

**CITY OF BEREA
CUYAHOGA COUNTY, OHIO**

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2020



Rea & associates

www.reacpa.com

OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
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(800) 282-0370

City Council
City of Berea
11 Berea Commons
Berea, Ohio 44017

We have reviewed the *Independent Auditor's Report* of the City of Berea, Cuyahoga County, prepared by Rea & Associates, 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 Berea is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

July 21, 2021

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City of Berea
Cuyahoga County, Ohio
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December 31, 2020

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**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**

To the Honorable Mayor and City Council
City of Berea
Cuyahoga County, Ohio
11 Berea Commons
Berea, OH 44017

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 Berea, Cuyahoga County, Ohio (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 21, 2021, in which we noted the City restated beginning net position to account for the correction of reporting errors within capital assets.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 entity'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'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 is 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'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's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rea & Associates, Inc.

Rea & Associates, Inc.
Medina, Ohio
June 21, 2021

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE;
AND REPORT ON THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Mayor and City Council
City of Berea
Cuyahoga County, Ohio
11 Berea Commons
Berea, OH 44017

Report on Compliance for Each Major Federal Program

We have audited the City of Berea’s, Cuyahoga County, Ohio (the “City”) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City’s major federal programs for the year ended December 31, 2020. The City’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Management’s Responsibility

Management is responsible for compliance with the 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 each of the City’s major federal programs 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’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 each major federal program. However, our audit does not provide a legal determination of the City’s compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of the City 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'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'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, business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 21, 2021, which contained unmodified opinions on those financial statements, in which we noted in our report that the City restated beginning net position to account for the correction of reporting errors within capital assets. 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 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 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 financial statements or to the 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 financial statements as a whole.

Rea & Associates, Inc.

Rea & Associates, Inc.
Medina, Ohio
June 21, 2021

CITY OF BERE
 CUYAHOGA COUNTY, OHIO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED DECEMBER 31, 2020

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements	Subrecipients
UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
<i>Passed Through Cuyahoga County</i>				
Community Development Block Grant - Entitlement Grants	N/A	14.228	\$ 150,000	\$ -
Total United States Department of Housing and Urban Development			150,000	-
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Passed Through the State of Ohio Grants Partnership</i>				
COVID-19 CARES Provider Relief - Adult Day Service Senior Center	N/A	93.498	25,000	-
Total United States Department of Health and Human Services			25,000	-
UNITED STATES DEPARTMENT OF JUSTICE				
UNITED STATES DEPARTMENT OF TREASURY				
<i>Passed Through State of Ohio (via HB 481 & HB 614) Passed Through Cuyahoga County</i>				
COVID-19 CARES Act - Coronavirus Relief Local Government	N/A	21.019	1,431,961	-
Total United States Department of Treasury			1,431,961	-
TOTAL FEDERAL AWARDS EXPENDITURES			\$ 1,606,961	\$ -

The accompanying notes are an integral part of this Schedule

**CITY OF BEREA
CUYAHOGA COUNTY, OHIO**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020**

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the City of Berea (City) under programs of the federal government for the year ended December 31, 2020. The information in this Schedule is presented 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.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The City elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D – MATCHING REQUIREMENTS

Certain federal programs require that the City 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.

**CITY OF BEREA
CUYAHOGA COUNTY, OHIO**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
2 CFR §200.515
DECEMBER 31, 2020**

1. SUMMARY OF AUDITOR'S RESULTS

(d) (1) (i)	Type of Financial Statement Opinion	Unmodified
(d) (1) (ii)	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
(d) (1) (ii)	Were there any significant deficiencies reported at the financial statement level (GAGAS)?	None reported
(d) (1) (iii)	Was there any reported material non-compliance at the financial statement level (GAGAS)?	No
(d) (1) (iv)	Were there any material internal control weakness conditions reported for major federal programs?	No
(d) (1) (iv)	Were there any significant deficiencies in internal control reported for major federal programs?	None reported
(d) (1) (v)	Type of Major Programs' Compliance Opinion	Unmodified
(d) (1) (vi)	Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)?	No
(d) (1) (vii)	Major Programs (list): COVID-19 CARES Act – Coronavirus Relief Local Government	CFDA #21.019
(d) (1) (viii)	Dollar Threshold: Type A/B Programs	Type A: >\$750,000 Type B: > all others
(d) (1) (ix)	Low Risk Auditee under 2 CFR 200.520	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

NONE

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

NONE

CITY OF BEREA



*MAYOR CYRIL M. KLEEM
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020*

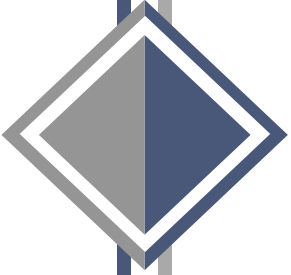
CITY OF BEREA, OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2020

Issued by: Department of Finance
Andrea D. Morris
Director of Finance

Andrew S. Palcheff, CPA
Chief Budget Officer



INTRODUCTORY SECTION

City of Berea
Cuyahoga County, Ohio
Annual Comprehensive Financial Report
For the Year Ended December 31, 2020

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City of Berea
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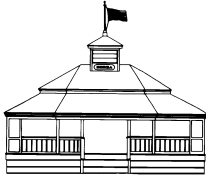
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City of Berea
Cuyahoga County, Ohio
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CITY OF BEREA

“The Grindstone City”

Cyril M. Kleem
Mayor

Andrea Morris
Director of Finance

11 Berea Commons
Berea, Ohio 44017

Phone: 440-826-5889
Fax: 440-234-5628

Website www.cityofberea.org
Email amorris@cityofberea.org

June 21, 2021

Honorable Mayor Cyril M. Kleem,
Members of City Council, and
Citizens of Berea, Ohio

I am pleased to submit the Annual Comprehensive Financial Report (ACFR) for the City of Berea, Ohio for the year ended December 31, 2020.

The Ohio Revised Code requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for 2020.

Management assumes full responsibility for both the completeness and reliability of the information contained in this report, 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.

Rea and Associates, Inc. has issued an unmodified (“clean”) opinion on the City of Berea’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.

History of Berea

Berea earned its name by the flip of a coin on September 27, 1836. Berea grew from an agricultural area to a quarry town in 1840. John Baldwin is credited with the discovery of a lathe to cut slabs of stone into grindstone, thus making “Berea sandstone” world famous. The grindstones were used to sharpen tools for farm, home and industry. The large sandstone from Berea quarries were used in prestigious buildings in the United States and abroad. In the 1940's, grindstones were replaced with carbon grinding wheels, and cement was being used more often in construction. The City holds a “Grindstone Festival” every year to honor its past. (Berea Historical Society and “Men of Grit and Greatness” by W. F. Holzworth)

General Information

Situated in the southwest portion of Cuyahoga County, Berea is ten miles from downtown Cleveland. The City’s population from the 2020 Federal Census was 18,788 residents. Total land area is approximately 6.5 square miles.

The City’s immediate access to three State and U.S. highways and Interstate highways: I-71, I-80 and I-480 makes Berea an attractive location for residents and commercial enterprise. The City is served by Norfolk-Southern and CSX railroads and is adjacent to areas served by Amtrak railroad. Cleveland Hopkins International Airport, located within three miles of the City, and Burke Lakefront Airport, located within 15 miles of the City, add to the desirability of the area.

Baldwin Wallace University (formerly Baldwin Wallace College) founded in 1845, a private liberal arts college well known for its Conservatory of Music, is located in the City. Within commuting distance of the City are several public and private two-year and four-year colleges and universities, including Case Western Reserve University, Cleveland State University, Cuyahoga Community College, John Carroll University, Kent State University, Lorain County Community College, Notre Dame College, Ursuline College, Oberlin College and the University of Akron.

The City utilizes over 80 acres of City-owned park land to house a variety of recreational facilities including an outdoor municipal pool, playgrounds, and softball and football fields. The Coe Lake recreation area features paddle boats, nature trails and an outdoor science education center along with a gazebo, pavilion and beach area. The City also boasts approximately 370 acres of the Cleveland Metroparks System. The Metroparks’ Rocky River Reservation contains the Wallace and Baldwin Lakes for swimming, boating, ice skating, and fishing along with all-purpose trails for biking, jogging, hiking and physical fitness facilities. Other features of the Reservation include the Berea Falls Scenic Overlook, Music Mound, hiking trails, horseback riding trails, and the Wallace Lake, Baldwin Lake, and South Baldwin picnic areas.

Form of Government

The City of Berea operates under and is governed by the laws of the State of Ohio and its own Charter which was first adopted by the electorate in 1960. The Charter has been and may be amended by the voters from time to time. A nine-member Charter Review Committee reviews the Charter every five years, and is currently meeting in 2021. The charter provides for a mayor-council form of government. Legislative authority is vested in a seven-member council. The Council is composed of two members elected at-large and five members who are elected by wards, for two-year terms. The presiding officer is the President of Council, who is elected at-large by the electors for a two-year term. All members of Council serve in a part-time capacity.

The City's chief executive and administrative officer is the Mayor who is elected to a four-year term and serves in a full-time capacity. The Mayor may also veto legislation passed by Council. A two-thirds vote of all members of Council will override a veto.

The Berea Municipal Court provides judicial services for the City of Berea. The jurisdiction of the Court, as established by the Ohio Revised Code, encompasses the contiguous communities of Berea, Brook Park, Middleburg Heights, Strongsville, Olmsted Falls, Olmsted Township, parts of the Ohio Turnpike and Cleveland Metroparks.

Established by charter, the municipal government consists of six departments (Police, Fire, Service, Recreation, Law and Finance). In addition, the Building, Community Development, Engineering, and Housing Services departments were established by the Mayor. The Police and Fire departments are headed by the Director of Public Safety. Each department has a director, who reports directly to the Mayor. All directors work closely with the Mayor in providing the citizens of Berea with the highest quality of services while maintaining efficiency and cost effectiveness.

The **Police Department** enforces local, state, and federal laws in addition to protecting citizens and their property. The department takes a community oriented policing approach that has been met with great success. Numerous programs are offered to citizens and students. The department, under the direction of the Director of Public Safety and headed by the Chief of Police, consists of three bureaus. The Patrol Division oversees the staff of patrol officers. The Services Operational Division oversees Drug Abuse Resistance Education, Animal Control, Parking Control, Auxiliary, School Guards, and firearms training. The Detective Bureau oversees the City's investigative services. The Police Department is a member of the Southwest Council of Governments' Southwest Enforcement Bureau (SEB), a regional SWAT team. The SEB team is made up of 18 member communities who provide money and manpower for equipment and operations for the tactical division, bomb technicians, hostage negotiations, snipers and medics. In 2015, the City began the Community Engagement Unit (CEU). The CEU is designed to foster relationships between police and community organizations. The CEU works with at-risk youth, senior citizens, business owners and the students, faculty and staff of Baldwin Wallace University plus various civic and religious groups in the community. The department developed a program known as Safe Passages. At least eleven other cities have adopted their program and the Berea Police were recognized by the Attorney General of Ohio for the innovative program. Goals include assisting addicts in getting treatment. Safe Passages is founded on the premise that any addict may voluntarily come to the police station for assistance without fear of arrest.

The **Fire Department** provides fire suppression, emergency medical services, Hazmat response, extrication, and search and rescue, placing a strong emphasis on fire prevention, community involvement and education. The Director of Public Safety oversees the Chief of Fire who leads the department. The department has 2 fully equipped advanced-life-support rescue squads, two pumpers and a 107-foot Aerial Ladder Tower. The Fire Department is a member of the Southwest Council of Governments' Southwest Emergency Response Team (SERT). The SERT team is made up of 19 member communities, the Cleveland Metroparks, and the Northeast Ohio Regional Sewer District to provide money and manpower for equipment and operations for a hazardous response team, specialized water and land based rescue teams, a fire investigation unit and a tactical EMS team.

The **Service Department** is comprised of several divisions administered by a director. The City Service Division is responsible for the maintenance of all City vehicles, buildings, traffic lights and signs, public grounds, tree trimming, snow and leaf removal. The Storm Sewers and Drains Division maintain proper drainage control. The Street Paving and Repair Division handle the non-contractual maintenance of City streets. The Street Striping Division is responsible for the painting of street lines and markings. The Forestry Division oversees the forestry services and the annual tree planting. The City outsources its rubbish and recycling services. The City has its own water plant, which is also handled by the Service Department. The water plant has a supply division and a distribution division, which ensures the water supply is safe and the water lines are properly maintained. The Sewer division oversees the collection of sewage and the maintenance of the City's sewer lines. The Service Department works with the Finance Department in handling the billing and collection for the City's water department and the Northeast Ohio Regional Sewer District.

The **Recreation Department** provides numerous recreational activities and programs throughout the year. The City has a recreation center, which includes an indoor pool, sauna, steam room, racquetball courts, running/walking track, exercise equipment, weight room, basketball courts, and various multi-purpose rooms. The recreation center offers many classes and programs to residents and non-residents. The department also oversees the outdoor pool and paddleboats at the City's Coe Lake. Coe Lake also includes several fishing areas, gazebo, pavilion, amphitheater seating, and stage area. The Recreation Department also supervises several baseball/softball fields and maintains several playgrounds throughout the City. The Recreation Department's Youth Sports Commission helps strengthen the community bonds through youth sports programs and activities that embrace and help develop future Berea-Midpark Titans' players.

The **Law Department** advises the Mayor, Council, and all departments on legal matters concerning the City. The department prepares all contracts, legislation, and legal documents. This department's prosecutors prosecute City of Berea traffic and criminal cases in the Berea Municipal Court.

The **Finance Department** handles several functions administered by a director. The Finance Department is responsible for the accurate recording of all receipts and disbursements. The department issues bi-weekly payroll and maintains the capital asset system. The department compiles the annual appropriations, the tax budget, the Comprehensive Annual Financial Report, and assists the Mayor in all financial decisions. The City's computer operations are also managed through the Finance Department. This includes the maintenance of all City computer and electronic equipment. This department also handles all purchasing needed to maintain operations for all departments. In addition to overseeing these duties, the Director of Finance is also the City's Tax Administrator and utilizes the Regional Income Tax Agency to oversee the collection and distribution of the City's income tax.

The **Building Department** is responsible for interpreting and enforcing all building codes in the City and is administered by the Director of Public Service. The department also issues permits and citations, conducts site inspections, and licenses all contractors. This department is responsible for the implementation of plans and programs that promote the comprehensive and orderly development of the City.

The **Community Development, Engineering, Housing and Social Services Departments** oversee the community division, the engineering division and the housing and social services division. The Community Development Division works in conjunction with the Planning Commission, Board of Zoning Appeals, and the Heritage Architectural Review Board as well as works on community relations and redevelopment issues. The Engineering Division ensures that all contractors working in Berea meet the general engineering requirements of the City. This department controls the review and implementation of plans and programs relating to the City's infrastructure. The Housing and Social Services Division provides programs and assistance to older adults and numerous residents. The division handles the various senior programs, special events throughout the year, Berea Community Outreach Program, and various housing programs. The Housing and Social Services Division also handles the rental of the City's outdoor gazebo and pavilion area. The Mayor established a Veterans Outreach office to assist veterans and their family members in a supportive and community-oriented environment. The office assists veterans and their families in facing a number of challenges such as post-traumatic stress, traumatic brain injury, substance abuse, homelessness or housing concerns, disability and medical issues, unemployment, and other services.

Economic Condition and Outlook

The City of Berea is economically strong and is a highly desirable location to live, work and play. Our reputation as a business friendly destination is evidenced by corporate decisions to stay and grow here and by the new investment and jobs that have and continue to be created.

Location is one of the greatest assets of the City of Berea. As a major suburb of the City of Cleveland, its proximity to Cleveland Hopkins International Airport and easy access to three interstate highways has contributed to the City's continued economic growth.

Front Street on the City's north end was re-engineered with an overpass over CSX and Norfolk Southern railroad tracks resulting in a substantial reduction of traffic congestion due to the significant increase in train traffic. The City has purchased deteriorated property in this area and has demolished buildings in anticipation of future development in this area. This area is minutes from the Cleveland airport and IX Center, as well as major highways. The City has developed the North End Revitalization Plan to assist in the overall plan for economic development in this City's north-end gateway and main thoroughfare. This area is in transition and the City has developed a marketing plan to assist in discussions to revitalize and develop this uptown area.

The City's north end is also the location of the National Football League's, Cleveland Browns headquarters and training facility. The City and the Cleveland Browns are committed to working together to ensure the team remains a vital part of Berea's community. The City of Berea owns the Cleveland Browns headquarters and training facility and worked with the Browns to amend their lease agreement in 2019. The revised lease terms extend through 2040 with an opt-out clause after the end of the 2038 National Football League season. In 2016, the Browns invested over \$15 million in capital improvements. In addition, the City agreed to provide an income tax rebate to the Cleveland Browns of fifty percent of their annual growth on income tax above a \$2.6 million base annually through 2038. The income tax base amount shall increase by one-half of one percent (0.5%) each year. The rebated income tax funds can only be used towards capital improvements to the City owned facility and cannot be used towards the general operations of the Browns. The Browns agreed to provide various charitable commitments to the community, and also agreed to pay the property taxes on the building.

The City's Downtown area is home to the Baldwin Wallace College campus. In September 2018, a new 65,000 square foot mixed use project opened. This project was a result of a partnership between the City, the DiGeronimo Companies and Baldwin Wallace University. This project includes 16,000 square feet of retail/commercial space below three floors of dormitory rooms. This was the first major redevelopment project in Downtown Berea in almost 20 years. This redevelopment project increased the daily downtown population by 131 students. The project increased the amount of foot traffic to the downtown businesses and connected park and recreation facilities.

In 2018, the City approved economic incentives to Voss Industries. In 2019, Voss Industries purchased a 98,000 square foot manufacturing facility, on 14 acres, on Bagley Road. Voss Industries moved 267 employees to this facility bringing an approximate payroll of \$15.5 million. In 2020, the City amended the Community Reinvestment Agreement with Voss Industries, LLC. to include an additional 80 new employees with an additional annual payroll of approximately \$2.8 million.

Current Year Projects: In 2020, the City received \$1.4 million under the Coronavirus Aid, Relief and Economic Security Act (CARES Act). \$785,000 of the CARES Act funding was used to support first responder's salaries and hazard pay in the City's Police and Fire Departments. \$646,000 of the funding was used to purchase cleaning equipment, personal protective equipment, laptop computers, and fund a business grant program.

Due to the pandemic, only projects funded by grants and no-interest loans were completed in fiscal year 2020.

The City completed a Citywide Bicycle Facility Improvements project in 2020. The project installed bike racks and bike maintenance stations throughout the City. This project was funded by a \$50,000 Cuyahoga County grant.

The City completed the Wyleswood Drive Improvement Project. The City received a grant from the Cuyahoga County Community Development Block Grant to fund the \$150,000 project.

Future Outlook: The future economic outlook for the City of Berea is encouraging. Despite Berea being an older community, most thought the City could not expand and grow. However, the City has seen significant changes. The City anticipates continued development in both residential and commercial areas throughout the City.

The City's north end is currently under a transformation. The City has developed a North End Revitalization Plan to assist in the overall plan for economic development at the City's north end gateway after a \$24 million railroad overpass project was completed on the main thoroughfare through the City's north end. The City has purchased several parcels to assist in the overall revitalization plan and developed a marketing plan to revitalize and develop this uptown area. This area is minutes to the Cleveland Hopkins' International Airport as well as easy access to several interstates. The north end is the north gateway to the City and its options are endless. The City is working with developers interested in this area and anticipate some exciting improvements in the north end with future development and new businesses.

Kraft Street Reconstruction was started in 2018 and will be completed in 2021. This project includes complete infrastructure improvements including a new waterline, sanitary sewer rehab, storm sewer rehab, new roadway, and new sidewalks and aprons as needed. The total project costs over \$3 million and the City received grant and loan funding from Ohio Public Works Commission (OPWC).

The North End Sewer Rehabilitation Project was started in 2020 with an estimated cost of \$1.3 million. This project is estimated to be completed in 2021. The City received grant and loan funding from the Northeast Ohio Sewer District and the Cuyahoga County Sewer District's Member Community Infrastructure Program.

The installation of Wi-Fi at Coe Lake was started in 2020 with an estimated cost of \$57,000. This project will be completed in 2021. The City received grant funding from the Cuyahoga County Community Development Supplemental Grant Fund in the amount of \$50,000.

For 2021, the City is planning the Barberry, Woodlawn, Maple and Fourth Reconstruction Project, estimated to cost over \$3 million

For 2021, the City will complete the West Street Resurfacing project, estimated to cost about \$625,000. West Street will be resurfaced including new ADA compliant ramps and sidewalks. The City has received a \$250,000 grant from the Cuyahoga County Local Resurfacing Program.

The City implemented improved exterior maintenance. This has resulted in encouraging residents to make exterior improvements throughout the City and has assisted the City in offsetting some of the effects from the decline in countywide property values due to the depressed economy. The City has also initiated several grant programs to assist seniors and low-income residents to make the necessary improvements to their homes.

Future Projects:

The Mayor has created a Planning and Development Council made up of residents and department heads to review various improvements to the City. The Council has reviewed gateways and wayfinding signage improvements, an analysis of City parks and playgrounds, as well as improvements to the historical City downtown and Coe Lake area. The Council was involved in the various park and playground improvements as well as the gateway and Coe Lake area improvements.

Long-Term Financial Planning

The City maintains a Fund Balance Policy. The purpose of the Fund Balance Policy is to establish a fund balance/retained earnings policy that is tailored to the needs of the City and to ensure against unanticipated events that would adversely affect the financial condition of the City and jeopardize the continuation of necessary public services. This policy was created to establish long-term goals for building and reserving the City's General Fund Balance, to commit funds for anticipated retirement payouts, and to establish a General Fund Rainy Day Fund for additional long-term stability. The City's primary goal was to begin committing funds for the retirement payouts. The City will continue to maintain the funds needed to meet anticipated retirement payouts while also working towards meeting its goal of a General Fund unassigned balance that exceeds 15% of annual operating expenditures and other financing uses (transfers). The third reserve was designed to reserve at least one month of annual operating expenditures and other financing uses (transfers) for a Rainy Day Committed Fund Balance.

The City has committed to maintaining a positive General Fund balance and the establishment of the reserves. The Finance Department reviews all monetary transactions on an on-going basis and works diligently to monitor revenues and reprioritize expenditures and works with the Mayor to maintain optimal balances for all fund balances, especially the General Fund.

The City developed a Six-Year Capital Plan. The capital plan looks at the City's departmental needs during this time period and the possible funding available. The plan is heavily focused on infrastructure improvements with a minimal change in total debt outstanding. The capital plan will be reviewed and updated periodically.

Other Information

GFOA Certificate of Achievement Award: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Berea, Ohio for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended December 31, 2019. 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 must publish an easily readable and efficiently organized annual comprehensive financial report, whose content conforms to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Berea began preparing the Annual Comprehensive Financial Report and began submitting the report for the award sixteen years ago. The City has received the Certificate of Achievement for the last sixteen consecutive years. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments: The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of the entire staff of the Department of Finance. I would like to express my appreciation to all staff members who have contributed or assisted in its preparation. Appreciation is also expressed to all City departments for their cooperation and assistance. I would also like to acknowledge the cooperation of the team from Rea and Associates, Inc., who assisted the finance department in the preparation of the financial report and their staff for conducting a thorough audit of our finances.

In closing, I would like to thank the Mayor, the members of Berea City Council and the citizens of our fine community, for without your continued support, the preparation of this report would not have been possible.

Respectfully submitted,



Andrea Morris
Director of Finance

**CITY OF BEREA, OHIO
PRINCIPAL OFFICIALS
DECEMBER 31, 2020**

ELECTED OFFICIALS

Mayor
President of Council
Council Member-at-Large
Council Member-at-Large
Council Member - Ward 1
Council Member - Ward 2
Council Member - Ward 3
Council Member - Ward 4
Council Member - Ward 5

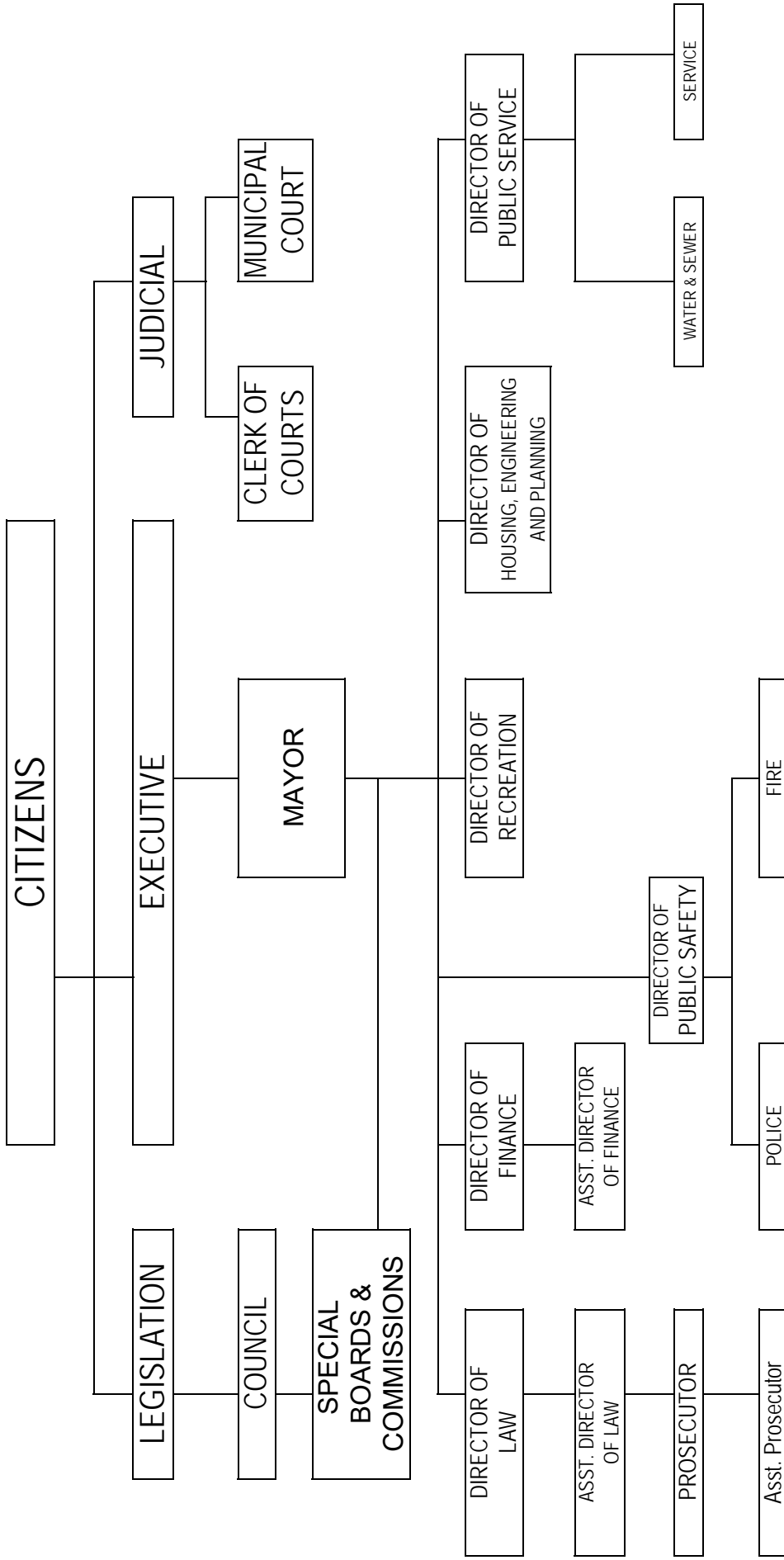
Cyril M. Kleem
Jeffrey Dettmer
William DeVito
Eugene Zacharayz
Leon R. Dozier Sr.
Christopher McManis
James Maxwell
Kimberly Smith
Richard Skoczen

APPOINTED OFFICIALS

Director of Finance
Director of Law/Director of Public Safety
Director of Public Service
Director of Recreation & Community Services
Director of Housing, Engineering, and Planning

Andrea D. Morris
Barbara Jones
Paul Anzalone
Marty Compton
Matthew J. Madzy

CITY OF BEREA, OHIO
ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

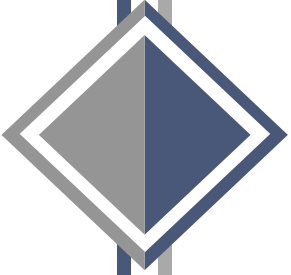
**City of Berea
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION

INDEPENDENT AUDITOR’S REPORT

To the Honorable Mayor and City Council
City of Berea
Cuyahoga County, Ohio
11 Berea Commons
Berea, OH 44017

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 Berea, Cuyahoga County, Ohio, (the City) as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for 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'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'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 Berea, 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 comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As described in Note 2, the City restated beginning net position to account for the correction of reporting errors within capital assets. Our opinion is 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 Pension and other Post-Employment Benefit schedules*, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules, other supplemental schedules, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, and other supplemental 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 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'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'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 City's internal control over financial reporting and compliance.

Rea & Associates, Inc.

Rea & Associates, Inc.
Medina, Ohio
June 21, 2021

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City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

The discussion and analysis of the City of Berea's (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 performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the City's financial performance.

Financial Highlights

Key financial highlights for 2020 are as follows:

- In total, net position decreased \$2.1 million, which represents a 3 percent decrease from 2019. Net position of governmental activities decreased \$2.3 million. Net position of business-type activities increased \$0.2 million.
- Total capital assets decreased \$5.3 million during 2020. Capital assets of governmental activities decreased \$4.4 million and capital assets of business-type activities decreased \$0.9 million.
- Outstanding debt decreased from \$35.3 million to \$34.3 million.
- Short term notes payable decreased from \$6.1 million to \$5.9 million from 2019.

Using this Annual Financial Report

This report is designed to allow the reader to look at the financial activities of the City of Berea as a whole and is intended to allow the reader to obtain a summary view or a more detailed view of the City's operations, as they prefer.

The Statement of Net Position and the Statement of Activities provide information from a summary perspective showing the effects of the operations for the year 2020 and how they affected the operations of the City as a whole.

Reporting the City as a Whole

Statement of Net Position and the Statement of Activities

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 finances. 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 remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column. In the case of the City of Berea, the general fund is by far the most significant fund. Business-type funds consist of the water and sewer revenue funds.

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

A question typically asked about the City's finances is "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 method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's *net position* and *changes in net position*. This change in net position is important because it tells the reader that, for the City as a whole, the *financial position* of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio which restrict revenue growth, facility conditions, and other factors.

In the Statement of Net Position and the Statement of Activities, the City is divided into two distinct kinds of activities:

- **Governmental Activities** - Most of the City's programs and services are reported here, including general government, security of persons and property, public health, community development, leisure time activities, public works and transportation.
- **Business-Type Activities** - These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The City's water and sewer revenue funds are reported as business activities.

Reporting the City's Most Significant Funds

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been safeguarded for specific activities or objectives. The City uses many funds to account for financial transactions. However, these fund financial statements focus on the City's most significant funds. The City's major governmental funds are the general fund, general bond retirement fund, and general capital improvement fund.

Governmental Funds Most of the City's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance future services. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match, except for the internal service fund allocations.

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

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

The City as a Whole

Recall that the Statement of Net Position provides the perspective of the City as a whole. Table 1 provides a summary of the City's net position for 2020 compared to 2019:

Table 1
Net Position

	Governmental Activities			Business-Type Activities		
	2020	Restated 2019	Change	2020	2019	Change
Assets						
Current and Other Assets	\$ 23,023,230	\$ 20,996,410	\$ 2,026,820	\$ 3,347,662	\$ 2,679,295	\$ 668,367
Capital Assets	84,200,395	88,584,147	(4,383,752)	38,233,249	39,114,369	(881,120)
<i>Total Assets</i>	107,223,625	109,580,557	(2,356,932)	41,580,911	41,793,664	(212,753)
Deferred Outflows of Resources						
Pension & OPEB	5,860,324	10,072,200	(4,211,876)	479,445	973,830	(494,385)
<i>Total Deferred Outflows of Resources</i>	5,860,324	10,072,200	(4,211,876)	479,445	973,830	(494,385)
Liabilities						
Current and Other Liabilities	7,105,685	8,543,159	(1,437,474)	317,506	654,649	(337,143)
Long-Term Liabilities:						
Due Within One Year	9,220,439	9,384,123	(163,684)	837,850	738,721	99,129
Due in More Than One Year:						
Net Pension Liability	21,895,278	27,941,746	(6,046,468)	1,834,439	2,730,088	(895,649)
Net OPEB Liability	7,283,183	6,881,016	402,167	1,224,306	1,245,511	(21,205)
Other Amounts	14,931,627	15,406,250	(474,623)	10,931,720	11,376,093	(444,373)
<i>Total Liabilities</i>	60,436,212	68,156,294	(7,720,082)	15,145,821	16,745,062	(1,599,241)
Deferred Inflows of Resources						
Property Taxes	4,130,238	4,195,659	(65,421)	463,628	470,449	(6,821)
Pension & OPEB	5,601,423	2,067,653	3,533,770	706,265	42,602	663,663
<i>Total Deferred Inflows of Resources</i>	9,731,661	6,263,312	3,468,349	1,169,893	513,051	656,842
Net Position						
Net Investment in Capital Assets	56,541,673	59,498,197	(2,956,524)	27,706,748	28,028,357	(321,609)
Restricted	3,211,819	3,042,852	168,967	-	-	-
Unrestricted	(16,837,416)	(17,307,898)	470,482	(1,962,106)	(2,518,976)	556,870
<i>Total Net Position</i>	\$ 42,916,076	\$ 45,233,151	\$ (2,317,075)	\$ 25,744,642	\$ 25,509,381	\$ 235,261

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2020 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*. In a prior year, the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revised accounting for costs and liabilities related to other postemployment benefits (OPEB). 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 deferred outflows related to pension and OPEB.

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the City's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

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. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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.

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(Unaudited)

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 and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

At year end, capital assets represented 82 percent of total assets. Capital assets include land, intangibles, land improvements, buildings, building improvements, machinery and equipment, furniture and fixtures, vehicles, infrastructure and construction in progress. Capital assets, net of related debt were \$84.2 million at December 31, 2020, with \$56.5 million in governmental activities and \$27.7 million in business-type activities. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the City's net position, \$3.2 million represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position is a deficit balance of \$18.8 million.

Capital assets in the governmental activities showed a decrease from 2019. This can be attributed to disposals of vehicles, equipment and roads in addition to depreciation exceeding acquisitions. Depreciation exceeded sewer and waterline improvement projects to account for the decrease in capital assets in the business-type activities.

Governmental activities saw an increase in cash, due in part, to a Coronavirus Relief grant and an increase in income tax receipts over the prior year in addition to Bureau of Workers' Compensation rebates and refunds. Accrued wages showed a decrease due to fewer days accrued compared to prior year. The decrease in contracts payable can be attributed to a decrease in outstanding projects at year end as they were completed in 2020.

Business-type activities saw an increase in cash from 2019 which can be attributed to the timing of grant proceeds for project expenses. Intergovernmental receivables increased over prior year due to grants receivable for a completed sewer project which is also attributable to the decrease in contracts payable from prior year. Capital assets decreased from prior year mainly due depreciation exceeding current year acquisitions.

The fluctuations in the City's deferred outflows and deferred inflows related to pension and OPEB along with the net pension and OPEB liabilities are caused by the City's share of the OPERS' and OPF accruals reported in accordance with GASB 68 and GASB 75, which was previously discussed.

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.

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2020
(Unaudited)

Table 2
Changes in Net Position

	Governmental Activities			Business-Type Activities		
	2020	2019	Change	2020	2019	Change
Revenues						
<i>Program Revenues:</i>						
Charges for Services	\$ 4,012,343	\$ 5,385,756	\$ (1,373,413)	\$ 3,453,055	\$ 3,509,508	\$ (56,453)
Operating Grants	2,509,342	1,154,445	1,354,897	41,020	144,225	(103,205)
Capital Grants	1,291,115	1,097,123	193,992	399,048	1,212,397	(813,349)
<i>General Revenues:</i>						
Property Taxes	4,292,164	4,161,703	130,461	484,084	467,176	16,908
Income Taxes	15,485,414	13,810,887	1,674,527	-	-	-
Other Taxes	277,843	259,625	18,218	-	-	-
Grants and Entitlements	1,012,000	984,079	27,921	-	-	-
Investment Earnings	176,621	502,171	(325,550)	-	-	-
Miscellaneous	1,155,402	702,151	453,251	43,412	-	43,412
<i>Total Revenues</i>	30,212,244	28,057,940	2,154,304	4,420,619	5,333,306	(912,687)
Program Expenses						
<i>Governmental Activities:</i>						
General Government	10,965,105	11,044,960	(79,855)	-	-	-
Security of Persons and Property	9,342,118	279,373	9,062,745	-	-	-
Public Health	387,208	98,426	288,782	-	-	-
Leisure Time Services	4,034,089	4,896,558	(862,469)	-	-	-
Community Development	396,234	525,712	(129,478)	-	-	-
Public Works	1,484,294	1,290,056	194,238	-	-	-
Transportation	4,802,649	4,361,420	441,229	-	-	-
Interest and Fiscal Charges	597,622	779,809	(182,187)	-	-	-
<i>Enterprise Operations:</i>						
Water Revenue	-	-	-	3,293,656	4,380,281	(1,086,625)
Sewer Revenue	-	-	-	1,411,702	1,298,255	113,447
<i>Total Program Expenses</i>	32,009,319	23,276,314	8,733,005	4,705,358	5,678,536	(973,178)
<i>Increase (Decrease) in Net Position</i>	(1,797,075)	4,781,626	(6,578,701)	(284,739)	(345,230)	60,491
Transfers	(520,000)	(91,000)	(429,000)	520,000	91,000	429,000
<i>Change in Net Position</i>	(2,317,075)	4,690,626	(7,007,701)	235,261	(254,230)	489,491
<i>Net Position Beginning of Year</i>	45,233,151	41,167,354	4,065,797	25,509,381	25,763,611	(254,230)
<i>Restatement - See Note 2</i>	-	(624,829)	N/A	-	-	N/A
<i>Net Position End of Year</i>	\$ 42,916,076	\$ 45,233,151	\$ (2,317,075)	\$ 25,744,642	\$ 25,509,381	\$ 235,261

The City's overall net position decreased \$2.1 million from the prior year. The reasons for this overall decrease are discussed in the following sections for governmental activities and business-type activities.

Governmental Activities

The funding for the governmental activities comes from several different sources, the most significant being the municipal income tax. Other prominent sources are property taxes, grants and entitlements, and charges for services.

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The City's income tax is at a rate of 2.0 percent. Both residents of the City and non-residents who work inside the City are subject to the income tax. However if residents work in a locality that has a municipal income tax, the City provides 100 percent credit up to 1.5 percent of the amount paid to another City.

Governmental revenue is comprised of program revenue and general revenue. General revenues include grants and entitlements, such as local government funds. Governmental activities are primarily funded with the combination of property tax, income tax and intergovernmental revenues. The City monitors its sources of revenues very closely for fluctuations.

Charges for services showed a decrease from prior year, mainly due to a decrease in activities during pandemic, while Coronavirus Relief monies account for most of the increase in operating grants. A decrease in investment earnings reflects market performance and the increase in miscellaneous revenue can be attributed to substantial refunds from the Bureau of Workers' Compensation.

This significant increase in security of persons and property for police and fire is the result of OP&F changing its retiree health care model to a stipend-based health care model in 2019 which decreased the expense in the prior year.

The changes in pension and OPEB for OPERS increased nearly all other expenses. Transportation expenses decreased mainly due to expenses incurred in the prior year for large maintenance and repair projects.

The largest program functions of the City are general government, which departments consist of council, mayor, finance, law, civil service, municipal buildings and fleet, development and administration and security of persons and property, which includes police and fire departments.

Business-Type Activities

Business-type activities include water and sewer operations. The revenues are generated primarily from charges for services. In 2020, charges for services accounted for 79 percent of the business-type revenues, excluding transfers.

Capital grants in both water and sewer operations showed a decrease from prior year, mainly due to OPWC grants received in 2019 for projects that have been completed. This decrease contributed to the decrease in net position in the water fund. The increase in net position in the sewer fund can be partially attributed to an increase in transfers in from the prior year

The City's Funds

Governmental Funds

As noted earlier, the City's governmental funds are accounted for using the modified accrual method of accounting. 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 discretionary use as they represent the portion of the fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City's Council.

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The general fund is the chief operating fund of the City. The fund balance of the general fund increased by \$0.8 million during the current year. Increases in salaries in the community contributed to the increase in income tax revenues in addition to an increase in other revenue, which can be attributed to the rebates from the Bureau of Workers' Compensation previously discussed.

The general bond retirement fund had a \$0.2 million increase in fund balance due to the timing of revenues to cover principal and interest payments.

The fund balance of the general capital improvement fund increased by \$0.8 million mainly due to timing of grant proceeds coupled with transfers, compared to capital outlay expenditures and debt service payments.

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statements for the business-type activities, but in more detail.

Unrestricted net position of the water revenue fund at the end of the year was a deficit balance of \$2.2 million and the sewer revenue fund was \$0.2 million. Total change in net position for these funds was a decrease of \$0.1 million and an increase of \$0.3 million, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the business-type activities.

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 appropriation changes come to Council from the City Finance Director. The Finance Committee of Council reviews them, and they make their recommendation to the Council as a whole.

Original Budget Compared to Final Budget Other than conservative budgeting for original income tax revenues, there were no other significant amendments to increase or decrease either original estimated revenues or original budgeted appropriations.

Final Budget Compared to Actual Results There were no significant differences between final budgeted revenues and actual. Final budgeted appropriations were higher than actual expenditures, mainly in security of persons and property with a shift of salaries paid out of the coronavirus relief fund.

There were no significant variances to discuss within other financing sources and uses.

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(Unaudited)

Capital Assets and Debt Administration

Capital Assets

Table 3 shows fiscal year 2020 balances compared with 2019.

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

	Governmental Activities		Business-Type Activities		Total	
	2020	Restated	2020	2019	2020	2019
		2019				
Land	\$ 11,561,111	\$ 11,561,111	\$ 93,181	\$ 93,181	\$ 11,654,292	\$ 11,654,292
Intangible	2,183,636	2,183,636	1,154,237	1,154,237	3,337,873	3,337,873
Construction in Progress	-	3,107,220	472,794	1,605,564	472,794	4,712,784
Land Improvements	7,505,468	7,844,137	26,443	31,524	7,531,911	7,875,661
Buildings	3,937,708	4,277,192	1,932,863	2,052,975	5,870,571	6,330,167
Building Improvements	22,673,326	21,532,540	1,278,519	1,380,349	23,951,845	22,912,889
Machinery and Equipment	1,188,870	1,513,716	1,736,044	1,887,239	2,924,914	3,400,955
Furniture and Fixtures	303,303	410,984	1,800	3,000	305,103	413,984
Vehicles	2,042,035	2,134,962	22,515	34,203	2,064,550	2,169,165
Infrastructure	32,804,938	34,018,649	31,514,853	30,872,097	64,319,791	64,890,746
<i>Total</i>	<u>\$ 84,200,395</u>	<u>\$ 88,584,147</u>	<u>\$ 38,233,249</u>	<u>\$ 39,114,369</u>	<u>\$ 122,433,644</u>	<u>\$ 127,698,516</u>

See Note 8 for additional information about the capital assets of the City.

Debt

Table 4 summarizes outstanding debt. See Note 12 for additional details.

Table 4
Outstanding Debt, at December 31

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
General Obligation Bonds	\$ 11,270,000	\$ 12,130,000	\$ 100,000	\$ 105,000	\$ 11,370,000	\$ 12,235,000
OPWC Loans	2,911,401	2,462,046	2,153,663	1,791,547	5,065,064	4,253,593
OWDA Loans	-	-	9,219,521	9,864,593	9,219,521	9,864,593
Loans Payable	120,000	160,000	203,735	213,437	323,735	373,437
Lease-Purchases	429,836	350,695	18,390	25,641	448,226	376,336
Bond Anticipation Notes	7,760,000	8,035,000	-	-	7,760,000	8,035,000
Police and Fire Pension	158,522	166,326	-	-	158,522	166,326
<i>Total</i>	<u>\$ 22,649,759</u>	<u>\$ 23,304,067</u>	<u>\$ 11,695,309</u>	<u>\$ 12,000,218</u>	<u>\$ 34,345,069</u>	<u>\$ 35,304,286</u>

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Economic Factors

The City of Berea is financially stable. The City analyzed its operations to control expenditures and maintain stability in its fund balances. With the help of our Economic Development and Engineering Departments, the City has been able to ensure our financial stability. The City has been successful in obtaining significant grant funding and state funded loan program awards in an amount over \$1.4 million for large capital projects and capital purchases. The City will continue its plan to be fiscally responsible and to review all departmental budgets for improvements in efficiency and effectiveness and to look for ways to reduce operational costs.

The City of Berea owns the Cleveland Browns Headquarters and Training Facility and has a long-term lease with the Cleveland Browns through 2040; however, the lease included an opt-out clause beginning in 2020. The City and the Cleveland Browns entered into an agreement in 2015 that extended the lease through the 2028 season before any opt-out clause. In 2016, the Cleveland Browns invested over \$15.0 million in improvements to the facility and the City agreed to borrow \$7.0 million towards the costs of these improvements. In addition, the City has agreed to provide an income tax rebate to the Cleveland Browns of 40 percent of their annual growth on income tax above a \$2.6 million base for the years 2015 through 2028. In 2019, the City and the Cleveland Browns entered into an additional agreement that extended the lease through the 2038 NFL League Year before any opt-out clause. The City continued to agree to provide an income tax rebate to the Cleveland Browns of 50 percent of their annual growth on income tax above a \$2.6 million base for the years 2020 through 2038. The income tax base amount shall increase by one-half of one percent (0.5%) each year. The rebated income tax funds can only be used towards capital improvements to the facility and cannot be used toward the general operations of the Browns. The Browns have also agreed to various charitable commitments to the community including making the training facility's field house available for City use in connection with various nonprofit or public, community sports activities for 15 days a year, donation of certain office and athletic training equipment for its use, two football-related events that will be open to the public, production of three videos that promote the City of Berea, and various other public appearances. The Cleveland Browns agreed to pay the property taxes on the building. The City of Berea and the Cleveland Browns remain committed to the partnership and working together for the betterment of the community.

Economic development agreements entered into in previous years are proving successful in allowing us to maintain a stable income tax base. The City's income tax revenue base is supported by employment in professional sports, education (public and private) and light manufacturing. In 2019, the City entered into a Community Reinvestment Agreement with Voss Industries, LLC. Voss Industries will bring 267 new employees with an annual payroll of approximately \$15 million. In 2020, the City amended the Community Reinvestment Agreement with Voss Industries, LLC., to include an additional 80 new employees with an additional annual payroll of approximately \$2.8 million. The additional cash balances from economic development agreements allow us to take advantage of any other development opportunities that may arise.

The City of Berea is reducing our debt burden. We plan our finances so that we can pay cash for many of the facility improvements and acquisitions, and continue to pay cash for all equipment and other major purchases necessary to maintain our level of services.

For many years the City has reduced its health care costs by operating a self-funded insurance program and aggressively shopping our benefits. The City continues to address the issue of rising health care and develop strategies to minimize increases.

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The City received \$1.4 million from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) from the United States Department of Treasury to help offset the expected reduction in revenue and cost associated with the City's response to the COVID-19 virus. The City did not experience any significant loss of revenue during the COVID-19 pandemic.

The City of Berea has committed itself to financial excellence. The City has received the Government Finance Officers Award (GFOA) Certificate of Achievement for Excellence for the last sixteen years.

Contacting the City's Finance Department

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Director of Finance, Andrea D. Morris, City of Berea, 11 Berea Commons, Berea, Ohio 44017, e-mail amorris@cityofberea.org or telephone 440-826-5889. We also offer information regarding our City on our web site, www.cityofberea.org.

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City of Berea
Cuyahoga County, Ohio
Statement of Net Position
December 31, 2020

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 9,684,578	\$ 788,046	\$ 10,472,624
Accounts Receivable	145,857	1,569,291	1,715,148
Intergovernmental Receivable	1,518,246	422,760	1,941,006
Taxes Receivable	8,920,892	505,460	9,426,352
Special Assessments Receivable	698,901	-	698,901
Loans Receivable	1,024,584	-	1,024,584
Prepaid Items	189,214	-	189,214
Materials and Supplies Inventory	225,958	62,105	288,063
Assets Held for Resale	615,000	-	615,000
Non-Depreciable Capital Assets	13,744,747	1,720,212	15,464,959
Depreciable Capital Assets, Net	70,455,648	36,513,037	106,968,685
<i>Total Assets</i>	<u>107,223,625</u>	<u>41,580,911</u>	<u>148,804,536</u>
Deferred Outflow of Resources			
Pension	3,612,773	277,494	3,890,267
OPEB	2,247,551	201,951	2,449,502
<i>Total Deferred Outflow of Resources</i>	<u>5,860,324</u>	<u>479,445</u>	<u>6,339,769</u>
Liabilities			
Accounts Payable	328,434	111,171	439,605
Accrued Wages	214,980	17,775	232,755
Contracts Payable	147,270	21,132	168,402
Intergovernmental Payable	191,461	15,120	206,581
Accrued Interest Payable	156,796	152,308	309,104
Claims Payable	180,171	-	180,171
Matured Compensated Absences Payable	11,573	-	11,573
Notes Payable	5,875,000	-	5,875,000
Long-Term Liabilities:			
Due Within One Year	9,220,439	837,850	10,058,289
Due In More Than One Year:			
Net Pension Liability	21,895,278	1,834,439	23,729,717
Net OPEB Liability	7,283,183	1,224,306	8,507,489
Other Amounts Due in More Than One Year	14,931,627	10,931,720	25,863,347
<i>Total Liabilities</i>	<u>60,436,212</u>	<u>15,145,821</u>	<u>75,582,033</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	4,130,238	463,628	4,593,866
Pension	3,589,099	479,662	4,068,761
OPEB	2,012,324	226,603	2,238,927
<i>Total Deferred Inflows of Resources</i>	<u>9,731,661</u>	<u>1,169,893</u>	<u>10,901,554</u>
Net Position			
Net Investment in Capital Assets	56,541,673	27,706,748	84,248,421
Restricted for:			
Street Lighting	763,009	-	763,009
Street Maintenance and Repair	806,923	-	806,923
Court Operations and Capital Outlay	571,906	-	571,906
Security Operations	31,227	-	31,227
Drug and Alcohol Programs	564,879	-	564,879
Other Purposes	473,875	-	473,875
Unrestricted	(16,837,416)	(1,962,106)	(18,799,522)
<i>Total Net Position</i>	<u>\$ 42,916,076</u>	<u>\$ 25,744,642</u>	<u>\$ 68,660,718</u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Activities
For the Year Ended December 31, 2020

	Expenses	Charges for Services and Sales	Program Revenues	
			Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest
Governmental Activities				
General Government	\$ 10,965,105	\$ 2,231,148	\$ 68,745	\$ -
Security of Persons and Property	9,342,118	1,175,545	895,336	120,966
Public Health	387,208	-	419,924	-
Leisure Time Services	4,034,089	313,118	176,603	713,052
Community Development	396,234	37,251	-	-
Public Works	1,484,294	-	-	-
Transportation	4,802,649	255,281	948,734	457,097
Interest and Fiscal Charges	597,622	-	-	-
<i>Total Governmental Activities</i>	<u>32,009,319</u>	<u>4,012,343</u>	<u>2,509,342</u>	<u>1,291,115</u>
Business-Type Activities				
Water Revenue	3,293,656	2,700,808	6,001	-
Sewer Revenue	1,411,702	752,247	35,019	399,048
<i>Total Business-Type Activities</i>	<u>4,705,358</u>	<u>3,453,055</u>	<u>41,020</u>	<u>399,048</u>
<i>Total Primary Government</i>	<u>\$ 36,714,677</u>	<u>\$ 7,465,398</u>	<u>\$ 2,550,362</u>	<u>\$ 1,690,163</u>

General Revenues:

Property Taxes Levied for:

General Purposes

Police and Fire Pension

Community Hospital

Debt Service

Water Improvements

Income Taxes Levied for:

General Purposes

Other Taxes

Grants and Entitlements not Restricted
to Specific Programs

Investment Earnings

Miscellaneous

Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position Beginning of Year

Restated, See Note 2

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
\$ (8,665,212)	\$ -	\$ (8,665,212)
(7,150,271)	-	(7,150,271)
32,716	-	32,716
(2,831,316)	-	(2,831,316)
(358,983)	-	(358,983)
(1,484,294)	-	(1,484,294)
(3,141,537)	-	(3,141,537)
(597,622)	-	(597,622)
(24,196,519)	-	(24,196,519)
-	(586,847)	(586,847)
-	(225,388)	(225,388)
-	(812,235)	(812,235)
\$ (24,196,519)	\$ (812,235)	\$ (25,008,754)
1,820,231	-	1,820,231
745,614	-	745,614
93,933	-	93,933
1,632,386	-	1,632,386
-	484,084	484,084
15,485,414	-	15,485,414
277,843	-	277,843
1,012,000	-	1,012,000
176,621	-	176,621
1,155,402	43,412	1,198,814
22,399,444	527,496	22,926,940
(520,000)	520,000	-
21,879,444	1,047,496	22,926,940
(2,317,075)	235,261	(2,081,814)
45,233,151	25,509,381	70,742,532
\$ 42,916,076	\$ 25,744,642	\$ 68,660,718

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Balance Sheet
Governmental Funds
December 31, 2020

	General	General Bond Retirement	General Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Investments	\$ 4,188,976	\$ 1,815,280	\$ 574,578	\$ 2,792,143	\$ 9,370,977
Accounts Receivable	93,430	-	-	51,487	144,917
Intergovernmental Receivable	388,615	107,535	328,008	694,088	1,518,246
Taxes Receivable	6,321,003	1,723,932	-	875,957	8,920,892
Special Assessments Receivable	49,866	-	-	649,035	698,901
Loans Receivable	-	-	1,024,584	-	1,024,584
Materials and Supplies Inventory	9,663	-	-	216,295	225,958
Assets Held for Resale	-	-	615,000	-	615,000
Due from Other Funds	-	-	150,000	-	150,000
<i>Total Assets</i>	<u>\$ 11,051,553</u>	<u>\$ 3,646,747</u>	<u>\$ 2,692,170</u>	<u>\$ 5,279,005</u>	<u>\$ 22,669,475</u>
Liabilities					
Accounts Payable	\$ 210,889	\$ -	\$ 19,596	\$ 97,863	\$ 328,348
Accrued Wages	194,438	-	-	20,542	214,980
Contracts Payable	-	-	147,270	-	147,270
Intergovernmental Payable	82,239	-	-	109,222	191,461
Due to Other Funds	-	-	-	150,000	150,000
Matured Compensated Absences Payable	11,573	-	-	-	11,573
Notes Payable	-	5,875,000	-	-	5,875,000
<i>Total Liabilities</i>	<u>499,139</u>	<u>5,875,000</u>	<u>166,866</u>	<u>377,627</u>	<u>6,918,632</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	1,745,517	1,581,258	-	803,463	4,130,238
Delinquent Property Taxes	157,495	142,674	-	72,494	372,663
Income Taxes	1,432,680	-	-	-	1,432,680
Unavailable Revenue	372,922	107,535	56,909	1,157,689	1,695,055
<i>Total Deferred Inflows of Resources</i>	<u>3,708,614</u>	<u>1,831,467</u>	<u>56,909</u>	<u>2,033,646</u>	<u>7,630,636</u>
Fund Balances					
Nonspendable	53,476	-	-	216,295	269,771
Restricted	-	-	-	2,118,888	2,118,888
Committed	1,525,231	-	2,468,395	682,549	4,676,175
Assigned	52,690	-	-	-	52,690
Unassigned	5,212,403	(4,059,720)	-	(150,000)	1,002,683
<i>Total Fund Balances</i>	<u>6,843,800</u>	<u>(4,059,720)</u>	<u>2,468,395</u>	<u>2,867,732</u>	<u>8,120,207</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 11,051,553</u>	<u>\$ 3,646,747</u>	<u>\$ 2,692,170</u>	<u>\$ 5,279,005</u>	<u>\$ 22,669,475</u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2020

Total Governmental Fund Balances		\$ 8,120,207
 <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.		84,200,395
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes	\$ 372,663	
Income Taxes	1,432,680	
Intergovernmental	996,154	
Special Assessments	698,901	3,500,398
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.		323,498
Accrued interest payable is not due and payable in the current period and therefore not reported in the funds.		(156,796)
The net pension and OPEB liabilities are not due and payable in the current period; therefore, the liabilities and related deferred inflows/outflows are not reported in governmental funds.		
Deferred Outflows - Pension	3,612,773	
Deferred Outflows - OPEB	2,247,551	
Net Pension Liability	(21,895,278)	
Net OPEB Liability	(7,283,183)	
Deferred Inflows - Pension	(3,589,099)	
Deferred Inflows - OPEB	(2,012,324)	(28,919,560)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(11,270,000)	
OPWC Loans	(2,911,401)	
Bond Anticipation Notes	(7,760,000)	
Bond Premium	(295,422)	
Loan Payable	(120,000)	
Police and Fire Pension	(158,522)	
Lease Purchases	(429,836)	
Compensated Absences	(1,206,885)	(24,152,066)
<i>Net Position of Governmental Activities</i>		\$ 42,916,076

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020

	General	General Bond Retirement	General Capital Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property Taxes	\$ 1,773,585	\$ 1,590,299	\$ -	\$ 818,069	\$ 4,181,953
Income Taxes	14,922,547	-	-	-	14,922,547
Other Local Taxes	276,697	-	-	-	276,697
Special Assessments	12,226	-	-	706,536	718,762
Charges for Services	204,604	-	17,741	618,885	841,230
Licenses and Permits	217,462	-	135,000	35,391	387,853
Fines and Forfeitures	1,205,235	-	-	736,779	1,942,014
Intergovernmental	754,429	215,033	373,035	2,638,270	3,980,767
Interest	172,621	4,000	-	5,434	182,055
Rent	-	-	102,540	-	102,540
Contributions and Donations	-	-	10,000	30,751	40,751
Other	824,070	-	24,554	306,778	1,155,402
<i>Total Revenues</i>	<u>20,363,476</u>	<u>1,809,332</u>	<u>662,870</u>	<u>5,896,893</u>	<u>28,732,571</u>
Expenditures					
Current:					
General Government	7,433,781	137,224	-	1,069,099	8,640,104
Security of Persons and Property	5,283,139	-	-	2,399,100	7,682,239
Public Health	-	-	-	387,208	387,208
Leisure Time Services	704,450	-	-	1,471,722	2,176,172
Community Development	310,215	-	-	-	310,215
Public Works	1,468,633	-	-	-	1,468,633
Transportation	-	-	-	913,231	913,231
Capital Outlay	-	-	1,230,665	1,371,728	2,602,393
Debt Service:					
Principal Retirement	5,843	8,975,000	260,254	28,539	9,269,636
Interest and Fiscal Charges	142	775,989	10,068	8,673	794,872
<i>Total Expenditures</i>	<u>15,206,203</u>	<u>9,888,213</u>	<u>1,500,987</u>	<u>7,649,300</u>	<u>34,244,703</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>5,157,273</u>	<u>(8,078,881)</u>	<u>(838,117)</u>	<u>(1,752,407)</u>	<u>(5,512,132)</u>
Other Financing Sources (Uses)					
Issuance of Lease-Purchase	-	-	-	255,446	255,446
Proceeds from Sale of Assets	907	-	975	-	1,882
Issuance of Refunding Bonds	-	1,860,000	-	-	1,860,000
Issuance of OPWC Loans	-	-	519,882	-	519,882
Premium on Debt Issuances	-	106,551	-	-	106,551
Payment to Refunding Bond Escrow Agent	-	(1,819,639)	-	-	(1,819,639)
Issuance of Notes	-	7,760,000	-	-	7,760,000
Transfers In	-	375,000	1,134,000	2,330,000	3,839,000
Transfers Out	(4,354,000)	(5,000)	-	-	(4,359,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(4,353,093)</u>	<u>8,276,912</u>	<u>1,654,857</u>	<u>2,585,446</u>	<u>8,164,122</u>
<i>Net Change in Fund Balance</i>	804,180	198,031	816,740	833,039	2,651,990
<i>Fund Balance Beginning of Year</i>	<u>6,039,620</u>	<u>(4,257,751)</u>	<u>1,651,655</u>	<u>2,034,693</u>	<u>5,468,217</u>
<i>Fund Balance End of Year</i>	<u>\$ 6,843,800</u>	<u>\$ (4,059,720)</u>	<u>\$ 2,468,395</u>	<u>\$ 2,867,732</u>	<u>\$ 8,120,207</u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, 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		\$ 2,651,990
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Asset Additions	\$ 2,280,019	
Current Year Depreciation	<u>(6,541,264)</u>	(4,261,245)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(122,507)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent Property Taxes	110,210	
Income Tax	562,867	
Intergovernmental	81,476	
Special Assessments	<u>37,067</u>	791,620
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds	940,000	
Loan Payable	40,000	
OPWC Loans	70,527	
Bond Anticipation Notes	8,035,000	
Lease Purchase	176,305	
Police and Fire Pension	<u>7,804</u>	9,269,636
Issuance of refunding bonds results in expenditures and other financing sources and uses in the governmental funds, but these transactions are reflected in the statement of net position as long-term assets and liabilities.		
Payment to Refund Bond Escrow Agent	1,819,639	
Proceeds of Refunding Bonds	(1,860,000)	
Loss on Refunding	<u>(6,992)</u>	(47,353)
Debt proceeds issued in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
OPWC Loans	(519,882)	
Bond Anticipation Notes	(7,760,000)	
Lease Purchase	<u>(255,446)</u>	(8,535,328)
In the statement of activities, interest is accrued on outstanding bonds, and bond premiums are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable	75,960	
Amortization of Premium on Bonds	<u>21,732</u>	97,692
Contractually required pension/OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	1,767,896	
OPEB	<u>25,260</u>	1,793,156
Except for amount reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
Pension	(3,199,940)	
OPEB	<u>(694,561)</u>	(3,894,501)
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the entity-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		10,144
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		<u>(70,379)</u>
<i>Change in Net Position of Governmental Activities</i>		<u><u>\$ (2,317,075)</u></u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, 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

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 1,772,298	\$ 1,773,585	\$ 1,773,585	\$ -
Income Taxes	13,956,630	14,956,630	15,230,264	273,634
Other Local Taxes	295,000	295,000	279,568	(15,432)
Special Assessments	15,050	15,050	12,226	(2,824)
Charges for Services	432,350	232,350	204,571	(27,779)
Licenses and Permits	420,000	275,000	217,462	(57,538)
Fines and Forfeitures	64,900	38,900	23,784	(15,116)
Intergovernmental	715,055	764,516	739,702	(24,814)
Interest	225,000	125,000	110,377	(14,623)
Other	242,700	441,100	712,227	271,127
<i>Total Revenues</i>	<u>18,138,983</u>	<u>18,917,131</u>	<u>19,303,766</u>	<u>386,635</u>
Expenditures				
Current:				
General Government	5,896,604	6,249,533	6,102,296	147,237
Security of Persons and Property	6,165,964	6,165,964	5,560,882	605,082
Leisure Time Services	756,391	723,674	717,844	5,830
Community Development	363,475	349,227	319,312	29,915
Public Works	1,326,671	1,452,706	1,451,693	1,013
Debt Service:				
Principal Retirement	791	791	791	-
Interest and Fiscal Charges	5	5	5	-
<i>Total Expenditures</i>	<u>14,509,901</u>	<u>14,941,900</u>	<u>14,152,823</u>	<u>789,077</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,629,082</u>	<u>3,975,231</u>	<u>5,150,943</u>	<u>1,175,712</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	-	-	907	907
Advances Out	-	(245,000)	(190,000)	(55,000)
Transfers Out	(4,008,000)	(4,354,000)	(4,354,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(4,008,000)</u>	<u>(4,599,000)</u>	<u>(4,543,093)</u>	<u>(54,093)</u>
<i>Net Change in Fund Balance</i>	(378,918)	(623,769)	607,850	1,121,619
<i>Fund Balance Beginning of Year</i>	3,364,766	3,364,766	3,364,766	-
Prior Year Encumbrances Appropriated	9,069	9,069	9,069	-
<i>Fund Balance End of Year</i>	<u>\$ 2,994,917</u>	<u>\$ 2,750,066</u>	<u>\$ 3,981,685</u>	<u>\$ 1,121,619</u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2020

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Revenue	Sewer Revenue	Total	
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Investments	\$ 586,940	\$ 201,106	\$ 788,046	\$ 313,601
Accounts Receivable	1,169,858	399,433	1,569,291	940
Intergovernmental Receivable	30,784	391,976	422,760	-
Taxes Receivable	505,460	-	505,460	-
Prepaid Items	-	-	-	189,214
Materials and Supplies Inventory	62,105	-	62,105	-
<i>Total Current Assets</i>	<u>2,355,147</u>	<u>992,515</u>	<u>3,347,662</u>	<u>503,755</u>
<i>Non-Current Assets:</i>				
Non-Depreciable Capital Assets	942,194	778,018	1,720,212	-
Depreciable Capital Assets, Net	15,470,119	21,042,918	36,513,037	-
<i>Total Non-Current Assets</i>	<u>16,412,313</u>	<u>21,820,936</u>	<u>38,233,249</u>	<u>-</u>
<i>Total Assets</i>	<u>18,767,460</u>	<u>22,813,451</u>	<u>41,580,911</u>	<u>503,755</u>
Deferred Outflow of Resources				
Pension	219,232	58,262	277,494	-
OPEB	159,718	42,233	201,951	-
<i>Total Deferred Outflow of Resources</i>	<u>378,950</u>	<u>100,495</u>	<u>479,445</u>	<u>-</u>
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	90,458	20,713	111,171	86
Accrued Wages	13,514	4,261	17,775	-
Contracts Payable	-	21,132	21,132	-
Intergovernmental Payable	12,275	2,845	15,120	-
Accrued Interest Payable	117,208	35,100	152,308	-
Claims Payable	-	-	-	180,171
Compensated Absences Payable	6,193	7,939	14,132	-
Lease Purchase Payable	3,475	-	3,475	-
Loans Payable	-	19,404	19,404	-
OPWC Loans Payable	16,483	105,451	121,934	-
OWDA Loans Payable	500,147	173,758	673,905	-
General Obligation Bonds Payable	5,000	-	5,000	-
<i>Total Current Liabilities</i>	<u>764,753</u>	<u>390,603</u>	<u>1,155,356</u>	<u>180,257</u>
<i>Long-Term Liabilities:</i>				
Compensated Absences Payable - Net of Current Portion	22,296	37,833	60,129	-
Lease Purchase Payable - Net of Current Portion	14,915	-	14,915	-
Loans Payable - Net of Current Portion	-	184,331	184,331	-
OPWC Loans Payable - Net of Current Portion	446,348	1,585,381	2,031,729	-
OWDA Loans Payable - Net of Current Portion	6,752,839	1,792,777	8,545,616	-
General Obligation Bonds Payable - Net of Current Portion	95,000	-	95,000	-
Net Pension Liability	1,448,241	386,198	1,834,439	-
Net OPEB Liability	966,557	257,749	1,224,306	-
<i>Total Long-Term Liabilities</i>	<u>9,746,196</u>	<u>4,244,269</u>	<u>13,990,465</u>	<u>-</u>
<i>Total Liabilities</i>	<u>10,510,949</u>	<u>4,634,872</u>	<u>15,145,821</u>	<u>180,257</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	463,628	-	463,628	-
Pension	392,510	87,152	479,662	-
OPEB	186,420	40,183	226,603	-
<i>Total Deferred Inflows of Resources</i>	<u>1,042,558</u>	<u>127,335</u>	<u>1,169,893</u>	<u>-</u>
Net Position				
Net Investment in Capital Assets	9,768,046	17,938,702	27,706,748	-
Unrestricted	(2,175,143)	213,037	(1,962,106)	323,498
<i>Total Net Position</i>	<u>\$ 7,592,903</u>	<u>\$ 18,151,739</u>	<u>\$ 25,744,642</u>	<u>\$ 323,498</u>

See accompanying notes to the basic financial statements.

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

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Revenue	Sewer Revenue	Totals	
Operating Revenues				
Charges for Services	\$ 2,700,808	\$ 752,247	\$ 3,453,055	\$ 3,016,797
Other	-	43,412	43,412	404,807
<i>Total Operating Revenues</i>	<u>2,700,808</u>	<u>795,659</u>	<u>3,496,467</u>	<u>3,421,604</u>
Operating Expenses				
Personal Services	1,547,064	328,023	1,875,087	-
Contractual Services	91,217	95,145	186,362	1,217,752
Materials and Supplies	677,499	164,688	842,187	-
Claims	-	-	-	2,182,539
Depreciation	686,517	696,520	1,383,037	-
Other	10,879	8,483	19,362	11,169
<i>Total Operating Expenses</i>	<u>3,013,176</u>	<u>1,292,859</u>	<u>4,306,035</u>	<u>3,411,460</u>
<i>Operating Income (Loss)</i>	<u>(312,368)</u>	<u>(497,200)</u>	<u>(809,568)</u>	<u>10,144</u>
Non-Operating Revenues (Expense)				
Intergovernmental	6,001	35,019	41,020	-
Property Taxes	484,084	-	484,084	-
Loss on Disposal of Capital Assets	(14,944)	(35,928)	(50,872)	-
Interest and Fiscal Charges	(265,536)	(82,915)	(348,451)	-
<i>Total Non-Operating Revenues (Expense)</i>	<u>209,605</u>	<u>(83,824)</u>	<u>125,781</u>	<u>-</u>
<i>Income (Loss) Before Capital Contributions and Transfers</i>	<u>(102,763)</u>	<u>(581,024)</u>	<u>(683,787)</u>	<u>10,144</u>
Capital Contributions	-	399,048	399,048	-
Transfers In	45,000	495,295	540,295	-
Transfers Out	(20,295)	-	(20,295)	-
<i>Total Capital Contributions and Transfers</i>	<u>24,705</u>	<u>894,343</u>	<u>919,048</u>	<u>-</u>
<i>Change in Net Position</i>	<u>(78,058)</u>	<u>313,319</u>	<u>235,261</u>	<u>10,144</u>
<i>Net Position Beginning of Year Restated, See Note 2</i>	<u>7,670,961</u>	<u>17,838,420</u>	<u>25,509,381</u>	<u>313,354</u>
<i>Net Position End of Year</i>	<u>\$ 7,592,903</u>	<u>\$ 18,151,739</u>	<u>\$ 25,744,642</u>	<u>\$ 323,498</u>

See accompanying notes to the basic financial statements.

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

	Enterprise Funds			Governmental Activities - Internal Service Funds
	Water Revenue	Sewer Revenue	Totals	
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 2,709,971	\$ 811,505	\$ 3,521,476	\$ 3,016,797
Cash Payments to Suppliers for Goods and Services	(456,794)	(61,575)	(518,369)	-
Cash Payments to Employees for Services and Benefits	(1,459,359)	(285,135)	(1,744,494)	-
Cash Payments for Contractual Services	(246,871)	(190,318)	(437,189)	(1,221,571)
Cash Payments for Claims	-	-	-	(2,170,639)
Other Cash Receipts	-	-	-	421,373
Other Cash Payments	(10,879)	(8,483)	(19,362)	(11,169)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>536,068</u>	<u>265,994</u>	<u>802,062</u>	<u>34,791</u>
Cash Flows from Noncapital Financing Activities				
Intergovernmental Revenue	89,231	35,019	124,250	-
Property Taxes	471,680	-	471,680	-
Transfers In	40,000	475,000	515,000	-
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>600,911</u>	<u>510,019</u>	<u>1,110,930</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities				
Capital Grants	-	59,687	59,687	-
Proceeds of OPWC Loans	171,051	244,069	415,120	-
Acquisition of Capital Assets	(226,506)	(638,721)	(865,227)	-
Principal Payments on Debt and Leases	(499,461)	(222,519)	(721,980)	-
Interest Payments on Debt and Leases	(273,208)	(84,017)	(357,225)	-
Transfers in for Debt Payments	5,000	20,295	25,295	-
Transfers Out for Debt Payments	(20,295)	-	(20,295)	-
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(843,419)</u>	<u>(621,206)</u>	<u>(1,464,625)</u>	<u>-</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	293,560	154,807	448,367	34,791
<i>Cash and Investments Beginning of Year</i>	293,380	46,299	339,679	278,810
<i>Cash and Investments End of Year</i>	<u>\$ 586,940</u>	<u>\$ 201,106</u>	<u>\$ 788,046</u>	<u>\$ 313,601</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Operating Income (Loss)	\$ (312,368)	\$ (497,200)	\$ (809,568)	\$ 10,144
Adjustments:				
Depreciation	686,517	696,520	1,383,037	-
(Increase) Decrease in Assets and Deferred Outflows:				
Accounts Receivable	9,163	15,846	25,009	16,566
Prepays	-	-	-	(3,905)
Materials and Supplies Inventory	16,705	-	16,705	-
Deferred Outflows - Pension	463,936	108,928	572,864	-
Deferred Outflows - OPEB	(58,595)	(19,884)	(78,479)	-
Increase (Decrease) in Liabilities and Deferred Inflows:				
Accounts Payable	48,346	7,940	56,286	86
Accrued Wages	(47,020)	(10,227)	(57,247)	-
Compensated Absences Payable	(42,364)	2,029	(40,335)	-
Intergovernmental Payable	(10,119)	(2,900)	(13,019)	-
Deferred Inflows - Pension	363,832	77,931	441,763	-
Deferred Inflows - OPEB	183,716	38,184	221,900	-
Net Pension Liability	(735,829)	(159,820)	(895,649)	-
Net OPEB Liability	(29,852)	8,647	(21,205)	-
Claims Payable	-	-	-	11,900
<i>Net Cash Provided by (Used For) Operating Activities</i>	<u>\$ 536,068</u>	<u>\$ 265,994</u>	<u>\$ 802,062</u>	<u>\$ 34,791</u>

Noncash Capital Financing Activities:

The City purchased \$333,570 and \$21,132 of capital assets on account in 2019 and 2020, respectively.
The sewer fund recorded a non-cash OWDA fee of \$1,951 as an increase in loan balance.

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2020

	<u>Custodial Funds</u>
Assets	
Equity in Pooled Cash and Investments	\$ 1,278,398
Cash in Segregated Accounts	178,152
Accounts Receivable	<u>2,119,987</u>
<i>Total Assets</i>	<u>3,576,537</u>
Liabilities	
Accounts Payable	1,250,879
Due to Other Governments	<u>2,325,658</u>
<i>Total Liabilities</i>	<u>3,576,537</u>
Net Position	
Unrestricted	<u>\$ -</u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2020

	Custodial Funds
Additions	
Licenses, Permits & Fees for Other Governments	\$ 4,613
Fines & Forfeitures for Other Governments	1,530,480
Collections for Other Governments	5,576,500
<i>Total Additions</i>	7,111,593
Deductions	
Licenses, Permits & Fee Distributions to Other Governments	4,613
Fines & Forfeitures Distributions to Other Governments	1,530,480
Distributions to Other Governments	5,576,500
<i>Total Deductions</i>	7,111,593
<i>Change in Net Position</i>	-
<i>Net Position Beginning of Year</i>	-
<i>Net Position End of Year</i>	\$ -

See accompanying notes to the basic financial statements.

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

NOTE 1 - DESCRIPTION OF THE CITY AND THE REPORTING ENTITY

The City of Berea, (the “City”) is a home rule municipal corporation, established under the laws of the State of Ohio and operates under its own Charter. The current Charter, which provides for a Mayor-Council form of government, was originally adopted May 3, 1960. Elected officials include seven Council members, Council president and a Mayor.

The Reporting Entity

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements of the City are not misleading. The City’s primary government consists of all funds and departments which are not legally separate from the City. For the City, this includes the departments that provide the following services: police and fire protection, emergency medical, street maintenance, sanitation, planning and zoning, parks and recreation, water treatment, and general administrative services.

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 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 in which the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

The City participates in several jointly governed organizations, including, the Southwest Council of Governments, the Southwest General Health Center, the Woodvale Union Cemetery, the Northeast Ohio Public Energy Council and Regional Income Tax Agency. A jointly governed organization is managed by representatives from each of the governments that create the organization, but there is no ongoing financial interest or responsibility on the part of the participating governments. These organizations are presented in Note 15 to the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City 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 most significant of the City’s accounting policies are described below.

Basis of Presentation

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

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

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. Other interfund services provided and used are not eliminated in the process of consolidation. 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 proprietary 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 funds through which most governmental functions are typically 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 is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The general fund also accounts for the activities related to the municipal income tax levy collections passed by ordinance in November 1992. One-fourth of income tax revenues are collected in the municipal income tax fund and are designated for water, sewer, recreation, debt and capital expenditures.

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

These funds cannot be spent for any other reason. The allocation (which may exclude any particular purpose mentioned in any one year) to the five areas is designated annually during the budgeting process approved by Council. 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 Berea and/or the general laws of Ohio.

General Bond Retirement Fund - The general bond retirement fund is used to account for the accumulation of resources for, and the payment of general long-term principal, interest, and related costs, other than those paid by proprietary funds.

General Capital Improvement Fund - The general capital improvement fund is used to account for financial resources designated for the acquisition or major repair of infrastructure or capital assets.

The other governmental funds of the City account for grants and other resources to which the City is bound to observe constraints imposed upon the use of the resources.

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 and services. The following are the City's major enterprise funds.

Water Revenue Fund - The water revenue fund is used to account for the operation of the water treatment plant and distribution of water to the residents and commercial users of the City and some residents of the county.

Sewer Revenue Fund - The sewer revenue fund is used to account for the operations of the sewage collection operations.

Internal Service Funds - The internal service funds are used to 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 three internal service funds account for funds reserved to finance a self insurance program for hospitalization benefits and a self insurance program for property and liability losses and to account for the payment of worker's compensation insurance.

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. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's only fiduciary funds are custodial funds that account for regional sewer collections, collection of fines for the law library, Ohio Board of Building Standards fees, municipal court collections for the Metropark and municipal court collections.

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

Measurement Focus

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

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

Like the government-wide statements, all proprietary 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. 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 for proprietary funds provide information about how the City finances and meets the cash flow needs of the 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, the recording of deferred inflows/outflows 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.

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

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 period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 6). 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, admissions tax, cable TV franchise fees, state-levied locally shared taxes (including gasoline tax and motor vehicle license fees), fines and forfeitures, interest, grants and entitlements, and rentals.

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 represent 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 pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Notes 9 and 10.

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 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 2021 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and 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 may include delinquent property taxes, income taxes, intergovernmental grants, and miscellaneous revenues. 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 governmental fund balances to net position of governmental activities. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position. (See Notes 9 and 10)

Cash and Investments

To improve cash management, cash received by the City is pooled. Each fund's pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. Interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements. For purpose of the statement of cash flows, the proprietary funds' share of equity in pooled certificates of deposit are considered to be cash equivalents.

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

The City has segregated bank accounts for monies held separate from the City's central bank account. These interest bearing depository accounts are presented on the Statement of Fiduciary Net Position as "Cash in Segregated Accounts" since they are not required to be deposited into the City's treasury.

During 2020, investments were limited to money market funds, negotiable certificates of deposit and State Treasury Asset Reserve of Ohio (STAR Ohio).

During 2020, the City invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For 2020, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution, the Ohio Revised Code and the Berea Municipal Code. Interest revenue credited to the general fund during 2020 amounted to \$172,621, which includes \$132,675 assigned from other City funds. All investment income, including changes in the fair value of investments, are recognized as revenue in the operating statements.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the City are presented on the financial statements as "Equity in Pooled Cash and Investments." Investments with an original maturity of more than three months that are not made from the pool are reported as "Investments."

Material & Supplies Inventory

Inventories are valued at cost using the first-in, first-out (FIFO) method. Inventories are recorded as expenditures when consumed rather than when purchased.

Assets Held for Resale

Assets held for resale are stated at the net realizable value. Donations of assets held for resale are recognized as revenue and reported as unrestricted donations on the Statement of Activities.

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

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

not reported in the fund financial statements. Capital assets utilized by the proprietary 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. Donated capital assets are recorded at their acquisition value as of the date received. Intangible assets are recorded at cost. The City maintains a capitalization threshold of \$5,000. The City's infrastructure consists of roads, storm sewers, sanitary sewers, water lines, bridges, traffic signals, and sidewalks and includes infrastructure acquired prior to December 31, 1980. 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, intangibles 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>Years</u>
Land Improvements	10 - 50
Buildings	40
Building Improvements	7 - 50
Machinery and Equipment	2 - 20
Furniture and Fixtures	7 - 10
Vehicles	3 - 20
Infrastructure	10 - 50

Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivables/Payables."

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 City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employers with more than one year of service.

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 employees that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at year end, taking into consideration any limits specified in the City's termination policies.

The entire compensated absence liability is reported on the government-wide financial statements.

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

In governmental funds, the liability for unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account “matured compensated absences payable” in the fund from which the employees who have accumulated unpaid leave is paid.

Pensions and Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pension/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.

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current 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.

Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The classifications are as follows:

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

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

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

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of City Council. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. 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. In the general fund, assigned amounts represent intended uses established by City Council. The City Council has, by resolution, authorized the Finance Director to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

Unassigned – Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. General fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

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.

The City's fund balance policy establishes the unassigned fund balance at no less than 5 percent of annual operating expenditures and other financing uses and transfers.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. 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. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted for other purposes is primarily made up of restrictions for guarantee deposits and contract retainers. At December 31, 2020, there was no net position restricted by enabling legislation.

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

City of Berea
Cuyahoga County, 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 the 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.

Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction. In the government-wide financial statements, capital contributions are recorded as capital grants and contributions.

Interfund Activity

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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.

Repayment from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City Administration and that are either unusual in nature or infrequent in occurrence. Neither of these occurred in 2020.

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 Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Budgetary Data

All funds, except custodial funds, are legally required to be budgeted and appropriated, however, only governmental funds are required to be reported. 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 object level (personal services and other) within each department in the general fund and at the object level (personal services and other) for all other funds. Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Director of Finance. The amounts reported as the original budgeted amounts on the budgetary statement reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statement reflect the amounts on the final amended certificate of estimated resources issued during 2020.

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.

Implementation of New Accounting Principles

For the year ended December 31, 2020 the City has implemented Governmental Accounting Standards Board (GASB) GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*.

GASB Statement No. 88 establishes additional financial statement note disclosure requirements related to debt obligations of governments, including direct borrowings and direct placements. These changes were incorporated in the City's 2020 financial statements; however, there was no effect on beginning net position.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
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Restatement of Net Position

During the year, it was determined that construction costs capitalized as construction in progress were reported in error in a prior year for governmental activities. In addition, it was determined the storm sewer assets were incorrectly reported in the water revenue fund, and have been moved to the sewer revenue fund. The following is the effect on net position:

	Governmental Activities	Water Revenue Fund	Sewer Revenue Fund
Net Position, December 31, 2019	\$ 45,857,980	\$ 15,493,212	\$ 10,016,169
Change in Capital Assets	(624,829)	(7,822,251)	7,822,251
Restated Net Position, December 31, 2019	<u>\$ 45,233,151</u>	<u>\$ 7,670,961</u>	<u>\$ 17,838,420</u>

NOTE 3 – FUND BALANCE

Fund balance can be 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 governmental funds.

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

Fund Balance	General Fund	General Bond Retirement Fund	General Capital Improvement Fund	Other Governmental Funds	Total
<u>Nonspendable:</u>					
Unclaimed Monies	\$ 43,813	\$ -	\$ -	\$ -	\$ 43,813
Inventory for Consumption	9,663	-	-	216,295	225,958
Total Nonspendable	<u>53,476</u>	<u>-</u>	<u>-</u>	<u>216,295</u>	<u>269,771</u>
<u>Restricted for:</u>					
Community Programs	-	-	-	4,681	4,681
Court Operations and Capital Outlay	-	-	-	593,425	593,425
Drug and Alcohol Programs	-	-	-	564,879	564,879
Security Operations and Programs	-	-	-	158,760	158,760
Street Improvement and Repair	-	-	-	378,685	378,685
Street Lighting	-	-	-	113,974	113,974
Retainers and Deposits	-	-	-	304,484	304,484
Total Restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,118,888</u>	<u>2,118,888</u>
<u>Committed to:</u>					
Income Tax (See Note 6)	832,919	-	-	-	832,919
Retirements	627,349	-	-	-	627,349
Recreational Programs	-	-	-	97,582	97,582
Court Operations and Capital Outlay	64,963	-	-	-	64,963
Neighborhood Capital Improvement	-	-	-	155,699	155,699
Recreation Capital Outlay	-	-	-	78,470	78,470
Safety Equipment Capital Outlay	-	-	-	350,798	350,798
General Capital Improvements	-	-	2,468,395	-	2,468,395
Total Committed	<u>1,525,231</u>	<u>-</u>	<u>2,468,395</u>	<u>682,549</u>	<u>4,676,175</u>

(continued)

City of Berea
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Fund Balance	General Fund	General Bond Retirement Fund	General Capital Improvement Fund	Other Governmental Funds	Total
<u>Assigned for:</u>					
Encumbrances:					
General Government	\$ 42,637	\$ -	\$ -	\$ -	\$ 42,637
Security of Persons and Property	7,508	-	-	-	7,508
Leisure Time Activities	1,060	-	-	-	1,060
Community Development	553	-	-	-	553
Public Works	932	-	-	-	932
Total Assigned	<u>52,690</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,690</u>
Unassigned (Deficit)	<u>5,212,403</u>	<u>(4,059,720)</u>	<u>-</u>	<u>(150,000) *</u>	<u>1,002,683</u>
Total Fund Balance (Deficit)	<u>\$ 6,843,800</u>	<u>\$ (4,059,720)</u>	<u>\$ 2,468,395</u>	<u>\$ 2,867,732</u>	<u>\$ 8,120,207</u>

* Fund balance at December 31, 2020 included an individual fund deficit of \$150,000 in the community development block grant fund.

The medical benefits internal service fund has a negative net position of \$152,299.

The deficit in these governmental and proprietary funds, including the general bond retirement fund resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in this fund and will provide transfers when cash is required, not when accruals occur.

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

While the City is reporting financial position, results of operations, and changes in fund balance 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 fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

The major differences between the budget basis and GAAP basis are as follows:

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 a restriction, commitment or assignment of fund balance (GAAP).
4. Some funds are included in the general fund (GAAP), but have separate legally adopted budgets (budget).

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The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

Net Change in Fund Balance	
	<u>General Fund</u>
GAAP Basis	\$ 804,180
Net Adjustment for Revenue Accruals	4,632,091
Net Adjustment for Expenditure Accruals	(4,443,391)
Funds Budgeted Elsewhere **	(315,568)
Adjustment for Encumbrances	(69,462)
Budget Basis	\$ 607,850

** As part of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the animal control, municipal court and unclaimed monies funds.

NOTE 5 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City into three categories.

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

Inactive deposits are public deposits that Council has identified as not required for use within the current two-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.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions 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.

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Interim monies may be invested or deposited in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or 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, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that 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 that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain banker's acceptances and commercial paper notes in an amount not to exceed 40 percent of the interim monies available for investment at any one time and for a period not to exceed one hundred eighty days and two hundred seventy days, respectively; and,
8. Under limited circumstances, corporate note interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. 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 qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Cash on Hand - At December 31, 2020 the City had \$11,325 in undeposited cash on hand, which is included as part of "Equity in Pooled Cash and Investments."

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Deposits - At year-end, \$2,230,575 of the City’s bank balance of \$3,652,418 was exposed to custodial credit risk. Although the securities were held by the pledging financial institutions’ trust department in the City’s name and all statutory requirements for the investment of money had been followed, noncompliance with Federal requirements could potentially subject the City to a successful claim by the FDIC.

Custodial Credit Risk 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 possession of an outside party.

The City has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or 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 required 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.

The municipal court bond fund is maintained separately from the City’s deposits. The carrying amount of the deposits is reported as “Cash in Segregated Accounts.”

Investments - The City has a formal investment policy. The objective of the policy shall be the preservation of capital and protection of principal while earning investment interest. Safety of principal is the primary objective of the investment program. All investments are in an internal investment pool.

The City’s investments at year end were as follows:

S&P Global Ratings	Investment	Measurement Amount	Investment Maturities in Months			% Total
			0-12	13-36	Over 36	
	Net Asset Value (NAV):					
AAAm	STAR Ohio	\$ 4,587,073	\$ 4,587,073	\$ -	\$ -	53.54%
	Fair Value:					
***	Negotiable Certificates of Deposit	3,980,909	1,721,967	2,189,267	69,675	46.46%
A+	Money Market	20	20	-	-	0.00%
		<u>\$ 8,568,002</u>	<u>\$ 6,309,060</u>	<u>\$ 2,189,267</u>	<u>\$ 69,675</u>	<u>100.0%</u>

*** Fully insured under FDIC

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

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table identifies the City's recurring fair value measurements as of December 31, 2020. Except for the money market, which is Level 1, the City's 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 of losses caused by rising interest rates, the City's investment policy requires that operating funds be invested primarily in short-term investments maturing within 5 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.

Credit Risk - The credit risk of the City's investments is in the table above. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service.

STAR Ohio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of December 31, 2020, is 56 days.

Concentration of Credit Risk - The City places no limit on the amount it may invest in any one issuer. The investment percentages are listed above.

NOTE 6 – RECEIVABLES

Receivables at December 31, 2020 consisted of municipal income taxes, property and other taxes, intergovernmental receivables arising from entitlements and shared revenues, special assessments, loans, outstanding advances, and accounts (billings for utility service). No allowance for doubtful accounts has been recorded because uncollectible amounts are expected to be insignificant.

Special assessments, delinquent special assessments and delinquent property taxes will primarily be collected in more than one year.

Income Taxes

The City levies and collects an income tax of 2 percent on all income earned within the City, as well as on income of residents earned outside the City. In the latter case, the City allows a credit of 100 percent up to 1-1/2 percent of the tax paid to another municipality, not to exceed the amount owed. Employers within the City are required to withhold income tax on employee earnings and remit the tax at least quarterly to the Regional Income Tax Agency, who administers the City's income tax collections. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually.

The City, by ordinance, allocates income tax revenues and expenditures for collecting, administering, and enforcing the tax to the general fund (75 percent) and to the municipal income tax fund (25 percent). The income tax revenues collected in the municipal income tax fund are designated for water, sewer,

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recreation, debt, and capital expenditures. The funds cannot be spent for any other reason. The allocation to the four areas is designated annually during the budgetary process approved by Council. Total cash basis income tax collections for 2020 were \$15,230,264, which was allocated at \$11,422,698 to the general fund and \$3,807,566 to the municipal income tax fund. The municipal income tax fund has been combined with the general fund for GAAP and budgetary-basis for reporting purposes. On the accrual basis, income tax revenue was \$15,485,414 in the governmental activities. At year end, the municipal income tax fund had \$832,919 in committed funds, for financial statement purposes, that will be allocated to other funds as approved by the municipal income tax levy.

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 the 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 \$16.80 per \$1,000 of assessed valuation. The assessed values of real property and public utility tangible property upon which 2020 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$ 409,493,080
Public Utilities - Personal	<u>12,915,300</u>
Total	<u>\$ 422,408,380</u>

The County Fiscal Officer collects property taxes on behalf of all taxing districts within the County, including the City. The County Auditor 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 levied for the next year. 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.

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Loans Receivable

The City is reporting a long-term loan receivable related to the Eastland Road Construction project. During 2005, the Cities of Berea, Middleburg Heights and Brook Park, along with Cuyahoga County, entered into an agreement that involves various improvements between Bagley Road and State Route 237. As part of this agreement, the City has entered into a loan agreement with the Ohio Public Works Commission (OPWC) in the amount of \$1,900,900 to help fund some of the construction costs. Although the City of Berea is obligated for the entire loan, the agreement between the cities obligates the City of Middleburg Heights (43 percent) and the City of Brook Park (34 percent) to make semi-annual debt service payments to the City of Berea to help make the annual debt service payments to OPWC.

As of December 31, 2020, there is a long-term OPWC loan payable by the City in the amount of \$1,425,674 (See Note 12). A corresponding long-term loan receivable has been reported in the City's financial statements in the amount of \$1,024,584, which represents the combined amount owed by the City of Middleburg Heights and the City of Brook Park to the City. These loans are classified as loans receivable on the balance sheet, considered collectible in full, and are expected to be collected in more than one year.

NOTE 7 - INTERFUND BALANCES AND TRANSFERS

Interfund Balances

Interfund receivables and payables can result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, or (3) payments between funds are made.

In March 2019, the City issued new treasury investment in the amount of \$200,000, which was authorized under Chapter 133.29 of the Ohio Revised Code between the general bond retirement fund and the general capital improvement fund. The purpose of this treasury investment was to finance the costs of urban renewal projects until the issuance of urban renewal bonds. This note matured in March 2020 with an interest rate of 1.00 percent and was paid in full.

Interfund Receivables/Payables

The account balances reported in the fund financial statements for "due from other funds" and "due to other funds" as of December 31, 2020 include \$150,000 due to the capital improvement fund from the CDBG fund to reimburse for project costs.

Interfund Transfers

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them; to move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to provide additional resources for current operations or debt service; to segregate money for anticipated capital projects; and to return money to the fund from which it was originally provided once a project is completed.

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In 1992, the voters authorized the municipal income tax levy. Proceeds from the levy are recorded in the general fund, for financial statement purposes, and can be transferred out for water, sewer, recreation, debt and capital expenditures as approved annually by Council. These funds cannot be spent for any other reason. The following transfers out were made from the general fund to reallocate income tax money:

Fund	Amount
Recreation Fund	\$ 1,000,000
General Bond Retirement Fund	75,000
General Capital Improvement Fund	1,134,000
Safety Capital Improvement Fund	155,000
Recreation Capital Improvement Fund	100,000
Neighborhood Capital Improvement Fund	686,000
Water Revenue Fund	40,000
Sewer Revenue Fund	475,000
Total	\$ 3,665,000

In addition, the general fund transferred \$190,000 to the fire pension fund, \$125,000 to the police pension fund, \$300,000 to the general bond retirement fund and \$74,000 to the neighborhood improvement fund. The general bond retirement fund transferred \$5,000 to the water revenue fund to pay debt issues relating to water improvements. The City has a voted debt levy that can be used for any type of debt. The water revenue fund transferred \$20,295 to the sewer revenue fund to pay debt issues related to water improvements.

Transfers Out	Transfers In				Total
	Bond Retirement	Nonmajor Governmental	Water Revenue	Sewer Revenue	
General Fund	\$ 300,000	\$ 389,000	\$ -	\$ -	\$ 689,000
General Bond Retirement	-	-	5,000	-	5,000
Water Revenue	-	-	-	20,295	20,295
Total	\$ 300,000	\$ 389,000	\$ 5,000	\$ 20,295	\$ 714,295

In 2020, the internal transfers between entity-wide activities included cash transfers of \$520,000 from governmental activities to business-type activities.

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NOTE 8 - CAPITAL ASSETS

A summary of changes in capital assets during 2020 follows:

	Restated Balance 1/1/20	Additions	Reductions	Balance 12/31/20
Governmental Activities				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$11,561,111	\$ -	\$ -	\$11,561,111
Intangible	2,183,636	-	-	2,183,636
Construction in Progress	3,107,220	261,268	(3,368,488)	-
<i>Total Capital Assets Not Being Depreciated</i>	<u>16,851,967</u>	<u>261,268</u>	<u>(3,368,488)</u>	<u>13,744,747</u>
<i>Capital Assets Being Depreciated</i>				
Land Improvements	16,826,242	376,600	(10,895)	17,191,947
Buildings	14,525,873	-	-	14,525,873
Building Improvements	35,502,599	2,384,264	(358,297)	37,528,566
Machinery and Equipment	6,914,254	285,322	(9,999)	7,189,577
Furniture and Fixtures	1,825,835	62,336	(95,073)	1,793,098
Vehicles	4,273,215	57,639	(82,032)	4,248,822
Infrastructure:				
Bridges	11,435,911	-	-	11,435,911
Roads	57,509,298	2,221,078	(370,906)	59,359,470
Sidewalks	1,793,411	-	-	1,793,411
Traffic Signals	4,238,674	-	-	4,238,674
<i>Total Capital Assets Being Depreciated</i>	<u>154,845,312</u>	<u>5,387,239</u>	<u>(927,202)</u>	<u>159,305,349</u>
<i>Accumulated Depreciation</i>				
Land Improvements	(8,982,105)	(715,269)	10,895	(9,686,479)
Buildings	(10,248,681)	(339,484)	-	(10,588,165)
Building Improvements	(13,970,059)	(1,243,478)	358,297	(14,855,240)
Machinery and Equipment	(5,400,538)	(341,752)	9,999	(5,732,291)
Furniture and Fixtures	(1,414,851)	(170,017)	95,073	(1,489,795)
Vehicles	(2,138,253)	(395,193)	58,243	(2,475,203)
Infrastructure:				
Bridges	(4,269,441)	(420,898)	-	(4,690,339)
Roads	(33,939,553)	(2,694,177)	272,188	(36,361,542)
Sidewalks	(1,156,853)	(79,707)	-	(1,236,560)
Traffic Signals	(1,592,798)	(141,289)	-	(1,734,087)
<i>Total Accumulated Depreciation</i>	<u>(83,113,132)</u>	<u>(6,541,264)</u>	<u>804,695</u>	<u>(88,849,701)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>71,732,180</u>	<u>(1,154,025)</u>	<u>(122,507)</u>	<u>70,455,648</u>
Governmental Activities Capital Assets, Net	<u>\$88,584,147</u>	<u>\$ (892,757)</u>	<u>\$ (3,490,995)</u>	<u>\$84,200,395</u>

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	Balance 1/1/20	Additions	Reductions	Balance 12/31/20
Business-Type Activities				
<i>Capital Assets Not Being Depreciated</i>				
Land	\$ 93,181	\$ -	\$ -	\$ 93,181
Intangible	1,154,237	-	-	1,154,237
Construction in Progress	1,605,564	481,387	(1,614,157)	472,794
<i>Total Capital Assets Not Being Depreciated</i>	<u>2,852,982</u>	<u>481,387</u>	<u>(1,614,157)</u>	<u>1,720,212</u>
<i>Capital Assets Being Depreciated</i>				
Land Improvements	995,301	-	-	995,301
Buildings	4,941,378	-	-	4,941,378
Building Improvements	2,366,836	-	-	2,366,836
Machinery and Equipment	5,662,001	9,215	-	5,671,216
Furniture and Fixtures	49,252	-	-	49,252
Vehicles	187,973	-	-	187,973
Infrastructure:				
Water Lines	13,769,308	923,399	(36,449)	14,656,258
Storm Sewers	17,016,876	513,153	-	17,530,029
Sanitary Sewers	13,476,157	239,792	(67,788)	13,648,161
<i>Total Capital Assets Being Depreciated</i>	<u>58,465,082</u>	<u>1,685,559</u>	<u>(104,237)</u>	<u>60,046,404</u>
<i>Accumulated Depreciation</i>				
Land Improvements	(963,777)	(5,081)	-	(968,858)
Buildings	(2,888,403)	(120,112)	-	(3,008,515)
Building Improvements	(986,487)	(101,830)	-	(1,088,317)
Machinery and Equipment	(3,774,762)	(160,410)	-	(3,935,172)
Furniture and Fixtures	(46,252)	(1,200)	-	(47,452)
Vehicles	(153,770)	(11,688)	-	(165,458)
Infrastructure:				
Water Lines	(3,827,442)	(304,933)	21,505	(4,110,870)
Storm Sewers	(5,680,460)	(412,287)	-	(6,092,747)
Sanitary Sewers	(3,882,342)	(265,496)	31,860	(4,115,978)
<i>Total Accumulated Depreciation</i>	<u>(22,203,695)</u>	<u>(1,383,037)</u>	<u>53,365</u>	<u>(23,533,367)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>36,261,387</u>	<u>302,522</u>	<u>(50,872)</u>	<u>36,513,037</u>
Business-Type Activities Capital Assets, Net	<u>\$39,114,369</u>	<u>\$ 783,909</u>	<u>\$ (1,665,029)</u>	<u>\$38,233,249</u>

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Depreciation expense was charged to governmental activities as follows:

	Depreciation
Security of Persons and Property	\$ 509,202
Leisure Time Services	1,719,268
Public Works	15,284
Transportation	3,228,678
General Government	1,068,832
Total Depreciation Expense	\$ 6,541,264

NOTE 9 - DEFINED BENEFIT PENSION PLANS

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

Net Pension Liability/Net OPEB Liability

Pensions and OPEB are components of exchange transactions - between an employer and its employees - of salaries and benefits for employee services. Pensions and 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 net pension liability and the net OPEB liability 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 plan's fiduciary net position. The net pension/OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate 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/OPEB 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 all funding to come from these employers. All contributions to date have come solely from these employers (which also includes 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 liabilities within 30 years. If the 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. Resulting adjustments to the net pension/OPEB liability would be effective when the changes are legally

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enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide health care to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability and net OPEB liability on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contributions 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 pension disclosures. See Note 10 for the 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. While members (e.g. City employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the traditional plan. 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 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 plan as per the reduced benefits adopted by SB 343 (see OPERS ACFR referenced above for additional information, including requirements for reduced and unreduced benefits):

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Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	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
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	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	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

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 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. 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.

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

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	State and Local
2019 Statutory Maximum Contribution Rates	
Employer	14.00 %
Employee	10.00 %
2019 Actual Contribution Rates	
Employer:	
Pension	14.00 %
Post-Employment Health Care Benefits	0.00 %
Total Employer	14.00 %
Employee	10.00 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$865,769 for 2020. Of this amount, \$91,867 is reported as an intergovernmental payable.

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

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.

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 Annual Comprehensive Financial Report referenced above for additional information, including requirements for Deferred Retirement Option Plan provisions and reduced and unreduced benefits).

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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 30 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 - 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 %

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,066,623 for 2020. Of this amount, \$108,762 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 \$158,522 payable in semi-annual payments through the year 2035.

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

The net pension liability for OPERS was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability 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 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:

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	OPERS	OP&F	Total
Proportion of the Net Pension Liability:			
Current Measurement Period	0.048847%	0.208932%	
Prior Measurement Period	0.049841%	0.208528%	
Change in Proportion	<u>-0.000994%</u>	<u>0.000404%</u>	
Proportionate Share of the Net Pension Liability	\$ 9,654,941	\$ 14,074,776	\$ 23,729,717
Pension Expense	\$ 1,530,209	\$ 1,953,205	\$ 3,483,414

Other than contributions made subsequent to the measurement date and differences between projected and actual earnings on investments; deferred inflows/outflows of resources are recognized in pension expense beginning in the current period, using a straight line method over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions, determined as of the beginning of the measurement period. Net deferred inflows/outflows of resources pertaining to the differences between projected and actual investment earnings are similarly recognized over a closed five year period. At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$ -	\$ 532,777	\$ 532,777
Changes of Assumptions	515,687	345,498	861,185
Changes in Proportionate Share	75,083	488,830	563,913
City Contributions Subsequent to the Measurement Date	865,769	1,066,623	1,932,392
Total Deferred Outflows of Resources	<u>\$ 1,456,539</u>	<u>\$ 2,433,728</u>	<u>\$ 3,890,267</u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 122,073	\$ 725,893	\$ 847,966
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,925,946	679,924	2,605,870
Changes in Proportionate Share	130,946	483,979	614,925
Total Deferred Inflows of Resources	<u>\$ 2,178,965</u>	<u>\$ 1,889,796</u>	<u>\$ 4,068,761</u>

\$1,932,392 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 the year ending December 31, 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:

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Year Ending December 31:	OPERS	OP&F	Total
2021	\$ (234,452)	\$ (29,526)	\$ (263,978)
2022	(668,769)	4,018	(664,751)
2023	79,754	201,829	281,583
2024	(764,728)	(638,669)	(1,403,397)
2025	-	(60,343)	(60,343)
	<u>\$ (1,588,195)</u>	<u>\$ (522,691)</u>	<u>\$ (2,110,886)</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.

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 key actuarial assumptions and methods applied to all prior 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>Actuarial Information</u>	<u>Traditional Pension Plan</u>
Wage Inflation	3.25 percent
Future Salary Increases, including wage inflation	3.25 percent to 10.75 percent (including wage inflation)
Investment Rate of Return	
Current Measurement Date	7.20 percent
Prior Measurement Date	7.20 percent
Actuarial Cost Method	Individual Entry Age
Cost-of-Living Adjustments	Pre-1/7/2013 Retirees: 3.00 percent Simple Post-1/7/2013 Retirees: 3.00 percent Simple through 2020, then 2.15 percent Simple

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

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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 of 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.

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:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
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	100.00 %	5.61 %

Discount Rate The discount rate used to measure the total pension liability was 7.20 percent. 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 benefit payments of current plan members.

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Therefore, the long-term expected rate of return on pension plan investments 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 to Changes in the Discount Rate The following table presents the City's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.20 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.20 percent) or one-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net Pension Liability	\$ 15,924,122	\$ 9,654,941	\$ 4,019,131

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:

Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	3.25 percent per annum, compounded annually, consisting of inflation rate of 2.75 percent plus productivity increase rate of 0.50 percent
Cost-of-Living Adjustments	3.00 percent simple; 2.20 percent simple for increases based on the lesser of the increase in CPI and 3.00 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.

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Age	Police	Fire
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.

Age	Police	Fire
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 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 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	10 Year Expected Real Rate of Return**	30 Year Expected Real Rate of Return**
Cash and Cash Equivalents	- %	0.10 %	1.00 %
Domestic Equity	16.00	3.90	5.40
Non-U.S. Equity	16.00	4.70	5.80
Private Markets	8.00	6.10	8.00
Core Fixed Income*	23.00	1.10	2.70
High Yield Fixed Income	7.00	2.50	4.70
Private Credit	5.00	4.80	5.50
U.S. Inflation Linked Bonds*	17.00	0.40	2.50
Midstream Energy Infrastructure	8.00	5.80	6.60
Real Assets	8.00	6.90	7.40
Private Real Estate	12.00	5.40	6.40
Total	120.00 %		

Note: Assumptions are geometric.

* Levered 2x

** Numbers are net of expected inflation

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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 the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 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 earnings were calculated using the longer-term assumed investment rate of return 8.00 percent. Based on those assumptions, OP&F'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.

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net Pension Liability	\$ 19,507,150	\$ 14,074,776	\$ 9,531,133

NOTE 10 - DEFINED BENEFIT OPEB PLANS

See Note 9 for a description of the net OPEB liability.

Plan Description – Ohio Public Employees Retirement System (OPERS)

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 post-employment 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.

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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 Annual Comprehensive 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

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 \$0 for 2020.

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

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored healthcare program, a cost-sharing, multiple-employer defined post-employment 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

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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.

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 \$25,260 for 2020. Of this amount, \$2,578 is reported as an intergovernmental payable.

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OPEB Liabilities, OPEB Expense, and Deferred Outflows/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:

	OPERS	OP&F	Total
Proportion of the Net OPEB Liability:			
Current Measurement Period	0.046651%	0.208932%	
Prior Measurement Period	0.047766%	0.208528%	
Change in Proportion	<u>-0.001115%</u>	<u>0.000404%</u>	
Proportionate Share of the Net			
OPEB Liability	\$ 6,443,715	\$ 2,063,774	\$ 8,507,489
OPEB Expense	\$ 673,638	\$ 143,139	\$ 816,777

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

	OPERS	OP&F	Total
Deferred Outflows of Resources			
Differences between Expected and			
Actual Experience	\$ 172	\$ -	\$ 172
Changes of Assumptions	1,019,972	1,206,562	2,226,534
Changes in Proportionate Share	36,682	160,854	197,536
City Contributions Subsequent			
to the Measurement Date	-	25,260	25,260
Total Deferred Outflows of Resources	<u>\$ 1,056,826</u>	<u>\$ 1,392,676</u>	<u>\$ 2,449,502</u>
Deferred Inflows of Resources			
Differences between Expected and			
Actual Experience	\$ 589,308	\$ 221,939	\$ 811,247
Net Difference between Projected and Actual			
Earnings on OPEB Plan Investments	328,112	94,969	423,081
Changes of Assumptions	-	439,822	439,822
Changes in Proportionate Share	88,145	476,632	564,777
Total Deferred Inflows of Resources	<u>\$ 1,005,565</u>	<u>\$ 1,233,362</u>	<u>\$ 2,238,927</u>

\$25,260 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:

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Year Ending December 31:	OPERS	OP&F	Total
2021	\$ 147,156	\$ 12,662	\$ 159,818
2022	44,049	12,660	56,709
2023	260	32,141	32,401
2024	(140,204)	1,432	(138,772)
2025	-	28,595	28,595
	\$ 51,261	\$ 134,054	\$ 185,315

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.

Projections of benefits for financial reporting purposes are based on the substantive plan 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 percent to 10.75 percent (includes wage inflation at 3.25 percent)
Single Discount Rate:	
Current Measurement Date	3.16 percent
Prior Measurement Date	3.96 percent
Investment Rate of Return	
Current Measurement Date	6.00 percent
Prior Measurement Date	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

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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 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 Trusts	6.00	5.69
International Equities	23.00	7.66
Other Investments	<u>14.00</u>	<u>4.90</u>
Total	<u>100.00 %</u>	<u>4.55 %</u>

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

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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	Current Discount Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 8,432,635	\$ 6,443,715	\$ 4,851,237

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 Trend Rate	1% Increase
City's Proportionate Share of the Net OPEB Liability	\$ 6,253,567	\$ 6,443,715	\$ 6,631,440

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.

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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 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.

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 (Level Percent of Payroll)
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	3.25 percent
Investment Rate of Return	
Current Measurement Date	8.00 percent
Prior Measurement Date	8.00 percent
Single Discount Rate:	
Current Measurement Date	3.56 percent
Prior Measurement Date	4.66 percent
Municipal Bond Rate	
Current Measurement Date	2.75 percent
Prior Measurement Date	4.13 percent
Cost of Living Adjustments	3.00 percent simple; 2.20 percent simple for increases based on the lessor of the increase in CPI and 3.00 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.

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Age	Police	Fire
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.

Age	Police	Fire
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 long-term expected rate of return on OPEB 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. The target asset allocation and best estimates of geometric real rates of return for each major asset class as of December 31, 2019, are summarized below:

Asset Class	Target Allocation	10 Year Expected Real Rate of Return**	30 Year Expected Real Rate of Return**
Cash and Cash Equivalents	- %	0.10 %	1.00 %
Domestic Equity	16.00	3.90	5.40
Non-U.S. Equity	16.00	4.70	5.80
Private Markets	8.00	6.10	8.00
Core Fixed Income*	23.00	1.10	2.70
High Yield Fixed Income	7.00	2.50	4.70
Private Credit	5.00	4.80	5.50
U.S. Inflation Linked Bonds*	17.00	0.40	2.50
Midstream Energy Infrastructure	8.00	5.80	6.60
Real Assets	8.00	6.90	7.40
Private Real Estate	12.00	5.40	6.40
Total	120.00 %		

Note: Assumptions are geometric.

* Levered 2x

** Numbers are net of expected inflation

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 the relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.20 times due to the application of leverage in certain fixed income asset classes.

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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	Current Discount Rate	1% Increase
City’s Proportionate Share of the Net OPEB Liability	\$ 2,558,947	\$ 2,063,774	\$ 1,652,320

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 11 - COMPENSATED ABSENCES

The criteria for determining vacation and sick leave components are derived from negotiated agreements, City ordinances and State laws. Vacation leave is earned at varying rates depending upon length of service and standard work week. Vacation leave is vested in the employee on January 1 of each year. Vacation time not taken by the end of the calendar year will be paid to the employee in the preceding January at the prior year’s rate.

For all employees, except for service union laborers and firefighters, sick leave is earned at the rate of four and one sixteenths hours per bi-weekly pay period. Service union laborers earn sick leave at the rate of five hours per bi-weekly pay period for 40 hour work week employees, and sick leave is earned at the rate of four and thirty-one tenths hours per bi-weekly pay period for 37.5 hour work week employees. Firefighters earn sick leave at the rate of 24 hours, which equals one tour of duty, per month. Each employee with 10 - 20 years of service with the City is paid for one-third of the employee’s earned unused sick leave, not to exceed 360 hours, or 17 tours of duty for firefighters, upon separation from the City. Each employee with 20 or more years of service with the City is paid for one-third of the

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employee's earned unused sick leave, limited to 63 tours for firefighters, upon separation from the City. Payments upon retirement for union employees will be paid over three years. The full balance may be transferred to another governmental agency if not taken upon separation.

Firefighters with 20 or more years of service with the City may elect to sell back up to 12 tours of duty of accumulated sick leave in any one calendar year. The firefighter will be paid at their current pay rate multiplied by one-third of the total number sick leave hours sold back.

NOTE 12 - LONG-TERM OBLIGATIONS

The original issue date, maturity date, interest rate and original issuance amount for each of the City's long-term obligations follows:

	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
General Obligation Bonds				
2010 Various Purpose Bonds	2010	2030	2.00% - 4.375%	\$ 2,725,000
2013 Various Purpose Bonds	2013	2033	1.50%-4.00%	4,005,000
2015 Various Purpose Bonds	2015	2035	2.00%-4.00%	6,870,000
2016 Various Purpose Refunding Bonds	2016	2026	4.00-4.25%	2,875,000
2020 Various Purpose Refunding Bonds	2020	2030	1.32%	1,860,000
OPWC Loans				
Sewer - Rocky River Project	2005	2025	0.00%	370,069
Sewer - North End Pump Station	2007	2027	0.00%	710,000
Sewer - Westbridge Drive	2013	2045	0.00%	600,000
Sewer - Fair Street	2016	2037	0.00%	294,000
Sewer - Fair Street Phase 2	2018	2039	0.00%	161,411
Sewer - Kraft Street	2019	2041	0.00%	354,959
Water - Beech Street	2011	2031	0.00%	102,500
Water - Fair Street	2016	2037	0.00%	73,500
Water - Fair Street Phase 2	2018	2039	0.00%	80,706
Water - Kraft Street	2019	2041	0.00%	305,265
Governmental Activities - Eastland Road	2009	2029	0.00%	1,900,900
Governmental Activities - Westbridge Drive	2012	2032	0.00%	202,650
Governmental Activities - Fair Street	2016	2037	0.00%	367,500
Governmental Activities - West Center Street	2017	2039	0.00%	423,500
Governmental Activities - Fair Street Phase 2	2018	2039	0.00%	142,195
Governmental Activities - Kraft Street	2019	2041	0.00%	705,000

(continued)

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	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
OWDA Loans				
Sewer - Sewer Construction	1997	2022	6.11%	\$ 700,000
Sewer -Prospect Road Sewer	1999	2019	5.54%	705,173
Sewer - Sanitary Sewers	2004	2034	4.66%	1,200,000
Sewer - South Rocky River Sewers	2005	2036	3.75%	713,940
Sewer - Sewer Improvements	2008	2024	4.28%	345,251
Sewer - Beech Street Sewer	2011	2022	3.49%	123,902
Sewer - Hickory Drive Sewer Phase 2	2015	2035	2.91%	275,963
Sewer - Fair Street Reconstruction Phase 1	2017	2037	2.52%	364,014
Sewer - North End Sewer Rehabilitation	2020		1.93%	
OWDA Loans				
Water - Waterline Replacement	2006	2027	4.42%	1,156,254
Water - Waterline Replacement	2007	2038	4.17%	1,109,436
Water - WTP Improvement Phase 1	2007	2028	3.25%	1,930,593
Water - Waterline Improvements	2008	2038	4.78%	1,105,020
Water - WTP Improvement Phase 2	2009	2030	3.70%	3,802,756
Water - Water System Improvements	2011	2042	3.49%	915,008
Water - Water Meters	2016	2037	2.46%	1,710,056
Water - Fair Street Reconstruction Phase 1	2017	2037	2.52%	336,013
Direct Borrowings with Pledged Assets				
Governmental Activities - Equipment/Vehicles	2015	2020	1.99%	382,954
Governmental Activities - Equipment/Vehicles	2016	2021	1.95%	275,000
Governmental Activities - Jeep Patriot	2017	2020	4.00%	8,985
Governmental Activities - Baliff Vehicle	2017	2021	3.24%	19,363
Governmental Activities - Jeep Grand Cherokee	2014	2020	2.89%	23,820
Governmental Activities - Equipment/Vehicles	2018	2025	2.84%	167,680
Governmental Activities - Police Cameras and Equipment	2020	2025	3.29%	223,040
Governmental Activities - Lifepak	2020	2024	1.36%	32,406
Water - Ford Tarus	2016	2020	2.89%	33,548
Water - Various Equipment/Vehicles	2018	2025	2.84%	25,056

*The total loan (project) is not yet 100% complete.

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A schedule of changes in long-term obligations of the City during 2020 follows:

	Balance 1/1/20	Additions	Reductions	Refunding	Balance 12/31/20	Due Within One Year
Governmental Activities						
<i>General Obligation Bonds:</i>						
2010 Various Purpose Bonds	\$ 1,965,000	\$ -	\$ (185,000)	\$ (1,780,000)	\$ -	\$ -
2013 Various Purpose Bonds	3,260,000	-	(250,000)	-	3,010,000	260,000
2015 Various Purpose Bonds	5,805,000	-	(325,000)	-	5,480,000	335,000
2016 Refunding Bonds	1,100,000	-	(180,000)	-	920,000	180,000
2020 Refunding Bonds	-	1,860,000	-	-	1,860,000	220,000
<i>Total General Obligation Bonds</i>	<u>12,130,000</u>	<u>1,860,000</u>	<u>(940,000)</u>	<u>(1,780,000)</u>	<u>11,270,000</u>	<u>995,000</u>
<i>Direct Placements:</i>						
<i>Bond Anticipation Notes</i>						
2.00% Various Improvement Notes	8,035,000	-	(8,035,000)	-	-	-
2.00% Various Improvement Notes	-	7,760,000	-	-	7,760,000	7,760,000
<i>Total Direct Placements</i>	<u>8,035,000</u>	<u>7,760,000</u>	<u>(8,035,000)</u>	<u>-</u>	<u>7,760,000</u>	<u>7,760,000</u>
<i>Direct Borrowings:</i>						
OPWC Loans Payable	2,462,046	519,882	(70,527)	-	2,911,401	158,678
Loan Payable	160,000	-	(40,000)	-	120,000	40,000
<i>Leases</i>						
2015 Equipment and Vehicles	79,638	-	(79,638)	-	-	-
2016 Equipment and Vehicles	113,197	-	(56,052)	-	57,145	57,145
2017 Various Vehicles	12,172	-	(11,315)	-	857	857
2018 Equipment and Vehicles	145,688	-	(22,615)	-	123,073	23,258
2020 Police Cameras and Equipment	-	223,040	-	-	223,040	-
2020 Lifepak	-	32,406	(6,685)	-	25,721	6,248
<i>Total Direct Borrowings</i>	<u>2,972,741</u>	<u>775,328</u>	<u>(286,832)</u>	<u>-</u>	<u>3,461,237</u>	<u>286,186</u>
<i>Other Long Term Obligations:</i>						
Net Pension Liability	27,941,746	-	(6,046,468)	-	21,895,278	-
Net OPEB Liability	6,881,016	402,167	-	-	7,283,183	-
Unamortized Bond Premiums	349,800	-	(21,732)	(32,646)	295,422	21,732
Compensated Absences	1,136,506	233,275	(162,896)	-	1,206,885	149,537
Police and Fire Pension Liability	166,326	-	(7,804)	-	158,522	7,984
<i>Total Other Long Term Obligations</i>	<u>36,475,394</u>	<u>635,442</u>	<u>(6,238,900)</u>	<u>(32,646)</u>	<u>30,839,290</u>	<u>179,253</u>
Total Governmental Activities	<u>\$ 59,613,135</u>	<u>\$ 11,030,770</u>	<u>\$ (15,500,732)</u>	<u>\$ (1,812,646)</u>	<u>\$ 53,330,527</u>	<u>\$ 9,220,439</u>

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	Balance 1/1/20	Additions	Reductions	Balance 12/31/20	Due Within One Year
Business-Type Activities					
<i>General Obligation Bonds:</i>					
2015 Various Purpose Bonds	\$ 105,000	\$ -	\$ (5,000)	\$ 100,000	\$ 5,000
<i>Direct Borrowings:</i>					
OWDA Loans	9,864,593	1,951	(647,023)	9,219,521	673,905
OPWC Loans	1,791,547	415,120	(53,004)	2,153,663	121,934
Loan Payable	213,437	-	(9,702)	203,735	19,404
<i>Leases:</i>					
2017 Vehicles	3,872	-	(3,872)	-	-
2018 Equipment and Vehicles	21,769	-	(3,379)	18,390	3,475
<i>Total Direct Borrowings</i>	<u>11,895,218</u>	<u>417,071</u>	<u>(716,980)</u>	<u>11,595,309</u>	<u>818,718</u>
<i>Other Long Term Obligations:</i>					
Net Pension Liability	2,730,088	-	(895,649)	1,834,439	-
Net OPEB Liability	1,245,511	-	(21,205)	1,224,306	-
Compensated Absences	114,596	8,045	(48,380)	74,261	14,132
<i>Total</i>	<u>4,090,195</u>	<u>8,045</u>	<u>(965,234)</u>	<u>3,133,006</u>	<u>14,132</u>
Total Business-Type Activities	<u>\$ 16,090,413</u>	<u>\$ 425,116</u>	<u>\$ (1,687,214)</u>	<u>\$ 14,828,315</u>	<u>\$ 837,850</u>

General Obligation Bonds - General obligations bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. The general obligation bonds will be retired from the general bond retirement fund and water revenue fund. The general obligation bonds outstanding as of December 31, 2020 are to be repaid from both voted and unvoted property taxes levied on all taxable property located within the City, municipal income taxes, and transfers from the water revenue fund for exempt properties. Exempt properties include organizations exempt from taxation, such as colleges and churches, as well as property outside the City's jurisdiction who are provided water services from the City. The City assesses these exempt properties through a surcharge on their water bills to pay for the debt.

In March 2010, the City issued general obligation bonds for permanent improvements. The bonds maturing on or after December 1, 2030 are subject to prior redemption, by and at the sole option of the City, either in whole or in part (as selected by the City), and in integral multiples of \$5,000 on any date on or after December 1, 2019, at a redemption price equal to 100 percent of the principal amount redeemed, plus interest accrued to the redemption date. These bonds were refunded on November 12, 2020.

In March 2013, the City issued general obligation bonds for permanent improvements. The bonds maturing on or after December 1, 2022 are subject to optional redemption by the City beginning December 1, 2021 and Term Bonds are subject to mandatory sinking fund redemption at a redemption price equal to 100 percent of the principal amount redeemed plus interest accrued to the redemption date.

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Serial Bonds

<u>Year</u>	<u>Amount</u>
2021	\$260,000
2022	270,000
2023	270,000

<u>2025 Term Bonds</u>		<u>2028 Term Bonds</u>		<u>2031 Term Bonds</u>		<u>2033 Term Bonds</u>	
<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2024	\$210,000	2026	\$ 235,000	2029	\$ 230,000	2032	\$ 190,000
2025	220,000	2027	225,000	2030	240,000	2033	195,000
		2028	225,000	2031	240,000		

On March 24, 2015, the City issued \$6,870,000 in Various Purpose General Obligation Bonds at an average interest rate of 3.24 percent with a premium of \$346,478. These bonds will be used to retire existing bond anticipation notes and will mature in 2035.

On August 18, 2016, the City issued current refunding general obligation bonds. The proceeds of the bonds were used to refund \$2,775,000 of the City's outstanding 2006 Various Purpose Bonds. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$177,163. The issuance resulted in an economic gain of \$180,310.

On November 12, 2020, the City issued current refunding general obligation bonds. The proceeds of the bonds were used to refund \$1,780,000 of the City's outstanding 2010 Various Purpose Bonds. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$220,711. The issuance resulted in an economic gain of \$210,073. As of December 31, 2020 \$1,780,000 of these bonds are considered defeased, (which will mature on December 1, 2021 through December 1, 2030).

OWDA Loans - The Ohio Water Development Authority (OWDA) loans will be paid from user charges from the appropriate enterprise fund.

In the event of default, as defined by each OWDA loan agreement, the lender may declare the full amount of the unpaid amount immediately due and payable and require the City to pay any fines or penalties incurred with interest.

OPWC Loan - The Ohio Public Works Commission (OPWC) loans are zero percent loans and paid from the general capital improvement fund, which includes resources related to loans receivable (See Note 6) and the water and sewer enterprise funds.

The City has pledged future net customer revenue to repay \$9,219,521 and \$2,153,666 in OWDA and OPWC loans, respectively. Current year principal and interest payments, as a percentage of net customer revenues, on all OWDA and OPWC loans were 82 percent. The percentage is expected to decrease in the future as expansion projects begin operations in years to come. The total principal and interest remaining

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to be paid on all OWDA and OPWC loans is \$11,816,452 and \$2,153,663, respectively, which includes the principal and interest payments. Principal and interest paid for the current year and total net available revenues were \$843,423 and \$1,212,539, respectively for the water fund and \$296,651 and \$175,554, respectively for the sewer fund.

In the event of default, as defined by each OPWC loan agreement, the amount of default will be subject to 8 percent interest on all amounts due from date of default. Additionally, the Lender may declare all amounts immediately due and payable or direct Medina County to pay the amount of any default from the funds which would otherwise be appropriated to the City from the County's undivided local government fund. The lender will also be entitled to collect any costs incurred in the event of default.

Loans Payable – During 2008, the City entered into an agreement with the City of Olmsted Falls, Ohio for a joint construction project on Lindberg/Westlawn Road. As part of this agreement, the City agreed to make annual debt service payments to the City of Olmsted Falls to cover annual debt service payments from a loan the City of Olmsted Falls entered into with OPWC in order to provide funding for the project. In 2017, Baldwin Wallace University issued the City a \$200,000 interest free loan to make improvements to Tressel Street. The loan is to be repaid in 5 annual payments of \$40,000 beginning June 1, 2019.

Notes Payable - In 2020, the City issued \$8,035,000 in various purpose bond anticipation notes to retire maturing notes, purchase vehicles and equipment for various departments and improvement and construction projects. This issue included a premium of \$73,119 which was recorded as an expense in the year of issuance. The notes will be paid by the general bond retirement fund. See Note 13 for details on the current portion of these notes.

Lease-Purchases - In the event of a default, Lessor may declare an amount equal to all remaining lease payments in effect when the event of default occurs together with interest be immediately due and payable or request the City to promptly return the asset to the Lessor and/or allow Lessor to disable the asset and take immediate possession of and remove it or sell, lease or otherwise dispose of any assets financed under the leases and demand payment of all out-of-pocket costs and expenses incurred by Lessor as a result of the event of default.

Net Pension and OPEB Liabilities – There are no repayment schedules for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are primarily made from the general fund and the sewer and water revenue funds. For additional information related to the net pension liability and net OPEB liability see Notes 9 and 10.

Other Long-Term Obligations - The compensated absences liability will be paid from the general fund, the recreation fund, the street construction, maintenance and repair fund, the probation services fund, and the water and sewer revenue funds. Lease Purchases are paid from the general fund, general capital improvement fund and water revenue fund.

The police and fire pension liability will be paid by voted property taxes levied on all taxable property located within the City from the police pension and fire pension special revenue funds.

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Principal and interest requirements to retire the long-term debt obligations outstanding at December 31, 2020 are as follows:

Governmental Activities

Year	General Obligation Bonds		OPWC	Loan	Lease-Purchase	
	Principal	Interest	Principal	Principal	Principal	Interest
2021	\$ 995,000	\$ 322,980	\$ 158,678	\$ 40,000	\$ 87,508	\$ 5,101
2022	975,000	301,252	176,303	40,000	88,781	3,204
2023	990,000	277,605	176,303	40,000	84,167	7,818
2024	945,000	253,677	176,303	-	86,737	5,249
2025	975,000	232,232	176,303	-	82,643	2,601
2026 - 2030	4,045,000	815,429	881,511	-	-	-
2031 - 2035	2,345,000	245,000	856,178	-	-	-
2036 - 2040	-	-	292,197	-	-	-
2041	-	-	17,625	-	-	-
Total	\$ 11,270,000	\$ 2,448,175	\$ 2,911,401	\$ 120,000	\$ 429,836	\$ 23,973

On March 11, 2021, payment is due in full on the various purpose bond anticipation notes in the amount of \$7,760,000 plus interest at 2.0 percent. See Note 13.

Business-Type Activities

Year	OWDA		OPWC	Loan	General Obligation Bond		Lease-Purchase	
	Principal	Interest	Principal	Principal	Principal	Interest	Principal	Interest
2021	\$ 673,905	\$ 333,004	\$ 121,934	\$ 19,404	\$ 5,000	\$ 3,612	\$ 3,475	\$ 522
2022	690,514	307,057	138,439	19,404	5,000	3,512	3,574	423
2023	654,391	277,457	138,439	19,404	5,000	3,362	3,675	322
2024	678,575	256,272	138,439	19,404	5,000	3,213	3,779	218
2025	690,887	231,164	138,439	19,404	5,000	3,063	3,887	110
2026 - 2030	3,187,870	787,790	582,674	97,013	25,000	12,753	-	-
2031 - 2035	1,780,681	333,894	422,176	9,702	50,000	6,000	-	-
2036 - 2040	775,574	66,460	357,849	-	-	-	-	-
2041 - 2045	87,124	3,833	115,274	-	-	-	-	-
Total	\$9,219,521	\$ 2,596,931	\$2,153,663	\$203,735	\$ 100,000	\$ 35,515	\$ 18,390	\$ 1,595

NOTE 13 – NOTES PAYABLE

In 2020, the City issued \$5,600,000 in bond anticipation notes for the purpose of improving City-owned administrative offices, training facility and surrounding grounds leased to the Cleveland Browns in addition to paying off the previous notes. On September 30, 2021, payment is due in full in the amount of \$5,600,000 plus interest at 3.00 percent.

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In 2020, the City issued \$8,035,000 in Various Purpose Improvement notes in anticipation of bonds to retire maturing notes, purchase vehicles and equipment for various departments and improvement and construction projects. These notes mature March 11, 2021. The balance of \$275,000 will be retired with operational revenues of the general bond retirement fund at maturity.

Note payable activity during 2020 is as follows:

	Balance 1/1/2020	Additions	Reductions	Balance 12/31/2020
2.88% Various Improvement Notes	\$ 5,800,000	\$ -	\$ 5,800,000	\$ -
3.00% Various Improvement Notes	260,000	-	260,000	-
1.00% Various Improvement Notes	-	5,600,000	-	5,600,000
2.00% Various Improvement Notes	-	275,000	-	275,000
Total	\$ 6,060,000	\$ 5,875,000	\$ 6,060,000	\$ 5,875,000

NOTE 14 - RISK MANAGEMENT

Property and Liability Insurance

The City maintains comprehensive insurance coverage with private carriers for real property, building contents, vehicles, and general liability risks including public officials' liability. The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During 2020, the City contracted with Public Entities Pool of Ohio for claims in excess of coverage provided by the fund for all risk of loss. Under this program, the general liability and property losses are covered to \$10,000 and \$50,000 respectively. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has not been a significant reduction in coverage from the prior year.

The City maintains a property and liability insurance internal service fund to account for and finance its uninsured and insured risk of loss. The general fund, recreation and street maintenance special revenue funds and the water revenue and sewer revenue enterprise funds participate in the program and make payments to the property and liability insurance internal service fund based on estimates of the amounts needed to pay prior year and current year claims. Settled claims have not exceeded this coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

The City has no claims liability at December 31, 2020 or 2019.

Medical Benefits

The City has elected to provide employee medical, surgical, prescription drug, dental, and vision benefits. The City maintains a self-insurance internal services fund to account for this program. The plan provides medical/surgical coverage with certain deductibles, co-pays and maximum benefits as noted in the plan. The dental/vision benefits are also subject to certain deductibles, co-pays and maximum benefits as noted in the plan. The prescription drug plan utilizes a \$10 generic, \$20 preferred brand name, \$35 non-

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preferred brand name deductible per prescription. The plan is administered by United Healthcare/UMR and overseen by The Fedeli Group. All claims are reviewed by United Healthcare/UMR and the City before claims are paid by the City. All of the above limitations are subject to certain guidelines and restrictions.

The City pays into the self-insurance internal service fund \$1,425 for family coverage and \$582 for single coverage per month. The premium is charged to the fund that records the salary expenditure of the covered employee. The premium is based upon historical cost data provided by the insurance carriers. Employees contribute 8 percent of the prior year's actual costs for health insurance through a payroll deduction. Employees contributed \$180.70 for family coverage or \$73.76 for single coverage for medical, dental and vision.

The claims liability of \$180,171 reported in the medical benefits internal service fund at December 31, 2020 is based on the requirements of Governmental Accounting Standards Board Statement No. 30 which requires that a liability for unpaid claims cost, including estimates of cost relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include unallocated claim adjustment expenses. Changes in the medical benefits internal service fund's claims liability amount in 2019 and 2020 were as follows and typically are retired within three months of year end:

	<u>Balance</u> <u>January 1</u>	<u>Current</u> <u>Year Claims</u>	<u>Claim</u> <u>Payments</u>	<u>Balance</u> <u>December 31</u>
2019	\$ 207,698	\$ 2,405,380	\$ 2,444,807	\$ 168,271
2020	\$ 168,271	\$ 2,182,539	\$ 2,170,639	\$ 180,171

Workers' Compensation

The City participates in the Workers' Compensation Retrospective Rating Plan for its workers compensation coverage. The City maintains a Workers Compensation internal service fund to account for this program, whereby various departments contribute premiums which are used to pay claim settlements and purchase specified insurance policies.

NOTE 15 - JOINTLY GOVERNED ORGANIZATIONS

Southwest Council of Governments

The Southwest Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The Council's Board is comprised of one member from each of the participating entities. The Board exercises total control over the operation of the Council including budgeting, appropriating, contracting, and designating management. Budgets are adopted by the Board. Each city's degree of control is limited to its representation on the Board.

The Council has established two subsidiary organizations, the Southwest Emergency Response Team (SERT), which provides hazardous material protection and assistance, technical rescue including water rescue and land-based components, fire investigation and tactical EMS services; and the Southwest Enforcement Bureau (SEB), which provides specially trained officers to respond to incidents where

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special weapons and tactics are needed, including SWAT, Bomb Squad, Crisis Negotiations and Tactical EMS. In 2020, the City of Berea contributed \$22,500 to the Council. The Council's financial statements may be obtained by contacting Eric Dean, Fiscal Officer, 14600 State Road, North Royalton, Ohio 44133.

Southwest General Health Center

The Southwest General Health Center is an Ohio nonprofit corporation providing health services. The Health Center is a jointly governed organization among the communities of Berea, Brook Park, Columbia Township, Middleburg Heights, Olmsted Falls and Strongsville.

The Health Center is governed by a Board of Trustees consisting of the following: one member of the legislative body from each of the political subdivisions, one resident from each of the political subdivisions who is not a member of the legislative body, three persons who are residents of any of the participating political subdivisions, the president and the executive vice president of the corporations, and the president and the vice president of the medical staff. The legislative body of each political subdivision elects their own member to serve on the Board of Trustees of the Health Center. The Board exercises total control over the operation of the Health Center including budgeting, appropriating, contracting and designating management. Each City's control is limited to its representation on the Board. In 2020, the City of Berea contributed \$96,097.

Woodvale Union Cemetery

The Woodvale Union Cemetery is a body corporate and politic established to exercise the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. Woodvale Union Cemetery provides burial grounds and burial services to the public. The Cemetery is a jointly governed organization among the communities of Berea and Middleburg Heights.

The Cemetery is governed by a joint council consisting of the council members from both member communities. The joint council elects and appoints the members of the Board of Trustees. The members of the Board of Trustees consist of the following: one elected member of the legislative body from each of the political subdivisions, and one appointed resident from either of the political subdivisions who is not a member of the legislative body.

The joint council exercises control over the operation of the Cemetery through budgeting, appropriating, and contracting. The Board of Trustees control daily operations of the Cemetery. Each city's control is limited to its representation on the Joint Council. In 2020, the City of Berea contributed \$10,949 to the Cemetery for operations.

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 235 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 ensuring stability in prices by entering into long-term contracts with suppliers to provide electricity to the citizens of its member communities.

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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 Berea did not contribute to NOPEC during 2020. Financial information can be obtained by contacting Ron McVoy, the Board Chairman, at 175 South Main Street, Akron, Ohio 44308 or at the website www.nopecinfo.org.

Regional Income Tax Agency

In 1971, 38 municipalities joined together to organize a Regional Council of Governments (RCOG) to administer tax collection and enforcement concerns facing member cities and villages. The first official act of the RCOG was to form the Regional Income Tax Agency (RITA) to administer the income tax ordinances of any Ohio municipality that joins the agency through the RCOG. Today, RITA serves as the income tax collection agency for over 300 municipalities throughout the State of Ohio. Financial information may be obtained by writing to RITA, 10107 Brecksville Road, Brecksville, Ohio 44141.

NOTE 16 – CONTINGENCIES

Litigation

The City of Berea is a party to several legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. In those cases where a loss is probable and measurable, a liability has been recognized. It is the opinion of the City that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial position of the City.

Grants

The disbursement of funds received under federal and state grants generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any potential disallowed claims resulting from such an audit could become a liability of the City. However, City management believes any such disallowed claims would be immaterial on the overall financial position of the City at December 31, 2020.

NOTE 17 – COMMITMENTS

Encumbrance Commitments

The City utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed or assigned classifications of fund balance. At year end, the City's commitments for encumbrances in the general, general capital improvement and other governmental funds were \$53,447, \$171,539 and \$204,970, respectively.

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NOTE 18 – 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.

During 2020, the City received CARES Act funding. Of the amounts received, \$108,000 was sub-granted to other organizations. These amounts are reflected as public health expenditures in the Coronavirus Relief Special Revenue Fund on the accompanying financial statements.

NOTE 19 – SUBSEQUENT EVENTS

On March 10, 2021, the City issued Various Purpose Bond Anticipation Notes in the amount of \$7,760,000 at an interest rate of 0.75 percent to refinance prior notes and to finance the costs of constructing improvements. These notes mature on March 10, 2022.

Required Supplementary Information

City of Berea
Cuyahoga County, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability
Last Seven Years (1)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
City's Proportion of the Net Pension Liability	0.048847%	0.049841%	0.048450%	0.049453%
City's Proportionate Share of the Net Pension Liability	\$ 9,654,941	\$ 13,650,439	\$ 7,600,919	\$ 11,229,825
City's Covered Payroll	\$ 6,872,686	\$ 6,731,914	\$ 6,402,750	\$ 6,404,008
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	140.48%	202.77%	118.71%	175.36%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.17%	74.70%	84.66%	77.25%
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
City's Proportion of the Net Pension Liability	0.208932%	0.208528%	0.204259%	0.220524%
City's Proportionate Share of the Net Pension Liability	\$ 14,074,776	\$ 17,021,395	\$ 12,536,313	\$ 13,967,769
City's Covered Payroll	\$ 5,142,188	\$ 4,705,273	\$ 4,469,975	\$ 4,747,571
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	273.71%	361.75%	280.46%	294.21%
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.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

	2016	2015	2014
	0.047988%	0.050309%	0.050309%
\$	8,312,127	\$ 6,067,828	\$ 5,930,776
\$	5,972,592	\$ 6,167,933	\$ 5,968,754
	139.17%	98.38%	99.36%
	81.08%	86.45%	86.36%
	0.208076%	0.199826%	0.199826%
\$	13,385,675	\$ 10,351,794	\$ 9,732,129
\$	4,246,290	\$ 3,978,838	\$ 3,980,738
	315.23%	260.17%	244.48%
	66.77%	72.20%	73.00%

City of Berea
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Required Supplementary Information
Schedule of the City's Contributions - Pension
Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ 865,769	\$ 962,176	\$ 942,468	\$ 832,358
Contributions in Relation to the Contractually Required Contribution	<u>(865,769)</u>	<u>(962,176)</u>	<u>(942,468)</u>	<u>(832,358)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 6,184,064	\$ 6,872,686	\$ 6,731,914	\$ 6,402,750
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	13.00%
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
Contractually Required Contribution	\$ 1,066,623	\$ 1,085,687	\$ 995,530	\$ 944,340
Contributions in Relation to the Contractually Required Contribution	<u>(1,066,623)</u>	<u>(1,085,687)</u>	<u>(995,530)</u>	<u>(944,340)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 5,051,929	\$ 5,142,188	\$ 4,705,273	\$ 4,469,975
Contributions as a Percentage of Covered Payroll	21.11%	21.11%	21.16%	21.13%

(n/a) Information prior to 2013 is not available.

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>
\$ 768,481	\$ 716,711	\$ 740,152	\$ 775,938	n/a	n/a
<u>(768,481)</u>	<u>(716,711)</u>	<u>(740,152)</u>	<u>(775,938)</u>	n/a	n/a
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	n/a	n/a
\$ 6,404,008	\$ 5,972,592	\$ 6,167,933	\$ 5,968,754	n/a	n/a
12.00%	12.00%	12.00%	13.00%	n/a	n/a
\$ 1,003,574	\$ 892,732	\$ 836,257	\$ 705,855	\$ 595,236	\$ 636,740
<u>(1,003,574)</u>	<u>(892,732)</u>	<u>(836,257)</u>	<u>(705,855)</u>	<u>(595,236)</u>	<u>(636,740)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,747,571	\$ 4,246,290	\$ 3,978,838	\$ 3,980,738	\$ 4,044,258	\$ 4,311,948
21.14%	21.02%	21.02%	17.73%	14.72%	14.77%

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City of Berea
Cuyahoga County, Ohio
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net OPEB Liability
Last Four Years (1)

	2020	2019	2018	2017
Ohio Public Employees' Retirement System (OPERS)				
City's Proportion of the Net OPEB Liability	0.046651%	0.047766%	0.046800%	0.047728%
City's Proportionate Share of the Net OPEB Liability	\$ 6,443,715	\$ 6,227,559	\$ 5,082,150	\$ 4,820,690
City's Covered Payroll	\$ 6,872,686	\$ 6,731,914	\$ 6,402,750	\$ 6,404,008
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	93.76%	92.51%	79.37%	75.28%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.80%	46.33%	54.14%	54.04%
Ohio Police and Fire Pension Fund (OPF)				
City's Proportion of the Net OPEB Liability	0.208932%	0.208528%	0.204259%	0.220524%
City's Proportionate Share of the Net OPEB Liability	\$ 2,063,774	\$ 1,898,968	\$ 11,573,046	\$ 10,467,778
City's Covered Payroll	\$ 5,142,188	\$ 4,705,273	\$ 4,469,975	\$ 4,747,571
City's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	40.13%	40.36%	258.91%	220.49%
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.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

City of Berea
Cuyahoga County, Ohio
Required Supplementary Information
Schedule of the City's Contributions - OPEB
Last Ten Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ 64,028
Contributions in Relation to the Contractually Required Contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>(64,028)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll (1)	\$ 6,184,064	\$ 6,872,686	\$ 6,731,914	\$ 6,402,750
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	1.00%
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
Contractually Required Contribution	\$ 25,260	\$ 25,711	\$ 23,526	\$ 22,350
Contributions in Relation to the Contractually Required Contribution	<u>(25,260)</u>	<u>(25,711)</u>	<u>(23,526)</u>	<u>(22,350)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 5,051,929	\$ 5,142,188	\$ 4,705,273	\$ 4,469,975
Contributions as a Percentage of Covered Payroll	0.50%	0.50%	0.50%	0.50%

(n/a) Beginning in 2016, OPERS used one trust fund as the funding vehicle for all health care plans; therefore, information prior to 2016 is not presented.

(1) The OPEB plan includes the members from the traditional plan, the combined plan and the member directed plan.

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>
\$ 128,080	n/a	n/a	n/a	n/a	n/a
<u>(128,080)</u>	n/a	n/a	n/a	n/a	n/a
<u>\$ -</u>	n/a	n/a	n/a	n/a	n/a
\$ 6,404,008	n/a	n/a	n/a	n/a	n/a
2.00%	n/a	n/a	n/a	n/a	n/a
\$ 24,139	\$ 20,831	\$ 19,894	\$ 144,182	\$ 272,988	\$ 291,057
<u>(24,139)</u>	<u>(20,831)</u>	<u>(19,894)</u>	<u>(144,182)</u>	<u>(272,988)</u>	<u>(291,057)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,747,571	\$ 4,246,290	\$ 3,978,838	\$ 3,980,738	\$ 4,044,258	\$ 4,311,948
0.50%	0.50%	0.50%	3.62%	6.75%	6.75%

City of Berea
Cuyahoga County, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2020

Note 1 - Net Pension Liability

Changes in Assumptions – OPERS

For fiscal year 2019, the single discount rate changed from 7.50 percent to 7.20 percent.

Amounts reported in calendar year 2017 reflect an adjustment of the rates of withdrawal, disability, retirement and mortality to more closely reflect actual experience. The expectation of retired life mortality was based on RP-2014 Healthy Annuitant mortality table and RP-2014 Disabled mortality table. The following reductions were also made to the actuarial assumptions:

- Discount rate from 8.00 percent to 7.50 percent
- Wage inflation rate from 3.75 percent to 3.25 percent
- Price inflation from 3.00 percent to 2.50 percent

Changes in Benefit Terms – OPERS

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

Changes in Assumptions – OP&F

For 2018, the single discount rate changed from 8.25 percent to 8.00 percent.

Changes in Benefit Terms – OP&F

No significant changes in benefit terms.

Note 2 - Net OPEB Liability

Changes in Assumptions - OPERS

For calendar year 2020, the following changes were made to the actuarial assumptions:

- Discount rate from 3.96 percent to 3.16 percent
- Municipal bond rate from 3.71 percent to 2.75 percent
- Health Care Cost Trend Rate from 10.00 percent to 10.50 percent

For calendar year 2019, the following changes were made to the actuarial assumptions:

- Discount rate from 3.85 percent to 3.96 percent
- Investment rate of return from 6.50 percent to 6.00 percent
- Municipal bond rate from 3.31 percent to 3.71 percent
- Health Care Cost Trend Rate from 7.50 percent to 10.00 percent

For calendar year 2018, the single discount rate changed from 4.23 percent to 3.85 percent.

City of Berea
Cuyahoga County, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2020

Changes in Benefit Terms – OPERS

No significant changes in benefit terms.

Changes in Assumptions – OP&F

For calendar year 2020, the single discount rate decreased from 4.66 percent to 3.56 percent and the municipal bond rate from 4.13 percent to 2.75 percent.

For calendar year 2019, the discount rate increased from 3.24 percent to 4.66 percent and the municipal bond rate from 3.16 percent to 4.13 percent.

For calendar year 2018, the single discount rate changed from 3.79 percent to 3.24 percent.

Changes in Benefit Terms – OP&F

Beginning January 1, 2019 OP&F changed its retiree health care model to a stipend-based health care model. A stipend funded by OP&F will be placed in individual Health Reimbursement Accounts that retirees will use to be reimbursed for health care expenses.

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**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

**THE FOLLOWING COMBINING STATEMENTS
AND SCHEDULES INCLUDE -
MAJOR AND NON-MAJOR
GOVERNMENTAL FUNDS,
PROPRIETARY FUNDS AND
FIDUCIARY FUNDS**

City of Berea
Cuyahoga County, Ohio
Combining Statements –
Nonmajor Funds

Nonmajor Special Revenue Funds

The Special Revenue Funds are used to account for the proceeds of specific sources that are legally restricted or committed to expenditure for specified purposes. With the implementation of GASB No. 54, the animal control and municipal court special revenue funds have been classified with the general fund for GAAP reporting purposes. However, these funds have their own legally adopted budget. As a result, an Individual Fund Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual have been presented for these funds. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

Animal Control Fund

To account for revenues generated from animal control activities. This fund is classified with general fund for GAAP reporting purposes.

Municipal Court Fund

To account for funds received and expended by the Berea Municipal Court. This fund is classified with general fund for GAAP reporting purposes.

Recreation Fund

To account for fees collected and income tax levied for the purpose of paying the costs of acquiring, constructing, improving, operating or maintaining the City's recreational facilities and programs.

State Highway Fund

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

Street Maintenance Fund

To account for that portion of the State gasoline tax and motor vehicle registration fees designated for street maintenance and repair.

Contract Retainer Fund

To account for monies withheld from payments on construction contracts, to ensure compliance regarding the project, with the City.

Guarantee Deposits Fund

To account for the deposits made by builders to ensure compliance with building codes.

Coronavirus Relief Fund

To account for federal emergency relief grants related to the Coronavirus (COVID-19) pandemic.

Fire Pension Fund

To accumulate property taxes levied for the payment of current employer contributions for fire disability and pension benefits and the accrued liability.

Police Pension Fund

To accumulate property taxes levied for the payment of current employer contributions for police disability and pension benefits and the accrued liability.

City of Berea
Cuyahoga County, Ohio
Combining Statements –
Nonmajor Funds

Nonmajor Special Revenue Funds

Public Safety Fund

To account for revenues received from Cuyahoga County and other potential grantors and donors for operating and capital expenditures relating to public safety, including the community engagement unit.

Safe Passages Fund

To account for monies received, including donations and grants, for operating costs of the safe passages program which operates to facilitate rehabilitation opportunities for those individuals addicted to opiates.

Street Lighting Fund

To account for special assessments levied to pay the costs of street lighting in certain areas of the City.

Community Hospital Fund

To account for a special property tax levied to provide resources to support a health care facility.

Community Development Block Grant Fund

To account for revenues received from the federal government and expenditures incurred as prescribed under the Community Development Block Grant Program. There is no budget reported for this fund.

Municipal Vehicle Tax Levy Fund

To account for the additional motor vehicle registration fees designated for maintenance and repair to streets within the City.

Law Enforcement Fund

To account for monies seized from criminals by law enforcement officials in the course of their work and restricted, by State statute, for expenditures that would enhance the police department.

Municipal Court Health Insurance Fund

To account for court costs used to fund the cost of health insurance coverage for court employees.

Probation Services Fund

To account for court fees, restricted for the operation of the Court Probation Program.

Indigent Driver Alcohol Treatment Fund

To account for the resources obtained from DUI fines and designated, by state statute, for a state approved alcohol treatment program.

DUI Education Fund

To account for court fees obtained from DUI cases and restricted by State statute, for expenditures that would enhance DUI education.

Theft Diversion Fund

To account for court costs used to fund the cost of theft diversion programs.

City of Berea
Cuyahoga County, Ohio
Combining Statements –
Nonmajor Funds

Nonmajor Special Revenue Funds

DUS Diversion Fund

To account for court fees obtained from DUS cases restricted for the operation of the Court's DUS Diversion Program.

Court Computer Fund

To account for court fees, restricted for the use and maintenance of the computers within the Berea Municipal Court, Clerk of Courts Office.

Court Computer Research Fund

To account for court fees, restricted for the use and maintenance of the computers within the Berea Municipal Court, Judge's Office.

Court Special Projects Fund

To account for court fees, restricted for the use of special projects within the Berea Municipal Court.

Indigent Defendant Alcohol Monitoring Fund

To account for court costs used to fund a portion of the costs of indigent defendant alcohol monitoring.

Municipal Court Magistrates Fund

To account for court costs used to fund a portion of the costs of magistrates program established by the Berea Municipal Court.

City of Berea
Cuyahoga County, Ohio
Combining Statements –
Nonmajor Funds

Nonmajor Capital Projects Funds

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

Safety Capital Improvement Fund

To account for revenue earmarked for improvements to the Police and Fire Department and the acquisition of capital equipment.

Recreation Capital Improvement Fund

To account for monies borrowed or earmarked for capital improvements for recreational purposes.

Court Capital Improvement Fund

To account for monies received and expended for the construction of a municipal court building.

Neighborhood Improvement Fund

To collect revenues related to housing and building code inspections and expend the funds on improvements within the neighborhood for such things as sidewalks, signage, buildings, property improvements, etc.

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2020

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Investments	\$ 1,937,351	\$ 854,792	\$ 2,792,143
Accounts Receivable	46,695	4,792	51,487
Intergovernmental Receivable	664,438	29,650	694,088
Taxes Receivable	875,957	-	875,957
Special Assessments Receivable	649,035	-	649,035
Materials and Supplies Inventory	216,295	-	216,295
<i>Total Assets</i>	<u>\$ 4,389,771</u>	<u>\$ 889,234</u>	<u>\$ 5,279,005</u>
Liabilities			
Accounts Payable	\$ 75,746	\$ 22,117	\$ 97,863
Accrued Wages	15,343	5,199	20,542
Intergovernmental Payable	103,988	5,234	109,222
Due to Other Funds	150,000	-	150,000
<i>Total Liabilities</i>	<u>345,077</u>	<u>32,550</u>	<u>377,627</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	803,463	-	803,463
Delinquent Property Taxes	72,494	-	72,494
Unavailable Revenue	1,157,689	-	1,157,689
<i>Total Deferred Inflows of Resources</i>	<u>2,033,646</u>	<u>-</u>	<u>2,033,646</u>
Fund Balances			
Nonspendable	216,295	-	216,295
Restricted	1,847,171	271,717	2,118,888
Committed	97,582	584,967	682,549
Unassigned	(150,000)	-	(150,000)
<i>Total Fund Balances</i>	<u>2,011,048</u>	<u>856,684</u>	<u>2,867,732</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 4,389,771</u>	<u>\$ 889,234</u>	<u>\$ 5,279,005</u>

City of Berea
Cuyahoga County, 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 Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$ 818,069	\$ -	\$ 818,069
Special Assessments	706,536	-	706,536
Charges for Services	313,118	305,767	618,885
Licenses and Permits	-	35,391	35,391
Fines and Forfeitures	605,274	131,505	736,779
Intergovernmental	2,517,204	121,066	2,638,270
Interest	5,434	-	5,434
Contributions and Donations	5,851	24,900	30,751
Other	257,922	48,856	306,778
<i>Total Revenues</i>	<u>5,229,408</u>	<u>667,485</u>	<u>5,896,893</u>
Expenditures			
Current:			
General Government	1,069,099	-	1,069,099
Security of Persons and Property	2,399,100	-	2,399,100
Public Health	387,208	-	387,208
Leisure Time Services	1,471,722	-	1,471,722
Transportation	913,231	-	913,231
Capital Outlay	119,458	1,252,270	1,371,728
Debt Service:			
Principal Retirement	7,804	20,735	28,539
Interest and Fiscal Charges	6,988	1,685	8,673
<i>Total Expenditures</i>	<u>6,374,610</u>	<u>1,274,690</u>	<u>7,649,300</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,145,202)	(607,205)	(1,752,407)
Other Financing Sources (Uses)			
Issuance of Lease-Purchase	-	255,446	255,446
Transfers In	1,315,000	1,015,000	2,330,000
<i>Net Change in Fund Balances</i>	169,798	663,241	833,039
<i>Fund Balances Beginning of Year</i>	<u>1,841,250</u>	<u>193,443</u>	<u>2,034,693</u>
<i>Fund Balances End of Year</i>	<u>\$ 2,011,048</u>	<u>\$ 856,684</u>	<u>\$ 2,867,732</u>

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020

	Recreation Fund	State Highway Fund	Street Maintenance Fund	Contract Retainer Fund	Guarantee Deposits Fund
Assets					
Equity in Pooled Cash and Investments	\$ 123,963	\$ 15,571	\$ 197,514	\$ 55,757	\$ 248,727
Accounts Receivable	8,852	-	-	-	-
Intergovernmental Receivable	-	34,377	423,990	-	-
Taxes Receivable	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	-
Materials and Supplies Inventory	-	-	216,295	-	-
<i>Total Assets</i>	<u>\$ 132,815</u>	<u>\$ 49,948</u>	<u>\$ 837,799</u>	<u>\$ 55,757</u>	<u>\$ 248,727</u>
Liabilities					
Accounts Payable	\$ 21,182	\$ -	\$ 572	\$ -	\$ -
Accrued Wages	5,913	-	5,534	-	-
Intergovernmental Payable	8,138	-	4,250	-	-
Due to Other Funds	-	-	-	-	-
<i>Total Liabilities</i>	<u>35,233</u>	<u>-</u>	<u>10,356</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-
Unavailable Revenue	-	22,918	282,660	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>22,918</u>	<u>282,660</u>	<u>-</u>	<u>-</u>
Fund Balances					
Nonspendable	-	-	216,295	-	-
Restricted	-	27,030	328,488	55,757	248,727
Committed	97,582	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>97,582</u>	<u>27,030</u>	<u>544,783</u>	<u>55,757</u>	<u>248,727</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 132,815</u>	<u>\$ 49,948</u>	<u>\$ 837,799</u>	<u>\$ 55,757</u>	<u>\$ 248,727</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020

	Coronavirus Relief Fund	Fire Pension Fund	Police Pension Fund	Public Safety Fund	Safe Passages Fund
Assets					
Equity in Pooled Cash and Investments	\$ -	\$ 112,091	\$ 84,778	\$ 2,809	\$ 6,033
Accounts Receivable	-	-	-	-	-
Intergovernmental Receivable	-	24,197	24,197	-	-
Taxes Receivable	-	388,098	388,098	-	-
Special Assessments Receivable	-	-	-	-	-
Materials and Supplies Inventory	-	-	-	-	-
<i>Total Assets</i>	<u>\$ -</u>	<u>\$ 524,386</u>	<u>\$ 497,073</u>	<u>\$ 2,809</u>	<u>\$ 6,033</u>
Liabilities					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages	-	-	-	-	-
Intergovernmental Payable	-	47,304	40,950	-	-
Due to Other Funds	-	-	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>47,304</u>	<u>40,950</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	-	355,979	355,979	-	-
Delinquent Property Taxes	-	32,119	32,119	-	-
Unavailable Revenue	-	24,197	24,197	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>412,295</u>	<u>412,295</u>	<u>-</u>	<u>-</u>
Fund Balances					
Nonspendable	-	-	-	-	-
Restricted	-	64,787	43,828	2,809	6,033
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>-</u>	<u>64,787</u>	<u>43,828</u>	<u>2,809</u>	<u>6,033</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ -</u>	<u>\$ 524,386</u>	<u>\$ 497,073</u>	<u>\$ 2,809</u>	<u>\$ 6,033</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020

	Street Lighting Fund	Community Hospital Fund	Community Development Block Grant Fund	Municipal Vehicle Tax Fund	Law Enforcement Fund
Assets					
Equity in Pooled Cash and Investments	\$ 163,071	\$ 4,681	\$ -	\$ 20,172	\$ 13,903
Accounts Receivable	-	-	-	-	-
Intergovernmental Receivable	-	4,682	150,000	2,995	-
Taxes Receivable	-	99,761	-	-	-
Special Assessments Receivable	649,035	-	-	-	-
Materials and Supplies Inventory	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 812,106</u>	<u>\$ 109,124</u>	<u>\$ 150,000</u>	<u>\$ 23,167</u>	<u>\$ 13,903</u>
Liabilities					
Accounts Payable	\$ 49,097	\$ -	\$ -	\$ -	\$ -
Accrued Wages	-	-	-	-	-
Intergovernmental Payable	-	-	-	-	-
Due to Other Funds	-	-	150,000	-	-
<i>Total Liabilities</i>	<u>49,097</u>	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	-	91,505	-	-	-
Delinquent Property Taxes	-	8,256	-	-	-
Unavailable Revenue	649,035	4,682	150,000	-	-
<i>Total Deferred Inflows of Resources</i>	<u>649,035</u>	<u>104,443</u>	<u>150,000</u>	<u>-</u>	<u>-</u>
Fund Balances					
Nonspendable	-	-	-	-	-
Restricted	113,974	4,681	-	23,167	13,903
Committed	-	-	-	-	-
Unassigned	-	-	(150,000)	-	-
<i>Total Fund Balances (Deficit)</i>	<u>113,974</u>	<u>4,681</u>	<u>(150,000)</u>	<u>23,167</u>	<u>13,903</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 812,106</u>	<u>\$ 109,124</u>	<u>\$ 150,000</u>	<u>\$ 23,167</u>	<u>\$ 13,903</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020

	Municipal Court Health Insurance Fund	Probation Services Fund	Indigent Driver Alcohol Treatment Fund	DUI Education Fund	Theft Diversion Fund	DUS Diversion Fund
Assets						
Equity in Pooled Cash and Investments	\$ 10,261	\$ 19,128	\$ 464,948	\$ 21,734	\$ 37	\$ 51
Accounts Receivable	3,306	10,452	1,472	-	3,512	-
Intergovernmental Receivable	-	-	-	-	-	-
Taxes Receivable	-	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	-	-
Materials and Supplies Inventory	-	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 13,567</u>	<u>\$ 29,580</u>	<u>\$ 466,420</u>	<u>\$ 21,734</u>	<u>\$ 3,549</u>	<u>\$ 51</u>
Liabilities						
Accounts Payable	\$ -	\$ 118	\$ -	\$ -	\$ -	\$ -
Accrued Wages	-	3,041	-	-	-	-
Intergovernmental Payable	-	2,621	-	-	-	-
Due to Other Funds	-	-	-	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>5,780</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources						
Property Taxes Levied for the Next Year	-	-	-	-	-	-
Delinquent Property Taxes	-	-	-	-	-	-
Unavailable Revenue	-	-	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	13,567	23,800	466,420	21,734	3,549	51
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>13,567</u>	<u>23,800</u>	<u>466,420</u>	<u>21,734</u>	<u>3,549</u>	<u>51</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 13,567</u>	<u>\$ 29,580</u>	<u>\$ 466,420</u>	<u>\$ 21,734</u>	<u>\$ 3,549</u>	<u>\$ 51</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020

	Court Computer Fund	Court Computer Research Fund	Court Special Projects Fund	Indigent Defendant Alcohol Monitoring Fund	Municipal Court Magistrates Fund	Total Nonmajor Special Revenue Funds
Assets						
Equity in Pooled Cash and Investments	\$ 171,705	\$ 13,961	\$ 91,093	\$ 76,201	\$ 19,162	\$ 1,937,351
Accounts Receivable	6,344	1,866	6,430	524	3,937	46,695
Intergovernmental Receivable	-	-	-	-	-	664,438
Taxes Receivable	-	-	-	-	-	875,957
Special Assessments Receivable	-	-	-	-	-	649,035
Materials and Supplies Inventory	-	-	-	-	-	216,295
<i>Total Assets</i>	<u>\$ 178,049</u>	<u>\$ 15,827</u>	<u>\$ 97,523</u>	<u>\$ 76,725</u>	<u>\$ 23,099</u>	<u>\$ 4,389,771</u>
Liabilities						
Accounts Payable	\$ 435	\$ -	\$ 4,342	\$ -	\$ -	\$ 75,746
Accrued Wages	-	-	-	-	855	15,343
Intergovernmental Payable	-	-	-	-	725	103,988
Due to Other Funds	-	-	-	-	-	150,000
<i>Total Liabilities</i>	<u>435</u>	<u>-</u>	<u>4,342</u>	<u>-</u>	<u>1,580</u>	<u>345,077</u>
Deferred Inflows of Resources						
Property Taxes Levied for the Next Year	-	-	-	-	-	803,463
Delinquent Property Taxes	-	-	-	-	-	72,494
Unavailable Revenue	-	-	-	-	-	1,157,689
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,033,646</u>
Fund Balances						
Nonspendable	-	-	-	-	-	216,295
Restricted	177,614	15,827	93,181	76,725	21,519	1,847,171
Committed	-	-	-	-	-	97,582
Unassigned	-	-	-	-	-	(150,000)
<i>Total Fund Balances (Deficit)</i>	<u>177,614</u>	<u>15,827</u>	<u>93,181</u>	<u>76,725</u>	<u>21,519</u>	<u>2,011,048</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 178,049</u>	<u>\$ 15,827</u>	<u>\$ 97,523</u>	<u>\$ 76,725</u>	<u>\$ 23,099</u>	<u>\$ 4,389,771</u>

City of Berea
Cuyahoga County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020

	Recreation Fund	State Highway Fund	Street Maintenance Fund	Contract Retainer Fund	Guarantee Deposits Fund
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-
Charges for Services	313,118	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental	-	70,514	869,679	-	-
Interest	-	657	4,777	-	-
Contributions and Donations	5,251	-	-	-	-
Other	79,970	-	41,171	46,034	60,950
<i>Total Revenues</i>	<u>398,339</u>	<u>71,171</u>	<u>915,627</u>	<u>46,034</u>	<u>60,950</u>
Expenditures					
Current:					
General Government	-	-	-	252,675	21,200
Security of Persons and Property	-	-	-	-	-
Public Health	-	-	-	-	-
Leisure Time Services	1,300,370	-	-	-	-
Transportation	-	70,000	667,247	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>1,300,370</u>	<u>70,000</u>	<u>667,247</u>	<u>252,675</u>	<u>21,200</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(902,031)	1,171	248,380	(206,641)	39,750
Other Financing Sources (Uses)					
Transfers In	1,000,000	-	-	-	-
<i>Net Change in Fund Balances</i>	97,969	1,171	248,380	(206,641)	39,750
<i>Fund Balances (Deficit) Beginning of Year</i>	(387)	25,859	296,403	262,398	208,977
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 97,582</u>	<u>\$ 27,030</u>	<u>\$ 544,783</u>	<u>\$ 55,757</u>	<u>\$ 248,727</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020

	Coronavirus Relief Fund	Fire Pension Fund	Police Pension Fund	Public Safety Fund	Safe Passages Fund
Revenues					
Property Taxes	\$ -	\$ 363,327	\$ 363,327	\$ -	\$ -
Special Assessments	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental	1,431,961	48,386	48,386	500	-
Interest	-	-	-	-	-
Contributions and Donations	-	-	-	100	500
Other	-	-	-	-	-
<i>Total Revenues</i>	<u>1,431,961</u>	<u>411,713</u>	<u>411,713</u>	<u>600</u>	<u>500</u>
Expenditures					
Current:					
General Government	68,745	-	-	-	-
Security of Persons and Property	780,311	486,479	462,952	-	200
Public Health	291,111	-	-	-	-
Leisure Time Services	171,352	-	-	-	-
Transportation	984	-	-	-	-
Capital Outlay	119,458	-	-	-	-
Debt Service:					
Principal Retirement	-	5,801	2,003	-	-
Interest and Fiscal Charges	-	5,193	1,795	-	-
<i>Total Expenditures</i>	<u>1,431,961</u>	<u>497,473</u>	<u>466,750</u>	<u>-</u>	<u>200</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	-	(85,760)	(55,037)	600	300
Other Financing Sources (Uses)					
Transfers In	-	190,000	125,000	-	-
<i>Net Change in Fund Balances</i>	-	104,240	69,963	600	300
<i>Fund Balances (Deficit) Beginning of Year</i>	-	(39,453)	(26,135)	2,209	5,733
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ -</u>	<u>\$ 64,787</u>	<u>\$ 43,828</u>	<u>\$ 2,809</u>	<u>\$ 6,033</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020

	Street Lighting Fund	Community Hospital Fund	Community Development Block Grant Fund	Municipal Vehicle Tax Fund	Law Enforcement Fund
Revenues					
Property Taxes	\$ -	\$ 91,415	\$ -	\$ -	\$ -
Special Assessments	706,536	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental	-	9,363	-	38,415	-
Interest	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Other	-	-	-	-	3,564
<i>Total Revenues</i>	<u>706,536</u>	<u>100,778</u>	<u>-</u>	<u>38,415</u>	<u>3,564</u>
Expenditures					
Current:					
General Government	-	-	-	-	-
Security of Persons and Property	668,445	-	-	-	713
Public Health	-	96,097	-	-	-
Leisure Time Services	-	-	-	-	-
Transportation	-	-	150,000	25,000	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>668,445</u>	<u>96,097</u>	<u>150,000</u>	<u>25,000</u>	<u>713</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	38,091	4,681	(150,000)	13,415	2,851
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
<i>Net Change in Fund Balances</i>	38,091	4,681	(150,000)	13,415	2,851
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>75,883</u>	<u>-</u>	<u>-</u>	<u>9,752</u>	<u>11,052</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 113,974</u>	<u>\$ 4,681</u>	<u>\$ (150,000)</u>	<u>\$ 23,167</u>	<u>\$ 13,903</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020

	Municipal Court Health Insurance Fund	Probation Services Fund	Indigent Driver Alcohol Treatment Fund	DUI Education Fund	Theft Diversion Fund	DUS Diversion Fund
Revenues						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	40,906	233,973	43,152	1,799	21,649	13,816
Intergovernmental	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-
Other	-	25,152	-	-	-	-
<i>Total Revenues</i>	<u>40,906</u>	<u>259,125</u>	<u>43,152</u>	<u>1,799</u>	<u>21,649</u>	<u>13,816</u>
Expenditures						
Current:						
General Government	86,682	239,567	34,034	10,780	19,857	15,253
Security of Persons and Property	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Leisure Time Services	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
<i>Total Expenditures</i>	<u>86,682</u>	<u>239,567</u>	<u>34,034</u>	<u>10,780</u>	<u>19,857</u>	<u>15,253</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(45,776)	19,558	9,118	(8,981)	1,792	(1,437)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
<i>Net Change in Fund Balances</i>	(45,776)	19,558	9,118	(8,981)	1,792	(1,437)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>59,343</u>	<u>4,242</u>	<u>457,302</u>	<u>30,715</u>	<u>1,757</u>	<u>1,488</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 13,567</u>	<u>\$ 23,800</u>	<u>\$ 466,420</u>	<u>\$ 21,734</u>	<u>\$ 3,549</u>	<u>\$ 51</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020

	Court Computer Fund	Court Computer Research Fund	Court Special Projects Fund	Indigent Defendant Alcohol Monitoring Fund	Municipal Court Magistrates Fund	Total Nonmajor Special Revenue Funds
Revenues						
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 818,069
Special Assessments	-	-	-	-	-	706,536
Charges for Services	-	-	-	-	-	313,118
Fines and Forfeitures	82,328	24,732	82,113	11,803	49,003	605,274
Intergovernmental	-	-	-	-	-	2,517,204
Interest	-	-	-	-	-	5,434
Contributions and Donations	-	-	-	-	-	5,851
Other	-	-	-	-	1,081	257,922
<i>Total Revenues</i>	<u>82,328</u>	<u>24,732</u>	<u>82,113</u>	<u>11,803</u>	<u>50,084</u>	<u>5,229,408</u>
Expenditures						
Current:						
General Government	96,219	23,395	103,921	27,368	69,403	1,069,099
Security of Persons and Property	-	-	-	-	-	2,399,100
Public Health	-	-	-	-	-	387,208
Leisure Time Services	-	-	-	-	-	1,471,722
Transportation	-	-	-	-	-	913,231
Capital Outlay	-	-	-	-	-	119,458
Debt Service:						
Principal Retirement	-	-	-	-	-	7,804
Interest and Fiscal Charges	-	-	-	-	-	6,988
<i>Total Expenditures</i>	<u>96,219</u>	<u>23,395</u>	<u>103,921</u>	<u>27,368</u>	<u>69,403</u>	<u>6,374,610</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(13,891)	1,337	(21,808)	(15,565)	(19,319)	(1,145,202)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	1,315,000
<i>Net Change in Fund Balances</i>	(13,891)	1,337	(21,808)	(15,565)	(19,319)	169,798
<i>Fund Balances (Deficit) Beginning of Year</i>	191,505	14,490	114,989	92,290	40,838	1,841,250
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 177,614</u>	<u>\$ 15,827</u>	<u>\$ 93,181</u>	<u>\$ 76,725</u>	<u>\$ 21,519</u>	<u>\$ 2,011,048</u>

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2020

	Safety Capital Improvement Fund	Recreation Capital Improvement Fund	Court Capital Improvement Fund	Neighborhood Improvement Fund	Total Nonmajor Capital Projects Funds
Assets					
Equity in Pooled Cash and Investments	\$ 340,998	\$ 78,470	\$ 267,185	\$ 168,139	\$ 854,792
Accounts Receivable	-	-	4,792	-	4,792
Intergovernmental Receivable	29,650	-	-	-	29,650
<i>Total Assets</i>	<u>\$ 370,648</u>	<u>\$ 78,470</u>	<u>\$ 271,977</u>	<u>\$ 168,139</u>	<u>\$ 889,234</u>
Liabilities					
Accounts Payable	\$ 19,850	\$ -	\$ 260	\$ 2,007	\$ 22,117
Accrued Wages	-	-	-	5,199	5,199
Intergovernmental Payable	-	-	-	5,234	5,234
<i>Total Liabilities</i>	<u>19,850</u>	<u>-</u>	<u>260</u>	<u>12,440</u>	<u>32,550</u>
Fund Balances					
Restricted	-	-	271,717	-	271,717
Committed	350,798	78,470	-	155,699	584,967
<i>Total Fund Balances (Deficit)</i>	<u>350,798</u>	<u>78,470</u>	<u>271,717</u>	<u>155,699</u>	<u>856,684</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 370,648</u>	<u>\$ 78,470</u>	<u>\$ 271,977</u>	<u>\$ 168,139</u>	<u>\$ 889,234</u>

City of Berea
Cuyahoga County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2020

	Safety Capital Improvement Fund	Recreation Capital Improvement Fund	Court Capital Improvement Fund	Neighborhood Improvement Fund	Total Nonmajor Capital Projects Funds
Revenues					
Charges for Services	\$ 305,767	\$ -	\$ -	\$ -	\$ 305,767
Licenses and Permits	-	-	-	35,391	35,391
Fines and Forfeitures	-	-	131,505	-	131,505
Intergovernmental	96,066	25,000	-	-	121,066
Contributions and Donations	24,900	-	-	-	24,900
Other	16,690	-	-	32,166	48,856
<i>Total Revenues</i>	<u>443,423</u>	<u>25,000</u>	<u>131,505</u>	<u>67,557</u>	<u>667,485</u>
Expenditures					
Capital Outlay	507,972	44,501	35,225	664,572	1,252,270
Debt Service:					
Principal Retirement	12,157	8,578	-	-	20,735
Interest and Fiscal Charges	117	1,568	-	-	1,685
<i>Total Expenditures</i>	<u>520,246</u>	<u>54,647</u>	<u>35,225</u>	<u>664,572</u>	<u>1,274,690</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(76,823)</u>	<u>(29,647)</u>	<u>96,280</u>	<u>(597,015)</u>	<u>(607,205)</u>
Other Financing Sources (Uses)					
Issuance of Lease-Purchase	255,446	-	-	-	255,446
Transfers In	155,000	100,000	-	760,000	1,015,000
<i>Net Change in Fund Balances</i>	333,623	70,353	96,280	162,985	663,241
<i>Fund Balances Beginning of Year</i>	<u>17,175</u>	<u>8,117</u>	<u>175,437</u>	<u>(7,286)</u>	<u>193,443</u>
<i>Fund Balances End of Year</i>	<u>\$ 350,798</u>	<u>\$ 78,470</u>	<u>\$ 271,717</u>	<u>\$ 155,699</u>	<u>\$ 856,684</u>

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**INDIVIDUAL FUND SCHEDULES OF
REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-
BUDGET (NON-GAAP BASIS) AND ACTUAL**

City of Berea
Cuyahoga County, 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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 1,773,585	\$ 1,773,585	\$ -
Income Taxes	14,956,630	15,230,264	273,634
Other Local Taxes	295,000	279,568	(15,432)
Special Assessments	15,050	12,226	(2,824)
Charges for Services	232,350	204,571	(27,779)
Licenses and Permits	275,000	217,462	(57,538)
Fines and Forfeitures	38,900	23,784	(15,116)
Intergovernmental	764,516	739,702	(24,814)
Interest	125,000	110,377	(14,623)
Other	441,100	712,227	271,127
<i>Total Revenues</i>	<u>18,917,131</u>	<u>19,303,766</u>	<u>386,635</u>
Expenditures			
Current:			
Security of Persons and Property:			
Police Department:			
Personal Services	3,027,222	2,706,351	320,871
Other	600,805	557,643	43,162
Total Police Department	<u>3,628,027</u>	<u>3,263,994</u>	<u>364,033</u>
Fire:			
Personal Services	2,427,944	2,189,410	238,534
Other	109,993	107,478	2,515
Total Fire Department	<u>2,537,937</u>	<u>2,296,888</u>	<u>241,049</u>
Total Security of Persons and Property	<u>6,165,964</u>	<u>5,560,882</u>	<u>605,082</u>
Leisure Time Services:			
Municipal Signage:			
Personal Services	86,846	84,625	2,221
Other	7,533	7,529	4
Total Municipal Signage	<u>94,379</u>	<u>92,154</u>	<u>2,225</u>
Public Grounds:			
Personal Services	567,115	563,818	3,297
Other	62,180	61,872	308
Total Public Grounds	<u>629,295</u>	<u>625,690</u>	<u>3,605</u>
Total Leisure Time Services	<u>723,674</u>	<u>717,844</u>	<u>5,830</u>
Community Development:			
Building Department:			
Personal Services	206,185	176,386	29,799
Other	22,090	22,079	11
Total Building Department	<u>228,275</u>	<u>198,465</u>	<u>29,810</u>

(continued)

City of Berea
Cuyahoga County, 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

	Final Budget	Actual	Variance with Final Budget
Engineering Department:			
Personal Services	\$ 106,507	\$ 106,507	\$ -
Other	14,445	14,340	105
Total Engineering Department	<u>120,952</u>	<u>120,847</u>	<u>105</u>
Total Community Development	<u>349,227</u>	<u>319,312</u>	<u>29,915</u>
Public Works:			
Storm Sewers and Drains:			
Personal Services	22,969	22,826	143
Other	3,687	3,687	-
Total Storm Sewers and Drains	<u>26,656</u>	<u>26,513</u>	<u>143</u>
Refuse Collection and Disposal:			
Other	<u>1,124,000</u>	<u>1,123,986</u>	<u>14</u>
Leaf Collection:			
Personal Services	56,531	56,147	384
Other	7,913	7,663	250
Total Leaf Collection	<u>64,444</u>	<u>63,810</u>	<u>634</u>
Snow Removal:			
Personal Services	108,772	108,550	222
Other	128,834	128,834	-
Total Snow Removal	<u>237,606</u>	<u>237,384</u>	<u>222</u>
Total Public Works	<u>1,452,706</u>	<u>1,451,693</u>	<u>1,013</u>
General Government:			
Council:			
Personal Services	152,820	143,644	9,176
Other	17,400	11,430	5,970
Total Council	<u>170,220</u>	<u>155,074</u>	<u>15,146</u>
Mayor:			
Personal Services	167,709	165,227	2,482
Other	8,860	1,552	7,308
Total Mayor	<u>176,569</u>	<u>166,779</u>	<u>9,790</u>
Finance:			
Personal Services	258,440	251,486	6,954
Other	4,478	4,399	79
Total Finance	<u>262,918</u>	<u>255,885</u>	<u>7,033</u>

(continued)

City of Berea
Cuyahoga County, 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

	Final Budget	Actual	Variance with Final Budget
Law:			
Personal Services	\$ 280,908	\$ 280,617	\$ 291
Other	14,414	11,291	3,123
Total Law	<u>295,322</u>	<u>291,908</u>	<u>3,414</u>
Civil Service Commission:			
Other	21,600	18,938	2,662
Public Safety:			
Personal Services	40,753	40,717	36
Other	4,422	2,938	1,484
Total Public Safety	<u>45,175</u>	<u>43,655</u>	<u>1,520</u>
Municipal Fleet and Equipment:			
Personal Services	171,043	170,761	282
Other	126,316	125,481	835
Total Municipal Fleet and Equipment	<u>297,359</u>	<u>296,242</u>	<u>1,117</u>
Municipal Building:			
Personal Services	76,612	36,566	40,046
Other	338,687	338,224	463
Total Municipal Building	<u>415,299</u>	<u>374,790</u>	<u>40,509</u>
Service Administration:			
Personal Services	175,759	172,040	3,719
Other	18,745	17,036	1,709
Total Service Administration	<u>194,504</u>	<u>189,076</u>	<u>5,428</u>
Planning and Development:			
Other	11,200	10,587	613
Administration:			
Personal Services	2,332,843	2,281,804	51,039
Other	2,026,524	2,017,558	8,966
Total Administration	<u>4,359,367</u>	<u>4,299,362</u>	<u>60,005</u>
Total General Government	<u>6,249,533</u>	<u>6,102,296</u>	<u>147,237</u>
Debt Service:			
Principal Retirement	791	791	-
Interest and Fiscal Charges	5	5	-
Total Debt Service	<u>796</u>	<u>796</u>	<u>-</u>
Total Expenditures	<u>14,941,900</u>	<u>14,152,823</u>	<u>789,077</u>
Excess of Revenues Over (Under) Expenditures	<u>3,975,231</u>	<u>5,150,943</u>	<u>1,175,712</u> <i>(continued)</i>

City of Berea
Cuyahoga County, 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

	Final Budget	Actual	Variance with Final Budget
Other Financing Sources (Uses)			
Proceeds from Sale of Assets	\$ -	\$ 907	\$ 907
Advances Out	(245,000)	(190,000)	(55,000)
Transfers Out	(4,354,000)	(4,354,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(4,599,000)</u>	<u>(4,543,093)</u>	<u>(54,093)</u>
<i>Net Change in Fund Balance</i>	(623,769)	607,850	1,121,619
<i>Fund Balance (Deficit) Beginning of Year</i>	3,364,766	3,364,766	-
Prior Year Encumbrances Appropriated	9,069	9,069	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,750,066</u>	<u>\$ 3,981,685</u>	<u>\$ 1,121,619</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Animal Control Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 33	\$ 33	\$ -
<i>Total Revenues</i>	<u>33</u>	<u>33</u>	<u>-</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	83	83	-
<i>Total Expenditures</i>	<u>83</u>	<u>83</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(50)	(50)	-
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>50</u>	<u>50</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 1,190,000	\$ 1,190,770	\$ 770
Other	55,000	109,472	54,472
<i>Total Revenues</i>	<u>1,245,000</u>	<u>1,300,242</u>	<u>55,242</u>
Expenditures			
Current:			
General Government:			
Municipal Court:			
Personal Services	1,450,357	1,447,677	2,680
Other	125,162	124,326	836
Total General Government	<u>1,575,519</u>	<u>1,572,003</u>	<u>3,516</u>
Debt Service:			
Principal Retirement	5,052	5,052	-
Interest and Fiscal Charges	137	137	-
Total Debt Service	<u>5,189</u>	<u>5,189</u>	<u>-</u>
<i>Total Expenditures</i>	<u>1,580,708</u>	<u>1,577,192</u>	<u>3,516</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(335,708)</u>	<u>(276,950)</u>	<u>51,726</u>
Other Financing Sources (Uses)			
Advances In	<u>245,000</u>	<u>190,000</u>	<u>(55,000)</u>
<i>Net Change in Fund Balance</i>	(90,708)	(86,950)	3,758
<i>Fund Balance (Deficit) Beginning of Year</i>	88,821	88,821	-
Prior Year Encumbrances Appropriated	<u>2,450</u>	<u>2,450</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 563</u>	<u>\$ 4,321</u>	<u>\$ 3,758</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
General Bond Retirement Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 1,590,299	\$ 1,590,299	\$ -
Intergovernmental	215,033	215,033	-
Investment Income	-	4,000	4,000
<i>Total Revenues</i>	<u>1,805,332</u>	<u>1,809,332</u>	<u>4,000</u>
Expenditures			
Current:			
General Government:			
Other	138,000	137,224	776
Debt Service:			
Principal Retirement	15,040,000	15,040,000	-
Interest and Fiscal Charges	775,989	775,989	-
Total Debt Service	<u>15,815,989</u>	<u>15,815,989</u>	<u>-</u>
<i>Total Expenditures</i>	<u>15,953,989</u>	<u>15,953,213</u>	<u>776</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(14,148,657)</u>	<u>(14,143,881)</u>	<u>4,776</u>
Other Financing Sources (Uses)			
Issuance of Refunding Bonds	1,860,000	1,860,000	-
Issuance of Notes	13,635,000	13,635,000	-
Premium on Debt Issued	106,551	106,551	-
Payment to Refunding Bond Escrow Agent	(1,819,639)	(1,819,639)	-
Transfers In	375,000	375,000	-
<i>Total Other Financing Sources (Uses)</i>	<u>14,156,912</u>	<u>14,156,912</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	8,255	13,031	4,776
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>1,802,248</u>	<u>1,802,248</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,810,503</u>	<u>\$ 1,815,279</u>	<u>\$ 4,776</u>

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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 236,732	\$ 234,210	\$ (2,522)
Charges for Services	17,741	17,741	-
Fees, Licenses and Permits	135,000	135,000	-
Rent	71,676	102,540	30,864
Contributions and Donations	10,000	10,000	-
Other	344,370	335,939	(8,431)
<i>Total Revenues</i>	<u>815,519</u>	<u>835,430</u>	<u>19,911</u>
Expenditures			
Capital Outlay	1,955,409	1,953,655	1,754
Debt Service:			
Principal Retirement	460,254	460,254	-
Interest and Fiscal Charges	10,068	10,068	-
Total Debt Service	<u>470,322</u>	<u>470,322</u>	<u>-</u>
<i>Total Expenditures</i>	<u>2,425,731</u>	<u>2,423,977</u>	<u>1,754</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,610,212)</u>	<u>(1,588,547)</u>	<u>21,665</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Assets	-	975	975
Proceeds of OPWC Loans	519,882	519,882	-
Transfers In	1,134,000	1,134,000	-
<i>Total Other Financing Sources (Uses)</i>	<u>1,653,882</u>	<u>1,654,857</u>	<u>975</u>
<i>Net Change in Fund Balance</i>	43,670	66,310	22,640
<i>Fund Balance (Deficit) Beginning of Year</i>	54,075	54,075	-
<i>Prior Year Encumbrances Appropriated</i>	<u>129,735</u>	<u>129,735</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 227,480</u>	<u>\$ 250,120</u>	<u>\$ 22,640</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Recreation Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 369,160	\$ 326,910	\$ (42,250)
Contributions and Donations	5,000	5,251	251
Other	30,000	79,970	49,970
<i>Total Revenues</i>	<u>404,160</u>	<u>412,131</u>	<u>7,971</u>
Expenditures			
Current:			
Leisure Time Services:			
Personal Services	793,008	778,552	14,456
Other	610,477	573,642	36,835
<i>Total Expenditures</i>	<u>1,403,485</u>	<u>1,352,194</u>	<u>51,291</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(999,325)</u>	<u>(940,063)</u>	<u>59,262</u>
Other Financing Sources (Uses)			
Transfers In	1,000,000	1,000,000	-
<i>Net Change in Fund Balance</i>	675	59,937	59,262
<i>Fund Balance (Deficit) Beginning of Year</i>	45,097	45,097	-
Prior Year Encumbrances Appropriated	3,381	3,381	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 49,153</u>	<u>\$ 108,415</u>	<u>\$ 59,262</u>

City of Berea
Cuyahoga County, 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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 71,000	\$ 70,898	\$ (102)
Investment Income	-	657	657
<i>Total Revenues</i>	<u>71,000</u>	<u>71,555</u>	<u>555</u>
Expenditures			
Current:			
Transportation:			
Other	70,000	70,000	-
<i>Total Expenditures</i>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	1,000	1,555	555
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>14,015</u>	<u>14,015</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 15,015</u>	<u>\$ 15,570</u>	<u>\$ 555</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Street Maintenance Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 875,000	\$ 874,411	\$ (589)
Investment Income	2,000	4,777	2,777
Other	30,000	41,171	11,171
<i>Total Revenues</i>	<u>907,000</u>	<u>920,359</u>	<u>13,359</u>
Expenditures			
Current:			
Transportation:			
Personal Services	764,784	689,493	75,291
Other	136,872	92,575	44,297
<i>Total Expenditures</i>	<u>901,656</u>	<u>782,068</u>	<u>119,588</u>
<i>Net Change in Fund Balance</i>	5,344	138,291	132,947
<i>Fund Balance (Deficit) Beginning of Year</i>	54,547	54,547	-
Prior Year Encumbrances Appropriated	1,588	1,588	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 61,479</u>	<u>\$ 194,426</u>	<u>\$ 132,947</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Contract Retainer Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Other	\$ 40,000	\$ 46,034	\$ 6,034
<i>Total Revenues</i>	<u>40,000</u>	<u>46,034</u>	<u>6,034</u>
Expenditures			
Current:			
General Government:			
Other	300,000	252,675	47,325
<i>Total Expenditures</i>	<u>300,000</u>	<u>252,675</u>	<u>47,325</u>
<i>Net Change in Fund Balance</i>	(260,000)	(206,641)	53,359
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>262,400</u>	<u>262,400</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,400</u>	<u>\$ 55,759</u>	<u>\$ 53,359</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Guarantee Deposits Fund
For the Year Ended December 31, 2020

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Other	\$ 40,000	\$ 60,950	\$ 20,950
<i>Total Revenues</i>	<u>40,000</u>	<u>60,950</u>	<u>20,950</u>
Expenditures			
Current:			
General Government:			
Other	100,000	21,200	78,800
<i>Total Expenditures</i>	<u>100,000</u>	<u>21,200</u>	<u>78,800</u>
<i>Net Change in Fund Balance</i>	(60,000)	39,750	99,750
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>208,977</u>	<u>208,977</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 148,977</u>	<u>\$ 248,727</u>	<u>\$ 99,750</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Coronavirus Relief Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 1,431,961	\$ 1,431,961	\$ -
<i>Total Revenues</i>	<u>1,431,961</u>	<u>1,431,961</u>	<u>-</u>
Expenditures			
Current:			
General Government:			
Personal Services	19,274	19,274	-
Other	49,471	49,471	-
Total General Government	<u>68,745</u>	<u>68,745</u>	<u>-</u>
Security of Persons and Property:			
Personal Services	645,792	645,792	-
Other	134,519	134,519	-
Total Security of Persons and Property	<u>780,311</u>	<u>780,311</u>	<u>-</u>
Public Health:			
Other	291,111	291,111	-
Leisure Time Services:			
Personal Services	150,413	150,413	-
Other	20,939	20,939	-
Total Leisure Time Activities	<u>171,352</u>	<u>171,352</u>	<u>-</u>
Transportation:			
Personal Services	984	984	-
Capital Outlay	<u>119,458</u>	<u>119,458</u>	<u>-</u>
<i>Total Expenditures</i>	<u>1,431,961</u>	<u>1,431,961</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	-	-	-
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Fire Pension Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 363,327	\$ 363,327	\$ -
Intergovernmental	48,386	48,386	-
<i>Total Revenues</i>	<u>411,713</u>	<u>411,713</u>	<u>-</u>
Expenditures			
Current:			
Security of Persons and Property:			
Personal Services	600,427	496,830	103,597
<i>Total Expenditures</i>	<u>600,427</u>	<u>496,830</u>	<u>103,597</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(188,714)</u>	<u>(85,117)</u>	<u>103,597</u>
Other Financing Sources (Uses)			
Transfers In	190,000	190,000	-
<i>Net Change in Fund Balance</i>	1,286	104,883	103,597
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>7,207</u>	<u>7,207</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 8,493</u>	<u>\$ 112,090</u>	<u>\$ 103,597</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Police Pension Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 363,327	\$ 363,327	\$ -
Intergovernmental	48,386	48,386	-
<i>Total Revenues</i>	<u>411,713</u>	<u>411,713</u>	<u>-</u>
Expenditures			
Current:			
Security of Persons and Property:			
Personal Services	553,193	476,582	76,611
<i>Total Expenditures</i>	<u>553,193</u>	<u>476,582</u>	<u>76,611</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(141,480)</u>	<u>(64,869)</u>	<u>76,611</u>
Other Financing Sources (Uses)			
Transfers In	125,000	125,000	-
<i>Net Change in Fund Balance</i>	(16,480)	60,131	76,611
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>24,647</u>	<u>24,647</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 8,167</u>	<u>\$ 84,778</u>	<u>\$ 76,611</u>

City of Berea
Cuyahoga County, 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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ -	\$ 500	\$ 500
Contributions and Donations	240	100	(140)
<i>Total Revenues</i>	<u>240</u>	<u>600</u>	<u>360</u>
Expenditures			
Current:			
Security of Persons and Property:			
Personal Services	2,200	-	2,200
Other	100	100	-
<i>Total Expenditures</i>	<u>2,300</u>	<u>100</u>	<u>2,200</u>
<i>Net Change in Fund Balance</i>	(2,060)	500	2,560
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>2,209</u>	<u>2,209</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 149</u>	<u>\$ 2,709</u>	<u>\$ 2,560</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Safe Passages Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Contributions and Donations	\$ 1,500	\$ 1,750	\$ 250
<i>Total Revenues</i>	<u>1,500</u>	<u>1,750</u>	<u>250</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	1,000	200	800
<i>Total Expenditures</i>	<u>1,000</u>	<u>200</u>	<u>800</u>
<i>Net Change in Fund Balance</i>	500	1,550	1,050
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>4,483</u>	<u>4,483</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 4,983</u></u>	<u><u>\$ 6,033</u></u>	<u><u>\$ 1,050</u></u>

City of Berea
Cuyahoga County, 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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Special Assessments	\$ 660,000	\$ 706,536	\$ 46,536
<i>Total Revenues</i>	<u>660,000</u>	<u>706,536</u>	<u>46,536</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	756,000	675,803	80,197
<i>Total Expenditures</i>	<u>756,000</u>	<u>675,803</u>	<u>80,197</u>
<i>Net Change in Fund Balance</i>	(96,000)	30,733	126,733
<i>Fund Balance (Deficit) Beginning of Year</i>	53,285	53,285	-
Prior Year Encumbrances Appropriated	<u>65,859</u>	<u>65,859</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 23,144</u>	<u>\$ 149,877</u>	<u>\$ 126,733</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Community Hospital Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 91,415	\$ 91,415	\$ -
Intergovernmental	9,363	9,363	-
<i>Total Revenues</i>	<u>100,778</u>	<u>100,778</u>	<u>-</u>
Expenditures			
Current:			
Public Health and Welfare:			
Other	100,778	96,097	4,681
<i>Total Expenditures</i>	<u>100,778</u>	<u>96,097</u>	<u>4,681</u>
<i>Net Change in Fund Balance</i>	-	4,681	4,681
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ -</u>	<u>\$ 4,681</u>	<u>\$ 4,681</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Municipal Vehicle Tax Levy Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 37,000	\$ 38,739	\$ 1,739
<i>Total Revenues</i>	<u>37,000</u>	<u>38,739</u>	<u>1,739</u>
Expenditures			
Current:			
Transportation:			
Other	41,000	25,000	16,000
<i>Total Expenditures</i>	<u>41,000</u>	<u>25,000</u>	<u>16,000</u>
<i>Net Change in Fund Balance</i>	(4,000)	13,739	17,739
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>6,435</u>	<u>6,435</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,435</u>	<u>\$ 20,174</u>	<u>\$ 17,739</u>

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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Other	\$ 3,100	\$ 3,564	\$ 464
<i>Total Revenues</i>	<u>3,100</u>	<u>3,564</u>	<u>464</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	4,622	713	3,909
<i>Total Expenditures</i>	<u>4,622</u>	<u>713</u>	<u>3,909</u>
<i>Net Change in Fund Balance</i>	(1,522)	2,851	4,373
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>11,052</u>	<u>11,052</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 9,530</u>	<u>\$ 13,903</u>	<u>\$ 4,373</u>

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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 40,000	\$ 41,511	\$ 1,511
<i>Total Revenues</i>	<u>40,000</u>	<u>41,511</u>	<u>1,511</u>
Expenditures			
Current:			
General Government:			
Other	95,000	86,682	8,318
<i>Total Expenditures</i>	<u>95,000</u>	<u>86,682</u>	<u>8,318</u>
<i>Net Change in Fund Balance</i>	(55,000)	(45,171)	9,829
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>55,432</u>	<u>55,432</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 432</u>	<u>\$ 10,261</u>	<u>\$ 9,829</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Probation Services Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 255,000	\$ 240,622	\$ (14,378)
Other	10,000	25,152	15,152
<i>Total Revenues</i>	<u>265,000</u>	<u>265,774</u>	<u>774</u>
Expenditures			
Current:			
General Government:			
Personal Services	243,012	240,400	2,612
Other	8,358	7,691	667
<i>Total Expenditures</i>	<u>251,370</u>	<u>248,091</u>	<u>3,279</u>
<i>Net Change in Fund Balance</i>	13,630	17,683	4,053
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>1,445</u>	<u>1,445</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 15,075</u>	<u>\$ 19,128</u>	<u>\$ 4,053</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Driver Alcohol Treatment Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 40,000	\$ 44,785	\$ 4,785
<i>Total Revenues</i>	<u>40,000</u>	<u>44,785</u>	<u>4,785</u>
Expenditures			
Current:			
General Government:			
Other	250,000	52,936	197,064
<i>Total Expenditures</i>	<u>250,000</u>	<u>52,936</u>	<u>197,064</u>
<i>Net Change in Fund Balance</i>	(210,000)	(8,151)	201,849
<i>Fund Balance (Deficit) Beginning of Year</i>	413,250	413,250	-
Prior Year Encumbrances Appropriated	<u>40,948</u>	<u>40,948</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 244,198</u>	<u>\$ 446,047</u>	<u>\$ 201,849</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
DUI Education Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 566	\$ 1,963	\$ 1,397
<i>Total Revenues</i>	<u>566</u>	<u>1,963</u>	<u>1,397</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	26,000	10,780	15,220
<i>Total Expenditures</i>	<u>26,000</u>	<u>10,780</u>	<u>15,220</u>
<i>Net Change in Fund Balance</i>	(25,434)	(8,817)	16,617
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>30,550</u>	<u>30,550</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 5,116</u></u>	<u><u>\$ 21,733</u></u>	<u><u>\$ 16,617</u></u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Theft Diversion Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 19,591	\$ 19,591	\$ -
<i>Total Revenues</i>	<u>19,591</u>	<u>19,591</u>	<u>-</u>
Expenditures			
Current:			
General Government:			
Personal Services	19,857	19,857	-
<i>Total Expenditures</i>	<u>19,857</u>	<u>19,857</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(266)	(266)	-
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>303</u>	<u>303</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 37</u></u>	<u><u>\$ 37</u></u>	<u><u>\$ -</u></u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
DUS Diversion Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 15,065	\$ 15,065	\$ -
<i>Total Revenues</i>	<u>15,065</u>	<u>15,065</u>	<u>-</u>
Expenditures			
Current:			
General Government:			
Personal Services	15,253	15,253	-
<i>Total Expenditures</i>	<u>15,253</u>	<u>15,253</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(188)	(188)	-
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>239</u>	<u>239</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 51</u></u>	<u><u>\$ 51</u></u>	<u><u>\$ -</u></u>

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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 75,000	\$ 83,595	\$ 8,595
<i>Total Revenues</i>	<u>75,000</u>	<u>83,595</u>	<u>8,595</u>
Expenditures			
Current:			
General Government:			
Other	125,000	98,634	26,366
<i>Total Expenditures</i>	<u>125,000</u>	<u>98,634</u>	<u>26,366</u>
<i>Net Change in Fund Balance</i>	(50,000)	(15,039)	34,961
<i>Fund Balance (Deficit) Beginning of Year</i>	183,342	183,342	-
Prior Year Encumbrances Appropriated	<u>551</u>	<u>551</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 133,893</u>	<u>\$ 168,854</u>	<u>\$ 34,961</u>

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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 20,000	\$ 25,119	\$ 5,119
<i>Total Revenues</i>	<u>20,000</u>	<u>25,119</u>	<u>5,119</u>
Expenditures			
Current:			
General Government:			
Other	30,000	23,395	6,605
<i>Total Expenditures</i>	<u>30,000</u>	<u>23,395</u>	<u>6,605</u>
<i>Net Change in Fund Balance</i>	(10,000)	1,724	11,724
<i>Fund Balance (Deficit) Beginning of Year</i>	11,424	11,424	-
Prior Year Encumbrances Appropriated	<u>813</u>	<u>813</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,237</u>	<u>\$ 13,961</u>	<u>\$ 11,724</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Court Special Projects Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 75,000	\$ 83,321	\$ 8,321
<i>Total Revenues</i>	<u>75,000</u>	<u>83,321</u>	<u>8,321</u>
Expenditures			
Current:			
General Government:			
Other	130,000	114,566	15,434
<i>Total Expenditures</i>	<u>130,000</u>	<u>114,566</u>	<u>15,434</u>
<i>Net Change in Fund Balance</i>	(55,000)	(31,245)	23,755
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>115,735</u>	<u>115,735</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 60,735</u>	<u>\$ 84,490</u>	<u>\$ 23,755</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Indigent Defendant Alcohol Monitoring Fund
For the Year Ended December 31, 2020

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 10,000	\$ 11,969	\$ 1,969
<i>Total Revenues</i>	<u>10,000</u>	<u>11,969</u>	<u>1,969</u>
Expenditures			
Current:			
General Government:			
Other	80,000	38,888	41,112
<i>Total Expenditures</i>	<u>80,000</u>	<u>38,888</u>	<u>41,112</u>
<i>Net Change in Fund Balance</i>	(70,000)	(26,919)	43,081
<i>Fund Balance (Deficit) Beginning of Year</i>	83,760	83,760	-
Prior Year Encumbrances Appropriated	<u>9,655</u>	<u>9,655</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 23,415</u>	<u>\$ 66,496</u>	<u>\$ 43,081</u>

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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 48,000	\$ 49,730	\$ 1,730
Other	1,000	1,081	81
<i>Total Revenues</i>	<u>49,000</u>	<u>50,811</u>	<u>1,811</u>
Expenditures			
Current:			
General Government:			
Personal Services	83,913	71,091	12,822
<i>Total Expenditures</i>	<u>83,913</u>	<u>71,091</u>	<u>12,822</u>
<i>Net Change in Fund Balance</i>	(34,913)	(20,280)	14,633
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>39,442</u>	<u>39,442</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 4,529</u>	<u>\$ 19,162</u>	<u>\$ 14,633</u>

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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 101,000	\$ 305,767	\$ 204,767
Charges for Services	300,000	99,162	(200,838)
Contributions and Donations	-	24,900	24,900
Other	17,000	16,690	(310)
<i>Total Revenues</i>	<u>418,000</u>	<u>446,519</u>	<u>28,519</u>
Expenditures			
Capital Outlay:			
Other	369,923	359,972	9,951
Debt Service			
Principal Retirement	12,157	12,157	-
Interest and Fiscal Charges	117	117	-
Total Debt Service	<u>12,274</u>	<u>12,274</u>	<u>-</u>
<i>Total Expenditures</i>	<u>382,197</u>	<u>372,246</u>	<u>9,951</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>35,803</u>	<u>74,273</u>	<u>38,470</u>
Other Financing Sources (Uses)			
Transfers In	<u>155,000</u>	<u>155,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	190,803	229,273	38,470
<i>Fund Balance (Deficit) Beginning of Year</i>	35,334	35,334	-
<i>Prior Year Encumbrances Appropriated</i>	<u>9,027</u>	<u>9,027</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 235,164</u>	<u>\$ 273,634</u>	<u>\$ 38,470</u>

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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 25,000	\$ 25,000	\$ -
<i>Total Revenues</i>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Expenditures			
Capital Outlay:			
Other	109,641	107,377	2,264
Debt Service			
Principal Retirement	8,578	8,578	-
Interest and Fiscal Charges	1,568	1,568	-
Total Debt Service	<u>10,146</u>	<u>10,146</u>	<u>-</u>
<i>Total Expenditures</i>	<u>119,787</u>	<u>117,523</u>	<u>2,264</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(94,787)</u>	<u>(92,523)</u>	<u>2,264</u>
Other Financing Sources (Uses)			
Transfers In	100,000	100,000	-
<i>Net Change in Fund Balance</i>	5,213	7,477	2,264
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>8,116</u>	<u>8,116</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 13,329</u>	<u>\$ 15,593</u>	<u>\$ 2,264</u>

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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 85,000	\$ 149,672	\$ 64,672
<i>Total Revenues</i>	<u>85,000</u>	<u>149,672</u>	<u>64,672</u>
Expenditures			
Capital Outlay:			
Other	550,000	491,823	58,177
<i>Total Expenditures</i>	<u>550,000</u>	<u>491,823</u>	<u>58,177</u>
<i>Net Change in Fund Balance</i>	(465,000)	(342,151)	122,849
<i>Fund Balance (Deficit) Beginning of Year</i>	155,978	155,978	-
Prior Year Encumbrances Appropriated	<u>431,223</u>	<u>431,223</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 122,201</u>	<u>\$ 245,050</u>	<u>\$ 122,849</u>

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

	Final Budget	Actual	Variance with Final Budget
Revenues			
Licenses and Permits	\$ 15,000	\$ 35,391	\$ 20,391
Reimbursements	40,000	32,166	(7,834)
<i>Total Revenues</i>	<u>55,000</u>	<u>67,557</u>	<u>12,557</u>
Expenditures			
Capital Outlay:			
Personal Services	523,506	497,482	26,024
Other	222,907	183,588	39,319
<i>Total Expenditures</i>	<u>746,413</u>	<u>681,070</u>	<u>65,343</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(691,413)</u>	<u>(613,513)</u>	<u>77,900</u>
Other Financing Sources (Uses)			
Transfers In	760,000	760,000	-
<i>Net Change in Fund Balance</i>	68,587	146,487	77,900
<i>Fund Balance (Deficit) Beginning of Year</i>	13,345	13,345	-
Prior Year Encumbrances Appropriated	215	215	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 82,147</u>	<u>\$ 160,047</u>	<u>\$ 77,900</u>

City of Berea
Cuyahoga County, Ohio
Combining Statements -
Internal Service Funds

These funds are used to account for the financing of goods or services provided by one department to other departments of the City, on a cost-reimbursement basis.

Medical Benefits Fund

To account for the operation of the City's self-insurance program for employee health benefits.

Property/Liability Insurance Fund

To account for the operation of the City's self-insurance program for property and liability insurance.

Workers Compensation Fund

To account for the payment of the City's workers compensation insurance.

City of Berea
Cuyahoga County, Ohio
Combining Statement of Fund Net Position
Internal Service Funds
December 31, 2020

	Medical Benefits Fund	Property/ Liability Insurance Fund	Workers Compensation Fund	Totals
Assets				
Current Assets:				
Equity in Pooled Cash and Investments	\$ 26,932	\$ 11,574	\$ 275,095	\$ 313,601
Accounts Receivable	940	-	-	940
Prepaid Items	-	-	189,214	189,214
<i>Total Assets</i>	<u>27,872</u>	<u>11,574</u>	<u>464,309</u>	<u>503,755</u>
Liabilities				
Current Liabilities:				
Accounts Payable	-	86	-	86
Claims Payable	180,171	-	-	180,171
<i>Total Liabilities</i>	<u>180,171</u>	<u>86</u>	<u>-</u>	<u>180,257</u>
Net Position				
Unrestricted (Deficit)	<u>\$ (152,299)</u>	<u>\$ 11,488</u>	<u>\$ 464,309</u>	<u>\$ 323,498</u>

City of Berea
Cuyahoga County, Ohio
Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Funds
For the Year Ended December 31, 2020

	Medical Benefits Fund	Property/ Liability Insurance Fund	Workers Compensation Fund	Totals
Operating Revenues				
Charges for Services	\$ 2,666,590	\$ 350,207	\$ -	\$ 3,016,797
Other	80,440	15,360	309,007	404,807
<i>Total Operating Revenues</i>	<u>2,747,030</u>	<u>365,567</u>	<u>309,007</u>	<u>3,421,604</u>
Operating Expenses				
Contractual Services	670,677	341,947	205,128	1,217,752
Claims	2,166,149	15,242	1,148	2,182,539
Other	11,169	-	-	11,169
<i>Total Operating Expenses</i>	<u>2,847,995</u>	<u>357,189</u>	<u>206,276</u>	<u>3,411,460</u>
<i>Operating Income (Loss)</i>	(100,965)	8,378	102,731	10,144
<i>Net Position Beginning of Year</i>	<u>(51,334)</u>	<u>3,110</u>	<u>361,578</u>	<u>313,354</u>
<i>Net Position End of Year</i>	<u>\$ (152,299)</u>	<u>\$ 11,488</u>	<u>\$ 464,309</u>	<u>\$ 323,498</u>

City of Berea
Cuyahoga County, Ohio
Combining Statement of Cash Flow-
Internal Service Funds
For the Year Ended December 31, 2020

	Medical Benefits Fund	Property/ Liability Insurance Fund	Workers Compensation Fund	Total Internal Service Funds
Cash Flows From Operating Activities				
Cash Received from Customers	\$ 2,666,590	\$ 350,207	\$ -	\$ 3,016,797
Cash Payments for Contractual Services	(670,677)	(341,861)	(209,033)	(1,221,571)
Cash Payments for Claims	(2,154,249)	(15,242)	(1,148)	(2,170,639)
Other Cash Receipts	97,006	15,360	309,007	421,373
Other Cash Payments	(11,169)	-	-	(11,169)
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>(72,499)</u>	<u>8,464</u>	<u>98,826</u>	<u>34,791</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	(72,499)	8,464	98,826	34,791
<i>Cash and Investments Beginning of Year</i>	<u>99,431</u>	<u>3,110</u>	<u>176,269</u>	<u>278,810</u>
<i>Cash and Investments End of Year</i>	<u>\$ 26,932</u>	<u>\$ 11,574</u>	<u>\$ 275,095</u>	<u>\$ 313,601</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities				
Operating Income (Loss)	\$ (100,965)	\$ 8,378	\$ 102,731	\$ 10,144
Adjustments:				
(Increase) Decrease in Assets:				
Accounts Receivable	16,566	-	-	16,566
Prepays	-	-	(3,905)	(3,905)
Increase (Decrease) in Liabilities:				
Accounts Payable	-	86	-	86
Claims Payable	11,900	-	-	11,900
<i>Total Adjustments</i>	<u>28,466</u>	<u>86</u>	<u>(3,905)</u>	<u>24,647</u>
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>\$ (72,499)</u>	<u>\$ 8,464</u>	<u>\$ 98,826</u>	<u>\$ 34,791</u>

City of Berea
Cuyahoga County, Ohio
Combining Statements –
Fiduciary Funds

Fiduciary Funds

Fiduciary funds are used to account for assets held by the City as an agent for individuals, private organizations, and/or other governments.

Custodial Funds

Regional Sewer Fund

To account for the collection of revenues to be remitted to the Northeast Ohio Regional Sewer District.

State Highway Patrol Fund

To account for the resources obtained from state highway fines and designated, by state statute, for expenditures that would enhance the law library.

Ohio Board of Building Standards Fund

To account for state building fees collected from builders and disbursed to the State Board of Building Standards.

Metroparks Fund

To account for the collection and distribution of revenue received from the municipal court for the Metroparks.

Municipal Court Fund

To account for the collection and distribution of revenue associated with the operations of the Berea Municipal Court.

City of Berea
Cuyahoga County, Ohio
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2020

	Regional Sewer Fund	State Highway Patrol Fund	Ohio Board of Building Standards Fund	Metroparks Fund
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Assets				
Equity in Pooled Cash and Investments	\$ 1,265,996	\$ 516	\$ 151	\$ 11,735
Cash in Segregated Accounts	-	-	-	-
Accounts Receivable	<u>2,119,987</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Assets</i>	<u>3,385,983</u>	<u>516</u>	<u>151</u>	<u>11,735</u>
Liabilities				
Accounts Payable	1,250,879	-	-	-
Due to Other Governments	<u>2,135,104</u>	<u>516</u>	<u>151</u>	<u>11,735</u>
<i>Total Liabilities</i>	<u>3,385,983</u>	<u>516</u>	<u>151</u>	<u>11,735</u>
Net Position				
Unrestricted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2020

	<u>Municipal Court Fund</u>	<u>Total</u>
Assets		
Equity in Pooled Cash and Investments	\$ -	\$ 1,278,398
Cash in Segregated Accounts	178,152	178,152
Accounts Receivable	-	2,119,987
	<u>178,152</u>	<u>3,576,537</u>
<i>Total Assets</i>		
Liabilities		
Accounts Payable	-	1,250,879
Due to Other Governments	178,152	2,325,658
	<u>178,152</u>	<u>3,576,537</u>
<i>Total Liabilities</i>		
Net Position		
Unrestricted	<u>\$ -</u>	<u>\$ -</u>

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

	Regional Sewer Fund	State Highway Patrol Fund	Ohio Board of Building Standards Fund	Metroparks Fund
Additions				
Licenses, Permits & Fees for Other Government:	\$ -	\$ -	\$ 4,613	\$ -
Fines & Forfeitures for Other Governments:	-	1,960	-	5,626
Collections for Other Governments:	5,576,500	-	-	-
<i>Total Additions</i>	<u>5,576,500</u>	<u>1,960</u>	<u>4,613</u>	<u>5,626</u>
Deductions				
Licenses, Permits & Fee Distributions to Other Government:	-	-	4,613	-
Fines & Forfeitures Distributions to Other Governments:	-	1,960	-	5,626
Distributions to Other Governments:	5,576,500	-	-	-
<i>Total Deductions</i>	<u>5,576,500</u>	<u>1,960</u>	<u>4,613</u>	<u>5,626</u>
<i>Change in Net Position</i>	-	-	-	-
<i>Net Position Beginning of Year</i>	-	-	-	-
<i>Net Position End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(continued)

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

	Municipal Court Fund	Total
Additions		
Licenses, Permits & Fees for Other Government:	\$ -	\$ 4,613
Fines & Forfeitures for Other Governments:	1,522,894	1,530,480
Collections for Other Governments:	-	5,576,500
<i>Total Additions</i>	1,522,894	7,111,593
Deductions		
Licenses, Permits & Fee Distributions to Other Government:	-	4,613
Fines & Forfeitures Distributions to Other Government:	1,522,894	1,530,480
Distributions to Other Governments:	-	5,576,500
<i>Total Deductions</i>	1,522,894	7,111,593
<i>Change in Net Position</i>	-	-
<i>Net Position Beginning of Year</i>	-	-
<i>Net Position End of Year</i>	\$ -	\$ -

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Supplemental Schedules
Entity-Wide Accrual Statements
Reporting with GASB 68 and GASB 75
and without GASB 68 and GASB 75

Background:

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2020 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—An Amendment of GASB Statement 27*. In a prior year, the City adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revised accounting for costs and liabilities related to other postemployment benefits (OPEB). 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 deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the City's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

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. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the City is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

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 and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

The following schedules are summarized accrual basis financial statements for the fiscal year ending December 31, 2020, that report the financial statements including the impact of GASB 68 and GASB 75 and excluding the impact of GASB 68 and GASB 75.

City of Berea
Cuyahoga County, Ohio
Supplemental Schedule
Schedule of Net Position - Including GASB 68 and GASB 75
December 31, 2020

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 9,684,578	\$ 788,046	\$ 10,472,624
Accounts Receivable	145,857	1,569,291	1,715,148
Intergovernmental Receivable	1,518,246	422,760	1,941,006
Taxes Receivable	8,920,892	505,460	9,426,352
Special Assessments Receivable	698,901	-	698,901
Loans Receivable	1,024,584	-	1,024,584
Prepaid Items	189,214	-	189,214
Materials and Supplies Inventory	225,958	62,105	288,063
Assets Held for Resale	615,000	-	615,000
Non-Depreciable Capital Assets	13,744,747	1,720,212	15,464,959
Depreciable Capital Assets, Net	70,455,648	36,513,037	106,968,685
<i>Total Assets</i>	<u>107,223,625</u>	<u>41,580,911</u>	<u>148,804,536</u>
Deferred Outflows of Resources			
Pension	3,612,773	277,494	3,890,267
OPEB	2,247,551	201,951	2,449,502
<i>Total Deferred Outflows of Resources</i>	<u>5,860,324</u>	<u>479,445</u>	<u>6,339,769</u>
Liabilities			
Accounts Payable	328,434	111,171	439,605
Accrued Wages	214,980	17,775	232,755
Contracts Payable	147,270	21,132	168,402
Intergovernmental Payable	191,461	15,120	206,581
Accrued Interest Payable	156,796	152,308	309,104
Claims Payable	180,171	-	180,171
Matured Compensated Absences Payable	11,573	-	11,573
Notes Payable	5,875,000	-	5,875,000
Long-Term Liabilities:			
Due Within One Year	9,220,439	837,850	10,058,289
Due In More Than One Year:			
Net Pension Liability	21,895,278	1,834,439	23,729,717
Net OPEB Liability	7,283,183	1,224,306	8,507,489
Other Amounts Due in More Than One Year	14,931,627	10,931,720	25,863,347
<i>Total Liabilities</i>	<u>60,436,212</u>	<u>15,145,821</u>	<u>75,582,033</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Fiscal Year	4,130,238	463,628	4,593,866
Pension	3,589,099	479,662	4,068,761
OPEB	2,012,324	226,603	2,238,927
<i>Total Deferred Inflows of Resources</i>	<u>9,731,661</u>	<u>1,169,893</u>	<u>10,901,554</u>
Net Position			
Net Investment in Capital Assets	56,541,673	27,706,748	84,248,421
Restricted for:			
Street Lighting	763,009	-	763,009
Street Maintenance and Repair	806,923	-	806,923
Court Operations and Capital Outlay	571,906	-	571,906
Security Operations	31,227	-	31,227
Drug and Alcohol Programs	564,879	-	564,879
Other Purposes	473,875	-	473,875
Unrestricted	(16,837,416)	(1,962,106)	(18,799,522)
<i>Total Net Position</i>	<u>\$ 42,916,076</u>	<u>\$ 25,744,642</u>	<u>\$ 68,660,718</u>

City of Berea
Cuyahoga County, Ohio
Supplemental Schedule
Schedule of Net Position - Excluding GASB 68 and GASB 75
December 31, 2020

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 9,684,578	\$ 788,046	\$ 10,472,624
Accounts Receivable	145,857	1,569,291	1,715,148
Intergovernmental Receivable	1,518,246	422,760	1,941,006
Taxes Receivable	8,920,892	505,460	9,426,352
Special Assessments Receivable	698,901	-	698,901
Loans Receivable	1,024,584	-	1,024,584
Prepaid Items	189,214	-	189,214
Materials and Supplies Inventory	225,958	62,105	288,063
Assets Held for Resale	615,000	-	615,000
Non-Depreciable Capital Assets	13,744,747	1,720,212	15,464,959
Depreciable Capital Assets, Net	70,455,648	36,513,037	106,968,685
<i>Total Assets</i>	<u>107,223,625</u>	<u>41,580,911</u>	<u>148,804,536</u>
Deferred Outflows of Resources			
Pension	-	-	-
OPEB	-	-	-
<i>Total Deferred Outflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities			
Accounts Payable	328,434	111,171	439,605
Accrued Wages and Benefits	214,980	17,775	232,755
Contracts Payable	147,270	21,132	168,402
Retainage Payable	191,461	15,120	206,581
Notes Payable	156,796	152,308	309,104
Matured Interest Payable	180,171	-	180,171
Unused	11,573	-	11,573
Notes Payable	5,875,000	-	5,875,000
Long Term Liabilities:			
Due Within One Year	9,220,439	837,850	10,058,289
Due In More Than One Year:			
Net Pension Liability	-	-	-
Net OPEB Liability	-	-	-
Other Amounts Due in More Than One Year	14,931,627	10,931,720	25,863,347
<i>Total Liabilities</i>	<u>31,257,751</u>	<u>12,087,076</u>	<u>43,344,827</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Fiscal Year	4,130,238	463,628	4,593,866
Pension	-	-	-
OPEB	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>4,130,238</u>	<u>463,628</u>	<u>4,593,866</u>
Net Position			
Net Investment in Capital Assets	56,541,673	27,706,748	84,248,421
Restricted for:			
Street Lighting	763,009	-	763,009
Street Maintenance and Repair	806,923	-	806,923
Court Operations and Capital Outlay	571,906	-	571,906
Security Operations	31,227	-	31,227
Drug and Alcohol Programs	564,879	-	564,879
Other Purposes	473,875	-	473,875
Unrestricted	12,082,144	1,323,459	13,405,603
<i>Total Net Position</i>	<u>\$ 71,835,636</u>	<u>\$ 29,030,207</u>	<u>\$ 100,865,843</u>

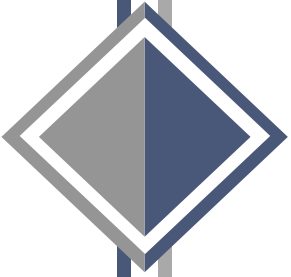
City of Berea
Cuyahoga County, Ohio
Supplemental Schedule
Schedule of Activities - Including GASB 68 and GASB 75
For the Year Ended December 31, 2020

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Operating Charges for Services and Sales	Grants, Contributions and Interest	Capital Grants, Contributions and Interest	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government	\$ 10,965,105	\$ 2,231,148	\$ 68,745	\$ -	\$ (8,665,212)	\$ -	\$ (8,665,212)
Security of Persons and Property	9,342,118	1,175,545	895,336	120,966	(7,150,271)	-	(7,150,271)
Public Health	387,208	-	419,924	-	32,716	-	32,716
Leisure Time Services	4,034,089	313,118	176,603	713,052	(2,831,316)	-	(2,831,316)
Community Development	396,234	37,251	-	-	(358,983)	-	(358,983)
Public Works	1,484,294	-	-	-	(1,484,294)	-	(1,484,294)
Transportation	4,802,649	255,281	948,734	457,097	(3,141,537)	-	(3,141,537)
Interest and Fiscal Charges	597,622	-	-	-	(597,622)	-	(597,622)
<i>Total Governmental Activities</i>	<u>32,009,319</u>	<u>4,012,343</u>	<u>2,509,342</u>	<u>1,291,115</u>	<u>(24,196,519)</u>	<u>-</u>	<u>(24,196,519)</u>
Business-Type Activities							
Water Revenue	3,293,656	2,700,808	6,001	-	-	(586,847)	(586,847)
Sewer Revenue	1,411,702	752,247	35,019	399,048	-	(225,388)	(225,388)
<i>Total Business-Type Activities</i>	<u>4,705,358</u>	<u>3,453,055</u>	<u>41,020</u>	<u>399,048</u>	<u>-</u>	<u>(812,235)</u>	<u>(812,235)</u>
<i>Total Primary Government</i>	<u>\$ 36,714,677</u>	<u>\$ 7,465,398</u>	<u>\$ 2,550,362</u>	<u>\$ 1,690,163</u>	<u>\$ (24,196,519)</u>	<u>\$ (812,235)</u>	<u>\$ (25,008,754)</u>
General Revenues:							
Property Taxes Levied for:							
					1,820,231	-	1,820,231
					745,614	-	745,614
					93,933	-	93,933
					1,632,386	-	1,632,386
					-	484,084	484,084
Income Taxes Levied for:							
					15,485,414	-	15,485,414
					277,843	-	277,843
Grants and Entitlements not Restricted to Specific Programs							
					1,012,000	-	1,012,000
					176,621	-	176,621
					1,155,402	43,412	1,198,814
<i>Total General Revenues</i>					<u>22,399,444</u>	<u>527,496</u>	<u>22,926,940</u>
Transfers					<u>(520,000)</u>	<u>520,000</u>	<u>-</u>
<i>Total General Revenues and Transfers</i>					<u>21,879,444</u>	<u>1,047,496</u>	<u>22,926,940</u>
<i>Change in Net Position</i>					<u>(2,317,075)</u>	<u>235,261</u>	<u>(2,081,814)</u>
<i>Net Position Beginning of Year</i> <i>Restated, See Note 2</i>					<u>45,233,151</u>	<u>25,509,381</u>	<u>70,742,532</u>
<i>Net Position End of Year</i>					<u>\$ 42,916,076</u>	<u>\$ 25,744,642</u>	<u>\$ 68,660,718</u>

City of Berea
Cuyahoga County, Ohio
Supplemental Schedule
Schedule of Activities - Excluding GASB 68 and GASB 75
For the Year Ended December 31, 2020

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Operating	Operating	Capital Grants,	Governmental	Business-Type	Total
		Charges for	Grants,	Contributions	Activities	Activities	
		Services and	Contributions	and Interest			
		Sales	and Interest	and Interest			
Governmental Activities							
General Government	\$ 10,169,532	\$ 2,231,148	\$ 68,745	\$ -	\$ (7,869,639)	\$ -	\$ (7,869,639)
Security of Persons and Property	8,337,657	1,175,545	895,336	120,966	(6,145,810)	-	(6,145,810)
Public Health	387,208	-	419,924	-	32,716	-	32,716
Leisure Time Services	3,893,829	313,118	176,603	713,052	(2,691,056)	-	(2,691,056)
Community Development	331,404	37,251	-	-	(294,153)	-	(294,153)
Public Works	1,484,294	-	-	-	(1,484,294)	-	(1,484,294)
Transportation	4,706,428	255,281	948,734	457,097	(3,045,316)	-	(3,045,316)
Interest and Fiscal Charges	597,622	-	-	-	(597,622)	-	(597,622)
<i>Total Governmental Activities</i>	<u>29,907,974</u>	<u>4,012,343</u>	<u>2,509,342</u>	<u>1,291,115</u>	<u>(22,095,174)</u>	<u>-</u>	<u>(22,095,174)</u>
Business-Type Activities							
Water Revenue	3,106,448	2,700,808	6,001	-	-	(399,639)	(399,639)
Sewer Revenue	1,357,716	752,247	35,019	399,048	-	(171,402)	(171,402)
<i>Total Business-Type Activities</i>	<u>4,464,164</u>	<u>3,453,055</u>	<u>41,020</u>	<u>399,048</u>	<u>-</u>	<u>(571,041)</u>	<u>(571,041)</u>
<i>Total Primary Government</i>	<u>\$ 34,372,138</u>	<u>\$ 7,465,398</u>	<u>\$ 2,550,362</u>	<u>\$ 1,690,163</u>	<u>\$ (22,095,174)</u>	<u>\$ (571,041)</u>	<u>\$ (22,666,215)</u>
General Revenues:							
Property Taxes Levied for:							
General Purposes					1,820,231	-	1,820,231
Police and Fire Pension					745,614	-	745,614
Community Hospital					93,933	-	93,933
Debt Service					1,632,386	-	1,632,386
Water Improvements					-	484,084	484,084
Income Taxes Levied for:							
General Purposes					15,485,414	-	15,485,414
Other Taxes					277,843	-	277,843
Grants and Entitlements not Restricted							
to Specific Programs					1,012,000	-	1,012,000
Investment Earnings					176,621	-	176,621
Miscellaneous					1,155,402	43,412	1,198,814
<i>Total General Revenues</i>					<u>22,399,444</u>	<u>527,496</u>	<u>22,926,940</u>
Transfers					<u>(520,000)</u>	<u>520,000</u>	<u>-</u>
<i>Total General Revenues and Transfers</i>					<u>21,879,444</u>	<u>1,047,496</u>	<u>22,926,940</u>
<i>Change in Net Position</i>					<u>(215,730)</u>	<u>476,455</u>	<u>260,725</u>
<i>Net Position Beginning of Year</i>							
<i>Excluding GASB 68 and GASB 75, Restated, See Note 2</i>					<u>72,051,366</u>	<u>28,553,752</u>	<u>100,605,118</u>
<i>Net Position End of Year</i>					<u>\$ 71,835,636</u>	<u>\$ 29,030,207</u>	<u>\$ 100,865,843</u>

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STATISTICAL SECTION

Statistical Section

This part of the City of Berea, 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.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S-2 - S-11
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source; the property tax and the municipal income tax.	S-12 - S-21
Debt Capacity	
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.	S-22 - S-29
Economic and Demographic Information	
These schedules offer economic and demographic indicators 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.	S-30 - S-31
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the service the City provides and the activities it performs.	S-32 - S-39

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

NOTES:

During 2019, the City implemented GASB 84. Prior year revenues and expenses have not been adjusted to reflect this change.

With the implementation of GASB 75 in 2018, the calculation of OPEB expense has changed; however, government-wide expenses for 2017 and prior years were not restated to reflect this change.

With the implementation of GASB 68 in 2015, the calculation of pension expense has changed; however, government-wide expenses for 2014 and prior years were not restated to reflect this change.

During 2013, the City implemented GASB 65. Prior year amounts have not been adjusted to reflect this change.

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

	2020	Restated 2019	Restated 2018	Restated 2017
Governmental Activities				
Invested in Capital Assets, Net Investment in Capital Assets	\$ 56,541,673	\$ 59,498,197	\$ 60,306,385	\$ 61,240,064
Restricted:				
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Street Lighting	763,009	723,586	838,318	927,517
Street Maintenance and Repair	806,923	596,873	416,385	514,761
Court Operations and Capital Outlay	571,906	555,764	1,246,931	772,984
Security Operations	31,227	16,506	45,798	48,674
Drug and Alcohol Programs	564,879	580,307	659,638	657,029
Other Purposes *	473,875	569,816	499,751	70,985
Unrestricted	<u>(16,837,416)</u>	<u>(17,307,898)</u>	<u>(22,845,852)</u>	<u>(20,129,273)</u>
<i>Total Governmental Activities Net Position</i>	<u>\$ 42,916,076</u>	<u>\$ 45,233,151</u>	<u>\$ 41,167,354</u>	<u>\$ 44,102,741</u>
Business Type - Activities				
Invested in Capital Assets, Net Investment in Capital Assets	\$ 27,706,748	\$ 28,028,357	\$ 27,589,952	\$ 25,155,850
Restricted:				
Renewal and Replacement	-	-	-	101,453
Unrestricted	<u>(1,962,106)</u>	<u>(2,518,976)</u>	<u>(1,826,341)</u>	<u>(602,320)</u>
<i>Total Business-Type Activities Net Position</i>	<u>\$ 25,744,642</u>	<u>\$ 25,509,381</u>	<u>\$ 25,763,611</u>	<u>\$ 24,654,983</u>
Primary Government				
Invested in Capital Assets, Net Investment in Capital Assets	\$ 84,248,421	\$ 87,526,554	\$ 87,896,337	\$ 86,395,914
Restricted	3,211,819	3,042,852	3,706,821	3,093,403
Unrestricted	<u>(18,799,522)</u>	<u>(19,826,874)</u>	<u>(24,672,193)</u>	<u>(20,731,593)</u>
<i>Total Primary Government Net Position</i>	<u>\$ 68,660,718</u>	<u>\$ 70,742,532</u>	<u>\$ 66,930,965</u>	<u>\$ 68,757,724</u>

* Note: Restricted for court operations was separated in 2011 and security and drug and alcohol programs were separated in 2013. These were previously included in restricted for other purposes.

Restated 2016	2015	Restated 2014	2013	2012	Restated 2011
\$ 60,290,157	\$ 52,594,409	\$ 55,271,913	\$ 57,752,563	\$ 57,295,806	\$ 58,992,954
95,998	-	-	-	-	673,065
-	2,983,819	2,973,127	2,779,034	2,642,411	2,347,649
1,000,015	980,414	969,411	872,108	1,042,402	1,067,706
509,831	468,849	445,028	527,701	478,130	446,422
464,471	1,756,269	1,667,683	1,417,252	306,864	386,601
98,668	75,583	107,601	147,168	-	-
609,676	541,728	468,872	418,540	-	-
19,064	18,276	187,931	353,155	449,324	167,605
(2,804,391)	(5,512,168)	(7,909,245)	6,806,855	5,917,006	4,476,698
<u>\$ 60,283,489</u>	<u>\$ 53,907,179</u>	<u>\$ 54,182,321</u>	<u>\$ 71,074,376</u>	<u>\$ 68,131,943</u>	<u>\$ 68,558,700</u>
\$ 25,111,856	\$ 25,256,979	\$ 23,457,040	\$ 23,626,242	\$ 23,368,937	\$ 24,600,139
22,905	-	-	-	-	-
(324,507)	699,079	2,431,856	2,993,113	3,040,813	2,018,042
<u>\$ 24,810,254</u>	<u>\$ 25,956,058</u>	<u>\$ 25,888,896</u>	<u>\$ 26,619,355</u>	<u>\$ 26,409,750</u>	<u>\$ 26,618,181</u>
\$ 85,402,013	\$ 77,851,388	\$ 78,728,953	\$ 81,378,805	\$ 80,664,743	\$ 83,593,093
2,820,628	6,824,938	6,819,653	6,514,958	4,919,131	5,089,048
(3,128,898)	(4,813,089)	(5,477,389)	9,799,968	8,957,819	6,494,740
<u>\$ 85,093,743</u>	<u>\$ 79,863,237</u>	<u>\$ 80,071,217</u>	<u>\$ 97,693,731</u>	<u>\$ 94,541,693</u>	<u>\$ 95,176,881</u>

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

	2020	2019	2018	2017
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 2,231,148	\$ 3,276,562	\$ 3,714,419	\$ 2,927,888
Security of Persons and Property	1,175,545	1,213,185	1,148,978	1,194,563
Public Health	-	-	-	-
Leisure Time Services	313,118	823,413	772,094	566,981
Community Development	37,251	42,596	73,551	29,295
Transportation	255,281	30,000	109,894	455,406
Subtotal - Charges for Services	<u>4,012,343</u>	<u>5,385,756</u>	<u>5,818,936</u>	<u>5,174,133</u>
Operating Grants and Contributions:				
General Government	68,745	-	27,000	94,102
Security of Persons and Property	895,336	130,471	118,718	305,754
Public Health	419,924	9,285	9,609	13,518
Leisure Time Services	176,603	10,000	-	5,156
Community Development	-	-	-	-
Transportation	948,734	1,004,689	684,304	905,236
Subtotal - Operating Grants and Contributions	<u>2,509,342</u>	<u>1,154,445</u>	<u>839,631</u>	<u>1,323,766</u>
Capital Grants and Contributions:				
General Government	-	-	-	-
Security of Persons and Property	120,966	56,518	655,243	-
Leisure Time Services	713,052	-	1,050,000	124,474
Community Development	-	-	191,948	100,000
Transportation	457,097	1,040,605	1,296,861	2,972,276
Subtotal - Capital Grants and Contributions	<u>1,291,115</u>	<u>1,097,123</u>	<u>3,194,052</u>	<u>3,196,750</u>
Total Governmental Activities Program Revenues	<u>7,812,800</u>	<u>7,637,324</u>	<u>9,852,619</u>	<u>9,694,649</u>
Business-Type Activities:				
Charges for Services:				
Water	2,700,808	2,662,207	2,536,461	2,835,081
Sewer	752,247	847,301	668,593	766,578
Operating Grants and Contributions				
Water	6,001	144,225	63,182	75,449
Sewer	35,019	-	-	-
Capital Grants and Contributions				
Water	-	470,804	652,508	338,134
Sewer	399,048	741,593	1,804,830	345,401
Total Business-Type Activities Program Revenues	<u>3,893,123</u>	<u>4,866,130</u>	<u>5,725,574</u>	<u>4,360,643</u>
Total Primary Government Program Revenues	<u>\$ 11,705,923</u>	<u>\$ 12,503,454</u>	<u>\$ 15,578,193</u>	<u>\$ 14,055,292</u>
Expenses				
Governmental Activities:				
General Government	\$ 10,965,105	\$ 11,044,960	\$ 9,747,695	\$ 9,846,448
Security of Persons and Property	9,342,118	279,373	9,650,672	8,841,071
Public Health	387,208	98,426	97,319	117,192
Leisure Time Services	4,034,089	4,896,558	4,649,331	4,521,353
Community Development	396,234	525,712	393,983	554,587
Public Works	1,484,294	1,290,056	1,248,969	1,272,715
Basic Utility	-	-	-	-
Transportation	4,802,649	4,361,420	5,308,281	4,001,193
Interest and Fiscal Charges	597,622	779,809	736,910	627,337
Total Governmental Activities Expenses	<u>32,009,319</u>	<u>23,276,314</u>	<u>31,833,160</u>	<u>29,781,896</u>

With the implementation of GASB 84 in 2019, revenues and expenses have changed; however, government-wide expenses for 2018 and prior years were not restated to reflect this change.

With the implementation of GASB 75 in 2018, the calculation of OPEB expense has changed; however, government-wide expenses for 2017 and prior years were not restated to reflect this change.

With the implementation of GASB 68 in 2015, the calculation of pension expense has changed; however, government-wide expenses for 2014 and prior years were not restated to reflect this change.

	Restated 2016	2015	2014	2013	2012	Restated 2011
\$	2,907,910	\$ 2,884,065	\$ 2,678,278	\$ 2,661,404	\$ 2,707,588	\$ 2,427,949
	1,169,955	1,136,291	1,166,634	1,156,701	1,182,585	994,746
	-	4,203	7,848	-	33,801	22,574
	691,324	700,292	643,457	577,155	541,377	529,841
	37,322	41,245	32,363	36,471	26,005	62,478
	392,551	246,661	256,028	248,202	257,220	228,046
	<u>5,199,062</u>	<u>5,012,757</u>	<u>4,784,608</u>	<u>4,679,933</u>	<u>4,748,576</u>	<u>4,265,634</u>
	138,625	10,000	10,000	118,308	25,000	106,815
	137,757	89,870	107,585	42,888	79,039	5,428
	31,443	15,708	22,263	27,618	46,060	59,250
	2,206	4,500	-	-	17,223	8,035
	4,000	4,861	-	300	-	-
	826,739	791,526	804,587	983,318	808,899	718,812
	<u>1,140,770</u>	<u>916,465</u>	<u>944,435</u>	<u>1,172,432</u>	<u>976,221</u>	<u>898,340</u>
	-	-	-	941,534	-	-
	-	-	-	-	-	-
	7,374,955	1,191,998	-	3,665,728	-	-
	158,233	-	-	-	-	-
	734,723	345,893	-	-	761,383	725,879
	<u>8,267,911</u>	<u>1,537,891</u>	<u>-</u>	<u>4,607,262</u>	<u>761,383</u>	<u>725,879</u>
	14,607,743	7,467,113	5,729,043	10,459,627	6,486,180	5,889,853
	2,741,241	2,507,159	2,496,104	2,591,376	2,663,002	2,698,896
	775,627	791,863	743,737	766,431	757,684	693,806
	74,695	75,620	74,177	74,604	63,815	81,972
	-	-	-	-	-	-
	254,996	7,343	-	-	91,142	-
	354,777	5,278	-	-	75,000	-
	<u>4,201,336</u>	<u>3,387,263</u>	<u>3,314,018</u>	<u>3,432,411</u>	<u>3,650,643</u>	<u>3,474,674</u>
\$	18,809,079	\$ 10,854,376	\$ 9,043,061	\$ 13,892,038	\$ 10,136,823	\$ 9,364,527
\$	8,331,714	\$ 7,664,155	\$ 8,291,476	\$ 7,164,279	\$ 6,992,774	\$ 6,201,327
	8,565,299	7,359,179	6,753,040	6,852,063	6,755,965	6,441,638
	118,279	151,785	151,971	134,122	155,326	187,320
	3,340,337	2,919,372	3,223,496	4,534,669	3,262,399	2,714,029
	388,886	353,620	514,483	396,804	465,302	455,883
	1,266,920	1,247,527	1,243,488	1,167,454	1,167,636	1,370,499
	3,649,374	3,420,711	3,965,988	3,346,244	4,557,209	1,335,639
	648,626	582,951	478,972	588,644	435,179	450,989
	<u>26,309,435</u>	<u>23,699,300</u>	<u>24,622,914</u>	<u>24,184,279</u>	<u>23,791,790</u>	<u>19,157,324</u>

(continued)

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

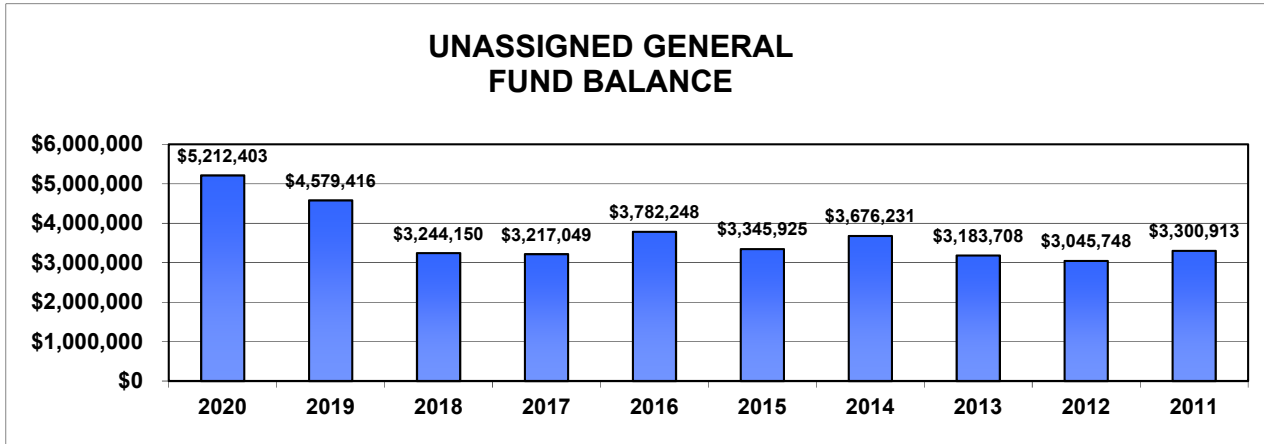
	2020	2019	2018	2017
Business-Type Activities				
Water	\$ 3,293,656	\$ 4,380,281	\$ 4,260,794	\$ 3,577,909
Sewer	1,411,702	1,298,255	1,421,578	1,077,872
<i>Total Business-Type Activities Expenses</i>	<u>4,705,358</u>	<u>5,678,536</u>	<u>5,682,372</u>	<u>4,655,781</u>
<i>Total Primary Government Program Expenses</i>	<u>36,714,677</u>	<u>28,954,850</u>	<u>37,515,532</u>	<u>34,437,677</u>
Net (Expense)/Revenue				
Governmental Activities	(24,196,519)	(15,638,990)	(21,980,541)	(20,087,247)
Business-Type Activities	<u>(812,235)</u>	<u>(812,406)</u>	<u>43,202</u>	<u>(295,138)</u>
<i>Total Primary Government Net Expense</i>	<u>(25,008,754)</u>	<u>(16,451,396)</u>	<u>(21,937,339)</u>	<u>(20,382,385)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 1,820,231	\$ 1,775,765	\$ 1,619,709	\$ 1,601,003
Other Purposes *	2,471,933	2,385,938	2,180,142	2,154,612
Municipal Income Taxes levied for:				
General Purposes	15,485,414	13,810,887	14,039,940	12,904,124
Grants and Entitlements not Restricted to				
Specific Programs	1,012,000	984,079	799,109	829,061
Investment Income	176,621	502,171	37,474	66,491
Other Taxes	277,843	259,625	295,898	250,729
Miscellaneous	1,155,402	702,151	264,660	203,802
Unrestricted Donations	-	-	-	785,000
Transfers	(520,000)	(91,000)	(605,000)	(590,000)
Extraordinary Item	-	-	-	-
<i>Total Governmental Activities</i>	<u>21,879,444</u>	<u>20,329,616</u>	<u>18,631,932</u>	<u>18,204,822</u>
Business-Type Activities				
Property Taxes levied for:				
Water Improvements	484,084	467,176	456,895	453,634
Transfers	520,000	91,000	605,000	590,000
Miscellaneous	43,412	-	3,531	-
<i>Total Business-Type Activities</i>	<u>1,047,496</u>	<u>558,176</u>	<u>1,065,426</u>	<u>1,043,634</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>22,926,940</u>	<u>20,887,792</u>	<u>19,697,358</u>	<u>19,248,456</u>
Change in Net Position				
Governmental Activities	(2,317,075)	4,690,626	(3,348,609)	(1,882,425)
Business-Type Activities	<u>235,261</u>	<u>(254,230)</u>	<u>1,108,628</u>	<u>748,496</u>
<i>Total Primary Government Change in Net Position</i>	<u>\$ (2,081,814)</u>	<u>\$ 4,436,396</u>	<u>\$ (2,239,981)</u>	<u>\$ (1,133,929)</u>

* Includes Police and Fire Pension and Debt Service

Restated 2016	2015	2014	2013	2012	Restated 2011
\$ 4,875,037	\$ 3,976,228	\$ 3,705,293	\$ 3,652,775	\$ 3,655,963	\$ 3,580,655
1,053,185	954,252	946,637	838,650	922,985	481,780
5,928,222	4,930,480	4,651,930	4,491,425	4,578,948	4,062,435
32,237,657	28,629,780	29,274,844	28,675,704	28,370,738	23,219,759
(11,701,692)	(16,232,187)	(18,893,871)	(13,724,652)	(17,305,610)	(13,267,471)
(1,726,886)	(1,543,217)	(1,337,912)	(1,059,014)	(928,305)	(587,761)
(13,428,578)	(17,775,404)	(20,231,783)	(14,783,666)	(18,233,915)	(13,855,232)
\$ 1,582,799	\$ 1,723,505	\$ 1,547,123	\$ 1,664,090	\$ 1,643,154	\$ 1,669,355
2,133,441	2,101,086	2,297,347	2,243,409	2,341,007	2,394,337
13,048,547	11,813,246	11,050,350	11,876,563	11,446,700	10,601,210
833,594	988,566	1,068,337	1,317,382	1,244,125	1,675,190
206,755	101,924	119,998	15,527	128,363	137,585
307,904	336,730	284,641	272,968	278,888	260,819
96,362	51,988	51,552	88,056	57,616	94,120
-	-	-	-	-	-
(131,400)	(1,160,000)	(1,163,000)	(810,910)	(261,000)	(4,175,433)
-	-	(174,900)	-	-	-
18,078,002	15,957,045	15,081,448	16,667,085	16,878,853	12,657,183
449,682	450,379	449,104	456,699	448,972	458,166
131,400	1,160,000	1,163,000	810,910	261,000	4,175,433
-	-	-	1,010	9,902	2,646
581,082	1,610,379	1,612,104	1,268,619	719,874	4,636,245
18,659,084	17,567,424	16,693,552	17,935,704	17,598,727	17,293,428
6,376,310	(275,142)	(3,812,423)	2,942,433	(426,757)	(610,288)
(1,145,804)	67,162	274,192	209,605	(208,431)	4,048,484
\$ 5,230,506	\$ (207,980)	\$ (3,538,231)	\$ 3,152,038	\$ (635,188)	\$ 3,438,196

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

	2020	2019	Restated 2018	2017
General Fund				
Nonspendable	\$ 53,476	\$ 51,432	\$ 57,180	\$ 61,395
Committed	1,525,231	1,211,984	1,629,589	1,299,960
Assigned	52,690	196,788	58,246	134,385
Unassigned	5,212,403	4,579,416	3,244,150	3,217,049
Total General Fund	6,843,800	6,039,620	4,989,165	4,712,789
All Other Governmental Funds				
Nonspendable	216,295	120,520	139,272	154,335
Restricted	2,118,888	1,962,142	2,509,159	2,031,231
Committed	3,150,944	1,676,947	2,302,698	3,685,650
Unassigned	(4,209,720)	(4,331,012)	(4,250,640)	(3,956,306)
Total All Other Governmental Funds	1,276,407	(571,403)	700,489	1,914,910
Total Governmental Funds	\$ 8,120,207	\$ 5,468,217	\$ 5,689,654	\$ 6,627,699



Restated 2016	2015	2014	2013	2012	Restated 2011
\$ 63,365	\$ 70,707	\$ 79,707	\$ 79,091	\$ 43,383	\$ 47,891
1,341,207	989,402	906,735	1,094,998	1,274,241	927,075
104,751	122,676	16,501	269,616	174,933	6,106
3,782,248	3,345,925	3,676,231	3,183,708	3,045,748	3,300,913
5,291,571	4,528,710	4,679,174	4,627,413	4,538,305	4,281,985
191,624	152,760	140,227	308,599	165,852	145,798
1,747,703	5,817,924	5,628,560	5,293,239	4,736,896	4,511,298
2,806,089	9,776,259	2,568,923	1,992,296	2,369,907	1,663,444
(4,093,608)	-	(10,775)	(24,599)	(180,214)	(234,632)
651,808	15,746,943	8,326,935	7,569,535	7,092,441	6,085,908
\$ 5,943,379	\$ 20,275,653	\$ 13,006,109	\$ 12,196,948	\$ 11,630,746	\$ 10,367,893

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

	2020	2019	2018	2017
Revenues				
Property and Other Taxes	\$ 4,458,650	\$ 4,396,511	\$ 4,042,641	\$ 4,035,283
Municipal Income Taxes	14,922,547	14,350,327	13,857,990	13,169,693
Special Assessments	718,762	665,452	664,686	672,143
Charges for Services	841,230	1,333,506	1,255,271	1,211,063
Licenses and Permits	387,853	551,847	660,432	425,217
Fines and Forfeitures	1,942,014	2,695,457	3,072,449	2,891,810
Intergovernmental	3,980,767	2,930,422	4,723,726	4,983,408
Interest	182,055	504,253	42,009	77,112
Contributions and Donations	40,751	20,307	9,843	891,834
Other	1,257,942	803,849	370,120	325,119
<i>Total Revenues</i>	<u>28,732,571</u>	<u>28,251,931</u>	<u>28,699,167</u>	<u>28,682,682</u>
Expenditures				
Current:				
General Government	8,640,104	8,117,671	8,092,820	7,848,082
Security of Persons and Property	7,682,239	7,938,766	7,622,174	7,150,207
Public Health	387,208	98,426	97,319	117,192
Leisure Time Services	2,176,172	2,682,186	2,562,905	2,246,657
Community Development	310,215	360,376	367,898	470,334
Public Works	1,468,633	1,273,974	1,229,101	1,247,725
Transportation	913,231	903,695	1,041,911	966,075
Capital Outlay	2,602,393	5,027,011	6,758,246	7,583,352
Debt Service:				
Principal Retirement	9,269,636	9,479,513	9,677,601	8,114,869
Interest and Fiscal Charges	794,872	871,233	855,135	722,211
<i>Total Expenditures</i>	<u>34,244,703</u>	<u>36,752,851</u>	<u>38,305,110</u>	<u>36,466,704</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(5,512,132)</u>	<u>(8,500,920)</u>	<u>(9,605,943)</u>	<u>(7,784,022)</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	1,882	24,714	16,552	63,142
Issuance of General Obligation Bonds	-	-	-	-
Issuance of Refunding Bonds	1,860,000	-	-	-
Premium on Debt Issuance	106,551	124,537	107,790	111,472
Payment to Refunding Bond Escrow Agent	(1,819,639)	-	-	-
Issuance of Notes	7,760,000	8,035,000	8,550,900	8,200,900
Inception of Capital Lease	-	-	167,680	52,168
Issuance of Loans	519,882	186,232	272,654	630,660
Issuance of Lease-Purchase	255,446	-	-	-
Transfers In	3,839,000	4,041,800	3,839,000	3,704,824
Transfers Out	(4,359,000)	(4,132,800)	(4,444,000)	(4,294,824)
<i>Total Other Financing Sources (Uses)</i>	<u>8,164,122</u>	<u>8,279,483</u>	<u>8,510,576</u>	<u>8,468,342</u>
Extraordinary Item	-	-	-	-
<i>Net Change in Fund Balances</i>	<u>\$ 2,651,990</u>	<u>\$ (221,437)</u>	<u>\$ (1,095,367)</u>	<u>\$ 684,320</u>
Debt Service as a Percentage of Noncapital Expenditures	31%	32%	32%	30%

With the implementation of GASB 84 in 2019, revenues and expenditures have changed; however, revenues and expenditures for 2018 and prior years were not restated to reflect this change.

Restated 2016	2015	2014	2013	2012	2011
\$ 4,029,967	\$ 4,108,059	\$ 4,013,444	\$ 3,984,795	\$ 4,185,749	\$ 4,187,409
12,964,761	11,522,435	11,823,354	11,114,942	10,758,113	10,454,513
697,250	690,267	687,958	695,079	688,970	682,786
1,170,989	1,090,799	1,046,221	983,567	1,151,937	1,056,890
469,101	501,837	359,641	393,275	397,561	363,372
2,771,839	2,561,010	2,536,488	2,428,863	2,481,137	2,189,582
2,821,548	2,383,109	2,083,875	2,926,659	2,842,680	2,897,594
222,633	115,730	134,515	29,048	158,337	137,585
55,275	28,411	51,111	52,163	45,230	62,932
185,120	175,675	159,448	250,293	68,545	116,901
<u>25,388,483</u>	<u>23,177,332</u>	<u>22,896,055</u>	<u>22,858,684</u>	<u>22,778,259</u>	<u>22,149,564</u>
7,098,947	7,218,501	7,183,125	6,431,561	6,767,192	6,714,835
7,169,095	6,873,297	6,354,515	6,505,370	6,431,807	6,458,138
118,279	151,785	151,971	134,122	155,326	187,320
2,182,361	2,138,513	2,034,896	1,852,113	1,781,720	1,614,757
365,529	372,423	291,721	404,860	462,267	471,003
1,238,247	1,217,697	1,215,079	1,148,881	1,144,731	1,350,451
707,046	902,569	925,472	776,220	799,062	851,322
15,329,450	4,687,901	4,152,414	4,371,739	3,479,757	3,113,744
12,136,653	8,488,251	5,466,560	7,142,238	6,309,664	5,324,475
766,722	613,929	486,428	607,363	480,758	503,506
<u>47,112,329</u>	<u>32,664,866</u>	<u>28,262,181</u>	<u>29,374,467</u>	<u>27,812,284</u>	<u>26,589,551</u>
<u>(21,723,846)</u>	<u>(9,487,534)</u>	<u>(5,366,126)</u>	<u>(6,515,783)</u>	<u>(5,034,025)</u>	<u>(4,439,987)</u>
13,240	-	2,722	20,700	3,025	-
2,875,000	6,748,000	-	4,005,000	-	-
-	-	-	-	-	-
107,690	373,578	42,965	88,152	45,518	5,703
(2,775,000)	-	-	-	-	-
6,642,500	10,795,500	7,467,500	4,514,500	6,112,550	4,810,000
657,954	-	-	158,952	-	-
1,588	-	-	146,131	202,650	459,491
-	-	-	-	-	-
3,594,800	3,426,000	3,347,410	3,132,525	2,988,224	3,495,100
(3,726,200)	(4,586,000)	(4,510,410)	(4,983,975)	(3,249,224)	(3,875,100)
<u>7,391,572</u>	<u>16,757,078</u>	<u>6,350,187</u>	<u>7,081,985</u>	<u>6,102,743</u>	<u>4,895,194</u>
<u>-</u>	<u>-</u>	<u>(174,900)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (14,332,274)</u>	<u>\$ 7,269,544</u>	<u>\$ 809,161</u>	<u>\$ 566,202</u>	<u>\$ 1,068,718</u>	<u>\$ 455,207</u>
51%	33%	23%	38%	26%	24%

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

Collection Year	City of Berea					Berea School District
	General	Special Revenue	Water Revenue	Debt Service	Total	
2020	7.95	3.00	1.40	4.45	16.80	81.90
2019	7.95	3.00	1.40	4.45	16.80	82.10
2018	7.95	3.00	1.40	4.45	16.80	82.20
2017	7.95	3.00	1.40	4.45	16.80	82.20
2016	7.95	3.00	1.40	4.45	16.80	82.20
2015	7.95	3.00	1.40	4.45	16.80	78.00
2014	7.95	3.00	1.40	4.45	16.80	78.70
2013	7.95	3.00	1.40	4.45	16.80	78.90
2012	7.95	3.00	1.40	4.45	16.80	78.90
2011	7.95	3.00	1.40	4.85	17.20	75.00

Source: Cuyahoga County Fiscal Officer

Notes: The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generate 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

The real property tax rates for the voted levies of the overlapping taxing districts are reduced so that inflationary increases in value do not generate additional revenue

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

- (1) Cleveland Metropolitan Park District, Cuyahoga Community College District, Cleveland-Cuyahoga Port Authority, Cuyahoga County Library and Cuyahoga County Services.

<u>Olmsted Falls School District</u>	<u>Polaris JVSD</u>	<u>Cuyahoga Co & Special Taxing Districts (1)</u>
106.90	3.09	26.13
99.70	3.09	24.33
100.00	3.09	23.93
100.00	3.09	23.93
100.40	3.09	23.43
102.20	2.40	23.43
102.20	2.40	23.43
102.20	2.40	20.80
102.20	2.40	20.80
93.00	2.40	20.80

City of Berea, Ohio
Assessed Valuation and Estimated Actual Values of Taxable Property
Last Ten Years

Collection Year	Real Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value	Public Utility	
			Assessed Value	Estimated Actual Value
2020	\$ 409,493,080	\$ 1,169,980,229	\$ 12,915,300	\$ 14,676,477
2019	393,733,580	1,124,953,086	11,832,970	13,446,557
2018	368,945,630	1,054,130,371	10,757,950	12,224,943
2017	361,784,080	1,033,668,800	9,572,450	10,877,784
2016	360,410,630	1,029,744,657	8,980,160	10,204,727
2015	370,843,110	1,059,551,743	8,714,150	9,902,443
2014	373,633,920	1,067,525,486	8,242,980	9,367,023
2013	375,142,810	1,071,836,600	6,823,640	7,754,136
2012	369,786,280	1,056,532,229	6,522,740	7,412,205
2011	368,473,230	1,052,780,657	6,323,310	7,185,580

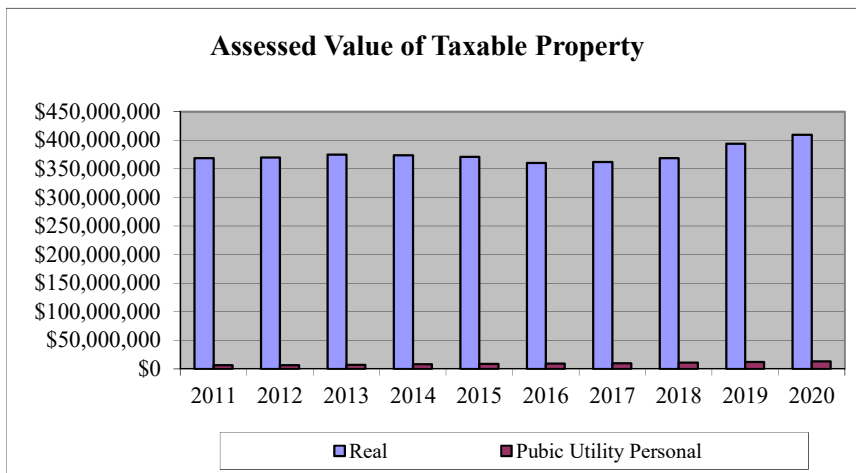
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

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 are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemptions before being billed.

Source: Ohio Department of Taxation
 (1) Cuyahoga County Fiscal Officer

Assessed Value	Total		Ratio	Total Direct Tax Rate (1)
	Estimated Actual Value			
\$ 422,408,380	\$ 1,184,656,706		35.66	16.80
405,566,550	1,138,399,643		35.63	16.80
379,703,580	1,066,355,314		35.61	16.80
371,356,530	1,044,546,584		35.55	16.80
369,390,790	1,039,949,384		35.52	16.80
379,557,260	1,069,454,186		35.49	16.80
381,876,900	1,076,892,508		35.46	16.80
381,966,450	1,079,590,736		35.38	16.80
376,309,020	1,063,944,433		35.37	17.20
374,796,540	1,059,966,237		35.36	17.20



City of Berea, Ohio
Property Tax Levies and Collections
Last Ten Years

Year	Total Tax Levy	Current Tax Collections (1)	Percent of Current Tax Collections to Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Tax Levy (2)	Accumulated Outstanding Delinquent Taxes	Percentage of Delinquent Taxes to Total Tax Levy
2020	\$ 5,414,097	\$ 5,122,899	94.62%	\$ 138,131	\$ 5,261,030	97.17%	\$ 414,496	7.66%
2019	5,189,600	5,048,301	97.28	135,581	5,183,882	99.89	291,880	5.62
2018	4,852,805	4,697,807	96.81	103,289	4,801,096	98.93	241,169	4.97
2017	4,823,222	4,702,417	97.50	115,653	4,818,070	99.89	260,740	5.41
2016	4,776,087	4,606,276	96.44	140,313	4,746,589	99.38	267,600	5.60
2015	4,904,908	4,650,168	94.81	166,405	4,816,573	98.20	274,176	5.59
2014	4,960,785	4,589,981	92.53	155,960	4,745,941	95.67	340,201	6.86
2013	5,109,458	4,584,738	89.73	231,718	4,816,456	94.27	343,237	6.72
2012	5,120,268	4,808,337	93.91	176,746	4,985,083	97.36	245,275	4.79
2011	5,352,662	4,800,181	89.68	188,563	4,988,744	93.20	320,968	6.00

Source: Cuyahoga County Fiscal Officer

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

(2) The County information does not provide the applicable year when a delinquency is collected. Thus the "total collections" represent the total collections for the year instead of total collections of a particular tax year. As a result "total collection as a percent of a total levy" can exceed 100% in any particular year. The City is currently working with the County to obtain delinquent taxes by collection year. The County maintains all of this information, thus the City is reliant on the County to develop the accounting procedures and system capabilities to provide this information.

City of Berea, Ohio
Principal Taxpayers - Real Estate Tax
 2020 and 2011

Taxpayer	2020	
	Real Property Assessed Valuation (1)	Percentage Of Real Assessed Valuation
Baldwin Wallace University	\$ 14,275,660	3.49%
Cleveland Electric Illuminating Co.	7,160,340	1.75%
Columbia Gas	4,635,160	1.13%
Tower in the Park LTD	4,341,580	1.06%
West Valley Plaza	2,744,710	0.67%
American Transmission System	2,620,390	0.64%
Berea Properties Company	2,333,890	0.57%
Echo Berea Associates, LLC	2,062,990	0.50%
Helwig Whistle Stop LLC	2,028,430	0.50%
680 North LLC	1,704,220	0.42%
Total	\$ 43,907,370	10.73%
Total Assessed Valuation	\$ 409,493,080	

Taxpayer	2011	
	Real Property Assessed Valuation (1)	Percentage Of Real Assessed Valuation
Cleveland Electric Illuminating Co.	\$ 5,152,860	1.40%
A&F Machine Products Co.	3,896,070	1.06%
Tower in the Park LTD	3,710,010	1.01%
Echo Berea Associates, LLC	2,914,530	0.79%
West Valley Plaza	2,726,580	0.74%
Berea Properties Co.	2,694,910	0.73%
OHI Asset II LLC	2,482,880	0.67%
Western Reserve Revitalization	2,372,380	0.64%
Berea Square Co., LLC	1,873,380	0.51%
680 North LLC	1,662,500	0.45%
Total	\$ 29,486,100	8.00%
Total Assessed Valuation	\$ 368,473,230	

Source: County Fiscal Officer

(1) The amounts presented represent the assessed values upon which 2020 and 2011 collections were based.

City of Berea, Ohio
Principal Taxpayers - Municipal Tax
 2020 and 2011

	<i>2020</i>
Taxpayer	Percentage of Tax Collected
Cleveland Browns Football	29.94%
Baldwin Wallace College	6.26%
Berea City School District	3.33%
Ohio Guidestone	1.85%
City of Berea	1.56%
Ohio Turnpike Commission	1.25%
Group Management Inc	1.15%
Minute Men Select Inc	0.88%
Avient Corp	0.84%
Voss Industries	0.71%
Total	47.77%
Total Tax Collected	

	<i>2011</i>
Taxpayer	Percentage of Tax Collected
Cleveland Browns Football	19.72%
Baldwin Wallace College	7.37%
Berea City School District	5.57%
OHNH EMP LLC	2.15%
City of Berea	2.12%
Berea Childrens Home	1.74%
Ohio Turnpike Commission	1.54%
Amerimark Direct LLC	1.30%
ColorMatrix Corp.	1.05%
Standby Screw Machine Products	1.05%
Total	43.61%
Total Tax Collected	

Source: Regional Income Tax Agency

City of Berea, Ohio
Principal Employers
2020 and 2011

<i>2020</i>		
Employer	Number of Employees	Percentage of Total City Employment
Baldwin Wallace College	3,065	21.76%
Ohio Guidestone	649	4.61%
Cleveland Browns Football	601	4.27%
Berea City School District	495	3.51%
Minute Men Select	473	3.36%
OHNH EMP LLC	321	2.28%
City of Berea	307	2.18%
Group Management Service Inc	199	1.41%
Ohio Turnpike Commission	114	0.81%
TMG Performance Products LLC	101	0.72%
Total	6,325	44.91%
Total Employment within the City	14,088	
<i>2011</i>		
Employer	Number of Employees	Percentage of Total City Employment
Baldwin Wallace College	3,054	31.24%
Berea City School District	983	10.06%
OHNH EMP LLC	741	7.58%
Berea Childrens Home	514	5.26%
Cleveland Browns Football	422	4.32%
AmeriMark Direct LLC	339	3.47%
City of Berea	301	3.08%
Ohio Turnpike Commission	123	1.26%
ColorMatrix Corp.	120	1.23%
Standby Screw Machine Products	116	1.19%
Total	6,713	68.69%
Total Employment within the City	9,776	

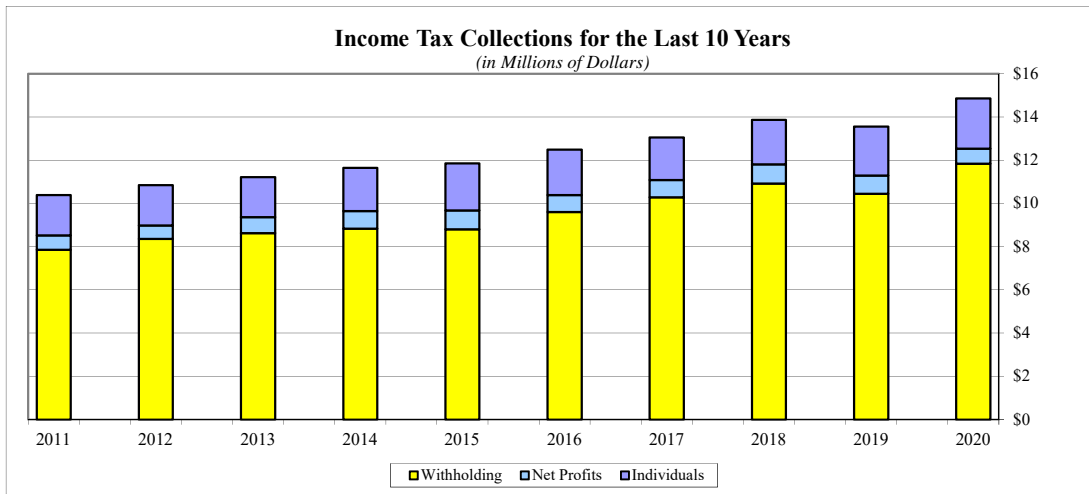
Source: Regional Income Tax Agency

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

Tax Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes From Net Profits	Percentage of Taxes from Net Profits
2020	2.00%	\$ 15,113,053	\$ 11,846,054	78.38%	\$ 693,878	4.59%
2019	2.00	13,549,844	10,453,851	77.15	835,998	6.17
2018	2.00	13,861,048	10,916,826	78.76	885,405	6.39
2017	2.00	13,066,877	10,288,504	78.74	798,743	6.11
2016	2.00	12,484,319	9,610,022	76.98	770,752	6.17
2015	2.00	11,855,447	8,802,385	74.25	875,618	7.39
2014	2.00	11,647,041	8,840,177	75.90	803,005	6.89
2013	2.00	11,221,745	8,620,645	76.82	752,151	6.70
2012	2.00	10,842,275	8,361,782	77.12	616,294	5.68
2011	2.00	10,392,189	7,855,099	75.59	670,592	6.45

Note: The City is prohibited by statute from presenting information regarding individual taxpayers

Source: Regional Income Tax Agency



	<u>Taxes From Individuals</u>	<u>Percentage of Taxes from Individuals</u>
\$	2,321,246	15.36%
	2,259,995	16.68
	2,058,817	14.85
	1,971,799	15.09
	2,103,545	16.85
	2,177,444	18.36
	2,003,858	17.20
	1,848,949	16.48
	1,864,200	17.19
	1,866,498	17.96

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

Year	Governmental Activities						OPWC
	General Obligation Debt	Urban Renewal Bond	Leases	Notes Payable	Loan Payable		
2020	\$ 11,565,422	\$ -	\$ 429,836	\$ 7,760,000	\$ 120,000	\$ 2,911,401	
2019	12,479,800	-	350,695	8,035,000	160,000	2,462,046	
2018	13,353,062	-	521,740	8,295,000	200,000	2,396,798	
2017	14,581,324	-	500,034	8,200,900	200,000	2,247,697	
2016	15,799,586	-	618,176	6,642,500	-	1,922,038	
2015	16,850,848	-	66,600	10,795,500	-	2,025,628	
2014	10,679,632	-	128,370	7,467,500	-	2,083,284	
2013	11,540,570	-	214,233	4,514,500	-	2,093,417	
2012	8,235,000	50,000	164,023	6,112,550	-	1,957,419	
2011	9,410,000	270,000	263,112	4,810,000	-	1,943,695	

Source: City Financial Records

Note: Details regarding the City's outstanding debt can be found in the notes to financial statements.

(1) See the schedule of Demographic and Economic Statistics for personal income and population data.

Business-Type Activities

General Obligation Debt	Leases	Loan Payable	Notes Payable	OWDA and OPWC	Total Primary Government	Total Personal Income	Percentage of Personal Income(1)	Per Capita(1)
\$ 100,000	\$ 18,390	\$ 203,735	\$ -	\$ 11,373,184	\$ 34,481,968	\$ 538,727,112	6.40%	\$ 1,835
105,000	25,641	213,437	-	11,656,140	35,487,759	533,594,466	6.65%	1,907
110,000	40,326	232,840	-	12,165,927	37,315,693	462,718,855	8.06%	1,954
115,000	26,342	252,244	600,000	12,667,753	39,391,294	462,718,855	8.51%	2,063
120,000	-	271,648	-	12,283,126	37,657,074	462,718,855	8.14%	1,972
122,000	32,233	291,052	-	11,287,518	41,471,379	462,718,855	8.96%	2,172
-	63,111	320,157	1,160,000	11,856,305	33,758,359	462,718,855	7.30%	1,768
-	92,690	329,859	1,138,000	12,503,391	32,426,660	462,718,855	7.01%	1,698
-	121,025	349,263	1,537,450	12,086,163	30,612,893	462,718,855	6.62%	1,603
-	148,169	388,070	40,000	12,973,559	30,246,605	462,718,855	6.54%	1,584

City of Berea, Ohio
Pledged Revenue Coverage
Water and Sewer OPWC and OWDA Loans
Last Nine Years

Year	Charges for Services	Direct Operating Expenses (1)	Net Revenues Available	Debt Service		
				Principal	Interest	Coverage
2020	\$ 3,496,467	\$ 2,108,374	\$ 1,388,093	\$ 730,706	\$ 409,368	82.13%
2019	3,509,508	3,271,946	237,562	745,290	342,503	(227.98%)
2018	3,208,585	3,467,823	(259,238)	741,700	376,932	(210.78%)
2017	3,601,659	1,821,441	1,780,218	661,511	356,774	57.20%
2016	3,516,868	3,410,888	105,980	593,298	354,339	(894.17%)
2015	3,299,022	1,491,418	1,807,604	543,327	391,262	51.70%
2014	3,239,841	2,297,266	942,575	471,851	246,788	76.24%
2013	3,357,807	1,797,075	1,560,732	690,312	265,123	61.22%
2012	3,420,686	1,801,973	1,618,713	585,262	290,561	54.11%

Source: City Financial Records

- (1) Direct operating expenses do not include depreciation and amortization expense.
- (2) 10 years of information will be presented when it is available.

City of Berea, Ohio
*Ratio of Net General Bonded Debt to
Assessed Value and Net Bonded Debt Per Capita
Last Ten Years*

Year	(1) Population	Assessed Valuation(2)	Gross Bonded Debt(3)	Debt Service Monies Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
2020	18,788	\$ 422,408,380	\$ 19,425,422	\$ -	\$ 19,425,422	4.60%	\$ 1,033.93
2019	18,609	405,566,550	20,619,800	-	20,619,800	5.08	1,108.06
2018	19,093	379,703,580	22,013,962	-	22,013,962	5.80	1,152.99
2017	19,093	371,356,530	22,897,224	-	22,897,224	6.03	1,199.25
2016	19,093	369,390,790	22,562,086	-	22,562,086	6.08	1,181.69
2015	19,093	379,557,260	27,768,348	2,878,542	24,889,806	6.56	1,303.61
2014	19,093	381,876,900	19,307,132	2,812,637	16,494,495	4.32	863.90
2013	19,093	381,966,450	17,193,070	2,549,373	14,643,697	3.83	766.97
2012	19,093	376,309,020	15,935,000	2,433,220	13,501,780	3.59	707.16
2011	19,093	374,796,540	14,530,000	2,107,573	12,422,427	3.31	650.63

(1) Source: U.S. Bureau of Census

(2) Source: Cuyahoga County Fiscal Officer

(3) Includes all general obligation bonded debt and bond anticipation notes and premiums.

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City of Berea, 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
Direct			
City of Berea	\$ 22,786,659	100.00%	\$ 22,786,659
<i>Total Direct Debt</i>	<u>22,786,659</u>		<u>22,786,659</u>
Overlapping			
Berea City School District	108,661,000	27.26%	29,620,989
Olmsted Falls School District	29,134,960	4.61%	1,343,122
Polaris Career Center	1,645,000	8.03%	132,094
Cuyahoga Community College	201,500,000	1.38%	2,780,700
Cuyahoga County	<u>266,975,000</u>	1.38%	<u>3,684,255</u>
<i>Total Overlapping Debt</i>	<u>607,915,960</u>		<u>37,561,160</u>
Grand Total	<u>\$ 630,702,619</u>		<u>\$ 60,347,819</u>

Source: Ohio Municipal Advisory Council
City Financial Records

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the City by its total assessed valuation

City of Berea, Ohio
Legal Debt Margin
Last Ten Years

	2020	2019	2018	2017
Total Assessed Property Value	\$ 422,408,380	\$ 405,566,550	\$ 379,703,580	\$ 371,356,530
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	44,352,880	42,584,488	39,868,876	38,992,436
Debt Outstanding:				
General Obligation Bonds and Notes	19,425,422	20,619,800	22,013,962	22,897,224
Total Gross Indebtedness	19,425,422	20,619,800	22,013,962	22,897,224
Less:				
General Obligation Bonds and Notes	-	-	-	-
OPWC Loans	-	-	-	-
Amount Available in Debt Service Fund	-	-	-	-
Total Net Debt Applicable to Debt Limit	19,425,422	20,619,800	22,013,962	22,897,224
Legal Debt Margin Within 10 ½ % Limitations	\$ 24,927,458	\$ 21,964,688	\$ 17,854,914	\$ 16,095,212
Legal Debt Margin as a Percentage of the Debt Limit	56.20%	51.58%	44.78%	41.28%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	23,232,461	22,306,160	20,883,697	20,424,609
Total Gross Indebtedness	19,425,422	20,619,800	22,013,962	22,897,224
Less:				
General Obligation Bonds and Notes	-	-	-	-
OPWC Loans	-	-	-	-
Amount Available in Debt Service Fund	-	-	-	-
Net Debt Within 5 ½ % Limitations	19,425,422	20,619,800	22,013,962	22,897,224
Unvoted Legal Debt Margin Within 5 ½ % Limitations	\$ 3,807,039	\$ 1,686,360	\$ (1,130,265)	\$ (2,472,615)
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	16.39%	7.56%	-5.41%	-12.11%

Source: City Financial Records

2016	2015	2014	2013	2012	2011
<u>\$ 369,390,790</u>	<u>\$ 379,557,260</u>	<u>\$ 381,876,900</u>	<u>\$ 381,966,450</u>	<u>\$ 376,309,020</u>	<u>\$ 374,796,540</u>
38,786,033	39,853,512	40,097,075	40,106,477	39,512,447	39,353,637
22,562,086	27,768,348	18,147,132	16,055,070	14,397,550	14,530,000
22,562,086	27,768,348	18,147,132	16,055,070	14,397,550	14,530,000
-	(7,000,000)	-	-	(50,000)	(270,000)
-	-	-	-	-	-
<u>-</u>	<u>(2,878,542)</u>	<u>(2,812,637)</u>	<u>(2,549,373)</u>	<u>(2,433,220)</u>	<u>(2,107,573)</u>
22,562,086	17,889,806	15,334,495	13,505,697	11,914,330	12,152,427
<u>\$ 16,223,947</u>	<u>\$ 21,963,706</u>	<u>\$ 24,762,580</u>	<u>\$ 26,600,780</u>	<u>\$ 27,598,117</u>	<u>\$ 27,201,210</u>
41.83%	55.11%	61.76%	66.33%	69.85%	69.12%
20,316,493	20,875,649	21,003,230	21,008,155	20,696,996	20,613,810
22,562,086	27,768,348	18,147,132	16,055,070	14,397,550	14,530,000
-	(7,000,000)	-	-	(50,000)	(270,000)
-	-	-	-	-	-
<u>-</u>	<u>(2,878,542)</u>	<u>(2,812,637)</u>	<u>(2,549,373)</u>	<u>(2,433,220)</u>	<u>(2,107,573)</u>
22,562,086	17,889,806	15,334,495	13,505,697	11,914,330	12,152,427
<u>\$ (2,245,593)</u>	<u>\$ 2,985,843</u>	<u>\$ 5,668,735</u>	<u>\$ 7,502,458</u>	<u>\$ 8,782,666</u>	<u>\$ 8,461,383</u>
-11.05%	14.30%	26.99%	35.71%	42.43%	41.05%

City of Berea, 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	18,788	\$ 538,727,112	\$ 28,674	\$ 59,511	37.4
2019	18,609	533,594,466	28,674	59,229	37.1
2018	19,093	462,718,855	24,235	50,278	37.1
2017	19,093	462,718,855	24,235	50,278	37.1
2016	19,093	462,718,855	24,235	50,278	37.1
2015	19,093	462,718,855	24,235	50,278	37.1
2014	19,093	462,718,855	24,235	50,278	37.1
2013	19,093	462,718,855	24,235	50,278	37.1
2012	19,093	462,718,855	24,235	50,278	37.1
2011	19,093	462,718,855	24,235	50,278	37.1

County rate.

(1) Source: U. S. Census

(a) 2000 Federal Census

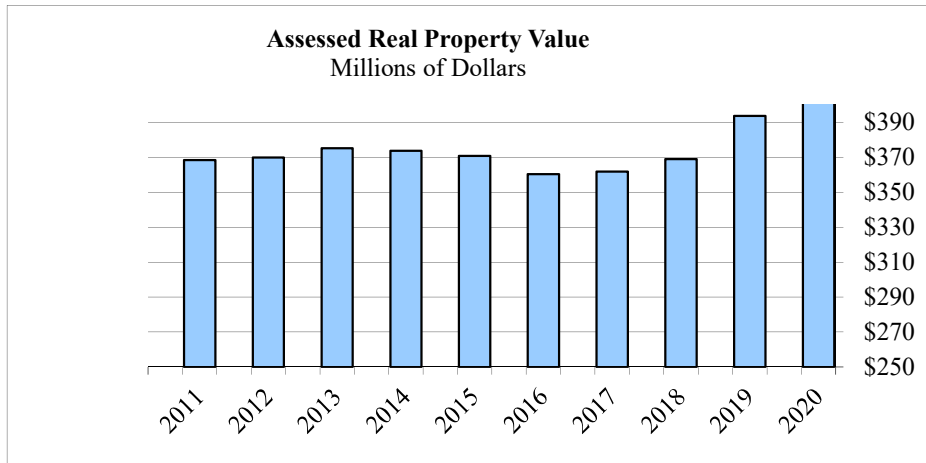
(b) 2019-2020 census.gov

(2) Source: Ohio Department of Education

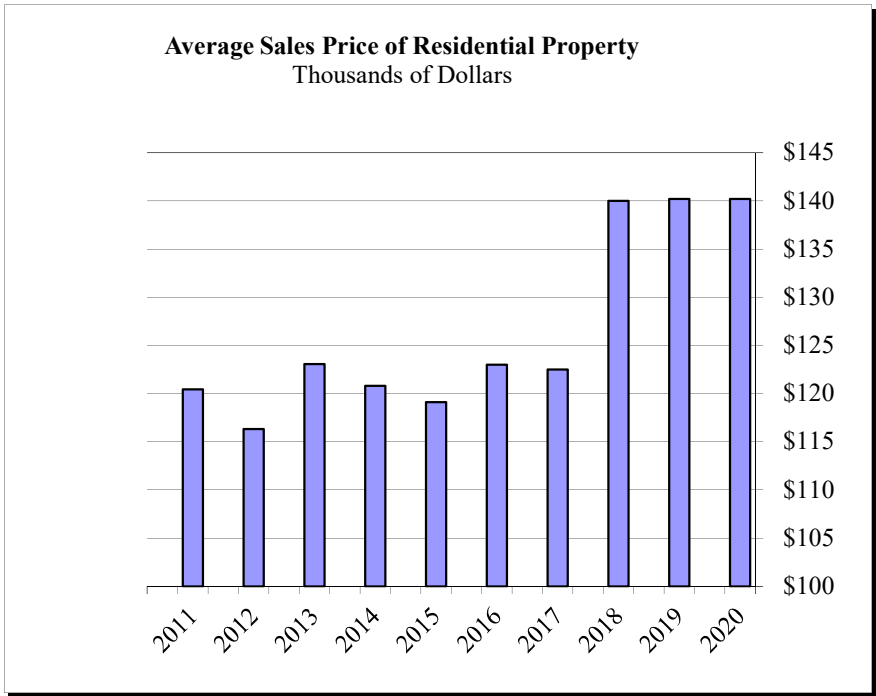
(3) Source: Bureau of Labor Statistics

(4) Source: Cuyahoga County Auditor

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



Educational Attainment: Bachelor's Degree or Higher (1)	School Enrollment (2)	Cuyahoga County Unemployment Rate (3)	Average Sales Price of Residential Property (4)	Total Assessed Real Property Value (4)
3,350	6,114	6.8%	\$ 140,200	\$ 409,493,080
3,350	6,114	3.6%	140,200	393,733,580
3,350	6,198	4.0%	140,000	368,945,630
3,350	6,379	4.9%	122,500	361,784,080
3,350	6,537	5.3%	123,000	360,416,630
3,350	6,736	4.0%	119,100	370,843,110
3,350	6,910	6.0%	120,821	373,633,920
3,350	7,111	7.2%	123,056	375,142,810
3,350	7,121	8.6%	116,313	369,786,280
3,350	7,000	8.0%	120,453	368,473,230



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

Function/Program	2020	2019	2018	2017	2016
General Government					
Council	5.0	5.0	5.0	5.0	5.0
Finance	4.0	4.5	4.5	5.0	4.5
Law	4.5	4.5	4.5	4.0	4.0
Administration	20.0	17.5	20.5	13.5	19.0
Engineer	3.0	3.5	3.0	3.0	3.0
Court	31.0	32.5	33.0	31.0	30.0
Public Building	2.0	3.5	3.0	4.5	2.5
Security of Persons and Property					
Police	31.0	30.0	32.5	32.0	31.0
Police - Auxiliary	4.0	4.0	3.0	3.5	3.5
Police - Dispatchers/Office	2.0	2.5	2.5	2.5	2.5
Police - Animal Wardens	-	0.5	0.5	0.5	0.5
Police - School guards/Parking Control	1.0	1.0	1.5	1.0	1.5
Fire	23.0	24.0	23.0	23.0	23.0
Leisure Time Services					
Recreation - Admin	14.0	15.0	15.0	15.5	16.0
Recreation - Programs	10.5	17.5	15.0	14.0	14.0
Recreation - Pools	13.0	25.5	27.5	25.0	23.0
Jitney	6.0	4.0	4.0	4.0	4.5
Transportation					
Service	28.0	37.5	39.5	36.0	30.0
Basic Utility Services					
Water	15.0	15.0	13.5	17.5	13.5
Totals:	<u>217.0</u>	<u>247.5</u>	<u>251.0</u>	<u>240.5</u>	<u>231.0</u>

Source: City 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.

2015	2014	2013	2012	2011
5.0	5.0	5.0	5.0	5.0
4.5	4.5	4.5	4.5	4.5
3.5	2.0	1.0	1.0	2.0
10.5	11.0	6.5	6.0	5.5
3.5	3.5	3.0	2.0	2.0
28.0	30.5	28.0	29.5	30.0
2.0	2.0	8.5	6.5	8.5
28.0	30.0	31.5	30.5	30.5
3.5	3.5	2.5	4.0	4.0
4.0	7.0	8.0	7.5	7.5
0.5	0.5	1.0	0.5	0.5
1.5	1.5	2.0	1.5	1.5
23.0	22.0	21.0	21.0	22.0
15.5	16.5	15.5	19.0	16.0
13.5	14.5	13.5	15.0	15.0
24.5	21.5	19.5	18.0	23.0
3.0	3.0	3.5	3.5	3.5
33.0	30.0	32.0	30.0	32.0
12.5	12.5	14.5	15.0	14.0
<u>219.5</u>	<u>221.0</u>	<u>221.0</u>	<u>220.0</u>	<u>227.0</u>

City of Berea, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2020	2019	2018	2017
General Government				
<i>Council and Clerk(1)</i>				
Number of Ordinances Passed	50	67	50	45
Number of Resolutions Passed	13	26	22	16
<i>Finance Department(2)</i>				
Number of checks/ vouchers issued	2,982	3,478	3,526	3,405
Amount of checks written (Accounts Payable - in thousands)	\$ 17,761	\$ 17,104	\$ 17,155	\$ 17,475
General Fund Interest earnings (cash basis)	\$ 110,377	\$ 187,955	\$ 216,569	\$ 143,802
Number of Journal Entries issued	420	462	474	525
Number of Budget Adjustments issued	5	3	3	7
Agency Ratings - Moody's Financial Services	AA2	AA2	AA2	AA2
General Fund Receipts (cash basis in thousands)	\$ 15,504	\$ 14,505	\$ 14,516	\$ 13,400
General Fund Expenditures (cash basis in thousands)	\$ 15,191	\$ 14,398	\$ 14,256	\$ 13,523
General Fund Cash Balances (in thousands)	\$ 2,590	\$ 2,276	\$ 2,170	\$ 1,910
<i>Municipal Court(3)</i>				
Total Civil/Small claims cases filed	2,135	3,085	2,629	2,578
Number of Berea civil/small claims cases	235	539	506	502
Total Criminal cases filed	1,552	1,745	2,074	1,880
Number of Berea felony cases	47	71	69	66
Number of Berea misdemeanor cases	220	352	456	472
<i>Civil Service(4)</i>				
Number of police entry tests administered	1	-	1	-
Number of fire entry tests administered	1	-	-	-
Number of police promotional tests administered	2	1	-	-
Number of fire promotional tests administered	4	-	-	-
Number of hires of Police Officers from certified lists	2	1	3	3
Number of hires of Fire/Medics from certified lists	-	-	-	-
Number of promotions from police certified lists	-	-	-	-
Number of promotions from fire certified lists	-	1	-	-
Security of Persons & Property				
<i>Police(5)</i>				
Total Calls for Services	14,045	16,764	16,791	17,228
Number of traffic citations issued	578	1,556	1,636	1,734
Number of parking citations issued	1,340	1,397	2,137	1,806
Number of criminal arrests	829	1,343	1,637	1,470
Animal Warden service calls responded to per annual report	-	71	137	126
Police Dept. Auxiliary hours worked	-	-	-	1,948
DUI Arrests	29	82	119	176
Motor Vehicle Accidents	194	312	265	293
Property damage accidents/Self reported traffic accidents	42	80	74	60
<i>Fire(6)</i>				
EMS Calls	2,259	2,320	2,170	2,226
Ambulance Billing Collections (net)	\$ 476,434	\$ 470,410	\$ 445,712	\$ 417,486
Fire Calls	580	663	600	616
Fires with Loss	7	10	25	19
Fires with Losses exceeding \$10K	3	2	4	7
Fire Losses \$	\$ 400,000	\$ 525,000	\$ 500,000	\$ 500,000
Fire Safety Inspections	194	387	411	389

	2016	2015	2014	2013	2012	2011
	66	70	75	71	74	53
	34	15	17	15	16	15
	3,445	3,316	3,389	1,806	3,396	3,456
\$	23,116	\$ 16,619	\$ 17,269	\$ 19,028	\$ 16,298	\$ 15,718
\$	193,312	\$ 129,245	\$ 128,796	\$ 74,755	\$ 96,590	\$ 116,562
	515	417	304	315	278	266
	8	6	6	5	6	5
	AA2	AA2	AA2	AA2	AA2	AA2
\$	13,158	\$ 12,808	\$ 12,160	\$ 12,216	\$ 13,720	\$ 13,596
\$	13,121	\$ 12,665	\$ 12,043	\$ 11,812	\$ 13,519	\$ 13,646
\$	1,981	\$ 1,996	\$ 1,853	\$ 1,735	\$ 1,331	\$ 1,130
	2,030	2,762	2,908	2,697	2,529	3,183
	399	566	589	577	576	802
	2,145	2,364	2,316	1,963	1,900	1,641
	53	38	30	22	4	9
	401	387	385	410	445	390
	1	-	1	-	1	-
	-	-	-	-	1	-
	-	-	2	-	-	-
	-	-	-	-	2	-
	2	4	1	-	2	3
	-	1	2	-	2	6
	-	1	4	-	-	2
	-	1	-	-	1	5
	18,144	16,219	9,202	7,553	8,094	28,192
	1,598	989	1,523	1,898	2,334	1,666
	2,519	1,135	1,608	1,898	2,479	2,289
	1,374	750	1,176	1,186	1,429	1,243
	222	664	349	230	1,720	1,163
	2,102	2,096	2,128	2,089	2,229	2,137
	137	65	97	82	85	95
	276	231	327	298	292	274
	89	106	101	90	84	90
	2,742	1,919	1,916	1,755	1,689	1,715
\$	453,662	\$ 410,456	\$ 427,296	\$ 404,008	\$ 385,006	\$ 355,938
	615	617	565	426	441	254
	10	11	43	28	19	6
	7	6	-	2	3	4
\$	750,000	\$ 351,500	\$ 5,300	\$ 60,000	\$ 714,500	\$ 286,250
	244	180	300	350	230	836

(continued)

City of Berea, Ohio
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2020	2019	2018	2017
Leisure Time Services				
<i>Recreation(2)</i>				
Outdoor swimming pool receipts	\$ -	\$ 115,488	\$ 103,402	\$ 112,627
Membership receipts	\$ 114,595	\$ 206,663	\$ 187,600	\$ 184,641
Program fees (Includes indoor and outdoor rec programs)	\$ 115,207	\$ 207,314	\$ 254,162	\$ 241,764
<i>Building Department(7)</i>				
Construction Permits Issued	1,397	1,529	1,667	1,335
Estimated Value of Construction	\$ 43,080,947	\$ 49,333,707	\$ 87,363,903	\$ 22,673,883
Amount of Revenue generated from permits	\$ 276,837	\$ 417,357	\$ 524,372	\$ 324,689
Number of contract registrations issued	879	447	613	390
Amount of Revenue generated from contract registrations	\$ 75,625	\$ 90,875	\$ 61,875	\$ 80,625
Number of rental inspections performed*	-	-	-	-
Number of point of sale inspections	63	63	414	414
<i>Engineer Contracted Services(8)</i>				
Dollar amount of Construction overseen by Engineer	\$ 2,709,044	\$ 2,709,044	\$ 5,171,216	\$ 4,734,175
Transportation(8,10)				
Street Improvements - asphalt overlay (linear feet)	6,520	15,787	10,510	10,510
Street Repair (Curbs, aprons, berms, asphalt) (hours)	10,570	10,297	16,862	16,907
Municipal Signs (hours)	3,075	2,507	2,945	2,028
Paint Striping (hours)	64	16	381	243
Street Cleaning (hours)	228	398	602	694
Snow & Ice Removal regular hours	1,714	5,960	2,925	2,275
Snow & Ice Removal overtime hours	1,116	1,186	1,206	782
Sewer Crew (hours)	7,323	4,978	4,771	4,824
Leaf collection (hours)	1,813	1,342	1,991	2,025
Number of Trees Planted per year	83	86	181	48
Tons of snow melting salt purchased (Nov-Mar)	885	1,484	1,498	3,733
Cost of salt purchased	\$ 174,259	\$ 121,946	\$ 101,079	\$ 40,056
Water Department(9)				
Average Water Rate per 1000 gallons of water used	\$ 4.09	\$ 4.09	\$ 4.09	\$ 4.09
Wastewater Department(9)				
Average Wastewater Rates per 1000 gallons of water used	\$ 11.98	\$ 11.98	\$ 11.98	\$ 11.28
Average daily flow (Millions of gallons per day)	1.80	1.80	1.80	1.80

- 1 Source:** City of Berea Council
- 2 Source:** City of Berea Finance Department
- 3 Source:** Berea Municipal Court
- 4 Source:** City of Berea Law Department
- 5 Source:** Berea Police Department
- 6 Source:** Berea Fire Department
- 7 Source:** City of Berea Building Department
*2008 includes reinspections of single & multifamily homes
- 8 Source:** City of Berea Service Department
- 9 Source:** City of Berea Water Department
Based on Regular Residential Minimum Consumption
- 10 Source:** City of Berea Payroll Department

2016	2015	2014	2013	2012	2011
\$ 108,372	\$ 97,645	\$ 87,834	\$ 83,694	\$ 94,715	\$ 87,184
\$ 163,084	\$ 171,594	\$ 173,949	\$ 188,740	\$ 187,664	\$ 188,758
\$ 237,832	\$ 228,339	\$ 172,533	\$ 151,096	\$ 149,361	\$ 119,983
1,453	1,439	1,235	1,278	1,365	1,481
\$ 27,238,831	\$ 19,280,049	\$ 14,571,224	\$ 18,812,145	\$ 31,824,793	\$ 36,768,876
\$ 361,469	\$ 386,808	\$ 175,946	\$ 274,278	\$ 289,842	\$ 299,738
574	579	513	527	560	570
\$ 67,500	\$ 70,750	\$ 64,125	\$ 65,875	\$ 56,000	\$ 57,000
735	289	587	529	481	470
382	254	344	192	190	169
\$ 4,237,877	\$ 3,433,017	\$ 2,071,675	\$ 3,755,000	\$ 1,779,077	\$ 1,625,020
10,510	10,510	10,560	10,510	4,752	13,186
14,245	14,778	14,831	11,057	12,675	15,609
2,524	2,656	2,223	3,567	4,169	4,023
198	561	448	1,146	2,022	1,948
710	838	733	1,037	1,732	1,714
1,429	2,452	3,004	1,290	89	1,717
624	544	1,099	729	600	689
4,737	5,647	6,291	6,149	2,973	4,403
1,907	2,000	1,836	1,907	1,300	1,605
55	-	78	105	118	101
3,014	3,048	4,900	2,971	1,866	3,081
\$ 125,742	\$ 155,555	\$ 149,046	\$ 94,943	\$ 85,076	\$ 142,537
\$ 4.09	\$ 4.09	\$ 4.09	\$ 4.09	\$ 4.71	\$ 4.71
\$ 10.65	\$ 9.57	\$ 8.63	\$ 7.75	\$ 7.01	\$ 6.40
1.90	2.00	2.00	2.20	1.96	2.04

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

Function/Program	2020	2019	2018	2017
General Government				
Number of Buildings	4	4	4	4
Square footage of Buildings:				
City Hall/Municipal Court	20,900	20,900	20,900	20,900
Water Plant	19,100	19,100	19,100	19,100
Service Garage	25,400	25,400	25,400	25,400
Recreation Center	33,000	33,000	33,000	33,000
Administrative Vehicles	8	8	8	8
Inspection Vehicles	4	4	4	4
Municipal Court Vehicles	1	1	1	1
Police				
Stations	1	1	1	1
Square footage of station	9,700	9,700	9,700	9,700
Vehicles	28	28	28	28
Fire				
Stations	1	1	1	1
Square footage of station	7,900	7,900	7,900	7,900
Vehicles:				
Aerial Tower	1	1	1	1
Pumpers	2	2	2	2
Rescue Ambulances	2	2	2	2
Utility	1	1	1	1
Staff vehicles	2	2	2	2
Recreation				
Number of Parks	5	5	5	5
Number of Pools	2	2	2	2
Number of Racquetball Courts	1	1	1	1
Number of Basketball Courts	3	3	3	3
Number of Baseball Diamonds	4	4	4	4
Number of Soccer Fields	3	3	3	3
Number of Playground Areas	6	6	6	6
Number of Vehicles	5	5	5	5
Other Public Works				
Streets (miles)	73.4	73.4	73.4	73.4
Service Vehicles	40	40	40	40
Wastewater				
Sanitary Sewers (miles)	75.5	75.5	75.5	75.5
Storm Sewers (miles)	90.5	90.5	90.5	90.5
Vehicles	2	2	2	2
Water Department				
Water Lines (miles)	84.0	84.0	84.0	84.0
Vehicles	8	8	8	8

Source: City of Berea Service Department

2016	2015	2014	2013	2012	2011
4	4	4	4	4	4
20,900	17,000	17,000	17,000	17,000	17,000
19,100	19,100	19,100	19,100	19,100	19,100
25,400	25,400	25,400	25,400	25,400	25,400
33,000	33,000	33,000	33,000	33,000	33,000
8	10	10	11	12	11
4	4	4	3	3	3
1	1	1	1	1	1
1	1	1	1	1	1
9,700	9,700	9,700	9,700	9,700	9,700
28	28	28	24	26	22
1	1	1	1	1	1
7,900	7,900	7,900	7,900	7,900	7,900
1	1	1	1	1	1
2	2	2	2	3	2
2	2	2	2	3	3
1	1	1	-	1	1
2	2	2	2	2	2
5	5	5	5	5	5
2	2	2	2	2	2
1	1	1	1	1	1
3	3	3	3	3	2
4	4	4	4	4	4
3	3	3	3	3	3
6	6	5	5	5	4
5	4	4	4	4	3
73.4	73.4	73.4	89.8	90.3	90.3
40	35	35	38	42	43
75.5	75.5	75.5	76.2	73.5	73.5
90.5	90.5	90.5	53.5	53.5	53.5
2	2	2	2	2	2
84.0	84.0	84.0	83.9	80.3	80.3
8	6	6	7	8	7

OHIO AUDITOR OF STATE KEITH FABER



CITY OF BEREA

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 8/3/2021

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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www.ohioauditor.gov