

**City of
Bedford, Ohio**

**TITLE
PAGE**

**C O M P R E H E N S I V E
A N N U A L
F I N A N C I A L
R E P O R T**

For the year ended December 31, 2020

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City of **BEDFORD**, Ohio

OHIO AUDITOR OF STATE
KEITH FABER



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Members of Council
City of Bedford
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We have reviewed the *Independent Auditor's Report* of the City of Bedford, Cuyahoga County, prepared by Julian & Grube, Inc., for the audit period January 1, 2020 through December 31, 2020. 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.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

August 11, 2021

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I NTRODUCTORY

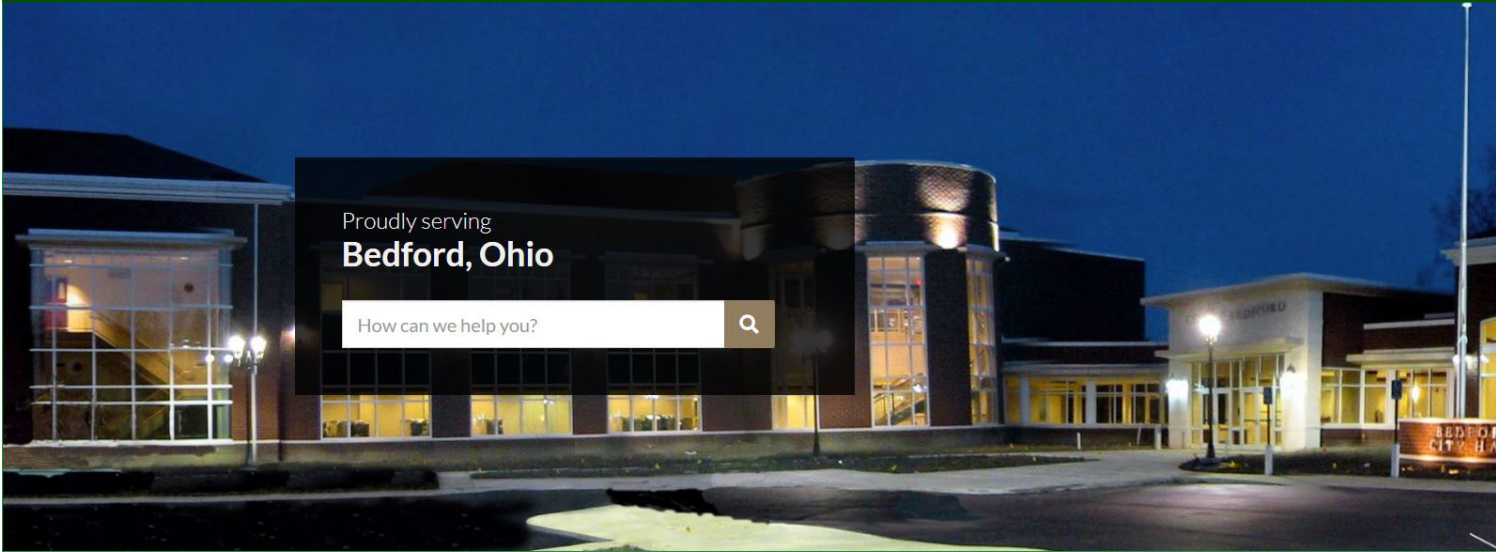
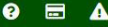
S ECTION





Bedford

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City of Bedford, Ohio
Comprehensive Annual Financial Report
For the Year Ended December 31, 2020
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CITY OF BEDFORD OHIO

June 21, 2021

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

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

The Comprehensive Annual Financial Report of the City of Bedford, Ohio, for the year ending December 31, 2020 is submitted herewith. The City, and more specifically the Department of Finance, assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures contained within this report. The accuracy and completeness of the data, is based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the City. We have included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities.

Ohio law requires independent audits to be performed on all financial operations of the City either by the Auditor of State or an independent public accounting firm, if permitted by the Auditor of State. The independent accounting firm of Julian & Grube, Inc., has issued an unmodified ("clean") opinion on the City of Bedford's financial statements for the year ended December 31, 2020. The Independent Auditor's Report is located at the front of the financial section of this report.

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

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

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

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 2020 estimated population from the Federal census was 12,289. 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, school guards and community service programs such as drug use prevention and the juvenile diversion program. While promoting regionalism, the animal control services also included the neighboring City of Bedford Heights. The Police Department is located adjacent to City Hall. The City of Bedford started operations of a combined dispatch center with Chagrin Valley Regional Dispatch Center (CVRDC) as of August 1, 2017. The Chagrin Valley Dispatch is the communication center for 33 municipalities of the Chagrin Valley and greater Cleveland area. The dispatch center is the first step to providing emergency services to over 125,000 residents. Certified Staff members and state of the art communication systems allow them to initiate, coordinate and record services of all first responders. Fully trained dispatchers maintain certifications in Emergency Medical Dispatch (EMD), Cardio Pulmonary Resuscitation (CPR), National Incident Management System (NIMS). The center is staffed 24/7.

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

The Service Department is comprised of several divisions administered by the Service Director and a Public Works Superintendent. The Service Department is responsible for the maintenance of all City vehicles, street signs, and snow and leaf removal. The City purchases water in bulk from the City of Cleveland through master meters and then distributes the water to City residents through the City's water mains. The City owns and maintains the water mains and bills all water users for the consumption of water on a monthly basis. The

City will continue to invest heavily in the improvement of its water system to tighten it from leaks or any loss of water in the system. This department is also responsible for the billing and collection of 5,000 accounts monthly. Therefore, billings to the public in line with payments for water usage to the City of Cleveland will be more accurate and collections increased. Another service provided is the storm/sanitary sewers maintenance for proper drainage control. The department assists with the writing of recycling grants and overseeing the contractors that collect waste and process recyclables. The Parks Division is also under the direction of the Service Department and maintains the City parks. The City utilizes the services of a forester to monitor tree plantings and removal of trees throughout the City. The City has received the award of Tree City, U.S.A., sponsored by the National Arbor Day Foundation in cooperation with the U.S. Forestry Service.

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

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

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

The Finance Department is responsible for the accurate recording of all receipts and disbursements. The department issues bi-weekly payrolls, personnel issues, treasury functions, monitors debt payments and issuance of debt, coordinates and monitors liability insurance claims, monitors workers compensation claims, and maintains a capital asset system and financial 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 7,624 resident returns, 3,124 business net profits return, and the collection from over 1,200 withholding accounts from businesses within the City. The department offers on our website, <http://www.bedfordoh.gov> a 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. Due to the COVID19 virus and social distancing as of March 1, 2020, the City was forced to cease in house face to face tax preparation services, however through e-mails, fax machines and drop off service the City was able to assist as many taxpayers as in the past, in a shorter time period.

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 various types of permit and citations, conducts site inspections and licenses all contractors. The department works with qualifying residents to improve their housing through housing programs and inspections.

Business Incentives and creating Economic Development:

Footnote 19 titled “Tax Abatement Disclosures” are a requirement in our Comprehensive Annual Financial Report, based upon GASB Statement No. 77. This footnote disclosure focuses on lost tax dollars and the costs to government entities. The following will reveal the benefits derived from offering business incentives.

The City of Bedford allows tax incentives under four programs: The Enterprise Zone tax abatements (EZA), the Community Reinvestment Area (CRA), the Economic Development Job Creation and Retention Program, and non-tax revenue moving expenses. The EZA’s program has not been utilized in many years as its function is now limited to benefit businesses from abatement of real estate taxes. The CRA program performs the same function and is utilized instead. Only two of these programs effect public tax dollars the CRA incentives and the Economic Development Job Creation and Retention Program; therefore, these are the only disclosed programs in Footnote 19.

All City business incentives start the above abatement processes with an application process from the business declaring their commitments of building improvements and/or job creation by moving their business into the City. Thereby, the business will improve an existing building or constructing a new building(s) to accommodate their new increased manufacturing, professional or retail establishment’s personnel and equipment. The City, after reviewing the applications, will accept, amend, or deny the business request based upon the criteria (minimum return on investment criteria) as stated in Footnote 19. Thus, a complete cost/benefit analysis is performed by the administration before deciding on the business’s incentive request. The City makes public any decision to allow any incentives through an ordinance approved by City Council. When an agreement requires the City to have a Bedford City School District (BCSD) tax sharing agreement under section 5709.82 of the Ohio Revised Code, the City will enter into an agreement with the BCSD.

The City will budget in the corresponding years, any increases in municipal income tax revenue generated from the newly created jobs, and incorporate any increased real estate valuation taxes (non-abated taxes) into the budget as well.

The Cuyahoga County Appraisal Department under the County Fiscal Officer, assigns taxable values to new or improved commercial property improvements. This new or improvement valuation is used in conjunction with a contract between the City and the business to establish the dollar amount of abated valuation associated with the new construction and/or improvements.

Monitoring incentives:

The City of Bedford (Finance Director) is required by statute, to file online annually, by March 31st, all abatement information with the State of Ohio. This applies to each individual abatement contract and overall statistics of the EZA and CRA program related to the abatements granted. Information such as number of jobs created, retained employment, the amount of payroll related to increased jobs, real estate improvement dollars invested, income tax dollars generated from each and overall contracts.

The City of Bedford pursuant to various sections (5709 and 3735) under the Ohio Revised Code, established a Housing Council. This Housing Council consists of seven members: two are appointed by the Mayor, one member is appointed by the Planning Commission, two members are appointed by City Council and two are appointed from the other members of the Housing Council. They serve four-year terms. Their purpose is to look at the property conditions of the businesses or residential properties that have been offered EZA or CRA incentives. Based upon the condition of the properties, they can recommend to the Tax Incentive Review Council (TIRC) (see below) to continue, modify or deny the incentives. Annually, the Building Commissioner takes pictures of the properties for the Housing Council’s review. To date, all properties have been in good condition.

The City is also required to submit to a review of all CRA and EZA Contract agreements with the TIRC annually. The TIRC is organized by Section 5709.85 (A) (1) of the Ohio Revised Code consisting of 7 members: one legislative appointee, one County Auditor (Fiscal Officer) appointee, one member of the Board of Education, the Chief Financial Officer of the City, and two members of the public appointed by the Chief

Executive Officer with concurrence of the legislative authority (City Council), with at least four members being residents of the City. The TIRC reviews the State of Ohio CRA/EZA form C's of each corresponding business incentive and votes to continue, request modification of the current agreement, decide that the business is non-compliant with their contract requirements, or if appropriate, let the incentives expire.

The TIRC presents its recommendations to the Bedford City Council at a public meeting and, by resolution, can accept, modify or reject the recommendations of the TIRC. City Council reserves the right to terminate abatements and incentives when businesses are not in compliance. City Council's Goals and strategic plan as they review/and or approve these incentives and recommendations are to maintain Bedford's competitiveness as a site for location of new businesses and the expansion of existing businesses, create and retain jobs, and increase real estate values, for tax purposes. The economic effect of these incentives is immediate when increasing jobs as municipal income taxes increase, however, for the most part the positive economic effects from collection of real estate taxes, will be in the future.

The following is a 5-year depiction of the dollar amounts The City of Bedford has and will realize from increased taxes afforded from business incentives:

CRA Agreement's - Real Estate Taxes:

| | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|------------------------|------------------|------------------|------------------|------------------|------------------|
| Retail Establishments | \$29,719 | \$29,719 | \$30,907 | \$30,907 | \$31,526 |
| Manufacturing | 194,322 | 194,322 | 202,095 | 202,095 | 206,137 |
| Professional Buildings | 14,402 | 14,402 | 14,978 | 14,978 | 15,278 |
| Total | <u>\$238,443</u> | <u>\$238,443</u> | <u>\$247,980</u> | <u>\$247,980</u> | <u>\$252,941</u> |

CRA, Economic Development Job Creation and Retention Program and Moving Expenses -

*** Annual Municipal Income Tax Increases in relation to newly created jobs:**

| | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Retail Establishments | \$662,641 | \$692,738 | \$710,056 | \$727,807 | \$746,003 |
| Manufacturing | 1,005,430 | 1,030,566 | 1,056,330 | 1,082,738 | 1,109,807 |
| Professional Buildings | 202,386 | 207,330 | 212,394 | 234,083 | 239,729 |
| Total | <u>\$1,870,457</u> | <u>\$1,930,634</u> | <u>\$1,978,780</u> | <u>\$2,044,628</u> | <u>\$2,095,539</u> |

The total increases in revenue expected annually from business incentives, are obtained by adding both schedule subtotals.

Number of jobs created and projected from all programs noted above:

| | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|------------------------|-------------|-------------|-------------|-------------|-------------|
| Retail Establishments | 338 | 365 | 365 | 365 | 365 |
| Manufacturing | 479 | 479 | 479 | 479 | 479 |
| Professional Buildings | 72 | 72 | 72 | 72 | 72 |
| Total | <u>889</u> | <u>916</u> | <u>916</u> | <u>916</u> | <u>916</u> |

Jobs Created Schedule projections were based upon State of Ohio CRA forms filed and business incentive application projections.

Economic Condition and Outlook

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

APEC Engineering purchased the YMCA building in 2020 from the City of Bedford (shown as an asset held for resale), in the amount of \$135,000. The company currently has 10 full time employees and 5 part time employees and is looking to expand within 3 years and add 10 more full time and 2 part time employees. The estimated investment into this building is around \$750,000. The City provided a 75 percent - 10 Years CRA abatement incentive to develop this abandoned site.

Art of Beauty a company located in the Tinkers Creek Commerce Park Development, added \$6.1 million in real estate improvements to the property, and transferred 45 employees immediately to the site and is expected to create 50 more jobs within 6 years per their community reinvestment area agreement (CRA).

The Hemisphere Corporation and Hull & Associates completed construction building a new headquarters on this site at a cost of \$3.2 million and additionally added \$600,000 in furniture & fixtures.

Ben Venue Laboratories/West-Ward/Xellia Pharmaceuticals

From 1996 to present, Ben Venue approached the City for abatements in the Community Reinvestment area, regarding Real Estate development and tax exemptions to be able to conduct various expansion projects. Ben Venue stopped production of all products within the 1 million square foot of manufacturing area at the end of 2013.

The City's worked with the new purchaser of this facility, Hikma Pharmaceuticals a company that is utilizing the Lab Office Building complex for the research and development. At the year-end 2020, Hikma Pharmaceuticals had 70 employees on site. Hikma Pharmaceuticals sold four of the buildings to Xellia Pharmaceuticals late in 2015, with the assistance from the State of Ohio offering business incentives.

Xellia in 2017, completed construction on the facilities to allow distribution of products and started distribution of products in 2021 and hiring 183 employees for this process. Currently in 2020 there are 281 employees at this site. Income taxes paid in 2020 for both companies was \$910,761, and \$794,525 in 2019.

The Penske Auto Group Improvements

As stated by the Penske Auto Group administration:

“Nowhere in the state of Ohio is there a larger aggregation and selection of brands for customer selection. It truly is a unique nameplate in northeast Ohio to be able to claim you're a member of the Historic Bedford Automile.”

The Penske Auto Group made improvements at the Audi Dealership in the amount of \$14,039,359 and now has 47 jobs on this site. The level of real estate investment on the Toyota site was \$9,936,797, and now has 85 employees on this site at year end.

Partners Auto Group of Bedford (Mazda):

The Mazda SAAB of Bedford (Partners Automotive Group of Bedford) expanded and relocated their Mazda SAAB store and obtained a new Franchise Mitsubishi, whereby both will have new stores at the corner of Northfield and Rockside Roads.

This company will relocate from their Broadway Avenue facility and will improve the empty retail shopping center area dramatically. The cost of construction as of December 31, 2020 was \$5.244 million dollars. Construction ended in 2020 and total investment into this project including inventory exceeded \$12 million dollars. The old site will become a quality used car lot and continue business at that site. New jobs will have a slight increase on the new site.

Data-Basics Inc

This company is a software programming company that has invested heavily into the old post office in Bedford. The company has brought over 39 jobs to the City, with payroll taxes exceeding \$120,000 annually. The City offered a jobs incentive program with this company for 10 years.

ARM Performance Group LLC

This company sell the name brands Volvo/Acura and has remodeled its Volvo showroom at a cost of over \$1,485,000. The company will have a slight growth of employment along with this project.

Major Initiatives.

The City of Bedford in 2019, after a bidding process, entered into a private placement lease agreement with Key Government Finance, Inc. for the purchase of a new Horton ambulance in the amount of \$270,000 and a new Finley Fire Pumper Vehicle in the amount of \$659,469. The terms of the lease are 10 years at 2.30 percent interest rate. These vehicles were received and placed into service in 2020.

The City of Bedford, had an emergency erosion problem created by Wood Creek's flow of water towards our City's wastewater plant. The City had to stabilize the hillside to stop the flow from eroding into major sewer trunks at the wastewater plant. The Ohio Water Development Authority (OWDA) recognized this as a major threat and through again a private placement loan agreement, discounted their interest rates on the loan, to allow the City to go forward with the project. The construction was completed and the total cost was \$724,814. This was less than the projected \$805,400. OWDA will charge the discounted rate of 2.10 percent for 20 years on this project.

Future and completed projects that require the City to apply and receive various grants in 2020:

Various types of grants received in 2020:

The City was awarded various grants in 2020 from the U.S. Department of Justice for the continuation of the South East Area Law Enforcement narcotics program. The total amount of grant funds received in 2020 was \$296,249.

The program utilizes grant funding, matching funds, program income of confiscated funding, and Federal stimulus money to continue the program. This program assists the police monetarily in their efforts to arrest those that sell or use illegal drugs. This program has led to various arrests and items have been confiscated including currency. This year's 2020 confiscated dollars were \$438,257 in the SEALE fund and \$556,858 in the Unforfeited SEALE Drug Fund.

The amount of Bedford Police Law Enforcement Unforfeited confiscated funds was \$23,244 in 2020, \$22,182 in 2019 and \$24,263 in 2018.

COVID 19 created much needs in the City to fund the first responders' costs, materials, supplies, and other needed contracted services. The Cares Act provided five (5) funding amounts through the State of Ohio and passed through Cuyahoga County. The first three were directly associated with distributions from the CARES Act- Covid Relief Grants directly to the City. The fourth and fifth round of funding were grants applied for and approved by Cuyahoga County to disburse left over CARES Act funds available for use by our City for first responders, contracts and supply costs. The larger grant is a reimbursement type grant after funds were

expended by City. The amount of funding yet to be disbursed to the City amount to \$140,040. The amounts of these Grants were as follows:

| | | |
|--|----|--------------------|
| CARES Act Local Government Distribution: | #1 | \$381,147 |
| | #2 | 190,600 |
| | #3 | 448,897 |
| Cuyahoga County CARES Act Left Over | | |
| Funding Distribution: | #4 | 140,040 |
| | #5 | 959 |
| | | <hr/> |
| Total Grant Funding | | <u>\$1,161,643</u> |

The City received a grant from Health and Human Services (HHS) for Ambulance costs and First Responder costs in the amount of \$11,343 based upon lost revenue related with the costs of ambulance runs during March of 2020.

The City received two rebates from the State of Ohio - Bureau of Workers' Compensation in the amounts of \$147,499 and \$549,376. The Governor had ordered release of these funds from fund balances (reserves) of the bureau, to assist all government and business entities in the State during this pandemic. These funds will be beneficial to assist with the expected losses of revenue in 2021 from income tax collections from net profits (losses) projected at \$600,000 of losses, and withholding refunds from businesses as employees working at home request refunds that are projected to reach \$750,000. This totals \$1,350,000 of reduced income tax revenue including refunds in 2021.

The City receives \$48,000 from the First Suburbs Consortium of NEO to cover \$37,892 of the cost of the Economic Development Director's salary, while the First Suburbs Development Grant Pays for \$3,339 of this position's salary and benefits.

The City received \$5,846 towards the police department to pay for radios.

The City received \$25,100 donations from The Auto Mile, churches, and other businesses in the City towards the purchase of food and distribution of this to the most vulnerable -low income senior citizens during the pandemic.

The City received \$21,298 from the Violence Against Women's Act (VAWA) to assist with personnel associated with its functions.

The City received \$90,042 from NOPEC grants for energy efficiency projects at City Hall and replacement of energy efficient decorative street lights in the City.

The Bedford Municipal Court received a Supreme Court technology grant in the amount of \$20,047 for technology improvements.

The City received a CDSG 2019-2020 grant of \$100,000 to spend towards new signage within the City.

The City received a \$300,000 Cuyahoga County Land Bank Grant for the Demolition of the Chanel High School. Total costs to date on this project, paid through the City from the Bedford Board of Education, was \$1,138,089.

Other Assessment Revenue Items:

- The street lighting rate of millage was decreased in the 2020 tax budget for collection in 2021 to 1.5 mills due to slight increases in valuation of City property. Cuyahoga County performed its six-year reappraisal of industry and residential property values in 2018. Due to the economy and housing foreclosure problems, the County estimated that the collections on real estate taxes for tax year 2019 and prior years actual collections would be as stated below.
- Estimated real estate collections in (000's) for the General Fund were as follows;

General Fund estimated Real Estate Collections (000's)

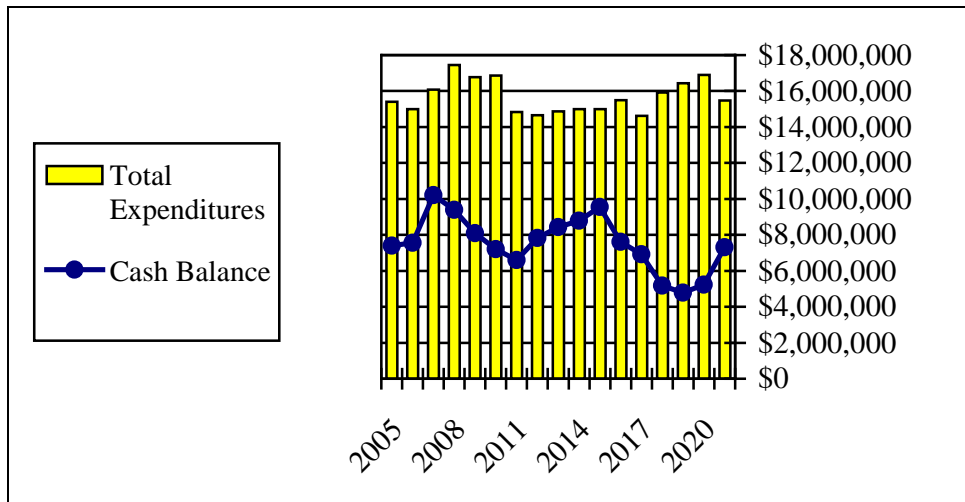
| | <u>At 100 Percent</u> | <u>Estimated</u> | <u>Actual</u> |
|-----------------------------|-----------------------|------------------|---------------|
| 2009 for Collection in 2010 | \$2.573 | \$2.414 | \$2.487 |
| 2010 for Collection in 2011 | 2.523 | 2.381 | 2.462 |
| 2011 for Collection in 2012 | 2.521 | 2.280 | 2.182 |
| 2012 for Collection in 2013 | 2.000 | 2.000 | 2.200 |
| 2013 for Collection in 2014 | 2.216 | 2.073 | 2.118 |
| 2014 for Collection in 2015 | 2.238 | 2.081 | 2.113 |
| 2015 for Collection in 2016 | 2.116 | 1.904 | 1.899 |
| 2016 for Collection in 2017 | 2.075 | 1.928 | 2.025 |
| 2017 for Collection in 2018 | 2.126 | 2.052 | 1.984 |
| 2018 for Collection in 2019 | 2.240 | 2.090 | 2.099 |
| 2019 for Collection in 2020 | 2.234 | 2.100 | 1.998 |
| 2020 for Collection in 2021 | 2.222 | 2.067 | |

The Bedford Fire Department performed 1,890 ambulance runs in the year 2020, 1,849 in 2019, 1,712 in 2018, 2,084 in 2017, and 1,944 in 2016. The ambulance runs generated reimbursement revenue in the total amount of \$422,812 in 2020, \$410,014 in 2019, \$401,322 in 2018, \$417,404 in 2017, and \$423,967 in 2016. The City pays a 7 percent administrative billing fee to Great Lakes Billing Company on an annual basis.

Financial Information

Long-term financial planning

As you can see from the following graph, the general fund ended the year with a budgetary cash balance of \$7,200,887. The 2020 ending operating cash balance represented 47 percent of the total general fund expenditures (including transfers) or 173 days of general fund operating expenditures. This cash balance falls above the City's general fund balance written policy of 15 percent of expenditures and still retains \$4.4 in reserves.



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

Accounting Policies and Budgetary Control

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

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

The annual budget serves as the foundation for the City of Bedford’s financial planning and control. The level of budgetary control is at the department level. All non-fiduciary funds are budgeted annually. The City also controls its expenditures at levels of personal services and all other expenditures as required by the City’s Charter. The City did have amendments to the original appropriations ordinance to account for fewer resources and increased resources from grants received during 2020. The State of Ohio and the City Council requires all appropriations to be budgeted on a basis of either personal services (gross payroll and fringes) or the budgeted category “other” expenditures within a department level.

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

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

- Decreased funding for road repairs was created by the State of Ohio due to COVID 19. Many people were unemployed and gas tax revenue collections have been reduced due to less people driving to work. Less road work was performed in 2020 due to this event.
- Increased revenue and expenditures were authorized in 2020 due to COVID 19 and the CARES Act Funding as noted earlier in budgets, along with the Health and Human Services grant, and increased dollars for SEALE Narcotics activities in 2020, which created more confiscation dollars to budget.
- The City increased its income tax rate from 2.25 percent to 3.00 percent starting in 2018, and increased revenue projections based upon these collections. However, in 2020 the municipal income tax collections in the business withholdings decreased due to the COVID 19 virus and the unemployed. The laid off workers due to closing of businesses caused withholding to decrease. Also, unemployment is not taxed under the municipal income tax laws, therefore tax filings from individuals in 2021 will have lower payments due and businesses will have more losses and loss carry forwards. The City may be subject to refunding business withholdings from 2020, for those workers who had a principal place of business in their homes due to social distancing. The court case that will affect this is the Ohio Buckeye Institute vs the City of Columbus and the State of Ohio. Outcomes from this case and appeals may determine if any refunds will be afforded to these taxpayers.
- Decreased spending on Workers' Compensation from retrospective rating savings and rebates from the State of Ohio BWC in 2020 from prior years premiums paid and reserves in the total amount of \$696,875.
- Decreased spending on health insurance costs due to a decrease in claims paid during 2020.
- Increase in various grants caused budget changes throughout the 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.

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

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

General Fund Balance Policy

The City has a formal general fund unassigned balance and reserve policy to maintain 15 percent of general fund's appropriations. The current reserve as of December 31, 2020 is set at \$4.365 million and with other current available funds at \$2,765,148. The \$4.365 million balance is earmarked to cover any future negative changes that could occur including any COVID effects. However, none of these reserve funds are expected to be utilized in 2021.

Debt Policy

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

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

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

On February 15, 2016 Moody's Investor Services after review of finances and pension obligations downgraded the City from AA3 to A1. Standard & Poor's Inc rating of the City's long-term underlying (SPUR) remains at AA-.

On February 15, 2017 Moody's Financial Services, downgraded the City's ratings from AA3 to A1. This was issued prior to the City placing the .75percent income tax increase on the ballot on May 2, 2017. Where positive financial results are expected immediately. Standard & Poor's ratings of the City's long-term underlying (SPUR) remains at AA-.

The City issued and bid out a 5 year, \$1.4 million privately placed bond issue, for the replacement of water meters in 2016. Huntington Bank was the winning bid with a fixed rate of 2.10 percent. The City's Bond Rating was reviewed shortly in February of 2016, after the bond issue by Standard & Poor's Rating Services and the outcome was to lower the City's long-term rating and underlying (SPUR) rating to AA- from AA on the City's general obligation bonds.

The City has a financed purchase relating to the Ambulance and Fire Pumper truck in the total amount of \$935,000 Key Government 10-year direct placement capital lease, bid at 2.3 percent.

The City in 2020 continues to collect proceeds on an OWDA emergency loan at 2.10 percent for the construction of the Wood Creek Stabilization hill adjacent to the City's wastewater treatment plant.

Investment Policy

Cash management is a vital component in the City of Bedford's overall financial strategy. The primary objective of the City's investment activity is the preservation and the protection of investment principal. A prudent investment program is maintained to assure the overnight and over-the-weekend investments of all possible dollars, as well as longer term investments. In addition to the security of the investment, a major consideration is the timing of needed cash to pay City liabilities. Cash resources of all City funds are combined for maximum return and are invested in accordance with the Ohio Revised Code. The total investment income from governmental activities during 2020 was \$154,187, \$182,041, in 2019 and \$171,492 in 2018.

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

Independent Audit

In accordance with Ohio law an annual independent audit is required to be performed on all financial operations of the City. These audits are conducted by either the Auditor of the State of Ohio or, if the Auditor permits, an independent public accounting firm. The Independent public accounting firm of Julian and Grube Inc. performed these services for 2020 affording an unmodified opinion as presented in the financial section.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) award a Certificate of Achievement for Excellence in Financial Reporting for an 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 Annual Financial Report (AFR), whose contents conform to program standards. The AFR 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 2019 AFR 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 2020 Annual Financial 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 Jennifer Howland (assistant Finance Director) and the employees of the Local Government Services Section of the Auditor of State, which contributed significantly to the preparation of this report. Finally, the City Administration wants to extend its appreciation to the Mayor and City Council for their support and commitment to responsible fiscal reporting.

Postscript

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

Respectfully submitted,



Frank C. Gambosi, CPA
Finance Director



Michael S. Mallis
City Manager

City of Bedford, Ohio
List of Principal Officials
December 31, 2020

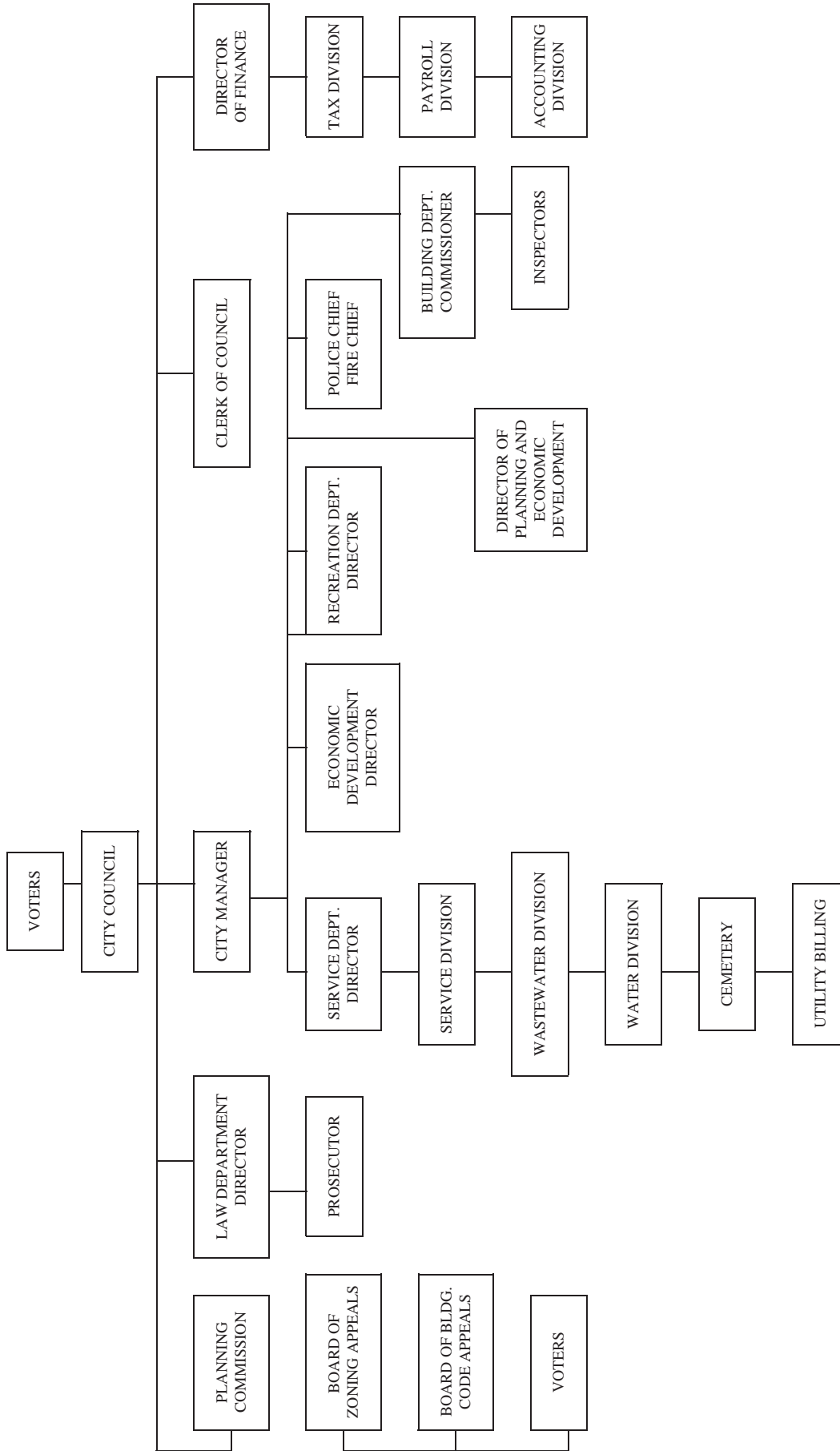
Elected Officials

Mayor..... Stanley Koci
Vice Mayor Victor Fluharty
Council Member Paula Mizensak
Council Member Donald A. Saunders
Council Member Walter Genutis
Council Member Heather Rhoades
Council Member Sandy Spinks
Presiding Judge Brian J. Melling

Appointed Officials

City Manager Michael S. Mallis
Director of Finance Frank C. Gambosi
Law Director John Montello
Clerk of Council..... Tracy Simons
Business Development Liaison Jennifer Kuzma
Building Commissioner..... Calvin Beverly
Service Director Clint E. Bellar
Superintendent of Public Works Shawn Francis
Chief of Fire..... David V. Nagy
Police Chief..... Martin Stemple
Director of Recreation Erin Fach

**ORGANIZATIONAL CHART
CITY OF BEDFORD, OHIO**





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Bedford
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morrill

Executive Director/CEO

FINANCIAL





City of BEDFORD, Ohio

Independent Auditor's Report

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

To the Members of Council and Mayor:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bedford, Cuyahoga County, Ohio, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City of Bedford's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bedford, Cuyahoga County, Ohio, as of December 31, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the Public Safety Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As described in Note 18 to the financial statements, in 2020, the City of Bedford adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 83, *Certain Asset Retirement Obligations*. As described in Note 21 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City of Bedford. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements 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 do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2021, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Bedford's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Bedford's internal control over financial reporting and compliance.



Julian & Grube, Inc.
June 21, 2021

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City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

The management's discussion and analysis of the City of Bedford (the City) financial performance provides an overall review of the City's financial activities for the year ended December 31, 2020. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

- For governmental activities, total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at the close of the current year by \$1.6 million. These figures were reported pursuant to GASB 68/71 and 75 which include the net pension and OPEB liabilities. If these long-term transactions were not included in the financial statements, the effect would have been to increase overall unrestricted net position an additional \$30 million in 2020 and \$28 million in 2019.
- The City of Bedford placed an income tax rate and credit allowance increase issue on the ballot May 2, 2017 (ISSUE 1). The increase and credit allowance were increased by .75 percent. The rates will increase as follows: the tax rate in 2017 was 2.25 percent with a 100 percent credit allowance paid to another municipality up to 1.50 percent. The current rate which started January 1, 2018 is 3.0 percent with a 100 percent credit allowance paid to another municipality up to 2.25 percent. This issue passed by a vote of 81 percent for the tax increase. This increase allowed the City to hire three additional police officers as well as start a street resurfacing program and sidewalk program totaling \$400,000 per year. The increase generated \$3.09 million in 2020, \$3.6 million more in 2019, and \$2.4 million more in 2018 over the \$8.45 million in 2017 per the statement of activities. The City collected \$2.79 million more in 2020, \$2.91 million more in 2019, and \$1.9 million more in 2018, then the \$8.70 million collected in 2017 on the cash basis of accounting.
- Overall capital assets increased due to the purchase of a fire pumper and Ambulance in the amount of \$679,676 and \$275,000 respectively, road improvements of \$435,415, and for business-type assets the Union Street waterline improvements cost \$1,315,774 as well as the Wood Creek Stabilization Project costing \$724,814 and the Art of beauty Waterline completed at a cost of \$203,766. Current year depreciation did not exceed current year additions in the Business type assets, due to the increases in capital assets noted above. Governmental acquisitions include improvements to buildings, equipment, furniture, vehicles, intangible right to use leases and infrastructure while business-type improvements include vehicles, waste water plant improvements, water meter replacements and sanitary sewer lines. The income tax increase allows more infrastructure improvements and capital asset replacements in the future.
- Total governmental assets increased mainly due to cash and cash equivalents with fiscal agents and intergovernmental receivables. County reimbursements from CARES Act funding of \$140,040 and other grant reimbursements attributed to the increase in intergovernmental receivables. There was an increase in equity in pooled cash and cash equivalents due to the increase in CARES Act funding for first responders dedicated to substantially different tasks due to COVID 19 ambulance runs. The City still feels the effects of the loss of income from Ben Venue and the State of Ohio cuts in local government funding (\$1.5 million per year). The refuse fee assessed to each household for the delinquent collections of waste appeared on the tax duplicate starting in 2016. The real estate refuse collections had very little delinquency overall, and the County recovered 2.58 percent more delinquencies from prior years in 2020. This can be compared to a delinquency rate for 2018 of .75 percent while the delinquency rate for 2017 was 3.5 percent. These changes are attributable to more collections from the County on the refuse fee special assessment receivables.

City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

- Total liabilities of governmental activities decreased from \$48.7 million in 2019 to 42.4 million in 2020. This was caused almost entirely from the net pension liability decreasing \$6.4 million. Offsetting was the net OPEB liability increasing from \$7.1 million in 2019 to \$7.5 million in 2020. The City also continues the pay-down of all issued debt which helped reduce overall liabilities for both governmental and business-type activities.
- The City is committed to providing the citizens of Bedford with the highest quality of services while maintaining efficiency and cost effectiveness. Governmental activities' modified expenditures in 2020 increased over 2019. Wage negotiations allowed for a wage increase in 2020 of 2.5 percent. The negotiations of all unions are under way in 2021 for the period 2021-2023. In 2020, due to the COVID 19 virus, there were significantly less part time employees hired in the leisure time activity areas. All full-time employees maintained their employment throughout the pandemic period. The major contributing factor of expenditures increasing in 2020 was fire overtime and capital outlay expenditures for fire equipment and roads.
- On February 15, 2017 Moody's Investor's Services downgraded the City of Bedford prematurely before the income tax issue was placed on the ballot May 2, 2017. The City of Bedford's assigned rating was Aa3 and now is A1. In 2016, the rating agency of Standard & Poor's downgraded the City's bond rating from the AA level with a negative outlook to a rating of AA-. No changes have occurred since these dates.
- The City implemented the net pension asset/liability and net OPEB liability in 2015 and 2018, respectively, which established standards for measuring and recognizing pension/OPEB liabilities, deferred outflows and inflows of resources and expenses. The implementation of these GASB statements resulted in a significant change to the financial statements presentation of the City. The City has reported these liabilities to comply with the requirements of GASB 68/71 and 75.

Overview of the Financial Statements

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

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

City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

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

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, capital outlay and interest and fiscal charges. The business-type activities include water and wastewater.

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

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

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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.

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 implemented GASB 84 and now reflects these funds accordingly. The City's fiduciary funds are custodial in nature.

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

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.

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 look at all financial transactions and asks the question, "How did we do financially during 2020?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by the private sector. The basis for this accounting considers all of the current year's revenues and expenses regardless of when the cash is received or paid. These two statements report the City's net position and the changes in that position. The change in position is important because it tells the reader whether, for the City as a whole, the financial position of the City has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of City capital assets will also need to be evaluated.

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

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

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The City of Bedford as a Whole

Recall that the Statement of Net Position looks at the City as a whole. The following provides a summary of the City's net position for 2020 compared to 2019.

(Table 1)
Net Position

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|-------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Assets | | | | | | |
| Current and Other Assets | \$26,083,474 | \$24,620,741 | \$14,550,537 | \$13,369,868 | \$40,634,011 | \$37,990,609 |
| Noncurrent Assets: | | | | | | |
| Net Pension Asset | 27,079 | 15,203 | 5,158 | 2,896 | 32,237 | 18,099 |
| Capital Assets, Net | 23,069,584 | 22,621,508 | 20,402,077 | 20,699,889 | 43,471,661 | 43,321,397 |
| <i>Total Assets</i> | <u>49,180,137</u> | <u>47,257,452</u> | <u>34,957,772</u> | <u>34,072,653</u> | <u>84,137,909</u> | <u>81,330,105</u> |
| Deferred Outflows of Resources | | | | | | |
| Deferred Charge on Refunding | 158,472 | 181,595 | 9,323 | 12,606 | 167,795 | 194,201 |
| Pension | 3,802,143 | 8,656,551 | 237,495 | 638,308 | 4,039,638 | 9,282,620 |
| OPEB | 2,304,871 | 1,748,238 | 162,728 | 83,627 | 2,467,487 | 1,830,557 |
| Asset Retirement Obligation | 23,000 | 24,000 | 0 | 0 | 23,000 | 24,000 |
| <i>Total Deferred Outflows of Resources</i> | <u>6,288,486</u> | <u>10,610,384</u> | <u>409,546</u> | <u>734,541</u> | <u>6,697,920</u> | <u>11,331,378</u> |
| Liabilities | | | | | | |
| Current and Other Liabilities | 3,343,195 | 3,021,191 | 475,523 | 415,350 | 3,818,718 | 3,436,541 |
| Long-Term Liabilities: | | | | | | |
| Due Within One Year | 1,976,149 | 1,670,639 | 675,863 | 960,603 | 2,652,012 | 2,631,242 |
| Due in More than One Year | | | | | | |
| Net Pension Liability | 23,161,205 | 29,626,631 | 1,495,423 | 2,089,900 | 24,656,628 | 31,716,531 |
| Net OPEB Liability | 7,483,611 | 7,075,119 | 997,846 | 951,227 | 8,481,457 | 8,026,346 |
| Other Amounts | 6,421,632 | 7,397,831 | 7,399,522 | 7,979,847 | 13,821,154 | 15,377,678 |
| <i>Total Liabilities</i> | <u>42,385,792</u> | <u>48,791,411</u> | <u>11,044,177</u> | <u>12,396,927</u> | <u>53,429,969</u> | <u>61,188,338</u> |
| Deferred Inflows of Resources | | | | | | |
| Property Taxes | 4,794,360 | 4,779,317 | 0 | 0 | 4,794,360 | 4,779,317 |
| Leases | 928,791 | 970,757 | 0 | 0 | 928,791 | 970,757 |
| Pension | 3,954,778 | 1,217,670 | 327,651 | 85,187 | 4,282,429 | 1,290,618 |
| OPEB | 1,853,130 | 944,652 | 150,759 | 41,334 | 2,003,777 | 984,678 |
| <i>Total Deferred Inflows of Resources</i> | <u>11,531,059</u> | <u>7,912,396</u> | <u>478,410</u> | <u>126,521</u> | <u>12,009,357</u> | <u>8,025,370</u> |
| Net Position | | | | | | |
| Net Investment in Capital Assets | 16,862,764 | 16,529,471 | 12,383,609 | 11,824,712 | 29,246,373 | 28,354,183 |
| Restricted: | | | | | | |
| Capital Projects | 217,038 | 0 | 0 | 0 | 217,038 | 0 |
| Debt Service | 1,391,121 | 477,188 | 0 | 0 | 1,391,121 | 477,188 |
| Other Purposes | 4,441,704 | 4,312,027 | 0 | 0 | 4,441,704 | 4,312,027 |
| Unrestricted (Deficit) | (21,360,855) | (20,154,657) | 11,461,122 | 10,459,034 | (9,899,733) | (9,695,623) |
| <i>Total Net Position</i> | <u>\$1,551,772</u> | <u>\$1,164,029</u> | <u>\$23,844,731</u> | <u>\$22,283,746</u> | <u>\$25,396,503</u> | <u>\$23,447,775</u> |

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2020. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the City's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting the net pension asset and deferred outflows related to pension and OPEB.

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Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the City's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability (asset) and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. For the City (as a whole), total assets and deferred outflows of resources exceed total liabilities and deferred inflows of resources by \$25 million in 2020 and by \$23 million in 2019.

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

Total governmental assets increased and liabilities decreased in 2020. The most significant changes in total assets were the increases in equity in pooled cash and cash equivalents, cash and cash equivalents with fiscal agents and intergovernmental receivables. Net capital assets from current year depreciation/amortization and deletions of assets not exceeding additions of assets in 2020. The increases occurred due to larger intergovernmental receivables from grants. The City's income tax decreased due to COVID 19 effects, and assessed valuations decreased from the prior year. The City started collection on its new income tax rate of 3 percent in 2018. A full year's collections of income taxes were obtained in 2019. Individuals do not settle up tax payments due until April 15th of the following year 2020, for 2019, however due to COVID 19 the settlement of payments was extended out until July 15, 2020.

The greatest effect on net position (unrestricted) is due to the long-term pension and OPEB figures pursuant to GASB 68/71 and 75 as stated earlier. Other factors affecting net position include changes to wages, capital asset capital outlay, and debt liabilities were reduced due to annual requirements per bond indentures.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2020 and 2019.

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(Table 2)
Changes in Net Position

| | Governmental Activities | | Business-Type Activities | | Totals | |
|---|-------------------------|--------------------|--------------------------|---------------------|---------------------|---------------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Revenues | | | | | | |
| Program Revenues | | | | | | |
| Charges for Services and Operating Assessments | \$4,080,629 | \$5,177,718 | \$7,396,539 | \$7,340,003 | \$11,477,168 | \$12,517,721 |
| Operating Grants and Contributions | 3,966,616 | 2,052,353 | 0 | 0 | 3,966,616 | 2,052,353 |
| Capital Grants, Contributions and Donations | 1,420,514 | 33,000 | 0 | 0 | 1,420,514 | 33,000 |
| Total Program Revenues | 9,467,759 | 7,263,071 | 7,396,539 | 7,340,003 | 16,864,298 | 14,603,074 |
| General Revenues | | | | | | |
| Property Taxes | 4,495,377 | 4,507,962 | 0 | 0 | 4,495,377 | 4,507,962 |
| Municipal Income Taxes | 11,545,218 | 12,034,748 | 0 | 0 | 11,545,218 | 12,034,748 |
| Grants and Entitlements not Restricted to Specific Programs | 729,876 | 361,440 | 0 | 0 | 729,876 | 361,440 |
| Unrestricted Contributions | 0 | 200,000 | 0 | 0 | 0 | 200,000 |
| Investment Income | 126,116 | 153,539 | 117,616 | 163,107 | 243,732 | 316,646 |
| Gain on Sale of Capital Assets | 67,008 | 14,508 | 0 | 0 | 67,008 | 14,508 |
| Miscellaneous | 1,003,977 | 633,068 | 99,951 | 163,499 | 1,103,928 | 796,567 |
| Total General Revenues | 17,967,572 | 17,905,265 | 217,567 | 326,606 | 18,185,139 | 18,231,871 |
| Total Revenues | 27,435,331 | 25,168,336 | 7,614,106 | 7,666,609 | 35,049,437 | 32,834,945 |
| Program Expenses | | | | | | |
| General Government | 6,300,387 | 6,662,700 | 0 | 0 | 6,300,387 | 6,662,700 |
| Security of Persons and Property | | | | | | |
| Police | 7,239,550 | 2,164,615 | 0 | 0 | 7,239,550 | 2,164,615 |
| Fire | 5,004,823 | (342,462) | 0 | 0 | 5,004,823 | (342,462) |
| Public Health and Welfare | 247,349 | 239,425 | 0 | 0 | 247,349 | 239,425 |
| Leisure Time Activities | 1,111,983 | 1,448,813 | 0 | 0 | 1,111,983 | 1,448,813 |
| Community Development | 872,672 | 1,021,543 | 0 | 0 | 872,672 | 1,021,543 |
| Basic Utility Services | 1,189,735 | 1,148,460 | 0 | 0 | 1,189,735 | 1,148,460 |
| Transportation | 4,789,561 | 4,035,706 | 0 | 0 | 4,789,561 | 4,035,706 |
| Interest and Fiscal Charges | 291,528 | 211,812 | 0 | 0 | 291,528 | 211,812 |
| Water | 0 | 0 | 3,264,199 | 3,278,967 | 3,264,199 | 3,278,967 |
| Wastewater | 0 | 0 | 2,788,922 | 2,627,056 | 2,788,922 | 2,627,056 |
| Total Program Expenses | 27,047,588 | 16,590,612 | 6,053,121 | 5,906,023 | 33,100,709 | 22,496,635 |
| Change in Net Position | 387,743 | 8,577,724 | 1,560,985 | 1,760,586 | 1,948,728 | 10,338,310 |
| Net Position Beginning of Year | 1,164,029 | (7,413,695) | 22,283,746 | 20,523,160 | 23,447,775 | 13,109,465 |
| Net Position End of Year | \$1,551,772 | \$1,164,029 | \$23,844,731 | \$22,283,746 | \$25,396,503 | \$23,447,775 |

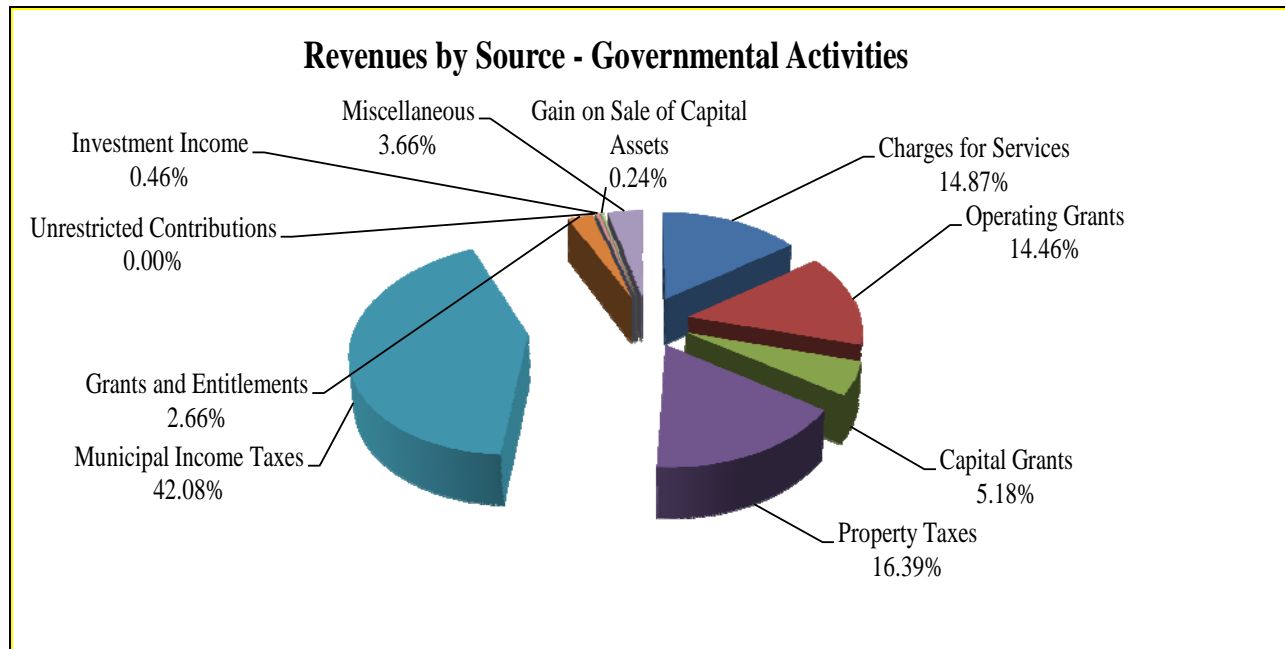
The overall financial strength and the net position of the City improved in 2020 from 2019 for reasons previously stated. The City also makes a conscious effort to follow our financial plan and live within our financial means.

For 2019, OP&F recognized a change in benefit terms for their OPEB plan. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years. These changes contributed to OPEB expense decreasing from \$968,180 in 2018 to a negative OPEB expense of (\$10,275,345) for 2019. The OPEB expense for 2020 increased to \$196,925.

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Governmental Activities

Governmental activities increased the City's net position by the amount of \$387,743. A primary reason for the increase in net position relates to an increase in program revenues offset by larger expenses with police and fire expenses in 2020. The majority of this issue relates to the City recording its portion of the unfunded net pension and OPEB liabilities. This change was so material resulting from the OP&F healthcare change to a stipends program. Fire had \$4,423,567 in accrued expenses in the funds. Internal activity adjustments added \$6,821, capital asset adjustments added \$185,703 and GASB 68 and 75 added \$296,944 and \$91,788, respectively, for ending total expenses of \$5,004,823. GASB 75 in 2019 was a reduction of (\$5,226,298) from the switch to a stipend healthcare benefit. Police had \$6,604,790 in accrued expenses in the funds. Internal activity adjustments added \$9,461, capital asset adjustments added \$154,225 and GASB 68 and 75 added \$329,057 and \$142,017, respectively for ending total expenses of \$7,239,550. GASB 75 in 2019 was a reduction of (\$5,024,703) from the switch to a stipend healthcare benefit.



Revenues were aided by the new income tax rate of 3.00 percent starting January 1, 2018. Both residents of the City and non-residents who work inside the City are subject to the income tax. However, if City residents work in another locality that has a municipal income tax, the City provided up to a 100 percent credit with a limit of 2.25 percent starting in 2018 for those who paid income tax to another City. City Council could by Ordinance, choose to reduce that income tax credit and create additional revenues for the City. Charges for services decreased due to effects from COVID19 closing facilities and thereby reducing recreation fees charged and collected. General revenues from Operating grants and entitlements, specifically from CARES ACT Funding allocated and granted to the City in the amount of \$1,161,643. This includes the Cuyahoga County grant of \$140,040 also from CARES Act funding. Also, local government funds, are also revenue generators. The City monitors its source of revenues very closely for fluctuations.

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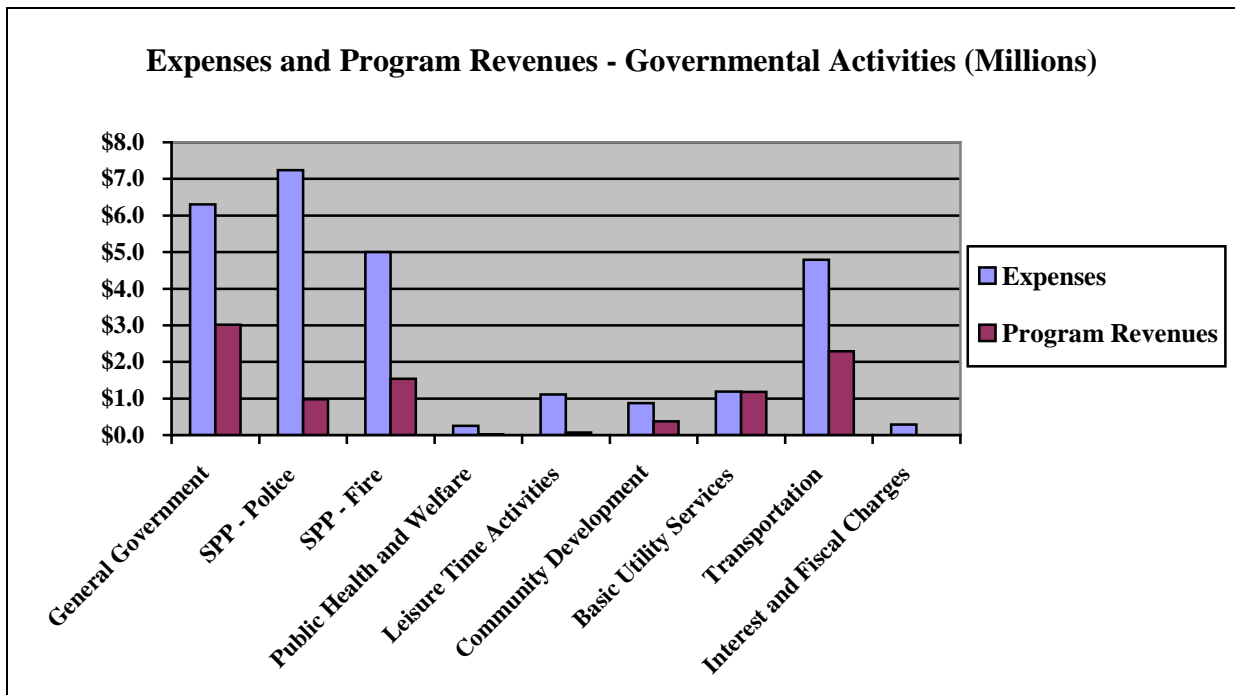
The gain on the sale of capital assets increased from 2019 was due largely from the sale of the old fire pumper and ambulance.

Increases in various program expenses were the result of OP&F changes in the hospitalization funding effecting the net pension/OPEB liabilities. The City replaced employees retiring/leaving the police department in 2020, as well as adding three additional police officers in 2019. Fire department costs were increased due to COVID 19 ambulance responses adding extensive overtime costs. Leisure time activities costs were decreased due to COVID 19 closing facilities, thereby reducing part time employment. Most other expenses closely parallel inflation and growth in the demand for services. Increases in departments were caused by the 2.5 percent increase of contracted wages along with the related pension costs and reduced employee hospitalization utilization costs.

Normally, the largest program for the City relates to the security of persons and property, police and fire program expenses. During 2020, the City spent 45 percent of program expenses on security of persons and property compared to 2019 it was 11 percent of program expenses. The major cost increase was due to the OP&F Pension hospitalization funding changes in 2019.

Normally, the next largest expenses were general government expenses. The City maintained spending levels and employment in these departments due to lack of projected revenues from COVID 19. During 2020, 23 percent of program expenses related general government administration and the Bedford Municipal Court costs compared to 2019, when 40 percent was spent.

Normally, the third largest program expenses were related to the transportation system for street and highway maintenance to include snow removal. The winters were very good for the past three years; this allowed the City to use less salt and pay less overtime for service workers in 2020 which benefitted the road reconstruction projects in 2020. This was also a requirement with the public for passing the tax increase to 3 percent. The City maintains salt funding for two years of winter storms at all times.



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Business-Type Activities

The business-type activities of the City, which include the City's water and wastewater operations, increased the City's net position by \$1.6 million. Program revenues were more than program expenses for water operations in 2020 due to new water meters installed and increased wastewater rates of 4 percent in 2020, and 9 percent for 2019. These revenue increases are classified as charges for services. The minimum water rate increases of three percent annually went into effect in 2011. City Council voted to percent have no increase in water rates in 2016, 2017, 2018 and 2020 due to new meter installations. The City of Cleveland sells water to the City of Bedford at a discount. However, the City of Cleveland will increase its water rates to the City of Bedford in 2019 and 2020 in the amounts of 5.0975 percent and 4.679 percent, respectively. The City of Bedford increased water rates only by .0975 percent and increased wastewater rates by 9 percent in 2019. Wastewater rates were increased by 4 percent in 2020 and 2021.

Program revenues were more than program expenses for the water and wastewater operations for 2020. A four percent increase in wastewater rates was placed into effect annually since 2011 and a 15 percent increase was placed into effect in 2015. The loss of revenue from the closing of Ben Venue Laboratories was the main reason for the increase in water and sewer rates. The wastewater rate increases for 2019 was 9 percent. Foreclosed homes and delinquencies have increased and more assessments have been recorded on parcels for non-payment. In 2020, the City will not be able to assess water delinquencies to the County, as the state legislature put a hold on delinquent water assessment due to COVID19 issues.

Financial Analysis of the Government's Funds

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

Governmental Funds

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

All governmental funds had total revenues and expenditures of \$27,537,516 and \$26,230,389, respectively, in 2020 leaving a surplus of \$1.3 million. The most significant change in our funds from 2019 to 2020 was the increase in intergovernmental revenue which was the direct result of the CARES ACT funding (grants), the payments from the Bedford Board of Education for the demolition of Chanel High School, and the grant received from Cuyahoga County. Also, decreased revenue collected by the municipal court for fines and forfeitures is a direct result of the effects from COVID 19 and the number of court cases held. Also, more costs of court operations (fines and court cost revenue over municipal court expenditures), were charged to other governments in 2020. Spending was increased in most categories of expenses as employees were granted a 2.5 percent pay raise in 2020. However, there was less spending on leisure time activities due to the closing of the facilities in 2020. Police costs increased due to bringing staff up to full employee staffing and adding three additional officers. Fire department costs increased due to overtime.

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The general fund is the chief operating fund of the City. At the end of the current year, total fund balance for the general fund was \$8,773,511 of which \$7,339,058 was unassigned at year-end. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balances to total fund expenditures including transfers out. The 2020 unassigned fund balance represents 48 percent of total general fund expenditures and transfers out, while total fund balances represents 57 percent. The unassigned fund balance will cover 174 days of City general fund expenditures. The minimum GFOA best practices recommendation is at least 60 days. This is another way to express the general fund's liquidity.

During the current year, the fund balance of the City's general fund increased by \$2 million. The increase in the general fund balance is due to increases in intergovernmental revenues as the City works to secure funding sources offset by losses of revenue of income tax collections and municipal court collections from reasons previously discussed.

The public safety major special revenue fund's balance increased from additional intergovernmental grants and subsidy from the general fund. The total assets of this fund were \$3.7 million at year-end comprised largely of property taxes receivable. The City's police and fire department operations are included in this fund.

The capital improvement major capital project fund's balance decreased from capital projects City-wide. This fund also benefits from general fund subsidies.

General Fund Budgeting Highlights

The City's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund. During the course of 2020, the City amended its general fund budget on various occasions. All recommendations for budget changes come to the whole Council for Ordinance enactment on the changes. The City does allow small interdepartmental budget changes that modify line items within departments within the same fund. The general fund supports many of our major activities such as our service department and the municipal court activities, as well as most legislative and executive activities. The general fund is monitored closely, looking for possible revenue shortfalls or overspending by individual departments.

The general fund's original budgeted revenues including other financing sources was \$18.1 million. The final budgeted revenue amount was also \$18.1 million, while actual revenues were \$17.4 million. The general fund's original appropriations including other financing uses were budgeted at \$17.3 million. The final budgeted appropriations and other financing uses were \$17.6 million, while actual expenditures and other financing uses were \$15.4 million. The City of Bedford's ending unencumbered cash balance in the general fund increased by \$1.9 million from budget management throughout the year.

The differences between the general fund's original and final amended budget versus actual for revenues were the intergovernmental revenue estimates and sale of assets held for resale. The intergovernmental revenues were more than 2019 estimates due to the CARES Act funding alleviating general fund expenses. The income taxes actual revenue was slightly more than expected. The 2019 allocation of income taxes is 92 percent of total collections go into the general fund while 8 percent is posted to the debt service fund. The allocation of income tax for 2020 was different due to the 1999 debt issue of the City Hall complex paid in full. The allocation for 2020 is 92 percent to the general fund, 5.5 percent to the debt service fund and 2.5 percent to the capital projects fund. The largest negative variance resulted from Municipal Court Fines and Forfeiture revenues falling well below the budget figures.

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Expenditure budget amounts had the following changes:

- ❑ The most significant budget (appropriation) change was the increase in transfers out as the budget was amended for increases for the Police department. There were also budgeted advances out specific to the Northfield & Rockside Road West capital projects fund for construction and to the Cares Act special revenue fund to cover expenses associated with the Cuyahoga County CARES Act grant funding.
- ❑ General fund expenditures left unspent consisted of the following:
 - The police department left unspent funds of \$338,278 from savings from dispatcher costs and workers compensation fringe benefits.
 - The recreation department's playgrounds and baseball, swimming pool and Ellenwood Building department left unspent due to COVID19 closing facilities, the following \$221,708, \$191,370, and \$99,616 respectively.
 - The Municipal Court left unspent a total of \$345,890 of which \$166,934 was saved in personal services costs and \$80,630 was unspent due to less hospitalization costs.
 - The transfers out account left unspent funds that were not necessary, as noted, for health insurance claims and for the safety forces levy funding.
- ❑ Actual expenditures were less than appropriations due mainly to the above, and the diligence of management to keep costs low.

Capital Assets and Debt Administration

Capital Assets

Total governmental capital assets increased in 2020. Increases in many capital asset categories occurred mostly due to vehicle purchases, and road improvements depreciation/amortization expense and the disposal of machinery and equipment and vehicles. The City had additions to governmental capital assets consisting of buildings and improvements, machinery and equipment, furniture and fixtures, vehicles, roads, storm sewers and intangible right to use lease. The business-type construction in progress was decreased by projects that consisted of the Union Street waterline, and Wood Creek stabilization project along with, the Wastewater treatment plant improvements.

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. The City in 2020 contracted with Arcadis to perform a water rate study to include consumption and future analysis of rates structure to be in-line with master plans project. Additional information concerning the City's capital assets can be found in Note 11 to the basic financial statements.

Debt

There are multiple general obligation bond projects for both governmental and business-type activities that were issued for both improvements and to refund previously issued debt, capitalizing on reductions to interest rates.

City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

GASB 88 establishes standards to improve the information disclosure in the notes to the government financial statements related to debt, including direct borrowings and direct placements of debt. The City entered into a direct placement of debt with the Ohio Water Development Authority (OWDA) for the emergency improvement of Wood Creek Stabilization Project.

GASB 87 establishes lease standards for financed purchased assets as well as leases payable and assets not taken possession of after the lease period concludes. The City entered into a direct placement agreement with Key Bank to finance a new ambulance and fire pumper truck. The Municipal Court entered into direct placement leases for their copiers.

There is one OPWC loan that is being paid semi-annually from the general obligation debt service fund. This loan is zero interest 20-year loans for the 2010 Broadway/Wood Creek Bridge/Culvert. Wandle Avenue had its last payment this year.

GASB 68 establishes standards for measuring and recognizing pension liabilities, deferred outflows/inflows of resources and expense/expenditure. Both governmental and business-type activities net pension liabilities (NPL) decreased in 2020 vs 2019.

GASB 75 require the standards for measuring and recognizing OPEB liabilities which was implemented in 2018. The governmental activities net OPEB liability increased while the business-type net OPEB liability also increased.

The police pension liability loan is a specific one-time liability for the unfunded portion of the pension due for employees hired before the Police and Firemen's Disability and Pension fund was established.

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

The Grand, Magnolia and Franklin water line and Northfield Road water line OPWC projects will be repaid from the water rates and the funds to match this grant came from the bond proceeds issued. These issues are to be repaid from the water rates and water bill collections. The general obligation debt was issued for the water lines of Washington Street, Tinkers Creek Commerce Park and Forbes Road water line.

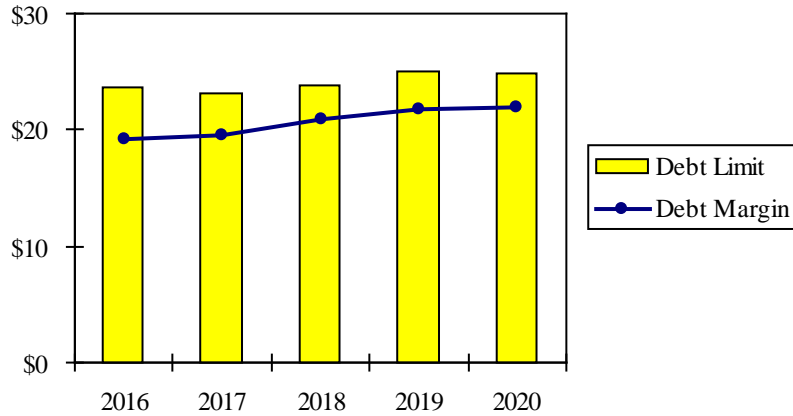
The water and sewer rates along with respective collections pay for the retirement of an Ohio Public Works Commission Loan (Oxidation Tower Project) and the Ohio Water Development Authority Loan (Rapid Sandfilter Project). The City received a grant in 2004 from the State's Issue II funding and an OPWC-Oxidation Tower loan has been granted. 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.

The City, in 2016, issued private placement \$1.4 million in general obligation bonds over a period of 5 years with the purpose of replacing all residential water meters in the City. The project construction lasted two years and increased water reading consumption from slow running meters by a range of 3 percent, current collections are confirming this range. The interest rate on these bonds is 2.1 percent over the 5 years.

In 2016, the City refunded the 2006 general obligation bonds through Key Bank at an interest rate of 2.18 percent from June 1, 2017 through December 1, 2026 on September 6, 2016. The net present value savings from this issue was \$546,651. The cash flow savings from this refunding is \$613,018.

City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

State statutes limit the amount of general obligation debt a governmental entity may issue to 10½ percent of total assessed valuation. The City's overall legal debt limit decreased to \$24.9 million in 2020. This is the amount of debt the City is legally allowed to issue. This is due to the decrease in current year debt and reappraised higher assessed property valuation. It should be noted that, most general obligation debt issued has two revenue sources backing the issues for income tax or water and sewer rate collections.



| | Debt Calculations in (Millions) | | | | |
|-------------|---------------------------------|--------|--------|--------|--------|
| | 2016 | 2017 | 2018 | 2019 | 2020 |
| Debt Limit | \$23.6 | \$23.2 | \$23.8 | \$25.0 | \$24.9 |
| Debt Margin | 19.2 | 19.5 | 20.8 | 21.9 | 22.2 |

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

The City of Bedford continues to be financially strong. Prior to the taxpayers, passing the Income tax levy increase to 3 percent on May 2, 2017, Moody's Investors Service's on February 15, 2017, "downgraded to A1 from Aa3 the rating on the City of Bedford, OH's outstanding general obligation limited tax (GOLT) debt.

City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

Moody's Investors Service is quoted as stating:

“The downgrade to A1 primarily reflects economic weaknesses that have recently become more pronounced with the loss of local employers. The rating also incorporates the City's very strong fiscal and management profile, as well as plans to seek voter approval of an increased income tax to mitigate the fiscal effects of recent business closures. Lastly, the rating also considers a moderate debt burden and the City's exposure to unfunded pension liabilities of two cost-sharing retirement systems. The A1 rating is the same as Moody's internal assessment of Bedford's hypothetical general obligation unlimited tax rating. The lack of notching reflects the City's full faith and credit pledge to pay debt service”.

Strengths were quoted as follows:

“A very healthy operating fund balance.”

“Strong fiscal management practices that include maintenance of a formal financial reserve policy, annually updated five-year operating forecast, and the identification of potential revenue enhancements.”

Challenges were quoted as follows:

“A very modest tax base size that incorporates a cumulative 32 percent decline since 2006.”

“A challenged demographic profile relative to other highly rated local governments as indicated by a negative population trend and falling income levels relative to the nation.”

“A recent departure of the City's largest employer and taxpayer that drove a sizeable reduction in the income tax revenue.”

“Exposure to unfunded pension liabilities of two cost-sharing retirement plans.”

Rating Outlook:

Outlooks are typically not assigned to issuers with this amount of debt outstanding.

Factors that Could Lead to an Upgrade:

Significant expansion of the City's tax base and local economy coupled with an improved socioeconomic profile.

Standard and Poor's Inc. Rating Quotes:

On February 12, 2015, Standard and Poor's Inc. downgraded the City's financial ratings and assigned its AA-stable long-term rating to the City of Bedford, Ohio series 2016 limited-tax general obligation (GO) various purpose improvements bonds. Standard & Poor's Ratings Services quoted the following:

City of Bedford, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
Unaudited

“The AA-/Stable rating reflects our assessment of Bedford’s:

- Weak economy, with significant population decline, but access to a broad and diverse metropolitan statistical area.
- Very strong debt and contingent liability position, with debt service carrying charges at 6.4 percent of expenditures and net direct debt that is 47.3 percent of total governmental fund revenue. Low overall net debt less than 3.0 percent of market value and rapid amortization, with 69.0 percent of debt scheduled to be retired in 10 years; and
- Strong institutional framework score.
- Very strong budgetary flexibility, with an available fund balance in 2014 of 60 percent of operating expenditures;
- Very strong liquidity with total government available cash at 108.7 percent of total governmental fund expenditures and 17.0 percent governmental debt service, and access to external liquidity we consider strong;
- Very strong management with strong financial policies and practices under our Financial Management Assessment (FMA) methodology.

In conclusion, the City of Bedford along with many other cities in Ohio, have been facing both significant challenges and opportunities. Management has performed well in adjusting to the State cuts in revenue, adjusting to counter the loss of the City’s largest taxpayer and the challenges of the effects to come from the COVID-19 pandemic. The citizens of the City of Bedford care deeply about their community, and when communicated to properly, will propel the City forward with revenue enhancements when needed. The City is committed to working with all stakeholders to craft solutions that will most effectively use the available resources to continue to provide excellent services to the residents of the City.

Contacting the City’s Finance Department

This financial report is designed to provide our citizens, tax payers, creditors and investors with a general overview of the City’s finances and show the City’s accountability for all money it receives, spends, or invests. If you have any questions about this report or need financial information please contact Frank C. Gambosi, Director of Finance, City of Bedford, 165 Center Road, Bedford, Ohio 44146, telephone (440) 735-6501, or use our web site at www.bedfordoh.gov.

City of Bedford, Ohio
Statement of Net Position
December 31, 2020

| | Governmental Activities | Business-Type Activities | Total * |
|---|----------------------------|-----------------------------|---------------------|
| Assets | | | |
| Equity in Pooled Cash and Cash Equivalents | \$13,082,303 | \$12,760,505 | \$25,842,808 |
| Cash and Cash Equivalents with Fiscal Agents | 11,878 | 0 | 11,878 |
| Accounts Receivable | 61,452 | 1,605,672 | 1,667,124 |
| Accrued Interest Receivable | 52,792 | 55,896 | 108,688 |
| Intergovernmental Receivable | 1,404,220 | 0 | 1,404,220 |
| Internal Balances | 73,455 | (73,455) | 0 |
| Income Taxes Receivable | 3,683,363 | 0 | 3,683,363 |
| Materials and Supplies Inventory | 153,582 | 182,604 | 336,186 |
| Prepaid Items | 224,606 | 19,315 | 243,921 |
| Property Taxes Receivable | 5,075,889 | 0 | 5,075,889 |
| Special Assessments Receivable | 1,331,143 | 0 | 1,331,143 |
| Leases Receivable | 928,791 | 0 | 928,791 |
| Net Pension Asset | 27,079 | 5,158 | 32,237 |
| Nondepreciable Capital Assets | 3,423,259 | 55,888 | 3,479,147 |
| Depreciable Capital Assets, Net | 19,646,325 | 20,346,189 | 39,992,514 |
| <i>Total Assets</i> | <u>49,180,137</u> | <u>34,957,772</u> | <u>84,137,909</u> |
| Deferred Outflows of Resources | | | |
| Deferred Charge on Refunding | 158,472 | 9,323 | 167,795 |
| Pension | 3,802,143 | 237,495 | 4,039,638 |
| OPEB | 2,304,871 | 162,728 | 2,467,487 |
| Asset Retirement Obligation | 23,000 | 0 | 23,000 |
| <i>Total Deferred Outflows of Resources</i> | <u>6,288,486</u> | <u>409,546</u> | <u>6,697,920</u> |
| Liabilities | | | |
| Accounts Payable | 203,573 | 23,897 | 227,470 |
| Contracts Payable | 196,916 | 126,300 | 323,216 |
| Accrued Wages | 381,062 | 41,309 | 422,371 |
| Intergovernmental Payable | 493,626 | 158,073 | 651,699 |
| Vacation Benefits Payable | 819,312 | 95,684 | 914,996 |
| Claims Payable | 198,308 | 0 | 198,308 |
| Unearned Revenue | 1,024,925 | 0 | 1,024,925 |
| Retainage Payable | 11,878 | 0 | 11,878 |
| Accrued Interest Payable | 13,595 | 30,260 | 43,855 |
| Long-Term Liabilities: | | | |
| Due Within One Year | 1,976,149 | 675,863 | 2,652,012 |
| Due In More Than One Year | | | |
| Net Pension Liability (See Note 13) | 23,161,205 | 1,495,423 | 24,656,628 |
| Net OPEB Liability (See Note 14) | 7,483,611 | 997,846 | 8,481,457 |
| Other Amounts | 6,421,632 | 7,399,522 | 13,821,154 |
| <i>Total Liabilities</i> | <u>42,385,792</u> | <u>11,044,177</u> | <u>53,429,969</u> |
| Deferred Inflows of Resources | | | |
| Property Taxes | 4,794,360 | 0 | 4,794,360 |
| Leases | 928,791 | 0 | 928,791 |
| Pension | 3,954,778 | 327,651 | 4,282,429 |
| OPEB | 1,853,130 | 150,759 | 2,003,777 |
| <i>Total Deferred Inflows of Resources</i> | <u>11,531,059</u> | <u>478,410</u> | <u>12,009,357</u> |
| Net Position | | | |
| Net Investment in Capital Assets | 16,862,764 | 12,383,609 | 29,246,373 |
| Restricted for: | | | |
| Capital Projects | 217,038 | 0 | 217,038 |
| Debt Service | 1,391,121 | 0 | 1,391,121 |
| Municipal Courts | 375,852 | 0 | 375,852 |
| Streets | 1,518,411 | 0 | 1,518,411 |
| Community Development | 99,635 | 0 | 99,635 |
| Street Lighting | 586,119 | 0 | 586,119 |
| Drug Force Violations | 363,306 | 0 | 363,306 |
| Refuse Collection | 973,166 | 0 | 973,166 |
| Other Purposes | 525,215 | 0 | 525,215 |
| Unrestricted (Deficit) | (21,360,855) | 11,461,122 | (9,899,733) |
| <i>Total Net Position</i> | <u>\$1,551,772</u> | <u>\$23,844,731</u> | <u>\$25,396,503</u> |

* After deferred outflows/inflows related to the change in internal proportionate share of pension-related items have been eliminated.

See accompanying notes to the basic financial statements

City of Bedford, Ohio
Statement of Activities
For the Year Ended December 31, 2020

| | Program Revenues | | | |
|---------------------------------------|---------------------|--|---------------------------------------|---|
| | Expenses | Charges for Services and Operating Assessments | Operating Grants and Contributions | Capital Grants, Contributions and Donations |
| Governmental Activities | | | | |
| General Government | \$6,300,387 | \$2,096,023 | \$904,536 | \$20,047 |
| Security of Persons and Property | | | | |
| Police | 7,239,550 | 63,988 | 913,468 | 0 |
| Fire | 5,004,823 | 430,930 | 1,107,145 | 0 |
| Public Health and Welfare | 247,349 | 0 | 20,606 | 0 |
| Leisure Time Activities | 1,111,983 | 15,862 | 55,093 | 0 |
| Community Development | 872,672 | 296,966 | 75,645 | 0 |
| Basic Utility Services | 1,189,735 | 1,176,860 | 1,405 | 0 |
| Transportation | 4,789,561 | 0 | 888,718 | 1,400,467 |
| Interest and Fiscal Charges | 291,528 | 0 | 0 | 0 |
| <i>Total Governmental Activities</i> | <u>27,047,588</u> | <u>4,080,629</u> | <u>3,966,616</u> | <u>1,420,514</u> |
| Business-Type Activities | | | | |
| Water | 3,264,199 | 4,284,956 | 0 | 0 |
| Wastewater | 2,788,922 | 3,111,583 | 0 | 0 |
| <i>Total Business-Type Activities</i> | <u>6,053,121</u> | <u>7,396,539</u> | <u>0</u> | <u>0</u> |
| <i>Total</i> | <u>\$33,100,709</u> | <u>\$11,477,168</u> | <u>\$3,966,616</u> | <u>\$1,420,514</u> |

General Revenues

Property Taxes Levied for:

 General Purposes

 Public Safety

Municipal Income Taxes Levied for:

 General Purposes

 Debt Service

 Capital Outlay

Grants and Entitlements not Restricted
to Specific Programs

Investment Income

Gain on Sale of Capital Assets

Miscellaneous

Total General Revenues

Change in Net Position

*Net Position Beginning of Year -
Restated (See Note 18)*

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense) Revenue and
Changes in Net Position

| Governmental Activities | Business-Type Activities | Total |
|----------------------------|-----------------------------|---------------|
| (\$3,279,781) | \$0 | (\$3,279,781) |
| (6,262,094) | 0 | (6,262,094) |
| (3,466,748) | 0 | (3,466,748) |
| (226,743) | 0 | (226,743) |
| (1,041,028) | 0 | (1,041,028) |
| (500,061) | 0 | (500,061) |
| (11,470) | 0 | (11,470) |
| (2,500,376) | 0 | (2,500,376) |
| (291,528) | 0 | (291,528) |
| (17,579,829) | 0 | (17,579,829) |
| 0 | 1,020,757 | 1,020,757 |
| 0 | 322,661 | 322,661 |
| 0 | 1,343,418 | 1,343,418 |
| (17,579,829) | 1,343,418 | (16,236,411) |
| 1,948,568 | 0 | 1,948,568 |
| 2,546,809 | 0 | 2,546,809 |
| 10,621,601 | 0 | 10,621,601 |
| 634,986 | 0 | 634,986 |
| 288,631 | 0 | 288,631 |
| 729,876 | 0 | 729,876 |
| 126,116 | 117,616 | 243,732 |
| 67,008 | 0 | 67,008 |
| 1,003,977 | 99,951 | 1,103,928 |
| 17,967,572 | 217,567 | 18,185,139 |
| 387,743 | 1,560,985 | 1,948,728 |
| 1,164,029 | 22,283,746 | 23,447,775 |
| \$1,551,772 | \$23,844,731 | \$25,396,503 |

City of Bedford, Ohio

Balance Sheet

Governmental Funds

December 31, 2020

| | <u>General</u> | <u>Public Safety</u> | <u>Capital Improvement</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|---|---------------------|--------------------------|--------------------------------|---|---|
| Assets | | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$7,522,969 | \$604,807 | \$1,222,463 | \$3,477,965 | \$12,828,204 |
| Restricted Assets: | | | | | |
| Cash and Cash Equivalents | 44 | 0 | 0 | 0 | 44 |
| Cash and Cash Equivalents with Fiscal Agents | 0 | 0 | 5,820 | 6,058 | 11,878 |
| Property Taxes Receivable | 2,198,778 | 2,877,111 | 0 | 0 | 5,075,889 |
| Income Taxes Receivable | 3,388,694 | 0 | 92,084 | 202,585 | 3,683,363 |
| Accounts Receivable | 47,626 | 0 | 0 | 10,000 | 57,626 |
| Intergovernmental Receivable | 507,704 | 137,263 | 121,167 | 638,086 | 1,404,220 |
| Interfund Receivable | 193,983 | 0 | 0 | 0 | 193,983 |
| Accrued Interest Receivable | 32,411 | 1,675 | 5,355 | 12,238 | 51,679 |
| Materials and Supplies Inventory | 148,652 | 4,930 | 0 | 0 | 153,582 |
| Prepaid Items | 166,774 | 24,968 | 0 | 32,864 | 224,606 |
| Special Assessments Receivable | 186,964 | 0 | 0 | 1,144,179 | 1,331,143 |
| Leases Receivable | 928,791 | 0 | 0 | 0 | 928,791 |
| <i>Total Assets</i> | <u>\$15,323,390</u> | <u>\$3,650,754</u> | <u>\$1,446,889</u> | <u>\$5,523,975</u> | <u>\$25,945,008</u> |
| Liabilities | | | | | |
| Accounts Payable | \$108,775 | \$1,317 | \$0 | \$93,481 | \$203,573 |
| Contracts Payable | 63,343 | 0 | 51,954 | 81,619 | 196,916 |
| Accrued Wages | 183,653 | 192,662 | 0 | 4,747 | 381,062 |
| Intergovernmental Payable | 317,534 | 159,776 | 0 | 16,316 | 493,626 |
| Claims Payable | 17,022 | 0 | 0 | 0 | 17,022 |
| Interfund Payable | 0 | 0 | 0 | 193,983 | 193,983 |
| Retainage Payable | 0 | 0 | 5,820 | 6,058 | 11,878 |
| Unearned Revenue | 0 | 0 | 1,024,925 | 0 | 1,024,925 |
| <i>Total Liabilities</i> | <u>690,327</u> | <u>353,755</u> | <u>1,082,699</u> | <u>396,204</u> | <u>2,522,985</u> |
| Deferred Inflows of Resources | | | | | |
| Property Taxes | 2,076,819 | 2,717,541 | 0 | 0 | 4,794,360 |
| Leases | 928,791 | 0 | 0 | 0 | 928,791 |
| Unavailable Revenue | 2,853,942 | 294,977 | 63,668 | 1,560,706 | 4,773,293 |
| <i>Total Deferred Inflows of Resources</i> | <u>5,859,552</u> | <u>3,012,518</u> | <u>63,668</u> | <u>1,560,706</u> | <u>10,496,444</u> |
| Fund Balances | | | | | |
| Nonspendable | 315,426 | 29,898 | 0 | 32,864 | 378,188 |
| Restricted | 0 | 254,583 | 0 | 3,578,141 | 3,832,724 |
| Assigned | 1,119,027 | 0 | 300,522 | 0 | 1,419,549 |
| Unassigned (Deficit) | 7,339,058 | 0 | 0 | (43,940) | 7,295,118 |
| <i>Total Fund Balances</i> | <u>8,773,511</u> | <u>284,481</u> | <u>300,522</u> | <u>3,567,065</u> | <u>12,925,579</u> |
| <i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i> | <u>\$15,323,390</u> | <u>\$3,650,754</u> | <u>\$1,446,889</u> | <u>\$5,523,975</u> | <u>\$25,945,008</u> |

See accompanying notes to the basic financial statements

City of Bedford, Ohio
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2020*

| | |
|--|---------------------------|
| Total Governmental Fund Balances | \$12,925,579 |
| <i>Amounts reported for governmental activities in the statement of net position are different because</i> | |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. | 23,069,584 |
| Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds: | |
| Delinquent Property Taxes | 281,529 |
| Income Taxes | 2,546,710 |
| Special Assessments | 1,331,143 |
| Intergovernmental | 613,911 |
| Total | 4,773,293 |
| An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position: | |
| Net Position | 77,708 |
| Internal Balances | 73,455 |
| Total | 151,163 |
| In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. | (13,595) |
| Vacation benefits payable is not expected to be paid with expendable available financial resources and therefore not reported in the funds. | (819,312) |
| The net pension asset, net pension liability and net OPEB liability are not due and payable in the current period; therefore, the asset, liability and related deferred inflows/outflows are not reported in governmental funds: | |
| Net Pension Asset | 27,079 |
| Deferred Outflows - Pension | 3,802,143 |
| Net Pension Liability | (23,161,205) |
| Deferred Inflows - Pension | (3,954,778) |
| Deferred Outflows - OPEB | 2,304,871 |
| Net OPEB Liability | (7,483,611) |
| Deferred Inflows - OPEB | (1,853,130) |
| Total | (30,318,631) |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds: | |
| General Obligation Bonds | (5,177,376) |
| OPWC Loans | (285,092) |
| Police Pension | (131,785) |
| Financed Purchases | (857,432) |
| Leases | (45,392) |
| Compensated Absences | (1,850,704) |
| Deferred Charge on Refunding | 158,472 |
| Deferred Outflow Asset Retirement | 23,000 |
| Asset Retirement Obligation | (50,000) |
| Total | (8,216,309) |
| <i>Net Position of Governmental Activities</i> | <u>\$1,551,772</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, 2020

| | General | Public Safety | Capital Improvement | Other Governmental Funds | Total Governmental Funds |
|---|--------------------|--------------------|------------------------|--------------------------------|--------------------------------|
| Revenues | | | | | |
| Property Taxes | \$1,998,386 | \$2,611,992 | \$0 | \$0 | \$4,610,378 |
| Municipal Income Taxes | 10,689,832 | 0 | 290,485 | 639,065 | 11,619,382 |
| Charges for Services | 674,091 | 0 | 0 | 45 | 674,136 |
| Fees, Licenses and Permits | 215,437 | 13 | 0 | 0 | 215,450 |
| Fines and Forfeitures | 1,629,135 | 0 | 0 | 254,042 | 1,883,177 |
| Intergovernmental | 1,451,211 | 272,670 | 1,400,467 | 2,970,088 | 6,094,436 |
| Special Assessments | 23,114 | 0 | 0 | 1,202,594 | 1,225,708 |
| Contributions and Donations | 0 | 0 | 0 | 25,140 | 25,140 |
| Interest | 78,372 | 5,607 | 10,899 | 28,958 | 123,836 |
| Rentals | 53,969 | 0 | 0 | 0 | 53,969 |
| Leases | 41,966 | 0 | 0 | 0 | 41,966 |
| Other | 551,683 | 0 | 33,002 | 385,253 | 969,938 |
| <i>Total Revenues</i> | <u>17,407,196</u> | <u>2,890,282</u> | <u>1,734,853</u> | <u>5,505,185</u> | <u>27,537,516</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| General Government | 5,084,758 | 0 | 0 | 384,191 | 5,468,949 |
| Security of Persons and Property: | | | | | |
| Police | 1,852,418 | 3,516,232 | 0 | 1,094,725 | 6,463,375 |
| Fire | 148,943 | 3,259,299 | 0 | 980,454 | 4,388,696 |
| Public Health and Welfare | 204,012 | 0 | 0 | 22,322 | 226,334 |
| Leisure Time Activities | 859,995 | 0 | 0 | 57,655 | 917,650 |
| Community Development | 694,900 | 0 | 0 | 81,194 | 776,094 |
| Basic Utility Services | 0 | 0 | 0 | 1,189,117 | 1,189,117 |
| Transportation | 1,779,142 | 0 | 0 | 809,706 | 2,588,848 |
| Capital Outlay | 0 | 0 | 2,901,547 | 146,965 | 3,048,512 |
| Debt Service: | | | | | |
| Principal Retirement | 124,656 | 0 | 0 | 759,843 | 884,499 |
| Interest and Fiscal Charges | 33,841 | 0 | 0 | 244,474 | 278,315 |
| <i>Total Expenditures</i> | <u>10,782,665</u> | <u>6,775,531</u> | <u>2,901,547</u> | <u>5,770,646</u> | <u>26,230,389</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>6,624,531</u> | <u>(3,885,249)</u> | <u>(1,166,694)</u> | <u>(265,461)</u> | <u>1,307,127</u> |
| Other Financing Sources (Uses) | | | | | |
| Sale of Capital Assets | 3,870 | 25,000 | 36,258 | 1,880 | 67,008 |
| Inception of Lease | 46,311 | 0 | 0 | 0 | 46,311 |
| Transfers In | 0 | 3,956,535 | 215,000 | 562,495 | 4,734,030 |
| Transfers Out | (4,608,535) | 0 | 0 | (125,495) | (4,734,030) |
| <i>Total Other Financing Sources (Uses)</i> | <u>(4,558,354)</u> | <u>3,981,535</u> | <u>251,258</u> | <u>438,880</u> | <u>113,319</u> |
| <i>Net Change in Fund Balances</i> | 2,066,177 | 96,286 | (915,436) | 173,419 | 1,420,446 |
| <i>Fund Balances Beginning of Year</i> | <u>6,707,334</u> | <u>188,195</u> | <u>1,215,958</u> | <u>3,393,646</u> | <u>11,505,133</u> |
| <i>Fund Balances End of Year</i> | <u>\$8,773,511</u> | <u>\$284,481</u> | <u>\$300,522</u> | <u>\$3,567,065</u> | <u>\$12,925,579</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, 2020*

Net Change in Fund Balances - Total Governmental Funds \$1,420,446

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

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

| | | |
|--|--------------------|---------|
| Capital Asset Additions | 2,078,292 | |
| Current Year Depreciation/Amortization | <u>(1,630,216)</u> | |
| Total | | 448,076 |

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

| | | |
|---------------------------|----------------|-----------|
| Delinquent Property Taxes | (115,001) | |
| Income Taxes | (74,164) | |
| Special Assessments | (13,777) | |
| Intergovernmental | <u>(2,570)</u> | |
| Total | | (205,512) |

Other financing sources, such as inception of lease, in the governmental funds increase long-term liabilities in the statement of net position. (46,311)

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

| | | |
|---------|--|-----------|
| Pension | | 1,956,182 |
| OPEB | | 30,683 |

Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.

| | | |
|---------|--|-------------|
| Pension | | (3,070,396) |
| OPEB | | (791,020) |

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 884,499

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

| | | |
|--|-----------------|----------|
| Accrued Interest | 1,689 | |
| Amortization of Premium | 8,221 | |
| Amortization of Deferred Charge on Refunding | <u>(23,123)</u> | |
| Total | | (13,213) |

Amortization of deferred outflows related to the asset retirement obligation is reported as an expense in the statement of activities. (1,000)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

| | | |
|---------------------------|-----------------|-----------|
| Compensated Absences | (175,720) | |
| Vacation Benefits Payable | <u>(49,647)</u> | |
| Total | | (225,367) |

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

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

| | | |
|----------------------------|--------------|------------|
| Change in Net Position | (3,127) | |
| Change in Internal Balance | <u>3,803</u> | |
| Total | | <u>676</u> |

Change in Net Position of Governmental Activities \$387,743

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, 2020

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|-------------------------|--------------------|--------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Property Taxes | \$2,012,240 | \$2,012,240 | \$1,998,386 | (\$13,854) |
| Municipal Income Taxes | 10,509,055 | 10,509,055 | 10,584,524 | 75,469 |
| Charges for Services | 823,300 | 828,300 | 678,494 | (149,806) |
| Fees, Licenses and Permits | 260,490 | 243,490 | 209,996 | (33,494) |
| Fines and Forfeitures | 2,056,300 | 2,056,300 | 1,672,742 | (383,558) |
| Intergovernmental | 1,372,470 | 1,409,803 | 1,372,793 | (37,010) |
| Special Assessments | 20,000 | 20,000 | 23,114 | 3,114 |
| Interest | 68,150 | 68,150 | 39,970 | (28,180) |
| Rentals | 68,000 | 68,000 | 53,969 | (14,031) |
| Other | 878,100 | 765,687 | 584,746 | (180,941) |
| <i>Total Revenues</i> | <u>18,068,105</u> | <u>17,981,025</u> | <u>17,218,734</u> | <u>(762,291)</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 5,777,859 | 5,841,023 | 5,106,822 | 734,201 |
| Security of Persons and Property: | | | | |
| Police | 2,207,912 | 2,209,196 | 1,870,918 | 338,278 |
| Fire | 157,000 | 157,000 | 146,652 | 10,348 |
| Public Health and Welfare | 201,755 | 208,764 | 202,768 | 5,996 |
| Leisure Time Activities | 1,496,428 | 1,496,729 | 942,519 | 554,210 |
| Community Development | 703,868 | 707,035 | 619,577 | 87,458 |
| Transportation | 1,832,940 | 1,836,925 | 1,754,083 | 82,842 |
| <i>Total Expenditures</i> | <u>12,377,762</u> | <u>12,456,672</u> | <u>10,643,339</u> | <u>1,813,333</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>5,690,343</u> | <u>5,524,353</u> | <u>6,575,395</u> | <u>1,051,042</u> |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | 14,402 | 3,870 | 3,870 | 0 |
| Sale of Assets Held for Resale | 0 | 134,945 | 134,945 | 0 |
| Advances Out | (190,040) | (190,040) | (190,040) | 0 |
| Transfers Out | (4,718,535) | (4,908,535) | (4,608,535) | 300,000 |
| <i>Total Other Financing Sources (Uses)</i> | <u>(4,894,173)</u> | <u>(4,959,760)</u> | <u>(4,659,760)</u> | <u>300,000</u> |
| <i>Net Change in Fund Balance</i> | 796,170 | 564,593 | 1,915,635 | 1,351,042 |
| <i>Fund Balance Beginning of Year</i> | 5,186,851 | 5,186,851 | 5,186,851 | 0 |
| Prior Year Encumbrances Appropriated | 98,401 | 98,401 | 98,401 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$6,081,422</u> | <u>\$5,849,845</u> | <u>\$7,200,887</u> | <u>\$1,351,042</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
Public Safety Fund
For the Year Ended December 31, 2020

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|-------------------------|--------------------|--------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Property Taxes | \$2,630,415 | \$2,630,415 | \$2,611,992 | (\$18,423) |
| Fees, Licenses and Permits | 20 | 20 | 13 | (7) |
| Intergovernmental | 292,272 | 292,272 | 270,814 | (21,458) |
| Interest | 5,000 | 5,000 | 4,346 | (654) |
| Other | 50 | 50 | 0 | (50) |
| <i>Total Revenues</i> | <u>2,927,757</u> | <u>2,927,757</u> | <u>2,887,165</u> | <u>(40,592)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Police | 3,687,530 | 3,687,530 | 3,485,903 | 201,627 |
| Fire | 3,321,016 | 3,335,683 | 3,237,475 | 98,208 |
| <i>Total Expenditures</i> | <u>7,008,546</u> | <u>7,023,213</u> | <u>6,723,378</u> | <u>299,835</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(4,080,789)</u> | <u>(4,095,456)</u> | <u>(3,836,213)</u> | <u>259,243</u> |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | 25,000 | 25,000 | 25,000 | 0 |
| Transfers In | 3,916,535 | 4,106,535 | 3,956,535 | (150,000) |
| <i>Total Other Financing Sources (Uses)</i> | <u>3,941,535</u> | <u>4,131,535</u> | <u>3,981,535</u> | <u>(150,000)</u> |
| <i>Net Change in Fund Balance</i> | (139,254) | 36,079 | 145,322 | 109,243 |
| <i>Fund Balance Beginning of Year</i> | 445,735 | 445,735 | 445,735 | 0 |
| Prior Year Encumbrances Appropriated | 5,600 | 5,600 | 5,600 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$312,081</u> | <u>\$487,414</u> | <u>\$596,657</u> | <u>\$109,243</u> |

See accompanying notes to the basic financial statements

City of Bedford, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2020

| | Enterprise | | | Internal Service |
|---|---------------------|--------------------|-------------------|---------------------|
| | Water | Wastewater | Total | |
| Assets | | | | |
| <i>Current Assets</i> | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$9,072,436 | \$3,688,069 | \$12,760,505 | \$254,055 |
| Receivables: | | | | |
| Accounts | 882,837 | 722,835 | 1,605,672 | 3,826 |
| Accrued Interest | 39,741 | 16,155 | 55,896 | 1,113 |
| Materials and Supplies Inventory | 96,179 | 86,425 | 182,604 | 0 |
| Prepaid Items | 10,962 | 8,353 | 19,315 | 0 |
| <i>Total Current Assets</i> | <u>10,102,155</u> | <u>4,521,837</u> | <u>14,623,992</u> | <u>258,994</u> |
| <i>Noncurrent Assets</i> | | | | |
| Net Pension Asset | 1,613 | 3,545 | 5,158 | 0 |
| Nondepreciable Capital Assets | 27,268 | 28,620 | 55,888 | 0 |
| Depreciable Capital Assets, Net | 8,818,233 | 11,527,956 | 20,346,189 | 0 |
| <i>Total Noncurrent Assets</i> | <u>8,847,114</u> | <u>11,560,121</u> | <u>20,407,235</u> | <u>0</u> |
| <i>Total Assets</i> | <u>18,949,269</u> | <u>16,081,958</u> | <u>35,031,227</u> | <u>258,994</u> |
| Deferred Outflows of Resources | | | | |
| Deferred Charge on Refunding | 4,480 | 4,843 | 9,323 | 0 |
| Pension | 74,256 | 163,239 | 237,495 | 0 |
| OPEB | 50,853 | 111,875 | 162,728 | 0 |
| <i>Total Deferred Outflows of Resources</i> | <u>129,589</u> | <u>279,957</u> | <u>409,546</u> | <u>0</u> |
| Liabilities | | | | |
| <i>Current Liabilities</i> | | | | |
| Accounts Payable | 12,250 | 11,647 | 23,897 | 0 |
| Contracts Payable | 0 | 126,300 | 126,300 | 0 |
| Accrued Wages | 14,081 | 27,228 | 41,309 | 0 |
| Intergovernmental Payable | 136,241 | 21,832 | 158,073 | 0 |
| Vacation Benefits Payable | 32,855 | 62,829 | 95,684 | 0 |
| Compensated Absences Payable | 839 | 603 | 1,442 | 0 |
| Accrued Interest Payable | 6,908 | 23,352 | 30,260 | 0 |
| General Obligation Bonds Payable | 143,757 | 251,814 | 395,571 | 0 |
| OPWC Loans Payable | 42,700 | 51,131 | 93,831 | 0 |
| OWDA Loans Payable | 0 | 185,019 | 185,019 | 0 |
| Claims Payable | 0 | 0 | 0 | 181,286 |
| <i>Total Current Liabilities</i> | <u>389,631</u> | <u>761,755</u> | <u>1,151,386</u> | <u>181,286</u> |
| <i>Long-Term Liabilities (net of current portion)</i> | | | | |
| Compensated Absences Payable | 23,491 | 22,661 | 46,152 | 0 |
| Net Pension Liability | 467,321 | 1,028,102 | 1,495,423 | 0 |
| Net OPEB Liability | 311,827 | 686,019 | 997,846 | 0 |
| General Obligation Bonds Payable | 2,481,399 | 3,264,132 | 5,745,531 | 0 |
| OPWC Loans Payable | 388,350 | 219,025 | 607,375 | 0 |
| OWDA Loans Payable | 0 | 1,000,464 | 1,000,464 | 0 |
| <i>Total Long-Term Liabilities</i> | <u>3,672,388</u> | <u>6,220,403</u> | <u>9,892,791</u> | <u>0</u> |
| <i>Total Liabilities</i> | <u>4,062,019</u> | <u>6,982,158</u> | <u>11,044,177</u> | <u>181,286</u> |
| Deferred Inflows of Resources | | | | |
| Pension | 102,392 | 225,259 | 327,651 | 0 |
| OPEB | 47,626 | 103,133 | 150,759 | 0 |
| <i>Total Deferred Inflows of Resources</i> | <u>150,018</u> | <u>328,392</u> | <u>478,410</u> | <u>0</u> |
| Net Position | | | | |
| Net Investment in Capital Assets | 5,793,775 | 6,589,834 | 12,383,609 | 0 |
| Unrestricted | 9,073,046 | 2,461,531 | 11,534,577 | 77,708 |
| <i>Total Net Position</i> | <u>\$14,866,821</u> | <u>\$9,051,365</u> | <u>23,918,186</u> | <u>\$77,708</u> |

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

(73,455)

Net position of business-type activities

\$23,844,731

See accompanying notes to the basic financial statements

City of Bedford, Ohio
*Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2020*

| | Enterprise | | | Internal Service |
|--|---------------------|--------------------|------------------|---------------------|
| | Water | Wastewater | Total | |
| Operating Revenues | | | | |
| Charges for Services | \$4,284,956 | \$3,111,583 | \$7,396,539 | \$2,382,402 |
| Other | 53,374 | 46,577 | 99,951 | 34,039 |
| <i>Total Operating Revenues</i> | <u>4,338,330</u> | <u>3,158,160</u> | <u>7,496,490</u> | <u>2,416,441</u> |
| Operating Expenses | | | | |
| Personal Services | 533,528 | 1,232,336 | 1,765,864 | 0 |
| Contractual Services | 2,027,436 | 168,208 | 2,195,644 | 297,165 |
| Materials and Supplies | 357,353 | 766,292 | 1,123,645 | 0 |
| Depreciation | 249,921 | 479,170 | 729,091 | 0 |
| Claims | 0 | 0 | 0 | 2,124,683 |
| Other | 6,452 | 3,949 | 10,401 | 0 |
| <i>Total Operating Expenses</i> | <u>3,174,690</u> | <u>2,649,955</u> | <u>5,824,645</u> | <u>2,421,848</u> |
| <i>Operating Income (Loss)</i> | <u>1,163,640</u> | <u>508,205</u> | <u>1,671,845</u> | <u>(5,407)</u> |
| Non-Operating Revenues (Expenses) | | | | |
| Interest | 83,295 | 34,321 | 117,616 | 2,280 |
| Interest and Fiscal Charges | (88,126) | (136,547) | (224,673) | 0 |
| <i>Total Non-Operating Revenues (Expenses)</i> | <u>(4,831)</u> | <u>(102,226)</u> | <u>(107,057)</u> | <u>2,280</u> |
| <i>Change in Net Position</i> | 1,158,809 | 405,979 | 1,564,788 | (3,127) |
| <i>Net Position Beginning of Year</i> | <u>13,708,012</u> | <u>8,645,386</u> | | <u>80,835</u> |
| <i>Net Position End of Year</i> | <u>\$14,866,821</u> | <u>\$9,051,365</u> | | <u>\$77,708</u> |

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

(3,803)

Change in net position of business-type activities

\$1,560,985

See accompanying notes to the basic financial statements

City of Bedford, Ohio
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

| | Enterprise | | | Internal Service |
|---|--------------------|--------------------|---------------------|---------------------|
| | Water | Wastewater | Total | |
| Increase (Decrease) in Cash and Cash Equivalents | | | | |
| Cash Flows from Operating Activities | | | | |
| Cash Received from Customers | \$4,286,682 | \$3,075,417 | \$7,362,099 | \$0 |
| Cash Received from Interfund Services Provided | 0 | 0 | 0 | 2,382,402 |
| Other Cash Receipts | 135,470 | 46,577 | 182,047 | 32,303 |
| Cash Payments to Employees for Services | (413,078) | (991,668) | (1,404,746) | 0 |
| Cash Payments for Goods and Services | (2,346,863) | (898,382) | (3,245,245) | (297,165) |
| Cash Payments for Claims | 0 | 0 | 0 | (2,107,159) |
| Cash Payments for Interfund Services Provided | (83,547) | (146,169) | (229,716) | 0 |
| Other Cash Payments | (6,452) | (3,949) | (10,401) | 0 |
| <i>Net Cash Provided by (Used for) Operating Activities</i> | <u>1,572,212</u> | <u>1,081,826</u> | <u>2,654,038</u> | <u>10,381</u> |
| Cash Flows from Capital and Related Financing Activities | | | | |
| Proceeds from OWDA Loans | 0 | 111,433 | 111,433 | 0 |
| Principal Paid on General Obligation Bonds | (433,648) | (247,728) | (681,376) | 0 |
| Interest Paid on General Obligation Bonds | (92,838) | (119,209) | (212,047) | 0 |
| Principal Paid on OWDA Loans | 0 | (184,964) | (184,964) | 0 |
| Interest Paid on OWDA Loans | 0 | (23,710) | (23,710) | 0 |
| Principal Paid on OPWC Loans | (42,700) | (51,132) | (93,832) | 0 |
| Payments for Capital Acquisitions | (271,410) | (159,869) | (431,279) | 0 |
| <i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i> | <u>(840,596)</u> | <u>(675,179)</u> | <u>(1,515,775)</u> | <u>0</u> |
| Cash Flows from Investing Activities | | | | |
| Interest on Investments | <u>65,798</u> | <u>26,816</u> | <u>92,614</u> | <u>1,822</u> |
| <i>Net Increase (Decrease) in Cash and Cash Equivalents</i> | 797,414 | 433,463 | 1,230,877 | 12,203 |
| <i>Cash and Cash Equivalents Beginning of Year</i> | <u>8,275,022</u> | <u>3,254,606</u> | <u>11,529,628</u> | <u>241,852</u> |
| <i>Cash and Cash Equivalents End of Year</i> | <u>\$9,072,436</u> | <u>\$3,688,069</u> | <u>\$12,760,505</u> | <u>\$254,055</u> |

(continued)

City of Bedford, Ohio
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended December 31, 2020

| | Enterprise | | | Internal Service |
|--|--------------------|--------------------|--------------------|---------------------|
| | Water | Wastewater | Total | |
| Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities | | | | |
| Operating Income (Loss) | \$1,163,640 | \$508,205 | \$1,671,845 | (\$5,407) |
| Adjustments: | | | | |
| Depreciation | 249,921 | 479,170 | 729,091 | 0 |
| (Increase) Decrease in Assets and Deferred Outflows: | | | | |
| Accounts Receivable | 83,822 | (36,166) | 47,656 | (1,736) |
| Materials and Supplies Inventory | 26,521 | (3,755) | 22,766 | 0 |
| Prepaid Items | 718 | 267 | 985 | 0 |
| Net Pension Asset | (234) | (515) | (749) | 0 |
| Deferred Outflows - Pension | 104,208 | 229,231 | 333,439 | 0 |
| Deferred Outflows - OPEB | 45,563 | 100,239 | 145,802 | 0 |
| Increase (Decrease) in Liabilities and Deferred Inflows: | | | | |
| Accounts Payable | 9,846 | (11,970) | (2,124) | 0 |
| Contracts Payable | (72,264) | 109,632 | 37,368 | 0 |
| Accrued Wages | 3,944 | 4,055 | 7,999 | 0 |
| Intergovernmental Payable | 130,555 | 1,011 | 131,566 | 0 |
| Retainage Payable | (57,104) | (58,831) | (115,935) | 0 |
| Vacation Benefits Payable | 5,461 | (2,055) | 3,406 | 0 |
| Net Pension Liability | 10,589 | 23,291 | 33,880 | 0 |
| Net OPEB Liability | 18,975 | 41,746 | 60,721 | 0 |
| Compensated Absences Payable | 3,315 | (7,381) | (4,066) | 0 |
| Claims Payable | 0 | 0 | 0 | 17,524 |
| Deferred Inflows - Pension | (109,143) | (210,889) | (320,032) | 0 |
| Deferred Inflows - OPEB | (46,121) | (83,459) | (129,580) | 0 |
| <i>Total Adjustments</i> | <u>408,572</u> | <u>573,621</u> | <u>982,193</u> | <u>15,788</u> |
| <i>Net Cash Provided by (Used for) Operating Activities</i> | <u>\$1,572,212</u> | <u>\$1,081,826</u> | <u>\$2,654,038</u> | <u>\$10,381</u> |

See accompanying notes to the basic financial statements

City of Bedford, Ohio
Statement of Fiduciary Net Position
Custodial Funds
December 31, 2020

| | |
|---|-------------------------|
| Assets | |
| Equity in Pooled Cash and Cash Equivalents | \$871,858 |
| Cash and Cash Equivalents in Segregated Accounts | <u>442,741</u> |
| <i>Total Assets</i> | 1,314,599 |
| Liabilities | |
| Intergovernmental Payables | <u>442,741</u> |
| Net Position | |
| Restricted for Individuals, Organizations and Other Governments | <u><u>\$871,858</u></u> |

See accompanying notes to the basic financial statements

City of Bedford, Ohio
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2020

| | |
|--|-------------------------|
| <hr/> <hr/> | |
| Additions | |
| Fines and Forfeitures for Others | <u>\$4,292,964</u> |
| Deductions | |
| Fines and Forfeitures Distributions to Other Governments | 4,073,575 |
| Payments to Other Governments | <u>57,921</u> |
| <i>Total Deductions</i> | <u>4,131,496</u> |
| <i>Net Increase (Decrease) in Fiduciary Net Position</i> | 161,468 |
| <i>Net Position Beginning of Year</i> | <u>710,390</u> |
| <i>Net Position End of Year</i> | <u><u>\$871,858</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, 2020

Note 1 – Description of the City and Reporting Entity

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

Reporting Entity

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

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

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

The City participates in three jointly governed organizations. These organizations are the Chagrin Valley Regional Dispatch Center, the Northeast Ohio Public Energy Council and the First Suburbs Consortium of Northeast Ohio Council of Governments and are presented in Note 17 to the basic financial statements.

Note 2 - Summary of Significant Accounting Policies

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Basis of Presentation

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

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

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

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

Fund Accounting

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

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

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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

Capital Improvement Fund The capital improvement capital projects fund accounts for and reports the general fund transfer revenues and a portion of income tax revenues which are assigned for various capital improvements.

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

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

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

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

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

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

Fiduciary Funds Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangement that has certain characteristics. The City does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City's only fiduciary funds are custodial funds. The custodial funds are used for expenditures for the amounts collected by the municipal court that are paid to other governments, confiscated monies received by the SEALE Drug Task Force and confiscated property held by the law enforcement agency until the Court determines who receives the assets.

Measurement Focus

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

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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 and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

For proprietary funds, the statement of revenues, expenses and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds.

Basis of Accounting

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

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

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

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for deferred charge on refunding, asset retirement obligations, pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to asset retirement obligations is originally measured at the amount of the corresponding liability. This amount is amortized in a systematic and rational manner over the tangible asset's useful life. The deferred outflows of resources related to pension and OPEB are explained in Notes 13 and 14.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, pension, OPEB, leases and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of December 31, 2020, but which were levied to finance fiscal year 2021 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City unavailable revenue includes delinquent property taxes, income taxes, special assessments and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities found on page 25. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position. (See Notes 13 and 14)

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.

Pensions/Other Postemployment Benefits (OPEB)

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Pooled Cash and Cash Equivalents

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

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

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

During 2020, investments were limited to repurchase agreements, money market accounts, U.S. Treasury notes, commercial paper, municipal securities, negotiable certificates of deposit, federal farm credit bank notes, federal national mortgage association notes, federal home loan bank notes and federal home loan mortgage corporation notes.

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

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2020 amounted to \$78,372, of which \$906 was assigned from other funds.

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

Materials and Supplies Inventory

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2020, 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.

Restricted Assets

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors or laws of other governments or imposed by law through constitutional provisions. Restricted assets in the general fund represent money set aside for distributions to the State of Ohio for residential and non-residential building standards. Restricted assets in the grants special revenue fund and the capital improvements capital project fund represent money set aside as retainage payable on construction projects.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The City was able to estimate the historical cost for the initial reporting of infrastructure by backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition 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.

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:

| <u>Description</u> | <u>Governmental Activities Estimated Lives</u> | <u>Business-Type Activities Estimated Lives</u> |
|-------------------------------|--|---|
| 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 |
| Intangible Right to Use Lease | 6 years | N/A |
| Infrastructure | 20-50 years | 50 years |

The City is reporting an intangible right to use asset related to leased equipment. This intangible asset is being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

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

Interfund Balances

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

Deferred inflows of resources and deferred outflows of resources from the change in internal proportionate share related to OPEB items are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity wide statement of net position.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Compensated Absences

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

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

Accrued Liabilities and Long-term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits. Bonds, leases and long-term loans are recognized as a liability on the governmental fund financial statements when due.

Net Position

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

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

Fund Balance

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Nonspendable: The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

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

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

Assigned: Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by City Council. In the general fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance or by State Statute. State statute authorizes the Finance Director to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. City Council assigned fund balance for capital improvements and to cover a gap between estimated revenues and appropriations in 2021’s budget.

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

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Operating Revenues and Expenses

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

Deferred Charge on Refunding

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

Bond Premiums and Discounts

On the government-wide financial statements, bond premiums and discounts are deferred and amortized over the term of the bonds using the straight line method. Bond premiums are presented as an increase of the face amount of the general obligation bonds payable. On fund financial statements, bond premiums are 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. Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

Interfund Activity

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

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

Estimates

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Minimum fund balance policy

City Council has adopted a financial policy to maintain a minimum level of unrestricted fund balance (the total of the committed, assigned and unassigned components of fund balance) in the general fund. The target level is set at 15 percent of general fund's appropriations. Currently, the City's fund balance level is at 42 percent. This amount is intended to provide fiscal stability when economic downturns and other unexpected events occur. The increased balance will be utilized to offset COVID 19 income tax refunds/expenses in 2021. If fund balance falls below the minimum target level because it has been used, essentially as a "revenue" source, as dictated by current circumstances, the policy provides for actions to replenish the amount to the minimum target level. Generally, replenishment is to occur within a three-year period.

Budgetary Data

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

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

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

Note 3 – Fund Balances

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

| Fund Balances | General | Public Safety | Capital Improvement | Other Governmental Funds | Total |
|---|---------------------------|-------------------------|-------------------------|--------------------------------|----------------------------|
| <u>Nonspendable:</u> | | | | | |
| Prepays | \$166,774 | \$24,968 | \$0 | \$32,864 | \$224,606 |
| Inventory | 148,652 | 4,930 | 0 | 0 | 153,582 |
| <i>Total Nonspendable</i> | <u>315,426</u> | <u>29,898</u> | <u>0</u> | <u>32,864</u> | <u>378,188</u> |
| <u>Restricted for:</u> | | | | | |
| Public Safety Services | 0 | 254,583 | 0 | 0 | 254,583 |
| Community Development | 0 | 0 | 0 | 99,635 | 99,635 |
| State Highway Maintenance | 0 | 0 | 0 | 199,720 | 199,720 |
| Indigent Drivers Rehabilitation | 0 | 0 | 0 | 204,638 | 204,638 |
| Seale Narcotics Law Enforcement Enforcement and Education - Alcohol | 0 | 0 | 0 | 363,306 | 363,306 |
| Street Lighting | 0 | 0 | 0 | 8,194 | 8,194 |
| Street Construction, Maintenance and Repair | 0 | 0 | 0 | 225,156 | 225,156 |
| Cemetery Improvements | 0 | 0 | 0 | 942,737 | 942,737 |
| Municipal Court Special Programs | 0 | 0 | 0 | 24,282 | 24,282 |
| Indigent Interlock and Monitoring | 0 | 0 | 0 | 306,130 | 306,130 |
| Refuse Collection | 0 | 0 | 0 | 65,239 | 65,239 |
| Debt service payments | 0 | 0 | 0 | 189,950 | 189,950 |
| Capital Improvements | 0 | 0 | 0 | 361,823 | 361,823 |
| Other Purposes | 0 | 0 | 0 | 196,927 | 196,927 |
| <i>Total Restricted</i> | <u>0</u> | <u>254,583</u> | <u>0</u> | <u>3,578,141</u> | <u>3,832,724</u> |
| <u>Assigned to:</u> | | | | | |
| Capital Improvements | 0 | 0 | 300,522 | 0 | 300,522 |
| 2021 Operations | 1,036,948 | 0 | 0 | 0 | 1,036,948 |
| <u>Purchases on Order:</u> | | | | | |
| General Government | 31,334 | 0 | 0 | 0 | 31,334 |
| Police | 4,056 | 0 | 0 | 0 | 4,056 |
| Fire | 2,192 | 0 | 0 | 0 | 2,192 |
| Leisure Time Activities | 42,730 | 0 | 0 | 0 | 42,730 |
| Community Development | 19 | 0 | 0 | 0 | 19 |
| Transportation | 1,748 | 0 | 0 | 0 | 1,748 |
| <i>Total Assigned</i> | <u>1,119,027</u> | <u>0</u> | <u>300,522</u> | <u>0</u> | <u>1,419,549</u> |
| Unassigned (Deficit) | <u>7,339,058</u> | <u>0</u> | <u>0</u> | <u>(43,940)</u> | <u>7,295,118</u> |
| Total Fund Balances | <u><u>\$8,773,511</u></u> | <u><u>\$284,481</u></u> | <u><u>\$300,522</u></u> | <u><u>\$3,567,065</u></u> | <u><u>\$12,925,579</u></u> |

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Note 4- Budgetary Basis of Accounting

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than restricted, committed, or assigned fund balance (GAAP).
4. Unreported cash represents amounts received but not included as revenue on the budgetary statements, but which are reported on the operating statements prepared using GAAP.
5. Investments are reported at cost (budget) rather than fair value (GAAP).

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 Fund and Public Safety Special Revenue Fund | | |
| | General | Public Safety |
| GAAP Basis | \$2,066,177 | \$96,286 |
| Net Adjustment for Revenue Accruals | (135,267) | (3,117) |
| Beginning Fair Value of Adjustments for Investments | 2,348 | 0 |
| Ending Fair Value of Adjustments for Investments | (10,516) | 0 |
| Beginning Unrecorded Cash | 167,405 | 0 |
| Ending Unrecorded Cash | (123,798) | 0 |
| Net Adjustment for Expenditure Accruals | 137,098 | 60,303 |
| Encumbrances | (187,812) | (8,150) |
| Budget Basis | \$1,915,635 | \$145,322 |

Note 5 - Deposits and Investments

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

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

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and, with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met; and
8. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

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

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

Deposits

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City will not be able to recover deposits or collateral securities that are in the possession of an outside party. At December 31, 2020, \$5,358,969 of the City's total bank balance of \$13,168,967 was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. Two of the City's financial institutions participate in the Ohio Pooled Collateral System (OPCS) and were approved for a reduced collateral floor of 50 percent resulting in the uninsured and uncollateralized balance.

The City has a deposit policy for custodial risk in conjunction with the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Investments

Investments are reported at fair value. As of December 31, 2020, the City had the following investments:

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

| Measurement/Investment | Measurement Amount | Maturity | Standard & Poor's Rating | Percent of Total Investments |
|---|----------------------------|-----------------------|--------------------------------|------------------------------------|
| Cost: | | | | |
| Repurchase Agreements | \$2,385,967 | Daily | AAAm | 16.56% |
| Fair Value - Level One Inputs: | | | | |
| Money Market Account | 1,457,394 | Less than one year | AAAm | 10.11 |
| Fair Value - Level Two Inputs: | | | | |
| U.S. Treasury Notes | 219,728 | Less than three years | AAA | 1.52 |
| Commercial Paper | 849,029 | Less than one year | AAA | 5.89 |
| Municipal Securities | 301,332 | Less than one year | AAA | 2.09 |
| Municipal Securities | 98,065 | Less than three years | AAA | 0.69 |
| Negotiable Certificates of Deposit | 985,991 | Less than one year | AAA | 6.84 |
| Negotiable Certificates of Deposit | 3,296,775 | Less than three years | AAA | 22.88 |
| Federal Farm Credit Bank Notes | 2,537,421 | Less than three years | AAA | 17.61 |
| Federal National Mortgage Association Notes | 595,000 | Less than three years | AAA | 4.13 |
| Federal Home Loan Bank Notes | 279,823 | Less than one year | AAA | 1.94 |
| Federal Home Loan Bank Notes | 504,763 | Less than three years | AAA | 3.50 |
| Federal Home Loan Mortgage Corporation Notes | 899,840 | Less than one year | AAA | 6.24 |
| Total Fair Value - Level Two Inputs | <u>10,567,767</u> | | | |
| Total Investments | <u><u>\$14,411,128</u></u> | | | |

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the City's recurring fair value measurements as of December 31, 2020. The money market account is measured at fair value and is valued using quoted market prices (Level 1 inputs). The City's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

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.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The securities underlying the repurchase agreements are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty. The City has an investment policy dealing with investment custodial credit risk beyond the requirement in State statute that requires securities shall be delivered into the custody of the finance director or governing board or an agent designated by the finance director or governing board.

Credit Risk All investments of the City carry a rating of AAA and AAAM by Standard & Poor's.

Concentration of Credit Risk The City policy places a 40 percent limit on the amount that may be invested with any one issuer. The City may invest up to 10 percent of its portfolio into bankers acceptances and commercial paper. The City may invest up to 60 percent of its investment portfolio into Federal Agencies or US Treasury investments. There is no limit on the amount that the City may invest into repurchase agreements or authorized liquid investments (Star Ohio, mutual bond fund investments, etc.).

Note 6 – Contingencies

Grants

The City receives financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the overall financial position of the City at December 31, 2020.

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 7 – Receivables

Receivables at December 31, 2020, consisted primarily of municipal income taxes, property taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, accrued interest on investments, leases 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.

At December 31, 2020, the amount of delinquent special assessments was \$638,030 in the general fund, the street lighting fund and the refuse fee fund. However, the City is making a determination on what of this amount is collectible.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2020 for real and public utility property taxes represents collections of 2019 taxes.

2020 real property taxes were levied after October 1, 2020, on the assessed value as of January 1, 2020, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2020 real property taxes are collected in and intended to finance 2021.

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. 2020 public utility property taxes which became a lien December 31, 2019, are levied after October 1, 2020, and are collected in 2021 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2020, was \$21.70 per \$1,000 of assessed value. The assessed values of real property and public utility tangible property upon which 2020 property tax receipts were based are as follows:

| | |
|--------------------------------------|-----------------------------|
| Real Property | |
| Residential/Agricultural | \$132,229,580 |
| Commercial Industrial/Public Utility | 93,071,890 |
| Tangible Personal Property | |
| Public Utility | <u>12,315,400</u> |
| Total | <u><u>\$237,616,870</u></u> |

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the county, including the City. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real and public utility property taxes and outstanding delinquencies which were measurable as of December 31, 2020, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2020 operations is offset to deferred inflows of resources – property taxes. On the accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue while on the modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Income Taxes

The City levies an income tax of 3.0 percent on all income earned within the City as well as income of residents earned outside the City. The City allows for a credit of 100 percent up to 2.25 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. Due to COVID 19, the State of Ohio and the City of Bedford revised the filing deadline of the 2020 tax year out to July 15, 2021.

Intergovernmental Receivables

A summary of the principal items of intergovernmental receivables follows:

| Governmental Activities | <u>Amount</u> |
|--------------------------------------|---------------------------|
| Gasoline Tax | \$330,726 |
| Homestead and Rollback | 238,888 |
| Local Government | 166,852 |
| Bedford Municipal Court | 161,214 |
| CARES Funding | 140,040 |
| Cuyahoga County | 131,248 |
| Grants | 84,179 |
| Motor Vehicle License Tax | 41,452 |
| Prisoner Housing | 38,571 |
| Permissive Tax | 34,147 |
| Various Governmental Agencies | 28,737 |
| Ohio Bureau of Workers' Compensation | <u>8,166</u> |
| Total | <u><u>\$1,404,220</u></u> |

Leases Receivable

The City is reporting leases receivable of \$928,791 at December 31, 2020. For 2020, the City reported lease revenue of \$41,966 and interest revenue of \$12,002 related to lease payments received. A description of the City's leasing arrangements is as follows:

Cell Tower Leases – The City has entered into various lease agreements for cell towers with multiple companies at varying years and terms as follows:

| <u>Company</u> | <u>Lease Commencement Date</u> | <u>Years</u> | <u>Lease Ending Date</u> | <u>Payment Method</u> |
|----------------|--|--------------|----------------------------------|---------------------------|
| MRLM, LLC | 2018 | 15 | 2033 | Monthly |
| Crown Castle | 2007 | 32 | 2039 | Monthly |
| MD7 Capital | 2010 | 25 | 2035 | Monthly |
| SBA Structures | 2016 | 50 | 2066 | Monthly |

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

A summary of the future principal to be received is as follows:

| Year | Principal | Interest |
|-----------|-----------|-----------|
| 2021 | \$43,063 | \$11,472 |
| 2022 | 44,104 | 10,915 |
| 2023 | 45,187 | 10,332 |
| 2024 | 46,601 | 9,720 |
| 2025 | 48,916 | 9,069 |
| 2026-2030 | 212,143 | 35,658 |
| 2031-2035 | 175,546 | 22,049 |
| 2036-2040 | 124,847 | 6,179 |
| 2041-2045 | 36,357 | 1,039 |
| 2046-2050 | 36,580 | 817 |
| 2051-2055 | 36,803 | 594 |
| 2056-2060 | 37,028 | 368 |
| 2061-2065 | 37,255 | 141 |
| 2066 | 4,361 | 2 |
| | \$928,791 | \$118,355 |

Note 8 - Interfund Transfers and Balances

Interfund Transfers

| Transfer To | Transfer From | | Total |
|---|---------------|--------------------------------|-------------|
| | General | Other Governmental Funds | |
| Major Funds: | | | |
| Public Safety | \$3,956,535 | \$0 | \$3,956,535 |
| Capital Improvement | 215,000 | 0 | 215,000 |
| Total Major Funds | 4,171,535 | 0 | 4,171,535 |
| Other Governmental Funds: | | | |
| Street Construction, Maintenance and Repair | 137,000 | 0 | 137,000 |
| Grants | 15,000 | 0 | 15,000 |
| General Obligation Bond Retirement | 285,000 | 125,495 | 410,495 |
| Total Other Governmental Funds | 437,000 | 125,495 | 562,495 |
| Total | \$4,608,535 | \$125,495 | \$4,734,030 |

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.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Interfund Balances

The interfund balance at December 31, 2020, consists of an interfund receivable/payable between the general fund and the nonmajor governmental funds in the amount of \$193,983. This loan was made to subsidize CARES Act funding until it could be secured and to fund a construction project that is in process and the property assessment has not started collection.

Internal Balances – Change in Proportionate Share

The City uses an internal proportionate share to allocate its net pension/OPEB liability and corresponding deferred outflows/inflows of resources and pension/OPEB to its various funds. This allocation creates a change in internal proportionate share. The effects of the internal proportionate share are eliminated from the pension/OPEB deferred outflows/inflows of resources in the governmental and business-type activities columns of the statement of net position, except for any residual amounts between governmental and business-type activities. These residual amounts are eliminated in the total column of the entity-wide statement of net position, thus allowing the total column to present the change in proportionate share for the City as a whole.

Eliminations made in the total column of the entity-wide statement of net position include deferred outflow of resources for the governmental activities and deferred inflow of resources for the business-type activities \$56 (OPEB) related to the water enterprise fund and \$56 (OPEB) related to the wastewater enterprise fund in the amount of \$112 (OPEB).

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.

Note 10 – Accountability

At December 31, 2020, the Northfield and Rockside Roads capital projects fund had a deficit fund balance of \$43,940. The fund deficit is the result of construction beginning before the properties are assessed. The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Note 11 – Capital Assets

A summary of changes in capital assets during 2020 follows:

| | Balance 12/31/19 | Additions | Deletions | Balance 12/31/20 |
|--|---------------------|----------------------|--------------------|---------------------|
| Governmental Activities | | | | |
| <i>Capital Assets Not Being Depreciated</i> | | | | |
| Land | \$3,142,679 | \$0 | \$0 | \$3,142,679 |
| Construction in Progress | 88,528 | 770,249 | (578,197) | 280,580 |
| <i>Total Capital Assets Not Being Depreciated</i> | <u>3,231,207</u> | <u>770,249</u> | <u>(578,197)</u> | <u>3,423,259</u> |
| <i>Capital Assets Being Depreciated/Amortized</i> | | | | |
| Buildings and Improvements | 17,954,809 | 63,125 | 0 | 18,017,934 |
| Machinery and Equipment | 4,921,404 | 128,847 | (38,605) | 5,011,646 |
| Furniture and Fixtures | 1,024,741 | 11,371 | 0 | 1,036,112 |
| Vehicles | 4,611,957 | 1,127,947 | (512,030) | 5,227,874 |
| Intangible Right to Use Lease - Equipment ** | 54,517 | 46,311 | 0 | 100,828 |
| Infrastructure: | | | | |
| Roads | 42,565,157 | 435,415 | 0 | 43,000,572 |
| Traffic Signals | 1,623,693 | 0 | 0 | 1,623,693 |
| Railroad Closures/Barriers | 410,203 | 0 | 0 | 410,203 |
| Storm Sewers | 3,508,512 | 73,224 | 0 | 3,581,736 |
| <i>Total Capital Assets Being Depreciated/Amortized</i> | <u>76,674,993</u> | <u>1,886,240</u> | <u>(550,635)</u> | <u>78,010,598</u> |
| <i>Less Accumulated Depreciation/Amortization:</i> | | | | |
| Buildings and Improvements | (6,773,799) | (401,297) | 0 | (7,175,096) |
| Machinery and Equipment | (4,263,513) | (168,772) | 38,605 | (4,393,680) |
| Furniture and Fixtures | (932,270) | (12,484) | 0 | (944,754) |
| Vehicles | (3,963,952) | (214,258) | 512,030 | (3,666,180) |
| Intangible Right to Use Lease - Equipment ** | (31,684) | (16,805) | 0 | (48,489) |
| Infrastructure: | | | | |
| Roads | (38,655,544) | (668,493) | 0 | (39,324,037) |
| Traffic Signals | (1,105,473) | (64,948) | 0 | (1,170,421) |
| Railroad Closures/Barriers | (95,032) | (11,523) | 0 | (106,555) |
| Storm Sewers | (1,463,425) | (71,636) | 0 | (1,535,061) |
| <i>Total Accumulated Depreciation/Amortization</i> | <u>(57,284,692)</u> | <u>(1,630,216) *</u> | <u>550,635</u> | <u>(58,364,273)</u> |
| <i>Total Capital Assets Being Depreciated/Amortized, Net</i> | <u>19,390,301</u> | <u>256,024</u> | <u>0</u> | <u>19,646,325</u> |
| <i>Governmental Activities Capital Assets, Net</i> | <u>\$22,621,508</u> | <u>\$1,026,273</u> | <u>(\$578,197)</u> | <u>\$23,069,584</u> |

** Of the current year depreciation total of \$1,630,216, \$46,311 is presented as general government expense on the Statement of Activities related to the City's intangible asset of copiers and a postage machine, which are included in the above table as Intangible Right to Use Lease. With the implementation of Governmental Accounting Standards Board Statement No. 87, *Leases*, a lease meeting the criteria of this statement requires the lessee to recognize the lease liability and an intangible right to use asset.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

| | Balance 12/31/19 | Additions | Deletions | Balance 12/31/20 |
|--|---------------------|--------------------|----------------------|---------------------|
| Business-Type Activities | | | | |
| <i>Capital Assets Not Being Depreciated</i> | | | | |
| Land | \$28,620 | \$0 | \$0 | \$28,620 |
| Construction in Progress | 2,006,223 | 273,055 | (2,252,010) | 27,268 |
| <i>Total Capital Assets Not Being Depreciated</i> | <u>2,034,843</u> | <u>273,055</u> | <u>(2,252,010)</u> | <u>55,888</u> |
| <i>Capital Assets, Being Depreciated</i> | | | | |
| Buildings and Improvements | 10,957,798 | 49,065 | 0 | 11,006,863 |
| Machinery and Equipment | 8,663,298 | 99,259 | (6,860) | 8,755,697 |
| Furniture and Fixtures | 93,772 | 0 | 0 | 93,772 |
| Vehicles | 814,256 | 9,900 | 0 | 824,156 |
| Infrastructure: | | | | |
| Water Lines | 8,086,846 | 1,527,196 | 0 | 9,614,042 |
| Sanitary Sewer Lines | 6,212,258 | 724,814 | 0 | 6,937,072 |
| <i>Total Capital Assets Being Depreciated</i> | <u>34,828,228</u> | <u>2,410,234</u> | <u>(6,860)</u> | <u>37,231,602</u> |
| <i>Less Accumulated Depreciation:</i> | | | | |
| Buildings and Improvements | (5,386,033) | (237,851) | 0 | (5,623,884) |
| Machinery and Equipment | (6,878,421) | (132,060) | 6,860 | (7,003,621) |
| Furniture and Fixtures | (93,772) | 0 | 0 | (93,772) |
| Vehicles | (594,671) | (42,478) | 0 | (637,149) |
| Infrastructure: | | | | |
| Water Lines | (1,937,608) | (145,703) | 0 | (2,083,311) |
| Sanitary Sewer Lines | (1,272,677) | (170,999) | 0 | (1,443,676) |
| <i>Total Accumulated Depreciation</i> | <u>(16,163,182)</u> | <u>(729,091)</u> | <u>6,860</u> | <u>(16,885,413)</u> |
| <i>Total Capital Assets Being Depreciated, Net</i> | <u>18,665,046</u> | <u>1,681,143</u> | <u>0</u> | <u>20,346,189</u> |
| <i>Total Business-Type Capital Assets, Net</i> | <u>\$20,699,889</u> | <u>\$1,954,198</u> | <u>(\$2,252,010)</u> | <u>\$20,402,077</u> |

* Depreciation/amortization expense was charged to governmental functions as follows:

| | |
|----------------------------------|--------------------|
| General Government | \$244,848 |
| Security of Persons and Property | |
| Police | 154,225 |
| Fire | 185,703 |
| Public Health and Welfare | 1,574 |
| Leisure Time Activities | 106,512 |
| Community Development | 5,600 |
| Basic Utilities Services | 618 |
| Transportation | 931,136 |
| Total | <u>\$1,630,216</u> |

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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 |
|--|---------------|------------------|------------------|-----------------------------|
| Governmental Activities | | | | |
| General Obligation Bonds | | | | |
| Various Purpose Refunding II | 2016 | 2027 | 2.18 % | \$6,035,268 |
| General Obligation Refunding Bonds I | 2013 | 2028 | 1.0-2.75 | 2,314,300 |
| Capital Improvement | 2010 | 2031 | 2.3-5.65 | 2,145,000 |
| General Obligation Refunding Bonds II | 2014 | 2031 | 2.25-4.0 | 835,000 |
| Ohio Public Works Commission Loans from Direct Borrowings | | | | |
| Wandle Avenue | 2001 | 2020 | 0.00 | 518,579 |
| Broadway Culvert | 2011 | 2031 | 0.00 | 492,432 |
| Police Pension | 1968 | 2035 | 4.25 | 245,922 |
| Financed Purchases Payable from Direct Borrowings | 2019 | 2029 | 2.3 | 935,000 |
| Business-Type Activities | | | | |
| General Obligation Bonds | | | | |
| <i>Water</i> | | | | |
| Washington Street Water Refunding | 2016 | 2026 | 2.18 | 389,270 |
| Capital Improvement | 2010 | 2036 | 2.3-5.65 | 1,625,000 |
| General Obligation Refunding Bonds I | 2013 | 2038 | 1.0-3.5 | 1,770,000 |
| General Obligation Refunding Bonds II | 2014 | 2036 | 2.25-4.0 | 1,145,000 |
| <i>Wastewater</i> | | | | |
| Sewer Improvement Refunding Bonds II | 2016 | 2022 | 2.18 | 304,212 |
| Capital Improvement | 2010 | 2036 | 2.3-5.65 | 1,320,000 |
| General Obligation Refunding Bonds I | 2013 | 2038 | 1.0-3.5 | 3,555,700 |
| General Obligation Refunding Bonds II | 2014 | 2036 | 2.25-4.0 | 920,000 |
| General Obligation Bonds From Direct Placements | | | | |
| <i>Water</i> | | | | |
| Water Meter | 2016 | 2020 | 2.1 | 1,400,000 |
| Ohio Water Development Loans from Direct Borrowings | | | | |
| <i>Wastewater</i> | | | | |
| Rapid Sandfilter | 2002 | 2023 | 3.90 | 2,427,022 |
| Wood Creek Stabilization | 2019 | 2039 | 2.1 | 805,400 |
| Ohio Public Works Commission Loans from Direct Borrowings | | | | |
| <i>Water</i> | | | | |
| Northfield Road Water Line | 2007 | 2029 | 0.00 | 400,000 |
| Grand, Franklin Water Line | 2012 | 2032 | 0.00 | 454,000 |
| <i>Wastewater</i> | | | | |
| Oxidation Tower Improvements | 2004 | 2025 | 0.00 | 822,286 |
| Sludge Thickener | 2008 | 2029 | 0.00 | 200,336 |

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Changes in long-term obligations during the year ended December 31, 2020, consisted of the following:

| | Restated Balance 12/31/19 | Increase | Decrease | Balance 12/31/20 | Amounts Due in One Year |
|--|---------------------------------|-------------|-------------|---------------------|-------------------------------|
| Governmental Activities | | | | | |
| <i>General Obligation Bonds</i> | | | | | |
| Various Purpose Refunding Bonds II | \$3,909,569 | \$0 | \$457,994 | \$3,451,575 | \$469,019 |
| General Obligation Refunding Bonds I | | | | | |
| Serial | 940,000 | 0 | 95,000 | 845,000 | 95,000 |
| Premium | 29,184 | 0 | 3,484 | 25,700 | 0 |
| Total General Obligation Bonds I | 969,184 | 0 | 98,484 | 870,700 | 95,000 |
| Capital Improvement Bonds | | | | | |
| Serial | 155,000 | 0 | 155,000 | 0 | 0 |
| Premium | 1,581 | 0 | 1,581 | 0 | 0 |
| Total Capital Improvement Bonds | 156,581 | 0 | 156,581 | 0 | 0 |
| General Obligation Refunding Bonds II | 835,000 | 0 | 0 | 835,000 | 160,000 |
| Premium | 23,257 | 0 | 3,156 | 20,101 | 0 |
| Total General Obligation Bonds II | 858,257 | 0 | 3,156 | 855,101 | 160,000 |
| <i>Total General Obligation Bonds</i> | 5,893,591 | 0 | 716,215 | 5,177,376 | 724,019 |
| <i>Ohio Public Works Commission Loans from Direct Borrowings</i> | | | | | |
| Wandle Avenue | 25,928 | 0 | 25,928 | 0 | 0 |
| Broadway Culvert | 311,013 | 0 | 25,921 | 285,092 | 25,917 |
| <i>Total Ohio Public Works Commission Loans</i> | 336,941 | 0 | 51,849 | 285,092 | 25,917 |
| <i>Other Long-Term Obligations</i> | | | | | |
| Net Pension Liability | | | | | |
| OPERS | 10,971,973 | 0 | 3,120,998 | 7,850,975 | 0 |
| OP&F | 18,654,658 | 0 | 3,344,428 | 15,310,230 | 0 |
| <i>Total Net Pension Liability</i> | 29,626,631 | 0 | 6,465,426 | 23,161,205 | 0 |
| Net OPEB Liability | | | | | |
| OPERS | 4,993,939 | 244,744 | 0 | 5,238,683 | 0 |
| OP&F | 2,081,180 | 163,748 | 0 | 2,244,928 | 0 |
| <i>Total Net OPEB Liability</i> | 7,075,119 | 408,492 | 0 | 7,483,611 | 0 |
| Police Pension | 138,273 | 0 | 6,488 | 131,785 | 6,766 |
| Financed Purchases Payable from Direct Borrowing | 948,016 | 0 | 90,584 | 857,432 | 92,729 |
| Leases Payable | 26,665 | 46,311 | 27,584 | 45,392 | 8,930 |
| Compensated Absences Payable | 1,674,984 | 968,823 | 793,103 | 1,850,704 | 1,117,788 |
| Asset Retirement Obligation | 50,000 | 0 | 0 | 50,000 | 0 |
| <i>Total Other Long-Term Obligations</i> | 39,539,688 | 1,423,626 | 7,383,185 | 33,580,129 | 1,226,213 |
| <i>Total Governmental Activities</i> | \$45,770,220 | \$1,423,626 | \$8,151,249 | \$39,042,597 | \$1,976,149 |

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

| | Balance 12/31/19 | Increase | Decrease | Balance 12/31/20 | Amounts Due in One Year |
|--|---------------------|------------------|------------------|---------------------|-------------------------------|
| Business-Type Activities | | | | | |
| <i>General Obligation Bonds</i> | | | | | |
| Washington Street Water Refunding | \$286,249 | \$0 | \$37,648 | \$248,601 | \$38,757 |
| Capital Improvement Bonds | | | | | |
| Serial | 55,000 | 0 | 55,000 | 0 | 0 |
| Unamortized Premium | 549 | 0 | 549 | 0 | 0 |
| Total Capital Improvement - Water | 55,549 | 0 | 55,549 | 0 | 0 |
| General Obligation Refunding Bonds I | | | | | |
| Serial | 755,000 | 0 | 50,000 | 705,000 | 50,000 |
| Term | 465,000 | 0 | 0 | 465,000 | 0 |
| Unamortized Premium | 24,132 | 0 | 1,313 | 22,819 | 0 |
| Unamortized Discount | (8,867) | 0 | (483) | (8,384) | 0 |
| Total General Obligation Bonds I - Water | 1,235,265 | 0 | 50,830 | 1,184,435 | 50,000 |
| General Obligation Refunding Bonds II | 1,140,000 | 0 | 0 | 1,140,000 | 55,000 |
| Unamortized Premium | 55,381 | 0 | 3,261 | 52,120 | 0 |
| Total General Obligation Bonds II - Water | 1,195,381 | 0 | 3,261 | 1,192,120 | 55,000 |
| Sewer Improvement Refunding II | 160,512 | 0 | 52,728 | 107,784 | 51,814 |
| Capital Improvement Bonds | | | | | |
| Serial | 45,000 | 0 | 45,000 | 0 | 0 |
| Unamortized Premium | 458 | 0 | 458 | 0 | 0 |
| Total Capital Improvement - Sewer | 45,458 | 0 | 45,458 | 0 | 0 |
| General Obligation Refunding Bonds I | | | | | |
| Serial | 2,325,000 | 0 | 150,000 | 2,175,000 | 155,000 |
| Term | 215,000 | 0 | 0 | 215,000 | 0 |
| Unamortized Premium | 67,684 | 0 | 5,060 | 62,624 | 0 |
| Unamortized Discount | (7,179) | 0 | (537) | (6,642) | 0 |
| Total General Obligation Bonds I - Sewer | 2,600,505 | 0 | 154,523 | 2,445,982 | 155,000 |
| General Obligation Refunding Bonds II | 920,000 | 0 | 0 | 920,000 | 45,000 |
| Unamortized Premium | 44,819 | 0 | 2,639 | 42,180 | 0 |
| Total General Obligation Bonds II - Sewer | 964,819 | 0 | 2,639 | 962,180 | 45,000 |
| <i>General Obligation Bonds From Direct Placements</i> | | | | | |
| Water Meter | 291,000 | 0 | 291,000 | 0 | 0 |
| Total General Obligation Bonds | 6,834,738 | 0 | 693,636 | 6,141,102 | 395,571 |
| <i>OWDA Loans from Direct Borrowings</i> | | | | | |
| Rapid Sandfilter | 645,633 | 0 | 152,181 | 493,452 | 158,174 |
| Wood Creek Stabilization | 613,381 | 111,433 | 32,783 | 692,031 | 26,845 |
| Total OWDA Loans | \$1,259,014 | \$111,433 | \$184,964 | \$1,185,483 | \$185,019 |

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

| | Balance 12/31/19 | Increase | Decrease | Balance 12/31/20 | Amounts Due in One Year |
|--|---------------------|------------------|--------------------|---------------------|-------------------------------|
| <i>OPWC Loans from Direct Borrowings</i> | | | | | |
| Northfield Road Water Line | \$190,000 | \$0 | \$20,000 | \$170,000 | \$20,000 |
| Grand, Franklin Water Line | 283,750 | 0 | 22,700 | 261,050 | 22,700 |
| Oxidation Tower Improvements | 226,130 | 0 | 41,116 | 185,014 | 41,114 |
| Sludge Thickener | 95,158 | 0 | 10,016 | 85,142 | 10,017 |
| <i>Total OPWC Loans</i> | <u>795,038</u> | <u>0</u> | <u>93,832</u> | <u>701,206</u> | <u>93,831</u> |
| <i>Other Long-Term Liabilities</i> | | | | | |
| <i>Net Pension Liability OPERS:</i> | | | | | |
| Water | 653,094 | 0 | 185,773 | 467,321 | 0 |
| Wastewater | 1,436,806 | 0 | 408,704 | 1,028,102 | 0 |
| <i>Total Net Pension Liability</i> | <u>2,089,900</u> | <u>0</u> | <u>594,477</u> | <u>1,495,423</u> | <u>0</u> |
| <i>Net OPEB Liability OPERS:</i> | | | | | |
| Water | 297,258 | 14,569 | 0 | 311,827 | 0 |
| Wastewater | 653,969 | 32,050 | 0 | 686,019 | 0 |
| <i>Total Net OPEB Liability</i> | <u>951,227</u> | <u>46,619</u> | <u>0</u> | <u>997,846</u> | <u>0</u> |
| Compensated Absences | 51,660 | 117 | 4,183 | 47,594 | 1,442 |
| <i>Total Other Long-Term Liabilities</i> | <u>3,092,787</u> | <u>46,736</u> | <u>598,660</u> | <u>2,540,863</u> | <u>1,442</u> |
| <i>Total Business-Type Activities</i> | <u>\$11,981,577</u> | <u>\$158,169</u> | <u>\$1,571,092</u> | <u>\$10,568,654</u> | <u>\$675,863</u> |

General obligation bonds will be paid from the general obligation bond retirement debt service fund as well as user charges from the appropriate enterprise fund. A portion of the general obligation bonds, specifically for the construction of the municipal complex and the court, is backed by a .25 percent municipal income tax and a municipal court fee added to court cases, respectively.

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

Compensated absences will be paid from the general fund, street construction maintenance and repair and public safety special revenue funds and water and wastewater enterprise funds. The asset retirement obligation would be paid from the street, construction, maintenance and repair special revenue fund. There is no repayment schedule for the net pension liability and the net OPEB liability. However, employer pension and OPEB contributions are made from the following funds: general fund, street construction maintenance and repair and public safety special revenue funds and water and wastewater enterprise funds. For additional information related to the net pension and net OPEB liabilities see Notes 13 and 14. The capital leases payable will be paid from the general fund. The police pension loan will be paid from the general fund.

Financed Purchases – During 2018, the City had entered in financed purchase agreements for a postage meter and for a folder/inserter in the amounts of \$7,616 and \$11,701, respectively, to be paid from the general fund. During 2019, the City entered in a financed purchase agreement for an ambulance and fire pumper in the amount of \$935,000 to be paid from the general fund.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

In 2016, the City issued various purpose refunding bonds, in the amount of \$6,035,268 to refund the 2006 various purpose general obligation bond issue in order to take advantage of lower interest rates. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2020, \$3,495,100 of the defeased bonds are still outstanding.

In 2013, the City issued general obligation refunding bonds, in the amounts of \$2,314,300, \$1,770,000 and \$3,555,700, respectively, for governmental, water and sewer debt issuances, to refund the 2002 various purpose general obligation bond issue in order to take advantage of lower interest rates. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements.

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

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

In 2016, the City issued Washington Street water and sewer improvement refunding bonds, in the amounts of \$389,270 and \$304,212, respectively, to refund the 2006 various purpose general obligation bond issue in order to take advantage of lower interest rates. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the City's financial statements. On December 31, 2020, \$354,900 of the defeased bonds are still outstanding.

In 2016, the City issued various purpose general obligation bonds through direct placement, in the amount of \$1,400,000 in the water fund, as a new debt issuance specific to the installation of water meters. The bonds were issued with a 2.1 percent interest rate. The bonds were issued for a five year period with a final maturity during 2020.

The City's outstanding OPWC loans from direct borrowings related to governmental and business-type activities of \$285,092 and \$701,206 respectively, contain provisions that in the event of default (1) OPWC may apply late fees of 8 percent per year, (2) loans more than 60 days late will be turned over to the Attorney General's office for collection, and as provided by law, OPWC may require that such payment be taken from the City's share of the county undivided local government fund, and (3) the outstanding amounts shall, at OPWC's option, become immediately due and payable.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

The City's outstanding OWDA loans from direct borrowings of \$1,185,483 related to business-type activities contain provisions that in an event of default (1) the amount of such default shall bear interest at the default rate from the due date until the date of payment, (2) if any of the charges have not been paid within 30 days, in addition to the interest calculated at the default rate, a late charge of 1 percent on the amount of each default shall be paid to the OWDA, and (3) for each additional 30 days during which the charges remain unpaid, the City shall continue to pay an additional late charge of 1 percent on the amount of the default until such charges are paid.

In 2019, the City was approved for an OWDA loan for sewer system improvements. As of December 31, 2020, the City has received proceeds of \$724,814 from the total award of \$805,400. This loan has not been finalized and therefore the repayment schedule is not included in the schedule of debt service payments.

The City has pledged future revenues, net of operating expenses, to repay OWDA and OPWC loans in the wastewater fund. The debt is payable solely from net revenues through 2032. Annual principal and interest payments on the debt issues are expected to require 26.64 percent of net revenues. The total principal and interest remaining to be paid on the debt is \$797,827. Principal and interest paid for the current year and total net revenues available were \$299,806 and \$975,119, respectively.

The City has pledged future revenues, net of operating expenses, to repay OPWC loans in the water fund. The debt is payable solely from net revenues through 2032. Annual principal payments on the debt issues are expected to require 2.96 percent of net revenues. The total principal remaining to be paid on the debt is \$431,050. Principal paid for the current year and total net revenues available were \$42,700 and \$1,443,482, respectively.

The City's legal debt margin was \$22,160,718 at December 31, 2020. Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2020, are as follows:

| Governmental Activities | | | | | | | |
|-------------------------|--------------------------|------------------|------------------|-----------------|-----------------------------------|-----------------------------------|-----------------|
| Year | General Obligation Bonds | | Police Pension | | <i>From Direct Borrowings</i> | <i>From Direct Borrowings</i> | |
| | Principal | Interest | Principal | Interest | OPWC Loan | Financed Purchases | |
| | | | | | | Principal | Interest |
| 2021 | \$724,019 | \$122,182 | \$6,766 | \$5,530 | \$25,917 | \$92,729 | \$19,282 |
| 2022 | 699,173 | 105,506 | 7,057 | 5,239 | 25,918 | 88,114 | 17,084 |
| 2023 | 713,057 | 89,561 | 7,360 | 4,936 | 25,917 | 90,153 | 15,046 |
| 2024 | 737,274 | 72,711 | 7,676 | 4,620 | 25,918 | 92,238 | 12,960 |
| 2025 | 751,284 | 55,281 | 8,006 | 4,290 | 25,917 | 94,372 | 10,827 |
| 2026-2030 | 1,496,768 | 61,718 | 45,495 | 16,018 | 129,588 | 399,826 | 20,968 |
| 2031-2035 | 10,000 | 400 | 49,425 | 5,352 | 25,917 | 0 | 0 |
| Total | \$5,131,575 | \$507,359 | \$131,785 | \$45,985 | \$285,092 | \$857,432 | \$96,167 |

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

| Business-type Activities | | | | | |
|--------------------------|--------------------------|--------------------|--------------------------------------|-----------------|---|
| Year | General Obligation Bonds | | From Direct Borrowings OWDA Loans | | From Direct Borrowings OPWC Loan |
| | Principal | Interest | Principal | Interest | Loan |
| 2021 | \$395,571 | \$186,682 | \$158,174 | \$17,717 | \$93,831 |
| 2022 | 410,757 | 176,308 | 164,402 | 11,488 | 93,831 |
| 2023 | 371,123 | 166,344 | 170,876 | 5,014 | 93,831 |
| 2024 | 377,067 | 156,648 | 0 | 0 | 93,831 |
| 2025 | 382,996 | 146,806 | 0 | 0 | 73,275 |
| 2026-2030 | 1,903,871 | 568,540 | 0 | 0 | 218,557 |
| 2031-2035 | 1,725,000 | 242,235 | 0 | 0 | 34,050 |
| 2036-2038 | 410,000 | 23,925 | 0 | 0 | 0 |
| Total | <u>\$5,976,385</u> | <u>\$1,667,488</u> | <u>\$493,452</u> | <u>\$34,219</u> | <u>\$701,206</u> |

Lease Payable - The City entered into lease agreements for copiers and postage meters. Due to the implementation of GASB Statement No. 87, these leases have met the criteria of leases thus requiring it to be recorded by the City. The leases will be amortized over the lease term since it is shorter than the useful life due to the City not taking ownership of these copiers and postage meter. A summary of the principal and interest amounts for the remaining lease is as follows:

| Year | Principal | Interest |
|-------|-----------------|----------------|
| 2021 | \$8,930 | \$2,760 |
| 2022 | 8,745 | 2,202 |
| 2023 | 9,333 | 1,614 |
| 2024 | 9,959 | 988 |
| 2025 | 8,425 | 311 |
| Total | <u>\$45,392</u> | <u>\$7,875</u> |

Note 13 - Defined Benefit Pension Plans

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability (Asset) /Net OPEB Liability

The net pension liability (asset) and the net OPEB liability reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/OPEB liability (asset) represent the City’s proportionate share of each pension/OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan’s fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits the City's obligation for this liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a *net pension/OPEB asset* or a long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 14 for the required OPEB disclosures.

Plan Description – Ohio Public Employees Retirement System (OPERS)

City employees, other than full-time police and firefighters, participate 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 and the combined plan is a combination cost-sharing, multiple-employer defined benefit/defined contribution pension plan. Participating employers are divided into state, local, law enforcement and public safety divisions. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the traditional plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members in the traditional and combined plans were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional and combined plans as per the reduced benefits adopted by SB 343 (see OPERS Comprehensive Annual Financial Report referenced above for additional information, including requirements for reduced and unreduced benefits):

City of Bedford, Ohio
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For the Year Ended December 31, 2020

| Group A Eligible to retire prior to January 7, 2013 or five years after January 7, 2013 | Group B 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013 | Group C Members not in other Groups and members hired on or after January 7, 2013 |
|--|--|--|
| State and Local | State and Local | State and Local |
| Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit | Age and Service Requirements: Age 60 with 60 months of service credit or Age 55 with 25 years of service credit | Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit |
| Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 | Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30 | Traditional Plan Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35 |
| Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30 | Combined Plan Formula: 1% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30 | Combined Plan Formula: 1% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35 |

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount. The initial amount of a member's pension benefit is vested upon receipt of the initial benefit payment for calculation of an annual cost-of-living adjustment.

When a traditional plan benefit recipient has received benefits for 12 months, current law provides for an annual cost of living adjustment (COLA). This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. Members retiring under the combined plan receive a cost-of-living adjustment on the defined benefit portion of their pension benefit. For those who retired prior to January 7, 2013, the cost of living adjustment is 3 percent. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, current law provides that the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Defined contribution plan benefits are established in the plan documents, which may be amended by the Board. Member-directed plan and combined plan members who have met the retirement eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans. Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20 percent each year. At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of the benefit (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance, net of taxes withheld, or a combination of these options.

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Beginning in 2022, the Combined Plan will be consolidated under the Traditional Pension Plan (defined benefit plan) and the Combined Plan option will no longer be available for new hires beginning in 2022.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

| | State and Local |
|--|--------------------|
| 2020 Statutory Maximum Contribution Rates | |
| Employer | 14.0 % |
| Employee * | 10.0 % |
| 2020 Actual Contribution Rates | |
| Employer: | |
| Pension ** | 14.0 % |
| Post-employment Health Care Benefits ** | 0.0 |
| Total Employer | 14.0 % |
| Employee | 10.0 % |

- * Member contributions within the combined plan are not used to fund the defined benefit retirement allowance.
- ** These pension and employer health care rates are for the traditional and combined plans. The employer contributions rate for the member-directed plan is allocated 4 percent for health care with the remainder going to pension.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

For 2020, The City's contractually required contribution was \$905,305 for the traditional plan, \$10,064 for the combined plan and \$10,754 for the member-directed plan. Of these amounts, \$99,505 is reported as an intergovernmental payable for the traditional plan, \$1,110 for the combined plan, and \$1,181 for the member-directed plan.

Plan Description – Ohio Police & Fire Pension Fund (OP&F)

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

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Upon attaining a qualifying age with sufficient years of service, a member of OP&F may retire and receive a lifetime monthly pension. OP&F offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit (see OP&F Comprehensive Annual Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

Under normal service retirement, retired members who are at least 55 years old and have been receiving OP&F benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit, surviving beneficiaries, and statutory survivors. Members participating in the DROP program have separate eligibility requirements related to COLA.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index over the 12 month period ending on September 30th of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013, is equal to 3 percent of their base pension or disability benefit.

Funding Policy – The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

| | Police | Firefighters |
|--|---------|--------------|
| 2020 Statutory Maximum Contribution Rates | | |
| Employer | 19.50 % | 24.00 % |
| Employee | 12.25 % | 12.25 % |
| 2020 Actual Contribution Rates | | |
| Employer: | | |
| Pension | 19.00 % | 23.50 % |
| Post-employment Health Care Benefits | 0.50 | 0.50 |
| Total Employer | 19.50 % | 24.00 % |
| Employee | 12.25 % | 12.25 % |

City of Bedford, Ohio
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Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,187,272 for 2020. Of this amount, \$137,704 is reported as an intergovernmental payable.

In addition to current contributions, the City pays installments on a specific liability the City incurred when the State of Ohio established the statewide pension system for police and fire fighters in 1967. As of December 31, 2020, the specific liability of the City was \$131,785 payable in semi-annual payments through the year 2035.

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

The net pension liability (asset) for OPERS was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2019, and was determined by rolling forward the total pension liability as of January 1, 2019, to December 31, 2019. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense of the City's defined benefit pension plans:

| | <u>OPERS Traditional Plan</u> | <u>OPERS Combined Plan</u> | <u>OP&F</u> | <u>Total</u> |
|--|-----------------------------------|--------------------------------|-------------------|--------------|
| Proportion of the Net Pension Liability/Asset: | | | | |
| Current Measurement Date | 0.0472860% | 0.0154590% | 0.2272716% | |
| Prior Measurement Date | <u>0.0476920%</u> | <u>0.0161860%</u> | <u>0.2285370%</u> | |
| Change in Proportionate Share | <u>-0.0004060%</u> | <u>-0.0007270%</u> | <u>-0.001265%</u> | |
| Proportionate Share of the: | | | | |
| Net Pension Liability | \$9,346,398 | \$0 | \$15,310,230 | \$24,656,628 |
| Net Pension Asset | 0 | 32,237 | 0 | 32,237 |
| Pension Expense | 1,505,478 | 4,894 | 1,753,021 | 3,263,393 |

2020 pension expense for the member-directed defined contribution plan was \$7,681. The aggregate pension expense for all pension plans was \$3,271,074 for 2020.

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to defined benefit pensions from the following sources:

City of Bedford, Ohio
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| | OPERS Traditional Plan | OPERS Combined Plan | OP&F | Total |
|---|---------------------------|------------------------|--------------------|--------------------|
| Deferred Outflows of Resources | | | | |
| Differences between expected and actual experience | \$0 | \$0 | \$579,542 | \$579,542 |
| Changes of assumptions | 499,206 | 3,324 | 375,826 | 878,356 |
| Changes in proportion and differences between City contributions and proportionate share of contributions | 56,150 | 8,922 | 414,027 | 479,099 |
| City contributions subsequent to the measurement date | 905,305 | 10,064 | 1,187,272 | 2,102,641 |
| Total Deferred Outflows of Resources | \$1,460,661 | \$22,310 | \$2,556,667 | \$4,039,638 |
| Deferred Inflows of Resources | | | | |
| Differences between expected and actual experience | \$118,172 | \$7,568 | \$789,610 | \$915,350 |
| Net difference between projected and actual earnings on pension plan investments | 1,864,397 | 4,181 | 739,607 | 2,608,185 |
| Changes in proportion and differences between City contributions and proportionate share of contributions | 53,490 | 0 | 705,404 | 758,894 |
| Total Deferred Inflows of Resources | \$2,036,059 | \$11,749 | \$2,234,621 | \$4,282,429 |

\$2,102,641 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

| | OPERS Traditional Plan | OPERS Combined Plan | OP&F | Total |
|--------------------------|------------------------------|---------------------------|--------------------|----------------------|
| Year Ending December 31: | | | | |
| 2021 | (\$196,389) | (\$793) | (\$364,360) | (\$561,542) |
| 2022 | (621,230) | (714) | 499 | (621,445) |
| 2023 | 77,204 | 452 | 269,834 | 347,490 |
| 2024 | (740,288) | (1,081) | (697,611) | (1,438,980) |
| 2025 | 0 | 824 | (73,588) | (72,764) |
| Thereafter | 0 | 1,809 | 0 | 1,809 |
| Total | (\$1,480,703) | \$497 | (\$865,226) | (\$2,345,432) |

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Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2019, using the following actuarial assumptions applied to all periods included in the measurement in accordance with the requirements of GASB 67. Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of December 31, 2019, are presented below.

| | <u>OPERS Traditional Plan</u> | <u>OPERS Combined Plan</u> |
|---|--|--|
| Wage Inflation | 3.25 percent | 3.25 percent |
| Future Salary Increases, including inflation | 3.25 to 10.75 percent including wage inflation | 3.25 to 8.25 percent including wage inflation |
| COLA or Ad Hoc COLA: | | |
| Pre-January 7, 2013 Retirees | 3 percent, simple | 3 percent, simple |
| Post-January 7, 2013 Retirees | 1.4 percent, simple through 2020, then 2.15 percent, simple | 1.4 percent, simple through 2020, then 2.15 percent, simple |
| Investment Rate of Return | 7.2 percent | 7.2 percent |
| Actuarial Cost Method | Individual Entry Age | Individual Entry Age |

In October 2019, the OPERS Board adopted a change in COLA for Post-January 7, 2013 retirees, changing it from 3 percent simple through 2018 then 2.15 simple to 1.4 percent simple through 2020 the 2.15 percent simple.

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio, and the Defined Contribution portfolio. The Defined Benefit portfolio contains the investment assets for the Traditional Pension Plan, the defined benefit component of the Combined Plan and the annuitized accounts of the Member-Directed Plan. Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Defined Benefit portfolio was 17.2 percent for 2019.

City of Bedford, Ohio
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The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic real rates of return were provided by the Board's investment consultant. For each major asset class that is included in the Defined Benefit portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u> |
|------------------------|------------------------------|---|
| Fixed Income | 25.00 % | 1.83 % |
| Domestic Equities | 19.00 | 5.75 |
| Real Estate | 10.00 | 5.20 |
| Private Equity | 12.00 | 10.70 |
| International Equities | 21.00 | 7.66 |
| Other investments | 13.00 | 4.98 |
| Total | <u>100.00 %</u> | <u>5.61 %</u> |

Discount Rate The discount rate used to measure the total pension liability was 7.2 percent for the traditional plan and the combined plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the traditional pension plan, combined plan and member-directed plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 7.2 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (6.2 percent) or one-percentage-point higher (8.2 percent) than the current rate:

| | <u>1% Decrease (6.20%)</u> | <u>Discount Rate (7.20%)</u> | <u>1% Increase (8.20%)</u> |
|--|--------------------------------|----------------------------------|--------------------------------|
| City's proportionate share of the net pension liability (asset) | | | |
| OPERS Traditional Plan | \$15,415,236 | \$9,346,398 | \$3,890,692 |
| OPERS Combined Plan | (19,478) | (32,237) | (41,430) |

City of Bedford, Ohio
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Actuarial Assumptions – OP&F

OP&F's total pension liability as of December 31, 2019, is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OP&F's actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future. Assumptions considered were: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2019, are presented below.

| | |
|----------------------------|--|
| Valuation Date | January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019 |
| Actuarial Cost Method | Entry Age Normal |
| Investment Rate of Return | 8.0 percent |
| Projected Salary Increases | 3.75 percent to 10.5 percent |
| Payroll Growth | 3.25 percent per annum, compounded annually, consisting of Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent |
| Cost of Living Adjustments | 3.00 percent simple; 2.2 percent simple for increases based on the lesser of the increase in CPI and 3 percent |

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

| <u>Age</u> | <u>Police</u> | <u>Fire</u> |
|------------|---------------|-------------|
| 67 or less | 77 % | 68 % |
| 68-77 | 105 | 87 |
| 78 and up | 115 | 120 |

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

| <u>Age</u> | <u>Police</u> | <u>Fire</u> |
|------------|---------------|-------------|
| 59 or less | 35 % | 35 % |
| 60-69 | 60 | 45 |
| 70-79 | 75 | 70 |
| 80 and up | 100 | 90 |

The most recent experience study was completed for the five year period ended December 31, 2016.

City of Bedford, Ohio
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The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expected. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2019, are summarized below:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|------------------------------|----------------------|---|
| Cash and Cash Equivalents | - % | 1.00 % |
| Domestic Equity | 16.00 | 5.40 |
| Non-US Equity | 16.00 | 5.80 |
| Private Markets | 8.00 | 8.00 |
| Core Fixed Income * | 23.00 | 2.70 |
| High Yield Fixed Income | 7.00 | 4.70 |
| Private Credit | 5.00 | 5.50 |
| U.S. Inflation Linked Bonds* | 17.00 | 2.50 |
| Master Limited Partnerships | 8.00 | 6.60 |
| Real Assets | 8.00 | 7.40 |
| Private Real Estate | 12.00 | 6.40 |
| Total | <u>120.00 %</u> | |

Note: Assumptions are geometric.

* levered 2x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

Discount Rate The total pension liability was calculated using the discount rate of 8.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return of 8.00 percent. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents the net pension liability calculated using the discount rate of 8.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.00 percent), or one percentage point higher (9.00 percent) than the current rate.

City of Bedford, Ohio
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| | 1% Decrease (7.00%) | Current Discount Rate (8.00%) | 1% Increase (9.00%) |
|--|------------------------|-------------------------------------|------------------------|
| City's proportionate share of the net pension liability | \$21,219,445 | \$15,310,230 | \$10,367,756 |

Note 14 – Defined Benefit OPEB Plans

See Note 13 for a description of the net OPEB liability

Plan Description – Ohio Public Employees Retirement System (OPERS)

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

OPERS maintains a cost-sharing, multiple-employer defined benefit postemployment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the traditional pension and the combined plans. This trust is also used to fund health care for member-directed plan participants, in the form of a Retiree Medical Account (RMA). At retirement or separation, member-directed plan participants may be eligible for reimbursement of qualified medical expenses from their vested RMA balance.

In order to qualify for postemployment health care coverage, age and service retirees under the traditional pension and combined plans must have twenty or more years of qualifying Ohio service credit with a minimum age of 60, or generally 30 years of qualifying service at any age. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement 75. See OPERS Comprehensive Annual Financial Report referenced below for additional information.

The Ohio Revised Code permits, but does not require OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

Disclosures for the health care plan are presented separately in the OPERS financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml>, 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 Ohio Revised Code provides the statutory authority allowing public employers to fund postemployment health care through their contributions to OPERS. When funding is approved by OPERS' Board of Trustees, a portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans. Beginning in 2018, OPERS no longer allocated a portion of its employer contributions to health care for the traditional plan and the combined plan.

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Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2020, state and local employers contributed at a rate of 14.0 percent of earnable salary and public safety and law enforcement employers contributed at 18.1 percent. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board determines the portion of the employer contribution rate that will be set aside to fund health care plans. For 2020, OPERS did not allocate any employer contribution to health care for members in the Traditional Pension Plan and Combined Plan. The OPERS Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited into the RMA for participants in the member-directed plan for 2020 was 4.0 percent.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution was \$3,072 for 2020. Of this amount, \$337 is reported as an intergovernmental payable.

Plan Description – Ohio Police & Fire Pension Fund (OP&F)

The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment health care plan administered by a third-party provider. This program is not guaranteed and is subject to change at any time upon action of the Board of Trustees. On January 1, 2019, OP&F implemented a new model for health care. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements.

A retiree is eligible for the OP&F health care stipend unless they have access to any other group coverage including employer and retirement coverage. The eligibility of spouses and dependent children could increase the stipend amount. If the spouse or dependents have access to any other group coverage including employer or retirement coverage, they are not eligible for stipend support from OP&F. Even if an OP&F member or their dependents are not eligible for a stipend, they can use the services of the third-party administrator to select and enroll in a plan. The stipend provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in Governmental Accounting Standards Board (GASB) Statement No. 75.

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 health care 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. The report may be obtained by visiting the OP&F website at www.op-f.org or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. 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 employer units, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5 percent of covered payroll for police employer units and 24 percent of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

City of Bedford, Ohio
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The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2020, the portion of employer contributions allocated to health care was 0.5 percent of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded.

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

The City's contractually required contribution to OP&F was \$28,103 for 2020. Of this amount, \$3,248 is reported as an intergovernmental payable.

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

The net OPEB liability and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. OP&F's total OPEB liability was measured as of December 31, 2019, and was determined by rolling forward the total OPEB liability as of January 1, 2019, to December 31, 2019. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

| | <u>OPERS</u> | <u>OP&F</u> | |
|---|-------------------|--------------------|--------------|
| Proportion of the Net OPEB Liability: | | | |
| Current Measurement Date | 0.0451510% | 0.2272716% | |
| Prior Measurement Date | <u>0.0456000%</u> | <u>0.2285370%</u> | |
| Change in Proportionate Share | <u>-0.000449%</u> | <u>-0.0012654%</u> | |
| | | | <u>Total</u> |
| Proportionate Share of the Net OPEB Liability | \$6,236,529 | \$2,244,928 | \$8,481,457 |
| OPEB Expense | \$671,530 | \$196,925 | \$868,455 |

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

City of Bedford, Ohio
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For the Year Ended December 31, 2020

| | <u>OPERS</u> | <u>OP&F</u> | <u>Total</u> |
|---|---------------------------|---------------------------|---------------------------|
| Deferred Outflows of Resources | | | |
| Differences between expected and actual experience | \$167 | \$0 | \$167 |
| Changes of assumptions | 987,176 | 1,312,471 | 2,299,647 |
| Net difference between projected and actual earnings on OPEB plan investments | 1 | 0 | 1 |
| Changes in proportion and differences between City contributions and proportionate share of contributions | 26,611 | 109,886 | 136,497 |
| City contributions subsequent to the measurement date | <u>3,072</u> | <u>28,103</u> | <u>31,175</u> |
| Total Deferred Outflows of Resources | <u><u>\$1,017,027</u></u> | <u><u>\$1,450,460</u></u> | <u><u>\$2,467,487</u></u> |
| Deferred Inflows of Resources | | | |
| Differences between expected and actual experience | \$570,360 | \$241,421 | \$811,781 |
| Changes of assumptions | 0 | 478,428 | 478,428 |
| Net difference between projected and actual earnings on OPEB plan investments | 317,562 | 103,303 | 420,865 |
| Changes in proportion and differences between City contributions and proportionate share of contributions | <u>37,123</u> | <u>255,580</u> | <u>292,703</u> |
| Total Deferred Inflows of Resources | <u><u>\$925,045</u></u> | <u><u>\$1,078,732</u></u> | <u><u>\$2,003,777</u></u> |

\$31,175 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year Ending December 31: | <u>OPERS</u> | <u>OP&F</u> | <u>Total</u> |
|--------------------------|------------------------|-------------------------|-------------------------|
| 2021 | \$162,512 | \$55,753 | \$218,265 |
| 2022 | 61,842 | 55,753 | 117,595 |
| 2023 | 254 | 76,943 | 77,197 |
| 2024 | (135,698) | 43,536 | (92,162) |
| 2025 | 0 | 64,145 | 64,145 |
| Thereafter | <u>0</u> | <u>47,495</u> | <u>47,495</u> |
| Total | <u><u>\$88,910</u></u> | <u><u>\$343,625</u></u> | <u><u>\$432,535</u></u> |

Actuarial Assumptions – OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

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Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB liability was determined by an actuarial valuation as of December 31, 2018, rolled forward to the measurement date of December 31, 2019. The actuarial valuation used the following actuarial assumptions applied to all prior periods included in the measurement in accordance with the requirements of GASB 74:

| | |
|--|--|
| Wage Inflation | 3.25 percent |
| Projected Salary Increases, including inflation | 3.25 to 10.75 percent including wage inflation |
| Single Discount Rate: | |
| Current measurement date | 3.16 percent |
| Prior Measurement date | 3.96 percent |
| Investment Rate of Return | 6.00 percent |
| Municipal Bond Rate: | |
| Current measurement date | 2.75 percent |
| Prior Measurement date | 3.71 percent |
| Health Care Cost Trend Rate: | |
| Current measurement date | 10.50 percent, initial 3.50 percent, ultimate in 2030 |
| Prior Measurement date | 10.00 percent, initial 3.25 percent, ultimate in 2029 |
| Actuarial Cost Method | Individual Entry Age Normal |

Pre-retirement mortality rates are based on the RP-2014 Employees mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates are based on the RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Post-retirement mortality rates for disabled retirees are based on the RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to all of the above described tables.

The most recent experience study was completed for the five year period ended December 31, 2015.

During 2019, OPERS managed investments in three investment portfolios: the Defined Benefit portfolio, the Health Care portfolio and the Defined Contribution portfolio. The Health Care portfolio includes the assets for health care expenses for the Traditional Pension Plan, Combined Plan and Member-Directed Plan eligible members. Within the Health Care portfolio, if any contribution are made into the plans, the contributions are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made. Health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the Health Care portfolio was 19.7 percent for 2019.

The allocation of investment assets within the Health Care portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. OPERS' primary goal is to achieve and maintain a fully funded status for the benefits provided through the defined pension plans. Health

City of Bedford, Ohio
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care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2019, these best estimates are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u> |
|------------------------------|--------------------------|---|
| Fixed Income | 36.00 % | 1.53 % |
| Domestic Equities | 21.00 | 5.75 |
| Real Estate Investment Trust | 6.00 | 5.69 |
| International Equities | 23.00 | 7.66 |
| Other investments | 14.00 | 4.90 |
| Total | 100.00 % | 4.55 % |

Discount Rate A single discount rate of 3.16 percent was used to measure the OPEB liability on the measurement date of December 31, 2019. A single discount rate of 3.96 percent was used to measure the OPEB liability on the measurement date of December 31, 2018. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.75 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through 2034. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate The following table presents the City's proportionate share of the net OPEB liability calculated using the single discount rate of 3.16 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.16 percent) or one-percentage-point higher (4.16 percent) than the current rate:

| | 1% Decrease (2.16%) | Current Discount Rate (3.16%) | 1% Increase (4.16%) |
|--|------------------------|-------------------------------------|------------------------|
| City's proportionate share of the net OPEB liability | \$8,161,495 | \$6,236,529 | \$4,695,252 |

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Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability. The following table presents the net OPEB liability calculated using the assumed trend rates, and the expected net OPEB liability if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2020 is 10.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is that in the not-too-distant future, the health plan cost trend will decrease to a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

| | 1% Decrease | Current Health Care Cost Trend Rate Assumption | 1% Increase |
|---|-------------|--|-------------|
| City's proportionate share of the net OPEB liability | \$6,052,492 | \$6,236,529 | \$6,418,215 |

Changes between Measurement Date and Reporting Date

On January 15, 2020, the Board approved several changes to the health care plan offered to Medicare and pre-Medicare retirees in efforts to decrease costs and increase the solvency of the health care plan. These changes are effective January 1, 2022, and include changes to base allowances and eligibility for Medicare retirees, as well as replacing OPERS-sponsored medical plans for pre-Medicare retirees with monthly allowances, similar to the program for Medicare retirees. These changes are not reflected in the current year financial statements but are expected to decrease the associated OPEB liability.

Actuarial Assumptions – OP&F

OP&F’s total OPEB liability as of December 31, 2019, is based on the results of an actuarial valuation date of January 1, 2019, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, are presented below.

| | |
|----------------------------|--|
| Valuation Date | January 1, 2019, with actuarial liabilities rolled forward to December 31, 2019 |
| Actuarial Cost Method | Entry Age Normal |
| Investment Rate of Return | 8.0 percent |
| Projected Salary Increases | 3.75 percent to 10.5 percent |
| Payroll Growth | 3.25 percent |
| Single discount rate: | |
| Current measurement date | 3.56 percent |
| Prior measurement date | 4.66 percent |
| Cost of Living Adjustments | 3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent |

Mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

| <u>Age</u> | <u>Police</u> | <u>Fire</u> |
|------------|---------------|-------------|
| 67 or less | 77 % | 68 % |
| 68-77 | 105 | 87 |
| 78 and up | 115 | 120 |

Mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck Modified 2016 Improvement Scale.

| <u>Age</u> | <u>Police</u> | <u>Fire</u> |
|------------|---------------|-------------|
| 59 or less | 35 % | 35 % |
| 60-69 | 60 | 45 |
| 70-79 | 75 | 70 |
| 80 and up | 100 | 90 |

The most recent experience study was completed for the five year period ended December 31, 2016.

The OP&F health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 13.

City of Bedford, Ohio
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Discount Rate For 2019, the total OPEB liability was calculated using the discount rate of 3.56 percent. For 2018, the total OPEB liability was calculated using the discount rate of 4.66 percent. The projection of cash flows used to determine the discount rate assumed the contribution from employers and from members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the longer-term assumed investment rate of return of 8 percent. Based on those assumptions, OP&F's fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, a municipal bond rate of 2.75 percent at December 31, 2019 and 4.13 percent at December 31, 2018, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 3.56 percent for 2019 and 4.66 percent for 2018. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate. The OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments until 2034. The long-term expected rate of return on health care investments was applied to projected costs through 2034, and the municipal bond rate was applied to all health care costs after that date.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate Net OPEB liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net OPEB liability calculated using the discount rate of 3.56 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.56 percent), or one percentage point higher (4.56 percent) than the current rate.

| | 1% Decrease (2.56%) | Current Discount Rate (3.56%) | 1% Increase (4.56%) |
|---|------------------------|-------------------------------------|------------------------|
| City's proportionate share of the net OPEB liability | \$2,783,565 | \$2,244,928 | \$1,797,357 |

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate The total OPEB liability is based on a medical benefit that is a flat dollar amount; therefore, it is unaffected by a health care cost trend rate. An increase or decrease in the trend rate would have no effect on the total OPEB liability.

Note 15 – Significant Commitments

Encumbrances

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

| Governmental Funds: | | Proprietary Funds: | |
|----------------------------|-----------|---------------------------|-----------|
| General | \$187,812 | Water | \$82,647 |
| Public Safety | 8,150 | Wastewater | 188,544 |
| Capital Improvement | 164,965 | | |
| Other Governmental Funds | 116,317 | Total Proprietary | \$271,191 |
| Total Governmental | \$477,244 | | |

City of Bedford, Ohio
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Contractual Commitments

As of December 31, 2020, the City had the following contract balances for various construction projects:

| | |
|--|------------------|
| Gardiner - Energy Projects | \$5,000 |
| Allied Soor System - City Hall | 20,182 |
| NEORS - Stormline Roof | 11,267 |
| GPD - Waterline | 18,733 |
| United Survey Inc. - Sewer Maintenance | 133,932 |
| GPD - Sewer Maintenance | 25,300 |
| | <u>25,300</u> |
| Total | <u>\$214,414</u> |

Remaining commitment amounts were encumbered at year end.

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 | \$0 |
| General Liability | 5,000,000 per occurrence | 1,000 |
| Property Liability | 51,577,936 | 1,000 |
| Boiler and Machinery | 10,000,000 | 1,000 |
| Emergency Medical Services Liability | 5,000,000 per occurrence | 1,000 |
| Law Enforcement Liability | 5,000,000 per occurrence | 2,500 |
| Public Officials Liability | 5,000,000 | 2,500 |
| Employee Benefit Liability | 1,000,000 aggregate | 1,000 |
| Uninsured Motorists | 100,000 | 0 |
| Stop Gap | 1,000,000 aggregate | 1,000 |
| Municipal Attorney and Law Director Liability | 1,000,000 aggregate | 2,500 |
| Fire Damage Liability | 100,000 | 1,000 |
| Electric Software and Data Processing | 5,000,000 | 1,000 |
| Cyber Risk Security | 3,500,000 aggregate | 25,000 |
| Crime | 2,000,000 aggregate | 5,000 |
| Computer Crime | 2,000,000 aggregate | 5,000 |

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

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

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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 \$150,000 per individual. The departments are charged an amount annually equal to the estimated costs for the year divided by the number of qualified covered employees. The Bedford Municipal Court is charged actual costs of administration and claims of their plan.

The claims liability of \$181,286 as estimated by the third party administrator and reported in the health insurance internal service fund at December 31, 2020, is based on the requirements of GASB Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the funds claims liability amount in 2019 and 2020 were as follows:

| | Balance at Beginning of Year | Current Year Claims | Claim Payments | Balance at End of Year |
|------|---------------------------------|------------------------|-------------------|---------------------------|
| 2019 | \$188,005 | \$2,295,289 | \$2,319,532 | \$163,762 |
| 2020 | 163,762 | 2,124,683 | 2,107,159 | 181,286 |

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.

Note 17 – Jointly Governed Organizations

Chagrin Valley Regional Dispatch Center

The City is a member of the Chagrin Valley Regional Dispatch Center (CVRDC). The CVRDC was formed by a Council of Governments to foster cooperation through the sharing of operations of a central dispatch center for safety forces of the participating entities. The CVRDC is comprised of 21 communities.

The CVRDC is provided with legislative oversight from the Mayors and City Managers of the various communities. The Administrative Board consists of the chiefs of police and fire of each member municipality. The Board oversees and manages the operation of the program. The degree of control exercised by any participating government is limited to its representation on the Board. The City of Bedford contributed \$395,890 to the CVRDC during 2020. Financial information can be obtained by contacting Vic Nogalo (vnogalo@aol.com), Administrator, 88 Center Street, Bedford, Ohio 44146.

Northeast Ohio Public Energy Council

The City is a member of the Northeast Ohio Public Energy Council (NOPEC). NOPEC is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. NOPEC was formed to serve as a vehicle for communities wishing to proceed jointly with an aggregation program for the purchase of electricity. NOPEC is currently comprised of over 200 communities who have been authorized by ballot to purchase electricity on behalf of their citizens. The intent of NOPEC is to provide electricity at the lowest possible rates while at the same time insuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities. This agency is not associated with any material accounts with the City finances itself (they are limited to 700 units or less of consumption).

City of Bedford, Ohio
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NOPEC is governed by a General Assembly made up of one representative from each member community. The representatives from each county then elect one person to serve on the eight-member NOPEC Board of Directors. The Board oversees and manages the operation of the aggregation program. The degree of control exercised by any participating government is limited to its representation in the General Assembly and on the Board. The City of Bedford did not contribute to NOPEC during 2020. Financial information can be obtained by contacting Ronald McVoy, Board Chairman, 31360 Solon Road, Suite 33, Solon, Ohio 44139.

First Suburbs Consortium of Northeast Ohio Council of Governments

The City is a member of the First Suburbs Consortium of Northeast Ohio Council of Governments (Council). The Council is a regional council of governments formed under Chapter 167 of the Ohio Revised Code. The Council is currently comprised of 19 communities. The Council was formed to foster cooperation between municipalities in matters of mutual concern, including but not limited to initiation and support of policies and practices which protect, maintain, and redevelop mature communities and other matters which affect health, safety, welfare, education economic conditions and regional development.

The Council is governed by an Assembly made up of one representative from each member community. The representatives then elect the Governing Board made up of a Chair, Vice Chair and other members elected in annual elections. The Board oversees and manages the Council. The degree of control exercised by any participating government is limited to its representation in the Assembly and on the Board. During 2020, the City contributed \$3,000 for membership to the Council. Financial information can be obtained by contacting First Suburbs Consortium of Northeast Ohio Council of Governments, 165 Center Road, Bedford, Ohio 44146.

Note 18 – Changes in Accounting Principle and Restatement of Net Position

Changes in Accounting Principles

For 2020, the City implemented the Governmental Accounting Standard Board’s (GASB) Statement No. 83, Certain Asset Retirement Obligations. GASB Statement 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset.

Restatement of Net Position

The implementation of GASB Statement No. 83 had the following effect on net position as of December 31, 2019:

| | <u>Governmental Activities</u> | <u>Business Type Activities</u> |
|---|------------------------------------|-------------------------------------|
| Net Position December 31, 2019 | \$1,190,029 | \$22,283,746 |
| Adjustments: | | |
| GASB Statement 83 | <u>(26,000)</u> | <u>0</u> |
| Restated Net Position December 31, 2019 | <u><u>\$1,164,029</u></u> | <u><u>\$22,283,746</u></u> |

City of Bedford, Ohio
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Note 19 - Tax Abatement Disclosures

As of December 31, 2020, the City of Bedford provides tax incentives under two programs: The Community Reinvestment Area (CRA) and The Economic Development Job Creation and Retention Program.

Real Estate tax abatements

Pursuant to Ohio Revised Code Chapter 5709, 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 City of Bedford authorizes incentives through passage of public ordinances, based upon each businesses investment criteria, and through a contractual application process with each business, including proof that the improvement have been made. The abatement equals an agreed upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The amount of the abatement is deducted from the recipient's property tax bill. The establishment of the Community Reinvestment Area gave the City the ability to maintain and expand business located in the City and created new jobs by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved business real estate and includes major housing improvements. The City of Bedford also contracts with the Bedford City School District for payments in lieu of taxes when required by Section 5709.82 of the Ohio Revised Code.

Income tax abatement programs

The City of Bedford created the Economic Development Job Creation and Retention Program in 2003, the purpose of the program is to maintain Bedford's competitiveness as a site for location of new businesses and the expansion of existing businesses. Pursuant to Ohio Revised Code Chapter 718 and City ordinance, the City provides an incentive to the company based upon the company's gross annual payroll, the amount of income tax generated annually and the number of jobs created or retained by the business. The abatement is administered as a refund based upon the company's payroll taxes. Also, the time period of the incentive in years, is determined by how many new jobs are to be created by the company. The cap on the incentive was \$22,500 per year with an incentive period of no more than 10 years. The cap increased to \$30,000 per year starting January 1, 2018, as the municipal income tax withholding wage rate increased from 2.25 percent to 3 percent.

City Council's incentive criteria for decision making

The City of Bedford has offered tax incentives and CRA abatements to various businesses based upon substantial project investment into the City. The City considers projects that have at least a \$1 million dollar real estate investment into a property, along with the retention and creation of at least 5 jobs with a payroll increasing at least \$1 million dollars annually. There have been a few CRA tax abatement transactions in the past that were less than the criteria above, however, these projects rehabilitated some areas of the city needing improvement with much success. One project was given incentives to a business to clean up a brownfield making way for new businesses thereby, increasing real estate values on this site and employment as well.

Below is the information relevant to the disclosure of those programs for the year ended December 31, 2020.

City of Bedford, Ohio
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| Tax Abatement Program | Total Amount of Taxes Abated (Incentives Abated) For the year 2020 (In Actual Dollars) |
|--|--|
| <i>Community Reinvestment Area (CRA)</i> | |
| - Manufacturing | \$37,346 |
| - Retail | 523 |
| - Professional Buildings | 11,247 |
| <i>Economic Development Job Creation and Retention Program</i> | |
| - Manufacturing | 19,453 |
| - Professional Buildings | 30,000 |
| Total | \$98,569 |

Pursuant to Section 5709.82 of the Ohio Revised Code, The City of Bedford and the Bedford City School District in line with section 5709.82 of the Ohio Revised Code, created various Community Reinvestment Area Compensation Agreements. These agreements stating various reimbursement percentages (30 percent, 15 percent and 10 percent), require municipal income tax revenue sharing with the Bedford City School District when new income tax collections exceed \$1 million dollars and the corresponding CRA abatement percentage on the project is greater than 50 percent.

The following are the required amounts of income tax dollars paid by the City to the Bedford City School District in 2020:

| | | |
|-----------------|--|----------|
| - Manufacturing | 10 percent of Municipal Income Tax Revenue | \$24,469 |
| - Manufacturing | 15 percent of Municipal Income Tax Revenue | 7,292 |
| - Retail | 15 percent of Municipal Income Tax Revenue | 222 |
| Total | | \$31,983 |

Note 20 – Asset Retirement Obligations

The Bureau of Underground Storage Tank Regulations (BUSTR) regulates petroleum and hazardous substances stored in underground storage tanks. These regulations are included in Ohio Administrative Code Section 1301-7-9 and require a County/City classified as an “owner” or “operator,” to remove from the ground any underground storage tank (UST) that is not in use for a year or more. A permit must first be obtained for that year it is not being used. Once the UST is removed, the soil in the UST cavity and excavated material must be tested for contamination. This asset retirement obligation (ARO) of \$50,000 associated with the City’s underground storage tanks was estimated by the City engineer. The remaining useful life of these USTs range are twenty three years. The City maintains insurance related to any potential pollution remediation associated with the USTs.

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewerage system to the Ohio EPA for approval. Through this review process, the City would be responsible to address any public safety issues associated with their waste water treatment facilities. Any ARO associated with these public safety issues are not reasonably estimable. Currently, there is significant uncertainty as to what public safety items would need addressed; therefore, a reliable estimated amount could not be determined.

City of Bedford, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Note 21 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The City's investment portfolio fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated. Additional funding will be available through the Consolidated Appropriations Act, 2021, passed by Congress on December 21, 2020 and/or the American Rescue Plan Act, passed by Congress on March 11, 2021.

Required Supplementary Information

City of Bedford, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the
Net Pension Liability
Ohio Public Employees Retirement System - Traditional Plan
Last Seven Years (1)

| | 2020 | 2019 | 2018 | 2017 |
|--|-------------|--------------|-------------|--------------|
| City's Proportion of the Net Pension Liability | 0.0472860% | 0.0476920% | 0.0466520% | 0.0474980% |
| City's Proportionate Share of the Net Pension Liability | \$9,346,398 | \$13,061,873 | \$7,318,793 | \$10,785,989 |
| City's Covered Payroll | \$6,653,057 | \$6,442,257 | \$6,165,154 | \$6,140,117 |
| City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 140.48% | 202.75% | 118.71% | 175.66% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 82.17% | 74.70% | 84.66% | 77.25% |

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

Amounts presented for each year were determined as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

| 2016 | 2015 | 2014 |
|-------------|-------------|-------------|
| 0.0491840% | 0.0522680% | 0.0522680% |
| \$8,519,288 | \$6,304,105 | \$6,161,716 |
| \$6,122,082 | \$6,408,142 | \$6,729,755 |
| 139.16% | 98.38% | 91.56% |
| 81.08% | 86.45% | 86.36% |

City of Bedford, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the
Net Pension Asset
Ohio Public Employees Retirement System - Combined Plan
Last Three Years (1)

| | 2020 | 2019 | 2018 |
|--|------------|------------|------------|
| City's Proportion of the Net Pension Asset | 0.0154590% | 0.0161860% | 0.0263730% |
| City's Proportionate Share of the Net Pension Asset | \$32,237 | \$18,099 | \$35,901 |
| City's Covered Payroll | \$68,814 | \$69,229 | \$108,008 |
| City's Proportionate Share of the Net Pension Asset as a Percentage of its Covered Payroll | -46.85% | -26.14% | -33.24% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Asset | 145.28% | 126.64% | 137.28% |

(1) Amounts for the combined plan are not presented prior to 2018 as the City's participation in this plan was considered immaterial in previous years.

Amounts presented for each year were determined as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

City of Bedford, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the
Net OPEB Liability
Ohio Public Employees Retirement System - OPEB Plan
Last Four Years (1)

| | 2020 | 2019 | 2018 | 2017 |
|---|-------------|-------------|-------------|-------------|
| City's Proportion of the Net OPEB Liability | 0.0451510% | 0.0456000% | 0.0448800% | 0.0459300% |
| City's Proportionate Share of the Net OPEB Liability | \$6,236,529 | \$5,945,166 | \$4,873,638 | \$4,639,086 |
| City's Covered Payroll | \$6,821,271 | \$6,614,686 | \$6,356,787 | \$6,347,900 |
| City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll | 91.43% | 89.88% | 76.67% | 73.08% |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 47.80% | 46.33% | 54.14% | 54.04% |

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

Amounts presented for each year were determined as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

City of Bedford, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the
Net Pension Liability
Ohio Police and Fire Pension Fund
Last Seven Years (1)

| | 2020 | 2019 | 2018 | 2017 |
|--|--------------|--------------|--------------|--------------|
| City's Proportion of the Net Pension Liability | 0.2272716% | 0.2285370% | 0.2255770% | 0.2336590% |
| City's Proportionate Share of the Net Pension Liability | \$15,310,230 | \$18,654,658 | \$13,844,679 | \$14,799,727 |
| City's Covered Payroll | \$5,413,178 | \$5,187,647 | \$5,343,998 | \$4,600,577 |
| City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 282.83% | 359.60% | 259.07% | 321.69% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 69.89% | 63.07% | 70.91% | 68.36% |

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

Amounts presented for each year were determined as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

| 2016 | 2015 | 2014 |
|--------------|--------------|--------------|
| 0.2172500% | 0.2588985% | 0.2588985% |
| \$13,975,844 | \$13,412,022 | \$12,609,169 |
| \$4,727,478 | \$5,111,638 | \$5,257,964 |
| 295.63% | 262.38% | 239.81% |
| 66.77% | 71.71% | 73.00% |

City of Bedford, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the
Net OPEB Liability
Ohio Police and Fire Pension Fund
Last Four Years (1)

| | 2020 | 2019 | 2018 | 2017 |
|---|-------------|-------------|--------------|--------------|
| City's Proportion of the Net OPEB Liability | 0.2272716% | 0.2285370% | 0.2255770% | 0.2336590% |
| City's Proportionate Share of the Net OPEB Liability | \$2,244,928 | \$2,081,180 | \$12,780,878 | \$11,091,267 |
| City's Covered Payroll | \$5,413,178 | \$5,187,647 | \$5,343,998 | \$4,600,577 |
| City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll | 41.47% | 40.12% | 239.16% | 241.08% |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 47.08% | 46.57% | 14.13% | 15.96% |

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

Amounts presented for each year were determined as of the City's measurement date which is the prior year end.

See accompanying notes to the required supplementary information.

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City of Bedford, Ohio
Required Supplementary Information
Schedule of the City's Contributions
Ohio Public Employees Retirement System
Last Eight Years (1)

| | 2020 | 2019 | 2018 |
|---|------------------|------------------|------------------|
| Net Pension Liability - Traditional Plan | | | |
| Contractually Required Contribution | \$905,305 | \$931,428 | \$901,916 |
| Contributions in Relation to the Contractually Required Contribution | <u>(905,305)</u> | <u>(931,428)</u> | <u>(901,916)</u> |
| Contribution Deficiency (Excess) | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| City Covered Payroll | \$6,466,464 | \$6,653,057 | \$6,442,257 |
| Pension Contributions as a Percentage of Covered Payroll | <u>14.00%</u> | <u>14.00%</u> | <u>14.00%</u> |
| Net Pension Liability - Combined Plan | | | |
| Contractually Required Contribution | \$10,064 | \$9,634 | \$9,692 |
| Contributions in Relation to the Contractually Required Contribution | <u>(10,064)</u> | <u>(9,634)</u> | <u>(9,692)</u> |
| Contribution Deficiency (Excess) | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| City Covered Payroll | \$71,886 | \$68,814 | \$69,229 |
| Pension Contributions as a Percentage of Covered Payroll | <u>14.00%</u> | <u>14.00%</u> | <u>14.00%</u> |
| Net OPEB Liability - OPEB Plan (2) | | | |
| Contractually Required Contribution | \$3,072 | \$3,976 | \$4,128 |
| Contributions in Relation to the Contractually Required Contribution | <u>(3,072)</u> | <u>(3,976)</u> | <u>(4,128)</u> |
| Contribution Deficiency (Excess) | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| City Covered Payroll (3) | \$6,615,150 | \$6,821,271 | \$6,614,686 |
| OPEB Contributions as a Percentage of Covered Payroll | <u>0.05%</u> | <u>0.06%</u> | <u>0.06%</u> |

(1) Information prior to 2013 is not available for traditional and combined plans.

(2) Information prior to 2016 is not available for the OPEB plan.

(3) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan. The member directed pension plan is a defined contribution pension plan; therefore, the pension side is not included above.

See accompanying notes to the required supplementary information.

| 2017 | 2016 | 2015 | 2014 | 2013 |
|------------------|------------------|------------------|------------------|------------------|
| \$801,470 | \$736,814 | \$734,650 | \$768,977 | \$874,868 |
| <u>(801,470)</u> | <u>(736,814)</u> | <u>(734,650)</u> | <u>(768,977)</u> | <u>(874,868)</u> |
| <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| \$6,165,154 | \$6,140,117 | \$6,122,082 | \$6,408,142 | \$6,729,755 |
| <u>13.00%</u> | <u>12.00%</u> | <u>12.00%</u> | <u>12.00%</u> | <u>13.00%</u> |
| \$14,041 | \$14,005 | \$13,271 | \$13,079 | \$13,681 |
| <u>(14,041)</u> | <u>(14,005)</u> | <u>(13,271)</u> | <u>(13,079)</u> | <u>(13,681)</u> |
| <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| \$108,008 | \$116,708 | \$110,592 | \$108,992 | \$105,238 |
| <u>13.00%</u> | <u>12.00%</u> | <u>12.00%</u> | <u>12.00%</u> | <u>13.00%</u> |
| \$66,077 | \$128,780 | | | |
| <u>(66,077)</u> | <u>(128,780)</u> | | | |
| <u>\$0</u> | <u>\$0</u> | | | |
| \$6,356,787 | \$6,347,900 | | | |
| <u>1.04%</u> | <u>2.03%</u> | | | |

City of Bedford, Ohio
Required Supplementary Information
Schedule of the City's Contributions
Ohio Police and Fire Pension Fund
Last Ten Years

| | 2020 | 2019 | 2018 | 2017 |
|--|--------------------|--------------------|--------------------|--------------------|
| Net Pension Liability | | | | |
| Contractually Required Contribution | \$1,187,272 | \$1,141,740 | \$1,093,742 | \$1,132,978 |
| Contributions in Relation to the Contractually Required Contribution | <u>(1,187,272)</u> | <u>(1,141,740)</u> | <u>(1,093,742)</u> | <u>(1,132,978)</u> |
| Contribution Deficiency (Excess) | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| City Covered Payroll (1) | \$5,620,564 | \$5,413,178 | \$5,187,647 | \$5,343,998 |
| Pension Contributions as a Percentage of Covered Payroll | <u>21.12%</u> | <u>21.09%</u> | <u>21.08%</u> | <u>21.20%</u> |
| Net OPEB Liability | | | | |
| Contractually Required Contribution | \$28,103 | \$27,066 | \$25,938 | \$26,720 |
| Contributions in Relation to the Contractually Required Contribution | <u>(28,103)</u> | <u>(27,066)</u> | <u>(25,938)</u> | <u>(26,720)</u> |
| Contribution Deficiency (Excess) | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| OPEB Contributions as a Percentage of Covered Payroll | <u>0.50%</u> | <u>0.50%</u> | <u>0.50%</u> | <u>0.50%</u> |
| Total Contributions as a Percentage of Covered Payroll | <u>21.62%</u> | <u>21.59%</u> | <u>21.58%</u> | <u>21.70%</u> |

(1) The City's Covered payroll is the same for Pension and OPEB.

See accompanying notes to the required supplementary information.

| <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|------------------|--------------------|--------------------|------------------|------------------|------------------|
| \$973,423 | \$1,003,825 | \$1,083,473 | \$948,595 | \$688,643 | \$676,821 |
| <u>(973,423)</u> | <u>(1,003,825)</u> | <u>(1,083,473)</u> | <u>(948,595)</u> | <u>(688,643)</u> | <u>(676,821)</u> |
| <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| \$4,600,577 | \$4,727,478 | \$5,111,638 | \$5,257,964 | \$4,635,599 | \$4,586,587 |
| <u>21.16%</u> | <u>21.23%</u> | <u>21.20%</u> | <u>18.04%</u> | <u>14.86%</u> | <u>14.76%</u> |
| \$23,003 | \$23,638 | \$25,559 | \$190,163 | \$312,903 | \$309,595 |
| <u>(23,003)</u> | <u>(23,638)</u> | <u>(25,559)</u> | <u>(190,163)</u> | <u>(312,903)</u> | <u>(309,595)</u> |
| <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| <u>0.50%</u> | <u>0.50%</u> | <u>0.50%</u> | <u>3.62%</u> | <u>6.75%</u> | <u>6.75%</u> |
| <u>21.66%</u> | <u>21.73%</u> | <u>21.70%</u> | <u>21.66%</u> | <u>21.61%</u> | <u>21.51%</u> |

City of Bedford, Ohio
Notes to the Required Supplementary Information
For the year ended December 31, 2020

Changes in Assumptions – OPERS Pension– Traditional Plan

Amounts reported beginning in 2019 incorporate changes in assumptions used by OPERS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in prior years are presented below:

| | 2019 | 2018 and 2017 | 2016 and prior |
|--|--|--|--|
| Wage Inflation | 3.25 percent | 3.25 percent | 3.75 percent |
| Future Salary Increases, including inflation | 3.25 to 10.75 percent including wage inflation | 3.25 to 10.75 percent including wage inflation | 4.25 to 10.05 percent including wage inflation |
| COLA or Ad Hoc COLA: | | | |
| Pre-January 7, 2013 Retirees | 3 percent, simple | 3 percent, simple | 3 percent, simple |
| Post-January 7, 2013 Retirees | see below | see below | see below |
| Investment Rate of Return | 7.2 percent | 7.5 percent | 8 percent |
| Actuarial Cost Method | Individual Entry Age | Individual Entry Age | Individual Entry Age |

The assumptions related COLA or Ad Hoc COLA for Post-January 7, 2013 Retirees are as follows:

COLA or Ad Hoc COLA, Post-January 7, 2013 Retirees:

| | |
|-------------------|---|
| 2020 | 1.4 percent, simple through 2020 then 2.15 percent, simple |
| 2017 through 2019 | 3.0 percent, simple through 2018 then 2.15 percent, simple |
| 2016 and prior | 3.0 percent, simple through 2018 then 2.80 percent, simple |

Amounts reported beginning in 2017 use mortality rates based on the RP-2014 Healthy Annuitant mortality table. For males, Healthy Annuitant Mortality tables were used, adjusted for mortality improvement back to the observation period base of 2006 and then established the base year as 2015. For females, Healthy Annuitant Mortality tables were used, adjusted for mortality improvements back to the observation period base year of 2006 and then established the base year as 2010. The mortality rates used in evaluating disability allowances were based on the RP-2014 Disabled mortality tables, adjusted for mortality improvement back to the observation base year of 2006 and then established the base year as 2015 for males and 2010 for females. Mortality rates for a particular calendar year for both healthy and disabled retiree mortality tables are determined by applying the MP-2015 mortality improvement scale to the above described tables.

Amounts reported for 2016 and prior use mortality rates based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

City of Bedford, Ohio
Notes to the Required Supplementary Information
For the year ended December 31, 2020

Changes in Assumptions – OPERS Pension – Combined Plan

For 2020, the Combined Plan had the same change in COLA or Ad Hoc COLA for Post-January 2, 2013 retirees as the Traditional Plan. For 2019, the investment rate of return changed from 7.5 percent to 7.2 percent.

Changes in Assumptions – OP&F Pension

Amounts reported beginning in 2018 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in 2017 and prior are presented below:

| | Beginning in 2018 | 2017 and Prior |
|----------------------------|--|--|
| Valuation Date | January 1, 2017, with actuarial liabilities rolled forward to December 31, 2017 | January 1, 2016, with actuarial liabilities rolled forward to December 31, 2016 |
| Actuarial Cost Method | Entry Age Normal | Entry Age Normal |
| Investment Rate of Return | 8.0 percent | 8.25 percent |
| Projected Salary Increases | 3.75 percent to 10.5 percent | 4.25 percent to 11 percent |
| Payroll Growth | Inflation rate of 2.75 percent plus productivity increase rate of 0.5 percent | Inflation rate of 3.25 percent plus productivity increase rate of 0.5 percent |
| Cost of Living Adjustments | 3.00 percent simple; 2.2 percent simple for increased based on the lesser of the increase in CPI and 3 percent | 3.00 percent simple; 2.6 percent simple for increased based on the lesser of the increase in CPI and 3 percent |

Amounts reported beginning in 2018 use valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck/Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120 percent.

| Age | Police | Fire |
|------------|--------|------|
| 67 or less | 77 % | 68 % |
| 68-77 | 105 | 87 |
| 78 and up | 115 | 120 |

Amounts reported beginning in 2018 use valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Buck/Conduent Modified 2016 Improvement Scale.

| Age | Police | Fire |
|------------|--------|------|
| 59 or less | 35 % | 35 % |
| 60-69 | 60 | 45 |
| 70-79 | 75 | 70 |
| 80 and up | 100 | 90 |

City of Bedford, Ohio
Notes to the Required Supplementary Information
For the year ended December 31, 2020

Amounts reported for 2017 and prior use valuation, rates of death were based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

Changes in Assumptions – OPERS OPEB

| | |
|-------------------------------|---|
| Investment Return Assumption: | |
| Beginning in 2019 | 6.00 percent |
| 2018 | 6.50 percent |
| Municipal Bond Rate: | |
| 2020 | 2.75 percent |
| 2019 | 3.71 percent |
| 2018 | 3.31 percent |
| Single Discount Rate: | |
| 2020 | 3.16 percent |
| 2019 | 3.96 percent |
| 2018 | 3.85 percent |
| Health Care Cost Trend Rate: | |
| 2020 | 10.0 percent, initial 3.5 percent, ultimate in 2030 |
| 2019 | 10.0 percent, initial 3.25 percent, ultimate in 2029 |
| 2018 | 7.5 percent, initial 3.25 percent, ultimate in 2028 |

Changes in Assumptions – OP&F OPEB

| | |
|-----------------------|--------------|
| Single Discount Rate: | |
| 2020 | 3.56 percent |
| 2019 | 4.66 percent |
| 2018 | 3.24 percent |

Changes in Benefit Terms – OP&F OPEB

For 2019, OP&F recognized a change in benefit terms. Under this new model, OP&F provides eligible retirees with a fixed stipend earmarked to pay for health care and Medicare Part B reimbursements. This new model replaced the self-insured health care plan used in prior years.

COMBINING

SECTION



COMBINING
SECTION



City of BEDFORD, Ohio

**Combining and Individual
Fund Statements and Schedules**

Combining Statements – Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

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

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

First Suburbs Fund - To account for and report grants restricted to the expenditures of the First Suburbs Development Council.

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

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

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

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

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

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

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

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

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

CARES Act Fund - To account for and report restricted federal monies used to assist local governments with the corona virus pandemic.

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

(continued)

Combining Statements – Nonmajor Governmental Funds (continued)

Nonmajor Special Revenue Funds (continued)

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

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

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

Refuse Fee Fund - To account for and report the collection of special assessments restricted for waste collection.

Nonmajor Debt Service Fund

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

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

Nonmajor Capital Projects Funds

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

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

Northfield and Rockside Roads Fund - To account for and report revenues advanced from the general fund specific to construction which will be repaid from future restricted assessments on the property.

City of Bedford, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Fund | Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|-------------------------------------|--|--|
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$2,970,962 | \$298,002 | \$209,001 | \$3,477,965 |
| Restricted Assets: | | | | |
| Cash and Cash Equivalents with Fiscal Agents | 6,058 | 0 | 0 | 6,058 |
| Income Taxes Receivable | 0 | 202,585 | 0 | 202,585 |
| Accounts Receivable | 10,000 | 0 | 0 | 10,000 |
| Intergovernmental Receivable | 638,086 | 0 | 0 | 638,086 |
| Accrued Interest Receivable | 10,391 | 1,305 | 542 | 12,238 |
| Prepaid Items | 12,753 | 0 | 20,111 | 32,864 |
| Special Assessments Receivable | 1,144,179 | 0 | 0 | 1,144,179 |
| <i>Total Assets</i> | <u>\$4,792,429</u> | <u>\$501,892</u> | <u>\$229,654</u> | <u>\$5,523,975</u> |
| Liabilities and Fund Balances | | | | |
| Liabilities | | | | |
| Accounts Payable | \$90,868 | \$0 | \$2,613 | \$93,481 |
| Contracts Payable | 81,619 | 0 | 0 | 81,619 |
| Accrued Wages | 4,747 | 0 | 0 | 4,747 |
| Intergovernmental Payable | 16,316 | 0 | 0 | 16,316 |
| Interfund Payable | 140,040 | 0 | 53,943 | 193,983 |
| Retainage Payable | 6,058 | 0 | 0 | 6,058 |
| <i>Total Liabilities</i> | <u>339,648</u> | <u>0</u> | <u>56,556</u> | <u>396,204</u> |
| Deferred Inflows of Resources | | | | |
| Unavailable Revenue | 1,420,637 | 140,069 | 0 | 1,560,706 |
| Fund Balances | | | | |
| Nonspendable | 12,753 | 0 | 20,111 | 32,864 |
| Restricted | 3,019,391 | 361,823 | 196,927 | 3,578,141 |
| Unassigned (Deficit) | 0 | 0 | (43,940) | (43,940) |
| <i>Total Fund Balances</i> | <u>3,032,144</u> | <u>361,823</u> | <u>173,098</u> | <u>3,567,065</u> |
| <i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i> | <u>\$4,792,429</u> | <u>\$501,892</u> | <u>\$229,654</u> | <u>\$5,523,975</u> |

City of Bedford, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2020

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Fund | Nonmajor Capital Projects Funds | Total Other Governmental Funds |
|---|--------------------------------------|----------------------------------|---------------------------------------|--------------------------------------|
| Revenues | | | | |
| Municipal Income Taxes | \$0 | \$639,065 | \$0 | \$639,065 |
| Charges for Services | 45 | 0 | 0 | 45 |
| Fines and Forfeitures | 138,145 | 0 | 115,897 | 254,042 |
| Intergovernmental | 2,950,041 | 0 | 20,047 | 2,970,088 |
| Special Assessments | 1,202,594 | 0 | 0 | 1,202,594 |
| Contributions and Donations | 25,140 | 0 | 0 | 25,140 |
| Interest | 22,873 | 4,763 | 1,322 | 28,958 |
| Other | 383,660 | 1,593 | 0 | 385,253 |
| <i>Total Revenues</i> | <u>4,722,498</u> | <u>645,421</u> | <u>137,266</u> | <u>5,505,185</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 384,191 | 0 | 0 | 384,191 |
| Security of Persons and Property: | | | | |
| Police | 1,094,725 | 0 | 0 | 1,094,725 |
| Fire | 980,454 | 0 | 0 | 980,454 |
| Public Health and Welfare | 22,322 | 0 | 0 | 22,322 |
| Leisure Time Activities | 57,655 | 0 | 0 | 57,655 |
| Community Development | 81,194 | 0 | 0 | 81,194 |
| Basic Utility Services | 1,189,117 | 0 | 0 | 1,189,117 |
| Transportation | 809,706 | 0 | 0 | 809,706 |
| Capital Outlay | 0 | 0 | 146,965 | 146,965 |
| Debt Service: | | | | |
| Principal Retirement | 0 | 759,843 | 0 | 759,843 |
| Interest and Fiscal Charges | 0 | 244,474 | 0 | 244,474 |
| <i>Total Expenditures</i> | <u>4,619,364</u> | <u>1,004,317</u> | <u>146,965</u> | <u>5,770,646</u> |
| <i>Excess of Revenues</i> | | | | |
| <i>Over (Under) Expenditures</i> | <u>103,134</u> | <u>(358,896)</u> | <u>(9,699)</u> | <u>(265,461)</u> |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | 1,880 | 0 | 0 | 1,880 |
| Transfers In | 152,000 | 410,495 | 0 | 562,495 |
| Transfers Out | (125,495) | 0 | 0 | (125,495) |
| <i>Total Other Financing Sources (Uses)</i> | <u>28,385</u> | <u>410,495</u> | <u>0</u> | <u>438,880</u> |
| <i>Net Change in Fund Balances</i> | 131,519 | 51,599 | (9,699) | 173,419 |
| <i>Fund Balances Beginning of Year</i> | <u>2,900,625</u> | <u>310,224</u> | <u>182,797</u> | <u>3,393,646</u> |
| <i>Fund Balances End of Year</i> | <u><u>\$3,032,144</u></u> | <u><u>\$361,823</u></u> | <u><u>\$173,098</u></u> | <u><u>\$3,567,065</u></u> |

City of Bedford, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020

| | Community Development Block Grant | First Suburbs | State Highway |
|---|--|------------------|------------------|
| Assets | | | |
| Equity in Pooled Cash and Cash Equivalents | \$99,635 | \$86,797 | \$190,047 |
| Restricted Assets: | | | |
| Cash and Cash Equivalents with Fiscal Agents | 0 | 0 | 0 |
| Accounts Receivable | 0 | 0 | 0 |
| Intergovernmental Receivable | 0 | 3,000 | 27,915 |
| Accrued Interest Receivable | 0 | 390 | 834 |
| Prepaid Items | 0 | 0 | 0 |
| Special Assessments Receivable | 0 | 0 | 0 |
| <i>Total Assets</i> | <u>\$99,635</u> | <u>\$90,187</u> | <u>\$218,796</u> |
| Liabilities | | | |
| Accounts Payable | \$0 | \$0 | \$0 |
| Contracts Payable | 0 | 0 | 0 |
| Accrued Wages | 0 | 0 | 0 |
| Intergovernmental Payable | 0 | 933 | 0 |
| Interfund Payable | 0 | 0 | 0 |
| Retainage Payable | 0 | 0 | 0 |
| <i>Total Liabilities</i> | <u>0</u> | <u>933</u> | <u>0</u> |
| Deferred Inflows of Resources | | | |
| Unavailable Revenue | 0 | 0 | 19,076 |
| Fund Balances | | | |
| Nonspendable | 0 | 0 | 0 |
| Restricted | 99,635 | 89,254 | 199,720 |
| <i>Total Fund Balances</i> | <u>99,635</u> | <u>89,254</u> | <u>199,720</u> |
| <i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i> | <u>\$99,635</u> | <u>\$90,187</u> | <u>\$218,796</u> |

| <u>Indigent Drivers</u> | <u>SEALE Narcotics</u> | <u>Enforcement and Education</u> | <u>Street Lighting</u> | <u>Street Construction, Maintenance and Repair</u> | <u>Law Enforcement Trust</u> |
|-------------------------|------------------------|----------------------------------|------------------------|--|------------------------------|
| \$205,492 | \$292,238 | \$8,194 | \$254,149 | \$842,306 | \$45,338 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 84,179 | 0 | 0 | 344,263 | 0 |
| 896 | 0 | 0 | 1,113 | 3,690 | 0 |
| 0 | 0 | 0 | 0 | 1,452 | 0 |
| 0 | 0 | 0 | 360,963 | 0 | 0 |
| <u>\$206,388</u> | <u>\$376,417</u> | <u>\$8,194</u> | <u>\$616,225</u> | <u>\$1,191,711</u> | <u>\$45,338</u> |
| \$1,750 | \$0 | \$0 | \$30,106 | \$5,254 | \$0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 4,747 | 0 |
| 0 | 13,111 | 0 | 0 | 2,272 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| <u>1,750</u> | <u>13,111</u> | <u>0</u> | <u>30,106</u> | <u>12,273</u> | <u>0</u> |
| 0 | 0 | 0 | 360,963 | 235,249 | 0 |
| 0 | 0 | 0 | 0 | 1,452 | 0 |
| <u>204,638</u> | <u>363,306</u> | <u>8,194</u> | <u>225,156</u> | <u>942,737</u> | <u>45,338</u> |
| <u>204,638</u> | <u>363,306</u> | <u>8,194</u> | <u>225,156</u> | <u>944,189</u> | <u>45,338</u> |
| <u>\$206,388</u> | <u>\$376,417</u> | <u>\$8,194</u> | <u>\$616,225</u> | <u>\$1,191,711</u> | <u>\$45,338</u> |

(continued)

City of Bedford, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
December 31, 2020

| | Motor Vehicle License | Grants | CARES Act |
|---|-----------------------------|------------------|------------------|
| Assets | | | |
| Equity in Pooled Cash and Cash Equivalents | \$130,011 | \$93,343 | \$0 |
| Restricted Assets: | | | |
| Cash and Cash Equivalents with Fiscal Agents | 0 | 6,058 | 0 |
| Accounts Receivable | 0 | 10,000 | 0 |
| Intergovernmental Receivable | 34,147 | 4,542 | 140,040 |
| Accrued Interest Receivable | 570 | 409 | 0 |
| Prepaid Items | 0 | 0 | 0 |
| Special Assessments Receivable | 0 | 0 | 0 |
| <i>Total Assets</i> | <u>\$164,728</u> | <u>\$114,352</u> | <u>\$140,040</u> |
| Liabilities | | | |
| Accounts Payable | \$33,474 | \$6,424 | \$0 |
| Contracts Payable | 0 | 13,600 | 0 |
| Accrued Wages | 0 | 0 | 0 |
| Intergovernmental Payable | 0 | 0 | 0 |
| Interfund Payable | 0 | 0 | 140,040 |
| Retainage Payable | 0 | 6,058 | 0 |
| <i>Total Liabilities</i> | <u>33,474</u> | <u>26,082</u> | <u>140,040</u> |
| Deferred Inflows of Resources | | | |
| Unavailable Revenue | 22,133 | 0 | 0 |
| Fund Balances | | | |
| Nonspendable | 0 | 0 | 0 |
| Restricted | 109,121 | 88,270 | 0 |
| <i>Total Fund Balances</i> | <u>109,121</u> | <u>88,270</u> | <u>0</u> |
| <i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i> | <u>\$164,728</u> | <u>\$114,352</u> | <u>\$140,040</u> |

| <u>Municipal Court Special Programs</u> | <u>Indigent Interlock and Monitoring</u> | <u>Cemetery Donations</u> | <u>Bedford Municipal Court Legal Research</u> | <u>Refuse Fee</u> | <u>Total Nonmajor Special Revenue Funds</u> |
|---|--|-------------------------------|---|-----------------------|---|
| \$318,626 | \$65,239 | \$24,282 | \$58,421 | \$256,844 | \$2,970,962 |
| 0 | 0 | 0 | 0 | 0 | 6,058 |
| 0 | 0 | 0 | 0 | 0 | 10,000 |
| 0 | 0 | 0 | 0 | 0 | 638,086 |
| 1,364 | 0 | 0 | 0 | 1,125 | 10,391 |
| 11,301 | 0 | 0 | 0 | 0 | 12,753 |
| 0 | 0 | 0 | 0 | 783,216 | 1,144,179 |
| <u>\$331,291</u> | <u>\$65,239</u> | <u>\$24,282</u> | <u>\$58,421</u> | <u>\$1,041,185</u> | <u>\$4,792,429</u> |
| \$13,860 | \$0 | \$0 | \$0 | \$0 | \$90,868 |
| 0 | 0 | 0 | 0 | 68,019 | 81,619 |
| 0 | 0 | 0 | 0 | 0 | 4,747 |
| 0 | 0 | 0 | 0 | 0 | 16,316 |
| 0 | 0 | 0 | 0 | 0 | 140,040 |
| 0 | 0 | 0 | 0 | 0 | 6,058 |
| <u>13,860</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>68,019</u> | <u>339,648</u> |
| 0 | 0 | 0 | 0 | 783,216 | 1,420,637 |
| 11,301 | 0 | 0 | 0 | 0 | 12,753 |
| 306,130 | 65,239 | 24,282 | 58,421 | 189,950 | 3,019,391 |
| <u>317,431</u> | <u>65,239</u> | <u>24,282</u> | <u>58,421</u> | <u>189,950</u> | <u>3,032,144</u> |
| <u>\$331,291</u> | <u>\$65,239</u> | <u>\$24,282</u> | <u>\$58,421</u> | <u>\$1,041,185</u> | <u>\$4,792,429</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, 2020

| | Community Development Block Grant | First Suburbs | State Highway | Indigent Drivers | SEALE Narcotics |
|---|--|------------------|------------------|---------------------|--------------------|
| Revenues | | | | | |
| Charges for Services | \$0 | \$0 | \$0 | \$0 | \$0 |
| Fines and Forfeitures | 0 | 0 | 0 | 0 | 0 |
| Intergovernmental | 0 | 48,443 | 55,945 | 20,606 | 647,619 |
| Special Assessments | 0 | 0 | 0 | 0 | 0 |
| Contributions and Donations | 0 | 0 | 0 | 0 | 0 |
| Interest | 0 | 866 | 1,392 | 1,660 | 0 |
| Other | 0 | 0 | 0 | 0 | 372,410 |
| <i>Total Revenues</i> | <u>0</u> | <u>49,309</u> | <u>57,337</u> | <u>22,266</u> | <u>1,020,029</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| General Government | 0 | 0 | 0 | 0 | 0 |
| Security of Persons and Property: | | | | | |
| Police | 0 | 0 | 0 | 0 | 945,924 |
| Fire | 0 | 0 | 0 | 0 | 0 |
| Public Health and Welfare | 0 | 0 | 0 | 22,322 | 0 |
| Leisure Time Activities | 0 | 0 | 0 | 0 | 0 |
| Community Development | 0 | 50,354 | 0 | 0 | 0 |
| Basic Utility Services | 0 | 0 | 0 | 0 | 0 |
| Transportation | 0 | 0 | 74,651 | 0 | 0 |
| <i>Total Expenditures</i> | <u>0</u> | <u>50,354</u> | <u>74,651</u> | <u>22,322</u> | <u>945,924</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>0</u> | <u>(1,045)</u> | <u>(17,314)</u> | <u>(56)</u> | <u>74,105</u> |
| Other Financing Sources (Uses) | | | | | |
| Sale of Capital Assets | 0 | 0 | 0 | 0 | 0 |
| Transfers In | 0 | 0 | 0 | 0 | 0 |
| Transfers Out | 0 | 0 | 0 | 0 | 0 |
| <i>Total Other Financing Sources (Uses)</i> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| <i>Net Change in Fund Balances</i> | 0 | (1,045) | (17,314) | (56) | 74,105 |
| <i>Fund Balances Beginning of Year</i> | <u>99,635</u> | <u>90,299</u> | <u>217,034</u> | <u>204,694</u> | <u>289,201</u> |
| <i>Fund Balances End of Year</i> | <u>\$99,635</u> | <u>\$89,254</u> | <u>\$199,720</u> | <u>\$204,638</u> | <u>\$363,306</u> |

| Enforcement and Education | Street Lighting | Street Construction, Maintenance and Repair | Law Enforcement Trust | Motor Vehicle License | Grants | CARES Act |
|---------------------------|-----------------|---|-----------------------|-----------------------|----------|-----------|
| \$0 | \$0 | \$0 | \$0 | \$0 | \$45 | \$0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 935 | 0 | 691,946 | 11,892 | 82,845 | 228,193 | 1,161,617 |
| 0 | 397,800 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 25,140 | 0 |
| 49 | 2,582 | 7,931 | 264 | 851 | 409 | 26 |
| 0 | 0 | 0 | 1,200 | 0 | 10,000 | 0 |
| 984 | 400,382 | 699,877 | 13,356 | 83,696 | 263,787 | 1,161,643 |
| 0 | 0 | 0 | 0 | 0 | 112,885 | 106,820 |
| 0 | 0 | 0 | 29,808 | 0 | 75,463 | 43,530 |
| 0 | 0 | 0 | 0 | 0 | 18,496 | 961,958 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 21,707 | 35,948 |
| 0 | 0 | 0 | 0 | 0 | 30,840 | 0 |
| 0 | 390,845 | 0 | 0 | 0 | 0 | 1,405 |
| 0 | 0 | 515,246 | 0 | 180,000 | 27,827 | 11,982 |
| 0 | 390,845 | 515,246 | 29,808 | 180,000 | 287,218 | 1,161,643 |
| 984 | 9,537 | 184,631 | (16,452) | (96,304) | (23,431) | 0 |
| 0 | 0 | 0 | 1,880 | 0 | 0 | 0 |
| 0 | 0 | 137,000 | 0 | 0 | 15,000 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 137,000 | 1,880 | 0 | 15,000 | 0 |
| 984 | 9,537 | 321,631 | (14,572) | (96,304) | (8,431) | 0 |
| 7,210 | 215,619 | 622,558 | 59,910 | 205,425 | 96,701 | 0 |
| \$8,194 | \$225,156 | \$944,189 | \$45,338 | \$109,121 | \$88,270 | \$0 |

(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, 2020

| | Municipal Court Special Programs | Indigent Interlock and Monitoring | Cemetery Donations | Bedford Municipal Court Legal Research | Refuse Fee | Total Nonmajor Special Revenue Funds |
|---|--|---|-----------------------|---|------------------|--|
| Revenues | | | | | | |
| Charges for Services | \$0 | \$0 | \$0 | \$0 | \$0 | \$45 |
| Fines and Forfeitures | 92,515 | 22,803 | 0 | 22,827 | 0 | 138,145 |
| Intergovernmental | 0 | 0 | 0 | 0 | 0 | 2,950,041 |
| Special Assessments | 0 | 0 | 0 | 0 | 804,794 | 1,202,594 |
| Contributions and Donations | 0 | 0 | 0 | 0 | 0 | 25,140 |
| Interest | 3,062 | 492 | 154 | 476 | 2,659 | 22,873 |
| Other | 0 | 0 | 50 | 0 | 0 | 383,660 |
| <i>Total Revenues</i> | <u>95,577</u> | <u>23,295</u> | <u>204</u> | <u>23,303</u> | <u>807,453</u> | <u>4,722,498</u> |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General Government | 77,204 | 44,655 | 0 | 42,627 | 0 | 384,191 |
| Security of Persons and Property: | | | | | | |
| Police | 0 | 0 | 0 | 0 | 0 | 1,094,725 |
| Fire | 0 | 0 | 0 | 0 | 0 | 980,454 |
| Public Health and Welfare | 0 | 0 | 0 | 0 | 0 | 22,322 |
| Leisure Time Activities | 0 | 0 | 0 | 0 | 0 | 57,655 |
| Community Development | 0 | 0 | 0 | 0 | 0 | 81,194 |
| Basic Utility Services | 0 | 0 | 0 | 0 | 796,867 | 1,189,117 |
| Transportation | 0 | 0 | 0 | 0 | 0 | 809,706 |
| <i>Total Expenditures</i> | <u>77,204</u> | <u>44,655</u> | <u>0</u> | <u>42,627</u> | <u>796,867</u> | <u>4,619,364</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>18,373</u> | <u>(21,360)</u> | <u>204</u> | <u>(19,324)</u> | <u>10,586</u> | <u>103,134</u> |
| Other Financing Sources (Uses) | | | | | | |
| Sale of Capital Assets | 0 | 0 | 0 | 0 | 0 | 1,880 |
| Transfers In | 0 | 0 | 0 | 0 | 0 | 152,000 |
| Transfers Out | (125,495) | 0 | 0 | 0 | 0 | (125,495) |
| <i>Total Other Financing Sources (Uses)</i> | <u>(125,495)</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>28,385</u> |
| <i>Net Change in Fund Balances</i> | (107,122) | (21,360) | 204 | (19,324) | 10,586 | 131,519 |
| <i>Fund Balances Beginning of Year</i> | <u>424,553</u> | <u>86,599</u> | <u>24,078</u> | <u>77,745</u> | <u>179,364</u> | <u>2,900,625</u> |
| <i>Fund Balances End of Year</i> | <u>\$317,431</u> | <u>\$65,239</u> | <u>\$24,282</u> | <u>\$58,421</u> | <u>\$189,950</u> | <u>\$3,032,144</u> |

City of Bedford, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2020

| | Municipal Court Computer | Northfield and Rockside Roads | Total Nonmajor Capital Projects Funds |
|---|--------------------------------|----------------------------------|---|
| Assets | | | |
| Equity in Pooled Cash and Cash Equivalents | \$197,635 | \$11,366 | \$209,001 |
| Accrued Interest Receivable | 542 | 0 | 542 |
| Prepaid Items | 20,111 | 0 | 20,111 |
| <i>Total Assets</i> | <u>\$218,288</u> | <u>\$11,366</u> | <u>\$229,654</u> |
| Liabilities | | | |
| Accounts Payable | \$1,250 | \$1,363 | \$2,613 |
| Interfund Payable | 0 | 53,943 | 53,943 |
| <i>Total Liabilities</i> | <u>1,250</u> | <u>55,306</u> | <u>56,556</u> |
| Fund Balances | | | |
| Nonspendable | 20,111 | 0 | 20,111 |
| Restricted | 196,927 | 0 | 196,927 |
| Unassigned (Deficit) | 0 | (43,940) | (43,940) |
| <i>Total Fund Balances (Deficit)</i> | <u>217,038</u> | <u>(43,940)</u> | <u>173,098</u> |
| <i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i> | <u>\$218,288</u> | <u>\$11,366</u> | <u>\$229,654</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, 2020

| | Municipal Court Computer | Northfield and Rockside Roads | Total Nonmajor Capital Projects Funds |
|--|--------------------------------|----------------------------------|---|
| Revenues | | | |
| Fines and Forfeitures | \$115,897 | \$0 | \$115,897 |
| Intergovernmental | 20,047 | 0 | 20,047 |
| Interest | 1,322 | 0 | 1,322 |
| <i>Total Revenues</i> | 137,266 | 0 | 137,266 |
| Expenditures | | | |
| Capital Outlay | 106,968 | 39,997 | 146,965 |
| <i>Net Change in Fund Balances</i> | 30,298 | (39,997) | (9,699) |
| <i>Fund Balances (Deficit)</i> | | | |
| <i>Beginning of Year</i> | 186,740 | (3,943) | 182,797 |
| <i>Fund Balances (Deficit) End of Year</i> | \$217,038 | (\$43,940) | \$173,098 |

Combining Statement - Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: Pension trust funds, investment trust funds, private purpose trust funds and custodial funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

Custodial Funds

Municipal Court Fund - To account for assets received and disbursed by the Bedford Municipal Court for the benefit of other governments, pursuant to the laws of the State of Ohio.

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

Law Enforcement Agency Fund - To account for confiscated liquid police assets from various drug related arrests until the Court determines, through court proceedings, who receives the funds for the benefit of other governments.

City of Bedford, Ohio
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2020

| | <u>Municipal Court</u> | <u>SEALE Unforfeited</u> | <u>Law Enforcement Agency</u> | <u>Total Custodial Funds</u> |
|--|----------------------------|------------------------------|---------------------------------------|----------------------------------|
| Assets | | | | |
| Equity in Pooled Cash and Cash Equivalents | \$0 | \$817,659 | \$54,199 | \$871,858 |
| Cash and Cash Equivalents in Segregated Accounts | <u>442,741</u> | <u>0</u> | <u>0</u> | <u>442,741</u> |
| <i>Total Assets</i> | 442,741 | 817,659 | 54,199 | 1,314,599 |
| Liabilities | | | | |
| Intergovernmental Payables | <u>442,741</u> | <u>0</u> | <u>0</u> | <u>442,741</u> |
| Net Position | | | | |
| Restricted for Individuals, Organizations and Other Governments | <u>\$0</u> | <u>\$817,659</u> | <u>\$54,199</u> | <u>\$871,858</u> |

City of Bedford, Ohio
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2020

| | Municipal Court | SEALE Unforfeited | Law Enforcement Agency | Total Custodial Funds |
|--|--------------------|----------------------|------------------------------|--------------------------|
| Additions | | | | |
| Fines and Forfeitures for Others | \$4,073,575 | \$198,543 | \$20,846 | \$4,292,964 |
| Deductions | | | | |
| Fines and Forfeitures Distributions to Other Governments | 4,073,575 | 0 | 0 | 4,073,575 |
| Payments to Other Governments | 0 | 57,322 | 599 | 57,921 |
| <i>Total Deductions</i> | 4,073,575 | 57,322 | 599 | 4,131,496 |
| <i>Net Increase (Decrease) in Fiduciary Net Position</i> | 0 | 141,221 | 20,247 | 161,468 |
| <i>Net Position Beginning of Year</i> | 0 | 676,438 | 33,952 | 710,390 |
| <i>Net Position End of Year</i> | \$0 | \$817,659 | \$54,199 | \$871,858 |

**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, 2020

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|-----------------------------|-------------------------|-------------------|-------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Property Taxes | \$2,012,240 | \$2,012,240 | \$1,998,386 | (\$13,854) |
| Municipal Income Taxes | 10,509,055 | 10,509,055 | 10,584,524 | 75,469 |
| Charges for Services | 823,300 | 828,300 | 678,494 | (149,806) |
| Fees, Licenses and Permits | 260,490 | 243,490 | 209,996 | (33,494) |
| Fines and Forfeitures | 2,056,300 | 2,056,300 | 1,672,742 | (383,558) |
| Intergovernmental | 1,372,470 | 1,409,803 | 1,372,793 | (37,010) |
| Special Assessments | 20,000 | 20,000 | 23,114 | 3,114 |
| Interest | 68,150 | 68,150 | 39,970 | (28,180) |
| Rentals | 68,000 | 68,000 | 53,969 | (14,031) |
| Other | 878,100 | 765,687 | 584,746 | (180,941) |
| <i>Total Revenues</i> | <u>18,068,105</u> | <u>17,981,025</u> | <u>17,218,734</u> | <u>(762,291)</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government: | | | | |
| Council and Clerk: | | | | |
| Personal Services | 251,070 | 252,769 | 234,742 | 18,027 |
| Other | 40,000 | 40,000 | 28,572 | 11,428 |
| Total Council and Clerk | <u>291,070</u> | <u>292,769</u> | <u>263,314</u> | <u>29,455</u> |
| Finance Department: | | | | |
| Personal Services | 232,370 | 234,655 | 210,560 | 24,095 |
| Other | 360,615 | 360,615 | 349,715 | 10,900 |
| Total Finance Department | <u>592,985</u> | <u>595,270</u> | <u>560,275</u> | <u>34,995</u> |
| Income Tax Department: | | | | |
| Personal Services | 202,575 | 243,594 | 216,535 | 27,059 |
| Other | 252,150 | 252,150 | 224,989 | 27,161 |
| Total Income Tax Department | <u>454,725</u> | <u>495,744</u> | <u>441,524</u> | <u>54,220</u> |
| City Manager: | | | | |
| Personal Services | 352,575 | 353,220 | 326,861 | 26,359 |
| Other | 9,200 | 9,200 | 6,040 | 3,160 |
| Total City Manager | <u>\$361,775</u> | <u>\$362,420</u> | <u>\$332,901</u> | <u>\$29,519</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, 2020

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--------------------------------|-------------------------|--------------------|--------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Law Department: | | | | |
| Personal Services | \$156,205 | \$156,955 | \$156,301 | \$654 |
| Other | 73,991 | 83,991 | 70,549 | 13,442 |
| Total Law Department | <u>230,196</u> | <u>240,946</u> | <u>226,850</u> | <u>14,096</u> |
| Engineering: | | | | |
| Personal Services | 14,700 | 14,700 | 14,694 | 6 |
| Other | 25,000 | 25,000 | 8,359 | 16,641 |
| Total Engineering | <u>39,700</u> | <u>39,700</u> | <u>23,053</u> | <u>16,647</u> |
| Municipal Court: | | | | |
| Personal Services | 2,452,440 | 2,453,144 | 2,158,449 | 294,695 |
| Other | 357,500 | 357,500 | 306,305 | 51,195 |
| Total Municipal Court | <u>2,809,940</u> | <u>2,810,644</u> | <u>2,464,754</u> | <u>345,890</u> |
| Special Projects: | | | | |
| Other | 72,355 | 72,355 | 31,631 | 40,724 |
| Civil Service Commission: | | | | |
| Personal Services | 3,070 | 3,074 | 1,005 | 2,069 |
| Other | 12,000 | 18,000 | 16,576 | 1,424 |
| Total Civil Service Commission | <u>15,070</u> | <u>21,074</u> | <u>17,581</u> | <u>3,493</u> |
| Municipal Complex: | | | | |
| Personal Services | 170,100 | 170,158 | 140,968 | 29,190 |
| Capital Outlay | 30,674 | 30,674 | 31,674 | (1,000) |
| Other | 575,269 | 575,269 | 479,969 | 95,300 |
| Total Municipal Complex | <u>776,043</u> | <u>776,101</u> | <u>652,611</u> | <u>123,490</u> |
| County Auditor Deductions: | | | | |
| Other | 134,000 | 134,000 | 92,328 | 41,672 |
| Total General Government | <u>\$5,777,859</u> | <u>\$5,841,023</u> | <u>\$5,106,822</u> | <u>\$734,201</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, 2020

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|-------------|-------------|---|
| | Original | Final | | |
| Security of Persons and Property: | | | | |
| Police: | | | | |
| Police Department: | | | | |
| Personal Services | \$1,421,385 | \$1,422,669 | \$1,236,476 | \$186,193 |
| Capital Outlay | 15,393 | 15,393 | 14,563 | 830 |
| Other | 771,134 | 771,134 | 619,879 | 151,255 |
| Total Police | 2,207,912 | 2,209,196 | 1,870,918 | 338,278 |
| Fire: | | | | |
| Fire Department: | | | | |
| Personal Services | 45,000 | 45,000 | 45,000 | 0 |
| Other | 112,000 | 112,000 | 101,652 | 10,348 |
| Total Fire | 157,000 | 157,000 | 146,652 | 10,348 |
| Total Security of Persons and Property | 2,364,912 | 2,366,196 | 2,017,570 | 348,626 |
| Public Health and Welfare: | | | | |
| Health Department: | | | | |
| Other | 71,255 | 71,255 | 71,253 | 2 |
| Cemetery: | | | | |
| Personal Services | 112,200 | 119,209 | 115,479 | 3,730 |
| Other | 18,300 | 18,300 | 16,036 | 2,264 |
| Total Cemetery | 130,500 | 137,509 | 131,515 | 5,994 |
| Total Public Health and Welfare | 201,755 | 208,764 | 202,768 | 5,996 |
| Leisure Time Activities: | | | | |
| Parks and Playground: | | | | |
| Capital Outlay | 8,300 | 8,300 | 8,300 | 0 |
| Other | 115,700 | 115,700 | 74,184 | 41,516 |
| Total Parks and Playground | \$124,000 | \$124,000 | \$82,484 | \$41,516 |

(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, 2020

| | <u>Budgeted Amounts</u> | | Actual | Variance with Final Budget Positive (Negative) |
|--------------------------------------|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Playgrounds: | | | | |
| Personal Services | \$324,910 | \$325,473 | \$159,219 | \$166,254 |
| Other | <u>165,250</u> | <u>174,250</u> | <u>118,796</u> | <u>55,454</u> |
| Total Playgrounds | <u>490,160</u> | <u>499,723</u> | <u>278,015</u> | <u>221,708</u> |
| Swimming Pool: | | | | |
| Personal Services | 143,335 | 143,043 | 2,208 | \$140,835 |
| Other | <u>58,900</u> | <u>58,900</u> | <u>8,365</u> | <u>50,535</u> |
| Total Swimming Pool | <u>202,235</u> | <u>201,943</u> | <u>10,573</u> | <u>191,370</u> |
| Ellenwood Center: | | | | |
| Personal Services | 444,087 | 444,117 | 395,546 | 48,571 |
| Capital Outlay | 3,245 | 3,245 | 0 | 3,245 |
| Other | <u>232,701</u> | <u>223,701</u> | <u>175,901</u> | <u>47,800</u> |
| Total Ellenwood Center | <u>680,033</u> | <u>671,063</u> | <u>571,447</u> | <u>99,616</u> |
| Total Leisure Time Activities | <u>1,496,428</u> | <u>1,496,729</u> | <u>942,519</u> | <u>554,210</u> |
| Community Development: | | | | |
| Planning Commission Department: | | | | |
| Personal Services | 1,770 | 1,757 | 515 | 1,242 |
| Other | <u>1,740</u> | <u>1,740</u> | <u>1,130</u> | <u>610</u> |
| Total Planning Commission Department | <u>3,510</u> | <u>3,497</u> | <u>1,645</u> | <u>1,852</u> |
| Economic Development: | | | | |
| Personal Services | 51,070 | 51,046 | 51,010 | 36 |
| Other | <u>94,736</u> | <u>97,736</u> | <u>95,000</u> | <u>2,736</u> |
| Total Economic Development | <u>145,806</u> | <u>148,782</u> | <u>146,010</u> | <u>2,772</u> |
| State Inspection Fee | | | | |
| Other | <u>2,742</u> | <u>2,742</u> | <u>1,079</u> | <u>1,663</u> |
| Building Department: | | | | |
| Personal Services | 500,210 | 500,414 | 459,443 | 40,971 |
| Capital Outlay | 26,800 | 26,800 | 0 | 26,800 |
| Other | <u>24,800</u> | <u>24,800</u> | <u>11,400</u> | <u>13,400</u> |
| Total Building Department | <u>551,810</u> | <u>552,014</u> | <u>470,843</u> | <u>81,171</u> |
| Total Community Development | <u>\$703,868</u> | <u>\$707,035</u> | <u>\$619,577</u> | <u>\$87,458</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, 2020

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|-------------------------|--------------------|--------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Transportation: | | | | |
| Service Department: | | | | |
| Personal Services | \$1,757,640 | \$1,757,827 | \$1,693,276 | \$64,551 |
| Capital Outlay | 49,000 | 49,000 | 47,000 | 2,000 |
| Other | 26,300 | 30,098 | 13,807 | 16,291 |
| Total Transportation | <u>1,832,940</u> | <u>1,836,925</u> | <u>1,754,083</u> | <u>82,842</u> |
| <i>Total Expenditures</i> | <u>12,377,762</u> | <u>12,456,672</u> | <u>10,643,339</u> | <u>1,813,333</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>5,690,343</u> | <u>5,524,353</u> | <u>6,575,395</u> | <u>1,051,042</u> |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | 14,402 | 3,870 | 3,870 | 0 |
| Sale of Assets Held for Resale | 0 | 134,945 | 134,945 | 0 |
| Advances Out | (190,040) | (190,040) | (190,040) | 0 |
| Transfers Out | (4,718,535) | (4,908,535) | (4,608,535) | 300,000 |
| <i>Total Other Financing Sources (Uses)</i> | <u>(4,894,173)</u> | <u>(4,959,760)</u> | <u>(4,659,760)</u> | <u>300,000</u> |
| <i>Net Change in Fund Balance</i> | 796,170 | 564,593 | 1,915,635 | 1,351,042 |
| <i>Fund Balance Beginning of Year</i> | 5,186,851 | 5,186,851 | 5,186,851 | 0 |
| Prior Year Encumbrances Appropriated | <u>98,401</u> | <u>98,401</u> | <u>98,401</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$6,081,422</u> | <u>\$5,849,845</u> | <u>\$7,200,887</u> | <u>\$1,351,042</u> |

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Public Safety Fund
For the Year Ended December 31, 2020

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---|-------------------------|--------------------|--------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Property Taxes | \$2,630,415 | \$2,630,415 | \$2,611,992 | (\$18,423) |
| Fees, Licenses and Permits | 20 | 20 | 13 | (7) |
| Intergovernmental | 292,272 | 292,272 | 270,814 | (21,458) |
| Interest | 5,000 | 5,000 | 4,346 | (654) |
| Other | 50 | 50 | 0 | (50) |
| <i>Total Revenues</i> | <u>2,927,757</u> | <u>2,927,757</u> | <u>2,887,165</u> | <u>(40,592)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Police: | | | | |
| Police Pension: | | | | |
| Personal Services | 594,375 | 594,375 | 553,991 | 40,384 |
| Safety Forces: | | | | |
| Personal Services | 3,093,155 | 3,093,155 | 2,931,912 | 161,243 |
| Total Police | <u>3,687,530</u> | <u>3,687,530</u> | <u>3,485,903</u> | <u>201,627</u> |
| Fire: | | | | |
| Fire Medic Levy: | | | | |
| Personal Services | 2,637,895 | 2,647,562 | 2,579,144 | 68,418 |
| Capital Outlay | 64,000 | 64,000 | 63,482 | 518 |
| Other | 144,280 | 144,280 | 122,204 | 22,076 |
| Total Fire Medic Levy | <u>2,846,175</u> | <u>2,855,842</u> | <u>2,764,830</u> | <u>91,012</u> |
| Fire Pension: | | | | |
| Personal Services | 474,841 | 479,841 | 472,645 | 7,196 |
| Total Fire | <u>3,321,016</u> | <u>3,335,683</u> | <u>3,237,475</u> | <u>98,208</u> |
| <i>Total Expenditures</i> | <u>7,008,546</u> | <u>7,023,213</u> | <u>6,723,378</u> | <u>299,835</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(4,080,789)</u> | <u>(4,095,456)</u> | <u>(3,836,213)</u> | <u>259,243</u> |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | 25,000 | 25,000 | 25,000 | 0 |
| Transfers In | 3,916,535 | 4,106,535 | 3,956,535 | (150,000) |
| <i>Total Other Financing Sources (Uses)</i> | <u>3,941,535</u> | <u>4,131,535</u> | <u>3,981,535</u> | <u>(150,000)</u> |
| <i>Net Change in Fund Balance</i> | (139,254) | 36,079 | 145,322 | 109,243 |
| <i>Fund Balance Beginning of Year</i> | 445,735 | 445,735 | 445,735 | 0 |
| Prior Year Encumbrances Appropriated | 5,600 | 5,600 | 5,600 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$312,081</u> | <u>\$487,414</u> | <u>\$596,657</u> | <u>\$109,243</u> |

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Improvement Fund
For the Year Ended December 31, 2020

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Municipal Income Tax | \$285,000 | \$285,000 | \$287,624 | \$2,624 |
| Intergovernmental | 2,061,130 | 2,061,130 | 1,279,300 | (781,830) |
| Interest | 11,000 | 11,000 | 8,683 | (2,317) |
| Other | 3,222 | 3,222 | 3,222 | 0 |
| <i>Total Revenues</i> | 2,360,352 | 2,360,352 | 1,578,829 | (781,523) |
| Expenditures | | | | |
| Capital Outlay | 3,790,099 | 3,790,099 | 3,018,526 | 771,573 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (1,429,747) | (1,429,747) | (1,439,697) | (9,950) |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | 36,258 | 36,258 | 36,258 | 0 |
| Proceeds of Financed Purchases | 930,000 | 930,000 | 930,000 | 0 |
| Transfers In | 215,000 | 215,000 | 215,000 | 0 |
| <i>Total Other Financing Sources (Uses)</i> | 1,181,258 | 1,181,258 | 1,181,258 | 0 |
| <i>Net Change in Fund Balance</i> | (248,489) | (248,489) | (258,439) | (9,950) |
| <i>Fund Balance Beginning of Year</i> | 1,144,250 | 1,144,250 | 1,144,250 | 0 |
| Prior Year Encumbrances Appropriated | 169,932 | 169,932 | 169,932 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$1,065,693</u> | <u>\$1,065,693</u> | <u>\$1,055,743</u> | <u>(\$9,950)</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, 2020*

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--------------------------------------|---------------------------|---------------------------|---------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Charges for Services | \$4,318,795 | \$4,318,795 | \$4,286,682 | (\$32,113) |
| Other | 126,197 | 126,197 | 135,470 | 9,273 |
| Interest | 66,000 | 66,000 | 56,454 | (9,546) |
| <i>Total Revenues</i> | <u>4,510,992</u> | <u>4,510,992</u> | <u>4,478,606</u> | <u>(32,386)</u> |
| Expenses | | | | |
| Personal Services | 516,255 | 515,409 | 496,625 | 18,784 |
| Contractual Services | 2,431,337 | 2,431,337 | 1,971,177 | 460,160 |
| Materials and Supplies | 357,457 | 357,457 | 333,897 | 23,560 |
| Capital Outlay | 404,175 | 404,175 | 338,742 | 65,433 |
| Other | 7,500 | 7,500 | 6,452 | 1,048 |
| Debt Service: | | | | |
| Principal Retirement | 476,348 | 476,348 | 476,348 | 0 |
| Interest and Fiscal Charges | 92,842 | 92,842 | 92,838 | 4 |
| <i>Total Expenses</i> | <u>4,285,914</u> | <u>4,285,068</u> | <u>3,716,079</u> | <u>568,989</u> |
| <i>Net Change in Fund Equity</i> | 225,078 | 225,924 | 762,527 | 536,603 |
| <i>Fund Equity Beginning of Year</i> | 7,944,965 | 7,944,965 | 7,944,965 | 0 |
| Prior Year Encumbrances Appropriated | <u>269,269</u> | <u>269,269</u> | <u>269,269</u> | <u>0</u> |
| <i>Fund Equity End of Year</i> | <u><u>\$8,439,312</u></u> | <u><u>\$8,440,158</u></u> | <u><u>\$8,976,761</u></u> | <u><u>\$536,603</u></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, 2020*

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--------------------------------------|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Charges for Services | \$3,050,180 | \$3,050,180 | \$3,075,417 | \$25,237 |
| Intergovernmental | 150,000 | 150,000 | 0 | (150,000) |
| Other | 47,577 | 47,577 | 46,577 | (1,000) |
| Interest | 23,745 | 23,745 | 22,953 | (792) |
| Issuance of OWDA Loans | 103,322 | 103,322 | 111,433 | 8,111 |
| <i>Total Revenues</i> | <u>3,374,824</u> | <u>3,374,824</u> | <u>3,256,380</u> | <u>(118,444)</u> |
| Expenses | | | | |
| Personal Services | 1,142,765 | 1,163,310 | 1,137,837 | 25,473 |
| Contractual Services | 85,114 | 85,114 | 78,074 | 7,040 |
| Materials and Supplies | 787,114 | 787,114 | 765,016 | 22,098 |
| Capital Outlay | 460,701 | 460,701 | 344,874 | 115,827 |
| Other | 7,000 | 7,000 | 3,949 | 3,051 |
| Debt Service: | | | | |
| Principal Retirement | 483,824 | 483,824 | 483,824 | 0 |
| Interest and Fiscal Charges | 142,922 | 142,922 | 142,919 | 3 |
| <i>Total Expenses</i> | <u>3,109,440</u> | <u>3,129,985</u> | <u>2,956,493</u> | <u>173,492</u> |
| <i>Net Change in Fund Equity</i> | 265,384 | 244,839 | 299,887 | 55,048 |
| <i>Fund Equity Beginning of Year</i> | 3,065,830 | 3,065,830 | 3,065,830 | 0 |
| Prior Year Encumbrances Appropriated | 128,512 | 128,512 | 128,512 | 0 |
| <i>Fund Equity End of Year</i> | <u>\$3,459,726</u> | <u>\$3,439,181</u> | <u>\$3,494,229</u> | <u>\$55,048</u> |

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, 2020*

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|------------|-----------------|---|
| | Original | Final | | |
| Revenues | \$0 | \$0 | \$0 | \$0 |
| Expenditures | | | | |
| Current: | | | | |
| Community Development: | | | | |
| CDBG Department: | | | | |
| Other | 99,635 | 99,635 | 0 | 99,635 |
| <i>Net Change in Fund Balance</i> | (99,635) | (99,635) | 0 | 99,635 |
| <i>Fund Balance Beginning of Year</i> | 99,635 | 99,635 | 99,635 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$0</u> | <u>\$0</u> | <u>\$99,635</u> | <u>\$99,635</u> |

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
First Suburbs Fund
For the Year Ended December 31, 2020

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------------|------------------------|------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$54,000 | \$54,000 | \$48,000 | (\$6,000) |
| Interest | 500 | 500 | 476 | (24) |
| <i>Total Revenues</i> | <u>54,500</u> | <u>54,500</u> | <u>48,476</u> | <u>(6,024)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Community Development: | | | | |
| First Suburbs: | | | | |
| Personal Services | 37,895 | 37,895 | 37,892 | 3 |
| Other | 16,000 | 16,000 | 12,167 | 3,833 |
| <i>Total Expenditures</i> | <u>53,895</u> | <u>53,895</u> | <u>50,059</u> | <u>3,836</u> |
| <i>Net Change in Fund Balance</i> | 605 | 605 | (1,583) | (2,188) |
| <i>Fund Balance Beginning of Year</i> | <u>88,380</u> | <u>88,380</u> | <u>88,380</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$88,985</u></u> | <u><u>\$88,985</u></u> | <u><u>\$86,797</u></u> | <u><u>(\$2,188)</u></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, 2020

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$64,000 | \$64,000 | \$56,599 | (\$7,401) |
| Interest | 1,200 | 1,200 | 1,158 | (42) |
| <i>Total Revenues</i> | <u>65,200</u> | <u>65,200</u> | <u>57,757</u> | <u>(7,443)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Transportation: | | | | |
| State Highway: | | | | |
| Capital Outlay | 35,000 | 35,000 | 20,872 | 14,128 |
| Other | 69,027 | 69,027 | 69,027 | 0 |
| <i>Total Expenditures</i> | <u>104,027</u> | <u>104,027</u> | <u>89,899</u> | <u>14,128</u> |
| <i>Net Change in Fund Balance</i> | (38,827) | (38,827) | (32,142) | 6,685 |
| <i>Fund Balance Beginning of Year</i> | 182,430 | 182,430 | 182,430 | 0 |
| Prior Year Encumbrances Appropriated | 39,027 | 39,027 | 39,027 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$182,630</u> | <u>\$182,630</u> | <u>\$189,315</u> | <u>\$6,685</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, 2020

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$35,000 | \$3,500 | \$21,578 | \$18,078 |
| Interest | 1,500 | 1,500 | 1,314 | (186) |
| <i>Total Revenues</i> | 36,500 | 5,000 | 22,892 | 17,892 |
| Expenditures | | | | |
| Current: | | | | |
| Public Health and Welfare: | | | | |
| Indigent Drivers: | | | | |
| Other | 100,000 | 100,000 | 21,989 | 78,011 |
| <i>Net Change in Fund Balance</i> | (63,500) | (95,000) | 903 | 95,903 |
| <i>Fund Balance Beginning of Year</i> | 203,271 | 203,271 | 203,271 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$139,771</u> | <u>\$108,271</u> | <u>\$204,174</u> | <u>\$95,903</u> |

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
SEALE Narcotics Fund
For the Year Ended December 31, 2020

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$658,621 | \$658,621 | \$574,443 | (\$84,178) |
| Other | 371,915 | 371,915 | 372,410 | 495 |
| <i>Total Revenues</i> | <u>1,030,536</u> | <u>1,030,536</u> | <u>946,853</u> | <u>(83,683)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Police: | | | | |
| SEALE Narcotics: | | | | |
| Personal Services | 385,238 | 385,238 | 313,420 | 71,818 |
| Capital Outlay | 887,561 | 887,561 | 598,756 | 288,805 |
| Other | 73,962 | 73,962 | 58,664 | 15,298 |
| <i>Total Expenditures</i> | <u>1,346,761</u> | <u>1,346,761</u> | <u>970,840</u> | <u>375,921</u> |
| <i>Net Change in Fund Balance</i> | (316,225) | (316,225) | (23,987) | 292,238 |
| <i>Fund Balance Beginning of Year</i> | <u>316,225</u> | <u>316,225</u> | <u>316,225</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u>\$0</u> | <u>\$0</u> | <u>\$292,238</u> | <u>\$292,238</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, 2020*

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|----------------|----------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$1,000 | \$1,000 | \$935 | (\$65) |
| Interest | 50 | 50 | 49 | (1) |
| <i>Total Revenues</i> | 1,050 | 1,050 | 984 | (66) |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Police: | | | | |
| Enforcement and Education: | | | | |
| Other | 2,500 | 2,500 | 0 | 2,500 |
| <i>Net Change in Fund Balance</i> | (1,450) | (1,450) | 984 | 2,434 |
| <i>Fund Balance Beginning of Year</i> | 7,210 | 7,210 | 7,210 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$5,760</u> | <u>\$5,760</u> | <u>\$8,194</u> | <u>\$2,434</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, 2020

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Special Assessments | \$385,000 | \$385,000 | \$397,800 | \$12,800 |
| Interest | 1,600 | 1,600 | 1,760 | 160 |
| <i>Total Revenues</i> | 386,600 | 386,600 | 399,560 | 12,960 |
| Expenditures | | | | |
| Current: | | | | |
| Basic Utility Services: | | | | |
| Street Lighting: | | | | |
| Other | 421,000 | 421,000 | 388,135 | 32,865 |
| <i>Net Change in Fund Balance</i> | (34,400) | (34,400) | 11,425 | 45,825 |
| <i>Fund Balance Beginning of Year</i> | 242,359 | 242,359 | 242,359 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$207,959</u> | <u>\$207,959</u> | <u>\$253,784</u> | <u>\$45,825</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, 2020*

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$481,040 | \$481,040 | \$700,015 | \$218,975 |
| Interest | 4,500 | 4,500 | 4,382 | (118) |
| Other | 26,501 | 26,501 | 26,501 | 0 |
| <i>Total Revenues</i> | <u>512,041</u> | <u>512,041</u> | <u>730,898</u> | <u>218,857</u> |
| Expenditures | | | | |
| Current: | | | | |
| Transportation: | | | | |
| Street Construction, Maintenance and Repair: | | | | |
| Personal Services | 214,450 | 214,494 | 187,887 | 26,607 |
| Capital Outlay | 13,412 | 13,412 | 12,935 | 477 |
| Other | 430,000 | 460,000 | 368,151 | 91,849 |
| <i>Total Expenditures</i> | <u>657,862</u> | <u>687,906</u> | <u>568,973</u> | <u>118,933</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>(145,821)</u> | <u>(175,865)</u> | <u>161,925</u> | <u>337,790</u> |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | 2,000 | 2,000 | 0 | (2,000) |
| Transfers In | 137,000 | 137,000 | 137,000 | 0 |
| <i>Total Other Financing Sources (Uses)</i> | <u>139,000</u> | <u>139,000</u> | <u>137,000</u> | <u>(2,000)</u> |
| <i>Net Change in Fund Balance</i> | (6,821) | (36,865) | 298,925 | 335,790 |
| <i>Fund Balance Beginning of Year</i> | 498,239 | 498,239 | 498,239 | 0 |
| Prior Year Encumbrances Appropriated | 800 | 800 | 800 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$492,218</u> | <u>\$462,174</u> | <u>\$797,964</u> | <u>\$335,790</u> |

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Law Enforcement Trust Fund
For the Year Ended December 31, 2020

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|----------|----------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$0 | \$0 | \$11,892 | \$11,892 |
| Interest | 550 | 550 | 264 | (286) |
| Other | 1,000 | 1,000 | 1,200 | 200 |
| <i>Total Revenues</i> | 1,550 | 1,550 | 13,356 | 11,806 |
| Expenditures | | | | |
| Current: | | | | |
| Security of Persons and Property: | | | | |
| Police: | | | | |
| Law Enforcement: | | | | |
| Capital Outlay | 59,220 | 59,220 | 29,070 | 30,150 |
| Other | 738 | 738 | 738 | 0 |
| <i>Total Expenditures</i> | 59,958 | 59,958 | 29,808 | 30,150 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (58,408) | (58,408) | (16,452) | 41,956 |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | 0 | 0 | 1,880 | 1,880 |
| <i>Net Change in Fund Balance</i> | (58,408) | (58,408) | (14,572) | 43,836 |
| <i>Fund Balance Beginning of Year</i> | 59,910 | 59,910 | 59,910 | 0 |
| <i>Fund Balance End of Year</i> | \$1,502 | \$1,502 | \$45,338 | \$43,836 |

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, 2020

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|--|-------------------------|------------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Intergovernmental | \$89,000 | \$89,000 | \$85,819 | (\$3,181) |
| Interest | 1,300 | 1,300 | 795 | (505) |
| <i>Total Revenues</i> | 90,300 | 90,300 | 86,614 | (3,686) |
| Expenditures | | | | |
| Current: | | | | |
| Transportation: | | | | |
| Street Construction, Maintenance and Repair: | | | | |
| Other | 180,000 | 180,000 | 180,000 | 0 |
| <i>Net Change in Fund Balance</i> | (89,700) | (89,700) | (93,386) | (3,686) |
| <i>Fund Balance Beginning of Year</i> | 99,923 | 99,923 | 99,923 | 0 |
| Prior Year Encumbrances Appropriated | 90,000 | 90,000 | 90,000 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$100,223</u> | <u>\$100,223</u> | <u>\$96,537</u> | <u>(\$3,686)</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, 2020

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|-----------------------------------|------------------|-----------------|-----------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Charges for Services | \$45 | \$45 | \$45 | \$0 |
| Intergovernmental | 261,989 | 261,989 | 230,049 | (31,940) |
| Contributions and Donations | 25,340 | 25,340 | 25,140 | (200) |
| <i>Total Revenues</i> | <u>287,374</u> | <u>287,374</u> | <u>255,234</u> | <u>(32,140)</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government: | | | | |
| NOPEC Energy Grant | | | | |
| Capital Outlay | 111,461 | 111,461 | 106,461 | 5,000 |
| Security of Persons and Property: | | | | |
| Police: | | | | |
| High Visibility Enforcement: | | | | |
| Personal Services | 39,526 | 39,526 | 23,630 | 15,896 |
| Other | 19,155 | 19,155 | 15,675 | 3,480 |
| Total High Visibility Enforcement | <u>58,681</u> | <u>58,681</u> | <u>39,305</u> | <u>19,376</u> |
| Community Diversion: | | | | |
| Personal Services | 4,200 | 4,200 | 0 | 4,200 |
| Other | 798 | 798 | 0 | 798 |
| Total Community Diversion | <u>4,998</u> | <u>4,998</u> | <u>0</u> | <u>4,998</u> |
| Violence Against Women: | | | | |
| Personal Services | 33,814 | 33,921 | 33,663 | 258 |
| Other | 3,186 | 3,079 | 2,648 | 431 |
| Total Violence Against Women | <u>\$37,000</u> | <u>\$37,000</u> | <u>\$36,311</u> | <u>\$689</u> |

(continued)

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Grants Fund (continued)
For the Year Ended December 31, 2020

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|----------|----------|---|
| | Original | Final | | |
| DARE Enforcement: | | | | |
| Personal Services | \$245 | \$245 | \$0 | \$245 |
| Total Police | 100,924 | 100,924 | 75,616 | 25,308 |
| Fire: | | | | |
| Fire Department: | | | | |
| Personal Services | 4,022 | 4,022 | 3,451 | 571 |
| Other | 19,465 | 19,465 | 17,583 | 1,882 |
| Total Fire | 23,487 | 23,487 | 21,034 | 2,453 |
| Total Security of Persons and Property | 124,411 | 124,411 | 96,650 | 27,761 |
| Leisure Time Activities: | | | | |
| Soccer Donations | | | | |
| Other | 4,206 | 4,206 | 458 | 3,748 |
| Food Bank - Recreation: | | | | |
| Other | 36,941 | 36,941 | 22,134 | 14,807 |
| Total Leisure Time Activities | 41,147 | 41,147 | 22,592 | 18,555 |
| Community Development: | | | | |
| Economic Development | | | | |
| Personal Services | 30,840 | 30,840 | 30,840 | 0 |
| Transportation: | | | | |
| Service Department Recycling Grant | | | | |
| Capital Outlay | 32,571 | 32,571 | 21,571 | 11,000 |
| Other | 6,256 | 6,256 | 6,256 | 0 |
| Total Transportation | 38,827 | 38,827 | 27,827 | 11,000 |
| <i>Total Expenditures</i> | 346,686 | 346,686 | 284,370 | 62,316 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (59,312) | (59,312) | (29,136) | 30,176 |
| Other Financing Sources (Uses) | | | | |
| Transfers In | 15,000 | 15,000 | 15,000 | 0 |
| <i>Net Change in Fund Balance</i> | (44,312) | (44,312) | (14,136) | 30,176 |
| <i>Fund Balance Beginning of Year</i> | 49,468 | 49,468 | 49,468 | 0 |
| Prior Year Encumbrances Appropriated | 40,835 | 40,835 | 40,835 | 0 |
| <i>Fund Balance End of Year</i> | \$45,991 | \$45,991 | \$76,167 | \$30,176 |

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
CARES Act Fund
For the Year Ended December 31, 2020

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|-------------|-------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$1,021,577 | \$1,021,577 | \$1,021,577 | \$0 |
| Interest | 26 | 26 | 26 | 0 |
| <i>Total Revenues</i> | 1,021,603 | 1,021,603 | 1,021,603 | 0 |
| Expenditures | | | | |
| Current: | | | | |
| General Government: | | | | |
| Disinfecting and Food Distributions: | | | | |
| Personal Services | 6,899 | 6,899 | 6,899 | 0 |
| Other | 99,921 | 99,921 | 99,921 | 0 |
| Total General Government | 106,820 | 106,820 | 106,820 | 0 |
| Security of Persons and Property: | | | | |
| Police: | | | | |
| First Responders: | | | | |
| Personal Services | 4,730 | 4,730 | 4,730 | 0 |
| Other | 38,800 | 38,800 | 38,800 | 0 |
| Total Police | 43,530 | 43,530 | 43,530 | 0 |
| Fire: | | | | |
| First Responders: | | | | |
| Personal Services | 953,424 | 953,424 | 953,424 | 0 |
| Other | 8,534 | 8,534 | 8,534 | 0 |
| Total Fire | 961,958 | 961,958 | 961,958 | 0 |
| Total Security of Persons and Property | 1,005,488 | 1,005,488 | 1,005,488 | 0 |
| Leisure Time Activities: | | | | |
| Food Distributions: | | | | |
| Personal Services | 10,446 | 10,446 | 10,446 | 0 |
| Other | 25,502 | 25,502 | 25,502 | 0 |
| Total Leisure Time Activities | 35,948 | 35,948 | 35,948 | 0 |
| Basic Utility Services: | | | | |
| Disinfecting: | | | | |
| Other | 1,405 | 1,405 | 1,405 | 0 |
| Transportation: | | | | |
| Disinfecting: | | | | |
| Personal Services | 6,842 | 6,842 | 6,842 | 0 |
| Other | 5,140 | 5,140 | 5,140 | 0 |
| Total Transportation | 11,982 | 11,982 | 11,982 | 0 |
| <i>Total Expenditures</i> | 1,161,643 | 1,161,643 | 1,161,643 | 0 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (140,040) | (140,040) | (140,040) | 0 |
| Other Financing Sources (Uses) | | | | |
| Advances In | 140,040 | 140,040 | 140,040 | 0 |
| <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
Municipal Court Special Programs Fund
For the Year Ended December 31, 2020*

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-------------------------|-------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Fines and Forfeitures | \$128,200 | \$128,200 | \$94,628 | (\$33,572) |
| Interest | 3,600 | 3,600 | 2,349 | (1,251) |
| <i>Total Revenues</i> | <u>131,800</u> | <u>131,800</u> | <u>96,977</u> | <u>(34,823)</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government: | | | | |
| Municipal Court Special Programs: | | | | |
| Capital Outlay | 29,375 | 29,375 | 1,499 | 27,876 |
| Other | 66,625 | 66,625 | 64,447 | 2,178 |
| <i>Total Expenditures</i> | <u>96,000</u> | <u>96,000</u> | <u>65,946</u> | <u>30,054</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | 35,800 | 35,800 | 31,031 | (4,769) |
| Other Financing Sources (Uses) | | | | |
| Transfers Out | (125,495) | (125,495) | (125,495) | 0 |
| <i>Net Change in Fund Balance</i> | (89,695) | (89,695) | (94,464) | (4,769) |
| <i>Fund Balance Beginning of Year</i> | <u>405,486</u> | <u>405,486</u> | <u>405,486</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$315,791</u></u> | <u><u>\$315,791</u></u> | <u><u>\$311,022</u></u> | <u><u>(\$4,769)</u></u> |

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, 2020*

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|-----------------|-----------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Fines and Forfeitures | \$20,000 | \$20,000 | \$22,893 | \$2,893 |
| Interest | 500 | 500 | 492 | (8) |
| <i>Total Revenues</i> | 20,500 | 20,500 | 23,385 | 2,885 |
| Expenditures | | | | |
| Current: | | | | |
| General Government: | | | | |
| Indigent Interlock and Monitoring: | | | | |
| Other | 45,000 | 50,000 | 44,655 | 5,345 |
| <i>Net Change in Fund Balance</i> | (24,500) | (29,500) | (21,270) | 8,230 |
| <i>Fund Balance Beginning of Year</i> | 86,324 | 86,324 | 86,324 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$61,824</u> | <u>\$56,824</u> | <u>\$65,054</u> | <u>\$8,230</u> |

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Cemetery Donations Fund
For the Year Ended December 31, 2020

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|-----------------|-----------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Interest | \$200 | \$200 | \$154 | (\$46) |
| Other | 50 | 50 | 50 | 0 |
| <i>Total Revenues</i> | 250 | 250 | 204 | (46) |
| Expenditures | | | | |
| Current: | | | | |
| Public Health and Welfare: | | | | |
| Cemetery: | | | | |
| Other | 1,000 | 1,000 | 0 | 1,000 |
| <i>Net Change in Fund Balance</i> | (750) | (750) | 204 | 954 |
| <i>Fund Balance Beginning of Year</i> | 24,078 | 24,078 | 24,078 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$23,328</u> | <u>\$23,328</u> | <u>\$24,282</u> | <u>\$954</u> |

City of Bedford, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Bedford Municipal Court Legal Research Fund
For the Year Ended December 31, 2020*

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|------------------|-----------------|-----------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Fines and Forfeitures | \$30,000 | \$30,000 | \$23,266 | (\$6,734) |
| Interest | 100 | 100 | 476 | 376 |
| <i>Total Revenues</i> | 30,100 | 30,100 | 23,742 | (6,358) |
| Expenditures | | | | |
| Current: | | | | |
| General Government: | | | | |
| Municipal Court Special Programs: | | | | |
| Personal Services | 44,505 | 44,505 | 42,627 | 1,878 |
| <i>Net Change in Fund Balance</i> | (14,405) | (14,405) | (18,885) | (4,480) |
| <i>Fund Balance Beginning of Year</i> | 75,587 | 75,587 | 75,587 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$61,182</u> | <u>\$61,182</u> | <u>\$56,702</u> | <u>(\$4,480)</u> |

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Refuse Fee Fund
For the Year Ended December 31, 2020

| | <u>Budgeted Amounts</u> | | <u>Actual</u> | <u>Variance with Final Budget Positive (Negative)</u> |
|---------------------------------------|-------------------------|------------------|------------------|---|
| | <u>Original</u> | <u>Final</u> | | |
| Revenues | | | | |
| Special Assessments | \$760,000 | \$760,000 | \$804,794 | \$44,794 |
| Interest | 2,000 | 2,000 | 1,815 | (185) |
| <i>Total Revenues</i> | 762,000 | 762,000 | 806,609 | 44,609 |
| Expenditures | | | | |
| Current: | | | | |
| Basic Utility Services | | | | |
| Refuse Fee: | | | | |
| Other | 758,000 | 793,000 | 790,318 | 2,682 |
| <i>Net Change in Fund Balance</i> | 4,000 | (31,000) | 16,291 | 47,291 |
| <i>Fund Balance Beginning of Year</i> | 240,184 | 240,184 | 240,184 | 0 |
| <i>Fund Balance End of Year</i> | <u>\$244,184</u> | <u>\$209,184</u> | <u>\$256,475</u> | <u>\$47,291</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, 2020*

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|-------------------------|-------------------------|-------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Municipal Income Taxes | \$630,000 | \$630,000 | \$632,769 | \$2,769 |
| Interest | 5,000 | 5,000 | 3,716 | (1,284) |
| Other | 0 | 0 | 1,593 | 1,593 |
| <i>Total Revenues</i> | <u>635,000</u> | <u>635,000</u> | <u>638,078</u> | <u>3,078</u> |
| Expenditures | | | | |
| Debt Service: | | | | |
| Principal Retirement | 759,843 | 759,843 | 759,843 | 0 |
| Interest and Fiscal Charges | 244,477 | 244,477 | 244,474 | 3 |
| <i>Total Expenditures</i> | <u>1,004,320</u> | <u>1,004,320</u> | <u>1,004,317</u> | <u>3</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (369,320) | (369,320) | (366,239) | 3,081 |
| Other Financing Sources (Uses) | | | | |
| Transfers In | 410,495 | 410,495 | 410,495 | 0 |
| <i>Net Change in Fund Balance</i> | 41,175 | 41,175 | 44,256 | 3,081 |
| <i>Fund Balance Beginning of Year</i> | <u>253,318</u> | <u>253,318</u> | <u>253,318</u> | <u>0</u> |
| <i>Fund Balance End of Year</i> | <u><u>\$294,493</u></u> | <u><u>\$294,493</u></u> | <u><u>\$297,574</u></u> | <u><u>\$3,081</u></u> |

City of Bedford, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Court Computer Fund
For the Year Ended December 31, 2020

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---------------------------------------|-------------------------|-------------------------|-------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Fines and Forfeitures | \$145,000 | \$145,000 | \$117,338 | (\$27,662) |
| Intergovernmental | 20,047 | 20,047 | 20,047 | 0 |
| Interest | 1,150 | 1,150 | 1,098 | (52) |
| <i>Total Revenues</i> | <u>166,197</u> | <u>166,197</u> | <u>138,483</u> | <u>(27,714)</u> |
| Expenditures | | | | |
| Capital Outlay: | | | | |
| Municipal Court Computer: | | | | |
| Capital Outlay | 65,962 | 65,962 | 51,042 | 14,920 |
| Other | 190,430 | 190,430 | 125,961 | 64,469 |
| <i>Total Expenditures</i> | <u>256,392</u> | <u>256,392</u> | <u>177,003</u> | <u>79,389</u> |
| <i>Net Change in Fund Balance</i> | (90,195) | (90,195) | (38,520) | 51,675 |
| <i>Fund Balance Beginning of Year</i> | 141,274 | 141,274 | 141,274 | 0 |
| Prior Year Encumbrances Appropriated | 67,375 | 67,375 | 67,375 | 0 |
| <i>Fund Balance End of Year</i> | <u><u>\$118,454</u></u> | <u><u>\$118,454</u></u> | <u><u>\$170,129</u></u> | <u><u>\$51,675</u></u> |

City of Bedford, Ohio
*Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Northfield and Rockside Roads Fund
For the Year Ended December 31, 2020*

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|---|------------------|----------|----------|---|
| | Original | Final | | |
| Revenues | \$0 | \$0 | \$0 | \$0 |
| Expenditures | | | | |
| Capital Outlay | 50,000 | 50,000 | 42,068 | 7,932 |
| <i>Excess of Revenues Over (Under) Expenditures</i> | (50,000) | (50,000) | (42,068) | 7,932 |
| Other Financing Sources (Uses) | | | | |
| Advances In | 50,000 | 50,000 | 50,000 | 0 |
| <i>Net Change in Fund Balance</i> | 0 | 0 | 7,932 | 7,932 |
| <i>Fund Balance Beginning of Year</i> | 0 | 0 | 0 | 0 |
| <i>Fund Balance End of Year</i> | \$0 | \$0 | \$7,932 | \$7,932 |

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, 2020*

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-------------------------|-------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Charges for Services | \$2,431,720 | \$2,431,720 | \$2,382,402 | (\$49,318) |
| Interest | 2,850 | 2,850 | 1,457 | (1,393) |
| Other | 20,656 | 20,656 | 32,303 | 11,647 |
| <i>Total Revenues</i> | <u>2,455,226</u> | <u>2,455,226</u> | <u>2,416,162</u> | <u>(39,064)</u> |
| Expenses | | | | |
| Contractual Services | 340,000 | 340,000 | 297,165 | 42,835 |
| Claims | 2,100,035 | 2,250,035 | 2,107,159 | 142,876 |
| <i>Total Expenses</i> | <u>2,440,035</u> | <u>2,590,035</u> | <u>2,404,324</u> | <u>185,711</u> |
| <i>Excess of Revenues Over (Under) Expenses Before Transfers</i> | 15,191 | (134,809) | 11,838 | 146,647 |
| Other Financing Sources (Uses) | | | | |
| Transfers In | 0 | 150,000 | 0 | (150,000) |
| <i>Net Change in Fund Equity</i> | 15,191 | 15,191 | 11,838 | (3,353) |
| <i>Fund Equity Beginning of Year</i> | <u>241,852</u> | <u>241,852</u> | <u>241,852</u> | <u>0</u> |
| <i>Fund Equity End of Year</i> | <u><u>\$257,043</u></u> | <u><u>\$257,043</u></u> | <u><u>\$253,690</u></u> | <u><u>(\$3,353)</u></u> |

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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.

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

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

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

| | 2020 | 2019 | 2018 | 2017 |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Governmental Activities | | | | |
| Net Investment in | | | | |
| Capital Assets | \$16,862,764 | \$16,529,471 | \$16,515,786 | \$16,136,358 |
| Restricted: | | | | |
| Capital Projects | 217,038 | 0 | 167,029 | 138,626 |
| Debt Service | 1,391,121 | 477,188 | 490,138 | 227,991 |
| Municipal Courts | 375,852 | 502,298 | 514,361 | 492,144 |
| Streets | 1,518,411 | 1,286,506 | 1,259,561 | 1,411,194 |
| Community Development | 99,635 | 99,635 | 120,743 | 136,287 |
| Street Lighting | 586,119 | 602,316 | 562,049 | 473,352 |
| Drug Force Violations | 363,306 | 289,201 | 252,622 | 489,069 |
| Refuse Collections | 973,166 | 962,580 | 957,473 | 900,418 |
| Other Purposes | 525,215 | 569,491 | 485,690 | 447,992 |
| Unrestricted (Deficit) | <u>(21,360,855)</u> | <u>(20,154,657)</u> | <u>(28,713,147)</u> | <u>(26,669,129)</u> |
| <i>Total Governmental Activities</i> | | | | |
| <i>Net Position</i> | <u>1,551,772</u> | <u>1,164,029</u> | <u>(7,387,695)</u> | <u>(5,815,698)</u> |
| Business Type - Activities | | | | |
| Net Investment in | | | | |
| Capital Assets | 12,383,609 | 11,824,712 | 10,212,263 | 9,685,268 |
| Unrestricted | <u>11,461,122</u> | <u>10,459,034</u> | <u>10,310,897</u> | <u>9,105,584</u> |
| <i>Total Business-Type Activities</i> | | | | |
| <i>Net Position</i> | <u>23,844,731</u> | <u>22,283,746</u> | <u>20,523,160</u> | <u>18,790,852</u> |
| Primary Government | | | | |
| Net Investment in | | | | |
| Capital Assets | 29,246,373 | 28,354,183 | 26,728,049 | 25,821,626 |
| Restricted | 6,049,863 | 4,789,215 | 4,809,666 | 4,717,073 |
| Unrestricted (Deficit) | <u>(9,899,733)</u> | <u>(9,695,623)</u> | <u>(18,402,250)</u> | <u>(17,563,545)</u> |
| <i>Total Primary Government</i> | | | | |
| <i>Net Position</i> | <u>\$25,396,503</u> | <u>\$23,447,775</u> | <u>\$13,135,465</u> | <u>\$12,975,154</u> |

Note - The effects of the implementation of GASB 84 are reflected in the 2020 and 2019 amounts.
The effects of the implementation of GASB 68 are reflected in the 2015 and 2014 amounts.
The effects of the implementation of GASB 75 are reflected in the 2018 and 2017 amounts.
The effects of the implementation of GASB 84/87 are reflected in the 2019 and 2018 amounts.

| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$16,509,741 | \$16,991,691 | \$17,339,750 | \$18,337,265 | \$19,668,123 | \$20,968,797 |
| 33,451 | 59,047 | 92,838 | 119,889 | 147,188 | 241,731 |
| 202,409 | 370,245 | 469,155 | 449,033 | 509,480 | 513,704 |
| 439,074 | 374,116 | 311,668 | 254,776 | 830,873 | 774,291 |
| 1,223,817 | 1,395,266 | 1,186,093 | 1,215,660 | 1,115,228 | 1,227,043 |
| 191,351 | 421,106 | 571,801 | 715,120 | 737,303 | 627,065 |
| 434,842 | 430,658 | 505,179 | 504,173 | 550,136 | 555,255 |
| 317,081 | 171,906 | 140,459 | 162,132 | 331,639 | 409,517 |
| 834,340 | 783,552 | 0 | 0 | 0 | 0 |
| 511,764 | 515,596 | 507,906 | 512,440 | 393,617 | 301,073 |
| (8,611,530) | (6,860,164) | (3,460,721) | 12,257,378 | 11,095,401 | 12,312,481 |
| 12,086,340 | 14,653,019 | 17,664,128 | 34,527,866 | 35,378,988 | 37,930,957 |
| 8,586,175 | 7,428,993 | 6,470,775 | 5,177,762 | 7,732,350 | 5,917,802 |
| 9,520,212 | 9,451,246 | 8,721,191 | 10,379,492 | 6,215,323 | 5,976,224 |
| 18,106,387 | 16,880,239 | 15,191,966 | 15,557,254 | 13,947,673 | 11,894,026 |
| 25,095,916 | 24,420,684 | 23,810,525 | 23,515,027 | 27,400,473 | 26,886,599 |
| 4,188,129 | 4,521,492 | 3,785,099 | 3,933,223 | 4,615,464 | 4,649,679 |
| 908,682 | 2,591,082 | 5,260,470 | 22,636,870 | 17,310,724 | 18,288,705 |
| \$30,192,727 | \$31,533,258 | \$32,856,094 | \$50,085,120 | \$49,326,661 | \$49,824,983 |

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

| | 2020 | 2019 | 2018 | 2017 |
|--|---------------------|---------------------|---------------------|---------------------|
| Program Revenues | | | | |
| Governmental Activities: | | | | |
| Charges for Services and Operating Assessments: | | | | |
| General Government | \$2,096,023 | \$2,830,106 | \$2,422,537 | \$2,624,304 |
| Security of Persons and Property: | | | | |
| Police | 63,988 | 87,594 | 75,018 | 84,151 |
| Fire | 430,930 | 589,071 | 502,919 | 556,192 |
| Public Health and Welfare | 0 | 0 | 0 | 0 |
| Leisure Time Activities | 15,862 | 78,589 | 78,556 | 76,815 |
| Community Development | 296,966 | 405,949 | 346,569 | 383,288 |
| Basic Utility Services | 1,176,860 | 1,186,409 | 1,175,217 | 1,130,383 |
| Subtotal - Charges for Services | <u>4,080,629</u> | <u>5,177,718</u> | <u>4,600,816</u> | <u>4,855,133</u> |
| Operating Grants and Contributions: | | | | |
| General Government | 904,536 | 422,084 | 421,765 | 424,599 |
| Security of Persons and Property: | | | | |
| Police | 913,468 | 477,786 | 334,897 | 610,459 |
| Fire | 1,107,145 | 191,460 | 144,754 | 283,456 |
| Public Health and Welfare | 20,606 | 29,462 | 33,675 | 37,556 |
| Leisure Time Activities | 55,093 | 7,223 | 7,809 | 13,273 |
| Community Development | 75,645 | 75,728 | 157,306 | 0 |
| Basic Utility Services | 1,405 | 0 | 0 | 0 |
| Transportation | 888,718 | 848,610 | 635,921 | 630,845 |
| Subtotal - Operating Grants and Contributions | <u>3,966,616</u> | <u>2,052,353</u> | <u>1,736,127</u> | <u>2,000,188</u> |
| Capital Grants and Contributions: | | | | |
| General Government | 20,047 | 0 | 41,140 | 158,644 |
| Transportation | 1,400,467 | 33,000 | 31,583 | 0 |
| Subtotal - Capital Grants and Contributions | <u>1,420,514</u> | <u>33,000</u> | <u>72,723</u> | <u>158,644</u> |
| <i>Total Governmental Activities Program Revenues</i> | <u>9,467,759</u> | <u>7,263,071</u> | <u>6,409,666</u> | <u>7,013,965</u> |
| Business-Type Activities: | | | | |
| Charges for Services: | | | | |
| Water | 4,284,956 | 4,329,308 | 4,206,725 | 4,353,737 |
| Wastewater | 3,111,583 | 3,010,695 | 2,758,535 | 2,646,583 |
| Operating Grants and Contributions: | | | | |
| Water | 0 | 0 | 0 | 0 |
| Wastewater | 0 | 0 | 0 | 0 |
| Capital Grants and Contributions: | | | | |
| Water | 0 | 0 | 0 | 0 |
| <i>Total Business-Type Activities Program Revenues</i> | <u>7,396,539</u> | <u>7,340,003</u> | <u>6,965,260</u> | <u>7,000,320</u> |
| <i>Total Primary Government Program Revenues</i> | <u>\$16,864,298</u> | <u>\$14,603,074</u> | <u>\$13,374,926</u> | <u>\$14,014,285</u> |

| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$2,091,912 | \$2,005,099 | \$1,991,734 | \$2,022,787 | \$2,082,652 | \$2,083,696 |
| 72,916 | 75,978 | 63,182 | 80,900 | 64,368 | 64,974 |
| 446,599 | 427,422 | 421,128 | 442,342 | 429,512 | 434,885 |
| 13,594 | 12,823 | 16,260 | 16,179 | 14,211 | 14,892 |
| 147,253 | 138,904 | 155,147 | 128,060 | 128,611 | 153,829 |
| 330,365 | 315,862 | 319,742 | 342,753 | 329,643 | 334,687 |
| 1,055,333 | 1,100,278 | 322,754 | 286,690 | 310,771 | 289,719 |
| 4,157,972 | 4,076,366 | 3,289,947 | 3,319,711 | 3,359,768 | 3,376,682 |
| 599,256 | 693,783 | 532,841 | 567,338 | 445,252 | 585,887 |
| 671,049 | 528,757 | 527,943 | 611,749 | 565,729 | 430,038 |
| 311,739 | 231,128 | 272,107 | 258,393 | 355,615 | 397,242 |
| 42,595 | 34,457 | 51,589 | 19,968 | 88,825 | 25,779 |
| 10,773 | 10,720 | 9,114 | 19,950 | 13,128 | 4,325 |
| 0 | 0 | 13,300 | 109,365 | 212,341 | 133,616 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 617,326 | 655,509 | 605,421 | 658,948 | 625,168 | 594,471 |
| 2,252,738 | 2,154,354 | 2,012,315 | 2,245,711 | 2,306,058 | 2,171,358 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 5,000 | 97,583 |
| 0 | 0 | 0 | 0 | 5,000 | 97,583 |
| 6,410,710 | 6,230,720 | 5,302,262 | 5,565,422 | 5,670,826 | 5,645,623 |
| 4,203,457 | 4,188,578 | 4,332,748 | 4,800,197 | 4,532,355 | 4,417,995 |
| 2,446,549 | 2,359,234 | 2,295,773 | 2,467,029 | 2,386,595 | 2,233,413 |
| 0 | 0 | 10,219 | 0 | 0 | 0 |
| 0 | 0 | 8,258 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 428,182 |
| 6,650,006 | 6,547,812 | 6,646,998 | 7,267,226 | 6,918,950 | 7,079,590 |
| \$13,060,716 | \$12,778,532 | \$11,949,260 | \$12,832,648 | \$12,589,776 | \$12,725,213 |

(continued)

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

| | 2020 | 2019 | 2018 | 2017 |
|--|-----------------------|----------------------|-----------------------|-----------------------|
| Expenses | | | | |
| Governmental Activities: | | | | |
| General Government | \$6,300,387 | \$6,662,700 | \$5,737,793 | \$5,898,647 |
| Security of Persons and Property: | | | | |
| Police | 7,239,550 | 2,164,615 | 6,834,696 | 6,174,284 |
| Fire | 5,004,823 | (342,462) | 4,624,289 | 4,372,079 |
| Public Health and Welfare | 247,349 | 239,425 | 260,054 | 237,521 |
| Leisure Time Activities | 1,111,983 | 1,448,813 | 1,331,956 | 1,296,875 |
| Community Development | 872,672 | 1,021,543 | 779,011 | 751,443 |
| Basic Utility Services | 1,189,735 | 1,148,460 | 1,033,462 | 1,028,879 |
| Transportation | 4,789,561 | 4,035,706 | 3,634,001 | 3,488,901 |
| Interest and Fiscal Charges | 291,528 | 211,812 | 233,797 | 280,639 |
| <i>Total Governmental Activities Expenses</i> | <u>27,047,588</u> | <u>16,590,612</u> | <u>24,469,059</u> | <u>23,529,268</u> |
| Business-Type Activities | | | | |
| Water | 3,264,199 | 3,278,967 | 3,033,587 | 3,438,819 |
| Wastewater | 2,788,922 | 2,627,056 | 2,422,411 | 2,184,316 |
| <i>Total Business-Type Activities Expenses</i> | <u>6,053,121</u> | <u>5,906,023</u> | <u>5,455,998</u> | <u>5,623,135</u> |
| <i>Total Primary Government Program Expenses</i> | <u>33,100,709</u> | <u>22,496,635</u> | <u>29,925,057</u> | <u>29,152,403</u> |
| Net (Expense)/Revenue | | | | |
| Governmental Activities | (17,579,829) | (9,327,541) | (18,059,393) | (16,515,303) |
| Business-Type Activities | <u>1,343,418</u> | <u>1,433,980</u> | <u>1,509,262</u> | <u>1,377,185</u> |
| <i>Total Primary Government Net Expense</i> | <u>(\$16,236,411)</u> | <u>(\$7,893,561)</u> | <u>(\$16,550,131)</u> | <u>(\$15,138,118)</u> |

| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$5,633,886 | \$4,903,243 | \$5,075,154 | \$4,922,271 | \$5,451,587 | \$5,091,308 |
| 5,870,246 | 5,453,464 | 5,453,595 | 5,560,147 | 5,660,332 | 5,290,725 |
| 4,485,723 | 4,305,885 | 4,091,826 | 3,976,171 | 4,106,403 | 3,779,111 |
| 208,978 | 207,634 | 192,212 | 176,774 | 180,994 | 194,643 |
| 1,351,664 | 1,353,647 | 1,348,774 | 1,316,269 | 1,343,654 | 1,324,108 |
| 802,316 | 954,588 | 867,243 | 753,096 | 746,201 | 843,855 |
| 1,002,418 | 1,037,997 | 1,035,156 | 1,036,719 | 1,015,825 | 1,010,797 |
| 3,484,480 | 4,282,467 | 3,700,311 | 4,343,828 | 4,363,978 | 4,303,602 |
| 351,868 | 378,656 | 425,081 | 379,698 | 735,190 | 560,422 |
| 23,191,579 | 22,877,581 | 22,189,352 | 22,464,973 | 23,604,164 | 22,398,571 |
| 3,312,714 | 3,131,099 | 3,785,358 | 3,853,350 | 3,234,955 | 4,131,949 |
| 2,190,291 | 1,832,603 | 2,340,584 | 2,175,580 | 2,040,179 | 1,958,932 |
| 5,503,005 | 4,963,702 | 6,125,942 | 6,028,930 | 5,275,134 | 6,090,881 |
| 28,694,584 | 27,841,283 | 28,315,294 | 28,493,903 | 28,879,298 | 28,489,452 |
| (16,780,869) | (16,646,861) | (16,887,090) | (16,899,551) | (17,933,338) | (16,752,948) |
| 1,147,001 | 1,584,110 | 521,056 | 1,238,296 | 1,643,816 | 988,709 |
| <u>(\$15,633,868)</u> | <u>(\$15,062,751)</u> | <u>(\$16,366,034)</u> | <u>(\$15,661,255)</u> | <u>(\$16,289,522)</u> | <u>(\$15,764,239)</u> |

(continued)

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

| | 2020 | 2019 | 2018 | 2017 |
|--|--------------------|---------------------|-------------------|----------------------|
| General Revenues and Other | | | | |
| Changes in Net Position | | | | |
| Governmental Activities | | | | |
| Taxes: | | | | |
| Property and Taxes Levied For: | | | | |
| General Purposes | \$1,948,568 | \$1,954,407 | \$1,760,677 | \$1,830,637 |
| Debt Service | 0 | 0 | 0 | 0 |
| Public Safety | 2,546,809 | 2,553,555 | 2,301,260 | 2,392,770 |
| Municipal Income Taxes levied for: | | | | |
| General Purposes | 10,621,601 | 11,071,969 | 9,775,338 | 7,584,295 |
| Debt Service | 634,986 | 871,702 | 1,106,523 | 870,034 |
| Capital Outlay | 288,631 | 91,077 | 0 | 0 |
| Grants and Entitlements not Restricted to | | | | |
| Specific Programs | 729,876 | 361,440 | 638,922 | 291,638 |
| Unrestricted Contributions | 0 | 200,000 | 0 | 0 |
| Investment Income | 126,116 | 153,539 | 101,090 | 86,161 |
| Gain on Sale of Capital Assets | 67,008 | 14,508 | 598,998 | 25,733 |
| Miscellaneous | 1,003,977 | 633,068 | 204,588 | 346,412 |
| <i>Total Governmental Activities</i> | <u>17,967,572</u> | <u>17,905,265</u> | <u>16,487,396</u> | <u>13,427,680</u> |
| Business-Type Activities | | | | |
| Municipal Income Taxes levied for: | | | | |
| Other Purpose - Wastewater | 0 | 0 | 0 | 0 |
| Investment Income | 117,616 | 163,107 | 108,514 | 74,119 |
| Gain on Sale of Capital Assets | 0 | 0 | 0 | 0 |
| Miscellaneous | 99,951 | 163,499 | 114,532 | 56,302 |
| <i>Total Business-Type Activities</i> | <u>217,567</u> | <u>326,606</u> | <u>223,046</u> | <u>130,421</u> |
| <i>Total Primary Government General Revenues</i> <i>and Other Changes in Net Position</i> | <u>18,185,139</u> | <u>18,231,871</u> | <u>16,710,442</u> | <u>13,558,101</u> |
| Change in Net Position | | | | |
| Governmental Activities | 387,743 | 8,577,724 | (1,571,997) | (3,087,623) |
| Business-Type Activities | 1,560,985 | 1,760,586 | 1,732,308 | 1,507,606 |
| <i>Total Primary Government Change in Net Position</i> | <u>\$1,948,728</u> | <u>\$10,338,310</u> | <u>\$160,311</u> | <u>(\$1,580,017)</u> |

- (1) Expenses are first impacted by the implementation of GASB Statement No. 84 beginning in year 2020
- (2) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in year 2015
- (3) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in year 2018
- (4) Expenses are first impacted by the implementation of GASB Statement No. 84/87 beginning in year 2019

| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---------------|---------------|-------------|-------------|-------------|-------------|
| \$1,899,363 | \$1,892,764 | \$1,925,157 | \$1,831,056 | \$1,898,877 | \$2,263,682 |
| 0 | 0 | 0 | 201,493 | 225,894 | 32,714 |
| 2,482,983 | 2,474,584 | 2,507,739 | 2,657,842 | 2,778,562 | 3,003,234 |
| 7,998,584 | 7,552,029 | 9,379,819 | 9,668,374 | 8,904,771 | 9,277,242 |
| 853,939 | 835,265 | 1,069,643 | 710,925 | 720,216 | 680,703 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 616,412 | 638,689 | 777,765 | 675,467 | 632,800 | 1,131,551 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 58,552 | 56,884 | 42,732 | 26,397 | 20,824 | 108,763 |
| 20,257 | 21,898 | 644 | 5,645 | 32,484 | 17,041 |
| 284,100 | 163,639 | 267,595 | 271,230 | 166,941 | 413,756 |
| 14,214,190 | 13,635,752 | 15,971,094 | 16,048,429 | 15,381,369 | 16,928,686 |
| 0 | 0 | 17 | 304,759 | 309,255 | 291,679 |
| 27,237 | 69,286 | 48,047 | 49,334 | 67,547 | 81,581 |
| 0 | 0 | 0 | 1,074 | 0 | 0 |
| 51,910 | 34,877 | 36,285 | 16,118 | 33,029 | 27,249 |
| 79,147 | 104,163 | 84,349 | 371,285 | 409,831 | 400,509 |
| 14,293,337 | 13,739,915 | 16,055,443 | 16,419,714 | 15,791,200 | 17,329,195 |
| (2,566,679) | (3,011,109) | (915,996) | (851,122) | (2,551,969) | 175,738 |
| 1,226,148 | 1,688,273 | 605,405 | 1,609,581 | 2,053,647 | 1,389,218 |
| (\$1,340,531) | (\$1,322,836) | (\$310,591) | \$758,459 | (\$498,322) | \$1,564,956 |

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

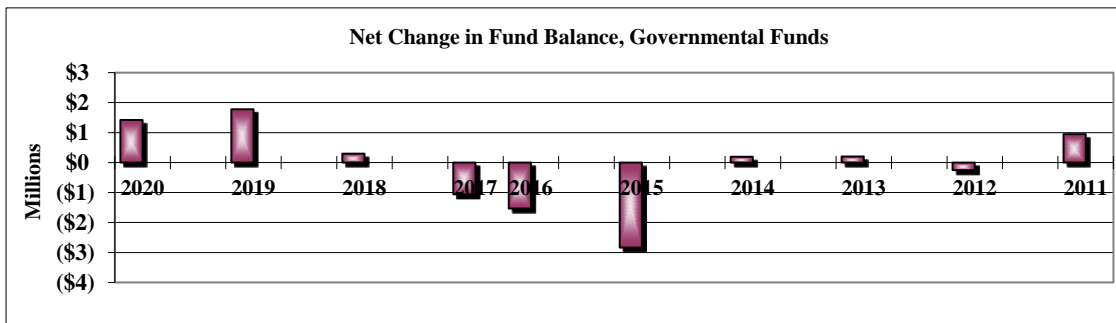
| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> |
|------------------------------------|---------------------|---------------------|--------------------|--------------------|
| General Fund | | | | |
| Nonspendable | \$315,426 | \$334,561 | \$309,984 | \$189,233 |
| Committed | 0 | 0 | 10,355 | 42,575 |
| Assigned | 1,119,027 | 194,879 | 213,826 | 1,284,897 |
| Unassigned | <u>7,339,058</u> | <u>6,177,894</u> | <u>5,541,621</u> | <u>4,761,381</u> |
| <i>Total General Fund</i> | <u>8,773,511</u> | <u>6,707,334</u> | <u>6,075,786</u> | <u>6,278,086</u> |
| All Other Governmental Funds | | | | |
| Nonspendable | 62,762 | 64,356 | 61,515 | 36,390 |
| Restricted | 3,832,724 | 4,451,428 | 3,361,637 | 3,483,206 |
| Committed | 0 | 0 | 25,449 | 0 |
| Assigned | 300,522 | 285,958 | 207,386 | 0 |
| Unassigned (Deficit) | <u>(43,940)</u> | <u>(3,943)</u> | <u>(3,943)</u> | <u>(367,092)</u> |
| Total All Other Governmental Funds | <u>4,152,068</u> | <u>4,797,799</u> | <u>3,652,044</u> | <u>3,152,504</u> |
| <i>Total Governmental Funds</i> | <u>\$12,925,579</u> | <u>\$11,505,133</u> | <u>\$9,727,830</u> | <u>\$9,430,590</u> |

Note: The City implemented GASB 84/87 in 2019.

| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| \$209,918 | \$217,793 | \$274,070 | \$219,643 | \$180,077 | \$201,231 |
| 49,682 | 80,219 | 74,017 | 198,997 | 24,374 | 16,033 |
| 1,494,492 | 1,122,196 | 384,937 | 306,154 | 74,306 | 61,663 |
| 6,186,875 | 7,648,848 | 10,580,613 | 10,194,477 | 10,193,528 | 10,019,811 |
| 7,940,967 | 9,069,056 | 11,313,637 | 10,919,271 | 10,472,285 | 10,298,738 |
| 39,676 | 4,970 | 0 | 7,623 | 7,623 | 7,583 |
| 2,912,679 | 3,358,301 | 3,294,744 | 3,390,016 | 3,834,556 | 3,979,152 |
| 27,350 | 20,150 | 1,000 | 15,091 | 79,064 | 311,465 |
| 0 | 0 | 368,211 | 411,139 | 96,367 | 145,418 |
| (429,515) | (427,549) | (115,499) | (74,710) | (23,847) | (22,443) |
| 2,550,190 | 2,955,872 | 3,548,456 | 3,749,159 | 3,993,763 | 4,421,175 |
| \$10,491,157 | \$12,024,928 | \$14,862,093 | \$14,668,430 | \$14,466,048 | \$14,719,913 |

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

| | 2020 | 2019 | 2018 | 2017 |
|---|--------------------|--------------------|-------------------|----------------------|
| Revenues | | | | |
| Property Taxes | \$4,610,378 | \$4,368,046 | \$4,126,376 | \$4,216,562 |
| Municipal Income Taxes | 11,619,382 | 11,629,516 | 10,873,977 | 8,614,846 |
| Charges for Services | 674,136 | 815,106 | 748,545 | 822,464 |
| Fees, Licenses and Permits | 215,450 | 206,312 | 281,416 | 188,598 |
| Fines and Forfeitures | 1,883,177 | 2,818,957 | 2,297,743 | 2,688,635 |
| Intergovernmental | 6,094,436 | 2,347,924 | 2,424,016 | 2,340,145 |
| Special Assessments | 1,225,708 | 1,213,247 | 1,177,531 | 1,121,031 |
| Contributions and Donations | 25,140 | 210,456 | 15,238 | 12,855 |
| Interest | 123,836 | 151,077 | 82,836 | 85,700 |
| Rentals | 53,969 | 66,424 | 62,356 | 55,346 |
| Leases | 41,966 | 46,926 | 0 | 0 |
| Other | 969,938 | 603,849 | 198,715 | 341,429 |
| <i>Total Revenues</i> | <u>27,537,516</u> | <u>24,477,840</u> | <u>22,288,749</u> | <u>20,487,611</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 5,468,949 | 5,293,548 | 5,136,330 | 5,077,822 |
| Security of Persons and Property: | | | | |
| Police | 6,463,375 | 6,274,743 | 5,871,049 | 5,747,521 |
| Fire | 4,388,696 | 4,081,390 | 3,810,212 | 3,838,863 |
| Public Health and Welfare | 226,334 | 205,399 | 248,902 | 221,430 |
| Leisure Time Activities | 917,650 | 1,196,374 | 1,197,268 | 1,196,561 |
| Community Development | 776,094 | 842,655 | 710,806 | 687,946 |
| Basic Utilities Services | 1,189,117 | 1,147,841 | 1,032,843 | 1,028,260 |
| Transportation | 2,588,848 | 2,562,834 | 2,482,998 | 2,383,539 |
| Capital Outlay | 3,048,512 | 608,255 | 884,120 | 112,820 |
| Debt Service: | | | | |
| Principal Retirement | 884,499 | 1,100,737 | 1,064,448 | 992,011 |
| Interest and Fiscal Charges | 278,315 | 168,498 | 188,609 | 240,474 |
| Payment to Refunded Bond Escrow Agent | 0 | 0 | 0 | 0 |
| Bond Issuance Costs | 0 | 0 | 0 | 0 |
| <i>Total Expenditures</i> | <u>26,230,389</u> | <u>23,482,274</u> | <u>22,627,585</u> | <u>21,527,247</u> |
| <i>Excess of Revenues Over (Under) Expenditures</i> | <u>1,307,127</u> | <u>995,566</u> | <u>(338,836)</u> | <u>(1,039,636)</u> |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | 67,008 | 15,314 | 616,759 | 129,069 |
| OPWC Loans Issued | 0 | 0 | 0 | 0 |
| General Obligation Bonds Issued | 0 | 0 | 0 | 0 |
| Premium on Bonds Issued | 0 | 0 | 0 | 0 |
| Payment to Refunded Bond Escrow Agent | 0 | 0 | 0 | 0 |
| Proceeds of Financed Purchases | 0 | 935,000 | 0 | 0 |
| Inception of Lease | 46,311 | 31,423 | 0 | 0 |
| Inception of Capital Lease | 0 | 0 | 19,317 | 0 |
| Transfers In | 4,734,030 | 5,319,495 | 5,517,797 | 4,514,738 |
| Transfers Out | (4,734,030) | (5,519,495) | (5,517,797) | (4,664,738) |
| <i>Total Other Financing Sources (Uses)</i> | <u>113,319</u> | <u>781,737</u> | <u>636,076</u> | <u>(20,931)</u> |
| <i>Net Change in Fund Balances</i> | <u>\$1,420,446</u> | <u>\$1,777,303</u> | <u>\$297,240</u> | <u>(\$1,060,567)</u> |
| Debt Service as a Percentage of Noncapital Expenditures | 4.8% | 5.5% | 5.8% | 5.8% |



| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---------------|---------------|-------------|-------------|-------------|-------------|
| \$4,386,786 | \$4,392,595 | \$4,405,478 | \$4,723,597 | \$5,079,292 | \$5,136,936 |
| 8,501,776 | 8,386,622 | 10,577,142 | 9,905,568 | 9,928,119 | 9,671,215 |
| 782,465 | 774,248 | 809,192 | 795,226 | 646,510 | 1,024,848 |
| 226,107 | 231,680 | 206,441 | 243,858 | 210,796 | 248,260 |
| 1,938,316 | 1,807,734 | 1,846,563 | 1,909,110 | 1,948,751 | 1,761,228 |
| 2,897,135 | 2,765,672 | 2,819,122 | 3,007,667 | 3,051,857 | 3,417,329 |
| 1,055,304 | 425,339 | 402,243 | 392,386 | 427,208 | 387,548 |
| 12,600 | 14,860 | 1,430 | 60,297 | 14,708 | 48,317 |
| 57,555 | 55,625 | 41,413 | 26,012 | 19,645 | 106,187 |
| 96,142 | 108,498 | 94,528 | 98,701 | 242,940 | 24,632 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 284,100 | 163,639 | 225,746 | 236,534 | 139,610 | 389,241 |
| 20,238,286 | 19,126,512 | 21,429,298 | 21,398,956 | 21,709,436 | 22,215,741 |
| 5,122,688 | 5,118,077 | 4,723,290 | 4,651,606 | 5,033,052 | 4,638,074 |
| 5,520,532 | 5,293,746 | 5,324,905 | 5,452,264 | 5,471,831 | 5,303,242 |
| 3,931,121 | 3,865,897 | 4,147,726 | 3,807,815 | 3,897,559 | 3,643,979 |
| 213,497 | 206,858 | 191,430 | 177,384 | 179,563 | 193,914 |
| 1,257,864 | 1,283,579 | 1,267,915 | 1,206,358 | 1,265,328 | 1,316,961 |
| 777,336 | 945,958 | 882,144 | 880,795 | 852,251 | 859,349 |
| 1,001,800 | 1,037,379 | 1,040,927 | 1,036,719 | 1,015,825 | 1,010,797 |
| 2,440,812 | 2,296,232 | 2,099,274 | 2,325,768 | 2,425,410 | 2,390,859 |
| 114,405 | 672,342 | 202,915 | 1,401,483 | 473,374 | 1,230,803 |
| 940,539 | 969,929 | 946,462 | 845,150 | 899,520 | 722,062 |
| 345,957 | 366,788 | 410,107 | 383,517 | 482,024 | 526,162 |
| 127,058 | 0 | 0 | 0 | 0 | 0 |
| 42,725 | 0 | 29,459 | 67,270 | 0 | 0 |
| 21,836,334 | 22,056,785 | 21,266,554 | 22,236,129 | 21,995,737 | 21,836,202 |
| (1,598,048) | (2,930,273) | 162,744 | (837,173) | (286,301) | 379,539 |
| 21,552 | 21,898 | 6,820 | 5,645 | 32,896 | 49,041 |
| 0 | 0 | 0 | 0 | 0 | 518,349 |
| 6,035,268 | 0 | 835,000 | 2,314,300 | 0 | 0 |
| 0 | 0 | 39,099 | 66,577 | 0 | 0 |
| (5,992,543) | 0 | (850,000) | (1,346,967) | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 71,210 | 0 | 0 | 39,540 | 0 |
| 4,302,330 | 4,310,932 | 4,104,476 | 4,677,313 | 3,870,767 | 4,018,869 |
| (4,302,330) | (4,310,932) | (4,104,476) | (4,677,313) | (3,910,767) | (4,018,869) |
| 64,277 | 93,108 | 30,919 | 1,039,555 | 32,436 | 567,390 |
| (\$1,533,771) | (\$2,837,165) | \$193,663 | \$202,382 | (\$253,865) | \$946,929 |
| 6.0% | 6.3% | 6.5% | 5.9% | 6.5% | 6.1% |

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 |
| 2020 | \$132,229,580 | \$93,071,890 | \$643,718,486 | \$12,315,400 | \$13,994,773 |
| 2019 | 132,104,310 | 94,782,680 | 648,248,543 | 11,449,350 | 13,010,625 |
| 2018 | 120,819,240 | 94,460,270 | 615,084,314 | 10,936,610 | 12,427,966 |
| 2017 | 121,543,410 | 89,088,210 | 601,804,629 | 10,140,900 | 11,523,750 |
| 2016 | 121,809,130 | 93,787,530 | 615,990,457 | 9,514,510 | 10,811,943 |
| 2015 | 127,486,620 | 100,406,370 | 651,122,829 | 9,271,900 | 10,536,250 |
| 2014 | 127,867,150 | 99,086,210 | 648,438,171 | 8,776,990 | 9,973,852 |
| 2013 | 128,477,170 | 101,592,750 | 657,342,629 | 8,103,300 | 9,208,295 |
| 2012 | 150,782,510 | 110,000,870 | 745,095,371 | 7,358,540 | 8,361,977 |
| 2011 | 151,467,810 | 109,940,100 | 746,879,743 | 7,037,960 | 7,997,682 |

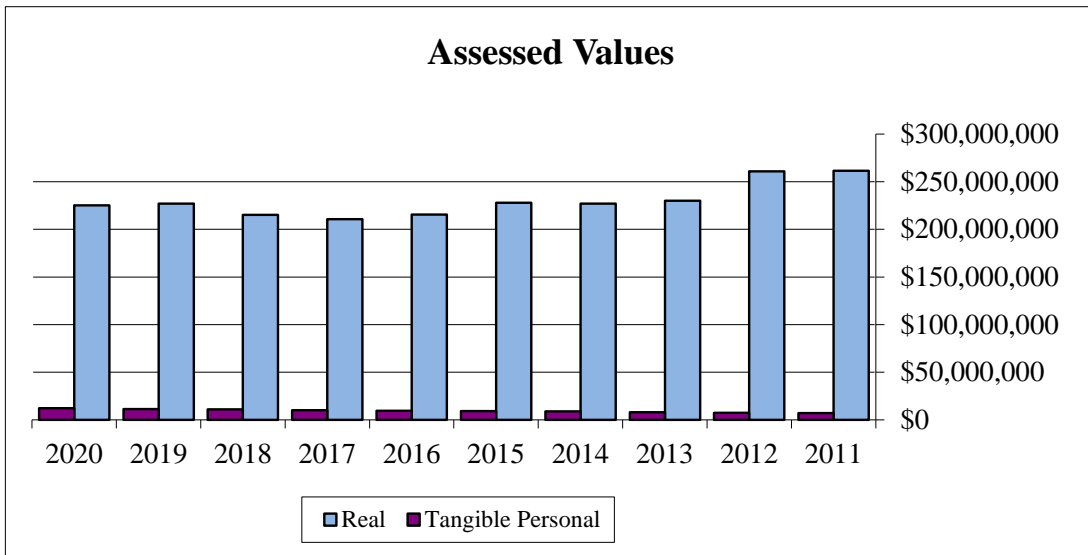
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

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.

The tangible personal property values associated with each year were 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 a 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed.

Source: Ohio Department of Taxation

| Assessed Value | Total Estimated Actual Value | Ratio | Tax Rate |
|----------------|------------------------------|--------|----------|
| \$237,616,870 | \$657,713,258 | 36.13% | \$21.70 |
| 238,336,340 | 661,259,168 | 36.05 | 21.70 |
| 226,216,120 | 627,512,280 | 36.05 | 21.70 |
| 220,772,520 | 613,328,379 | 36.00 | 21.70 |
| 225,111,170 | 626,802,400 | 35.91 | 21.70 |
| 237,164,890 | 661,659,079 | 35.84 | 21.70 |
| 235,730,350 | 658,412,024 | 35.80 | 21.70 |
| 238,173,220 | 666,550,924 | 35.73 | 21.70 |
| 268,141,920 | 753,457,349 | 35.59 | 21.70 |
| 268,445,870 | 754,877,425 | 35.56 | 21.70 |



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

| | 2020 | 2019 | 2018 | 2017 | 2016 |
|---------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Unvoted Millage | | | | | |
| Operating | \$3.2800 | \$3.2800 | \$3.2800 | \$3.2800 | \$3.2800 |
| Fire Pension | 0.3000 | 0.3000 | 0.3000 | 0.3000 | 0.3000 |
| Police Pension | 0.3000 | 0.3000 | 0.3000 | 0.3000 | 0.3000 |
| <i>Total Unvoted Millage</i> | <u>3.8800</u> | <u>3.8800</u> | <u>3.8800</u> | <u>3.8800</u> | <u>3.8800</u> |
| Voted Millage - by levy | | | | | |
| 1976 Charter/Current Expense | 6.1200 | 6.1200 | 6.1200 | 6.1200 | 6.1200 |
| 1994 Charter/Fire | 2.8000 | 2.8000 | 2.8000 | 2.8000 | 2.8000 |
| 2009 Charter/Safety Forces Levy | 8.9000 | 8.9000 | 8.9000 | 8.9000 | 8.9000 |
| <i>Total Voted Millage</i> | <u>17.8200</u> | <u>17.8200</u> | <u>17.8200</u> | <u>17.8200</u> | <u>17.8200</u> |
| Total Millage | <u><u>\$21.7000</u></u> | <u><u>\$21.7000</u></u> | <u><u>\$21.7000</u></u> | <u><u>\$21.7000</u></u> | <u><u>\$21.7000</u></u> |

Overlapping Rates by Taxing District

| | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|
| Bedford City School District | | | | | |
| Residential/Agricultural Real | \$42.2903 | \$42.2539 | \$45.3116 | \$45.2045 | \$45.1652 |
| Commercial/Industrial and Public Utility Real | 53.9296 | 53.7376 | 56.8010 | 56.3835 | 56.4607 |
| General Business and Public Utility Personal | 75.7200 | 75.7200 | 75.7200 | 75.7200 | 75.7200 |
| Cuyahoga County | | | | | |
| Residential/Agricultural Real | 12.8012 | 12.7973 | 13.9140 | 13.8802 | 13.8698 |
| Commercial/Industrial and Public Utility Real | 13.2303 | 13.0770 | 14.0061 | 14.0124 | 14.0500 |
| General Business and Public Utility Personal | 14.0500 | 14.0500 | 14.0500 | 14.0500 | 14.0500 |
| Special Taxing Districts (1) | | | | | |
| Residential/Agricultural Real | 9.3456 | 8.9475 | 9.7638 | 9.2408 | 9.2368 |
| Commercial/Industrial and Public Utility Real | 9.7042 | 9.2104 | 9.8423 | 9.3438 | 9.3676 |
| General Business and Public Utility Personal | 10.2800 | 9.8800 | 9.8800 | 9.3800 | 9.3800 |

Source: Cuyahoga County Fiscal Officer

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

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

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

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

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

| 2015 | 2014 | 2013 | 2012 | 2011 |
|-----------|-----------|-----------|-----------|-----------|
| \$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 |
| 8.9000 | 8.9000 | 8.9000 | 8.9000 | 8.9000 |
| 17.8200 | 17.8200 | 17.8200 | 17.8200 | 17.8200 |
| \$21.7000 | \$21.7000 | \$21.7000 | \$21.7000 | \$21.7000 |

| | | | | |
|-----------|-----------|-----------|-----------|-----------|
| \$44.7465 | \$44.7465 | \$39.7646 | \$40.1211 | \$37.5823 |
| 54.2630 | 54.2631 | 49.0798 | 49.2110 | 47.2052 |
| 75.7200 | 75.7200 | 70.8200 | 71.3000 | 71.3000 |

| | | | | |
|---------|---------|---------|---------|---------|
| 14.0500 | 14.0500 | 14.0500 | 13.2200 | 13.1182 |
| 14.0195 | 14.0195 | 13.9495 | 12.9968 | 12.7845 |
| 14.0500 | 14.0500 | 14.0500 | 13.2200 | 13.2200 |

| | | | | |
|--------|--------|--------|--------|--------|
| 9.3643 | 9.3643 | 8.4639 | 7.5635 | 7.5041 |
| 9.3401 | 9.3401 | 8.3843 | 7.4621 | 7.3648 |
| 9.3800 | 9.3800 | 8.4800 | 7.5800 | 7.5800 |

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) |
|------|----------------------|-------------------------------|---|----------------------------------|---------------------------------|
| 2020 | \$5,105,539 | \$4,734,492 | 92.73% | \$351,426 | \$5,085,918 |
| 2019 | 5,126,091 | 4,537,127 | 88.51 | 308,770 | 4,845,897 |
| 2018 | 4,836,158 | 4,333,334 | 89.60 | 246,031 | 4,579,365 |
| 2017 | 4,831,677 | 4,426,136 | 91.61 | 246,486 | 4,672,622 |
| 2016 | 4,963,794 | 4,610,944 | 92.89 | 238,318 | 4,849,262 |
| 2015 | 5,270,491 | 4,656,449 | 88.35 | 221,091 | 4,877,540 |
| 2014 | 5,143,389 | 4,615,212 | 89.73 | 264,398 | 4,879,610 |
| 2013 | 5,366,546 | 5,020,201 | 93.55 | 200,460 | 5,220,661 |
| 2012 | 5,832,805 | 5,353,259 | 91.78 | 467,976 | 5,821,235 |
| 2011 | 5,861,322 | 5,301,685 | 90.45 | 283,869 | 5,585,554 |

Source: Cuyahoga County, Ohio; County Fiscal Officer

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

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

| <u>Percent of Total Tax Collections To Tax Levy</u> | <u>Accumulated Outstanding Delinquent Taxes</u> | <u>Percentage of Delinquent Taxes to Total Tax Levy</u> |
|---|---|---|
| 99.62% | \$990,384 | 19.40% |
| 94.53 | 1,046,069 | 20.41 |
| 94.69 | 883,926 | 18.28 |
| 96.71 | 875,583 | 18.12 |
| 97.69 | 844,693 | 17.02 |
| 92.54 | 1,030,707 | 19.56 |
| 94.87 | 1,003,154 | 19.50 |
| 97.28 | 891,107 | 16.60 |
| 99.80 | 818,604 | 14.03 |
| 95.30 | 908,736 | 15.50 |

City of Bedford, Ohio
Principal Real Property Taxpayers
2020 and 2011

| <u>2020</u> | | |
|---|---|---|
| <u>Taxpayer</u> | <u>Real Property Assessed Valuation</u> | <u>Percentage of Total Real Property Assessed Valuation</u> |
| Cleveland Electric Illuminating Company | \$8,601,090 | 3.82 % |
| Xellia Pharmaceuticals | 6,698,910 | 2.97 |
| Bedford Colony Club Apartments | 6,653,240 | 2.95 |
| American Transmission System | 3,363,050 | 1.49 |
| Bedford Senior Living Real Estate LLC | 2,516,610 | 1.12 |
| Ganley Real Estate Company | 2,142,740 | 0.95 |
| Bedford Rockside LLC & Holdings | 2,114,290 | 0.94 |
| NNN Auto owner III LLC | 2,025,380 | 0.90 |
| Tomken Incorporated | 1,936,040 | 0.86 |
| Pillman LLC | 1,894,340 | 0.84 |
| Total | <u>\$37,945,690</u> | <u>16.84 %</u> |
| Total Real Property Assessed Valuation | <u>\$225,301,470</u> | |

| <u>2011</u> | | |
|---|---|---|
| <u>Taxpayer</u> | <u>Real Property Assessed Valuation</u> | <u>Percentage of Total Real Property Assessed Valuation</u> |
| Ben Venue Laboratories Incorporated | \$12,590,025 | 4.82 % |
| Wal-Mart Stores | 6,610,700 | 2.53 |
| Bear Creek Property Company | 6,513,350 | 2.49 |
| Cleveland Electric Illuminating Company | 6,204,250 | 2.37 |
| Bedford Colony Club Apartments | 4,571,110 | 1.75 |
| CSH-ING Woodside Village | 3,164,040 | 1.21 |
| HIN, LLC | 2,800,010 | 1.07 |
| University Hospitals Health Systems | 2,782,090 | 1.06 |
| Nextgen Group | 2,141,170 | 0.82 |
| Colony Club Apartments II | 1,868,860 | 0.72 |
| Total | <u>\$49,245,605</u> | <u>18.84 %</u> |
| Total Real Property Assessed Valuation | <u>\$261,407,910</u> | |

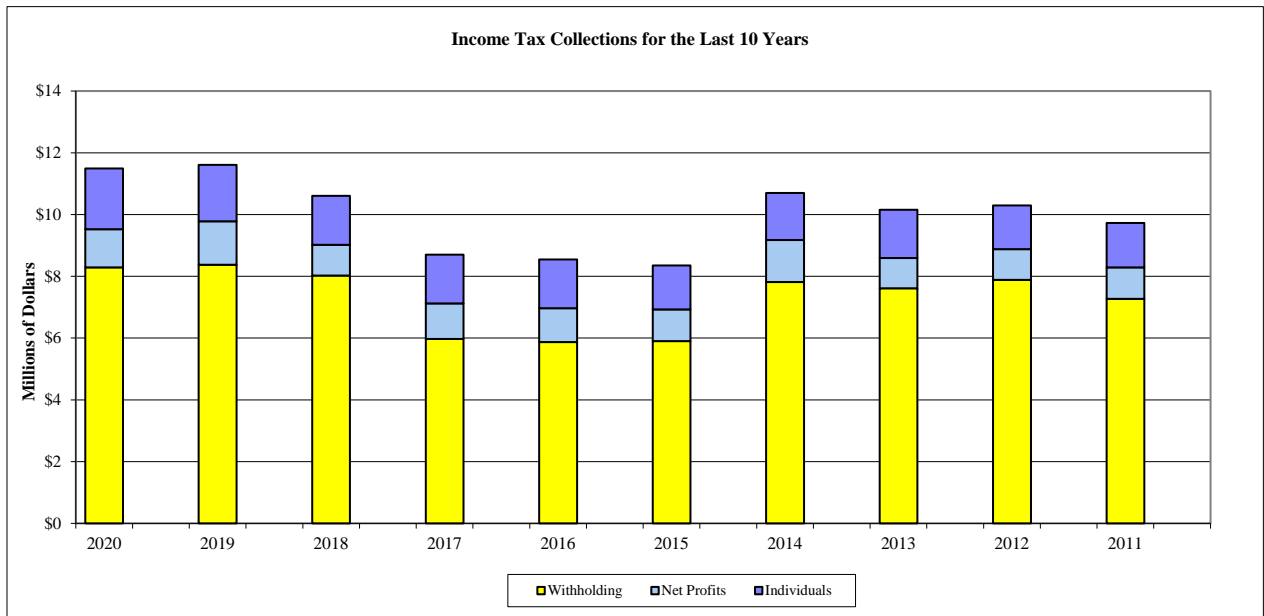
Source: Cuyahoga County Fiscal Officer

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

| Tax Year | Tax Rate | Total Tax Collected (1) | 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 |
|----------|----------|-------------------------|------------------------|--------------------------------------|------------------------|--------------------------------------|------------------------|--------------------------------------|
| 2020 | 3.00% | \$11,491,331 | \$8,289,166 | 72.13% | \$1,233,395 | 10.73% | \$1,968,770 | 17.13% |
| 2019 | 3.00 | 11,610,957 | 8,375,214 | 72.13 | 1,407,615 | 12.12 | 1,828,128 | 15.74 |
| 2018 | 3.00 | 10,608,555 | 8,026,012 | 75.66 | 995,722 | 9.39 | 1,586,821 | 14.96 |
| 2017 | 2.25 | 8,697,922 | 5,972,191 | 68.66 | 1,150,153 | 13.22 | 1,575,578 | 18.11 |
| 2016 | 2.25 | 8,542,762 | 5,874,905 | 68.77 | 1,096,691 | 12.84 | 1,571,166 | 18.39 |
| 2015 | 2.25 | 8,353,995 | 5,906,190 | 70.70 | 1,021,640 | 12.23 | 1,426,165 | 17.07 |
| 2014 | 2.25 | 10,697,349 | 7,818,943 | 73.09 | 1,359,219 | 12.71 | 1,519,187 | 14.20 |
| 2013 | 2.25 | 10,157,319 | 7,613,014 | 74.95 | 981,622 | 9.66 | 1,562,683 | 15.39 |
| 2012 | 2.25 | 10,294,837 | 7,885,409 | 76.60 | 995,553 | 9.67 | 1,413,875 | 13.73 |
| 2011 | 2.25 | 9,725,086 | 7,268,751 | 74.74 | 1,020,089 | 10.49 | 1,436,246 | 14.77 |

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

(1) Tax collected is based upon cash collections for the year.



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

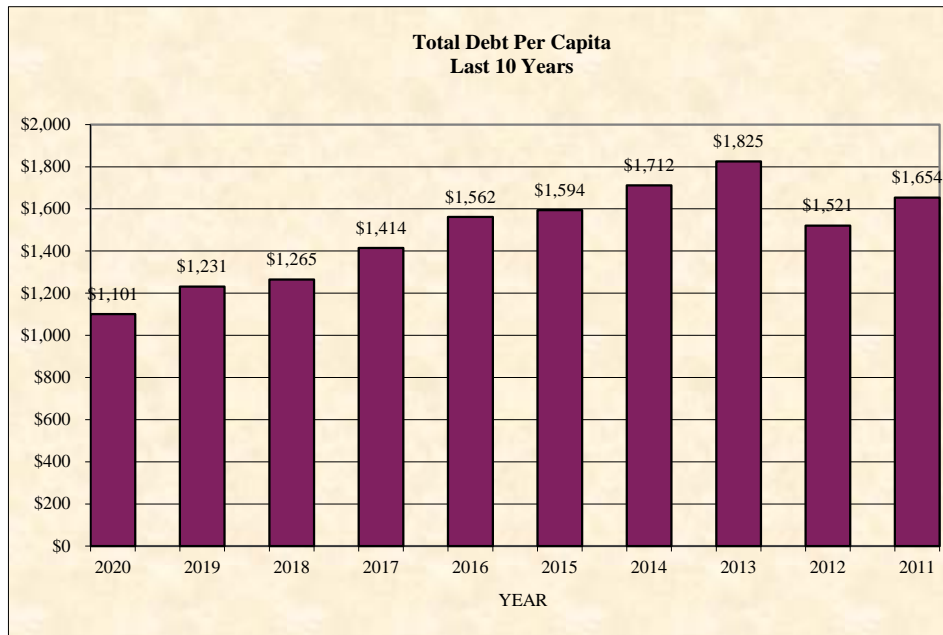
| Year | Governmental Activities | | | | | |
|------|--------------------------------|--------------------------------|---------------|-----------------------|----------|-------------------|
| | General Obligation Bonds | Special Assessment Bonds | OPWC Loans | Financed Purchases | Leases | Capital Leases |
| 2020 | \$5,177,376 | \$0 | \$285,092 | \$857,432 | \$45,392 | \$0 |
| 2019 | 5,893,591 | 0 | 336,941 | 948,016 | 26,665 | 0 |
| 2018 | 6,911,619 | 0 | 388,787 | 19,317 | 23,094 | 0 |
| 2017 | 7,911,134 | 0 | 440,633 | 0 | 0 | 39,728 |
| 2016 | 8,832,323 | 0 | 492,479 | 0 | 0 | 61,996 |
| 2015 | 9,673,174 | 0 | 544,325 | 0 | 0 | 85,006 |
| 2014 | 10,525,186 | 60,000 | 596,171 | 0 | 0 | 27,222 |
| 2013 | 11,330,105 | 115,000 | 659,147 | 0 | 0 | 31,164 |
| 2012 | 10,984,030 | 170,000 | 733,253 | 0 | 0 | 44,475 |
| 2011 | 11,729,474 | 240,000 | 807,359 | 0 | 0 | 12,915 |

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

Note: The City implemented GASB 87 in 2019 resulting in a restatement to the 2018 balances.

Business-Type Activities

| General Obligation Bonds | OWDA Loans | OPWC Loans | Total Debt | Percentage of Personal Income | Per Capita |
|--------------------------------|---------------|---------------|---------------|-------------------------------------|---------------|
| \$6,141,102 | \$1,185,483 | \$701,206 | \$14,393,083 | 4.18% | \$1,101 |
| 6,834,738 | 1,259,014 | 795,038 | 16,094,003 | 4.06 | 1,231 |
| 7,513,440 | 792,048 | 888,869 | 16,537,174 | 5.88 | 1,265 |
| 8,182,525 | 932,915 | 982,700 | 18,489,635 | 5.88 | 1,414 |
| 8,888,909 | 1,068,445 | 1,076,532 | 20,420,684 | 6.86 | 1,562 |
| 8,172,090 | 1,198,841 | 1,170,364 | 20,843,800 | 6.86 | 1,594 |
| 8,591,978 | 1,324,296 | 1,264,195 | 22,389,048 | 7.63 | 1,712 |
| 8,916,167 | 1,444,998 | 1,362,192 | 23,858,773 | 7.63 | 1,825 |
| 4,095,413 | 2,393,182 | 1,460,186 | 19,880,539 | 6.63 | 1,521 |
| 4,439,170 | 3,298,229 | 1,092,830 | 21,619,977 | 6.82 | 1,654 |



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

| Year | Population (1) | | Estimated True Values of Taxable Property (2) | Gross Bonded Debt (3) (4) | Ratio of Bonded Debt to Estimated True Values of Taxable Property | Bonded Debt Per Capita |
|------|----------------|---|--|---------------------------------|--|------------------------------|
| 2020 | 12,289 | b | \$657,713,258 | \$11,318,478 | 1.72 % | \$921 |
| 2019 | 13,074 | b | 661,259,168 | 12,728,329 | 1.92 | 974 |
| 2018 | 13,074 | b | 627,512,280 | 14,425,059 | 2.30 | 1,103 |
| 2017 | 13,074 | b | 613,328,379 | 16,093,659 | 2.62 | 1,231 |
| 2016 | 13,074 | b | 626,802,400 | 17,721,232 | 2.83 | 1,355 |
| 2015 | 13,074 | b | 661,659,079 | 17,845,264 | 2.70 | 1,365 |
| 2014 | 13,074 | b | 658,412,024 | 19,117,164 | 2.90 | 1,462 |
| 2013 | 13,074 | b | 666,550,924 | 20,246,272 | 3.04 | 1,549 |
| 2012 | 13,074 | b | 753,457,349 | 15,079,443 | 2.00 | 1,153 |
| 2011 | 13,074 | b | 754,877,425 | 16,168,644 | 2.14 | 1,237 |

Sources:

(1) U. S. Bureau of Census, Census of Population.
 (a) 2000 Federal Census
 (b) 2010 Federal Census

(2) Cuyahoga County Fiscal Officer

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

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

City of Bedford, Ohio
Computation of Direct and Overlapping Governmental Activities Debt
 December 31, 2020

| Jurisdiction | Governmental Activities Debt Outstanding | Percentage Applicable to City (1) | Amount Applicable to City of Bedford |
|---|--|---|---|
| Direct - City of Bedford | | | |
| General Obligation Bonds | \$5,177,376 | 100.00% | \$5,177,376 |
| OPWC Loans | 285,092 | 100.00% | 285,092 |
| Financed Purchases | 857,432 | 100.00% | 857,432 |
| Leases | 45,392 | 100.00% | 45,392 |
| <i>Total Direct Debt</i> | <u>6,365,292</u> * | | <u>6,365,292</u> |
| Overlapping | | | |
| Bedford School District | | | |
| General Obligation Bonds | 805,504 | 43.53% | 350,636 |
| Cuyahoga County | | | |
| General Obligation Bonds | 279,060,534 | 0.08% | 223,248 |
| Revenue Bonds | 496,276,119 | 0.08% | 397,021 |
| Certificates of Participation | 210,750,127 | 0.08% | 168,600 |
| Loans Payable | 1,285,374 | 0.08% | 1,028 |
| Capital Leases | 279,007,697 | 0.08% | 223,206 |
| Greater Cleveland Regional Transit Authority | | | |
| | <u>127,504,434</u> | 0.08% | <u>102,004</u> |
| <i>Total Overlapping Debt</i> | <u>1,394,689,789</u> | | <u>1,465,742</u> |
| Total | <u><u>\$1,401,055,081</u></u> | | <u><u>\$7,831,034</u></u> |

Source: Cuyahoga County, Ohio; County Fiscal Officer

(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.

* \$13,909,780 of the total \$14,171,780 of total outstanding general obligation bonds is backed by two revenue sources.

\$9,004,612 of general obligation bonds are backed by water and sewer rates as approved by City Council.

\$3,095,409 of general obligation bonds for the construction of the Municipal Complex is backed by a 1/4 percent municipal income tax, effective for collections on 1/1/2000.

\$959,403 of general obligation bonds is backed by a municipal court fee which is added to court cases.

City of Bedford, Ohio

*Legal Debt Margin
Last Ten Years*

| | 2020 | 2019 | 2018 | 2017 |
|---|----------------------|----------------------|----------------------|----------------------|
| Population | 12,289 | 13,074 | 13,074 | 13,074 |
| Total Assessed Property Value | <u>\$237,616,870</u> | <u>\$238,336,340</u> | <u>\$226,216,120</u> | <u>\$220,772,520</u> |
| General Bonded Debt Outstanding: | | | | |
| General Obligation Notes/Bonds | \$12,142,569 | \$14,237,729 | \$14,171,780 | \$15,818,100 |
| Special Assessment Bonds | 0 | 0 | 0 | 0 |
| OPWC Loans | 986,298 | 1,131,979 | 1,277,656 | 1,423,333 |
| OWDA Loans | <u>1,185,483</u> | <u>645,633</u> | <u>792,048</u> | <u>932,915</u> |
| Total Gross Indebtedness | 14,314,350 | 16,015,341 | 16,241,484 | 18,174,348 |
| Less: | | | | |
| General Obligation Notes/Bonds | (8,991,693) | (10,817,071) | (10,978,965) | (11,925,775) |
| Special Assessment Bonds | 0 | 0 | 0 | 0 |
| OPWC Loans | (986,298) | (1,131,979) | (1,277,656) | (1,423,333) |
| OWDA Loans | (1,185,483) | (645,633) | (792,048) | (932,915) |
| General Obligation Bond Retirement Fund Balance | <u>(361,823)</u> | <u>(310,224)</u> | <u>(289,882)</u> | <u>(211,332)</u> |
| Total Net Debt Applicable to Debt Limit | <u>2,789,053</u> | <u>3,110,434</u> | <u>2,902,933</u> | <u>3,680,993</u> |
| Overall Legal Debt Limit (10 ½ % of Assessed Valuation) | <u>24,949,771</u> | <u>25,025,316</u> | <u>23,752,693</u> | <u>23,181,115</u> |
| Legal Debt Margin Within 10 ½ % Limitations | <u>\$22,160,718</u> | <u>\$21,914,882</u> | <u>\$20,849,760</u> | <u>\$19,500,122</u> |
| Legal Debt Margin as a Percentage of the Debt Limit | 88.82% | 87.57% | 87.78% | 84.12% |
| Unvoted Debt Limitation 5 ½ % of Assessed Valuation | <u>\$13,068,928</u> | <u>\$13,108,499</u> | <u>\$12,441,887</u> | <u>\$12,142,489</u> |
| Total Gross Indebtedness | 14,314,350 | 16,015,341 | 16,241,484 | 18,174,348 |
| Less: | | | | |
| General Obligation Notes/Bonds | (8,991,693) | (10,817,071) | (10,978,965) | (11,925,775) |
| Special Assessment Bonds | 0 | 0 | 0 | 0 |
| OPWC Loans | (986,298) | (1,131,979) | (1,277,656) | (1,423,333) |
| OWDA Loans | (1,185,483) | (645,633) | (792,048) | (932,915) |
| General Obligation Bond Retirement Fund Balance | <u>(361,823)</u> | <u>(310,224)</u> | <u>(289,882)</u> | <u>(211,332)</u> |
| Net Debt Within 5 ½ % Limitations | <u>2,789,053</u> | <u>3,110,434</u> | <u>2,902,933</u> | <u>3,680,993</u> |
| Unvoted Legal Debt Margin Within 5 ½ % Limitations | <u>\$10,279,875</u> | <u>\$9,998,065</u> | <u>\$9,538,954</u> | <u>\$8,461,496</u> |
| Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation | 78.66% | 76.27% | 76.67% | 69.69% |

Source: City Financial Records

| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 13,074 | 13,074 | 13,074 | 13,074 | 13,074 | 13,074 |
| <u>\$225,111,170</u> | <u>\$237,164,890</u> | <u>\$235,730,350</u> | <u>\$238,173,220</u> | <u>\$268,141,920</u> | <u>\$268,445,870</u> |
| \$17,422,750 | \$17,515,000 | \$18,760,000 | \$20,040,000 | \$15,045,000 | \$16,130,000 |
| 0 | 0 | 60,000 | 115,000 | 170,000 | 240,000 |
| 1,569,011 | 1,714,689 | 1,860,366 | 2,021,339 | 2,193,739 | 1,900,189 |
| <u>1,068,445</u> | <u>1,198,841</u> | <u>1,324,296</u> | <u>1,444,998</u> | <u>2,393,182</u> | <u>3,298,229</u> |
| 20,060,206 | 20,428,530 | 22,004,662 | 23,621,337 | 19,801,921 | 21,568,418 |
| (12,861,677) | (10,401,500) | (11,057,100) | (15,766,000) | (10,538,200) | (11,360,400) |
| 0 | 0 | (60,000) | (115,000) | (170,000) | (240,000) |
| (1,569,011) | (1,714,689) | (1,860,366) | (2,021,339) | (2,193,739) | (1,900,189) |
| <u>(1,068,445)</u> | <u>(1,198,841)</u> | <u>(1,324,296)</u> | <u>(1,444,998)</u> | <u>(2,393,182)</u> | <u>(3,298,229)</u> |
| <u>(172,668)</u> | <u>(221,147)</u> | <u>(222,155)</u> | <u>(138,356)</u> | <u>(112,729)</u> | <u>(42,256)</u> |
| <u>4,388,405</u> | <u>6,892,353</u> | <u>7,480,745</u> | <u>4,135,644</u> | <u>4,394,071</u> | <u>4,727,344</u> |
| <u>23,636,673</u> | <u>24,902,313</u> | <u>24,751,687</u> | <u>25,008,188</u> | <u>28,154,902</u> | <u>28,186,816</u> |
| <u>\$19,248,268</u> | <u>\$18,009,960</u> | <u>\$17,270,942</u> | <u>\$20,872,544</u> | <u>\$23,760,831</u> | <u>\$23,459,472</u> |
| 81.43% | 72.32% | 69.78% | 83.46% | 84.39% | 83.23% |
| <u>\$12,381,114</u> | <u>\$13,044,069</u> | <u>\$12,965,169</u> | <u>\$13,099,527</u> | <u>\$14,747,806</u> | <u>\$14,764,523</u> |
| 20,060,206 | 20,428,530 | 22,004,662 | 23,621,337 | 19,801,921 | 21,568,418 |
| (12,861,677) | (10,401,500) | (11,057,100) | (15,766,000) | (10,538,200) | (11,360,400) |
| 0 | 0 | (60,000) | (115,000) | (170,000) | (240,000) |
| (1,569,011) | (1,714,689) | (1,860,366) | (2,021,339) | (2,193,739) | (1,900,189) |
| <u>(1,068,445)</u> | <u>(1,198,841)</u> | <u>(1,324,296)</u> | <u>(1,444,998)</u> | <u>(2,393,182)</u> | <u>(3,298,229)</u> |
| <u>(172,668)</u> | <u>(221,147)</u> | <u>(222,155)</u> | <u>(138,356)</u> | <u>(112,729)</u> | <u>(42,256)</u> |
| <u>4,388,405</u> | <u>6,892,353</u> | <u>7,480,745</u> | <u>4,135,644</u> | <u>4,394,071</u> | <u>4,727,344</u> |
| <u>\$7,992,709</u> | <u>\$6,151,716</u> | <u>\$5,484,424</u> | <u>\$8,963,883</u> | <u>\$10,353,735</u> | <u>\$10,037,179</u> |
| 64.56% | 47.16% | 42.30% | 68.43% | 70.21% | 67.98% |

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 | <u>Debt Service (1)</u> Principal | Coverage |
|------|--|-------------------------------------|--------------------------|--------------------------------------|----------|
| 2020 | \$4,368,251 | \$2,924,769 | \$1,443,482 | \$42,700 | 33.81 |
| 2019 | 4,450,397 | 2,935,131 | 1,515,266 | 42,700 | 35.49 |
| 2018 | 4,289,436 | 2,697,591 | 1,591,845 | 42,700 | 37.28 |
| 2017 | 4,408,845 | 3,101,594 | 1,307,251 | 42,700 | 30.61 |
| 2016 | 4,223,537 | 2,988,410 | 1,235,127 | 42,700 | 28.93 |
| 2015 | 4,229,352 | 2,839,417 | 1,389,935 | 42,700 | 32.55 |
| 2014 | 4,358,698 | 3,479,063 | 879,635 | 42,700 | 20.60 |
| 2013 | 4,827,079 | 3,580,722 | 1,246,357 | 42,700 | 29.19 |
| 2012 | 4,606,712 | 2,909,601 | 1,697,111 | 31,350 | 54.13 |
| 2011 | 4,491,419 | 3,871,249 | 620,170 | 20,000 | 31.01 |

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

(2) Direct operating expenses do not include depreciation.

Source: City Financial Records

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

| Year | Wastewater Service Charges and Interest | Direct Operating Expenses (2) | Net Available Revenue | Debt Service (1) | | Coverage |
|------|---|-------------------------------|-----------------------|------------------|----------|----------|
| | | | | Principal | Interest | |
| 2020 | \$3,145,904 | \$2,170,785 | \$975,119 | \$236,096 | \$23,710 | 3.75 |
| 2019 | 3,052,713 | 2,001,647 | 1,051,066 | 197,546 | 29,476 | 4.63 |
| 2018 | 2,784,338 | 1,930,064 | 854,274 | 191,998 | 35,024 | 3.76 |
| 2017 | 2,665,594 | 1,660,033 | 1,005,561 | 186,662 | 31,047 | 4.62 |
| 2016 | 2,453,706 | 1,678,740 | 774,966 | 181,528 | 45,495 | 3.41 |
| 2015 | 2,387,746 | 1,345,631 | 1,042,115 | 176,586 | 50,436 | 4.59 |
| 2014 | 2,317,870 | 1,748,783 | 569,087 | 175,999 | 55,189 | 2.46 |
| 2013 | 2,489,481 | 1,571,586 | 917,895 | 1,003,478 | 89,638 | 0.84 |
| 2012 | 2,412,814 | 1,400,579 | 1,012,235 | 960,341 | 135,242 | 0.92 |
| 2011 | 2,268,819 | 1,334,752 | 934,067 | 919,357 | 173,759 | 0.85 |

(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

| 2020 | | |
|-------------------------------------|---------------|---|
| Employer | Employees | Percentage of Total City Employment |
| University Hospitals Health Systems | 1,217 | 9.88% |
| Bedford Board of Education | 441 | 3.58 |
| Xellia Pharmaceuticals | 281 | 2.28 |
| City of Bedford | 266 | 2.16 |
| Ganley Bedford Imports Incorporated | 240 | 1.95 |
| Setjo LLC | 172 | 1.40 |
| Jay Pontiac Inc. | 153 | 1.24 |
| Ganley CJD Inc | 152 | 1.23 |
| Migdal 1 LLC | 144 | 1.17 |
| Auto Services Unlimited Inc | 104 | 0.85 |
| Total | <u>3,170</u> | <u>25.74%</u> |
| Total Employment within the City | <u>12,315</u> | |

| 2011 | | |
|-------------------------------------|---------------|---|
| Employer | Employees | Percentage of Total City Employment |
| Ben Venue Laboratories Incorporated | 1,443 | 9.83% |
| University Hospital Health Systems | 1016 | 6.92 |
| Walmart Associates Incorporated | 668 | 4.55 |
| Bedford City School District | 439 | 2.99 |
| US Bank National Association | 381 | 2.59 |
| City of Bedford | 342 | 2.33 |
| Jay Pontiac Inc. | 211 | 1.44 |
| Riser Foods Company | 180 | 1.23 |
| Tim Lally Chevrolet Inc. | 140 | 0.95 |
| Setjo LLC. | 139 | 0.94 |
| Total | <u>4,959</u> | <u>33.77%</u> |
| Total Employment within the City | <u>14,684</u> | |

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

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

| Year | Population (1) | Total Personal Income (5) | Personal Income Per Capita (1) | Median Household Income (1) | Median Age (1) |
|------|----------------|---------------------------|--------------------------------|-----------------------------|----------------|
| 2020 | 13,074 | \$344,238,420 | \$26,330 | \$46,020 | 40 |
| 2019 | 13,074 | 396,194,496 | 30,304 | 54,533 | 40 |
| 2018 | 13,074 | 335,570,358 | 25,667 | 43,282 | 41 |
| 2017 | 13,074 | 314,364,330 | 24,045 | 39,820 | 40 |
| 2016 | 13,074 | 314,364,330 | 24,045 | 39,820 | 40 |
| 2015 | 13,074 | 303,905,130 | 23,245 | 39,820 | 40 |
| 2014 | 13,074 | 303,525,984 | 23,216 | 40,417 | 42 |
| 2013 | 13,074 | 303,499,836 | 23,214 | 40,860 | 42 |
| 2012 | 13,074 | 302,597,730 | 23,145 | 42,474 | 42 |
| 2011 | 13,074 | 312,808,524 | 23,926 | 42,171 | 42 |

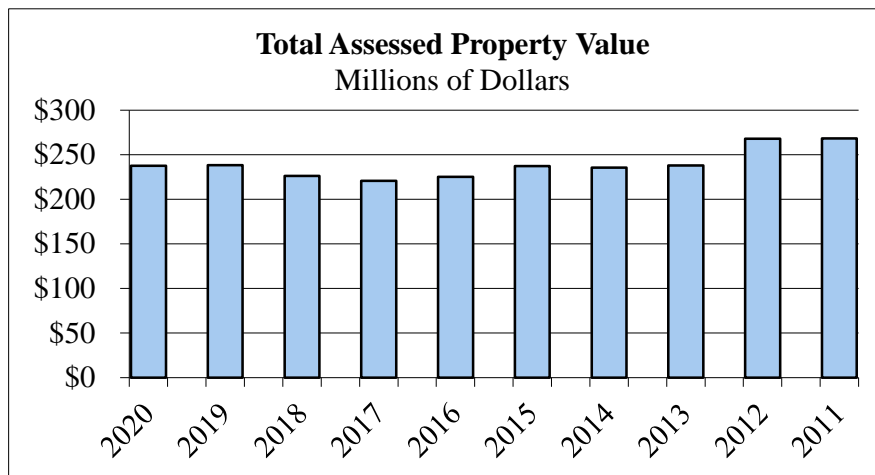
(1) Source: U. S. Census

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

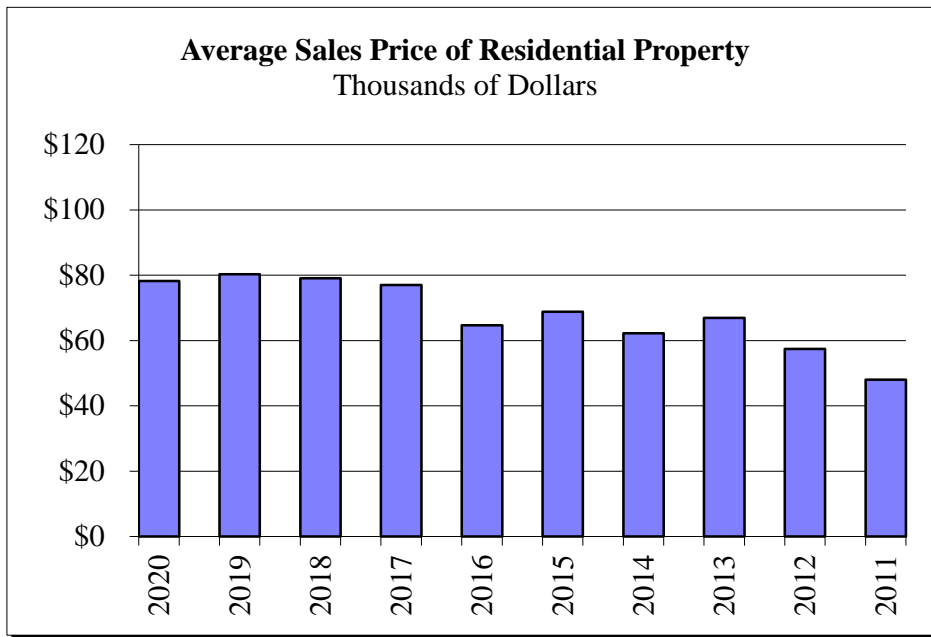
(3) Source: Ohio Department of Job and Family Services. Unemployment rate for City of Bedford unavailable.

(4) Source: Cuyahoga County Fiscal Officer

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



| Educational Attainment: Bachelor's Degree or Higher (1) | School Enrollment (2) | Cuyahoga County Unemployment Rate (3) | Average Sales Price of Residential Property (4) | Total Assessed Property Value (4) |
|---|-----------------------|---------------------------------------|---|-----------------------------------|
| 31.9% | 2,830 | 8.3% | \$78,250 | \$237,616,870 |
| 27.8 | 3,400 | 7.5 | 80,322 | 238,336,340 |
| 20.0 | 3,189 | 5.0 | 79,100 | 226,216,120 |
| 21.3 | 3,161 | 4.8 | 77,008 | 220,772,520 |
| 21.3 | 3,295 | 5.3 | 64,716 | 225,111,170 |
| 14.3 | 3,331 | 4.0 | 68,865 | 237,164,890 |
| 13.9 | 3,437 | 6.0 | 62,191 | 235,730,350 |
| 13.5 | 3,700 | 7.2 | 66,945 | 238,173,220 |
| 18.0 | 3,529 | 7.3 | 57,479 | 268,141,920 |
| 18.0 | 4,011 | 7.1 | 48,000 | 268,445,870 |



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

| Function/Program | 2020 | 2019 | 2018 | 2017 |
|---|---------------|---------------|---------------|---------------|
| General Government | | | | |
| Council | 8.00 | 8.00 | 8.00 | 8.00 |
| Finance | 5.50 | 5.00 | 5.00 | 5.00 |
| Tax | 3.00 | 3.50 | 3.50 | 3.50 |
| City Manager | 1.00 | 1.00 | 1.00 | 1.00 |
| Law | 1.50 | 1.50 | 1.50 | 1.50 |
| Administration | 2.50 | 2.50 | 2.50 | 2.50 |
| Engineer | 0.50 | 0.50 | 0.50 | 0.50 |
| Planning | 2.00 | 2.00 | 2.00 | 2.00 |
| Civil Service | 2.50 | 2.50 | 2.50 | 2.50 |
| Court | 39.00 | 34.00 | 34.00 | 35.00 |
| Public Building | 3.50 | 3.50 | 3.50 | 4.00 |
| Security of Persons and Property | | | | |
| Police | 34.00 | 35.00 | 35.00 | 30.00 |
| Police - Auxiliary/Guards | 12.00 | 11.00 | 11.00 | 11.00 |
| Police - Dispatchers/Office/Other | 5.00 | 5.00 | 5.00 | 6.50 |
| Police - Jailers | 5.00 | 3.00 | 3.00 | 3.00 |
| Police - Animal Wardens | 1.50 | 1.00 | 1.00 | 1.00 |
| Fire | 27.00 | 27.00 | 27.00 | 27.00 |
| Fire - Secretary - Other | 1.00 | 1.00 | 1.00 | 1.00 |
| Public Health Services | | | | |
| Cemetery | 2.00 | 1.50 | 1.50 | 1.50 |
| Leisure Time Activities | | | | |
| Recreation | 27.00 | 27.00 | 27.00 | 27.00 |
| Municipal Pool | 18.50 | 18.50 | 18.50 | 18.50 |
| Ellenwood Center | 4.00 | 4.00 | 4.00 | 5.00 |
| Community Development | | | | |
| Building | 5.50 | 5.00 | 5.00 | 5.00 |
| Economic Development | 1.00 | 1.00 | 1.00 | 1.00 |
| Transportation | | | | |
| Service | 18.00 | 19.00 | 19.00 | 19.00 |
| Street Maintenance and Repair | 2.00 | 1.00 | 1.00 | 2.50 |
| Basic Utility Services | | | | |
| Water | 6.50 | 6.50 | 6.50 | 8.00 |
| Wastewater | 10.50 | 10.50 | 10.50 | 10.50 |
| Totals: | <u>249.50</u> | <u>241.00</u> | <u>241.00</u> | <u>243.00</u> |

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

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

| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|---------------|---------------|---------------|---------------|---------------|---------------|
| 8.00 | 8.00 | 8.00 | 8.00 | 8.00 | 8.00 |
| 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| 3.00 | 3.00 | 3.00 | 3.00 | 3.50 | 3.50 |
| 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 1.50 | 1.00 | 1.00 | 1.00 | 1.50 | 1.00 |
| 2.00 | 2.50 | 2.50 | 2.50 | 2.50 | 2.00 |
| 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 |
| 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| 2.50 | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 |
| 31.00 | 34.00 | 32.50 | 32.50 | 34.00 | 33.50 |
| 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 5.00 |
| 31.00 | 30.00 | 30.00 | 31.00 | 31.00 | 31.00 |
| 12.00 | 10.50 | 13.00 | 12.50 | 12.50 | 16.50 |
| 5.50 | 5.50 | 13.50 | 12.00 | 14.00 | 13.50 |
| 3.50 | 3.50 | 2.50 | 2.50 | 2.50 | 2.50 |
| 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 3.00 |
| 29.00 | 29.00 | 29.00 | 29.00 | 27.00 | 27.00 |
| 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 2.00 |
| 27.00 | 29.50 | 33.50 | 30.00 | 15.00 | 18.50 |
| 18.50 | 17.50 | 16.00 | 18.50 | 17.00 | 16.00 |
| 5.00 | 5.00 | 4.00 | 4.50 | 3.50 | 3.50 |
| 5.00 | 5.00 | 4.50 | 5.50 | 4.50 | 5.50 |
| 0.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 19.00 | 17.50 | 17.00 | 19.50 | 19.50 | 19.00 |
| 5.50 | 5.50 | 5.50 | 5.50 | 5.50 | 8.00 |
| 8.00 | 8.00 | 8.00 | 8.50 | 8.50 | 8.50 |
| 10.50 | 10.50 | 10.50 | 10.50 | 10.50 | 10.50 |
| <u>244.00</u> | <u>245.50</u> | <u>254.00</u> | <u>256.50</u> | <u>240.50</u> | <u>251.00</u> |

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

| Function/Program | 2020 | 2019 | 2018 | 2017 |
|--|--------------|--------------|-------------|-------------|
| General Government | | | | |
| <i>Council & Clerk</i> | | | | |
| Number of Ordinances Passed | 93 | 89 | 108 | 89 |
| Number of Resolutions Passed | 13 | 15 | 10 | 12 |
| <i>Finance Department</i> | | | | |
| Number of checks/ vouchers issued | 3,029 | 3,263 | 2,965 | 2,950 |
| Amount of checks written | \$10,893,994 | \$11,874,503 | \$7,744,609 | \$8,370,768 |
| Interest earnings for fiscal year (cash basis) | \$154,161 | \$247,369 | \$171,492 | \$158,597 |
| Number of Receipts issued | 1,349 | 1,985 | 2,243 | 2,223 |
| Number of Journal Entries issued | 1,043 | 1,263 | 1,410 | 1,391 |
| Number of Budget Adjustments issued | 48 | 42 | 59 | 20 |
| Agency Ratings - Standard & Poors | AA- | AA- | AA- | AA- |
| Agency Ratings - Moody's Financial Services | A1 | A1 | A1 | A1 |
| Health Insurance Costs vs General Fund Expenditures % | 13.57% | 25.00% | 21.00% | 22.00% |
| General Fund Receipts (cash basis in thousands) | \$17,358 | \$17,343 | \$16,446 | \$15,196 |
| General Fund Expenditures (cash basis in thousands) | \$15,442 | \$16,894 | \$16,830 | \$15,913 |
| General Fund Cash Balances (in thousands) | \$7,201 | \$5,236 | \$4,787 | \$5,171 |
| <i>Income Tax Department</i> | | | | |
| Number of Individual Returns | 7,624 | 7,765 | 7,782 | 7,146 |
| Number of Business Returns | 3,124 | 3,075 | 2,973 | 2,762 |
| Number of business withholding accounts | 1,799 | 1,798 | 1,712 | 1,636 |
| Amount of Penalties and Interest Collected | \$220,092 | \$285,365 | \$226,109 | \$106,225 |
| Annual number of Corporate withholding forms processed | 18,163 | 15,304 | 5,712 | 5,140 |
| Annual number of balance due statements forms processed | 7,565 | 12,657 | 18,457 | 19,179 |
| Annual number of estimated payment forms processed | 9,806 | 9,930 | 9,427 | 8,715 |
| Annual number of reconciliations of withholdings processed | 1,794 | 2,042 | 1,486 | 1,394 |
| <i>Engineer Contracted Services</i> | | | | |
| Dollar amount of Construction overseen by Engineer | \$306,968 | \$179,594 | \$609,069 | \$914,418 |
| <i>Municipal Court</i> | | | | |
| Number of Civil Cases | 7,275 | 7,132 | 4,947 | 6,358 |
| Number of Criminal cases | 9,620 | 10,916 | 10,649 | 13,922 |
| <i>Vital Statistics - Office Closed at end of 2014</i> | | | | |
| Certificates Filed | | | | |
| Number of Births | 0 | 0 | 0 | 0 |
| Number of Deaths | 0 | 0 | 0 | 0 |
| Certificates Issued | | | | |
| Number of Births | 0 | 0 | 0 | 0 |
| Number of Deaths | 0 | 0 | 0 | 0 |
| Burial Permits Issued | 0 | 0 | 0 | 0 |
| <i>Civil Service</i> | | | | |
| Number of police entry tests administered | 0 | 0 | 1 | 0 |
| Number of fire entry tests administered | 0 | 0 | 1 | 0 |
| Number of police promotional tests administered | 0 | 0 | 0 | 0 |
| Number of fire promotional tests administered | 0 | 1 | 0 | 0 |
| Number of hires of Police Officers from certified lists | 0 | 2 | 5 | 0 |
| Number of hires of Fire/Medics from certified lists | 0 | 0 | 0 | 0 |
| Number of promotions from police certified lists | 0 | 0 | 0 | 0 |
| Number of promotions from fire certified lists | 0 | 1 | 0 | 0 |

| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| 112 | 117 | 103 | 103 | 109 | 140 |
| 9 | 11 | 13 | 9 | 13 | 13 |
| 3,118 | 3,223 | 3,238 | 3,584 | 3,962 | 4,029 |
| \$17,510,364 | \$19,939,028 | \$19,871,636 | \$21,519,508 | \$19,835,510 | \$22,586,194 |
| \$121,599 | \$93,411 | \$72,883 | \$51,348 | \$56,610 | \$78,405 |
| 2,157 | 1,978 | 2,021 | 2,140 | 2,160 | 2,088 |
| 1,397 | 1,426 | 1,451 | 1,394 | 1,139 | 1,078 |
| 53 | 92 | 87 | 96 | 108 | 102 |
| AA- | AA | AA | AA | AA | AA |
| A1 | Aa3 | Aa3 | Aa2 | Aa2 | Aa2 |
| 23.33% | 15.60% | 16.41% | 17.25% | 17.47% | 13.75% |
| \$19,731 | \$19,344 | \$21,539 | \$21,168 | \$21,284 | \$21,682 |
| \$14,615 | \$15,483 | \$14,988 | \$14,998 | \$14,878 | \$14,663 |
| \$6,922 | \$7,606 | \$9,545 | \$8,794 | \$8,242 | \$7,818 |
| 6,600 | 6,398 | 6,372 | 6,336 | 6,446 | 6,474 |
| 2,499 | 2,360 | 2,623 | 2,550 | 2,365 | 2,739 |
| 1,625 | 1,556 | 1,504 | 1,455 | 1,417 | 1,424 |
| \$143,184 | \$140,676 | \$131,146 | \$128,946 | \$102,127 | \$114,277 |
| 5,164 | 4,880 | 4,664 | 4,424 | 4,560 | 4,568 |
| 17,305 | 17,963 | 18,439 | 17,467 | 15,287 | 13,272 |
| 8,576 | 8,438 | 8,990 | 8,198 | 7,785 | 7,610 |
| 1,511 | 1,594 | 1,520 | 1,365 | 1,341 | 1,362 |
| \$2,041,941 | \$1,041,557 | \$1,292,838 | \$3,128,387 | \$1,721,452 | \$1,969,866 |
| 5,948 | 5,936 | 6,251 | 6,318 | 6,155 | 6,225 |
| 12,374 | 11,259 | 11,759 | 11,442 | 10,923 | 9,610 |
| 0 | 0 | 1 | 3 | 1 | 2 |
| 0 | 0 | 163 | 216 | 217 | 228 |
| 0 | 0 | 923 | 548 | 340 | 347 |
| 0 | 0 | 714 | 828 | 886 | 1,044 |
| 0 | 0 | 528 | 482 | 609 | 757 |
| 0 | 1 | 0 | 1 | 0 | 1 |
| 0 | 0 | 1 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 1 | 0 |
| 0 | 0 | 0 | 0 | 1 | 0 |
| 0 | 4 | 2 | 0 | 2 | 2 |
| 0 | 1 | 2 | 3 | 1 | 0 |
| 0 | 0 | 1 | 3 | 1 | 1 |
| 0 | 0 | 1 | 1 | 0 | 0 |

(continued)

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

| Function/Program | 2020 | 2019 | 2018 | 2017 |
|--|--------------|--------------|-------------|--------------|
| <i>Building Department Indicators</i> | | | | |
| Construction Permits Issued | 110 | 116 | 122 | 114 |
| Estimated Value of Construction | \$15,167,110 | \$25,256,304 | \$2,896,090 | \$11,830,500 |
| Number of all permits issued | 795 | 759 | 748 | 758 |
| Amount of Revenue generated from permits | \$152,754 | \$90,597 | \$117,596 | \$76,097 |
| Number of contract registrations issued | 434 | 566 | 495 | 454 |
| Number of rental inspections performed | 404 | 400 | 420 | 461 |
| Number of point of sale inspections | 0 | 0 | 0 | 7 |
| Annual Apartment/Rooming House License Fees | \$40,225 | \$39,585 | \$41,750 | \$38,680 |
| Revenue generated from inspections | \$10,300 | \$87,242 | \$68,729 | \$58,855 |
| Security of Persons & Property | | | | |
| <i>Police</i> | | | | |
| Total Calls for Services | 20,214 | 22,668 | 22,615 | 19,876 |
| Number of traffic citations issued | 757 | 2,184 | 2,555 | 2,376 |
| Number of parking citations issued | 566 | 674 | 764 | 1,113 |
| Number of criminal arrests | 1,214 | 2,413 | 2,476 | 1,405 |
| Number of accident reports completed | 236 | 282 | 249 | 352 |
| Part I Offenses (major offenses) | 185 | 215 | 229 | 308 |
| Animal Warden service calls responded to per annual report | 1,193 | 1,090 | 931 | 932 |
| Police Dept. Auxiliary hours worked | 2,876 | 2,860 | 2,873 | 2,953 |
| Prisoner meal costs | \$8,626 | \$16,488 | \$17,222 | \$23,899 |
| Juvenile Arrests | 46 | 76 | 77 | 118 |
| Motor Vehicle Accidents | 322 | 285 | 404 | 352 |
| Property damage accidents | 21 | 28 | 27 | 45 |
| Fatalities from Motor Vehicle Accidents | 1 | 3 | 0 | 0 |
| Gasoline costs of fleet | \$40,699 | \$92,072 | \$72,467 | \$67,966 |
| Community Diversion Program Youths | 13 | 10 | 13 | 16 |
| Community Diversion Program - community service hours | 0 | 66 | 138 | 326 |
| <i>Fire</i> | | | | |
| EMS Calls | 2,071 | 1,893 | 1,712 | 1,961 |
| Ambulance Billing Collections (net) | \$271,842 | \$471,903 | \$401,322 | \$417,404 |
| Fire Calls | 618 | 669 | 705 | 720 |
| Fires with Loss | 4 | 3 | 16 | 18 |
| Fires with Losses exceeding \$25K | 1 | 0 | 5 | 4 |
| Fire Losses \$ | \$52,000 | \$12,100 | \$226,800 | \$305,050 |
| Fire Safety Inspections | 256 | 214 | 293 | 306 |
| Number of times Mutual Aid given to Fire and EMS | 175 | 114 | 110 | 103 |
| Number of times Mutual Aid received for Fire and EMS | 146 | 102 | 123 | 139 |
| Public Health & Welfare | | | | |
| Cemetery burials | 27 | 27 | 27 | 38 |
| Cemetery cremations | 20 | 16 | 24 | 13 |
| Cemetery sale of lots | 26 | 27 | 29 | 32 |
| Cemetery receipts | \$37,865 | \$34,550 | \$48,650 | \$47,625 |

| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|-------------|-------------|-------------|--------------|-------------|-------------|
| 124 | 129 | 116 | 121 | 116 | 132 |
| \$6,978,300 | \$1,342,297 | \$4,112,496 | \$12,323,104 | \$4,872,989 | \$2,608,998 |
| 844 | 943 | 820 | 806 | 768 | 820 |
| \$72,427 | \$63,308 | \$62,586 | \$76,997 | \$47,651 | \$47,116 |
| 531 | 506 | 470 | 484 | 475 | 463 |
| 465 | 495 | 533 | 480 | 549 | 590 |
| 98 | 284 | 275 | 286 | 227 | 221 |
| \$38,225 | \$37,535 | \$37,990 | \$39,010 | \$38,200 | \$36,190 |
| \$140,655 | \$70,477 | \$66,052 | \$80,699 | \$88,175 | \$80,795 |
| 17,418 | 16,338 | 16,088 | 19,210 | 22,943 | 22,236 |
| 1,970 | 1,454 | 1,293 | 1,139 | 1,421 | 1,329 |
| 1,169 | 863 | 658 | 759 | 1,027 | 942 |
| 1,584 | 1,665 | 1,665 | 1,957 | 2,622 | 2,233 |
| 319 | 335 | 248 | 243 | 254 | 309 |
| 341 | 569 | 520 | 572 | 614 | 703 |
| 932 | 834 | 1,058 | 1,149 | 1,473 | 1,549 |
| 3,015 | 2,387 | 2,504 | 2,617 | 2,798 | 3,566 |
| \$25,654 | \$17,179 | \$15,420 | \$23,363 | \$25,729 | \$17,798 |
| 76 | 91 | 162 | 156 | 195 | 188 |
| 319 | 343 | 324 | 307 | 254 | 308 |
| 75 | 132 | 153 | 208 | 7 | 5 |
| 0 | 0 | 0 | 4 | 0 | 1 |
| \$63,642 | \$67,829 | \$72,754 | \$77,037 | \$77,141 | \$72,985 |
| 21 | 3 | 15 | 19 | 25 | 24 |
| 280 | 72 | 260 | 352 | 364 | 348 |
| 1,944 | 1,980 | 1,893 | 1,802 | 1,865 | 1,849 |
| \$423,967 | \$432,015 | \$414,024 | \$418,560 | \$436,301 | \$459,828 |
| 521 | 505 | 516 | 515 | 490 | 716 |
| 21 | 13 | 16 | 15 | 13 | 16 |
| 6 | 2 | 7 | 5 | 2 | 0 |
| \$529,500 | \$258,050 | \$429,100 | \$293,450 | \$227,150 | \$181,800 |
| 306 | 313 | 322 | 333 | 332 | 363 |
| 85 | 109 | 111 | 114 | 89 | 78 |
| 60 | 99 | 73 | 103 | 118 | 127 |
| 29 | 34 | 39 | 43 | 29 | 33 |
| 14 | 14 | 20 | 20 | 24 | 13 |
| 31 | 22 | 38 | 26 | 34 | 121 |
| \$34,345 | \$37,275 | \$55,465 | \$48,362 | \$41,320 | \$75,588 |

(continued)

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

| Function/Program | 2020 | 2019 | 2018 | 2017 |
|--|-----------------|------------------|------------------|------------------|
| Leisure Time Activities | | | | |
| <i>Recreation</i> | | | | |
| Recreation Swimming pool receipts | \$0 | \$38,237 | \$36,284 | \$34,363 |
| Recreation Mens & Womens Leagues receipts | 2,392 | 40,352 | 42,273 | 40,120 |
| Senior Van Fees | 0 | 2,424 | 3,021 | 2,799 |
| Playground Registration | 14,580 | 64,777 | 49,407 | 33,185 |
| Ellenwood Facilities rentals | 4,715 | 84,734 | 5,685 | 33,794 |
| Total Recreation Department receipts | <u>\$21,687</u> | <u>\$230,524</u> | <u>\$136,670</u> | <u>\$144,261</u> |
| Community Development | | | | |
| Grant amounts received due to Economic Development Dept. | \$150,000 | \$37,731 | \$503,623 | \$0 |
| Basic Utility Services | | | | |
| Refuse disposal per year (in tons) August through July | 4,994 | 4,909 | 5,189 | 5,238 |
| Refuse disposal costs per year August through July | \$757,994 | \$724,424 | \$708,751 | \$688,094 |
| Cost per household per month | \$14 | \$12 | \$12 | \$12 |
| Annual recycling tonnage (excluding leaf, and compost items) | 704 | 765 | 904 | 1,046 |
| Percentage of waste recycled | 14.10% | 15.60% | 14.83% | 16.64% |
| Transportation | | | | |
| Street Improvements - asphalt overlay (linear feet) | 1,760 | 13,412 | 385,519 | 0 |
| Crackseal Coating Program (Miles) | 2.77 | 7.20 | 0.00 | 7.20 |
| Street Repair (Curbs, aprons, berms, asphalt) (hours) | 3,661 | 4,356 | 4,356 | 4,454 |
| Guardrail Repair (hours) | 16 | 116 | 20 | 20 |
| Paint Striping (hours) | 0 | 560 | 690 | 720 |
| Street Sweeper (hours) | 112 | 451 | 331 | 320 |
| Cold Patch (hours) | 1,341 | 1,601 | 2,148 | 1,455 |
| Snow & Ice Removal regular hours | 782 | 577 | 1,036 | 940 |
| Snow & Ice Removal overtime hours | 735 | 1,105 | 834 | 1,013 |
| Sewer and Sanitary calls for service | 283 | 401 | 429 | 465 |
| After hours Sewer Calls (hours) | 4 | 12 | 28 | 28 |
| Sewer Crew (hours) | 571 | 889 | 952 | 986 |
| Sewer jet, Vac-all, other services (hours) | 436 | 375 | 456 | 3,951 |
| Landscaping Stump-Chipper service (hours) | 2,126 | 2,322 | 3,163 | 2,860 |
| Leaf collection (hours) | 1,539 | 1,818 | 2,016 | 2,087 |
| Holiday lights setup (hours) | 1,861 | 1,439 | 1,506 | 1,501 |
| Downtown Square maintenance (hours) | 251 | 687 | 1,276 | 1,040 |
| Equipment repair/body shop (hours) | 5,008 | 5,243 | 5,464 | 5,587 |
| Sign department (hours) | 794 | 1,831 | 1,561 | 1,047 |
| Number of Trees Planted per year | 60-80 | 60-80 | 60-80 | 60-80 |
| Tons of snow melting salt purchased (Nov-Mar) | 2,565 | 3,309 | 3,403 | 3,824 |
| Cost of salt purchased | \$69,027 | \$218,515 | \$99,071 | \$146,982 |
| Tons of road traction ice grits purchased | 0 | 0 | 0 | 0 |
| Cost of ice grits purchased | \$0 | \$0 | \$0 | \$0 |
| Water Department | | | | |
| Water Rates per 1st 300 Cu ft of water used | \$28 | \$28 | \$28 | \$28 |
| Avg. number of water accounts billed monthly (Cu. Ft.) | 4,966 | 4,995 | 5,012 | 5,012 |
| Total Water Collections Annually (Including P&I) | \$4,478,606 | \$4,291,658 | \$4,183,952 | \$4,342,613 |
| Payments to Cleveland for bulk water purchases | \$1,918,078 | \$1,939,583 | \$1,902,854 | \$2,130,031 |
| Wastewater Department | | | | |
| Wastewater Rates per 1st 300 Cu ft of water used | \$25.44 | \$24.00 | \$22.00 | \$22.00 |
| Total flow of wastewater treatment plant (Billions of Gallons) | 0.860 | 0.770 | 0.837 | 0.788 |
| Average daily flow (Millions of gallons per day) | 2.350 | 2.109 | 2.292 | 2.159 |
| Tons of dry sludge removed | 117.86 | 120.21 | 257.25 | 177.00 |

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

| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|------------------|------------------|------------------|------------------|------------------|------------------|
| \$39,594 | \$31,087 | \$34,139 | \$32,364 | \$39,798 | \$40,704 |
| 40,138 | 35,528 | 32,968 | 39,766 | 41,511 | 40,960 |
| 2,558 | 2,505 | 2,239 | 2,577 | 2,536 | 2,766 |
| 21,345 | 23,880 | 34,650 | 24,900 | 18,910 | 15,325 |
| 40,684 | 37,641 | 34,068 | 27,110 | 26,006 | 25,418 |
| <u>\$144,319</u> | <u>\$130,641</u> | <u>\$138,064</u> | <u>\$126,717</u> | <u>\$128,761</u> | <u>\$125,173</u> |
| \$175,110 | \$14,730 | \$27,408 | \$232,062 | \$106,145 | \$586,562 |
| 5,001 | 4,675 | 4,602 | 4,368 | 4,622 | 4,667 |
| \$683,197 | \$712,512 | \$707,790 | \$700,186 | \$696,183 | \$669,194 |
| \$12 | \$12 | \$12 | \$12 | \$12 | \$12 |
| 892 | 349 | 346 | 338 | 341 | 388 |
| 15.14% | 6.95% | 6.99% | 7.21% | 6.87% | 7.68% |
| 0 | 0 | 0 | 26,050 | 0 | 9,650 |
| 7.20 | 7.20 | 7.20 | 7.20 | 7.20 | 7.20 |
| 4,403 | 4,825 | 3,800 | 4,094 | 4,323 | 3,832 |
| 8 | 28 | 48 | 48 | 48 | 48 |
| 815 | 812 | 637 | 1,164 | 1,275 | 808 |
| 434 | 323 | 396 | 381 | 511 | 448 |
| 1,354 | 1,659 | 1,408 | 1,644 | 1,300 | 1,800 |
| 688 | 1,148 | 1,166 | 874 | 413 | 946 |
| 825 | 922 | 1,112 | 1,088 | 929 | 987 |
| 484 | 568 | 768 | 909 | 899 | 974 |
| 28 | 28 | 56 | 209 | 296 | 371 |
| 1,112 | 1,312 | 1,759 | 2,227 | 2,179 | 2,168 |
| 3,828 | 278 | 202 | 2,308 | 2,638 | 3,249 |
| 3,906 | 3,544 | 3,731 | 3,647 | 5,154 | 5,406 |
| 1,882 | 1,755 | 2,108 | 2,148 | 2,024 | 2,083 |
| 1,597 | 1,685 | 1,630 | 1,115 | 1,407 | 1,644 |
| 735 | 580 | 996 | 1,516 | 42 | 69 |
| 6,009 | 5,077 | 5,568 | 5,595 | 5,383 | 5,734 |
| 1,269 | 946 | 2,135 | 2,603 | 2,530 | 789 |
| 60-80 | 60-80 | 60-80 | 60-80 | 60-80 | 60-80 |
| 4,061 | 4,233 | 5,027 | 4,232 | 3,439 | 5,838 |
| \$218,501 | \$219,199 | \$120,101 | \$155,263 | \$126,869 | \$261,845 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| \$28 | \$28 | \$27 | \$25 | \$25 | \$24 |
| 4,989 | 4,998 | 5,006 | 5,004 | 5,004 | 5,005 |
| \$4,129,600 | \$4,195,268 | \$4,366,295 | \$4,384,856 | \$4,643,270 | \$4,021,989 |
| \$2,256,791 | \$2,211,920 | \$2,699,458 | \$2,665,054 | \$2,497,967 | \$2,810,055 |
| \$21.00 | \$20.00 | \$20.00 | \$17.00 | \$17.00 | \$15.00 |
| 0.733 | 0.726 | 0.827 | 0.824 | 0.816 | 0.975 |
| 2.002 | 1.988 | 2.267 | 2.258 | 2.231 | 2.910 |
| 375.00 | 196.30 | 272.63 | 230.40 | 258.56 | 251.70 |

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

| Function/Program | 2020 | 2019 | 2018 | 2017 | 2016 |
|--------------------------------------|--------|--------|--------|--------|--------|
| General Government | | | | | |
| Square Footage Occupied | 44,035 | 44,035 | 44,035 | 44,035 | 44,035 |
| Administrative Vehicles | 2 | 2 | 2 | 2 | 2 |
| Inspection Vehicles | 2 | 2 | 2 | 2 | 3 |
| Municipal Court Vehicles | 2 | 2 | 2 | 2 | 2 |
| Lands & Buildings Vehicles | 1 | 1 | 1 | 1 | 2 |
| Police | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 |
| Square Footage of Building | 21,667 | 21,667 | 21,667 | 21,667 | 21,667 |
| Vehicles | 21 | 22 | 23 | 23 | 22 |
| Fire | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 |
| Square Footage of Building | 14,774 | 14,774 | 14,774 | 14,774 | 14,774 |
| Vehicles | 14 | 12 | 12 | 12 | 12 |
| Recreation | | | | | |
| Number of Parks | 4 | 4 | 4 | 4 | 4 |
| Number of Pools | 1 | 1 | 1 | 1 | 1 |
| Number of Skateboarding Areas | 1 | 1 | 1 | 1 | 1 |
| Number of Baseball Diamonds | 7 | 7 | 7 | 7 | 7 |
| Number of Tot Lots | 4 | 4 | 4 | 4 | 4 |
| Number of Soccer Fields | 1 | 1 | 1 | 1 | 1 |
| Square Footage of Ellenwood Building | 25,433 | 25,433 | 25,433 | 25,433 | 25,433 |
| Vehicles | 8 | 9 | 13 | 13 | 13 |
| Other Public Works | | | | | |
| Streets (miles) | 48 | 48 | 48 | 48 | 48 |
| Service Vehicles | 52 | 53 | 54 | 54 | 56 |
| Wastewater | | | | | |
| Sanitary Sewers (miles) | 41.80 | 41.80 | 41.80 | 41.80 | 41.80 |
| Storm Sewers (miles) | 48.70 | 48.70 | 48.70 | 48.70 | 48.70 |
| Vehicles | 6 | 5 | 5 | 5 | 5 |
| Water Department | | | | | |
| Water Lines (miles) | 100 | 100 | 100 | 100 | 100 |
| Vehicles | 10 | 10 | 10 | 10 | 8 |

Source: City of Bedford

| 2015 | 2014 | 2013 | 2012 | 2011 |
|--------|--------|--------|--------|--------|
| 44,035 | 44,035 | 44,035 | 44,035 | 44,035 |
| 2 | 2 | 2 | 2 | 2 |
| 3 | 3 | 3 | 3 | 2 |
| 2 | 2 | 2 | 2 | 2 |
| 2 | 2 | 2 | 2 | 2 |
| 1 | 1 | 1 | 1 | 1 |
| 21,667 | 21,667 | 21,667 | 21,667 | 21,667 |
| 22 | 22 | 22 | 22 | 22 |
| 1 | 1 | 1 | 1 | 1 |
| 14,774 | 14,774 | 14,774 | 14,774 | 14,774 |
| 12 | 12 | 12 | 12 | 12 |
| 4 | 4 | 4 | 4 | 4 |
| 1 | 1 | 1 | 1 | 1 |
| 1 | 1 | 1 | 1 | 1 |
| 7 | 7 | 7 | 7 | 7 |
| 4 | 4 | 4 | 4 | 4 |
| 1 | 1 | 1 | 1 | 1 |
| 25,433 | 25,433 | 25,433 | 25,433 | 25,433 |
| 13 | 14 | 14 | 13 | 13 |
| 48 | 48 | 48 | 48 | 48 |
| 55 | 58 | 58 | 58 | 60 |
| 41.80 | 41.80 | 41.80 | 41.80 | 41.80 |
| 48.70 | 48.70 | 48.70 | 48.70 | 48.70 |
| 5 | 5 | 5 | 7 | 6 |
| 100 | 100 | 100 | 100 | 100 |
| 8 | 7 | 7 | 7 | 7 |

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

| Function/Program | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| General Government | | | | | |
| Municipal Complex | | | | | |
| City Hall Building | \$3,586,005 | \$3,577,458 | \$3,412,437 | \$3,308,094 | \$3,258,962 |
| City Hall Miscellaneous Equipment | 810,236 | 773,845 | 745,527 | 730,925 | 703,535 |
| Garage | 48,685 | 48,900 | 46,514 | 45,059 | 44,393 |
| Radio Building | 15,395 | 15,384 | 14,674 | 14,222 | 14,012 |
| Radio Tower | 49,175 | 49,166 | 46,501 | 44,994 | 44,329 |
| Police | | | | | |
| Municipal Complex | | | | | |
| Justice Center Building | 16,661,814 | 16,645,235 | 15,877,157 | 15,389,315 | 15,151,136 |
| Justice Center Miscellaneous Equipment | 2,680,660 | 2,654,673 | 2,534,227 | 2,435,136 | 2,342,847 |
| Fire | | | | | |
| Municipal Complex | | | | | |
| Station Building | 3,818,828 | 3,814,087 | 3,638,160 | 3,526,959 | 3,474,564 |
| Station Miscellaneous Equipment | 1,023,188 | 985,504 | 875,136 | 823,757 | 797,187 |
| <i>Total Municipal Complex</i> | <u>\$28,693,986</u> | <u>\$28,564,252</u> | <u>\$27,190,333</u> | <u>\$26,318,461</u> | <u>\$25,830,965</u> |
| Recreation | | | | | |
| Ellenwood Rec Center | | | | | |
| Building | \$5,373,713 | \$5,368,741 | \$5,335,547 | \$4,963,697 | \$4,890,182 |
| Municipal Pool | | | | | |
| Bathhouse Building | 340,305 | 339,508 | 323,875 | 314,144 | 309,428 |
| Swimming Pool | 1,236,933 | 1,225,170 | 1,183,625 | 1,153,519 | 1,136,473 |
| Other Public Works | | | | | |
| Service | | | | | |
| Garage - Solon Road | 1,926,097 | 1,924,718 | 1,835,865 | 1,779,298 | 1,752,998 |
| Garage - Salt Storage | 107,290 | 107,215 | 102,265 | 99,114 | 97,649 |
| Administration Building | 1,295,334 | 1,294,194 | 1,234,464 | 1,196,523 | 1,178,809 |
| Cemetery | | | | | |
| Storage Building | 192,012 | 191,878 | 183,019 | 177,378 | 174,757 |

| 2015 | 2014 | 2013 | 2012 | 2011 | Year Asset Completed, Constructed or Received | Construction Costs | Replacement Factor Increase |
|---------------------|---------------------|---------------------|---------------------|---------------------|--|-----------------------|--------------------------------|
| \$3,231,180 | \$3,150,774 | \$3,054,068 | \$2,955,970 | \$2,893,238 | 2003 | \$2,030,818 | 76.58 % |
| 675,456 | 707,310 | 867,386 | 831,178 | 807,330 | Various | 561,893 | 44.20 |
| 44,033 | 43,576 | 40,737 | 39,200 | 38,655 | 2003 | 27,419 | 77.56 |
| 13,888 | 13,750 | 12,878 | 12,486 | 12,254 | 1997 | 7,317 | 110.40 |
| 44,056 | 43,745 | 42,484 | 41,271 | 40,490 | 2003 | 27,378 | 79.62 |
| 15,019,269 | 14,857,685 | 14,437,761 | 13,998,601 | 13,720,291 | 2003 | 9,573,704 | 74.04 |
| 2,238,977 | 2,141,855 | 2,219,559 | 2,171,894 | 2,118,607 | Various | 1,245,745 | 115.19 |
| 3,444,996 | 3,410,159 | 3,267,282 | 3,169,384 | 3,095,396 | 2003 | 2,162,658 | 76.58 |
| 779,652 | 743,675 | 1,118,003 | 1,066,317 | 938,759 | Various | 502,303 | 103.70 |
| <u>\$25,491,507</u> | <u>\$25,112,529</u> | <u>\$25,060,158</u> | <u>\$24,286,301</u> | <u>\$23,665,020</u> | | <u>\$16,139,235</u> | 77.79 |
| \$4,845,929 | \$4,772,769 | \$4,594,985 | \$4,456,186 | \$4,371,021 | 1964, 1984, 1998 | \$780,688 | 588.33 |
| 274,396 | 271,654 | 293,738 | 285,506 | 275,905 | 1969 | 58,986 | 476.93 |
| 1,123,330 | 1,111,548 | 1,056,348 | 1,027,574 | 1,001,340 | 1969, 1993 | 817,542 | 51.30 |
| 1,737,550 | 1,720,335 | 1,919,343 | 1,864,429 | 1,825,956 | 1953, 1972, 1979 | 545,316 | 253.21 |
| 96,788 | 95,829 | 89,426 | 86,053 | 84,856 | 1992 | 45,585 | 135.36 |
| 1,168,533 | 1,156,881 | 467,808 | 450,161 | 443,286 | 2009 | 389,322 | 232.72 |
| 173,215 | 171,500 | 162,216 | 156,143 | 153,928 | 1985 | 67,414 | 184.83 |

(continued)

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

| Function/Program | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|------------|------------|------------|------------|------------|
| Wastewater | | | | | |
| Sewage Treatment Plant | | | | | |
| Administration Building | \$199,652 | \$199,512 | \$190,302 | \$184,437 | \$181,712 |
| Administration Miscellaneous Equipment | 235,742 | 217,995 | 208,149 | 193,610 | 190,374 |
| Laboratory Building | 367,026 | 365,978 | 349,140 | 338,734 | 333,625 |
| Laboratory Miscellaneous Equipment | 205,669 | 202,777 | 193,706 | 183,238 | 180,206 |
| Filter Building | 318,679 | 318,456 | 303,754 | 294,392 | 290,042 |
| Filter Miscellaneous Equipment | 638,061 | 629,004 | 600,595 | 585,946 | 576,151 |
| Primary Settling Tanks | 909,006 | 900,363 | 869,831 | 847,706 | 835,178 |
| Primary Settling Tanks - Miscellaneous Equipment | 339,752 | 660,245 | 630,426 | 615,049 | 604,768 |
| Oxidation Tower East Building | 703,826 | 697,135 | 673,495 | 656,365 | 646,665 |
| Oxidation Tower East - Miscellaneous Equipment | 1,122,255 | 1,106,324 | 1,056,358 | 1,030,593 | 1,013,366 |
| Oxidation Tower West Building | 703,826 | 697,135 | 673,495 | 656,365 | 646,665 |
| Oxidation Tower West - Miscellaneous Equipment | 1,122,255 | 1,106,324 | 1,056,358 | 1,030,593 | 1,013,366 |
| Equalization Basin Building | 1,870,188 | 1,852,404 | 1,789,500 | 1,744,070 | 1,718,297 |
| Rapid Sand Filter Building | 902,910 | 894,324 | 863,997 | 842,020 | 829,576 |
| Rapid Sand Filter - Miscellaneous Equipment | 1,363,675 | 1,344,351 | 1,283,742 | 1,252,488 | 1,231,592 |
| Final Settling Tank #2 Building | 466,575 | 462,318 | 446,467 | 435,111 | 428,681 |
| Final Settling Tank #2 - Miscellaneous Equipment | 25,779 | 271,864 | 259,586 | 253,255 | 249,022 |
| * Total Buildings | 41,093,274 | 40,989,279 | 39,394,084 | 38,011,516 | 37,438,133 |
| ** Total Miscellaneous Equipment | 9,567,272 | 9,952,906 | 9,443,810 | 9,134,590 | 8,902,414 |

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)

| 2015 | 2014 | 2013 | 2012 | 2011 | Year Asset Completed, Constructed or Received | Construction Costs | Replacement Factor Increase |
|------------|------------|------------|------------|------------|--|-----------------------|--------------------------------|
| \$180,108 | \$178,325 | \$166,135 | \$161,077 | \$158,089 | 1973 | \$30,639 | 551.63 % |
| 190,183 | 187,300 | 906,593 | 892,105 | 383,650 | Various | 479,908 | (50.88) |
| 331,096 | 327,538 | 315,445 | 306,889 | 300,058 | 1986 | 130,207 | 181.88 |
| 180,027 | 172,405 | 157,498 | 147,919 | 142,306 | Various | 70,769 | 190.62 |
| 287,483 | 284,637 | 269,177 | 260,982 | 256,142 | 1973 | 49,644 | 541.93 |
| 485,844 | 478,475 | 488,972 | 483,221 | 464,323 | Various | 238,373 | 167.67 |
| 825,521 | 816,862 | 782,419 | 761,108 | 741,676 | 1985 | 145,706 | 523.86 |
| 604,163 | 595,000 | 610,086 | 602,912 | 579,333 | Various | 313,461 | 8.39 |
| 639,186 | 632,483 | 602,200 | 585,797 | 570,842 | 1973, 2001 | 105,767 | 565.45 |
| 1,012,354 | 997,000 | 1,017,716 | 1,005,748 | 966,415 | Various | 724,950 | 54.80 |
| 639,186 | 632,483 | 602,200 | 585,797 | 570,842 | 1973, 2001 | 103,842 | 577.79 |
| 1,012,354 | 997,000 | 1,017,716 | 1,005,748 | 966,415 | Various | 724,950 | 54.80 |
| 1,698,425 | 1,680,610 | 1,605,203 | 1,561,482 | 1,521,616 | 1992, 1993, 1997 | 1,827,056 | 2.36 |
| 819,982 | 811,383 | 685,650 | 664,775 | 652,443 | 2001 | 436,529 | 106.84 |
| 1,230,364 | 1,211,740 | 1,176,005 | 1,162,203 | 1,116,845 | Various | 806,377 | 69.11 |
| 423,723 | 419,279 | 401,242 | 390,313 | 380,349 | 1973 | 68,666 | 579.48 |
| 248,773 | 245,000 | 151,979 | 150,192 | 144,318 | Various | 32,682 | (21.12) |
| 37,061,873 | 36,603,805 | 34,868,745 | 33,821,184 | 33,108,673 | | 19,432,203 | 111.47 |
| 8,658,147 | 8,476,760 | 9,731,513 | 9,519,437 | 8,628,301 | | 5,701,411 | 67.81 |

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

| Vehicle/Program | Current Replacement Costs | 2020 | 2019 | 2018 | 2017 |
|--|---------------------------------|----------|--------|----------|-------|
| Police | | | | | |
| Cost Per Patrol Car | \$36,273 | \$72,546 | \$0 | \$35,987 | \$0 |
| Cost of Additional Equipment | 13,605 | 27,210 | 35,205 | 12,038 | 0 |
| Fire | | | | | |
| Cost Per Fire Pumper (1) | 680,000 | 680,000 | 0 | 0 | 0 |
| Cost Per Ambulance | 275,000 | 275,000 | 0 | 0 | 0 |
| Recreation | | | | | |
| Senior Transport Bus/Van | 0 | 0 | 0 | 0 | 0 |
| Service | | | | | |
| Mini-Excavator | 0 | 0 | 0 | 0 | 0 |
| Cost Per Vac All (2) | 340,000 | 0 | 0 | 0 | 0 |
| Cost Per Street Sweeper | 0 | 0 | 0 | 0 | 0 |
| Cost Per Salt Truck | 0 | 0 | 0 | 0 | 0 |
| Cost Per Water Utility Truck | 0 | 0 | 0 | 0 | 0 |
| Loader | 0 | 0 | 0 | 0 | 0 |
| 2500 HD Chevy 4X4 Pick up | 29,142 | 0 | 0 | 0 | 0 |
| 2018 Ford F-150 | 30,611 | 0 | 0 | 30,611 | 0 |
| 2019 Ford F-250 | 27,079 | 0 | 0 | 27,079 | 0 |
| 2001 Utility Bucket Truck | 23,500 | 0 | 0 | 23,500 | 0 |
| John Deer Gator | 0 | 0 | 0 | 0 | 0 |
| Dump Truck | 64,224 | 0 | 0 | 64,224 | 0 |
| Road Construction | | | | | |
| Ohio Department of Transportation Construction Cost Composite Index (3) | 110.2 | 110.2 | 110.2 | 110.2 | 106.5 |

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.

| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|----------|----------|----------|------|-------|----------|
| \$39,527 | \$29,929 | \$29,149 | \$0 | \$0 | \$25,472 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 210,878 |
| 59,057 | 0 | 0 | 0 | 0 | 0 |
| 43,628 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 125,693 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 125,017 |
| 26,443 | 0 | 0 | 0 | 0 | 23,875 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 0 |
| 9,425 | 0 | 0 | 0 | 0 | 0 |
| 0 | 0 | 0 | 0 | 0 | 100,527 |
| 107.3 | 108.7 | 105 | 101 | 104.3 | 97.4 |

City of Bedford, Ohio
Water Utility Statistics
Last Ten Years

| | 2020 | 2019 | 2018 | 2017 |
|---|-------------|-------------|-------------|-------------|
| Gallons of Water Purchased from Cleveland | 52,584.40 | 55,673.77 | 56,913.20 | 63,751.30 |
| Gallons of Water Sold (Billed) to Users | 46,800.03 | 46,463.00 | 45,229.64 | 47,978.11 |
| Percent of Water Billed | 89.00% | 83.46% | 79.47% | 75.26% |
| Water Billings | \$4,157,342 | \$4,156,695 | \$4,085,739 | \$3,884,238 |
| Water Collections | \$4,286,682 | \$4,321,680 | \$4,184,789 | \$4,364,065 |
| Percentage Collected from Billings | 103.11% | 103.97% | 102.42% | 112.35% |
| Payments to City of Cleveland | \$1,918,078 | \$1,939,583 | \$1,902,339 | \$2,130,031 |
| Percentage of payments to the City of Cleveland compared to total water collections | 44.75% | 44.88% | 45.46% | 48.81% |
| Collections over Cost of Water | 55.25% | 55.12% | 54.54% | 51.19% |

Source: City of Bedford Water Department

| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 66,547.47 | 66,345.60 | 83,279.73 | 84,388.60 | 79,091.76 | 98,281.42 |
| 46,694.88 | 45,896.38 | 52,833.56 | 64,987.49 | 64,457.77 | 61,514.58 |
| 70.17% | 69.18% | 63.44% | 77.01% | 81.50% | 62.59% |
| \$3,711,908 | \$4,076,032 | \$4,308,043 | \$4,763,874 | \$4,615,802 | \$3,949,865 |
| \$4,104,048 | \$4,195,268 | \$4,366,295 | \$4,828,534 | \$4,643,270 | \$4,381,620 |
| 110.56% | 102.93% | 101.35% | 101.36% | 100.60% | 110.93% |
| \$2,222,992 | \$2,211,920 | \$2,699,458 | \$2,665,054 | \$2,497,967 | \$2,810,055 |
| 54.17% | 52.72% | 61.82% | 55.19% | 53.80% | 64.13% |
| 45.83% | 47.28% | 38.18% | 44.81% | 46.20% | 35.87% |

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CITY OF BEDFORD
CUYAHOGA COUNTY, OHIO

SINGLE AUDIT

**FOR THE YEAR ENDED
DECEMBER 31, 2020**

**CITY OF BEDFORD
CUYAHOGA COUNTY, OHIO**

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CITY OF BEDFORD
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2020

| FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM/CLUSTER TITLE | PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION | FEDERAL CFDA NUMBER | TOTAL FEDERAL EXPENDITURES |
|---|---|---------------------------|-------------------------------|
| U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | | | |
| <i>Passed Through Cuyahoga County Department of Development</i> | | | |
| <i>CDBG - Entitlement Grants Cluster</i> | | | |
| Community Development Block Grants/Entitlement Grants | 2020 | 14.218 | \$ 6,904 |
| Total CDBG - Entitlement Grants Cluster | | | <u>6,904</u> |
| Total U.S. Department of Housing and Urban Development | | | <u>6,904</u> |
| U.S. DEPARTMENT OF JUSTICE | | | |
| <i>Passed Through Cuyahoga County Department of Public Safety and Justice Services</i> | | | |
| Violence Against Women Act Block Grant | 2019-VP-VA5-V040 | 16.588 | 27,186 |
| <i>Direct</i> | | | |
| Bulletproof Vest Partnership Program | BA-2000S-SM02 | 16.607 | 1,921 |
| <i>Passed Through Ohio Department of Public Safety, Office of Criminal Justice Services</i> | | | |
| Edward Byrne Memorial Justice Assistance Grant Program | 2017-JG-A02-6661F | 16.738 | 5,846 |
| Edward Byrne Memorial Justice Assistance Grant Program | 2019-JG-A01-6441 | 16.738 | 31,500 |
| Total Edward Byrne Memorial Justice Assistance Grant Program | | | <u>37,346</u> |
| <i>Direct</i> | | | |
| Equitable Sharing Program | OH0180300 | 16.607 | 62,922 |
| Total U.S. Department of Justice | | | <u>129,375</u> |
| U.S. DEPARTMENT OF TREASURY | | | |
| <i>Passed Through Ohio Office of Budget and Management</i> | | | |
| COVID-19 - Coronavirus Relief Fund | COVID-19 - HB481-CRF-Local | 21.019 | 1,161,617 |
| <i>Passed Through Supreme Court of Ohio</i> | | | |
| COVID-19 - Coronavirus Relief Fund - Remote Technology Grant | COVID-19 - 20-RTG-0100 | 21.019 | 20,047 |
| Total Coronavirus Relief Fund | | | <u>1,181,664</u> |
| Total U.S. Department of Treasury | | | <u>1,181,664</u> |
| U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES | | | |
| <i>Direct</i> | | | |
| COVID-19 - CARES Act Provider Relief Fund | COVID-19 - HHS-47427174728 | 93.498 | 11,343 |
| Total U.S. Department of Health and Human Services | | | <u>11,343</u> |
| U.S. DEPARTMENT OF HOMELAND SECURITY | | | |
| <i>Passed Through Ohio Task Force 1</i> | | | |
| National Urban Search and Rescue Response Team | 2020 | 97.025 | 14,433 |
| Total U.S. Department of Homeland Security | | | <u>14,433</u> |
| Total Expenditures of Federal Awards | | | <u>\$ 1,343,719</u> |

The accompanying notes are an integral part of this schedule.

**CITY OF BEDFORD
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE 1 – BASIS OF PRESENTATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Bedford (the “City”) under programs of the federal government for the year ended December 31, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City. Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited to as to reimbursement.

NOTE 2 – DE MINIMIS INDIRECT COST RATE

The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 – MATCHING REQUIREMENTS

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The City has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

**Independent Auditor's 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***

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

To the Members of Council and Mayor:

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bedford, Cuyahoga County, Ohio, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City of Bedford's basic financial statements, and have issued our report thereon dated June 21, 2021, wherein we noted as described in Note 18 to the financial statements, the City of Bedford adopted Government Accounting Standards Board (GASB) Statement No. 83, *Certain Asset Retirement Obligations*. Furthermore, as described in Note 21 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City of Bedford.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Bedford's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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 of Bedford's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Bedford's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City of Bedford's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

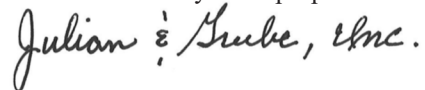
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Bedford's financial statements are free from 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 financial statements. 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 are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Bedford's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Bedford's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julian & Grube, Inc.
June 21, 2021

**Independent Auditor's Report on Compliance for the Major Program and on Internal Control Over
Compliance and on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

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

To the Members of Council and Mayor:

Report on Compliance for the Major Federal Program

We have audited the City of Bedford's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the City of Bedford's major federal program for the year ended December 31, 2020. The City of Bedford's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the City of Bedford's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Bedford's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the City of Bedford's compliance.

Opinion on the Major Federal Program

In our opinion, the City of Bedford complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of the City of Bedford is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Bedford's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Bedford's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City of Bedford's basic financial statements. We issued our report thereon dated June 21, 2021, which contained unmodified opinions on those financial statements. Our opinion also explained that the City of Bedford adopted Governmental Accounting Standards Board (GASB) Statement No. 83, *Certain Asset Retirement Obligations* during the year. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Julian & Grube, Inc.
June 21, 2021

**CITY OF BEDFORD
CUYAHOGA COUNTY, OHIO**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
DECEMBER 31, 2020**

| 1. SUMMARY OF AUDITOR'S RESULTS | | |
|--|---|---|
| <i>(d)(1)(i)</i> | <i>Type of Financial Statement Opinion</i> | Unmodified |
| <i>(d)(1)(ii)</i> | <i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i> | No |
| <i>(d)(1)(ii)</i> | <i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i> | No |
| <i>(d)(1)(iii)</i> | <i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i> | No |
| <i>(d)(1)(iv)</i> | <i>Were there any material internal control weaknesses reported for major federal programs?</i> | No |
| <i>(d)(1)(iv)</i> | <i>Were there any significant deficiencies in internal control reported for major federal programs?</i> | No |
| <i>(d)(1)(v)</i> | <i>Type of Major Programs' Compliance Opinion</i> | Unmodified |
| <i>(d)(1)(vi)</i> | <i>Are there any reportable findings under 2 CFR § 200.516(a)?</i> | No |
| <i>(d)(1)(vii)</i> | <i>Major Program (listed):</i> | 21.019 – COVID-19 – Coronavirus Relief Fund |
| <i>(d)(1)(viii)</i> | <i>Dollar Threshold: Type A/B Programs</i> | Type A: >\$750,000 Type B: all others |
| <i>(d)(1)(ix)</i> | <i>Low Risk Auditee?</i> | No |

| |
|---|
| 2. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS |
|---|

None.

| |
|--|
| 3. FINDINGS FOR FEDERAL AWARDS AND QUESTIONED COSTS |
|--|

None.

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF BEDFORD

CUYAHOGA COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 8/24/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov