

**CITY OF BEREA
CUYAHOGA COUNTY, OHIO**

REGULAR AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2021



www.reacpa.com

OHIO AUDITOR OF STATE
KEITH FABER



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City Council
City of Berea
11 Berea Commons
Berea, OH 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, 2021 through December 31, 2021. 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 black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

August 05, 2022

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City of Berea
Cuyahoga County, Ohio
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December 31, 2021

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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	1

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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, 2021, 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 28, 2022, in which we noted the City restated beginning net position to account for the correction of the final allocation between funds of an Ohio Public Works Commission loan for a completed construction project.

Report on 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 or significant deficiencies may exist that have not been identified.

Report on 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 28, 2022

A winter scene featuring a concrete arch bridge over a river. The bridge is light-colored and has a dark railing. The river is dark and reflects the sky. The foreground is covered in snow, with a wooden fence and snow-covered trees. The background shows a dense forest of bare trees under a blue sky with some clouds.

CITY OF BEREA, OHIO

MAYOR CYRIL M. KLEEM
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021

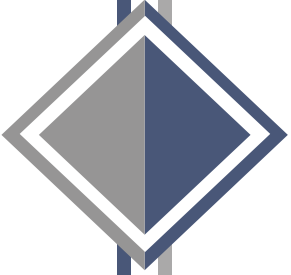
CITY OF BEREA, OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

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
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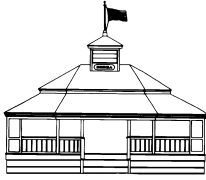
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CITY OF BEREA

“The Grindstone City”

Cyril M. Kleem
Mayor

Andrea Morris
Director of Finance

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June 28, 2022

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, 2021.

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 2021.

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, 2021. 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 18,545 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, amphitheater seating 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. 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 18 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 and handles the rental of the City's outdoor gazebo and pavilion area.. 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 Annual Comprehensive 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 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 Gateway 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 Gateway 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 2021, the City entered into five new Community Reinvestment Agreements with various businesses along our Bagley Road Corridor. The new agreements will bring 53 new employees with an annual payroll of approximately \$1.4 million, and 49,250 square feet of new construction.

Current Year Projects: In 2021, the City received \$976,656 under the American Rescue Plan Act (ARPA). \$190,000 of the ARPA funding was used to stabilize the budget of the Berea Municipal Court.

The City completed the North End Sewer Rehabilitation project in 2021. The project rehabbed 1.5 miles of public sanitary sewers along 10 streets. The City received grant and loan funding from the Northeast Ohio Sewer District and the Cuyahoga County Sewer District's Member Community Infrastructure Program to fully fund this project.

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

The City completed the Woodmere Drive and Lynn Drive Resurfacing project in 2021. The budget for the project was \$300,000, and the City received a \$150,000 Community Development Block Grant.

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 Gateway 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.

For 2022, the City is planning the Barberry, Woodlawn, Maple and Fourth Reconstruction Project, estimated to cost over \$4.9 million. The City will receive a \$2.465 million grant and a \$493,000 no interest loan from the Ohio Public Works Commission.

In 2022, Construction will begin on a secondary Water Storage Tank at the Berea Water Treatment Plant. \$974,656 of ARPA funds and \$750,000 of a state grant will defray the \$1.5 million costs. This second tank will provide redundancy and additional water storage mandated by the Environmental Protection Agency.

For 2022, the City is planning resurfacing South Rocky River Drive at a cost of \$525,000. The City has received a grant of \$150,000 from the Community Development Block Grant and \$50,000 from the Community Development Supplemental Grant.

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 percent 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, 2020. 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 seventeen years ago. The City has received the Certificate of Achievement for the last seventeen 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, 2021**

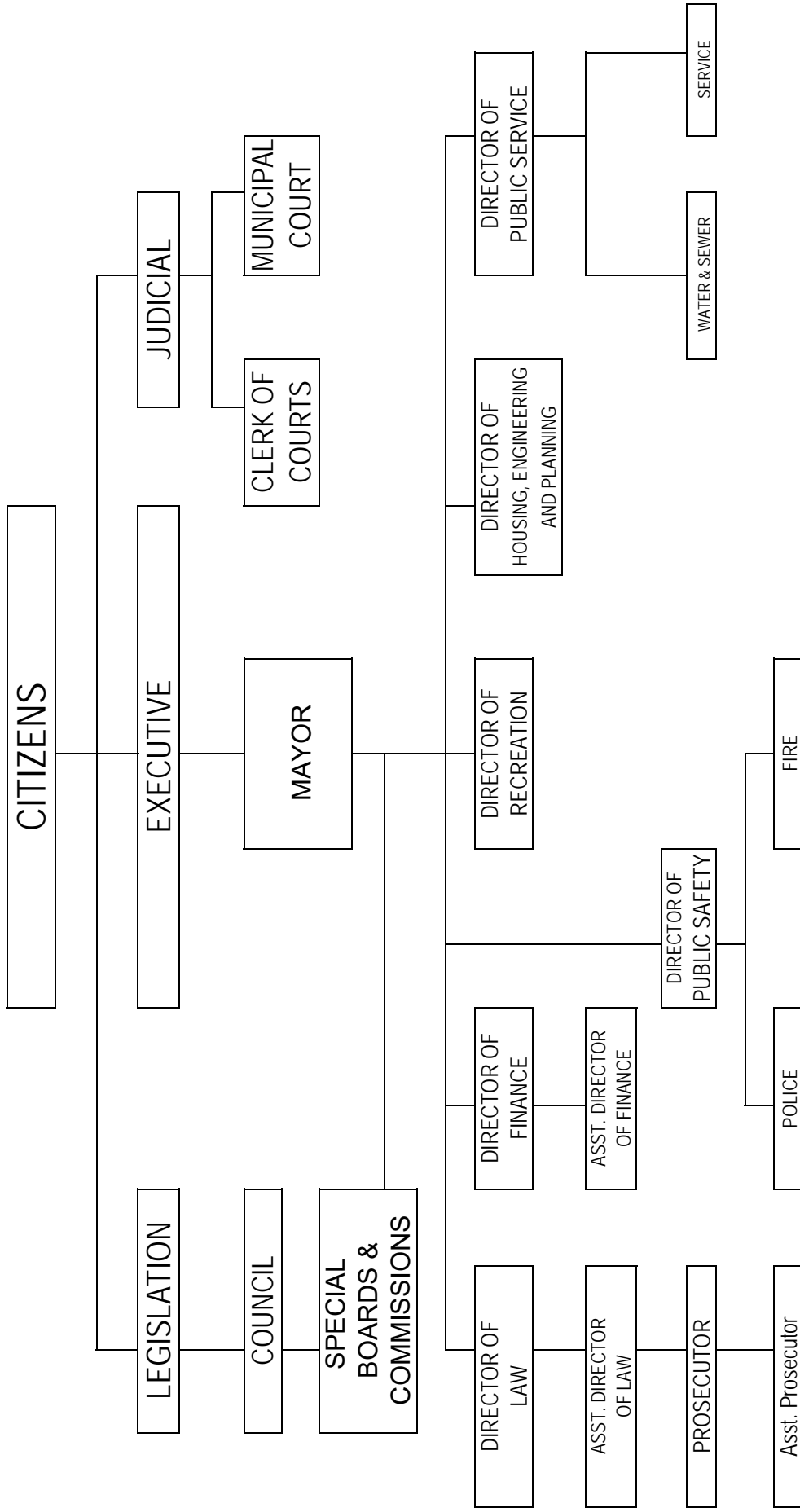
ELECTED OFFICIALS

Mayor	Cyril M. Kleem
President of Council	Jeffrey Dettmer
Council Member-at-Large	William DeVito
Council Member-at-Large	Eugene Zacharayz
Council Member - Ward 1	Leon R. Dozier Sr.
Council Member - Ward 2	Christopher McManis
Council Member - Ward 3	James Maxwell
Council Member - Ward 4	Kimberly Smith
Council Member - Ward 5	Richard Skoczen

APPOINTED OFFICIALS

Director of Finance	Andrea D. Morris
Director of Law/Director of Public Safety	Barbara Jones
Director of Public Service	Antonio Armagno
Director of Recreation & Community Services	Marty Compton
Director of Housing, Engineering, and Planning	Matthew J. Madzy

CITY OF BEREA, OHIO
ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

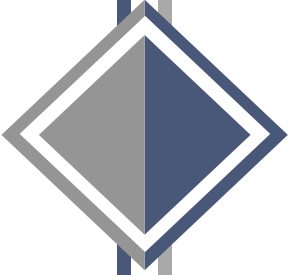
**City of Berea
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

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 Audit of the Financial Statements

Opinions

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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, 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, 2021, 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.

Basis for Opinions

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

Emphasis of a Matter

As described in Note 2, the City restated beginning net position to account for the correction of the final allocation between funds of an Ohio Public Works Commission loan for a completed construction project.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining statements and individual fund statements and schedules, and other supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 statements and individual fund statements and schedules, and other supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2022 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 28, 2022

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(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, 2021. 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 2021 are as follows:

- In total, net position increased \$1.5 million, which represents a 2 percent increase from 2020. Net position of governmental activities increased \$0.2 million. Net position of business-type activities increased \$1.3 million.
- Total capital assets decreased \$5.8 million during 2021. Capital assets of governmental activities decreased \$5.0 million and capital assets of business-type activities decreased \$0.8 million.
- During the year, the City issued \$7.2 million in Bond Anticipation Notes to retire outstanding Bond Anticipation Notes.
- During the year, the City issued \$5.8 million in short term Bond Anticipation Notes to retire outstanding Bond Anticipation Notes.
- OPERS approved several changes to the health care plan offered to retirees in an effort to decrease costs and increase the solvency of the health care plan. These changes significantly decreased the total OPEB liability for OPERS and resulted in the City reporting a net OPEB asset in 2021 (compared to reporting a net OPEB liability in prior years) causing a significant decrease in expenses.

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 2021 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.

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
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(Unaudited)

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.

A question typically asked about the City's finances is "How did we do financially during 2021?" 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.

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

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.

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 2021 compared to 2020:

Table 1
Net Position

	Governmental Activities			Business-Type Activities		
	2021	Restated 2020	Change	2021	Restated 2020	Change
Assets						
Current & Other Assets	\$ 23,095,358	\$ 23,023,230	\$ 72,128	\$ 3,403,040	\$ 3,347,662	\$ 55,378
Net OPEB Asset	612,510	-	612,510	134,453	-	134,453
Capital Assets	79,214,020	84,200,395	(4,986,375)	37,449,927	38,233,249	(783,322)
<i>Total Assets</i>	<u>102,921,888</u>	<u>107,223,625</u>	<u>(4,301,737)</u>	<u>40,987,420</u>	<u>41,580,911</u>	<u>(593,491)</u>
Deferred Outflows of Resources						
Pension & OPEB	4,555,564	5,860,324	(1,304,760)	230,754	479,445	(248,691)
<i>Total Deferred Outflows of Resources</i>	<u>4,555,564</u>	<u>5,860,324</u>	<u>(1,304,760)</u>	<u>230,754</u>	<u>479,445</u>	<u>(248,691)</u>
Liabilities						
Current & Other Liabilities	8,228,535	7,105,685	1,122,850	361,785	317,506	44,279
Long-Term Liabilities:						
Due Within One Year	8,735,866	9,220,439	(484,573)	891,659	837,850	53,809
Due In More Than One Year:						
Net Pension Liability	19,242,392	21,895,278	(2,652,886)	1,170,434	1,834,439	(664,005)
Net OPEB Liability	2,161,965	7,283,183	(5,121,218)	-	1,224,306	(1,224,306)
Other Amounts	13,472,484	14,761,697	(1,289,213)	10,194,399	11,101,650	(907,251)
<i>Total Liabilities</i>	<u>51,841,242</u>	<u>60,266,282</u>	<u>(8,425,040)</u>	<u>12,618,277</u>	<u>15,315,751</u>	<u>(2,697,474)</u>
Deferred Inflows of Resources						
Property Taxes	4,348,411	4,130,238	218,173	431,704	463,628	(31,924)
Pension & OPEB	8,000,646	5,601,423	2,399,223	1,270,214	706,265	563,949
<i>Total Deferred Inflows of Resources</i>	<u>12,349,057</u>	<u>9,731,661</u>	<u>2,617,396</u>	<u>1,701,918</u>	<u>1,169,893</u>	<u>532,025</u>
Net Investment in Capital Assets	53,688,110	56,711,603	(3,023,493)	27,432,023	27,536,818	(104,795)
Restricted	3,097,744	3,211,819	(114,075)	-	-	-
Unrestricted	(13,498,701)	(16,837,416)	3,338,715	(534,044)	(1,962,106)	1,428,062
<i>Total Net Position</i>	<u>\$ 43,287,153</u>	<u>\$ 43,086,006</u>	<u>\$ 201,147</u>	<u>\$ 26,897,979</u>	<u>\$ 25,574,712</u>	<u>\$ 1,323,267</u>

The net pension liability (NPL) is the largest single liability reported by the City at December 31, 2021 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*

City of Berea
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Management's Discussion and Analysis
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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 net OPEB asset and 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/asset 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.

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

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

Capital assets include land, intangibles, land improvements, buildings, building improvements, machinery and equipment, furniture and fixtures, vehicles, infrastructure and construction in progress. 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 represents resources that are subject to external restrictions on how they may be used. The balance of unrestricted net position is a deficit balance.

Governmental activities saw an increase in accounts payable due to the timing of when payments were due as compared to when they were paid.

The fluctuations in the City's deferred outflows and deferred inflows related to pension and OPEB along with the net pension and OPEB liabilities and net OPEB asset 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.

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City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

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 2021 and 2020.

Table 2
Changes in Net Position

	Governmental Activities			Business-Type Activities		
	2021	2020	Change	2021	2020	Change
Revenues						
<i>Program Revenues</i>						
Charges for Services	\$ 4,569,369	\$ 4,012,343	\$ 557,026	\$ 3,291,044	\$ 3,453,055	\$ (162,011)
Operating Grants	1,439,265	2,509,342	(1,070,077)	61,608	41,020	20,588
Capital Grants	525,883	1,291,115	(765,232)	412,814	399,048	13,766
<i>Total Program Revenues</i>	<u>6,534,517</u>	<u>7,812,800</u>	<u>(1,278,283)</u>	<u>3,765,466</u>	<u>3,893,123</u>	<u>(127,657)</u>
General Revenues						
Property Taxes	4,482,440	4,292,164	190,276	499,152	484,084	15,068
Income Taxes	16,072,370	15,485,414	586,956	-	-	-
Grants & Entitlements	1,077,249	1,012,000	65,249	-	-	-
Other Taxes	224,259	277,843	(53,584)	-	-	-
Other	262,543	1,332,023	(1,069,480)	-	43,412	(43,412)
<i>Total General Revenues</i>	<u>22,118,861</u>	<u>22,399,444</u>	<u>(280,583)</u>	<u>499,152</u>	<u>527,496</u>	<u>(28,344)</u>
<i>Total Revenues</i>	<u>28,653,378</u>	<u>30,212,244</u>	<u>(1,558,866)</u>	<u>4,264,618</u>	<u>4,420,619</u>	<u>(156,001)</u>
Program Expenses						
General Government	8,269,997	10,965,105	(2,695,108)	-	-	-
Security of Persons and Property	8,917,688	9,342,118	(424,430)	-	-	-
Public Health	298,697	387,208	(88,511)	-	-	-
Leisure Time Activities	2,922,322	4,034,089	(1,111,767)	-	-	-
Community Development	890,627	396,234	494,393	-	-	-
Public Works	1,428,106	1,484,294	(56,188)	-	-	-
Transportation	4,760,428	4,802,649	(42,221)	-	-	-
Interest and Fiscal Charges	374,366	597,622	(223,256)	-	-	-
Enterprise Operations						
Water	-	-	-	2,406,016	3,293,656	(887,640)
Sewer	-	-	-	1,125,335	1,411,702	(286,367)
<i>Total Expenses</i>	<u>27,862,231</u>	<u>32,009,319</u>	<u>(4,147,088)</u>	<u>3,531,351</u>	<u>4,705,358</u>	<u>(1,174,007)</u>
Transfers	(590,000)	(520,000)	(70,000)	590,000	520,000	70,000
<i>Total General Revenues and Transfers</i>	<u>21,528,861</u>	<u>21,879,444</u>	<u>(350,583)</u>	<u>1,089,152</u>	<u>1,047,496</u>	<u>41,656</u>
<i>Change in Net Position</i>	201,147	(2,317,075)	2,518,222	1,323,267	235,261	1,088,006
<i>Net Position Beginning of Year</i>	43,086,006	45,233,151	(2,147,145)	25,574,712	25,509,381	65,331
<i>Restatement - See Note 2</i>	-	169,930	(169,930)	-	(169,930)	169,930
<i>Net Position End of Year</i>	<u>\$ 43,287,153</u>	<u>\$ 43,086,006</u>	<u>\$ 201,147</u>	<u>\$ 26,897,979</u>	<u>\$ 25,574,712</u>	<u>\$ 1,323,267</u>

The City's overall net position increased from the prior year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

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.

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 an increase over prior year, mainly due to an increase in activities after the pandemic shutdown while Coronavirus Relief monies received in the prior year account for most of the decrease in operating grants. A large donation in prior year accounts for the decrease in capital grants. The decrease in miscellaneous revenue can be attributed to prior year refunds from the Bureau of Workers' Compensation and a decrease in investment earnings reflects the changes in market performance.

The changes in pension and OPEB for OPERS decreased nearly all expenses. Community development expenses increased mainly due to expenses incurred for 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.

Decreases in expense for both the sewer and water funds can be partially attributed to the change in pension and OPEB obligations as previously discussed.

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.

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

	Fund Balance 12/31/2021	Fund Balance 12/31/2020	Increase (Decrease)
General Fund	\$ 6,747,175	\$ 6,843,800	\$ (96,625)
General Bond Retirement Fund	(4,207,829)	(4,059,720)	(148,109)
General Capital Improvement Fund	1,860,335	2,468,395	(608,060)
Other Governmental Funds	2,609,467	2,867,732	(258,265)
Total	<u>\$ 7,009,148</u>	<u>\$ 8,120,207</u>	<u>\$ (1,111,059)</u>

The general fund is the chief operating fund of the City.

The decrease in fund balance in the general bond retirement fund is due to the timing of revenues to cover principal and interest payments.

The decrease in the fund balance of the general capital improvement fund is 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.

	Net Position 12/31/2021	Restated Net Position 12/31/2020	Increase (Decrease)
Water Revenue	\$ 8,516,737	\$ 7,463,930	\$ 1,052,807
Sewer Revenue	18,381,242	18,110,782	270,460
Total	<u>\$ 26,897,979</u>	<u>\$ 25,574,712</u>	<u>\$ 1,323,267</u>

As previously discussed, the decrease in expenses due to the pension obligations contributed to the increases in net position of the sewer and water funds over prior year.

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 2021, 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.

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

Original Budget Compared to Final Budget Original income tax revenues were increased for expected increases in collections, which also account for the increase in final appropriations over original budget.

Final Budget Compared to Actual Results Income tax collections were more favorable than expected contributing to actual revenues exceeding final budget. There were no significant differences between final budgeted appropriations and actual expenditures.

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

Capital Assets and Debt Administration

Capital Assets

The City's governmental capital assets decreased from prior year, due to depreciation exceeding acquisitions which consisted mainly of road improvements and new vehicles.

Depreciation in business-type activities also accounts for the decrease in capital assets with additional construction in progress for two improvement projects partially offsetting the decrease.

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

Debt

Governmental activities issued bond anticipation notes and entered into a financing arrangement for a vehicle. Principal payments account for the decrease in debt of business-type activities. See Note 12 for additional details.

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 \$1.5 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

City of Berea
Cuyahoga County, Ohio
Management's Discussion and Analysis
For the Year Ended December 31, 2021
(Unaudited)

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 2021, the City entered into five new Community Reinvestment Agreements with various businesses along our Bagley Road Corridor. The new agreements will bring 53 new employees with an annual payroll of approximately \$1.4 million, and 49,250 square feet of new construction. 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.

The City received \$974,656 from the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Program, a part of the American Rescue Plan Act from the United States Department of Treasury to help the City respond and recover from the COVID-19 public health emergency. 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 seventeen 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.

City of Berea
Cuyahoga County, Ohio
Statement of Net Position
December 31, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 9,557,886	\$ 1,176,403	\$ 10,734,289
Cash and Cash Equivalents in Segregated Accounts	222,265	-	222,265
Accounts Receivable	159,485	1,626,115	1,785,600
Intergovernmental Receivable	1,292,685	44,683	1,337,368
Taxes Receivable	9,303,572	490,696	9,794,268
Special Assessments Receivable	688,137	-	688,137
Loans Receivable	951,399	-	951,399
Prepaid Items	166,385	-	166,385
Materials and Supplies Inventory	138,544	65,143	203,687
Assets Held for Resale	615,000	-	615,000
Net OPEB Asset	612,510	134,453	746,963
Non-Depreciable Capital Assets	13,917,502	2,329,388	16,246,890
Depreciable Capital Assets, Net	65,296,518	35,120,539	100,417,057
<i>Total Assets</i>	<u>102,921,888</u>	<u>40,987,420</u>	<u>143,909,308</u>
Deferred Outflows of Resources			
Pension	2,904,262	164,447	3,068,709
OPEB	1,651,302	66,307	1,717,609
<i>Total Deferred Outflows of Resources</i>	<u>4,555,564</u>	<u>230,754</u>	<u>4,786,318</u>
Liabilities			
Accounts Payable	851,010	54,404	905,414
Accrued Wages	273,631	21,309	294,940
Contracts Payable	20,446	123,577	144,023
Intergovernmental Payable	242,415	16,071	258,486
Accrued Interest Payable	72,302	146,424	218,726
Claims Payable	194,584	-	194,584
Matured Compensated Absences Payable	39,491	-	39,491
Unearned Revenue	784,656	-	784,656
Notes Payable	5,750,000	-	5,750,000
Long-Term Liabilities:			
Due Within One Year	8,735,866	891,659	9,627,525
Due In More Than One Year:			
Net Pension Liability	19,242,392	1,170,434	20,412,826
Net OPEB Liability	2,161,965	-	2,161,965
Other Amounts Due in More Than One Year	13,472,484	10,194,399	23,666,883
<i>Total Liabilities</i>	<u>51,841,242</u>	<u>12,618,277</u>	<u>64,459,519</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	4,348,411	431,704	4,780,115
Pension	4,636,068	727,100	5,363,168
OPEB	3,364,578	543,114	3,907,692
<i>Total Deferred Inflows of Resources</i>	<u>12,349,057</u>	<u>1,701,918</u>	<u>14,050,975</u>
Net Position			
Net Investment in Capital Assets	53,688,110	27,432,023	81,120,133
Restricted for:			
Street Lighting	962,112	-	962,112
Street Maintenance and Repair	628,677	-	628,677
Court Operations and Capital Outlay	491,017	-	491,017
Security Operations	485,284	-	485,284
Drug and Alcohol Programs	23,806	-	23,806
Other Purposes	506,848	-	506,848
Unrestricted	(13,498,701)	(534,044)	(14,032,745)
<i>Total Net Position</i>	<u>\$ 43,287,153</u>	<u>\$ 26,897,979</u>	<u>\$ 70,185,132</u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Activities
For the Year Ended December 31, 2021

	Program Revenues			
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions
Governmental Activities				
General Government	\$ 8,269,997	\$ 2,519,779	\$ -	\$ -
Security of Persons and Property	8,917,688	1,304,772	136,586	27,008
Public Health	298,697	-	199,369	-
Leisure Time Activities	2,922,322	611,770	36,272	62,876
Community Development	890,627	32,048	-	-
Public Works	1,428,106	-	-	-
Transportation	4,760,428	101,000	1,067,038	435,999
Interest and Fiscal Charges	374,366	-	-	-
<i>Total Governmental Activities</i>	<u>27,862,231</u>	<u>4,569,369</u>	<u>1,439,265</u>	<u>525,883</u>
Business-Type Activities				
Water Revenue	2,406,016	2,542,203	61,608	76,155
Sewer Revenue	1,125,335	748,841	-	336,659
<i>Total Business-Type Activities</i>	<u>3,531,351</u>	<u>3,291,044</u>	<u>61,608</u>	<u>412,814</u>
<i>Total</i>	<u>\$ 31,393,582</u>	<u>\$ 7,860,413</u>	<u>\$ 1,500,873</u>	<u>\$ 938,697</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

Grants and Entitlements not Restricted to Specific Programs

Other Taxes

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
\$ (5,750,218)	\$ -	\$ (5,750,218)
(7,449,322)	-	(7,449,322)
(99,328)	-	(99,328)
(2,211,404)	-	(2,211,404)
(858,579)	-	(858,579)
(1,428,106)	-	(1,428,106)
(3,156,391)	-	(3,156,391)
(374,366)	-	(374,366)
<u>(21,327,714)</u>	<u>-</u>	<u>(21,327,714)</u>
-	273,950	273,950
-	(39,835)	(39,835)
-	234,115	234,115
<u>(21,327,714)</u>	<u>234,115</u>	<u>(21,093,599)</u>
1,901,870	-	1,901,870
780,858	-	780,858
97,893	-	97,893
1,701,819	-	1,701,819
-	499,152	499,152
16,072,370	-	16,072,370
1,077,249	-	1,077,249
224,259	-	224,259
(7,712)	-	(7,712)
270,255	-	270,255
<u>22,118,861</u>	<u>499,152</u>	<u>22,618,013</u>
(590,000)	590,000	-
<u>21,528,861</u>	<u>1,089,152</u>	<u>22,618,013</u>
201,147	1,323,267	1,524,414
<u>43,086,006</u>	<u>25,574,712</u>	<u>68,660,718</u>
<u>\$ 43,287,153</u>	<u>\$ 26,897,979</u>	<u>\$ 70,185,132</u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Balance Sheet
Governmental Funds
December 31, 2021

	General	General Bond Retirement	General Capital Improvement	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Investments	\$ 4,359,397	\$ 1,542,171	\$ 154,103	\$ 3,421,015	\$ 9,476,686
Accounts Receivable	96,911	-	-	58,559	155,470
Intergovernmental Receivable	423,000	106,936	68,139	694,610	1,292,685
Taxes Receivable	6,420,995	1,921,213	-	961,364	9,303,572
Special Assessments Receivable	25,467	-	-	662,670	688,137
Loans Receivable	-	-	951,399	-	951,399
Materials and Supplies Inventory	8,965	-	-	129,579	138,544
Assets Held for Resale	-	-	615,000	-	615,000
Due from Other Funds	-	-	150,000	-	150,000
<i>Total Assets</i>	<u>\$ 11,334,735</u>	<u>\$ 3,570,320</u>	<u>\$ 1,938,641</u>	<u>\$ 5,927,797</u>	<u>\$ 22,771,493</u>
Liabilities					
Accounts Payable	\$ 763,718	\$ -	\$ 7,860	\$ 79,432	\$ 851,010
Accrued Wages	239,933	-	-	33,698	273,631
Contracts Payable	-	-	20,446	-	20,446
Intergovernmental Payable	122,390	-	-	120,025	242,415
Due to Other Funds	-	-	-	150,000	150,000
Matured Compensated Absences Payable	39,491	-	-	-	39,491
Unearned Revenue	-	-	-	784,656	784,656
Notes Payable	-	5,750,000	-	-	5,750,000
<i>Total Liabilities</i>	<u>1,165,532</u>	<u>5,750,000</u>	<u>28,306</u>	<u>1,167,811</u>	<u>8,111,649</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	1,812,383	1,690,241	-	845,787	4,348,411
Delinquent Property Taxes	247,662	230,972	-	115,577	594,211
Income Tax	1,017,267	-	-	-	1,017,267
Unavailable Revenue	344,716	106,936	50,000	1,189,155	1,690,807
<i>Total Deferred Inflows of Resources</i>	<u>3,422,028</u>	<u>2,028,149</u>	<u>50,000</u>	<u>2,150,519</u>	<u>7,650,696</u>
Fund Balances					
Nonspendable	57,232	-	-	129,579	186,811
Restricted	-	-	-	2,019,384	2,019,384
Committed	1,663,786	-	1,860,335	610,504	4,134,625
Assigned	35,112	-	-	-	35,112
Unassigned	4,991,045	(4,207,829)	-	(150,000)	633,216
<i>Total Fund Balance</i>	<u>6,747,175</u>	<u>(4,207,829)</u>	<u>1,860,335</u>	<u>2,609,467</u>	<u>7,009,148</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 11,334,735</u>	<u>\$ 3,570,320</u>	<u>\$ 1,938,641</u>	<u>\$ 5,927,797</u>	<u>\$ 22,771,493</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, 2021

Total Governmental Fund Balances		\$ 7,009,148
<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.		79,214,020
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Delinquent Property Taxes	\$ 594,211	
Income Tax	1,017,267	
Intergovernmental	1,002,670	
Special Assessments	<u>688,137</u>	3,302,285
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.		279,281
Accrued interest payable is not due and payable in the current period and therefore not reported in the funds.		(72,302)
The net pension liability and net OPEB liability are not due and payable in the current period, therefore, the liability/net OPEB asset and related deferred inflows/outflows are not reported in governmental funds.		
Net OPEB Asset	612,510	
Deferred Outflows - Pension	2,904,262	
Deferred Outflows - OPEB	1,651,302	
Net Pension Liability	(19,242,392)	
Net OPEB Liability	(2,161,965)	
Deferred Inflows - Pension	(4,636,068)	
Deferred Inflows - OPEB	<u>(3,364,578)</u>	(24,236,929)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds	(10,275,000)	
OPWC Loans	(2,587,346)	
Loans Payable	(80,000)	
Bond Anticipation Notes	(7,260,000)	
Unamortized Bond Premium	(273,690)	
Police and Fire Pension	(150,426)	
Direct Financing	(353,743)	
Compensated Absences	<u>(1,228,145)</u>	<u>(22,208,350)</u>
<i>Net Position of Governmental Activities</i>		<u>\$ 43,287,153</u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2021

	General	General Bond Retirement	General Capital Improvement	Other Governmental Funds	Total Governmental Funds
Revenues					
Property Taxes	\$ 1,811,703	\$ 1,623,829	\$ -	\$ 835,668	\$ 4,271,200
Income Taxes	16,487,783	-	-	-	16,487,783
Other Local Taxes	250,787	-	-	-	250,787
Special Assessments	42,583	-	-	702,299	744,882
Charges for Services	516,768	-	-	661,770	1,178,538
Licenses and Permits	348,894	-	-	30,455	379,349
Fines and Forfeitures	1,464,098	-	-	685,858	2,149,956
Intergovernmental	839,860	215,267	260,908	1,606,900	2,922,935
Interest	(7,712)	-	-	4,571	(3,141)
Rent	26,408	-	101,000	-	127,408
Contributions and Donations	-	-	32,000	49,847	81,847
Other	147,683	-	30	112,234	259,947
<i>Total Revenues</i>	<u>21,928,855</u>	<u>1,839,096</u>	<u>393,938</u>	<u>4,689,602</u>	<u>28,851,491</u>
Expenditures					
Current:					
General Government	9,684,640	94,145	-	814,558	10,593,343
Security of Persons and Property	6,343,832	-	-	1,656,376	8,000,208
Public Health	-	-	-	298,697	298,697
Leisure Time Activities	89,397	-	-	1,831,888	1,921,285
Community Development	333,236	-	-	-	333,236
Public Works	1,414,194	-	-	-	1,414,194
Transportation	-	-	-	1,385,318	1,385,318
Capital Outlay	-	-	1,709,497	1,464,351	3,173,848
Debt Service:					
Principal Retirement	3,953	8,755,000	265,706	23,166	9,047,825
Interest and Fiscal Charges	739	543,292	3,280	8,513	555,824
<i>Total Expenditures</i>	<u>17,869,991</u>	<u>9,392,437</u>	<u>1,978,483</u>	<u>7,482,867</u>	<u>36,723,778</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,058,864</u>	<u>(7,553,341)</u>	<u>(1,584,545)</u>	<u>(2,793,265)</u>	<u>(7,872,287)</u>
Other Financing Sources (Uses)					
Proceeds from Sale of Assets	-	-	1,485	-	1,485
Inception of Direct Financing Agreement	14,511	-	-	-	14,511
Premium on Debt Issuances	-	75,232	-	-	75,232
Issuance of Debt	-	7,260,000	-	-	7,260,000
Transfers In	-	75,000	975,000	2,535,000	3,585,000
Transfers Out	(4,170,000)	(5,000)	-	-	(4,175,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(4,155,489)</u>	<u>7,405,232</u>	<u>976,485</u>	<u>2,535,000</u>	<u>6,761,228</u>
<i>Net Change in Fund Balances</i>	(96,625)	(148,109)	(608,060)	(258,265)	(1,111,059)
<i>Fund Balances Beginning 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>
<i>Fund Balances End of Year</i>	<u>\$ 6,747,175</u>	<u>\$ (4,207,829)</u>	<u>\$ 1,860,335</u>	<u>\$ 2,609,467</u>	<u>\$ 7,009,148</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, 2021*

Net Change in Fund Balances - Total Governmental Funds	\$	(1,111,059)
<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	\$ 1,762,187	
Current Year Depreciation	<u>(6,747,130)</u>	(4,984,943)
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.		
		(1,432)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent Property Taxes	221,548	
Income Tax	(415,413)	
Intergovernmental	33,044	
Special Assessments	(10,764)	
Other Taxes	<u>(26,528)</u>	(198,113)
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	995,000	
OPWC Loans	154,125	
Loans Payable	40,000	
Bond Anticipation Notes	7,760,000	
Police and Fire Pension	8,096	
Direct Financing	<u>90,604</u>	9,047,825
Debt proceeds issued in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
Bond Anticipation Notes		(7,260,000)
Inception of direct financing agreement in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
		(14,511)
In the statement of activities, interest is accrued on outstanding bonds, and bond premium and the gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable	84,494	
Amortization of Premium on Bonds	<u>21,732</u>	106,226
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	1,837,456	
OPEB	<u>25,797</u>	1,863,253
Except for amount reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the statement of activities.		
Pension	(940,050)	
OPEB	<u>3,759,428</u>	2,819,378
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the 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.		
		(44,217)
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>(21,260)</u>
<i>Change in Net Position of Governmental Activities</i>	\$	<u>201,147</u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Receipts, Disbursements and Changes in
Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Property Taxes	\$ 1,746,456	\$ 1,811,703	\$ 1,811,703	\$ -
Income Taxes	14,373,562	15,373,562	16,105,993	732,431
Other Local Taxes	285,000	285,000	247,677	(37,323)
Special Assessments	30,000	30,000	42,583	12,583
Charges for Services	456,000	416,000	513,772	97,772
Licenses and Permits	375,000	345,000	348,894	3,894
Fines and Forfeitures	127,000	127,000	61,691	(65,309)
Intergovernmental	688,214	828,313	828,196	(117)
Interest	125,000	65,000	64,454	(546)
Rent	70,000	70,000	26,408	(43,592)
Other	92,000	32,000	33,965	1,965
<i>Total Revenues</i>	<u>18,368,232</u>	<u>19,383,578</u>	<u>20,085,336</u>	<u>701,758</u>
Expenditures				
Current:				
General Government	6,736,843	7,792,846	7,708,498	84,348
Security of Persons and Property	6,394,665	6,383,465	6,282,111	101,354
Leisure Time Activities	108,306	107,966	106,353	1,613
Community Development	321,916	346,038	332,072	13,966
Public Works	1,450,446	1,458,361	1,418,811	39,550
Debt Service:				
Principal Retirement	3,096	3,096	3,096	-
Interest and Fiscal Charges	304	304	304	-
<i>Total Expenditures</i>	<u>15,015,576</u>	<u>16,092,076</u>	<u>15,851,245</u>	<u>240,831</u>
<i>Excess of Receipts Over (Under) Expenditures</i>	<u>3,352,656</u>	<u>3,291,502</u>	<u>4,234,091</u>	<u>942,589</u>
Other Financing Sources (Uses)				
Advances In	-	190,000	190,000	-
Advances Out	-	(120,000)	(120,000)	-
Transfers In	-	20,000	20,000	-
Transfers Out	(3,920,000)	(4,170,000)	(4,170,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(3,920,000)</u>	<u>(4,080,000)</u>	<u>(4,080,000)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(567,344)	(788,498)	154,091	942,589
<i>Fund Balance Beginning of Year</i>	3,981,685	3,981,685	3,981,685	-
Prior Year Encumbrances Appropriated	69,461	69,461	69,461	-
<i>Fund Balance End of Year</i>	<u>\$ 3,483,802</u>	<u>\$ 3,262,648</u>	<u>\$ 4,205,237</u>	<u>\$ 942,589</u>

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Fund Net Position
Proprietary Funds
December 31, 2021

	Enterprise Funds			Governmental Activities
	Water Revenue	Sewer Revenue	Total	Internal Service Fund
Assets				
<i>Current Assets:</i>				
Equity in Pooled Cash and Investments	\$ 697,162	\$ 479,241	\$ 1,176,403	\$ 81,200
Cash and Cash Equivalents in Segregated Accounts	-	-	-	222,265
Accounts Receivable	1,205,822	420,293	1,626,115	4,015
Intergovernmental Receivable	37,431	7,252	44,683	-
Taxes Receivable	490,696	-	490,696	-
Prepaid Items	-	-	-	166,385
Materials and Supplies Inventory	65,143	-	65,143	-
<i>Total Current Assets</i>	<u>2,496,254</u>	<u>906,786</u>	<u>3,403,040</u>	<u>473,865</u>
<i>Non-Current Assets:</i>				
Net OPEB Asset	112,044	22,409	134,453	-
Non-Depreciable Capital Assets	953,473	1,375,915	2,329,388	-
Depreciable Capital Assets, Net	14,782,293	20,338,246	35,120,539	-
<i>Total Non-Current Assets</i>	<u>15,847,810</u>	<u>21,736,570</u>	<u>37,584,380</u>	<u>-</u>
<i>Total Assets</i>	<u>18,344,064</u>	<u>22,643,356</u>	<u>40,987,420</u>	<u>473,865</u>
Deferred Outflows of Resources				
Pension	137,039	27,408	164,447	-
OPEB	55,250	11,057	66,307	-
<i>Total Deferred Outflows of Resources</i>	<u>192,289</u>	<u>38,465</u>	<u>230,754</u>	<u>-</u>
Liabilities				
<i>Current Liabilities:</i>				
Accounts Payable	36,869	17,535	54,404	-
Accrued Wages	17,548	3,761	21,309	-
Contracts Payable	11,279	112,298	123,577	-
Intergovernmental Payable	13,283	2,788	16,071	-
Accrued Interest Payable	109,256	37,168	146,424	-
Claims Payable	-	-	-	194,584
Compensated Absences Payable	11,011	8,130	19,141	-
Direct Financing Payable	3,574	-	3,574	-
Loans Payable	-	19,404	19,404	-
OPWC Loans Payable	30,592	116,373	146,965	-
OWDA Loans Payable	518,266	179,309	697,575	-
General Obligation Bonds Payable	5,000	-	5,000	-
<i>Total Current Liabilities</i>	<u>756,678</u>	<u>496,766</u>	<u>1,253,444</u>	<u>194,584</u>
<i>Long-Term Liabilities:</i>				
Compensated Absences Payable - Net of Current Portion	3,422	38,496	41,918	-
Direct Financing Payable - Net of Current Portion	11,341	-	11,341	-
Loans Payable - Net of Current Portion	-	164,927	164,927	-
OPWC Loans Payable - Net of Current Portion	541,200	1,508,941	2,050,141	-
OWDA Loans Payable - Net of Current Portion	6,234,573	1,601,499	7,836,072	-
General Obligation Bonds Payable - Net of Current Portion	90,000	-	90,000	-
Net Pension Liability	975,362	195,072	1,170,434	-
<i>Total Long-Term Liabilities</i>	<u>7,855,898</u>	<u>3,508,935</u>	<u>11,364,833</u>	<u>-</u>
<i>Total Liabilities</i>	<u>8,612,576</u>	<u>4,005,701</u>	<u>12,618,277</u>	<u>194,584</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	431,704	-	431,704	-
Pension	553,340	173,760	727,100	-
OPEB	421,996	121,118	543,114	-
<i>Total Deferred Inflows of Resources</i>	<u>1,407,040</u>	<u>294,878</u>	<u>1,701,918</u>	<u>-</u>
Net Position				
Net Investment in Capital Assets	9,420,613	18,011,410	27,432,023	-
Unrestricted	(903,876)	369,832	(534,044)	279,281
<i>Total Net Position</i>	<u>\$ 8,516,737</u>	<u>\$ 18,381,242</u>	<u>\$ 26,897,979</u>	<u>\$ 279,281</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, 2021

	Enterprise Funds			Governmental Activities
	Water Revenue	Sewer Revenue	Total	Internal Service Fund
Operating Revenues				
Charges for Services	\$ 2,542,203	\$ 748,841	\$ 3,291,044	\$ 3,637,142
Other	-	-	-	241,639
<i>Total Operating Revenues</i>	<u>2,542,203</u>	<u>748,841</u>	<u>3,291,044</u>	<u>3,878,781</u>
Operating Expenses				
Personal Services	412,529	75,369	487,898	-
Contractual Services	427,333	236,806	664,139	1,236,805
Materials and Supplies	629,797	13,261	643,058	-
Claims	-	-	-	2,673,921
Depreciation	703,076	704,672	1,407,748	-
Other	11,733	8,421	20,154	12,272
<i>Total Operating Expenses</i>	<u>2,184,468</u>	<u>1,038,529</u>	<u>3,222,997</u>	<u>3,922,998</u>
<i>Operating Income (Loss)</i>	<u>357,735</u>	<u>(289,688)</u>	<u>68,047</u>	<u>(44,217)</u>
Non-Operating Revenues (Expenses)				
Intergovernmental	61,608	-	61,608	-
Property Tax	499,152	-	499,152	-
Interest and Fiscal Charges	(221,548)	(86,806)	(308,354)	-
<i>Total Non-Operating Revenues (Expenses)</i>	<u>339,212</u>	<u>(86,806)</u>	<u>252,406</u>	<u>-</u>
<i>Income (Loss) Before Capital Contributions, and Transfers</i>	696,947	(376,494)	320,453	(44,217)
Capital Contributions	76,155	336,659	412,814	-
Transfers In	300,000	310,295	610,295	-
Transfers Out	(20,295)	-	(20,295)	-
<i>Change in Net Position</i>	1,052,807	270,460	1,323,267	(44,217)
<i>Net Position Beginning of Year, Restated, See Note 2</i>	<u>7,463,930</u>	<u>18,110,782</u>	<u>25,574,712</u>	<u>323,498</u>
<i>Net Position End of Year</i>	<u>\$ 8,516,737</u>	<u>\$ 18,381,242</u>	<u>\$ 26,897,979</u>	<u>\$ 279,281</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, 2021

	Enterprise Funds			Governmental
	Water Revenue	Sewer Revenue	Total	Internal Service Fund
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 2,506,239	\$ 727,981	\$ 3,234,220	\$ 3,637,142
Cash Received from Other Operating Receipts	-	-	-	238,564
Cash Payments to Suppliers for Goods and Services	(636,581)	(13,302)	(649,883)	-
Cash Payments to Employees for Services and Benefits	(1,390,532)	(316,783)	(1,707,315)	-
Cash Payments for Contractual Services	(476,600)	(239,943)	(716,543)	(1,214,062)
Cash Payments for Claims	-	-	-	(2,659,508)
Other Cash Payments	(11,733)	(8,421)	(20,154)	(12,272)
<i>Net Cash Provided by (Used for) Operating Activities</i>	<u>(9,207)</u>	<u>149,532</u>	<u>140,325</u>	<u>(10,136)</u>
Cash Flows from Noncapital Financing Activities				
Intergovernmental Revenue	61,728	-	61,728	-
Property Taxes	481,992	-	481,992	-
Transfers In	295,000	290,000	585,000	-
<i>Net Cash Provided by (Used for) Noncapital Financing Activities</i>	<u>838,720</u>	<u>290,000</u>	<u>1,128,720</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities				
Capital Grants	69,388	721,383	790,771	-
Acquisition of Capital Assets	(15,250)	(506,731)	(521,981)	-
Transfers in for Debt Payments	5,000	20,295	25,295	-
Transfers Out for Debt Payments	(20,295)	-	(20,295)	-
Principal Payments on Debt	(523,634)	(311,606)	(835,240)	-
Interest Payments on Debt	(234,500)	(84,738)	(319,238)	-
<i>Net Cash Provided by (Used for) Capital and Related Financing Activities</i>	<u>(719,291)</u>	<u>(161,397)</u>	<u>(880,688)</u>	<u>-</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	110,222	278,135	388,357	(10,136)
<i>Cash and Investments Beginning of Year</i>	586,940	201,106	788,046	313,601
<i>Cash and Investments End of Year</i>	<u>\$ 697,162</u>	<u>\$ 479,241</u>	<u>\$ 1,176,403</u>	<u>\$ 303,465</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities				
Operating Income (Loss)	\$ 357,735	\$ (289,688)	\$ 68,047	\$ (44,217)
Adjustments:				
Depreciation	703,076	704,672	1,407,748	-
(Increase) Decrease in Assets and Deferred Outflows:				
Accounts Receivable	(35,964)	(20,860)	(56,824)	(3,075)
Prepaid Items	-	-	-	22,829
Materials and Supplies Inventory	(3,038)	-	(3,038)	-
Net OPEB Asset	(112,044)	(22,409)	(134,453)	-
Deferred Outflows - Pension/OPEB	186,661	62,030	248,691	-
Increase (Decrease) in Liabilities and Deferred Inflows:				
Accounts Payable	(53,589)	(3,178)	(56,767)	(86)
Accrued Wages	4,034	(500)	3,534	-
Intergovernmental Payable	1,008	(57)	951	-
Claims Payable	-	-	-	14,413
Compensated Absences Payable	(14,056)	854	(13,202)	-
Deferred Inflows - Pension/OPEB	396,406	167,543	563,949	-
Net Pension Liability	(472,879)	(191,126)	(664,005)	-
Net OPEB Liability	(966,557)	(257,749)	(1,224,306)	-
<i>Net Cash Provided by (Used For) Operating Activities</i>	<u>\$ (9,207)</u>	<u>\$ 149,532</u>	<u>\$ 140,325</u>	<u>\$ (10,136)</u>
Noncash Capital Financing Activities:				

The City purchased \$21,132 and \$123,577 of capital assets on account in 2020 and 2021, respectively.

See accompanying notes to the basic financial statements.

City of Berea
Cuyahoga County, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2021

	Custodial
Assets	
Equity in Pooled Cash and Investments	\$ 1,326,331
Cash in Segregated Accounts	222,172
Accounts Receivable	2,231,798
<i>Total Assets</i>	3,780,301
Liabilities	
Accounts Payable	1,289,723
Due to Other Governments	2,490,578
<i>Total Liabilities</i>	3,780,301
Net Position	
<i>Unrestricted</i>	\$ -

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, 2021

	Custodial
Additions	
Licenses, Permits & Fees for Other Governments	\$ 3,895
Fines & Forfeitures for Other Governments	1,824,203
Collections for Other Governments	5,899,455
<i>Total Additions</i>	7,727,553
 Deductions	
Licenses, Permits & Fees Distributions to Other Governments	3,895
Fines & Forfeitures Distributions to Other Governments	1,824,203
Distributions to Other Governments	5,899,455
<i>Total Deductions</i>	7,727,553
 <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, 2021

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.

Jointly Governed Organizations

The City participates in several jointly governed organizations, 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. Those organizations are as follows:

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 special weapons and tactics are needed, including SWAT, Bomb Squad, Crisis Negotiations and Tactical

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

EMS. The City of Berea contributed to the Council during the year. 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.

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. The City of Berea contributed 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 240 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.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

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 the year. 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 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.

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

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

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. 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.

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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.

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.

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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.

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.

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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, 2021, but which were levied to finance 2022 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.

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 2021, 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 2021, 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 \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

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Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution, the Ohio Revised Code and the Berea Municipal Code. Interest in the general fund during 2021 amounted to a deficit of \$7,712, which includes a deficit of \$5,956 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 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:

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	<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 “Due to/Due from Other Funds.”

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.

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/asset, 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.

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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.

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.

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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, 2021, 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.

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.

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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 2021.

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.

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 2021.

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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, 2021, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, certain provisions of GASB Statement No. 93, *Replacement of Interbank Offered Rates* and GASB Statement No. 98, *The Annual Comprehensive Financial Report*.

GASB Statement No. 87 requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. These changes were incorporated in the City's 2021 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 93 addresses accounting and financial reporting effects that result from the replacement of interbank offered rates (IBORs) with other reference rates in order to preserve the reliability, relevance, consistency, and comparability of reported information. The implementation of certain provisions (all except for paragraphs 13 and 14, which are effective for fiscal years beginning after June 15, 2021), of GASB Statement No. 93 did not have an effect on the financial statements of the City.

GASB Statement No. 98 establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. These changes were incorporated in the City's 2021 financial statements; however, there was no effect on beginning net position/fund balance.

Restatement of Net Position

During the year, it was determined that the final allocation between funds of an Ohio Public Works Commission loan for a completed construction project needed to be corrected. The following is the effect on net position:

	Governmental Activities	Business-Type Activities		Total
		Water Revenue Fund	Sewer Revenue Fund	
Net Position, December 31, 2020	\$ 42,916,076	\$ 7,592,903	\$ 18,151,739	\$ 25,744,642
Change in Debt	169,930	(128,973)	(40,957)	(169,930)
Restated Net Position, December 31, 2020	<u>\$ 43,086,006</u>	<u>\$ 7,463,930</u>	<u>\$ 18,110,782</u>	<u>\$ 25,574,712</u>

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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	\$ 48,267	\$ -	\$ -	\$ -	\$ 48,267
Inventory for Consumption	8,965	-	-	129,579	138,544
Total Nonspendable	<u>57,232</u>	<u>-</u>	<u>-</u>	<u>129,579</u>	<u>186,811</u>
<u>Restricted for:</u>					
Court Operations and Capital Outlay	-	-	-	499,757	499,757
Drug and Alcohol Programs	-	-	-	485,284	485,284
Security Operations and Programs	-	-	-	76,661	76,661
Street Improvement and Repair	-	-	-	278,995	278,995
Street Lighting	-	-	-	299,442	299,442
Retainers and Deposits	-	-	-	379,245	379,245
Total Restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,019,384</u>	<u>2,019,384</u>
<u>Committed to:</u>					
Income Tax (See Note 6)	943,089	-	-	-	943,089
Retirements	646,623	-	-	-	646,623
Recreational Programs	-	-	-	63,736	63,736
Court Operations and Capital Outlay	74,074	-	-	-	74,074
Neighborhood Capital Improvement	-	-	-	94,689	94,689
Recreation Capital Outlay	-	-	-	219,294	219,294
Safety Equipment Capital Outlay	-	-	-	212,785	212,785
General Capital Improvements	-	-	1,860,335	-	1,860,335
Other Programs	-	-	-	20,000	20,000
Total Committed	<u>1,663,786</u>	<u>-</u>	<u>1,860,335</u>	<u>610,504</u>	<u>4,134,625</u>
<u>Assigned for:</u>					
Encumbrances:					
General Government	26,122	-	-	-	26,122
Security of Persons and Property	3,766	-	-	-	3,766
Leisure Time Activities	14	-	-	-	14
Public Works	5,210	-	-	-	5,210
Total Assigned	<u>35,112</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,112</u>
Unassigned (Deficit)	<u>4,991,045</u>	<u>(4,207,829)</u>	<u>-</u>	<u>(150,000) *</u>	<u>633,216</u>
Total Fund Balance (Deficit)	<u>\$ 6,747,175</u>	<u>\$ (4,207,829)</u>	<u>\$ 1,860,335</u>	<u>\$ 2,609,467</u>	<u>\$ 7,009,148</u>

* Fund balance at December 31, 2021 included an individual fund deficit of \$150,000 in the community development block grant fund.

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The deficit in 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).

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	
	General Fund
GAAP Basis	\$ (96,625)
Net Adjustment for Revenue Accruals	4,051,638
Net Adjustment for Expenditure Accruals	(3,582,060)
Funds Budgeted Elsewhere **	(143,009)
Adjustment for Encumbrances	(75,853)
Budget Basis	\$ 154,091

** 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.

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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.

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;

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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, 2021 the City had \$11,325 in undeposited cash on hand, which is included as part of "Equity in Pooled Cash and Investments."

Deposits - At year-end, \$1,272,016 of the City's bank balance of \$2,183,897 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.

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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	
	Net Asset Value (NAV):				
AAAm	STAR Ohio	\$ 6,591,586	\$ 6,591,586	\$ -	62.36%
	Fair Value:				
***	Negotiable Certificates of Deposit	3,978,743	2,140,300	1,838,443	37.64%
		<u>\$ 10,570,329</u>	<u>\$ 8,731,886</u>	<u>\$ 1,838,443</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 table identifies the City’s recurring fair value measurements as of December 31, 2021. 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, 2021, is 51 days.

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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, 2021 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, 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. 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 \$16,072,370 in the governmental activities. At year end, the municipal income tax fund had \$943,089 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 2021 for real and public utility property taxes represents collections of the 2020 taxes.

2021 real property taxes were levied after October 1, 2021 on the assessed value as of January 1, 2021, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2021 real property taxes are collected in and intended to finance 2022.

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.

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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. 2021 public utility property taxes which became a lien December 31, 2020, are levied after October 1, 2021, and are collected in 2022 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2021, was \$16.80 per \$1,000 of assessed valuation. The assessed values upon which 2021 property tax receipts were based are as follows:

Category	Assessed Value
Real Property	\$ 411,862,290
Public Utilities - Personal	14,460,260
Total	\$ 426,322,550

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, 2021, and for which there was an enforceable legal claim. In governmental funds, the portion of the receivable not levied to finance 2021 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.

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, 2021, there is a long-term OPWC loan payable by the City in the amount of \$1,330,629 (See Note 12). A corresponding long-term loan receivable has been reported in the City’s financial statements in the amount of \$951,399, 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.

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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.

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, 2021 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.

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	\$ 1,150,000
General Bond Retirement Fund	25,000
General Capital Improvement Fund	975,000
Safety Capital Improvement Fund	190,000
Recreation Capital Improvement Fund	225,000
Neighborhood Capital Improvement Fund	700,000
Water Revenue Fund	295,000
Sewer Revenue Fund	290,000
Total	\$ 3,850,000

In addition, the general fund transferred \$110,000 to the fire pension fund, \$110,000 to the police pension fund, \$50,000 to the general bond retirement fund and \$50,000 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.

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In 2021, the internal transfers between entity-wide activities included cash transfers of \$590,000 from governmental activities to business-type activities.

NOTE 8 - CAPITAL ASSETS

A summary of changes in capital assets during 2021 follows:

	Balance 1/1/21	Additions	Reductions	Balance 12/31/21
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	-	172,755	-	172,755
<i>Total Capital Assets Not Being Depreciated</i>	<u>13,744,747</u>	<u>172,755</u>	<u>-</u>	<u>13,917,502</u>
<i>Capital Assets Being Depreciated</i>				
Land Improvements	17,191,947	57,025	-	17,248,972
Buildings	14,525,873	-	-	14,525,873
Building Improvements	37,528,566	105,830	-	37,634,396
Machinery and Equipment	6,891,337	57,760	-	6,949,097
Furniture and Fixtures	1,793,098	67,110	-	1,860,208
Vehicles	4,547,062	247,851	(49,407)	4,745,506
Infrastructure:				
Bridges	11,435,911	-	-	11,435,911
Roads	59,359,470	1,053,856	(628,554)	59,784,772
Sidewalks	1,793,411	-	-	1,793,411
Traffic Signals	4,238,674	-	-	4,238,674
<i>Total Capital Assets Being Depreciated</i>	<u>159,305,349</u>	<u>1,589,432</u>	<u>(677,961)</u>	<u>160,216,820</u>
<i>Accumulated Depreciation</i>				
Land Improvements	(9,686,479)	(725,404)	-	(10,411,883)
Buildings	(10,588,165)	(339,483)	-	(10,927,648)
Building Improvements	(14,855,240)	(1,300,523)	-	(16,155,763)
Machinery and Equipment	(5,702,467)	(336,504)	-	(6,038,971)
Furniture and Fixtures	(1,489,795)	(182,962)	-	(1,672,757)
Vehicles	(2,505,027)	(394,731)	49,407	(2,850,351)
Infrastructure:				
Bridges	(4,690,339)	(420,897)	-	(5,111,236)
Roads	(36,361,542)	(2,826,001)	627,122	(38,560,421)
Sidewalks	(1,236,560)	(79,336)	-	(1,315,896)
Traffic Signals	(1,734,087)	(141,289)	-	(1,875,376)
<i>Total Accumulated Depreciation</i>	<u>(88,849,701)</u>	<u>(6,747,130)</u>	<u>676,529</u>	<u>(94,920,302)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>70,455,648</u>	<u>(5,157,698)</u>	<u>(1,432)</u>	<u>65,296,518</u>
Governmental Activities Capital Assets, Net	<u>\$ 84,200,395</u>	<u>\$ (4,984,943)</u>	<u>\$ (1,432)</u>	<u>\$ 79,214,020</u>

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	Balance 1/1/21	Additions	Reductions	Balance 12/31/21
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	472,794	699,406	(90,230)	1,081,970
<i>Total Capital Assets Not Being Depreciated</i>	<u>1,720,212</u>	<u>699,406</u>	<u>(90,230)</u>	<u>2,329,388</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	15,250	-	2,382,086
Machinery and Equipment	5,671,216	-	-	5,671,216
Furniture and Fixtures	49,252	-	-	49,252
Vehicles	187,973	-	-	187,973
Infrastructure:				
Water Lines	14,656,258	-	-	14,656,258
Storm Sewers	17,530,029	-	-	17,530,029
Sanitary Sewers	13,648,161	-	-	13,648,161
<i>Total Capital Assets Being Depreciated</i>	<u>60,046,404</u>	<u>15,250</u>	<u>-</u>	<u>60,061,654</u>
<i>Accumulated Depreciation</i>				
Land Improvements	(968,858)	(2,386)	-	(971,244)
Buildings	(3,008,515)	(120,112)	-	(3,128,627)
Building Improvements	(1,088,317)	(105,981)	-	(1,194,298)
Machinery and Equipment	(3,935,172)	(151,687)	-	(4,086,859)
Furniture and Fixtures	(47,452)	(1,200)	-	(48,652)
Vehicles	(165,458)	(11,690)	-	(177,148)
Infrastructure:				
Water Lines	(4,110,870)	(328,352)	-	(4,439,222)
Storm Sewers	(6,092,747)	(418,446)	-	(6,511,193)
Sanitary Sewers	(4,115,978)	(267,894)	-	(4,383,872)
<i>Total Accumulated Depreciation</i>	<u>(23,533,367)</u>	<u>(1,407,748)</u>	<u>-</u>	<u>(24,941,115)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>36,513,037</u>	<u>(1,392,498)</u>	<u>-</u>	<u>35,120,539</u>
Business-Type Activities Capital Assets, Net	<u>\$ 38,233,249</u>	<u>\$ (693,092)</u>	<u>\$ (90,230)</u>	<u>\$ 37,449,927</u>

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Depreciation expense was charged to governmental activities as follows:

	Depreciation
Security of Persons and Property	\$ 535,938
Leisure Time Services	1,682,637
Public Works	14,587
Transportation	3,361,741
General Government	1,152,227
Total Depreciation Expense	\$ 6,747,130

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 (Asset)

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 (asset) represent the City's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living 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 (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide health care to eligible benefit recipients.

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The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* and *net OPEB liability (asset)* 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):

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

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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 original base retirement benefit at the date of retirement and is not compounded. For those who retired prior to January 7, 2013, the COLA is 3 percent. For those retiring on or after 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 (CPI), 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:

	State and Local
2021 Statutory Maximum Contribution Rates	
Employer	14.0 %
Employee	10.0 %
 2021 Actual Contribution Rates	
Employer:	
Pension	14.0 %
Post-employment Health Care Benefits	0.0
Total Employer	14.0 %
 Employee	 10.0 %

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City’s contractually required contribution was \$913,591 for 2021. Of this amount, \$90,352 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

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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).

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.

The COLA amount for members who have 15 or more years of service credit as of July 1, 2013, and members who are receiving a pension benefit that became effective before July 1, 2013, will be equal to 3.0 percent of the member's base pension benefit.

The COLA amount for members who have less than 15 years of service credit as of July 1, 2013, and members whose pension benefit became effective on or after July 1, 2013, will be equal to a percentage of the member's base pension benefit where the percentage is the lesser of 3.0 percent or the percentage increase in the consumer price index, if any, over the twelve-month period that ends on the thirtieth day of September of the immediately preceding year, rounded to the nearest one-tenth of one percent.

Members who retired prior to July 24, 1986, or their surviving beneficiaries under optional plans are entitled to cost-of-living allowance increases. The annual increase is paid on July 1 of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

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

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	<u>Police</u>	<u>Firefighters</u>
2021 Statutory Maximum Contribution Rates		
Employer	19.50 %	24.00 %
Employee	12.25 %	12.25 %
2021 Actual Contribution Rates		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
Total Employer	<u>19.50 %</u>	<u>24.00 %</u>
Employee	<u>12.25 %</u>	<u>12.25 %</u>

Employer contribution rates are expressed as a percentage of covered payroll. The City's contractually required contribution to OP&F was \$1,088,312 for 2021. Of this amount, \$122,962 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, 2021, the specific liability of the City was \$150,426 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, 2020, 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, 2020, and was determined by rolling forward the total pension liability as of January 1, 2020, to December 31, 2020. 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:

	<u>OPERS</u>	<u>OP&F</u>	<u>Total</u>
Proportion of the Net Pension Liability:			
Current Measurement Period	0.043912%	0.204052%	
Prior Measurement Period	<u>0.048847%</u>	<u>0.208932%</u>	
Change in Proportion	<u>-0.004935%</u>	<u>-0.004880%</u>	
Proportionate Share of the Net			
Pension Liability	\$ 6,502,411	\$ 13,910,415	\$ 20,412,826
Pension Expense	\$ (342,206)	\$ 1,143,183	\$ 800,977

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

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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, 2021, 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	\$ -	\$ 581,501	\$ 581,501
Changes of Assumptions	-	233,284	233,284
Changes in Proportionate Share and Differences in Contributions	-	252,021	252,021
City Contributions Subsequent to the Measurement Date	913,591	1,088,312	2,001,903
Total Deferred Outflows of Resources	<u>\$ 913,591</u>	<u>\$ 2,155,118</u>	<u>\$ 3,068,709</u>
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 272,001	\$ 541,908	\$ 813,909
Net Difference between Projected and Actual Earnings on Pension Plan Investments	2,534,452	674,747	3,209,199
Changes in Proportionate Share and Differences in Contributions	726,297	613,763	1,340,060
Total Deferred Inflows of Resources	<u>\$ 3,532,750</u>	<u>\$ 1,830,418</u>	<u>\$ 5,363,168</u>

\$2,001,903 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2022	\$ (1,567,406)	\$ (68,326)	\$ (1,635,732)
2023	(586,555)	128,101	(458,454)
2024	(1,033,129)	(691,344)	(1,724,473)
2025	(345,660)	(125,940)	(471,600)
2026	-	(6,103)	(6,103)
	<u>\$ (3,532,750)</u>	<u>\$ (763,612)</u>	<u>\$ (4,296,362)</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,

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2020, 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, 2020 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: 0.50 percent Simple through 2021, then 2.15 percent Simple

In October 2020, the OPERS Board adopted a change in COLA for post-January 7, 2013 retirees, changing it from 1.4 percent simple through 2020 then 2.15 simple to 0.5 percent simple through 2021 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 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.

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, 2020, these best estimates are summarized in the following table:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	25.00 %	1.32 %
Domestic Equities	21.00	5.64
Real Estate	10.00	5.39
Private Equity	12.00	10.42
International Equities	23.00	7.36
Other Investments	9.00	4.75
Total	<u>100.00 %</u>	<u>5.43 %</u>

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. 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 discount rate of 7.20 percent and the City’s proportionate share of the net pension liability if it were calculated using a discount rate that is one percent lower (6.20 percent) or one percent higher (8.20 percent) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's Proportionate Share of the Net Pension Liability	\$ 12,403,384	\$ 6,502,411	\$ 1,595,762

Changes between Measurement Date and Report Date During 2021, the OPERS Board lowered the investment rate of return from 7.2 percent to 6.9 percent along with certain other changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2020 is based on the results of an actuarial valuation date of January 1, 2020, 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.

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Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results, prepared as of January 1, 2020, 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 0.5 percent
Cost of Living Adjustments	2.20 percent simple for increases based on the lesser of the increase in CPI and 3 percent

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

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, 2020, are summarized below:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.00 %	0.00 %
Domestic Equity	21.00	4.10
Non-US Equity	14.00	4.80
Private Markets	8.00	6.40
Core Fixed Income *	23.00	0.90
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.70
Midstream Energy Infrastructure	5.00	5.60
Real Assets	8.00	5.80
Gold	5.00	1.90
Private Real Estate	12.00	5.30
Total	125.00 %	

Note: Assumptions are geometric.

* levered 2.5x

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 1.25 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.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
City's Proportionate Share of the Net Pension Liability	\$ 19,365,079	\$ 13,910,415	\$ 9,345,411

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NOTE 10 - DEFINED BENEFIT OPEB PLANS

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

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 (HRA) to qualifying benefit recipients of both the traditional pension and the combined plans. Currently, Medicare-eligible retirees are able to select medical and prescription drug plans from a range of options and may elect optional vision and dental plans. Retirees and eligible dependents enrolled in Medicare Parts A and B have the option to enroll in a Medicare supplemental plan with the assistance of the OPERS Medicare Connector. The OPERS Medicare Connector is a relationship with a vendor selected by OPERS to assist retirees, spouses and dependents with selecting a medical and pharmacy plan. Monthly allowances, based on years of service and the age at which the retiree first enrolled in OPERS coverage, are deposited into an HRA. For non-Medicare retirees and eligible dependents, OPERS sponsors medical and prescription coverage through a professionally managed self-insured plan. An allowance to offset a portion of the monthly premium is offered to retirees and eligible dependents. The allowance is based on the retiree's years of service and age when they first enrolled in OPERS coverage.

Medicare-eligible retirees who choose to become re-employed or survivors who become employed in an OPERS-covered position are prohibited from participating in an HRA. For this group of retirees, OPERS sponsors secondary coverage through a professionally managed self-insured program. Retirees who enroll in this plan are provided with a monthly allowance to offset a portion of the monthly premium. Medicare-eligible spouses and dependents can also enroll in this plan as long as the retiree is enrolled.

OPERS provides a monthly allowance for health care coverage for eligible retirees and their eligible dependents. The base allowance is determined by OPERS.

The health care 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.

Effective January 1, 2022, OPERS will discontinue the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses. These changes are reflected in the December 31, 2020, measurement date health care valuation.

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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. Current retirees eligible (or who become eligible prior to January 1, 2022) to participate in the OPERS health care program will continue to be eligible after January 1, 2022. Eligibility requirements will change for those retiring after January 1, 2022, with differing eligibility requirements for Medicare retirees and non-Medicare retirees. 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 2021, 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 2021, 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 2021 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 2021.

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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 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.

OP&F contracted with a vendor who assists eligible retirees in choosing health care plans that are available where they live (both Medicare-eligible and pre-65 populations). A stipend funded by OP&F is available to these members through a Health Reimbursement Arrangement and can be used to reimburse retirees for qualified health care expenses.

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.

OP&F maintains funds for health care in two separate accounts: one account for health care benefits and one account for Medicare Part B reimbursements. A separate health care trust accrual account is maintained for health care benefits under IRS Code Section 115 trust. IRS Code Section 401(h) account is maintained for Medicare Part B reimbursements.

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.

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The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2021, 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 \$25,797 for 2021. Of this amount, \$2,912 is reported as an intergovernmental payable.

OPEB Liability (Asset), OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB

The net OPEB liability (asset) and total OPEB liability for OPERS were determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, 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, 2020, and was determined by rolling forward the total OPEB liability as of January 1, 2020, to December 31, 2020. The City's proportion of the net OPEB liability (asset) 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 (Asset):			
Current Measurement Period	0.041927%	0.2040521%	
Prior Measurement Period	0.046651%	0.2089320%	
Change in Proportion	-0.004724%	-0.0048799%	
Proportionate Share of the Net			
OPEB Liability (Asset)	\$ (746,963)	\$ 2,161,965	
OPEB Expense	\$ (4,792,643)	\$ 126,611	\$ (4,666,032)

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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	OPERS	OP&F	Total
Deferred Outflows of Resources			
Changes of Assumptions	\$ 367,216	\$ 1,194,369	\$ 1,561,585
Changes in Proportionate Share and Differences in Contributions	1,055	129,172	130,227
City Contributions Subsequent to the Measurement Date	-	25,797	25,797
Total Deferred Outflows of Resources	\$ 368,271	\$ 1,349,338	\$ 1,717,609
Deferred Inflows of Resources			
Differences between Expected and Actual Experience	\$ 674,131	\$ 356,609	\$ 1,030,740
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	397,846	80,344	478,190
Changes of Assumptions	1,210,304	344,658	1,554,962
Changes in Proportionate Share and Differences in Contributions	432,764	411,036	843,800
Total Deferred Inflows of Resources	\$ 2,715,045	\$ 1,192,647	\$ 3,907,692

\$25,797 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 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31:	OPERS	OP&F	Total
2022	\$ (1,276,924)	\$ 12,137	\$ (1,264,787)
2023	(850,084)	31,162	(818,922)
2024	(172,887)	1,171	(171,716)
2025	(46,879)	28,074	(18,805)
2026	-	32,971	32,971
Thereafter	-	25,379	25,379
	\$ (2,346,774)	\$ 130,894	\$ (2,215,880)

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 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, 2019, rolled forward to the measurement date of December 31, 2020. 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:

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Wage Inflation	3.25 percent
Projected Salary Increases, Including Inflation	3.25 to 10.75 percent, including wage inflation
Single Discount Rate:	
Current Measurement Date	6.00 percent
Prior Measurement Date	3.16 percent
Investment Rate of Return:	
Current Measurement Date	6.00 percent
Prior Measurement Date	6.00 percent
Municipal Bond Rate:	
Current Measurement Date	2.00 percent
Prior Measurement Date	2.75 percent
Health Care Cost Trend Rate:	
Current Measurement Date	8.5 percent, initial, 3.50 percent, ultimate in 2035
Prior Measurement Date	10.5 percent, initial, 3.50 percent, ultimate in 2030
Actuarial Cost Method	Individual Entry Age

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. Postretirement 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. Postretirement 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.

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. Best estimates of arithmetic rates of return were provided by OPERS investment consultant.

For each major asset class that is included in the Health Care's portfolio's target asset allocation as of December 31, 2020, these best estimates are summarized in the following table:

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Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)
Fixed Income	34.00 %	1.07 %
Domestic Equities	25.00	5.64
Real Estate Investment Trust	7.00	6.48
International Equities	25.00	7.36
Other Investments	9.00	4.02
Total	100.00 %	4.43 %

Discount Rate A single discount rate of 6.00 percent was used to measure the total OPEB liability on the measurement date of December 31, 2020. A single discount rate of 3.16 percent was used to measure the total OPEB liability on the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). This single discount rate was based on an expected rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 2.00 percent (Fidelity Index’s “20-Year Municipal GO AA Index”). 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 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2120, the duration of the projection period through which projected health care payments are fully funded.

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate The following table presents the City’s proportionate share of the net OPEB liability (asset) calculated using the single discount rate of 6.00 percent and the City’s proportionate share of the net OPEB liability (asset) if it were calculated using a discount rate that is one percent lower (5.00 percent) or one percent higher (7.00 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the Net OPEB (Asset)	\$ (185,737)	\$ (746,963)	\$ (1,208,336)

Sensitivity of the City’s Proportionate Share of the Net OPEB Liability (Asset) 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 (asset). The following table presents the net OPEB liability (asset) calculated using the assumed trend rates, and the expected net OPEB liability (asset) 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.

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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 2021 is 8.50 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 (Asset)	\$ (765,168)	\$ (746,963)	\$ (726,595)

Changes between Measurement Date and Report Date During 2021, the OPERS Board made various changes to assumptions for the actuarial valuation as of December 31, 2021. The effects of these changes are unknown.

Actuarial Assumptions – OP&F

OP&F's total OPEB liability as of December 31, 2020, is based on the results of an actuarial valuation date of January 1, 2020, 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.

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Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Investment Rate of Return	8.00 percent
Projected Salary Increases	3.75 percent to 10.50 percent
Payroll Growth	3.25 percent
Blended Discount Rate:	
Current Measurement Date	2.96 percent
Prior Measurement Date	3.56 percent
Municipal Bond Rate:	
Current Measurement Date	2.12 percent
Prior Measurement Date	3.75 percent
Cost of Living Adjustments	2.20 percent simple

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

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

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

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

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

The 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, 2020, are summarized below:

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	- %	0.00 %
Domestic Equity	21.00	4.10
Non-U.S. Equity	14.00	4.80
Private Markets	8.00	6.40
Core Fixed Income*	23.00	0.90
High Yield Fixed Income	7.00	3.00
Private Credit	5.00	4.50
U.S. Inflation Linked Bonds*	17.00	0.70
Midstream Energy Infrastructure	5.00	5.60
Real Assets	8.00	5.80
Gold	5.00	1.90
Private Real Estate	12.00	5.30
Total	<u>125.00 %</u>	

Note: Assumptions are geometric.

* Levered 2.5x

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 1.25 times due to the application of leverage in certain fixed income asset classes.

Discount Rate For 2020, the total OPEB liability was calculated using the discount rate of 2.96 percent. For 2019, the total OPEB liability was calculated using the discount rate of 3.56 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 2.12 percent at December 31, 2020 and 2.75 percent at December 31, 2019, was blended with the long-term rate of 8 percent, which resulted in a blended discount rate of 2.96 percent for 2020 and 3.56 percent for 2019. 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 2035. The long-term expected rate of return on health care investments was applied to projected costs through 2035, 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 2.96 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 (1.96 percent), or one percentage point higher (3.96 percent) than the current rate.

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	1% Decrease	Current Discount Rate	1% Increase
City's Proportionate Share of the			
Net OPEB Liability	\$ 2,695,847	\$ 2,161,965	\$ 1,721,575

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 employee's full balance of earned unused sick leave, limited to 63 tours for firefighters, and 1,512 hours for the Fire Chief and Assistant Fire Chief, 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.

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NOTE 12 - LONG-TERM OBLIGATIONS

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

	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
General Obligation Bonds				
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
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%	*

(continued)

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	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
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 Financing with Pledged Assets				
Governmental Activities - Equipment/Vehicles	2016	2021	1.95%	275,000
Governmental Activities - Baliff Vehicle	2017	2021	3.24%	19,363
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
Governmental Activities - Dodge Ram	2021	2024	3.47%	14,511
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 2021 follows:

	Restated Balance 1/1/21	Additions	Reductions	Balance 12/31/21	Due Within One Year
Governmental Activities					
<i>General Obligation Bonds:</i>					
2013 Various Purpose Bonds	\$ 3,010,000	\$ -	\$ (260,000)	\$ 2,750,000	\$ 270,000
2015 Various Purpose Bonds	5,480,000	-	(335,000)	5,145,000	340,000
2016 Refunding Bonds	920,000	-	(180,000)	740,000	145,000
2020 Refunding Bonds	1,860,000	-	(220,000)	1,640,000	220,000
<i>Total General Obligation Bonds</i>	<u>11,270,000</u>	<u>-</u>	<u>(995,000)</u>	<u>10,275,000</u>	<u>975,000</u>
<i>Direct Placements:</i>					
<i>Bond Anticipation Notes</i>					
2.00% Various Improvement Notes	7,760,000	-	(7,760,000)	-	-
2.00% Various Improvement Notes	-	7,260,000	-	7,260,000	7,260,000
<i>Total Direct Placements</i>	<u>7,760,000</u>	<u>7,260,000</u>	<u>(7,760,000)</u>	<u>7,260,000</u>	<u>7,260,000</u>
<i>Direct Borrowing:</i>					
OPWC Loans Payable	2,741,471	-	(154,125)	2,587,346	167,777
Loan Payable	120,000	-	(40,000)	80,000	40,000
<i>Total Direct Borrowing</i>	<u>2,861,471</u>	<u>-</u>	<u>(194,125)</u>	<u>2,667,346</u>	<u>207,777</u>
<i>Direct Financing:</i>					
2016 Equipment and Vehicles	57,145	-	(57,145)	-	-
2017 Various Vehicles	857	-	(857)	-	-
2018 Equipment and Vehicles	123,073	-	(23,258)	99,815	23,917
2020 Police Cameras and Equipment	223,040	-	-	223,040	58,496
2020 Lifepak	25,721	-	(6,248)	19,473	6,368
2021 Vehicle	-	14,511	(3,096)	11,415	5,185
<i>Total Direct Financing</i>	<u>429,836</u>	<u>14,511</u>	<u>(90,604)</u>	<u>353,743</u>	<u>93,966</u>
<i>Other Long Term Obligations:</i>					
Net Pension Liability	21,895,278	-	(2,652,886)	19,242,392	-
Net OPEB Liability	7,283,183	-	(5,121,218)	2,161,965	-
Unamortized Bond Premiums	295,422	-	(21,732)	273,690	21,732
Compensated Absences	1,206,885	252,280	(231,020)	1,228,145	169,055
Police and Fire Pension Liability	158,522	-	(8,096)	150,426	8,336
<i>Total Other Long Term Obligations</i>	<u>30,839,290</u>	<u>252,280</u>	<u>(8,034,952)</u>	<u>23,056,618</u>	<u>199,123</u>
Total Governmental Activities	<u>\$ 53,160,597</u>	<u>\$ 7,526,791</u>	<u>\$ (17,074,681)</u>	<u>\$ 43,612,707</u>	<u>\$ 8,735,866</u>

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	Restated Balance 1/1/21	Additions	Reductions	Balance 12/31/21	Due Within One Year
Business-Type Activities					
<i>General Obligation Bonds:</i>					
2015 Various Purpose Bonds	\$ 100,000	\$ -	\$ (5,000)	\$ 95,000	\$ 5,000
<i>Direct Borrowings:</i>					
OWDA Loans	9,219,521	-	(685,874)	8,533,647	697,575
OPWC Loans	2,323,593	-	(126,487)	2,197,106	146,965
Loan Payable	203,735	-	(19,404)	184,331	19,404
<i>Total Direct Borrowings</i>	<u>11,746,849</u>	<u>-</u>	<u>(831,765)</u>	<u>10,915,084</u>	<u>863,944</u>
<i>Direct Financing:</i>					
2018 Equipment and Vehicles	18,390	-	(3,475)	14,915	3,574
<i>Other Long Term Obligations:</i>					
Net Pension Liability	1,834,439	-	(664,005)	1,170,434	-
Net OPEB Liability	1,224,306	-	(1,224,306)	-	-
Compensated Absences	74,261	7,170	(20,372)	61,059	19,141
<i>Total</i>	<u>3,133,006</u>	<u>7,170</u>	<u>(1,908,683)</u>	<u>1,231,493</u>	<u>19,141</u>
Total Business-Type Activities	<u>\$ 14,998,245</u>	<u>\$ 7,170</u>	<u>\$ (2,748,923)</u>	<u>\$ 12,256,492</u>	<u>\$ 891,659</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, 2021 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 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.

Serial Bonds

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

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<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, 2021 \$1,590,000 of these bonds are considered defeased, (which 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 \$8,533,647 and \$2,197,106 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 43 percent. The percentage is expected to decrease in the future as expansion projects begin operation in years to come. The total principal and interest remaining to be paid on all OWDA and OPWC loans is \$10,288,761 and \$2,197,109, respectively, which includes the principal and interest payments. Principal and interest paid for the current year and total net available revenues were \$774,742 and \$1,911,571, respectively for the water fund and \$301,332 and \$704,987, respectively for the sewer fund.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

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 being repaid in 5 annual payments of \$40,000 beginning June 1, 2019.

Notes Payable - In 2021, the City issued \$7,260,000 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 \$75,232 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 short term portion of these notes.

Direct Financing - 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. Direct financing 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.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

Principal and interest requirements to retire the long-term debt obligations outstanding at December 31, 2021 are as follows:

Governmental Activities

Year	General Obligation Bonds		OPWC	Loan	Direct Financing	
	Principal	Interest	Principal	Principal	Principal	Interest
2022	\$ 975,000	\$ 301,252	\$ 167,777	\$ 40,000	\$ 93,966	\$ 5,101
2023	990,000	277,605	167,777	40,000	89,129	3,204
2024	945,000	253,677	167,777	-	88,005	7,818
2025	975,000	232,232	167,777	-	82,643	5,249
2026	915,000	209,079	167,777	-	-	2,601
2027 - 2031	3,735,000	697,750	838,883	-	-	-
2032 - 2036	1,740,000	153,600	708,378	-	-	-
2037 - 2041	-	-	201,200	-	-	-
Total	\$ 10,275,000	\$ 2,125,195	\$ 2,587,346	\$ 80,000	\$ 353,743	\$ 23,973

On March 10, 2022, payment is due in full on the various purpose bond anticipation notes in the amount of \$7,260,000 plus interest at 0.75 percent. See Note 13.

Business-Type Activities

Year	OWDA		OPWC	Loan	General Obligation Bond		Direct Financing	
	Principal	Interest	Principal	Principal	Principal	Interest	Principal	Interest
2022	\$ 697,575	\$ 237,876	\$ 146,965	\$ 19,404	\$ 5,000	\$ 3,512	\$ 3,574	\$ 423
2023	654,391	216,080	146,965	19,404	5,000	3,362	3,675	322
2024	678,575	199,583	146,965	19,404	5,000	3,213	3,779	218
2025	690,887	179,357	146,965	19,404	5,000	3,063	3,887	110
2026	703,326	158,369	146,965	19,404	5,000	2,900	-	-
2027 - 2031	2,829,344	502,975	571,303	87,311	30,000	11,853	-	-
2032 - 2036	1,751,910	219,803	464,803	-	40,000	4,000	-	-
2037 - 2041	502,357	39,908	347,165	-	-	-	-	-
2042 - 2045	25,282	1,163	79,010	-	-	-	-	-
Total	\$ 8,533,647	\$ 1,755,114	\$ 2,197,106	\$ 184,331	\$ 95,000	\$ 31,903	\$ 14,915	\$ 1,073

NOTE 13 – NOTES PAYABLE

In 2021, the City issued \$5,250,000 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. The lease with the Cleveland Browns does not qualify as a lease under GASB Statement No. 87 due to the terms not meeting the definition of an exchange or exchange-like transaction. On September 29, 2022, payment is due in full in the amount of \$5,250,000 plus interest at 0.875 percent.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

In 2021, the City issued \$7,760,000 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 10, 2022. The balance of \$500,000 will be retired with operational revenues of the general bond retirement fund at maturity.

Note payable activity during 2021 is as follows:

	Balance 1/1/2021	Additions	Reductions	Balance 12/31/2021
1.00% Various Improvement Notes	\$ 5,600,000	\$ -	\$ 5,600,000	\$ -
2.00% Various Improvement Notes	275,000	-	275,000	-
0.875% Various Improvement Notes	-	5,250,000	-	5,250,000
0.75% Various Improvement Notes	-	500,000	-	500,000
Total	\$ 5,875,000	\$ 5,750,000	\$ 5,875,000	\$ 5,750,000

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 2021, 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, 2021 or 2020.

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-

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

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 \$160.32 for family coverage or \$65.44 for single coverage for medical, dental and vision.

The claims liability of \$194,584 reported in the medical benefits internal service fund at December 31, 2021 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 2020 and 2021 were as follows and typically are retired within three months of year end:

	Balance January 1	Current Year Claims	Claim Payments	Balance December 31
2020	\$ 168,271	\$ 2,182,539	\$ 2,170,639	\$ 180,171
2021	\$ 180,171	\$ 2,673,921	\$ 2,659,508	\$ 194,584

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 – 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.

City of Berea
Cuyahoga County, Ohio
Notes to the Basic Financial Statements
For the Year Ended December 31, 2021

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, 2021.

NOTE 16 – 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 bond retirement, general capital improvement and other governmental funds were \$38,107, \$2,450, \$101,431 and \$182,156, respectively.

NOTE 17 – 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. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. During 2021, the City received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the City. The impact on the City's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated

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.

During 2021, The City received funding from the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Program, a part of the American Rescue Plan Act from the United States Department of Treasury.

NOTE 18 – SUBSEQUENT EVENT

On March 9, 2022, the City issued Various Purpose Bond Anticipation Notes in the amount of \$7,260,000 at an interest rate of 1.15 percent to refinance prior notes and to finance the costs of constructing improvements. These notes mature on March 9, 2023.

On March 16, 2022, the City issued Various Purpose Improvement Refunding Bonds in the amount of \$2,790,000 at an interest rate of 1.98 percent to refund 2013 Various Purpose Bonds. This bond matures on December 1, 2033.

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 Eight Years (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
City's Proportion of the Net Pension Liability	0.043912%	0.048847%	0.049841%	0.048450%
City's Proportionate Share of the Net Pension Liability	\$ 6,502,411	\$ 9,654,941	\$ 13,650,439	\$ 7,600,919
City's Covered Payroll	\$ 6,184,064	\$ 6,872,686	\$ 6,731,914	\$ 6,402,750
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	105.15%	140.48%	202.77%	118.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.88%	82.17%	74.70%	84.66%
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
City's Proportion of the Net Pension Liability	0.204052%	0.208932%	0.208528%	0.204259%
City's Proportionate Share of the Net Pension Liability	\$ 13,910,415	\$ 14,074,776	\$ 17,021,395	\$ 12,536,313
City's Covered Payroll	\$ 5,051,929	\$ 5,142,188	\$ 4,705,273	\$ 4,469,975
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	275.35%	273.71%	361.75%	280.46%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.65%	69.89%	63.07%	70.91%

(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.

2017	2016	2015	2014
0.049453%	0.047988%	0.050309%	0.050309%
\$ 11,229,825	\$ 8,312,127	\$ 6,067,828	\$ 5,930,776
\$ 6,404,008	\$ 5,972,592	\$ 6,167,933	\$ 5,968,754
175.36%	139.17%	98.38%	99.36%
77.25%	81.08%	86.45%	86.36%
0.220524%	0.208076%	0.199826%	0.199826%
\$ 13,967,769	\$ 13,385,675	\$ 10,351,794	\$ 9,732,129
\$ 4,747,571	\$ 4,246,290	\$ 3,978,838	\$ 3,980,738
294.21%	315.23%	260.17%	244.48%
68.36%	66.77%	72.20%	73.00%

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ 913,591	\$ 865,769	\$ 962,176	\$ 942,468
Contributions in Relation to the Contractually Required Contribution	<u>(913,591)</u>	<u>(865,769)</u>	<u>(962,176)</u>	<u>(942,468)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 6,525,650	\$ 6,184,064	\$ 6,872,686	\$ 6,731,914
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
Contractually Required Contribution	\$ 1,088,312	\$ 1,066,623	\$ 1,085,687	\$ 995,530
Contributions in Relation to the Contractually Required Contribution	<u>(1,088,312)</u>	<u>(1,066,623)</u>	<u>(1,085,687)</u>	<u>(995,530)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 5,159,331	\$ 5,051,929	\$ 5,142,188	\$ 4,705,273
Contributions as a Percentage of Covered Payroll	21.09%	21.11%	21.11%	21.16%

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

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 832,358	\$ 768,481	\$ 716,711	\$ 740,152	\$ 775,938	n/a
<u>(832,358)</u>	<u>(768,481)</u>	<u>(716,711)</u>	<u>(740,152)</u>	<u>(775,938)</u>	n/a
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	n/a
\$ 6,402,750	\$ 6,404,008	\$ 5,972,592	\$ 6,167,933	\$ 5,968,754	n/a
13.00%	12.00%	12.00%	12.00%	13.00%	n/a
\$ 944,340	\$ 1,003,574	\$ 892,732	\$ 836,257	\$ 705,855	\$ 595,236
<u>(944,340)</u>	<u>(1,003,574)</u>	<u>(892,732)</u>	<u>(836,257)</u>	<u>(705,855)</u>	<u>(595,236)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,469,975	\$ 4,747,571	\$ 4,246,290	\$ 3,978,838	\$ 3,980,738	\$ 4,044,258
21.13%	21.14%	21.02%	21.02%	17.73%	14.72%

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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 (Asset)
Last Five Years (1)

	<u>2021</u>	<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 OPEB Liability (Asset)	0.041927%	0.046651%	0.047766%	0.046800%	0.047728%
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ (746,963)	\$ 6,443,715	\$ 6,227,559	\$ 5,082,150	\$ 4,820,690
City's Covered Payroll	\$ 6,184,064	\$ 6,872,686	\$ 6,731,914	\$ 6,402,750	\$ 6,404,008
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-12.08%	93.76%	92.51%	79.37%	75.28%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	115.57%	47.80%	46.33%	54.14%	54.04%
<i>Ohio Police and Fire Pension Fund (OPF)</i>					
City's Proportion of the Net OPEB Liability (Asset)	0.204052%	0.208932%	0.208528%	0.204259%	0.220524%
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ 2,161,965	\$ 2,063,774	\$ 1,898,968	\$ 11,573,046	\$ 10,467,778
City's Covered Payroll	\$ 5,051,929	\$ 5,142,188	\$ 4,705,273	\$ 4,469,975	\$ 4,747,571
City's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	42.79%	40.13%	40.36%	258.91%	220.49%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	45.42%	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.

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<i>Ohio Public Employees' Retirement System (OPERS)</i>				
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll (1)	\$ 6,525,650	\$ 6,184,064	\$ 6,872,686	\$ 6,731,914
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%
<i>Ohio Police and Fire Pension Fund (OPF)</i>				
Contractually Required Contribution	\$ 25,797	\$ 25,260	\$ 25,711	\$ 23,526
Contributions in Relation to the Contractually Required Contribution	<u>(25,797)</u>	<u>(25,260)</u>	<u>(25,711)</u>	<u>(23,526)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's Covered Payroll	\$ 5,159,331	\$ 5,051,929	\$ 5,142,188	\$ 4,705,273
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.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 64,028	\$ 128,080	n/a	n/a	n/a	n/a
<u>(64,028)</u>	<u>(128,080)</u>	n/a	n/a	n/a	n/a
<u>\$ -</u>	<u>\$ -</u>	n/a	n/a	n/a	n/a
\$ 6,402,750	\$ 6,404,008	n/a	n/a	n/a	n/a
1.00%	2.00%	n/a	n/a	n/a	n/a
\$ 22,350	\$ 24,139	\$ 20,831	\$ 19,894	\$ 144,182	\$ 272,988
<u>(22,350)</u>	<u>(24,139)</u>	<u>(20,831)</u>	<u>(19,894)</u>	<u>(144,182)</u>	<u>(272,988)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,469,975	\$ 4,747,571	\$ 4,246,290	\$ 3,978,838	\$ 3,980,738	\$ 4,044,258
0.50%	0.50%	0.50%	0.50%	3.62%	6.75%

City of Berea
Cuyahoga County, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2021

NOTE 1 - NET PENSION LIABILITY

Changes in Assumptions – OPERS

Discount Rate:

Calendar year 2021	6.90 percent
Calendar year 2020	7.20 percent
Calendar year 2019	7.20 percent
Calendar year 2018	7.50 percent
Calendar year 2017	8.00 percent

Calendar year 2017 reflects 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:

- 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 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 (ASSET)

Changes in Assumptions - OPERS

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented as follows:

Discount Rate:

Calendar year 2021	6.00 percent
Calendar year 2020	3.16 percent
Calendar year 2019	3.96 percent
Calendar year 2018	3.85 percent
Calendar year 2017	4.23 percent

City of Berea
Cuyahoga County, Ohio
Notes to the Required Supplementary Information
For the Year Ended December 31, 2021

Municipal Bond Rate:

Calendar year 2021	2.00 percent
Calendar year 2020	2.75 percent
Calendar year 2019	3.71 percent
Calendar year 2018	3.31 percent

Health Care Cost Trend Rate:

Calendar year 2021	8.50 percent
Calendar year 2020	10.50 percent
Calendar year 2019	10.00 percent
Calendar year 2018	7.50 percent

For calendar year 2019, the investment rate of return decreased from 6.50 percent to 6.00 percent.

Changes in Benefit Terms – OPERS

For calendar year 2021, the cost of living adjustments decreased from 3.00 percent simple to 2.20 percent simple

Changes in Assumptions – OP&F

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented as follows:

Discount Rate:

Calendar year 2021	2.96 percent
Calendar year 2020	3.56 percent
Calendar year 2019	4.66 percent
Calendar year 2018	3.24 percent
Calendar year 2017	3.79 percent

Municipal Bond Rate:

Calendar year 2021	2.12 percent
Calendar year 2020	2.75 percent
Calendar year 2019	4.13 percent
Calendar year 2018	3.16 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 -
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.

American Rescue Plan Act Fund

To account for revenues from the American Rescue Plan Act, (ARPA) used to provide local and state governments with economic resources to assist in the economic, public health and societal recovery from the 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.

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

Nonmajor Special Revenue Funds

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.

Safe Students Fund

To account for revenues received from school districts, grants and donations for school resource officers, training and equipment needs for the safety of students.

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.

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

Nonmajor Special Revenue Funds

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.

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, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Assets			
Equity in Pooled Cash and Investments	\$ 2,599,378	\$ 821,637	\$ 3,421,015
Accounts Receivable	54,409	4,150	58,559
Intergovernmental Receivable	691,650	2,960	694,610
Taxes Receivable	961,364	-	961,364
Special Assessments Receivable	662,670	-	662,670
Materials and Supplies Inventory	129,579	-	129,579
	<u> </u>	<u> </u>	<u> </u>
<i>Total Assets</i>	<u>\$ 5,099,050</u>	<u>\$ 828,747</u>	<u>\$ 5,927,797</u>
Liabilities			
Accounts Payable	\$ 48,203	\$ 31,229	\$ 79,432
Accrued Wages	26,997	6,701	33,698
Intergovernmental Payable	115,259	4,766	120,025
Due to Other Funds	150,000	-	150,000
Unearned Revenue	784,656	-	784,656
	<u> </u>	<u> </u>	<u> </u>
<i>Total Liabilities</i>	<u>1,125,115</u>	<u>42,696</u>	<u>1,167,811</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	845,787	-	845,787
Unavailable Revenue	1,189,155	-	1,189,155
Unavailable - Delinquent Real Estate Taxes	115,577	-	115,577
	<u> </u>	<u> </u>	<u> </u>
<i>Total Deferred Inflows of Resources</i>	<u>2,150,519</u>	<u>-</u>	<u>2,150,519</u>
Fund Balances			
Nonspendable	129,579	-	129,579
Restricted	1,760,101	259,283	2,019,384
Committed	83,736	526,768	610,504
Unassigned	(150,000)	-	(150,000)
	<u> </u>	<u> </u>	<u> </u>
<i>Total Fund Balances</i>	<u>1,823,416</u>	<u>786,051</u>	<u>2,609,467</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 5,099,050</u>	<u>\$ 828,747</u>	<u>\$ 5,927,797</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, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$ 835,668	\$ -	\$ 835,668
Special Assessments	702,299	-	702,299
Charges for Services	611,770	50,000	661,770
Licenses and Permits	-	30,455	30,455
Fines and Forfeitures	610,642	75,216	685,858
Intergovernmental	1,530,591	76,309	1,606,900
Interest	4,571	-	4,571
Contributions and Donations	36,272	13,575	49,847
Other	112,184	50	112,234
<i>Total Revenues</i>	<u>4,443,997</u>	<u>245,605</u>	<u>4,689,602</u>
Expenditures			
Current:			
General Government	814,558	-	814,558
Security of Persons and Property	1,656,376	-	1,656,376
Public Health	298,697	-	298,697
Leisure Time Services	1,831,888	-	1,831,888
Transportation	1,385,318	-	1,385,318
Capital Outlay	-	1,464,351	1,464,351
Debt Service:			
Principal Retirement	8,096	15,070	23,166
Interest and Fiscal Charges	6,696	1,817	8,513
<i>Total Expenditures</i>	<u>6,001,629</u>	<u>1,481,238</u>	<u>7,482,867</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,557,632)	(1,235,633)	(2,793,265)
Other Financing Sources (Uses)			
Transfers In	<u>1,370,000</u>	<u>1,165,000</u>	<u>2,535,000</u>
<i>Net Change in Fund Balances</i>	(187,632)	(70,633)	(258,265)
<i>Fund Balances Beginning of Year</i>	<u>2,011,048</u>	<u>856,684</u>	<u>2,867,732</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,823,416</u>	<u>\$ 786,051</u>	<u>\$ 2,609,467</u>

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	Recreation Fund	State Highway Fund	Street Maintenance Fund	Contract Retainer Fund	Guarantee Deposits Fund
Assets					
Equity in Pooled Cash and Investments	\$ 95,976	\$ 15,449	\$ 92,173	\$ 100,018	\$ 279,227
Accounts Receivable	12,013	-	-	-	-
Intergovernmental Receivable	-	36,417	449,139	-	-
Taxes Receivable	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	-
Materials and Supplies Inventory	-	-	129,579	-	-
<i>Total Assets</i>	<u>\$ 107,989</u>	<u>\$ 51,866</u>	<u>\$ 670,891</u>	<u>\$ 100,018</u>	<u>\$ 279,227</u>
Liabilities					
Accounts Payable	\$ 19,933	\$ -	\$ 3,755	\$ -	\$ -
Accrued Wages	14,230	-	9,135	-	-
Intergovernmental Payable	10,090	-	7,518	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
<i>Total Liabilities</i>	<u>44,253</u>	<u>-</u>	<u>20,408</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	-	-	-	-	-
Unavailable Revenue	-	24,278	299,426	-	-
Unavailable - Delinquent Real Estate Taxes	-	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>24,278</u>	<u>299,426</u>	<u>-</u>	<u>-</u>
Fund Balances					
Nonspendable	-	-	129,579	-	-
Restricted	-	27,588	221,478	100,018	279,227
Committed	63,736	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>63,736</u>	<u>27,588</u>	<u>351,057</u>	<u>100,018</u>	<u>279,227</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 107,989</u>	<u>\$ 51,866</u>	<u>\$ 670,891</u>	<u>\$ 100,018</u>	<u>\$ 279,227</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	American Rescue Plan Act Fund	Fire Pension Fund	Police Pension Fund	Safe Students Fund	Public Safety Fund
Assets					
Equity in Pooled Cash and Investments	\$ 784,656	\$ 62,034	\$ 64,836	\$ 20,000	\$ 2,784
Accounts Receivable	-	-	-	-	-
Intergovernmental Receivable	-	24,059	24,059	-	-
Taxes Receivable	-	432,765	432,765	-	-
Special Assessments Receivable	-	-	-	-	-
Materials and Supplies Inventory	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 784,656</u>	<u>\$ 518,858</u>	<u>\$ 521,660</u>	<u>\$ 20,000</u>	<u>\$ 2,784</u>
Liabilities					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Wages	-	-	-	-	-
Intergovernmental Payable	-	51,092	43,573	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	784,656	-	-	-	-
<i>Total Liabilities</i>	<u>784,656</u>	<u>51,092</u>	<u>43,573</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources					
Property Taxes Levied for the Next Year	-	380,737	380,737	-	-
Unavailable Revenue	-	24,059	24,059	-	-
Unavailable - Delinquent Real Estate Taxes	-	52,028	52,028	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>456,824</u>	<u>456,824</u>	<u>-</u>	<u>-</u>
Fund Balances					
Nonspendable	-	-	-	-	-
Restricted	-	10,942	21,263	-	2,784
Committed	-	-	-	20,000	-
Unassigned	-	-	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>-</u>	<u>10,942</u>	<u>21,263</u>	<u>20,000</u>	<u>2,784</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 784,656</u>	<u>\$ 518,858</u>	<u>\$ 521,660</u>	<u>\$ 20,000</u>	<u>\$ 2,784</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	Safe Passages Fund	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	\$ 6,033	\$ 300,707	\$ -	\$ -	\$ 26,616	\$ 18,349
Accounts Receivable	-	-	-	-	-	-
Intergovernmental Receivable	-	-	4,663	150,000	3,313	-
Taxes Receivable	-	-	95,834	-	-	-
Special Assessments Receivable	-	662,670	-	-	-	-
Materials and Supplies Inventory	-	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 6,033</u>	<u>\$ 963,377</u>	<u>\$ 100,497</u>	<u>\$ 150,000</u>	<u>\$ 29,929</u>	<u>\$ 18,349</u>
Liabilities						
Accounts Payable	\$ -	\$ 1,265	\$ -	\$ -	\$ -	\$ -
Accrued Wages	-	-	-	-	-	-
Intergovernmental Payable	-	-	-	-	-	-
Due to Other Funds	-	-	-	150,000	-	-
Unearned Revenue	-	-	-	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>1,265</u>	<u>-</u>	<u>150,000</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources						
Property Taxes Levied for the Next Year	-	-	84,313	-	-	-
Unavailable Revenue	-	662,670	4,663	150,000	-	-
Unavailable - Delinquent Real Estate Taxes	-	-	11,521	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>662,670</u>	<u>100,497</u>	<u>150,000</u>	<u>-</u>	<u>-</u>
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	6,033	299,442	-	-	29,929	18,349
Committed	-	-	-	-	-	-
Unassigned	-	-	-	(150,000)	-	-
<i>Total Fund Balances (Deficit)</i>	<u>6,033</u>	<u>299,442</u>	<u>-</u>	<u>(150,000)</u>	<u>29,929</u>	<u>18,349</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 6,033</u>	<u>\$ 963,377</u>	<u>\$ 100,497</u>	<u>\$ 150,000</u>	<u>\$ 29,929</u>	<u>\$ 18,349</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	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	\$ 3,602	\$ 2,754	\$ 419,297	\$ 886	\$ 30	\$ -
Accounts Receivable	2,975	18,573	2,183	-	1,175	-
Intergovernmental Receivable	-	-	-	-	-	-
Taxes Receivable	-	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	-	-
Materials and Supplies Inventory	-	-	-	-	-	-
<i>Total Assets</i>	<u>\$ 6,577</u>	<u>\$ 21,327</u>	<u>\$ 421,480</u>	<u>\$ 886</u>	<u>\$ 1,205</u>	<u>\$ -</u>
Liabilities						
Accounts Payable	\$ -	\$ -	\$ 8,925	\$ -	\$ -	\$ -
Accrued Wages	-	2,899	-	-	-	-
Intergovernmental Payable	-	2,343	-	-	-	-
Due to Other Funds	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-
<i>Total Liabilities</i>	<u>-</u>	<u>5,242</u>	<u>8,925</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources						
Property Taxes Levied for the Next Year	-	-	-	-	-	-
Unavailable Revenue	-	-	-	-	-	-
Unavailable - Delinquent Real Estate Taxes	-	-	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances						
Nonspendable	-	-	-	-	-	-
Restricted	6,577	16,085	412,555	886	1,205	-
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>6,577</u>	<u>16,085</u>	<u>412,555</u>	<u>886</u>	<u>1,205</u>	<u>-</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 6,577</u>	<u>\$ 21,327</u>	<u>\$ 421,480</u>	<u>\$ 886</u>	<u>\$ 1,205</u>	<u>\$ -</u>

(continued)

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	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	\$ 144,918	\$ 12,279	\$ 68,685	\$ 71,507	\$ 6,562	\$ 2,599,378
Accounts Receivable	5,905	1,293	5,720	1,018	3,554	54,409
Intergovernmental Receivable	-	-	-	-	-	691,650
Taxes Receivable	-	-	-	-	-	961,364
Special Assessments Receivable	-	-	-	-	-	662,670
Materials and Supplies Inventory	-	-	-	-	-	129,579
<i>Total Assets</i>	<u>\$ 150,823</u>	<u>\$ 13,572</u>	<u>\$ 74,405</u>	<u>\$ 72,525</u>	<u>\$ 10,116</u>	<u>\$ 5,099,050</u>
Liabilities						
Accounts Payable	\$ 3,026	\$ 2,059	\$ 8,558	\$ 682	\$ -	\$ 48,203
Accrued Wages	-	-	-	-	733	26,997
Intergovernmental Payable	-	-	-	-	643	115,259
Due to Other Funds	-	-	-	-	-	150,000
Unearned Revenue	-	-	-	-	-	784,656
<i>Total Liabilities</i>	<u>3,026</u>	<u>2,059</u>	<u>8,558</u>	<u>682</u>	<u>1,376</u>	<u>1,125,115</u>
Deferred Inflows of Resources						
Property Taxes Levied for the Next Year	-	-	-	-	-	845,787
Unavailable Revenue	-	-	-	-	-	1,189,155
Unavailable - Delinquent Real Estate Taxes	-	-	-	-	-	115,577
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,150,519</u>
Fund Balances						
Nonspendable	-	-	-	-	-	129,579
Restricted	147,797	11,513	65,847	71,843	8,740	1,760,101
Committed	-	-	-	-	-	83,736
Unassigned	-	-	-	-	-	(150,000)
<i>Total Fund Balances (Deficit)</i>	<u>147,797</u>	<u>11,513</u>	<u>65,847</u>	<u>71,843</u>	<u>8,740</u>	<u>1,823,416</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 150,823</u>	<u>\$ 13,572</u>	<u>\$ 74,405</u>	<u>\$ 72,525</u>	<u>\$ 10,116</u>	<u>\$ 5,099,050</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, 2021

	Recreation Fund	State Highway Fund	Street Maintenance Fund	Contract Retainer Fund	Guarantee Deposits Fund
Revenues					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-
Charges for Services	611,770	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental	-	75,194	927,385	-	-
Interest	-	364	4,207	-	-
Contributions and Donations	36,272	-	-	-	-
Other	-	-	-	63,238	44,500
<i>Total Revenues</i>	<u>648,042</u>	<u>75,558</u>	<u>931,592</u>	<u>63,238</u>	<u>44,500</u>
Expenditures					
Current:					
General Government	-	-	-	18,977	14,000
Security of Persons and Property	-	-	-	-	-
Public Health	-	-	-	-	-
Leisure Time Services	1,831,888	-	-	-	-
Transportation	-	75,000	1,125,318	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<i>Total Expenditures</i>	<u>1,831,888</u>	<u>75,000</u>	<u>1,125,318</u>	<u>18,977</u>	<u>14,000</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,183,846)	558	(193,726)	44,261	30,500
Other Financing Sources (Uses)					
Transfers In	1,150,000	-	-	-	-
<i>Net Change in Fund Balances</i>	(33,846)	558	(193,726)	44,261	30,500
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>97,582</u>	<u>27,030</u>	<u>544,783</u>	<u>55,757</u>	<u>248,727</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 63,736</u>	<u>\$ 27,588</u>	<u>\$ 351,057</u>	<u>\$ 100,018</u>	<u>\$ 279,227</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, 2021

	American Rescue Plan Act Fund	Fire Pension Fund	Police Pension Fund	Safe Students Fund	Public Safety Fund
Revenues					
Property Taxes	\$ -	\$ 370,520	\$ 370,520	\$ -	\$ -
Special Assessments	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Intergovernmental	190,000	48,431	48,431	40,000	-
Interest	-	-	-	-	-
Contributions and Donations	-	-	-	-	-
Other	-	-	-	-	-
<i>Total Revenues</i>	<u>190,000</u>	<u>418,951</u>	<u>418,951</u>	<u>40,000</u>	<u>-</u>
Expenditures					
Current:					
General Government	-	-	-	-	-
Security of Persons and Property	-	578,998	540,522	20,000	25
Public Health	190,000	-	-	-	-
Leisure Time Services	-	-	-	-	-
Transportation	-	-	-	-	-
Debt Service:					
Principal Retirement	-	2,046	6,050	-	-
Interest and Fiscal Charges	-	1,752	4,944	-	-
<i>Total Expenditures</i>	<u>190,000</u>	<u>582,796</u>	<u>551,516</u>	<u>20,000</u>	<u>25</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	-	(163,845)	(132,565)	20,000	(25)
Other Financing Sources (Uses)					
Transfers In	-	110,000	110,000	-	-
<i>Net Change in Fund Balances</i>	-	(53,845)	(22,565)	20,000	(25)
<i>Fund Balances (Deficit) Beginning of Year</i>	-	64,787	43,828	-	2,809
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ -</u>	<u>\$ 10,942</u>	<u>\$ 21,263</u>	<u>\$ 20,000</u>	<u>\$ 2,784</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, 2021

	Safe Passages Fund	Street Lighting Fund	Community Hospital Fund	Community Development Block Grant Fund	Municipal Vehicle Tax Fund	Law Enforcement Fund
Revenues						
Property Taxes	\$ -	\$ -	\$ 94,628	\$ -	\$ -	\$ -
Special Assessments	-	702,299	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-
Intergovernmental	-	-	9,388	150,000	41,762	-
Interest	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-
Other	-	-	-	-	-	4,446
<i>Total Revenues</i>	<u>-</u>	<u>702,299</u>	<u>104,016</u>	<u>150,000</u>	<u>41,762</u>	<u>4,446</u>
Expenditures						
Current:						
General Government	-	-	-	-	-	-
Security of Persons and Property	-	516,831	-	-	-	-
Public Health	-	-	108,697	-	-	-
Leisure Time Services	-	-	-	-	-	-
Transportation	-	-	-	150,000	35,000	-
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
<i>Total Expenditures</i>	<u>-</u>	<u>516,831</u>	<u>108,697</u>	<u>150,000</u>	<u>35,000</u>	<u>-</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	-	185,468	(4,681)	-	6,762	4,446
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
<i>Net Change in Fund Balances</i>	-	185,468	(4,681)	-	6,762	4,446
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>6,033</u>	<u>113,974</u>	<u>4,681</u>	<u>(150,000)</u>	<u>23,167</u>	<u>13,903</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 6,033</u>	<u>\$ 299,442</u>	<u>\$ -</u>	<u>\$ (150,000)</u>	<u>\$ 29,929</u>	<u>\$ 18,349</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, 2021

	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	45,469	203,705	50,030	1,152	35,755	1,314
Intergovernmental	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Contributions and Donations	-	-	-	-	-	-
Other	-	-	-	-	-	-
<i>Total Revenues</i>	<u>45,469</u>	<u>203,705</u>	<u>50,030</u>	<u>1,152</u>	<u>35,755</u>	<u>1,314</u>
Expenditures						
Current:						
General Government	52,459	211,420	103,895	22,000	38,099	1,365
Security of Persons and Property	-	-	-	-	-	-
Public Health	-	-	-	-	-	-
Leisure Time Services	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Debt Service:						
Principal Retirement	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
<i>Total Expenditures</i>	<u>52,459</u>	<u>211,420</u>	<u>103,895</u>	<u>22,000</u>	<u>38,099</u>	<u>1,365</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(6,990)	(7,715)	(53,865)	(20,848)	(2,344)	(51)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	-
<i>Net Change in Fund Balances</i>	(6,990)	(7,715)	(53,865)	(20,848)	(2,344)	(51)
<i>Fund Balances (Deficit) Beginning 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>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 6,577</u>	<u>\$ 16,085</u>	<u>\$ 412,555</u>	<u>\$ 886</u>	<u>\$ 1,205</u>	<u>\$ -</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, 2021

	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 835,668
Special Assessments	-	-	-	-	-	702,299
Charges for Services	-	-	-	-	-	611,770
Fines and Forfeitures	90,779	26,804	90,931	10,364	54,339	610,642
Intergovernmental	-	-	-	-	-	1,530,591
Interest	-	-	-	-	-	4,571
Contributions and Donations	-	-	-	-	-	36,272
Other	-	-	-	-	-	112,184
<i>Total Revenues</i>	<u>90,779</u>	<u>26,804</u>	<u>90,931</u>	<u>10,364</u>	<u>54,339</u>	<u>4,443,997</u>
Expenditures						
Current:						
General Government	120,596	31,118	118,265	15,246	67,118	814,558
Security of Persons and Property	-	-	-	-	-	1,656,376
Public Health	-	-	-	-	-	298,697
Leisure Time Services	-	-	-	-	-	1,831,888
Transportation	-	-	-	-	-	1,385,318
Debt Service:						
Principal Retirement	-	-	-	-	-	8,096
Interest and Fiscal Charges	-	-	-	-	-	6,696
<i>Total Expenditures</i>	<u>120,596</u>	<u>31,118</u>	<u>118,265</u>	<u>15,246</u>	<u>67,118</u>	<u>6,001,629</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(29,817)	(4,314)	(27,334)	(4,882)	(12,779)	(1,557,632)
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	1,370,000
<i>Net Change in Fund Balances</i>	(29,817)	(4,314)	(27,334)	(4,882)	(12,779)	(187,632)
<i>Fund Balances (Deficit) Beginning 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>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$ 147,797</u>	<u>\$ 11,513</u>	<u>\$ 65,847</u>	<u>\$ 71,843</u>	<u>\$ 8,740</u>	<u>\$ 1,823,416</u>

City of Berea
Cuyahoga County, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2021

	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	\$ 222,552	\$ 219,294	\$ 261,028	\$ 118,763	\$ 821,637
Accounts Receivable	-	-	4,150	-	4,150
Intergovernmental Receivable	2,960	-	-	-	2,960
<i>Total Assets</i>	<u>\$ 225,512</u>	<u>\$ 219,294</u>	<u>\$ 265,178</u>	<u>\$ 118,763</u>	<u>\$ 828,747</u>
Liabilities					
Accounts Payable	\$ 12,727	\$ -	\$ 5,895	\$ 12,607	\$ 31,229
Accrued Wages	-	-	-	6,701	6,701
Intergovernmental Payable	-	-	-	4,766	4,766
<i>Total Liabilities</i>	<u>12,727</u>	<u>-</u>	<u>5,895</u>	<u>24,074</u>	<u>42,696</u>
Fund Balances					
Restricted	-	-	259,283	-	259,283
Committed	212,785	219,294	-	94,689	526,768
<i>Total Fund Balances (Deficit)</i>	<u>212,785</u>	<u>219,294</u>	<u>259,283</u>	<u>94,689</u>	<u>786,051</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 225,512</u>	<u>\$ 219,294</u>	<u>\$ 265,178</u>	<u>\$ 118,763</u>	<u>\$ 828,747</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, 2021

	Safety Capital Improvement Fund	Recreation Capital Improvement Fund	Court Capital Improvement Fund	Neighborhood Improvement Fund	Total Nonmajor Capital Projects Funds
Revenues					
Charges for Services	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Licenses and Permits	-	-	-	30,455	30,455
Fines and Forfeitures	-	-	75,216	-	75,216
Intergovernmental	26,008	50,301	-	-	76,309
Contributions and Donations	1,000	12,575	-	-	13,575
Other	-	-	-	50	50
<i>Total Revenues</i>	<u>77,008</u>	<u>62,876</u>	<u>75,216</u>	<u>30,505</u>	<u>245,605</u>
Expenditures					
Capital Outlay	398,280	136,906	87,650	841,515	1,464,351
Debt Service:					
Principal Retirement	6,248	8,822	-	-	15,070
Interest and Fiscal Charges	493	1,324	-	-	1,817
<i>Total Expenditures</i>	<u>405,021</u>	<u>147,052</u>	<u>87,650</u>	<u>841,515</u>	<u>1,481,238</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(328,013)</u>	<u>(84,176)</u>	<u>(12,434)</u>	<u>(811,010)</u>	<u>(1,235,633)</u>
Other Financing Sources (Uses)					
Transfers In	190,000	225,000	-	750,000	1,165,000
<i>Net Change in Fund Balances</i>	(138,013)	140,824	(12,434)	(61,010)	(70,633)
<i>Fund Balances Beginning of Year</i>	<u>350,798</u>	<u>78,470</u>	<u>271,717</u>	<u>155,699</u>	<u>856,684</u>
<i>Fund Balances End of Year</i>	<u>\$ 212,785</u>	<u>\$ 219,294</u>	<u>\$ 259,283</u>	<u>\$ 94,689</u>	<u>\$ 786,051</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 1,811,703	\$ 1,811,703	\$ -
Income Taxes	15,373,562	16,105,993	732,431
Other Local Taxes	285,000	247,677	(37,323)
Special Assessments	30,000	42,583	12,583
Charges for Services	416,000	513,772	97,772
Licenses and Permits	345,000	348,894	3,894
Fines and Forfeitures	127,000	61,691	(65,309)
Intergovernmental	828,313	828,196	(117)
Interest	65,000	64,454	(546)
Rent	70,000	26,408	(43,592)
Other	32,000	33,965	1,965
<i>Total Revenues</i>	<u>19,383,578</u>	<u>20,085,336</u>	<u>701,758</u>
Expenditures			
Current:			
Security of Persons and Property:			
Police Department:			
Personal Services	3,127,757	3,074,487	53,270
Other	662,901	627,315	35,586
Total Police Department	<u>3,790,658</u>	<u>3,701,802</u>	<u>88,856</u>
Fire:			
Personal Services	2,448,707	2,448,678	29
Other	144,100	131,631	12,469
Total Fire Department	<u>2,592,807</u>	<u>2,580,309</u>	<u>12,498</u>
Total Security of Persons and Property	<u>6,383,465</u>	<u>6,282,111</u>	<u>101,354</u>
Leisure Time Services:			
Municipal Signage:			
Other	14,133	14,076	57
Public Grounds:			
Personal Services	6,600	6,243	357
Other	87,233	86,034	1,199
Total Public Grounds	<u>93,833</u>	<u>92,277</u>	<u>1,556</u>
Total Leisure Time Services	<u>107,966</u>	<u>106,353</u>	<u>1,613</u>
Community Development:			
Building Department:			
Personal Services	184,223	182,478	1,745
Other	42,424	38,812	3,612
Total Building Department	<u>226,647</u>	<u>221,290</u>	<u>5,357</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, 2021

	Final Budget	Actual	Variance with Final Budget
Engineering Department:			
Personal Services	\$ 103,098	\$ 95,766	\$ 7,332
Other	16,293	15,016	1,277
Total Engineering Department	<u>119,391</u>	<u>110,782</u>	<u>8,609</u>
Total Community Development	<u>346,038</u>	<u>332,072</u>	<u>13,966</u>
Public Works:			
Storm Sewers and Drains:			
Personal Services	1,415	1,411	4
Other	6,600	5,896	704
Total Storm Sewers and Drains	<u>8,015</u>	<u>7,307</u>	<u>708</u>
Refuse Collection and Disposal:			
Other	<u>1,300,040</u>	<u>1,299,422</u>	<u>618</u>
Leaf Collection:			
Other	<u>18,537</u>	<u>18,366</u>	<u>171</u>
Snow Removal:			
Personal Services	50,000	12,661	37,339
Other	81,769	81,055	714
Total Snow Removal	<u>131,769</u>	<u>93,716</u>	<u>38,053</u>
Total Public Works	<u>1,458,361</u>	<u>1,418,811</u>	<u>39,550</u>
General Government:			
Council:			
Personal Services	146,753	146,753	-
Other	17,100	10,290	6,810
Total Council	<u>163,853</u>	<u>157,043</u>	<u>6,810</u>
Mayor:			
Personal Services	168,561	163,987	4,574
Other	6,800	4,451	2,349
Total Mayor	<u>175,361</u>	<u>168,438</u>	<u>6,923</u>
Finance:			
Personal Services	269,535	268,346	1,189
Other	6,600	5,077	1,523
Total Finance	<u>276,135</u>	<u>273,423</u>	<u>2,712</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, 2021

	Final Budget	Actual	Variance with Final Budget
Law:			
Personal Services	\$ 288,793	\$ 288,552	\$ 241
Other	14,050	13,905	145
Total Law	<u>302,843</u>	<u>302,457</u>	<u>386</u>
Civil Service Commission:			
Other	<u>8,000</u>	<u>7,918</u>	<u>82</u>
Public Safety:			
Personal Services	40,607	40,326	281
Other	2,150	2,031	119
Total Public Safety	<u>42,757</u>	<u>42,357</u>	<u>400</u>
Municipal Fleet and Equipment:			
Personal Services	1,300	1,282	18
Other	174,875	173,225	1,650
Total Municipal Fleet and Equipment	<u>176,175</u>	<u>174,507</u>	<u>1,668</u>
Municipal Building:			
Personal Services	951,583	931,370	20,213
Other	434,431	431,629	2,802
Total Municipal Building	<u>1,386,014</u>	<u>1,362,999</u>	<u>23,015</u>
Service Administration:			
Personal Services	151,823	150,830	993
Other	29,472	24,235	5,237
Total Service Administration	<u>181,295</u>	<u>175,065</u>	<u>6,230</u>
Planning and Development:			
Other	<u>11,200</u>	<u>10,587</u>	<u>613</u>
Administration:			
Personal Services	2,690,157	2,665,047	25,110
Other	2,379,056	2,368,657	10,399
Total Administration	<u>5,069,213</u>	<u>5,033,704</u>	<u>35,509</u>
Total General Government	<u>7,792,846</u>	<u>7,708,498</u>	<u>84,348</u>
Debt Service:			
Principal Retirement	3,096	3,096	-
Interest and Fiscal Charges	304	304	-
Total Debt Service	<u>3,400</u>	<u>3,400</u>	<u>-</u>
Total Expenditures	<u>16,092,076</u>	<u>15,851,245</u>	<u>240,831</u>
Excess of Revenues Over (Under) Expenditures	<u>3,291,502</u>	<u>4,234,091</u>	<u>942,589</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, 2021

	Final Budget	Actual	Variance with Final Budget
Other Financing Sources (Uses)			
Advances In	\$ 190,000	\$ 190,000	\$ -
Advances Out	(120,000)	(120,000)	-
Transfers In	20,000	20,000	-
Transfers Out	(4,170,000)	(4,170,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(4,080,000)</u>	<u>(4,080,000)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(788,498)	154,091	942,589
<i>Fund Balance (Deficit) Beginning of Year</i>	3,981,685	3,981,685	-
Prior Year Encumbrances Appropriated	<u>69,461</u>	<u>69,461</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 3,262,648</u>	<u>\$ 4,205,237</u>	<u>\$ 942,589</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 20	\$ 20	\$ -
<i>Total Revenues</i>	<u>20</u>	<u>20</u>	<u>-</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	20	20	-
<i>Total Expenditures</i>	<u>20</u>	<u>20</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
Municipal Court Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 1,399,365	\$ 1,401,047	\$ 1,682
Other	110,000	109,728	(272)
<i>Total Revenues</i>	<u>1,509,365</u>	<u>1,510,775</u>	<u>1,410</u>
Expenditures			
Current:			
General Government:			
Municipal Court:			
Personal Services	1,309,941	1,306,045	3,896
Other	130,133	128,394	1,739
Total General Government	<u>1,440,074</u>	<u>1,434,439</u>	<u>5,635</u>
Debt Service:			
Principal Retirement	857	857	-
Interest and Fiscal Charges	435	435	-
Total Debt Service	<u>1,292</u>	<u>1,292</u>	<u>-</u>
<i>Total Expenditures</i>	<u>1,441,366</u>	<u>1,435,731</u>	<u>5,635</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>67,999</u>	<u>75,044</u>	<u>(4,225)</u>
Other Financing Sources (Uses)			
Advances In	120,000	120,000	-
Advances Out	(190,000)	(190,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(70,000)</u>	<u>(70,000)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(2,001)	5,044	7,045
<i>Fund Balance (Deficit) Beginning of Year</i>	4,321	4,321	-
<i>Prior Year Encumbrances Appropriated</i>	<u>776</u>	<u>776</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 3,096</u>	<u>\$ 10,141</u>	<u>\$ 7,045</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 1,613,521	\$ 1,613,521	\$ -
Intergovernmental	215,267	215,267	-
Special Assessments	10,000	10,308	308
<i>Total Revenues</i>	<u>1,838,788</u>	<u>1,839,096</u>	<u>308</u>
Expenditures			
Current:			
General Government:			
Other	130,000	96,595	33,405
Debt Service:			
Principal Retirement	14,635,000	14,635,000	-
Interest and Fiscal Charges	543,292	543,292	-
Total Debt Service	15,178,292	15,178,292	-
<i>Total Expenditures</i>	<u>15,308,292</u>	<u>15,274,887</u>	<u>33,405</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(13,469,504)</u>	<u>(13,435,791)</u>	<u>33,713</u>
Other Financing Sources (Uses)			
Issuance of Notes	13,010,000	13,010,000	-
Premium on Debt Issued	75,000	75,232	232
Transfers In	75,000	75,000	-
<i>Total Other Financing Sources (Uses)</i>	<u>13,160,000</u>	<u>13,160,232</u>	<u>232</u>
<i>Net Change in Fund Balance</i>	(309,504)	(275,559)	33,945
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>1,815,279</u>	<u>1,815,279</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,505,775</u>	<u>\$ 1,539,720</u>	<u>\$ 33,945</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 510,991	\$ 513,868	\$ 2,877
Rent	101,000	101,000	-
Contributions and Donations	32,000	32,000	-
Other	73,375	73,215	(160)
<i>Total Revenues</i>	<u>717,366</u>	<u>720,083</u>	<u>2,717</u>
Expenditures			
Capital Outlay	2,119,565	2,110,357	9,208
Debt Service:			
Principal Retirement	265,706	265,706	-
Interest and Fiscal Charges	3,280	3,280	-
Total Debt Service	<u>268,986</u>	<u>268,986</u>	<u>-</u>
<i>Total Expenditures</i>	<u>2,388,551</u>	<u>2,379,343</u>	<u>9,208</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,671,185)</u>	<u>(1,659,260)</u>	<u>11,925</u>
Other Financing Sources (Uses)			
Proceeds from Sale of Assets	1,485	1,485	-
Transfers In	1,125,000	1,125,000	-
<i>Total Other Financing Sources (Uses)</i>	<u>1,126,485</u>	<u>1,126,485</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(544,700)	(532,775)	11,925
<i>Fund Balance (Deficit) Beginning of Year</i>	250,120	250,120	-
<i>Prior Year Encumbrances Appropriated</i>	<u>324,456</u>	<u>324,456</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 29,876</u>	<u>\$ 41,801</u>	<u>\$ 11,925</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Charges for Services	\$ 598,927	\$ 608,609	\$ 9,682
Contributions and Donations	36,272	36,272	-
<i>Total Revenues</i>	<u>635,199</u>	<u>644,881</u>	<u>9,682</u>
Expenditures			
Current:			
Leisure Time Services:			
Personal Services	1,008,095	996,993	11,102
Other	865,517	844,830	20,687
<i>Total Expenditures</i>	<u>1,873,612</u>	<u>1,841,823</u>	<u>31,789</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,238,413)</u>	<u>(1,196,942)</u>	<u>41,471</u>
Other Financing Sources (Uses)			
Transfers In	1,150,000	1,150,000	-
<i>Net Change in Fund Balance</i>	(88,413)	(46,942)	41,471
<i>Fund Balance (Deficit) Beginning of Year</i>	108,415	108,415	-
Prior Year Encumbrances Appropriated	15,544	15,544	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 35,546</u>	<u>\$ 77,017</u>	<u>\$ 41,471</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 71,500	\$ 74,514	\$ 3,014
Investment Income	500	364	(136)
<i>Total Revenues</i>	<u>72,000</u>	<u>74,878</u>	<u>2,878</u>
Expenditures			
Current:			
Transportation:			
Other	80,000	75,000	5,000
<i>Total Expenditures</i>	<u>80,000</u>	<u>75,000</u>	<u>5,000</u>
<i>Net Change in Fund Balance</i>	(8,000)	(122)	7,878
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>15,570</u>	<u>15,570</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 7,570</u>	<u>\$ 15,448</u>	<u>\$ 7,878</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 915,000	\$ 919,002	\$ 4,002
Investment Income	4,000	4,207	207
<i>Total Revenues</i>	<u>919,000</u>	<u>923,209</u>	<u>4,209</u>
Expenditures			
Current:			
Transportation:			
Personal Services	877,031	831,335	45,696
Other	199,295	197,415	1,880
<i>Total Expenditures</i>	<u>1,076,326</u>	<u>1,028,750</u>	<u>47,576</u>
<i>Net Change in Fund Balance</i>	(157,326)	(105,541)	51,785
<i>Fund Balance (Deficit) Beginning of Year</i>	194,426	194,426	-
Prior Year Encumbrances Appropriated	3,088	3,088	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 40,188</u>	<u>\$ 91,973</u>	<u>\$ 51,785</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Other	\$ 63,000	\$ 63,238	\$ 238
<i>Total Revenues</i>	<u>63,000</u>	<u>63,238</u>	<u>238</u>
Expenditures			
Current:			
General Government:			
Other	100,000	18,977	81,023
<i>Total Expenditures</i>	<u>100,000</u>	<u>18,977</u>	<u>81,023</u>
<i>Net Change in Fund Balance</i>	(37,000)	44,261	81,261
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>55,759</u>	<u>55,759</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 18,759</u>	<u>\$ 100,020</u>	<u>\$ 81,261</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, 2021

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues			
Other	\$ 44,000	\$ 44,500	\$ 500
<i>Total Revenues</i>	<u>44,000</u>	<u>44,500</u>	<u>500</u>
Expenditures			
Current:			
General Government:			
Other	100,000	14,000	86,000
<i>Total Expenditures</i>	<u>100,000</u>	<u>14,000</u>	<u>86,000</u>
<i>Net Change in Fund Balance</i>	(56,000)	30,500	86,500
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>248,727</u>	<u>248,727</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 192,727</u>	<u>\$ 279,227</u>	<u>\$ 86,500</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
American Rescue Plan Act Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 974,656	\$ 974,656	\$ -
<i>Total Revenues</i>	<u>974,656</u>	<u>974,656</u>	<u>-</u>
Expenditures			
Current:			
Public Health:			
Personal Services	190,000	190,000	-
Other	784,656	-	784,656
<i>Total Expenditures</i>	<u>974,656</u>	<u>190,000</u>	<u>784,656</u>
<i>Net Change in Fund Balance</i>	-	784,656	784,656
<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>\$ 784,656</u>	<u>\$ 784,656</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 370,520	\$ 370,520	\$ -
Intergovernmental	48,431	48,431	-
<i>Total Revenues</i>	<u>418,951</u>	<u>418,951</u>	<u>-</u>
Expenditures			
Current:			
Security of Persons and Property:			
Personal Services	622,310	579,008	43,302
<i>Total Expenditures</i>	<u>622,310</u>	<u>579,008</u>	<u>43,302</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(203,359)</u>	<u>(160,057)</u>	<u>43,302</u>
Other Financing Sources (Uses)			
Transfers In	110,000	110,000	-
<i>Net Change in Fund Balance</i>	(93,359)	(50,057)	43,302
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>112,090</u>	<u>112,090</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 18,731</u>	<u>\$ 62,033</u>	<u>\$ 43,302</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 370,520	\$ 370,520	\$ -
Intergovernmental	48,431	48,431	-
<i>Total Revenues</i>	<u>418,951</u>	<u>418,951</u>	<u>-</u>
Expenditures			
Current:			
Security of Persons and Property:			
Personal Services	552,659	548,893	3,766
<i>Total Expenditures</i>	<u>552,659</u>	<u>548,893</u>	<u>3,766</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(133,708)</u>	<u>(129,942)</u>	<u>3,766</u>
Other Financing Sources (Uses)			
Transfers In	110,000	110,000	-
<i>Net Change in Fund Balance</i>	(23,708)	(19,942)	3,766
<i>Fund Balance (Deficit) Beginning of Year</i>	84,778	84,778	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 61,070</u>	<u>\$ 64,836</u>	<u>\$ 3,766</u>

City of Berea
Cuyahoga County, Ohio
Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget (Non-GAAP Basis) and Actual
Safe Students Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 20,000	\$ 40,000	\$ 20,000
<i>Total Revenues</i>	<u>20,000</u>	<u>40,000</u>	<u>20,000</u>
Other Financing Sources (Uses)			
Transfers Out	(20,000)	(20,000)	-
<i>Total Other Financing Sources (Uses)</i>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	-	20,000	20,000
<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>\$ 20,000</u>	<u>\$ 20,000</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues	\$ -	\$ -	\$ -
Expenditures			
Current:			
Security of Persons and Property:			
Personal Services	500	-	500
Other	2,309	25	2,284
<i>Total Expenditures</i>	2,809	25	2,784
<i>Net Change in Fund Balance</i>	(2,809)	(25)	2,784
<i>Fund Balance (Deficit) Beginning of Year</i>	2,709	2,709	-
Prior Year Encumbrances Appropriated	100	100	-
<i>Fund Balance (Deficit) End of Year</i>	\$ -	\$ 2,784	\$ 2,784

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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues	\$ -	\$ -	\$ -
Expenditures			
Current:			
Security of Persons and Property:			
Other	5,000	-	5,000
<i>Total Expenditures</i>	5,000	-	5,000
<i>Net Change in Fund Balance</i>	(5,000)	-	5,000
<i>Fund Balance (Deficit) Beginning of Year</i>	6,033	6,033	-
<i>Fund Balance (Deficit) End of Year</i>	\$ 1,033	\$ 6,033	\$ 5,000

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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Special Assessments	\$ 675,000	\$ 702,299	\$ 27,299
<i>Total Revenues</i>	<u>675,000</u>	<u>702,299</u>	<u>27,299</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	756,000	565,563	190,437
<i>Total Expenditures</i>	<u>756,000</u>	<u>565,563</u>	<u>190,437</u>
<i>Net Change in Fund Balance</i>	(81,000)	136,736	217,736
<i>Fund Balance (Deficit) Beginning of Year</i>	149,877	149,877	-
Prior Year Encumbrances Appropriated	<u>13,194</u>	<u>13,194</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 82,071</u>	<u>\$ 299,807</u>	<u>\$ 217,736</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Property Taxes	\$ 94,628	\$ 94,628	\$ -
Intergovernmental	9,388	9,388	-
<i>Total Revenues</i>	<u>104,016</u>	<u>104,016</u>	<u>-</u>
Expenditures			
Current:			
Public Health and Welfare:			
Other	108,697	108,697	-
<i>Total Expenditures</i>	<u>108,697</u>	<u>108,697</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(4,681)	(4,681)	-
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>4,681</u>	<u>4,681</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
Community Development Block Grant Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 150,000	\$ 150,000	\$ -
<i>Total Revenues</i>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Other Financing Sources (Uses)			
Transfers Out	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(150,000)</u>	<u>(150,000)</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>\$ -</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 Vehicle Tax Levy Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 40,000	\$ 41,444	\$ 1,444
<i>Total Revenues</i>	<u>40,000</u>	<u>41,444</u>	<u>1,444</u>
Expenditures			
Current:			
Transportation:			
Other	41,000	35,000	6,000
<i>Total Expenditures</i>	<u>41,000</u>	<u>35,000</u>	<u>6,000</u>
<i>Net Change in Fund Balance</i>	(1,000)	6,444	7,444
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>20,174</u>	<u>20,174</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 19,174</u>	<u>\$ 26,618</u>	<u>\$ 7,444</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Other	\$ 3,600	\$ 4,446	\$ 846
<i>Total Revenues</i>	<u>3,600</u>	<u>4,446</u>	<u>846</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	10,000	-	10,000
<i>Total Expenditures</i>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
<i>Net Change in Fund Balance</i>	(6,400)	4,446	10,846
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>13,903</u>	<u>13,903</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 7,503</u>	<u>\$ 18,349</u>	<u>\$ 10,846</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 45,000	\$ 45,800	\$ 800
<i>Total Revenues</i>	<u>45,000</u>	<u>45,800</u>	<u>800</u>
Expenditures			
Current:			
General Government:			
Other	52,500	52,459	41
<i>Total Expenditures</i>	<u>52,500</u>	<u>52,459</u>	<u>41</u>
<i>Net Change in Fund Balance</i>	(7,500)	(6,659)	841
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>10,261</u>	<u>10,261</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,761</u>	<u>\$ 3,602</u>	<u>\$ 841</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 195,000	\$ 195,584	\$ 584
<i>Total Revenues</i>	<u>195,000</u>	<u>195,584</u>	<u>584</u>
Expenditures			
Current:			
General Government:			
Personal Services	211,145	209,058	2,087
Other	2,939	2,900	39
<i>Total Expenditures</i>	<u>214,084</u>	<u>211,958</u>	<u>2,126</u>
<i>Net Change in Fund Balance</i>	(19,084)	(16,374)	2,710
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>19,128</u>	<u>19,128</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 44</u>	<u>\$ 2,754</u>	<u>\$ 2,710</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 40,000	\$ 49,319	\$ 9,319
<i>Total Revenues</i>	<u>40,000</u>	<u>49,319</u>	<u>9,319</u>
Expenditures			
Current:			
General Government:			
Other	250,000	160,955	89,045
<i>Total Expenditures</i>	<u>250,000</u>	<u>160,955</u>	<u>89,045</u>
<i>Net Change in Fund Balance</i>	(210,000)	(111,636)	98,364
<i>Fund Balance (Deficit) Beginning of Year</i>	446,047	446,047	-
Prior Year Encumbrances Appropriated	<u>18,902</u>	<u>18,902</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 254,949</u>	<u>\$ 353,313</u>	<u>\$ 98,364</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 1,100	\$ 1,152	\$ 52
<i>Total Revenues</i>	<u>1,100</u>	<u>1,152</u>	<u>52</u>
Expenditures			
Current:			
Security of Persons and Property:			
Other	22,000	22,000	-
<i>Total Expenditures</i>	<u>22,000</u>	<u>22,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(20,900)	(20,848)	52
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>21,733</u>	<u>21,733</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 833</u>	<u>\$ 885</u>	<u>\$ 52</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 38,092	\$ 38,092	\$ -
<i>Total Revenues</i>	<u>38,092</u>	<u>38,092</u>	<u>-</u>
Expenditures			
Current:			
General Government:			
Personal Services	38,099	38,099	-
<i>Total Expenditures</i>	<u>38,099</u>	<u>38,099</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(7)	(7)	-
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>37</u>	<u>37</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 30</u>	<u>\$ 30</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 1,314	\$ 1,314	\$ -
<i>Total Revenues</i>	<u>1,314</u>	<u>1,314</u>	<u>-</u>
Expenditures			
Current:			
General Government:			
Personal Services	1,365	1,365	-
<i>Total Expenditures</i>	<u>1,365</u>	<u>1,365</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(51)	(51)	-
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>51</u>	<u>51</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
Court Computer Fund
For the Year Ended December 31, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 90,000	\$ 91,218	\$ 1,218
<i>Total Revenues</i>	<u>90,000</u>	<u>91,218</u>	<u>1,218</u>
Expenditures			
Current:			
General Government:			
Other	180,000	156,204	23,796
<i>Total Expenditures</i>	<u>180,000</u>	<u>156,204</u>	<u>23,796</u>
<i>Net Change in Fund Balance</i>	(90,000)	(64,986)	25,014
<i>Fund Balance (Deficit) Beginning of Year</i>	168,854	168,854	-
Prior Year Encumbrances Appropriated	<u>2,850</u>	<u>2,850</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 81,704</u>	<u>\$ 106,718</u>	<u>\$ 25,014</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 27,300	\$ 27,377	\$ 77
<i>Total Revenues</i>	<u>27,300</u>	<u>27,377</u>	<u>77</u>
Expenditures			
Current:			
General Government:			
Other	38,000	29,059	8,941
<i>Total Expenditures</i>	<u>38,000</u>	<u>29,059</u>	<u>8,941</u>
<i>Net Change in Fund Balance</i>	(10,700)	(1,682)	9,018
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>13,961</u>	<u>13,961</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 3,261</u>	<u>\$ 12,279</u>	<u>\$ 9,018</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 80,000	\$ 91,641	\$ 11,641
<i>Total Revenues</i>	<u>80,000</u>	<u>91,641</u>	<u>11,641</u>
Expenditures			
Current:			
General Government:			
Other	125,000	121,895	3,105
<i>Total Expenditures</i>	<u>125,000</u>	<u>121,895</u>	<u>3,105</u>
<i>Net Change in Fund Balance</i>	(45,000)	(30,254)	14,746
<i>Fund Balance (Deficit) Beginning of Year</i>	84,490	84,490	-
Prior Year Encumbrances Appropriated	<u>6,604</u>	<u>6,604</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 46,094</u></u>	<u><u>\$ 60,840</u></u>	<u><u>\$ 14,746</u></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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 9,800	\$ 9,870	\$ 70
<i>Total Revenues</i>	<u>9,800</u>	<u>9,870</u>	<u>70</u>
Expenditures			
Current:			
General Government:			
Other	45,000	17,161	27,839
<i>Total Expenditures</i>	<u>45,000</u>	<u>17,161</u>	<u>27,839</u>
<i>Net Change in Fund Balance</i>	(35,200)	(7,291)	27,909
<i>Fund Balance (Deficit) Beginning of Year</i>	66,496	66,496	-
Prior Year Encumbrances Appropriated	<u>9,705</u>	<u>9,705</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 41,001</u>	<u>\$ 68,910</u>	<u>\$ 27,909</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 51,000	\$ 54,722	\$ 3,722
<i>Total Revenues</i>	<u>51,000</u>	<u>54,722</u>	<u>3,722</u>
Expenditures			
Current:			
General Government:			
Personal Services	69,166	67,322	1,844
<i>Total Expenditures</i>	<u>69,166</u>	<u>67,322</u>	<u>1,844</u>
<i>Net Change in Fund Balance</i>	(18,166)	(12,600)	5,566
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>19,162</u>	<u>19,162</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 996</u>	<u>\$ 6,562</u>	<u>\$ 5,566</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 47,700	\$ 52,698	\$ 4,998
Charges for Services	75,000	50,000	(25,000)
Contributions and Donations	-	1,000	1,000
<i>Total Revenues</i>	<u>122,700</u>	<u>103,698</u>	<u>(19,002)</u>
Expenditures			
Capital Outlay:			
Other	568,897	468,399	100,498
Debt Service			
Principal Retirement	6,248	6,248	-
Interest and Fiscal Charges	493	493	-
Total Debt Service	<u>6,741</u>	<u>6,741</u>	<u>-</u>
<i>Total Expenditures</i>	<u>575,638</u>	<u>475,140</u>	<u>100,498</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(452,938)</u>	<u>(371,442)</u>	<u>81,496</u>
Other Financing Sources (Uses)			
Transfers In	<u>190,000</u>	<u>190,000</u>	<u>-</u>
<i>Net Change in Fund Balance</i>	(262,938)	(181,442)	81,496
<i>Fund Balance (Deficit) Beginning of Year</i>	273,634	273,634	-
<i>Prior Year Encumbrances Appropriated</i>	<u>67,363</u>	<u>67,363</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 78,059</u>	<u>\$ 159,555</u>	<u>\$ 81,496</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Intergovernmental	\$ 50,301	\$ 50,301	\$ -
Contributions and Donations	12,575	12,575	-
<i>Total Revenues</i>	<u>62,876</u>	<u>62,876</u>	<u>-</u>
Expenditures			
Capital Outlay:			
Other	341,687	136,906	204,781
Debt Service			
Principal Retirement	8,822	8,822	-
Interest and Fiscal Charges	1,324	1,324	-
Total Debt Service	<u>10,146</u>	<u>10,146</u>	<u>-</u>
<i>Total Expenditures</i>	<u>351,833</u>	<u>147,052</u>	<u>204,781</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(288,957)</u>	<u>(84,176)</u>	<u>204,781</u>
Other Financing Sources (Uses)			
Transfers In	225,000	225,000	-
<i>Net Change in Fund Balance</i>	(63,957)	140,824	204,781
<i>Fund Balance (Deficit) Beginning of Year</i>	15,593	15,593	-
<i>Prior Year Encumbrances Appropriated</i>	<u>62,876</u>	<u>62,876</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 14,512</u>	<u>\$ 219,293</u>	<u>\$ 204,781</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Fines and Forfeitures	\$ 50,000	\$ 75,858	\$ 25,858
<i>Total Revenues</i>	<u>50,000</u>	<u>75,858</u>	<u>25,858</u>
Expenditures			
Capital Outlay:			
Other	100,000	89,357	10,643
<i>Total Expenditures</i>	<u>100,000</u>	<u>89,357</u>	<u>10,643</u>
<i>Net Change in Fund Balance</i>	(50,000)	(13,499)	36,501
<i>Fund Balance (Deficit) Beginning of Year</i>	245,050	245,050	-
Prior Year Encumbrances Appropriated	<u>22,135</u>	<u>22,135</u>	<u>-</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 217,185</u>	<u>\$ 253,686</u>	<u>\$ 36,501</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, 2021

	Final Budget	Actual	Variance with Final Budget
Revenues			
Licenses and Permits	\$ 30,000	\$ 30,455	\$ 455
Other	-	50	50
<i>Total Revenues</i>	<u>30,000</u>	<u>30,505</u>	<u>505</u>
Expenditures			
Capital Outlay:			
Personal Services	568,814	552,654	16,160
Other	318,286	280,903	37,383
<i>Total Expenditures</i>	<u>887,100</u>	<u>833,557</u>	<u>53,543</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(857,100)</u>	<u>(803,052)</u>	<u>54,048</u>
Other Financing Sources (Uses)			
Transfers In	750,000	750,000	-
<i>Net Change in Fund Balance</i>	(107,100)	(53,052)	54,048
<i>Fund Balance (Deficit) Beginning of Year</i>	160,047	160,047	-
Prior Year Encumbrances Appropriated	8,085	8,085	-
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 61,032</u>	<u>\$ 115,080</u>	<u>\$ 54,048</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, 2021

	Medical Benefits Fund	Property/ Liability Insurance Fund	Workers Compensation Fund	Totals
Assets				
Current Assets:				
Equity in Pooled Cash and Investments	\$ -	\$ 6,154	\$ 75,046	\$ 81,200
Cash and Cash Equivalents in Segregated Accounts	222,265	-	-	222,265
Accounts Receivable	4,015	-	-	4,015
Prepaid Items	-	-	166,385	166,385
<i>Total Assets</i>	<u>226,280</u>	<u>6,154</u>	<u>241,431</u>	<u>473,865</u>
Liabilities				
Current Liabilities:				
Claims Payable	194,584	-	-	194,584
Net Position				
Unrestricted (Deficit)	<u>\$ 31,696</u>	<u>\$ 6,154</u>	<u>\$ 241,431</u>	<u>\$ 279,281</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, 2021*

	Medical Benefits Fund	Property/ Liability Insurance Fund	Workers Compensation Fund	Totals
Operating Revenues				
Charges for Services	\$ 3,276,174	\$ 360,968	\$ -	\$ 3,637,142
Other	223,687	12,210	5,742	241,639
<i>Total Operating Revenues</i>	<u>3,499,861</u>	<u>373,178</u>	<u>5,742</u>	<u>3,878,781</u>
Operating Expenses				
Contractual Services	634,304	373,881	228,620	1,236,805
Claims	2,669,290	4,631	-	2,673,921
Other	12,272	-	-	12,272
<i>Total Operating Expenses</i>	<u>3,315,866</u>	<u>378,512</u>	<u>228,620</u>	<u>3,922,998</u>
<i>Operating Income (Loss)</i>	183,995	(5,334)	(222,878)	(44,217)
<i>Net Position Beginning of Year</i>	<u>(152,299)</u>	<u>11,488</u>	<u>464,309</u>	<u>323,498</u>
<i>Net Position End of Year</i>	<u>\$ 31,696</u>	<u>\$ 6,154</u>	<u>\$ 241,431</u>	<u>\$ 279,281</u>

City of Berea
Cuyahoga County, Ohio
Combining Statement of Cash Flow-
Internal Service Funds
For the Year Ended December 31, 2021

	Medical Benefits Fund	Property/ Liability Insurance Fund	Workers Compensation Fund	Total Internal Service Funds
Cash Flows From Operating Activities				
Cash Received from Customers	\$ 3,276,174	\$ 360,968	\$ -	\$ 3,637,142
Other Cash Receipts	220,612	12,210	5,742	238,564
Cash Payments for Contractual Services	(634,304)	(373,967)	(205,791)	(1,214,062)
Cash Payments for Claims	(2,654,877)	(4,631)	-	(2,659,508)
Other Cash Payments	(12,272)	-	-	(12,272)
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>195,333</u>	<u>(5,420)</u>	<u>(200,049)</u>	<u>(10,136)</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	195,333	(5,420)	(200,049)	(10,136)
<i>Cash and Investments Beginning of Year</i>	<u>26,932</u>	<u>11,574</u>	<u>275,095</u>	<u>313,601</u>
<i>Cash and Investments End of Year</i>	<u>\$ 222,265</u>	<u>\$ 6,154</u>	<u>\$ 75,046</u>	<u>\$ 303,465</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities				
Operating Income (Loss)	\$ 183,995	\$ (5,334)	\$ (222,878)	\$ (44,217)
Adjustments:				
(Increase) Decrease in Assets:				
Accounts Receivable	(3,075)	-	-	(3,075)
Prepays	-	-	22,829	22,829
Increase (Decrease) in Liabilities:				
Accounts Payable	-	(86)	-	(86)
Claims Payable	14,413	-	-	14,413
<i>Total Adjustments</i>	<u>11,338</u>	<u>(86)</u>	<u>22,829</u>	<u>34,081</u>
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>\$ 195,333</u>	<u>\$ (5,420)</u>	<u>\$ (200,049)</u>	<u>\$ (10,136)</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, 2021

	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	\$ 1,304,768	\$ 617	\$ 95	\$ 20,851
Cash in Segregated Accounts	-	-	-	-
Accounts Receivable	<u>2,231,798</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Assets</i>	<u>3,536,566</u>	<u>617</u>	<u>95</u>	<u>20,851</u>
Liabilities				
Accounts Payable	1,289,723	-	-	-
Due to Other Governments	<u>2,246,843</u>	<u>617</u>	<u>95</u>	<u>20,851</u>
<i>Total Liabilities</i>	<u>3,536,566</u>	<u>617</u>	<u>95</u>	<u>20,851</u>
Net Position				
Unrestricted	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
				<i>(continued)</i>

City of Berea
Cuyahoga County, Ohio
Combining Statement of Fiduciary Net Position
Custodial Funds
December 31, 2021

	<u>Municipal Court Fund</u>	<u>Total</u>
Assets		
Equity in Pooled Cash and Investments	\$ -	\$ 1,326,331
Cash in Segregated Accounts	222,172	222,172
Accounts Receivable	-	2,231,798
	<u>222,172</u>	<u>3,780,301</u>
<i>Total Assets</i>		
Liabilities		
Accounts Payable	-	1,289,723
Due to Other Governments	222,172	2,490,578
	<u>222,172</u>	<u>3,780,301</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, 2021

	Regional Sewer Fund	State Highway Patrol Fund	Ohio Board of Building Standards Fund	Metroparks Fund
Additions				
Licenses, Permits & Fees for Other Governments	\$ -	\$ -	\$ 3,895	\$ -
Fines & Forfeitures for Other Governments	-	4,690	-	9,116
Collections for Other Governments	5,899,455	-	-	-
<i>Total Additions</i>	<u>5,899,455</u>	<u>4,690</u>	<u>3,895</u>	<u>9,116</u>
Deductions				
Licenses, Permits & Fee Distributions to Other Governments	-	-	3,895	-
Fines & Forfeitures Distributions to Other Governments	-	4,690	-	9,116
Distributions to Other Governments	5,899,455	-	-	-
<i>Total Deductions</i>	<u>5,899,455</u>	<u>4,690</u>	<u>3,895</u>	<u>9,116</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, 2021

	<u>Municipal Court Fund</u>	<u>Total</u>
Additions		
Licenses, Permits & Fees for Other Governments	\$ -	\$ 3,895
Fines & Forfeitures for Other Governments	1,810,397	1,824,203
Collections for Other Governments	-	5,899,455
<i>Total Additions</i>	<u>1,810,397</u>	<u>7,727,553</u>
Deductions		
Licenses, Permits & Fee Distributions to Other Governments	-	3,895
Fines & Forfeitures Distributions to Other Governments	1,810,397	1,824,203
Distributions to Other Governments	-	5,899,455
<i>Total Deductions</i>	<u>1,810,397</u>	<u>7,727,553</u>
<i>Change in Net Position</i>	-	-
<i>Net Position Beginning of Year</i>	<u>-</u>	<u>-</u>
<i>Net Position End of Year</i>	<u>\$ -</u>	<u>\$ -</u>

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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, 2021 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 net OPEB asset and 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/asset 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/asset, respectively, not accounted for as deferred inflows/outflows.

City of Berea
Cuyahoga County, Ohio
Supplemental Schedule
Schedule of Net Position - Including GASB 68 and GASB 75
December 31, 2021

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 9,780,151	\$ 1,176,403	\$ 10,956,554
Accounts Receivable	159,485	1,626,115	1,785,600
Intergovernmental Receivable	1,292,685	44,683	1,337,368
Taxes Receivable	9,303,572	490,696	9,794,268
Special Assessments Receivable	688,137	-	688,137
Loans Receivable	951,399	-	951,399
Prepaid Items	166,385	-	166,385
Materials and Supplies Inventory	138,544	65,143	203,687
Assets Held for Resale	615,000	-	615,000
Net OPEB Asset	612,510	134,453	746,963
Non-Depreciable Capital Assets	13,917,502	2,329,388	16,246,890
Depreciable Capital Assets, Net	65,296,518	35,120,539	100,417,057
<i>Total Assets</i>	<u>102,921,888</u>	<u>40,987,420</u>	<u>143,909,308</u>
Deferred Outflows of Resources			
Pension	2,904,262	164,447	3,068,709
OPEB	1,651,302	66,307	1,717,609
<i>Total Deferred Outflows of Resources</i>	<u>4,555,564</u>	<u>230,754</u>	<u>4,786,318</u>
Liabilities			
Accounts Payable	851,010	54,404	905,414
Accrued Wages	273,631	21,309	294,940
Contracts Payable	20,446	123,577	144,023
Intergovernmental Payable	242,415	16,071	258,486
Accrued Interest Payable	72,302	146,424	218,726
Claims Payable	194,584	-	194,584
Matured Compensated Absences Payable	39,491	-	39,491
Unearned Revenue	784,656	-	784,656
Notes Payable	5,750,000	-	5,750,000
Long-Term Liabilities:			
Due Within One Year	8,735,866	891,659	9,627,525
Due In More Than One Year:			
Net Pension Liability	19,242,392	1,170,434	20,412,826
Net OPEB Liability	2,161,965	-	2,161,965
Other Amounts Due in More Than One Year	13,472,484	10,194,399	23,666,883
<i>Total Liabilities</i>	<u>51,841,242</u>	<u>12,618,277</u>	<u>64,459,519</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Fiscal Year	4,348,411	431,704	4,780,115
Pension	4,636,068	727,100	5,363,168
OPEB	3,364,578	543,114	3,907,692
<i>Total Deferred Inflows of Resources</i>	<u>12,349,057</u>	<u>1,701,918</u>	<u>14,050,975</u>
Net Position			
Net Investment in Capital Assets	53,688,110	27,432,023	81,120,133
Restricted for:			
Street Lighting	962,112	-	962,112
Street Maintenance and Repair	628,677	-	628,677
Court Operations and Capital Outlay	491,017	-	491,017
Security Operations	485,284	-	485,284
Drug and Alcohol Programs	23,806	-	23,806
Other Purposes	506,848	-	506,848
Unrestricted	(13,498,701)	(534,044)	(14,032,745)
<i>Total Net Position</i>	<u>\$ 43,287,153</u>	<u>\$ 26,897,979</u>	<u>\$ 70,185,132</u>

City of Berea
Cuyahoga County, Ohio
Supplemental Schedule
Schedule of Net Position - Excluding GASB 68 and GASB 75
December 31, 2021

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 9,780,151	\$ 1,176,403	\$ 10,956,554
Accounts Receivable	159,485	1,626,115	1,785,600
Intergovernmental Receivable	1,292,685	44,683	1,337,368
Taxes Receivable	9,303,572	490,696	9,794,268
Special Assessments Receivable	688,137	-	688,137
Loans Receivable	951,399	-	951,399
Prepaid Items	166,385	-	166,385
Materials and Supplies Inventory	138,544	65,143	203,687
Assets Held for Resale	615,000	-	615,000
Net OPEB Asset	-	-	-
Non-Depreciable Capital Assets	13,917,502	2,329,388	16,246,890
Depreciable Capital Assets, Net	65,296,518	35,120,539	100,417,057
<i>Total Assets</i>	<u>102,309,378</u>	<u>40,852,967</u>	<u>143,162,345</u>
Deferred Outflows of Resources			
Pension	-	-	-
OPEB	-	-	-
<i>Total Deferred Outflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities			
Accounts Payable	851,010	54,404	905,414
Accrued Wages	273,631	21,309	294,940
Contracts Payable	20,446	123,577	144,023
Intergovernmental Payable	242,415	16,071	258,486
Accrued Interest Payable	72,302	146,424	218,726
Claims Payable	194,584	-	194,584
Matured Compensated Absences Payable	39,491	-	39,491
Unearned Revenue	784,656	-	784,656
Notes Payable	5,750,000	-	5,750,000
Long-Term Liabilities:			
Due Within One Year	8,735,866	891,659	9,627,525
Due In More Than One Year:			
Net Pension Liability	-	-	-
Net OPEB Liability	-	-	-
Other Amounts Due in More Than One Year	13,472,484	10,194,399	23,666,883
<i>Total Liabilities</i>	<u>30,436,885</u>	<u>11,447,843</u>	<u>41,884,728</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Fiscal Year	4,348,411	431,704	4,780,115
Pension	-	-	-
OPEB	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>4,348,411</u>	<u>431,704</u>	<u>4,780,115</u>
Net Position			
Net Investment in Capital Assets	53,688,110	27,432,023	81,120,133
Restricted for:			
Street Lighting	962,112	-	962,112
Street Maintenance and Repair	628,677	-	628,677
Court Operations and Capital Outlay	491,017	-	491,017
Security Operations	485,284	-	485,284
Drug and Alcohol Programs	23,806	-	23,806
Other Purposes	506,848	-	506,848
Unrestricted	10,738,228	1,541,397	12,279,625
<i>Total Net Position</i>	<u>\$ 67,524,082</u>	<u>\$ 28,973,420</u>	<u>\$ 96,497,502</u>

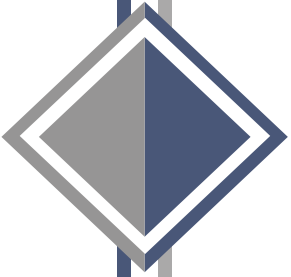
City of Berea
Cuyahoga County, Ohio
Supplemental Schedule
Schedule of Activities - Including GASB 68 and GASB 75
For the Year Ended December 31, 2021

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government	\$ 8,269,997	\$ 2,519,779	\$ -	\$ -	\$ (5,750,218)	\$ -	\$ (5,750,218)
Security of Persons and Property	8,917,688	1,304,772	136,586	27,008	(7,449,322)	-	(7,449,322)
Public Health	298,697	-	199,369	-	(99,328)	-	(99,328)
Leisure Time Services	2,922,322	611,770	36,272	62,876	(2,211,404)	-	(2,211,404)
Community Development	890,627	32,048	-	-	(858,579)	-	(858,579)
Public Works	1,428,106	-	-	-	(1,428,106)	-	(1,428,106)
Transportation	4,760,428	101,000	1,067,038	435,999	(3,156,391)	-	(3,156,391)
Interest and Fiscal Charges	374,366	-	-	-	(374,366)	-	(374,366)
<i>Total Governmental Activities</i>	<u>27,862,231</u>	<u>4,569,369</u>	<u>1,439,265</u>	<u>525,883</u>	<u>(21,327,714)</u>	<u>-</u>	<u>(21,327,714)</u>
Business-Type Activities							
Water Revenue	2,406,016	2,542,203	61,608	76,155	-	273,950	273,950
Sewer Revenue	1,125,335	748,841	-	336,659	-	(39,835)	(39,835)
<i>Total Business-Type Activities</i>	<u>3,531,351</u>	<u>3,291,044</u>	<u>61,608</u>	<u>412,814</u>	<u>-</u>	<u>234,115</u>	<u>234,115</u>
<i>Total Primary Government</i>	<u>\$ 31,393,582</u>	<u>\$ 7,860,413</u>	<u>\$ 1,500,873</u>	<u>\$ 938,697</u>	<u>(21,327,714)</u>	<u>234,115</u>	<u>(21,093,599)</u>
General Revenues:							
Property Taxes Levied for:							
General Purposes					1,901,870	-	1,901,870
Police and Fire Pension					780,858	-	780,858
Community Hospital					97,893	-	97,893
Debt Service					1,701,819	-	1,701,819
Water Improvements					-	499,152	499,152
Income Taxes Levied for:							
General Purposes					16,072,370	-	16,072,370
Other Taxes					224,259	-	224,259
Grants and Entitlements not Restricted to Specific Programs							
Investment Earnings					1,077,249	-	1,077,249
Miscellaneous					(7,712)	-	(7,712)
					270,255	-	270,255
<i>Total General Revenues</i>					<u>22,118,861</u>	<u>499,152</u>	<u>22,618,013</u>
Transfers					(590,000)	590,000	-
<i>Total General Revenues and Transfers</i>					<u>21,528,861</u>	<u>1,089,152</u>	<u>22,618,013</u>
<i>Change in Net Position</i>					201,147	1,323,267	1,524,414
<i>Net Position Beginning of Year, Restated (See Note 2)</i>					<u>43,086,006</u>	<u>25,574,712</u>	<u>68,660,718</u>
<i>Net Position End of Year</i>					<u>\$ 43,287,153</u>	<u>\$ 26,897,979</u>	<u>\$ 70,185,132</u>

City of Berea
Cuyahoga County, Ohio
Supplemental Schedule
Schedule of Activities - Excluding GASB 68 and GASB 75
For the Year Ended December 31, 2021

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
General Government	\$ 11,693,645	\$ 2,519,779	\$ -	\$ -	\$ (9,173,866)	\$ -	\$ (9,173,866)
Security of Persons and Property	8,762,003	1,304,772	136,586	27,008	(7,293,637)	-	(7,293,637)
Public Health	298,697	-	199,369	-	(99,328)	-	(99,328)
Leisure Time Services	3,597,527	611,770	36,272	62,876	(2,886,609)	-	(2,886,609)
Community Development	1,197,414	32,048	-	-	(1,165,366)	-	(1,165,366)
Public Works	1,428,106	-	-	-	(1,428,106)	-	(1,428,106)
Transportation	5,193,104	101,000	1,067,038	435,999	(3,589,067)	-	(3,589,067)
Interest and Fiscal Charges	374,366	-	-	-	(374,366)	-	(374,366)
<i>Total Governmental Activities</i>	<u>32,544,862</u>	<u>4,569,369</u>	<u>1,439,265</u>	<u>525,883</u>	<u>(26,010,345)</u>	<u>-</u>	<u>(26,010,345)</u>
Business-Type Activities							
Water Revenue	3,374,429	2,542,203	61,608	76,155	-	(694,463)	(694,463)
Sewer Revenue	1,367,046	748,841	-	336,659	-	(281,546)	(281,546)
<i>Total Business-Type Activities</i>	<u>4,741,475</u>	<u>3,291,044</u>	<u>61,608</u>	<u>412,814</u>	<u>-</u>	<u>(976,009)</u>	<u>(976,009)</u>
<i>Total Primary Government</i>	<u>\$ 37,286,337</u>	<u>\$ 7,860,413</u>	<u>\$ 1,500,873</u>	<u>\$ 938,697</u>	<u>(26,010,345)</u>	<u>(976,009)</u>	<u>(26,986,354)</u>
General Revenues:							
Property Taxes Levied for:							
					1,901,870	-	1,901,870
					780,858	-	780,858
					97,893	-	97,893
					1,701,819	-	1,701,819
					-	499,152	499,152
Income Taxes Levied for:							
					16,072,370	-	16,072,370
					224,259	-	224,259
Grants and Entitlements not Restricted to Specific Programs							
					1,077,249	-	1,077,249
					(7,712)	-	(7,712)
					270,255	-	270,255
<i>Total General Revenues</i>					<u>22,118,861</u>	<u>499,152</u>	<u>22,618,013</u>
Transfers					(590,000)	590,000	-
<i>Total General Revenues and Transfers</i>					<u>21,528,861</u>	<u>1,089,152</u>	<u>22,618,013</u>
<i>Change in Net Position</i>					<u>(4,481,484)</u>	<u>113,143</u>	<u>(4,368,341)</u>
<i>Net Position Beginning of Year, Restated Excluding GASB 68 and GASB 75</i>							
					<u>72,005,566</u>	<u>28,860,277</u>	<u>100,865,843</u>
<i>Net Position End of Year</i>					<u>\$ 67,524,082</u>	<u>\$ 28,973,420</u>	<u>\$ 96,497,502</u>

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STATISTICAL SECTION

Statistical Section

This part of the City of Berea, Ohio's annual comprehensive 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 annual comprehensive 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)

	2021	Restated 2020	Restated 2019	Restated 2018
Governmental Activities				
Invested in Capital Assets, Net Investment in Capital Assets	\$ 53,688,110	\$ 56,711,603	\$ 59,498,197	\$ 60,306,385
Restricted:				
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Street Lighting	962,112	763,009	723,586	838,318
Street Maintenance and Repair	628,677	806,923	596,873	416,385
Court Operations and Capital Outlay	491,017	571,906	555,764	1,246,931
Security Operations	485,284	31,227	16,506	45,798
Drug and Alcohol Programs	23,806	564,879	580,307	659,638
Other Purposes *	506,848	473,875	569,816	499,751
Unrestricted	<u>(13,498,701)</u>	<u>(16,837,416)</u>	<u>(17,307,898)</u>	<u>(22,845,852)</u>
<i>Total Governmental Activities Net Position</i>	<u>\$ 43,287,153</u>	<u>\$ 43,086,006</u>	<u>\$ 45,233,151</u>	<u>\$ 41,167,354</u>
Business Type - Activities				
Invested in Capital Assets, Net Investment in Capital Assets	\$ 27,432,023	\$ 27,536,818	\$ 28,028,357	\$ 27,589,952
Restricted:				
Renewal and Replacement	-	-	-	-
Unrestricted	<u>(534,044)</u>	<u>(1,962,106)</u>	<u>(2,518,976)</u>	<u>(1,826,341)</u>
<i>Total Business-Type Activities Net Position</i>	<u>\$ 26,897,979</u>	<u>\$ 25,574,712</u>	<u>\$ 25,509,381</u>	<u>\$ 25,763,611</u>
Primary Government				
Invested in Capital Assets, Net Investment in Capital Assets	\$ 81,120,133	\$ 84,248,421	\$ 87,526,554	\$ 87,896,337
Restricted	3,097,744	3,211,819	3,042,852	3,706,821
Unrestricted	<u>(14,032,745)</u>	<u>(18,799,522)</u>	<u>(19,826,874)</u>	<u>(24,672,193)</u>
<i>Total Primary Government Net Position</i>	<u>\$ 70,185,132</u>	<u>\$ 68,660,718</u>	<u>\$ 70,742,532</u>	<u>\$ 66,930,965</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 2017	Restated 2016	2015	Restated 2014	2013	2012
\$ 61,240,064	\$ 60,290,157	\$ 52,594,409	\$ 55,271,913	\$ 57,752,563	\$ 57,295,806
-	95,998	-	-	-	-
-	-	2,983,819	2,973,127	2,779,034	2,642,411
927,517	1,000,015	980,414	969,411	872,108	1,042,402
514,761	509,831	468,849	445,028	527,701	478,130
772,984	464,471	1,756,269	1,667,683	1,417,252	306,864
48,674	98,668	75,583	107,601	147,168	-
657,029	609,676	541,728	468,872	418,540	-
70,985	19,064	18,276	187,931	353,155	449,324
(20,129,273)	(2,804,391)	(5,512,168)	(7,909,245)	6,806,855	5,917,006
<u>\$ 44,102,741</u>	<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>
\$ 25,155,850	\$ 25,111,856	\$ 25,256,979	\$ 23,457,040	\$ 23,626,242	\$ 23,368,937
101,453	22,905	-	-	-	-
(602,320)	(324,507)	699,079	2,431,856	2,993,113	3,040,813
<u>\$ 24,654,983</u>	<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>
\$ 86,395,914	\$ 85,402,013	\$ 77,851,388	\$ 78,728,953	\$ 81,378,805	\$ 80,664,743
3,093,403	2,820,628	6,824,938	6,819,653	6,514,958	4,919,131
(20,731,593)	(3,128,898)	(4,813,089)	(5,477,389)	9,799,968	8,957,819
<u>\$ 68,757,724</u>	<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>

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

	2021	2020	2019	2018
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 2,519,779	\$ 2,231,148	\$ 3,276,562	\$ 3,714,419
Security of Persons and Property	1,304,772	1,175,545	1,213,185	1,148,978
Public Health	-	-	-	-
Leisure Time Services	611,770	313,118	823,413	772,094
Community Development	32,048	37,251	42,596	73,551
Transportation	101,000	255,281	30,000	109,894
Subtotal - Charges for Services	<u>4,569,369</u>	<u>4,012,343</u>	<u>5,385,756</u>	<u>5,818,936</u>
Operating Grants and Contributions:				
General Government	-	68,745	-	27,000
Security of Persons and Property	136,586	895,336	130,471	118,718
Public Health	199,369	419,924	9,285	9,609
Leisure Time Services	36,272	176,603	10,000	-
Community Development	-	-	-	-
Transportation	1,067,038	948,734	1,004,689	684,304
Subtotal - Operating Grants and Contributions	<u>1,439,265</u>	<u>2,509,342</u>	<u>1,154,445</u>	<u>839,631</u>
Capital Grants and Contributions:				
General Government	-	-	-	-
Security of Persons and Property	27,008	120,966	56,518	655,243
Leisure Time Services	62,876	713,052	-	1,050,000
Community Development	-	-	-	191,948
Transportation	435,999	457,097	1,040,605	1,296,861
Subtotal - Capital Grants and Contributions	<u>525,883</u>	<u>1,291,115</u>	<u>1,097,123</u>	<u>3,194,052</u>
<i>Total Governmental Activities Program Revenues</i>	<u>6,534,517</u>	<u>7,812,800</u>	<u>7,637,324</u>	<u>9,852,619</u>
Business-Type Activities:				
Charges for Services:				
Water	2,542,203	2,700,808	2,662,207	2,536,461
Sewer	748,841	752,247	847,301	668,593
Operating Grants and Contributions				
Water	61,608	6,001	144,225	63,182
Sewer	-	35,019	-	-
Capital Grants and Contributions				
Water	76,155	-	470,804	652,508
Sewer	336,659	399,048	741,593	1,804,830
<i>Total Business-Type Activities Program Revenues</i>	<u>3,765,466</u>	<u>3,893,123</u>	<u>4,866,130</u>	<u>5,725,574</u>
<i>Total Primary Government Program Revenues</i>	<u>\$ 10,299,983</u>	<u>\$ 11,705,923</u>	<u>\$ 12,503,454</u>	<u>\$ 15,578,193</u>
Expenses				
Governmental Activities:				
General Government	\$ 8,269,997	\$ 10,965,105	\$ 11,044,960	\$ 9,747,695
Security of Persons and Property	8,917,688	9,342,118	279,373	9,650,672
Public Health	298,697	387,208	98,426	97,319
Leisure Time Services	2,922,322	4,034,089	4,896,558	4,649,331
Community Development	890,627	396,234	525,712	393,983
Public Works	1,428,106	1,484,294	1,290,056	1,248,969
Basic Utility	-	-	-	-
Transportation	4,760,428	4,802,649	4,361,420	5,308,281
Interest and Fiscal Charges	374,366	597,622	779,809	736,910
<i>Total Governmental Activities Expenses</i>	<u>27,862,231</u>	<u>32,009,319</u>	<u>23,276,314</u>	<u>31,833,160</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.

	2017	Restated 2016	2015	2014	2013	2012
\$	2,927,888	\$ 2,907,910	\$ 2,884,065	\$ 2,678,278	\$ 2,661,404	\$ 2,707,588
	1,194,563	1,169,955	1,136,291	1,166,634	1,156,701	1,182,585
	-	-	4,203	7,848	-	33,801
	566,981	691,324	700,292	643,457	577,155	541,377
	29,295	37,322	41,245	32,363	36,471	26,005
	455,406	392,551	246,661	256,028	248,202	257,220
	<u>5,174,133</u>	<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>
	94,102	138,625	10,000	10,000	118,308	25,000
	305,754	137,757	89,870	107,585	42,888	79,039
	13,518	31,443	15,708	22,263	27,618	46,060
	5,156	2,206	4,500	-	-	17,223
	-	4,000	4,861	-	300	-
	905,236	826,739	791,526	804,587	983,318	808,899
	<u>1,323,766</u>	<u>1,140,770</u>	<u>916,465</u>	<u>944,435</u>	<u>1,172,432</u>	<u>976,221</u>
	-	-	-	-	941,534	-
	-	-	-	-	-	-
	124,474	7,374,955	1,191,998	-	3,665,728	-
	100,000	158,233	-	-	-	-
	2,972,276	734,723	345,893	-	-	761,383
	<u>3,196,750</u>	<u>8,267,911</u>	<u>1,537,891</u>	<u>-</u>	<u>4,607,262</u>	<u>761,383</u>
	<u>9,694,649</u>	<u>14,607,743</u>	<u>7,467,113</u>	<u>5,729,043</u>	<u>10,459,627</u>	<u>6,486,180</u>
	2,835,081	2,741,241	2,507,159	2,496,104	2,591,376	2,663,002
	766,578	775,627	791,863	743,737	766,431	757,684
	75,449	74,695	75,620	74,177	74,604	63,815
	-	-	-	-	-	-
	338,134	254,996	7,343	-	-	91,142
	345,401	354,777	5,278	-	-	75,000
	<u>4,360,643</u>	<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>14,055,292</u>	<u>\$ 18,809,079</u>	<u>\$ 10,854,376</u>	<u>\$ 9,043,061</u>	<u>\$ 13,892,038</u>	<u>\$ 10,136,823</u>
\$	9,846,448	\$ 8,331,714	\$ 7,664,155	\$ 8,291,476	\$ 7,164,279	\$ 6,992,774
	8,841,071	8,565,299	7,359,179	6,753,040	6,852,063	6,755,965
	117,192	118,279	151,785	151,971	134,122	155,326
	4,521,353	3,340,337	2,919,372	3,223,496	4,534,669	3,262,399
	554,587	388,886	353,620	514,483	396,804	465,302
	1,272,715	1,266,920	1,247,527	1,243,488	1,167,454	1,167,636
	4,001,193	3,649,374	3,420,711	3,965,988	3,346,244	4,557,209
	627,337	648,626	582,951	478,972	588,644	435,179
	<u>29,781,896</u>	<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>

(continued)

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

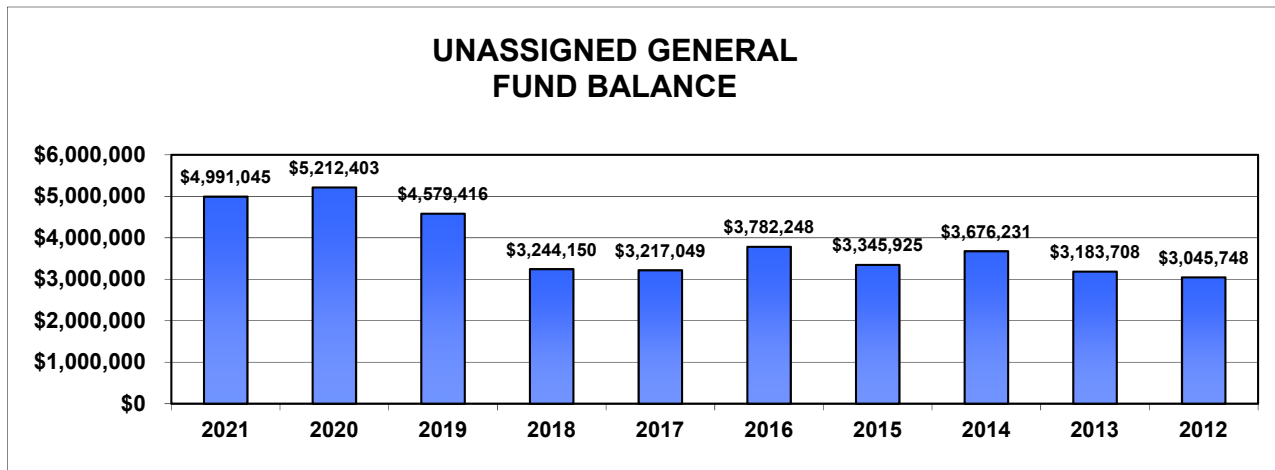
	2021	2020	2019	2018
Business-Type Activities				
Water	\$ 2,406,016	\$ 3,293,656	\$ 4,380,281	\$ 4,260,794
Sewer	1,125,335	1,411,702	1,298,255	1,421,578
<i>Total Business-Type Activities Expenses</i>	<u>3,531,351</u>	<u>4,705,358</u>	<u>5,678,536</u>	<u>5,682,372</u>
<i>Total Primary Government Program Expenses</i>	<u>31,393,582</u>	<u>36,714,677</u>	<u>28,954,850</u>	<u>37,515,532</u>
Net (Expense)/Revenue				
Governmental Activities	(21,327,714)	(24,196,519)	(15,638,990)	(21,980,541)
Business-Type Activities	<u>234,115</u>	<u>(812,235)</u>	<u>(812,406)</u>	<u>43,202</u>
<i>Total Primary Government Net Expense</i>	<u>(21,093,599)</u>	<u>(25,008,754)</u>	<u>(16,451,396)</u>	<u>(21,937,339)</u>
General Revenues and Other Changes in Net Position				
Governmental Activities				
Taxes:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 1,901,870	\$ 1,820,231	\$ 1,775,765	\$ 1,619,709
Other Purposes *	2,580,570	2,471,933	2,385,938	2,180,142
Municipal Income Taxes levied for:				
General Purposes	16,072,370	15,485,414	13,810,887	14,039,940
Grants and Entitlements not Restricted to				
Specific Programs	1,077,249	1,012,000	984,079	799,109
Other Taxes	224,259	277,843	259,625	295,898
Investment Income	(7,712)	176,621	502,171	37,474
Miscellaneous	270,255	1,155,402	702,151	264,660
Unrestricted Donations	-	-	-	-
Transfers	(590,000)	(520,000)	(91,000)	(605,000)
Extraordinary Item	-	-	-	-
<i>Total Governmental Activities</i>	<u>21,528,861</u>	<u>21,879,444</u>	<u>20,329,616</u>	<u>18,631,932</u>
Business-Type Activities				
Property Taxes levied for:				
Water Improvements	499,152	484,084	467,176	456,895
Transfers	590,000	520,000	91,000	605,000
Miscellaneous	-	43,412	-	3,531
<i>Total Business-Type Activities</i>	<u>1,089,152</u>	<u>1,047,496</u>	<u>558,176</u>	<u>1,065,426</u>
<i>Total Primary Government General Revenues and Other Changes in Net Position</i>	<u>22,618,013</u>	<u>22,926,940</u>	<u>20,887,792</u>	<u>19,697,358</u>
Change in Net Position				
Governmental Activities	201,147	(2,317,075)	4,690,626	(3,348,609)
Business-Type Activities	<u>1,323,267</u>	<u>235,261</u>	<u>(254,230)</u>	<u>1,108,628</u>
<i>Total Primary Government Change in Net Position</i>	<u>\$ 1,524,414</u>	<u>\$ (2,081,814)</u>	<u>\$ 4,436,396</u>	<u>\$ (2,239,981)</u>

* Includes Police and Fire Pension and Debt Service

2017	Restated 2016	2015	2014	2013	2012
\$ 3,577,909	\$ 4,875,037	\$ 3,976,228	\$ 3,705,293	\$ 3,652,775	\$ 3,655,963
1,077,872	1,053,185	954,252	946,637	838,650	922,985
4,655,781	5,928,222	4,930,480	4,651,930	4,491,425	4,578,948
34,437,677	32,237,657	28,629,780	29,274,844	28,675,704	28,370,738
(20,087,247)	(11,701,692)	(16,232,187)	(18,893,871)	(13,724,652)	(17,305,610)
(295,138)	(1,726,886)	(1,543,217)	(1,337,912)	(1,059,014)	(928,305)
(20,382,385)	(13,428,578)	(17,775,404)	(20,231,783)	(14,783,666)	(18,233,915)
\$ 1,601,003	\$ 1,582,799	\$ 1,723,505	\$ 1,547,123	\$ 1,664,090	\$ 1,643,154
2,154,612	2,133,441	2,101,086	2,297,347	2,243,409	2,341,007
12,904,124	13,048,547	11,813,246	11,050,350	11,876,563	11,446,700
829,061	833,594	988,566	1,068,337	1,317,382	1,244,125
250,729	307,904	336,730	284,641	272,968	278,888
66,491	206,755	101,924	119,998	15,527	128,363
203,802	96,362	51,988	51,552	88,056	57,616
785,000	-	-	-	-	-
(590,000)	(131,400)	(1,160,000)	(1,163,000)	(810,910)	(261,000)
-	-	-	(174,900)	-	-
18,204,822	18,078,002	15,957,045	15,081,448	16,667,085	16,878,853
453,634	449,682	450,379	449,104	456,699	448,972
590,000	131,400	1,160,000	1,163,000	810,910	261,000
-	-	-	-	1,010	9,902
1,043,634	581,082	1,610,379	1,612,104	1,268,619	719,874
19,248,456	18,659,084	17,567,424	16,693,552	17,935,704	17,598,727
(1,882,425)	6,376,310	(275,142)	(3,812,423)	2,942,433	(426,757)
748,496	(1,145,804)	67,162	274,192	209,605	(208,431)
\$ (1,133,929)	\$ 5,230,506	\$ (207,980)	\$ (3,538,231)	\$ 3,152,038	\$ (635,188)

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

	2021	2020	2019	Restated 2018
General Fund				
Nonspendable	\$ 57,232	\$ 53,476	\$ 51,432	\$ 57,180
Committed	1,663,786	1,525,231	1,211,984	1,629,589
Assigned	35,112	52,690	196,788	58,246
Unassigned	4,991,045	5,212,403	4,579,416	3,244,150
Total General Fund	6,747,175	6,843,800	6,039,620	4,989,165
All Other Governmental Funds				
Nonspendable	129,579	216,295	120,520	139,272
Restricted	2,019,384	2,118,888	1,962,142	2,509,159
Committed	2,470,839	3,150,944	1,676,947	2,302,698
Unassigned	(4,357,829)	(4,209,720)	(4,331,012)	(4,250,640)
Total All Other Governmental Funds	261,973	1,276,407	(571,403)	700,489
Total Governmental Funds	\$ 7,009,148	\$ 8,120,207	\$ 5,468,217	\$ 5,689,654



2017	Restated 2016	2015	2014	2013	2012
\$ 61,395	\$ 63,365	\$ 70,707	\$ 79,707	\$ 79,091	\$ 43,383
1,299,960	1,341,207	989,402	906,735	1,094,998	1,274,241
134,385	104,751	122,676	16,501	269,616	174,933
3,217,049	3,782,248	3,345,925	3,676,231	3,183,708	3,045,748
4,712,789	5,291,571	4,528,710	4,679,174	4,627,413	4,538,305
154,335	191,624	152,760	140,227	308,599	165,852
2,031,231	1,747,703	5,817,924	5,628,560	5,293,239	4,736,896
3,685,650	2,806,089	9,776,259	2,568,923	1,992,296	2,369,907
(3,956,306)	(4,093,608)	-	(10,775)	(24,599)	(180,214)
1,914,910	651,808	15,746,943	8,326,935	7,569,535	7,092,441
\$ 6,627,699	\$ 5,943,379	\$ 20,275,653	\$ 13,006,109	\$ 12,196,948	\$ 11,630,746

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

	2021	2020	2019	2018
Revenues				
Property and Other Taxes	\$ 4,521,987	\$ 4,458,650	\$ 4,396,511	\$ 4,042,641
Municipal Income Taxes	16,487,783	14,922,547	14,350,327	13,857,990
Special Assessments	744,882	718,762	665,452	664,686
Charges for Services	1,178,538	841,230	1,333,506	1,255,271
Licenses and Permits	379,349	387,853	551,847	660,432
Fines and Forfeitures	2,149,956	1,942,014	2,695,457	3,072,449
Intergovernmental	2,922,935	3,980,767	2,930,422	4,723,726
Interest	(3,141)	182,055	504,253	42,009
Contributions and Donations	81,847	40,751	20,307	9,843
Other	387,355	1,257,942	803,849	370,120
<i>Total Revenues</i>	<u>28,851,491</u>	<u>28,732,571</u>	<u>28,251,931</u>	<u>28,699,167</u>
Expenditures				
Current:				
General Government	10,593,343	8,640,104	8,117,671	8,092,820
Security of Persons and Property	8,000,208	7,682,239	7,938,766	7,622,174
Public Health	298,697	387,208	98,426	97,319
Leisure Time Services	1,921,285	2,176,172	2,682,186	2,562,905
Community Development	333,236	310,215	360,376	367,898
Public Works	1,414,194	1,468,633	1,273,974	1,229,101
Transportation	1,385,318	913,231	903,695	1,041,911
Capital Outlay	3,173,848	2,602,393	5,027,011	6,758,246
Debt Service:				
Principal Retirement	9,047,825	9,269,636	9,479,513	9,677,601
Interest and Fiscal Charges	555,824	794,872	871,233	855,135
<i>Total Expenditures</i>	<u>36,723,778</u>	<u>34,244,703</u>	<u>36,752,851</u>	<u>38,305,110</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(7,872,287)</u>	<u>(5,512,132)</u>	<u>(8,500,920)</u>	<u>(9,605,943)</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	1,485	1,882	24,714	16,552
Inception of Direct Financing Agreement	14,511	255,446	-	-
Issuance of General Obligation Bonds	-	-	-	-
Issuance of Refunding Bonds	-	1,860,000	-	-
Premium on Debt Issuance	75,232	106,551	124,537	107,790
Payment to Refunding Bond Escrow Agent	-	(1,819,639)	-	-
Issuance of Notes	7,260,000	7,760,000	8,035,000	8,550,900
Inception of Capital Lease	-	-	-	167,680
Issuance of Loans	-	519,882	186,232	272,654
Transfers In	3,585,000	3,839,000	4,041,800	3,839,000
Transfers Out	(4,175,000)	(4,359,000)	(4,132,800)	(4,444,000)
<i>Total Other Financing Sources (Uses)</i>	<u>6,761,228</u>	<u>8,164,122</u>	<u>8,279,483</u>	<u>8,510,576</u>
Extraordinary Item	-	-	-	-
<i>Net Change in Fund Balances</i>	<u>\$ (1,111,059)</u>	<u>\$ 2,651,990</u>	<u>\$ (221,437)</u>	<u>\$ (1,095,367)</u>
Debt Service as a Percentage of Noncapital Expenditures	27%	31%	32%	32%

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.

	2017	Restated 2016	2015	2014	2013	2012
\$	4,035,283	\$ 4,029,967	\$ 4,108,059	\$ 4,013,444	\$ 3,984,795	\$ 4,185,749
	13,169,693	12,964,761	11,522,435	11,823,354	11,114,942	10,758,113
	672,143	697,250	690,267	687,958	695,079	688,970
	1,211,063	1,170,989	1,090,799	1,046,221	983,567	1,151,937
	425,217	469,101	501,837	359,641	393,275	397,561
	2,891,810	2,771,839	2,561,010	2,536,488	2,428,863	2,481,137
	4,983,408	2,821,548	2,383,109	2,083,875	2,926,659	2,842,680
	77,112	222,633	115,730	134,515	29,048	158,337
	891,834	55,275	28,411	51,111	52,163	45,230
	325,119	185,120	175,675	159,448	250,293	68,545
	<u>28,682,682</u>	<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>
	7,848,082	7,098,947	7,218,501	7,183,125	6,431,561	6,767,192
	7,150,207	7,169,095	6,873,297	6,354,515	6,505,370	6,431,807
	117,192	118,279	151,785	151,971	134,122	155,326
	2,246,657	2,182,361	2,138,513	2,034,896	1,852,113	1,781,720
	470,334	365,529	372,423	291,721	404,860	462,267
	1,247,725	1,238,247	1,217,697	1,215,079	1,148,881	1,144,731
	966,075	707,046	902,569	925,472	776,220	799,062
	7,583,352	15,329,450	4,687,901	4,152,414	4,371,739	3,479,757
	8,114,869	12,136,653	8,488,251	5,466,560	7,142,238	6,309,664
	722,211	766,722	613,929	486,428	607,363	480,758
	<u>36,466,704</u>	<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>(7,784,022)</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>
	63,142	13,240	-	2,722	20,700	3,025
	-	-	-	-	-	-
	-	2,875,000	6,748,000	-	4,005,000	-
	-	-	-	-	-	-
	111,472	107,690	373,578	42,965	88,152	45,518
	-	(2,775,000)	-	-	-	-
	8,200,900	6,642,500	10,795,500	7,467,500	4,514,500	6,112,550
	52,168	657,954	-	-	158,952	-
	630,660	1,588	-	-	146,131	202,650
	3,704,824	3,594,800	3,426,000	3,347,410	3,132,525	2,988,224
	<u>(4,294,824)</u>	<u>(3,726,200)</u>	<u>(4,586,000)</u>	<u>(4,510,410)</u>	<u>(4,983,975)</u>	<u>(3,249,224)</u>
	<u>8,468,342</u>	<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>
	-	-	-	(174,900)	-	-
\$	<u>684,320</u>	<u>\$ (14,332,274)</u>	<u>\$ 7,269,544</u>	<u>\$ 809,161</u>	<u>\$ 566,202</u>	<u>\$ 1,068,718</u>
	30%	51%	33%	23%	38%	26%

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	
2021	7.95	3.00	1.40	4.45	16.80	81.90
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

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, generated the property tax revenue billed in that year. The City's basic property tax rate may be increased only by a majority vote of the City's residents.

Charter millage is consistently applied to all types of property.

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</u> <u>School</u> <u>District</u>	<u>Polaris</u> <u>JVSD</u>	<u>Cuyahoga Co</u> <u>& Special</u> <u>Taxing</u> <u>Districts (1)</u>
106.90	3.09	26.13
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

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
2021	\$ 411,862,290	\$ 1,176,749,400	\$ 14,460,260	\$ 16,432,114
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

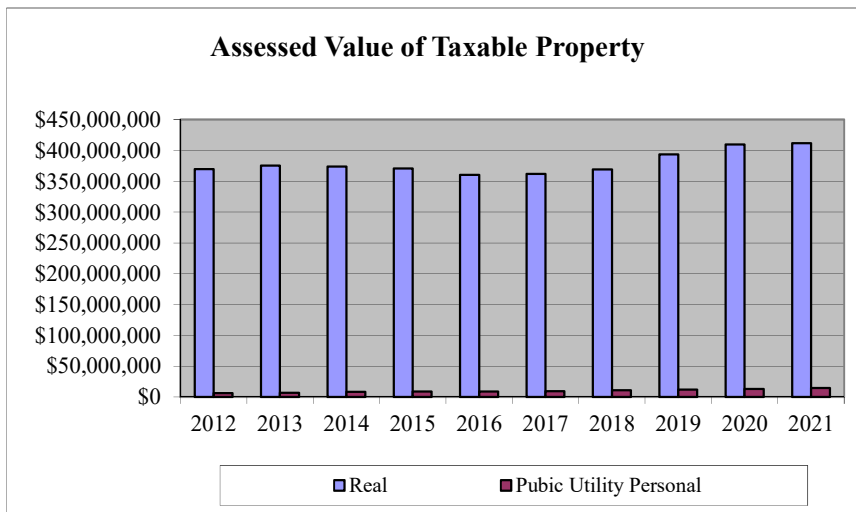
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

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

		Total		
Assessed Value	Estimated Actual Value	Ratio	Total Direct Tax Rate (1)	
\$ 426,322,550	\$ 1,193,181,514	35.73	16.80	
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	



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
2021	\$ 5,518,865	\$ 5,237,249	94.90%	\$ 124,139	\$ 5,361,388	97.15%	\$ 653,203	11.84%
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

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
 2021 and 2012

Taxpayer	2021	
	Real Property Assessed Valuation (1)	Percentage Of Real Assessed Valuation
City of Berea	\$ 7,920,710	1.92%
Cleveland Electric Illuminating Co.	7,516,160	1.82%
Columbia Gas	5,095,170	1.24%
Tower in the Park LTD	5,079,660	1.23%
Integrity Realty	3,403,320	0.83%
Baldwin-Wallace	3,018,570	0.73%
American Transmission System	2,767,530	0.67%
West Valley Plaza	2,744,710	0.67%
Berea Properties Company	2,567,270	0.62%
Helwig Whistle Stop LLC	2,459,530	0.60%
Total	\$ 42,572,630	10.33%
Total Assessed Valuation	\$ 411,862,290	

Taxpayer	2012	
	Real Property Assessed Valuation (1)	Percentage Of Real Assessed Valuation
Cleveland Electric Illuminating Co.	\$ 5,152,860	1.39%
A&F Machine Products Co.	3,896,070	1.05%
Tower in the Park LTD	3,710,010	1.00%
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	7.97%
Total Assessed Valuation	\$ 369,786,280	

Source: County Fiscal Officer

(1) The amounts presented represent the assessed values upon which 2021 and 2012 collections were based.

City of Berea, Ohio
Principal Taxpayers - Municipal Tax
2021 and 2012

<u>2021</u>	
Taxpayer	Percentage of Tax Collected
Cleveland Browns Football	29.92%
Baldwin Wallace College	5.64%
Berea City School District	3.01%
Colormatrix Corp	1.61%
Ohio Guidestone	1.60%
City of Berea	1.53%
Voss Industries	1.48%
Group Management Inc	1.43%
Ohio Turnpike Commission	1.20%
Avient Corp	0.86%
Total	<u>48.28%</u>
Total Tax Collected	<u>\$ 15,999,073</u>

<u>2012</u>	
Taxpayer	Percentage of Tax Collected
Cleveland Browns Football	22.00%
Baldwin Wallace College	7.23%
Berea City School District	4.92%
Guidestone	2.01%
OHNH EMP LLC	1.87%
City of Berea	1.76%
ColorMatrix Corp.	1.60%
Ohio Turnpike Commission	1.55%
Equity Admin Services	1.10%
Standby Screw Machine Products	1.01%
Total	<u>45.05%</u>
Total Tax Collected	<u>\$ 10,842,275</u>

Source: Regional Income Tax Agency

City of Berea, Ohio

Principal Employers

2021 and 2012

<i>2021</i>		
Employer	Number of Employees	Percentage of Total City Employment
Baldwin Wallace College	2,578	18.30%
Berea City School District	586	4.16%
Ohio Guidestone	535	3.80%
Minute Men Select	373	2.65%
Cleveland Browns Football	354	2.51%
OHNH EMP LLC	302	2.14%
City of Berea	296	2.10%
Ohio Turnpike Commission	121	0.86%
TMG Performance Products LLC	110	0.78%
Avient Corp	93	0.66%
Total	5,348	37.96%
Total Employment within the City	14,088	

<i>2012</i>		
Employer	Number of Employees	Percentage of Total City Employment
Baldwin Wallace College	3,068	28.15%
Berea City School District	851	7.81%
OHNH EMP LLC	610	5.60%
Guidestone	523	4.80%
Cleveland Browns Football	370	3.39%
City of Berea	310	2.84%
AmeriMark Direct LLC	276	2.53%
Equity Admin Services	161	1.48%
Standby Screw Machine Products	141	1.29%
Eaton Aeroquip LLC	120	1.10%
Total	6,430	58.99%
Total Employment within the City	10,899	

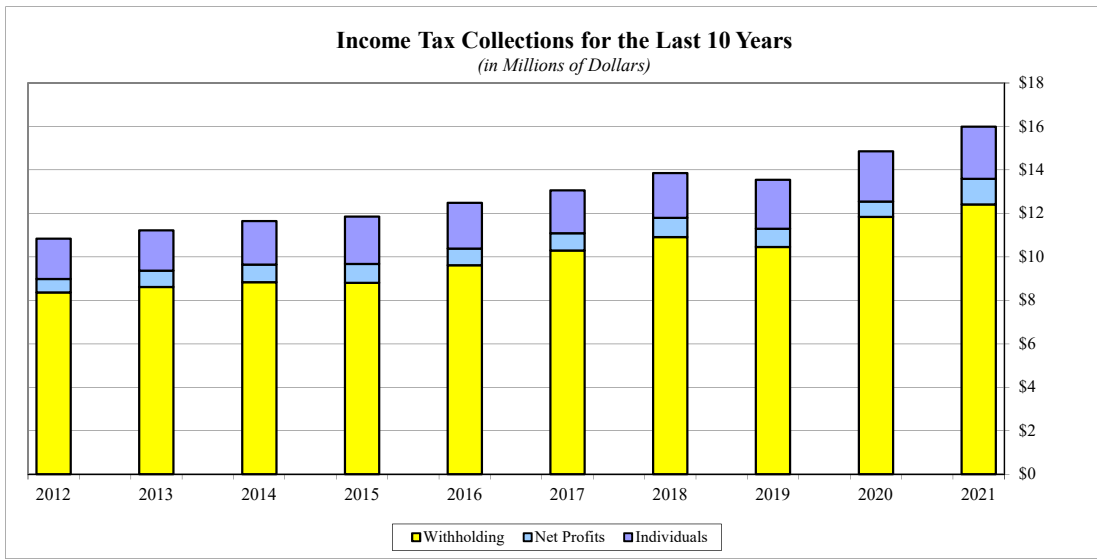
Source: Regional Income Tax Agency

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
2021	2.00%	\$ 15,999,073	\$ 12,418,600	77.62%	\$ 1,174,965	7.34%
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

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>
\$	2,405,509	15.04%
	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

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

Year	Governmental Activities						
	General Obligation Debt	Urban Renewal Bond	Direct Financing	Notes Payable	Loan Payable	OPWC	
2021	\$ 10,548,690	\$ -	\$ 353,743	\$ 7,260,000	\$ 80,000	\$ 2,587,346	
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	

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	Direct Financing	Loan Payable	Notes Payable	OWDA and OPWC	Total Primary Government	Total Personal Income	Percentage of Personal Income(1)	Per Capita(1)
\$ 95,000	\$ 14,915	\$ 184,331	\$ -	\$ 10,730,753	\$ 31,854,778	\$ 531,759,330	5.99%	\$ 1,718
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

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

Year	Charges for Services	Direct Operating Expenses (1)	Net Revenues Available	Debt Service		
				Principal	Interest	Coverage
2021	\$ 3,291,044	\$ 669,486	\$ 2,621,558	\$ 812,361	\$ 263,715	41.05%
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
2021	18,545	\$ 426,322,550	\$ 17,903,690	\$ -	\$ 17,903,690	4.20%	\$ 965.42
2020	18,788	422,408,380	19,425,422	-	19,425,422	4.60%	1,034
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

- (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, 2021

Jurisdiction	Governmental Activities Debt Outstanding	Percentage Applicable to City (1)	Amount Applicable to City
Direct			
City of Berea	\$ 20,829,779	100.00%	\$ 20,829,779
<i>Total Direct Debt</i>	<u>20,829,779</u>		<u>20,829,779</u>
Overlapping			
Berea City School District	107,751,500	27.36%	29,480,810
Olmsted Falls School District	27,819,960	4.66%	1,296,410
Polaris Career Center	1,400,000	8.04%	112,560
Cuyahoga Community College	195,825,000	1.39%	2,721,968
Cuyahoga County	254,150,000	1.39%	3,532,685
<i>Total Overlapping Debt</i>	<u>586,946,460</u>		<u>37,144,433</u>
 Grand Total	 <u>\$ 607,776,239</u>		 <u>\$ 57,974,212</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

	2021	2020	2019	2018
Total Assessed Property Value	\$ 426,322,550	\$ 422,408,380	\$ 405,566,550	\$ 379,703,580
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	44,763,868	44,352,880	42,584,488	39,868,876
Debt Outstanding:				
General Obligation Bonds and Notes	17,903,690	19,425,422	20,619,800	22,013,962
Total Gross Indebtedness	17,903,690	19,425,422	20,619,800	22,013,962
Less:				
General Obligation Bonds and Notes	-	-	-	-
OPWC Loans	-	-	-	-
Amount Available in Debt Service Fund	-	-	-	-
Total Net Debt Applicable to Debt Limit	17,903,690	19,425,422	20,619,800	22,013,962
Legal Debt Margin Within 10 ½ % Limitations	\$ 26,860,178	\$ 24,927,458	\$ 21,964,688	\$ 17,854,914
Legal Debt Margin as a Percentage of the Debt Limit	60.00%	56.20%	51.58%	44.78%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	23,447,740	23,232,461	22,306,160	20,883,697
Total Gross Indebtedness	17,903,690	19,425,422	20,619,800	22,013,962
Less:				
General Obligation Bonds and Notes	-	-	-	-
OPWC Loans	-	-	-	-
Amount Available in Debt Service Fund	-	-	-	-
Net Debt Within 5 ½ % Limitations	17,903,690	19,425,422	20,619,800	22,013,962
Unvoted Legal Debt Margin Within 5 ½ % Limitations	\$ 5,544,050	\$ 3,807,039	\$ 1,686,360	\$ (1,130,265)
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	23.64%	16.39%	7.56%	-5.41%

Source: City Financial Records

2017	2016	2015	2014	2013	2012
<u>\$ 371,356,530</u>	<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>38,992,436</u>	<u>38,786,033</u>	<u>39,853,512</u>	<u>40,097,075</u>	<u>40,106,477</u>	<u>39,512,447</u>
<u>22,897,224</u>	<u>22,562,086</u>	<u>27,768,348</u>	<u>18,147,132</u>	<u>16,055,070</u>	<u>14,397,550</u>
<u>22,897,224</u>	<u>22,562,086</u>	<u>27,768,348</u>	<u>18,147,132</u>	<u>16,055,070</u>	<u>14,397,550</u>
<u>-</u>	<u>-</u>	<u>(7,000,000)</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>(2,878,542)</u>	<u>(2,812,637)</u>	<u>(2,549,373)</u>	<u>(2,433,220)</u>
<u>22,897,224</u>	<u>22,562,086</u>	<u>17,889,806</u>	<u>15,334,495</u>	<u>13,505,697</u>	<u>11,914,330</u>
<u>\$ 16,095,212</u>	<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>
41.28%	41.83%	55.11%	61.76%	66.33%	69.85%
<u>20,424,609</u>	<u>20,316,493</u>	<u>20,875,649</u>	<u>21,003,230</u>	<u>21,008,155</u>	<u>20,696,996</u>
<u>22,897,224</u>	<u>22,562,086</u>	<u>27,768,348</u>	<u>18,147,132</u>	<u>16,055,070</u>	<u>14,397,550</u>
<u>-</u>	<u>-</u>	<u>(7,000,000)</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>(2,878,542)</u>	<u>(2,812,637)</u>	<u>(2,549,373)</u>	<u>(2,433,220)</u>
<u>22,897,224</u>	<u>22,562,086</u>	<u>17,889,806</u>	<u>15,334,495</u>	<u>13,505,697</u>	<u>11,914,330</u>
<u>\$ (2,472,615)</u>	<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>
-12.11%	-11.05%	14.30%	26.99%	35.71%	42.43%

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)
2021	18,545	\$ 531,759,330	\$ 28,674	\$ 60,292	36.1
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

County rate.

(1) Source: U. S. Census

(a) 2000 Federal Census

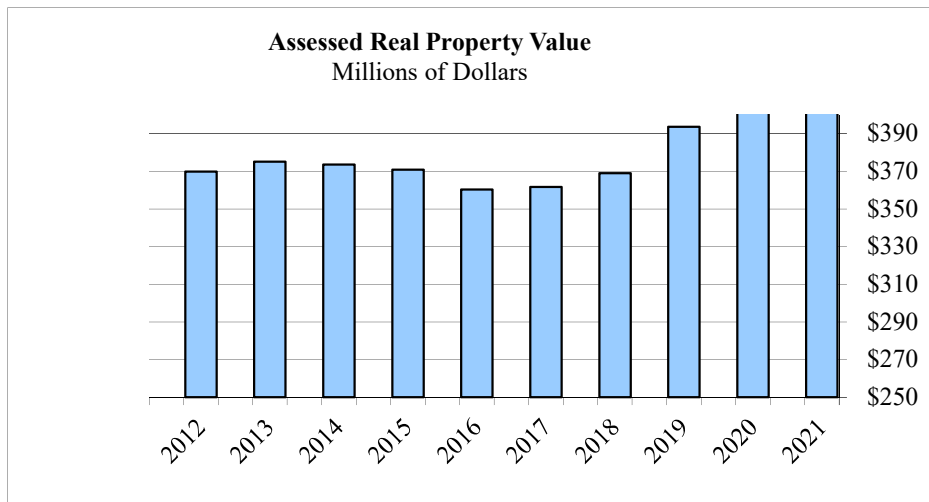
(b) 2019-2020 census.gov

(2) Source: Ohio Department of Education

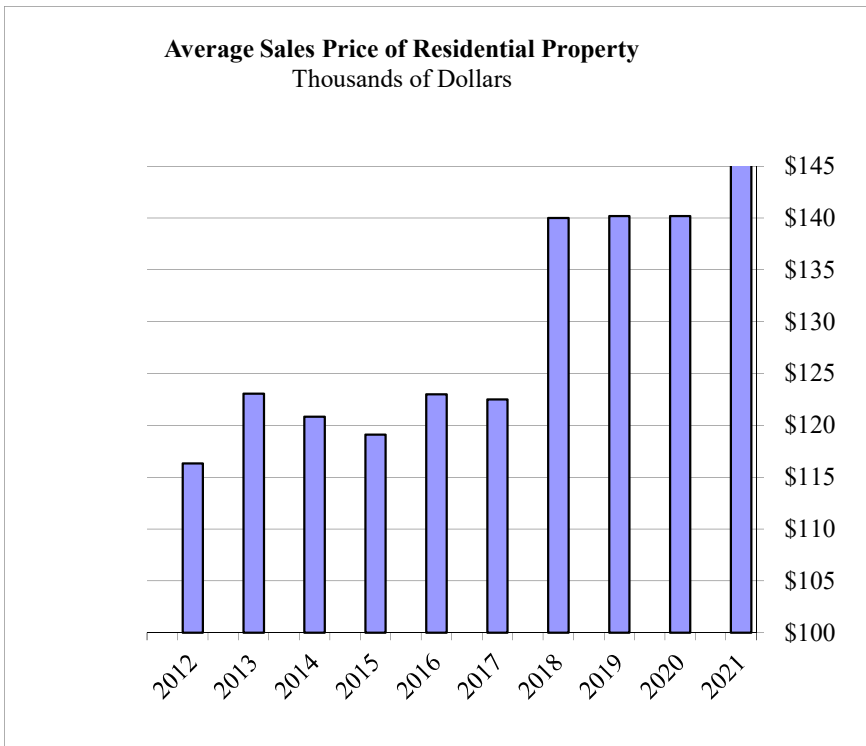
(3) Source: Bureau of Labor Statistics

(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	5,366	4.1%	\$ 180,300	\$ 411,862,290
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



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

Function/Program	2021	2020	2019	2018	2017
General Government					
Council	5.0	5.0	5.0	5.0	5.0
Finance	4.5	4.0	4.5	4.5	5.0
Law	4.5	4.5	4.5	4.5	4.0
Administration	17.0	20.0	17.5	20.5	13.5
Engineer	2.5	3.0	3.5	3.0	3.0
Court	29.0	31.0	32.5	33.0	31.0
Public Building	0.5	2.0	3.5	3.0	4.5
Security of Persons and Property					
Police	33.0	31.0	30.0	32.5	32.0
Police - Auxiliary	3.5	4.0	4.0	3.0	3.5
Police - Dispatchers/Office	2.0	2.0	2.5	2.5	2.5
Police - Animal Wardens	-	-	0.5	0.5	0.5
Police - School guards/Parking Control	4.5	1.0	1.0	1.5	1.0
Fire	23.0	23.0	24.0	23.0	23.0
Leisure Time Services					
Recreation - Admin	15.0	14.0	15.0	15.0	15.5
Recreation - Programs	10.0	10.5	17.5	15.0	14.0
Recreation - Pools	10.5	13.0	25.5	27.5	25.0
Jitney	4.0	6.0	4.0	4.0	4.0
Transportation					
Service	33.5	28.0	37.5	39.5	36.0
Basic Utility Services					
Water	13.5	15.0	15.0	13.5	17.5
Totals:	<u>215.5</u>	<u>217.0</u>	<u>247.5</u>	<u>251.0</u>	<u>240.5</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.

2016	2015	2014	2013	2012
5.0	5.0	5.0	5.0	5.0
4.5	4.5	4.5	4.5	4.5
4.0	3.5	2.0	1.0	1.0
19.0	10.5	11.0	6.5	6.0
3.0	3.5	3.5	3.0	2.0
30.0	28.0	30.5	28.0	29.5
2.5	2.0	2.0	8.5	6.5
31.0	28.0	30.0	31.5	30.5
3.5	3.5	3.5	2.5	4.0
2.5	4.0	7.0	8.0	7.5
0.5	0.5	0.5	1.0	0.5
1.5	1.5	1.5	2.0	1.5
23.0	23.0	22.0	21.0	21.0
16.0	15.5	16.5	15.5	19.0
14.0	13.5	14.5	13.5	15.0
23.0	24.5	21.5	19.5	18.0
4.5	3.0	3.0	3.5	3.5
30.0	33.0	30.0	32.0	30.0
13.5	12.5	12.5	14.5	15.0
231.0	219.5	221.0	221.0	220.0

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

Function/Program	2021	2020	2019	2018
General Government				
<i>Council and Clerk(1)</i>				
Number of Ordinances Passed	64	50	67	50
Number of Resolutions Passed	17	13	26	22
<i>Finance Department(2)</i>				
Number of checks/ vouchers issued	3,078	2,982	3,478	3,526
Amount of checks written (Accounts Payable - in thousands)	\$ 17,984	\$ 17,761	\$ 17,104	\$ 17,155
General Fund Interest earnings (cash basis)	\$ 64,453	\$ 110,377	\$ 187,955	\$ 216,569
Number of Journal Entries issued	452	420	462	474
Number of Budget Adjustments issued	5	5	3	3
Agency Ratings - Moody's Financial Services	AA2	AA2	AA2	AA2
General Fund Receipts (cash basis in thousands)	\$ 16,268	\$ 15,504	\$ 14,505	\$ 14,516
General Fund Expenditures (cash basis in thousands)	\$ 16,168	\$ 15,191	\$ 14,398	\$ 14,256
General Fund Cash Balances (in thousands)	\$ 2,691	\$ 2,590	\$ 2,276	\$ 2,170
<i>Municipal Court(3)</i>				
Total Civil/Small claims cases filed	2,100	2,135	3,085	2,629
Number of Berea civil/small claims cases	412	235	539	506
Total Criminal cases filed	1,689	1,552	1,745	2,074
Number of Berea felony cases	59	47	71	69
Number of Berea misdemeanor cases	239	220	352	456
<i>Civil Service(4)</i>				
Number of police entry tests administered	1	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	2	1	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	15,604	14,045	16,764	16,791
Number of traffic citations issued	1,445	578	1,556	1,636
Number of parking citations issued	2,256	1,340	1,397	2,137
Number of criminal arrests	813	829	1,343	1,637
Animal Warden service calls responded to per annual report	198	-	71	137
Police Dept. Auxiliary hours worked				
DUI Arrests	49	29	82	119
Motor Vehicle Accidents	221	194	312	265
Property damage accidents/Self reported traffic accidents	63	42	80	74
<i>Fire(6)</i>				
EMS Calls	2,486	2,259	2,320	2,170
Ambulance Billing Collections (net)	\$ 526,108	\$ 476,434	\$ 470,410	\$ 445,712
Fire Calls	73	580	663	600
Fires with Loss	22	7	10	25
Fires with Losses exceeding \$10K	4	3	2	4
Fire Losses \$	\$ 261,000	\$ 400,000	\$ 525,000	\$ 500,000
Fire Safety Inspections	255	194	387	411

	2017	2016	2015	2014	2013	2012
	45	66	70	75	71	74
	16	34	15	17	15	16
	3,405	3,445	3,316	3,389	1,806	3,396
\$	17,475	\$ 23,116	\$ 16,619	\$ 17,269	\$ 19,028	\$ 16,298
\$	143,802	\$ 193,312	\$ 129,245	\$ 128,796	\$ 74,755	\$ 96,590
	525	515	417	304	315	278
	7	8	6	6	5	6
	AA2	AA2	AA2	AA2	AA2	AA2
\$	13,400	\$ 13,158	\$ 12,808	\$ 12,160	\$ 12,216	\$ 13,720
\$	13,523	\$ 13,121	\$ 12,665	\$ 12,043	\$ 11,812	\$ 13,519
\$	1,910	\$ 1,981	\$ 1,996	\$ 1,853	\$ 1,735	\$ 1,331
	2,578	2,030	2,762	2,908	2,697	2,529
	502	399	566	589	577	576
	1,880	2,145	2,364	2,316	1,963	1,900
	66	53	38	30	22	4
	472	401	387	385	410	445
	-	1	-	1	-	1
	-	-	-	-	-	1
	-	-	-	2	-	-
	-	-	-	-	-	2
	3	2	4	1	-	2
	-	-	1	2	-	2
	-	-	1	4	-	-
	-	-	1	-	-	1
	17,228	18,144	16,219	9,202	7,553	8,094
	1,734	1,598	989	1,523	1,898	2,334
	1,806	2,519	1,135	1,608	1,898	2,479
	1,470	1,374	750	1,176	1,186	1,429
	126	222	664	349	230	1,720
	1,948	2,102	2,096	2,128	2,089	2,229
	176	137	65	97	82	85
	293	276	231	327	298	292
	60	89	106	101	90	84
	2,226	2,742	1,919	1,916	1,755	1,689
\$	417,486	\$ 453,662	\$ 410,456	\$ 427,296	\$ 404,008	\$ 385,006
	616	615	617	565	426	441
	19	10	11	43	28	19
	7	7	6	-	2	3
\$	500,000	\$ 750,000	\$ 351,500	\$ 5,300	\$ 60,000	\$ 714,500
	389	244	180	300	350	230

(continued)

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

Function/Program	2021	2020	2019	2018
Leisure Time Services				
<i>Recreation(2)</i>				
Outdoor swimming pool receipts	\$ 83,272	\$ -	\$ 115,488	\$ 103,402
Membership receipts	\$ 178,010	\$ 114,595	\$ 206,663	\$ 187,600
Program fees	\$ 135,510	\$ 115,207	\$ 207,314	\$ 254,162
(Includes indoor and outdoor rec programs)				
<i>Building Department(7)</i>				
Construction Permits Issued	1,487	1,397	1,529	1,667
Estimated Value of Construction	\$ 35,057,775	\$ 43,080,947	\$ 49,333,707	\$ 87,363,903
Amount of Revenue generated from permits	\$ 269,971	\$ 276,837	\$ 417,357	\$ 524,372
Number of contract registrations issued	172	879	447	613
Amount of Revenue generated from contract registrations	\$ 78,925	\$ 75,625	\$ 90,875	\$ 61,875
Number of rental inspections performed*	-	-	-	-
Number of point of sale inspections	63	63	63	414
<i>Engineer Contracted Services(8)</i>				
Dollar amount of Construction overseen by Engineer	\$ 1,053,856	\$ 2,709,044	\$ 2,709,044	\$ 5,171,216
Transportation(8,10)				
Street Improvements - asphalt overlay (linear feet)	13,402	6,520	15,787	10,510
Street Repair (Curbs, aprons, berms, asphalt) (hours)	5,160	10,570	10,297	16,862
Municipal Signs (hours)	1,304	3,075	2,507	2,945
Paint Striping (hours)	440	64	16	381
Street Cleaning (hours)	552	228	398	602
Snow & Ice Removal regular hours	448	1,714	5,960	2,925
Snow & Ice Removal overtime hours	729	1,116	1,186	1,206
Sewer Crew (hours)	3,816	7,323	4,978	4,771
Leaf collection (hours)	1,814	1,813	1,342	1,991
Number of Trees Planted per year	-	83	86	181
Tons of snow melting salt purchased (Nov-Mar)	885	885	1,484	1,498
Cost of salt purchased	\$ 112,999	\$ 174,259	\$ 121,946	\$ 101,079
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	\$ 11.98
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

2017	2016	2015	2014	2013	2012
\$ 112,627	\$ 108,372	\$ 97,645	\$ 87,834	\$ 83,694	\$ 94,715
\$ 184,641	\$ 163,084	\$ 171,594	\$ 173,949	\$ 188,740	\$ 187,664
\$ 241,764	\$ 237,832	\$ 228,339	\$ 172,533	\$ 151,096	\$ 149,361
1,335	1,453	1,439	1,235	1,278	1,365
\$ 22,673,883	\$ 27,238,831	\$ 19,280,049	\$ 14,571,224	\$ 18,812,145	\$ 31,824,793
\$ 324,689	\$ 361,469	\$ 386,808	\$ 175,946	\$ 274,278	\$ 289,842
390	574	579	513	527	560
\$ 80,625	\$ 67,500	\$ 70,750	\$ 64,125	\$ 65,875	\$ 56,000
-	735	289	587	529	481
414	382	254	344	192	190
\$ 4,734,175	\$ 4,237,877	\$ 3,433,017	\$ 2,071,675	\$ 3,755,000	\$ 1,779,077
10,510	10,510	10,510	10,560	10,510	4,752
16,907	14,245	14,778	14,831	11,057	12,675
2,028	2,524	2,656	2,223	3,567	4,169
243	198	561	448	1,146	2,022
694	710	838	733	1,037	1,732
2,275	1,429	2,452	3,004	1,290	89
782	624	544	1,099	729	600
4,824	4,737	5,647	6,291	6,149	2,973
2,025	1,907	2,000	1,836	1,907	1,300
48	55	-	78	105	118
3,733	3,014	3,048	4,900	2,971	1,866
\$ 40,056	\$ 125,742	\$ 155,555	\$ 149,046	\$ 94,943	\$ 85,076
\$ 4.09	\$ 4.09	\$ 4.09	\$ 4.09	\$ 4.09	\$ 4.71
\$ 11.28	\$ 10.65	\$ 9.57	\$ 8.63	\$ 7.75	\$ 7.01
1.80	1.90	2.00	2.00	2.20	1.96

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

Function/Program	2021	2020	2019	2018
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

2017	2016	2015	2014	2013	2012
4	4	4	4	4	4
20,900	20,900	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	8	10	10	11	12
4	4	4	4	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	28	24	26
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	2	3
2	2	2	2	2	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	3
4	4	4	4	4	4
3	3	3	3	3	3
6	6	6	5	5	5
5	5	4	4	4	4
73.4	73.4	73.4	73.4	89.8	90.3
40	40	35	35	38	42
75.5	75.5	75.5	75.5	76.2	73.5
90.5	90.5	90.5	90.5	53.5	53.5
2	2	2	2	2	2
84.0	84.0	84.0	84.0	83.9	80.3
8	8	6	6	7	8

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OHIO AUDITOR OF STATE KEITH FABER



CITY OF BERA

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 8/18/2022

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

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www.ohioauditor.gov