>	<u>18,777</u>	<u>18,777</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$28,842</u>	<u>\$45,577</u>	<u>\$72,504</u>	<u>\$26,927</u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cemetery Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for Services	\$40,000	\$40,000	\$57,975	\$17,975
Interest	200	200	280	80
Other	250	250	90	(160)
<i>Total Revenues</i>	<u>40,450</u>	<u>40,450</u>	<u>58,345</u>	<u>17,895</u>
Expenditures				
Current:				
Public Health and Welfare:				
Cemetery:				
Personal Services	101,655	105,155	104,939	216
Other	24,500	24,500	15,705	8,795
<i>Total Expenditures</i>	<u>126,155</u>	<u>129,655</u>	<u>120,644</u>	<u>9,011</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(85,705)	(89,205)	(62,299)	26,906
Other Financing Sources (Uses)				
Transfers In	76,900	76,900	70,492	(6,408)
<i>Net Change in Fund Balance</i>	(8,805)	(12,305)	8,193	20,498
<i>Fund Balance Beginning of Year</i>	<u>82,172</u>	<u>82,172</u>	<u>82,172</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$73,367</u></u>	<u><u>\$69,867</u></u>	<u><u>\$90,365</u></u>	<u><u>\$20,498</u></u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$129,950	\$129,950	\$138,064	\$8,114
Interest	700	700	862	162
Other	200	200	39	(161)
<i>Total Revenues</i>	<u>130,850</u>	<u>130,850</u>	<u>138,965</u>	<u>8,115</u>
Expenditures				
Current:				
Leisure Time Activities:				
Playgrounds:				
Personal Services	281,565	281,565	272,601	8,964
Capital Outlay	4,080	4,080	4,080	0
Other	150,956	150,956	137,866	13,090
Total Playgrounds	<u>436,601</u>	<u>436,601</u>	<u>414,547</u>	<u>22,054</u>
Swimming Pool:				
Personal Services	147,460	145,460	134,532	10,928
Capital Outlay	9,300	9,300	9,300	0
Other	48,450	48,450	44,305	4,145
Total Swimming Pool	<u>205,210</u>	<u>203,210</u>	<u>188,137</u>	<u>15,073</u>
Ellenwood Center:				
Personal Services	482,730	482,730	463,479	19,251
Capital Outlay	5,000	5,000	0	5,000
Other	113,435	113,435	96,673	16,762
Total Ellenwood Center	<u>601,165</u>	<u>601,165</u>	<u>560,152</u>	<u>41,013</u>
<i>Total Expenditures</i>	<u>1,242,976</u>	<u>1,240,976</u>	<u>1,162,836</u>	<u>78,140</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,112,126)</u>	<u>(1,110,126)</u>	<u>(1,023,871)</u>	<u>86,255</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	2,500	2,500	0	(2,500)
Transfers In	1,087,385	1,087,385	971,770	(115,615)
<i>Total Other Financing Sources (Uses)</i>	<u>1,089,885</u>	<u>1,089,885</u>	<u>971,770</u>	<u>(118,115)</u>
<i>Net Change in Fund Balance</i>	(22,241)	(20,241)	(52,101)	(31,860)
<i>Fund Balance Beginning of Year</i>	203,465	203,465	203,465	0
Prior Year Encumbrances Appropriated	2,586	2,586	2,586	0
<i>Fund Balance End of Year</i>	<u>\$183,810</u>	<u>\$185,810</u>	<u>\$153,950</u>	<u>(\$31,860)</u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Obligation Bond Retirement Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Municipal Income Taxes	\$812,235	\$812,235	\$1,069,643	\$257,408
Intergovernmental	14,592	14,592	6,771	(7,821)
Interest	1,000	1,000	1,887	887
<i>Total Revenues</i>	<u>827,827</u>	<u>827,827</u>	<u>1,078,301</u>	<u>250,474</u>
Expenditures				
Debt Service:				
Principal Retirement	882,476	882,476	882,476	0
Interest and Fiscal Charges	395,839	395,839	395,837	2
Bond Issuance Costs	29,459	29,459	29,459	0
<i>Total Expenditures</i>	<u>1,307,774</u>	<u>1,307,774</u>	<u>1,307,772</u>	<u>2</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(479,947)</u>	<u>(479,947)</u>	<u>(229,471)</u>	<u>250,476</u>
Other Financing Sources (Uses)				
General Obligation Refunding Bonds Issued	835,000	835,000	835,000	0
Premium on Bonds Issued	39,099	39,099	39,099	0
Payment to Refunded Bond Escrow Agent	(850,000)	(850,000)	(850,000)	0
Transfers In	382,725	382,725	282,376	(100,349)
<i>Total Other Financing Sources (Uses)</i>	<u>406,824</u>	<u>406,824</u>	<u>306,475</u>	<u>(100,349)</u>
<i>Net Change in Fund Balance</i>	(73,123)	(73,123)	77,004	150,127
<i>Fund Balance Beginning of Year</i>	<u>138,356</u>	<u>138,356</u>	<u>138,356</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$65,233</u>	<u>\$65,233</u>	<u>\$215,360</u>	<u>\$150,127</u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Special Assessment Bond Retirement Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Special Assessments	\$62,015	\$62,015	\$80,254	\$18,239
Interest	150	150	334	184
<i>Total Revenues</i>	<u>62,165</u>	<u>62,165</u>	<u>80,588</u>	<u>18,423</u>
Expenditures				
Debt Service:				
Principal Retirement	55,000	55,000	55,000	0
Interest and Fiscal Charges	7,015	7,015	7,015	0
<i>Total Expenditures</i>	<u>62,015</u>	<u>62,015</u>	<u>62,015</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	150	150	18,573	18,423
<i>Fund Balance Beginning of Year</i>	<u>75,003</u>	<u>75,003</u>	<u>75,003</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$75,153</u></u>	<u><u>\$75,153</u></u>	<u><u>\$93,576</u></u>	<u><u>\$18,423</u></u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Computer Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and Forfeitures	\$63,350	\$63,350	\$56,280	(\$7,070)
Interest	300	300	259	(41)
Other	15,000	15,000	18,560	3,560
<i>Total Revenues</i>	<u>78,650</u>	<u>78,650</u>	<u>75,099</u>	<u>(3,551)</u>
Expenditures				
Capital Outlay:				
Municipal Court Computer:				
Capital Outlay	15,000	15,000	0	15,000
Other	125,000	125,000	101,948	23,052
<i>Total Expenditures</i>	<u>140,000</u>	<u>140,000</u>	<u>101,948</u>	<u>38,052</u>
<i>Net Change in Fund Balance</i>	(61,350)	(61,350)	(26,849)	34,501
<i>Fund Balance Beginning of Year</i>	<u>114,385</u>	<u>114,385</u>	<u>114,385</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$53,035</u>	<u>\$53,035</u>	<u>\$87,536</u>	<u>\$34,501</u>

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvement Fund
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$29,378	\$29,378	\$29,378	\$0
Interest	2,500	2,500	1,948	(552)
Other	0	28,000	28,000	0
<i>Total Revenues</i>	31,878	59,878	59,326	(552)
Expenditures				
Capital Outlay	155,205	234,415	194,154	40,261
<i>Net Change in Fund Balance</i>	(123,327)	(174,537)	(134,828)	39,709
<i>Fund Balance Beginning of Year</i>	654,230	654,230	654,230	0
Prior Year Encumbrances Appropriated	69,205	69,205	69,205	0
<i>Fund Balance End of Year</i>	<u>\$600,108</u>	<u>\$548,898</u>	<u>\$588,607</u>	<u>\$39,709</u>

City of Bedford, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Health Insurance Fund
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$2,769,820	\$2,769,820	\$2,811,837	\$42,017
Interest	500	500	1,319	819
Other	26,000	26,000	41,849	15,849
<i>Total Revenues</i>	2,796,320	2,796,320	2,855,005	58,685
Expenses				
Contractual Services	369,395	369,395	364,777	4,618
Claims	2,403,485	2,503,485	2,436,379	67,106
<i>Total Expenses</i>	2,772,880	2,872,880	2,801,156	71,724
<i>Net Change in Fund Equity</i>	23,440	(76,560)	53,849	130,409
<i>Fund Equity Beginning of Year</i>	292,977	292,977	292,977	0
<i>Fund Equity End of Year</i>	\$316,417	\$216,417	\$346,826	\$130,409

Statistical Section

This part of the City of Bedford, Ohio's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health.

Contents	Pages(s)
<i>Financial Trends</i>	<i>S2 – S13</i>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	<i>S14 – S21</i>
These schedules contain information to help the reader assess the City's most significant local revenue, the property tax and the municipal income tax.	
<i>Debt Capacity</i>	<i>S22 – S29</i>
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
<i>Economic and Demographic Information</i>	<i>S30 – S33</i>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
<i>Operating Information</i>	<i>S34 – S51</i>
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

City of Bedford, Ohio
Net Position By Component
Last Ten Years
(Accrual Basis of Accounting)

	2014	2013	2012	2011
Governmental Activities				
Net Investment in				
Capital Assets	\$17,339,750	\$18,337,265	\$19,668,123	\$20,968,797
Restricted:				
Capital Projects	92,838	119,889	147,188	241,731
Debt Service	469,155	449,033	509,480	513,704
Municipal Courts	311,668	254,776	830,873	774,291
Fire	0	0	0	0
Streets	1,186,093	1,215,660	1,115,228	1,227,043
Community Development	571,801	715,120	737,303	627,065
Street Lighting	505,179	504,173	550,136	555,255
Drug Force Violations	140,459	162,132	331,639	409,517
Other Purposes	507,906	512,440	393,617	301,073
Unrestricted	12,487,021	12,257,378	11,095,401	12,312,481
<i>Total Governmental Activities</i>				
<i>Net Position</i>	33,611,870	34,527,866	35,378,988	37,930,957
Business Type - Activities				
Net Investment in				
Capital Assets	6,470,775	5,177,762	7,732,350	5,917,802
Unrestricted	9,691,884	10,379,492	6,215,323	5,976,224
<i>Total Business-Type Activities</i>				
<i>Net Position</i>	16,162,659	15,557,254	13,947,673	11,894,026
Primary Government				
Net Investment in				
Capital Assets	23,810,525	23,515,027	27,400,473	26,886,599
Restricted	3,785,099	3,933,223	4,615,464	4,649,679
Unrestricted	22,178,905	22,636,870	17,310,724	18,288,705
<i>Total Primary Government</i>				
<i>Net Position</i>	\$49,774,529	\$50,085,120	\$49,326,661	\$49,824,983

2010	2009	2008	2007	2006	2005
\$22,729,591	\$24,376,061	\$25,879,539	\$27,216,162	\$27,242,739	\$29,561,437
0	410,909	952,794	974,982	1,171,756	1,356,429
533,106	624,790	933,485	1,181,876	1,321,616	1,143,792
746,043	714,104	698,237	0	0	0
0	0	161,449	134,774	522,030	423,999
1,125,705	1,098,471	1,441,636	1,493,516	1,162,070	1,294,088
535,619	201,776	366,176	0	0	0
585,951	647,086	621,919	0	0	0
192,207	0	0	0	0	0
428,972	459,359	720,655	2,524,936	1,746,159	701,410
10,878,025	9,786,893	10,695,092	11,350,256	11,720,851	10,220,472
37,755,219	38,319,449	42,470,982	44,876,502	44,887,221	44,701,627
4,122,051	5,780,208	5,058,014	4,527,360	3,285,261	2,842,724
6,382,757	4,343,937	4,420,694	3,766,979	4,145,274	4,335,387
10,504,808	10,124,145	9,478,708	8,294,339	7,430,535	7,178,111
26,851,642	30,156,269	30,937,553	31,743,522	30,528,000	32,404,161
4,147,603	4,156,495	5,896,351	6,310,084	5,923,631	4,919,718
17,260,782	14,130,830	15,115,786	15,117,235	15,866,125	14,555,859
\$48,260,027	\$48,443,594	\$51,949,690	\$53,170,841	\$52,317,756	\$51,879,738

City of Bedford, Ohio
Changes in Net Position
Last Ten Years
(Accrual Basis of Accounting)

	2014	2013	2012	2011
Program Revenues				
Governmental Activities:				
Charges for Services and Operating Assessments:				
General Government	\$1,991,734	\$2,022,787	\$2,082,652	\$2,083,696
Security of Persons and Property:				
Police	63,182	80,900	64,368	64,974
Fire	421,128	442,342	429,512	434,885
Public Health and Welfare	16,260	16,179	14,211	14,892
Leisure Time Activities	155,147	128,060	128,611	153,829
Community Development	319,742	342,753	329,643	334,687
Basic Utility Services	322,754	286,690	310,771	289,719
Subtotal - Charges for Services	<u>3,289,947</u>	<u>3,319,711</u>	<u>3,359,768</u>	<u>3,376,682</u>
Operating Grants and Contributions:				
General Government	532,841	567,338	445,252	585,887
Security of Persons and Property:				
Police	527,943	611,749	565,729	430,038
Fire	272,107	258,393	355,615	397,242
Public Health and Welfare	51,589	19,968	88,825	25,779
Leisure Time Activities	9,114	19,950	13,128	4,325
Community Development	13,300	109,365	212,341	133,616
Basic Utility Services	0	0	0	0
Transportation	605,421	658,948	625,168	594,471
Subtotal - Operating Grants and Contributions	<u>2,012,315</u>	<u>2,245,711</u>	<u>2,306,058</u>	<u>2,171,358</u>
Capital Grants and Contributions:				
Transportation	0	0	5,000	97,583
<i>Total Governmental Activities Program Revenues</i>	<u>5,302,262</u>	<u>5,565,422</u>	<u>5,670,826</u>	<u>5,645,623</u>
Business-Type Activities:				
Charges for Services:				
Water	4,332,748	4,800,197	4,532,355	4,417,995
Wastewater	2,295,773	2,467,029	2,386,595	2,233,413
Operating Grants and Contributions				
Water	10,219	0	0	0
Wastewater	8,258	0	0	0
Capital Grants and Contributions				
Water	0	0	0	428,182
Wastewater	0	0	0	0
<i>Total Business-Type Activities Program Revenues</i>	<u>6,646,998</u>	<u>7,267,226</u>	<u>6,918,950</u>	<u>7,079,590</u>
<i>Total Primary Government Program Revenues</i>	<u>\$11,949,260</u>	<u>\$12,832,648</u>	<u>\$12,589,776</u>	<u>\$12,725,213</u>

2010	2009	2008	2007	2006	2005
\$1,858,638	\$1,934,236	\$2,226,427	\$2,205,689	\$1,797,782	\$1,687,566
60,445	65,680	32,779	53,907	57,998	56,734
380,753	397,435	311,809	257,282	160,839	293,200
42,651	45,060	39,230	40,510	43,580	43,443
119,801	126,569	112,805	96,845	87,771	95,355
272,543	284,584	339,374	278,011	151,920	136,304
292,043	334,195	323,511	291,969	292,023	229,705
3,026,874	3,187,759	3,385,935	3,224,213	2,591,913	2,542,307
475,317	501,895	441,910	427,621	0	0
891,928	478,920	362,903	362,556	283,602	140,902
423,286	221,427	409,838	25,100	8,413	3,724
34,725	23,293	13,399	14,102	10,680	15,066
14,635	7,500	0	0	12,370	27,865
853,331	113,029	101,163	114,687	167,843	373,911
5,898	0	0	0	274	6,008
618,478	620,287	668,247	661,345	667,025	626,063
3,317,598	1,966,351	1,997,460	1,605,411	1,150,207	1,193,539
24,856	392	227,431	307,611	431,974	425,995
6,369,328	5,154,502	5,610,826	5,137,235	4,174,094	4,161,841
4,354,170	4,020,958	3,729,987	3,521,515	3,237,446	3,395,893
2,196,959	2,116,968	2,091,081	2,058,390	1,943,800	2,154,552
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	331,940	0	0
0	0	7,766	222,469	32,508	8,646
6,551,129	6,137,926	5,828,834	6,134,314	5,213,754	5,559,091
\$12,920,457	\$11,292,428	\$11,439,660	\$11,271,549	\$9,387,848	\$9,720,932

(continued)

City of Bedford, Ohio
Changes in Net Position (continued)
Last Ten Years
(Accrual Basis of Accounting)

	2014	2013	2012	2011
Expenses				
Governmental Activities:				
General Government	\$5,075,154	\$4,922,271	\$5,451,587	\$5,091,308
Security of Persons and Property:				
Police	5,453,595	5,560,147	5,660,332	5,290,725
Fire	4,091,826	3,976,171	4,106,403	3,779,111
Public Health and Welfare	192,212	176,774	180,994	194,643
Leisure Time Activities	1,348,774	1,316,269	1,343,654	1,324,108
Community Development	867,243	753,096	746,201	843,855
Basic Utility Services	1,035,156	1,036,719	1,015,825	1,010,797
Transportation	3,700,311	4,343,828	4,363,978	4,303,602
Interest and Fiscal Charges	425,081	379,698	735,190	560,422
<i>Total Governmental Activities Expenses</i>	<u>22,189,352</u>	<u>22,464,973</u>	<u>23,604,164</u>	<u>22,398,571</u>
Business-Type Activities				
Water	3,785,358	3,853,350	3,234,955	4,131,949
Wastewater	2,340,584	2,175,580	2,040,179	1,958,932
<i>Total Business-Type Activities Expenses</i>	<u>6,125,942</u>	<u>6,028,930</u>	<u>5,275,134</u>	<u>6,090,881</u>
<i>Total Primary Government Program Expenses</i>	<u>28,315,294</u>	<u>28,493,903</u>	<u>28,879,298</u>	<u>28,489,452</u>
Net (Expense)/Revenue				
Governmental Activities	(16,887,090)	(16,899,551)	(17,933,338)	(16,752,948)
Business-Type Activities	521,056	1,238,296	1,643,816	988,709
<i>Total Primary Government Net Expense</i>	<u>(\$16,366,034)</u>	<u>(\$15,661,255)</u>	<u>(\$16,289,522)</u>	<u>(\$15,764,239)</u>

2010	2009	2008	2007	2006	2005
\$4,908,785	\$4,928,374	\$5,323,310	\$5,106,413	\$4,871,530	\$4,513,961
5,247,617	5,359,101	5,446,671	5,452,247	4,847,966	4,696,595
3,755,520	3,598,515	4,097,079	3,620,839	3,338,007	3,264,023
177,865	166,753	221,252	193,518	164,391	165,278
1,391,675	1,386,520	1,503,009	1,609,539	1,615,332	1,515,957
949,599	912,620	729,553	633,811	1,042,659	711,271
1,054,778	1,046,474	1,027,983	888,600	850,077	746,633
4,685,770	4,447,747	4,786,782	4,221,135	4,727,888	4,815,778
509,591	566,322	592,927	615,603	469,373	610,370
<u>22,681,200</u>	<u>22,412,426</u>	<u>23,728,566</u>	<u>22,341,705</u>	<u>21,927,223</u>	<u>21,039,866</u>
4,515,808	3,854,565	3,231,458	3,472,856	3,155,757	3,277,619
2,051,038	2,024,262	1,880,937	2,347,908	2,326,613	2,249,871
<u>6,566,846</u>	<u>5,878,827</u>	<u>5,112,395</u>	<u>5,820,764</u>	<u>5,482,370</u>	<u>5,527,490</u>
<u>29,248,046</u>	<u>28,291,253</u>	<u>28,840,961</u>	<u>28,162,469</u>	<u>27,409,593</u>	<u>26,567,356</u>
(16,311,872)	(17,257,924)	(18,117,740)	(17,204,470)	(17,753,129)	(16,878,025)
(15,717)	259,099	716,439	313,550	(268,616)	31,601
<u>(\$16,327,589)</u>	<u>(\$16,998,825)</u>	<u>(\$17,401,301)</u>	<u>(\$16,890,920)</u>	<u>(\$18,021,745)</u>	<u>(\$16,846,424)</u>

(continued)

City of Bedford, Ohio
Changes in Net Position (continued)
Last Ten Years
(Accrual Basis of Accounting)

	2014	2013	2012	2011
General Revenues and Other				
Changes in Net Position				
Governmental Activities				
Taxes:				
Property and Taxes Levied For:				
General Purposes	\$1,925,157	\$1,831,056	\$1,898,877	\$2,263,682
Debt Service	0	201,493	225,894	32,714
Public Safety	2,507,739	2,657,842	2,778,562	3,003,234
Municipal Income Taxes levied for:				
General Purposes	9,379,819	9,668,374	8,904,771	9,277,242
Debt Service	1,069,643	710,925	720,216	680,703
Grants and Entitlements not Restricted to				
Specific Programs	777,765	675,467	632,800	1,131,551
Investment Income	42,732	26,397	20,824	108,763
Gain on Sale of Capital Assets	644	5,645	32,484	17,041
Miscellaneous	267,595	271,230	166,941	413,756
<i>Total Governmental Activities</i>	<u>15,971,094</u>	<u>16,048,429</u>	<u>15,381,369</u>	<u>16,928,686</u>
Business-Type Activities				
Municipal Income Taxes levied for:				
Other Purpose - Wastewater	17	304,759	309,255	291,679
Investment Income	48,047	49,334	67,547	81,581
Gain on Sale of Capital Assets	0	1,074	0	0
Miscellaneous	36,285	16,118	33,029	27,249
<i>Total Business-Type Activities</i>	<u>84,349</u>	<u>371,285</u>	<u>409,831</u>	<u>400,509</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>16,055,443</u>	<u>16,419,714</u>	<u>15,791,200</u>	<u>17,329,195</u>
Change in Net Position				
Governmental Activities	(915,996)	(851,122)	(2,551,969)	175,738
Business-Type Activities	605,405	1,609,581	2,053,647	1,389,218
<i>Total Primary Government Change in Net Position</i>	<u>(\$310,591)</u>	<u>\$758,459</u>	<u>(\$498,322)</u>	<u>\$1,564,956</u>

2010	2009	2008	2007	2006	2005
\$2,306,766	\$2,340,611	\$2,436,161	\$2,648,487	\$2,435,575	\$2,548,372
0	0	0	0	0	0
3,016,795	943,569	880,740	957,466	880,516	885,180
8,145,582	7,616,052	9,098,927	9,852,161	10,834,317	10,625,798
657,234	626,789	680,711	769,619	870,902	653,673
1,406,412	950,510	1,852,030	1,735,202	1,940,740	1,925,920
37,698	172,163	411,024	750,070	648,078	255,900
4,957	145,395	114,650	38,742	27,503	80,398
172,198	311,302	237,977	442,004	301,092	399,247
15,747,642	13,106,391	15,712,220	17,193,751	17,938,723	17,374,488
276,601	250,344	291,734	329,833	373,551	435,782
31,346	90,936	145,854	189,673	140,178	87,679
21,696	0	0	0	3,903	0
66,737	45,058	30,342	30,748	3,408	23,426
396,380	386,338	467,930	550,254	521,040	546,887
16,144,022	13,492,729	16,180,150	17,744,005	18,459,763	17,921,375
(564,230)	(4,151,533)	(2,405,520)	(10,719)	185,594	496,463
380,663	645,437	1,184,369	863,804	252,424	578,488
(\$183,567)	(\$3,506,096)	(\$1,221,151)	\$853,085	\$438,018	\$1,074,951

City of Bedford, Ohio
Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

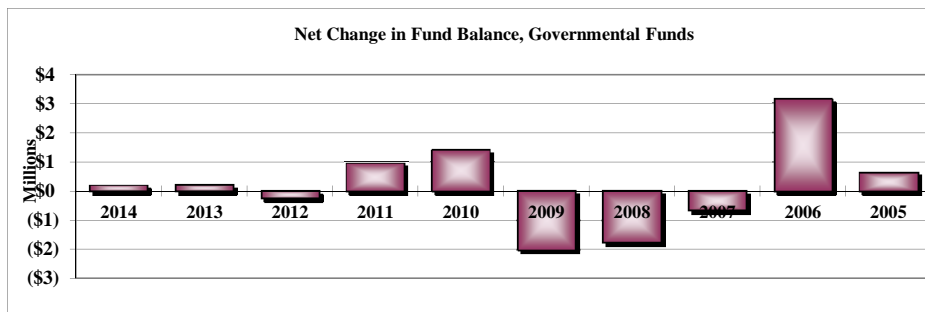
	2014	2013	2012	2011
General Fund				
Nonspendable	\$274,070	\$219,643	\$180,077	\$201,231
Committed	74,017	198,997	24,374	16,033
Assigned	384,937	306,154	74,306	61,663
Unassigned	10,580,613	10,194,477	10,193,528	10,019,811
Reserved	0	0	0	0
Unreserved	0	0	0	0
<i>Total General Fund</i>	<u>11,313,637</u>	<u>10,919,271</u>	<u>10,472,285</u>	<u>10,298,738</u>
All Other Governmental Funds				
Nonspendable	0	7,623	7,623	7,583
Restricted	3,294,744	3,390,016	3,834,556	3,979,152
Committed	1,000	15,091	79,064	311,465
Assigned	368,211	411,139	96,367	145,418
Unassigned (Deficit)	(115,499)	(74,710)	(23,847)	(22,443)
Reserved	0	0	0	0
Unreserved, Undesignated, Reported in:				
Special Revenue funds	0	0	0	0
Debt Service funds	0	0	0	0
Capital Projects funds	0	0	0	0
<i>Total All Other Governmental Funds</i>	<u>3,548,456</u>	<u>3,749,159</u>	<u>3,993,763</u>	<u>4,421,175</u>
<i>Total Governmental Funds</i>	<u>\$14,862,093</u>	<u>\$14,668,430</u>	<u>\$14,466,048</u>	<u>\$14,719,913</u>

Note: The City implemented GASB 54 in 2009.

2010	2009	2008	2007	2006	2005
\$140,994	\$166,953	\$205,924	\$0	\$0	\$0
12,216	517	0	0	0	0
45,607	66,615	614,578	0	0	0
8,974,991	8,431,130	9,627,764	0	0	0
0	0	0	78,845	123,858	125,743
0	0	0	10,313,325	10,708,438	9,341,622
9,173,808	8,665,215	10,448,266	10,392,170	10,832,296	9,467,365
98,803	127,351	49,844	0	0	0
3,729,801	3,268,902	3,434,707	0	0	0
80,540	6,158	0	0	0	0
690,032	297,817	437,035	0	0	0
0	0	0	0	0	0
0	0	0	836,062	1,713,841	1,070,584
0	0	0	3,398,068	2,536,991	1,706,315
0	0	0	443,234	536,692	238,235
0	0	0	823,158	915,568	908,542
4,599,176	3,700,228	3,921,586	5,500,522	5,703,092	3,923,676
\$13,772,984	\$12,365,443	\$14,369,852	\$15,892,692	\$16,535,388	\$13,391,041

City of Bedford, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Years
(Modified Accrual Basis of Accounting)

	2014	2013	2012	2011
Revenues				
Property Taxes	\$4,405,478	\$4,723,597	\$5,079,292	\$5,136,936
Municipal Income Taxes	10,577,142	9,905,568	9,928,119	9,671,215
Charges for Services	809,192	795,226	646,510	1,024,848
Fees, Licenses and Permits	206,441	243,858	210,796	248,260
Fines and Forfeitures	1,846,563	1,909,110	1,948,751	1,761,228
Intergovernmental	2,819,122	3,007,667	3,051,857	3,417,329
Special Assessments	402,243	392,386	427,208	387,548
Contributions and Donations	1,430	60,297	14,708	48,317
Interest	41,413	26,012	19,645	106,187
Rentals	94,528	98,701	242,940	24,632
Other	225,746	236,534	139,610	389,241
Total Revenues	21,429,298	21,398,956	21,709,436	22,215,741
Expenditures				
Current:				
General Government	4,723,290	4,651,606	5,033,052	4,638,074
Security of Persons and Property:				
Police	5,324,905	5,452,264	5,471,831	5,303,242
Fire	4,147,726	3,807,815	3,897,559	3,643,979
Public Health and Welfare	191,430	177,384	179,563	193,914
Leisure Time Activities	1,267,915	1,206,358	1,265,328	1,316,961
Community Development	882,144	880,795	852,251	859,349
Basic Utilities Services	1,040,927	1,036,719	1,015,825	1,010,797
Transportation	2,099,274	2,325,768	2,425,410	2,390,859
Capital Outlay	202,915	1,401,483	473,374	1,230,803
Debt Service:				
Principal Retirement	946,462	845,150	899,520	722,062
Interest and Fiscal Charges	410,107	383,517	482,024	526,162
Bond Issuance Costs	29,459	67,270	0	0
Total Expenditures	21,266,554	22,236,129	21,995,737	21,836,202
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>162,744</i>	<i>(837,173)</i>	<i>(286,301)</i>	<i>379,539</i>
Other Financing Sources (Uses)				
Sale of Capital Assets	6,820	5,645	32,896	49,041
OPWC Loans Issued	0	0	0	518,349
General Obligation Bonds Issued	835,000	2,314,300	0	0
Premium on Bonds Issued	39,099	66,577	0	0
Discount on Bonds Issued	0	0	0	0
Payment to Refunded Bond Escrow Agent	(850,000)	(1,346,967)	0	0
Inception of Capital Lease	0	0	39,540	0
Transfers In	4,104,476	4,677,313	3,870,767	4,018,869
Transfers Out	(4,104,476)	(4,677,313)	(3,910,767)	(4,018,869)
Total Other Financing Sources (Uses)	30,919	1,039,555	32,436	567,390
Net Change in Fund Balances	\$193,663	\$202,382	(\$253,865)	\$946,929
Debt Service as a Percentage of Noncapital Expenditures	6.5%	5.9%	6.5%	6.1%



2010	2009	2008	2007	2006	2005
\$5,174,321	\$3,311,558	\$3,314,450	\$3,570,124	\$3,333,834	\$3,540,788
8,819,439	8,528,730	9,401,167	10,648,355	11,769,832	10,833,996
748,132	1,029,766	774,816	699,046	592,280	694,247
211,116	162,453	207,702	292,484	186,128	147,565
1,695,770	1,746,097	1,917,688	1,768,546	1,512,922	1,470,857
4,455,400	2,908,431	3,954,097	3,535,460	3,556,398	3,503,173
416,092	425,542	449,480	498,755	399,087	416,712
83,320	40,855	0	45,100	0	0
33,409	158,561	386,021	723,195	634,911	254,732
24,090	15,480	14,290	20,010	8,563	0
146,708	348,026	237,977	442,004	301,092	393,507
<u>21,807,797</u>	<u>18,675,499</u>	<u>20,657,688</u>	<u>22,243,079</u>	<u>22,295,047</u>	<u>21,255,577</u>
4,432,001	4,652,214	4,833,025	4,619,198	4,533,556	4,151,780
5,081,196	5,265,227	5,296,548	5,347,238	4,820,692	4,558,302
3,637,500	3,421,428	3,967,593	3,833,850	3,241,431	3,297,888
175,806	161,799	210,749	189,816	165,494	165,551
1,686,229	1,313,051	1,408,141	1,459,829	1,572,900	1,460,622
1,255,407	911,782	1,728,246	1,034,540	1,043,168	1,876,405
1,054,778	1,046,474	1,025,646	879,667	839,357	735,683
2,200,388	2,362,348	2,674,815	2,524,594	2,282,383	2,280,367
1,841,744	534,808	474,873	1,865,496	1,008,659	1,007,907
690,481	665,084	652,402	599,739	519,787	513,968
466,198	493,363	519,709	572,980	401,043	584,173
55,200	0	0	0	185,268	0
<u>22,576,928</u>	<u>20,827,578</u>	<u>22,791,747</u>	<u>22,926,947</u>	<u>20,613,738</u>	<u>20,632,646</u>
<u>(769,131)</u>	<u>(2,152,079)</u>	<u>(2,134,059)</u>	<u>(683,868)</u>	<u>1,681,309</u>	<u>622,931</u>
4,387	147,670	336,433	41,172	29,703	80,804
0	0	0	0	0	0
2,145,000	0	0	0	8,929,000	0
23,710	0	0	0	60,111	0
0	0	0	0	(54,376)	0
0	0	0	0	(7,501,400)	0
3,575	0	40,845	0	0	16,650
3,858,052	3,554,148	4,701,390	5,874,801	4,847,314	4,551,897
<u>(3,858,052)</u>	<u>(3,554,148)</u>	<u>(4,701,390)</u>	<u>(5,874,801)</u>	<u>(4,847,314)</u>	<u>(4,631,897)</u>
<u>2,176,672</u>	<u>147,670</u>	<u>377,278</u>	<u>41,172</u>	<u>1,463,038</u>	<u>17,454</u>
<u>\$1,407,541</u>	<u>(\$2,004,409)</u>	<u>(\$1,756,781)</u>	<u>(\$642,696)</u>	<u>\$3,144,347</u>	<u>\$640,385</u>
5.9%	5.8%	5.5%	5.8%	5.7%	5.9%

City of Bedford, Ohio
Assessed Valuation and Estimated True Values of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial Industrial/PU		Assessed Value	Estimated Actual Value
2014	\$127,867,150	\$99,086,210	\$648,438,171	\$8,776,990	\$9,973,852
2013	128,477,170	101,592,750	657,342,629	8,103,300	9,208,295
2012	150,782,510	110,000,870	745,095,371	7,358,540	8,361,977
2011	151,467,810	109,940,100	746,879,743	7,037,960	7,997,682
2010	151,771,630	115,119,760	762,546,829	6,869,490	7,806,239
2009	172,280,760	108,449,470	802,086,371	6,468,910	7,351,034
2008	171,872,930	101,454,280	780,934,886	8,318,020	9,452,295
2007	152,499,920	89,128,130	690,365,857	8,552,600	9,718,864
2006	152,594,310	87,156,280	685,001,686	9,323,120	10,594,455
2005	152,563,070	90,476,710	694,399,371	9,568,670	10,873,489

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

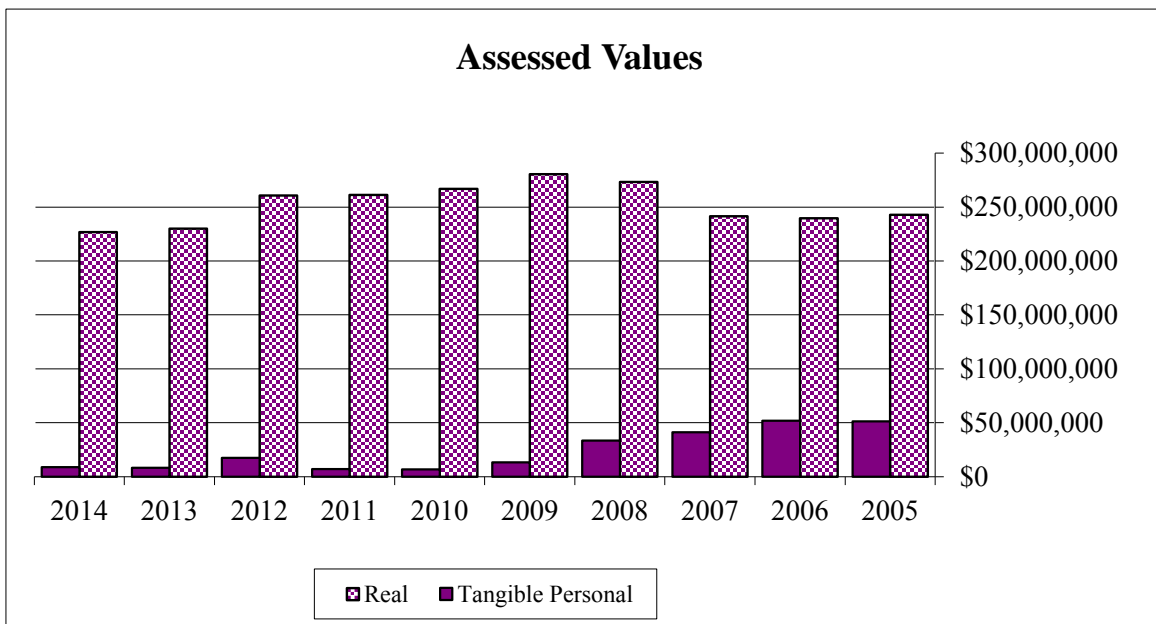
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax was phased out beginning in 2006. Both types of general business tangible personal property were assessed at 12.5 for 2007, 6.25 percent for 2008 and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers. (except telephone companies whose last year to pay tangible personal property tax is 2010). Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures, as of 2009, is no longer levied and collected. 2010 is the last year for the collection of tangible personal property taxes from telephone companies; however, the City received no tangible personal property tax revenue from telephone company property

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

Source: Ohio Department of Taxation

Tangible Personal Property

General Business		Total		Ratio	Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$0	\$0	\$235,730,350	\$658,412,024	35.80%	\$21.70
0	0	238,173,220	666,550,924	35.73	21.70
0	0	268,141,920	753,457,349	35.59	21.70
0	0	268,445,870	754,877,425	35.56	21.70
0	0	273,760,880	770,353,067	35.54	21.70
6,746,990	107,951,840	293,946,130	917,389,246	32.04	12.80
25,224,143	201,793,144	306,869,373	992,180,325	30.93	12.80
32,629,086	174,021,792	282,809,736	874,106,513	32.35	12.80
42,681,161	185,570,265	291,754,871	881,166,405	33.11	12.80
41,641,465	181,049,848	294,249,915	886,322,708	33.20	12.80



City of Bedford, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Years

	2014	2013	2012	2011	2010
Unvoted Millage					
Operating	\$3.2800	\$3.2800	\$3.2800	\$3.2800	\$3.2800
Fire Pension	0.3000	0.3000	0.3000	0.3000	0.3000
Police Pension	0.3000	0.3000	0.3000	0.3000	0.3000
<i>Total Unvoted Millage</i>	<u>3.8800</u>	<u>3.8800</u>	<u>3.8800</u>	<u>3.8800</u>	<u>3.8800</u>
Voted Millage - by levy					
1976 Charter/Current Expense	6.1200	6.1200	6.1200	6.1200	6.1200
1994 Charter/Fire	2.8000	2.8000	2.8000	2.8000	2.8000
2009 Charter/Safety Forces Levy	8.9000	8.9000	8.9000	8.9000	8.9000
<i>Total Voted Millage</i>	<u>17.8200</u>	<u>17.8200</u>	<u>17.8200</u>	<u>17.8200</u>	<u>17.8200</u>
Total Millage	<u>\$21.7000</u>	<u>\$21.7000</u>	<u>\$21.7000</u>	<u>\$21.7000</u>	<u>\$21.7000</u>
Overlapping Rates by Taxing District					
Bedford City School District					
Residential/Agricultural Real	\$44.7465	\$39.7646	\$40.1211	\$37.5823	\$38.6990
Commercial/Industrial and Public Utility Real	54.2631	49.0798	49.2110	47.2052	48.2579
General Business and Public Utility Personal	75.7200	70.8200	71.3000	71.3000	72.5000
Cuyahoga County					
Residential/Agricultural Real	14.0500	14.0500	13.2200	13.1182	13.1866
Commercial/Industrial and Public Utility Real	14.0195	13.9495	12.9968	12.7845	12.8412
General Business and Public Utility Personal	14.0500	14.0500	13.2200	13.2200	13.3200
Special Taxing Districts (1)					
Residential/Agricultural Real	9.3643	8.4639	7.5635	7.5041	7.4900
Commercial/Industrial and Public Utility Real	9.3401	8.3843	7.4621	7.3648	7.3450
General Business and Public Utility Personal	9.3800	8.4800	7.5800	7.5800	7.5800

Source: Cuyahoga County Fiscal Officer

Note: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Charter millage is consistently applied to all types of property as opposed to the voted levies of the overlapping taxing districts.

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

(1) Metro Parks, Port Authority, County Library, Community College

2009	2008	2007	2006	2005
\$3.2800	\$3.2800	\$3.2800	\$3.2800	\$3.2800
0.3000	0.3000	0.3000	0.3000	0.3000
0.3000	0.3000	0.3000	0.3000	0.3000
3.8800	3.8800	3.8800	3.8800	3.8800
6.1200	6.1200	6.1200	6.1200	6.1200
2.8000	2.8000	2.8000	2.8000	2.8000
0.0000	0.0000	0.0000	0.0000	0.0000
8.9200	8.9200	8.9200	8.9200	8.9200
\$12.8000	\$12.8000	\$12.8000	\$12.8000	\$12.8000

\$38.6966	\$30.9967	\$31.0146	\$31.0133	\$33.9158
48.1831	14.8100	42.9154	43.1055	44.6558
72.5000	67.6000	67.6000	67.6000	67.4000

13.1789	12.6607	11.8689	11.8655	11.7227
12.8457	12.8153	12.4536	12.4941	12.5762
13.3200	13.3200	13.4200	13.4200	13.5200

7.0069	6.6597	5.9676	5.9669	6.2900
6.9119	6.8911	6.2518	6.2727	6.5552
7.2800	7.2800	6.7800	6.7800	6.7800

City of Bedford, Ohio
Property Tax Levies And Collections
Last Ten Years

Year	Total Tax Levy	Current Tax Collections	Percent of Current Tax Collections To Tax Levy	Delinquent Tax Collections	Total Tax Collections (1)
2014	\$5,143,389	\$4,615,212	89.73%	\$264,398	\$4,879,610
2013	5,366,546	5,020,201	93.55	200,460	5,220,661
2012	5,832,805	5,353,259	91.78	467,976	5,821,235
2011	5,861,322	5,301,685	90.45	283,869	5,585,554
2010	5,838,928	5,509,756	94.36	185,339	5,695,095
2009	3,695,369	3,465,784	93.79	152,322	3,618,105
2008	3,605,768	3,338,117	92.58	156,286	3,494,403
2007	3,573,911	3,341,562	93.50	180,513	3,522,075
2006	3,209,968	2,981,412	92.88	112,964	3,094,376
2005	3,180,491	3,043,735	95.70	143,694	3,187,429

Source: Cuyahoga County, Ohio; County Fiscal Officer

(1) State reimbursement of rollback and homestead exemptions are included.

Note: The County's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
94.87%	\$1,003,154	19.50%
97.28	891,107	16.60
99.80	818,604	14.03
95.30	908,736	15.50
97.54	670,034	11.48
97.91	435,233	11.78
96.91	443,464	12.30
98.55	366,241	10.25
96.40	304,742	9.49
100.22	220,549	6.93

City of Bedford, Ohio
Principal Real Property Taxpayers
 2014 and 2005

<i>2014</i>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Real Property Assessed Valuation
Ben Venue Laboratories Incorporated	\$9,462,420	4.17 %
Cleveland Electric Illuminating Company	7,779,640	3.43
Bedford Colony Club Apartments	4,889,220	2.15
Wal-Mart Associates Incorporated	4,605,380	2.03
CSH-ING Woodside Village	3,612,460	1.59
University Hospitals Health Systems	2,550,220	1.12
HIN, LLC	2,275,000	1.00
Bear Creek Property Company	2,265,630	1.00
Tomken, Incorporated	1,938,320	0.85
Nextgen Group, LTD	1,765,160	0.79
Total	\$41,143,450	18.13 %
Total Real Property Assessed Valuation	\$226,953,360	

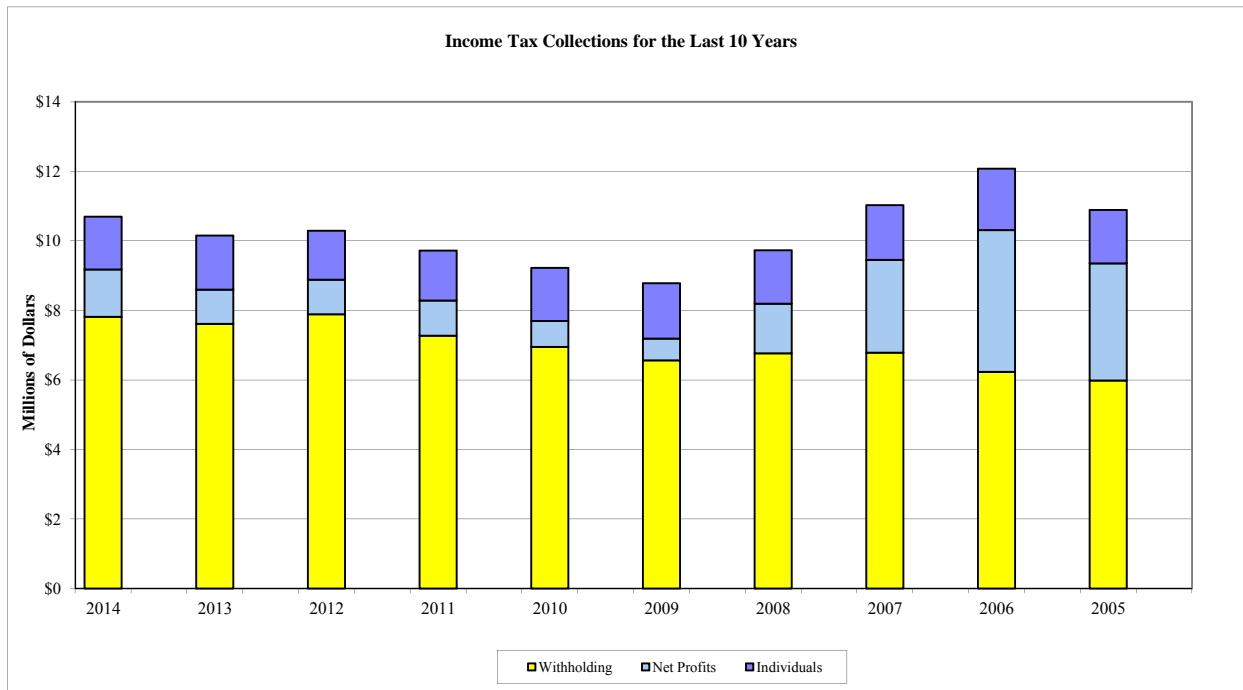
<i>2005</i>		
Taxpayer	Real Property Assessed Valuation	Percentage of Total Real Property Assessed Valuation
Bear Creek Property Company	\$6,809,635	2.80 %
Cleveland Electric Illuminating Company	4,566,541	1.88
Bedford Colony Club Apartments	4,225,410	1.74
Ben Venue Laboratories Incorporated	3,995,320	1.64
Brandybrook LLC	3,963,785	1.63
Aspen Retirement Village	3,199,805	1.32
HIN, LLC	2,746,940	1.13
Ohio Bell Telephone Company	2,606,202	1.07
University Hospitals Health Systems	2,433,480	1.00
Colony Club Apartments II	1,890,280	0.78
Total	\$36,437,398	14.99 %
Total Real Property Assessed Valuation	\$243,039,780	

Source: Cuyahoga County Fiscal Officer

City of Bedford, Ohio
Income Tax Revenue Base and Collections
Last Ten Years

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits	Taxes From Individuals	Percentage of Taxes from Individuals
2014	2.25%	\$10,697,349	\$7,818,943	73.09%	\$1,359,219	12.71%	\$1,519,187	14.20%
2013	2.25	10,157,319	7,613,014	74.95	981,622	9.66	1,562,683	15.39
2012	2.25	10,294,837	7,885,409	76.60	995,553	9.67	1,413,875	13.73
2011	2.25	9,725,086	7,268,751	74.74	1,020,089	10.49	1,436,246	14.77
2010	2.25	9,222,515	6,948,561	75.34	752,013	8.15	1,521,941	16.51
2009	2.25	8,778,810	6,564,851	74.78	621,519	7.08	1,592,440	18.14
2008	2.25	9,730,084	6,769,942	69.58	1,422,846	14.62	1,537,296	15.80
2007	2.25	11,024,893	6,784,719	61.54	2,672,434	24.24	1,567,740	14.22
2006	2.25	12,078,770	6,229,296	51.57	4,082,128	33.80	1,767,346	14.63
2005	2.25	10,894,777	5,979,699	54.89	3,377,345	31.00	1,537,733	14.11

Note: The City is statutorily prohibited from presenting individual taxpayer information.



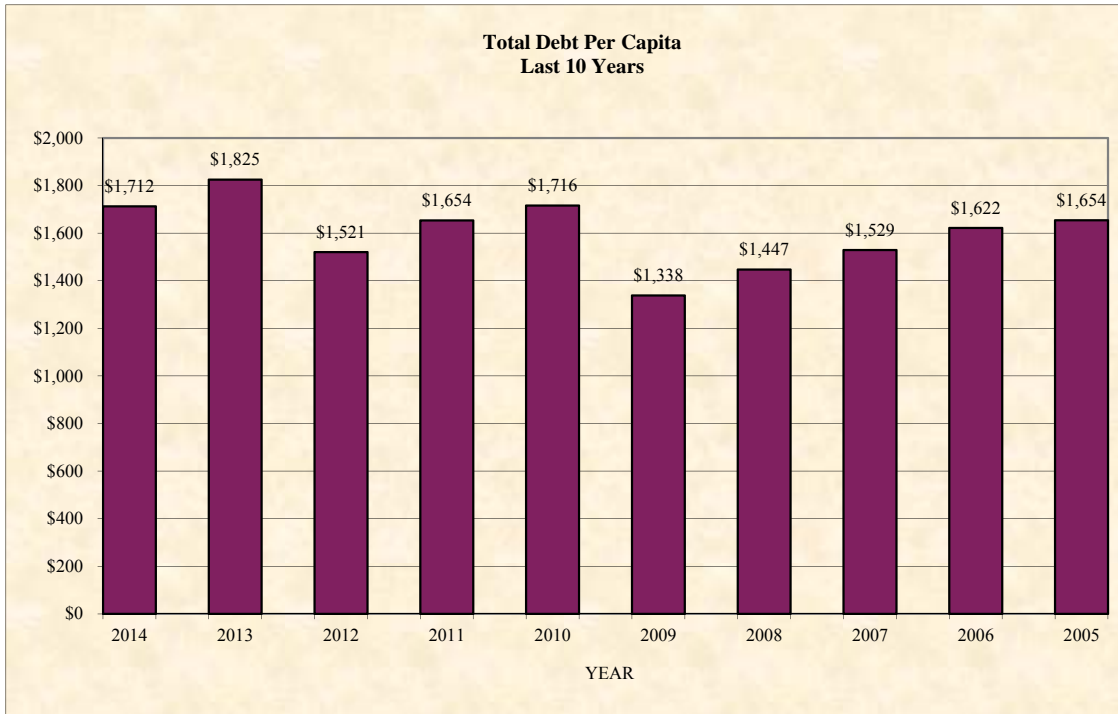
City of Bedford, Ohio
*Ratio of Outstanding Debt to
Total Personal Income and Debt Per Capita
Last Ten Years*

Year	Governmental Activities					General Obligation Bonds
	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Capital Leases	Bond Anticipation Notes	
2014	\$10,525,186	\$60,000	\$596,171	\$27,222	\$0	\$8,591,978
2013	11,330,105	115,000	659,147	31,164	0	8,916,167
2012	10,984,030	170,000	733,253	44,475	0	4,095,413
2011	11,729,474	240,000	807,359	12,915	0	4,439,170
2010	11,963,792	310,000	337,199	22,845	0	4,652,674
2009	10,341,088	370,000	385,388	31,102	0	1,919,316
2008	10,861,303	430,000	433,577	42,712	0	2,145,609
2007	11,363,218	500,000	481,766	9,263	0	2,360,202
2006	11,816,833	570,000	529,955	12,458	0	2,563,095
2005	10,780,000	635,000	578,144	15,456	591,850	2,088,206

Note: Population and Personal Income data are presented on page S32.

Business-Type Activities

Special Assessment Bonds	OWDA Loans	OPWC Loans	Bond Anticipation Notes	Total Debt	Percentage of Personal Income	Per Capita
\$0	\$1,324,296	\$1,264,195	\$0	\$22,389,048	7.38%	\$1,712
0	1,444,998	1,362,192	0	23,858,773	7.63	1,825
0	2,393,182	1,460,186	0	19,880,539	6.63	1,521
0	3,298,229	1,092,830	0	21,619,977	6.82	1,654
0	3,977,893	1,168,124	0	22,432,527	7.23	1,716
0	4,729,073	1,243,418	0	19,019,385	6.73	1,338
0	5,442,910	1,210,512	0	20,566,623	7.28	1,447
0	6,121,100	899,418	0	21,734,967	7.69	1,529
0	6,765,264	793,921	0	23,051,526	8.08	1,622
0	7,376,946	835,931	608,150	23,509,683	8.24	1,654



City of Bedford, Ohio
*Ratio of General Obligation Bonded Debt to Estimated True
 Values of Taxable Property and Bonded Debt Per Capita
 Last Ten Years*

Year	Population (1)		Estimated True Values of Taxable Property (2)	Gross Bonded Debt (3) (4)	Ratio of Bonded Debt to Estimated True Values of Taxable Property	Bonded Debt Per Capita
2014	13,074	b	\$658,412,024	\$19,117,164	2.90 %	\$1,462
2013	13,074	b	666,550,924	20,246,272	3.04	1,549
2012	13,074	b	753,457,349	15,079,443	2.00	1,153
2011	13,074	b	754,877,425	16,168,644	2.14	1,237
2010	13,074	b	770,353,067	16,616,466	2.16	1,271
2009	14,214	a	917,389,246	12,260,404	1.34	863
2008	14,214	a	992,180,325	13,006,912	1.31	915
2007	14,214	a	874,106,513	13,723,420	1.15	965
2006	14,214	a	881,166,405	14,379,928	1.63	1,012
2005	14,214	a	886,322,708	12,868,206	1.45	905

Sources:

(1) U. S. Bureau of Census, Census of Population.

(a) 2000 Federal Census

(b) 2010 Federal Census

(2) Cuyahoga County Fiscal Officer

(3) Includes all general obligation bonded debt with the exception of Special Assessment debt.

(4) Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

City of Bedford, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
 December 31, 2014

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Bedford
Direct - City of Bedford			
General Obligation Bonds	\$10,525,186	100.00%	\$10,525,186
Special Assessment Bonds	60,000	100.00%	60,000
OPWC Loans	596,171	100.00%	596,171
Capital Leases	27,222	100.00%	27,222
<i>Total Direct Debt</i>	<u>11,208,579</u> *		<u>11,208,579</u>
Overlapping			
Bedford School District			
General Obligation Bonds	2,107,445	37.68%	794,085
Capital Leases	136,526	37.68%	51,443
Cuyahoga County			
General Obligation Bonds	285,597,336	0.92%	2,627,495
Revenue Bonds	576,029,491	0.92%	5,299,471
Certificates of Participation	230,885,000	0.92%	2,124,142
Notes Payable	2,000,000	0.92%	18,400
Loans Payable	4,859,876	0.92%	44,711
Capital Leases	478,545,611	0.92%	4,402,620
Greater Cleveland Regional Transit Authority			
	<u>150,265,112</u>	0.92%	<u>1,382,439</u>
<i>Total Overlapping Debt</i>	<u>1,730,426,397</u>		<u>16,744,806</u>
Total	<u><u>\$1,741,634,976</u></u>		<u><u>\$27,953,385</u></u>

Source: Cuyahoga County, Ohio; County Auditor

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation. The debt outstanding includes general obligation bonds.

* \$9,545,800 of the total \$10,413,700 of total outstanding general obligation debt is backed by two revenue sources.

\$5,415,800 of general obligation bonds for the construction of the Municipal Complex is backed by 1/4 percent municipal income tax, effective for collections on January 1, 2000.

\$1,015,000 of general obligation debt is backed by a municipal court fee which is added to court cases.

\$60,000 is the amount of Special Assessment debt outstanding and is predominantly paid by businesses on the main routes of the City.

A final source of revenue for the repayment of this debt is real estate taxes. We do not anticipate that any of the \$6,430,800 of outstanding debt will be subject to repayment from this resource.

City of Bedford, Ohio

Legal Debt Margin

Last Ten Years

	2014	2013	2012	2011
Population	13,074	13,074	13,074	13,074
Total Assessed Property Value	<u>\$235,730,350</u>	<u>\$238,173,220</u>	<u>\$268,141,920</u>	<u>\$268,445,870</u>
General Bonded Debt Outstanding:				
General Obligation Notes/Bonds	\$18,760,000	\$20,040,000	\$15,045,000	\$16,130,000
Special Assessment Bonds	60,000	115,000	170,000	240,000
Bond Anticipation Notes	0	0	0	0
OPWC Loans	1,860,366	2,021,339	2,193,739	1,900,189
OWDA Loans	<u>1,324,296</u>	<u>1,444,998</u>	<u>2,393,182</u>	<u>3,298,229</u>
Total Gross Indebtedness	22,004,662	23,621,337	19,801,921	21,568,418
Less:				
General Obligation Notes/Bonds	(11,057,100)	(15,766,000)	(10,538,200)	(11,360,400)
Special Assessment Bonds	(60,000)	(115,000)	(170,000)	(240,000)
OPWC Loans	(1,860,366)	(2,021,339)	(2,193,739)	(1,900,189)
OWDA Loans	(1,324,296)	(1,444,998)	(2,393,182)	(3,298,229)
General Obligation Bond Retirement Fund Balance	<u>(222,155)</u>	<u>(138,356)</u>	<u>(112,729)</u>	<u>(42,256)</u>
Total Net Debt Applicable to Debt Limit	<u>7,480,745</u>	<u>4,135,644</u>	<u>4,394,071</u>	<u>4,727,344</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>24,751,687</u>	<u>25,008,188</u>	<u>28,154,902</u>	<u>28,186,816</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$17,270,942</u>	<u>\$20,872,544</u>	<u>\$23,760,831</u>	<u>\$23,459,472</u>
Legal Debt Margin as a Percentage of the Debt Limit	69.78%	83.46%	84.39%	83.23%
Unvoted Debt Limitation 5 ½ % of Assessed Valuation	<u>\$12,965,169</u>	<u>\$13,099,527</u>	<u>\$14,747,806</u>	<u>\$14,764,523</u>
Total Gross Indebtedness	22,004,662	23,621,337	19,801,921	21,568,418
Less:				
General Obligation Notes/Bonds	(11,057,100)	(15,766,000)	(10,538,200)	(11,360,400)
Special Assessment Bonds	(60,000)	(115,000)	(170,000)	(240,000)
OPWC Loans	(1,860,366)	(2,021,339)	(2,193,739)	(1,900,189)
OWDA Loans	(1,324,296)	(1,444,998)	(2,393,182)	(3,298,229)
General Obligation Bond Retirement Fund Balance	<u>(222,155)</u>	<u>(138,356)</u>	<u>(112,729)</u>	<u>(42,256)</u>
Net Debt Within 5 ½ % Limitations	<u>7,480,745</u>	<u>4,135,644</u>	<u>4,394,071</u>	<u>4,727,344</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$5,484,424</u>	<u>\$8,963,883</u>	<u>\$10,353,735</u>	<u>\$10,037,179</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	42.30%	68.43%	70.21%	67.98%

Source: City Financial Records

2010	2009	2008	2007	2006	2005
13,074	14,214	14,214	14,214	14,214	14,214
<u>\$273,760,880</u>	<u>\$293,946,130</u>	<u>\$306,869,373</u>	<u>\$282,809,736</u>	<u>\$291,754,871</u>	<u>\$294,249,915</u>
\$16,970,000	\$12,680,000	\$13,455,000	\$14,200,000	\$14,379,928	\$12,925,000
310,000	370,000	430,000	500,000	570,000	635,000
0	0	0	0	0	1,200,000
1,505,323	1,628,806	1,644,089	1,381,184	1,323,876	615,614
<u>4,162,292</u>	<u>4,991,234</u>	<u>5,774,833</u>	<u>6,526,785</u>	<u>7,244,711</u>	<u>7,930,155</u>
22,947,615	19,670,040	21,303,922	22,607,969	23,518,515	23,305,769
(12,075,900)	(9,809,700)	(10,473,500)	(11,110,600)	(11,628,095)	(11,035,000)
(310,000)	(370,000)	(430,000)	(500,000)	(570,000)	(635,000)
(1,505,323)	(1,628,806)	(1,488,054)	(1,381,184)	(1,323,876)	(615,614)
<u>(4,162,292)</u>	<u>(4,991,234)</u>	<u>(5,774,833)</u>	<u>(6,526,785)</u>	<u>(7,244,711)</u>	<u>(7,930,155)</u>
<u>(5,458)</u>	<u>(527)</u>	<u>(20,324)</u>	<u>(229,285)</u>	<u>(334,663)</u>	<u>(47,795)</u>
<u>4,888,642</u>	<u>2,869,773</u>	<u>3,117,211</u>	<u>2,860,115</u>	<u>2,417,170</u>	<u>3,042,205</u>
<u>28,744,892</u>	<u>30,864,344</u>	<u>32,221,284</u>	<u>29,695,022</u>	<u>30,634,261</u>	<u>30,896,241</u>
<u>\$23,856,250</u>	<u>\$27,994,571</u>	<u>\$29,104,073</u>	<u>\$26,834,907</u>	<u>\$28,217,091</u>	<u>\$27,854,036</u>
82.99%	90.70%	90.33%	90.37%	92.11%	90.15%
<u>\$15,056,848</u>	<u>\$16,167,037</u>	<u>\$16,877,816</u>	<u>\$15,554,535</u>	<u>\$16,046,518</u>	<u>\$16,183,745</u>
22,947,615	19,670,040	21,303,922	22,607,969	23,518,515	23,305,769
(12,075,900)	(9,809,700)	(10,473,500)	(11,110,600)	(11,628,095)	(11,035,000)
(310,000)	(370,000)	(430,000)	(500,000)	(570,000)	(635,000)
(1,505,323)	(1,628,806)	(1,488,054)	(1,381,184)	(1,323,876)	(615,614)
<u>(4,162,292)</u>	<u>(4,991,234)</u>	<u>(5,774,833)</u>	<u>(6,526,785)</u>	<u>(7,244,711)</u>	<u>(7,930,155)</u>
<u>(5,458)</u>	<u>(527)</u>	<u>(20,324)</u>	<u>(229,285)</u>	<u>(334,663)</u>	<u>(47,795)</u>
<u>4,888,642</u>	<u>2,869,773</u>	<u>3,117,211</u>	<u>2,860,115</u>	<u>2,417,170</u>	<u>3,042,205</u>
<u>\$10,168,206</u>	<u>\$13,297,264</u>	<u>\$13,760,605</u>	<u>\$12,694,420</u>	<u>\$13,629,348</u>	<u>\$13,141,540</u>
67.53%	82.25%	81.53%	81.61%	84.94%	81.20%

City of Bedford, Ohio
Pledged Revenue Coverage
Revenue Debt - Water Fund
Last Ten Years

Year	Water Service Charges and Interest	Direct Operating Expenses (2)	Net Available Revenue	Debt Service (1)	
				Principal	Coverage
2014	\$4,358,698	\$3,479,063	\$879,635	\$42,700	20.60
2013	4,827,079	3,580,722	1,246,357	42,700	29.19
2012	4,606,712	2,909,601	1,697,111	31,350	54.13
2011	4,491,419	3,871,249	620,170	20,000	31.01
2010	4,439,060	4,317,927	121,133	20,000	6.06
2009	4,122,298	3,687,421	434,877	10,000	43.49
2008	3,837,269	3,048,014	789,255	0	n/a
2007	3,645,886	3,295,844	350,042	0	n/a
2006	3,296,917	3,013,410	283,507	0	n/a
2005	3,434,611	3,079,704	354,907	0	n/a

(1) Revenue debt includes OPWC loans payable solely from net revenues in the City of Bedford water enterprise fund.

(2) Direct operating expenses do not include depreciation.

Source: City Financial Records

City of Bedford, Ohio
Pledged Revenue Coverage
Revenue Debt - Wastewater Fund
Last Ten Years

Year	Wastewater Service Charges and Interest	Direct Operating Expenses (2)	Net Available Revenue	Debt Service (1)		Coverage
				Principal	Interest	
2014	\$2,317,870	\$1,748,783	\$569,087	\$175,999	\$55,189	2.46
2013	2,489,481	1,571,586	917,895	1,003,478	89,638	0.84
2012	2,412,814	1,400,579	1,012,235	960,341	135,242	0.92
2011	2,268,819	1,334,752	934,067	919,357	173,759	0.85
2010	2,210,152	1,437,937	772,215	900,236	236,069	0.68
2009	2,151,622	1,375,304	776,318	837,884	250,222	0.71
2008	2,159,995	1,145,837	1,014,158	797,229	284,358	0.94
2007	2,154,440	1,498,860	655,580	763,203	325,221	0.60
2006	2,024,507	1,376,482	648,025	730,721	352,377	0.60
2005	2,210,383	1,296,688	913,695	679,082	383,294	0.86

(1) Revenue debt includes OWDA loans and OPWC loans payable solely from net revenues in the City of Bedford wastewater enterprise fund.

(2) Direct operating expenses do not include depreciation.

Source: City Financial Records

City of Bedford, Ohio
Principal Employers
Current Year and Nine Years Ago

2014		
Employer	Employees	Percentage of Total City Employment
Ben Venue Laboratories Incorporated	1,077	7.57%
University Hospitals Health Systems	841	5.91
Wal-Mart Associates Incorporated	544	3.82
Bedford City School District	416	2.92
US Bank National Association	405	2.84
City of Bedford	367	2.58
HB Employee Services LLC	236	1.66
Riser Foods Company	197	1.39
Reserves Network	190	1.33
Jay Pontiac Inc.	184	1.29
Total	4,457	31.31%
Total Employment within the City	14,236	

2005		
Employer	Employees	Percentage of Total City Employment
Ben Venue Laboratories Incorporated	1,064	8.06%
University Hospital Health Systems	969	7.34
Bedford City School District	581	4.40
City of Bedford	342	2.59
US Bank Leader Mortgage	270	2.05
Target Division of Dayton Hudson	268	2.03
Applebee's	187	1.42
Tim Lally Chevrolet Inc.	177	1.34
Jay Pontiac Inc.	176	1.33
Aspen Retirement Village	158	1.20
Total	4,192	31.76%
Total City Employees	13,198	

Source: Number of employees obtained from the W2's
from our Tax Department

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City of Bedford, Ohio
Demographic and Economic Statistics
Last Ten Years

Year	Population (1)	Total Personal Income (5)	Personal Income Per Capita (1)	Median Household Income (1)	Median Age (1)
2014	13,074	\$303,525,984	\$23,216	\$40,417	42
2013	13,074	303,499,836	23,214	40,860	42
2012	13,074	302,597,730	23,145	42,474	42
2011	13,074	312,808,524	23,926	42,171	42
2010	13,074	312,808,524	23,926	42,171	42
2009	14,214	285,360,264	20,076	36,943	39
2008	14,214	285,360,264	20,076	36,943	39
2007	14,214	285,360,264	20,076	36,943	39
2006	14,214	285,360,264	20,076	36,943	39
2005	14,214	285,360,264	20,076	36,943	39

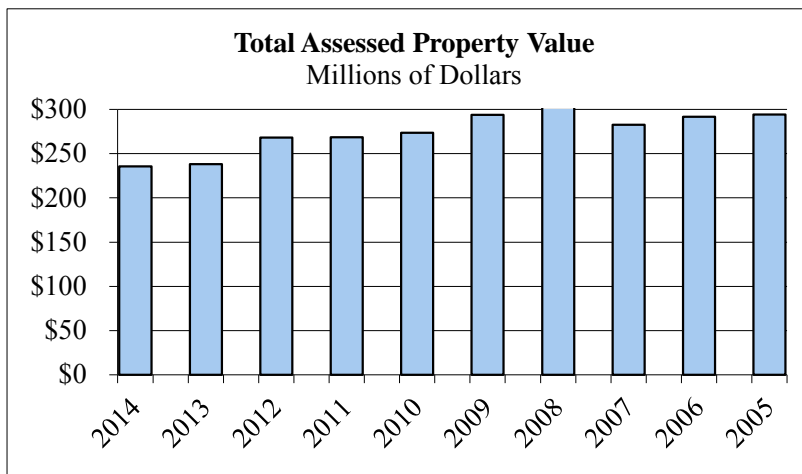
(1) Source: U. S. Census

(2) Source: Ohio Department of Education Website: "<http://www.ode.state.oh.us/data/>"

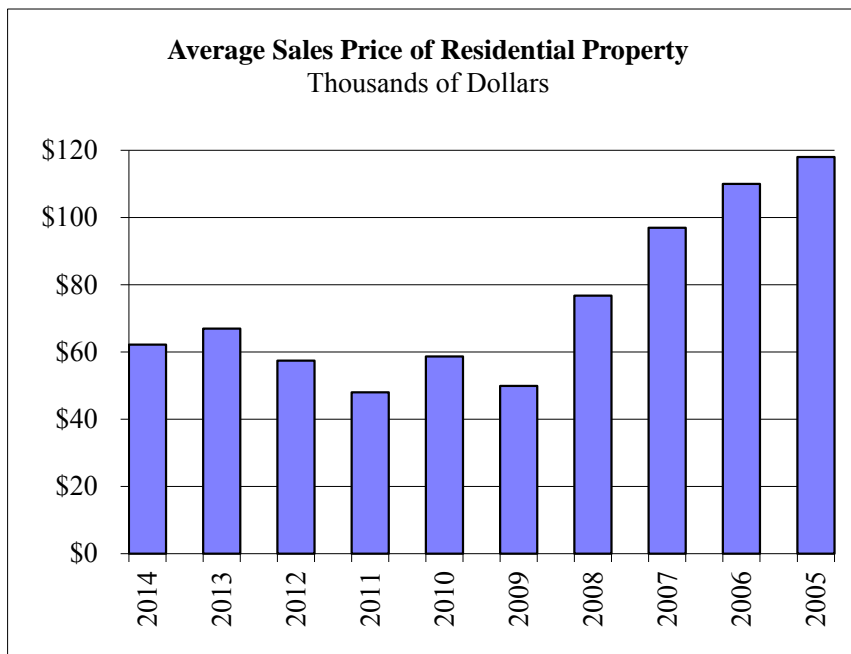
(3) Source: Ohio Department of Job and Family Services. Unemployment rate for City of Bedford unavailable.

(4) Source: Cuyahoga County Fiscal Officer

(5) Computation of per capita personal income multiplied by population



Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Property Value (4)
13.9%	3,437	6.0%	\$62,191	\$235,730,350
13.5	3,700	7.2	66,945	238,173,220
18.0	3,529	7.3	57,479	268,141,920
18.0	4,011	7.1	48,000	268,445,870
18.2	4,011	8.6	58,663	273,760,880
18.2	4,170	9.0	49,900	293,946,130
18.2	4,108	7.1	76,750	306,869,373
18.2	3,925	6.1	97,000	282,809,736
18.2	3,908	5.5	110,000	291,754,871
18.2	3,680	5.9	118,000	294,249,915



City of Bedford, Ohio
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Years

Function/Program	2014	2013	2012	2011
General Government				
Council	8.00	8.00	8.00	8.00
Finance	5.00	5.00	5.00	5.00
Tax	3.00	3.00	3.50	3.50
City Manager	1.00	1.00	1.00	1.00
Law	1.00	1.00	1.00	1.00
Administration	2.50	2.50	3.00	2.00
Engineer	0.50	0.50	0.50	0.50
Planning	2.00	2.00	2.00	2.00
Civil Service	2.50	2.50	2.50	2.50
Court	32.50	32.50	34.00	33.50
Public Building	4.00	4.00	4.00	5.00
Security of Persons and Property				
Police	30.00	31.00	32.00	31.00
Police - Auxiliary/Guards	13.00	12.50	12.50	16.50
Police - Dispatchers/Office/Other	13.50	12.00	14.00	13.50
Police - Jailers	2.50	2.50	2.50	2.50
Police - Animal Wardens	1.50	1.50	1.50	3.00
Fire	29.00	29.00	27.00	27.00
Fire - Secretary - Other	1.00	1.00	1.00	1.00
Public Health Services				
Cemetery	1.50	1.50	1.50	2.00
Leisure Time Activities				
Recreation	16.00	15.00	15.00	18.50
Municipal Pool	16.00	17.00	17.00	16.00
Ellenwood Center	4.00	4.50	3.50	3.50
Community Development				
Building	4.50	5.50	5.00	5.50
Economic Development	1.00	1.00	1.00	1.00
Transportation				
Service	17.00	19.50	19.50	19.00
Street Maintenance and Repair	5.50	5.50	5.50	8.00
Basic Utility Services				
Water	8.00	8.50	8.50	8.50
Wastewater	10.50	10.50	10.50	10.50
Totals:	236.50	240.00	242.00	251.00

Source: City of Bedford, Ohio Payroll Department W2 Audit Listing

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.

2010	2009	2008	2007	2006	2005
8.00	8.00	8.00	8.00	8.00	8.00
5.50	5.50	5.50	5.50	5.50	5.50
3.50	3.00	3.50	3.50	3.50	3.00
1.00	0.00	1.00	1.00	1.00	1.00
1.00	1.50	1.00	1.00	1.00	1.00
3.00	2.50	4.00	4.00	4.50	4.50
0.50	0.50	0.50	0.50	0.50	0.50
2.00	2.00	2.00	1.50	1.50	1.50
2.50	2.50	2.50	2.50	2.00	2.00
33.50	31.50	35.50	36.50	34.50	30.00
5.00	3.50	5.50	5.00	5.00	5.00
32.00	31.00	35.00	33.00	33.00	32.00
14.50	14.50	16.00	16.50	17.50	12.50
14.00	15.00	15.50	15.00	10.00	12.50
2.50	2.50	2.50	2.50	3.00	2.00
2.00	2.00	2.50	1.50	2.00	2.00
26.00	27.00	27.00	30.00	30.00	28.00
1.00	1.00	1.00	1.50	1.50	1.50
2.00	1.00	1.00	1.00	2.00	1.50
17.50	14.50	20.00	19.00	17.50	14.00
16.00	15.50	16.50	17.50	16.00	15.00
3.50	5.50	3.50	5.50	5.00	6.50
5.50	5.50	5.50	5.50	5.00	5.00
1.00	1.00	2.00	2.00	1.50	1.50
17.50	19.50	20.50	20.00	20.50	24.50
8.00	2.00	6.50	6.50	6.50	4.50
8.50	8.50	9.00	8.50	7.00	9.50
10.50	10.00	10.50	10.00	11.00	11.00
247.50	236.50	263.50	264.50	256.00	245.50

City of Bedford, Ohio
Operating Indicators by Function/Program (1)
Last Ten Years

Function/Program	2014	2013	2012	2011
General Government				
<i>Council & Clerk</i>				
Number of Ordinances Passed	103	103	109	140
Number of Resolutions Passed	13	9	13	13
<i>Finance Department</i>				
Number of checks/ vouchers issued	3,238	3,584	3,962	4,029
Amount of checks written	\$19,871,636	\$21,519,508	\$19,835,510	\$22,586,194
Interest earnings for fiscal year (cash basis)	\$72,883	\$51,348	\$56,610	\$78,405
Number of Receipts issued	2,021	2,140	2,160	2,088
Number of Journal Entries issued	1,451	1,394	1,139	1,078
Number of Budget Adjustments issued	87	96	108	102
Agency Ratings - Standard & Poors	AA	AA	AA	AA
Agency Ratings - Moody's Financial Services	Aa3	Aa2	Aa2	Aa2
Health Insurance Costs vs General Fund Expenditures %	16.41%	17.25%	17.47%	13.75%
General Fund Receipts (cash basis in thousands)	\$21,539	\$21,168	\$21,284	\$21,682
General Fund Expenditures (cash basis in thousands)	\$14,988	\$14,998	\$14,878	\$14,663
General Fund Cash Balances (in thousands)	\$9,545	\$8,794	\$8,242	\$7,818
<i>Income Tax Department</i>				
Number of Individual Returns	6,372	6,336	6,446	6,474
Number of Business Returns	2,623	2,550	2,365	2,739
Number of business withholding accounts	926	862	880	872
Amount of Penalties and Interest Collected	\$131,146	\$128,946	\$102,127	\$114,277
Annual number of Corporate withholding forms processed	4,664	4,424	4,560	4,568
Annual number of balance due statements forms processed	18,439	17,467	15,287	13,272
Annual number of estimated payment forms processed	8,990	8,198	7,785	7,610
Annual number of reconciliations of withholdings processed	1,078	1,005	1,013	1,011
<i>Engineer Contracted Services</i>				
Dollar amount of Construction overseen by Engineer	\$1,292,838	\$3,128,387	\$1,721,452	\$1,969,866
<i>Municipal Court</i>				
Number of Civil Cases	6,251	6,318	6,155	6,225
Number of Criminal cases	11,759	11,442	10,923	9,610
<i>Vital Statistics</i>				
Certificates Filed				
Number of Births	1	3	1	2
Number of Deaths	163	216	217	228
Certificates Issued				
Number of Births	923	548	340	347
Number of Deaths	714	828	886	1,044
Burial Permits Issued	528	482	609	757
<i>Civil Service</i>				
Number of police entry tests administered	0	1	0	1
Number of fire entry tests administered	1	0	0	0
Number of police promotional tests administered	0	0	1	0
Number of fire promotional tests administered	0	0	1	0
Number of hires of Police Officers from certified lists	2	0	2	2
Number of hires of Fire/Medics from certified lists	2	3	1	0
Number of promotions from police certified lists	1	3	1	1
Number of promotions from fire certified lists	1	1	0	0

2010	2009	2008	2007	2006	2005
231	276	265	133	90	117
25	17	23	9	9	20
4,158	4,089	4,377	4,795	4,428	5,658
\$22,247,906	\$22,593,479	\$23,125,393	\$24,035,165	\$21,085,783	\$24,398,291
\$80,918	\$261,084	\$536,297	\$948,213	\$710,467	\$416,804
1,798	1,802	1,677	1,665	1,628	1,717
1,043	1,015	1,166	1,059	826	808
93	88	115	112	122	136
AA	AA-	AA-	AA-	AA-	A+
Aa2	A1	A1	A1	A1	A1
11.33%	12.98%	13.25%	12.49%	11.79%	12.01%
\$20,947	\$20,887	\$21,478	\$22,709	\$17,725	\$16,088
\$14,832	\$17,007	\$17,047	\$23,570	\$15,203	\$15,299
\$6,598	\$6,283	\$7,903	\$9,392	\$10,214	\$7,613
6,509	6,324	6,760	6,808	7,274	7,973
2,689	2,784	2,877	2,650	2,700	2,575
1,015	1,249	1,230	1,610	1,861	1,885
\$158,390	\$134,751	\$134,751	\$135,901	\$255,463	\$133,572
6,598	7,332	7,296	9,088	10,076	10,372
13,754	16,407	15,509	13,486	15,939	17,016
8,622	9,835	11,530	12,007	12,385	12,619
1,154	1,026	1,296	1,625	1,884	1,910
\$2,302,984	\$377,787	\$1,453,306	\$1,981,083	\$572,572	\$2,582,246
4,558	4,664	5,770	5,267	4,577	4,378
9,869	10,675	11,400	10,732	10,289	10,521
4	1	1	2	2	2
242	233	266	232	255	261
535	685	859	1,055	1,226	1,239
1,112	1,104	1,385	960	1,327	1,487
668	646	698	606	465	454
0	0	0	1	1	1
1	0	0	0	1	1
1	0	0	2	0	0
0	0	0	1	0	0
0	0	2	0	0	0
0	0	0	0	0	0
0	1	3	0	0	0
0	0	1	0	0	0

(continued)

City of Bedford, Ohio
Operating Indicators by Function/Program (continued) (1)
Last Ten Years

Function/Program	2014	2013	2012	2011
<i>Building Department Indicators</i>				
Construction Permits Issued	116	121	116	132
Estimated Value of Construction	\$4,112,496	\$12,323,104	\$4,872,989	\$2,608,998
Number of all permits issued	820	806	768	820
Amount of Revenue generated from permits	\$62,586	\$76,997	\$47,651	\$47,116
Number of contract registrations issued	470	484	475	463
Number of rental inspections performed	533	480	549	590
Number of point of sale inspections	275	286	227	221
Annual Apartment/Rooming House License Fees	\$37,990	\$39,010	\$38,200	\$36,190
Revenue generated from inspections	\$66,052	\$80,699	\$88,175	\$80,795
Security of Persons & Property				
<i>Police</i>				
Total Calls for Services	16,088	19,210	22,943	22,236
Number of traffic citations issued	1,293	1,139	1,421	1,329
Number of parking citations issued	658	759	1,027	942
Number of criminal arrests	1,665	1,957	2,622	2,233
Number of accident reports completed	248	243	254	309
Part 1 Offenses (major offenses)	520	572	614	703
Animal Warden service calls responded to per annual report	1,058	1,149	1,473	1,549
Police Dept. Auxiliary hours worked	2,504	2,617	2,798	3,566
DUI Arrests	30	30	32	42
Prisoners	1,344	1,344	1,845	1,717
Prisoner meal costs	\$15,420	\$23,363	\$25,729	\$17,798
Juvenile Arrests	162	156	195	188
Different Juvenile Arrests	197	197	179	252
Juvenile Repeat Offenders	0	19	16	22
Motor Vehicle Accidents	324	307	254	308
Property damage accidents	153	208	7	5
Fatalities from Motor Vehicle Accidents	0	4	0	1
Gasoline costs of fleet	\$72,754	\$77,037	\$77,141	\$72,985
Community Diversion Program Youths	15	19	25	24
Community Diversion Program - community service hours	260	352	364	348
<i>Fire</i>				
EMS Calls	1,893	1,802	1,865	1,849
Ambulance Billing Collections (net)	\$414,024	\$418,560	\$436,301	\$459,828
Fire Calls	516	515	490	716
Fires with Loss	16	15	13	16
Fires with Losses exceeding \$25K	7	5	2	0
Fire Losses \$	\$429,100	\$293,450	\$227,150	\$181,800
Fire Safety Inspections	322	333	332	363
Number of times Mutual Aid given to Fire and EMS	111	114	89	78
Number of times Mutual Aid received for Fire and EMS	73	103	118	127
Public Health & Welfare				
Cemetery burials	39	43	29	33
Cemetery cremations	20	20	24	13
Cemetery sale of lots	38	26	34	121
Cemetery receipts	\$55,465	\$48,362	\$41,320	\$75,588

2010	2009	2008	2007	2006	2005
129	145	129	127	127	120
\$20,457,039	\$1,438,179	\$6,321,592	\$27,740,947	\$5,260,975	\$36,405,800
806	759	848	905	912	918
\$60,187	\$29,842	\$77,938	\$162,079	\$65,057	\$64,474
471	495	450	517	605	453
564	475	451	442	470	503
228	227	253	304	347	342
\$37,830	\$38,900	\$36,040	\$37,780	\$31,550	\$7,560
\$82,905	\$83,120	\$87,985	\$85,780	\$92,712	\$59,803
22,378	23,467	24,866	22,454	15,000	10,536
1,887	2,233	2,505	2,568	2,574	3,214
1,493	1,447	1,438	1,280	1,434	1,427
1,978	2,367	2,284	1,718	1,863	1,610
307	336	470	553	486	544
571	669	600	657	576	540
1,469	1,532	1,542	1,535	1,732	1,566
3,303	4,315	3,529	3,439	2,668	2,892
46	44	48	35	48	50
1,562	1,860	1,672	1,456	1,510	1,415
\$16,013	\$30,929	\$28,509	\$20,517	\$16,139	\$14,157
289	349	455	340	332	168
223	267	268	253	253	159
38	51	65	49	47	9
302	323	459	541	486	526
18	30	36	430	422	452
1	0	2	1	0	1
\$46,347	\$55,521	\$86,900	\$67,244	\$45,645	\$36,301
38	64	49	45	45	75
408	548	516	648	670	1,048
1,776	1,673	1,954	1,704	1,536	1,629
\$359,515	\$400,528	\$429,346	\$354,920	\$348,187	\$390,749
917	583	502	526	505	540
14	13	28	44	35	28
1	6	2	6	3	8
\$112,650	\$299,000	\$160,170	\$427,900	\$251,950	\$459,700
369	392	393	398	398	425
70	105	111	166	168	115
123	89	13	42	43	62
37	289	23	39	42	35
9	17	13	9	22	19
20	45	40	36	28	46
\$32,865	\$45,120	\$39,230	\$43,705	\$45,941	\$48,380

(continued)

City of Bedford, Ohio
Operating Indicators by Function/Program (continued) (1)
Last Ten Years

Function/Program	2014	2013	2012	2011
Leisure Time Activities				
<i>Recreation</i>				
Recreation Swimming pool receipts	\$34,139	\$32,364	\$39,798	\$40,704
Recreation Mens & Womens Leagues receipts	32,968	39,766	41,511	40,960
Senior Van Fees	2,239	2,577	2,536	2,766
Playground Registration	34,650	24,900	18,910	15,325
Ellenwood Facilities rentals	34,068	27,110	26,006	25,418
	<u>\$138,064</u>	<u>\$126,717</u>	<u>\$128,761</u>	<u>\$125,173</u>
Community Development				
Grant amounts received due to Economic Development Dept.	\$27,408	\$232,062	\$106,145	\$586,562
Basic Utility Services				
Refuse disposal per year (in tons) August through July	4,602	4,368	4,622	4,667
Refuse disposal costs per year August through July	\$707,790	\$700,186	\$696,183	\$669,194
Cost per household per month	\$12	\$12	\$12	\$12
Annual recycling tonnage (excluding leaf, and compost items)	346	338	341	388
Percentage of waste recycled	6.99%	7.21%	6.87%	7.68%
Transportation				
Street Improvements - asphalt overlay (linear feet)	0	26,050	0	9,650
Rejuvenating Spray on Streets (Miles)	0.00	0.00	0.00	0.00
Crackseal Coating Program (Miles)	7.20	7.20	7.20	7.20
Street Repair (Curbs, aprons, berms, asphalt) (hours)	3,800	4,094	4,323	3,832
Guardrail Repair (hours)	48	48	48	48
Paint Striping (hours)	637	1,164	1,275	808
Street Sweeper (hours)	396	381	511	448
Cold Patch (hours)	1,408	1,644	1,300	1,800
Snow & Ice Removal regular hours	1,166	874	413	946
Snow & Ice Removal overtime hours	1,112	1,088	929	987
Sewer and Sanitary calls for service	768	909	899	974
After hours Sewer Calls (hours)	56	209	296	371
Sewer Crew (hours)	1,759	2,227	2,179	2,168
Sewer jet, Vac-all, other services (hours)	202	2,308	2,638	3,249
Landscaping Stump-Chipper service (hours)	3,731	3,647	5,154	5,406
Leaf collection (hours)	2,108	2,148	2,024	2,083
Holiday lights setup (hours)	1,630	1,115	1,407	1,644
Downtown Square Repair after events (hours)	996	1,516	42	69
Equipment repair/body shop (hours)	5,568	5,595	5,383	5,734
Sign department (hours)	2,135	2,603	2,530	789
Number of Trees Planted per year	60-80	60-80	60-80	60-80
Tons of snow melting salt purchased (Nov-Mar)	5,027	4,232	3,439	5,838
Cost of salt purchased	\$120,101	\$155,263	\$126,869	\$261,845
Tons of road traction ice grits purchased	0	0	0	0
Cost of ice grits purchased	\$0	\$0	\$0	\$0
Water Department				
Water Rates per 1st 300 Cu ft of water used	\$27	\$25	\$25	\$24
Avg. number of water accounts billed monthly (Cu. Ft.)	5,006	5,004	5,004	5,005
Total Water Collections Annually (Including P&I)	\$4,366,295	\$4,384,856	\$4,643,270	\$4,021,989
Payments to Cleveland for bulk water purchases	\$2,699,458	\$2,665,054	\$2,497,967	\$2,810,055
Wastewater Department				
Wastewater Rates per 1st 300 Cu ft of water used	\$20.00	\$17.00	\$17.00	\$15.00
Total flow of wastewater treatment plant (Billions of Gallons)	0.827	0.824	0.816	0.975
Average daily flow (Millions of gallons per day)	2.267	2.258	2.231	2.910
Tons of dry sludge removed	272.63	230.40	258.56	251.70

(1) Information compiled from the various City of Bedford Departments.

2010	2009	2008	2007	2006	2005
\$40,128	\$35,152	\$39,378	\$37,950	\$37,637	\$36,687
41,249	45,542	31,948	21,666	15,513	18,962
2,804	2,793	2,268	2,175	2,403	2,593
21,027	19,930	20,509	23,410	17,833	10,750
26,504	24,278	19,857	18,723	21,050	26,274
<u>\$131,712</u>	<u>\$127,695</u>	<u>\$113,960</u>	<u>\$103,924</u>	<u>\$94,436</u>	<u>\$95,266</u>
\$664,367	\$11,913	\$461,066	\$457,011	\$1,109,423	\$269,071
4,717	4,769	5,200	5,308	5,955	5,751
\$715,970	\$723,149	\$719,902	\$509,870	\$544,013	\$490,430
\$13	\$13	\$13	\$9	\$10	\$9
347	379	439	440	514	487
6.85%	7.36%	7.79%	7.65%	7.95%	7.81%
36,900	0	5,200	0	0	16,400
0.00	0.00	0.00	0.00	1.15	1.15
7.20	70.20	7.20	7.20	7.20	7.20
3,410	4,049	4,180	3,577	4,508	3,941
48	48	48	48	36	40
680	1,013	876	960	1,439	1,668
808	702	831	754	760	832
1,392	2,729	1,868	1,248	1,924	2,419
1,558	760	730	630	316	608
1,864	855	1,598	1,125	473	1,807
894	956	834	845	1,002	894
331	416	1,506	1,636	1,765	1,865
2,494	3,718	3,747	3,632	3,690	3,806
2,423	1,993	2,209	1,573	3,483	411
4,947	4,190	6,003	5,320	5,574	5,429
2,313	2,424	2,243	2,670	2,310	2,136
1,636	1,444	1,352	1,449	1,605	1,798
60	340	340	340	682	420
6,391	6,945	6,842	5,591	7,574	7,658
856	456	1,502	1,559	1,541	1,332
60-80	60-80	60-80	60-80	60-80	60-80
5,821	5,793	1,510	6,885	6,132	6,578
\$261,002	\$252,186	\$128,362	\$269,153	\$230,080	\$218,854
0	0	1,316	0	0	0
\$0	\$0	\$21,842	\$0	\$0	\$0
\$23	\$21	\$19	\$17	\$17	\$16
5,003	5,008	4,999	5,004	4,967	4,899
\$4,341,474	\$3,954,828	\$3,532,663	\$3,445,995	\$2,987,122	\$3,392,654
\$3,447,605	\$2,868,742	\$2,637,600	\$2,506,466	\$2,295,957	\$2,546,858
\$15.00	\$14.00	\$14.00	\$13.18	\$13.18	\$13.18
0.868	0.879	0.966	0.949	1.018	1.018
2.379	2.407	2.638	2.601	2.764	2.788
250.40	242.73	228.14	233.04	266.06	214.42

City of Bedford, Ohio
Capital Assets Statistics by Function/Program
Last Ten Years

Function/Program	2014	2013	2012	2011	2010
General Government					
Square Footage Occupied	44,035	44,035	44,035	44,035	44,035
Administrative Vehicles	2	2	2	2	2
Inspection Vehicles	3	3	3	2	3
Municipal Court Vehicles	2	2	2	2	1
Lands & Buildings Vehicles	2	2	2	2	2
Police					
Stations	1	1	1	1	1
Square Footage of Building	21,667	21,667	21,667	21,667	21,667
Vehicles	22	22	22	22	22
Fire					
Stations	1	1	1	1	1
Square Footage of Building	14,774	14,774	14,774	14,774	14,774
Vehicles	12	12	12	12	13
Recreation					
Number of Parks	4	4	4	4	4
Number of Pools	1	1	1	1	1
Number of Skateboarding Areas	1	1	1	1	1
Number of Baseball Diamonds	7	7	7	7	7
Number of Tot Lots	4	4	4	4	4
Number of Soccer Fields	1	1	1	1	1
Square Footage of Ellenwood Building	25,433	25,433	25,433	25,433	25,433
Vehicles	14	14	13	13	13
Other Public Works					
Streets (miles)	48	48	48	48	48
Service Vehicles	58	58	58	60	60
Wastewater					
Sanitary Sewers (miles)	41.80	41.80	41.80	41.80	41.80
Storm Sewers (miles)	48.70	48.70	48.70	48.70	48.70
Vehicles	5	5	7	6	6
Water Department					
Water Lines (miles)	100	100	100	100	100
Vehicles	7	7	7	7	7

Source: City of Bedford

2009	2008	2007	2006	2005
44,035	44,035	44,035	44,035	44,035
2	3	2	2	2
3	3	3	3	3
1	2	2	2	2
2	2	2	2	2
1	1	1	1	1
21,667	21,667	21,667	21,667	21,667
22	23	22	20	20
1	1	1	1	1
14,774	14,774	14,774	14,774	14,774
12	12	10	10	10
4	4	4	4	4
1	1	1	1	1
1	1	1	1	1
7	7	7	7	7
4	4	4	4	4
1	1	1	1	1
25,433	25,433	25,433	25,433	25,433
13	15	14	13	13
48	48	48	48	48
57	58	55	54	55
41.80	41.80	41.80	41.80	41.80
48.70	48.70	48.70	48.70	48.70
7	7	6	6	6
100	100	100	100	100
8	7	4	4	4

City of Bedford, Ohio
Major Assets and Current Appraised Replacement Costs
Last Ten Years

Function/Program	2014	2013	2012	2011	2010
General Government					
Municipal Complex					
City Hall Building	\$3,150,774	\$3,054,068	\$2,955,970	\$2,893,238	\$2,790,117
City Hall Miscellaneous Equipment	707,310	867,386	831,178	807,330	770,765
Garage	43,576	40,737	39,200	38,655	37,026
Radio Building	13,750	12,878	12,486	12,254	11,810
Radio Tower	43,745	42,484	41,271	40,490	39,549
Police					
Municipal Complex					
Justice Center Building	14,857,685	14,437,761	13,998,601	13,720,291	13,232,422
Justice Center Miscellaneous Equipment	2,141,855	2,219,559	2,171,894	2,118,607	2,052,055
Fire					
Municipal Complex					
Station Building	3,410,159	3,267,282	3,169,384	3,095,396	2,985,454
Station Miscellaneous Equipment	743,675	1,118,003	1,066,317	938,759	843,619
<i>Total Municipal Complex</i>	<u>\$25,112,529</u>	<u>\$25,060,158</u>	<u>\$24,286,301</u>	<u>\$23,665,020</u>	<u>\$22,762,817</u>
Recreation					
Ellenwood Rec Center					
Building	\$4,772,769	\$4,594,985	\$4,456,186	\$4,371,021	\$4,214,709
Municipal Pool					
Bathhouse Building	271,654	293,738	285,506	275,905	266,485
Swimming Pool	1,111,548	1,056,348	1,027,574	1,001,340	968,039
Other Public Works					
Service					
Garage - Solon Road	1,720,335	1,919,343	1,864,429	1,825,956	1,756,094
Garage - Salt Storage	95,829	89,426	86,053	84,856	81,280
Administration Building	1,156,881	467,808	450,161	443,286	414,777
Cemetery					
Storage Building	171,500	162,216	156,143	153,928	147,480

2009	2008	2007	2006	2005	Year Asset Completed, Constructed or Received	Construction Costs	Replacement Factor Increase
\$2,765,189	\$2,629,059	\$2,571,532	\$2,145,077	\$2,272,641	2003	\$2,030,818	55.15 %
771,779	741,201	706,017	662,990	632,257	Various	561,893	25.88
36,674	35,605	35,114	32,584	31,087	2003	27,419	58.93
11,701	11,125	10,890	10,058	9,618	1997	7,317	87.92
39,348	36,119	35,060	32,460	31,122	2003	27,378	59.78
13,089,869	12,445,472	12,172,350	11,253,749	10,758,102	2003	9,573,704	55.19
2,018,069	1,874,287	1,793,900	1,703,307	1,526,194	Various	1,245,745	71.93
2,958,158	2,812,538	2,750,580	2,543,267	2,431,164	2003	2,162,658	57.68
816,287	714,104	618,296	573,755	519,219	Various	502,303	48.05
<u>\$22,507,074</u>	<u>\$21,299,510</u>	<u>\$20,693,739</u>	<u>\$18,957,247</u>	<u>\$18,211,404</u>		<u>\$16,139,235</u>	55.60
\$4,176,817	\$3,971,176	\$3,880,354	\$3,582,170	\$3,424,798	1964, 1984, 1998	\$780,688	511.35
264,044	242,512	217,214	200,749	191,934	1969	58,986	360.54
960,261	894,439	477,207	443,171	425,676	1969, 1993	817,542	35.96
1,690,926	1,573,218	1,491,010	1,266,187	1,210,810	1953, 1972, 1979	545,316	215.47
80,507	78,162	77,083	71,532	68,243	1992	45,585	110.22
410,833	n/a	n/a	n/a	n/a	2009	389,322	197.15
146,091	141,804	139,802	129,765	123,788	1985	67,414	154.40

(continued)

City of Bedford, Ohio
Major Assets and Current Appraised Replacement Costs (continued)
Last Ten Years

Function/Program	2014	2013	2012	2011	2010
Wastewater					
Sewage Treatment Plant					
Administration Building	\$178,325	\$166,135	\$161,077	\$158,089	\$152,361
Administration Miscellaneous Equipment	187,300	906,593	892,105	383,650	372,129
Laboratory Building	327,538	315,445	306,889	300,058	290,131
Laboratory Miscellaneous Equipment	172,405	157,498	147,919	142,306	139,761
Filter Building	284,637	269,177	260,982	256,142	246,860
Filter Miscellaneous Equipment	478,475	488,972	483,221	464,323	455,754
Primary Settling Tanks	816,862	782,419	761,108	741,676	717,011
Primary Settling Tanks - Miscellaneous Equipment	595,000	610,086	602,912	579,333	568,642
Oxidation Tower East Building	632,483	602,200	585,797	570,842	551,859
Oxidation Tower East - Miscellaneous Equipment	997,000	1,017,716	1,005,748	966,415	948,582
Oxidation Tower West Building	632,483	602,200	585,797	570,842	551,859
Oxidation Tower West - Miscellaneous Equipment	997,000	1,017,716	1,005,748	966,415	948,582
Equalization Basin Building	1,680,610	1,605,203	1,561,482	1,521,616	1,471,013
Rapid Sand Filter Building	811,383	685,650	664,775	652,443	628,800
Rapid Sand Filter - Miscellaneous Equipment	1,211,740	1,176,005	1,162,203	1,116,845	1,096,280
Final Settling Tank #2 Building	419,279	401,242	390,313	380,349	367,700
Final Settling Tank #2 - Miscellaneous Equipment	245,000	151,979	150,192	144,318	141,655
* Total Buildings	36,603,805	34,868,745	33,821,184	33,108,673	31,922,836
** Total Miscellaneous Equipment	8,476,760	9,731,513	9,519,437	8,628,301	8,337,824

Source: Industrial Appraisal Company: *Property Inventory & Accounting Cost Record Report - City of Bedford, Ohio*
Industrial Appraisal Company: *Summary Revaluation Report - City of Bedford, Ohio*

* All unlisted buildings included

** All unlisted Miscellaneous equipment included (excludes vehicles)

2009	2008	2007	2006	2005	Year Asset Completed, Constructed or Received	Construction Costs	Replacement Factor Increase
\$150,957	\$143,522	\$140,487	\$129,757	\$124,086	1973	\$30,639	482.02 %
371,759	351,360	546,274	314,705	155,436	Various	479,908	(60.97)
287,887	273,737	266,884	247,689	236,455	1986	130,207	151.55
139,626	133,040	127,561	121,240	115,076	Various	70,769	143.62
244,585	232,540	227,623	210,237	201,050	1973	49,644	473.36
455,298	433,123	414,669	393,387	372,631	Various	238,373	100.73
711,251	320,057	297,230	276,031	265,135	1985	145,706	460.62
568,074	540,405	517,382	490,828	464,931	Various	313,461	89.82
547,425	509,897	471,568	437,935	420,647	1973, 2001	105,767	498.00
647,634	901,478	863,071	818,775	775,575	Various	724,950	37.53
547,425	509,897	471,568	437,935	420,647	1973, 2001	103,842	509.08
947,634	901,478	863,071	818,775	775,575	Various	724,950	37.53
1,459,194	1,113,837	1,034,397	960,623	922,700	1992, 1993, 1997	1,827,056	(8.02)
623,007	592,325	579,801	535,515	512,111	2001	436,529	85.87
1,091,302	1,028,298	984,591	934,181	885,020	Various	806,377	50.27
364,746	339,740	301,091	279,617	268,578	1973	68,666	510.61
141,513	134,620	128,885	122,270	115,819	Various	32,682	649.65
31,566,895	28,906,781	27,648,845	25,226,108	24,350,392		19,432,203	88.37
7,968,975	7,753,394	7,563,717	6,954,213	6,337,733		5,701,411	48.68

City of Bedford, Ohio
Vehicle/Transportation Cost Analysis
Last Ten Years

Vehicle/Program	Current Replacement Costs	2013	2012	2011	2010
Police					
Cost Per Patrol Car	\$29,149	\$0	\$0	\$25,472	\$22,509
Fire					
Cost Per Fire Pumper (1)	0	0	0	0	0
Cost Per Ambulance	0	0	0	210,878	0
Service					
Cost Per Vac All (2)	0	0	0	0	0
Cost Per Street Sweeper	0	0	0	0	0
Cost Per Salt Truck	0	0	0	0	0
Cost Per Water Utility Truck	0	0	0	0	0
Loader	0	0	0	125,017	0
2500 HD Chevy 4X4 Pick up	0	0	0	23,875	0
Dump Truck	0	0	0	100,527	0
Road Construction					
Ohio Department of Transportation Construction Cost Composite Index (3)	105.3	101	104.3	97.4	90.6

Sources: City of Bedford Finance Department

Ohio Department of Transportation

(1) Last purchase made in 1996 for \$292,362

(2) Last purchase made in 1991 for \$107,000

(3) Calculated indicator provided by the Ohio Department of Transportation for construction cost trends.

Significant increases due to crude oil, diesel, basic commodity prices for construction materials, energy costs, and raw material production.

2009	2008	2007	2006	2005
\$26,613	\$22,463	\$24,461	\$23,941	\$24,521
0	0	441,564	0	0
0	0	167,192	0	155,711
0	0	275,000	0	0
0	0	115,000	0	0
0	105,622	110,000	0	81,361
41,021	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
88.1	151.9	141.4	126.1	127

City of Bedford, Ohio
Water Utility Statistics
Last Ten Years

	2014	2013	2012	2011
Gallons of Water Purchased from Cleveland	83,279.73	84,388.60	79,091.76	98,281.42
Gallons of Water Sold (Billed) to Users	52,833.56	64,987.49	64,457.77	61,514.58
Percent of Water Billed	63.44%	77.01%	81.50%	62.59%
Water Billings	\$4,308,043	\$4,763,874	\$4,615,802	\$3,949,865
Water Collections	\$4,366,295	\$4,828,534	\$4,643,270	\$4,381,620
Percentage Collected from Billings	101.35%	101.36%	100.60%	110.93%
Payments to City of Cleveland	\$2,699,458	\$2,665,054	\$2,497,967	\$2,810,055
Percentage of payments to the City of Cleveland compared to total water collections	61.82%	55.19%	53.80%	64.13%

Source: City of Bedford Water Department

2010	2009	2008	2007	2006	2005
110,165.44	96,955.60	95,405.00	95,465.00	89,658.00	102,694.70
64,072.93	62,823.09	65,901.00	69,612.00	67,949.50	75,840.80
58.16%	64.80%	69.07%	72.92%	75.79%	73.85%
\$4,288,675	\$3,896,479	\$3,632,402	\$3,422,229	\$2,932,256	\$3,369,868
\$4,341,474	\$3,954,828	\$3,532,663	\$3,445,995	\$2,987,122	\$3,392,654
101.23%	101.50%	97.25%	100.69%	101.87%	100.68%
\$3,447,605	\$2,868,742	\$2,637,600	\$2,506,466	\$2,295,957	\$2,546,858
79.41%	72.54%	74.66%	72.74%	76.86%	75.07%

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Dave Yost • Auditor of State

CITY OF BEDFORD

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JUNE 23, 2015**