

# CITY OF BEDFORD, OHIO



**C**OMPREHENSIVE

**A**NNUAL

**F**INANCIAL

**R**EPORT

For The Year Ended  
December 31, 2008

**Cover Page (Bedford Town Square's Gazebo)**

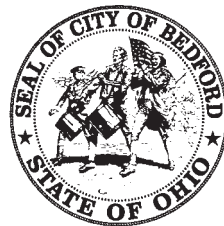
**The Bedford Rotary Club was established in 1926. The Rotary Motto is “Service above self”. Rotary members are professional men and women who work as volunteers to improve the quality of life in their home and world community. Club membership represents a cross-section of local business and professional leaders. The Bedford Rotary Club meets weekly and is non-political, non-religious, and open to all cultures, races and creeds.**

**Sponsored Programs, Activities and events by the Bedford Rotary:**

**Pictured throughout the report – The Bedford Rib Burnoff Fundraiser, Meals on Wheels, Bedford Safety Town, After Prom Bedford High School and Chanel High School, National Honor Society Luncheon, Student Government Night, Vocational Awards Banquet, Salvation Army Baskets, Four Way Speech Contest, Polio Plus, Rotary International Foundation, Community Council Donations (Clock on the Square & City Hall Clock, Improvements to the Town Square, and Municipal Senior Van), Chanel Wrestling Facility, Bedford Rotary Foundation (Student Scholarships), Sponsor of Foreign exchange Students, and Improvements to Warren Miller Court (Bedford High School)**

**Also Pictured in this report:**

**Hemisphere Development, one of the nation's premier brownfield development firms and Hull & Associates, Inc., one of the region's leading environmental consulting and engineering firms, have constructed an approximately 19,000 sq. ft. headquarters facility at Tinkers Creek Commerce Park in Bedford, Ohio. Consistent with both companies' mission to redevelop brownfield projects, the former industrial site had been vacant since the mid-80s due to historical environmental issues. Working through a public/private partnership including the City of Bedford, Cuyahoga County, the State of Ohio and HUD, all environmental issues have been definitively resolved through the Ohio Voluntary Action Program and site has been put back into productive use. Developed in a park-like setting directly across from the Bedford Reservation and Shawnee Golf Course, approximately 36 acres are available to serve as potential business expansion space in Bedford.**





Mary Taylor, CPA  
Auditor of State

Honorable Mayor Dan Pocek and  
Members of City Council  
City of Bedford  
165 Center Road  
Bedford, Ohio 44146

We have reviewed the *Independent Auditors' Report* of the City of Bedford, Cuyahoga County, prepared by Ciuni & Panichi, Inc., for the audit period January 1, 2008 through December 31, 2008. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

*Mary Taylor*

Mary Taylor, CPA  
Auditor of State

July 6, 2009

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**City of  
Bedford, Ohio**

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**C**OMPREHENSIVE  
**A**NNUAL  
**F**INANCIAL  
**R**EPORT

**For the fiscal year ended December 31, 2008**

*Prepared by:*

**DEPARTMENT OF FINANCE**  
**Frank C. Gambosi, CPA, DIRECTOR**  
Debbie Parina, Administrative Secretary  
Kimber Lee Jaworski, Payroll Officer  
Tesa Tench, A/P Accounting Clerk  
Jonathan Lindow, A/R Accounting Clerk



*City of BEDFORD, Ohio*

# I NTRODUCTORY

# S ECTION





*City of BEDFORD, Ohio*



**City of Bedford, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2008*  
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# CITY OF BEDFORD OHIO

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June 4, 2009

Honorable Mayor Dan Pocek  
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 and unaudited annual report with the Auditor of State within 150 days of year end.

The Comprehensive Annual Financial Report of the City of Bedford, Ohio, for the year ended December 31, 2008 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.

Ciuni & Panichi, Inc., Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Bedford's financial statements for the year ended December 31, 2008. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MDandA) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MDandA complement this letter of transmittal and should be read in conjunction with it.

The City has reviewed its reporting entity definition in order to insure compliance and conformance with the Governmental Accounting Standards Board Statement Number 14, "The Financial Reporting Entity." For financial reporting definition purposes, City management has considered all agencies, departments and organizations comprising the City of Bedford, the primary government and its potential component units.

The Bedford City School District, Bedford Community Development Corporation and the (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.

## **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 2000 estimated population from the Federal Census was 14,214. 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, school guards and community service programs such as DARE and the Juvenile diversion program. While promoting regionalism, in 2008 the animal control services also includes the neighboring City of Bedford Heights. The Police Department is located adjacent to City Hall.

**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 Service Department** is comprised of several divisions administered by a Director and the Public Works Director. 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 in the last ten years has invested 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 are more accurately reflected. 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 Cuyahoga County 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 also 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 City newsletter, 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, 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 8,500 resident returns, 2,500 business net profits returns and the collection from 2,000 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 the CDBG housing grant program. This program provides funding for repairs at a slight cost 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 create new jobs.

The City is in progress of completing a new industrial park in cooperation with the Hemisphere Corporation on the site designated as the Tinkers Creek Commerce Park. Taylor Chair Corporation has completed the construction of their headquarters building. The Hemisphere Corporation and Hull & Associates have completed construction of a new headquarters on this site at a cost of \$3.2 million and will include \$600,000 in furniture and fixtures. This was constructed on the Brownfield site. The Brownfield site is to be developed with grants from the Cuyahoga County Brownfield Fund, Brush Wellman, prior owners of the site, The State of Ohio 629 fund and the Federal Housing and Urban Development Fund (Brownfield Economic Development Initiative Grant, BEDI grant).

Within a period of 5 years after the completion of construction, Hemisphere will create 3 new jobs and transfer 5 current jobs to the site. Hull & Associates will create 16 new jobs and transfer 29 jobs to the site and in total both companies will create additional payroll of \$1,300,375. Current annual payroll of each company is \$541,000 and \$1.6 million respectively.

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

Ben Venue's history of continued growth is one any city could hope for. Going back to 1995, Ben Venue employed 419 employees and operated within their 250,000 square foot facility. From 1996 to present, Ben Venue has approached the City for abatements in the Community Reinvestment area, regarding Real Estate development and tax exemptions to be able to conduct various expansion projects. Subsequently, Ben Venue has been able to continue to grow within their Bedford, Ohio location. Today, headcount has increased to 1,175 and they are now operating within 1 Million square foot of manufacturing area.

More recent projects include their Phase V project. In 2005, Ben Venue signed a Community Reinvestment Agreement with the City for the construction of a new building referred to as Phase V. The investment by Ben Venue into the construction of the new building was \$20 million and the equipment and fixtures entailed an investment of \$48.5 million, as well as adding an additional 1.5 million in inventory levels. This expansion project was estimated to require the hiring an additional 125 employees with an increase in payroll of 4.4 million dollars.

The Phase V expansion was completed at the end of 2006 and contained space for one filling line, one lyo capping line, and six freeze dryers and a small equipment prep area with a stopper washer, hot air oven and autoclave on the first floor. Compounding rooms, QC labs, Micro Labs and locker rooms were also included. A penthouse on the roof provides mechanical space. Space was also made available for a second filling line. The Phase V building is 80,700 square feet.

A decision to modify this facility came in 2007. The modification project was entitled Phase V Conversion and is an estimated \$71.5 million project that will add 83,000 square foot of manufacturing capacity to the original Phase V project. The scope of the Phase V Conversion project was the modification of the Phase V project into a larger facility would serve as a segregated facility for the manufacturing of cytotoxic and genotoxic products, one of the first of its kind in the US. This project is estimated to be completed by mid-2009 and with manufacturing to begin before the end of 2009.

In addition to the needs for additional manufacturing space, Ben Venue has also faced the need for additional laboratory and administrative support areas. In 2006, Ben Venue needed to add square footage to house additional employees to grow the business. On November 2, 2006 Ben Venue signed a Community Reinvestment Area Agreement (#3) with the City to construct a 90,000 square feet free standing office building complex (Lab and Office Building). 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. The increase in personnel was expected to be between 40 and 50 with a payroll that was expected to grow by \$1,750,000 per year. This project was completed by mid 2008 and is expected to be certified a Green Building by LEED standards through the US Green Building Coalition.

Ben Venue is currently identifying future needs and more construction that might need to occur.

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 totaling more than \$7,581,000. Over \$1 million was invested in a retaining wall to solidify the land behind the development in addition to the building improvements. The completed total investment was more than \$12 million. Equipment being transferred from another city totaled \$600,000.

The Ganley Volkswagen of Bedford is expected to create 50 new jobs for the City of Bedford, while retaining the 42 jobs already existing in Ohio, for an additional payroll of \$1.9 million. Actual payroll for 2008 amounted to \$2,447,805, and 2007 amounted to \$1,952,766.

The Ganley Real Estate Company finished constructing in 2007, a new approximately 8,100 square foot building to expand its Subaru operations. The company invested approximately \$4 million in buildings and service center, site work, new machinery and equipment, furniture and fixtures and inventories. The Company was expected to create 35 new jobs and create an additional payroll of \$1.6 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 City purchased the Knights of Columbus Hall on Solon Road in the amount of \$246,258. This building will be refurbished to house the City's service vehicles and offices of the service department. This building is adjacent to the current service garage and is currently providing parking for our employees.

In 2008, a Walmart Super Store was completed at a cost of \$7.5 million. The Walmart store created over 400 new jobs at a payroll of \$6,244,975. Overall income tax dollars received by the City was \$140,512 and the total estimated revenues to be received by the City (including Real Estate Taxes) are \$240,000.

### **Major Initiatives**

During the year ended December 31, 2008, the City completed or made substantial progress toward several major goals or projects.

The Rating agencies of Standard & Poor's upgraded the City's bonds to a AA- Level while Moody's Investor Services maintained the City's Bond Rating at A1. The City recently was reviewed by Standard & Poor's and the rating of AA- is expected to be maintained at this time.

The City administration prepared and, through Council, adopted the 2008 annual budget (appropriations) before December 31, 2008; 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 cut the budget in early 2009.

The City was awarded a grant of \$38,040 from the U.S. Department of Justice for the continuation of the Southeast Area Law Enforcement Program. The program was changed to a calendar year end grant. 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 \$63,477, while in 2007 we reached an all time high in the amount of \$420,033. This year's total funding from all sources was \$362,903.

The general fund ended 2008 with a cash operating balance of \$8,084,476 (\$5.8 million of this was set aside in a reserve fund for future net profit reimbursements and/or a contingency fund for emergency purposes) while in 2007 the balance was \$9,273,076, \$10,134,731 for 2006, and \$7,612,931 for 2005. The 2008 operating cash balance represented 46.36 percent, 52.18 percent in 2007, 63.5 percent in 2006, and 48.2percent in 2005 of total general fund expenditures or 169 (2008), 190 (2007), 232 (2006), and 176 (2005) days respectively of operating expenditures.



The street lighting special assessment, based upon a 1.2 rate of millage, was maintained for the eighth straight year even though the county decreased its valuation of City property. Cuyahoga County performed its three-year reappraisal of industry and residential property values in 2006. The total tax valuation has decreased from \$319,479,553 in 2006 to \$293,464,245 in 2007 and again down to 293,946,130 in 2008. This was caused by House Bill 66 which phases out the business personal property valuation for taxation purposes. The net result was a substantial decrease in real estate tax revenue.

The City realized its fourteenth year of wastewater savings 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 \$2.6 million has been saved to date).

The Tax Department utilized the innovation award winning on-line income tax preparation system for the past six years. 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.

Due to the kindness of the Bedford Fraternal Order of Eagles, the City's Fire and Police departments each received a donation of \$15,000 for their departments preferred use.

The Bedford Fire Department performed ambulance runs in the year 2008. The ambulance runs generated a gross total of \$375,655 in 2008 \$354,920 in 2007, and \$348,187 in 2006. The City pays an 8 percent administrative billing costs to Great Lakes Billing Company on an annual basis. An increase in rates was last placed in service July 1, 2008. The Fire department also performed ambulance runs for the Village of Walton Hills in 2008 and generated a total of \$53,691.

The City of Bedford's ISO fire rating continues at a Class 4 rating. This upgrade in previous years was due in part to continuously improved operations, equipment, record keeping and training.

The City received a grant and loan from the State of Ohio Public Works (Issue II) Commission for the construction of the Northfield Road water main. The total estimated cost of construction is \$800,000. The Ohio Public Works Commission (OPWC) has awarded the City a grant in the amount of \$320,000 and an interest free loan in the amount of \$400,000. The City is required to fund the 10 percent balance of \$80,000. At year end, the City has expended \$734,658 in total, on this project. This project will allow for more water to be afforded to Ben Venue Laboratories for future expansion.

The City established a housing rehabilitation fund to repair violations against abandoned properties and assess these cost to the homeowners tax duplicate. The City has spent \$108,194 in 2008, \$82,809 in 2007, \$24,998 in 2006, \$42,958 in 2005 and \$11,275 in 2004 out of the \$160,000 invested into this fund to date. These costs were assessed to the parcels and assessment collections from the sale of properties were \$44,320 in 2008 \$103,435 in 2007, and \$575 collected in 2004. This is a collection rate of 54.89 percent to date for all parcels and if we consider parcels only over 1 year, a collection rate of 91.17 percent is obtained.

The City has been self-insured regarding health insurance for our employees for the past 15 years. In 2008, the net savings from this type of program was \$200,000 versus a premium plan program. The estimated savings to the general fund from being self-insured to date for the past 15 years is \$1,877,947.

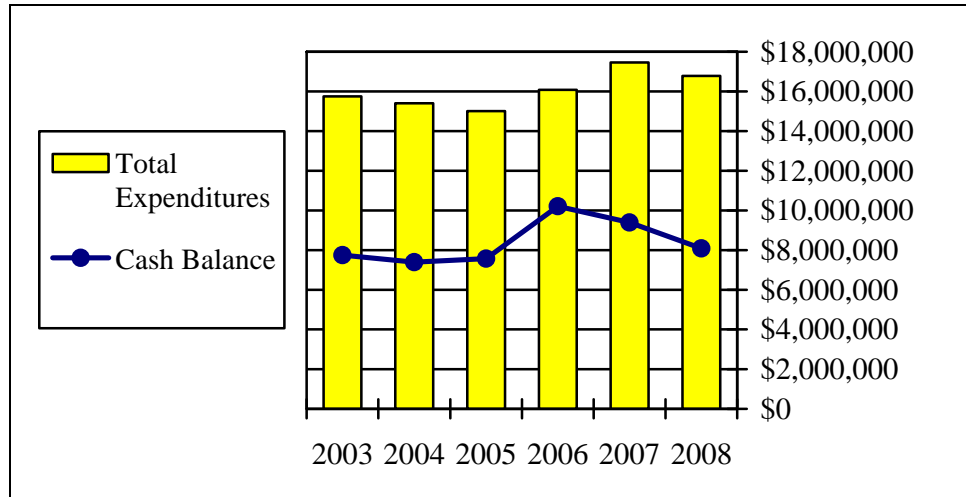
The City received a Community Development Block Grant in the amount of \$100,000 and \$250,000 from the Cuyahoga County Engineer's Office for the \$548,000 reconstruction and resurfacing of Warrensville Center Road.

The City completed the construction of the municipal pool at a total cost of \$857,225. The City used the company Astro Pool and saved approximately \$1.2 million in costs versus other bids on the project.

## Financial Information

### Long-term financial planning

As you can see from the following graph, the general fund ended the year with a cash balance of \$8,084,476. The 2008 operating cash balance represented 46.36 percent of the total general fund expenditures or 169 days of general fund operating expenditures. This cash balance falls well above the City's policy of maintaining a minimum required balance of \$5.8 million in the general fund. This balance is required to cover any future negative changes in net-profit payments from our largest taxpayer. The plan is to maintain this cash balance to cover any refunds due to this taxpayer for a period of two years.



The City is currently updating our master and strategic plan for future projects and needs.

The City has a debt policy which is analyzed yearly. Our latest general obligation debt issue was in 2006. Our debt issues are well in line with our debt capacity and in line with our affordability requirements.

### 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 determine 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 2008.

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.

### **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.

### **Cash Management**

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 during 2008 was \$556,878.

The City maintains 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 the notes to the financial statements for risk analysis and details of investments.

### **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 2007 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 2008 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, 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



Kenneth A. Schuman  
Acting City Manager

**City of Bedford, Ohio**  
*List of Principal Officials*  
*December 31, 2008*

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***Elected Officials***

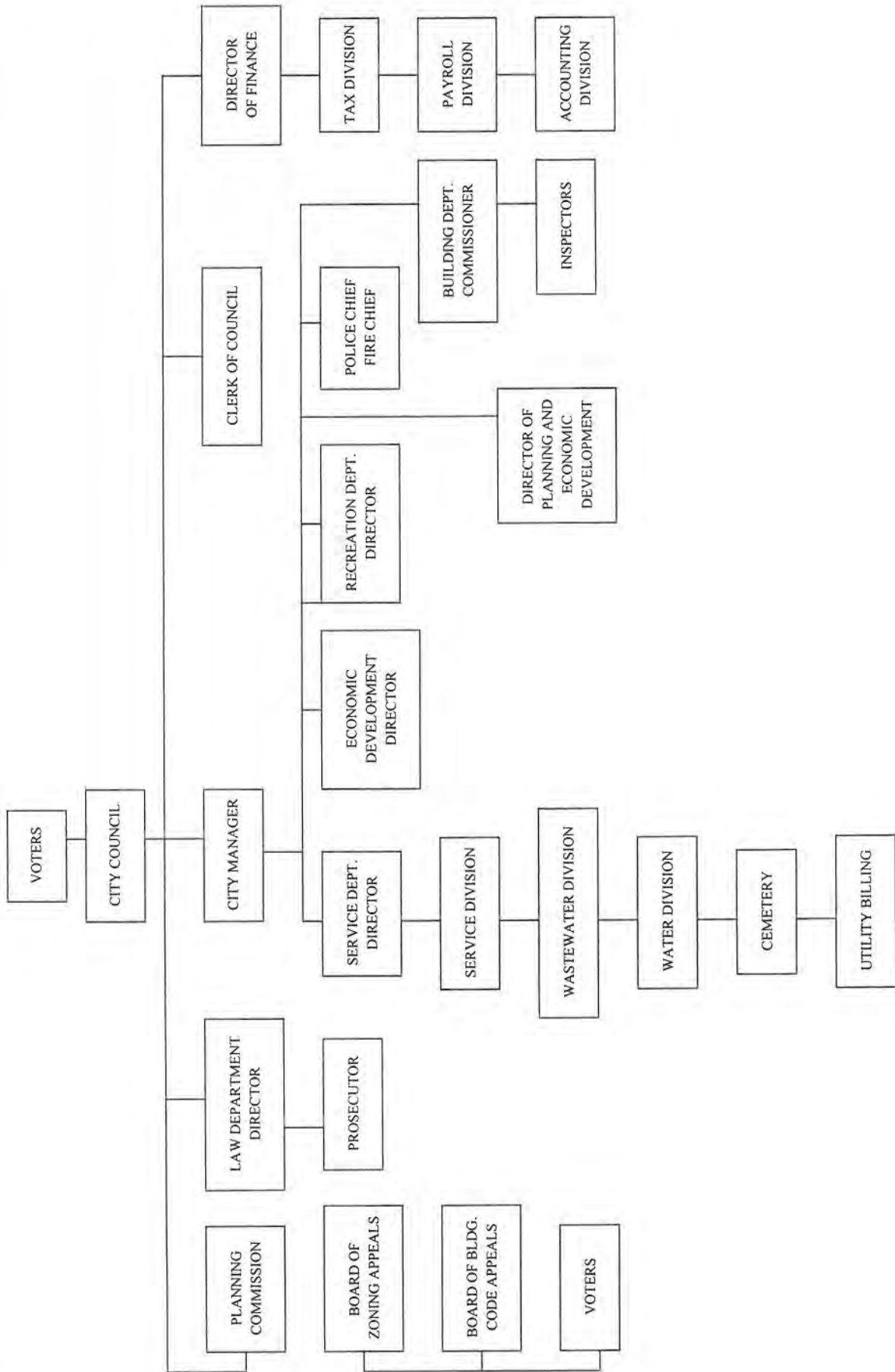
Mayor..... Dan Pocek  
Vice Mayor ..... Gregory E. Pozar  
Council Member ..... Paula Mizak  
Council Member ..... Donald A. Saunders  
Council Member ..... Marilyn B. Zolata  
Council Member ..... Stanley Koci  
Council Member ..... Warner Batten  
Presiding Judge ..... Peter J. Junkin  
Municipal Judge..... Brian J. Melling

***Appointed Officials***

City Manager ..... Robert R. Reid (1)  
Director of Finance ..... Frank C. Gambosi  
Director of Law/Prosecutor..... Kenneth A. Schuman  
Clerk of Council..... Kathleen M. Lynch  
Director of Economic and  
Community Development..... Michael S. Mallis  
Building Commissioner ..... Philip A. Seybolt  
Service Director ..... Clint E. Bellar  
Superintendent of Public Works ..... Robert L. Duber  
Chief of Fire..... David V. Nagy  
Police Chief..... Gregory A. Duber  
Director of Recreation ..... Randall J. Lewis

(1) Kenneth A. Schuman was appointed Acting City Manager on May 11, 2009.

ORGANIZATIONAL CHART  
CITY OF BEDFORD, OHIO



# 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, 2007

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



A handwritten signature in black ink, appearing to read "M. L. Post".

President

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

Executive Director



*City of BEDFORD, Ohio*



# F INANCIAL

# S ECTION





*City of BEDFORD, Ohio*

## Independent Auditors' Report

Members of the City Council  
Bedford, Ohio

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, Ohio as of and for the year ended December 31, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Bedford's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bedford, as of December 31, 2008, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General and Fire Medic Levy Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended December 31, 2008, the City implemented GASB Statement No. 49, "*Accounting and Financial Reporting for Pollution Remediation Obligations*."

In accordance with *Government Auditing Standards*, we have also issued our report dated June 4, 2009, on our consideration of the City of Bedford's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Members of the City Council  
Bedford, Ohio

The Management's Discussion and Analysis on pages 3 through 15 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bedford's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Cini & Parichi, Inc.*

Cleveland, Ohio  
June 4, 2009

**City of Bedford, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2008*  
*Unaudited*

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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, 2008. 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 notes to enhance their understanding of the City's financial performance.

***Financial Highlights***

- Total assets of the City of Bedford exceeded liabilities at the close of the most recent year (2008) by \$52,023,367 compared to \$53,170,841 at the end of 2007. Of this amount \$15,208,977 (2008) and \$15,117,235 (2007) 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 \$1,639,507, which represents a 4.2 percent decrease from 2007. Capital assets of business-type activities increased \$131,362, which represents a .97 percent increase from 2007. Total capital assets decreased from \$52,786,139 to \$51,277,994 or \$1,508,145 a 2.9 percent decrease from 2007. This decrease was due to accumulated depreciation expenses charges against the assets.
- Total current assets decreased by \$1,147,791 due to less cash on hand and due to the decreases in receivables due from property and accrued interest receivables. The federal, state and local government grants receivable at year-end were increased by \$316,877 due mostly to the Recreation Trail, and Rockside Road projects as well as motor vehicle and gasoline tax increased revenues in 2008. Cash and cash equivalents has decreased due to an decrease in the collection of income taxes from our largest taxpayer of \$1,471,498 or a 41.22 percent decrease from 2007.
- Total Current Liabilities decreased by \$396,119 during the current year. The decrease was mainly due to a decrease in the accounts payable account under the business-type activities. The Sludge Thickener and the Northfield Road projects had less amounts payable at year-end, as these projects were completed.
- The City of Bedford's total debt decreased by \$1,112,343, during the current year. The key factors in this decrease were the payments of principal due on the OWDA loans and general obligation bonds.
- The total municipal income tax revenues for all funds in 2008 were \$10,071,372 versus \$10,951,613 in 2007. This equates to an \$880,241 (8.04 percent) decrease in revenue. On the cash basis of accounting, the municipal net profits income taxes paid by one of our largest taxpayers had decreased in 2008 by \$1,471,498. This same taxpayer's employee withholding tax payments had decreased from \$1,587,585 in 2007 to \$1,475,213 in 2008, which was a 7.08 percent decrease.
- As of the close of the current year, the City of Bedford's governmental funds (Balance Sheet-page 20) reported combined ending fund balances of \$14,135,911, a decrease of \$1,756,781 in comparison with the prior year's \$15,892,692. This was due to the decrease in the equity in pooled cash and cash equivalents at year-end. The property taxes receivable decreased by \$66,789 due to valuation decreases.

**City of Bedford, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2008*  
*Unaudited*

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***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 assets* 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 assets* presents information on all of the City of Bedford's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets 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 assets changed during the recent fiscal year. All changes in net assets 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). 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 17 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

**City of Bedford, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2008*  
*Unaudited*

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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 fire medic levy 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 statement (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 26 through 29 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 30 of this report.

**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 to the basic financial statements can be found on pages 31 through 58 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 59 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 2008?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities 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 assets and the changes in those assets. The change in assets 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.

**City of Bedford, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2008*  
*Unaudited*

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

- ❑ Assets
- ❑ Liabilities
- ❑ Net Assets (Assets minus Liabilities)
- ❑ Program Expenses and Revenues
- ❑ General Revenues
- ❑ Net Assets Beginning and End of Year

**The City of Bedford as a Whole**

Recall that the Statement of Net Assets looks at the City as a whole. The following provides a summary of the City's net assets for 2008 compared to 2007.

(Table 1)  
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
<b>Assets</b>						
Current and Other Assets	\$23,984,418	\$25,315,676	\$5,357,200	\$5,173,733	\$29,341,618	\$30,489,409
Capital Assets, Net	37,603,805	39,243,312	13,674,189	13,542,827	51,277,994	52,786,139
<i>Total Assets</i>	61,588,223	64,558,988	19,031,389	18,716,560	80,619,612	83,275,548
<b>Liabilities</b>						
Current and Other Liabilities	5,855,259	5,864,648	531,294	918,024	6,386,553	6,782,672
Long-Term Liabilities:						
Due Within One Year	1,019,753	1,062,691	1,092,416	1,044,464	2,112,169	2,107,155
Due in More than One Year	12,261,743	12,755,147	7,835,780	8,459,733	20,097,523	21,214,880
<i>Total Liabilities</i>	19,136,755	19,682,486	9,459,490	10,422,221	28,596,245	30,104,707
<b>Net Assets</b>						
Invested in Capital Assets						
Net of Debt	26,093,966	27,216,162	5,058,014	4,527,360	31,151,980	31,743,522
Restricted:						
Capital Projects	952,794	974,982	0	0	952,794	974,982
Debt Service	933,485	1,181,876	0	0	933,485	1,181,876
Fire	161,449	134,774	0	0	161,449	134,774
Streets	1,441,636	1,493,516	0	0	1,441,636	1,493,516
Other Purposes	2,173,046	2,524,936	0	0	2,173,046	2,524,936
Unrestricted	10,695,092	11,350,256	4,513,885	3,766,979	15,208,977	15,117,235
<i>Total Net Assets</i>	\$42,451,468	\$44,876,502	\$9,571,899	\$8,294,339	\$52,023,367	\$53,170,841

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. For the City of Bedford, total assets exceed total liabilities by \$53,170,841 at December 31, 2007 and \$52,023,367 at the close of the most recent year.

The largest portion of the City's net assets (59.9 percent) reflects "Investments 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



**City of Bedford, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2008*  
*Unaudited*

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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 assets decreased by \$2,655,936 from 2007 to 2008, while the City's total liabilities also decreased by \$1,508,462. The most significant changes in total assets were the decrease in equity in pooled cash and cash equivalents of \$1,824,079, a decrease in property taxes receivable of \$66,789, and an increase in intergovernmental receivables in the amount of \$316,877. The reason for the increase in intergovernmental receivables was due to the Cuyahoga County Engineer and Ohio Public Works Commission Grants due to the City. The income taxes receivable increased as the City implemented new collection programs and encountered more non-filers and more delinquent accounts. The decrease in cash and cash equivalents was due to the decrease in the amount of municipal net profits taxes collected and therefore decreased the cash in accounts at year-end. Other items affecting the results were a decrease in accounts payable as previously noted. The decrease in the long term and due in more than one year liabilities was mainly due to the general obligation bonds and the OWDA loan payments in 2008.

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

Our total net assets of the City's governmental activities decreased \$2,425,304 during the current year. Most of this decrease is due to the decrease in cash on hand. The increase in accrued wages was due to the City having a payroll on the last day of 2008; thereby, having 27 pay dates in 2007 (less payables at the end of 2007). These 27 pays were caused by a pay date on biweekly Tuesdays and union agreements that require payment on these dates. This was anticipated and will not occur again until 11 years later in 2018. 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 State of Ohio has increased the inheritance tax level of reporting for residents from \$25,000 to \$338,000. This has had and will have a future effect on the revenue stream in the City. This change in taxation has led to a loss of inheritance tax revenue yearly since 1999.

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 4 years through 2010. Thereafter, the State will phase out the reimbursements to the City over an eight year period. The State of Ohio will reimburse the City for the loss of tangible personal property taxes as a result of the changes in HB 66 within certain limitations. The City of Bedford's estimated loss after 4 years plus an estimated 8 year reduction in collection is expected to be \$626,000 each year.

The State of Ohio has also decreased the local government revenue funds sent to the cities by approximately 10 percent and has affected the City revenue by the amount of \$75,000 each year. The State of Ohio has also eliminated the exempt valuation portion of our personal property tax returns (\$10,000 per return) a loss of \$28,000 each year that was reimbursed by the State and paid to the City. The balance of the decrease in net assets is due to these cuts in revenue stream.

In order to further understand what makes up the changes in net assets for the current year, the following table gives readers further details regarding the results of activities for 2008 and 2007.

**City of Bedford, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2008*  
*Unaudited*

(Table 2)  
Changes in Net Assets

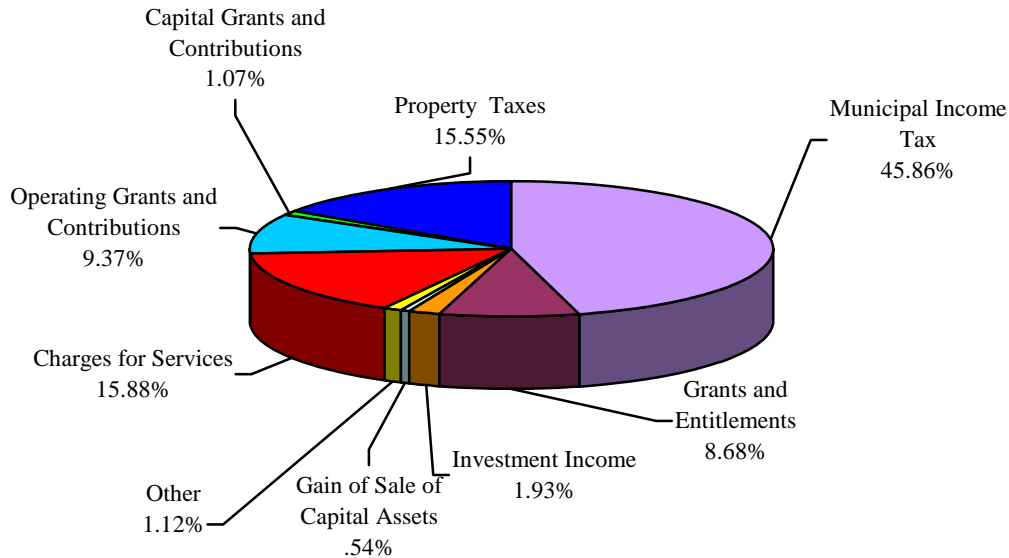
	Governmental Activities		Business-Type Activities		Totals	
	2008	2007	2008	2007	2008	2007
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for Services	\$3,385,935	\$3,224,213	\$5,821,068	\$5,579,905	\$9,207,003	\$8,804,118
Operating Grants and Contributions	1,997,460	1,605,411	0	0	1,997,460	1,605,411
Capital Grants and Contributions	227,431	307,611	100,957	554,409	328,388	862,020
<b>Total Program Revenues</b>	<b>5,610,826</b>	<b>5,137,235</b>	<b>5,922,025</b>	<b>6,134,314</b>	<b>11,532,851</b>	<b>11,271,549</b>
<b>General Revenues</b>						
Property Taxes	3,316,901	3,605,953	0	0	3,316,901	3,605,953
Municipal Income Taxes	9,779,638	10,621,780	291,734	329,833	10,071,372	10,951,613
Grants and Entitlements not Restricted to Specific Programs	1,852,030	1,735,202	0	0	1,852,030	1,735,202
Investment Income	411,024	750,070	145,854	189,673	556,878	939,743
Gain on Sale of Capital Assets	114,650	38,742	0	0	114,650	38,742
Miscellaneous	237,977	442,004	30,342	30,748	268,319	472,752
<b>Total General Revenues</b>	<b>15,712,220</b>	<b>17,193,751</b>	<b>467,930</b>	<b>550,254</b>	<b>16,180,150</b>	<b>17,744,005</b>
<b>Total Revenues</b>	<b>21,323,046</b>	<b>22,330,986</b>	<b>6,389,955</b>	<b>6,684,568</b>	<b>27,713,001</b>	<b>29,015,554</b>
<b>Program Expenses</b>						
General Government	5,323,310	5,106,413	0	0	5,323,310	5,106,413
Security of Persons and Property						
Police	5,446,671	5,452,247	0	0	5,446,671	5,452,247
Fire	4,097,079	3,620,839	0	0	4,097,079	3,620,839
Public Health and Welfare	221,252	193,518	0	0	221,252	193,518
Leisure Time Activities	1,503,009	1,609,539	0	0	1,503,009	1,609,539
Community Development	749,067	633,811	0	0	749,067	633,811
Basic Utility Services	1,027,983	888,600	0	0	1,027,983	888,600
Transportation	4,786,782	4,221,135	0	0	4,786,782	4,221,135
Interest and Fiscal Charges	592,927	615,603	0	0	592,927	615,603
Water	0	0	3,231,458	3,472,856	3,231,458	3,472,856
Wastewater	0	0	1,880,937	2,347,908	1,880,937	2,347,908
<b>Total Program Expenses</b>	<b>23,748,080</b>	<b>22,341,705</b>	<b>5,112,395</b>	<b>5,820,764</b>	<b>28,860,475</b>	<b>28,162,469</b>
Increase in Net Assets	(2,425,034)	(10,719)	1,277,560	863,804	(1,147,474)	853,085
Net Assets Beginning of Year	44,876,502	44,887,221	8,294,339	7,430,535	53,170,841	52,317,756
Net Assets End of Year	<u>\$42,451,468</u>	<u>\$44,876,502</u>	<u>\$9,571,899</u>	<u>\$8,294,339</u>	<u>\$52,023,367</u>	<u>\$53,170,841</u>

**Governmental Activities**

Governmental activities decreased the City's net assets from \$44,876,502 to \$42,451,468 or by the amount of \$2,425,034. The primary reason for the decrease in net assets relates to the decrease in revenues from municipal income, investment income and property taxes. Several types of revenues fund our governmental activities, with the City income tax being the largest contributor. The income tax rate was 2.25 percent for 2008, 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. Income tax collections (especially in net profit income taxes) were reduced significantly in 2008; the reasons for this were stated earlier.

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**Revenues by Source - Governmental Activities**



The income tax revenue for 2008 and 2007 was \$9,779,638 and \$10,621,780 respectively for governmental activities. Of the \$21,323,046 and \$22,330,986 for 2008 and 2007 respectively, in total governmental revenues, income tax accounts for 45.86 and 47.57 percent of these totals respectively. Property tax revenue for 2008 and 2007 were \$3,316,901 and \$3,605,953 respectively and accounted for 15.55 percent and 16.15 percent of total revenues, and operating grants, capital grants and contributions, general revenues from grants and entitlements account for 19.12 percent of total revenues, whereas, charges for services, and other revenue make up the remaining 19.47 percent.

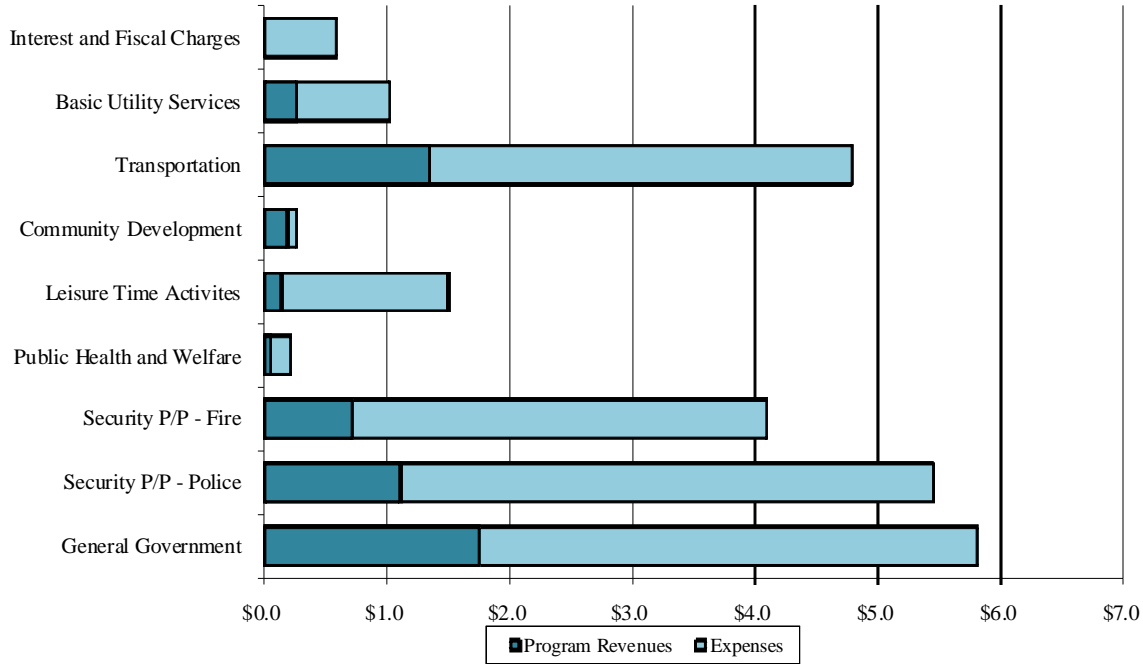
General revenues from grants and entitlements, such as local government funds, are also revenue generators. The City monitors its source of revenues very closely for fluctuations.

For the most part, increases in expenses closely parallel inflation and growth in the demand for services. Increases were caused by contract wage increases along with the related pension costs and employee hospitalization costs. Less costs occurred with the community development and leisure time activities as less grant expenditures from projects were made in 2008 and due to a hiring freeze and two less employees' costs in leisure time activities. In 2008, 22.42 percent of program expenses went for general government activities as compared to 22.86 percent spent on this program for 2007. The winter was hard in 2008 and 2009 which accounted for the higher spending on salt and more road repairs under the transportation expense type. The City maintains salt funding for two major winter storms at all times, however, in the 2008-2009 winter we could not get as much salt and the cost of acquiring salt has gone from \$41 per ton to \$85 per ton. The largest program for the City relates to the security of persons and property police and fire program expenses. During 2008, \$9,543,750 was spent or 40.19 percent of program expenses related to security of persons and property as similarly to 2007, when \$9,073,086 was spent or 40.61 percent.

The second largest program expenses were related to the transportation system for street and highway maintenance, including snow removal. In 2008, 20.16 percent or \$4,786,782 of program expenses were related to the transportation system compared to 18.89 percent or \$4,221,135 in 2007.

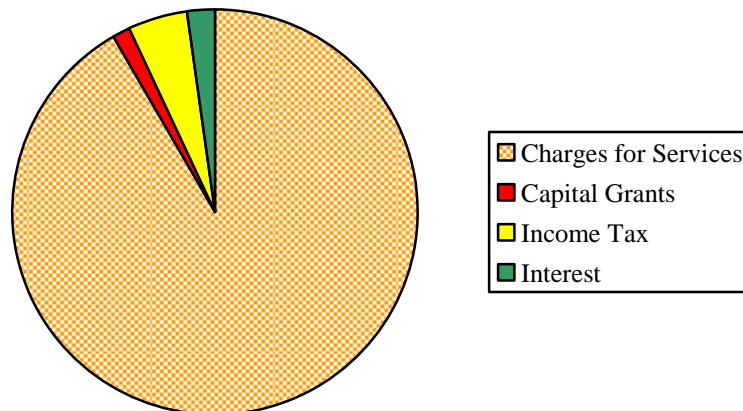
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**Expenses and Program Revenues - Governmental Activities (millions)**



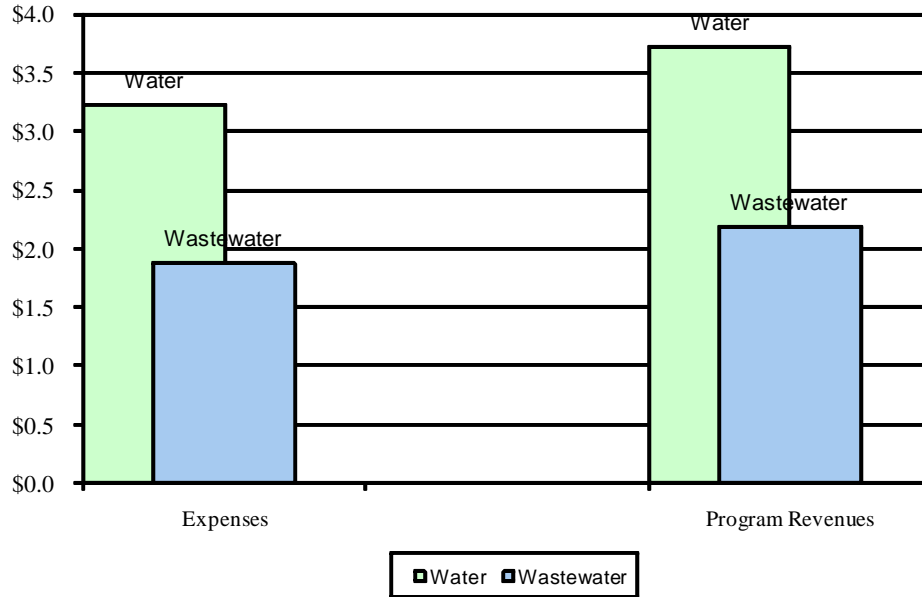
Leisure time activities, primarily the expenses for the Ellenwood Recreation Center and the outdoor pool, accounted for 6.33 percent in 2008 and 7.21 percent in 2007 of total program expenses. The security of persons and property – police department expenses were 22.94 percent in 2008 and 24.40 percent in 2007. Due to the hiring freeze in 2008 of 2 police officers retired were not replaced, we have applied for the new COPS grant to replace these positions in 2009. The fire department expenses were 17.25 percent in 2008 and 16.21 percent in 2007. This increase is a result of filling increased overtime in filling positions that were vacated in 2007.

**Business-Type Activities**



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**EXPENSES AND PROGRAM REVENUES - BUSINESS- TYPE  
 ACTIVITIES (in millions)**



The business-type activities of the City, which include the City's water and wastewater operations, increased the City's net assets by \$1,277,560. Program revenues were more than program expenses in the amount of \$498,529 for the water operations for 2008. This increase in net assets is due to rate increases, the collection of penalties and interest and water receivables. This revenue is classified as charges for services. The water rate increases of 4.88, 10.79 and 10.91 percent went into effect 2007, 2008, and in 2009 respectively; sewer rate increases of 4.0 percent went into effect also in 2008 and 2009.

The City buys its water from the City of Cleveland and resells this water to the public. Therefore, any loss of water from various leaks resulted in a drop in billed consumption, and thus resulted in the City not receiving the full increases in charges for services. Program revenues were more than program expenses in the amount of \$311,101 for the wastewater operations for 2008. The wastewater fund was affected by the reduction in water consumption by our largest taxpayer and the recycling of their water usage. Foreclosed homes and delinquencies have increased and more assessments have been recorded on parcels of non-payment. A 4 percent wastewater rate increase in 2008 was necessary to replenish the fund's operation costs. Total program revenues for wastewater operations recorded in 2008 were \$2,192,038 versus \$2,280,859 in 2007.

**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, unreserved fund balance may serve as a useful measure of a government's net resources available

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for spending at the end of the year. Information about the City's governmental funds begins on page 20. These funds are accounted for using the modified accrual basis of accounting.

As of the end of 2008, the City of Bedford's governmental funds reported combined ending fund balances of \$14,135,911. Of this amount, \$13,725,642 constitutes unreserved fund balance, which is available for spending. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to liquidate contracts and purchases of the prior period in the amount of \$410,269.

All governmental funds had total revenues of \$20,657,688 in 2008 and \$22,243,079 in 2007 and total expenditures of \$22,791,747 and \$22,926,947 in 2007, leaving a difference of expenditures over revenues of (\$2,134,059) and (\$683,868) respectively. The most significant change in our funds from 2008 to 2007 was the decrease in municipal income tax revenue of (\$1,247,188). The reason for this decrease on a modified accrual basis of accounting was discussed earlier. The decrease in capital outlay in 2008 was \$1,390,623. This was due to the fire truck purchased in 2007 and less road projects constructed in 2008, however, more dollars in road improvements were being utilized through State grants on State routes and therefore the City's share of dollars invested towards road projects was leveraged at a 10:1 ratio. The City is leveraging \$305,632 on the engineering of the Rockside Road resurfacing project. The State has agreed to pay by grant the construction costs of over \$3,900,000 towards the project and one-half the engineering \$152,816 (\$305,632 times 50 percent) agreed to above. The City received Community Development Block Grants in the amount of \$100,000 and is due \$250,000 from the Cuyahoga County Engineer for the completion of construction on Center Road. Byrne funds for Southeast Area Law Enforcement Agency (SEAL) were received in the amount of \$83,967.

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 \$9,486,779 compared to \$10,392,170 in 2007 of which \$9,435,657 in 2008 and \$10,313,325 in 2007 was unreserved at year-end. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. The 2008 unreserved fund balance represents 56.10 percent of total general fund expenditures, while total fund balance represents 56.40 percent. The unreserved fund balance will cover 202 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 decreased by \$905,391. The decrease in the general fund balance is due to the decrease in the income tax revenue. The income tax revenue in the general fund for 2008 was \$8,720,456. The amount of income tax revenue decrease was 11.72 percent from 2007. Court costs were increased in 2008 to maintain revenues in line with expenditures. The transfers out of \$4,559,890 in 2008 was less than the \$5,733,350 that was sent to other funds for capital improvements and for various purposes in 2007.

The other major fund included in the governmental fund section is the fire medic levy fund. The fire medic levy fund's fund balance as of December 31, 2008 was \$218,369. As of December 31, 2007 the fund balance was \$245,513. This year's ending fund balance is (\$27,144) less than last year's. The general fund transferred funds to cover the costs of operations in 2008. Overtime was an issue in the department in 2008 and this has been addressed to reduce future expenditures.

### **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

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fund. During the course of 2008, the City amended its general fund budget on various occasions. All recommendations for budget changes come to the Finance Committee of City Council for review before going to the whole Council for Ordinance enactment on the change. 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 police department as well as most legislative and executive activities. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

For the general fund, original budgeted revenues were \$17,189,996. The final budgeted revenue amount was \$16,203,996. The general fund's original appropriations were budgeted at \$13,048,100. The final budgeted appropriations were \$13,276,737. The City of Bedford's ending unencumbered cash balance in the general fund was \$743,379 above the final budgeted amount.

The differences between the general fund's original and final amended budget were minor, except for the changes as follows:

- ❑ The most significant change was the decrease in municipal income tax collections from net profits tax. This revenue source contributed less due to the largest taxpayers reduced net profits in 2008, thereby reducing the budgeted revenues for 2008.
- ❑ The Police department left unspent \$318,948 (6.74 percent) in anticipated expenditures in 2008.
- ❑ The Service department had unspent \$97,609 (5.71 percent) of expenditures versus final budgeted amounts.

The overall general fund appropriation budget showed unspent dollars of \$1,023,891 or 7.71 percent left at year end. Most other budget accounts were budgeted near or close to expectations in 2008.

**Capital Assets and Debt Administration**

*Capital Assets*

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

	Governmental Activities		Business-Type Activities		Totals	
	2008	2007	2008	2007	2008	2007
Land	\$2,925,079	\$2,925,079	\$28,620	\$28,620	\$2,953,699	\$2,953,699
Construction in Progress	497,716	408,165	0	236,050	497,716	644,215
Buildings and Improvements	14,986,786	15,413,781	7,026,257	6,696,202	22,013,043	22,109,983
Machinery and Equipment	1,315,195	1,521,173	171,255	278,533	1,486,450	1,799,706
Furniture and Fixtures	74,510	149,075	0	0	74,510	149,075
Vehicles	1,429,786	1,512,488	180,274	186,763	1,610,060	1,699,251
Infrastructure	16,374,733	17,313,551	6,267,783	6,116,659	22,642,516	23,430,210
<b>Total</b>	<b>\$37,603,805</b>	<b>\$39,243,312</b>	<b>\$13,674,189</b>	<b>\$13,542,827</b>	<b>\$51,277,994</b>	<b>\$52,786,139</b>

Total capital assets decreased \$1,508,145 in 2008. Decreases in many capital asset categories occurred in 2008 mostly due to depreciation expense for both types of assets in the amount of \$3,388,427. The most significant increase in our capital assets was in the categories of roads and buildings and improvements in the

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governmental type activities. The City reduced construction costs of the road program in 2008. Mostly the depreciation expense offset more than the cost of assets acquired in 2008.

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 10 to the basic financial statements.

**Debt**

As of December 31, 2008 the City's governmental activities debt included \$1,019,753 due within one year, including compensated absences of \$354,669. The City had business-type debt of \$8,928,196 as of December 31, 2008, including \$129,165 of compensated absences. The amount of business-type bonds and loans due within one year as of December 31, 2008 was \$1,092,416. The last time the City issued general obligation bonded debt was in 2006 for the amount of \$9.9 million.

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

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
General Obligation Bonds	\$10,861,303	\$11,363,218	\$2,145,609	\$2,360,202	\$13,006,912	\$13,723,420
Special Assessment Bonds	430,000	500,000	0	0	430,000	500,000
OPWC Loans	433,577	481,766	1,210,512	899,418	1,644,089	1,381,184
OWDA Loans	0	0	5,442,910	6,121,100	5,442,910	6,121,100
Police Pension	194,216	198,133	0	0	194,216	198,133
Capital Leases	42,712	9,263	0	0	42,712	9,263
Compensated Absences	1,319,688	1,265,458	129,165	123,477	1,448,853	1,388,935
<b>Total</b>	<b>\$13,281,496</b>	<b>\$13,817,838</b>	<b>\$8,928,196</b>	<b>\$9,504,197</b>	<b>\$22,209,692</b>	<b>\$23,322,035</b>

The general obligation bonds are composed of the 2006 advanced refunding issues for the following: (1) a Municipal Complex Court bond issued in 2002 and repaid from court fees and the one-fourth of a percent increase in municipal income tax rate voted in by the public in 1999; (2) the 2002 Municipal Complex Improvement – this issue is also repaid from the one-fourth of a percent income tax increase; and (3) the 1999 Municipal Complex Improvement - this issue is also repaid from the one fourth of a percent income tax increase. In addition to the refunding issue state above, the City issued general obligation bonds in the amount of \$1,900,000. The cashflow savings and net present value savings from the advance refunded issues were \$301,133 and \$257,472 respectively.

The special assessment bonds consist of various street-resurfacing projects. The County Auditor 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.



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*Management's Discussion and Analysis*  
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There are two OPWC loans that are being paid semi-annually from the debt service fund and funded by general fund revenues. These two loans are zero interest 20-year loans for the Willard and Wandle Avenue street rehabilitation projects. The amounts outstanding as of December 31, 2008 and December 31, 2007 were \$433,577, and \$481,766 respectively.

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 rate of interest to be paid is 4.25 percent and as of December 31, 2008 the balance was \$194,216.

The Business-type debt consisted of the following:

The General Obligation bonds are composed of the 2006 Advance Refunding issue of the (1) a sewer improvement bond issued in 2002; (2) the refunding bonds issued in 2002 to pay off the water system mortgage revenue bonds outstanding from the 1991 issue – this new issue is to be repaid from the water rates and water bill collections; and (3) the second refunded issue in the amount of \$1.165 million to pay off the general obligation bonds outstanding from the 1997 water issue. This new 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 issue was for these water lines.

The additional ¼ percent income tax collection pays for the retirement of an Ohio Public Works Commission Loan (Oxidation Tower Project) and the Ohio Water Development Authority Loan (Rapid Sandfilter Project). The principal amounts outstanding as of December 31, 2008 are \$678,386 and \$1,983,275 respectively. 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 OWDA loans were to refinance previously issued Wastewater Plant improvement bond issues prior to 1994. The loan is for 20 years at 4.80 percent. The amount outstanding from this loan as of December 31, 2008 is \$3,791,558.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 ½ percent of total assessed valuation. The City's overall legal debt margin was \$19,194,591 on December 31, 2008.

Additional information concerning the City's debt can be found in Note 12 to the basic financial statements.

### **Current Financial Related Activities**

The City of Bedford is financially strong as evidenced by Moody's Investors Service's affirmation of our A1 rating and Standard and Poor's upgrade in 2006 to AA- from our A+ rating in 2005. Standard & Poor's performed a cursory update and maintained our rating of AA- at the end of 2008.

### **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](http://www.bedfordoh.gov).



*City of BEDFORD, Ohio*

**City of Bedford, Ohio***Statement of Net Assets**December 31, 2008*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$14,243,839	\$3,781,593	\$18,025,432
Materials and Supplies Inventory	198,643	143,061	341,704
Accrued Interest Receivable	89,982	2,803	92,785
Accounts Receivable	41,295	1,150,589	1,191,884
Internal Balances	(8,176)	8,176	0
Intergovernmental Receivable	1,443,793	93,191	1,536,984
Prepaid Items	14,125	0	14,125
Income Taxes Receivable	2,814,486	0	2,814,486
Property Taxes Receivable	3,636,144	0	3,636,144
Special Assessments Receivable	1,252,534	0	1,252,534
Unamortized Bond Issuance Costs	257,753	177,787	435,540
Nondepreciable Capital Assets	3,422,795	28,620	3,451,415
Depreciable Capital Assets, Net	34,181,010	13,645,569	47,826,579
<i>Total Assets</i>	<u>61,588,223</u>	<u>19,031,389</u>	<u>80,619,612</u>
<b>Liabilities</b>			
Accounts Payable	368,435	245,064	613,499
Accrued Wages	295,268	32,463	327,731
Intergovernmental Payable	528,955	34,189	563,144
Vacation Benefits Payable	710,415	82,634	793,049
Claims Payable	192,564	0	192,564
Deferred Revenue	3,717,058	0	3,717,058
Accrued Interest Payable	42,564	136,944	179,508
Long-Term Liabilities:			
Due Within One Year	1,019,753	1,092,416	2,112,169
Due In More Than One Year	12,261,743	7,835,780	20,097,523
<i>Total Liabilities</i>	<u>19,136,755</u>	<u>9,459,490</u>	<u>28,596,245</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	26,093,966	5,058,014	31,151,980
Restricted for:			
Capital Projects	952,794	0	952,794
Debt Service	933,485	0	933,485
Fire	161,449	0	161,449
Streets	1,441,636	0	1,441,636
Other Purposes	2,173,046	0	2,173,046
Unrestricted	10,695,092	4,513,885	15,208,977
<i>Total Net Assets</i>	<u>\$42,451,468</u>	<u>\$9,571,899</u>	<u>\$52,023,367</u>

See accompanying notes to the basic financial statements

**City of Bedford, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2008

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
General Government	\$5,323,310	\$2,226,427	\$441,910	\$0
Security of Persons and Property				
Police	5,446,671	32,779	362,903	0
Fire	4,097,079	311,809	409,838	0
Public Health and Welfare	221,252	39,230	13,399	0
Leisure Time Activities	1,503,009	112,805	0	0
Community Development	749,067	339,374	101,163	0
Basic Utility Services	1,027,983	323,511	0	0
Transportation	4,786,782	0	668,247	227,431
Interest and Fiscal Charges	592,927	0	0	0
<i>Total Governmental Activities</i>	<u>23,748,080</u>	<u>3,385,935</u>	<u>1,997,460</u>	<u>227,431</u>
<b>Business-Type Activities</b>				
Water	3,231,458	3,729,987	0	0
Wastewater	1,880,937	2,091,081	0	100,957
<i>Total Business-Type Activities</i>	<u>5,112,395</u>	<u>5,821,068</u>	<u>0</u>	<u>100,957</u>
<i>Total</i>	<u>\$28,860,475</u>	<u>\$9,207,003</u>	<u>\$1,997,460</u>	<u>\$328,388</u>

**General Revenues**

Property Taxes Levied for:

    General Purposes

    Fire Medic Levy

    Fire Pension

    Police Pension

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 Assets

*Net Assets Beginning of Year*

*Net Assets End of Year*

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
(\$2,654,973)	\$0	(\$2,654,973)
(5,050,989)	0	(5,050,989)
(3,375,432)	0	(3,375,432)
(168,623)	0	(168,623)
(1,390,204)	0	(1,390,204)
(308,530)	0	(308,530)
(704,472)	0	(704,472)
(3,891,104)	0	(3,891,104)
(592,927)	0	(592,927)
<u>(18,137,254)</u>	<u>0</u>	<u>(18,137,254)</u>
0	498,529	498,529
<u>0</u>	<u>311,101</u>	<u>311,101</u>
0	809,630	809,630
<u>(18,137,254)</u>	<u>809,630</u>	<u>(17,327,624)</u>
2,436,161	0	2,436,161
725,316	0	725,316
77,712	0	77,712
77,712	0	77,712
9,098,927	0	9,098,927
680,711	0	680,711
0	291,734	291,734
1,852,030	0	1,852,030
411,024	145,854	556,878
114,650	0	114,650
<u>237,977</u>	<u>30,342</u>	<u>268,319</u>
<u>15,712,220</u>	<u>467,930</u>	<u>16,180,150</u>
(2,425,034)	1,277,560	(1,147,474)
<u>44,876,502</u>	<u>8,294,339</u>	<u>53,170,841</u>
<u>\$42,451,468</u>	<u>\$9,571,899</u>	<u>\$52,023,367</u>

**City of Bedford, Ohio**

*Balance Sheet*

*Governmental Funds*

*December 31, 2008*

	<u>General</u>	<u>Fire Medic Levy</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$8,084,476	\$320,924	\$5,373,796	\$13,779,196
Property Taxes Receivable	2,670,299	795,419	170,426	3,636,144
Income Taxes Receivable	2,814,486	0	0	2,814,486
Accounts Receivable	41,295	0	0	41,295
Intergovernmental Receivable	911,607	57,502	474,684	1,443,793
Interfund Receivable	310,000	0	0	310,000
Accrued Interest Receivable	89,839	0	143	89,982
Materials and Supplies Inventory	178,197	6,844	13,602	198,643
Prepaid Items	14,125	0	0	14,125
Special Assessments Receivable	26,659	0	1,225,875	1,252,534
<i>Total Assets</i>	<u>\$15,140,983</u>	<u>\$1,180,689</u>	<u>\$7,258,526</u>	<u>\$23,580,198</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$130,129	\$4,765	\$233,541	\$368,435
Accrued Wages	210,022	64,672	20,574	295,268
Intergovernmental Payable	182,147	39,962	306,846	528,955
Interfund Payable	0	0	310,000	310,000
Deferred Revenue	5,131,906	852,921	1,956,802	7,941,629
<i>Total Liabilities</i>	<u>5,654,204</u>	<u>962,320</u>	<u>2,827,763</u>	<u>9,444,287</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	51,122	21,378	337,769	410,269
Unreserved				
Undesignated, Reported in:				
General Fund	9,435,657	0	0	9,435,657
Special Revenue Funds	0	196,991	2,995,297	3,192,288
Debt Service Funds	0	0	248,695	248,695
Capital Projects Funds	0	0	849,002	849,002
<i>Total Fund Balances</i>	<u>9,486,779</u>	<u>218,369</u>	<u>4,430,763</u>	<u>14,135,911</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$15,140,983</u>	<u>\$1,180,689</u>	<u>\$7,258,526</u>	<u>\$23,580,198</u>

See accompanying notes to the basic financial statements

**City of Bedford, Ohio**  
*Reconciliation of Total Governmental Fund Balances to  
 Net Assets of Governmental Activities  
 December 31, 2008*

<b>Total Governmental Fund Balances</b>	<b>\$14,135,911</b>
 <i>Amounts reported for governmental activities in the    statement of net assets are different because</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	37,603,805
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:	
Property Taxes	\$241,086
Income Taxes	1,989,719
Charges for Services	139,849
Special Assessments	1,112,685
Intergovernmental	<u>741,232</u>
Total	4,224,571
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 assets.	
Net Assets	272,079
Internal Balances	<u>(8,176)</u>
Total	263,903
In the statement of activities, bond issuance costs are amortized over the term of the bonds, whereas in governmental funds a bond issuance expenditure is reported when bonds are issued.	257,753
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(42,564)
Vacation benefits payable is not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(710,415)
Long-term liabilities, such as bonds payable and compensated absences, are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(10,861,303)
Special Assessment Bonds	(430,000)
OPWC Loans	(433,577)
Police Liability	(194,216)
Capital Leases	(42,712)
Compensated Absences	<u>(1,319,688)</u>
Total	<u>(13,281,496)</u>
<i>Net Assets of Governmental Activities</i>	<u><u>\$42,451,468</u></u>

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, 2008*

	General	Fire Medic Levy	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property Taxes	\$2,434,361	\$724,779	\$155,310	\$3,314,450
Municipal Income Taxes	8,720,456	0	680,711	9,401,167
Charges for Services	312,785	0	462,031	774,816
Fees, Licenses and Permits	196,489	2,463	8,750	207,702
Fines and Forfeitures	1,557,365	0	360,323	1,917,688
Intergovernmental	2,396,122	356,740	1,201,235	3,954,097
Special Assessments	0	0	449,480	449,480
Interest	163,136	19,297	203,588	386,021
Rentals	14,290	0	0	14,290
Other	3,476	2,798	231,703	237,977
<i>Total Revenues</i>	<u>15,798,480</u>	<u>1,106,077</u>	<u>3,753,131</u>	<u>20,657,688</u>
<b>Expenditures</b>				
Current:				
General Government	4,833,025	0	0	4,833,025
Security of Persons and Property:				
Police	4,414,249	0	882,299	5,296,548
Fire	0	3,149,004	818,589	3,967,593
Public Health and Welfare	51,170	0	159,579	210,749
Leisure Time Activities	189,307	0	1,218,834	1,408,141
Community Development	439,044	0	1,289,202	1,728,246
Basic Utility Services	736,909	0	288,737	1,025,646
Transportation	1,577,052	0	1,097,763	2,674,815
Capital Outlay	0	0	474,873	474,873
Debt Service:				
Principal Retirement	11,313	0	641,089	652,402
Interest and Fiscal Charges	8,873	0	510,836	519,709
<i>Total Expenditures</i>	<u>12,260,942</u>	<u>3,149,004</u>	<u>7,381,801</u>	<u>22,791,747</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,537,538</u>	<u>(2,042,927)</u>	<u>(3,628,670)</u>	<u>(2,134,059)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	76,116	1,533	258,784	336,433
Inception of Capital Lease	40,845	0	0	40,845
Transfers In	0	2,014,250	2,687,140	4,701,390
Transfers Out	(4,559,890)	0	(141,500)	(4,701,390)
<i>Total Other Financing Sources (Uses)</i>	<u>(4,442,929)</u>	<u>2,015,783</u>	<u>2,804,424</u>	<u>377,278</u>
<i>Net Change in Fund Balances</i>	(905,391)	(27,144)	(824,246)	(1,756,781)
<i>Fund Balances Beginning of Year</i>	<u>10,392,170</u>	<u>245,513</u>	<u>5,255,009</u>	<u>15,892,692</u>
<i>Fund Balances End of Year</i>	<u>\$9,486,779</u>	<u>\$218,369</u>	<u>\$4,430,763</u>	<u>\$14,135,911</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, 2008*

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>(\$1,756,781)</b>
 <i>Amounts reported for governmental activities in the statement of activities are different because</i>	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	
Capital Outlay	\$1,543,122
Depreciation	<u>(2,960,846)</u>
Total	(1,417,724)
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.	
	(221,783)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Property Taxes	2,451
Income Taxes	378,471
Charges for Services	91,126
Special Assessments	5,448
Intergovernmental	<u>48,209</u>
Total	525,705
Other financing sources, such as inception of capital lease, in the governmental funds increase long-term liabilities in the statement of net assets.	
	(40,845)
Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	
	652,402
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 on Bonds	2,111
Amortization of Premium	2,862
Amortization of Discount	(2,589)
Amortization of Loss on Refunding	(21,258)
Amortization of Issuance Costs	<u>(54,344)</u>
Totals	(73,218)
Some expenses reported in the statement of activities, such as compensated absences and intergovernmental payable (which represent contractually required pension contributions) do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Compensated Absences	(54,230)
Vacation Benefits Payable	<u>3,070</u>
Total	(51,160)
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 Assets	(48,741)
Change in Internal Balance	<u>7,111</u>
Total	<u>(41,630)</u>
<i>Change in Net Assets of Governmental Activities</i>	<u><u>(\$2,425,034)</u></u>

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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$2,556,955	\$2,556,955	\$2,434,361	(\$122,594)
Municipal Income Taxes	10,374,448	9,384,448	8,750,501	(633,947)
Charges for Services	297,790	301,790	308,437	6,647
Fees, Licenses and Permits	216,275	216,275	195,650	(20,625)
Fines and Forfeitures	1,314,381	1,314,380	1,536,398	222,018
Intergovernmental	1,962,867	1,962,868	2,213,445	250,577
Interest	425,000	425,000	145,000	(280,000)
Rentals	17,980	17,980	14,290	(3,690)
Other	24,300	24,300	3,476	(20,824)
<i>Total Revenues</i>	17,189,996	16,203,996	15,601,558	(602,438)
<b>Expenditures</b>				
Current:				
General Government	5,131,401	5,232,967	4,802,416	430,551
Security of Persons and Property:				
Police	4,595,571	4,734,582	4,415,634	318,948
Public Health and Welfare	51,170	51,170	51,170	0
Leisure Time Activities	297,733	298,663	196,544	102,119
Community Development	494,276	503,616	440,940	62,676
Basic Utility Services	730,889	745,889	733,901	11,988
Transportation	1,747,060	1,709,850	1,612,241	97,609
<i>Total Expenditures</i>	13,048,100	13,276,737	12,252,846	1,023,891
<i>Excess of Revenues Over Expenditures</i>	4,141,896	2,927,259	3,348,712	421,453
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	15,000	65,000	76,116	11,116
Advances Out	(490,000)	(490,000)	(300,000)	190,000
Transfers Out	(3,958,200)	(4,680,700)	(4,559,890)	120,810
<i>Total Other Financing Sources (Uses)</i>	(4,433,200)	(5,105,700)	(4,783,774)	321,926
<i>Net Change in Fund Balance</i>	(291,304)	(2,178,441)	(1,435,062)	743,379
<i>Fund Balance Beginning of Year</i>	9,148,859	9,148,859	9,148,859	0
Prior Year Encumbrances Appropriated	124,254	124,254	124,254	0
<i>Fund Balance End of Year</i>	\$8,981,809	\$7,094,672	\$7,838,051	\$743,379

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*  
*Fire Medic Levy Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property Taxes	\$821,700	\$761,385	\$724,779	(\$36,606)
Fees, Licenses and Permits	1,750	2,530	2,463	(67)
Intergovernmental	162,389	397,944	356,740	(41,204)
Interest	5,000	5,000	19,297	14,297
Other	0	2,798	2,798	0
<i>Total Revenues</i>	990,839	1,169,657	1,106,077	(63,580)
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Fire	3,012,783	3,236,510	3,144,569	91,941
<i>Excess of Revenues Under Expenditures</i>	(2,021,944)	(2,066,853)	(2,038,492)	28,361
<b>Other Financing Sources</b>				
Sale of Capital Assets	0	1,533	1,533	0
Transfers In	1,932,306	2,014,250	2,014,250	0
<i>Total Other Financing Sources</i>	1,932,306	2,015,783	2,015,783	0
<i>Net Change in Fund Balance</i>	(89,638)	(51,070)	(22,709)	28,361
<i>Fund Balance Beginning of Year</i>	304,669	304,669	304,669	0
Prior Year Encumbrances Appropriated	17,588	17,588	17,588	0
<i>Fund Balance End of Year</i>	<u>\$232,619</u>	<u>\$271,187</u>	<u>\$299,548</u>	<u>\$28,361</u>

See accompanying notes to the basic financial statements

**City of Bedford, Ohio**  
*Statement of Fund Net Assets*  
*Proprietary Funds*  
*December 31, 2008*

	Enterprise			Internal Service
	Water	Wastewater	Total	
<b>Assets</b>				
<i>Current Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$1,893,926	\$1,887,667	\$3,781,593	\$464,643
Receivables:				
Accounts	740,931	409,658	1,150,589	0
Intergovernmental	0	93,191	93,191	0
Accrued Interest	0	2,803	2,803	0
Materials and Supplies Inventory	94,749	48,312	143,061	0
<i>Total Current Assets</i>	<u>2,729,606</u>	<u>2,441,631</u>	<u>5,171,237</u>	<u>464,643</u>
<i>Noncurrent Assets</i>				
Unamortized Bond Issuance Costs	107,228	70,559	177,787	0
Nondepreciable Capital Assets	0	28,620	28,620	0
Depreciable Capital Assets, Net	3,897,840	9,747,729	13,645,569	0
<i>Total Noncurrent Assets</i>	<u>4,005,068</u>	<u>9,846,908</u>	<u>13,851,976</u>	<u>0</u>
<i>Total Assets</i>	<u>6,734,674</u>	<u>12,288,539</u>	<u>19,023,213</u>	<u>464,643</u>
<b>Liabilities</b>				
<i>Current Liabilities</i>				
Accounts Payable	218,740	26,324	245,064	0
Accrued Wages	12,012	20,451	32,463	0
Intergovernmental Payable	13,089	21,100	34,189	0
Vacation Benefits Payable	30,576	52,058	82,634	0
Compensated Absences Payable	0	25,740	25,740	0
Accrued Interest Payable	5,229	131,715	136,944	0
General Obligation Bonds Payable	198,800	35,000	233,800	0
OPWC Loans Payable	0	45,277	45,277	0
OWDA Loans Payable	0	787,599	787,599	0
Claims Payable	0	0	0	192,564
<i>Total Current Liabilities</i>	<u>478,446</u>	<u>1,145,264</u>	<u>1,623,710</u>	<u>192,564</u>
<i>Long-Term Liabilities (net of current portion)</i>				
Compensated Absences Payable	35,154	68,271	103,425	0
General Obligation Bonds Payable	1,368,264	543,545	1,911,809	0
OPWC Loans Payable	306,809	858,426	1,165,235	0
OWDA Loans Payable	0	4,655,311	4,655,311	0
<i>Total Long-Term Liabilities</i>	<u>1,710,227</u>	<u>6,125,553</u>	<u>7,835,780</u>	<u>0</u>
<i>Total Liabilities</i>	<u>2,188,673</u>	<u>7,270,817</u>	<u>9,459,490</u>	<u>192,564</u>
<b>Net Assets</b>				
Invested in Capital Assets, Net of Related Debt	2,135,182	2,922,832	5,058,014	0
Unrestricted	2,410,819	2,094,890	4,505,709	272,079
<i>Total Net Assets</i>	<u>\$4,546,001</u>	<u>\$5,017,722</u>	<u>9,563,723</u>	<u>\$272,079</u>

Net assets reported for business-type activities in the statement of net assets are different because they include accumulated overpayments to the internal service fund:

8,176

Net assets of business-type activities

\$9,571,899

See accompanying notes to the basic financial statements

**City of Bedford, Ohio**  
*Statement of Revenues,  
Expenses and Changes in Fund Net Assets  
Proprietary Funds  
For the Year Ended December 31, 2008*

	Enterprise			Internal Service
	Water	Wastewater	Total	
<b>Operating Revenues</b>				
Charges for Services	\$3,729,987	\$2,091,081	\$5,821,068	\$2,236,050
Other	30,342	0	30,342	0
<i>Total Operating Revenues</i>	<u>3,760,329</u>	<u>2,091,081</u>	<u>5,851,410</u>	<u>2,236,050</u>
<b>Operating Expenses</b>				
Personal Services	495,876	942,259	1,438,135	0
Contractual Services	2,468,890	91,324	2,560,214	365,744
Materials and Supplies	81,298	108,467	189,765	0
Depreciation	79,416	348,165	427,581	0
Claims	0	0	0	1,944,050
Other	11,017	3,787	14,804	0
<i>Total Operating Expenses</i>	<u>3,136,497</u>	<u>1,494,002</u>	<u>4,630,499</u>	<u>2,309,794</u>
<i>Operating Income (Loss)</i>	<u>623,832</u>	<u>597,079</u>	<u>1,220,911</u>	<u>(73,744)</u>
<b>Non-Operating Revenues (Expenses)</b>				
Interest	76,940	68,914	145,854	25,003
Municipal Income Taxes	0	291,734	291,734	0
Interest and Fiscal Charges	(92,374)	(382,411)	(474,785)	0
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(15,434)</u>	<u>(21,763)</u>	<u>(37,197)</u>	<u>25,003</u>
<i>Income (Loss) before Capital Contributions</i>	<u>608,398</u>	<u>575,316</u>	<u>1,183,714</u>	<u>(48,741)</u>
Capital Contributions	0	100,957	100,957	0
<i>Change in Net Assets</i>	<u>608,398</u>	<u>676,273</u>	<u>1,284,671</u>	<u>(48,741)</u>
<i>Net Assets Beginning of Year</i>	<u>3,937,603</u>	<u>4,341,449</u>		<u>320,820</u>
<i>Net Assets End of Year</i>	<u>\$4,546,001</u>	<u>\$5,017,722</u>		<u>\$272,079</u>

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

(7,111)

Change in net assets of business-type activities

\$1,277,560

See accompanying notes to the basic financial statements

**City of Bedford, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2008

	Enterprise			Internal Service
	Water	Wastewater	Total	
<b>Increase (Decrease) in Cash and Cash Equivalents</b>				
<b>Cash Flows from Operating Activities</b>				
Cash Received from Customers	\$3,684,561	\$2,098,025	\$5,782,586	\$0
Cash Received from Interfund Services Provided	0	0	0	2,236,050
Other Cash Receipts	30,342	0	30,342	0
Cash Payments to Employees for Services	(486,423)	(928,721)	(1,415,144)	(367,102)
Cash Payments for Goods and Services	(2,772,630)	(372,264)	(3,144,894)	0
Cash Payments for Claims	0	0	0	(1,892,151)
Other Cash Payments	(11,017)	(3,787)	(14,804)	0
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>444,833</u>	<u>793,253</u>	<u>1,238,086</u>	<u>(23,203)</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Cash Received from Municipal Income Taxes	<u>0</u>	<u>291,734</u>	<u>291,734</u>	<u>0</u>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Capital Grants Received	0	35,671	35,671	0
Proceeds from OPWC Loans	156,035	200,336	356,371	0
Principal Paid on General Obligation Bonds	(192,100)	(30,000)	(222,100)	0
Interest Paid on General Obligation Bonds	(68,902)	(27,122)	(96,024)	0
Principal Paid on OWDA Loans	0	(751,952)	(751,952)	0
Interest Paid on OWDA Loans	0	(284,358)	(284,358)	0
Principal Paid on OPWC Loans	0	(45,277)	(45,277)	0
Payments for Capital Acquisitions	(197,036)	(353,407)	(550,443)	0
<i>Net Cash Used for Capital and Related Financing Activities</i>	<u>(302,003)</u>	<u>(1,256,109)</u>	<u>(1,558,112)</u>	<u>0</u>
<b>Cash Flows from Investing Activities</b>				
Interest on Investments	<u>76,940</u>	<u>66,481</u>	<u>143,421</u>	<u>25,003</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	219,770	(104,641)	115,129	1,800
<i>Cash and Cash Equivalents Beginning of Year</i>	<u>1,674,156</u>	<u>1,992,308</u>	<u>3,666,464</u>	<u>462,843</u>
<i>Cash and Cash Equivalents End of Year</i>	<u><u>\$1,893,926</u></u>	<u><u>\$1,887,667</u></u>	<u><u>\$3,781,593</u></u>	<u><u>\$464,643</u></u>

(continued)

**City of Bedford, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds (continued)*  
*For the Year Ended December 31, 2008*

	Enterprise			Internal Service
	Water	Wastewater	Total	
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>				
Operating Income (Loss)	\$623,832	\$597,079	\$1,220,911	(\$73,744)
Adjustments:				
Depreciation	79,416	348,165	427,581	0
(Increase) Decrease in Assets:				
Accounts Receivable	(45,426)	6,944	(38,482)	0
Materials and Supplies Inventory	(9,286)	185	(9,101)	0
Increase (Decrease) in Liabilities:				
Accounts Payable	(213,156)	(172,658)	(385,814)	(1,358)
Accrued Wages	3,019	3,611	6,630	0
Compensated Absences Payable	350	5,338	5,688	0
Vacation Benefits Payable	2,599	(332)	2,267	0
Intergovernmental Payable	3,485	4,921	8,406	0
Claims Payable	0	0	0	51,899
<i>Total Adjustments</i>	(178,999)	196,174	17,175	50,541
<i>Net Cash Provided by (Used for) Operating Activities</i>	\$444,833	\$793,253	\$1,238,086	(\$23,203)

**Noncash Capital Financing Activities**

During 2008, the Wastewater fund received \$8,500 in building repairs from the general fund. This is reflected as a capital contribution.

See accompanying notes to the basic financial statements

**City of Bedford, Ohio**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Funds*  
*December 31, 2008*

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<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$37
Cash and Cash Equivalents in Segregated Accounts	<u>15,769</u>
<i>Total Assets</i>	<u><u>\$15,806</u></u>
<b>Liabilities</b>	
Deposits Held and Due to Others	<u><u>\$15,806</u></u>

See accompanying notes to the basic financial statements



# NOTES TO BASIC FINANCIAL STATEMENTS





*City of BEDFORD, Ohio*

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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**Note 1 – Description of the City and Reporting Entity**

The City of Bedford 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 which 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.

**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 City also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its proprietary funds unless those pronouncements conflict with or contradict GASB pronouncements. The City has elected not to apply FASB statements and interpretations issued after November 30, 1989 to its business-type activities and to its enterprise funds. The more significant of the City's accounting policies are described below.

***A. Basis of Presentation***

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

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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**Government-wide Financial Statements** The statement of net assets 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 assets 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.

**B. 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 liabilities is reported as fund balance. The following are the City’s major governmental funds:

**General Fund** The general fund accounts for all financial resources except those required to be accounted for 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.

**Fire Medic Levy Fund** The fire medic levy special revenue fund accounts for the property tax revenue collected for the paramedic services as well as firefighting services.

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

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

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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**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 assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the 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 and the amounts collected by the municipal court that are paid to other governments.

### ***C. Measurement Focus***

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

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

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

### ***D. Basis of Accounting***

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting; proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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

***Revenues - Exchange and 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 8). 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.

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

Property taxes for which there is an enforceable legal claim as of December 31, 2008, but which were levied to finance year 2009 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

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

***E. 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 has segregated bank accounts for monies held separate from the City's central bank account. These depository accounts are presented as "Cash and Cash Equivalents in Segregated Accounts" and represent deposits.

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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During 2008, investments were limited to repurchase agreements, nonnegotiable certificates of deposit, federal home loan bank bonds, federal home loan mortgage corporation notes, federal national mortgage association notes and STAROhio, the State Treasurer's Investment Pool.

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

STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on December 31, 2008.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2008 amounted to \$163,136, of which \$9,139 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.

***F. 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.

***G. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2008 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.

***H. 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 assets 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 assets 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:

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
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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

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.

***I. 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 loans which do not represent available expendable resources are offset by a fund balance reserve account. Interfund balance amounts are eliminated in the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

***J. 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.

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.

***K. 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, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital leases and long-term loans are recognized as a liability on the governmental fund financial statements when due.

***L. Fund Balance Reserves***

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. Fund balance reserves have been established for encumbrances.



**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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***M. Net Assets***

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

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

***N. 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.

***O. Bond Issuance Costs***

Bond issuance costs for underwriting fees and bond insurance for the City Hall general obligation bonds and various water and sewer enterprise funds' general obligation bonds are being amortized using the straight-line method over the life of the bonds on the government-wide statements and in the City's enterprise funds. The straight-line method of amortization is not materially different from the effective-interest method. Bond issuance costs are generally paid from the bond proceeds.

***P. Deferred Loss 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 and is presented net of the general obligation bonds payable and OWDA loan payable on the statement of net assets.

***Q. 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 received 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.

***R. Contributions of Capital***

Contributions of capital in proprietary fund financial statements arise from grants restricted to capital acquisition and construction.

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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***S. 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.

***T. Extraordinary and Special Items***

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence.

***U. 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.

***V. 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.

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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**Note 3 – Change in Accounting Principles**

For 2008, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 49, “Accounting and Financial Reporting for Pollution Remediation Obligations”. GASB Statement No. 49 addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effect of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The implementation of this Statement did not result in any change to the City’s financial statements.

**Note 4 – Accountability**

At December 31, 2008, the housing rehabilitation program and fire pension special revenue funds had individual fund deficits in the amounts of \$84,271 and \$27,127, respectively. These deficits are caused by the recognition of expenditures on the modified accrual basis of accounting. The general fund is liable for any deficits in these funds and provides transfers when cash is required, not when accruals occur.

**Note 5- 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 fire medic levy 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).
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 as a reservation of 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).

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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 Fire Medic Levy Special Revenue Funds		
	General	Fire Medic Levy
GAAP Basis	(\$905,391)	(\$27,144)
Net Adjustment for Revenue Accruals	(175,073)	0
Beginning Fair Value of Adjustments for Investments	13,994	0
Ending Fair Value of Adjustments for Investments	(55,721)	0
Beginning Unrecorded Cash	104,483	0
Ending Unrecorded Cash	(125,450)	0
Net Adjustment for Expenditure Accruals	73,350	25,811
Advances Out	(300,000)	0
Encumbrances	(65,254)	(21,376)
Budget Basis	(\$1,435,062)	(\$22,709)

**Note 6 - Deposits and Investments**

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

Active monies 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.

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,

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

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

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

### **Deposits**

***Custodial Credit Risk*** Custodial credit risk 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, \$8,762,943 of the City's bank balance of \$10,751,919 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.

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

**Investments**

Investments are reported at fair value. As of December 31, 2008, the City had the following investments:

	Maturity			Total
	Less Than Six Months	More Than Six Months But Less Than One Year	More Than One Year But Less Than Three Years	
Repurchase Agreements	\$2,813,629	\$0	\$0	\$2,813,629
Federal Home Loan Bank Bonds	1,161,414	355,251	1,824,910	3,341,575
Federal Home Loan Mortgage Corporation Notes	0	0	827,658	827,658
Federal National Mortgage Association Notes	500,000	0	0	500,000
STAROhio	310,418	0	0	310,418
<b>Total Portfolio</b>	<b>\$4,785,461</b>	<b>\$355,251</b>	<b>\$2,652,568</b>	<b>\$7,793,280</b>

**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 no investment policy 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 by Standard & Poor's. The City has no 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. The following is the City's allocation as of December 31, 2008:

**City of Bedford, Ohio**  
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<u>Investment</u>	<u>Percentage of Investments</u>
Federal Home Loan Bank Bonds	42.88%
Repurchase Agreements	36.10
Federal Home Loan Mortgage Corporation Notes	10.62
Federal National Mortgage Association Notes	6.42
STAROhio	3.98

## **Note 7 - Contingencies**

### **A. 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, 2008.

### **B. 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.

## **Note 8 - Receivables**

Receivables at December 31, 2008, 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.

Special assessments expected to be collected in more than one year amount to \$636,453 in the special assessment bond retirement fund. At December 31, 2008 the amount of delinquent special assessments was \$278,732.

### **A. Property Taxes**

Property taxes include amounts levied against all real, public utility and tangible personal property located in the City. Property tax revenue received during 2008 for real and public property taxes represents collections of 2007 taxes. Property tax payments received during 2008 for tangible personal property (other than public utility property) are for 2008 taxes.

**City of Bedford, Ohio**  
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2008 real property taxes are levied after October 1, 2008 on the assessed value as of January 1, 2008 the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2008 real property taxes are collected in and intended to finance 2009.

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. 2008 public utility property taxes which became a lien December 31, 2007, are levied after October 1, 2008, and are collected in 2009 with real property taxes.

2008 tangible personal property taxes are levied after October 1, 2007, on the value as of December 31, 2007. Collections are made in 2008. Tangible personal property assessments are being phased out – the assessment percentage for all property including inventory for 2008 is 6.25 percent. This will be reduced to zero for 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable at September 20.

The full tax rate for all City operations for the year ended December 31, 2008 was \$12.80 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2008 property tax receipts were based are as follows:

Real Property	
Residential/Agricultural	\$172,280,760
Commercial Industrial/Public Utility	108,449,470
Tangible Personal Property	
Public Utility	6,468,910
General Business	6,746,990
Total	<u><u>\$293,946,130</u></u>

The County Treasurer collects property taxes on behalf of all taxing districts in the county, including the City of Bedford. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and tangible personal property taxes and public utility taxes which are measurable as of December 31, 2008 and for which there is an enforceable legal claim. In the general fund and fire medic levy, police pension and fire pension special revenue funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2008 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while the remainder of the receivable is deferred.



**City of Bedford, Ohio**  
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**B. 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.

**C. Intergovernmental Receivables**

A summary of the principal items of intergovernmental receivables follows:

	Amount
<b>Governmental Activities</b>	
Local Government	\$375,605
Grants	374,066
Gasoline Tax	226,212
Homesteaded and Rollback	182,946
Tangible Personal Property Loss Reimbursements	79,922
Motor Vehicle License Tax	62,189
Court Costs	60,793
Permissive Tax	48,603
Miscellaneous	24,130
Estate Tax	9,327
Total Governmental Activities	1,443,793
<b>Business-Type Activities</b>	
OPWC Grant	93,191
Total	\$1,536,984

**Note 9 – 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.

**City of Bedford, Ohio**  
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**Note 10 – Capital Assets**

A summary of changes in capital assets during 2008 follows:

	Balance 12/31/07	Additions	Deletions	Balance 12/31/08
<b>Governmental Activities</b>				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$2,925,079	\$0	\$0	\$2,925,079
Construction in Progress	408,165	934,450	(844,899)	497,716
<i>Total Capital Assets Not Being Depreciated</i>	<u>3,333,244</u>	<u>934,450</u>	<u>(844,899)</u>	<u>3,422,795</u>
<i>Capital Assets Being Depreciated</i>				
Buildings and Improvements	18,102,333	181,586	(223,987)	18,059,932
Machinery and Equipment	3,772,913	62,672	0	3,835,585
Furniture and Fixtures	844,192	12,219	0	856,411
Vehicles	4,339,896	212,619	(93,789)	4,458,726
Infrastructure:				
Roads	38,636,586	984,475	0	39,621,061
Traffic Signals	1,588,375	0	0	1,588,375
Rubberized Railroad Crossings	297,017	0	0	297,017
Storm Sewers	2,476,279	0	0	2,476,279
<i>Total Capital Assets Being Depreciated</i>	<u>70,057,591</u>	<u>1,453,571</u>	<u>(317,776)</u>	<u>71,193,386</u>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(2,688,552)	(386,798)	2,204	(3,073,146)
Machinery and Equipment	(2,251,740)	(268,650)	0	(2,520,390)
Furniture and Fixtures	(695,117)	(86,784)	0	(781,901)
Vehicles	(2,827,408)	(295,321)	93,789	(3,028,940)
Infrastructure:				
Roads	(24,658,043)	(1,803,436)	0	(26,461,479)
Traffic Signals	(337,633)	(63,535)	0	(401,168)
Rubberized Railroad Crossings	(8,188)	(1,424)	0	(9,612)
Storm Sewers	(680,842)	(54,898)	0	(735,740)
<i>Total Accumulated Depreciation</i>	<u>(34,147,523)</u>	<u>(2,960,846) *</u>	<u>95,993</u>	<u>(37,012,376)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>35,910,068</u>	<u>(1,507,275)</u>	<u>(221,783)</u>	<u>34,181,010</u>
<i>Governmental Activities Capital Assets, Net</i>	<u>\$39,243,312</u>	<u>(\$572,825)</u>	<u>(\$1,066,682)</u>	<u>\$37,603,805</u>

**City of Bedford, Ohio**  
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	Balance 12/31/07	Additions	Deletions	Balance 12/31/08
<b>Business-Type Activities</b>				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$28,620	\$0	\$0	\$28,620
Construction in Progress	236,050	255,528	(491,578)	0
<i>Total Capital Assets Not Being Depreciated</i>	<u>264,670</u>	<u>255,528</u>	<u>(491,578)</u>	<u>28,620</u>
<i>Capital Assets, Being Depreciated</i>				
Buildings and Improvements	9,474,130	519,329	0	9,993,459
Machinery and Equipment	6,321,387	0	0	6,321,387
Furniture and Fixtures	93,772	0	0	93,772
Vehicles	356,142	23,038	0	379,180
Infrastructure:				
Water Lines	4,397,776	197,036	0	4,594,812
Sanitary Sewer Lines	3,097,951	55,590	0	3,153,541
<i>Total Capital Assets Being Depreciated</i>	<u>23,741,158</u>	<u>794,993</u>	<u>0</u>	<u>24,536,151</u>
<i>Less Accumulated Depreciation:</i>				
Buildings and Improvements	(2,777,928)	(189,274)	0	(2,967,202)
Machinery and Equipment	(6,042,854)	(107,278)	0	(6,150,132)
Furniture and Fixtures	(93,772)	0	0	(93,772)
Vehicles	(169,379)	(29,527)	0	(198,906)
Infrastructure:				
Water Lines	(709,643)	(63,158)	0	(772,801)
Sanitary Sewer Lines	(669,425)	(38,344)	0	(707,769)
<i>Total Accumulated Depreciation</i>	<u>(10,463,001)</u>	<u>(427,581)</u>	<u>0</u>	<u>(10,890,582)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>13,278,157</u>	<u>367,412</u>	<u>0</u>	<u>13,645,569</u>
<i>Total Business-Type Capital Assets, Net</i>	<u>\$13,542,827</u>	<u>\$622,940</u>	<u>(\$491,578)</u>	<u>\$13,674,189</u>

\* Depreciation expense was charged to governmental functions as follows:

General Government	\$388,374
Security of Persons and Property	
Police	182,343
Fire	189,752
Public Health and Welfare	2,623
Leisure Time Activities	112,756
Community Development	2,547
Transportation	<u>2,082,451</u>
Total	<u>\$2,960,846</u>

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
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**Note 11 - Interfund Transfers and Balances**

***A. Interfund Transfers***

Transfer To	Transfer From		Total
	General	Other Governmental Funds	
Major Fund			
Fire Medic Levy	\$2,014,250	\$0	\$2,014,250
Other Governmental Funds:			
Community Development Block Grant	325,000	0	325,000
Enterprise Zone	267,200	0	267,200
Recreation	1,107,792	0	1,107,792
Cemetery	74,617	0	74,617
Grants	15,000	0	15,000
Police Pension	374,506	0	374,506
Fire Pension	381,525	0	381,525
General Obligation Bond Retirement	0	141,500	141,500
Total Other Governmental Funds	2,545,640	141,500	2,687,140
Total	\$4,559,890	\$141,500	\$4,701,390

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.

***B. Interfund Balances***

The interfund balance at December 31, 2008, consists of an interfund receivable/payable between the general fund and the nonmajor governmental funds in the amount of \$310,000. This loan was made to support housing rehabilitation programs and projects pending the receipt of grant money that will be used to repay the loan. This loan is expected to be repaid in one year.

**City of Bedford, Ohio**  
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**Note 12 - 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:

	Issue Date	Maturity Date	Interest Rate	Original Issue Amount
<b>Governmental Activities</b>				
<b>General Obligation Bonds</b>				
Various Purpose	2006	2027	4.00-4.125 %	\$8,929,000
City Hall (Refunded \$3,115,000)	1999	2009	3.85-5.45	5,000,000
City Hall (Refunded \$3,035,000)	2002	2016	3.0-5.0	5,200,000
City Hall Court (Refunded \$905,000)	2002	2019	1.7-5.0	2,000,000
<b>Special Assessment Bonds</b>				
Rockside Road Water	1988	2008	7.50	195,300
Rockside Road Sanitary Sewer	1988	2008	7.50	217,000
Northfield and Rockside Resurfacing	1993	2012	6.50-6.40	250,000
Northfield and Rockside Resurfacing #2	1996	2015	4.6-6.625	760,000
<b>Ohio Public Works Commission Loans</b>				
Willard Avenue	1994	2014	0.00	445,200
Wandle Avenue	2001	2021	0.00	518,579
<b>Police Pension</b>	1968	2035	4.25	245,922
<b>Business-Type Activities</b>				
<b>General Obligation Bonds</b>				
<i>Water</i>				
Water Refunding #1	2002	2017	1.45-4.65	690,000
Water Refunding #2	2002	2012	1.45-3.95	1,165,000
Washington Street Water	2006	2026	4.00-4.125	646,000
<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
<b>Ohio Water Development Loans</b>				
<i>Wastewater</i>				
Sewer System	1994	2013	4.80	11,002,916
Rapid Sandfilter	2002	2023	3.90	2,427,022
<b>Ohio Public Works Commission Loans</b>				
<i>Water</i>				
Northfield Road Water Line	2007	n/a	0.00	400,000
<i>Wastewater</i>				
Flow Control	1995	2015	0.00	83,265
Oxidation Tower Improvements	2004	2025	0.00	822,286
Sludge Thickener	2008	n/a	0.00	250,000

**City of Bedford, Ohio**  
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Changes in long-term obligations during the year ended December 31, 2008, consisted of the following:

	Balance 12/31/07	Increase	Decrease	Balance 12/31/08	Amounts Due in One Year
<b>Governmental Activities</b>					
<i>General Obligation Bonds</i>					
Various Purpose Bonds	\$8,869,400	\$0	\$87,900	\$8,781,500	\$91,200
Premium on Various Purpose Bonds	56,772	0	2,862	53,910	0
Discount on Various Purpose Bonds	(51,355)	0	(2,589)	(48,766)	0
Loss on Refunding	(421,599)	0	(21,258)	(400,341)	0
<b>Total Various Purpose Bonds</b>	<b>8,453,218</b>	<b>0</b>	<b>66,915</b>	<b>8,386,303</b>	<b>91,200</b>
City Hall	460,000	0	225,000	235,000	235,000
City Hall	1,575,000	0	150,000	1,425,000	155,000
City Hall Court	875,000	0	60,000	815,000	60,000
<b>Total General Obligation Bonds</b>	<b>11,363,218</b>	<b>0</b>	<b>501,915</b>	<b>10,861,303</b>	<b>541,200</b>
<i>Special Assessment Bonds</i>					
Rockside Road Water	13,500	0	13,500	0	0
Rockside Road Sanitary Sewer	1,500	0	1,500	0	0
Northfield and Rockside Resurfacing	85,000	0	15,000	70,000	15,000
Northfield and Rockside Resurfacing #2	400,000	0	40,000	360,000	45,000
<b>Total Special Assessment Bonds</b>	<b>500,000</b>	<b>0</b>	<b>70,000</b>	<b>430,000</b>	<b>60,000</b>
<i>Ohio Public Works Commission Loans</i>					
Willard Avenue	144,690	0	22,260	122,430	22,260
Wandle Avenue	337,076	0	25,929	311,147	25,929
<b>Total Ohio Public Works Commission Loans</b>	<b>481,766</b>	<b>0</b>	<b>48,189</b>	<b>433,577</b>	<b>48,189</b>
<i>Other Long-Term Obligations</i>					
Police Pension	198,133	0	3,917	194,216	4,085
Capital Leases Payable	9,263	40,845	7,396	42,712	11,610
Compensated Absences Payable	1,265,458	632,729	578,499	1,319,688	354,669
<b>Total Other Long-Term Obligations</b>	<b>1,472,854</b>	<b>673,574</b>	<b>589,812</b>	<b>1,556,616</b>	<b>370,364</b>
<b>Total Governmental Activities</b>	<b>\$13,817,838</b>	<b>\$673,574</b>	<b>\$1,209,916</b>	<b>\$13,281,496</b>	<b>\$1,019,753</b>

**City of Bedford, Ohio**  
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	Balance 12/31/07	Increase	Decrease	Balance 12/31/08	Amounts Due in One Year
<b>Business-Type Activities</b>					
<i>General Obligation Bonds</i>					
Water Refunding #1	\$510,000	\$0	\$45,000	\$465,000	\$50,000
Unamortized Loss	(20,426)	0	(2,043)	(18,383)	0
<b>Total Water Refunding #1</b>	<b>489,574</b>	<b>0</b>	<b>42,957</b>	<b>446,617</b>	<b>50,000</b>
Water Refunding #2	660,000	0	125,000	535,000	125,000
Unamortized Loss	(23,058)	0	(4,612)	(18,446)	0
<b>Total Water Refunding #2</b>	<b>636,942</b>	<b>0</b>	<b>120,388</b>	<b>516,554</b>	<b>125,000</b>
Washington Street Water	625,600	0	22,100	603,500	23,800
Unamortized Premium	4,199	0	212	3,987	0
Unamortized Discount	(3,785)	0	(191)	(3,594)	0
<b>Total Washington Street Water</b>	<b>626,014</b>	<b>0</b>	<b>22,121</b>	<b>603,893</b>	<b>23,800</b>
Sewer Improvement Refunding	315,000	0	0	315,000	5,000
Unamortized Premium	1,140	0	58	1,082	0
Unamortized Discount	(755)	0	(38)	(717)	0
Unamortized Loss	(17,713)	0	(893)	(16,820)	0
<b>Total Sewer Improvement Refunding</b>	<b>297,672</b>	<b>0</b>	<b>(873)</b>	<b>298,545</b>	<b>5,000</b>
<b>Sewer Improvement</b>	<b>310,000</b>	<b>0</b>	<b>30,000</b>	<b>280,000</b>	<b>30,000</b>
<b>Total General Obligation Bonds</b>	<b>2,360,202</b>	<b>0</b>	<b>214,593</b>	<b>2,145,609</b>	<b>233,800</b>
<i>OWDA Loans</i>					
Sewer System	4,447,776	0	656,218	3,791,558	688,095
Unamortized Loss	(405,685)	0	(73,762)	(331,923)	0
<b>Total Sewer System</b>	<b>4,042,091</b>	<b>0</b>	<b>582,456</b>	<b>3,459,635</b>	<b>688,095</b>
Rapid Sandfilter	2,079,009	0	95,734	1,983,275	99,504
<b>Total OWDA Loans</b>	<b>6,121,100</b>	<b>0</b>	<b>678,190</b>	<b>5,442,910</b>	<b>787,599</b>
<i>OPWC Loans</i>					
Northfield Road Water Line	150,774	156,035	0	306,809	0
Flow Control	29,144	0	4,163	24,981	4,163
Oxidation Tower Improvements	719,500	0	41,114	678,386	41,114
Sludge Thickener	0	200,336	0	200,336	0
<b>Total OPWC Loans</b>	<b>899,418</b>	<b>356,371</b>	<b>45,277</b>	<b>1,210,512</b>	<b>45,277</b>
<i>Other Long-Term Liabilities</i>					
Compensated Absences	123,477	61,739	56,051	129,165	25,740
<b>Total Business-Type Activities</b>	<b>\$9,504,197</b>	<b>\$418,110</b>	<b>\$994,111</b>	<b>\$8,928,196</b>	<b>\$1,092,416</b>

**City of Bedford, Ohio**  
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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. 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 and income tax from the appropriate enterprise fund. 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 fire medic levy 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 2003, the City defeased a 1991 water construction mortgage revenue bond issue and a 1997 water construction 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, 2008, \$950,000 of the defeased bonds are still outstanding.

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, 2008, \$7,345,000 of the defeased bonds are still outstanding.

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 and are payable through 2026. Annual principal and interest payments on the debt issues are expected to require 94 percent of net revenues. The total principal and interest remaining to be paid on the debt is \$7,651,383. Principal and interest paid for the current year and net revenues available were \$1,081,587 and \$1,014,158, respectively.

A line of credit has been established with the Ohio Public Works Commission in the amount \$400,000 for the Northfield Water Line; however, since this loan has not been finalized, a repayment schedule is not included in the schedule of debt service requirements. The City has expended the \$306,809 on the water line renovations.

A line of credit has been established with the Ohio Public Works Commission in the amount \$250,000 for the Sludge Thickener, however, since this loan has not been finalized, a repayment schedule is not included in the schedule of debt service requirements. The City has expended the \$200,336 on the water line renovations.

The City's overall legal debt margin was \$19,194,591 at December 31, 2008. Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2008, are as follows:



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Governmental Activities

Year	General Obligation Bonds		Special Assessment Bonds		Police Pension		OPWC Loan
	Principal	Interest	Principal	Interest	Principal	Interest	
2009	\$541,200	\$458,443	\$60,000	\$26,440	\$4,085	\$8,211	\$48,189
2010	566,200	433,380	60,000	22,735	4,261	8,036	48,189
2011	589,500	413,024	70,000	19,030	4,443	7,853	48,189
2012	607,800	389,409	70,000	14,700	4,634	7,662	48,189
2013	632,800	364,779	55,000	10,370	4,833	7,463	48,189
2014-2018	3,583,600	1,407,671	115,000	10,675	27,464	34,017	140,775
2019-2023	2,653,000	714,608	0	0	33,893	27,588	51,857
2024-2028	2,082,400	209,706	0	0	41,824	19,658	0
2029-2033	0	0	0	0	51,612	9,899	0
2034-2035	0	0	0	0	17,167	723	0
<b>Total</b>	<b>\$11,256,500</b>	<b>\$4,391,020</b>	<b>\$430,000</b>	<b>\$103,950</b>	<b>\$194,216</b>	<b>\$131,110</b>	<b>\$433,577</b>

Business-Type Activities

Year	General Obligation Bonds		OWDA Loans		OPWC Loan
	Principal	Interest	Principal	Interest	
2009	\$233,800	\$87,278	\$787,599	\$250,222	\$45,277
2010	233,800	79,123	824,943	212,880	45,277
2011	250,500	70,581	864,065	173,758	45,277
2012	257,200	60,896	905,048	132,774	45,278
2013	112,200	50,633	948,183	89,639	45,278
2014-2018	591,400	175,694	652,949	226,505	209,736
2019-2023	387,000	70,240	792,046	87,405	205,572
2024-2026	132,600	10,744	0	0	61,672
<b>Total</b>	<b>\$2,198,500</b>	<b>\$605,189</b>	<b>\$5,774,833</b>	<b>\$1,173,183</b>	<b>\$703,367</b>

**Note 13 - Capital Leases**

In prior years, the City entered into a lease agreement for a copier. The City's lease obligation meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 "Accounting for Leases", 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, 2008 follows:

	Amounts
Asset:	
Equipment	\$57,495
Less: Accumulated Depreciation	(21,489)
Current Book Value	<u>\$36,006</u>

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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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:

<u>Year Ending December 31,</u>	
2009	\$11,880
2010	10,255
2011	7,980
2012	7,980
2013	<u>4,935</u>
Total Minimum Lease Payments	43,030
Less: Amount Representing Interest	<u>(318)</u>
Present Value of Minimum Lease	<u><u>\$42,712</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 - Defined Benefit Pension Plans**

##### ***A. 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 pension 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 that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by the retirement system to provide a formula retirement benefit similar to 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.

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 writing to OPERS, 277 East Town Street, Columbus, OH 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. For the year ended December 31, 2008, the members in state and local classifications contributed 10 percent of covered payroll, and public safety and law enforcement members contributed 10.1 percent.

The City's contribution rate for 2008 was 14 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contributions for pension obligations to the traditional and combined plans for the years ended December 31, 2008, 2007, and 2006 were \$445,897, \$479,077, and \$558,823 respectively; 77.85 percent has been contributed for 2008 and 100 percent for 2007 and 2006. Contributions to the member-directed plan for 2008 were \$2,446 made by the City and \$1,747 made by the plan members.

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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***B. Ohio Police and Fire Pension Fund***

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability 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. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations. The City contribution was 19.5 percent for police officers and 24 percent for firefighters. Contributions rates are established by State statute. For 2008, a portion of the City's contribution equal to 6.75 percent of covered payroll was allocated to fund the post-employment health care plan. The City's contributions to OP&F for police and firefighters were \$298,394 and \$360,193 for the year ended December 31, 2008, \$280,050 and \$328,623 for the year ended December 31, 2007, and \$271,724 and \$318,366 for the year ended December 31, 2006. 71.45 percent has been contributed for police and 71.95 percent has been contributed for firefighters for 2008. The full amount has been contributed for 2007 and 2006.

In addition to current contributions, the City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2008, the unfunded liability of the City was \$194,216 payable in semi-annual payments through the year 2035. This is an accounting liability of the City which will not vary.

**Note 15 – Postemployment Benefits**

***A. Ohio Public Employees Retirement System***

Plan Description – OPERS maintains a cost-sharing multiple-employer defined benefit post-employment 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 post-employment health care. The plan includes a medical plan, a prescription drug program and Medicare Part B premium reimbursement.

To qualify for post-employment 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 require, 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 writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 614-222-5601 or 800-222-7377.

Funding Policy – The post-employment health care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). State statute requires that public employers fund post-employment health care through contributions to OPERS. A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of post-employment health care.

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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Employer contribution rates are expressed as a percentage of the covered payroll of active employees. In 2008, local government employers contributed 14 percent of covered payroll (17.4 percent for public safety and law enforcement). Each year, the OPERS retirement board determines the portion of the employer contribution rate that will be set aside for funding post-employment health care benefits. For, 2008, the amount of the employer contribution allocated to fund post-employment health care was 7 percent of covered payroll.

The OPERS Retirement Board is also authorized to establish rules for the payment of a portion of the health care benefits by the retirees or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2008, 2007, and 2006 were \$445,897, \$315,560, and \$273,337 respectively; 77.85 percent has been contributed for 2008 and 100 percent for 2007 and 2006.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, January 1, 2007, and January 1, 2008, which allowed additional funds to be allocated to the health care plan.

***B. Police and Firemen's Disability and Pension Fund***

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

OP&F provides access to post-retirement healthcare 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 Ohio Revised Code allows, but does not mandate, OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide healthcare coverage to eligible participants and to establish and amend benefits is codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – OP&F's post-employment healthcare plan was established and is administered as an Internal Revenue Code 401(h) account within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees. The Ohio Revised Code sets the contribution rates for participating employers and for plan members to the OP&F. Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5 percent and 24 percent of covered payroll for police and fire employers, respectively.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made to the pension plan to the 401(h) account as the employer contribution for retiree healthcare benefits. For the year ended December 31, 2008, the employer contribution allocated to the healthcare plan was 6.75 percent of covered payroll.

The amount of employer contributions allocated to the healthcare plan each year is subject to the trustees' primary responsibility to ensure that pension benefits are adequately funded and also is limited by the provisions of Section 401(h).

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

The OP&F Board of Trustees is also authorized to establish requirements for contributions to the healthcare 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 contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$196,813 and \$171,784 for the year ended December 31, 2008, \$184,714 and \$156,728 for the year ended December 31, 2007, and \$179,222 and \$151,836 for the year ended December 31, 2006. The full amount has been contributed for 2007 and 2006. 71.45 percent has been contributed for police and 71.95 percent has been contributed for firefighters for 2008.

**Note 16 - 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:

Type of Coverage	Coverage	Deductible
Automobile Liability	\$5,000,000	
General Liability	5,000,000 per occurrence	\$1,000
Property Liability	37,592,984	1,000
Boiler and Machinery	10,000,000	1,000
Firefighters Errors and Omissions	5,000,000 per occurrence	1,000
Ambulance Professional	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	1,000
Uninsured Motorists	25,000	0
Stop Gap	1,000,000	1,000
Municipal Attorney and Law Director Liability	1,000,000	2,500

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 \$75,000 per individual except in "high claim" designations in which the stop loss coverage is \$175,000 per designated 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 \$192,564 as estimated by the third party administrator and reported in the health insurance internal service fund at December 31, 2008, 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

**City of Bedford, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2008*

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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 2007 and 2008 were as follows:

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2007	\$121,320	\$1,892,849	\$1,873,504	\$140,665
2008	140,665	1,944,050	1,892,151	192,564

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.

**C**OMBINING

**S**ECTION





**City of BEDFORD, Ohio**



**Combining and Individual  
Fund Statements and Schedules**

## Combining Statements – Nonmajor Governmental Funds

### *Nonmajor Special Revenue Funds*

To account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

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

***Enterprise Zone Fund*** - To account for monies collected from a contract with the City of Solon used to promote economic development for the City of Bedford.

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

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

***Recreation Fund*** - To account for the receipts of recreation activity fees to pay for the cost of operating the City's recreation programs.

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

***Cemetery Fund*** - To account for the operation and maintenance of City owned cemeteries.

***Enforcement and Education Fund*** - To account for 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 the collection of special assessments for the purpose of providing street lighting.

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

***Law Enforcement Trust Fund*** - To account for 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 the City's share of additional motor vehicle registration fees. Expenditures are restricted by State law for the maintenance and repair of streets.

***Fire Equipment Fund*** - To account for ambulance reimbursements and for funding future small equipment and fire apparatus purchases.

(continued)

## Combining Statements – Nonmajor Governmental Funds (continued)

### *Nonmajor Special Revenue Funds (continued)*

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

**Municipal Court Special Programs Fund** - To account for the receipts of specific municipal court fees and related expenditures.

**Housing Rehabilitation Program Fund** - To account for the accumulation of property assessments levied for the rehabilitation of outside premises of abandoned houses that the City has observed major building code violations.

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

**Police Pension Fund** - To account for the accumulation of property taxes levied for the payment of current employer's pension contributions and the long-term accounting liability.

**Fire Pension Fund** - To account for the accumulation of property taxes levied for the payment of current employer's pension contributions and the long-term accounting liability.

**Cemetery Trust Fund** - To account for donations used for maintaining gravesites.

### *Nonmajor Debt Service Funds*

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term and special assessment principal, interest, and related costs.

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

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

### *Nonmajor Capital Projects Funds*

Capital projects funds are established to account for financial resources to be used for the construction or acquisition of major capital facilities (other than those financed by proprietary funds.)

**Municipal Court Improvement Fund** - To account for the receipt of specific court fees and related expenditures which are restricted to the purchase of equipment and supplies for the Court.

**Capital Improvement Fund** - To account for various revenues to be used for various capital improvements.

**City of Bedford, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2008*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$3,881,405	\$248,695	\$1,243,696	\$5,373,796
Property Taxes Receivable	170,426	0	0	170,426
Intergovernmental Receivable	398,276	0	76,408	474,684
Accrued Interest Receivable	87	0	56	143
Materials and Supplies Inventory	13,602	0	0	13,602
Special Assessments Receivable	466,618	684,642	74,615	1,225,875
<i>Total Assets</i>	<u>\$4,930,414</u>	<u>\$933,337</u>	<u>\$1,394,775</u>	<u>\$7,258,526</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$113,560	\$0	\$119,981	\$233,541
Accrued Wages	20,574	0	0	20,574
Intergovernmental Payable	306,846	0	0	306,846
Interfund Payable	310,000	0	0	310,000
Deferred Revenue	875,545	684,642	396,615	1,956,802
<i>Total Liabilities</i>	<u>1,626,525</u>	<u>684,642</u>	<u>516,596</u>	<u>2,827,763</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	308,592	0	29,177	337,769
Unreserved				
Undesignated, Reported in:				
Special Revenue Funds	2,995,297	0	0	2,995,297
Debt Service Funds	0	248,695	0	248,695
Capital Projects Funds	0	0	849,002	849,002
<i>Total Fund Balances</i>	<u>3,303,889</u>	<u>248,695</u>	<u>878,179</u>	<u>4,430,763</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$4,930,414</u>	<u>\$933,337</u>	<u>\$1,394,775</u>	<u>\$7,258,526</u>

**City of Bedford, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2008*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property Taxes	\$155,310	\$0	\$0	\$155,310
Municipal Income Taxes	0	680,711	0	680,711
Charges for Services	462,031	0	0	462,031
Fees, Licenses and Permits	8,750	0	0	8,750
Fines and Forfeitures	199,558	0	160,765	360,323
Intergovernmental	1,048,419	0	152,816	1,201,235
Special Assessments	345,068	104,412	0	449,480
Interest	122,913	30,186	50,489	203,588
Other	217,703	0	14,000	231,703
<i>Total Revenues</i>	<u>2,559,752</u>	<u>815,309</u>	<u>378,070</u>	<u>3,753,131</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police	882,299	0	0	882,299
Fire	818,589	0	0	818,589
Public Health and Welfare	159,579	0	0	159,579
Leisure Time Activities	1,218,834	0	0	1,218,834
Community Development	1,289,202	0	0	1,289,202
Basic Utility Services	288,737	0	0	288,737
Transportation	1,097,763	0	0	1,097,763
Capital Outlay	0	0	474,873	474,873
Debt Service:				
Principal Retirement	0	641,089	0	641,089
Interest and Fiscal Charges	0	510,836	0	510,836
<i>Total Expenditures</i>	<u>5,755,003</u>	<u>1,151,925</u>	<u>474,873</u>	<u>7,381,801</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(3,195,251)</u>	<u>(336,616)</u>	<u>(96,803)</u>	<u>(3,628,670)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	258,207	577	0	258,784
Transfers In	2,545,640	141,500	0	2,687,140
Transfers Out	(141,500)	0	0	(141,500)
<i>Total Other Financing Sources (Uses)</i>	<u>2,662,347</u>	<u>142,077</u>	<u>0</u>	<u>2,804,424</u>
<i>Net Change in Fund Balances</i>	(532,904)	(194,539)	(96,803)	(824,246)
<i>Fund Balances Beginning of Year</i>	<u>3,836,793</u>	<u>443,234</u>	<u>974,982</u>	<u>5,255,009</u>
<i>Fund Balances End of Year</i>	<u>\$3,303,889</u>	<u>\$248,695</u>	<u>\$878,179</u>	<u>\$4,430,763</u>

**City of Bedford, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2008*

	Community Development Block Grant	Enterprise Zone	State Highway	Indigent Drivers
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$65,124	\$187,517	\$153,718	\$74,345
Property Taxes Receivable	0	0	0	0
Intergovernmental Receivable	1,163	0	21,589	0
Accrued Interest Receivable	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
Special Assessments Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$66,287</u>	<u>\$187,517</u>	<u>\$175,307</u>	<u>\$74,345</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$26,826	\$0	\$0	\$0
Accrued Wages	0	2,253	0	0
Intergovernmental Payable	0	2,853	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	14,594	0
<i>Total Liabilities</i>	<u>26,826</u>	<u>5,106</u>	<u>14,594</u>	<u>0</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	0	310	0	0
Unreserved, Undesignated (Deficit)	39,461	182,101	160,713	74,345
<i>Total Fund Balances (Deficit)</i>	<u>39,461</u>	<u>182,411</u>	<u>160,713</u>	<u>74,345</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$66,287</u>	<u>\$187,517</u>	<u>\$175,307</u>	<u>\$74,345</u>

Recreation	SEAL Narcotics	Cemetery	Enforcement and Education	Street Lighting	Street Construction, Maintenance and Repair
\$304,321	\$272,380	\$110,531	\$810	\$318,583	\$407,797
0	0	0	0	0	0
0	0	0	0	0	266,812
0	0	0	0	0	0
13,602	0	0	0	0	0
0	0	0	0	326,769	0
<u>\$317,923</u>	<u>\$272,380</u>	<u>\$110,531</u>	<u>\$810</u>	<u>\$645,352</u>	<u>\$674,609</u>
\$7,554	\$0	\$0	\$0	\$23,433	\$10,571
12,155	0	2,108	0	0	4,058
17,035	0	2,246	0	0	5,048
0	0	0	0	0	0
0	0	0	0	326,769	180,537
<u>36,744</u>	<u>0</u>	<u>4,354</u>	<u>0</u>	<u>350,202</u>	<u>200,214</u>
9,200	72,000	145	0	0	28,763
271,979	200,380	106,032	810	295,150	445,632
<u>281,179</u>	<u>272,380</u>	<u>106,177</u>	<u>810</u>	<u>295,150</u>	<u>474,395</u>
<u>\$317,923</u>	<u>\$272,380</u>	<u>\$110,531</u>	<u>\$810</u>	<u>\$645,352</u>	<u>\$674,609</u>

(continued)

**City of Bedford, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*December 31, 2008*

	Law Enforcement Trust	Motor Vehicle License	Fire Equipment	Grants
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$38,691	\$239,401	\$358,827	\$59,081
Property Taxes Receivable	0	0	0	0
Intergovernmental Receivable	0	48,603	0	47,787
Accrued Interest Receivable	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
Special Assessments Receivable	0	0	0	0
<i>Total Assets</i>	<u>\$38,691</u>	<u>\$288,004</u>	<u>\$358,827</u>	<u>\$106,868</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$24,003	\$1,655
Accrued Wages	0	0	0	0
Intergovernmental Payable	0	0	0	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	31,048	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>31,048</u>	<u>24,003</u>	<u>1,655</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	0	150,000	7,291	15,142
Unreserved, Undesignated (Deficit)	38,691	106,956	327,533	90,071
<i>Total Fund Balances (Deficit)</i>	<u>38,691</u>	<u>256,956</u>	<u>334,824</u>	<u>105,213</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$38,691</u>	<u>\$288,004</u>	<u>\$358,827</u>	<u>\$106,868</u>



Municipal Court Special Programs	Housing Rehabilitation Program	Police Pension	Fire Pension	Cemetery Trust	Total Nonmajor Special Revenue Funds
\$698,150	\$245,247	\$190,089	\$113,793	\$43,000	\$3,881,405
0	0	85,213	85,213	0	170,426
0	0	6,161	6,161	0	398,276
87	0	0	0	0	87
0	0	0	0	0	13,602
0	139,849	0	0	0	466,618
<u>\$698,237</u>	<u>\$385,096</u>	<u>\$281,463</u>	<u>\$205,167</u>	<u>\$43,000</u>	<u>\$4,930,414</u>
\$0	\$19,518	\$0	\$0	\$0	\$113,560
0	0	0	0	0	20,574
0	0	138,744	140,920	0	306,846
0	310,000	0	0	0	310,000
0	139,849	91,374	91,374	0	875,545
<u>0</u>	<u>469,367</u>	<u>230,118</u>	<u>232,294</u>	<u>0</u>	<u>1,626,525</u>
0	25,741	0	0	0	308,592
698,237	(110,012)	51,345	(27,127)	43,000	2,995,297
<u>698,237</u>	<u>(84,271)</u>	<u>51,345</u>	<u>(27,127)</u>	<u>43,000</u>	<u>3,303,889</u>
<u>\$698,237</u>	<u>\$385,096</u>	<u>\$281,463</u>	<u>\$205,167</u>	<u>\$43,000</u>	<u>\$4,930,414</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, 2008*

	Community Development Block Grant	Enterprise Zone	State Highway	Indigent Drivers
<b>Revenues</b>				
Property Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0
Fees, Licenses and Permits	0	8,750	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	101,163	0	42,699	13,399
Special Assessments	0	0	0	0
Interest	0	6,285	5,583	3,841
Other	0	0	0	0
<i>Total Revenues</i>	<u>101,163</u>	<u>15,035</u>	<u>48,282</u>	<u>17,240</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police	0	0	0	0
Fire	0	0	0	0
Public Health and Welfare	0	0	0	39,290
Leisure Time Activities	0	0	0	0
Community Development	560,064	239,119	0	0
Basic Utility Services	0	0	0	0
Transportation	0	0	0	0
<i>Total Expenditures</i>	<u>560,064</u>	<u>239,119</u>	<u>0</u>	<u>39,290</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(458,901)</u>	<u>(224,084)</u>	<u>48,282</u>	<u>(22,050)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	0	0	0	0
Transfers In	325,000	267,200	0	0
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>325,000</u>	<u>267,200</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	(133,901)	43,116	48,282	(22,050)
<i>Fund Balances Beginning of Year</i>	<u>173,362</u>	<u>139,295</u>	<u>112,431</u>	<u>96,395</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$39,461</u>	<u>\$182,411</u>	<u>\$160,713</u>	<u>\$74,345</u>

Recreation	SEAL Narcotics	Cemetery	Enforcement and Education	Street Lighting	Street Construction, Maintenance and Repair
\$0	\$0	\$0	\$0	\$0	\$0
112,805	0	39,230	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	162,156	0	311	0	528,072
0	0	0	0	314,925	0
14,780	0	4,786	36	12,626	28,755
155	184,765	0	0	0	0
<u>127,740</u>	<u>346,921</u>	<u>44,016</u>	<u>347</u>	<u>327,551</u>	<u>556,827</u>
0	338,179	0	1,000	0	0
0	0	0	0	0	0
0	0	118,634	0	0	0
1,209,177	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	288,737	0
0	0	0	0	0	1,097,763
<u>1,209,177</u>	<u>338,179</u>	<u>118,634</u>	<u>1,000</u>	<u>288,737</u>	<u>1,097,763</u>
<u>(1,081,437)</u>	<u>8,742</u>	<u>(74,618)</u>	<u>(653)</u>	<u>38,814</u>	<u>(540,936)</u>
1,000	0	3,809	0	0	0
1,107,792	0	74,617	0	0	0
0	0	0	0	0	0
<u>1,108,792</u>	<u>0</u>	<u>78,426</u>	<u>0</u>	<u>0</u>	<u>0</u>
27,355	8,742	3,808	(653)	38,814	(540,936)
<u>253,824</u>	<u>263,638</u>	<u>102,369</u>	<u>1,463</u>	<u>256,336</u>	<u>1,015,331</u>
<u>\$281,179</u>	<u>\$272,380</u>	<u>\$106,177</u>	<u>\$810</u>	<u>\$295,150</u>	<u>\$474,395</u>

(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, 2008*

	Law Enforcement Trust	Motor Vehicle License	Fire Equipment	Grants
<b>Revenues</b>				
Property Taxes	\$0	\$0	\$0	\$0
Charges for Services	0	0	309,346	650
Fees, Licenses and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	0
Intergovernmental	0	89,686	0	77,029
Special Assessments	0	0	0	0
Interest	1,680	8,332	12,419	0
Other	0	0	0	32,733
<i>Total Revenues</i>	<u>1,680</u>	<u>98,018</u>	<u>321,765</u>	<u>110,412</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police	580	0	0	59,544
Fire	0	0	260,155	25,676
Public Health and Welfare	0	0	0	1,655
Leisure Time Activities	0	0	0	9,657
Community Development	0	0	0	2,337
Basic Utility Services	0	0	0	0
Transportation	0	0	0	0
<i>Total Expenditures</i>	<u>580</u>	<u>0</u>	<u>260,155</u>	<u>98,869</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>1,100</u>	<u>98,018</u>	<u>61,610</u>	<u>11,543</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	0	0	0	0
Transfers In	0	0	0	15,000
Transfers Out	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>15,000</u>
<i>Net Change in Fund Balances</i>	1,100	98,018	61,610	26,543
<i>Fund Balances Beginning of Year</i>	<u>37,591</u>	<u>158,938</u>	<u>273,214</u>	<u>78,670</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>\$38,691</u></u>	<u><u>\$256,956</u></u>	<u><u>\$334,824</u></u>	<u><u>\$105,213</u></u>

Municipal Court Special Programs	Housing Rehabilitation Program	Police Pension	Fire Pension	Cemetery Trust	Total Nonmajor Special Revenue Funds
\$0	\$0	\$77,655	\$77,655	\$0	\$155,310
0	0	0	0	0	462,031
0	0	0	0	0	8,750
199,558	0	0	0	0	199,558
0	0	16,952	16,952	0	1,048,419
0	30,143	0	0	0	345,068
22,391	0	0	0	1,399	122,913
0	0	0	0	50	217,703
<u>221,949</u>	<u>30,143</u>	<u>94,607</u>	<u>94,607</u>	<u>1,449</u>	<u>2,559,752</u>
0	0	482,996	0	0	882,299
0	0	0	532,758	0	818,589
0	0	0	0	0	159,579
0	0	0	0	0	1,218,834
0	487,682	0	0	0	1,289,202
0	0	0	0	0	288,737
0	0	0	0	0	1,097,763
<u>0</u>	<u>487,682</u>	<u>482,996</u>	<u>532,758</u>	<u>0</u>	<u>5,755,003</u>
<u>221,949</u>	<u>(457,539)</u>	<u>(388,389)</u>	<u>(438,151)</u>	<u>1,449</u>	<u>(3,195,251)</u>
0	253,398	0	0	0	258,207
0	0	374,506	381,525	0	2,545,640
(141,500)	0	0	0	0	(141,500)
<u>(141,500)</u>	<u>253,398</u>	<u>374,506</u>	<u>381,525</u>	<u>0</u>	<u>2,662,347</u>
80,449	(204,141)	(13,883)	(56,626)	1,449	(532,904)
<u>617,788</u>	<u>119,870</u>	<u>65,228</u>	<u>29,499</u>	<u>41,551</u>	<u>3,836,793</u>
<u>\$698,237</u>	<u>(\$84,271)</u>	<u>\$51,345</u>	<u>(\$27,127)</u>	<u>\$43,000</u>	<u>\$3,303,889</u>

**City of Bedford, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Debt Service Funds*  
*December 31, 2008*

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$20,324	\$228,371	\$248,695
Special Assessments Receivable	0	684,642	684,642
<i>Total Assets</i>	<u>\$20,324</u>	<u>\$913,013</u>	<u>\$933,337</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Deferred Revenue	\$0	\$684,642	\$684,642
<b>Fund Balances</b>			
Unreserved, Undesignated	20,324	228,371	248,695
<i>Total Liabilities and Fund Balances</i>	<u>\$20,324</u>	<u>\$913,013</u>	<u>\$933,337</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, 2008*

	General Obligation Bond Retirement	Special Assessment Bond Retirement	Total Nonmajor Debt Service Funds
<b>Revenues</b>			
Municipal Income Taxes	\$680,711	\$0	\$680,711
Special Assessments	0	104,412	104,412
Interest	19,471	10,715	30,186
<i>Total Revenues</i>	<u>700,182</u>	<u>115,127</u>	<u>815,309</u>
<b>Expenditures</b>			
Debt Service:			
Principal Retirement	571,089	70,000	641,089
Interest and Fiscal Charges	480,131	30,705	510,836
<i>Total Expenditures</i>	<u>1,051,220</u>	<u>100,705</u>	<u>1,151,925</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(351,038)</u>	<u>14,422</u>	<u>(336,616)</u>
<b>Other Financing Sources</b>			
Sale of Capital Assets	577	0	577
Transfers In	141,500	0	141,500
<i>Total Other Financing Sources</i>	<u>142,077</u>	<u>0</u>	<u>142,077</u>
<i>Net Change in Fund Balances</i>	(208,961)	14,422	(194,539)
<i>Fund Balances Beginning of Year</i>	<u>229,285</u>	<u>213,949</u>	<u>443,234</u>
<i>Fund Balances End of Year</i>	<u><u>\$20,324</u></u>	<u><u>\$228,371</u></u>	<u><u>\$248,695</u></u>

**City of Bedford, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2008*

	<u>Municipal Court Improvement</u>	<u>Capital Improvement</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$467,942	\$775,754	\$1,243,696
Intergovernmental Receivable	0	76,408	76,408
Accrued Interest Receivable	56	0	56
Special Assessments Receivable	0	74,615	74,615
<i>Total Assets</i>	<u>\$467,998</u>	<u>\$926,777</u>	<u>\$1,394,775</u>
 <b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$26,854	\$93,127	\$119,981
Deferred Revenue	0	396,615	396,615
<i>Total Liabilities</i>	<u>26,854</u>	<u>489,742</u>	<u>516,596</u>
 <b>Fund Balances</b>			
Reserved for Encumbrances	0	29,177	29,177
Unreserved, Undesignated	441,144	407,858	849,002
<i>Total Fund Balances</i>	<u>441,144</u>	<u>437,035</u>	<u>878,179</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$467,998</u>	<u>\$926,777</u>	<u>\$1,394,775</u>



**City of Bedford, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2008*

	Municipal Court Improvement	Capital Improvement	Total Nonmajor Capital Projects Funds
<b>Revenues</b>			
Fines and Forfeitures	\$160,765	\$0	\$160,765
Intergovernmental	0	152,816	152,816
Interest	14,797	35,692	50,489
Other	0	14,000	14,000
<i>Total Revenues</i>	175,562	202,508	378,070
<b>Expenditures</b>			
Capital Outlay	120,810	354,063	474,873
<i>Net Change in Fund Balances</i>	54,752	(151,555)	(96,803)
<i>Fund Balances Beginning of Year</i>	386,392	588,590	974,982
<i>Fund Balances End of Year</i>	\$441,144	\$437,035	\$878,179

## 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 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.

**City of Bedford, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
For the Year Ended December 31, 2008

	Beginning Balance 12/31/07	Additions	Deductions	Ending Balance 12/31/08
<b><i>Municipal Court</i></b>				
<b>Assets</b>				
Cash and Cash Equivalents In Segregated Accounts	\$54,978	\$5,558,383	\$5,597,592	\$15,769
<b>Liabilities</b>				
Deposits Held and Due to Others	\$54,978	\$5,558,383	\$5,597,592	\$15,769
 <b><i>State Inspection Fee</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$34	\$1,902	\$1,899	\$37
<b>Liabilities</b>				
Deposits Held and Due to Others	\$34	\$1,902	\$1,899	\$37
 <b><i>All Agency Funds</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$34	\$1,902	\$1,899	\$37
Cash and Cash Equivalents In Segregated Accounts	54,978	5,558,383	5,597,592	15,769
<b>Total Assets</b>	<b>\$55,012</b>	<b>\$5,560,285</b>	<b>\$5,599,491</b>	<b>\$15,806</b>
<b>Liabilities</b>				
Deposits Held and Due to Others	\$55,012	\$5,560,285	\$5,599,491	\$15,806

**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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$2,556,955	\$2,556,955	\$2,434,361	(\$122,594)
Municipal Income Taxes	10,374,448	9,384,448	8,750,501	(633,947)
Charges for Services	297,790	301,790	308,437	6,647
Fees, Licenses and Permits	216,275	216,275	195,650	(20,625)
Fines and Forfeitures	1,314,381	1,314,380	1,536,398	222,018
Intergovernmental	1,962,867	1,962,868	2,213,445	250,577
Interest	425,000	425,000	145,000	(280,000)
Rentals	17,980	17,980	14,290	(3,690)
Other	24,300	24,300	3,476	(20,824)
<i>Total Revenues</i>	<u>17,189,996</u>	<u>16,203,996</u>	<u>15,601,558</u>	<u>(602,438)</u>
<b>Expenditures</b>				
Current:				
General Government:				
Council and Clerk:				
Personal Services	250,200	252,200	236,313	15,887
Other	78,403	78,403	52,569	25,834
Total Council and Clerk	<u>328,603</u>	<u>330,603</u>	<u>288,882</u>	<u>41,721</u>
Finance Department:				
Personal Services	444,187	455,888	409,452	46,436
Other	368,541	352,560	321,962	30,598
Total Finance Department	<u>812,728</u>	<u>808,448</u>	<u>731,414</u>	<u>77,034</u>
Income Tax Department:				
Personal Services	214,545	218,618	203,044	15,574
Other	184,001	211,001	175,482	35,519
Total Income Tax Department	<u>398,546</u>	<u>429,619</u>	<u>378,526</u>	<u>51,093</u>
City Manager:				
Personal Services	326,120	333,442	319,156	14,286
Other	36,700	34,200	16,815	17,385
Total City Manager	<u>\$362,820</u>	<u>\$367,642</u>	<u>\$335,971</u>	<u>\$31,671</u>

(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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Law Department:				
Personal Services	\$126,155	\$129,138	\$123,241	\$5,897
Other	118,000	138,000	129,264	8,736
Total Law Department	244,155	267,138	252,505	14,633
Engineering:				
Personal Services	14,700	14,700	14,625	75
Other	37,500	47,500	47,248	252
Total Engineering	52,200	62,200	61,873	327
Municipal Court:				
Personal Services	1,763,700	1,759,700	1,717,132	42,568
Other	252,703	271,703	250,675	21,028
Total Municipal Court	2,016,403	2,031,403	1,967,807	63,596
Special Projects:				
Other	93,600	105,700	90,330	15,370
Civil Service Commission:				
Personal Services	5,010	5,010	1,639	3,371
Other	27,575	17,575	4,029	13,546
Total Civil Service Commission	32,585	22,585	5,668	16,917
Land and Building:				
Personal Services	147,650	153,018	148,667	4,351
Capital Outlay	18,500	18,500	3,155	15,345
Other	556,011	554,511	468,209	86,302
Total Land and Building	722,161	726,029	620,031	105,998
County Auditor Deductions:				
Other	67,600	81,600	69,409	12,191
Total General Government	\$5,131,401	\$5,232,967	\$4,802,416	\$430,551

(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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Security of Persons and Property:				
Police:				
Police Department:				
Personal Services	\$4,136,966	\$4,222,977	\$3,950,438	\$272,539
Capital Outlay	107,530	125,938	125,938	0
Other	351,075	385,667	339,258	46,409
Total Security of Persons and Property	4,595,571	4,734,582	4,415,634	318,948
Public Health and Welfare:				
Health Department:				
Other	51,170	51,170	51,170	0
Leisure Time Activities:				
Parks and Playground:				
Personal Services	14,075	15,005	12,424	2,581
Other	283,658	283,658	184,120	99,538
Total Leisure Time Activities	297,733	298,663	196,544	102,119
Community Development:				
Planning Commission Department:				
Personal Services	2,075	2,075	509	1,566
Other	3,700	3,700	1,777	1,923
Total Planning Commission Department	5,775	5,775	2,286	3,489
Board of Zoning Appeals:				
Other	400	400	400	0
Building Department:				
Personal Services	440,085	449,425	425,165	24,260
Other	48,016	48,016	13,089	34,927
Total Building Department	488,101	497,441	438,254	59,187
Total Community Development	494,276	503,616	440,940	62,676
Basic Utility Services:				
Refuse Collection:				
Personal Services	\$730,889	\$745,889	\$733,901	\$11,988

(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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Transportation:				
Service Department:				
Personal Services	\$1,693,960	\$1,656,750	\$1,582,514	\$74,236
Capital Outlay	6,700	6,700	5,032	1,668
Other	46,400	46,400	24,695	21,705
Total Transportation	1,747,060	1,709,850	1,612,241	97,609
<i>Total Expenditures</i>	13,048,100	13,276,737	12,252,846	1,023,891
<i>Excess of Revenues Over Expenditures</i>	4,141,896	2,927,259	3,348,712	421,453
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	15,000	65,000	76,116	11,116
Advances Out	(490,000)	(490,000)	(300,000)	190,000
Transfers Out	(3,958,200)	(4,680,700)	(4,559,890)	120,810
<i>Total Other Financing Sources (Uses)</i>	(4,433,200)	(5,105,700)	(4,783,774)	321,926
<i>Net Change in Fund Balance</i>	(291,304)	(2,178,441)	(1,435,062)	743,379
<i>Fund Balance Beginning of Year</i>	9,148,859	9,148,859	9,148,859	0
Prior Year Encumbrances Appropriated	124,254	124,254	124,254	0
<i>Fund Balance End of Year</i>	\$8,981,809	\$7,094,672	\$7,838,051	\$743,379



**City of Bedford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Medic Levy Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$821,700	\$761,385	\$724,779	(\$36,606)
Fees, Licenses and Permits	1,750	2,530	2,463	(67)
Intergovernmental	162,389	397,944	356,740	(41,204)
Interest	5,000	5,000	19,297	14,297
Other	0	2,798	2,798	0
<i>Total Revenues</i>	<u>990,839</u>	<u>1,169,657</u>	<u>1,106,077</u>	<u>(63,580)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Fire:				
Fire Department:				
Personal Services	2,842,400	3,086,854	2,994,913	91,941
Other	170,383	149,656	149,656	0
<i>Total Expenditures</i>	<u>3,012,783</u>	<u>3,236,510</u>	<u>3,144,569</u>	<u>91,941</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,021,944)</u>	<u>(2,066,853)</u>	<u>(2,038,492)</u>	<u>28,361</u>
<b>Other Financing Sources</b>				
Sale of Capital Assets	0	1,533	1,533	0
Transfers In	1,932,306	2,014,250	2,014,250	0
<i>Total Other Financing Sources</i>	<u>1,932,306</u>	<u>2,015,783</u>	<u>2,015,783</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(89,638)	(51,070)	(22,709)	28,361
<i>Fund Balance Beginning of Year</i>	304,669	304,669	304,669	0
Prior Year Encumbrances Appropriated	17,588	17,588	17,588	0
<i>Fund Balance End of Year</i>	<u>\$232,619</u>	<u>\$271,187</u>	<u>\$299,548</u>	<u>\$28,361</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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$3,801,065	\$3,801,065	\$3,684,561	(\$116,504)
Other	7,000	7,000	30,342	23,342
Interest	46,270	46,270	76,940	30,670
Proceeds of OPWC Loans	237,286	237,286	156,035	(81,251)
<i>Total Revenues</i>	<u>4,091,621</u>	<u>4,091,621</u>	<u>3,947,878</u>	<u>(143,743)</u>
<b>Expenses</b>				
Personal Services	519,245	527,933	486,423	41,510
Contractual Services	2,964,121	2,971,021	2,662,747	308,274
Materials and Supplies	65,543	117,226	111,439	5,787
Capital Outlay	293,315	334,881	319,544	15,337
Other	36,050	12,067	11,017	1,050
Debt Service:				
Principal Retirement	192,100	192,100	192,100	0
Interest and Fiscal Charges	68,905	68,905	68,902	3
<i>Total Expenses</i>	<u>4,139,279</u>	<u>4,224,133</u>	<u>3,852,172</u>	<u>371,961</u>
<i>Net Change in Fund Equity</i>	(47,658)	(132,512)	95,706	228,218
<i>Fund Equity Beginning of Year</i>	1,394,447	1,394,447	1,394,447	0
Prior Year Encumbrances Appropriated	<u>279,709</u>	<u>279,709</u>	<u>279,709</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$1,626,498</u>	<u>\$1,541,644</u>	<u>\$1,769,862</u>	<u>\$228,218</u>

**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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$2,082,065	\$2,082,065	\$2,098,025	\$15,960
Municipal Income Taxes	341,010	312,815	291,734	(21,081)
Other	500	500	0	(500)
Interest	75,000	75,000	66,481	(8,519)
Proceeds of OPWC Loans	196,955	196,955	200,336	3,381
Capital Grants	30,000	30,000	35,671	5,671
<i>Total Revenues</i>	2,725,530	2,697,335	2,692,247	(5,088)
<b>Expenses</b>				
Personal Services	967,340	985,587	928,721	56,866
Contractual Services	116,200	116,200	67,761	48,439
Materials and Supplies	410,543	410,543	305,331	105,212
Capital Outlay	390,146	436,408	380,095	56,313
Other	5,200	5,200	3,787	1,413
Other Non-Operating	2,600	2,600	0	2,600
Debt Service:				
Principal Retirement	839,675	839,675	827,229	12,446
Interest and Fiscal Charges	311,480	311,480	311,480	0
<i>Total Expenses</i>	3,043,184	3,107,693	2,824,404	283,289
<i>Net Change in Fund Equity</i>	(317,654)	(410,358)	(132,157)	278,201
<i>Fund Equity Beginning of Year</i>	1,723,619	1,723,619	1,723,619	0
Prior Year Encumbrances Appropriated	268,689	268,689	268,689	0
<i>Fund Equity End of Year</i>	\$1,674,654	\$1,581,950	\$1,860,151	\$278,201

**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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$575,000	\$389,901	\$139,901	(\$250,000)
<b>Expenditures</b>				
Current:				
Community Development:				
CDBG Department:				
Other	775,727	787,560	648,223	139,337
<i>Excess of Revenues Under Expenditures</i>	(200,727)	(397,659)	(508,322)	(110,663)
<b>Other Financing Sources</b>				
Transfers In	100,000	325,000	325,000	0
<i>Net Change in Fund Balance</i>	(100,727)	(72,659)	(183,322)	(110,663)
<i>Fund Balance Beginning of Year</i>	120,893	120,893	120,893	0
Prior Year Encumbrances Appropriated	100,726	100,726	100,726	0
<i>Fund Balance End of Year</i>	<u>\$120,892</u>	<u>\$148,960</u>	<u>\$38,297</u>	<u>(\$110,663)</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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fees, Licenses and Permits	\$9,000	\$9,000	\$8,750	(\$250)
Interest	2,000	2,000	6,285	4,285
<i>Total Revenues</i>	<u>11,000</u>	<u>11,000</u>	<u>15,035</u>	<u>4,035</u>
<b>Expenditures</b>				
Current:				
Community Development:				
Enterprise Zone:				
Personal Services	113,475	116,372	85,144	31,228
Other	200,275	195,275	153,413	41,862
<i>Total Expenditures</i>	<u>313,750</u>	<u>311,647</u>	<u>238,557</u>	<u>73,090</u>
<i>Excess of Revenues Under Expenditures</i>	(302,750)	(300,647)	(223,522)	77,125
<b>Other Financing Sources</b>				
Transfers In	267,200	267,200	267,200	0
<i>Net Change in Fund Balance</i>	(35,550)	(33,447)	43,678	77,125
<i>Fund Balance Beginning of Year</i>	<u>143,529</u>	<u>143,529</u>	<u>143,529</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$107,979</u>	<u>\$110,082</u>	<u>\$187,207</u>	<u>\$77,125</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, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$41,000	\$41,000	\$42,649	\$1,649
Interest	2,500	2,500	5,583	3,083
<i>Total Revenues</i>	43,500	43,500	48,232	4,732
<b>Expenditures</b>				
Current:				
Transportation:				
Street Construction, Maintenance and Repair:				
Other	79,724	79,724	0	79,724
<i>Net Change in Fund Balance</i>	(36,224)	(36,224)	48,232	84,456
<i>Fund Balance Beginning of Year</i>	66,762	66,762	66,762	0
Prior Year Encumbrances Appropriated	38,724	38,724	38,724	0
<i>Fund Balance End of Year</i>	<u>\$69,262</u>	<u>\$69,262</u>	<u>\$153,718</u>	<u>\$84,456</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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$15,000	\$15,000	\$13,524	(\$1,476)
Interest	4,000	4,000	3,841	(159)
<i>Total Revenues</i>	19,000	19,000	17,365	(1,635)
<b>Expenditures</b>				
Current:				
Public Health and Welfare:				
Indigent Drivers:				
Other	45,000	45,000	42,995	2,005
<i>Net Change in Fund Balance</i>	(26,000)	(26,000)	(25,630)	370
<i>Fund Balance Beginning of Year</i>	99,650	99,650	99,650	0
<i>Fund Balance End of Year</i>	<u>\$73,650</u>	<u>\$73,650</u>	<u>\$74,020</u>	<u>\$370</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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$106,315	\$101,315	\$112,805	\$11,490
Interest	6,800	6,800	14,780	7,980
Other	450	450	155	(295)
<i>Total Revenues</i>	<u>113,565</u>	<u>108,565</u>	<u>127,740</u>	<u>19,175</u>
<b>Expenditures</b>				
Current:				
Leisure Time Activities:				
Playgrounds:				
Personal Services	329,415	365,997	325,945	40,052
Other	182,193	182,193	167,579	14,614
Total Playgrounds	<u>511,608</u>	<u>548,190</u>	<u>493,524</u>	<u>54,666</u>
Swimming Pool:				
Personal Services	143,705	177,769	177,612	157
Capital Outlay	13,415	13,415	10,993	2,422
Other	54,200	54,200	38,675	15,525
Total Swimming Pool	<u>211,320</u>	<u>245,384</u>	<u>227,280</u>	<u>18,104</u>
Ellenwood Center:				
Personal Services	473,385	425,763	378,634	47,129
Capital Outlay	4,685	18,456	16,582	1,874
Other	119,490	107,719	101,318	6,401
Total Ellenwood Center	<u>597,560</u>	<u>551,938</u>	<u>496,534</u>	<u>55,404</u>
<i>Total Expenditures</i>	<u>1,320,488</u>	<u>1,345,512</u>	<u>1,217,338</u>	<u>128,174</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,206,923)</u>	<u>(1,236,947)</u>	<u>(1,089,598)</u>	<u>147,349</u>
<b>Other Financing Sources</b>				
Sale of Capital Assets	0	5,000	1,000	(4,000)
Transfers In	1,208,500	1,208,500	1,107,792	(100,708)
<i>Total Other Financing Sources</i>	<u>1,208,500</u>	<u>1,213,500</u>	<u>1,108,792</u>	<u>(104,708)</u>
<i>Net Change in Fund Balance</i>	1,577	(23,447)	19,194	42,641
<i>Fund Balance Beginning of Year</i>	266,738	266,738	266,738	0
Prior Year Encumbrances Appropriated	9,188	9,188	9,188	0
<i>Fund Balance End of Year</i>	<u>\$277,503</u>	<u>\$252,479</u>	<u>\$295,120</u>	<u>\$42,641</u>



**City of Bedford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**SEAL Narcotics Fund**  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$167,310	\$167,310	\$162,156	(\$5,154)
Other	81,571	184,766	184,765	(1)
<i>Total Revenues</i>	<u>248,881</u>	<u>352,076</u>	<u>346,921</u>	<u>(5,155)</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police:				
SEAL Narcotics:				
Personal Services	224,105	266,695	225,261	41,434
Capital Outlay	261,174	321,779	157,678	164,101
Other	27,240	27,240	27,240	0
<i>Total Expenditures</i>	<u>512,519</u>	<u>615,714</u>	<u>410,179</u>	<u>205,535</u>
<i>Net Change in Fund Balance</i>	(263,638)	(263,638)	(63,258)	200,380
<i>Fund Balance Beginning of Year</i>	<u>263,638</u>	<u>263,638</u>	<u>263,638</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$200,380</u>	<u>\$200,380</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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$43,650	\$43,650	\$39,230	(\$4,420)
Interest	2,900	2,900	4,786	1,886
Other	100	100	0	(100)
<i>Total Revenues</i>	<u>46,650</u>	<u>46,650</u>	<u>44,016</u>	<u>(2,634)</u>
<b>Expenditures</b>				
Current:				
Public Health and Welfare:				
Cemetery:				
Personal Services	91,100	93,353	88,972	4,381
Other	37,804	37,804	29,667	8,137
<i>Total Expenditures</i>	<u>128,904</u>	<u>131,157</u>	<u>118,639</u>	<u>12,518</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(82,254)</u>	<u>(84,507)</u>	<u>(74,623)</u>	<u>9,884</u>
<b>Other Financing Sources</b>				
Sale of Capital Assets	0	3,900	3,809	(91)
Transfers In	81,400	81,400	74,617	(6,783)
<i>Total Other Financing Sources</i>	<u>81,400</u>	<u>85,300</u>	<u>78,426</u>	<u>(6,874)</u>
<i>Net Change in Fund Balance</i>	(854)	793	3,803	3,010
<i>Fund Balance Beginning of Year</i>	102,829	102,829	102,829	0
Prior Year Encumbrances Appropriated	3,754	3,754	3,754	0
<i>Fund Balance End of Year</i>	<u>\$105,729</u>	<u>\$107,376</u>	<u>\$110,386</u>	<u>\$3,010</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, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$175	\$175	\$336	\$161
Interest	20	20	36	16
<i>Total Revenues</i>	195	195	372	177
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police:				
Enforcement and Education				
Personal Services	1,000	1,000	1,000	0
<i>Net Change in Fund Balance</i>	(805)	(805)	(628)	177
<i>Fund Balance Beginning of Year</i>	1,438	1,438	1,438	0
<i>Fund Balance End of Year</i>	<u>\$633</u>	<u>\$633</u>	<u>\$810</u>	<u>\$177</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, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Special Assessments	\$295,000	\$295,000	\$314,925	\$19,925
Interest	8,000	8,000	12,626	4,626
<i>Total Revenues</i>	303,000	303,000	327,551	24,551
<b>Expenditures</b>				
Current:				
Basic Utility Services:				
Street Lighting:				
Other	290,000	290,000	289,392	608
<i>Net Change in Fund Balance</i>	13,000	13,000	38,159	25,159
<i>Fund Balance Beginning of Year</i>	280,424	280,424	280,424	0
<i>Fund Balance End of Year</i>	<u>\$293,424</u>	<u>\$293,424</u>	<u>\$318,583</u>	<u>\$25,159</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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$521,000	\$521,000	\$527,438	\$6,438
Interest	33,000	33,000	28,755	(4,245)
Other	1,500	1,500	0	(1,500)
<i>Total Revenues</i>	555,500	555,500	556,193	693
<b>Expenditures</b>				
Current:				
Transportation:				
Street Construction, Maintenance and Repair:				
Personal Services	196,650	226,755	208,046	18,709
Capital Outlay	163,547	156,047	134,616	21,431
Other	971,977	954,477	849,408	105,069
<i>Total Expenditures</i>	1,332,174	1,337,279	1,192,070	145,209
<i>Net Change in Fund Balance</i>	(776,674)	(781,779)	(635,877)	145,902
<i>Fund Balance Beginning of Year</i>	480,689	480,689	480,689	0
Prior Year Encumbrances Appropriated	530,524	530,524	530,524	0
<i>Fund Balance End of Year</i>	\$234,539	\$229,434	\$375,336	\$145,902

**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, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	\$550	\$550	\$1,680	\$1,130
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police:				
Law Enforcement:				
Personal Services	0	2,000	0	2,000
Other	30,000	29,069	1,604	27,465
<i>Total Expenditures</i>	<u>30,000</u>	<u>31,069</u>	<u>1,604</u>	<u>29,465</u>
<i>Net Change in Fund Balance</i>	(29,450)	(30,519)	76	30,595
<i>Fund Balance Beginning of Year</i>	37,546	37,546	37,546	0
Prior Year Encumbrances Appropriated	<u>1,069</u>	<u>1,069</u>	<u>1,069</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$9,165</u></u>	<u><u>\$8,096</u></u>	<u><u>\$38,691</u></u>	<u><u>\$30,595</u></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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$86,500	\$86,500	\$86,830	\$330
Interest	6,000	6,000	8,332	2,332
<i>Total Revenues</i>	92,500	92,500	95,162	2,662
<b>Expenditures</b>				
Current:				
Transportation:				
Street Construction, Maintenance and Repair:				
Other	200,582	200,582	150,000	50,582
<i>Net Change in Fund Balance</i>	(108,082)	(108,082)	(54,838)	53,244
<i>Fund Balance Beginning of Year</i>	36,157	36,157	36,157	0
Prior Year Encumbrances Appropriated	108,082	108,082	108,082	0
<i>Fund Balance End of Year</i>	<u>\$36,157</u>	<u>\$36,157</u>	<u>\$89,401</u>	<u>\$53,244</u>

**City of Bedford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Equipment Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$270,000	\$270,000	\$309,346	\$39,346
Interest	4,000	4,000	12,419	8,419
<i>Total Revenues</i>	<u>274,000</u>	<u>274,000</u>	<u>321,765</u>	<u>47,765</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Fire:				
Fire Equipment:				
Capital Outlay	234,271	297,271	271,515	25,756
Other	7,500	7,500	1,433	6,067
<i>Total Expenditures</i>	<u>241,771</u>	<u>304,771</u>	<u>272,948</u>	<u>31,823</u>
<i>Net Change in Fund Balance</i>	32,229	(30,771)	48,817	79,588
<i>Fund Balance Beginning of Year</i>	227,449	227,449	227,449	0
Prior Year Encumbrances Appropriated	54,271	54,271	54,271	0
<i>Fund Balance End of Year</i>	<u><u>\$313,949</u></u>	<u><u>\$250,949</u></u>	<u><u>\$330,537</u></u>	<u><u>\$79,588</u></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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$650	\$650	\$650	\$0
Intergovernmental	34,420	34,420	37,715	3,295
Other	30,477	30,734	32,733	1,999
<i>Total Revenues</i>	<u>65,547</u>	<u>65,804</u>	<u>71,098</u>	<u>5,294</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police:				
Police Department:				
Other	48,392	52,684	47,545	5,139
Purdue/Ben Venue Grant				
Capital Outlay	588	588	104	484
Community Diversion:				
Personal Services	30,507	30,507	27,616	2,891
Other	2,349	2,349	628	1,721
Total Community Diversion	<u>32,856</u>	<u>32,856</u>	<u>28,244</u>	<u>4,612</u>
DARE Enforcement:				
Personal Services	6,018	6,018	148	5,870
Other	99	99	0	99
Total DARE Enforcement	<u>6,117</u>	<u>6,117</u>	<u>148</u>	<u>5,969</u>
Target Grant:				
Other	300	300	300	0
Total Police	88,253	92,545	76,341	16,204
Fire:				
Fire Department:				
Other	41,082	41,082	25,676	15,406
Total Security of Persons and Property	\$129,335	\$133,627	\$102,017	\$31,610

(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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Leisure Time Activities:				
Food bank - Recreation:				
Other	\$7,500	\$15,000	\$14,657	\$343
Basic Utility Services:				
Service Department:				
Other	2,337	2,337	2,337	0
<i>Total Expenditures</i>	<u>139,172</u>	<u>150,964</u>	<u>119,011</u>	<u>31,953</u>
<i>Excess of Revenues Under Expenditures</i>	(73,625)	(85,160)	(47,913)	37,247
<b>Other Financing Sources</b>				
Transfers In	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(58,625)	(70,160)	(32,913)	37,247
<i>Fund Balance Beginning of Year</i>	67,039	67,039	67,039	0
Prior Year Encumbrances Appropriated	<u>8,160</u>	<u>8,160</u>	<u>8,160</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$16,574</u></u>	<u><u>\$5,039</u></u>	<u><u>\$42,286</u></u>	<u><u>\$37,247</u></u>

**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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and Forfeitures	\$170,000	\$170,000	\$197,955	\$27,955
Interest	25,000	25,000	22,674	(2,326)
<i>Total Revenues</i>	195,000	195,000	220,629	25,629
<b>Expenditures</b>	0	0	0	0
<i>Excess of Revenues Over Expenditures</i>	195,000	195,000	220,629	25,629
<b>Other Financing Uses</b>				
Transfers Out	(141,500)	(141,500)	(141,500)	0
<i>Net Change in Fund Balance</i>	53,500	53,500	79,129	25,629
<i>Fund Balance Beginning of Year</i>	601,513	601,513	601,513	0
<i>Fund Balance End of Year</i>	<u>\$655,013</u>	<u>\$655,013</u>	<u>\$680,642</u>	<u>\$25,629</u>

**City of Bedford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Housing Rehabilitation Program Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Special Assessments	\$44,307	\$44,307	\$30,143	(\$14,164)
<b>Expenditures</b>				
Current:				
Community Development:				
Housing Rehabilitation				
Capital Outlay	165,077	165,077	108,195	56,882
HUD Housing Rehabilitation				
Capital Outlay	706,706	706,706	397,018	309,688
<i>Total Expenditures</i>	871,783	871,783	505,213	366,570
<i>Excess of Revenues Under Expenditures</i>	(827,476)	(827,476)	(475,070)	352,406
<b>Other Financing Sources</b>				
Sale of Capital Assets	239,221	239,221	253,398	14,177
Advances In	490,000	490,000	300,000	(190,000)
<i>Total Other Financing Sources</i>	729,221	729,221	553,398	(175,823)
<i>Net Change in Fund Balance</i>	(98,255)	(98,255)	78,328	176,583
<i>Fund Balance Beginning of Year</i>	128,877	128,877	128,877	0
Prior Year Encumbrances Appropriated	993	993	993	0
<i>Fund Balance (Deficit) End of Year</i>	\$31,615	\$31,615	\$208,198	\$176,583

**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, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and Forfeitures	\$500	\$500	\$0	(\$500)
<b>Expenditures</b>				
Current:				
General Government:				
Indigent Interlock and Monitoring				
Other	500	500	0	500
<i>Net Change in Fund Balance</i>	0	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0	\$0

**City of Bedford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Pension Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$81,575	\$81,575	\$77,655	(\$3,920)
Intergovernmental	15,000	15,000	16,952	1,952
<i>Total Revenues</i>	96,575	96,575	94,607	(1,968)
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Police:				
Law Enforcement:				
Personal Services	465,965	486,038	469,925	16,113
<i>Excess of Revenues Under Expenditures</i>	(369,390)	(389,463)	(375,318)	14,145
<b>Other Financing Sources</b>				
Transfers In	387,825	387,825	374,506	(13,319)
<i>Net Change in Fund Balance</i>	18,435	(1,638)	(812)	826
<i>Fund Balance Beginning of Year</i>	190,901	190,901	190,901	0
<i>Fund Balance End of Year</i>	\$209,336	\$189,263	\$190,089	\$826

**City of Bedford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Pension Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$81,575	\$81,575	\$77,655	(\$3,920)
Intergovernmental	15,000	15,000	16,952	1,952
<i>Total Revenues</i>	96,575	96,575	94,607	(1,968)
<b>Expenditures</b>				
Current:				
Security of Persons and Property:				
Fire:				
Fire Department:				
Personal Services	491,775	529,758	529,541	217
<i>Excess of Revenues Under Expenditures</i>	(395,200)	(433,183)	(434,934)	(1,751)
<b>Other Financing Sources</b>				
Transfers In	381,525	381,525	381,525	0
<i>Net Change in Fund Balance</i>	(13,675)	(51,658)	(53,409)	(1,751)
<i>Fund Balance Beginning of Year</i>	167,202	167,202	167,202	0
<i>Fund Balance End of Year</i>	<u>\$153,527</u>	<u>\$115,544</u>	<u>\$113,793</u>	<u>(\$1,751)</u>

**City of Bedford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cemetery Trust Fund*  
*For the Year Ended December 31, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest	\$1,500	\$1,500	\$1,423	(\$77)
Other	50	50	50	0
<i>Total Revenues</i>	1,550	1,550	1,473	(77)
<b>Expenditures</b>				
Current:				
Public Health and Welfare:				
Cemetery Trust:				
Other	2,000	2,000	0	2,000
<i>Net Change in Fund Balance</i>	(450)	(450)	1,473	1,923
<i>Fund Balance Beginning of Year</i>	41,527	41,527	41,527	0
<i>Fund Balance End of Year</i>	<u>\$41,077</u>	<u>\$41,077</u>	<u>\$43,000</u>	<u>\$1,923</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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Municipal Income Taxes	\$795,690	\$729,323	\$680,711	(\$48,612)
Interest	16,000	16,000	19,471	3,471
<i>Total Revenues</i>	<u>811,690</u>	<u>745,323</u>	<u>700,182</u>	<u>(45,141)</u>
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	571,090	571,090	571,089	1
Interest and Fiscal Charges	480,135	480,135	480,131	4
<i>Total Expenditures</i>	<u>1,051,225</u>	<u>1,051,225</u>	<u>1,051,220</u>	<u>5</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(239,535)</u>	<u>(305,902)</u>	<u>(351,038)</u>	<u>(45,136)</u>
<b>Other Financing Sources</b>				
Sale of Capital Assets	0	577	577	0
Transfers In	141,500	141,500	141,500	0
<i>Net Change in Fund Balance</i>	<u>(98,035)</u>	<u>(163,825)</u>	<u>(208,961)</u>	<u>(45,136)</u>
<i>Fund Balance Beginning of Year</i>	<u>229,285</u>	<u>229,285</u>	<u>229,285</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$131,250</u>	<u>\$65,460</u>	<u>\$20,324</u>	<u>(\$45,136)</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, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Special Assessments	\$100,000	\$100,000	\$104,412	\$4,412
Interest	8,000	8,000	10,715	2,715
<i>Total Revenues</i>	<u>108,000</u>	<u>108,000</u>	<u>115,127</u>	<u>7,127</u>
<b>Expenditures</b>				
Debt Service:				
Principal Retirement	70,000	70,000	70,000	0
Interest and Fiscal Charges	30,705	30,705	30,705	0
<i>Total Expenditures</i>	<u>100,705</u>	<u>100,705</u>	<u>100,705</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	7,295	7,295	14,422	7,127
<i>Fund Balance Beginning of Year</i>	<u>213,949</u>	<u>213,949</u>	<u>213,949</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$221,244</u></u>	<u><u>\$221,244</u></u>	<u><u>\$228,371</u></u>	<u><u>\$7,127</u></u>

**City of Bedford, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Court Improvement Fund*  
*For the Year Ended December 31, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and Forfeitures	\$135,000	\$135,000	\$157,748	\$22,748
Interest	13,000	13,000	14,960	1,960
<i>Total Revenues</i>	148,000	148,000	172,708	24,708
<b>Expenditures</b>				
Capital Outlay	75,000	51,990	0	51,990
Other	80,000	103,010	95,736	7,274
<i>Total Expenditures</i>	155,000	155,000	95,736	59,264
<i>Net Change in Fund Balance</i>	(7,000)	(7,000)	76,972	83,972
<i>Fund Balance Beginning of Year</i>	376,906	376,906	376,906	0
<i>Fund Balance End of Year</i>	\$369,906	\$369,906	\$453,878	\$83,972

**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, 2008*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$51,320	\$51,320	\$127,728	\$76,408
Interest	30,000	30,000	35,692	5,692
<i>Total Revenues</i>	81,320	81,320	163,420	82,100
<b>Expenditures</b>				
Capital Outlay	607,053	573,848	488,469	85,379
<i>Net Change in Fund Balance</i>	(525,733)	(492,528)	(325,049)	167,479
<i>Fund Balance Beginning of Year</i>	721,447	721,447	721,447	0
Prior Year Encumbrances Appropriated	257,053	257,053	257,053	0
<i>Fund Balance End of Year</i>	<u>\$452,767</u>	<u>\$485,972</u>	<u>\$653,451</u>	<u>\$167,479</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, 2008*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for Services	\$2,407,000	\$2,407,000	\$2,236,050	(\$170,950)
Interest	12,000	12,000	25,003	13,003
<i>Total Revenues</i>	<u>2,419,000</u>	<u>2,419,000</u>	<u>2,261,053</u>	<u>(157,947)</u>
<b>Expenses</b>				
Contractual Services	376,000	376,000	368,902	7,098
Claims	2,043,000	2,043,000	1,892,151	150,849
<i>Total Expenses</i>	<u>2,419,000</u>	<u>2,419,000</u>	<u>2,261,053</u>	<u>157,947</u>
<i>Net Change in Fund Equity</i>	0	0	0	0
<i>Fund Equity Beginning of Year</i>	<u>462,843</u>	<u>462,843</u>	<u>462,843</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$462,843</u>	<u>\$462,843</u>	<u>\$462,843</u>	<u>\$0</u>



*City of BEDFORD, Ohio*

**S** TATISTICAL

**S** ECTION





*City of BEDFORD, Ohio*



## 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.

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<b>Contents</b>	<b>Pages(s)</b>
<b><i>Financial Trends</i></b> .....	<b><i>S2 – S13</i></b>
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<b><i>Revenue Capacity</i></b> .....	<b><i>S14 – S21</i></b>
These schedules contain information to help the reader assess the City's most significant local revenue, the property tax and the municipal income tax.	
<b><i>Debt Capacity</i></b> .....	<b><i>S22 – S29</i></b>
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.	
<b><i>Economic and Demographic Information</i></b> .....	<b><i>S30 – S33</i></b>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	
<b><i>Operating Information</i></b> .....	<b><i>S34 – S51</i></b>
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. The City implemented GASB Statement No. 34 in 2002; schedules presenting government-wide information include information beginning in that year.

**City of Bedford, Ohio**  
*Net Asssets By Component*  
*Last Seven Years*  
*(Accrual Basis of Accounting)*

	2008	2007	2006	2005
<b>Governmental Activities</b>				
Invested in Capital Assets, Net of Related Debt	\$26,093,966	\$27,216,162	\$27,242,739	\$29,561,437
Restricted:				
Capital Projects	952,794	974,982	1,171,756	1,356,429
Debt Service	933,485	1,181,876	1,321,616	1,143,792
Fire	161,449	134,774	522,030	423,999
Streets	1,441,636	1,493,516	1,162,070	1,294,088
Other Purposes	2,173,046	2,524,936	1,746,159	701,410
Unrestricted	10,695,092	11,350,256	11,720,851	10,220,472
<i>Total Governmental Activities</i> <i>Net Assets</i>	42,451,468	44,876,502	44,887,221	44,701,627
<b>Business Type - Activities</b>				
Invested in Capital Assets, Net of Related Debt	5,058,014	4,527,360	3,285,261	2,842,724
Restricted:				
Renewal and Replacement	0	0	0	0
Unrestricted	4,513,885	3,766,979	4,145,274	4,335,387
<i>Total Business-Type Activities</i> <i>Net Assets</i>	9,571,899	8,294,339	7,430,535	7,178,111
<b>Primary Government</b>				
Invested in Capital Assets, Net of Related Debt	31,151,980	31,743,522	30,528,000	32,404,161
Restricted	5,662,410	6,310,084	5,923,631	4,919,718
Unrestricted	15,208,977	15,117,235	15,866,125	14,555,859
<i>Total Primary Government</i> <i>Net Assets</i>	\$52,023,367	\$53,170,841	\$52,317,756	\$51,879,738

2004	2003	2002
\$29,950,309	\$30,244,755	\$27,844,368
1,719,410	3,057,559	4,707,736
1,247,181	1,176,626	1,366,567
362,312	97,233	32,999
1,371,972	1,183,863	1,143,523
1,317,826	1,270,059	1,331,643
8,236,154	9,350,789	10,243,418
44,205,164	46,380,884	46,670,254
2,638,318	1,356,691	1,185,779
0	0	1,196,296
3,961,305	4,260,063	2,369,303
6,599,623	5,616,754	4,751,378
32,588,627	31,601,446	29,030,147
6,018,701	6,785,340	9,778,764
12,197,459	13,610,852	12,612,721
\$50,804,787	\$51,997,638	\$51,421,632

**City of Bedford, Ohio**  
*Changes in Net Assets*  
*Last Seven Years*  
*(Accrual Basis of Accounting)*

	2008	2007	2006
<b>Program Revenues</b>			
Governmental Activities:			
Charges for Services:			
General Government	\$2,226,427	\$2,205,689	\$1,797,782
Security of Persons and Property:			
Police	32,779	53,907	57,998
Fire	311,809	257,282	160,839
Public Health and Welfare	39,230	40,510	43,580
Leisure Time Activities	112,805	96,845	87,771
Community Development	339,374	278,011	151,920
Basic Utility Services	323,511	291,969	292,023
Subtotal - Charges for Services	<u>3,385,935</u>	<u>3,224,213</u>	<u>2,591,913</u>
Operating Grants and Contributions:			
General Government	441,910	427,621	0
Security of Persons and Property:			
Police	362,903	362,556	283,602
Fire	409,838	25,100	8,413
Public Health and Welfare	13,399	14,102	10,680
Leisure Time Activities	0	0	12,370
Community Development	101,163	114,687	167,843
Basic Utility Services	0	0	274
Transportation	668,247	661,345	667,025
Subtotal - Operating Grants and Contributions	<u>1,997,460</u>	<u>1,605,411</u>	<u>1,150,207</u>
Capital Grants and Contributions:			
Community Development	0	0	0
Transportation	227,431	307,611	431,974
Basic Utility Services	0	0	0
Subtotal - Capital Grants and Contributions	<u>227,431</u>	<u>307,611</u>	<u>431,974</u>
<i>Total Governmental Activities Program Revenues</i>	<u>5,610,826</u>	<u>5,137,235</u>	<u>4,174,094</u>
Business-Type Activities:			
Charges for Services:			
Water	3,729,987	3,521,515	3,237,446
Wastewater	2,091,081	2,058,390	1,943,800
Capital Grants and Contributions			
Water	0	331,940	0
Wastewater	100,957	222,469	32,508
<i>Total Business-Type Activities Program Revenues</i>	<u>5,922,025</u>	<u>6,134,314</u>	<u>5,213,754</u>
<i>Total Primary Government Program Revenues</i>	<u>\$11,532,851</u>	<u>\$11,271,549</u>	<u>\$9,387,848</u>

2005	2004	2003	2002
\$1,687,566	\$1,935,330	\$1,649,919	\$1,336,960
56,734	35,648	48,104	18,465
293,200	106,118	212,339	162,956
43,443	66,437	49,584	36,818
95,355	75,441	90,675	93,993
136,304	18,569	114,584	139,293
229,705	394,613	270,348	259,105
<u>2,542,307</u>	<u>2,632,156</u>	<u>2,435,553</u>	<u>2,047,590</u>
0	2,245	533,316	0
140,902	166,920	160,110	122,208
3,724	97,744	75,022	1,440
15,066	19,818	12,812	24,404
27,865	2,065	5,044	3,600
373,911	257,363	154,524	0
6,008	4,148	16,390	12,500
626,063	555,554	612,340	428,560
<u>1,193,539</u>	<u>1,105,857</u>	<u>1,569,558</u>	<u>592,712</u>
0	0	0	238,144
425,995	383,865	630	350,054
0	0	0	84,928
<u>425,995</u>	<u>383,865</u>	<u>630</u>	<u>673,126</u>
<u>4,161,841</u>	<u>4,121,878</u>	<u>4,005,741</u>	<u>3,313,428</u>
3,395,893	3,199,611	3,028,854	3,257,031
2,154,552	2,073,569	2,077,765	2,170,295
0	0	0	0
8,646	714,635	140,141	345,871
<u>5,559,091</u>	<u>5,987,815</u>	<u>5,246,760</u>	<u>5,773,197</u>
<u>\$9,720,932</u>	<u>\$10,109,693</u>	<u>\$9,252,501</u>	<u>\$9,086,625</u>

(continued)

**City of Bedford, Ohio**  
*Changes in Net Assets (continued)*  
*Last Seven Years*  
*(Accrual Basis of Accounting)*

	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Expenses</b>			
<b>Governmental Activities:</b>			
General Government	\$5,323,310	\$5,106,413	\$4,871,530
Security of Persons and Property:			
Police	5,446,671	5,452,247	4,847,966
Fire	4,097,079	3,620,839	3,338,007
Public Health and Welfare	221,252	193,518	164,391
Leisure Time Activities	1,503,009	1,609,539	1,615,332
Community Development	749,067	633,811	1,042,659
Basic Utility Services	1,027,983	888,600	850,077
Transportation	4,786,782	4,221,135	4,727,888
Interest and Fiscal Charges	592,927	615,603	469,373
<i>Total Governmental Activities Expenses</i>	<u>23,748,080</u>	<u>22,341,705</u>	<u>21,927,223</u>
<b>Business-Type Activities</b>			
Water	3,231,458	3,472,856	3,155,757
Wastewater	1,880,937	2,347,908	2,326,613
<i>Total Business-Type Activities Expenses</i>	<u>5,112,395</u>	<u>5,820,764</u>	<u>5,482,370</u>
<i>Total Primary Government Program Expenses</i>	<u>28,860,475</u>	<u>28,162,469</u>	<u>27,409,593</u>
<b>Net (Expense)/Revenue</b>			
Governmental Activities	(18,137,254)	(17,204,470)	(17,753,129)
Business-Type Activities	809,630	313,550	(268,616)
<i>Total Primary Government Net Expense</i>	<u>(\$17,327,624)</u>	<u>(\$16,890,920)</u>	<u>(\$18,021,745)</u>

2005	2004	2003	2002
\$4,513,961	\$4,843,345	\$4,516,277	\$4,060,361
4,696,595	4,719,423	4,099,951	3,849,577
3,264,023	3,391,320	3,026,454	2,880,439
165,278	209,642	243,755	45,199
1,515,957	1,394,766	1,249,546	1,311,478
711,271	976,913	613,461	1,019,191
746,633	763,373	915,928	3,954,442
4,815,778	4,263,114	3,786,962	787,321
610,370	605,446	720,371	364,581
<u>21,039,866</u>	<u>21,167,342</u>	<u>19,172,705</u>	<u>18,272,589</u>
3,277,619	3,171,606	3,105,244	3,396,720
<u>2,249,871</u>	<u>2,278,779</u>	<u>1,704,107</u>	<u>2,423,832</u>
<u>5,527,490</u>	<u>5,450,385</u>	<u>4,809,351</u>	<u>5,820,552</u>
<u>26,567,356</u>	<u>26,617,727</u>	<u>23,982,056</u>	<u>24,093,141</u>
(16,878,025)	(17,045,464)	(15,166,964)	(14,959,161)
<u>31,601</u>	<u>537,430</u>	<u>437,409</u>	<u>(47,355)</u>
<u>(\$16,846,424)</u>	<u>(\$16,508,034)</u>	<u>(\$14,729,555)</u>	<u>(\$15,006,516)</u>

(continued)

**City of Bedford, Ohio**  
*Changes in Net Assets (continued)*  
*Last Seven Years*  
*(Accrual Basis of Accounting)*

	2008	2007	2006
<b>General Revenues and Other</b>			
<b>Changes in Net Assets</b>			
Governmental Activities			
Taxes:			
Property and Taxes Levied For:			
General Purposes	\$2,436,161	\$2,648,487	\$2,435,575
Fire Medic Levy	725,316	788,498	n/a
Fire Pension	77,712	84,484	n/a
Police Pension	77,712	84,484	n/a
Other Purposes (1)			880,516
Municipal Income Taxes levied for:			
General Purposes	9,098,927	9,852,161	10,834,317
Debt Service	680,711	769,619	870,902
Capital Outlay	0	0	0
Grants and Entitlements not Restricted to			
Specific Programs	1,852,030	1,735,202	1,940,740
Investment Income	411,024	750,070	648,078
Gain on Sale of Capital Assets	114,650	38,742	27,503
Miscellaneous	237,977	442,004	301,092
<i>Total Governmental Activities</i>	<u>15,712,220</u>	<u>17,193,751</u>	<u>17,938,723</u>
Business-Type Activities			
Municipal Income Taxes levied for:			
Other Purpose - Wastewater	291,734	329,833	373,551
Investment Income	145,854	189,673	140,178
Gain on Sale of Capital Assets	0	0	3,903
Miscellaneous	30,342	30,748	3,408
<i>Total Business-Type Activities</i>	<u>467,930</u>	<u>550,254</u>	<u>521,040</u>
<i>Total Primary Government General Revenues and Other Changes in Net Assets</i>	<u>16,180,150</u>	<u>17,744,005</u>	<u>18,459,763</u>
<b>Change in Net Assets</b>			
Governmental Activities	(2,425,034)	(10,719)	185,594
Business-Type Activities	1,277,560	863,804	252,424
<i>Total Primary Government Change in Net Assets</i>	<u>(\$1,147,474)</u>	<u>\$853,085</u>	<u>\$438,018</u>

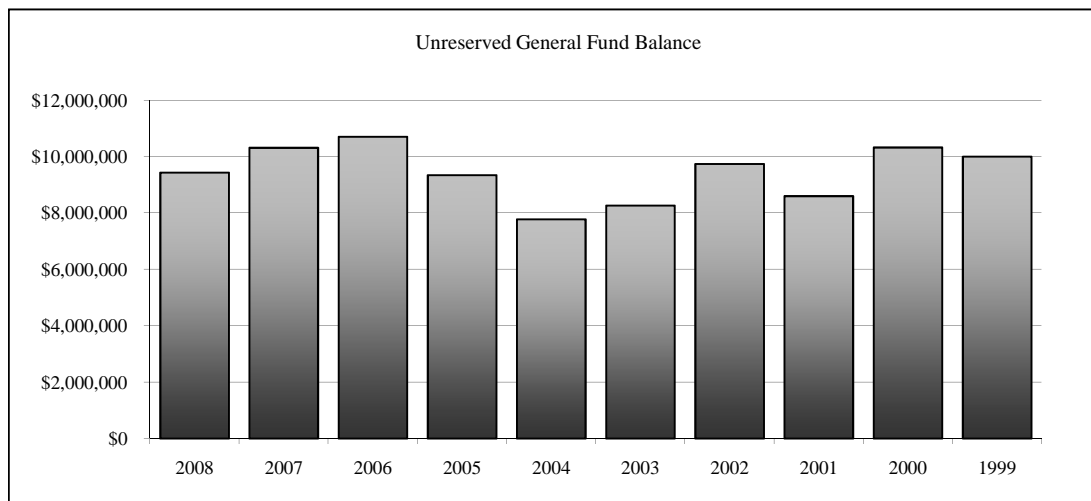
(1) 2007 was the first year other purposes was further classified.



2005	2004	2003	2002
\$2,548,372	\$2,499,866	\$2,306,655	\$2,379,963
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
885,180	903,784	820,713	848,405
10,625,798	8,661,875	8,749,253	9,420,817
653,673	0	0	0
0	588,120	566,714	802,473
1,925,920	1,743,683	1,310,787	1,697,045
255,900	150,677	202,952	455,414
80,398	1,900	632,343	3,000
399,247	319,839	288,177	227,074
<u>17,374,488</u>	<u>14,869,744</u>	<u>14,877,594</u>	<u>15,834,191</u>
435,782	392,079	377,810	0
87,679	47,286	43,442	78,400
0	0	2,834	0
23,426	6,074	3,881	0
<u>546,887</u>	<u>445,439</u>	<u>427,967</u>	<u>78,400</u>
<u>17,921,375</u>	<u>15,315,183</u>	<u>15,305,561</u>	<u>15,912,591</u>
496,463	(2,175,720)	(289,370)	875,030
<u>578,488</u>	<u>982,869</u>	<u>865,376</u>	<u>31,045</u>
<u>\$1,074,951</u>	<u>(\$1,192,851)</u>	<u>\$576,006</u>	<u>\$906,075</u>

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

	2008	2007	2006	2005
<b>General Fund</b>				
Reserved	\$51,122	\$78,845	\$123,858	\$125,743
Unreserved	9,435,657	10,313,325	10,708,438	9,341,622
<b>Total General Fund</b>	<u>9,486,779</u>	<u>10,392,170</u>	<u>10,832,296</u>	<u>9,467,365</u>
<b>All Other Governmental Funds</b>				
Reserved	359,147	836,062	1,713,841	1,070,584
Unreserved, Undesignated, Reported in:				
Special Revenue funds	3,192,288	3,398,068	2,536,991	1,706,315
Debt Service funds	248,695	443,234	536,692	238,235
Capital Projects funds	849,002	823,158	915,568	908,542
<b>Total All Other Governmental Funds</b>	<u>4,649,132</u>	<u>5,500,522</u>	<u>5,703,092</u>	<u>3,923,676</u>
<b>Total Governmental Funds</b>	<u><u>\$14,135,911</u></u>	<u><u>\$15,892,692</u></u>	<u><u>\$16,535,388</u></u>	<u><u>\$13,391,041</u></u>



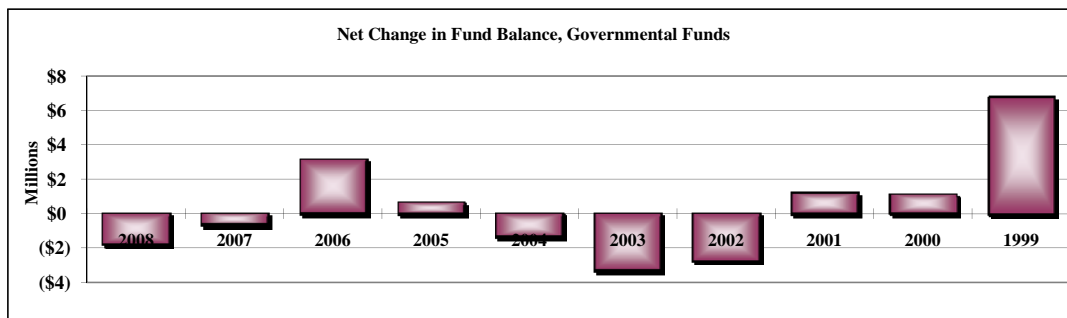
2004	2003	2002	2001	2000	1999
\$183,862	\$93,979	\$111,332	\$311,581	\$121,578	\$126,961
7,780,251	8,266,852	9,742,716	8,598,221	10,323,310	9,996,436
7,964,113	8,360,831	9,854,048	8,909,802	10,444,888	10,123,397
1,118,261	1,671,140	3,501,721	10,728,155	2,165,397	532,040
1,982,268	1,851,040	1,939,063	1,854,500	1,506,578	1,334,808
240,837	301,642	330,600	424,372	375,887	348,721
1,445,177	1,931,071	1,778,295	(1,785,344)	4,411,400	5,426,364
4,786,543	5,754,893	7,549,679	11,221,683	8,459,262	7,641,933
<u>\$12,750,656</u>	<u>\$14,115,724</u>	<u>\$17,403,727</u>	<u>\$20,131,485</u>	<u>\$18,904,150</u>	<u>\$17,765,330</u>

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

	2008	2007	2006	2005	2004
<b>Revenues</b>					
Property Taxes	\$3,314,450	\$3,570,124	\$3,333,834	\$3,540,788	\$3,349,741
Municipal Income Taxes	9,401,167	10,648,355	11,769,832	10,833,996	9,472,207
Charges for Services	774,816	699,046	592,280	694,247	652,848
Fees, Licenses and Permits	207,702	292,484	186,128	147,565	118,615
Fines and Forfeitures	1,917,688	1,768,546	1,512,922	1,470,857	1,463,728
Intergovernmental	3,954,097	3,535,460	3,556,398	3,503,173	3,306,031
Special Assessments	449,480	498,755	399,087	416,712	366,902
Contributions and Donations	0	45,100	0	0	0
Interest	386,021	723,195	634,911	254,732	148,847
Rentals	14,290	20,010	8,563	0	0
Other	237,977	442,004	301,092	393,507	322,239
<b>Total Revenues</b>	<b>20,657,688</b>	<b>22,243,079</b>	<b>22,295,047</b>	<b>21,255,577</b>	<b>19,201,158</b>
<b>Expenditures</b>					
<b>Current:</b>					
General Government	4,833,025	4,619,198	4,533,556	4,151,780	4,143,464
Security of Persons and Property:					
Police	5,296,548	5,347,238	4,820,692	4,558,302	4,551,955
Fire	3,967,593	3,833,850	3,241,431	3,297,888	3,206,450
Public Health and Welfare	210,749	189,816	165,494	165,551	211,537
Leisure Time Activities	1,408,141	1,459,829	1,572,900	1,460,622	1,297,764
Community Development	1,728,246	1,034,540	1,043,168	1,876,405	970,143
Basic Utilities Services	1,025,646	879,667	839,357	735,683	752,653
Transportation	2,674,815	2,524,594	2,282,383	2,280,367	2,196,645
Capital Outlay	474,873	1,865,496	1,008,659	1,007,907	2,097,823
Debt Service:					
Principal Retirement	652,402	599,739	519,787	513,968	554,109
Interest and Fiscal Charges	519,709	572,980	401,043	584,173	597,783
Bond Issuance Costs	0	0	185,268	0	0
<b>Total Expenditures</b>	<b>22,791,747</b>	<b>22,926,947</b>	<b>20,613,738</b>	<b>20,632,646</b>	<b>20,580,326</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(2,134,059)</b>	<b>(683,868)</b>	<b>1,681,309</b>	<b>622,931</b>	<b>(1,379,168)</b>
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	336,433	41,172	29,703	80,804	59,100
Proceeds from Hospital	0	0	0	0	0
Manuscript Bonds Issued	0	0	0	0	0
General Obligation Bonds Issued	0	0	8,929,000	0	0
Premium on Bonds Issued	0	0	60,111	0	0
Discount on Bonds Issued	0	0	(54,376)	0	0
Payment to Refunded Bond Escrow Agent	0	0	(7,501,400)	0	0
Inception of Capital Lease	40,845	0	0	16,650	0
Transfers In	4,701,390	5,874,801	4,847,314	4,551,897	6,810,084
Transfers Out	(4,701,390)	(5,874,801)	(4,847,314)	(4,631,897)	(6,855,084)
<b>Total Other Financing Sources (Uses)</b>	<b>377,278</b>	<b>41,172</b>	<b>1,463,038</b>	<b>17,454</b>	<b>14,100</b>
<b>Net Change in Fund Balances</b>	<b>(\$1,756,781)</b>	<b>(\$642,696)</b>	<b>\$3,144,347</b>	<b>\$640,385</b>	<b>(\$1,365,068)</b>

Debt Service as a Percentage of Noncapital Expenditures

2008	2007	2006	2005	2004
5.5%	5.8%	5.7%	5.9%	6.6%



2003	2002	2001	2000	1999
\$3,052,678	\$3,220,330	\$5,414,988	\$4,896,615	\$5,048,953
9,084,589	10,124,623	8,936,404	9,098,951	7,760,303
652,253	574,762	470,216	450,995	443,085
126,644	138,713	119,478	127,469	137,676
1,422,916	1,043,171	1,159,891	818,085	1,058,403
2,692,894	3,087,774	2,476,698	1,192,488	992,445
350,470	374,681	423,688	357,317	635,299
0	0	0	0	0
199,101	449,195	1,099,035	1,094,591	696,567
0	0	0	0	0
289,472	227,074	491,427	235,550	178,568
<u>17,871,017</u>	<u>19,240,323</u>	<u>20,591,825</u>	<u>18,272,061</u>	<u>16,951,299</u>
4,203,294	3,588,172	3,526,175	3,478,323	3,290,867
4,427,282	3,841,773	3,883,783	3,811,647	3,306,215
2,552,163	2,889,019	2,053,176	2,013,174	1,929,366
246,935	217,804	232,125	195,743	189,367
1,239,885	1,277,894	1,010,467	1,072,776	1,003,178
1,117,917	1,072,361	615,877	403,115	279,060
856,764	729,050	761,940	258,135	271,079
2,054,180	1,915,424	1,719,426	1,730,093	1,750,178
4,009,134	12,652,137	4,800,947	3,308,034	2,728,905
489,052	443,108	328,189	192,260	372,260
733,594	319,422	529,909	382,241	89,393
47,999	224,917	0	0	0
<u>21,978,199</u>	<u>29,171,081</u>	<u>19,462,014</u>	<u>16,845,541</u>	<u>15,209,868</u>
<u>(4,107,182)</u>	<u>(9,930,758)</u>	<u>1,129,811</u>	<u>1,426,520</u>	<u>1,741,431</u>
819,179	3,000	0	21,296	0
0	0	87,500	0	26,765
0	0	0	200,000	0
0	7,200,000	0	0	5,000,000
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	499,303
6,627,043	5,364,594	7,201,348	6,052,255	4,511,602
<u>(6,627,043)</u>	<u>(5,364,594)</u>	<u>(7,191,324)</u>	<u>(6,561,251)</u>	<u>(4,979,825)</u>
<u>819,179</u>	<u>7,203,000</u>	<u>97,524</u>	<u>(287,700)</u>	<u>5,057,845</u>
<u>(\$3,288,003)</u>	<u>(\$2,727,758)</u>	<u>\$1,227,335</u>	<u>\$1,138,820</u>	<u>\$6,799,276</u>
7.6%	6.4%	6.2%	4.4%	3.8%

**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
2008	\$172,280,760	\$108,449,470	\$802,086,371	\$6,468,910	\$7,351,034
2007	171,872,930	101,454,280	780,934,886	8,318,020	9,452,295
2006	152,499,920	89,128,130	690,365,857	8,552,600	9,718,864
2005	152,594,310	87,156,280	685,001,686	9,323,120	10,594,455
2004	152,563,070	90,476,710	694,399,371	9,568,670	10,873,489
2003	137,785,010	83,434,040	632,054,429	9,583,040	10,889,818
2002	137,816,380	81,783,120	627,427,143	10,282,780	11,684,977
2001	137,814,680	82,927,810	630,692,829	11,224,870	12,755,534
2000	120,510,280	73,536,000	554,417,943	12,821,650	14,570,057
1999	120,230,080	74,290,830	555,774,029	12,856,640	14,609,818

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

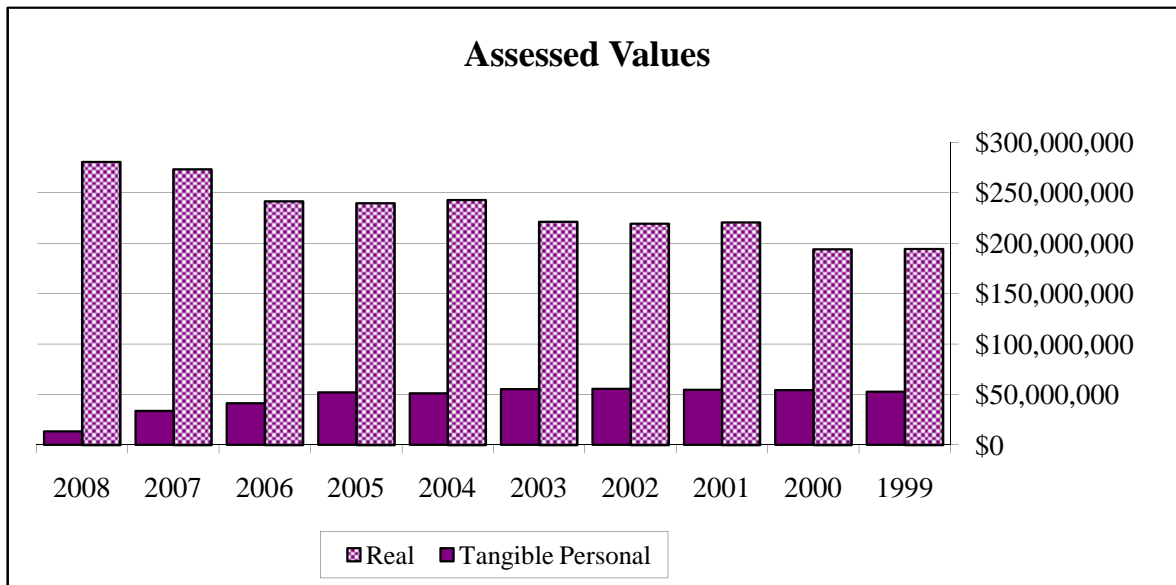
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General 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. For collection year 2006 both types of general business tangible personal property were assessed at 18.75 percent. The percentage will be 12.5 percent for 2007, 6.25 percent for 2008 and zero for 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 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		
\$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
45,552,210	189,800,875	276,354,300	832,745,122	33.19	12.80
45,366,712	189,027,967	275,248,992	828,140,087	33.24	12.80
43,255,357	173,021,428	275,222,717	816,469,791	33.71	12.80
41,445,946	165,783,784	248,313,876	734,771,784	33.79	12.80
39,817,596	159,270,384	247,195,146	729,654,231	33.88	12.80



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

	2008	2007	2006	2005	2004
<b>Unvoted Millage</b>					
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>
<b>Voted Millage - by levy</b>					
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
<i>Total Voted Millage</i>	<u>8.9200</u>	<u>8.9200</u>	<u>8.9200</u>	<u>8.9200</u>	<u>8.9200</u>
<b>Total Millage</b>	<u><u>\$12.8000</u></u>	<u><u>\$12.8000</u></u>	<u><u>\$12.8000</u></u>	<u><u>\$12.8000</u></u>	<u><u>\$12.8000</u></u>
<b>Overlapping Rates by Taxing District</b>					
Bedford City School District					
Residential/Agricultural Real	\$30.9967	\$31.0146	\$31.0133	\$33.9158	\$33.8874
Commerical/Industrial and Public Utility Real	14.8100	42.9154	43.1055	44.6558	44.6073
General Business and Public Utility Personal	67.6000	67.6000	67.6000	67.4000	67.4000
Cuyahoga County					
Residential/Agricultural Real	12.6607	11.8689	11.8655	11.7227	10.9754
Commerical/Industrial and Public Utility Real	12.8153	12.4536	12.4941	12.5762	11.9846
General Business and Public Utility Personal	13.3200	13.4200	13.4200	13.5200	13.5200
Special Taxing Districts (1)					
Residential/Agricultural Real	6.6597	5.9676	5.9669	6.2900	6.2880
Commerical/Industrial and Public Utility Real	6.8911	6.2518	6.2727	6.5552	6.5067
General Business and Public Utility Personal	7.2800	6.7800	6.7800	6.7800	6.7800

Source: Cuyahoga County Auditor

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



2003	2002	2001	2000	1999
\$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
8.9200	8.9200	8.9200	8.9200	8.9200
<u>\$12.8000</u>	<u>\$12.8000</u>	<u>\$12.8000</u>	<u>\$12.8000</u>	<u>\$12.8000</u>
\$28.9913	\$31.2275	\$31.2314	\$31.3060	\$35.1397
39.4438	39.9366	39.9540	39.9684	43.7005
62.5000	62.5000	62.5000	62.5000	62.6000
10.9899	12.4609	11.3815	11.3967	11.4114
12.0433	12.8764	12.0023	11.9298	12.3736
13.5200	14.6500	14.6500	14.6500	13.7500
4.7783	2.5323	2.5354	2.5422	2.8242
5.1811	2.5497	2.5320	2.5253	2.8923
5.8800	2.9500	2.9500	2.9500	2.9500

**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)
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
2004	3,233,136	3,014,061	93.22	44,237	3,058,298
2003	2,956,252	2,804,509	94.87	99,856	2,904,365
2002	2,945,300	2,797,393	94.98	150,618	2,948,011
2001	2,961,620	2,790,577	94.22	90,090	2,880,667
2000	2,634,161	2,559,951	97.18	73,816	2,633,767
1999	2,643,590	2,547,540	96.37	61,049	2,608,589

Source: Cuyahoga County, Ohio; County Auditor

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

Note: The County does not maintain delinquency information by tax year.

Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
96.91%	\$443,464	12.30%
98.55	366,241	10.25
96.40	304,742	9.49
100.22	220,549	6.93
94.59	327,785	10.14
98.24	273,875	9.26
100.09	199,186	6.76
97.27	191,148	6.45
99.99	106,576	4.05
98.68	95,378	3.61

**City of Bedford, Ohio**  
*Principal Real Property Taxpayers*  
2008 and 1999

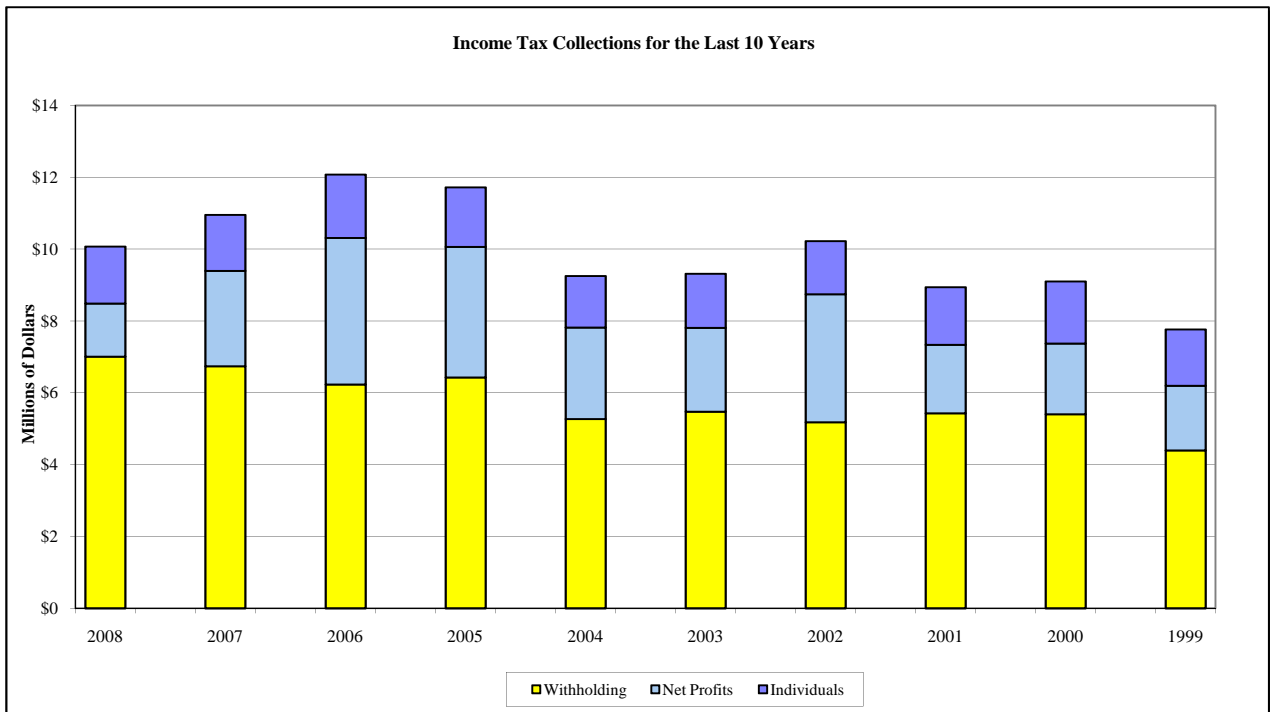
<i>2008</i>		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Total Assessed Valuation
Ben Venue	\$9,380,670	3.34 %
Bear Creek Property Company	7,159,350	2.55
Wal-Mart Stores	6,389,290	2.28
Cleveland Electric Illuminating Company	5,345,090	1.90
Bedford Colony Club Apartments	4,571,110	1.63
University Hospitals Health Systems	3,479,780	1.24
CSH-ING Woodside Village	3,164,040	1.13
HIN, LLC	2,800,010	1.00
Nextgen Group	2,141,170	0.76
Colony Club Apartments II	1,868,860	0.66
<b>Total</b>	<b>\$46,299,370</b>	<b>16.49 %</b>
<b>Total Assessed Valuation</b>	<b>\$280,730,230</b>	
<i>1999</i>		
Taxpayer	Real Property Assessed Valuation (1)	Percentage of Total Assessed Valuation
Meadowbrook Development Corporation	\$9,648,890	4.96 %
Cleveland Electric Illuminating Company	6,977,740	3.59
Bedford Colony Club Apartments	6,959,820	3.58
Ohio Bell Telephone Company	4,177,210	2.15
Aspen Woodside Village LLC	3,097,500	1.58
Boehringer Ingelheim Corporation (Ben Venue)	2,840,530	1.46
Pick-N-Pay Supermarkets, Incorporated	2,526,720	1.30
L.G.S Properties/Lee Seidman	2,352,040	1.21
Bedford Green	1,477,840	0.76
East Ohio Gas Company	1,409,190	0.72
<b>Total</b>	<b>\$41,467,480</b>	<b>21.32 %</b>
<b>Total Assessed Valuation</b>	<b>\$194,520,910</b>	

Source: Cuyahoga County Auditor

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

Tax Year (1)	Tax Rate (2)	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
2008	2.25%	\$10,071,372	\$7,007,660	69.58%	\$1,472,435	14.62%	\$1,591,277	15.80%
2007	2.25	10,951,613	6,739,622	61.54	2,654,671	24.24	1,557,320	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	11,715,253	6,430,025	54.89	3,631,690	31.00	1,653,538	14.11
2004	2.25	9,249,995	5,264,879	56.92	2,547,691	27.54	1,437,425	15.54
2003	2.25	9,315,967	5,470,228	58.72	2,337,310	25.09	1,508,429	16.19
2002	2.25	10,223,290	5,181,699	50.69	3,562,665	34.85	1,478,926	14.46
2001	2.25	8,936,404	5,424,327	60.70	1,908,505	21.36	1,603,572	17.94
2000	2.25	9,098,951	5,400,054	59.35	1,967,918	21.63	1,730,979	19.02
1999	2.00	7,760,303	4,398,963	56.69	1,793,285	23.11	1,568,055	20.20

- (1) 2002 through 2008 are on an Accrual Basis and 1999 through 2001 are on a Modified Accrual Basis
- (2) Effective January 1, 2000 City of Bedford Electors voted to increase the City income tax by .25% to generate proceeds to be used for the construction of the new Municipal Complex which includes a new Municipal Court.
- (3) The City is statutorily prohibited from presenting individual taxpayer information.



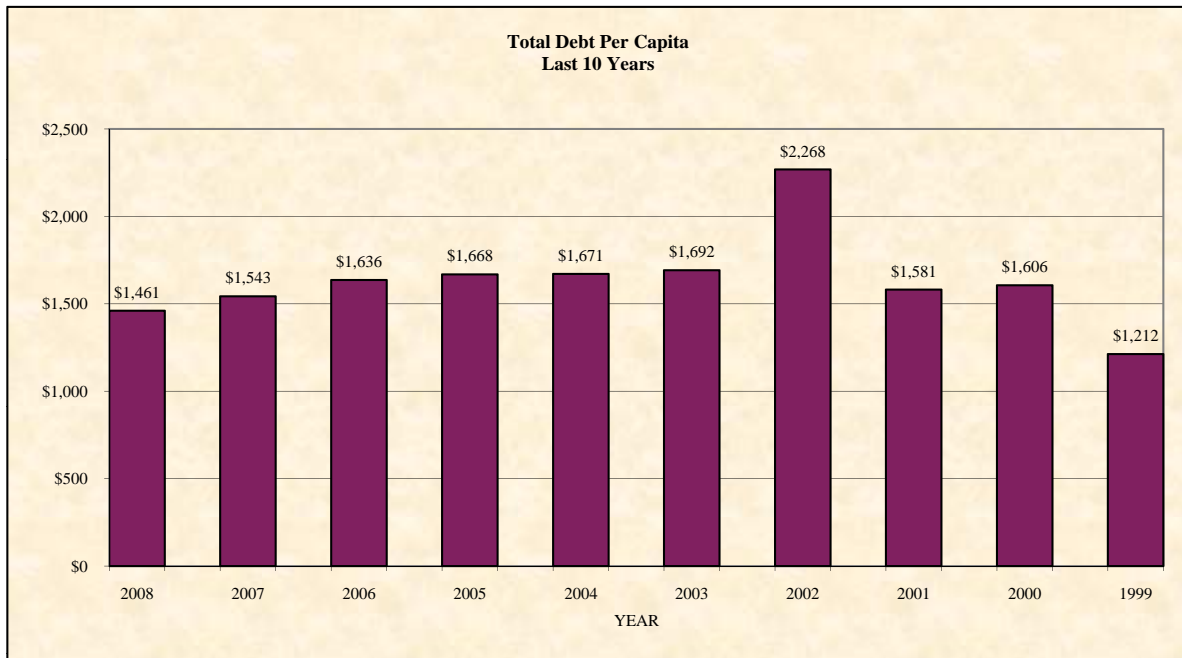
**City of Bedford, Ohio**  
*Ratio of Outstanding Debt to  
Total Personal Income and Debt Per Capita  
Last Ten Years*

Year	Governmental Activities						General Obligation Bonds
	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Capital Leases	Police Pension	Bond Anticipation Notes	
2008	\$10,861,303	\$430,000	\$433,577	\$42,712	\$194,216	\$0	\$2,145,609
2007	11,363,218	500,000	481,766	9,263	198,133	0	2,360,202
2006	11,816,833	570,000	529,955	12,458	201,888	0	2,563,095
2005	10,780,000	635,000	578,144	15,456	205,488	591,850	2,088,206
2004	11,165,000	710,000	626,333	1,133	208,940	0	2,261,551
2003	11,590,000	785,000	674,522	3,743	212,250	0	2,434,896
2002	11,855,000	850,000	722,711	111,432	215,424	5,000,000	3,210,000
2001	4,880,000	915,000	770,900	213,308	218,467	5,000,000	655,000
2000	5,095,000	980,000	819,089	309,684	221,385	5,000,000	680,000
1999	5,000,000	1,045,000	322,770	388,078	224,182	0	705,000

Note: Population and Personal Income data are presented on page S30.

**Business-Type Activities**

Special Assessment Bonds	Mortgage Revenue Bonds	OWDA Loans	OPWC Loans	Bond Anticipation Notes	Total Debt	Percentage of Personal Income	Per Capita
\$0	\$0	\$5,442,910	\$1,210,512	\$0	\$20,760,839	7.28%	\$1,461
0	0	6,121,100	899,418	0	21,933,100	7.69	1,543
0	0	6,765,264	793,921	0	23,253,414	8.15	1,636
0	0	7,376,946	835,931	608,150	23,715,171	8.31	1,668
40,000	0	7,957,546	785,311	0	23,755,814	8.32	1,671
80,000	0	8,224,551	45,796	0	24,050,758	8.43	1,692
120,000	1,070,000	8,366,857	49,959	670,400	32,241,783	11.30	2,268
155,000	1,145,000	7,793,761	54,122	670,400	22,470,958	7.87	1,581
190,000	1,215,000	8,264,574	58,287	0	22,833,019	8.00	1,606
225,000	1,280,000	8,713,577	62,450	0	17,966,057	8.12	1,212



**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)	Ratio of Bonded Debt to Estimated True Values of Taxable Property	Bonded Debt Per Capital
2008	14,214	b	\$917,389,246	\$10,861,303	1.18 %	\$764.13
2007	14,214	b	992,180,325	11,363,218	1.15	799.44
2006	14,214	b	874,106,513	11,816,833	1.35	831.35
2005	14,214	b	881,166,405	10,780,000	1.22	758.41
2004	14,214	b	886,322,708	11,165,000	1.26	785.49
2003	14,214	b	832,745,122	11,590,000	1.39	815.39
2002	14,214	b	828,140,087	11,855,000	1.43	834.04
2001	14,214	b	816,469,791	5,535,000	0.68	389.40
2000	14,214	b	734,771,784	5,775,000	0.79	406.29
1999	14,822	a	729,654,231	5,705,000	0.78	384.90

Sources:

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

(a) 1990 Federal Census

(b) 2000 Federal Census

(2) Cuyahoga County Auditor

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



**City of Bedford, Ohio**  
*Computation of Direct and Overlapping Governmental Activities Debt*  
*December 31, 2008*

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City of Bedford
<b>Direct - City of Bedford</b>			
General Obligation Bonds	\$10,861,303	100.00%	\$10,861,303
Special Assessment Bonds	430,000	100.00%	430,000
OPWC Loans	433,577	100.00%	433,577
Capital Leases	42,712	100.00%	42,712
Police Pension	194,216	100.00%	194,216
<i>Total Direct Debt</i>	<u>11,961,808</u> *		<u>11,961,808</u>
<b>Overlapping</b>			
Bedford School District			
General Obligation Bonds	7,451,998	37.18%	2,770,653
Loans	336,000	37.18%	124,925
Capital Leases	249,604	37.18%	92,803
Cuyahoga County			
General Obligation Bonds	248,899,326	0.94%	2,339,654
Capital Leases	6,529,000	0.94%	61,373
Revenue Bonds	106,015,000	0.94%	996,541
Loans	5,475,000	0.94%	51,465
Greater Cleveland Regional Transit Authority			
	<u>175,765,000</u>	0.94%	<u>1,652,191</u>
<i>Total Overlapping Debt</i>	<u>550,720,928</u>		<u>8,089,604</u>
<b>Total</b>	<u><u>\$562,682,736</u></u>		<u><u>\$20,051,412</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.

\* \$10,085,000 of the total \$10,861,303 of total outstanding general obligation debt is backed by two revenue sources.

\$7,945,420 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.

\$1,743,611 of general obligation debt is backed by a municipal court fee which is added to court cases.

\$430,000 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 \$10,119,031 of outstanding debt will be subject to repayment from this resource.

**City of Bedford, Ohio**  
*Legal Debt Margin*  
*Last Ten Years*

	2008	2007	2006	2005	2004
Population	14,214	14,214	14,214	14,214	14,214
Total Assessed Property Value	<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>
General Bonded Debt Outstanding:					
General Obligation Notes/Bonds	\$13,455,000	\$14,200,000	\$14,379,928	\$12,925,000	\$13,490,000
General Obligation Revenue Notes/Bonds	0	0	0	0	0
Special Assessment Bonds	430,000	500,000	570,000	635,000	750,000
Bond Anticipation Notes	0	0	0	1,200,000	0
OPWC Loans	1,644,089	1,381,184	1,323,876	615,614	667,965
OWDA Loans	<u>5,774,833</u>	<u>6,526,785</u>	<u>7,244,711</u>	<u>7,930,155</u>	<u>8,586,780</u>
Total Gross Indebtedness	21,303,922	22,607,969	23,518,515	23,305,769	23,494,745
Less:					
General Obligation Notes/Bonds	(2,198,500)	(4,206,000)	(4,351,000)	(7,040,000)	(7,355,000)
General Obligation Revenue Notes/Bonds	0	0	0	0	0
Special Assessment Bonds	(430,000)	(500,000)	(570,000)	(635,000)	(750,000)
OPWC Loans	(1,210,512)	(899,418)	(793,921)	(37,470)	(41,632)
OWDA Loans	(5,774,833)	(6,526,785)	(7,244,711)	(7,930,155)	(8,586,780)
General Obligation Bond Retirement Fund Balance	<u>(20,324)</u>	<u>(229,285)</u>	<u>(334,663)</u>	<u>(47,795)</u>	<u>(47,543)</u>
Total Net Debt Applicable to Debt Limit	<u>11,669,753</u>	<u>10,246,481</u>	<u>10,224,220</u>	<u>7,615,349</u>	<u>6,713,790</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<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>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$19,194,591</u>	<u>\$21,974,803</u>	<u>\$19,470,802</u>	<u>\$23,018,912</u>	<u>\$24,182,451</u>
Legal Debt Margin as a Percentage of the Debt Limit	62.19%	68.20%	65.57%	75.14%	78.27%
Unvoted Debt Limitation 5 ½ % of Assessed Valuation	<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>
Total Gross Indebtedness	21,303,922	22,607,969	23,518,515	23,305,769	23,494,745
Less:					
General Obligation Notes/Bonds	(2,198,500)	(4,206,000)	(4,351,000)	(7,040,000)	(7,355,000)
General Obligation Revenue Notes/Bonds	0	0	0	0	0
Special Assessment Bonds	(430,000)	(500,000)	(570,000)	(635,000)	(750,000)
OPWC Loans	(1,210,512)	(899,418)	(793,921)	(37,470)	(41,632)
OWDA Loans	(5,774,833)	(6,526,785)	(7,244,711)	(7,930,155)	(8,586,780)
General Obligation Bond Retirement Fund Balance	<u>(20,324)</u>	<u>(229,285)</u>	<u>(334,663)</u>	<u>(47,795)</u>	<u>(47,543)</u>
Net Debt Within 5 ½ % Limitations	<u>11,669,753</u>	<u>10,246,481</u>	<u>10,224,220</u>	<u>7,615,349</u>	<u>6,713,790</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$4,497,284</u>	<u>\$6,631,335</u>	<u>\$5,330,315</u>	<u>\$8,431,169</u>	<u>\$9,469,955</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	27.82%	39.29%	34.27%	52.54%	58.52%

Source: City Financial Records

2003	2002	2001	2000	1999
14,214	14,214	14,214	14,214	14,822
<u>\$276,354,300</u>	<u>\$275,248,992</u>	<u>\$275,222,717</u>	<u>\$248,313,876</u>	<u>\$247,195,146</u>
\$14,095,000	\$15,065,000	\$5,545,714	\$5,775,000	\$5,705,000
0	1,070,000	1,145,000	1,215,000	1,280,000
865,000	970,000	1,070,000	1,170,000	1,270,000
0	0	5,000,000	5,000,000	0
720,318	772,670	1,430,586	819,091	322,770
<u>9,211,698</u>	<u>8,769,032</u>	<u>7,847,883</u>	<u>8,322,859</u>	<u>8,776,027</u>
24,892,016	26,646,702	22,039,183	22,301,950	17,353,797
(2,505,000)	(3,210,000)	(9,730,000)	(9,895,000)	0
0	(1,070,000)	(1,145,000)	(1,215,000)	(1,280,000)
(865,000)	(970,000)	(1,070,000)	(1,170,000)	(1,270,000)
(45,796)	(49,959)	(770,900)	(877,376)	(385,220)
(9,211,698)	(8,769,032)	(7,847,883)	(8,264,574)	(8,713,577)
<u>(79,634)</u>	<u>(84,136)</u>	<u>(473,223)</u>	<u>(424,738)</u>	<u>(397,572)</u>
<u>12,184,888</u>	<u>12,493,575</u>	<u>1,002,177</u>	<u>455,262</u>	<u>5,307,428</u>
<u>29,017,202</u>	<u>28,901,144</u>	<u>28,898,385</u>	<u>26,072,957</u>	<u>25,955,490</u>
<u>\$16,832,314</u>	<u>\$16,407,569</u>	<u>\$27,896,208</u>	<u>\$25,617,695</u>	<u>\$20,648,062</u>
58.01%	56.77%	96.53%	98.25%	79.55%
<u>\$15,199,487</u>	<u>\$15,138,695</u>	<u>\$15,137,249</u>	<u>\$13,657,263</u>	<u>\$13,595,733</u>
24,892,016	26,646,702	22,039,183	22,301,950	17,353,797
(2,505,000)	(3,210,000)	(9,730,000)	(9,895,000)	0
0	(1,070,000)	(1,145,000)	(1,215,000)	(1,280,000)
(865,000)	(970,000)	(1,070,000)	(1,170,000)	(1,270,000)
(45,796)	(49,959)	(770,900)	(877,376)	(385,220)
(9,211,698)	(8,769,032)	(7,847,883)	(8,264,574)	(8,713,577)
<u>(79,634)</u>	<u>(84,136)</u>	<u>(473,223)</u>	<u>(424,738)</u>	<u>(397,572)</u>
<u>12,184,888</u>	<u>12,493,575</u>	<u>1,002,177</u>	<u>455,262</u>	<u>5,307,428</u>
<u>\$3,014,599</u>	<u>\$2,645,120</u>	<u>\$14,135,072</u>	<u>\$13,202,001</u>	<u>\$8,288,305</u>
19.83%	17.47%	93.38%	96.67%	60.96%

**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)		Coverage
				Principal	Interest	
2008	\$3,837,269	\$3,048,014	\$789,255	\$0	\$0	n/a
2007	3,645,886	3,295,844	350,042	0	0	n/a
2006	3,296,917	3,013,410	283,507	0	0	n/a
2005	3,434,611	3,079,704	354,907	0	0	n/a
2004	3,226,988	3,018,532	208,456	0	0	n/a
2003	3,054,900	3,013,467	41,433	80,000	70,835	0.27
2002	3,292,588	2,864,202	428,386	75,000	180,536	1.68
2001	3,033,056	2,606,282	426,774	70,000	187,706	1.66
2000	2,851,050	2,412,977	438,073	65,000	194,521	1.69
1999	2,787,451	2,457,104	330,347	60,000	196,259	1.29

(1) Revenue debt includes revenue bonds payable solely from net revenues in the City of Bedford water enterprise fund. The revenue bonds were issued in year 1991 in the amount of \$1,650,000 and were refunded to general obligation bonds in 2003.

(2) Direct operating expenses do not include depreciation.

(3) The Water System Mortgage Revenue bonds were refunded into general obligation bonds in 2003.

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	
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
2004	2,099,552	1,254,218	845,334	629,080	413,069	0.81
2003	2,098,879	1,083,100	1,015,779	521,828	344,265	1.17
2002	2,299,155	1,537,132	762,023	497,847	347,892	0.90
2001	2,406,602	1,130,194	1,276,408	474,977	391,117	1.47
2000	2,106,739	975,263	1,131,476	453,166	432,806	1.28
1999	2,098,507	1,208,342	890,165	432,366	433,738	1.03

(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

<b>2008</b>		
Employer	Employees	Percentage of Total City Employment
Ben Venue Laboratories Inc.	1,229	7.73%
University Hospitals Health Systems	1,040	6.54
Walmart Associates Inc.	693	4.36
Bedford Board of Education	626	3.94
City of Bedford	353	2.22
US Bank National Association	294	1.85
Target Department Stores	272	1.71
Riser Foods Company	246	1.56
Jay Pontiac Inc.	174	1.09
Ace Home Health Care	173	1.09
Total	<u>5,100</u>	<u>32.09%</u>
Total Employment within the City	<u>15,895</u>	

<b>1999</b>		
Employer	Employees	Percentage of Total City Employment
University Hospital Health Systems	659	4.14%
Ben Venue Laboratories Inc.	612	3.84
Bedford Board of Education	604	3.79
Target Division of Dayton Hudson	440	2.76
Soft Lite Mintz	345	2.17
City of Bedford	311	1.95
First National Supermarkets	277	1.74
Ohio Bell Telephone Company	186	1.17
Euclid Clinic Foundation	184	1.15
Jay Pontiac Inc.	171	1.07
Total	<u>3,789</u>	<u>23.78%</u>
Total City Employees	<u>15,932</u>	

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



*City of BEDFORD, Ohio*

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

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (5)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Household Income (1)</u>	<u>Median Age (1)</u>
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
2004	14,214	285,360,264	20,076	36,943	39
2003	14,214	285,360,264	20,076	36,943	39
2002	14,214	285,360,264	20,076	36,943	39
2001	14,214	285,360,264	20,076	36,943	39
2000	14,214	285,360,264	20,076	36,943	39
1999	14,822	221,366,570	14,935	30,082	36

(1) Source: U. S. Census

(a) Years 2000 through 2007 - 2000 Federal Census

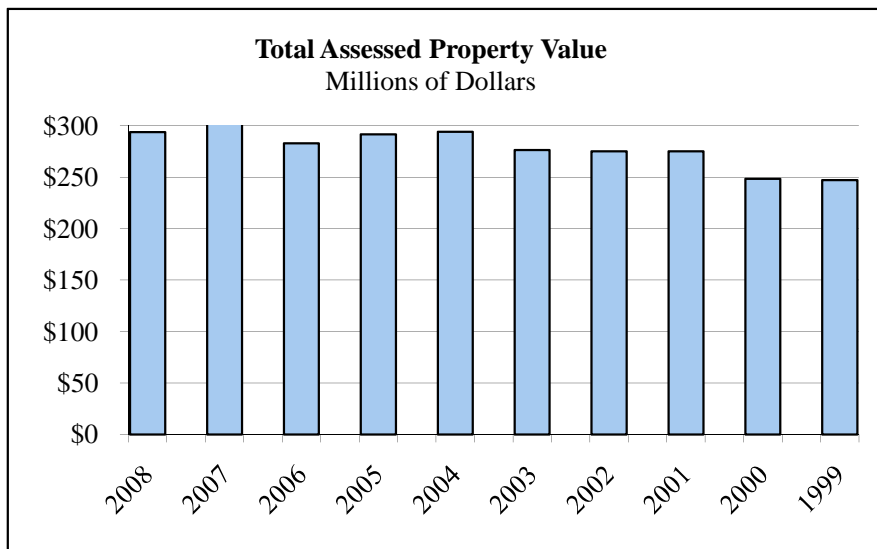
(b) Years 1998 through 1999 - 1990 Federal Census

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

(3) Cuyahoga County Planning Commission

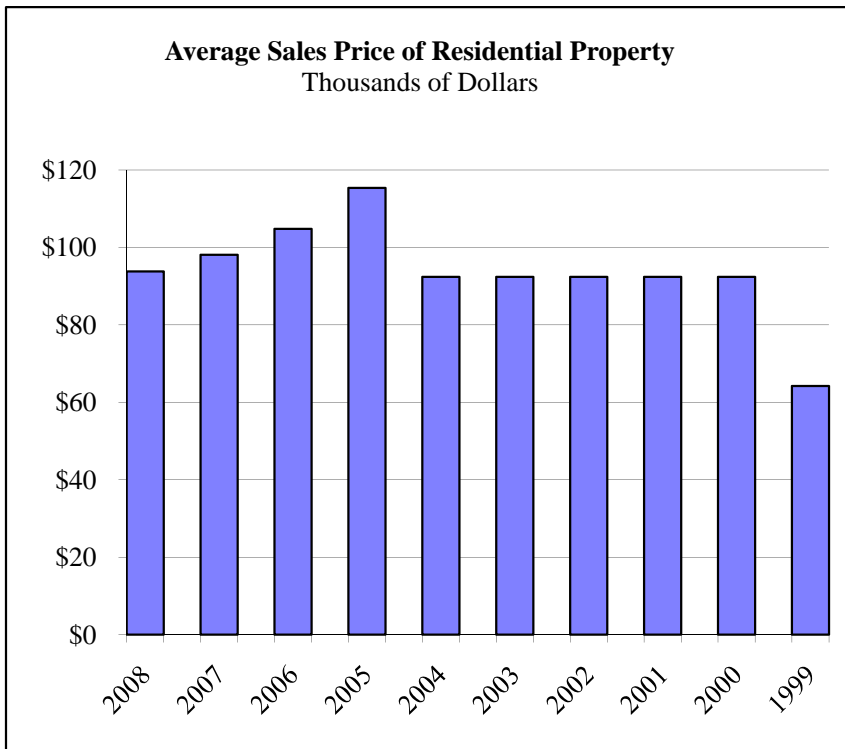
(4) Source: Cuyahoga County Auditor

(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)
18.2%	4,108	7.1%	\$93,827	\$293,946,130
18.2	3,925	6.1	98,124	306,869,373
18.2	3,908	6.6	104,772	282,809,736
18.2	3,680	6.6	115,395	291,754,871
18.2	3,912	6.6	92,400	294,249,915
18.2	3,637	6.2	92,400	276,354,300
18.2	3,720	6.6	92,400	275,248,992
18.2	3,842	4.6	92,400	275,222,717
18.2	3,866	4.5	92,400	248,313,876
11.5	3,883	4.5	64,200	247,195,146



**City of Bedford, Ohio**  
*Full-Time Equivalent City Government Employees by Function/Program*  
*Last Seven Years (1)*

Function/Program	2008	2007	2006	2005
<b>General Government</b>				
Council	8.00	8.00	8.00	8.00
Finance	5.50	5.50	5.50	5.50
Tax	3.50	3.50	3.50	3.00
City Manager	1.00	1.00	1.00	1.00
Law	1.00	1.00	1.00	1.00
Administration	4.00	4.00	4.50	4.50
Engineer	0.50	0.50	0.50	0.50
Planning	2.00	1.50	1.50	1.50
Civil Service	2.50	2.50	2.00	2.00
Court	35.50	36.50	34.50	30.00
Public Building	5.50	5.00	5.00	5.00
<b>Security of Persons and Property</b>				
Police	35.00	33.00	33.00	32.00
Police - Auxiliary/Guards	16.00	16.50	17.50	12.50
Police - Dispatchers/Office/Other	15.50	15.00	10.00	12.50
Police - Jailers	2.50	2.50	3.00	2.00
Police - Animal Wardens	2.50	1.50	2.00	2.00
Fire	27.00	30.00	30.00	28.00
Fire - Secretary - Other	1.00	1.50	1.50	1.50
<b>Public Health Services</b>				
Cemetery	1.00	1.00	2.00	1.50
<b>Leisure Time Activities</b>				
Recreation	20.00	19.00	17.50	14.00
Municipal Pool	16.50	17.50	16.00	15.00
Ellenwood Center	3.50	5.50	5.00	6.50
<b>Community Development</b>				
Building	5.50	5.50	5.00	5.00
Economic Development	2.00	2.00	1.50	1.50
<b>Transportation</b>				
Service	20.50	20.00	20.50	24.50
Street M&R	6.50	6.50	6.50	4.50
<b>Basic Utility Services</b>				
Water	9.00	8.50	7.00	9.50
Wastewater	10.50	10.00	11.00	11.00
Totals:	263.50	264.50	256.00	245.50

**Source:** City of Bedford, Ohio Payroll Department W2 Audit Lising

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

(1) Information prior to 2002 is not available

2004	2003	2002
8.00	8.00	8.00
5.00	5.50	5.50
3.50	3.00	3.00
1.00	1.00	1.00
1.50	1.50	1.00
4.50	4.50	4.50
0.50	0.50	0.50
1.50	1.50	1.50
2.00	2.00	2.00
35.00	35.00	35.00
4.00	4.00	2.00
32.00	30.00	30.00
12.50	13.00	13.00
12.50	13.50	13.50
3.00	2.00	2.00
2.00	1.50	1.50
29.00	30.00	30.00
1.50	1.50	1.50
1.50	2.50	2.50
14.00	14.00	1.50
15.00	15.50	15.00
6.50	5.50	4.50
5.00	5.00	5.00
1.50	1.50	1.50
24.50	21.00	23.00
4.50	5.00	4.00
9.50	8.50	7.50
11.00	11.50	11.00
252.00	248.00	231.00

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

Function/Program	2008	2007	2006	2005
<b>General Government</b>				
<i>Council &amp; Clerk</i>				
Number of Ordinances Passed	265	133	90	117
Number of Resolutions Passed	23	9	9	20
<i>Finance Department</i>				
Number of checks/ vouchers issued	4,377	4,795	4,428	5,658
Amount of checks written	\$23,125,393	\$24,035,165	\$21,085,783	\$24,398,291
Interest earnings for fiscal year (cash basis)	\$536,297	\$948,213	\$710,467	\$416,804
Number of Receipts issued	1,677	1,665	1,628	1,717
Number of Journal Entries issued	1,166	1,059	826	808
Number of Budget Adjustments issued	115	112	122	136
Agency Ratings - Standard & Poors	AA-	AA-	AA-	A+
Agency Ratings - Moody's Financial Services	A1	A1	A1	A1
Health Insurance Costs vs General Fund Expenditures %	13.25%	12.49%	11.79%	12.01%
General Fund Receipts (cash basis in thousands)	\$21,478	\$22,709	\$17,725	\$16,088
General Fund Expenditures (cash basis in thousands)	\$17,047	\$23,570	\$15,203	\$15,299
General Fund Cash Balances (in thousands)	\$7,903	\$9,392	\$10,214	\$7,613
<i>Income Tax Department</i>				
Number of Individual Returns	6,760	6,808	7,274	7,973
Number of Business Returns	2,877	2,650	2,700	2,575
Number of business withholding accounts	1,230	1,610	1,861	1,885
Amount of Penalties and Interest Collected	\$134,751	\$135,901	\$255,463	\$133,572
Annual number of Corporate withholding forms processed	7,296	9,088	10,076	10,372
Annual number of balance due statements forms processed	15,509	13,486	15,939	17,016
Annual number of estimated payment forms processed	11,530	12,007	12,385	12,619
Annual number of reconciliations of withholdings processed	1,296	1,625	1,884	1,910
<i>Engineer Contracted Services</i>				
Dollar amount of Construction overseen by Engineer	\$1,453,306	\$1,981,083	\$572,572	\$2,582,246
<i>Municipal Court</i>				
Number of Civil Cases	5,770	5,267	4,577	4,378
Number of Criminal cases	11,400	10,732	10,289	10,521
<i>Vital Statistics</i>				
Certificates Filed				
Number of Births	1	2	2	2
Number of Deaths	266	232	255	261
Certificates Issued				
Number of Births	859	1,055	1,226	1,239
Number of Deaths	1,385	960	1,327	1,487
Burial Permits Issued	698	606	465	454
<i>Civil Service</i>				
Number of police entry tests administered	0	1	1	1
Number of fire entry tests administered	0	0	1	1
Number of police promotional tests administered	0	2	0	0
Number of fire promotional tests administered	0	1	0	0
Number of hires of Police Officers from certified lists	2	0	0	0
Number of hires of Fire/Medics from certified lists	0	0	0	0
Number of promotions from police certified lists	3	0	0	0
Number of promotions from fire certified lists	1	0	0	0

2004	2003	2002	2001
90	56	84	105
27	17	22	20
5,144	4,701	4,844	5,029
\$22,180,264	\$24,678,378	\$33,169,166	\$31,699,956
\$221,336	\$263,675	\$738,521	\$1,498,727
1,672	1,716	1,981	1,878
701	697	684	628
163	134	110	121
A+	A+	A+	A+
A1	A1	A1	A1
14.25%	9.85%	9.99%	8.37%
\$14,958	\$14,128	\$15,801	\$14,209
\$15,299	\$15,535	\$14,146	\$15,410
\$7,316	\$7,657	\$9,064	\$7,409
8,660	11,336	10,000	10,000
2,693	2,525	2,000	2,000
1,929	1,396	n/a	n/a
\$124,942	\$112,013	\$120,607	\$124,939
10,772	n/a	n/a	n/a
17,397	n/a	n/a	n/a
12,646	n/a	n/a	n/a
1,941	n/a	n/a	n/a
\$2,130,797	\$1,729,184	\$3,828,951	\$2,557,033
4,074	3,642	3,378	3,274
11,254	11,875	12,345	15,983
436	398	465	n/a
196	241	291	n/a
1,369	1,459	1,668	n/a
1,101	1,574	1,651	n/a
462	602	633	n/a
0	0	1	0
0	0	0	1
1	1	0	0
0	0	1	0
2	0	0	0
0	0	0	0
1	1	5	0
0	0	5	1

(continued)

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

Function/Program	2008	2007	2006	2005
<b><i>Building Department Indicators</i></b>				
Construction Permits Issued	129	127	127	120
Estimated Value of Construction	\$6,321,592	\$27,740,947	\$5,260,975	\$36,405,800
Number of all permits issued	848	905	912	918
Amount of Revenue generated from permits	\$77,938	\$162,079	\$65,057	\$64,474
Number of contract registrations issued	450	517	605	453
Number of rental inspections performed	451	442	470	503
Number of point of sale inspections	253	304	347	342
Annual Apartment/Rooming House License Fees	\$36,040	\$37,780	\$31,550	\$7,560
Revenue generated from inspections	\$87,985	\$85,780	\$92,712	\$59,803
<b>Security of Persons &amp; Property</b>				
<b><i>Police</i></b>				
Total Calls for Services	24,866	22,454	15,000	10,536
Number of traffic citations issued	2,505	2,568	2,574	3,214
Number of parking citations issued	1,438	1,280	1,434	1,427
Number of criminal arrests	2,284	1,718	1,863	1,610
Number of accident reports completed	470	553	486	544
Part 1 Offenses (major offenses)	600	657	576	540
Animal Warden service calls responded to per annual report	1,542	1,535	1,732	1,566
Police Dept. Auxiliary hours worked	3,529	3,439	2,668	2,892
DUI Arrests	48	35	48	50
Prisoners	1,672	1,456	1,510	1,415
Prisoner meal costs	\$28,509	\$20,517	\$16,139	\$14,157
Juvenile Arrests	455	340	332	168
Different Juvenile Arrests	268	253	253	159
Juvenile Repeat Offenders	65	49	47	9
Motor Vehicle Accidents	459	541	486	526
Property damage accidents	36	430	422	452
Fatalities from Motor Vehicle Accidents	2	1	0	1
Gasoline costs of fleet	\$86,900	\$67,244	\$45,645	\$36,301
Community Diversion Program Youths	49	45	45	75
Community Diversion Program - community service hours	516	648	670	1,048
<b><i>Fire</i></b>				
EMS Calls	1,954	1,704	1,536	1,629
Ambulance Billing Collections (net)	\$429,346	\$354,920	\$348,187	\$390,749
Fire Calls	502	526	505	540
Fires with Loss	28	44	35	28
Fires with Losses exceeding \$10K	2	6	3	8
Fire Losses \$	\$160,170	\$427,900	\$251,950	\$459,700
Fire Safety Inspections	393	398	398	425
Number of times Mutual Aid given to Fire and EMS	111	166	168	115
Number of times Mutual Aid received for Fire and EMS	13	42	43	62
<b>Public Health &amp; Welfare</b>				
Cemetery burials	23	39	42	35
Cemetery cremations	13	9	22	19
Cemetery sale of lots	40	36	28	46
Cemetery receipts	\$39,230	\$43,705	\$45,941	\$48,380

2004	2003	2002	2001
145	155	181	161
\$6,370,050	\$3,594,730	\$42,117,927	\$4,372,017
896	851	1,021	968
\$41,899	\$40,099	\$62,639	\$53,520
441	441	551	545
398	397	344	355
335	300	270	319
\$8,495	\$9,375	\$8,345	\$7,275
\$56,620	\$60,690	\$55,780	\$57,420
10,042	9,858	10,421	10,055
2,462	3,602	4,070	3,086
1,506	1,648	1,903	2,002
2,204	1,546	1,663	1,724
584	573	571	601
480	407	564	485
2,186	1,478	1,470	1,381
2,758	2,345	2,276	2,375
77	71	59	80
1,482	1,338	1,393	1,214
\$15,754	\$15,019	\$11,988	\$5,388
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
584	573	563	603
501	491	472	467
1	0	0	0
\$38,858	\$31,231	\$26,256	\$29,327
73	49	70	147
1,026	820	956	870
1,608	1,397	1,483	1,534
\$282,012	\$252,084	\$254,885	\$270,238
449	417	382	359
25	30	25	25
7	5	4	4
\$401,150	\$365,400	\$135,510	\$217,100
464	343	296	n/a
133	144	117	106
60	41	43	48
38	50	29	52
22	20	16	14
90	57	46	57
\$66,517	\$46,207	\$35,553	\$50,177

(continued)

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

Function/Program	2008	2007	2006	2005
<b>Leisure Time Activities</b>				
<i>Recreation</i>				
Recreation Swimming pool receipts	\$39,378	\$37,950	\$37,637	\$36,687
Recreation Mens & Womens Leagues receipts	31,948	21,666	15,513	18,962
Senior Van Fees	2,268	2,175	2,403	2,593
Playground Registration	20,509	23,410	17,833	10,750
Ellenwood Facilities rentals	19,857	18,723	21,050	26,274
	<u>\$113,960</u>	<u>\$103,924</u>	<u>\$94,436</u>	<u>\$95,266</u>
<b>Community Development</b>				
Grant amounts received due to Economic Development Dept.	\$461,066	\$457,011	\$1,109,423	\$269,071
<b>Basic Utility Services</b>				
Refuse disposal per year (in tons) August through July	5,200	5,308	5,955	5,751
Refuse disposal costs per year August through July	\$719,902	\$509,870	\$544,013	\$490,430
Cost per household per month	\$13	\$9	\$10	\$9
Annual recycling tonnage (excluding leaf, and compost items)	439	440	514	487
Percentage of waste recycled	7.79%	7.65%	7.95%	7.81%
<b>Transportation</b>				
Street Improvements - asphalt overlay (linear feet)	5,200	0	0	16,400
Rejuvenating Spray on Streets (Miles)	0.00	0.00	1.15	1.15
Crackseal Coating Program (Miles)	7.20	7.20	7.20	7.20
Street Repair (Curbs, aprons, berms, asphalt) (hours)	4,180	3,577	4,508	3,941
Guardrail Repair (hours)	48	48	36	40
Paint Striping (hours)	876	960	1,439	1,668
Street Sweeper (hours)	831	754	760	832
Cold Patch (hours)	1,868	1,248	1,924	2,419
Snow & Ice Removal regular hours	730	630	316	608
Snow & Ice Removal overtime hours	1,598	1,125	473	1,807
Sewer and Sanitary calls for service	834	845	1,002	894
After hours Sewer Calls (hours)	1,506	1,636	1,765	1,865
Sewer Crew (hours)	3,747	3,632	3,690	3,806
Sewer jet, Vac-all, other services (hours)	2,209	1,573	3,483	411
Landscaping Stump-Chipper service (hours)	6,003	5,320	5,574	5,429
Leaf collection (hours)	2,243	2,670	2,310	2,136
Holiday lights setup (hours)	1,352	1,449	1,605	1,798
Downtown Square Repair after events (hours)	340	340	682	420
Equipment repair/body shop (hours)	6,842	5,591	7,574	7,658
Sign department (hours)	1,502	1,559	1,541	1,332
Number of Trees Planted per year	60-80	60-80	60-80	60-80
Tons of snow melting salt purchased (Nov-Mar)	1,510	6,885	6,132	6,578
Cost of salt purchased	\$128,362	\$269,153	\$230,080	\$218,854
Tons of road traction ice grits purchased	1,316	0	0	0
Cost of ice gritr purchased	\$21,842	\$0	\$0	\$0
<b>Water Department</b>				
Water Rates per 1st 300 Cu ft of water used	\$19	\$17	\$17	\$16
Avg. number of water accounts billed monthly (Cu. Ft.)	4,999	5,004	4,967	4,899
Total Water Collections Annually (Including P&I)	\$3,532,663	\$3,445,995	\$2,987,122	\$3,392,654
Payments to Cleveland for bulk water purchases	\$2,637,600	\$2,506,466	\$2,295,957	\$2,546,858
<b>Wastewater Department</b>				
Wastewater Rates per 1st 300 Cu ft of water used	\$14.00	\$13.18	\$13.18	\$13.18
Total flow of wastewater treatment plant (Billions of Gallons)	0.966	0.949	1.018	1.018
Average daily flow (Millions of gallons per day)	2.638	2.601	2.764	2.788
Tons of dry sludge removed	228.14	233.04	266.06	214.42

(1) Information prior to 2001 is not available



2004	2003	2002	2001
\$27,857	\$34,556	\$42,043	\$36,570
18,979	25,217	22,282	23,880
2,955	3,056	3,050	3,580
2,390	2,210	1,785	1,930
23,237	25,792	26,767	31,447
<u>\$75,418</u>	<u>\$90,831</u>	<u>\$95,927</u>	<u>\$97,407</u>
\$195,472	\$551,560	\$219,277	\$357,368
5,909	5,878	6,090	6,519
\$478,351	\$462,900	\$508,996	\$500,653
\$8	\$8	\$9	\$9
599	735	593	615
9.20%	11.11%	8.87%	8.62%
6,650	25,100	11,900	14,066
2.26	2.66	2.66	3.37
7.20	7.20	7.20	7.20
3,844	4,663	2,600	2,167
144	16	80	80
1,012	728	1,240	1,411
1,004	975	975	958
2,492	993	1,795	1,896
760	580	612	808
1,349	1,581	934	468
869	894	952	1,139
1,727	1,412	1,703	1,916
3,481	3,432	3,568	3,613
2,226	890	207	1,470
4,796	5,532	5,238	5,100
2,566	2,686	3,114	2,992
1,699	1,452	1,803	1,505
420	300	120	54
6,824	6,486	6,842	6,859
2,177	2,145	2,032	1,927
60-80	60-80	60-80	60-80
6,900	7,900	3,200	5,400
\$193,980	\$225,308	\$133,120	\$127,710
0	0	0	0
\$0	\$0	\$0	\$0
\$16	\$15	\$15	\$14
4,911	4,961	4,982	4,980
\$3,117,530	\$3,126,382	\$3,164,975	\$2,833,238
\$2,499,987	\$2,544,728	\$2,339,734	\$2,234,770
\$13.18	\$13.18	\$13.18	\$13.18
1.054	1.024	0.913	0.844
2.880	2.806	2.502	2.313
205.71	199.09	167.98	n/a

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

Function/Program	2008	2007	2006	2005	2004
<b>General Government</b>					
Square Footage Occupied	44,035	44,035	44,035	44,035	44,035
Administrative Vehicles	3	2	2	2	2
Inspection Vehicles	3	3	3	3	3
Municipal Court Vehicles	2	2	2	2	2
Lands & Buildings Vehicles	2	2	2	2	2
<b>Police</b>					
Stations	1	1	1	1	1
Square Footage of Building	21,667	21,667	21,667	21,667	21,667
Vehicles	23	22	20	20	20
<b>Fire</b>					
Stations	1	1	1	1	1
Square Footage of Building	14,774	14,774	14,774	14,774	14,774
Vehicles	12	10	10	10	10
<b>Recreation</b>					
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	15	14	13	13	11
<b>Other Public Works</b>					
Streets (miles)	48	48	48	48	48
Service Vehicles	58	55	54	55	51
<b>Wastewater</b>					
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	7	6	6	6	6
<b>Water Department</b>					
Water Lines (miles)	100	100	100	100	100
Vehicles	7	4	4	4	4

Source: City of Bedford

2003	2002	2001	2000	1999
44,035	30,559	30,559	30,559	30,559
1	1	1	1	1
3	3	3	3	3
2	2	2	2	2
2	1	1	1	1
1	1	1	1	1
21,667	3,511	3,511	3,511	3,511
20	19	18	16	16
1	1	1	1	1
14,774	3,652	3,652	3,652	3,652
9	9	9	9	9
4	4	4	4	4
1	1	1	1	1
1	1	1	1	0
7	7	4	4	4
4	4	9	9	8
1	1	1	1	1
25,433	25,433	25,433	25,433	25,433
11	10	9	9	9
48	48	48	48	48
49	49	50	48	47
41.80	41.80	41.80	41.80	41.80
48.70	48.70	48.70	48.70	48.70
6	5	5	4	4
100	100	100	100	100
4	4	4	4	4

**City of Bedford, Ohio**  
*Major Assets and Current Appraised Replacement Costs*  
*Last Four Years (1)*

Function/Program	2008	2007	2006	2005
<b>General Government</b>				
Muni Complex				
City Hall Building	\$2,629,059	\$2,571,532	\$2,145,077	\$2,272,641
City Hall Miscellaneous Equipment	741,201	706,017	662,990	632,257
Garage	35,605	35,114	32,584	31,087
Radio Building	11,125	10,890	10,058	9,618
Radio Tower	36,119	35,060	32,460	31,122
<b>Police</b>				
Muni Complex				
Justice Center Building	12,445,472	12,172,350	11,253,749	10,758,102
Justice Center Miscellaneous Equipment	1,874,287	1,793,900	1,703,307	1,526,194
<b>Fire</b>				
Muni Complex				
Station Building	2,812,538	2,750,580	2,543,267	2,431,164
Station Miscellaneous Equipment	714,104	618,296	573,755	519,219
<i>Total Municipal Complex</i>	<u>\$21,299,510</u>	<u>\$20,693,739</u>	<u>\$18,957,247</u>	<u>\$18,211,404</u>
<b>Recreation</b>				
Ellenwood Rec Center				
Building	\$3,971,176	\$3,880,354	\$3,582,170	\$3,424,798
Press Box /Concession/Pool	839,911	839,911	26,862	25,688
Municipal Pool				
Bathhouse Building	242,512	217,214	200,749	191,934
Swimming Pool	894,439	477,207	443,171	425,676
Garage				
Garage - Talor Road	120,747	119,079	110,504	105,422
<b>Other Public Works</b>				
Service				
Garage - Solon Road	1,573,218	1,491,010	1,266,187	1,210,810
Garage - Salt Storage	78,162	77,083	71,532	68,243
Cemetary				
Storage Building	141,804	139,802	129,765	123,788

<u>Year Asset Completed, Constructed or Received</u>	<u>Construction Costs</u>	<u>Replacement Factor Increase</u>
2003	\$2,030,818	26.63%
Various	561,893	25.65
2003	27,419	28.06
1997	7,317	48.83
2003	27,378	28.06
2003	9,573,704	27.14
Various	1,245,745	44.00
2003	2,162,658	27.19
Various	<u>502,303</u>	23.09
	<u>\$16,139,235</u>	28.22
1964, 1984, 1998	\$785,218	394.18
1989, 2007	854,818	(1.74)
1969	39,368	451.75
1969, 1993	136,059	250.74
1949	8,674	1,272.83
1953, 1972, 1979	545,316	173.42
1992	45,585	69.10
1985	67,414	107.38

(continued)

**City of Bedford, Ohio**  
*Major Assets and Current Appraised Replacement Costs (continued)*  
*Last Four Years (1)*

Function/Program	2008	2007	2006	2005
<b>Wastewater</b>				
Sewage Treatment Plant				
Administration Building	\$143,522	\$140,487	\$129,757	\$124,086
Administration Miscellaneous Equipment	351,360	546,274	314,705	155,436
Laboratory Building	273,737	266,884	247,689	236,455
Laboratory Miscellaneous Equipment	133,040	127,561	121,240	115,076
Filter Building	232,540	227,623	210,237	201,050
Filter Miscellaneous Equipment	433,123	414,669	393,387	372,631
Primary Settling Tanks	320,057	297,230	276,031	265,135
Primary Settling Tanks - Miscellaneous Equipment	540,405	517,382	490,828	464,931
Oxidation Tower East Building	509,897	471,568	437,935	420,647
Oxidation Tower East - Miscellaneous Equipment	901,478	863,071	818,775	775,575
Oxidation Tower West Building	509,897	471,568	437,935	420,647
Oxidation Tower West - Miscellaneous Equipment	901,478	863,071	818,775	775,575
Equalization Basin Building	1,113,837	1,034,397	960,623	922,700
Rapid Sand Filter Building	592,325	579,801	535,515	512,111
Rapid Sand Filter - Miscellaneous Equipment	1,028,298	984,591	934,181	885,020
Final Settling Tank #2 Building	339,740	301,091	279,617	268,578
Final Settling Tank #2 - Miscellaneous Equipment	134,620	128,885	122,270	115,819
Garage	142,993	135,543	125,841	120,037
* Total Buildings	29,690,375	32,140,189	28,876,650	27,558,777
** Total Miscellaneous Equipment	7,753,394	12,704,380	11,795,863	10,909,787

**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)

(1) Information prior to 2005 is not available

<u>Year Asset Completed, Constructed or Received</u>	<u>Construction Costs</u>	<u>Replacement Factor Increase</u>
1973	\$30,639	358.52 %
Various	479,908	13.83
1986	130,207	104.97
Various	70,769	80.25
1973	49,644	358.51
Various	238,373	73.96
1985	145,706	103.99
Various	313,461	65.05
1973, 2001	105,767	345.86
Various	724,950	19.05
1973, 2001	103,842	354.12
Various	724,950	19.05
1992, 1993, 1997	1,827,056	(43.38)
2001	436,529	32.82
Various	806,377	22.10
1973	68,666	338.49
Various	32,682	294.36
1987	65,136	108.09
	19,183,239	67.54
	8,729,623	45.53

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

Vehicle/Program	Current Replacement Costs	2007	2006	2005	2004
<b>Police</b>					
Cost Per Patrol Car	\$22,463	\$24,461	\$23,941	\$24,521	\$24,212
<b>Fire</b>					
Cost Per Fire Pumper (1)	0	441,564	0	0	0
Cost Per Ambulance	0	167,192	0	155,711	0
<b>Service</b>					
Cost Per Vac All (2)	0	275,000	0	0	0
Cost Per Street Sweeper	0	115,000	0	0	0
Cost Per Salt Truck	105,622	110,000	0	81,361	0
<b>Road Construction</b>					
Ohio Department of Transportation Construction Cost Composite Index (3)	151.9	141.4	126.1	127	112

**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.



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2003	2002	2001	2000	1999
\$24,540	\$0	\$24,351	\$24,223	\$0
0	0	0	0	0
0	0	0	136,444	0
0	0	0	0	0
106,225	0	0	0	0
0	75,409	72,993	0	68,504
101.4	99.9	100	n/a	n/a

**City of Bedford, Ohio**  
*Water Utility Statistics*  
*Last Ten Years*

	2008	2007	2006	2005
Gallons of Water Purchased from Cleveland	95,405.00	95,465.00	89,658.00	102,694.70
Gallons of Water Sold (Billed) to Users	65,901.00	69,612.00	67,949.50	75,840.80
Percent of Water Billed	69.07%	72.92%	75.79%	73.85%
Water Billings	\$3,632,402	\$3,422,229	\$2,932,256	\$3,369,868
Water Collections	\$3,532,663	\$3,445,995	\$2,987,122	\$3,392,654
Percentage Collected from Billings	97.25%	100.69%	101.87%	100.68%
Payments to City of Cleveland	\$2,637,600	\$2,506,466	\$2,295,957	\$2,546,858
Percentage of payments to the City of Cleveland compared to total water collections	74.66%	72.74%	76.86%	75.07%

Source: City of Bedford Water Department

2004	2003	2002	2001	2000	1999
101,437.20	106,665.40	101,389.20	100,084.60	92,267.30	92,843.20
71,942.10	75,071.30	79,344.80	72,249.40	71,872.70	74,438.80
70.92%	70.38%	78.26%	72.19%	77.90%	80.18%
\$3,080,348	\$3,083,091	\$3,116,242	\$2,769,579	\$2,652,814	\$2,567,483
\$3,117,530	\$3,126,382	\$3,164,975	\$2,833,238	\$2,640,467	\$2,622,742
101.21%	101.40%	101.56%	102.30%	99.53%	102.15%
\$2,499,987	\$2,554,728	\$2,339,734	\$2,234,770	\$1,982,641	\$1,918,360
80.19%	81.72%	73.93%	78.88%	75.09%	73.14%



*City of BEDFORD, Ohio*

**Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

Members of the City Council  
Bedford, Ohio

We have audited 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 (the “City”), as of and for the year ended December 31, 2008, which collectively comprise the City of Bedford’s basic financial statements and have issued our report thereon dated June 4, 2009, wherein we noted the City adopted *Governmental Accounting Standards Board Statement Nos. 49*. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the City’s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City’s ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City’s financial statements that is more than inconsequential will not be prevented or detected by the City’s internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City’s internal control.

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

Members of the City Council  
Bedford, Ohio

### **Compliance and Other Matters**

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

This report is intended solely for the information and use of management, City Council, finance committee, others within the entity, and the Auditor of State's Office and is not intended to be and should not be used by anyone other than these specified parties.

*Cini & Parichi, Inc.*

Cleveland, Ohio  
June 4, 2009



Mary Taylor, CPA  
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  
MARCH 16, 2010