



CLARK SCHAEFER HACKETT  
BUSINESS ADVISORS

**CITY OF NORTH OLMSTED, OHIO**  
CUYAHOGA COUNTY  
REGULAR AUDIT  
FOR THE YEAR ENDED DECEMBER 31, 2023



OHIO AUDITOR OF STATE  
KEITH FABER



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Columbus, Ohio 43215  
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City Council  
City of North Olmsted  
5200 Dover Center Rd.  
North Olmsted, OH 44070

We have reviewed the *Independent Auditor's Report* of the City of North Olmsted, Cuyahoga County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2023 through December 31, 2023. 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 North Olmsted 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 22, 2024

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**INDEPENDENT AUDITORS' 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 Mayor and Members of City Council  
City of North Olmsted Ohio:

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 (*Government Auditing Standards*), the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of North Olmsted, Ohio (the "City"), as of and for the year ended December 31, 2023, 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, 2024.

**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 City'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 were not 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 grants agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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.

*Clark, Schaefer, Hackett & Co.*

Columbus, Ohio  
June 28, 2024



Annual Comprehensive Financial Report

# NORTH OLMSTED, OHIO

For the Year Ended December 31, 2023



**City of North Olmsted, Ohio**  
**Annual Comprehensive Financial Report**  
**For the Fiscal Year Ended**  
**December 31, 2023**



**Issued by: Department of Finance**  
Carrie B. Copfer, CPA, Director of Finance  
Keith J. Sperling, Assistant Director of Finance

# City of North Olmsted, Ohio

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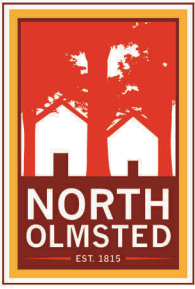
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CITY of NORTH OLMSTED

Carrie B. Copfer, CPA | Director, Department of Finance

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June 28, 2024

Honorable Nicole Dailey Jones  
Citizens of North Olmsted, Ohio  
And Members of City Council

Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(B) requires that all cities file annual financial reports prepared on a GAAP (Generally Accepted Accounting Principles) basis with the Auditor of State within 150 days of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended December 31, 2023.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that the City 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.

Clark Schaefer Hackett, an independent auditor, has issued an unmodified (“clean”) opinion on the City of North Olmsted’s financial statements for the year ended December 31, 2023. The Independent Auditors’ Report is located at the front of the financial section of this report.

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

## PROFILE OF THE GOVERNMENT

### Basic Information

North Olmsted was once a part of the Connecticut Western Reserve, claimed by the state of Connecticut. Investors bought land from the state, sight unseen, and went west to divide it up and sell it to settlers. Aaron Olmstead was one of the early landowners, but he never lived here. His son, Charles Olmstead, owned much of the land along Butternut Ridge and sold plots to the pioneer settlers beginning in 1815. In 1820, Charles Olmstead offered his father’s library of 500 books to the community, then called Lenox, if they would change the name to Olmstead. They agreed, and the books, brought by oxcart from Connecticut, were used as a circulating library. The remaining 153 books are on display in the City’s library. Over the course of the years, the “a” was omitted and the City became known as “North Olmsted.”

In 1908, the residents voted to incorporate, becoming a village. In 1951, North Olmsted became a city because it had a population of over 5,000 people. The rapid growth was attributed to returning World War II veterans looking to provide a suburban living for their families. At one time the City was considered the fastest growing city in Ohio because it more than doubled in size from 1950 to 1960 and doubled again in 1970. Since the 1970 census, the population of North Olmsted has stayed relatively constant. The 2020 census was 32,442, which represents a less than one percent decline from the 2010 census.



The City is a suburban community located in Cuyahoga County in Northeastern Ohio, approximately 13 miles southwest of the downtown area of the City of Cleveland and approximately 18 miles southeast of the City of Lorain. The City is served by diversified transportation facilities. There is immediate access to three State and U.S. highways and interstate highways I-80 (the Ohio Turnpike) and I-480, with access to interstate highways I-90 and I-71 within five miles of the City. The City is served by Cleveland Hopkins International Airport, located within five miles of the City, and is adjacent to areas served by CSX and Amtrak railroads.

The City of North Olmsted's primary government consists of all funds and departments, which are not legally separate from the City and provide a full range of services including:

- ◆ Police, Emergency Medical Services and Fire Protection
- ◆ Parks and Recreational Activities and Facilities
- ◆ 18-hole Golf Course and Historic Ballroom
- ◆ Senior Center and Related Programs
- ◆ Local Human Services - ministering to youth, disabled, seniors and needy families
- ◆ Planning and Zoning Committees
- ◆ Building Code Enforcement
- ◆ Economic Development and Public Engagement
- ◆ Waste Water Treatment Plant Processing of Sanitary Sewage
- ◆ Maintenance and Improvement of City Roads and Infrastructure
- ◆ Maintenance and Improvement of Storm and Sanitary Sewer Systems
- ◆ Administrative and Legislative functions including Council, Law, Finance, Human Resources and Information Technology

The City of North Olmsted operates under and is governed by its Charter, first adopted by the voters in 1959. The Charter has been and may be amended by the voters from time to time. The City is also subject to some general laws applicable to all cities. Under the Ohio Constitution, the City may exercise all powers of local self-government, and police powers to the extent not in conflict with applicable general laws. The Charter provides for a mayor-council form of government.

Legislative authority is vested in a seven-member Council, of whom three members are at-large and four members are from wards, all elected to four-year terms. The Council sets compensation of City officials and employees, and enacts ordinances and resolutions relating to City services, tax levies, appropriating and borrowing money, licensing and regulating businesses and trades, and other municipal purposes. The presiding officer is the President of Council, elected specifically to that office by the voters for a four-year term. The President of Council has no vote except in the event of a tie. The Charter establishes certain administrative departments and the Council may establish divisions of those departments or additional departments and has exercised that authority.

The City's chief executive and administrative officer is the Mayor, elected by the voters specifically to that office for a four-year term. The other elected City officials are the Director of Finance and the Director of Law, each elected to a four-year term. All elected officials, except the Mayor and Director of Finance, serve part-time.

The Mayor has authority to appoint the directors of Public Safety, Public Service, Human Resources, Economic and Community Development, Recreation and Public Engagement, certain City employees and members of a number of City boards and commissions. The Mayor generally may remove, without the concurrence of Council and in accordance with civil service and collective bargaining agreement requirements, all appointed officers and employees, except that directors of the aforementioned departments may only be removed with the concurrence of two-thirds of the members of Council. The Mayor may not remove officers and employees of Council, Finance or the Law departments.

The Mayor may veto any legislation passed by Council. A veto may be overridden by a two-thirds vote of all members of Council.

## **Budgetary Process**

A temporary appropriation resolution to control expenditures may be passed on or around January 1 of each year for the period January 1 to March 31. An annual appropriation measure must be passed by April 1 of each year for the period January 1 to December 31. Appropriations by fund must be within the estimated resources as certified by the County Budget Commission, and the total of expenditures and encumbrances may not exceed the appropriations at any level of control. Any revisions that alter the appropriations at the legal level of budgetary control must first be approved by City Council. Council may pass supplemental fund appropriations so long as the total appropriations by fund does not exceed the amounts set forth in the most recent Certificate of Estimated Resources. The City maintains budgetary control on a cash basis by department for salaries, other expenditures and debt service. Estimated expenditure amounts must be encumbered prior to the release of purchase orders to vendors or finalization of other contracts. Encumbrances that would exceed the available appropriation level are identified on an ongoing basis and are not approved or recorded until City Council authorizes additional appropriations or transfers. Unencumbered appropriations lapse at the end of each calendar year.

Formal budgetary integration is employed as a management control device during the year for all funds consistent with statutory provisions. Permanent appropriations are adopted by Council and are amended throughout the year by supplemental appropriations, which either reallocate or increase the original appropriated amounts. During the year, supplemental appropriation measures were legally enacted; however, none of these amendments were significant. The budgetary figures, which appear in the statement of budgetary comparisons, represent the original permanent appropriation and the final appropriations amounts, including all amendments and modifications.

## **FACTORS AFFECTING FINANCIAL CONDITION**

### **Summary of Local Economy**

The City is a suburban residential community and a commercial center for the western portion of the County and adjacent Lorain County. The City has actively promoted commercial, residential and light industrial development, and has established a City-wide community reinvestment area and participated in an enterprise zone within the County for that purpose, as hereinafter discussed in more detail.

The largest commercial development in the City includes the Great Northern Mall and the adjacent Great Northern Shopping Center, together constituting a 2.0 million square foot retail complex with approximately 225 stores, professional and medical offices and restaurants; the Great Northern Corporate Center I, II and III, a 267,000 square foot executive office complex; and the Great Northern Technology Center, a 144,000 square foot office complex. All of this development is located adjacent to an interchange on interstate highway I-480. The properties have been developed in phases over the past 40 years, and the businesses located in them now provide employment potential bringing in many people by day to the City. The local economy has developed and redeveloped around this area.

Concerned with the impact COVID has had on the changing landscape of retail, one of the first studies the administration and Council approved in 2022 was The Economic Development Strategic Plan to provide a framework for success in utilizing the City's strengths to maintain and grow the local economy. This was completed and phases have been implemented in 2023, including the creation of a Community Improvement Corporation, review of current zoning, and development of a Transportation for Livable Communities Initiative (TLCI) Plan in conjunction with other interested government entities and a lot of resident and business owner input.

Based on employer payments of business profits and employee wage and salary withholding income taxes, one taxpayer accounted for approximately 6.0% of the City income taxes collected in Fiscal Year 2023. No other taxpayer contributed more than 5% of the City income taxes collected in Fiscal Year 2023. Additionally, the City, which currently offers residents 100% credit on up to two percent for municipal income taxes paid to their workplace city, can adjust that credit through an ordinance of Council. The hybrid work model continued in 2023, where the City has been fortunate thus far, as what withholding was lost by businesses in the City having a hybrid work schedule, appears to be gained by city residents who are now working from home on a hybrid schedule and their employers remitted withholding accordingly.

The City continues to adapt with the effects of a post-COVID world on the economy and the City's budgets. The continued labor shortages, supply chain delays, rising fuel costs, and the rapid increase of inflation has caused increases and delays in obtaining necessary goods and services and has negatively impacted the City's 2023 budget.

## **Relevant Financial Policies**

### ***Internal Control***

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure the assets of the government are protected from loss, theft or misuse and adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived; and 2) the valuation of costs and benefits requires estimates and judgments by management.

All internal controls are designed within the above framework. Accordingly, we believe the City's system of internal controls is adequate to safeguard assets and provide reasonable assurance of proper recording of transactions.

### ***Basis of Accounting***

This is the twentieth year the City has prepared financial statements following GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. GASB 34 creates basic financial statements for reporting the City's financial activities as follows:

*Government-wide financial statements* - These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses. The government-wide statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

*Fund financial statements* - These statements present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include reconciliation to the governmental activities accrual information presented in the governmental-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

*Statements of budgetary comparisons* - These statements present comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

### ***Debt Administration***

The debt service funds account for the accumulation of resources for the payment of general long-term obligations. Revenue sources for these funds include receipts from property taxes and transfers from other funds consisting of income taxes, hotel/motel taxes, emergency medical billing, sewer user charges and golf user charges.

The Mayor and her administration prioritize capital projects for which borrowings are required. City Council approves such borrowings for these purposes. Both the administration and Council have been committed to borrowing for the prioritized list of current capital needs at an amount less than the City is retiring each year in general obligation debt so that each year the City's total general obligation debt is declining. This is a general policy with the Mayor's and City Council's consideration of the impact of voted tax issues and self-supporting enterprise fund debt.

In April of 2006, the City of North Olmsted received a rating increase to an A1 rating from Moody's Investor Service Inc. for limited tax and an Aa3 rating for unlimited tax. Fitch IBCA affirmed the City's A+ rating in April 2006, and again in August 2009. In April of 2010, under pressure from the Federal Government, all three rating agencies adjusted the way municipal debts were rated basing it on the likelihood of default, which is the standard for corporate debt. This will increase the market of potential municipal buyers, and theoretically, reduce the cost of borrowing due to the increased competition. Moody's Investor Services

raised the City's rating to Aa2 on all outstanding debt, due to the recalibration, while Fitch raised the rating to AA-. Moody's affirmed that rating in July 2010, January 2013, November 2015, January 2017, and February 2021 for the general obligation bond issue and all of the City's outstanding bonded debt. In November 2023, Moody's affirmed the rating in their Annual Comment Report. Fitch reaffirmed the current rating in July 2013 and again in June 2015 during standard surveillance reviews. Fitch withdrew the rating in January 2017 as the remaining portion of the debt they rated was refunded.

### **Major Initiatives and Capital Improvements**

The City continued to utilize the \$3,296,109 received through the Coronavirus State and Local Fiscal Recovery Funds ("SLFRF") program which was established under the American Rescue Plan Act (ARPA). The goals to use this federal funding include investing in public safety; reinvesting in our neighborhood and preserving community assets; improving city services; and economic development. The City successfully completed the following ARPA funded projects in 2023:

- The City converted to a more robust building and engineering permitting and code enforcement software, which gives greater access to residents and developers to get information and achieve their business needs on line. The system went live in early 2024.
- The Home Repair Loan Fund became functional in 2023 for those home owners who qualified. The City committed an additional block of other non-ARPA grant funds to meet the demand of the applications already in process bringing the total to nearly \$500,000.
- A new city-wide GPS emergency signalization system was installed, providing automated changes of traffic signals to green for emergency vehicles. This provides greater safety to first responders and others on our roads as it is automated via GPS rather than the older technology that required a first responder to press a remote to change the upcoming traffic signals manually.
- The City demolished the Forest School building and also retained a consultant who performed a highest and best use analysis of the land as well as a housing needs analysis for the City as three other school properties will be decommissioned in the next few years.

The city received \$1.2 million from Cuyahoga County's ARPA allocation. This funded the conversion of indoor tennis courts to a turf field in the recreation center aimed to broaden the usage for more residents. The monies also provided for the demolition of Spruce School, storm water retention and passive recreation on the property.

The City's annual street rating program identifies the roads needing the most repair. The City resurfaced eight streets during 2023, including a portion of Columbia Road, Devon Drive, Driscoll Lane, Hastings Drive, Lebern Drive, Marion Road, Pine Circle and Sweetbriar Drive. In total, over 282,348 square feet of road was improved citywide in 2023. It was also the sixth year of the City's rejuvenation program which focuses on pavement maintenance so roads will not need to be completely resurfaced as often.

The City was awarded \$150,000 in Community Development Block Grant (CDBG) funding for the Brookpark Road Underpass Improvements – Phase One. This phase addressed pedestrian safety in the area. The contract was \$317,292 with the City responsible for the costs exceeding the CDBG grant award.

The City purchased a storm sewer camera vehicle and equipment for \$335,898 to be used in the City's storm water system. The vehicle came with training provided to employees and will be used exclusively by the City's storm crew to be used in conjunction with the jet vacuum vehicle to help identify and relieve flooding issues for residents.

The City ordered a replacement fire engine in August 2023, for \$903,474. These vehicles are designed and built to our specifications, with a delivery date of December 2026.

The City received a \$138,581 state grant for police officer body cameras, including the equipment, software, record management system, installation, and training. This covered 100% of the initial costs. The equipment has proven to be of tremendous value as evidence in an investigation and for training purposes.

The City, with \$4,000,000 of borrowed funds, started projects to improve energy efficiency of various City buildings as well as all the City street lights. The energy savings are guaranteed and will be utilized to help repay the debt. The improvements include:

- New and improved HVAC and ventilation system for the fleet and service garages;
- Installation of a building automation system for the equipment in the recreation center for better control and managing of the equipment operation and maintenance;
- LED lighting upgrades to both fire stations, recreation center and the senior center/community cabin; and Fire Station One roof and gutter replacement; and
- Upgrading 2,587 First energy owned street lights to LED.

### **Long-term Financial Planning**

The City does not have a formal long-term capital plan; however, the City has developed a five-year capital plan, that is used as a guide for planning and budgeting purposes. Covid-19 has pushed back and delayed projects and equipment purchases with long wait times and dramatically increased costs.

The City, through Council ordinance, has established a reserve balance account for the purpose of budget stabilization. The amount reserved may not exceed 5% of the General Fund's revenues in the prior year. Council may appropriate expenditures out of the reserve account to stabilize the City's budget. The City has also established both separation and 27<sup>th</sup> pay funds to reduce the spikes in an operating budget when these benefits are paid out in future years. The 2023 budget included continued funding of these reserves.

The City's long-term investment strategy is to invest public funds in a manner that will provide the highest investment return with maximum security, safety, and preservation of principal. The City typically limits investments to certificates of deposit (CD's), U.S. federal agency notes and bonds, municipal bonds, the investment pool managed by the State Treasurer of Ohio, and money market savings accounts. As investments mature, they are reinvested for anywhere from one to five years allowing the City to maximize returns while still meeting cash flow needs. With the higher interest rates, the city added additional funds to the five year ladder approach to provide continued income despite the Federal Reserve eventually reducing the rates.

The City has continued to use Tax Increment Financing (TIF) as an economic development tool for the area around Great Northern Boulevard and Country Club Boulevard business corridor. The city took advantage of a state law that allowed existing TIFs to be extended an additional 30 years as well as added all the business parcels on Lorain Road to this TIF. Owners of parcels of real property included in the TIF area will make payments in lieu of taxes on improvements they made on their property into the TIF. These funds will be utilized for future infrastructure improvements that will benefit the TIF business corridor. The improvements will consist of pavement, curbs, drainage facilities, extension, installation, acquisition, relocation of utilities, sidewalks, bike paths, landscaping, lighting, signalization, signage, and other public infrastructure improvements in or near the roadway.

## **AWARDS AND ACKNOWLEDGEMENTS**

### **GFOA Certificate of Achievement**

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 North Olmsted for its annual comprehensive financial report for the fiscal year ended December 31, 2022. This was the twenty-four consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. 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. We believe that 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.

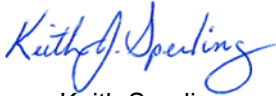
## Acknowledgments

The 2023 Annual Comprehensive Financial Report was prepared by the Finance Department with cooperation from all City departments. We would like to express our appreciation to Ciuni & Panichi, Inc. for their guidance in the preparation of this report. We would also like to thank the Mayor and members of City Council for supporting the preparation of this report, which expresses their commitment to financial integrity. In closing, we are grateful to the residents and taxpayers of the City of North Olmsted for entrusting us with the fiscal administration of their local government.

Respectfully submitted,

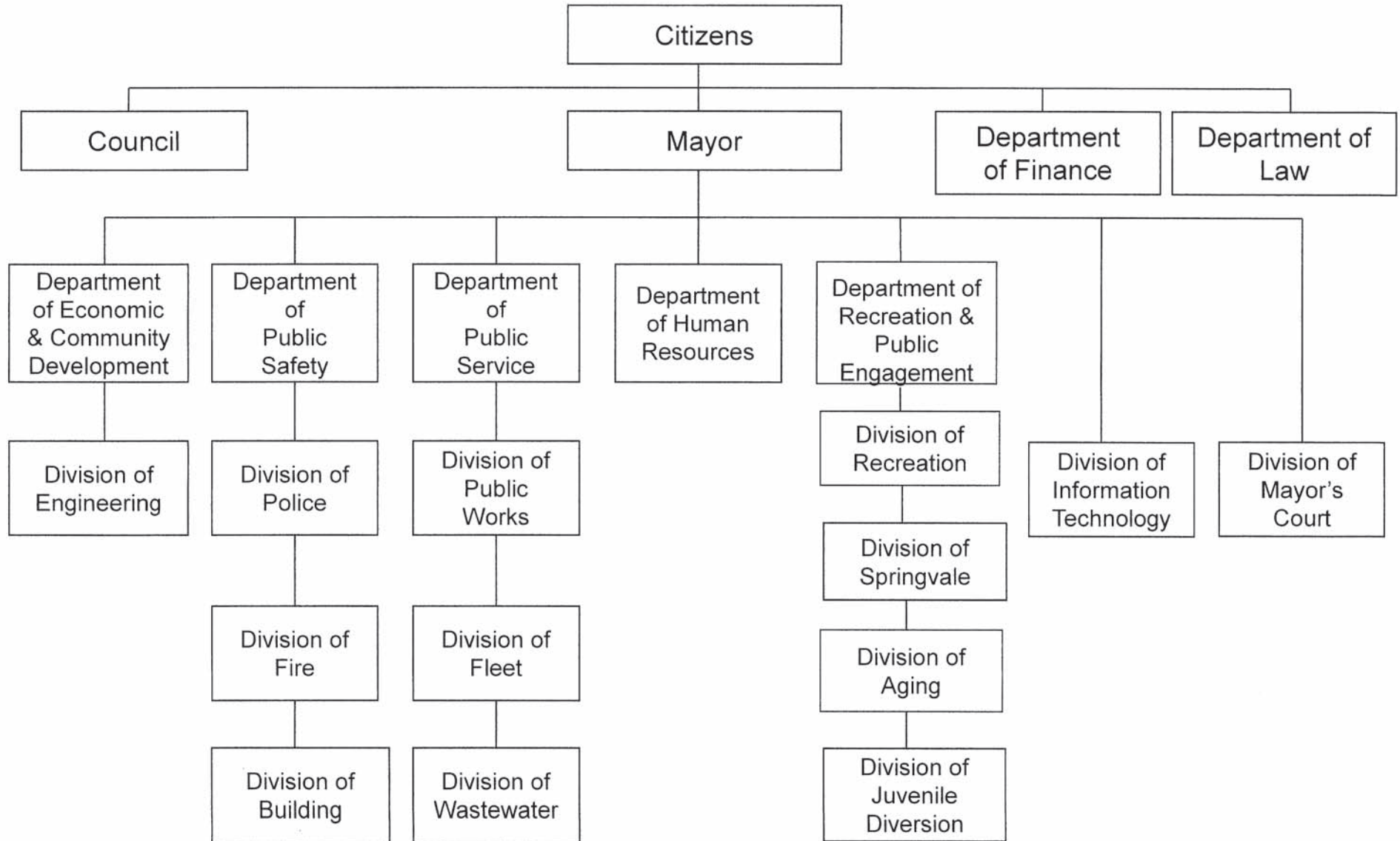


Carrie B. Copfer, CPA  
Director of Finance



Keith Sperling  
Assistant Director of Finance

# CITY OF NORTH OLMSTED ORGANIZATIONAL CHART DEPARTMENTS & DIVISIONS



# City of North Olmsted, Ohio

## Principal City Officials

**December 31, 2023**

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### Elected Officials

Nicole Dailey Jones.....	Mayor
Michael R. Gareau, Jr.....	Director of Law
Carrie B. Copfer.....	Director of Finance
Louis Brossard.....	President of Council
Christopher Scarl.....	Council Ward 1
Chris Glassburn.....	Council Ward 2
Mary Gilchrist.....	Council Ward 3
Mary Ellen Hemann.....	Council Ward 4
Mark Madden.....	Council-At-Large
Duane Limpert.....	Council-At-Large
Angela Williamson.....	Council-At-Large

### Appointed Officials

Lisa Kidd.....	Director of Human Resources
Jennifer Scofield.....	Director of Public Safety
Max Upton.....	Director of Economic and Community Development
Timothy Pinchek.....	Director of Recreation and Public Engagement
Kevin Kearney.....	Director of Service





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of North Olmsted  
Ohio**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morill*

Executive Director/CEO

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## **INDEPENDENT AUDITORS' REPORT**

To the Mayor and City Council  
City of North Olmsted, Ohio:

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of North Olmsted, Ohio (the "City"), as of and for the year ended December 31, 2023, 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, business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2023, and the respective changes in financial position and the respective budgetary comparison for the General Fund, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We 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*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditors' 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.

#### ***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.

#### ***Auditors' 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 auditors' 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 Auditing 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 schedules of net pension and OPEB liabilities/(assets) and pension and OPEB contributions, 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 GAAS, 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 and individual nonmajor fund financial statements and 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 GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***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 auditors' 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, 2024 on our consideration of the City of North Olmsted'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 the City of North Olmsted's internal control over financial reporting and compliance.

*Clark, Schaefer, Hackett & Co.*

Columbus, Ohio  
June 28, 2024

# City of North Olmsted

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2023*

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The Management's Discussion and Analysis of the City of North Olmsted's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2023. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter and the basic financial statements to enhance their understanding of the City's financial performance.

## Financial Highlights

◆ Key financial highlights for 2023 are as follows:

- For the year ended December 31, 2023, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. As a result of the implementation of this standard, effective January 1, 2023, the City recorded a right-to-use subscription asset of \$243,601 with an offsetting subscription liability of \$243,601 for governmental activities. See Note 3 for additional information.
- The total assets and deferred outflows of resources of the City exceeded total liabilities and deferred inflows of resources at the close of 2023 by \$82,598,770. This is an increase of \$7,226,638 over the 2022 net position. Net position of the City's governmental activities increased \$6,994,311 from 2022, while net position of the business-type activities increased \$232,327.
- Total assets decreased by \$293,312 and deferred outflows of resources increased by \$7,338,600. The main factor affecting the total assets was a decrease in cash and cash equivalents (down \$5,815,438) offset by an increase in long term assets (up \$5,415,231). The main fluctuation in deferred outflows of resources related to the pension (up \$6,736,059).
- Total liabilities increased by \$10,690,024 and deferred inflows of resources decreased by \$10,871,374 from 2022. The main factors affecting the total liabilities was an increase in the net pension liabilities (up \$18,024,390) during 2023. The deferred inflows of resources were down in 2023 with the pension being the biggest contributor (down \$10,003,222).
- The General Fund reported a fund balance of \$14,123,256 at the end of the 2023, which is an increase of \$826,794 from 2022. The General Fund expenditures and other financing uses increased \$4,636,080 from 2022 to 2023 and revenues and other financing sources increased \$3,393,928.

## Using This Annual Comprehensive Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the City of North Olmsted as a financial whole or as an entire operating entity. The statements proceed to provide an increasingly detailed look at our specific financial condition.

## City of North Olmsted

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2023*

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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. Major fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what dollars remain for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column.

### **Reporting the City of North Olmsted as a Whole**

#### ***Statement of Net Position and Statement of Activities***

While this document contains information about the funds used by the City to provide services to our citizens, the view of the City as a whole considers all financial transactions and measures how the City did financially during fiscal year 2023. The *Statement of Net Position* includes assets, deferred outflows of resources, liabilities and deferred inflows of resources and the *Statement of Activities* includes revenues and expenses; however, they both use the accrual basis of accounting similar to the accounting method used by the private sector. 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 the changes in net position. The changes in net position are important because it tells whether, for the City as a whole, the financial position has improved or diminished. However, in evaluating the overall position of the City, non-financial information such as changes in the City's tax base and the condition of the City's capital assets will also need to be evaluated.

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

- Assets
- Deferred outflows of resources
- Liabilities
- Deferred inflows of resources
- Net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources)
- Program expenses and revenues
- General revenues
- Net position beginning and end of year

**City of North Olmsted**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended December 31, 2023*

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**Reporting the City of North Olmsted's Most Significant Funds**

***Fund Financial Statements***

The presentation of the City's major funds begins on page 25. Fund financial reports provide detailed information about the City's major funds based on the restrictions on the use of monies. The City has established many funds which account for the multitude of services, facilities and infrastructure provided to our residents. However, these fund financial statements focus on the City's most significant funds. In the case of the City of North Olmsted, the major governmental funds are the General Fund, the General Obligation Bond Retirement Fund, and the Capital Improvement Fund. The major enterprise funds are the Springvale Golf Course and Ballroom Fund and Sewer Revenue Fund.

***Governmental Funds***

Most of the City's activities are reported in the 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. Governmental funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that are expected to be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future on services provided to our residents. The relationship (or differences) between governmental activities (reported in the *Statement of Net Position* and the *Statement of Activities*) and governmental funds is reconciled within the financial statements.

***Proprietary Funds***

The City of North Olmsted maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities. The City uses enterprise funds to account for the operations of its golf course and ballroom and sanitary sewer plant and system. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains this type of fund for its self-insurance of health related employee benefits and self-insurance of workers' compensation. Because this predominately affects governmental rather than business functions, it has been included within the governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found beginning on page 32 of this report.

***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the City 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 fiduciary funds is much like that used for proprietary funds.



# **City of North Olmsted**

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2023*

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## **Notes to the Basic Financial Statements**

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found starting on page 39 of this report.

## **Other Information**

In addition to the basic financial statements and the accompanying notes, this report also presents certain other information that the City believes readers will find useful. After the notes to the basic financial statements, the combining statements referred to earlier in connection with non-major governmental funds are presented, as well as individual detailed budgetary comparisons for all funds. This information can be found starting on page 121 of this report.

**City of North Olmsted**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended December 31, 2023*

**The City of North Olmsted as a Whole**

The *Statement of Net Position* looks at the City as a whole. Table 1 provides a summary of the City's net position for 2023 compared to 2022, as previously reported.

Table 1  
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets:</b>						
Current and other assets	\$ 65,259,771	\$ 70,065,882	\$ 9,689,317	\$ 10,591,749	\$ 74,949,088	\$ 80,657,631
Capital assets, net	61,957,939	52,219,616	62,203,337	64,302,295	124,161,276	116,521,911
Net pension asset	175,626	336,481	55,919	107,132	231,545	443,613
Net OPEB asset	-	1,526,152	-	485,914	-	2,012,066
<i>Total assets</i>	<u>127,393,336</u>	<u>124,148,131</u>	<u>71,948,573</u>	<u>75,487,090</u>	<u>199,341,909</u>	<u>199,635,221</u>
<b>Deferred outflows of resources:</b>						
Pension	13,759,681	7,960,028	1,630,041	693,635	15,389,722	8,653,663
OPEB	<u>2,229,273</u>	<u>1,857,809</u>	<u>254,933</u>	<u>23,856</u>	<u>2,484,206</u>	<u>1,881,665</u>
<i>Total deferred outflows of resources</i>	<u>15,988,954</u>	<u>9,817,837</u>	<u>1,884,974</u>	<u>717,491</u>	<u>17,873,928</u>	<u>10,535,328</u>
<b>Liabilities:</b>						
Current liabilities	8,825,510	10,045,862	734,954	818,094	9,560,464	10,863,956
Long-term liabilities:						
Due within one year	5,592,322	5,157,108	3,339,228	3,246,716	8,931,550	8,403,824
Due within more than one year:						
Other amounts	13,878,455	16,291,108	38,722,214	41,889,137	52,600,669	58,180,245
Net pension liability	38,984,172	23,345,184	3,710,638	1,325,236	42,694,810	24,670,420
Net OPEB liability	<u>2,304,887</u>	<u>3,365,566</u>	<u>81,655</u>	<u>-</u>	<u>2,386,542</u>	<u>3,365,566</u>
<i>Total liabilities</i>	<u>69,585,346</u>	<u>58,204,828</u>	<u>46,588,689</u>	<u>47,279,183</u>	<u>116,174,035</u>	<u>105,484,011</u>
<b>Deferred inflows of resources:</b>						
Property taxes	9,771,490	9,576,265	-	-	9,771,490	9,576,265
Payments in lieu of taxes	330,950	412,807	-	-	330,950	412,807
Pension	3,984,310	12,574,778	267,951	1,680,705	4,252,261	14,255,483
OPEB	2,503,478	3,031,812	27,463	527,576	2,530,941	3,559,388
Leases	<u>1,557,390</u>	<u>1,510,463</u>	<u>-</u>	<u>-</u>	<u>1,557,390</u>	<u>1,510,463</u>
<i>Total deferred inflows of resources</i>	<u>18,147,618</u>	<u>27,106,125</u>	<u>295,414</u>	<u>2,208,281</u>	<u>18,443,032</u>	<u>29,314,406</u>
<b>Net position:</b>						
Net investment in capital assets	43,924,858	35,706,106	20,558,510	19,608,182	64,483,368	55,314,288
Restricted	27,232,248	28,934,472	55,919	-	27,288,167	28,934,472
Unrestricted	<u>(15,507,780)</u>	<u>(15,985,563)</u>	<u>6,335,015</u>	<u>7,108,935</u>	<u>(9,172,765)</u>	<u>(8,876,628)</u>
<i>Total net position</i>	<u>\$ 55,649,326</u>	<u>\$ 48,655,015</u>	<u>\$ 26,949,444</u>	<u>\$ 26,717,117</u>	<u>\$ 82,598,770</u>	<u>\$ 75,372,132</u>

## City of North Olmsted

*Management's Discussion and Analysis (Unaudited)  
For the Fiscal Year Ended December 31, 2023*

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The City follows Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27* and GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revises accounting for costs and liabilities related to pensions and 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/OPEB, the net pension/OPEB liability to the reported net position and subtracting deferred outflows related to pension/OPEB and the net pension/OPEB asset.

GASB 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/OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension/OPEB liability. GASB 68 and GASB 75 take an earnings approach to pension/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/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/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/OPEB. 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 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/OPEB plans.

## City of North Olmsted

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2023*

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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/OPEB liability. As explained above, changes in pension 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/OPEB liability is satisfied, these liabilities are separately identified within the long-term liability section of the Statement of Net Position.

Net position may serve over time as a useful indicator of a government's financial position. For the City of North Olmsted, total assets and deferred outflows of resources exceed total liabilities and deferred inflows of resources by \$82,598,770 as of December 31, 2023, which is a \$7,226,638 increase from the prior year. At the end of the current year, the City of North Olmsted is able to report positive balances in the net investment in capital assets and restricted net position. Unrestricted net position is negative as a result of GASB 68 and GASB 75.

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

Total assets for 2023 decreased \$293,312 when compared to 2022 and deferred outflows of resources increased by \$7,338,600. The main factors affecting the total assets were the decrease in cash and cash equivalents (down \$5,815,438) and net OPEB asset (down \$2,012,066), which were offset by an increase in capital assets (up \$7,508,195). Cash and cash equivalents decreased as the City used funds for capital projects. The main fluctuation in deferred outflows of resources related to net pension (up \$6,736,059) due to changes in the pension plans.

Total liabilities increased by \$10,690,024 and deferred inflows of resources decreased by \$10,871,374 from 2022. The main factors affecting the total liabilities was an increase net pension and (up \$18,024,390) during 2023, due to changes in the pension plans. The deferred inflows of resources related to pension were down in 2023 due to changes in the pension plans.

**City of North Olmsted**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended December 31, 2023*

In order to further understand what makes up the changes in net position for the current year, Table 2 provides further details regarding the results of activities for the current year compared to the prior year as previously reported.

**Table 2**  
**Changes in Net Position**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues:						
Program revenues:						
Charges for services and sales	\$ 5,973,734	\$ 6,007,952	\$ 12,488,776	\$ 11,609,112	\$ 18,462,510	\$ 17,617,064
Operating grants and contributions	3,481,416	2,261,156	-	-	3,481,416	2,261,156
Capital grants and contributions	<u>1,042,469</u>	<u>398,000</u>	<u>91,458</u>	<u>69,579</u>	<u>1,133,927</u>	<u>467,579</u>
Total program revenues	<u>10,497,619</u>	<u>8,667,108</u>	<u>12,580,234</u>	<u>11,678,691</u>	<u>23,077,853</u>	<u>20,345,799</u>
General revenues:						
Property taxes and other taxes	10,913,507	11,240,041	-	-	10,913,507	11,240,041
Municipal income taxes	19,099,330	20,349,739	-	-	19,099,330	20,349,739
Grants and entitlements	4,279,902	2,624,319	-	-	4,279,902	2,624,319
Other	<u>2,761,786</u>	<u>638,578</u>	<u>-</u>	<u>-</u>	<u>2,761,786</u>	<u>638,578</u>
Total general revenues	<u>37,054,525</u>	<u>34,852,677</u>	<u>-</u>	<u>-</u>	<u>37,054,525</u>	<u>34,852,677</u>
Total revenues	<u>47,552,144</u>	<u>43,519,785</u>	<u>12,580,234</u>	<u>11,678,691</u>	<u>60,132,378</u>	<u>55,198,476</u>
Program expenses:						
General government	6,309,283	4,872,230	-	-	6,309,283	4,872,230
Security of persons and property	19,536,339	15,400,301	-	-	19,536,339	15,400,301
Public health and welfare	977,952	599,031	-	-	977,952	599,031
Transportation	7,404,709	6,409,581	-	-	7,404,709	6,409,581
Basic utility services	2,860,376	2,543,410	-	-	2,860,376	2,543,410
Leisure time activities	3,091,375	2,400,692	-	-	3,091,375	2,400,692
Economic development	823,007	527,581	-	-	823,007	527,581
Interest and fiscal charges	584,195	394,459	-	-	584,195	394,459
Springvale Golf Course and Ballroom	-	-	2,008,066	1,749,393	2,008,066	1,749,393
Sewer revenue	-	-	<u>9,310,438</u>	<u>8,239,118</u>	<u>9,310,438</u>	<u>8,239,118</u>
Total program expenses	<u>41,587,236</u>	<u>33,147,285</u>	<u>11,318,504</u>	<u>9,988,511</u>	<u>52,905,740</u>	<u>43,135,796</u>
Change in net position before transfers	5,964,908	10,372,500	1,261,730	1,690,180	7,226,638	12,062,680
Transfers	<u>1,029,403</u>	<u>(227,098)</u>	<u>(1,029,403)</u>	<u>227,098</u>	<u>-</u>	<u>-</u>
Change in net position	6,994,311	10,145,402	232,327	1,917,278	7,226,638	12,062,680
Net position, beginning of year	<u>48,655,015</u>	<u>38,509,613</u>	<u>26,717,117</u>	<u>24,799,839</u>	<u>75,372,132</u>	<u>63,309,452</u>
Net position, end of year	\$ <u>55,649,326</u>	\$ <u>48,655,015</u>	\$ <u>26,949,444</u>	\$ <u>26,717,117</u>	\$ <u>82,598,770</u>	\$ <u>75,372,132</u>

**City of North Olmsted**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended December 31, 2023*

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**Effects of GASB 68 and 75**

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

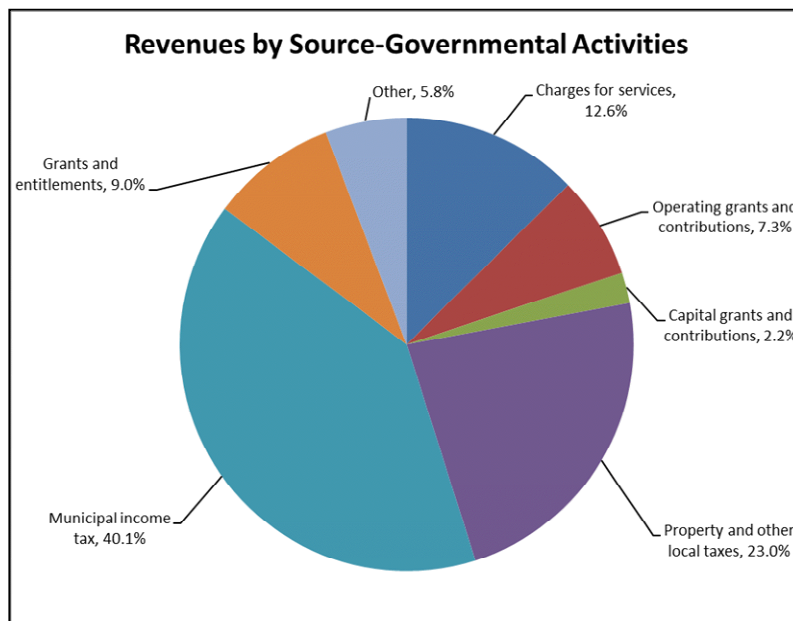
Under GASB 68, pension expense represents additional amounts earned based on a proportionate share of the net pension liability adjusted by a corresponding proportionate share of deferred outflows and inflows. Under GASB 68, the pension expense for 2023 is \$4,754,076, while in 2022 pension expense was \$(5,148).

Under GASB 75, OPEB expense represents additional amounts earned based on a proportionate share of the net OPEB liability adjusted by a corresponding proportionate share of deferred outflows and inflows. Under GASB 75, the OPEB expense for 2023 is \$(527,722), while in 2022 OPEB expense was \$(1,603,302).

**Governmental Activities**

Overall, total governmental activities revenues increased by \$4,032,359, primarily due to an increase in investment income due to changes in market values. Program revenues represent 22% of the total governmental activities revenues. This includes charges for services and sales and both operating and capital grants. Program revenues increased in 2023 by \$1,830,511, primarily as a result of an increase in operating grants and contributions.

General revenues represent the other 78% of total governmental activities with municipal income taxes at 40%, property and other local taxes at 23% and grants, entitlements and other miscellaneous revenues representing 15%.

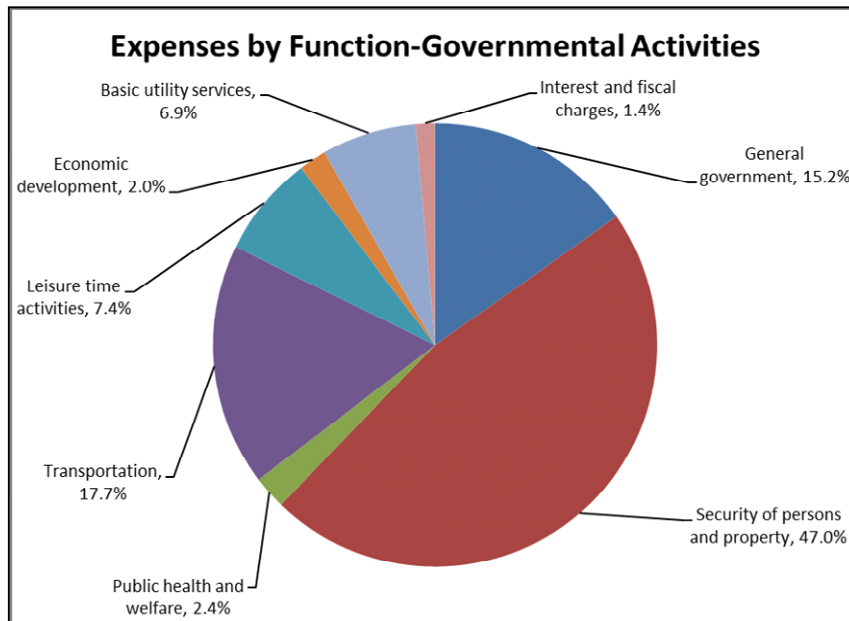


# City of North Olmsted

Management's Discussion and Analysis (Unaudited)  
For the Fiscal Year Ended December 31, 2023

In total, the City's governmental activities experienced an increase in expenses of \$8,439,951. The majority of the increase was due changes in assumption and benefit terms related to pension/OPEB in the prior year that caused a significant reduction in expenses in 2022.

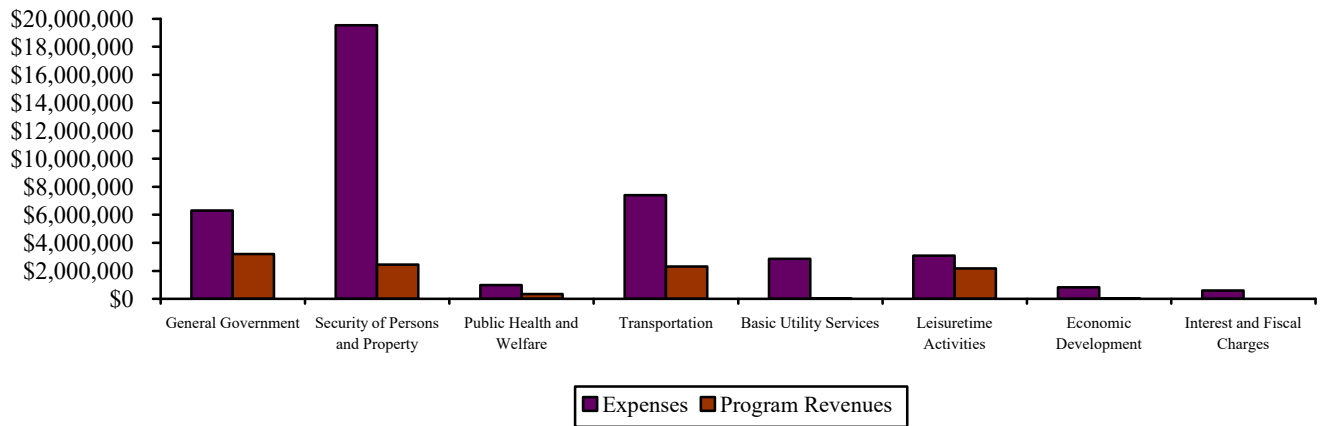
The City's expenses are categorized by function. The largest program function, security of persons and property, represented 47% of program expenses in 2023. This includes the cost of providing police, dispatch, fire, and paramedic services. Transportation represents 18% of program expenses in 2023. This includes the cost of providing all public works services such as street and storm channel maintenance and improvements, public property maintenance, snow removal, brush removal and equipment maintenance. General government represents 15% of program expenses. This includes all the general governmental expenses used by the entire City such as council, mayor, administration, finance, law, human resources, information technologies, building, engineering, etc. Security of persons and property increased \$4,136,038 due to changes in assumption and benefit terms related to Ohio Police and Fire Pension Fund in the prior year that caused a significant reduction in expenses in 2022. General government expenses increased \$1,437,053 primarily due changes in pension and OPEB plans.



**City of North Olmsted**  
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As can be seen in the chart below, program revenues cover a small portion of expenses and all programs have a heavy reliance on general revenues, with the majority of total 2023 revenues coming from general revenues.

**Expenses and Program Revenues Governmental Activities**



**Business-Type Activities**

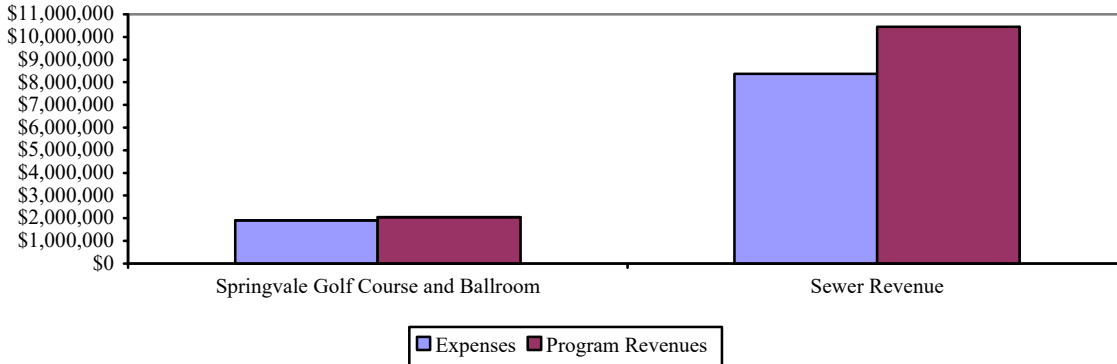
Overall, total business-type activities revenue increased \$901,543 in 2023. Charges for services and sales are the primary source of program revenues for the business-type activities. The Springvale Golf Course and Ballroom (Springvale) has both golf and event revenues. The sewer plant and collection system operations (WWTP) represent the largest share of the charges for services and sales. Sewer charges for services and sales increased year over year. Springvale charges for services and sales increased in 2023, which was primarily due to an increase in golf outings and rentals.

Business-type activities expense increased in 2023 by \$1,329,993, from the prior year due changes in assumption and benefit terms related to OPERS in the prior year that caused a significant reduction in expenses in 2022.



**City of North Olmsted**  
*Management's Discussion and Analysis (Unaudited)*  
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**Expenses and Program Revenues Business-Type Activities**



**Financial Analysis of the City's Funds**

The City of North Olmsted uses fund accounting as mandated by governmental legal requirements. The importance of accounting and reporting using this method is to demonstrate compliance with these finance related requirements.

**Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Information about the City's governmental funds begins on page 25. These funds are accounted for by using the modified accrual basis of accounting.

As of December 31, 2023, the City's governmental funds reported combined ending fund balances of \$36,739,171. Of that amount, \$34,578,245 constitutes fund balances in a spendable form. The remaining \$2,160,926 fund balance is reported as nonspendable to indicate that it is not available for spending because it cannot be used to liquidate future liabilities because it will not be in a spendable form in the next year.

All governmental funds had total revenues of \$47,659,760 and expenditures of \$53,491,960, resulting in expenditures over revenues of \$5,832,200. After consideration of \$1,760,162 in net other financing sources, the current year net change in fund balance was \$(4,072,038).

The General Fund is the most significant fund as it is the source for providing a significant portion of major governmental activities such as police, fire, service, legislative and administrative functions. In 2023, the General Fund had total revenues of \$29,107,651 and expenditures of \$28,390,519, resulting in an increase in fund balance of \$826,794 after consideration of \$109,662 in net other financing sources, for an ending fund balance at December 31, 2023 of \$14,123,256. General Fund revenues and other financing sources increased \$3,393,928 from 2022, while expenditures and other financing uses increased by \$4,636,080.

## City of North Olmsted

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2023*

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The increase in General Fund expenditures was mainly due to increased transfers out for debt payments, property damage not covered by insurance, first responder retention bonus, grant expenditures for body worn cameras, and capital improvement projects. The capital improvement included projects to upgrade dispatch radio consoles, IT infrastructure improvements for functionality and redundancy, and energy saving projects.

The General Obligation Bond Retirement Fund accounts for resources that are used for payments of principal and interest and fiscal charges on general obligation debt. In 2023, the General Obligation Bond Retirement Fund had total revenues of \$1,697,710 and expenditures of \$2,963,899 resulting in a decrease in fund balance of \$749,221 after consideration of \$516,968 in net other financing sources, for an ending fund balance at December 31, 2023 of \$10,564,812. Although the General Obligation Bond Retirement Fund revenues and other financing sources increased by approximately \$2.8 million, expenditures and other financing uses increased by approximately \$4.2 million as the fund transferred out \$4.2 million to the Building and Land Acquisition and Improvement fund for the repayment of short-term notes payable. The expenditures are set by the bond, note and loan payments and are based on the amortization schedules of the City's debt.

The Capital Improvement Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities. In 2023, the Capital Improvement Fund had total revenues of \$892,469 and expenditures of \$4,312,649 resulting in a decrease in fund balance of \$3,270,180 after consideration of \$150,000 in net other financing sources, for an ending fund deficit at December 31, 2023 of \$3,447,555. The Capital Improvement Fund revenues and other financing sources increased due to an increase in intergovernmental revenues, as the City was able to receive additional grants in 2023. The increase in Capital Improvement Fund expenditures was mainly due to an increase in capital outlay related to the City's energy savings projects.

### ***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. The City amended its General Fund budget at various times throughout fiscal year 2023. All recommendations for budget amendments are initially presented to the Finance Committee of City Council for review before they are presented to the whole City Council for Ordinance enactment on the change. Budgetary modifications between the legal level of control categories may only be made by resolution of the City Council.

The City allows intra-department budget modifications if they are within the same legal level of control category. The General Fund supports many of the City's major activities such as the police, fire and service departments, as well as most legislative and administrative activities. The General Fund is monitored closely, looking for possible revenue shortfalls or potential overspending by individual departments.

For the General Fund, the original budgeted revenues and other financing sources were \$25,514,954. The final budgeted revenues and other financing sources were \$26,257,872. Final budget revenues increased compared to the original budget due to higher expectations of investment income. The City actually received \$28,468,841 in 2023. While the excess was a result of greater than anticipated revenues across several revenue types, the more significant variance was municipal income taxes. Municipal income tax collections varied from final budget by \$1,332,457, yet were 2.73% lower than the collections from the prior year. 2022 collections were an anomaly, specifically with dramatically higher net profit payments being received.

## City of North Olmsted

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2023*

Net profit is an unreliable revenue stream as it fluctuates dramatically; therefore, the estimate was conservatively reduced to an average of previous years. Actual net profit collections were down 20.72% from 2022. The final budget for withholding was lower than actual for 2023 as there was still uncertainty with how a post COVID/hybrid work schedule would impact City's collections with businesses remitting accordingly as well as a top 10 employer moved to another city early in the year.

Property taxes exceeded the plan by \$401,464. The County provides the current property tax estimate, including the estimate of collectability and the City relies on it. There is no estimate included for delinquent collections, though they are included in actual collections. Additionally, the collectability percentage increased from 94% to 95% in 2023.

Investment income exceeded the final budget by \$465,163. The City did not anticipate the federal reserve maintaining the higher fed funds rate for the entirety of 2023 as well as the City making some changes in where the City's monies were invested.

The original appropriations, including other financing uses for the General Fund were \$32,243,607. The final appropriations, including other financing uses, were \$32,880,436. Actual expenditures, including other financing uses ended \$3,053,488 below the final budgeted amount. Security of persons and property expenditures were less than budgeted across all areas in 2023. Revenues exceeded expenditures by \$113,580 before \$1,471,687 in net other financing uses. This resulted in a decrease of the General Fund balance of \$1,358,107.

### Capital Assets and Debt Administration

#### *Capital Assets*

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Land	\$ 8,681,525	\$ 4,664,882	\$ 2,340,714	\$ 2,340,714	\$ 11,022,239	\$ 7,005,596
Construction in progress	7,072,172	977,722	611,648	533,132	7,683,820	1,510,854
Other non-depreciable assets	33,000	33,000	-	-	33,000	33,000
Land improvements	1,010,558	1,107,161	2,262,727	1,951,895	3,273,285	3,059,056
Buildings and improvements	16,849,265	16,504,519	30,331,535	31,230,021	47,180,800	47,734,540
Furniture and fixtures	81,252	92,344	6,646	7,428	87,898	99,772
Vehicles and equipment	5,565,320	5,656,411	20,583,369	21,849,046	26,148,689	27,505,457
Right to use assets	131,170	-	-	-	131,170	-
Infrastructure	<u>22,533,677</u>	<u>23,183,577</u>	<u>6,066,698</u>	<u>6,390,059</u>	<u>28,600,375</u>	<u>29,573,636</u>
Total	<u>\$ 61,957,939</u>	<u>\$ 52,219,616</u>	<u>\$ 62,203,337</u>	<u>\$ 64,302,295</u>	<u>\$ 124,161,276</u>	<u>\$ 116,521,911</u>

The above table provides further details regarding capital assets reported in the current year compared to the prior year as previously reported. Total governmental activities capital assets, net of depreciation, as of December 31, 2023, were \$61,957,939, which was \$9,738,323 higher than December 31, 2022 as additions outpaced deletions.

Business-type activities net capital assets decreased by \$2,098,958 from 2022 as depreciation outpaced additions. Additional information concerning the City's capital assets can be found in Note 8 to the basic financial statements.

**City of North Olmsted**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Fiscal Year Ended December 31, 2023*

***Debt and Other Long-Term Obligations***

As of December 31, 2023, the City of North Olmsted had \$106,613,571 in total debt and other long-term obligations outstanding with \$8,931,550 due within one year. The table below provides further details regarding debt and other long-term obligations reported in the current year compared to the prior year as previously reported.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Totals</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
General obligation bonds	\$ 13,196,607	\$ 15,893,011	\$ 4,442,843	\$ 4,851,856	\$ 17,639,450	\$ 20,744,867
OWDA loan	-	-	37,132,053	39,823,846	37,132,053	39,823,846
Police pension liability	43,831	48,717	-	-	43,831	48,717
Compensated absences	4,651,304	4,900,245	486,546	458,367	5,137,850	5,358,612
Claims payable	812,666	489,104	-	-	812,666	489,104
Asset retirement obligations	52,521	50,817	-	-	52,521	50,817
Financed purchase	594,101	66,322	-	1,784	594,101	68,106
Subscriptions	119,747	-	-	-	119,747	-
Net pension liability	38,984,172	23,345,184	3,710,638	1,325,236	42,694,810	24,670,420
Net OPEB liability	<u>2,304,887</u>	<u>3,365,566</u>	<u>81,655</u>	<u>-</u>	<u>2,386,542</u>	<u>3,365,566</u>
Total	<u>\$ 60,759,836</u>	<u>\$ 48,158,966</u>	<u>\$ 45,853,735</u>	<u>\$ 46,461,089</u>	<u>\$ 106,613,571</u>	<u>\$ 94,620,055</u>

The general obligation bonds are comprised of many various purposes which include street and storm improvements, sanitary sewer improvements, equipment, computerization, golf course purchase and improvements, recreation center and parks improvements, city building improvements and fire station construction. Many revenue sources assist in the payment of debt service.

The City has two OWDA loans outstanding for the WWTP and collection system improvements with the debt service being paid with user charges.

The State of Ohio statute limits the amount of general obligation debt a governmental entity may issue to 10.5% of the total assessed valuation. The City's overall legal debt margin was \$91,443,346 at December 31, 2023. This represents the aggregate principal amount of additional voted and unvoted debt which the City may issue over and above what the City currently has outstanding without exceeding the limitation. This calculation does not take into account the City's ability to repay such debt levels within current resources. Additional information concerning the City's long-term obligations can be found in Notes 9, 10, 13, 14, 15 and 22 to the basic financial statements.

**Economic Factors and Next Year's Budget**

In 2023, the world continued to deal with the effects of the COVID-19 pandemic and its many variants. Energy costs, labor shortages, continued supply chain issues as well as the rapid increase in inflation caused the price of goods and services to continue to increase dramatically in 2023. Additionally, the large volume of Federal American Rescue Plan Act monies that must be committed by the end of 2024, along with many other Federal infrastructure spending that is flowing through to state and local governments and non-profits has made the cost of construction go up dramatically to levels that far exceed the monies allocated for such purposes making it difficult to complete the projects.

## **City of North Olmsted**

*Management's Discussion and Analysis (Unaudited)*

*For the Fiscal Year Ended December 31, 2023*

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The continued increase in interest rates by the Federal Reserve slowed the housing market, not so much in the price of homes for sale, but in the number of sales as consumers are not only dealing with much higher borrowing rates, but are concerned about higher prices for everyday expenses and the potential of a recession. Municipal income taxes, a significant source of general government revenues, had a continued level of uncertainty as to how they would be impacted by the hybrid work model as companies in the City are required to withhold where the work is actually being performed.

In 2024, while inflation has slowed, the costs of goods and services will still impact the City's budget negatively. The Federal Reserve has moved back when they may begin lowering the federal funds rate to later in 2024, keeping interest rates high, which increases the cost of borrowing for capital projects, and higher for businesses to expand. The local housing market, while home prices have risen, the volume of sales is expected to remain lower. The likelihood of a recession in 2024 has diminished, but the continued change in retail delivery to online may negatively impact the City's local economy with the mall and heavy retail landscape. The municipal income tax collections, which is a significant source of general government revenues, is expected to remain flat, but there is less uncertainty as to how the hybrid work model effects the City's collections. This is closely being monitored as the City only has a couple years of data, but so far what was lost from workers working less in North Olmsted seems to have been offset by North Olmsted residents working a hybrid workweek.

### **Requests for Information**

This financial report is designed to provide our citizens, taxpayers, creditors and investors with a general overview of the City's finances and show the City's accountability for all money it receives, spends, or invests. If you have any questions about this report or need financial information, contact the Director of Finance, City of North Olmsted, 5200 Dover Center Road, North Olmsted, Ohio, 44070; telephone 440-777-8000 or e-mail at [finance@north-olmsted.com](mailto:finance@north-olmsted.com).

# City of North Olmsted, Ohio

## Statement of Net Position

December 31, 2023

	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Equity in pooled cash and cash equivalents	\$ 35,769,239	\$ 15,869,471	\$ 51,638,710
Accounts receivable, net	358,935	-	358,935
Accrued interest receivable	134,757	-	134,757
Materials and supplies inventory	436,335	445,233	881,568
Prepaid items	180,158	106,422	286,580
Internal balances	8,220,422	(8,220,422)	-
Intergovernmental receivable	2,557,407	1,488,613	4,046,020
Income taxes receivable	5,183,421	-	5,183,421
Taxes receivable - property and other	10,400,830	-	10,400,830
Lease receivable	1,250,235	-	1,250,235
Non-depreciable capital assets	15,786,697	2,952,362	18,739,059
Depreciable capital assets, net	46,040,072	59,250,975	105,291,047
Right to use assets, net	131,170	-	131,170
Net pension asset	175,626	55,919	231,545
<b>Restricted assets:</b>			
Restricted cash and cash equivalents	768,032	-	768,032
<b>Total assets</b>	<b>127,393,336</b>	<b>71,948,573</b>	<b>199,341,909</b>
<b>Deferred outflows of resources:</b>			
Pension	13,759,681	1,630,041	15,389,722
OPEB	2,229,273	254,933	2,484,206
<b>Total deferred outflows or resources</b>	<b>15,988,954</b>	<b>1,884,974</b>	<b>17,873,928</b>
<b>Liabilities:</b>			
Accounts and contracts payable	975,637	133,621	1,109,258
Accrued wages and benefits	1,104,265	124,440	1,228,705
Intergovernmental payable	30,071	672	30,743
Matured compensated absences	6,498	-	6,498
Unearned revenues	1,704,807	-	1,704,807
Deposits held and due to others	732,831	-	732,831
Retainage payable	83,146	-	83,146
Accrued interest payable	155,655	476,221	631,876
Notes payable	4,032,600	-	4,032,600
<b>Long-term liabilities:</b>			
Due within one year	5,592,322	3,339,228	8,931,550
Due in more than one year:			
Other amounts due in more than one year	13,878,455	38,722,214	52,600,669
Net pension liability	38,984,172	3,710,638	42,694,810
Net OPEB liability	2,304,887	81,655	2,386,542
<b>Total liabilities</b>	<b>69,585,346</b>	<b>46,588,689</b>	<b>116,174,035</b>

(continued)

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Net Position (continued)

December 31, 2023

	Governmental Activities	Business-Type Activities	Total
Deferred inflows of resources:			
Property taxes	9,771,490	-	9,771,490
Payments in lieu of taxes	330,950	-	330,950
Pension	3,984,310	267,951	4,252,261
OPEB	2,503,478	27,463	2,530,941
Lease	1,557,390	-	1,557,390
Total deferred inflows of resources	<u>18,147,618</u>	<u>295,414</u>	<u>18,443,032</u>
Net position:			
Net investment in capital assets	43,924,858	20,558,510	64,483,368
Restricted for:			
Pension	175,626	55,919	231,545
Debt service	10,704,311	-	10,704,311
Capital projects	5,646,310	-	5,646,310
Highways and streets	4,828,083	-	4,828,083
Public safety	1,807,767	-	1,807,767
Solid waste and recycling	2,683,309	-	2,683,309
Federal and other grants	533,611	-	533,611
Recreation	853,231	-	853,231
Unrestricted	(15,507,780)	6,335,015	(9,172,765)
Total net position	<u>\$ 55,649,326</u>	<u>\$ 26,949,444</u>	<u>\$ 82,598,770</u>

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Activities

For the Year Ended December 31, 2023

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities:</b>				
General government	\$ 6,309,283	\$ 2,305,428	\$ 876	\$ 892,469
Security of persons and property	19,536,339	1,561,403	882,805	-
Public health and welfare	977,952	35,684	154,402	150,000
Transportation	7,404,709	181,741	2,129,556	-
Basic utility services	2,860,376	-	6,246	-
Leisure time activities	3,091,375	1,871,154	307,531	-
Economic development	823,007	18,324	-	-
Interest and fiscal charges	584,195	-	-	-
Total governmental activities	41,587,236	5,973,734	3,481,416	1,042,469
<b>Business-type activities:</b>				
Springvale golf course and ballroom	2,008,066	2,048,094	-	35,000
Sewer revenue	9,310,438	10,440,682	-	56,458
Total business-type activities	11,318,504	12,488,776	-	91,458
Total	\$ 52,905,740	\$ 18,462,510	\$ 3,481,416	\$ 1,133,927

General revenues:

- Property and other taxes levied for:
  - General purposes
  - Recreation
  - Fire pension
  - Police pension
  - Debt service
- Municipal income taxes levied for:
  - General purposes
  - Solid waste and recycling
  - Capital outlay
- Grants and entitlements not restricted to specific programs
- Investment income
- Gain on sale of assets
- Miscellaneous
- Total general revenues
- Transfers
  - Total general revenues and transfers
- Change in net position
- Net position, beginning of year
- Net position, end of year

The accompanying notes are an integral part of these financial statements



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Net (Expense) Revenues and Changes in Net Position

<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Total</u>
\$ (3,110,510)	\$ -	\$ (3,110,510)
(17,092,131)	-	(17,092,131)
(637,866)	-	(637,866)
(5,093,412)	-	(5,093,412)
(2,854,130)	-	(2,854,130)
(912,690)	-	(912,690)
(804,683)	-	(804,683)
(584,195)	-	(584,195)
(31,089,617)	-	(31,089,617)
-	75,028	75,028
-	1,186,702	1,186,702
-	1,261,730	1,261,730
(31,089,617)	1,261,730	(29,827,887)
7,854,565	-	7,854,565
1,053,175	-	1,053,175
263,309	-	263,309
250,446	-	250,446
1,492,012	-	1,492,012
13,369,530	-	13,369,530
2,864,900	-	2,864,900
2,864,900	-	2,864,900
4,279,902	-	4,279,902
2,691,142	-	2,691,142
17,828	-	17,828
52,816	-	52,816
37,054,525	-	37,054,525
1,029,403	(1,029,403)	-
38,083,928	(1,029,403)	37,054,525
6,994,311	232,327	7,226,638
48,655,015	26,717,117	75,372,132
\$ 55,649,326	\$ 26,949,444	\$ 82,598,770

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Balance Sheet – Governmental Funds

December 31, 2023

	General	General Obligation Bond Retirement	Capital Improvement
<b>Assets:</b>			
Equity in pooled cash and cash equivalents	\$ 10,390,203	\$ 3,359,855	\$ 1,533,432
Income taxes receivable	3,628,395	-	-
Taxes receivable - property and other	7,285,593	1,492,229	-
Intergovernmental receivable	1,068,983	92,861	-
Accounts receivable, net	324,093	-	-
Lease receivable	-	-	-
Interfund receivable	3,148	-	-
Materials and supplies inventory	343,983	-	-
Prepaid items	143,974	-	-
Accrued interest receivable	134,757	-	-
Advances to other funds	1,544,433	7,204,957	-
<b>Restricted assets:</b>			
Restricted cash and cash equivalents	-	-	-
<b>Total assets</b>	<b>\$ 24,867,562</b>	<b>\$ 12,149,902</b>	<b>\$ 1,533,432</b>
<b>Liabilities, deferred inflows of resources and fund balances:</b>			
<b>Liabilities:</b>			
Accounts and contracts payable	\$ 171,530	\$ -	\$ 563,073
Accrued wages and benefits	1,000,559	-	-
Intergovernmental payable	21,985	-	-
Unearned revenues	-	-	-
Matured compensated absences	6,498	-	-
Interfund payable	-	-	230,000
Retainage payable	-	-	57,972
Deposits held and due to others	-	-	-
Accrued interest payable	-	-	97,342
Notes payable	-	-	4,032,600
<b>Total liabilities</b>	<b>1,200,572</b>	<b>-</b>	<b>4,980,987</b>
<b>Deferred inflows or resources:</b>			
Property taxes	6,873,167	1,407,756	-
Payments in lieu of taxes	-	-	-
Unavailable revenues	2,670,567	177,334	-
Lease	-	-	-
<b>Total deferred inflows of resources</b>	<b>9,543,734</b>	<b>1,585,090</b>	<b>-</b>
<b>Fund balances:</b>			
Nonspendable	2,032,390	-	-
Restricted	-	10,564,812	-
Committed	619,272	-	-
Assigned	10,964,022	-	-
Unassigned	507,572	-	(3,447,555)
<b>Total fund balances (deficit)</b>	<b>14,123,256</b>	<b>10,564,812</b>	<b>(3,447,555)</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 24,867,562</b>	<b>\$ 12,149,902</b>	<b>\$ 1,533,432</b>

The accompanying notes are an integral part of these financial statements

	Non-major Governmental Funds		Total Governmental Funds
\$	16,106,545	\$	31,390,035
	1,555,026		5,183,421
	1,623,008		10,400,830
	1,395,563		2,557,407
	34,842		358,935
	1,250,235		1,250,235
	230,000		233,148
	92,352		436,335
	36,184		180,158
	-		134,757
	-		8,749,390
	<u>768,032</u>		<u>768,032</u>
\$	<u><u>23,091,787</u></u>	\$	<u><u>61,642,683</u></u>

\$	241,001	\$	975,604
	103,706		1,104,265
	8,086		30,071
	1,704,807		1,704,807
	-		6,498
	3,148		233,148
	25,174		83,146
	732,831		732,831
	-		97,342
	-		4,032,600
	<u>2,818,753</u>		<u>9,000,312</u>

	1,490,567		9,771,490
	330,950		330,950
	1,395,469		4,243,370
	<u>1,557,390</u>		<u>1,557,390</u>
	<u>4,774,376</u>		<u>15,903,200</u>

	128,536		2,160,926
	14,309,062		24,873,874
	1,065,587		1,684,859
	-		10,964,022
	<u>(4,527)</u>		<u>(2,944,510)</u>
	<u>15,498,658</u>		<u>36,739,171</u>

\$	<u><u>23,091,787</u></u>	\$	<u><u>61,642,683</u></u>
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The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities

December 31, 2023

Total governmental funds balances	\$	36,739,171
<i>Amounts reported for governmental activities in the Statement of Net Position are different because:</i>		
Capital assets and right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds.		61,957,939
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		
Property and other local taxes	\$	586,340
Municipal income taxes		1,860,167
Intergovernmental		1,664,644
Charges for services and sales		132,219
Total		<u>4,243,370</u>
In the Statement of Activities, interest is accrued on outstanding long-term obligations, whereas in governmental funds, an interest expenditure is reported when due.		(58,313)
Long-term liabilities are not due and payable in the current period and are therefore not reported in the funds.		
Police pension liability		(43,831)
Financed purchase		(594,101)
Subscriptions		(119,747)
General obligation bonds		(13,196,607)
Asset retirement obligations		(52,521)
Compensated absences		(4,651,304)
Total		<u>(18,658,111)</u>
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		
Net position		3,566,505
Internal balances		(528,968)
Total		<u>3,037,537</u>
The net pension asset / liability is not due or available in the current period; therefore, the asset / liability and related deferred outflows / inflows are not reported in governmental funds.		
Net pension asset		175,626
Deferred outflows		13,759,681
Net pension liability		(38,984,172)
Deferred inflows		(3,984,310)
Total		<u>(29,033,175)</u>
The net OPEB liability is not due in the current period; therefore, the asset/liability and related deferred outflows / inflows are not reported in governmental funds.		
Deferred outflows		2,229,273
Net OPEB liability		(2,304,887)
Deferred inflows		(2,503,478)
Total		<u>(2,579,092)</u>
<i>Net position of governmental activities</i>	\$	<u><u>55,649,326</u></u>

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds

For the Year Ended December 31, 2023

	General	General Obligation Bond Retirement	Capital Improvement	Non-major Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Property and other local taxes	\$ 7,173,012	\$ 1,468,589	\$ -	\$ 2,113,450	\$ 10,755,051
Municipal income taxes	13,613,726	-	-	5,834,456	19,448,182
Payments in lieu of taxes	-	-	-	375,844	375,844
Charges for services and sales	1,872,412	-	-	2,511,107	4,383,519
Fines, licenses and permits	1,265,628	-	-	335,118	1,600,746
Intergovernmental	2,675,400	185,721	892,469	4,499,363	8,252,953
Special assessments	-	-	-	859	859
Investment income	2,481,282	43,400	-	145,271	2,669,953
Miscellaneous	26,191	-	-	146,462	172,653
Total revenues	<u>29,107,651</u>	<u>1,697,710</u>	<u>892,469</u>	<u>15,961,930</u>	<u>47,659,760</u>
<b>Expenditures:</b>					
<b>Current:</b>					
General government	5,431,659	4,750	399,230	363,700	6,199,339
Security of persons and property	17,401,257	-	-	1,746,152	19,147,409
Public health and welfare	826,102	-	-	165,201	991,303
Transportation	3,929,563	-	-	4,128,093	8,057,656
Basic utility services	-	-	-	2,860,376	2,860,376
Leisure time activities	6,270	-	-	3,434,157	3,440,427
Economic development	484,573	-	163,843	567,509	1,215,925
Capital outlay	-	-	3,623,779	4,357,142	7,980,921
<b>Debt service:</b>					
Principal	305,299	2,435,000	-	26,796	2,767,095
Interest and fiscal charges	5,796	524,149	97,342	175,767	803,054
Issuance costs	-	-	28,455	-	28,455
Total expenditures	<u>28,390,519</u>	<u>2,963,899</u>	<u>4,312,649</u>	<u>17,824,893</u>	<u>53,491,960</u>
Excess (deficiency) of revenues over (under) expenditures	<u>717,132</u>	<u>(1,266,189)</u>	<u>(3,420,180)</u>	<u>(1,862,963)</u>	<u>(5,832,200)</u>
<b>Other financing sources (uses):</b>					
Inception of financed purchase	731,134	-	-	-	731,134
Sale of assets	17,828	-	-	-	17,828
Transfers - in	171,500	4,744,018	150,000	4,477,050	9,542,568
Transfers - out	(810,800)	(4,227,050)	-	(3,493,518)	(8,531,368)
Total other financing sources (uses)	<u>109,662</u>	<u>516,968</u>	<u>150,000</u>	<u>983,532</u>	<u>1,760,162</u>
Net change in fund balances	826,794	(749,221)	(3,270,180)	(879,431)	(4,072,038)
Fund balances (deficit), beginning of year	<u>13,296,462</u>	<u>11,314,033</u>	<u>(177,375)</u>	<u>16,378,089</u>	<u>40,811,209</u>
Fund balances (deficit), end of year	<u>\$ 14,123,256</u>	<u>\$ 10,564,812</u>	<u>\$ (3,447,555)</u>	<u>\$ 15,498,658</u>	<u>\$ 36,739,171</u>

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended December 31, 2023

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Net change in fund balances – total governmental funds \$ (4,072,038)

*Amounts reported for governmental activities in the Statement of Activities are different because:*

Governmental funds report capital outlay as expenditures. However in the Statement of Activities, the cost of those assets is allocated over their useful lives and reported as depreciation and amortization expense. This is the amount by which capital outlays differed from depreciation in the current period.

Capital outlay	\$ 12,788,930	
Capital contribution	18,203	
Depreciation and amortization expense	<u>(3,312,411)</u>	
Total		9,494,722

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property and other local taxes	158,456	
Municipal income taxes	(348,852)	
Charges for services and sales	11,979	
Intergovernmental	<u>52,973</u>	
Total		(125,444)

Other financing sources in the governmental funds increase long-term liabilities in the Statement of Net Position.

Financed purchase		(731,134)
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Repayment of long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

General obligation bonds	2,435,000	
Police-pension liability	4,886	
Financed purchase	203,355	
Subscriptions	<u>123,854</u>	
Total		2,767,095

(continued)

The accompanying notes are an integral part of these financial statements

## City of North Olmsted, Ohio

### Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities (continued)

For the Year Ended December 31, 2023

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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Accrued interest on bonds	(14,090)	
Compensated absences	248,941	
Asset retirement obligations	(1,704)	
Amortization of premium	261,404	
Total		494,551

Internal service funds used by management to charge the costs of insurance to individual funds are not reported in the entity-wide Statement of Activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among governmental activities.

Change in net position	161,386	
Internal balances	(19,430)	
Total		141,956

Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.

2,928,473

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

(3,903,870)

Change in net position of governmental activities

\$ 6,994,311

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Revenues, Expenditures, and Changes in Fund Balance Budget (Non-GAAP Budgetary Basis) and Actual – General Fund

For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Municipal income taxes	\$ 12,159,000	\$ 12,159,000	\$ 13,491,457	\$ 1,332,457
Property and other local taxes	6,774,613	6,774,613	7,176,077	401,464
Charges for services and sales	1,690,000	1,690,000	1,673,606	(16,394)
Fees, licenses and permits	1,069,950	1,069,950	1,022,698	(47,252)
Fines and forfeitures	207,000	207,000	189,234	(17,766)
Intergovernmental	2,502,809	2,585,309	2,658,697	73,388
Investment income	830,000	1,630,000	2,095,163	465,163
Miscellaneous	20,000	20,000	25,546	5,546
Total revenues	<u>25,253,372</u>	<u>26,135,872</u>	<u>28,332,478</u>	<u>2,196,606</u>
<b>Expenditures:</b>				
Current:				
General government	6,438,044	6,426,700	5,817,422	609,278
Security of persons and property	17,226,434	17,636,433	16,082,986	1,553,447
Public health and welfare	797,857	825,531	775,757	49,774
Transportation	5,398,447	5,376,447	4,743,229	633,218
Basic utility services	31,000	31,000	30,194	806
Economic development	893,775	976,275	769,310	206,965
Total expenditures	<u>30,785,557</u>	<u>31,272,386</u>	<u>28,218,898</u>	<u>3,053,488</u>
(Deficiency) excess of revenues (under) over expenditures	<u>(5,532,185)</u>	<u>(5,136,514)</u>	<u>113,580</u>	<u>5,250,094</u>
<b>Other financing (uses) sources:</b>				
Sale of assets	22,000	22,000	36,363	14,363
Advances - in	139,582	-	-	-
Transfers - in	100,000	100,000	100,000	-
Transfers - out	(1,458,050)	(1,608,050)	(1,608,050)	-
Total other financing (uses) sources	<u>(1,196,468)</u>	<u>(1,486,050)</u>	<u>(1,471,687)</u>	<u>14,363</u>
Net change in fund balance	(6,728,653)	(6,622,564)	(1,358,107)	5,264,457
Prior year encumbrances	508,084	508,084	508,084	-
Fund balance, beginning of year	<u>7,708,206</u>	<u>7,708,206</u>	<u>7,708,206</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,487,637</u>	<u>\$ 1,593,726</u>	<u>\$ 6,858,183</u>	<u>\$ 5,264,457</u>

The accompanying notes are an integral part of these financial statements



# City of North Olmsted, Ohio

## Statement of Fund Net Position Proprietary Funds

December 31, 2023

	Business-Type Activities – Enterprise Funds			Governmental Activities
	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
<b>Assets:</b>				
Current assets:				
Equity in pooled cash and equivalents	\$ 542,154	\$ 15,327,317	\$ 15,869,471	\$ 4,379,204
Materials and supplies inventory	19,256	425,977	445,233	-
Prepaid items	13,318	93,104	106,422	-
Intergovernmental receivable	-	1,488,613	1,488,613	-
Total current assets	<u>574,728</u>	<u>17,335,011</u>	<u>17,909,739</u>	<u>4,379,204</u>
Non-current assets:				
Non-depreciable capital assets	2,251,703	700,659	2,952,362	-
Depreciable capital assets, net	6,608,589	52,642,386	59,250,975	-
Net pension asset	12,504	43,415	55,919	-
Total non-current assets	<u>8,872,796</u>	<u>53,386,460</u>	<u>62,259,256</u>	<u>-</u>
Total assets	<u>9,447,524</u>	<u>70,721,471</u>	<u>80,168,995</u>	<u>4,379,204</u>
<b>Deferred outflows or resources:</b>				
Pension	364,481	1,265,560	1,630,041	-
OPEB	57,004	197,929	254,933	-
Total deferred outflows or resources	<u>421,485</u>	<u>1,463,489</u>	<u>1,884,974</u>	<u>-</u>
<b>Liabilities:</b>				
Current:				
Accounts and contracts payable	3,851	129,770	133,621	33
Accrued wages and benefits	14,406	110,034	124,440	-
Intergovernmental payable	54	618	672	-
Accrued interest payable	11,671	464,550	476,221	-
Claims payable	-	-	-	793,894
Accrued compensated absences	30,747	163,887	194,634	-
General obligation bond payable	310,000	75,000	385,000	-
OWDA loan payable	-	2,759,594	2,759,594	-
Total current liabilities	<u>370,729</u>	<u>3,703,453</u>	<u>4,074,182</u>	<u>793,927</u>
Long-term liabilities (net of current portion):				
Advances from other funds	7,380,446	1,368,944	8,749,390	-
Claims payable	-	-	-	18,772
Accrued compensated absences	60,358	231,554	291,912	-
General obligation bonds payable	3,799,400	258,443	4,057,843	-
OWDA loan payable	-	34,372,459	34,372,459	-
Net pension liability	829,708	2,880,930	3,710,638	-
Net OPEB liability	18,258	63,397	81,655	-
Total long-term liabilities	<u>12,088,170</u>	<u>39,175,727</u>	<u>51,263,897</u>	<u>18,772</u>
Total liabilities	<u>12,458,899</u>	<u>42,879,180</u>	<u>55,338,079</u>	<u>812,699</u>

(continued)

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Fund Net Position Proprietary Funds (continued)

December 31, 2023

	Business-Type Activities – Enterprise Funds			Governmental Activities
	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Deferred inflows of resources:				
Pension	59,915	208,036	267,951	-
OPEB	6,141	21,322	27,463	-
Total deferred inflows of resources	<u>66,056</u>	<u>229,358</u>	<u>295,414</u>	<u>-</u>
Net position:				
Net investment in capital assets	4,750,892	15,807,618	20,558,510	-
Restricted for pension	12,504	43,415	55,919	-
Unrestricted (deficit)	(7,419,342)	13,225,389	5,806,047	3,566,505
Total net position	<u>\$ (2,655,946)</u>	<u>\$ 29,076,422</u>	<u>26,420,476</u>	<u>\$ 3,566,505</u>

Net position reported for business-type activities in the Statement of Net Position are different because they include accumulated overpayments to the internal service funds:

	528,968
Net position business-type activities	<u>\$ 26,949,444</u>

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Revenues, Expenses and Changes in Fund Net Position Proprietary Funds

For the Year Ended December 31, 2023

	Business-Type Activities – Enterprise Funds			Governmental
	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Operating revenues:				
Charges for services and sales	\$ 2,048,094	\$ 10,440,682	\$ 12,488,776	\$ 5,091,761
Miscellaneous	-	-	-	211,276
Total operating revenues	<u>2,048,094</u>	<u>10,440,682</u>	<u>12,488,776</u>	<u>5,303,037</u>
Operating expenses:				
Salaries	496,636	1,871,607	2,368,243	-
Benefits	86,792	833,498	920,290	-
Contractual services	462,927	2,296,995	2,759,922	1,108,802
Materials and supplies	429,479	503,555	933,034	-
Claims	-	-	-	4,032,849
Depreciation	418,530	2,862,967	3,281,497	-
Total operating expenses	<u>1,894,364</u>	<u>8,368,622</u>	<u>10,262,986</u>	<u>5,141,651</u>
Operating income	153,730	2,072,060	2,225,790	161,386
Non-operating revenue (expenses):				
Intergovernmental	35,000	-	35,000	-
Loss on disposal of capital assets	-	(2,048)	(2,048)	-
Interest and fiscal charges	(119,036)	(953,864)	(1,072,900)	-
Total non-operating expenses	<u>(84,036)</u>	<u>(955,912)</u>	<u>(1,039,948)</u>	<u>-</u>
Income before capital contributions, distributions and transfers	69,694	1,116,148	1,185,842	161,386
Capital contributions	-	56,458	56,458	-
Capital distribution	-	(18,203)	(18,203)	-
Transfers - out	<u>(23,200)</u>	<u>(988,000)</u>	<u>(1,011,200)</u>	<u>-</u>
Change in net position	46,494	166,403	212,897	161,386
Net position, beginning of year	<u>(2,702,440)</u>	<u>28,910,019</u>		<u>3,405,119</u>
Net position, end of year	\$ <u>(2,655,946)</u>	\$ <u>29,076,422</u>		\$ <u>3,566,505</u>

Some amounts reported for business-type activities in the Statement of Activities are different because a portion of the net expense of the internal service funds are reported with business-type activities:

	<u>19,430</u>
Change in net position business-type activities	\$ <u><u>232,327</u></u>

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Cash Flows Proprietary Funds

For the Year Ended December 31, 2023

	Business-Type Activities – Enterprise Funds			Governmental
	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Cash flows from operating activities:				
Receipts from customers and users	\$ 2,048,094	\$ 10,435,439	\$ 12,483,533	\$ 5,303,037
Cash paid for goods and services	(498,295)	(2,357,803)	(2,856,098)	(1,111,711)
Cash paid for materials and supplies	(429,835)	(655,834)	(1,085,669)	-
Cash paid for employee services and benefits	(596,940)	(2,728,555)	(3,325,495)	-
Cash paid for claims	-	-	-	(3,709,287)
Net cash provided by operating activities	<u>523,024</u>	<u>4,693,247</u>	<u>5,216,271</u>	<u>482,039</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(680,275)	(469,211)	(1,149,486)	-
Contributed capital	-	56,458	56,458	-
Finance purchase principal paid	-	(1,784)	(1,784)	-
Loan principal paid – OWDA	-	(2,691,793)	(2,691,793)	-
Loan interest paid	-	(977,639)	(977,639)	-
General obligation bonds principal paid	(305,000)	(70,000)	(375,000)	-
General obligation bonds interest paid	(149,200)	(14,700)	(163,900)	-
Intergovernmental revenue	<u>35,000</u>	<u>-</u>	<u>35,000</u>	<u>-</u>
Net cash used by capital and related financing activities	<u>(1,099,475)</u>	<u>(4,168,669)</u>	<u>(5,268,144)</u>	<u>-</u>
Cash flows from noncapital financing activities:				
Advances - in	326,164	-	326,164	-
Transfers - out	<u>(23,200)</u>	<u>(988,000)</u>	<u>(1,011,200)</u>	<u>-</u>
Net cash provided (used) by noncapital financing activities	<u>302,964</u>	<u>(988,000)</u>	<u>(685,036)</u>	<u>-</u>
Net (decrease) increase in cash and cash equivalents	(273,487)	(463,422)	(736,909)	482,039
Cash and cash equivalents, beginning of year	<u>815,641</u>	<u>15,790,739</u>	<u>16,606,380</u>	<u>3,897,165</u>
Cash and cash equivalents, end of year	<u>\$ 542,154</u>	<u>\$ 15,327,317</u>	<u>\$ 15,869,471</u>	<u>\$ 4,379,204</u>

(continued)

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Cash Flows Proprietary Funds (continued)

For the Year Ended December 31, 2023

	Business-Type Activities – Enterprise Funds			Governmental
	Springvale Golf Course and Ballroom	Sewer Revenue	Total	Internal Service Funds
Reconciliation of operating income to net cash from operating activities:				
Operating income	\$ 153,730	\$ 2,072,060	\$ 2,225,790	\$ 161,386
Adjustments:				
Depreciation	418,530	2,862,967	3,281,497	-
Changes in assets, liabilities, and deferred outflows/inflows:				
Materials and supplies inventory	2,639	(128,986)	(126,347)	-
Intergovernmental receivable	-	(5,243)	(5,243)	-
Prepaid items	(972)	(8,649)	(9,621)	-
Net pension asset	11,451	39,762	51,213	-
Net OPEB asset	108,651	377,263	485,914	-
Deferred outflows - pension	(209,383)	(727,023)	(936,406)	-
Deferred outflows - OPEB	(51,669)	(179,408)	(231,077)	-
Accounts and contracts payable	(37,187)	(74,211)	(111,398)	(422)
Accrued wages and benefits	514	10,511	11,025	-
Intergovernmental payable	(204)	(1,241)	(1,445)	(2,487)
Claims payable	-	-	-	323,562
Accrued compensated absences	3,005	25,174	28,179	-
Net pension liability	533,382	1,852,020	2,385,402	-
Net OPEB liability	18,258	63,397	81,655	-
Deferred inflows - pension	(315,895)	(1,096,859)	(1,412,754)	-
Deferred inflows - OPEB	(111,826)	(388,287)	(500,113)	-
Net cash provided by operating activities	<u>\$ 523,024</u>	<u>\$ 4,693,247</u>	<u>\$ 5,216,271</u>	<u>\$ 482,039</u>
Non-cash capital financing activities:				
Assets purchased on account	\$ -	\$ 69,931	\$ 69,931	\$ -
Capital assets contributed to governmental activities	-	(18,203)	(18,203)	-
Amortization of premium on bonds classified as interest expense	(29,402)	(4,611)	(34,013)	-

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

## Statement of Fiduciary Net Position Fiduciary Funds

December 31, 2023

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	<u>Total Custodial Funds</u>
Assets:	
Equity in pooled cash and cash equivalents	\$ <u>175,267</u>
Liabilities:	
Accounts payable	310
Deposits held and due to others	<u>172,297</u>
Total current liabilities	<u>172,607</u>
Net position:	
Restricted for others	<u>2,660</u>
Total net position	\$ <u><u>2,660</u></u>

The accompanying notes are an integral part of these financial statements

## City of North Olmsted, Ohio

### Statement of Change in Fiduciary Net Position Fiduciary Funds

For the Year Ended December 31, 2023

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	<u>Total Custodial Funds</u>
Additions:	
Court deposits	\$ 853,620
Deductions:	
Court disbursements	<u>853,300</u>
Change in net position	320
Net position, beginning of year	<u>2,340</u>
Net position, end of year	<u>\$ 2,660</u>

The accompanying notes are an integral part of these financial statements

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements

For the Year Ended December 31, 2023

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## **Note 1: Description of the City and Reporting Entity**

The City of North Olmsted, Ohio, (the “City”) was chartered in 1959 under the laws of the State of Ohio. The City operates a Mayor-Council form of government.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading.

The City’s primary government consists of all funds and departments which are not legally separate from the City. They include police and fire fighting forces, sewer services, a golf course, a street maintenance service, planning and zoning, and staff to provide necessary support to these service providers.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization’s governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization’s resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations which are fiscally dependent on the City in that the City approves the budget, the issuance of debt, or the levying of taxes. The City has no component units.

The City is associated with two jointly governed organizations, the West Shore Council of Governments and the Regional Income Tax Agency (RITA). These organizations are presented in Note 18 to the basic financial statements.

## **Note 2: Summary of Significant Accounting Policies**

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

### ***A. 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 statements distinguish between those activities of the City that are governmental and those that are considered business-type. The activities of the internal service funds are eliminated to avoid “doubling up” revenues and expenses.



# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***A. Basis of Presentation (continued)***

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

### *Fund Financial Statements*

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

### ***B. Fund Accounting***

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

### *Governmental Funds*

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 2: Summary of Significant Accounting Policies (continued)

### B. Fund Accounting (continued)

The following are the City's major governmental funds:

*General Fund* – The General Fund is the operating fund of the City and is used to account for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the City for any purpose provided it is expended or transferred according to the charter of the City of North Olmsted and/or the general laws of Ohio.

*General Obligation Bond Retirement Fund* – The General Obligation Bond Retirement Debt Service Fund accounts for resources that are used for payment of principal and interest and fiscal charges on general obligation debt.

*Capital Improvement Fund* – The Capital Improvement Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by a proprietary fund).

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

### *Proprietary Funds*

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

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

*Springvale Golf Course and Ballroom Fund* – The Springvale Golf Course and Ballroom Fund accounts for revenues and expenses of the City-owned golf course and ballroom facility.

*Sewer Revenue Fund* – The Sewer Revenue Fund accounts for the revenues and expenses of the sanitary sewer system and wastewater treatment plant facilities.

*Internal Service Funds* – Internal service funds account for the financing of services provided by one department or agency to other departments or agencies of the City on a cost-reimbursement basis. One internal service fund accounts for a self-insurance program for employee medical, dental and vision benefits. The other internal service fund accounts for assets set aside for claim settlements and related liabilities associated with the workers' compensation self-insurance program.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***B. Fund Accounting (continued)***

#### *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 has no trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City's custodial funds account for the activities of the Mayor's Court.

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

#### *Government-wide Financial Statements*

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All non-fiduciary 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 (i.e., revenues) and decreases (i.e., expenses) in total net position.

#### *Fund Financial Statements*

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

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 2: Summary of Significant Accounting Policies (continued)**

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

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

#### *Revenues - Exchange and Nonexchange Transactions*

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within 60 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 (Note 7).

Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

#### *Unearned Revenue*

Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***D. Basis of Accounting (continued)***

#### *Deferred Outflows/Inflows of Resources*

In addition to assets, the financial statements may report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. At December 31, 2023, the City had deferred outflows of resources for pension and OPEB (other postemployment benefits) plans reported in the government-wide Statement of Net Position and the proprietary funds Statement of Fund Net Position.

In addition to liabilities, the financial statements may report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period and will not be a recognized as inflow of resources (revenue) until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, unavailable revenue, amounts for pension and OPEB plans and leases. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2023, but which were levied to finance fiscal year 2024 operations. These amounts along with deferred inflows related to leases have been recorded as a deferred inflow on both the government-wide Statement of Net Position and the governmental funds Balance Sheet. Unavailable revenue is reported only on the governmental funds Balance Sheet, and represents receivables, which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, charges for services and sales, interest and intergovernmental revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide Statement of Net Position and in the proprietary funds Statement of Fund Net Position. Deferred inflows of resources related to leases are explained in Note 7.

The deferred outflows and inflows of resources related to pension and OPEB plans are explained in Note 9 and Note 10.

#### *Expenses/Expenditures*

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***E. Budgetary Data***

All funds, except fiduciary funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount City Council may appropriate. The appropriations resolution is City Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by City Council. The legal level of control has been established by City Council at the category level (salaries, benefits, materials and supplies, contractual services, capital outlay, etc.). 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 Finance Director. The amounts reported as the original budgeted amounts on the budgetary statements 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 statements reflect the amounts on the amended certificate of estimated resources in effect at the time the final appropriations were enacted by City Council.

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

### ***F. Pooled Cash and Cash Equivalents***

To improve cash management, cash received by the City is pooled. Monies for all funds, including proprietary funds, are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "equity in pooled cash and cash equivalents". During 2023, investments were limited to STAR Ohio, negotiable certificates of deposit, money market accounts, municipal securities, and U.S. agency securities.

Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts and nonnegotiable certificate of deposits are reported at cost.

STAR Ohio, is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but the City 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 a NAV per share that approximates fair value.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***F. Pooled Cash and Cash Equivalents (continued)***

For the year ended 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice of all deposits and withdrawals exceeding \$100 million is encouraged. STAR Ohio reserves the right to limit the transaction to \$250 million per day, 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.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Investment income credited to the general fund during 2023 amounted to \$2,481,282, which includes \$1,993,225 assigned from other City funds.

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 cash equivalents”.

### ***G. Materials and Supplies Inventory***

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

### ***H. Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2023 are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

### ***I. Lease Receivable***

As lessor, the City recognizes lease contracts or equivalents that have a term exceeding one year and the cumulative future payments on the contract exceed \$5,000 that meet the definition of another than short-term lease. At the commencement of the lease, the City records a receivable and deferred inflow of the net present value of future expected payments using a discount rate explicitly stated or implicit in the contract. Deferred inflows of resources related to lease receivables are recorded initially as equal to the amount of the initial measurement of the lease receivable and subsequently recognized as revenue in a systematic and rational manner over the term of the lease. Short-term lease receipts and variable lease receipts not included in the measurement of the lease receivable are recognized as income when earned.

### ***J. Capital Assets***

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets 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.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 2: Summary of Significant Accounting Policies (continued)

### J. Capital Assets (continued)

Purchased 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 values as of the date received. The City maintains a capitalization threshold of \$5,000. 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, art, 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. The City's infrastructure consists of roads, bridges, culverts and sanitary sewer lines.

Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	5 to 40 years
Buildings and improvements	8 to 40 years
Furniture and fixtures	3 to 20 years
Vehicles and equipment	2 to 40 years
Roads	5 to 30 years
Bridges and culverts	35 to 50 years
Sanitary sewer lines	50 years

The City is reporting right-to-use assets related to subscriptions. These assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying asset.

### K. Interfund Balances

On fund financial statements, outstanding interfund loans and unpaid amounts for interfund services are reported as "interfund receivables/payables." Interfund balance amounts are eliminated in the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances. On fund financial statements, long-term interfund loans, reported as "advances to/from other funds", are classified as nonspendable fund balance, which indicate that they are not in spendable form even though it is a component of net current assets. Repayment is expected to be made within a reasonable period of time.

### L. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. The City records a liability for all accumulated unused vacation time when earned for all employees with more than one year of service.



# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***L. Compensated Absences (continued)***

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those that the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year-end taking into consideration any limits specified in the City's termination policy.

### ***M. Accrued Liabilities and Long-Term Obligations***

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

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

### ***N. Leases***

As lessee, the City recognizes lease contracts or equivalents that have a term exceeding one year and the cumulative future payments on the contract exceed \$5,000 that meet the definition of an other than short-term lease. Short-term lease payments are expensed when incurred. At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. The City uses a discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the City's incremental borrowing rate at start of the lease for a similar asset type and term length to the contract. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

### ***O. Subscriptions***

The City recognizes subscription-based information technology arrangements that have a term exceeding one year and future payments on the contract exceed \$5,000. Short-term subscriptions are expensed as incurred. At the commencement of the subscription arrangement, the City initially measures the subscription liability at the present value of payments expected to be made during the term. The City uses a discount rate that is determined using the City's incremental borrowing rate at start of the subscription arrangement for a similar asset type and term length to the contract. Subsequently, the subscription liability is reduced by the principal portion of payments made. The subscription asset is initially measured as the initial amount of the subscription liability. Subsequently, the subscription asset is amortized on a straight-line basis over its term.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 2: Summary of Significant Accounting Policies (continued)

### P. Fund Balance

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

***Nonspendable:*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans receivable.

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

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

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

***Assigned:*** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by City Council or a City official delegated that authority by City Charter or ordinance. The City’s delegated official is the Finance Director.

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***P. Fund Balance (continued)***

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, through Council ordinance, has established a reserve balance account for the purpose of budget stabilization in accordance with Ohio Revised Code Section 5705.13. The amount reserved may not exceed 5% of the General Fund's revenues in the prior year. Council may appropriate expenditures out of the reserve account to stabilize the City's budget. As the required circumstances determining when the balance can be appropriated are not sufficiently detailed, the balance of \$507,572 is reported as unassigned fund balance.

### ***Q. Net Position***

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide Statement of Net Position reports \$27,288,167 of restricted net position, none of which is 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.

### ***R. 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 and sales for sewer, golf and self-insurance programs. Operating expenses are necessary costs that have been incurred in order to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as non-operating.

### ***S. Bond Premiums***

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 2: Summary of Significant Accounting Policies (continued)**

### ***T. Contributions of Capital / Distributions of Capital***

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

Distribution of capital in the proprietary funds to governmental activities financial statements arise from inside contributions of capital assets and distributions of capital assets or resources restricted to capital acquisition and construction. These are shown as transfers on the Statement of Activities.

### ***U. 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 non-operating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

### ***V. Pensions/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 pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB systems. 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 systems report investments at fair value.

### ***W. 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.

### ***X. Restricted Assets***

Assets are reported as restricted when limitations on their use change in nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the nonmajor governmental funds represent deposits held and due to others.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 3: Change in Accounting Principles**

### ***Newly Adopted Accounting Pronouncements***

For fiscal year 2023, the City implemented the following Governmental Accounting Standards issued by the Governmental Accounting Standards Board (GASB):

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, was issued in March 2020. This statement clarifies the accounting and financial reporting surrounding public-private and public-public partnerships and availability payment arrangements. The requirements of this statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023. The implementation of this GASB pronouncement did not result in any changes to the City's financial statements.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, was issued in May 2020. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements. The requirements of this statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023. These changes were incorporated in the City's 2023 financial statements. As a result of the implementation of this standard, effective January 1, 2023, the City recorded a right-to-use subscription asset of \$243,601 with an offsetting subscription liability of \$243,601 for governmental activities.

GASB Statement No. 99, *Omnibus 2022*, was issued in April 2022. This statement addresses a variety of topics with objectives to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The effective date of this standard to reporting periods beginning after June 15, 2022. The implementation of this GASB pronouncement did not result in any changes to the City's financial statements.

GASB Statement No. 97 *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*, was issued in June 2020. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The implementation of this GASB pronouncement did not result in any changes to the City's financial statements.

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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### **Note 3: Change in Accounting Principles (continued)**

#### *Newly Issued Accounting Pronouncements, Not Yet Adopted*

GASB Statement No. 100, *Accounting Changes and Error Corrections—An Amendment of GASB Statement No. 62*, was issued in June 2022. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The effective date of this standard to reporting periods beginning after June 15, 2023. The City has not yet determined the impact that this GASB pronouncement will have on its financial statements and disclosures.

GASB Statement No. 101, *Compensated Absences*, was issued in June 2022. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The City has not yet determined the impact that this GASB pronouncement will have on its financial statements and disclosures.

### **Note 4: Fund Balances**

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

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

## Note 4: Fund Balances (continued)

Fund Balances	General	General Obligation Bond Retirement	Capital Improvement	Non-major Governmental Funds	Total Governmental Funds
Nonspendable:					
Long-term advances	\$ 1,544,433	\$ -	\$ -	\$ -	\$ 1,544,433
Inventory	343,983	-	-	92,352	436,335
Prepays	<u>143,974</u>	<u>-</u>	<u>-</u>	<u>36,184</u>	<u>180,158</u>
Total nonspendable	<u>2,032,390</u>	<u>-</u>	<u>-</u>	<u>128,536</u>	<u>2,160,926</u>
Restricted for:					
Recreation	-	-	-	834,458	834,458
Court computer	-	-	-	4,668	4,668
Alcohol education	-	-	-	39,334	39,334
Drug and law enforcement	-	-	-	39,280	39,280
Police and fire pension	-	-	-	317,782	317,782
Emergency medical services	-	-	-	1,325,157	1,325,157
OneOhio	-	-	-	18,958	18,958
Motor vehicle license tax	-	-	-	310,379	310,379
State highway	-	-	-	130,042	130,042
Street maintenance	-	-	-	2,531,631	2,531,631
Public way management	-	-	-	24,649	24,649
Sidewalk improvement	-	-	-	216,294	216,294
Solid waste and recycling	-	-	-	2,401,189	2,401,189
Great Northern TIF	-	-	-	839,286	839,286
Endowments and grants	-	-	-	330,388	330,388
CDBG	-	-	-	6,586	6,586
Title III grant	-	-	-	24,675	24,675
Federal equity sharing	-	-	-	7,374	7,374
Fair capacity housing	-	-	-	104,176	104,176
FEMA	-	-	-	18,500	18,500
Federal grants	-	-	-	35,232	35,232
Debt service payments	-	10,564,812	-	-	10,564,812
Permanent improvements	-	-	-	4,731,714	4,731,714
Capital improvements	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,310</u>	<u>17,310</u>
Total restricted	<u>-</u>	<u>10,564,812</u>	<u>-</u>	<u>14,309,062</u>	<u>24,873,874</u>
Committed to:					
Casualty loss	-	-	-	313,330	313,330
Economic development	-	-	-	91,986	91,986
Senior center	-	-	-	630	630
Hotel/motel tax	-	-	-	617,813	617,813
STOP program	-	-	-	41,828	41,828
Purchases on order	<u>619,272</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>619,272</u>
Total committed	<u>619,272</u>	<u>-</u>	<u>-</u>	<u>1,065,587</u>	<u>1,684,859</u>
Assigned to:					
Separation pay	1,605,490	-	-	-	1,605,490
27th pay	656,000	-	-	-	656,000
Year 2024 appropriations	8,077,367	-	-	-	8,077,367
Purchases on order	<u>625,165</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>625,165</u>
Total assigned	<u>10,964,022</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,964,022</u>
Unassigned	<u>507,572</u>	<u>-</u>	<u>(3,447,555)</u>	<u>(4,527)</u>	<u>(2,944,510)</u>
Total fund balance	\$ <u>14,123,256</u>	\$ <u>10,564,812</u>	\$ <u>(3,447,555)</u>	\$ <u>15,498,658</u>	\$ <u>36,739,171</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 5: Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP basis), the budgetary basis, as provided by law, is based upon accounting for transactions on a basis of cash receipts, disbursements and encumbrances. A Statement of Revenues, Expenditures and Changes in Fund Balances – Budget (Non-GAAP Budgetary Basis) and Actual is presented for the general fund on the budgetary basis to provide a meaningful comparison of actual results with the budget and to demonstrate compliance with State statute.

The major difference between the budgetary basis and the GAAP basis are:

- 1) Revenues are recorded when received in cash (budgetary) as opposed to when susceptible to accrual (GAAP).
- 2) Expenditures are recorded when paid in cash (budgetary) as opposed to when the liability is incurred (GAAP).
- 3) Encumbrances are treated as expenditures (budgetary) rather than as restricted, committed, or assigned fund balance (GAAP).
- 4) Investments are reported at fair value (GAAP) rather than cost (budgetary).
- 5) Budgetary revenues and expenditures of certain funds are classified to general fund for GAAP reporting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budget basis statement for the General Fund.

	<u>Net Change in Fund Balance</u>
GAAP basis	\$ <u>826,794</u>
Increase (decrease) due to:	
Revenue accruals	(1,077,661)
Expenditure accruals	33,226
Outstanding encumbrances	(1,423,950)
Fair value adjustment for investments	(310,111)
To reclassify the net change in fund balance for funds combined with the General Fund for GASB 54	<u>593,595</u>
Budget basis	\$ <u>(1,358,107)</u>



# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 6: Deposits and Investments**

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

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

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

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

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
4. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
5. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40% of the interim monies available for investment at any one time if training requirements have been met; and

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 6: Deposits and Investments (continued)**

8. Written repurchase agreements in the securities described in (1) or (2) provided the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and be marked to market daily, and the term of the agreement must not exceed thirty days.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short-selling are also prohibited. 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 Finance Director or, if the securities are not represented by certificate, upon receipt of confirmation of transfer from the custodian.

### ***Deposits***

*Custodial credit risk* is the risk that in the event of bank failure, the City's deposits may not be returned to it.

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

Eligible securities pledged to the City and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105% 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 Ohio Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

At year-end, the bank balance of the City's deposits was \$14,994,583. At year-end \$1,526,786 of the City's total bank balance was exposed to custodial credit risk because those deposits were uninsured and uncollateralized. Two of the City's financial institutions participate in the Ohio Pooled Collateral System (OPCS) and were approved by the Ohio Treasurer of State for a reduced collateral floor of 60% resulting in the uninsured and uncollateralized balance. The City also has cash on hand of \$4,550.

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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### Note 6: Deposits and Investments (continued)

#### Investments

As of December 31, 2023, the City had the following investments:

	<u>Fair Value</u>	<u>Maturities (in years) Less than 1</u>	<u>Maturities (in years) More than 1</u>
Money market	\$ 4,401,478	\$ 4,401,478	\$ -
U.S. Treasury Bills	5,931,936	5,931,936	-
Municipal securities	101,311	101,311	-
U.S. agency securities:			
Farmer Mac Notes	198,720	-	198,720
Federal Home Loan Bank Bonds	4,956,598	803,814	4,152,784
Federal Home Loan Bank Notes	607,878	259,628	348,250
Federal Home Loan Mortgage Corporation Notes	836,157	-	836,157
Federal National Mortgage Association Note	225,135	225,135	-
U.S. Treasury Notes	2,727,593	744,998	1,982,595
Negotiable certificates of deposit	5,274,476	2,133,905	3,140,571
STAR Ohio	<u>13,249,475</u>	<u>13,249,475</u>	<u>-</u>
Total	\$ <u>38,510,757</u>	\$ <u>27,851,680</u>	\$ <u>10,659,077</u>

The entire balance of the negotiable certificates of deposit is covered by FDIC insurance.

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 City has the following recurring fair value measurements as of December 31, 2023:

- Money market and U.S. Treasury Bills are valued at amortized costs, which approximates fair value.
- Municipal securities and U.S. agency securities are valued based on Level 2 inputs using matrix pricing techniques.
- Negotiable certificates of deposit are measured based on Level 2 inputs, using a matrix or model pricing method.
- STAR Ohio is measured based on amortized cost.

*Interest Rate Risk* arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The City's investment policy addresses interest rate risk requiring 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, thereby avoiding that need to sell securities on the open market prior to maturity and by investing operating funds primarily in short-term investments. The City's investment policy also limits security purchases to those that mature no later than five years from purchase unless specifically matched to a specific cash flow.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 6: Deposits and Investments (continued)

### *Investments (continued)*

*Custodial Risk* for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The securities underlying the repurchase agreements are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that requires securities shall be delivered into the custody of the Finance Director or governing board or an agent designated by the Finance Director or governing board. All financial institutions and broker/dealers who desire to become qualified for investment transactions with the City must meet a set of prescribed standards and be periodically reviewed.

*Credit Risk* is addressed by the City's investment policy by the requirements that all investments are authorized by Ohio Revised Code and that the portfolio be diversified both by types of investment and issuer. The City's investment in Star Ohio and money market carry an "AAAm" money market rating by Standard & Poor's. The municipal securities carry an "AA+" rating by Standard & Poor's. The U.S. Treasury Bills and U.S. agency securities carry an "Aaa" rating by Moody's. The negotiable certificate of deposits is unrated.

*Concentration of Credit Risk* is defined by the Governmental Accounting Standards Board as 5% or more in the securities of a single issuer. The City's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations. The following is the City's allocation as of December 31, 2023:

<u>Investment Issuer</u>	<u>Percentage of Investments</u>
Money market	11.43%
U.S. Treasury Bills	15.40%
Municipal securities	0.27%
U.S. agency securities:	
Farmer Mac Notes	0.52%
Federal Home Loan Bank Bonds	12.87%
Federal Home Loan Bank Notes	1.58%
Federal Home Loan Mortgage Corporation Notes	2.17%
Federal National Mortgage Association Note	0.58%
U.S. Treasury Notes	7.08%
Negotiable certificates of deposit	13.70%
STAR Ohio	34.40%

## Note 7: Receivables

Receivables at December 31, 2023, consisted primarily of municipal income taxes, property and other taxes, accounts (billings for user charged services and court fines), lease receivables, and intergovernmental receivables arising from grants, entitlements and shared revenues.

The general fund accounts receivable is net of a \$172,980 allowance for doubtful accounts. All remaining receivables are considered fully collectible.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 7: Receivables (continued)

### A. Property Taxes

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2023 for real and public utility property taxes represents collections of the 2022 taxes.

Real property taxes are levied after October 1, 2023, on the assessed value as of January 1, 2023, the lien date. Assessed values are established by State law at 35% of appraised market value. 2023 real property taxes are collected in and intended to finance 2024. Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35% of true value. 2023 public utility property taxes which became a lien on December 31, 2022, are levied after October 1, 2023, and are collected in 2024 with real property taxes.

The full tax rate for all City operations for the year ended December 31, 2023, was \$11.8 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2023 property tax receipts were based as follows:

Real estate	
Residential/agriculture	\$ 717,765,710
Commercial/industrial/mineral	228,200,120
Public utility tangible personal property	<u>24,824,870</u>
Total valuation	\$ <u>970,790,700</u>

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.

The County Fiscal Officer collects property taxes on behalf of all taxing districts in the County, including the City of North Olmsted. The County Fiscal Officer periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2023 and for which there is an enforceable legal claim. In the General Fund; Recreation, Fire Pension and Police Pension Special Revenue Funds; and General Obligation Bond Retirement Debt Service Funds; the entire receivable has been offset by deferred inflows of resources since the current taxes were not levied to finance 2023 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On a full accrual basis, delinquent property taxes have been recorded as revenue while the remainder of the receivable is offset by deferred inflows of resources.

### B. Income Taxes

The City levies and collects an income tax of 2% on all income earned within the City as well as income of residents earned outside the City. The City allows a credit of 100% 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 to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file an annual return.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 7: Receivables (continued)

### B. Income Taxes (continued)

Income tax revenues are distributed by a 1991 vote of the people as follows: 70% to the General Fund; 15% for solid waste management, recycling and disposal (Solid Waste and Recycling Fund); and 15% for maintaining and equipping streets, storm water drainage systems and other permanent improvements, including debt charges on obligations issued after 1990 for those purposes (Permanent Improvements Fund).

### C. Intergovernmental Receivables

A summary of the principal items of intergovernmental receivables follows:

	<u>Amount</u>
Governmental activities:	
Local government	\$ 514,011
Homestead and rollback	644,564
Gasoline tax	839,461
Permissive tax	16,605
Auto registration	102,035
Miscellaneous	62,899
Title III(C) grant	2,000
Peace officer training reimbursement	44,882
Payments in lieu of taxes	<u>330,950</u>
Total governmental activities	2,557,407
Business-type activities:	
Sewer charges	<u>1,488,613</u>
Total business-type activities	<u>1,488,613</u>
Total	\$ <u><u>4,046,020</u></u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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**Note 7: Receivables (continued)**

***D. Lease Receivable***

The City has entered into various lease agreement for towers with various companies at varying years and terms. The City recognized lease revenue of \$55,521 and interest revenue of \$55,124 in 2023 related to lease payments received. A summary of future lease receipts and lease revenue is as follows:

*Governmental activities:*

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Lease Revenue</u>
2024	\$ 3,064	\$ 46,043	\$ 49,107	\$ 50,577
2025	4,675	45,904	50,579	50,577
2026	6,394	45,703	52,097	50,577
2027	8,222	45,437	53,659	50,577
2028	10,167	45,102	55,269	50,577
2029-2033	84,495	217,740	302,235	252,885
2034-2038	154,208	196,165	350,373	252,885
2039-2043	246,398	159,783	406,181	252,885
2044-2048	366,952	103,924	470,876	252,885
2049-2053	365,660	26,303	391,963	198,290
2054-2058	-	-	-	48,140
2059-2063	-	-	-	46,535
Total	\$ <u>1,250,235</u>	\$ <u>932,104</u>	\$ <u>2,182,339</u>	\$ <u>1,557,390</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

## Note 8: Capital Assets

A summary of changes in capital assets during 2023 follows:

	Restated Balance 1/1/23	Additions	Disposals	Balance 12/31/23
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 4,664,882	\$ 4,016,643	\$ -	\$ 8,681,525
Art	33,000	-	-	33,000
Construction in progress	<u>977,722</u>	<u>6,952,473</u>	<u>(858,023)</u>	<u>7,072,172</u>
Total capital assets not being depreciated	<u>5,675,604</u>	<u>10,969,116</u>	<u>(858,023)</u>	<u>15,786,697</u>
Capital assets, being depreciated:				
Land improvements	2,657,334	-	-	2,657,334
Buildings and improvements	39,472,631	1,179,644	-	40,652,275
Furniture and fixtures	630,049	-	-	630,049
Vehicles and equipment	15,302,645	612,084	(637,437)	15,277,292
Infrastructure:				
Roads	156,000,386	952,164	-	156,952,550
Bridges and culverts	<u>3,948,693</u>	<u>-</u>	<u>-</u>	<u>3,948,693</u>
Total capital assets, being depreciated	<u>218,011,738</u>	<u>2,743,892</u>	<u>(637,437)</u>	<u>220,118,193</u>
Less accumulated depreciation:				
Land improvements	(1,550,173)	(96,603)	-	(1,646,776)
Buildings and improvements	(22,968,112)	(834,898)	-	(23,803,010)
Furniture and fixtures	(537,705)	(11,092)	-	(548,797)
Vehicles and equipment	(9,646,234)	(703,175)	637,437	(9,711,972)
Infrastructure:				
Roads	(134,214,494)	(1,507,797)	-	(135,722,291)
Bridges and culverts	<u>(2,551,008)</u>	<u>(94,267)</u>	<u>-</u>	<u>(2,645,275)</u>
Total accumulated depreciation	<u>(171,467,726)</u>	<u>(3,247,832)</u>	<u>637,437</u>	<u>(174,078,121)</u>
Total capital assets, being depreciated, net	<u>46,544,012</u>	<u>(503,940)</u>	<u>-</u>	<u>46,040,072</u>
Right to use assets:				
Subscriptions	243,601	-	-	243,601
Accumulated amortization subscriptions	<u>-</u>	<u>(112,431)</u>	<u>-</u>	<u>(112,431)</u>
Total right to use assets	<u>243,601</u>	<u>(112,431)</u>	<u>-</u>	<u>131,170</u>
Total governmental capital assets, net	\$ <u>52,463,217</u>	\$ <u>10,352,745</u>	\$ <u>(858,023)</u>	\$ <u>61,957,939</u>



# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

## Note 8: Capital Assets (continued)

Depreciation and amortization expense was charged to governmental functions as follows:

General government	\$ 542,318
Security of persons and property	594,485
Transportation	1,859,256
Public health and welfare	11,634
Leisure time activities	300,458
Economic development	<u>4,260</u>
Total depreciation and amortization expense	\$ <u><u>3,312,411</u></u>

	<u>Balance</u> <u>12/31/22</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>12/31/23</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 2,340,714	\$ -	\$ -	\$ 2,340,714
Construction in progress	<u>533,132</u>	<u>323,582</u>	<u>(245,066)</u>	<u>611,648</u>
Total capital assets not being depreciated	<u>2,873,846</u>	<u>323,582</u>	<u>(245,066)</u>	<u>2,952,362</u>
Capital assets, being depreciated:				
Land improvements	4,288,311	398,525	-	4,686,836
Buildings and improvements	51,964,864	390,471	-	52,355,335
Furniture and fixtures	81,047	-	-	81,047
Vehicles and equipment	36,643,050	335,278	(80,182)	36,898,146
Sanitary sewer lines	<u>18,333,579</u>	<u>-</u>	<u>-</u>	<u>18,333,579</u>
Total capital assets, being depreciated	<u>111,310,851</u>	<u>1,124,274</u>	<u>(80,182)</u>	<u>112,354,943</u>
Less accumulated depreciation:				
Land improvements	(2,336,416)	(87,693)	-	(2,424,109)
Buildings and improvements	(20,734,843)	(1,288,957)	-	(22,023,800)
Furniture and fixtures	(73,619)	(782)	-	(74,401)
Vehicles and equipment	(14,794,004)	(1,580,704)	59,931	(16,314,777)
Sanitary sewer lines	<u>(11,943,520)</u>	<u>(323,361)</u>	<u>-</u>	<u>(12,266,881)</u>
Total accumulated depreciation	<u>(49,882,402)</u>	<u>(3,281,497)</u>	<u>59,931</u>	<u>(53,103,968)</u>
Total capital assets, being depreciated, net	<u>61,428,449</u>	<u>(2,157,223)</u>	<u>(20,251)</u>	<u>59,250,975</u>
Total business-type capital assets, net	\$ <u><u>64,302,295</u></u>	\$ <u><u>(1,833,641)</u></u>	\$ <u><u>(265,317)</u></u>	\$ <u><u>62,203,337</u></u>

During 2023, the City transferred vehicles from business-type activities to governmental activities. The vehicles had a cost basis of \$66,055 and had accumulated depreciation of \$47,852. This transfer is reported as an addition in the governmental activities and as a disposal in the business-type activities.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 9: Defined Benefit Pension Plans**

### ***A. Net Pension/OPEB Liability (Asset)***

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

The net pension/OPEB liabilities (assets) represents the City's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living 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 and 75 assumes the liability (asset) 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 OPEB benefits including primarily health care. In most cases, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium.

State statute requires the retirement systems to amortize unfunded pension/OPEB liabilities within 30 years. If the pension/OPEB amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension/OPEB liability on the accrual basis of accounting. Funded benefits is presented as a long-term net pension/OPEB asset. Any liability for the contractually required contribution outstanding at the end of the year is included as accrued wages and benefits on the accrual basis of accounting. The remainder of this note includes the required pension disclosures. See Note 10 for the required OPEB disclosures.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 9: Defined Benefit Pension Plans (continued)

### B. Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description – City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer public employee retirement system comprised of three separate pension plans: the traditional pension plan, a defined benefit plan; the combined plan, a hybrid defined benefit/defined contribution plan; and the member-directed plan, a defined contribution plan. Effective January 1, 2022 the combined plan is no longer available for member selection. While members (e.g., City employees) may elect the member-directed plan, substantially all employee members are in OPERS' traditional or combined plans; therefore, the following disclosure focuses on the traditional and combined plans.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 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. Final average salary (FAS) represents the average of the three highest years of earnings over the member's career for Groups A and B. Group C is based on the average of the five highest years of earning 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 traditional plan is a defined benefit plan in which a member's retirement benefits are calculated on a formula that considers years of service and FAS. Pension benefits are funded by both member and employer contributions and investment earnings on those contributions.

The following table provides age and service requirements for retirement and the retirement formula applied to the FAS for the three member groups under the traditional plan (see OPERS' ACFR referenced above for additional information):

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
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
<b>State and Local</b> <b>Age and Service Requirements:</b> Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	<b>State and Local</b> <b>Age and Service Requirements:</b> Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	<b>State and Local</b> <b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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### **Note 9: Defined Benefit Pension Plans (continued)**

#### ***B. Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)***

When a benefit recipient retiring under the traditional pension plan has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided on the member's base benefit. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3% simple annual COLA. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3%.

Additionally, a death benefit of \$500-\$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the traditional pension plan.

The combined plan is a hybrid defined benefit/defined contribution plan. Members earn a formula benefit similar to, but at a factor less than the traditional pension plan benefit. This defined benefit is funded by employer contributions and associated investment earnings. Member contributions are deposited into a defined contribution account in which the member self-directs the investment. Upon retirement, the member may choose a defined contribution distribution that is equal to the member's contributions to the plan and investment earnings (or losses). Members may also elect to use their defined contribution account balances to purchase a defined benefit annuity administered by OPERS. Effective January 1, 2022, members may no longer select this plan.

Benefits in the combined plan consist of both an age-and-service formula benefit (defined benefit) and a defined contribution element. The defined benefit element is calculated on the basis of age, FAS, and years of service. Eligibility regarding age and years of service in the combined plan is the same as the traditional pension plan.

Members retiring under the combined plan receive a 3% COLA on the defined benefit portion of their benefit. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3% simple annual COLA. For those retiring on or after January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3%.

Additionally, a death benefit of \$500 – \$2,500, determined by the number of years of service credit of the retiree, is paid to the beneficiary of a deceased retiree or disability benefit recipient under the combined plan.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 9: Defined Benefit Pension Plans (continued)

### B. Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)

The subsequent table provides age and service requirements for retirement and the retirement formula applied to the FAS for the three member groups under the combined plan (see OPERS' ACFR referenced above for additional information):

<b>Group A</b>	<b>Group B</b>	<b>Group C</b>
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
<b>State and Local Age and Service Requirements:</b> Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	<b>State and Local Age and Service Requirements:</b> Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	<b>State and Local Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 1.0% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Formula:</b> 1.0% of FAS multiplied by years of service for the first 30 years and 1.25% for service years in excess of 30	<b>Formula:</b> 1.0% of FAS multiplied by years of service for the first 35 years and 1.25% for service years in excess of 35

Defined contribution plan benefits are established in the plan documents, which may be amended by the OPERS Board. Both member-directed plan and combined plan members who have met the eligibility requirements may apply for retirement benefits. The amount available for defined contribution benefits in the combined plan consists of the member's contributions plus or minus the investment gains or losses resulting from the member's investment selections. Combined plan members wishing to receive benefits must meet the requirements for both the defined benefit and defined contribution plans.

Member-directed participants must have attained the age of 55, have money on deposit in the defined contribution plan and have terminated public service to apply for retirement benefits. The amount available for defined contribution benefits in the member-directed plan consists of the members' contributions, vested employer contributions and investment gains or losses resulting from the members' investment selections. Employer contributions and associated investment earnings vest over a five-year period, at a rate of 20% each year.

At retirement, members may select one of several distribution options for payment of the vested balance in their individual OPERS accounts. Options include the annuitization of their benefit account (which includes joint and survivor options), partial lump-sum payments (subject to limitations), a rollover of the vested account balance to another financial institution, receipt of entire account balance (net of taxes withheld), or a combination of these options. When members choose to annuitize their defined contribution benefit, the annuitized portion of the benefit is reclassified to a defined benefit.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 14% of covered payroll for state and local employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 10% of covered payroll for members in the state and local classifications.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 9: Defined Benefit Pension Plans (continued)**

### ***B. Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)***

The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer's contribution allocated to health care was 0% for 2023 for the traditional plan. For the combined plan, the portion of the employer contributions allocated to healthcare was 2% for 2023. The portion of the employer contributions allocated to health care for members in the member-directed plan was 4% for 2023. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. The City's contractually required contribution for the traditional plan, net of postemployment health care benefits, for 2023 was \$1,374,516. The contractually required contribution for the combined plan, net of postemployment health care benefits, for 2023 was \$56,779. For the 2023 amounts, \$165,356 is reported as accrued wages and benefits at December 31, 2023.

### ***C. Plan Description – Ohio Police & Fire Pension Fund (OP&F)***

Plan Description - the City's full-time police and fire participate in Ohio Police and Fire Pension Fund (OP&F), a cost-sharing, multiple-employer public employee retirement system administered by OP&F. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OP&F fiduciary net position. The report that may be obtained by visiting the OP&F website at [www.op-f.org](http://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 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% for each of the first 20 years of service credit, 2.0% for each of the next five years of service credit and 1.5% for each year of service credit in excess of 25 years. The maximum pension of 72% 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 (DROP) 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.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 9: Defined Benefit Pension Plans (continued)**

### ***C. Plan Description – Ohio Police & Fire Pension Fund (OP&F) (continued)***

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% 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% 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 1st of each year. The annual COLA increase is \$360 under a Single Life Annuity Plan with proportional reductions for optional payment plans.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions and currently limits the employer contribution to a rate not to exceed 19.5% of covered payroll for police employer units and 24.0% for fire employer units. Member contribution rates, as set forth in the Ohio Revised Code, are not to exceed 12.25% of covered payroll for police and fire. The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of the employer's contribution allocated to health care was 0.5% for 2023 for police and fire employer units. Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

In 2023, the City's contractually required contribution, net of postemployment health care benefits, was \$1,779,364. Of this amount, \$228,836 is reported as accrued wages and benefits at December 31, 2023.

### ***D. Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

The net pension liability (asset) for OPERS was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. OP&F's total pension liability was measured as of December 31, 2022, and was determined by rolling forward the total pension liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net pension liability (asset) was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

## Note 9: Defined Benefit Pension Plans (continued)

### D. Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

Following is information related to the proportionate share and pension expense:

	<u>OPERS Traditional</u>	<u>OPERS Combined</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the net pension liability/asset prior measurement date	0.063072%	0.112591%	0.307053%	
Proportion of the net pension liability/asset current measurement date	<u>0.052014%</u>	<u>0.098241%</u>	<u>0.287712%</u>	
Change in proportionate share	(0.011058%)	(0.014350%)	(0.019341%)	
Proportionate share of the net pension liability	\$ 15,364,959	\$ -	\$ 27,329,851	\$ 42,694,810
Proportionate share of the net pension asset	\$ -	\$ 231,545	\$ -	\$ 231,545
Pension expense	\$ 1,715,213	\$ 78,219	\$ 2,914,404	\$ 4,707,836

The 2023 pension expense for the member-directed defined contribution plan was \$46,240. The aggregate pension expense for all pension plans was \$4,754,076 for 2023.

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>OPERS Traditional</u>	<u>OPERS Combined</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred outflows of resources</b>				
Difference between expected and actual experience	\$ 510,359	\$ 14,235	\$ 409,936	\$ 934,530
Change in assumptions	162,320	15,329	2,465,059	2,642,708
Net difference between projected and actual earnings on pension plan investments	4,379,496	84,384	3,978,890	8,442,770
Differences in employer contributions and change in proportionate share City contributions subsequent to the measurement date	152,233	-	6,822	159,055
	<u>1,374,516</u>	<u>56,779</u>	<u>1,779,364</u>	<u>3,210,659</u>
Total deferred outflow of resources	\$ <u>6,578,924</u>	\$ <u>170,727</u>	\$ <u>8,640,071</u>	\$ <u>15,389,722</u>



# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

## Note 9: Defined Benefit Pension Plans (continued)

### D. Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

	OPERS Traditional	OPERS Combined	OP&F	Total
<b>Deferred inflows of resources</b>				
Difference between expected and actual experience	\$ -	\$ 33,085	\$ 622,654	\$ 655,739
Change in assumptions	-	-	532,924	532,924
Differences in employer contributions and change in proportionate share	<u>1,076,443</u>	<u>-</u>	<u>1,987,155</u>	<u>3,063,598</u>
Total deferred inflow of resources	\$ <u>1,076,443</u>	\$ <u>33,085</u>	\$ <u>3,142,733</u>	\$ <u>4,252,261</u>

The \$3,210,659 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 or an increase of the net pension asset in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS Traditional	OPERS Combined	OP&F	Total
Fiscal Year Ending December 31:				
2024	\$ 17,982	\$ 3,426	\$ 62,208	\$ 83,616
2025	675,503	15,524	900,766	1,591,793
2026	1,289,099	21,539	1,085,546	2,396,184
2027	2,145,381	36,330	1,910,198	4,091,909
2028	-	(100)	(240,744)	(240,844)
2029-2031	<u>-</u>	<u>4,144</u>	<u>-</u>	<u>4,144</u>
	\$ <u>4,127,965</u>	\$ <u>80,863</u>	\$ <u>3,717,974</u>	\$ <u>7,926,802</u>

### E. Actuarial Assumptions – OPERS

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

Projections of benefits for financial-reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The active member population which consists of members in the Traditional and Combined plans is assumed to remain constant. For purposes of financing the unfunded actuarial accrued liabilities, total payroll is assumed to grow at the wage inflation rate indicated below.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 9: Defined Benefit Pension Plans (continued)

### E. Actuarial Assumptions – OPERS (continued)

Key methods and assumptions used in valuation of total pension liability/asset - 2022

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>
Valuation date	December 31, 2022	December 31, 2022
Experience study	5-year period ended December 31, 2020	5-year period ended December 31, 2020
Actuarial cost method	Individual entry age	Individual entry age
Actuarial assumptions:		
Investment rate of return	6.90%	6.90%
Wage inflation	2.75%	2.75%
Projected salary increases, including 2.75% wage inflation	2.75 to 10.75%	2.75 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 retirees	3.00% Simple	3.00% Simple
Post-Jan 7, 2013 retirees	3.00% Simple through 2023 then 2.05% Simple	3.00% Simple through 2023 then 2.05% Simple

OPERS conducts an experience study every five years in accordance with Ohio Revised Code Section 145.22. The study for the five-year period ended December 31, 2020 and methods and assumptions were approved and adopted by the OPERS Board of Trustees.

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality tables (males and females). Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females). Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females). For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

OPERS managed investments in three investment portfolios: the defined benefit portfolio, the health care portfolio and the defined contribution portfolio. The defined benefit portfolio contains the investment assets of the traditional plan, the defined benefit component of the combined plan and the annuitized accounts of the member-directed plan. The money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for changing amounts actually invested for the defined benefit portfolio was a loss of 12.1% for 2022.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 9: Defined Benefit Pension Plans (continued)

### E. Actuarial Assumptions – OPERS (continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board 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. The table below displays the Board-approved asset allocation policy and the long-term expected real rates of return:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Geometric)</u>
Fixed income	22.00%	2.62%
Domestic equities	22.00	4.60
Real estate	13.00	3.27
Private equity	15.00	7.53
International equities	21.00	5.51
Risky parity	2.00	4.37
Other investments	5.00	3.27
Total	<u>100.00%</u>	

**Discount Rate** The discount rate used to measure the total pension liability for measurement year 2022 was 6.9%. 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 statutorily required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 9: Defined Benefit Pension Plans (continued)

### E. Actuarial Assumptions – OPERS (continued)

**Sensitivity of the City’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate** The following table presents the City’s proportionate share of the net pension liability (asset) calculated using the current period discount rate assumption of 6.9%, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one-percentage-point lower (5.9%) or one-percentage-point higher (7.9%) than the current rate:

	1% Decrease (5.9%)	Discount Rate (6.9%)	1% Increase (7.9%)
City’s proportionate share of the net pension liability – Traditional	\$ 23,016,195	\$ 15,364,959	\$ 9,000,503
City’s proportionate share of the net pension asset – Combined	\$ 120,836	\$ 231,545	\$ 319,283

### F. Actuarial Assumptions – OP&F

OP&F’s total pension liability as of December 31, 2022 is based on the results of an actuarial valuation date of January 1, 2022, 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 are: withdrawal rates, disability retirement, service retirement, DROP elections, mortality, percent married and forms of the payment, DROP interest rate, CPI-based COLA, investment returns, salary increases and payroll growth.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2022, are presented below:

Actuarial cost method	Entry age normal
Investment rate of return	7.50%
Projected salary increases	3.75% - 10.50%
Payroll growth	3.25% per annum, compounded annually, consisting of inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of living adjustments	2.20% simple for increases based on the lesser of the increase in CPI and 3.00%

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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### Note 9: Defined Benefit Pension Plans (continued)

#### *F. Actuarial Assumptions – OP&F (continued)*

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135.0% for males and 97.9% for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9% for males and 131.0% for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP-2021 Improvement Scale.

The most recent experience study was completed for the five year period ended December 31, 2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years.

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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### Note 9: Defined Benefit Pension Plans (continued)

#### F. Actuarial Assumptions – OP&F (continued)

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic equity	18.6%	4.8%
International equity	12.4	5.5
Private markets	10.0	7.9
Core fixed income*	25.0	2.5
High yield fixed income	7.0	4.4
Private credit	5.0	5.9
U.S. inflation linked bonds*	15.0	2.0
Midstream energy infrastructure	5.0	5.9
Real assets	8.0	5.9
Gold	5.0	3.6
Private real estate	12.0	5.3
Commodities	2.0	3.6
Total	<u>125.0%</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 their 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 7.50%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 7.50%. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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**Note 9: Defined Benefit Pension Plans (continued)**

**F. Actuarial Assumptions – OP&F (continued)**

**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 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.50%), or one percentage point higher (8.50%) than the current rate.

	1% Decrease <u>(6.50%)</u>	Discount Rate <u>(7.50%)</u>	1% Increase <u>(8.50%)</u>
City’s proportionate share of the net pension liability	\$ 36,053,347	\$ 27,329,851	\$ 20,078,008

**Note 10: Defined Benefit, Postemployment Benefits Other Than Pensions**

**A. Plan Description – Ohio Public Employees Retirement System (OPERS)**

Plan Description – OPERS administers three separate pension plans: the traditional pension plan, a defined benefit plan; the combined plan, a hybrid defined benefit/defined contribution plan; and the member-directed plan, a defined contribution plan. Effective January 1, 2022 the combined plan is no longer available for member selection. While members (e.g. City employees) may elect the member-directed plan, substantially all employee members are in OPERS’ traditional or combined plans; therefore, the following disclosure focuses on the traditional and combined plans.

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.

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. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an OPEB as described in GASB Statement No. 75. See OPERS’ ACFR referenced below for additional information.

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.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 10: Defined Benefit, Postemployment Benefits Other Than Pensions (continued)**

### ***A. Plan Description – Ohio Public Employees Retirement System (OPERS) (continued)***

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 requiring 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.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2023, state and local employers contributed at a rate of 14% of earnable salary. This is 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. The portion of the employer’s contributions allocated to health care was 0% for 2023 for the traditional plan. For the combined plan, the portion of the employer contributions allocated to healthcare was 2% for 2023. The portion of the employer contributions allocated to health care for members in the member-directed plan was 4% for 2023. 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.

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. In 2023, the City’s contractually required contribution for postemployment health care benefits was \$27,959.

### ***B. Plan Description – Ohio Police & Fire Pension Fund (OP&F)***

Plan Description – the City’s full-time police and fire participate in the 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.



## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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### **Note 10: Defined Benefit, Postemployment Benefits Other Than Pensions (continued)**

#### ***B. Plan Description – Ohio Police & Fire Pension Fund (OP&F) (continued)***

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](http://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% of covered payroll for police and 24.0% of covered payroll for fire. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police and 24.0% for fire employer units. Active members do not make contributions to the OPEB Plan.

The Board of Trustees is authorized to allocate a portion of the total employer contributions for retiree health care benefits. For 2023, the portion of employer contributions allocated to health care was 0.5% 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 \$42,265 for 2023. Of this amount, \$5,415 is reported as accrued wages and benefits at December 31, 2023.

#### ***C. OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability for OPERS as of December 31, 2023 was measured as of December 31, 2022. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021 and rolled forward to the measurement date of December 31, 2022, by incorporating the expected value of health care cost accruals, the actual health care payment, and interest accruals during the year. The City's proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating entities.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 10: Defined Benefit, Postemployment Benefits Other Than Pensions (continued)

### C. OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)

OP&F's total OPEB liability was measured as of December 31, 2022, and was determined by rolling forward the total OPEB liability as of January 1, 2022, to December 31, 2022. The City's proportion of the net OPEB liability was based on the City's share of contributions to the retirement plan relative to the contributions of all participating entities. Following is information related to the proportionate share:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.064239%	0.307053%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.053625%</u>	<u>0.287712%</u>	
Change in proportionate share	(0.010614%)	(0.019341%)	
Proportionate share of the net OPEB liability	\$ 338,115	\$ 2,048,427	\$ 2,386,542
(Reduction) of OPEB expense	\$ (649,562)	\$ 121,840	\$ (527,722)

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Difference between expected and actual experience	\$ -	\$ 122,238	\$ 122,238
Change in assumptions	330,247	1,020,823	1,351,070
Net difference between projected and actual earnings on OPEB plan investments	671,510	175,694	847,204
Differences in employer contributions and change in proportionate share	25,908	67,562	93,470
City contributions subsequent to the measurement date	<u>27,959</u>	<u>42,265</u>	<u>70,224</u>
Total deferred outflow of resources	\$ <u>1,055,624</u>	\$ <u>1,428,582</u>	\$ <u>2,484,206</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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**Note 10: Defined Benefit, Postemployment Benefits Other Than Pensions (continued)**

**C. OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (continued)**

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
<b>Deferred inflows of resources</b>			
Difference between expected and actual experience	\$ 84,337	\$ 403,908	\$ 488,245
Change in assumptions	27,174	1,675,445	1,702,619
Differences in employer contributions and change in proportionate share	<u>2,211</u>	<u>337,866</u>	<u>340,077</u>
Total deferred inflow of resources	\$ <u>113,722</u>	\$ <u>2,417,219</u>	\$ <u>2,530,941</u>

The \$70,224 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 total OPEB liability or an increase of the net OPEB asset in 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>OPERS</u>	<u>OP&amp;F</u>	<u>Total</u>
Fiscal Year Ending December 31:			
2024	\$ 135,402	\$ (76,129)	\$ 59,273
2025	244,745	(55,972)	188,773
2026	209,399	(131,708)	77,691
2027	324,397	(89,828)	234,569
2028	-	(209,421)	(209,421)
2029-2031	<u>-</u>	<u>(467,844)</u>	<u>(467,844)</u>
	\$ <u>913,943</u>	\$ <u>(1,030,902)</u>	\$ <u>(116,959)</u>

**D. Actuarial Assumptions – OPERS**

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

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between OPERS and plan members. The total OPEB asset was determined by an actuarial valuation as of December 31, 2021, rolled forward to the measurement date of December 31, 2022. 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:

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 10: Defined Benefit, Postemployment Benefits Other Than Pensions (continued)

### D. Actuarial Assumptions – OPERS (continued)

	<u>Assumptions</u>
Valuation date	December 31, 2021
Rolled-forward measurement date	December 31, 2022
Experience study	5-year period ended December 31, 2020
Actuarial cost method	Individual entry age normal
Projected salary increases, including 2.75% wage inflation	2.75 to 10.75%
Investment rate of return	6.00%
Municipal bond rate	4.05%
Single discount rate of return	5.22%
Health care cost trend	Initial 5.50% to 3.50% ultimate in 2036

Pre-retirement mortality rates are based on 130% of the Pub-2010 General Employee Mortality Tables (males and females). Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females). Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females). For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

OPERS managed investments in three investment portfolios: the defined benefit portfolio, the health care portfolio and the defined contribution portfolio. The health care portfolio includes the assets for health care expenses for the traditional pension plan, combined plan and member-directed plan eligible members. Within the health care portfolio, contributions into the plans are assumed to be received continuously throughout the year based on the actual payroll payable at the time contributions are made, and health care-related payments are assumed to occur mid-year. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The annual money-weighted rate of return expressing investment performance, net of investment expenses and adjusted for the changing amounts actually invested, for the health care portfolio was a loss of 15.6% for 2022.

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.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

## Note 10: Defined Benefit, Postemployment Benefits Other Than Pensions (continued)

### D. Actuarial Assumptions – OPERS (continued)

The table below displays the Board-approved asset allocation policy and the long-term expected real rates of return:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return (Geometric)
Fixed income	34.00%	2.56%
Domestic equities	26.00	4.60
Real estate	7.00	4.70
International equities	25.00	5.51
Risk parity	2.00	4.37
Other investments	6.00	1.84
Total	100.00%	

**Discount Rate** A single discount rate of 5.22% was used to measure the total OPEB liability on the measurement date of December 31, 2022. 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% and a municipal bond rate of 4.05% for the measurement date of December 31, 2022. 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 the year 2054. As a result, the long-term expected rate of return on health care investments was applied to projected costs through the year 2054, and the municipal bond rate was applied to all health care costs after that date.

**Sensitivity of the City’s Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate** The following table presents the City’s proportionate share of the net OPEB asset calculated using the single discount rate of 5.22%, as well as what the City’s proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease (4.22%)	Discount Rate (5.22%)	1% Increase (6.22%)
City’s proportionate share of the net OPEB liability (asset)	\$ 1,150,793	\$ 338,115	\$ (332,475)

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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**Note 10: Defined Benefit, Postemployment Benefits Other Than Pensions (continued)**

***D. Actuarial Assumptions – OPERS (continued)***

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

Retiree health care valuations use a health care cost-trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2023 is 5.50%. 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% in the most recent valuation.

	<u>1% Decrease</u>	<u>Cost Trend Rate</u>	<u>1% Increase</u>
City’s proportionate share of the net OPEB liability	\$ 316,924	\$ 338,115	\$ 361,969

***Assumption Changes Since the Prior Measurement Date*** Municipal bond rate increased from 1.84% to 4.05%. The health care cost trend rate changed from 5.50% initial, 3.50% ultimate in 2034 to 5.50% initial, 3.50% ultimate in 2036.

***E. Actuarial Assumptions – OP&F***

OP&F’s total OPEB liability as of December 31, 2022, is based on the results of an actuarial valuation date of January 1, 2022, and rolled-forward using generally accepted actuarial procedures. The total OPEB liability is determined by OP&F’s actuaries in accordance with GASB Statement No. 74, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 10: Defined Benefit, Postemployment Benefits Other Than Pensions (continued)

### E. Actuarial Assumptions – OP&F (continued)

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:

Actuarial cost method	Entry age normal
Investment rate of return	7.50%
Salary increases	3.75% – 10.50%
Payroll growth	3.25%
Municipal bond index rate	
Prior measurement date	2.05%
Current measurement date	3.65%
Single equivalent interest rate, net of plan investment expense, including price inflation	
Prior measurement date	2.84%
Current measurement date	4.27%
Cost of living adjustments	2.20% simple per year

Mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2 percent for males and 98.7 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135 percent for males and 97.9 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9 percent for males and 131 percent for females. All rates are projected using the MP-2021 Improvement Scale.

Mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP-2021 Improvement Scale.

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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### Note 10: Defined Benefit, Postemployment Benefits Other Than Pensions (continued)

#### E. Actuarial Assumptions – OP&F (continued)

The most recent experience study was completed for the five year period ended December 31, 2021.

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.

Best estimates of the long-term expected geometric real rates of return for each major asset class included in OP&F's target asset allocation as of December 31, 2022, are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Domestic equity	18.6%	4.8%
International equity	12.4	5.5
Private markets	10.0	7.9
Core fixed income*	25.0	2.5
High yield fixed income	7.0	4.4
Private credit	5.0	5.9
U.S. inflation linked bonds*	15.0	2.0
Midstream energy infrastructure	5.0	5.9
Real assets	8.0	5.9
Gold	5.0	3.6
Private real estate	12.0	5.3
Commodities	2.0	3.6
Total	<u>125.0%</u>	

Note: Assumptions are geometric.

\*Levered 2.5x

OP&F's Board of Trustees has incorporated the risk parity concept into OP&F's 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.



# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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**Note 10: Defined Benefit, Postemployment Benefits Other Than Pensions (continued)**

***E. Actuarial Assumptions – OP&F (continued)***

**Discount Rate** For 2022, the total OPEB liability was calculated using the discount rate of 4.27%. 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 7.5%. 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, for 2022, the long-term assumed rate of return on investments of 7.50% was applied to periods before December 31, 2035, and the Municipal Bond Index Rate of 3.65% was applied to periods on and after December 31, 2035, resulting in a discount rate of 4.27%. The municipal bond rate was determined using the Bond Buyers General Obligation 20-year Municipal Bond Index Rate.

**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 4.27%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (3.27%), or one percentage point higher (5.27%) than the current rate.

	1% Decrease <u>(3.27%)</u>	Discount Rate <u>(4.27%)</u>	1% Increase <u>(5.27%)</u>
City’s proportionate share of the net OPEB liability	\$ 2,522,444	\$ 2,048,427	\$ 1,648,233

**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.

***Assumption Changes Since the Prior Measurement Date***

The assumptions used for the January 1, 2022 actuarial valuation are based on the quinquennial experience review prepared as of December 31, 2021 and adopted by the Board of Trustees on October 26, 2022. Material assumptions and methods that were changed since the prior valuation:

- The investment return assumption was lowered from 8.00% to 7.50%.
- The DROP interest crediting rate was lowered from 4.00% to 3.75%.
- The mortality assumption, withdrawal rates, retirement rates, and disability rates were changed.
- The DROP participation rate was lowered from 90% to 80%.
- The percent married assumption was changed from assuming 75% of members are married to 80%.
- The percentage of members assumed to elect a joint annuity was changed from 33% to 40% for service retirees and from 10% to 15% for disabled retirees. The percentage continued to the joint annuitant assumption was changed from 40% to 45%.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 11: Risk Management

### A. Property and 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. By maintaining comprehensive insurance coverage with private carriers, the City has addressed these various types of risk. There were no reductions in insurance coverage from the previous year. Settled claims have not exceeded this commercial coverage in any of the past three years.

### B. Health Insurance Benefits

The City provides health, dental and vision insurance to its employees through a self-insurance plan. The City pays a monthly premium for the self-insurance plan. The City contracts with a third-party administrator to direct this program. During 2023, self-insurance was in effect for claims up to \$100,000 per covered individual and \$4,235,190 in aggregate. This aggregate includes both medical and drug coverage. Claims in excess of this aggregated amount are insured by private carriers.

The claims liability of \$737,576 as estimated by the third-party administrator and reported in the Hospitalization Internal Service Fund at December 31, 2023, is based on the requirements of GASB Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the Fund's claims liability amount in 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Unpaid claims, beginning of year	\$ 438,702	\$ 436,296
Incurred claims and adjustments	3,962,639	3,392,760
Claims payments	<u>(3,663,765)</u>	<u>(3,390,354)</u>
Unpaid claims, end of year	\$ <u>737,576</u>	\$ <u>438,702</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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**Note 11: Risk Management (continued)**

**C. Workers' Compensation Program**

On January 1, 2009, the City was approved for self-insurance status by the Bureau of Workers' Compensation and began to administer its own workers' compensation program (the program). The City established the Workers' Compensation Self-Insurance Internal Service Fund to account for assets set aside for claim settlements and related liabilities associated with the program. Liabilities of the fund are reported when an employee injury has occurred, it is probable that a claim will be filed under the program, and the amount of the claim can be reasonably estimated. The City utilizes the services of a third-party administrator, to review, process, and pay employee claims. The City also maintains excess insurance coverage which would pay the portion of claims that exceed \$500,000 per occurrence, up to a maximum of an additional \$1,000,000 per occurrence.

The claims liability of \$75,090 reported in the Workers' Compensation Self-Insurance Internal Service Fund is based on the requirements of Governmental Standards Board No. 30, which requires a liability for the unpaid claims costs, including estimates of costs relating to incurred but not report claims, be reported.

Changes in the Fund's claims liability amount in 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Unpaid claims, beginning of year	\$ 50,402	\$ 39,375
Incurred claims and adjustments	70,209	72,088
Claims payments	<u>(45,521)</u>	<u>(61,061)</u>
Unpaid claims, end of year	<u>\$ 75,090</u>	<u>\$ 50,402</u>

**Note 12: Short-Term Obligations**

Changes in the City's note activity for the year ended December 31, 2023, were as follows:

	<u>Balance</u> <u>12/31/22</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/23</u>
Economic development				
non-tax revenue	\$ 2,180,000	\$ -	\$ 2,180,000	\$ -
Premium	10,311	-	10,311	-
Land acquisition	1,825,000	-	1,825,000	-
Premium	12,246	-	12,246	-
Energy Conservation	-	4,000,000	-	4,000,000
Premium	-	<u>32,600</u>	-	<u>32,600</u>
Total	<u>\$ 4,027,557</u>	<u>\$ 4,032,600</u>	<u>\$ 4,027,557</u>	<u>\$ 4,032,600</u>

On November 22, 2022, the City issued \$1,825,000 in land acquisition notes at an annual interest rate of 5.00%. The proceeds were used to provide funds to pay costs of acquiring real estate. The notes matured on November 22, 2023.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 12: Short-Term Obligations (continued)

On November 22, 2022, the City issued \$2,180,000 in economic development non-tax revenue notes at an annual interest rate of 6.00%. The proceeds were used to create or preserve jobs and employment opportunities as well as to improve the economic welfare of the City and its residents. The notes matured on November 22, 2023.

On June 27, 2023, the City issued \$4,000,000 in energy conservation notes at an annual interest rate of 4.75%. The proceeds are to be used to provide funds to pay costs of acquiring and installing energy conservation measures in City buildings and facilities.

The notes are backed by the full faith and credit of the City and mature within one year. The notes liability is reflected in the funds which received the proceeds. By Ohio law, notes can be issued in anticipation of bond proceeds, special assessment bond proceeds and levies, or for up to 50 percent of anticipated revenue collections. There are limitations on the number of times a note can be renewed.

## Note 13: Long-Term Obligations

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

	<u>Original Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>
Governmental activities:				
General obligation bonds:				
Capital improvement and equipment bonds	2013	2023	2.00-2.125	\$ 4,770,000
Capital improvement and refunding bonds	2015	2030	3.00-3.50	6,120,000
Capital improvement bonds	2017	2027	2.00-4.00	4,735,000
Capital improvement and equipment bonds	2021	2031	2.00-4.00	9,795,000
Police pension	1968	2031	4.25	272,250
Business-type activities:				
General obligation bonds:				
Capital improvement bonds	2017	2037	2.00-4.00	3,970,000
Capital improvement and equipment bonds	2021	2031	2.00-4.00	1,280,000
OWDA sanitary sewer loan	2012	2034	2.80	9,448,575
OWDA sanitary sewer loan	2013	2035	2.44	45,900,266

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

## Note 13: Long-Term Obligations (continued)

Changes in long-term obligations during the year ended December 31, 2023, consisted of the following:

	Restated Balance 1/1/23	Increase	Decrease	Balance 12/31/23	Amounts Due in One Year
Governmental activities:					
General obligation bonds:					
Capital improvement and equipment bonds	\$ 470,000	\$ -	\$ 470,000	\$ -	\$ -
Premium on capital improvement and equipment bonds	12,043	-	12,043	-	-
Capital improvement and refunding bonds	2,250,000	-	475,000	1,775,000	490,000
Premium on capital improvement and refunding bonds	190,513	-	23,814	166,699	-
Capital improvement bonds	2,545,000	-	480,000	2,065,000	480,000
Premium on capital improvement bonds	152,087	-	30,417	121,670	-
Capital improvement and equipment bonds	8,805,000	-	1,010,000	7,795,000	1,045,000
Premium on capital improvement and equipment bonds	<u>1,468,368</u>	<u>-</u>	<u>195,130</u>	<u>1,273,238</u>	<u>-</u>
Total general obligation bonds	15,893,011	-	2,696,404	13,196,607	2,015,000
Police pension liability*	48,717	-	4,886	43,831	5,096
Financed purchase*	66,322	731,134	203,355	594,101	154,313
Subscriptions*	243,601	-	123,854	119,747	119,747
Claims payable	489,104	4,032,848	3,709,286	812,666	793,894
Compensated absences payable	4,900,245	1,010,258	1,259,199	4,651,304	2,504,272
Asset retirement obligations	50,817	1,704	-	52,521	-
Net pension liability	23,345,184	15,638,988	-	38,984,172	-
Net OPEB liability	<u>3,365,566</u>	<u>-</u>	<u>1,060,679</u>	<u>2,304,887</u>	<u>-</u>
Total governmental activities	<u>\$ 48,402,567</u>	<u>\$ 21,414,932</u>	<u>\$ 9,057,663</u>	<u>\$ 60,759,836</u>	<u>\$ 5,592,322</u>

\* Long-term obligation is a direct placement.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

## Note 13: Long-Term Obligations (continued)

	Balance 12/31/22	Increase	Decrease	Balance 12/31/23	Amounts Due in One Year
Business-type activities:					
General obligation bonds:					
Capital improvement bonds	\$ 3,460,000	\$ -	\$ 230,000	\$ 3,230,000	\$ 240,000
Premium on capital improvement bonds	69,733	-	7,723	62,010	-
Capital improvement and equipment bonds	1,140,000	-	145,000	995,000	145,000
Premium on capital improvement and equipment bonds	<u>182,123</u>	<u>-</u>	<u>26,290</u>	<u>155,833</u>	<u>-</u>
Total general obligation bonds	4,851,856	-	409,013	4,442,843	385,000
OWDA sanitary sewer loans*	39,823,846	-	2,691,793	37,132,053	2,759,594
Financed purchase*	1,784	-	1,784	-	-
Compensated absences payable	458,367	128,704	100,525	486,546	194,634
Net pension liability	1,325,236	2,385,402	-	3,710,638	-
Net OPEB liability	<u>-</u>	<u>81,655</u>	<u>-</u>	<u>81,655</u>	<u>-</u>
Total business-type activities	\$ <u>46,461,089</u>	\$ <u>2,595,761</u>	\$ <u>3,203,115</u>	\$ <u>45,853,735</u>	\$ <u>3,339,228</u>

\* Long-term obligation is a direct placement.

General obligation bonds are direct obligations of the City for which its full faith and credit are pledged for repayment. General obligation bonds are to be repaid from both voted and unvoted general property taxes levied on all taxable property located within the City, sewer user charges and golf fees. Tax monies will be received in and the debt will be retired from the General Obligation Fund.

Compensated absences are generally paid from the General Fund, Recreation Fund, Springvale Golf Course and Ballroom Fund and Sewer Revenue Fund. The OWDA loan liabilities are payable semi-annually from the Sewer Revenue Fund.

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

In 1973, the City financed its police and fire pension liability with OP&F. The liability is payable in semi-annual installments of \$3,453 until it is fully repaid in May 2031. The liability is paid from the General Fund.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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**Note 13: Long-Term Obligations (continued)**

For governmental activities net pension and OPEB liabilities are generally paid from the General Fund, Community Diversion Fund, Recreation Fund, STOP Program Fund, Street Maintenance Fund, and Title III Fund.

In December 2015, the City issued \$8,620,000 in general obligation bonds for the purpose of making capital improvements and advance refunding general obligation bonds outstanding to take advantage of lower interest rates. The interest rates of the bonds ranged from 2.0% to 3.5% and the bonds were sold at a premium of \$530,194. Proceeds and premium of \$3,593,275 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of the general obligation bonds. The refunded bonds were called and redeemed in full in December 2016. The City decreased its total debt service payments by \$338,632 as a result of the refunding. The City also incurred an economic gain (difference between the present value of the old and new debt service payments) of \$311,060.

In January 2017, the City issued \$11,765,000 in capital improvement and refunding bonds, for the purpose of financing certain permanent improvements and to refund certain outstanding general obligation bonds and bond anticipation notes previously issued. The bonds mature on December 1, 2037 and have an interest rate between 2.0% and 4.0%. The bonds were sold at a premium of \$555,361. Proceeds and premium of \$3,099,763 were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded portion of the general obligation bonds. The refunded bonds were called and redeemed in full in February 2017. The City decreased its total debt service payments by \$155,203 as a result of the refunding. The City also incurred an economic gain (difference between the present value of the old and new debt service payments) of \$143,908.

In March 2021, the City issued \$11,075,000 in capital improvement and equipment bonds, for the purposes of improving designated streets, improvements to the recreation center, Springvale Golf Course, City Hall and providing funds for acquiring computer hardware and software equipment. The final maturity on the bonds is December 10, 2031, and they have an interest rate between 2.0% - 4.0%. The bonds were sold at a premium of \$2,056,427.

The City’s overall legal debt margin was \$91,443,346 at December 31, 2023.

Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2023, are as follows:

Year	Governmental Activities			
	General Obligation Bonds		Police Pension*	
	Principal	Interest	Principal	Interest
2024	\$ 2,015,000	\$ 454,025	\$ 5,096	\$ 1,809
2025	1,880,000	377,100	5,315	1,590
2026	1,560,000	305,725	5,543	1,362
2027	1,620,000	244,050	5,781	1,124
2028	1,115,000	180,000	6,030	876
2029-2031	<u>3,445,000</u>	<u>269,950</u>	<u>16,066</u>	<u>1,032</u>
Totals	\$ <u>11,635,000</u>	\$ <u>1,830,850</u>	\$ <u>43,831</u>	\$ <u>7,793</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

## Note 13: Long-Term Obligations (continued)

<u>Governmental Activities (continued)</u>				
Total				
Year	Principal	Interest		
2024	\$ 2,020,096	\$ 455,834		
2025	1,885,315	378,690		
2026	1,565,543	307,087		
2027	1,625,781	245,174		
2028	1,121,030	180,876		
2029-2031	<u>3,461,066</u>	<u>270,982</u>		
Totals	\$ <u>11,678,831</u>	\$ <u>1,838,643</u>		

<u>Business-Type Activities</u>				
Year	<u>General Obligation Bonds</u>		<u>OWDA Loans*</u>	
	Principal	Interest	Principal	Interest
2024	\$ 385,000	\$ 152,650	\$ 2,759,594	\$ 909,839
2025	400,000	137,250	2,829,105	840,326
2026	360,000	121,250	2,900,374	769,058
2027	380,000	106,850	2,973,443	695,989
2028	305,000	91,650	3,048,359	621,073
2029-2033	1,425,000	292,000	16,433,502	1,913,656
2034-2037	<u>970,000</u>	<u>84,182</u>	<u>6,187,676</u>	<u>184,567</u>
Totals	\$ <u>4,225,000</u>	\$ <u>985,832</u>	\$ <u>37,132,053</u>	\$ <u>5,934,508</u>

\* Long-term obligation is a direct placement.

<u>Business-Type Activities (continued)</u>		
Total		
Year	Principal	Interest
2024	\$ 3,144,594	\$ 1,062,489
2025	3,229,105	977,576
2026	3,260,374	890,308
2027	3,353,443	802,839
2028	3,353,359	712,723
2029-2033	17,858,502	2,205,656
2034-2037	<u>7,157,676</u>	<u>268,749</u>
Totals	\$ <u>41,357,053</u>	\$ <u>6,920,340</u>

### SBITAs

The City entered into noncancelable SBITA agreements for email security and cloud storage. These contracts meet the definition of a SBITA under GASB Statement No. 96. A summary of the principal and interest amounts for the remaining liability is as follows:

<u>Governmental Activities</u>		
Year	Principal	Interest
2024	\$ <u>119,747</u>	\$ <u>4,754</u>



# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 14: Finance Purchase

The City entered into agreements for several copiers and equipment. The City's obligations are recorded on the government-wide statements and the proprietary financial statements. Payments for governmental fund-type obligations has been reclassified and are reflected as debt service expenses in the fund financial statements for the General Fund. These expenditures are reflected as capital outlay expenditures on a budgetary basis.

Amortization of finance purchase items are included in depreciation expense.

Principal and interest requirements to retire the obligations outstanding at December 31, 2023, are as follows:

Year	Governmental Activities	
	Principal	Interest
2024	\$ 154,313	\$ 31,326
2025	139,145	23,144
2026	146,467	15,821
2027	<u>154,176</u>	<u>8,113</u>
Total	\$ <u>594,101</u>	\$ <u>78,404</u>

## Note 15: Compensated Absences

Vacation leave is earned at rates which vary depending upon length of service and standard work week. City employees are paid for earned, unused vacation leave at the time of termination of employment if the employee has acquired at least one year of service to the City. Sick leave is earned at the rate of 4.6 hours for every eighty (80) hours paid. Fire Department employees are an exception and earn sick leave at the rate of 5.8 hours per pay. Each employee who has at least five years of service upon retirement is paid for a portion of the employee's earned unused sick leave balances, from 1,000 hours to 1,500 hours, depending upon the union contract and termination with the City.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## Note 16: Construction and Other Significant Commitments

At December 31, 2023, the City's significant contractual commitments consisted of:

Project	Contract Amount	Amount Paid/Accrued	Remaining on Contract
Senior Center Kitchen Renovations	\$ 208,500	\$ 34,274	\$ 174,226
Community Cabin Kitchen Renovations	119,000	-	119,000
Guaranteed Energy Savings Project	4,000,000	3,784,074	215,926
Lorain Road Transportation and Land Use Analysis	164,400	145,359	19,041
Pumper Firetruck	903,474	-	903,474
Brookpark Road Underpass Improvement	314,325	299,209	15,116
Clague Road Force Main Replacement	1,414,960	-	1,414,960
Recreation Data Center Project	376,243	137,701	238,542
Citywide Master Plan	153,035	28,675	124,360
Salt Trucks	229,138	-	229,138
Total commitments	\$ <u>7,883,075</u>	\$ <u>4,429,292</u>	\$ <u>3,453,783</u>

Other significant commitments include the encumbrances outstanding at year-end. The amount of the encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

	<u>Encumbrances</u>
General Fund	\$ 1,244,437
General Obligation Bond Retirement Fund	12,000
Capital Improvement Fund	257,046
Non-major Governmental Funds	<u>2,283,031</u>
Total other significant commitments	\$ <u>3,796,514</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

## Note 17: Interfund Activity

### Interfund Transfers

Interfund transfers for the year ended December 31, 2023 consisted of the following:

	Transfer to				Total
	General Fund	General Obligation Bond Retirement Fund	Capital Improvement Funds	Non-major Governmental Funds	
Transfer from:					
General Fund	\$ -	\$ 410,800	\$ 150,000	\$ 250,000	\$ 810,800
General Obligation Bond Retirement Fund	-	-	-	4,227,050	4,227,050
Non-major Governmental Funds Springvale Golf and Ballroom Fund	60,300	3,433,218	-	-	3,493,518
Sewer Revenue Fund	23,200	-	-	-	23,200
	<u>88,000</u>	<u>900,000</u>	<u>-</u>	<u>-</u>	<u>988,000</u>
Total	\$ <u>171,500</u>	\$ <u>4,744,018</u>	\$ <u>150,000</u>	\$ <u>4,477,050</u>	\$ <u>9,542,568</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them. The transfers to the General Fund were made in accordance with Ohio Revised Code Section 5705.13(B). The transfers from the General Obligation Bond Retirement Fund were made to cover debt payments in the Non-major Governmental Funds. The transfers from the Sewer Revenue Fund were made to cover debt payments in the General Obligation Bond Retirement.

During 2023, distributions of capital assets of \$18,203 from the business-type to the governmental activities are reported as transfers in the Statement of Activities. See Note 8 for additional information.

No transfers were inconsistent with the purpose of the fund making the transfer. In addition, the above transfers are in compliance with the Ohio Revised Code.

### Interfund Balances

As of December 31, 2023, interfund balances were as follows:

	<u>Receivable</u>	<u>Payable</u>
	Advance to Other Funds	Advance from Other Funds
Governmental Activities:		
General Fund	\$ 1,544,433	\$ -
General Obligation Bond Retirement Fund	<u>7,204,957</u>	<u>-</u>
Total Governmental Activities	<u>8,749,390</u>	<u>-</u>
Business-Type Activities:		
Springvale Golf Course and Ballroom Fund	-	7,380,446
Sewer Revenue Fund	<u>-</u>	<u>1,368,944</u>
Total Business-Type Activities	<u>-</u>	<u>8,749,390</u>
Total	\$ <u>8,749,390</u>	\$ <u>8,749,390</u>

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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**Note 17: Interfund Activity (continued)**

***Interfund Balances (continued)***

The General Obligation Bond Retirement Fund loaned the Springvale Golf Course and Ballroom Fund and the Sewer Revenue Fund additional resources to meet debt service requirements. The General Fund loaned the Springvale Golf Course and Ballroom Fund and Sewer Revenue Fund operating monies that will be paid back in future years.

Interfund receivables/payables for the year ended December 31, 2023 consisted of the following:

	Interfund Payable		
	Capital Improvement Fund	Non-major Governmental Fund	Total
Interfund Receivable:			
General Fund	\$ -	\$ 3,148	\$ 3,148
Non-major Governmental Funds	<u>230,000</u>	<u>-</u>	<u>230,000</u>
Total	<u>\$ 230,000</u>	<u>\$ 3,148</u>	<u>\$ 233,148</u>

Interfund balances are expected to be repaid within one year.

**Note 18: Jointly Governed Organizations**

***West Shore Council of Governments***

The West Shore Council of Governments helps foster cooperation between municipalities in areas affecting health, safety, welfare, education, economic conditions and regional development. The Board is comprised of one member from each of the six 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. In 2023, the City contributed \$76,371. Complete financial information can be obtained from the City of Bay Village 350 Dover Center Road, Bay Village, Ohio 44140. The Council has established two subsidiary organizations, the West Shore Hazardous Materials Committee, which provides hazardous material protection and assistance, and the West Shore Enforcement Bureau, which provides extra assistance to cities in the form of a Swat Team.

***RITA***

RITA is a regional council of governments formed to establish a central collection facility for the purpose of administering the income tax laws of the members and for the purpose of collection of income taxes on behalf of each member. RITA currently has approximately 350 members in the council of governments. Each member has one representative to the council of governments and is entitled to one vote on items under consideration. RITA is administered by a nine-member board of trustees elected by the members of the council of governments. The board exercises total control over RITA’s operation including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the council.

# City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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## **Note 19: Contingent Liabilities**

### ***Grants***

The City has received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the City at December 31, 2023.

### ***Litigation***

The City is unaware of any un-asserted claims pending against it as of December 31, 2023. During the normal course of business, the City is subject to occasional legal proceedings, claims, and contract disputes. In the opinion of management, the eventual outcome of any current proceedings and claims against the City will not materially affect its financial condition or operations.

## **Note 20: Tax Abatements**

As of December 31, 2023, the City provides tax incentives under three programs: the Community Reinvestment Area (CRA), known as the North Olmsted Community Reinvestment Area (NOCRA), the Job Retention Grant Program, and the Job Creation Grant Program.

Pursuant to Ohio Revised Code 3735, the City established a CRA in 1992, and later amended it in 2014, which included all land within the boundaries of the City. The City authorizes incentives through the passage of ordinances. The abatement equals an agreed-upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements, not to exceed 100% of the increase in the assessed value resulting from the improvements. The amount of the abatement is deducted from the recipient's property tax bill.

Within the NOCRA, the percentage of tax exemption of the increase valuation resulting from improvements to commercial and industrial real property and the term of those exemptions are negotiated on a case-by-case basis in advance of signing the agreement.

A tax exemption on the increase in the assessed valuation resulting from improvements shall be granted upon application by the property owner and certification of the Housing Officer for the following periods:

- Up to, and including, 12 years, and up to, and including, 100% for the remodeling of existing commercial and industrial facilities and upon which the cost of remodeling is at least \$5,000, the term and percentage of which shall be negotiated on a case-by-case basis in advance of remodeling occurring.
- Up to, and including, 15 years, and up to, and including, 100% of the construction of new commercial or industrial facilities, the term and percentage of which shall be negotiated on a case-by-case basis in advance of remodeling occurring.

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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### **Note 20: Tax Abatements (continued)**

For the year ended December 31, 2023, the City abated property taxes totaling \$222,342 under this program.

The City created the Job Retention Grant Program. The purpose of the program is to maintain the City's competitiveness as a site for location of new businesses and the expansion of existing businesses. Pursuant to Article XVIII, Section 3 and Article VIII, Section 13 of the Ohio Constitution (Ordinance #2016-76), the City provides an incentive to the company based upon the company's gross annual payroll, the amount of income tax generated annually and the number of jobs created or retained by the business. The abatement is administered as a refund based upon the company's payroll taxes. Also, the time period of the incentive in years, is determined by how many new jobs are to be created by the company. No taxes were abated under this program for the year ended December 31, 2023.

The City created the Job Creation Grant Program. The purpose of the program is to provide an economic incentive for businesses to locate or expand within the City. The City provides an incentive to a business constructing, buying or leasing property that has not had employees located in the City of North Olmsted within the preceding one (1) year and that will create a new annual payroll in excess of \$500,000.

An existing business already located in the City that is expanding and that will create new annual payroll in excess of \$500,000 while maintaining its pre-application work-force and annual payroll would also be eligible. The abatement is administered as a refund based upon the company's payroll taxes for a time period not to exceed ten (10) years. No taxes were abated under this program for the year ended December 31, 2023.

### **Note 21: Accountability**

There were deficits in the Community Diversion fund of \$4,527, Capital Improvement fund of \$3,447,555, and business-type Springvale Golf Course and Ballroom Fund for \$2,655,946. These deficits were caused by the application of accounting principles generally accepted in the United States of America. The General Fund is liable for any deficit in these funds and provides operating transfers when cash is required, not when accruals occur.

### **Note 22: Asset Retirement Obligations**

Ohio Administrative Code Section 1301-7-9 requires a City classified as an "owner" or "operator," to remove from the ground any underground storage tank (UST) that is not in use for a year or more. A permit must first be obtained for that year it is not being used. Once the UST is removed, the soil in the UST cavity and excavated material must be tested for contamination. The City engineer estimated this asset retirement obligation (ARO) of \$52,521 associated with the City's underground storage tanks. The remaining useful life of these USTs are 0 years. The City maintains insurance related to any potential pollution remediation associated with the USTs.

## City of North Olmsted, Ohio

Notes to the Basic Financial Statements (continued)

For the Year Ended December 31, 2023

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### **Note 22: Asset Retirement Obligations (continued)**

Ohio Revised Code Section 6111.44 requires the City to submit any changes to their sewage system to the Ohio EPA for approval. Through this review process, the City would be responsible to address any public safety issues associated with their wastewater treatment facilities. At this time, due to limitations associated with the existing plant's age and building materials within the plant, the engineer consulted would not have a reasonable estimate to calculate a liability as of December 31, 2023.

### **Note 23: Subsequent Events**

On June 25, 2024 the City issued \$10,575,000 in bond anticipation notes for the purposes of acquiring and installing energy conservation measures, improving the City's parks and recreational facilities, and improving the City's fire stations. The final maturity is June 25, 2025, and the notes carry an interest rate of 5%.

## City of North Olmsted, Ohio

### Required Supplementary Information Schedule of the City's Proportionate Share of the Net Pension Liability Ohio Public Employee Retirement System – Traditional Plan

For the Last Ten Years

	2023	2022	2021	2020	2019
City's proportion of the net pension liability	0.052014%	0.063072%	0.058580%	0.062230%	0.063334%
City's proportionate share of the net pension liability	\$ 15,364,959	\$ 5,487,519	\$ 8,674,424	\$ 12,300,181	\$ 17,345,899
City's covered payroll	\$ 9,169,779	\$ 8,864,483	\$ 8,341,121	\$ 8,801,900	\$ 8,284,775
City's proportionate share of the net pension liability as a percentage of its covered payroll	167.56%	61.90%	104.00%	139.74%	209.37%
Plan fiduciary net position as a percentage of the total pension liability	75.74%	92.62%	86.88%	82.17%	74.70%
	2018	2017	2016	2015	2014
City's proportion of the net pension liability	0.062255%	0.062881%	0.061367%	0.062146%	0.062146%
City's proportionate share of the net pension liability	\$ 9,766,604	\$ 14,279,205	\$ 10,629,538	\$ 7,495,502	\$ 7,326,204
City's covered payroll	\$ 8,262,335	\$ 8,270,612	\$ 8,170,779	\$ 7,635,146	\$ 7,193,840
City's proportionate share of the net pension liability as a percentage of its covered payroll	118.21%	172.65%	130.09%	98.17%	101.84%
Plan fiduciary net position as a percentage of the total pension liability	84.66%	77.25%	81.08%	86.45%	n/a

Amounts presented for each year were determined as of the City's measurement date which is December 31 of the prior year.

The accompanying notes are an integral part of the required supplementary information



## City of North Olmsted, Ohio

### Required Supplementary Information Schedule of the City's Proportionate Share of the Net Pension Asset Ohio Public Employee Retirement System – Combined Plan

For the Last Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net pension asset	0.098241%	0.112591%	0.105650%	0.093795%	0.093477%
City's proportion of the net pension asset	\$ 231,545	\$ 443,613	\$ 304,974	\$ 195,586	\$ 104,529
City's covered payroll	\$ 516,750	\$ 495,721	\$ 474,550	\$ 420,500	\$ 385,547
City's proportionate share of the net pension asset as a percentage of its covered payroll	44.81%	89.49%	64.27%	46.51%	27.11%
Plan fiduciary net position as a percentage of the total pension liability	137.14%	169.88%	157.67%	145.28%	126.64%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension asset	0.098962%	0.096272%	0.098960%	0.117384%	0.117384%
City's proportion of the net pension asset	\$ 134,718	\$ 53,583	\$ 48,157	\$ 45,196	\$ 12,318
City's covered payroll	\$ 402,822	\$ 380,227	\$ 385,862	\$ 413,399	\$ 339,946
City's proportionate share of the net pension asset as a percentage of its covered payroll	33.44%	14.09%	12.48%	10.93%	3.62%
Plan fiduciary net position as a percentage of the total pension liability	137.28%	116.55%	116.90%	114.83%	n/a

Amounts presented for each year were determined as of the City's measurement date which is December 31 of the prior year.

The accompanying notes are an integral part of the required supplementary information

## City of North Olmsted, Ohio

### Required Supplementary Information Schedule of the City's Proportionate Share of the Net Pension Liability Ohio Police and Fire Pension Fund

For the Last Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
City's proportion of the net pension liability	0.287712%	0.307053%	0.320942%	0.323067%	0.332782%
City's proportion of the net pension liability	\$ 27,329,851	\$ 19,182,901	\$ 21,878,896	\$ 21,763,546	\$ 27,163,803
City's covered payroll	\$ 7,943,646	\$ 7,555,175	\$ 8,040,410	\$ 7,761,669	\$ 7,338,794
City's proportionate share of the net pension liability as a percentage of its covered payroll	344.05%	253.90%	272.11%	280.40%	370.14%
Plan fiduciary net position as a percentage of the total pension liability	62.90%	75.03%	70.65%	69.89%	63.07%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability	0.328291%	0.332860%	0.337684%	0.341655%	0.341646%
City's proportion of the net pension liability	\$ 20,153,276	\$ 21,084,664	\$ 21,723,448	\$ 17,699,133	\$ 16,639,651
City's covered payroll	\$ 7,235,102	\$ 7,292,482	\$ 7,387,575	\$ 6,699,634	\$ 6,712,291
City's proportionate share of the net pension liability as a percentage of its covered payroll	278.55%	289.13%	294.05%	264.18%	247.90%
Plan fiduciary net position as a percentage of the total pension liability	70.91%	68.36%	66.77%	71.71%	73.00%

Amounts presented for each year were determined as of the City's measurement date which is December 31 of the prior year.

The accompanying notes are an integral part of the required supplementary information

## City of North Olmsted, Ohio

### Required Supplementary Information Schedule of the City's Pension Contributions Ohio Public Employee Retirement System – Traditional Plan

#### For the Last Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 1,374,516	\$ 1,283,769	\$ 1,241,027	\$ 1,167,757	\$ 1,232,266
Contributions in relation to the contractually required contribution	<u>(1,374,516)</u>	<u>(1,283,769)</u>	<u>(1,241,027)</u>	<u>(1,167,757)</u>	<u>(1,232,266)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 9,817,971	\$ 9,169,779	\$ 8,864,483	\$ 8,341,121	\$ 8,801,900
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%	14.00%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,159,869	\$ 1,074,104	\$ 992,473	\$ 980,493	\$ 916,217
Contributions in relation to the contractually required contribution	<u>(1,159,869)</u>	<u>(1,074,104)</u>	<u>(992,473)</u>	<u>(980,493)</u>	<u>(916,217)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 8,284,775	\$ 8,262,335	\$ 8,270,612	\$ 8,170,779	\$ 7,635,146
Contributions as a percentage of covered payroll	14.00%	13.00%	12.00%	12.00%	12.00%

The accompanying notes are an integral part of the required supplementary information

## City of North Olmsted, Ohio

### Required Supplementary Information Schedule of the City's Pension Contributions Ohio Public Employee Retirement System – Combined Plan

#### For the Last Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 56,779	\$ 66,693	\$ 69,400	\$ 66,436	\$ 58,869
Contributions in relation to the contractually required contribution	<u>(56,779)</u>	<u>(66,693)</u>	<u>(69,400)</u>	<u>(66,436)</u>	<u>(58,869)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 473,157	\$ 516,750	\$ 495,721	\$ 474,550	\$ 420,500
Contributions as a percentage of covered payroll	12.00%	12.91%	14.00%	14.00%	14.00%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 53,977	\$ 52,367	\$ 45,627	\$ 46,303	\$ 49,608
Contributions in relation to the contractually required contribution	<u>(53,977)</u>	<u>(52,367)</u>	<u>(45,627)</u>	<u>(46,303)</u>	<u>(49,608)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 385,547	\$ 402,822	\$ 380,227	\$ 385,862	\$ 413,399
Contributions as a percentage of covered payroll	14.00%	13.00%	12.00%	12.00%	12.00%

The accompanying notes are an integral part of the required supplementary information

## City of North Olmsted, Ohio

### Required Supplementary Information Schedule of the City's Pension Contributions Ohio Police and Fire Pension Fund

#### For the Last Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 1,779,364	\$ 1,673,075	\$ 1,591,221	\$ 1,688,221	\$ 1,629,823
Contributions in relation to the contractually required contribution	<u>(1,779,364)</u>	<u>(1,673,075)</u>	<u>(1,591,221)</u>	<u>(1,688,221)</u>	<u>(1,629,823)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 8,452,980	\$ 7,943,646	\$ 7,555,175	\$ 8,040,410	\$ 7,761,669
Contributions as a percentage of covered payroll	21.05%	21.06%	21.06%	21.00%	21.00%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,543,225	\$ 1,522,576	\$ 1,534,192	\$ 1,552,780	\$ 1,413,097
Contributions in relation to the contractually required contribution	<u>(1,543,225)</u>	<u>(1,522,576)</u>	<u>(1,534,192)</u>	<u>(1,552,780)</u>	<u>(1,413,097)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 7,338,794	\$ 7,235,102	\$ 7,292,482	\$ 7,387,575	\$ 6,699,634
Contributions as a percentage of covered payroll	21.03%	21.04%	21.04%	21.02%	21.09%

The accompanying notes are an integral part of the required supplementary information

## City of North Olmsted, Ohio

### Required Supplementary Information Schedule of the City's Proportionate Share of the Net OPEB Liability (Asset) Ohio Public Employee Retirement System

For the Last Seven Years

	<u>2023 (1)</u>	<u>2022 (1)</u>			
City's proportion of the net OPEB liability/asset	0.053625%	0.064239%			
City's proportionate share of the net OPEB liability (asset)	\$ 338,115	\$ (2,012,066)			
City's covered payroll	\$ 10,132,350	\$ 9,719,828			
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	3.34%	(19.86)%			
Plan fiduciary net position as a percentage of the total OPEB liability	94.79%	128.23%			
	<u>2021 (1)</u>	<u>2020 (1)</u>	<u>2019 (1)</u>	<u>2017 (1)</u>	<u>2016 (1)</u>
City's proportion of the net OPEB liability/asset	0.059689%	0.062902%	0.063813%	0.063020%	0.063332%
City's proportionate share of the net OPEB liability (asset)	\$ (1,063,406)	\$ 8,688,401	\$ 8,319,709	\$ 6,843,509	\$ 6,396,753
City's covered payroll	\$ 9,125,957	\$ 9,556,893	\$ 8,966,207	\$ 8,951,607	\$ 8,904,621
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	(11.65)%	90.91%	92.79%	76.45%	71.84%
Plan fiduciary net position as a percentage of the total OPEB liability	115.57%	47.80%	46.33%	54.14%	54.04%

(1) Information prior to 2016 is not available. Amounts presented for each year were determined as of the City's measurement date which is December 31 of the prior year.

The accompanying notes are an integral part of the required supplementary information

## City of North Olmsted, Ohio

### Required Supplementary Information Schedule of the City's Proportionate Share of the Net OPEB Liability Ohio Police and Fire Pension Fund

#### For the Last Seven Years

	<u>2023 (1)</u>	<u>2022 (1)</u>			
City's proportion of the net OPEB liability	0.287712%	0.307053%			
City's proportionate share of the net OPEB liability	\$ 2,048,427	\$ 3,365,566			
City's covered payroll	\$ 7,943,646	\$ 7,555,175			
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	25.79%	44.55%			
Plan fiduciary net position as a percentage of the total OPEB liability	52.60%	46.90%			
	<u>2021 (1)</u>	<u>2020 (1)</u>	<u>2019 (1)</u>	<u>2017 (1)</u>	<u>2016 (1)</u>
City's proportion of the net OPEB liability	0.320942%	0.323067%	0.332782%	0.328291%	0.332886%
City's proportionate share of the net OPEB liability	\$ 3,400,432	\$ 3,191,171	\$ 3,030,491	\$ 18,600,508	\$ 15,801,350
City's covered payroll	\$ 8,040,410	\$ 7,761,669	\$ 7,338,794	\$ 7,235,102	\$ 7,292,482
City's proportionate share of the net OPEB liability as a percentage of its covered payroll	42.29%	41.11%	41.29%	257.09%	216.68%
Plan fiduciary net position as a percentage of the total OPEB liability	45.40%	47.10%	46.57%	14.13%	15.96%

(1) Information prior to 2016 is not available. Amounts presented for each year were determined as of the City's measurement date which is December 31 of the prior year.

The accompanying notes are an integral part of the required supplementary information

## City of North Olmsted, Ohio

### Required Supplementary Information Schedule of the City's OPEB Contributions Ohio Public Employee Retirement System

For the Last Eight Years (1)

	<u>2023</u>	<u>2022</u>	<u>2021</u>		
Contractually required contribution	\$ 27,959	\$ 23,485	\$ 14,385		
Contributions in relation to the contractually required contribution	<u>(27,959)</u>	<u>(23,485)</u>	<u>(14,385)</u>		
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		
City covered payroll	\$ 10,753,529	\$ 10,132,350	\$ 9,719,828		
Contributions as a percentage of covered payroll	0.26%	0.23%	0.15%		
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 12,411	\$ 13,381	\$ 12,071	\$ 89,516	\$ 178,092
Contributions in relation to the contractually required contribution	<u>(12,411)</u>	<u>(13,381)</u>	<u>(12,071)</u>	<u>(89,516)</u>	<u>(178,092)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 9,125,957	\$ 9,556,893	\$ 8,966,207	\$ 8,951,607	\$ 8,904,621
Contributions as a percentage of covered payroll	0.14%	0.14%	0.13%	1.00%	2.00%

(1) Information prior to 2016 is not available.



## City of North Olmsted, Ohio

### Required Supplementary Information Schedule of the City's OPEB Contributions Ohio Police and Fire Pension Fund

#### For the Last Ten Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contribution	\$ 42,265	\$ 39,718	\$ 37,776	\$ 40,202	\$ 38,808
Contributions in relation to the contractually required contribution	<u>(42,265)</u>	<u>(39,718)</u>	<u>(37,776)</u>	<u>(40,202)</u>	<u>(38,808)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 8,452,980	\$ 7,943,646	\$ 7,555,175	\$ 8,040,410	\$ 7,761,669
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%	0.50%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 36,694	\$ 36,175	\$ 36,462	\$ 36,938	\$ 33,498
Contributions in relation to the contractually required contribution	<u>(36,694)</u>	<u>(36,175)</u>	<u>(36,462)</u>	<u>(36,938)</u>	<u>(33,498)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City covered payroll	\$ 7,338,794	\$ 7,235,102	\$ 7,292,482	\$ 7,387,575	\$ 6,699,634
Contributions as a percentage of covered payroll	0.50%	0.50%	0.50%	0.50%	0.50%

The accompanying notes are an integral part of the required supplementary information

# City of North Olmsted, Ohio

## Notes to Required Supplementary Information

For the Year Ended December 31, 2023

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### Note 1: Net Pension Liability/Asset

#### *Changes in Assumptions – OPERS*

Amounts reported in the required supplementary information for OPERS Traditional and Combined Plans incorporate changes in assumptions used by OPERS in calculating the pension liability. These assumptions are presented below for the periods indicated:

#### Key Methods and Assumptions in Valuing Total Pension Liability – 2023

	OPERS <u>Traditional Plan</u>	OPERS <u>Combined Plan</u>
Experience study	5-year period ended December 31, 2020	5-year period ended December 31, 2020
Actuarial cost method	Individual entry age	Individual entry age
Actuarial assumptions:		
Investment rate of return	6.90%	6.90%
Wage inflation	2.75%	2.75%
Projected salary increases, including 2.75% wage inflation	2.75 to 10.75%	2.75 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 retirees	3.00% Simple	3.00% Simple
Post-Jan 7, 2013 retirees	3.00% Simple through 2023 then 2.05% Simple	3.00% Simple though 2023 then 2.05% Simple

#### Key Methods and Assumptions in Valuing Total Pension Liability – 2022

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Experience Study	5-year period ended December 31, 2020	5-year period ended December 31, 2020
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	6.90%	6.90%
Wage Inflation	2.75%	2.75%
Projected Salary Increases, including 2.75% inflation	2.75 to 10.75%	2.75 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	3% Simple through 2022 then 2.05% Simple	3% Simple though 2022 then 2.05% Simple

## City of North Olmsted, Ohio

Notes to Required Supplementary Information (continued)

For the Year Ended December 31, 2023

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### Note 1: Net Pension Liability/Asset (continued)

#### *Changes in Assumptions – OPERS (continued)*

#### Key Methods and Assumptions in Valuing Total Pension Liability – 2021

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Experience Study	5-year period ended December 31, 2015	5-year period ended December 31, 2015
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.20%	7.20%
Wage Inflation	3.25%	3.25%
Projected Salary Increases, including 3.25% inflation	3.25 to 10.75%	3.25 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	0.50% Simple through 2021 then 2.15% Simple	0.50% Simple though 2021 then 2.15% Simple

#### Key Methods and Assumptions in Valuing Total Pension Liability – 2020

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Experience Study	5-year period ended December 31, 2015	5-year period ended December 31, 2015
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.20%	7.20%
Wage Inflation	3.25%	3.25%
Projected Salary Increases, including 3.25% inflation	3.25 to 10.75%	3.25 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	1.40% Simple through 2020 then 2.15% Simple	1.40% Simple though 2020 then 2.15% Simple

## City of North Olmsted, Ohio

Notes to Required Supplementary Information (continued)

For the Year Ended December 31, 2023

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### Note 1: Net Pension Liability/Asset (continued)

#### Changes in Assumptions – OPERS (continued)

#### Key Methods and Assumptions in Valuing Total Pension Liability – 2019

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Experience Study	5-year period ended December 31, 2015	5-year period ended December 31, 2015
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.20%	7.20%
Wage Inflation	3.25%	3.25%
Projected Salary Increases, including 3.25% inflation	3.25 to 10.75%	3.25 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	3% Simple through 2018 then 2.15% Simple	3% Simple though 2018 then 2.15% Simple

#### Key Methods and Assumptions in Valuing Total Pension Liability – 2017-2018

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Experience Study	5-year period ended December 31, 2015	5-year period ended December 31, 2015
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	7.50%	7.50%
Wage Inflation	3.25%	3.25%
Projected Salary Increases, including 3.25% inflation	3.25 to 10.75%	3.25 to 8.25%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	3% Simple through 2018 then 2.15% Simple	3% Simple though 2018 then 2.15% Simple

# City of North Olmsted, Ohio

Notes to Required Supplementary Information (continued)

For the Year Ended December 31, 2023

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**Note 1: Net Pension Liability/Asset (continued)**

***Changes in Assumptions – OPERS (continued)***

**Key Methods and Assumptions in Valuing Total Pension Liability – 2016 and prior**

	OPERS <u>Traditional plan</u>	OPERS <u>Combined plan</u>
Experience Study	5-year period ended December 31, 2010	5-year period ended December 31, 2010
Actuarial Cost Method	Individual Entry Age	Individual Entry Age
Actuarial Assumptions:		
Investment Rate of Return	8.00%	8.00%
Wage Inflation	3.75%	3.75%
Projected Salary Increases, including 3.75% inflation	4.25 to 10.05%	4.25 to 8.05%
COLA or Ad Hoc COLA:		
Pre-Jan 7, 2013 Retirees	3% Simple	3% Simple
Post-Jan 7, 2013 Retirees	3% Simple through 2018 then 2.8% Simple	3% Simple through 2018 then 2.8% Simple

Mortality rates – For amounts reported beginning in 2022, the measurement uses pre-retirement mortality rates based on 130% of the Pub-2010 General Employee Mortality tables (males and females). Post-retirement mortality rates are based on 115% of the PubG-2010 Retiree Mortality Tables (males and females). Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables (males and females). For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales (males and females) to all of these tables.

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

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

## City of North Olmsted, Ohio

Notes to Required Supplementary Information (continued)

For the Year Ended December 31, 2023

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### Note 1: Net Pension Liability/Asset (continued)

#### *Changes in Assumptions – OP&F*

Amounts reported for 2023 incorporate changes in assumptions used by OP&F in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used from 2022 and prior are presented below:

	<u>2022 to 2023</u>	<u>2018 to 2021</u>
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Investment Rate of Return	7.50%	8.00%
Projected Salary Increases	3.75% to 10.50%	3.75% to 10.50%
Payroll Growth	Inflation rate of 2.75% plus productivity increase rate of 0.50%	Inflation rate of 2.75% plus productivity increase rate of 0.50%
Cost of Living Adjustments	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3%	3.00% simple; 2.20% simple for increases based on the lesser of the increase in CPI and 3%
	<u>2017 and Prior</u>	
Actuarial Cost Method	Entry Age Normal	
Investment Rate of Return	8.25%	
Projected Salary Increases	4.25% to 11.00%	
Payroll Growth	Inflation rate of 3.25% plus productivity increase rate of 0.50%	
Cost of Living Adjustments	3.00% simple; 2.60% simple for increases based on the lesser of the increase in CPI and 3%	

For 2022, mortality for service retirees is based on the Pub-2010 Below-Median Safety Amount-Weighted Healthy Retiree mortality table with rates adjusted by 96.2% for males and 98.7% for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for disabled retirees is based on the Pub-2010 Safety Amount-Weighted Disabled Retiree mortality table with rates adjusted by 135.0% for males and 97.9% for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for contingent annuitants is based on the Pub-2010 Below-Median Safety Amount-Weighted Contingent Annuitant Retiree mortality table with rates adjusted by 108.9% for males and 131.0% for females. All rates are projected using the MP-2021 Improvement Scale.

For 2022, mortality for active members is based on the Pub-2010 Below-Median Safety Amount-Weighted Employee mortality table. All rates are projected using the MP-2021 Improvement Scale.

# City of North Olmsted, Ohio

Notes to Required Supplementary Information (continued)

For the Year Ended December 31, 2023

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**Note 1: Net Pension Liability/Asset (continued)**

***Changes in Assumptions – OP&F (continued)***

For 2018-2021 actuarial valuation, mortality for non-disabled participants is based on the RP-2014 Total Employee and Healthy Annuitant Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent Modified 2016 Improvement Scale. Rates for surviving beneficiaries are adjusted by 120%.

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

For 2018-2021 actuarial valuation, mortality for disabled retirees is based on the RP-2014 Disabled Mortality Tables rolled back to 2006, adjusted according to the rates in the following table, and projected with the Conduent 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%

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

## City of North Olmsted, Ohio

Notes to Required Supplementary Information (continued)

For the Year Ended December 31, 2023

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### **Note 2: Net OPEB Liability/Asset**

#### ***Changes in Assumptions – OPERS***

For fiscal year 2023, the municipal bond rate increased from 1.84% to 4.05%. The single discount rate decreased from 6.00% to 5.22%. The health care cost trend rate changed from 5.5% initial, 3.5% ultimate in 2034 to 5.5% initial, 3.5% ultimate in 2036.

For fiscal year 2022, the municipal bond rate decreased from 2.00% to 1.84% and wage inflation decreased from 3.25% to 2.75%. The single discount rate remained 6.00%. The health care cost trend rate decreased from 8.5% initial, 3.5% ultimate in 2035 to 5.5% initial, 3.5% ultimate in 2034.

For 2021, the single discount rate changed from 3.16% in 2020 to 6.00%. For 2021, the municipal bond rate changed from 2.75% to 2.00%. For 2021, the health care cost trend rate changed from 10.5% initial, 3.5%, ultimate in 2030 to 8.5% initial, 3.5% ultimate in 2035.

For 2020, the single discount rate changed from 3.96% in 2019 to 3.16%. For 2020, the municipal bond rate changed from 3.71% to 2.75%. For 2020, the health care cost trend rate changed from 10% initial, 3.25%, ultimate in 2029 to 10.5% initial, 3.5% ultimate in 2030.

For 2019, the OPERS Board adopted a change in the investment return assumption, reducing it from 6.5% to 6.0%. For 2019, the single discount rate changed from 3.85% in 2018 to 3.96%. Prior to 2018, the single discount rate was 4.23%. For 2019, the municipal bond rate changed from 3.31% to 3.71%. For 2019, the health care cost trend rate changed from 7.5% initial, 3.25%, ultimate in 2028 to 10% initial, 3.25% ultimate in 2029.

#### ***Changes in Assumptions – OP&F***

For 2023 the investment return assumption was lowered from 8.00% to 7.50%. The DROP interest crediting rate was lowered from 4.00% to 3.75%. The mortality assumption, withdrawal rates, retirement rates, and disability rates were changed. The DROP participation rate was lowered from 90% to 80%. The percent married assumption was changed from assuming 75% of members are married to 80%. The percentage of members assumed to elect a joint annuity was changed from 33% to 40% for service retirees and from 10% to 15% for disabled retirees. The percentage continued to the joint annuitant assumption was changed from 40% to 45%.

For 2022, the single discount rate changed from 2.96% to 2.84%.

For 2021, the single discount rate changed from 3.56% to 2.96%.

For 2020, the single discount rate changed from 4.66% to 3.56%.

For 2019, the single discount rate changed from 3.24% to 4.66%.

For 2018, the single discount rate changed from 3.79% to 3.24%.



## City of North Olmsted, Ohio

Notes to Required Supplementary Information (continued)

For the Year Ended December 31, 2023

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### **Note 2: Net OPEB Liability/Asset (continued)**

#### ***Changes in Benefit Terms – OP&F***

Beginning January 1, 2019 OP&F changed its retiree health care model and the current self-insured health care plan is no longer offered. In its place will be a stipend-based health care model. OP&F has contracted with a vendor who will assist eligible retirees in choosing health care plans from their marketplace (both Medicare-eligible and pre-Medicare populations). 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.

As a result of changing from the current health care model to the stipend based health care model, management expects that it will be able to provide stipends to eligible participants for the next 15 years. Beginning in 2020 the Board approved a change to the Deferred Retirement Option Plan. The minimum interest rate accruing will be 2.5%.

# City of North Olmsted, Ohio

Combining Statements  
Fund Descriptions

## **For the Year Ended December 31, 2023**

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### ***Non-Major Special Revenue Funds***

To account for revenues from specific sources which legally, or otherwise, are restricted to expenditures for specific purposes.

***Casualty Loss Fund*** – Accounts for resources designated to pay for property damages that are not covered by insurance.

***Community Development Block Grant Fund (CDBG)*** – Accounts for block grants received and grant reimbursable expenditures.

***Alcohol Education Fund*** – Accounts for court fees obtained from DUI cases and approved alcohol education related expenditures.

***Economic Development Fund*** – Accounts for the revenues generated from annual fees paid by new development agreements through tax abatement and community reinvestment incentives and expenditures in promoting economic development and compliance.

***FEMA Grant Fund*** – Accounts for revenues received from the federal government and expenditures as prescribed under the Federal Emergency Management Agency’s Assistance to Firefighters and Staffing for Adequate Fire and Emergency Response Grant Programs.

***Federal Grants Fund*** – Accounts for revenues received for federal grants and the expenditures for those grants when the terms of the grant do not require that the grant be tracked in another fund.

***OneOhio Opioid Settlement Fund*** – This fund is used to account for the receipt of revenues received from the State of Ohio’s OneOhio Opioid Settlement.

***Sidewalk Improvement Fund*** – Accounts for and reports amounts restricted for the maintenance of sidewalks throughout the City.

***Motor Vehicle License Tax Fund*** – Accounts for the additional motor vehicle registration fees designated for maintenance and repair of streets within the City.

***Recreation Fund*** – Accounts for real and personal property taxes and program revenues and expenditures for the operation and maintenance of recreation programs, services, parks and the recreation center facility.

***Federal Equitable Sharing Fund*** – Accounts for revenues and expenditures of the United States Department of Justice and the United States Department of Treasury Equitable Sharing Funds or tangible property disbursed to the City.

***Hotel/Motel Tax Fund*** – Accounts for the City’s hotel and motel tax revenues and related authorized expenditures of the police and fire divisions. Authorized expenditures from the fund shall be limited to the purchase of vehicles and equipment for police and fire division staff and the repair or replacement of buildings and other capital items or improvements at the police and fire stations.

# City of North Olmsted, Ohio

Combining Statements  
Fund Descriptions

## **For the Year Ended December 31, 2023**

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### *Non-Major Special Revenue Funds (continued)*

***Emergency Medical Services Fund*** – Accounts for a portion of the resident emergency medical service’s receipts. Expenditures are restricted to capital expenditures for the Fire Division of the Department of Public Safety.

***State Highway Fund*** – Accounts for the portion of the state gasoline tax and motor vehicle registration fees designated for maintenance and repair of state highways within the City.

***Street Maintenance Fund*** – Accounts for the portion of state gasoline tax and motor vehicle registration fees designated for maintenance and repair of streets within the City.

***Great Northern TIF Fund*** – This fund accounts for the receipt of service payments in lieu of taxes (PILOTs) that are legally restricted for the payment of public improvements described in City ordinance 2012-72. The general area affected by this TIF is Great Northern Boulevard and Country Club Boulevard.

***Court Computerization Fund*** – Accounts for the receipt of funds collected by the City’s Mayor’s Court designated to computerize the court and the clerk of court’s office.

***Solid Waste and Recycling Fund*** – Accounts for 15% of the municipal income tax receipts and expenditures associated with tax collection, solid waste removal, and costs of recycling services provided to residents.

***Community Diversion Fund*** – Accounts for the federal grant receipts, county and local program fees and expenditures related to the youth community diversion program contracted with the county juvenile court system.

***Drug Enforcement Fund*** – Accounts for fines and forfeitures from drug court cases and expenditures for use in drug enforcement.

***Endowment and Grant Fund*** – Accounts for donations restricted for a specific purpose and expenditures for those specific restricted uses.

***Fair Capacity Housing Fund*** – Accounts for revenue and expenditures related to the Housing and Urban Development (HUD) Fair Capacity Housing Grant.

***Local Fiscal Recovery Fund*** – This fund is used to account for financial resources to cover costs that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19).

***Fire Pension Fund*** – Accounts for property taxes levied for the payment of current employer contributions for fire disability and pension benefits.

***Law Enforcement Fund*** – Accounts for other monies seized from criminals by law enforcement officers or the sale of contraband in the course of their work restricted for expenditures that would enhance the police services.

# City of North Olmsted, Ohio

Combining Statements  
Fund Descriptions

## **For the Year Ended December 31, 2023**

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### ***Non-Major Special Revenue Funds (continued)***

***STOP Program Fund*** – Accounts for fines on traffic violations restricted to paying overtime wages and benefits to officers issuing tickets under this program, wages of the prosecuting attorney and police equipment used in the STOP program. Surplus monies from this fund can be used to pay any other operational expenditure that meets the need of the police and dispatch divisions, with the exception of wages and benefits unrelated to STOP.

***Police Pension Fund*** – Accounts for property taxes levied for the payment of current employer contributions for police disability and pension benefits.

***Senior Center Fund*** – Accounts for the daily operations of the senior center and its programs and the services provided on a cost reimbursement basis to senior citizens.

***Title III Fund*** – Accounts for the hot lunch program which provides lunch to senior citizens on a cost reimbursement basis.

***Public Way Management Fund*** – Accounts for fees that are levied by the City on service providers that install above ground facilities in public right of way areas and the expenditures associated with maintaining the right of way areas.

***Deposits Fund*** – Accounts for deposits held by the City from contractors, developers and individuals to ensure compliance with City ordinances. These monies net of inspection charges are returned when the work is properly completed.

***Separation Pay Fund*** – Accounts for resources set aside for the payment of accumulated sick and vacation leave upon termination. This fund is combined with the General Fund on the governmental fund financial statements but remains a separate fund in the budgetary schedules because it has a legally adopted budget.

***27<sup>th</sup> Pay Fund*** – Accounts for resource set aside for the payment of the 27<sup>th</sup> payrolls that are experienced every 13 years. This fund is combined with the General Fund on the governmental fund financial statements but remains a separate fund in the budgetary schedules because it has a legally adopted budget.

### ***Non-Major Debt Service Fund***

***Fire Station Bond Retirement Fund*** – Accounts for resources restricted to pay the principal, interest and related fiscal charges on the fire station bonded debt.

### ***Non-Major Capital Projects Funds***

***Permanent Improvements Fund*** – Accounts for 15% of the municipal income tax receipts and expenditures for the permanent improvement of streets and the storm sewer system.

***Building and Land Acquisition and Improvement Fund*** – Accounts for financial resources for acquiring real property, constructing improvements, including additions to buildings, upon lands owned by the City, or for substantially rehabilitating or renovating existing City-owned buildings.

## City of North Olmsted, Ohio

Combining Statements  
Fund Descriptions

**For the Year Ended December 31, 2023**

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### *Internal Service Funds*

*Hospitalization Fund* – Accounts for a self-insurance program for employee medical, dental and vision benefits.

*Workers' Compensation Self-Insurance Fund* – Accounts for assets set aside for claim settlements and related liabilities associated with the workers' compensation self-insurance program.

# City of North Olmsted, Ohio

## Combining Balance Sheet Non-Major Government Funds

December 31, 2023

	Non-Major Special Revenue Funds	Non-Major Debt Service Fund	Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
<b>Assets:</b>				
<b>Current assets:</b>				
Equity in pooled cash and cash equivalents	\$ 11,799,177	\$ -	\$ 4,307,368	\$ 16,106,545
Income taxes receivable	777,513	-	777,513	1,555,026
Taxes receivable - property and other	1,623,008	-	-	1,623,008
Intergovernmental receivable	1,392,468	-	3,095	1,395,563
Accounts receivable	34,842	-	-	34,842
Lease receivable	1,250,235	-	-	1,250,235
Interfund receivable	230,000	-	-	230,000
Inventories and supplies	92,352	-	-	92,352
Prepaid items	36,184	-	-	36,184
<b>Restricted assets:</b>				
Restricted cash and cash equivalents	768,032	-	-	768,032
<b>Total assets</b>	<b>\$ 18,003,811</b>	<b>\$ -</b>	<b>\$ 5,087,976</b>	<b>\$ 23,091,787</b>
<b>Liabilities, deferred inflows of resources and fund balances:</b>				
<b>Liabilities:</b>				
Accounts and contracts payable	\$ 195,844	\$ -	\$ 45,157	\$ 241,001
Accrued wages and benefits	103,706	-	-	103,706
Intergovernmental payable	8,086	-	-	8,086
Unearned revenues	1,704,807	-	-	1,704,807
Interfund payable	3,148	-	-	3,148
Retainage payable	13,499	-	11,675	25,174
Deposits held and due to others	732,831	-	-	732,831
<b>Total liabilities</b>	<b>2,761,921</b>	<b>-</b>	<b>56,832</b>	<b>2,818,753</b>
<b>Deferred inflows of resources:</b>				
Property taxes	1,490,567	-	-	1,490,567
Payments in lieu of taxes	330,950	-	-	330,950
Unavailable revenues	1,113,349	-	282,120	1,395,469
Lease	1,557,390	-	-	1,557,390
<b>Total deferred inflows of resources</b>	<b>4,492,256</b>	<b>-</b>	<b>282,120</b>	<b>4,774,376</b>
<b>Fund balances:</b>				
Nonspendable	128,536	-	-	128,536
Restricted	9,560,038	-	4,749,024	14,309,062
Committed	1,065,587	-	-	1,065,587
Unassigned	(4,527)	-	-	(4,527)
<b>Total fund balances</b>	<b>10,749,634</b>	<b>-</b>	<b>4,749,024</b>	<b>15,498,658</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 18,003,811</b>	<b>\$ -</b>	<b>\$ 5,087,976</b>	<b>\$ 23,091,787</b>

# City of North Olmsted, Ohio

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Governmental Funds

For the Year Ended December 31, 2023

	Non-Major Special Revenue Funds	Non-Major Debt Service Fund	Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
<b>Revenues:</b>				
Property and other local taxes	\$ 2,113,450	\$ -	\$ -	\$ 2,113,450
Municipal income taxes	2,917,228	-	2,917,228	5,834,456
Payments in lieu of taxes	375,844	-	-	375,844
Charges for services and sales	2,511,107	-	-	2,511,107
Fines, licenses and permits	335,118	-	-	335,118
Intergovernmental	4,493,173	-	6,190	4,499,363
Special assessments	859	-	-	859
Investment income	145,271	-	-	145,271
Miscellaneous	146,175	-	287	146,462
Total revenues	<u>13,038,225</u>	<u>-</u>	<u>2,923,705</u>	<u>15,961,930</u>
<b>Expenditures:</b>				
Current:				
General government	350,393	-	13,307	363,700
Security of persons and property	1,746,152	-	-	1,746,152
Public health and welfare	165,201	-	-	165,201
Transportation	3,036,832	-	1,091,261	4,128,093
Basic utility services	2,860,376	-	-	2,860,376
Leisure time activities	3,434,157	-	-	3,434,157
Economic development	567,509	-	-	567,509
Capital outlay	340,499	-	4,016,643	4,357,142
Debt service:				
Principal	26,796	-	-	26,796
Interest and fiscal charges	-	-	175,767	175,767
Total expenditures	<u>12,527,915</u>	<u>-</u>	<u>5,296,978</u>	<u>17,824,893</u>
Excess (deficiency) of revenues over expenditures	<u>510,310</u>	<u>-</u>	<u>(2,373,273)</u>	<u>(1,862,963)</u>
<b>Other financing sources (uses):</b>				
Transfers - in	250,000	-	4,227,050	4,477,050
Transfers - out	(584,050)	(166,500)	(2,742,968)	(3,493,518)
Total other financing sources (uses)	<u>(334,050)</u>	<u>(166,500)</u>	<u>1,484,082</u>	<u>983,532</u>
Net change in fund balances	176,260	(166,500)	(889,191)	(879,431)
Fund balances, beginning of year	<u>10,573,374</u>	<u>166,500</u>	<u>5,638,215</u>	<u>16,378,089</u>
Fund balances, end of year	<u>\$ 10,749,634</u>	<u>\$ -</u>	<u>\$ 4,749,024</u>	<u>\$ 15,498,658</u>

**City of North Olmsted, Ohio**

Combining Balance Sheet  
Non-Major Special Revenue Funds

December 31, 2023

	Casualty Loss	CDBG	Alcohol Education	Economic Development	FEMA Grant	Federal Grants	OneOhio Opioid Settlement	Sidewalk Improvement
<b>Assets:</b>								
Equity in pooled cash and cash equivalents	\$ 315,101	\$ 6,586	\$ 39,299	\$ 168,774	\$ 18,500	\$ 35,232	\$ 18,958	\$ 216,294
Income taxes receivable	-	-	-	-	-	-	-	-
Taxes receivable - property and other	-	-	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	-	-	-
Accounts receivable	-	-	35	-	-	-	-	-
Lease receivable	-	-	-	312,560	-	-	-	-
Interfund receivable	-	-	-	-	-	-	-	-
Inventories and supplies	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-
<b>Restricted assets:</b>								
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 315,101</b>	<b>\$ 6,586</b>	<b>\$ 39,334</b>	<b>\$ 481,334</b>	<b>\$ 18,500</b>	<b>\$ 35,232</b>	<b>\$ 18,958</b>	<b>\$ 216,294</b>
<b>Liabilities, deferred inflows of resources and fund balances:</b>								
<b>Liabilities:</b>								
Accounts and contracts payable	\$ 1,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued wages and benefits	-	-	-	-	-	-	-	-
Intergovernmental payable	-	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-	-
Retainage payable	-	-	-	-	-	-	-	-
Deposits held and due to others	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>1,771</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources:</b>								
Property taxes	-	-	-	-	-	-	-	-
Payments in lieu of taxes	-	-	-	-	-	-	-	-
Unavailable revenues	-	-	-	-	-	-	-	-
Lease	-	-	-	389,348	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>389,348</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances:</b>								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	6,586	39,334	-	18,500	35,232	18,958	216,294
Committed	313,330	-	-	91,986	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
<b>Total fund balances</b>	<b>313,330</b>	<b>6,586</b>	<b>39,334</b>	<b>91,986</b>	<b>18,500</b>	<b>35,232</b>	<b>18,958</b>	<b>216,294</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 315,101</b>	<b>\$ 6,586</b>	<b>\$ 39,334</b>	<b>\$ 481,334</b>	<b>\$ 18,500</b>	<b>\$ 35,232</b>	<b>\$ 18,958</b>	<b>\$ 216,294</b>



Motor Vehicle License Tax	Recreation	Federal Equity Sharing	Hotel / Motel Tax	Emergency Medical Services	State Highway	Street Maintenance	Great Northern TIF
\$ 293,774	\$ 954,468	\$ 7,374	\$ 591,441	\$ 1,329,249	\$ 158,568	\$ 2,320,330	\$ 839,286
-	-	-	-	-	-	-	-
-	1,053,336	-	43,000	-	-	-	-
16,605	65,549	-	-	-	70,612	870,883	330,950
-	-	-	-	-	-	-	-
-	937,675	-	-	-	-	-	-
-	230,000	-	-	-	-	-	-
-	-	-	-	-	7,296	85,056	-
-	36,184	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 310,379</u>	<u>\$ 3,277,212</u>	<u>\$ 7,374</u>	<u>\$ 634,441</u>	<u>\$ 1,329,249</u>	<u>\$ 236,476</u>	<u>\$ 3,276,269</u>	<u>\$ 1,170,236</u>
\$ -	\$ 36,779	\$ -	\$ 7,722	\$ 4,092	\$ 38,113	\$ 49,981	\$ -
-	74,778	-	-	-	-	23,444	-
-	8,086	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	13,499	-	-
-	-	-	-	-	-	-	-
-	119,643	-	7,722	4,092	51,612	73,425	-
-	993,709	-	-	-	-	-	-
-	-	-	-	-	-	-	330,950
-	125,176	-	8,906	-	47,526	586,157	-
-	1,168,042	-	-	-	-	-	-
-	2,286,927	-	8,906	-	47,526	586,157	330,950
-	36,184	-	-	-	7,296	85,056	-
310,379	834,458	7,374	-	1,325,157	130,042	2,531,631	839,286
-	-	-	617,813	-	-	-	-
-	-	-	-	-	-	-	-
<u>310,379</u>	<u>870,642</u>	<u>7,374</u>	<u>617,813</u>	<u>1,325,157</u>	<u>137,338</u>	<u>2,616,687</u>	<u>839,286</u>
<u>\$ 310,379</u>	<u>\$ 3,277,212</u>	<u>\$ 7,374</u>	<u>\$ 634,441</u>	<u>\$ 1,329,249</u>	<u>\$ 236,476</u>	<u>\$ 3,276,269</u>	<u>\$ 1,170,236</u>

**City of North Olmsted, Ohio**

Combining Balance Sheet  
Non-Major Special Revenue Funds (continued)

December 31, 2023

	Court Computerization	Solid Waste and Recycling	Community Diversion	Drug Enforcement	Endowment and Grant	Fair Capacity Housing	Local Fiscal Recovery
<b>Assets:</b>							
Equity in pooled cash and cash equivalents	\$ 3,774	\$ 1,903,407	\$ -	\$ 17,957	\$ 331,045	\$ 104,176	\$ 1,723,826
Income taxes receivable	-	777,513	-	-	-	-	-
Taxes receivable - property and other	-	-	-	-	-	-	-
Intergovernmental receivable	-	3,095	-	-	-	-	-
Accounts receivable	907	-	-	-	-	-	-
Lease receivable	-	-	-	-	-	-	-
Interfund receivable	-	-	-	-	-	-	-
Inventories and supplies	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
<b>Restricted assets:</b>							
Restricted cash and cash equivalents	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 4,681</b>	<b>\$ 2,684,015</b>	<b>\$ -</b>	<b>\$ 17,957</b>	<b>\$ 331,045</b>	<b>\$ 104,176</b>	<b>\$ 1,723,826</b>
<b>Liabilities, deferred inflows of resources and fund balances:</b>							
<b>Liabilities:</b>							
Accounts and contracts payable	\$ 13	\$ 706	\$ 175	\$ -	\$ 657	\$ -	\$ 19,019
Accrued wages and benefits	-	-	1,204	-	-	-	-
Intergovernmental payable	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	1,704,807
Interfund payable	-	-	3,148	-	-	-	-
Retainage payable	-	-	-	-	-	-	-
Deposits held and due to others	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>13</b>	<b>706</b>	<b>4,527</b>	<b>-</b>	<b>657</b>	<b>-</b>	<b>1,723,826</b>
<b>Deferred inflows of resources:</b>							
Property taxes	-	-	-	-	-	-	-
Payments in lieu of taxes	-	-	-	-	-	-	-
Unavailable revenues	-	282,120	-	-	-	-	-
Lease	-	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>282,120</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances:</b>							
Nonspendable	-	-	-	-	-	-	-
Restricted	4,668	2,401,189	-	17,957	330,388	104,176	-
Committed	-	-	-	-	-	-	-
Unassigned	-	-	(4,527)	-	-	-	-
<b>Total fund balances</b>	<b>4,668</b>	<b>2,401,189</b>	<b>(4,527)</b>	<b>17,957</b>	<b>330,388</b>	<b>104,176</b>	<b>-</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 4,681</b>	<b>\$ 2,684,015</b>	<b>\$ -</b>	<b>\$ 17,957</b>	<b>\$ 331,045</b>	<b>\$ 104,176</b>	<b>\$ 1,723,826</b>

	Fire Pension	Law Enforcement	STOP Program	Police Pension	Senior Center	Title III	Public Way Management	Deposits	Total
\$	158,891	\$ 21,323	\$ 11,134	\$ 158,891	\$ 2,245	\$ 24,625	\$ 24,649	\$ -	\$ 11,799,177
	-	-	-	-	-	-	-	-	777,513
	263,336	-	-	263,336	-	-	-	-	1,623,008
	16,387	-	-	16,387	-	2,000	-	-	1,392,468
	-	-	33,900	-	-	-	-	-	34,842
	-	-	-	-	-	-	-	-	1,250,235
	-	-	-	-	-	-	-	-	230,000
	-	-	-	-	-	-	-	-	92,352
	-	-	-	-	-	-	-	-	36,184
	-	-	-	-	-	-	-	768,032	768,032
\$	<u>438,614</u>	<u>\$ 21,323</u>	<u>\$ 45,034</u>	<u>\$ 438,614</u>	<u>\$ 2,245</u>	<u>\$ 26,625</u>	<u>\$ 24,649</u>	<u>\$ 768,032</u>	<u>\$ 18,003,811</u>
\$	-	\$ -	\$ -	\$ -	\$ 1,615	\$ -	\$ -	\$ 35,201	\$ 195,844
	-	-	3,206	-	-	1,074	-	-	103,706
	-	-	-	-	-	-	-	-	8,086
	-	-	-	-	-	-	-	-	1,704,807
	-	-	-	-	-	-	-	-	3,148
	-	-	-	-	-	-	-	-	13,499
	-	-	-	-	-	-	-	732,831	732,831
	-	-	3,206	-	1,615	1,074	-	768,032	2,761,921
	248,429	-	-	248,429	-	-	-	-	1,490,567
	-	-	-	-	-	-	-	-	330,950
	31,294	-	-	31,294	-	876	-	-	1,113,349
	-	-	-	-	-	-	-	-	1,557,390
	<u>279,723</u>	<u>-</u>	<u>-</u>	<u>279,723</u>	<u>-</u>	<u>876</u>	<u>-</u>	<u>-</u>	<u>4,492,256</u>
	-	-	-	-	-	-	-	-	128,536
	158,891	21,323	-	158,891	-	24,675	24,649	-	9,560,038
	-	-	41,828	-	630	-	-	-	1,065,587
	-	-	-	-	-	-	-	-	(4,527)
	<u>158,891</u>	<u>21,323</u>	<u>41,828</u>	<u>158,891</u>	<u>630</u>	<u>24,675</u>	<u>24,649</u>	<u>-</u>	<u>10,749,634</u>
\$	<u>438,614</u>	<u>\$ 21,323</u>	<u>\$ 45,034</u>	<u>\$ 438,614</u>	<u>\$ 2,245</u>	<u>\$ 26,625</u>	<u>\$ 24,649</u>	<u>\$ 768,032</u>	<u>\$ 18,003,811</u>

## City of North Olmsted, Ohio

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Special Revenue Funds

For the Year Ended December 31, 2023

	Casualty Loss	CDBG	Alcohol Education	Economic Development	FEMA Grant	Federal Grants	OneOhio Opioid Settlement	Sidewalk Improvement
Revenues:								
Property and other								
local income taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income taxes	-	-	-	-	-	-	-	-
Payments in lieu of taxes	-	-	-	-	-	-	-	-
Charges for services and sales	66,336	-	-	1,050	-	-	-	-
Fines, licenses, and permits	-	-	1,451	-	-	-	-	-
Intergovernmental	-	150,000	-	-	139,582	20,188	15,502	-
Special assessments	-	-	-	-	-	-	-	859
Investment income	-	-	-	13,783	-	-	-	-
Miscellaneous	-	-	-	17,274	-	-	-	-
Total revenues	<u>66,336</u>	<u>150,000</u>	<u>1,451</u>	<u>32,107</u>	<u>139,582</u>	<u>20,188</u>	<u>15,502</u>	<u>859</u>
Expenditures:								
Current:								
General government	59,143	-	-	-	-	-	-	-
Security of persons and property	490	-	-	-	69,791	-	-	-
Public health and welfare	-	-	-	-	-	-	-	-
Transportation	10,268	150,000	-	-	-	-	-	-
Basic utility services	-	-	-	-	-	-	-	-
Leisure time activities	-	-	-	-	-	-	-	-
Economic development	-	-	-	10,000	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Debt service:								
Principal	-	-	-	-	-	-	-	-
Total expenditures	<u>69,901</u>	<u>150,000</u>	<u>-</u>	<u>10,000</u>	<u>69,791</u>	<u>-</u>	<u>-</u>	<u>-</u>
(Deficiency) excess of revenues over expenditures	<u>(3,565)</u>	<u>-</u>	<u>1,451</u>	<u>22,107</u>	<u>69,791</u>	<u>20,188</u>	<u>15,502</u>	<u>859</u>
Other financing sources (uses):								
Transfers - in	250,000	-	-	-	-	-	-	-
Transfers - out	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	246,435	-	1,451	22,107	69,791	20,188	15,502	859
Fund balances (deficit), beginning of year	<u>66,895</u>	<u>6,586</u>	<u>37,883</u>	<u>69,879</u>	<u>(51,291)</u>	<u>15,044</u>	<u>3,456</u>	<u>215,435</u>
Fund balance (deficit), end of year	<u>\$ 313,330</u>	<u>\$ 6,586</u>	<u>\$ 39,334</u>	<u>\$ 91,986</u>	<u>\$ 18,500</u>	<u>\$ 35,232</u>	<u>\$ 18,958</u>	<u>\$ 216,294</u>

Motor Vehicle License Tax	Recreation	Federal Equity Sharing	Hotel / Motel Tax	Emergency Medical Services	State Highway	Street Maintenance	Great Northern TIF
\$ -	\$ 1,036,642	\$ -	\$ 558,456	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	1,853,494	-	-	548,835	-	-	375,844
-	-	-	-	-	-	-	-
219,876	438,629	7,278	-	-	142,015	1,751,523	-
-	-	-	-	-	-	-	-
10,224	41,345	96	-	-	5,019	74,596	-
-	-	-	-	-	-	-	-
<u>230,100</u>	<u>3,370,110</u>	<u>7,374</u>	<u>558,456</u>	<u>548,835</u>	<u>147,034</u>	<u>1,826,119</u>	<u>375,844</u>
-	-	-	-	-	-	-	-
-	-	-	463,033	111,316	-	-	-
140,726	-	-	-	-	205,304	1,257,284	1,239,319
-	-	-	-	-	-	-	-
-	3,396,567	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	13,499	-	-
-	24,240	-	-	-	-	-	-
<u>140,726</u>	<u>3,420,807</u>	<u>-</u>	<u>463,033</u>	<u>111,316</u>	<u>218,803</u>	<u>1,257,284</u>	<u>1,239,319</u>
<u>89,374</u>	<u>(50,697)</u>	<u>7,374</u>	<u>95,423</u>	<u>437,519</u>	<u>(71,769)</u>	<u>568,835</u>	<u>(863,475)</u>
-	-	-	-	-	-	-	-
-	(176,550)	-	-	(106,650)	-	-	(300,850)
-	(176,550)	-	-	(106,650)	-	-	(300,850)
89,374	(227,247)	7,374	95,423	330,869	(71,769)	568,835	(1,164,325)
221,005	1,097,889	-	522,390	994,288	209,107	2,047,852	2,003,611
<u>\$ 310,379</u>	<u>\$ 870,642</u>	<u>\$ 7,374</u>	<u>\$ 617,813</u>	<u>\$ 1,325,157</u>	<u>\$ 137,338</u>	<u>\$ 2,616,687</u>	<u>\$ 839,286</u>

## City of North Olmsted, Ohio

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Special Revenue Funds (continued)

For the Year Ended December 31, 2023

	Court Computerization	Solid Waste and Recycling	Community Diversion	Drug Enforcement	Endowment and Grant	Fair Capacity Housing	Local Fiscal Recovery
<b>Revenues:</b>							
Property and other							
local income taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Municipal income taxes	-	2,917,228	-	-	-	-	-
Payments in lieu of taxes	-	-	-	-	-	-	-
Charges for services and sales	4,477	-	6,640	-	-	-	-
Fines, licenses, and permits	-	-	-	386	-	-	-
Intergovernmental	-	12,436	14,700	-	-	-	1,494,776
Special assessments	-	-	-	-	-	-	-
Investment income	-	-	-	-	208	-	-
Miscellaneous	-	-	-	-	121,001	-	-
Total revenues	<u>4,477</u>	<u>2,929,664</u>	<u>21,340</u>	<u>386</u>	<u>121,209</u>	<u>-</u>	<u>1,494,776</u>
<b>Expenditures:</b>							
<b>Current:</b>							
General government	6,105	-	-	-	250	-	156,487
Security of persons and property	-	-	-	-	281	-	381,720
Public health and welfare	-	-	28,829	-	39,033	-	54,926
Transportation	-	-	-	-	-	-	33,931
Basic utility services	-	2,860,376	-	-	-	-	-
Leisure time activities	-	-	-	-	-	-	-
Economic development	-	-	-	-	-	-	540,712
Capital outlay	-	-	-	-	-	-	327,000
<b>Debt service:</b>							
Principal	-	-	-	-	-	-	-
Total expenditures	<u>6,105</u>	<u>2,860,376</u>	<u>28,829</u>	<u>-</u>	<u>39,564</u>	<u>-</u>	<u>1,494,776</u>
(Deficiency) excess of revenues over expenditures	<u>(1,628)</u>	<u>69,288</u>	<u>(7,489)</u>	<u>386</u>	<u>81,645</u>	<u>-</u>	<u>-</u>
<b>Other financing sources (uses):</b>							
Transfers - in	-	-	-	-	-	-	-
Transfers - out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,628)	69,288	(7,489)	386	81,645	-	-
Fund balances (deficit), beginning of year	<u>6,296</u>	<u>2,331,901</u>	<u>2,962</u>	<u>17,571</u>	<u>248,743</u>	<u>104,176</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ 4,668</u>	<u>\$ 2,401,189</u>	<u>\$ (4,527)</u>	<u>\$ 17,957</u>	<u>\$ 330,388</u>	<u>\$ 104,176</u>	<u>\$ -</u>

	Fire Pension	Law Enforcement	STOP Program	Police Pension	Senior Center	Title III	Public Way Management	Deposits	Total
\$	259,176	\$ -	\$ -	\$ 259,176	\$ -	\$ -	\$ -	\$ -	\$ 2,113,450
	-	-	-	-	-	-	-	-	2,917,228
	-	-	-	-	-	-	-	-	375,844
	-	-	-	-	15,885	14,390	-	-	2,511,107
	-	13,406	164,625	-	565	-	-	154,685	335,118
	32,775	-	-	32,775	-	21,118	-	-	4,493,173
	-	-	-	-	-	-	-	-	859
	-	-	-	-	-	-	-	-	145,271
	-	-	-	-	7,900	-	-	-	146,175
	<u>291,951</u>	<u>13,406</u>	<u>164,625</u>	<u>291,951</u>	<u>24,350</u>	<u>35,508</u>	<u>-</u>	<u>154,685</u>	<u>13,038,225</u>
	-	-	-	-	-	-	-	128,408	350,393
	259,176	44,049	157,120	259,176	-	-	-	-	1,746,152
	-	-	-	-	-	42,263	-	150	165,201
	-	-	-	-	-	-	-	-	3,036,832
	-	-	-	-	-	-	-	-	2,860,376
	-	-	-	-	28,260	-	-	9,330	3,434,157
	-	-	-	-	-	-	-	16,797	567,509
	-	-	-	-	-	-	-	-	340,499
	-	-	-	-	2,556	-	-	-	26,796
	<u>259,176</u>	<u>44,049</u>	<u>157,120</u>	<u>259,176</u>	<u>30,816</u>	<u>42,263</u>	<u>-</u>	<u>154,685</u>	<u>12,527,915</u>
	<u>32,775</u>	<u>(30,643)</u>	<u>7,505</u>	<u>32,775</u>	<u>(6,466)</u>	<u>(6,755)</u>	<u>-</u>	<u>-</u>	<u>510,310</u>
	-	-	-	-	-	-	-	-	250,000
	-	-	-	-	-	-	-	-	(584,050)
	-	-	-	-	-	-	-	-	(334,050)
	32,775	(30,643)	7,505	32,775	(6,466)	(6,755)	-	-	176,260
	<u>126,116</u>	<u>51,966</u>	<u>34,323</u>	<u>126,116</u>	<u>7,096</u>	<u>31,430</u>	<u>24,649</u>	<u>-</u>	<u>10,573,374</u>
\$	<u>158,891</u>	<u>21,323</u>	<u>41,828</u>	<u>158,891</u>	<u>630</u>	<u>24,675</u>	<u>24,649</u>	<u>-</u>	<u>10,749,634</u>

# City of North Olmsted, Ohio

## Combining Balance Sheet Non-Major Capital Projects Funds

December 31, 2023

	Permanent Improvement	Building and Land Acquisition and Improvement	Total
<b>Assets:</b>			
Equity in pooled cash and cash equivalents	\$ 4,290,058	\$ 17,310	\$ 4,307,368
Income taxes receivable	777,513	-	777,513
Intergovernmental receivable	3,095	-	3,095
Total assets	<u>\$ 5,070,666</u>	<u>\$ 17,310</u>	<u>\$ 5,087,976</u>
<b>Liabilities, deferred inflows of resources and fund balances:</b>			
<b>Liabilities:</b>			
Accounts and contracts payable	\$ 45,157	\$ -	\$ 45,157
Retainage payable	11,675	-	11,675
Total liabilities	<u>56,832</u>	<u>-</u>	<u>56,832</u>
<b>Deferred inflows of resources:</b>			
Unavailable revenues	282,120	-	282,120
Total deferred inflows of resources	<u>282,120</u>	<u>-</u>	<u>282,120</u>
<b>Fund balances:</b>			
Restricted	4,731,714	17,310	4,749,024
Total fund balances	<u>4,731,714</u>	<u>17,310</u>	<u>4,749,024</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,070,666</u>	<u>\$ 17,310</u>	<u>\$ 5,087,976</u>



## City of North Olmsted, Ohio

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Capital Projects Funds

For the Year Ended December 31, 2023

	Permanent Improvement	Building and Land Acquisition and Improvement	Total
<b>Revenues:</b>			
Municipal income taxes	\$ 2,917,228	\$ -	\$ 2,917,228
Intergovernmental	6,190	-	6,190
Miscellaneous	-	287	287
Total revenues	<u>2,923,418</u>	<u>287</u>	<u>2,923,705</u>
<b>Expenditures:</b>			
Current:			
General government	-	13,307	13,307
Transportation	1,091,261	-	1,091,261
Capital outlay	-	4,016,643	4,016,643
Debt service:			
Interest and fiscal charges	-	175,767	175,767
Total expenditures	<u>1,091,261</u>	<u>4,205,717</u>	<u>5,296,978</u>
Excess (deficiency) of revenues over expenditures	<u>1,832,157</u>	<u>(4,205,430)</u>	<u>(2,373,273)</u>
<b>Other financing sources (uses):</b>			
Transfers - in	-	4,227,050	4,227,050
Transfers - out	(2,342,968)	(400,000)	(2,742,968)
Total other financing sources (uses):	<u>(2,342,968)</u>	<u>3,827,050</u>	<u>1,484,082</u>
Net change in funds balances	(510,811)	(378,380)	(889,191)
Fund balances, beginning of year	<u>5,242,525</u>	<u>395,690</u>	<u>5,638,215</u>
Fund balances, end of year	<u>\$ 4,731,714</u>	<u>\$ 17,310</u>	<u>\$ 4,749,024</u>

## City of North Olmsted, Ohio

### Combining Statement of Fund Net Position Internal Service Funds

December 31, 2023

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	<u>Hospitalization</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ <u>2,901,076</u>	\$ <u>1,478,128</u>	\$ <u>4,379,204</u>
Liabilities:			
Current liabilities:			
Accounts payable	-	33	33
Claims payable	<u>737,576</u>	<u>56,318</u>	<u>793,894</u>
Total current liabilities	<u>737,576</u>	<u>56,351</u>	<u>793,927</u>
Long-term liabilities:			
Claims payable	-	<u>18,772</u>	<u>18,772</u>
Total liabilities	<u>737,576</u>	<u>75,123</u>	<u>812,699</u>
Net position:			
Unrestricted	\$ <u><u>2,163,500</u></u>	\$ <u><u>1,403,005</u></u>	\$ <u><u>3,566,505</u></u>

## City of North Olmsted, Ohio

### Combining Statement of Revenues, Expenses and Changes in Fund Net Position Internal Service Funds

For the Year Ended December 31, 2023

	<u>Hospitalization</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Operating revenues:			
Charges for services and sales	\$ 4,678,148	\$ 413,613	\$ 5,091,761
Miscellaneous	<u>211,276</u>	<u>-</u>	<u>211,276</u>
Total operating revenues	<u>4,889,424</u>	<u>413,613</u>	<u>5,303,037</u>
Operating expenses:			
Contractual services	964,940	143,862	1,108,802
Claims	<u>3,962,639</u>	<u>70,210</u>	<u>4,032,849</u>
Total operating expenses	<u>4,927,579</u>	<u>214,072</u>	<u>5,141,651</u>
Change in net position	(38,155)	199,541	161,386
Net position, beginning of year	<u>2,201,655</u>	<u>1,203,464</u>	<u>3,405,119</u>
Net position, end of year	<u>\$ 2,163,500</u>	<u>\$ 1,403,005</u>	<u>\$ 3,566,505</u>

## City of North Olmsted, Ohio

### Combining Statement of Cash Flows Internal Service Funds

For the Year Ended December 31, 2023

	<u>Hospitalization</u>	<u>Workers' Compensation Self-Insurance</u>	<u>Total Internal Service Funds</u>
Cash flow from operating activities:			
Receipts from customers and users	\$ 4,889,424	\$ 413,613	\$ 5,303,037
Cash paid for goods and services	(964,940)	(146,771)	(1,111,711)
Cash paid for claims	<u>(3,663,765)</u>	<u>(45,522)</u>	<u>(3,709,287)</u>
Net cash provided by operating activities	<u>260,719</u>	<u>221,320</u>	<u>482,039</u>
Net increase in cash and cash equivalents	260,719	221,320	482,039
Cash and cash equivalents, beginning of year	<u>2,640,357</u>	<u>1,256,808</u>	<u>3,897,165</u>
Cash and cash equivalents, end of year	<u>\$ 2,901,076</u>	<u>\$ 1,478,128</u>	<u>\$ 4,379,204</u>
Reconciliation of operating (loss) income to net cash from operating activities:			
Operating (loss) income	\$ (38,155)	\$ 199,541	\$ 161,386
Adjustments:			
Changes in assets/liabilities:			
Accounts payable	-	(422)	(422)
Intergovernmental payable	-	(2,487)	(2,487)
Claims payable	<u>298,874</u>	<u>24,688</u>	<u>323,562</u>
Net cash provided by operating activities	<u>\$ 260,719</u>	<u>\$ 221,320</u>	<u>\$ 482,039</u>

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

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – General Fund

**For the Year Ended December 31, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Municipal income tax	\$ 12,159,000	\$ 12,159,000	\$ 13,491,457	\$ 1,332,457
Property and other taxes	6,774,613	6,774,613	7,176,077	401,464
Charges for services and sales	1,690,000	1,690,000	1,673,606	(16,394)
Licenses and permits	1,069,950	1,069,950	1,022,698	(47,252)
Fines and forfeitures	207,000	207,000	189,234	(17,766)
Intergovernmental revenue	2,502,809	2,585,309	2,658,697	73,388
Investment income	830,000	1,630,000	2,095,163	465,163
Miscellaneous	20,000	20,000	25,546	5,546
Total revenue	<u>25,253,372</u>	<u>26,135,872</u>	<u>28,332,478</u>	<u>2,196,606</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
<b>Council</b>				
Salaries	175,990	177,690	177,258	432
Benefits	61,699	62,695	62,518	177
Materials and supplies	1,450	1,450	997	453
Contractual services	57,427	56,827	22,468	34,359
Capital outlay	3,350	2,700	-	2,700
Total Council	<u>299,916</u>	<u>301,362</u>	<u>263,241</u>	<u>38,121</u>
<b>Office of the Mayor</b>				
Salaries	265,266	265,266	258,041	7,225
Benefits	84,667	86,167	85,214	953
Materials and supplies	32,097	32,097	17,273	14,824
Contractual services	67,929	66,429	60,159	6,270
Capital outlay	1,602	1,602	1,115	487
Total Office of the Mayor	<u>451,561</u>	<u>451,561</u>	<u>421,802</u>	<u>29,759</u>
<b>Mayor's Court</b>				
Salaries	177,982	177,982	158,881	19,101
Benefits	99,113	99,113	68,409	30,704
Materials and supplies	12,200	12,200	8,933	3,267
Contractual services	9,300	9,300	5,891	3,409
Capital outlay	1,000	1,000	-	1,000
Total Mayor's Court	<u>299,595</u>	<u>299,595</u>	<u>242,114</u>	<u>57,481</u>
<b>Department of Finance</b>				
Salaries	373,472	373,472	373,344	128
Benefits	170,365	172,765	172,420	345
Materials and supplies	12,389	12,389	10,621	1,768
Contractual services	911,437	811,037	775,150	35,887
Capital outlay	7,600	13,600	12,208	1,392
Total Department of Finance	<u>1,475,263</u>	<u>1,383,263</u>	<u>1,343,743</u>	<u>39,520</u>

(Continued)

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – General Fund (continued)

**For the Year Ended December 31, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Law Department				
Salaries	221,094	261,994	253,322	8,672
Benefits	140,913	161,873	153,136	8,737
Materials and supplies	1,000	1,000	263	737
Contractual services	23,865	23,865	14,381	9,484
Capital outlay	500	500	-	500
Total Law Department	<u>387,372</u>	<u>449,232</u>	<u>421,102</u>	<u>28,130</u>
Department of Human Resources				
Salaries	246,235	244,085	241,381	2,704
Benefits	109,954	112,104	111,607	497
Materials and supplies	1,950	1,950	1,786	164
Contractual services	325,115	325,115	299,176	25,939
Total Department of Human Resources	<u>683,254</u>	<u>683,254</u>	<u>653,950</u>	<u>29,304</u>
Civil Service				
Materials and supplies	400	400	81	319
Contractual services	94,777	94,777	59,606	35,171
Total Civil Service	<u>95,177</u>	<u>95,177</u>	<u>59,687</u>	<u>35,490</u>
Division of Information Technology				
Salaries	166,292	166,292	166,135	157
Benefits	30,697	30,697	30,626	71
Materials and supplies	2,425	2,425	39	2,386
Contractual services	397,154	347,154	320,372	26,782
Capital outlay	312,644	362,644	247,125	115,519
Total Division of Information Technology	<u>909,212</u>	<u>909,212</u>	<u>764,297</u>	<u>144,915</u>
Boards and Commissions				
Materials and supplies	5,924	5,924	1,175	4,749
Contractual services	17,220	17,220	3,003	14,217
Total Boards and Commissions	<u>23,144</u>	<u>23,144</u>	<u>4,178</u>	<u>18,966</u>
Division of Building				
Salaries	843,315	812,315	735,457	76,858
Benefits	427,326	423,326	358,860	64,466
Materials and supplies	18,500	18,500	13,405	5,095
Contractual services	111,337	140,337	115,843	24,494
Capital outlay	3,000	9,000	7,163	1,837
Total Division of Building	<u>1,403,478</u>	<u>1,403,478</u>	<u>1,230,728</u>	<u>172,750</u>
Division of Engineering				
Salaries	149,107	152,307	150,408	1,899
Benefits	26,485	42,385	42,179	206
Materials and supplies	1,075	1,075	345	730
Contractual services	233,405	231,655	219,648	12,007
Total Division of Engineering	<u>410,072</u>	<u>427,422</u>	<u>412,580</u>	<u>14,842</u>
Total General Government	<u>6,438,044</u>	<u>6,426,700</u>	<u>5,817,422</u>	<u>609,278</u>

(Continued)

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – General Fund (continued)

### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Security of Persons and Property:				
Department of Public Safety				
Salaries	143,469	143,469	126,968	16,501
Benefits	67,986	67,986	44,547	23,439
Materials and supplies	9,263	9,263	8,995	268
Contractual services	275,443	275,443	261,259	14,184
Capital outlay	70,000	70,000	70,000	-
Total Department of Public Safety	<u>566,161</u>	<u>566,161</u>	<u>511,769</u>	<u>54,392</u>
Division of Fire				
Salaries	4,204,706	4,279,706	3,950,423	329,283
Benefits	1,964,548	2,007,548	1,927,561	79,987
Materials and supplies	161,650	181,650	155,956	25,694
Contractual services	417,030	397,030	282,030	115,000
Capital outlay	59,838	109,838	33,189	76,649
Total Division of Fire	<u>6,807,772</u>	<u>6,975,772</u>	<u>6,349,159</u>	<u>626,613</u>
Division of Police				
Salaries	5,025,947	5,164,947	4,861,087	303,860
Benefits	1,979,218	2,016,218	1,860,659	155,559
Materials and supplies	224,225	246,225	235,860	10,365
Contractual services	530,247	530,247	413,903	116,344
Capital outlay	304,861	304,860	301,504	3,356
Total Division of Police	<u>8,064,498</u>	<u>8,262,497</u>	<u>7,673,013</u>	<u>589,484</u>
Central Dispatch				
Salaries	846,180	889,080	810,158	78,922
Benefits	381,356	382,456	322,906	59,550
Materials and supplies	2,000	2,000	112	1,888
Contractual services	58,772	58,772	9,106	49,666
Capital Outlay	225,000	225,000	208,789	16,211
Total Central Dispatch	<u>1,513,308</u>	<u>1,557,308</u>	<u>1,351,071</u>	<u>206,237</u>
Corrections				
Salaries	112,979	112,979	104,755	8,224
Benefits	55,157	55,157	51,682	3,475
Materials and supplies	2,500	2,500	372	2,128
Contractual services	104,059	104,059	41,165	62,894
Total Corrections	<u>274,695</u>	<u>274,695</u>	<u>197,974</u>	<u>76,721</u>
Total Security of Persons and Property	<u>17,226,434</u>	<u>17,636,433</u>	<u>16,082,986</u>	<u>1,553,447</u>

(Continued)



## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – General Fund (continued)

**For the Year Ended December 31, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Public Health and Welfare:				
Division of Recreation and Public Engagement				
Salaries	119,155	120,035	119,950	85
Benefits	52,650	54,444	54,084	360
Materials and supplies	500	500	471	29
Contractual services	58,435	83,435	82,869	566
Capital outlay	250	250	-	250
Total Division of Recreation and Public Engagement	<u>230,990</u>	<u>258,664</u>	<u>257,374</u>	<u>1,290</u>
Division of Youth and Family Services				
Salaries	84,036	84,036	80,821	3,215
Benefits	14,667	14,667	14,144	523
Materials and supplies	3,400	3,400	3,015	385
Contractual services	20,186	20,186	12,951	7,235
Capital outlay	17,065	17,065	4,308	12,757
Total Division of Youth and Family Services	<u>139,354</u>	<u>139,354</u>	<u>115,239</u>	<u>24,115</u>
Division of Aging				
Salaries	224,130	224,130	204,817	19,313
Benefits	124,919	124,919	121,383	3,536
Materials and supplies	18,537	18,537	17,542	995
Contractual services	50,927	50,927	50,860	67
Capital outlay	9,000	9,000	8,542	458
Total Division of Aging	<u>427,513</u>	<u>427,513</u>	<u>403,144</u>	<u>24,369</u>
Total Public Health and Welfare	<u>797,857</u>	<u>825,531</u>	<u>775,757</u>	<u>49,774</u>
Transportation:				
Department of Public Service				
Salaries	117,051	117,201	117,159	42
Benefits	45,379	45,879	45,796	83
Materials and supplies	2,146	2,146	858	1,288
Contractual services	666,859	666,209	654,901	11,308
Capital outlay	2,800	2,800	1,950	850
Total Department of Public Service	<u>834,235</u>	<u>834,235</u>	<u>820,664</u>	<u>13,571</u>
Division of Public Works				
Salaries	1,680,617	1,658,617	1,493,688	164,929
Benefits	833,081	833,081	791,682	41,399
Materials and supplies	237,605	237,605	132,394	105,211
Contractual services	492,385	492,385	399,931	92,454
Capital outlay	25,500	25,500	6,450	19,050
Total Division of Public Works	<u>3,269,188</u>	<u>3,247,188</u>	<u>2,824,145</u>	<u>423,043</u>

(Continued)

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – General Fund (continued)

### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Division of Fleet				
Salaries	516,475	516,475	490,448	26,027
Benefits	258,929	258,929	255,310	3,619
Materials and supplies	470,445	470,445	316,807	153,638
Contractual services	36,615	36,615	23,427	13,188
Capital outlay	12,560	12,560	12,428	132
Total Division of Fleet	<u>1,295,024</u>	<u>1,295,024</u>	<u>1,098,420</u>	<u>196,604</u>
Total Transportation	<u>5,398,447</u>	<u>5,376,447</u>	<u>4,743,229</u>	<u>633,218</u>
Basic utility services:				
Service Department				
Contractual services	<u>31,000</u>	<u>31,000</u>	<u>30,194</u>	<u>806</u>
Economic Development:				
Department of planning and development				
Salaries	273,338	233,338	214,744	18,594
Benefits	169,682	169,682	123,988	45,694
Materials and supplies	14,100	26,600	20,529	6,071
Contractual services	433,955	542,305	407,358	134,947
Capital outlay	2,700	4,350	2,691	1,659
Total Economic Development	<u>893,775</u>	<u>976,275</u>	<u>769,310</u>	<u>206,965</u>
Total expenditures	<u>30,785,557</u>	<u>31,272,386</u>	<u>28,218,898</u>	<u>3,053,488</u>
(Deficiency) excess of revenues over expenditures	(5,532,185)	(5,136,514)	113,580	5,250,094
Other financing (uses) sources:				
Proceeds from sale of assets	22,000	22,000	36,363	14,363
Advances - in	139,582	-	-	-
Transfers - in	100,000	100,000	100,000	-
Transfers - out	<u>(1,458,050)</u>	<u>(1,608,050)</u>	<u>(1,608,050)</u>	<u>-</u>
Total other financing (uses) sources	<u>(1,196,468)</u>	<u>(1,486,050)</u>	<u>(1,471,687)</u>	<u>14,363</u>
Net change in fund balance	(6,728,653)	(6,622,564)	(1,358,107)	5,264,457
Prior year encumbrances appropriated	508,084	508,084	508,084	-
Fund balance, beginning of year	<u>7,708,206</u>	<u>7,708,206</u>	<u>7,708,206</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,487,637</u>	<u>\$ 1,593,726</u>	<u>\$ 6,858,183</u>	<u>\$ 5,264,457</u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Separation Pay Fund

### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures:				
Current:				
General Government:				
Division of Building				
Salaries	\$ -	\$ 7,000	\$ 3,064	\$ 3,936
Benefits	-	90	44	46
Total General Government	-	7,090	3,108	3,982
Security of Persons and Property:				
Division of Fire				
Salaries	195,730	421,670	221,192	200,478
Benefits	2,839	8,304	2,725	5,579
Total Division of Fire	198,569	429,974	223,917	206,057
Division of Police				
Salaries	375,000	525,000	409,843	115,157
Benefits	5,438	8,383	5,843	2,540
Total Division of Police	380,438	533,383	415,686	117,697
Central Dispatch				
Salaries	11,000	81,000	40,117	40,883
Benefits	1,595	1,595	582	1,013
Total Central Dispatch	12,595	82,595	40,699	41,896
Corrections				
Salaries	-	6,000	3,008	2,992
Benefits	-	100	42	58
Total Corrections	-	6,100	3,050	3,050
Total Security of Persons and Property	591,602	1,052,052	683,352	368,700
Public Health and Welfare:				
Division of senior services				
Salaries	-	1,600	1,590	10
Benefits	-	25	23	2
Total Public Health and Welfare	-	1,625	1,613	12

(Continued)

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Separation Pay Fund (continued)

**For the Year Ended December 31, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Leisure Time Activities:				
Recreation department				
Salaries	20,000	28,350	8,488	19,862
Benefits	290	540	123	417
Total Leisure Time Activities	<u>20,290</u>	<u>28,890</u>	<u>8,611</u>	<u>20,279</u>
Transportation:				
Department of Public Service				
Salaries	10,000	10,000	4,922	5,078
Benefits	146	146	70	76
Total Transportation	<u>10,146</u>	<u>10,146</u>	<u>4,992</u>	<u>5,154</u>
Sewer:				
Salaries	10,000	66,110	56,069	10,041
Benefits	145	1,005	852	153
Total Sewer	<u>10,145</u>	<u>67,115</u>	<u>56,921</u>	<u>10,194</u>
Total expenditures	<u>632,183</u>	<u>1,166,918</u>	<u>758,597</u>	<u>408,321</u>
(Deficiency) excess of revenues over expenditures	(632,183)	(1,166,918)	(758,597)	408,321
Other financing sources:				
Transfers - in	<u>768,750</u>	<u>768,750</u>	<u>768,750</u>	<u>-</u>
Net change in fund balance	136,567	(398,168)	10,153	408,321
Fund balance, beginning of year	<u>1,601,835</u>	<u>1,601,835</u>	<u>1,601,835</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,738,402</u>	<u>\$ 1,203,667</u>	<u>\$ 1,611,988</u>	<u>\$ 408,321</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – 27th Pay Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Other financing sources:				
Transfers - in	\$ 100,000	\$ 100,000	\$ 100,000	\$ -
Net change in fund balance	100,000	100,000	100,000	-
Fund balance, beginning of year	556,000	556,000	556,000	-
Fund balance, end of year	<u>\$ 656,000</u>	<u>\$ 656,000</u>	<u>\$ 656,000</u>	<u>\$ -</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – General Obligation Bond Retirement Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Property and other taxes	\$ 1,378,289	\$ 1,378,289	\$ 1,468,589	\$ 90,300
Intergovernmental revenue	176,005	176,005	185,721	9,716
Investment income	9,000	9,000	43,400	34,400
Total revenue	<u>1,563,294</u>	<u>1,563,294</u>	<u>1,697,710</u>	<u>134,416</u>
Expenditures:				
Debt service:				
Contractual services	42,000	42,000	16,750	25,250
Principal	9,506,793	9,506,793	9,506,793	-
Interest and fiscal charges	1,887,738	1,887,738	1,887,738	-
Total expenditures	<u>11,436,531</u>	<u>11,436,531</u>	<u>11,411,281</u>	<u>25,250</u>
(Deficiency) excess of revenues over expenditures	(9,873,237)	(9,873,237)	(9,713,571)	159,666
Other financing sources:				
Transfers - in	<u>8,752,350</u>	<u>8,752,350</u>	<u>8,752,350</u>	<u>-</u>
Net change in fund balance	(1,120,887)	(1,120,887)	(961,221)	159,666
Prior year encumbrances appropriated	12,000	12,000	12,000	-
Fund balance, beginning of year	<u>4,297,076</u>	<u>4,297,076</u>	<u>4,297,076</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,188,189</u>	<u>\$ 3,188,189</u>	<u>\$ 3,347,855</u>	<u>\$ 159,666</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Capital Improvement Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ -	\$ 892,469	\$ 892,469	\$ -
Expenditures:				
Current:				
General Government:				
Division of Mayor				
Capital outlay	-	4,000,000	3,999,715	285
Division of Finance				
Capital outlay	16,790	16,790	16,790	-
Division of Information Technology				
Capital outlay	24,616	24,616	24,616	-
Division of public service and properties				
Capital outlay	41,737	934,206	439,388	494,818
Total Current	<u>83,143</u>	<u>4,975,612</u>	<u>4,480,509</u>	<u>495,103</u>
Debt Service:				
Issuance Fee	-	28,455	28,455	-
Total expenditures	<u>83,143</u>	<u>5,004,067</u>	<u>4,508,964</u>	<u>495,103</u>
(Deficiency) excess of revenues over expenditures	(83,143)	(4,111,598)	(3,616,495)	495,103
Other Financing Sources:				
Note proceeds	-	4,000,000	4,000,000	-
Premium on Notes	-	32,600	32,600	-
Transfer In	150,000	150,000	150,000	-
Total other financing sources	<u>150,000</u>	<u>4,182,600</u>	<u>4,182,600</u>	<u>-</u>
Net change in fund balance	66,857	71,002	566,105	495,103
Prior year encumbrances appropriated	83,143	83,143	83,143	-
Fund balance, beginning of year	<u>6,092</u>	<u>6,092</u>	<u>6,092</u>	<u>-</u>
Fund balance, end of year	<u>\$ 156,092</u>	<u>\$ 160,237</u>	<u>\$ 655,340</u>	<u>\$ 495,103</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Casualty Loss Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services and sales	\$ 40,000	\$ 69,000	\$ 66,336	\$ (2,664)
Expenditures:				
Current:				
General Government:				
Department of Human Resources				
Contractual services	27,122	44,244	38,934	5,310
Division of Engineering				
Contractual services	27,130	210,760	198,367	12,393
Total General Government	54,252	255,004	237,301	17,703
Security of Persons and Property:				
Division of Fire				
Contractual services	3,350	6,700	-	6,700
Division of Police				
Contractual services	40,000	23,500	490	23,010
Total Security of Persons and Property	43,350	30,200	490	29,710
Sewer:				
Division of Sanitary Sewer				
Contractual services	-	10,000	8,987	1,013
Total expenditures	97,602	295,204	246,778	48,426
(Deficiency) excess of revenues over expenditures	(57,602)	(226,204)	(180,442)	45,762
Other financing sources:				
Transfers - in	100,000	250,000	250,000	-
Net change in fund balance	42,398	23,796	69,558	45,762
Prior year encumbrances appropriated	17,602	17,602	17,602	-
Fund balance, beginning of year	61,422	61,422	61,422	-
Fund balance (deficit), end of year	\$ 121,422	\$ 102,820	\$ 148,582	\$ 45,762



# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – CDBG Fund

### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ -	\$ 150,000	\$ 150,000	\$ -
Expenditures:				
Current:				
Transportation:				
Department of planning and development				
Capital outlay	-	150,000	150,000	-
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	6,586	6,586	6,586	-
Fund balance, end of year	\$ 6,586	\$ 6,586	\$ 6,586	\$ -

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Alcohol Education Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ 1,500	\$ 1,541	\$ 41
Net change in fund balance	-	1,500	1,541	41
Fund balance, beginning of year	37,758	37,758	37,758	-
Fund balance, end of year	\$ 37,758	\$ 39,258	\$ 39,299	\$ 41

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Economic Development Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 1,050	\$ 1,050
Expenditures:				
Current:				
Economic Development:				
Division of Economic and Community Development				
Contractual services	10,000	10,000	10,000	-
(Deficiency) excess of revenues over expenditures	(10,000)	(10,000)	(8,950)	1,050
Other financing sources:				
Transfers - in	22,000	22,000	118,917	96,917
Net change in fund balance	12,000	12,000	109,967	97,967
Fund balance, beginning of year	58,807	58,807	58,807	-
Fund balance, end of year	<u>\$ 70,807</u>	<u>\$ 70,807</u>	<u>\$ 168,774</u>	<u>\$ 97,967</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – FEMA Grant Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 139,852	\$ 139,852	\$ 139,581	\$ (271)
Expenditures:				
Current:				
Security of Persons and Property:				
Division of Fire				
Capital outlay	139,581	139,581	139,581	-
Net change in fund balance	271	271	-	(271)
Prior year encumbrances appropriated	139,581	139,581	139,581	-
Fund balance (deficit), beginning of year	(121,081)	(121,081)	(121,081)	-
Fund balance, end of year	\$ <u>18,771</u>	\$ <u>18,771</u>	\$ <u>18,500</u>	\$ <u>(271)</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Federal Grants Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ -	\$ 20,188	\$ 20,188	\$ -
Net change in fund balance	-	20,188	20,188	-
Fund balance, beginning of year	15,044	15,044	15,044	-
Fund balance, end of year	\$ 15,044	\$ 35,232	\$ 35,232	\$ -

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – OneOhio Opioid Settlement

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 7,732	\$ 7,732	\$ 15,502	\$ 7,770
Net change in fund balance	7,732	7,732	15,502	7,770
Fund balance, beginning of year	3,456	3,456	3,456	-
Fund balance, end of year	<u>\$ 11,188</u>	<u>\$ 11,188</u>	<u>\$ 18,958</u>	<u>\$ 7,770</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Sidewalk Improvement Fund

#### For the Year Ended December 31, 2023

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	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services and sales	\$ 4,700	\$ 4,700	\$ 860	\$ (3,840)
Net change in fund balance	4,700	4,700	860	(3,840)
Fund balance, beginning of year	215,434	215,434	215,434	-
Fund balance, end of year	<u>\$ 220,134</u>	<u>\$ 220,134</u>	<u>\$ 216,294</u>	<u>\$ (3,840)</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Motor Vehicle License Tax Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 224,640	\$ 224,640	\$ 220,100	\$ (4,540)
Miscellaneous	1,200	1,200	10,224	9,024
Total revenue	<u>225,840</u>	<u>225,840</u>	<u>230,324</u>	<u>4,484</u>
Expenditures:				
Current:				
Transportation:				
Department of Public Service				
Materials and supplies	68,000	68,000	3,500	64,500
Contractual services	168,005	168,005	137,968	30,037
Total expenditures	<u>236,005</u>	<u>236,005</u>	<u>141,468</u>	<u>94,537</u>
Net change in fund balance	(10,165)	(10,165)	88,856	99,021
Fund balance, beginning of year	<u>198,018</u>	<u>198,018</u>	<u>198,018</u>	<u>-</u>
Fund balance, end of year	<u>\$ 187,853</u>	<u>\$ 187,853</u>	<u>\$ 286,874</u>	<u>\$ 99,021</u>



# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Recreation Fund

### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property and other taxes	\$ 972,911	\$ 972,911	\$ 1,036,642	\$ 63,731
Charges for services and sales	1,830,050	1,810,050	2,157,063	347,013
Intergovernmental revenue	431,769	431,769	438,629	6,860
Miscellaneous	200	200	1,355	1,155
Total revenue	<u>3,234,930</u>	<u>3,214,930</u>	<u>3,633,689</u>	<u>418,759</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Leisure Time Activities:</b>				
<b>Recreation department</b>				
Salaries	1,454,391	1,448,391	1,382,557	65,834
Benefits	551,142	557,142	532,878	24,264
Materials and supplies	296,019	291,019	258,366	32,653
Contractual services	999,867	999,867	881,271	118,596
Capital outlay	557,777	557,777	473,744	84,033
Total expenditures	<u>3,859,196</u>	<u>3,854,196</u>	<u>3,528,816</u>	<u>325,380</u>
(Deficiency) excess of revenues over expenditures	(624,266)	(639,266)	104,873	744,139
<b>Other financing uses:</b>				
Transfers - out	<u>(176,550)</u>	<u>(176,550)</u>	<u>(176,550)</u>	<u>-</u>
Net change in fund balance	(800,816)	(815,816)	(71,677)	744,139
Prior year encumbrances appropriated	423,057	423,057	423,057	-
Fund balance, beginning of year	<u>484,780</u>	<u>484,780</u>	<u>484,780</u>	<u>-</u>
Fund balance, end of year	<u>\$ 107,021</u>	<u>\$ 92,021</u>	<u>\$ 836,160</u>	<u>\$ 744,139</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Federal Equitable Sharing Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ -	\$ 3,645	\$ 7,278	\$ 3,633
Investment income	-	80	96	16
Total revenue	-	3,725	7,374	3,649
Net change in fund balance	-	3,725	7,374	3,649
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ 3,725	\$ 7,374	\$ 3,649

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Hotel/Motel Tax Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Property and other taxes	\$ 390,000	\$ 390,000	\$ 571,319	\$ 181,319
Expenditures:				
Current:				
Security of Persons and Property:				
Fire Department				
Materials and supplies	38,348	38,348	30,349	7,999
Contractual services	46,500	46,500	43,876	2,624
Capital outlay	241,587	241,587	212,488	29,099
Total Fire Department	<u>326,435</u>	<u>326,435</u>	<u>286,713</u>	<u>39,722</u>
Police Department				
Materials and supplies	67,845	67,845	61,239	6,606
Contractual services	13,500	13,500	9,385	4,115
Capital outlay	366,244	366,244	314,668	51,576
Total Police Department	<u>447,589</u>	<u>447,589</u>	<u>385,292</u>	<u>62,297</u>
Total expenditures	<u>774,024</u>	<u>774,024</u>	<u>672,005</u>	<u>102,019</u>
Net change in fund balance	(384,024)	(384,024)	(100,686)	283,338
Prior year encumbrances appropriated	205,404	205,404	205,404	-
Fund balance, beginning of year	<u>278,871</u>	<u>278,871</u>	<u>278,871</u>	<u>-</u>
Fund balance, end of year	<u>\$ 100,251</u>	<u>\$ 100,251</u>	<u>\$ 383,589</u>	<u>\$ 283,338</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Emergency Medical Service Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services and sales	\$ 450,000	\$ 450,000	\$ 548,835	\$ 98,835
Expenditures:				
Current:				
Security of Persons and Property:				
Fire Department				
Contractual services	36,869	42,869	41,920	949
Capital outlay	1,019,677	1,013,677	986,054	27,623
Total expenditures	1,056,546	1,056,546	1,027,974	28,572
(Deficiency) excess of revenues over expenditures	(606,546)	(606,546)	(479,139)	127,407
Other financing uses:				
Transfers - out	(106,650)	(106,650)	(106,650)	-
Net change in fund balance	(713,196)	(713,196)	(585,789)	127,407
Prior year encumbrances appropriated	88,646	88,646	88,646	-
Fund balance, beginning of year	922,347	922,347	922,347	-
Fund balance, end of year	\$ 297,797	\$ 297,797	\$ 425,204	\$ 127,407

## City of North Olmsted, 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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 136,752	\$ 136,752	\$ 141,224	\$ 4,472
Investment income	1,300	1,300	5,020	3,720
Total revenue	<u>138,052</u>	<u>138,052</u>	<u>146,244</u>	<u>8,192</u>
Expenditures:				
Current:				
Transportation:				
Service Department				
Materials and supplies	215,134	104,434	39,552	64,882
Contractual services	130,000	140,700	140,632	68
Capital outlay	-	100,000	77,596	22,404
Total expenditures	<u>345,134</u>	<u>345,134</u>	<u>257,780</u>	<u>87,354</u>
Net change in fund balance	(207,082)	(207,082)	(111,536)	95,546
Prior year encumbrances appropriated	137,134	137,134	137,134	-
Fund balance, beginning of year	<u>70,903</u>	<u>70,903</u>	<u>70,903</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ 955</u>	<u>\$ 955</u>	<u>\$ 96,501</u>	<u>\$ 95,546</u>

## City of North Olmsted, 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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental revenue	\$ 1,686,720	\$ 1,686,720	\$ 1,741,765	\$ 55,045
Investment income	8,100	8,100	74,597	66,497
Total revenue	<u>1,694,820</u>	<u>1,694,820</u>	<u>1,816,362</u>	<u>121,542</u>
Expenditures:				
Current:				
Transportation:				
Service Department				
Salaries	364,194	386,194	278,562	107,632
Benefits	182,521	182,521	144,136	38,385
Materials and supplies	794,264	710,178	467,507	242,671
Contractual services	200,315	312,830	227,645	85,185
Capital outlay	839,254	1,385,680	664,157	721,523
Total expenditures	<u>2,380,548</u>	<u>2,977,403</u>	<u>1,782,007</u>	<u>1,195,396</u>
Net change in fund balance	(685,728)	(1,282,583)	34,355	1,316,938
Prior year encumbrances appropriated	574,855	574,855	574,855	-
Fund balance, beginning of year	<u>1,169,378</u>	<u>1,169,378</u>	<u>1,169,378</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,058,505</u>	<u>\$ 461,650</u>	<u>\$ 1,778,588</u>	<u>\$ 1,316,938</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Great Northern TIF Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Property and other taxes	\$ 300,000	\$ 300,000	\$ 375,844	\$ 75,844
Expenditures:				
Current:				
Transportation:				
Contractual services	10,000	153,422	143,422	10,000
Capital outlay	1,093,422	1,102,340	1,102,340	-
Total expenditures	<u>1,103,422</u>	<u>1,255,762</u>	<u>1,245,762</u>	<u>10,000</u>
(Deficiency) of revenues over expenditures	(803,422)	(955,762)	(869,918)	85,844
Other financing uses:				
Transfers - out	<u>(300,850)</u>	<u>(300,850)</u>	<u>(300,850)</u>	<u>-</u>
Net change in fund balance	(1,104,272)	(1,256,612)	(1,170,768)	85,844
Prior year encumbrances appropriated	143,422	143,422	143,422	-
Fund balance, beginning of year	<u>1,860,188</u>	<u>1,860,188</u>	<u>1,860,188</u>	<u>-</u>
Fund balance, end of year	<u>\$ 899,338</u>	<u>\$ 746,998</u>	<u>\$ 832,842</u>	<u>\$ 85,844</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Court Computerization Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines and Forfeitures	\$ 5,600	\$ 5,600	\$ 4,027	\$ (1,573)
Expenditures:				
Current:				
General Government:				
Materials and supplies	639	639	-	639
Contractual services	9,800	9,800	6,123	3,677
Capital outlay	1,000	1,000	-	1,000
Total expenditures	<u>11,439</u>	<u>11,439</u>	<u>6,123</u>	<u>5,316</u>
Net change in fund balance	(5,839)	(5,839)	(2,096)	3,743
Fund balance, beginning of year	<u>5,839</u>	<u>5,839</u>	<u>5,839</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,743</u></u>	<u><u>\$ 3,743</u></u>



## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Solid Waste and Recycling Fund

**For the Year Ended December 31, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Municipal income tax	\$ 2,605,500	\$ 2,605,500	\$ 2,891,027	\$ 285,527
Intergovernmental revenue	2,500	4,065	12,436	8,371
Total revenue	<u>2,608,000</u>	<u>2,609,565</u>	<u>2,903,463</u>	<u>293,898</u>
Expenditures:				
Current:				
Basic utility services:				
Service Department				
Contractual services	2,841,252	2,841,251	2,788,819	52,432
Capital outlay	217,378	217,378	178,212	39,166
Total expenditures	<u>3,058,630</u>	<u>3,058,629</u>	<u>2,967,031</u>	<u>91,598</u>
Net change in fund balance	(450,630)	(449,064)	(63,568)	385,496
Prior year encumbrances appropriated	126,976	126,976	126,976	-
Fund balance, beginning of year	<u>1,829,822</u>	<u>1,829,822</u>	<u>1,829,822</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,506,168</u>	<u>\$ 1,507,734</u>	<u>\$ 1,893,230</u>	<u>\$ 385,496</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Community Diversion Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services and sales	\$ 13,501	\$ 13,501	\$ 9,840	\$ (3,661)
Intergovernmental revenue	30,000	30,000	26,500	(3,500)
Total revenue	<u>43,501</u>	<u>43,501</u>	<u>36,340</u>	<u>(7,161)</u>
Expenditures:				
Current:				
Public Health and Welfare:				
Division of youth services				
Salaries	24,960	24,960	22,613	2,347
Benefits	4,358	4,358	4,030	328
Materials and supplies	1,146	1,146	450	696
Contractual services	2,045	2,045	1,403	642
Total expenditures	<u>32,509</u>	<u>32,509</u>	<u>28,496</u>	<u>4,013</u>
Net change in fund balance	10,992	10,992	7,844	(3,148)
Prior year encumbrances appropriated	46	46	46	-
Fund balance (deficit), beginning of year	<u>(11,038)</u>	<u>(11,038)</u>	<u>(11,038)</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,148)</u>	<u>\$ (3,148)</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Drug Enforcement Fund

#### For the Year Ended December 31, 2023

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	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ 500	\$ 386	\$ (114)
Net change in fund balance	-	500	386	(114)
Fund balance, beginning of year	17,571	17,571	17,571	-
Fund balance, end of year	<u>\$ 17,571</u>	<u>\$ 18,071</u>	<u>\$ 17,957</u>	<u>\$ (114)</u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Endowment and Grant Fund

### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Miscellaneous	\$ 25,000	\$ 121,910	\$ 121,210	\$ (700)
Expenditures:				
Current:				
General Government				
Mayor				
Materials and supplies	-	250	250	-
Security of Persons and Property:				
Division of Fire				
Contractual services	-	36	36	-
Division of Police				
Contractual services	-	246	246	-
Total Security of Persons and Property	-	282	282	-
Public Health and Welfare:				
Division of youth and family services				
Materials and supplies	109,237	108,987	13,220	95,767
Contractual services	29,200	29,200	27,040	2,160
Total Public Health and Welfare	138,437	138,187	40,260	97,927
Total expenditures	138,437	138,719	40,792	97,927
Net change in fund balance	(113,437)	(16,809)	80,418	97,227
Prior year encumbrances appropriated	16,300	16,300	16,300	-
Fund balance, beginning of year	234,327	234,327	234,327	-
Fund balance, end of year	\$ 137,190	\$ 233,818	\$ 331,045	\$ 97,227

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Fair Capacity Housing Fund

### For the Year Ended December 31, 2023

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	Budget		Actual	Variance with Final Budget
	Original	Final		
Fund balance, beginning of year	\$ 104,176	\$ 104,176	\$ 104,176	\$ -
Fund balance, end of year	\$ 104,176	\$ 104,176	\$ 104,176	\$ -

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Local Fiscal Recovery Fund

### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures:				
Current:				
General Government:				
Council				
Capital outlay	\$ 50,000	\$ 50,000	\$ -	\$ 50,000
Mayor				
Contractual services	141,725	204,697	204,697	-
Economic and community development				
Contractual services	980,968	965,533	696,403	269,130
Capital Outlay	327,000	327,000	327,000	-
Total Economic & Community Development	<u>1,307,968</u>	<u>1,292,533</u>	<u>1,023,403</u>	<u>269,130</u>
Human Resources				
Capital Outlay	75,000	75,000	33,000	42,000
Total General Government	<u>1,574,693</u>	<u>1,622,230</u>	<u>1,261,100</u>	<u>361,130</u>
Leisure Time Activities:				
Recreation				
Contractual Services	220,000	220,000	-	220,000
Capital Outlay	57,350	57,350	-	57,350
Total Leisure Time Activities	<u>277,350</u>	<u>277,350</u>	<u>-</u>	<u>277,350</u>
Public Health and Welfare:				
Division of aging				
Capital outlay	303,500	360,850	82,349	278,501
Total Public Health and Welfare	<u>303,500</u>	<u>360,850</u>	<u>82,349</u>	<u>278,501</u>
Transportation				
Department of Public Service				
Contractual Services	205,000	157,463	77,463	80,000
Total Transportation	<u>205,000</u>	<u>157,463</u>	<u>77,463</u>	<u>80,000</u>

(Continued)

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Local Fiscal Recovery Fund (Continued)

### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Security of Persons and Property:				
Department of Public Safety				
Contractual Services	580,466	580,466	397,574	182,892
Capital outlay	534	534	504	30
Total Department of Public Safety	<u>581,000</u>	<u>581,000</u>	<u>398,078</u>	<u>182,922</u>
Division of Police				
Contractual services	15,001	15,001	15,001	-
Total Security of Persons and Property	<u>596,001</u>	<u>596,001</u>	<u>413,079</u>	<u>182,922</u>
Total expenditures	<u>2,956,544</u>	<u>3,013,894</u>	<u>1,833,991</u>	<u>1,179,903</u>
Net change in fund balance	(2,956,544)	(3,013,894)	(1,833,991)	1,179,903
Fund balance, beginning of year	2,982,568	2,982,568	2,982,568	-
Prior year encumbrances appropriated	<u>234,977</u>	<u>234,977</u>	<u>234,977</u>	<u>-</u>
Fund balance, end of year	<u>\$ 261,001</u>	<u>\$ 203,651</u>	<u>\$ 1,383,554</u>	<u>\$ 1,179,903</u>

## City of North Olmsted, 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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Property and other taxes	\$ 243,226	\$ 243,226	\$ 259,176	\$ 15,950
Intergovernmental revenue	31,061	31,061	32,775	1,714
Total revenue	<u>274,287</u>	<u>274,287</u>	<u>291,951</u>	<u>17,664</u>
Expenditures:				
Current:				
Security of Persons and Property:				
Fire department				
Benefits	<u>400,000</u>	<u>400,000</u>	<u>259,176</u>	<u>140,824</u>
Net change in fund balance	(125,713)	(125,713)	32,775	158,488
Fund balance, beginning of year	<u>126,116</u>	<u>126,116</u>	<u>126,116</u>	<u>-</u>
Fund balance, end of year	<u>\$ 403</u>	<u>\$ 403</u>	<u>\$ 158,891</u>	<u>\$ 158,488</u>



## City of North Olmsted, 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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ -	\$ 10,500	\$ 13,406	\$ 2,906
Expenditures:				
Current:				
Security of Persons and Property:				
Police department				
Contractual services	2,000	2,000	114	1,886
Capital outlay	41,307	41,307	41,307	-
Total expenditures	43,307	43,307	41,421	1,886
(Deficiency) of revenues over expenditures	(43,307)	(32,807)	(28,015)	4,792
Other financing uses:				
Refunds	-	(2,627)	(2,627)	-
Net change in fund balance	(43,307)	(35,434)	(30,642)	4,792
Prior year encumbrances appropriated	41,307	41,307	41,307	-
Fund balance, beginning of year	10,658	10,658	10,658	-
Fund balance (deficit), end of year	\$ 8,658	\$ 16,531	\$ 21,323	\$ 4,792

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – STOP Program Fund

**For the Year Ended December 31, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 245,000	\$ 245,000	\$ 148,285	\$ (96,715)
Expenditures:				
Current:				
Security of Persons and Property:				
Law Department				
Salaries	34,408	-	-	-
Benefits	18,871	-	-	-
Total Law Department	<u>53,279</u>	<u>-</u>	<u>-</u>	<u>-</u>
Police department				
Salaries	135,000	135,000	104,751	30,249
Benefits	30,983	52,983	43,223	9,760
Materials and supplies	25,000	7,000	3,399	3,601
Contractual services	20,000	16,000	8,081	7,919
Total police department	<u>210,983</u>	<u>210,983</u>	<u>159,454</u>	<u>51,529</u>
Total expenditures	<u>264,262</u>	<u>210,983</u>	<u>159,454</u>	<u>51,529</u>
Net change in fund balance	(19,262)	34,017	(11,169)	(45,186)
Fund balance, beginning of year	<u>22,303</u>	<u>22,303</u>	<u>22,303</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,041</u>	<u>\$ 56,320</u>	<u>\$ 11,134</u>	<u>\$ (45,186)</u>

## City of North Olmsted, 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, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Property and other taxes	\$ 243,226	\$ 243,226	\$ 259,176	\$ 15,950
Intergovernmental revenue	31,061	31,061	32,775	1,714
Total revenue	<u>274,287</u>	<u>274,287</u>	<u>291,951</u>	<u>17,664</u>
Expenditures:				
Current:				
Security of Persons and Property:				
Police department				
Benefits	<u>400,000</u>	<u>400,000</u>	<u>259,176</u>	<u>140,824</u>
Net change in fund balance	(125,713)	(125,713)	32,775	158,488
Fund balance, beginning of year	<u>126,116</u>	<u>126,116</u>	<u>126,116</u>	<u>-</u>
Fund balance, end of year	<u>\$ 403</u>	<u>\$ 403</u>	<u>\$ 158,891</u>	<u>\$ 158,488</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Senior Center Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services and sales	\$ 17,400	\$ 17,400	\$ 15,884	\$ (1,516)
Fines and forfeitures	1,500	1,500	565	(935)
Donations	7,500	7,500	7,900	400
Total revenue	<u>26,400</u>	<u>26,400</u>	<u>24,349</u>	<u>(2,051)</u>
Expenditures:				
Current:				
Leisure Time Activities:				
Department of community life services				
Materials and supplies	22,618	22,618	21,289	1,329
Contractual services	12,030	12,030	11,182	848
Total expenditures	<u>34,648</u>	<u>34,648</u>	<u>32,471</u>	<u>2,177</u>
Net change in fund balance	(8,248)	(8,248)	(8,122)	126
Prior year encumbrances appropriated	5,248	5,248	5,248	-
Fund balance, beginning of year	<u>3,209</u>	<u>3,209</u>	<u>3,209</u>	<u>-</u>
Fund balance, end of year	<u>\$ 209</u>	<u>\$ 209</u>	<u>\$ 335</u>	<u>\$ 126</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Title III Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services	\$ 8,500	\$ 12,500	\$ 14,390	\$ 1,890
Intergovernmental	-	6,000	9,997	3,997
Total revenue	<u>8,500</u>	<u>18,500</u>	<u>24,387</u>	<u>5,887</u>
Expenditures:				
Current:				
Public Health and Welfare				
Senior services				
Salaries	28,223	28,223	27,646	577
Benefits	4,926	4,926	4,772	154
Total expenditures	<u>33,149</u>	<u>33,149</u>	<u>32,418</u>	<u>731</u>
Net change in fund balance	(24,649)	(14,649)	(8,031)	6,618
Fund balance, beginning of year	<u>32,656</u>	<u>32,656</u>	<u>32,656</u>	<u>-</u>
Fund balance, end of year	<u>\$ 8,007</u>	<u>\$ 18,007</u>	<u>\$ 24,625</u>	<u>\$ 6,618</u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Public Way Management Fund

### For the Year Ended December 31, 2023

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	Budget		Actual	Variance with Final Budget
	Original	Final		
Fund balance, beginning of year	\$ 24,649	\$ 24,649	\$ 24,649	\$ -
Fund balance, end of year	\$ 24,649	\$ 24,649	\$ 24,649	\$ -

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Deposits Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services and sales	\$ 165,000	\$ 165,000	\$ 154,686	\$ (10,314)
Expenditures:				
Current:				
General Government:				
Contractual services	315,250	382,047	255,515	126,532
Net change in fund balance	(150,250)	(217,047)	(100,829)	116,218
Prior year encumbrances appropriated	1,500	1,500	1,500	-
Fund balance, beginning of year	829,910	829,910	829,910	-
Fund balance, end of year	<u>\$ 681,160</u>	<u>\$ 614,363</u>	<u>\$ 730,581</u>	<u>\$ 116,218</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Fire Station Bond Retirement Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Other financing uses:				
Transfers out	\$ (166,500)	\$ (166,500)	\$ (166,500)	\$ -
Net change in fund balance	(166,500)	(166,500)	(166,500)	-
Fund balance, beginning of year	166,500	166,500	166,500	-
Fund balance, end of year	\$ -	\$ -	\$ -	\$ -



## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Permanent Improvements Fund

**For the Year Ended December 31, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Municipal income tax	\$ 2,605,500	\$ 2,605,500	\$ 2,891,027	\$ 285,527
Intergovernmental revenue	2,500	152,500	6,190	(146,310)
Total revenue	<u>2,608,000</u>	<u>2,758,000</u>	<u>2,897,217</u>	<u>139,217</u>
Expenditures:				
Current:				
Transportation:				
Service				
Contractual services	50,000	50,000	34,876	15,124
Capital outlay	<u>1,668,698</u>	<u>2,551,228</u>	<u>1,437,541</u>	<u>1,113,687</u>
Total service	<u>1,718,698</u>	<u>2,601,228</u>	<u>1,472,417</u>	<u>1,128,811</u>
Engineering				
Capital outlay	-	25,000	25,000	-
Total expenditures	<u>1,718,698</u>	<u>2,626,228</u>	<u>1,497,417</u>	<u>1,128,811</u>
Excess of revenues over expenditures	889,302	131,772	1,399,800	1,268,028
Other financing uses:				
Transfers - out	<u>(2,342,969)</u>	<u>(2,342,969)</u>	<u>(2,342,969)</u>	<u>-</u>
Net change in fund balance	(1,453,667)	(2,211,197)	(943,169)	1,268,028
Prior year encumbrances appropriated	378,698	378,698	378,698	-
Fund balance, beginning of year	<u>4,727,438</u>	<u>4,727,438</u>	<u>4,727,438</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,652,469</u>	<u>\$ 2,894,939</u>	<u>\$ 4,162,967</u>	<u>\$ 1,268,028</u>

# City of North Olmsted, Ohio

## Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP Basis) and Actual – Building and Land Acquisition and Improvement Fund

### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures:				
Current:				
Transportation:				
Department of Public Service				
Contractual services	\$ 5,250	\$ 13,400	\$ 13,400	\$ -
Capital outlay	4,000,000	4,016,643	4,016,643	-
Total Transportation	4,005,250	4,030,043	4,030,043	-
Total expenditures	4,005,250	4,030,043	4,030,043	-
(Deficiency) of revenues over expenditures	(4,005,250)	(4,030,043)	(4,030,043)	-
Other financing sources (uses):				
Proceeds from sale of assets	-	-	287	287
Transfers - out	(400,000)	(400,000)	(400,000)	-
Total other financing sources (uses)	(400,000)	(400,000)	(399,713)	287
Net change in fund balance	(4,405,250)	(4,430,043)	(4,429,756)	287
Fund balance, beginning of year	441,723	441,723	441,723	-
Prior year encumbrances appropriated	4,005,250	4,005,250	4,005,250	-
Fund balance, end of year	\$ 41,723	\$ 16,930	\$ 17,217	\$ 287

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Equity Budget (Non-GAAP Basis) and Actual – Springvale Golf Course and Ballroom Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Charges for services and sales	\$ 1,897,000	\$ 1,826,000	\$ 2,048,094	\$ 222,094
Intergovernmental	-	35,000	35,000	-
Total revenue	<u>1,897,000</u>	<u>1,861,000</u>	<u>2,083,094</u>	<u>222,094</u>
<b>Expenditures:</b>				
Golf course and ballroom:				
Salaries	574,313	574,313	493,117	81,196
Benefits	115,072	115,072	103,824	11,248
Materials and supplies	494,363	494,363	428,975	65,388
Contractual services	398,200	398,200	353,510	44,690
Capital outlay	792,868	792,868	786,032	6,836
Total expenditures	<u>2,374,816</u>	<u>2,374,816</u>	<u>2,165,458</u>	<u>209,358</u>
(Deficiency) of revenues over expenditures	(477,816)	(513,816)	(82,364)	431,452
<b>Other financing uses:</b>				
Transfers - out	<u>(277,400)</u>	<u>(277,400)</u>	<u>(277,400)</u>	<u>-</u>
Net change in fund equity	(755,216)	(791,216)	(359,764)	431,452
Prior year encumbrances appropriated	213,516	213,516	213,516	-
Fund equity, beginning of year	<u>602,124</u>	<u>602,124</u>	<u>602,124</u>	<u>-</u>
Fund equity, end of year	<u>\$ 60,424</u>	<u>\$ 24,424</u>	<u>\$ 455,876</u>	<u>\$ 431,452</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Equity Budget (Non-GAAP Basis) and Actual – Sewer Revenue Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services and sales	\$ 10,209,108	\$ 10,209,108	\$ 10,491,897	\$ 282,789
Expenditures:				
Sewer:				
Salaries	1,951,092	1,951,092	1,835,922	115,170
Benefits	965,031	965,031	892,633	72,398
Materials and supplies	858,125	858,125	732,162	125,963
Contractual services	2,528,763	2,688,763	2,214,780	473,983
Capital outlay	1,317,690	2,732,650	2,714,544	18,106
Total expenditures	<u>7,620,701</u>	<u>9,195,661</u>	<u>8,390,041</u>	<u>805,620</u>
Excess of revenues over expenditures	2,588,407	1,013,447	2,101,856	1,088,409
Other financing:				
Transfers - out	<u>(4,742,132)</u>	<u>(4,742,132)</u>	<u>(4,742,132)</u>	<u>-</u>
Net change in fund equity	(2,153,725)	(3,728,685)	(2,640,276)	1,088,409
Prior year encumbrances appropriated	589,910	589,910	589,910	-
Fund equity, beginning of year	<u>15,200,829</u>	<u>15,200,829</u>	<u>15,200,829</u>	<u>-</u>
Fund equity, end of year	<u>\$ 13,637,014</u>	<u>\$ 12,062,054</u>	<u>\$ 13,150,463</u>	<u>\$ 1,088,409</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Equity Budget (Non-GAAP Basis) and Actual – Hospitalization Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services and sales	\$ 5,711,003	\$ 5,792,128	\$ 4,889,424	\$ (902,704)
Expenditures:				
Contractual services	5,381,740	5,381,740	4,628,704	753,036
Net change in fund equity	329,263	410,388	260,720	(149,668)
Fund equity, beginning of year	2,640,356	2,640,356	2,640,356	-
Fund equity, end of year	<u>\$ 2,969,619</u>	<u>\$ 3,050,744</u>	<u>\$ 2,901,076</u>	<u>\$ (149,668)</u>

## City of North Olmsted, Ohio

### Schedule of Revenues, Expenditures and Changes in Fund Equity Budget (Non-GAAP Basis) and Actual – Workers' Compensation Self-Insurance Fund

#### For the Year Ended December 31, 2023

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for services and sales	\$ 409,795	\$ 409,795	\$ 413,613	\$ 3,818
Expenditures:				
Contractual services	344,461	344,461	292,017	52,444
Net change in fund equity	65,334	65,334	121,596	56,262
Prior year encumbrances appropriated	4,461	4,461	4,461	-
Fund equity, beginning of year	1,252,347	1,252,347	1,252,347	-
Fund equity, end of year	\$ 1,322,142	\$ 1,322,142	\$ 1,378,404	\$ 56,262

## City of North Olmsted, Ohio

### Fund Description

#### **For the Year Ended December 31, 2023**

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##### ***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 has no trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The City has two custodial funds.

##### ***Custodial Funds***

***Mayor's Court Fund*** – Accounts for the receipt and disbursement of fines collected through the Mayor's Court established by the Ohio Revised Code and City ordinance. As amounts are collected, they become a liability as no further action is required by the beneficiary to compel payment. The Court makes monthly disbursements of the prior month's activity.

***Mayor's Court Bond Fund*** – Accounts for the receipt and disbursement of bonds collected the Mayor's Court.

# City of North Olmsted, Ohio

## Combining Statement of Fiduciary Net Position Fiduciary Funds

December 31, 2023

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	<u>Mayor's Court</u>	<u>Mayor's Court Bond</u>	<u>Total Custodial Funds</u>
Assets:			
Equity in pooled cash and investments	\$ <u>172,332</u>	\$ <u>2,935</u>	\$ <u>175,267</u>
Liabilities:			
Accounts payable	35	275	310
Deposits held and due to others	<u>172,297</u>	<u>-</u>	<u>172,297</u>
Total current liabilities	<u>172,332</u>	<u>275</u>	<u>172,607</u>
Net position:			
Restricted for others	<u>-</u>	<u>2,660</u>	<u>2,660</u>
Total net position	\$ <u><u>-</u></u>	\$ <u><u>2,660</u></u>	\$ <u><u>2,660</u></u>



## City of North Olmsted, Ohio

### Combining Statement of Change in Fiduciary Net Position Fiduciary Funds

For the Year Ended December 31, 2023

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	<u>Mayor's Court</u>	<u>Mayor's Court Bond</u>	<u>Total Custodial Funds</u>
Additions:			
Court deposits	\$ 852,270	\$ 1,350	\$ 853,620
Deductions:			
Court disbursements	<u>852,270</u>	<u>1,030</u>	<u>853,300</u>
Change in net position	-	320	320
Net position, beginning of year	<u>-</u>	<u>2,340</u>	<u>2,340</u>
Net position, end of year	<u><u>\$ -</u></u>	<u><u>\$ 2,660</u></u>	<u><u>\$ 2,660</u></u>

# City of North Olmsted, Ohio

## Statistical Section

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This part of the City’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>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	S2-S9
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City’s most significant local revenue sources, the property tax and municipal income tax.	S10-S14
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	S15-S19
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the City’s financial activities take place.	S20-S21
<b>Operating Information</b> These schedules contain service data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	S22-S29

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

# City of North Olmsted, Ohio

## Net Position by Component Accrual Basis of Accounting

### Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities:										
Net investment in capital assets	\$ 43,924,858	\$ 35,706,106	\$ 35,306,616	\$ 34,655,527	\$ 31,226,859	\$ 28,803,658	\$ 28,401,591	\$ 28,628,989	\$ 27,813,444	\$ 29,341,888
Restricted for:										
Pension	175,626	-	-	-	-	-	-	-	-	-
Debt service	10,704,311	11,613,179	10,113,717	10,654,661	10,643,195	9,929,253	9,360,400	8,442,223	7,889,330	7,384,896
Capital projects	5,646,310	6,306,476	5,116,483	3,607,650	4,701,550	5,084,730	4,699,150	4,977,260	4,693,516	1,138,817
Community development	-	-	-	-	-	-	-	-	-	73,955
Highways and streets	4,828,083	5,339,200	5,402,916	4,574,340	4,231,232	3,395,990	2,829,310	2,455,507	2,081,713	4,723,437
Public safety	1,807,767	1,433,484	1,388,378	1,064,799	750,142	493,398	562,154	148,194	182,360	509,197
Recreation	853,231	1,052,778	674,867	421,169	-	-	-	-	4,588	86,380
Solid waste and recycling	2,683,309	2,760,926	2,154,919	2,034,428	2,263,332	2,036,908	1,861,445	1,603,317	1,313,809	1,136,124
Federal and other grants	533,611	428,429	406,201	388,951	417,029	427,285	575,606	432,021	454,162	535,346
Unrestricted	(15,507,780)	(15,985,563)	(22,054,484)	(28,687,390)	(26,274,122)	(38,091,498)	(34,963,857)	(13,255,530)	(11,683,065)	(12,213,118)
Total net position – governmental activities	55,649,326	48,655,015	38,509,613	28,714,135	27,959,217	12,079,724	13,325,799	33,431,981	32,749,857	32,716,922
Business-type activities:										
Net investment in capital assets	20,558,510	19,608,182	19,062,204	17,954,236	17,036,222	15,530,540	14,882,798	14,329,123	14,995,099	14,085,646
Restricted for:										
Pension	55,919	-	-	-	-	-	-	-	-	-
Unrestricted (deficit)	6,335,015	7,108,935	5,737,635	3,592,123	3,717,927	4,401,047	3,538,916	3,717,562	4,450,639	3,409,913
Total net position – business-type activities	26,949,444	26,717,117	24,799,839	21,546,359	20,754,149	19,931,587	18,421,714	18,046,685	19,445,738	17,495,559
Primary government:										
Net investment in capital assets	64,483,368	55,314,288	54,368,820	52,609,763	48,263,081	44,334,198	43,284,389	42,958,112	42,808,543	43,427,534
Restricted	27,288,167	28,934,472	25,257,481	22,745,998	23,006,480	21,367,564	19,888,065	18,058,522	16,619,478	15,588,152
Unrestricted	(9,172,765)	(8,876,628)	(16,316,849)	(25,095,267)	(22,556,195)	(33,690,451)	(31,424,941)	(9,537,968)	(7,232,426)	(8,803,205)
Total net position – primary government	\$ 82,598,770	\$ 75,372,132	\$ 63,309,452	\$ 50,260,494	\$ 48,713,366	\$ 32,011,311	\$ 31,747,513	\$ 51,478,666	\$ 52,195,595	\$ 50,212,481

- (a) Net position in 2014 was restated for the implementation of GASB Statement No. 68.
- (b) Net position in 2017 was restated for the implementation of GASB Statement No. 75.
- (c) Net positions in 2019 was restated for implementation of GASB Statement No. 83 and Statement No. 84.

Source: City financial records

# City of North Olmsted, Ohio

## Changes in Net Position Accrual Basis of Accounting

### Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities:										
Charges for services and sales:										
General government	\$ 2,305,428	\$ 2,437,654	\$ 2,190,495	\$ 2,282,518	\$ 2,630,330	\$ 2,599,478	\$ 2,361,850	\$ 2,816,339	\$ 2,298,332	\$ 2,030,517
Security of persons and property	1,561,403	1,495,956	1,324,647	1,240,872	1,485,528	1,777,970	1,446,643	1,511,930	1,436,003	1,341,069
Public health and welfare	35,684	21,815	1,900	3,105	10,202	8,494	7,923	9,016	8,926	7,446
Transportation	181,741	202,219	162,973	118,894	161,126	211,072	159,121	120,094	210,341	241,171
Leisure time activities	1,871,154	1,828,120	1,678,334	802,285	1,883,979	1,927,823	1,973,255	1,971,094	1,838,790	1,570,024
Economic development	18,324	22,188	18,876	17,425	13,214	19,028	11,177	12,524	17,618	18,608
Total charges for services and sales	<u>5,973,734</u>	<u>6,007,952</u>	<u>5,377,225</u>	<u>4,465,099</u>	<u>6,184,379</u>	<u>6,543,865</u>	<u>5,959,969</u>	<u>6,440,997</u>	<u>5,810,010</u>	<u>5,208,835</u>
Operating grants and contributions:										
General government	876	385	4,500	3,091	779	3,560	10	1,555	30,939	55,726
Security of persons and property	882,805	188,532	222,307	205,968	206,289	300,643	149,160	160,833	411,329	129,368
Public health and welfare	154,402	52,163	62,328	76,709	72,204	53,055	73,571	61,731	61,366	60,909
Transportation	2,129,556	2,020,076	2,077,085	2,035,567	2,114,982	1,586,738	1,624,759	1,542,246	1,526,293	1,545,273
Basic utility services	6,246	-	4,600	2,900	5,000	5,000	5,000	5,500	5,000	5,000
Leisure time activities	307,531	-	-	-	20	-	-	-	1,940	55
Economic development	-	-	-	-	67,377	1,650	-	-	-	-
Total operating grants and contributions	<u>3,481,416</u>	<u>2,261,156</u>	<u>2,370,820</u>	<u>2,324,235</u>	<u>2,466,651</u>	<u>1,950,646</u>	<u>1,852,500</u>	<u>1,771,865</u>	<u>2,036,867</u>	<u>1,796,331</u>
Capital grants and contributions:										
General government	892,469	-	40,704	232,858	200,000	-	32,765	-	34,654	-
Security of persons and property	-	-	-	8,182	747	5,397	3,808	3,518	7,793	-
Public health and welfare	150,000	300,000	94,005	-	-	149,670	-	-	-	-
Transportation	-	-	257,179	-	250,000	-	-	-	-	-
Leisure time activities	-	98,000	-	-	-	-	-	-	-	-
Total capital grants and contributions	<u>1,042,469</u>	<u>398,000</u>	<u>391,888</u>	<u>241,040</u>	<u>450,747</u>	<u>155,067</u>	<u>36,573</u>	<u>3,518</u>	<u>42,447</u>	<u>-</u>
Total governmental activities program revenues	<u>10,497,619</u>	<u>8,667,108</u>	<u>8,139,933</u>	<u>7,030,374</u>	<u>9,101,777</u>	<u>8,649,578</u>	<u>7,849,042</u>	<u>8,216,380</u>	<u>7,889,324</u>	<u>7,005,166</u>

# City of North Olmsted, Ohio

## Changes in Net Position Accrual Basis of Accounting (Continued)

### Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Business-type activities:										
Charges for services and sales:										
Springvale Golf Course and Ballroom	2,048,094	1,957,466	1,752,958	1,212,293	1,710,443	1,666,414	1,704,829	1,739,923	1,694,648	1,655,305
Sewer	10,440,682	9,651,646	10,042,747	10,417,017	10,448,403	10,364,252	11,059,171	10,039,509	9,181,973	8,738,033
Total charges for services and sales	12,488,776	11,609,112	11,795,705	11,629,310	12,158,846	12,030,666	12,764,000	11,779,432	10,876,621	10,393,338
Capital grants and contributions:										
Springvale Golf Course and Ballroom	35,000	-	-	-	-	-	-	-	-	-
Sewer	56,458	69,579	79,471	61,937	64,970	105,103	63,424	-	-	-
Total capital grants and contributions	91,458	69,579	79,471	61,937	64,970	105,103	63,424	-	-	-
Total business-type activities program revenues	12,580,234	11,678,691	11,875,176	11,691,247	12,223,816	12,135,769	12,827,424	11,779,432	10,876,621	10,393,338
Total primary government program revenues	23,077,853	20,345,799	20,015,109	18,721,621	21,325,593	20,785,347	20,676,466	19,995,812	18,765,945	17,398,504
Expenses:										
Governmental activities:										
General government	6,309,283	4,872,230	3,220,199	6,838,897	6,179,418	5,375,605	5,512,075	5,299,633	4,516,867	4,200,635
Security of persons and property	19,536,339	15,400,301	15,058,401	16,496,198	2,958,665	17,388,852	15,348,078	15,959,086	14,205,425	12,948,527
Public health and welfare	977,952	599,031	137,349	605,662	664,427	686,988	692,738	631,709	551,565	529,304
Transportation	7,404,709	6,409,581	4,858,200	6,664,108	7,761,803	8,093,205	8,240,799	7,352,641	8,416,485	9,608,806
Basic utility services	2,860,376	2,543,410	2,573,383	2,513,654	2,271,866	2,142,175	2,192,149	2,063,026	1,929,636	1,920,086
Leisure time activities	3,091,375	2,400,692	1,817,301	2,108,986	3,481,815	3,083,618	3,171,864	3,191,927	3,136,618	2,850,349
Economic development	823,007	527,581	395,305	504,106	517,720	494,603	376,806	271,870	275,635	328,696
Interest and fiscal charges	584,195	394,459	627,048	560,489	540,558	514,478	669,103	668,492	1,049,394	941,826
Total governmental activities expenses	41,587,236	33,147,285	28,687,186	36,292,100	24,376,272	37,779,524	36,203,612	35,438,384	34,081,625	33,328,229

(Continued)

# City of North Olmsted, Ohio

## Changes in Net Position Accrual Basis of Accounting (Continued)

### Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Business-type activities:										
Springvale Golf Course and Ballroom	2,008,066	1,749,393	1,361,509	1,599,374	1,800,252	1,823,985	2,019,106	1,665,971	1,557,162	1,547,407
Sewer	9,310,438	8,239,118	7,209,547	9,238,957	9,580,212	8,749,271	8,857,451	8,005,368	7,408,132	6,311,785
Total business-type activities expenses	11,318,504	9,988,511	8,571,056	10,838,331	11,380,464	10,573,256	10,876,557	9,671,339	8,965,294	7,859,192
Total primary government expenses	52,905,740	43,135,796	37,258,242	47,130,431	35,756,736	48,352,780	47,080,169	45,109,723	43,046,919	41,187,421
Net (expense) revenue:										
Governmental activities	(31,089,617)	(24,480,177)	(20,547,253)	(29,261,726)	(15,274,495)	(29,129,946)	(28,354,570)	(27,222,004)	(26,192,301)	(26,323,063)
Business-type activities	1,261,730	1,690,180	3,304,120	852,916	843,352	1,562,513	1,950,867	2,108,093	1,911,327	2,534,146
Total primary government net expense	(29,827,887)	(22,789,997)	(17,243,133)	(28,408,810)	(14,431,143)	(27,567,433)	(26,403,703)	(25,113,911)	(24,280,974)	(23,788,917)
General revenues and other changes in net position:										
Governmental activities:										
Property taxes and other local taxes	10,913,507	11,240,041	9,721,089	9,603,241	10,873,713	9,781,544	9,813,776	9,622,781	9,558,074	9,183,826
Municipal income taxes	19,099,330	20,349,739	17,879,082	15,162,859	16,544,287	15,357,622	16,311,456	15,531,341	14,039,569	13,926,264
Grants and entitlements	4,279,902	2,624,319	2,637,699	4,530,927	2,679,464	2,006,231	2,363,717	2,569,538	2,554,370	2,201,218
Investment (loss) earnings	2,691,142	248,481	(26,015)	578,682	957,900	629,054	194,422	64,238	36,912	39,775
Gain on sale of capital assets	17,828	352,583	25,978	-	-	-	-	-	-	-
Other	52,816	37,514	54,258	80,229	122,834	56,780	61,591	63,590	75,163	63,894
Transfers	1,029,403	(227,098)	50,640	60,706	20,790	52,640	52,640	52,640	(38,852)	40,223
Total governmental activities general revenues and other changes in net position	38,083,928	34,625,579	30,342,731	30,016,644	31,198,988	27,883,871	28,797,602	27,904,128	26,225,236	25,455,200

(Continued)

# City of North Olmsted, Ohio

## Changes in Net Position Accrual Basis of Accounting (Continued)

### Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Business-type activities:										
Transfers	(1,029,403)	227,098	(50,640)	(60,706)	(20,790)	(52,640)	(52,640)	(52,640)	-	(40,223)
Special item - loss on sale of capital assets	-	-	-	-	-	-	-	(3,454,506)	38,852	-
Total business-type activities general revenues and other changes in net position	(1,029,403)	227,098	(50,640)	(60,706)	(20,790)	(52,640)	(52,640)	(3,507,146)	38,852	(40,223)
Total primary government general revenues and other changes in net position	37,054,525	34,852,677	30,292,091	29,955,938	31,178,198	27,831,231	28,744,962	24,396,982	26,264,088	25,414,977
Change in net position:										
Governmental activities	6,994,311	10,145,402	9,795,478	754,918	15,924,493	(1,246,075)	443,032	682,124	32,935	(867,863)
Business-type activities	232,327	1,917,278	3,253,480	792,210	822,562	1,509,873	1,898,227	(1,399,053)	1,950,179	2,493,923
Total primary government change in net position	<u>\$ 7,226,638</u>	<u>\$ 12,062,680</u>	<u>\$ 13,048,958</u>	<u>\$ 1,547,128</u>	<u>\$ 16,747,055</u>	<u>\$ 263,798</u>	<u>\$ 2,341,259</u>	<u>\$ (716,929)</u>	<u>\$ 1,983,114</u>	<u>\$ 1,626,060</u>

Information from 2014 uses GASB Statement No. 27 to measure pension expense.

Information in 2015 uses GASB Statement No. 68 to measure pension expense.

Information from 2014 through 2017 uses GASB Statement No. 45 to measure OPEB expense.

Information in 2018 uses GASB Statement No. 75 to measure OPEB expense.

Source: City financial records

# City of North Olmsted, Ohio

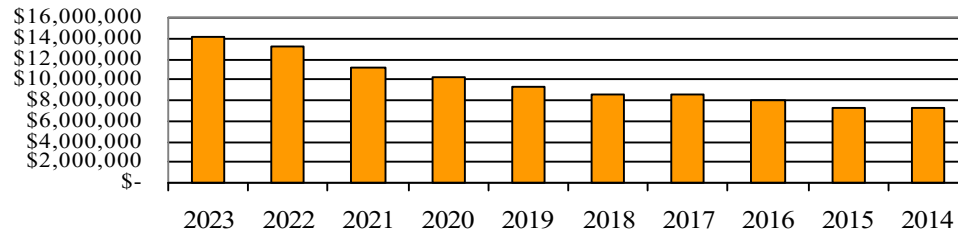
## Fund Balances, Governmental Funds Modified Accrual Basis of Accounting

### Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General fund:										
Nonspendable	\$ 2,032,390	\$ 1,905,155	\$ 1,745,212	\$ 1,665,861	\$ 1,542,670	\$ 1,477,689	\$ 1,377,161	\$ 1,283,563	\$ 1,173,952	\$ 1,180,719
Committed	619,272	145,392	67,430	77,253	22,724	101,884	114,747	62,454	42,000	-
Assigned	10,964,022	9,343,305	6,203,658	5,918,866	4,899,174	4,433,189	4,941,368	4,684,994	4,237,354	4,714,841
Unassigned	507,572	1,902,610	3,211,216	2,615,897	2,871,912	2,569,478	2,097,203	1,938,143	1,729,097	1,270,324
Total general fund	<u>14,123,256</u>	<u>13,296,462</u>	<u>11,227,516</u>	<u>10,277,877</u>	<u>9,336,480</u>	<u>8,582,240</u>	<u>8,530,479</u>	<u>7,969,154</u>	<u>7,182,403</u>	<u>7,165,884</u>
All other governmental funds:										
Nonspendable	128,536	155,959	136,116	143,511	122,182	146,064	64,079	103,105	124,839	75,935
Restricted	24,873,874	26,886,871	26,552,511	21,739,918	23,344,844	20,669,583	18,407,748	16,601,938	10,447,657	13,617,900
Committed	1,065,587	700,583	555,872	526,512	679,334	421,320	269,040	252,989	5,152,340	477,523
Unassigned	(3,452,082)	(228,666)	(143,414)	(87,419)	-	-	(130,659)	(5,516)	-	-
Total all other governmental funds	<u>22,615,915</u>	<u>27,514,747</u>	<u>27,101,085</u>	<u>22,322,522</u>	<u>24,146,360</u>	<u>21,236,967</u>	<u>18,610,208</u>	<u>16,952,516</u>	<u>15,724,836</u>	<u>14,171,358</u>
Total governmental funds	<u>\$ 36,739,171</u>	<u>\$ 40,811,209</u>	<u>\$ 38,328,601</u>	<u>\$ 32,600,399</u>	<u>\$ 33,482,840</u>	<u>\$ 29,819,207</u>	<u>\$ 27,140,687</u>	<u>\$ 24,921,670</u>	<u>\$ 22,907,239</u>	<u>\$ 21,337,242</u>

Source: City financial records

**Fund Balance  
General Fund, Last Ten Years**





# City of North Olmsted, Ohio

## Changes in Fund Balances, Governmental Funds Modified Accrual Basis of Accounting

### Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Revenues:</b>										
Property taxes	\$ 10,755,051	\$ 11,331,360	\$ 9,696,376	\$ 9,617,754	\$ 10,725,717	\$ 9,730,635	\$ 9,816,294	\$ 9,565,720	\$ 9,653,946	\$ 9,291,474
Income taxes	19,448,182	19,598,471	18,448,087	15,256,916	16,070,820	16,008,308	15,890,897	15,283,047	14,252,984	14,317,492
Payment in lieu of taxes	375,844	104,963	317,847	424,500	346,180	598,242	287,273	530,152	501,075	-
Charges for services and sales	4,383,519	4,018,957	3,525,341	2,614,932	4,188,437	4,148,407	3,817,020	3,790,286	3,209,751	2,750,607
Fines, licenses and permits	1,600,746	1,748,275	1,743,834	1,730,650	2,050,085	2,033,943	1,922,317	2,451,773	1,876,649	1,681,117
Intergovernmental	8,252,953	5,275,894	5,183,002	6,711,752	4,941,924	4,042,030	3,863,185	3,939,110	4,183,068	4,131,025
Special assessments	859	4,714	40,989	33,697	-	-	-	-	-	-
(Loss) interest income	2,669,953	249,509	(22,184)	583,853	952,243	610,034	194,422	64,238	36,912	39,775
Miscellaneous	172,653	79,457	128,749	79,370	71,964	88,636	101,233	108,250	717,963	662,055
Total revenues	<u>47,659,760</u>	<u>42,411,600</u>	<u>39,062,041</u>	<u>37,053,424</u>	<u>39,347,370</u>	<u>37,260,235</u>	<u>35,892,641</u>	<u>35,732,576</u>	<u>34,432,348</u>	<u>32,873,545</u>
<b>Expenditures:</b>										
<b>Current:</b>										
General government	6,199,339	5,462,844	4,968,763	6,195,317	4,660,721	4,548,826	4,633,871	4,603,782	4,192,227	4,190,529
Security of persons and property	19,147,409	16,170,687	15,413,928	15,965,937	15,307,520	15,438,843	14,234,086	13,840,984	14,106,951	13,194,930
Public health and welfare	991,303	754,849	541,089	554,598	667,671	643,619	1,675,311	547,434	590,039	522,122
Transportation	8,057,656	7,803,612	6,041,508	8,419,985	7,249,823	6,590,232	7,002,141	5,651,644	6,070,558	5,249,876
Basic utility services	2,860,376	2,543,410	2,573,383	2,513,654	2,270,111	2,144,646	2,193,395	2,056,094	1,933,777	1,923,981
Leisure time activities	3,440,427	2,627,424	2,467,790	2,252,570	2,779,684	2,679,376	2,891,054	2,863,912	2,796,243	2,620,445
Economic development	1,215,925	519,832	442,593	492,991	506,484	510,988	473,494	328,076	272,427	321,058
Capital outlay	7,980,921	376,667	4,809	2,865,068	1,864,836	135,554	503,137	421,515	714,701	1,746,234
<b>Debt Service:</b>										
Principal	2,767,095	3,552,781	11,744,591	7,910,955	4,746,264	3,075,506	4,494,145	4,343,608	11,542,007	3,872,081
Interest and fiscal charge	803,054	669,473	792,396	552,257	542,678	578,786	634,587	729,247	844,228	974,312
Note issuance costs	28,455	17,113	-	-	-	-	-	-	-	-
Bond issuance costs	-	-	204,257	62,157	37,550	22,111	148,689	17,048	233,131	28,056
Total expenditures	<u>53,491,960</u>	<u>40,498,692</u>	<u>45,195,107</u>	<u>47,785,489</u>	<u>40,633,342</u>	<u>36,368,487</u>	<u>38,883,910</u>	<u>35,403,344</u>	<u>43,296,289</u>	<u>34,643,624</u>
Excess (deficiency) of revenues over expenditures	<u>(5,832,200)</u>	<u>1,912,908</u>	<u>(6,133,066)</u>	<u>(10,732,065)</u>	<u>(1,285,972)</u>	<u>891,748</u>	<u>(2,991,269)</u>	<u>329,232</u>	<u>(8,863,941)</u>	<u>(1,770,079)</u>

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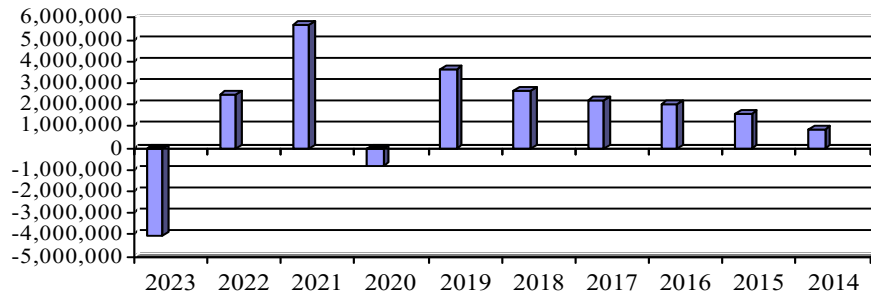
# City of North Olmsted, Ohio

## Changes in Fund Balances, Governmental Funds Modified Accrual Basis of Accounting (Continued)

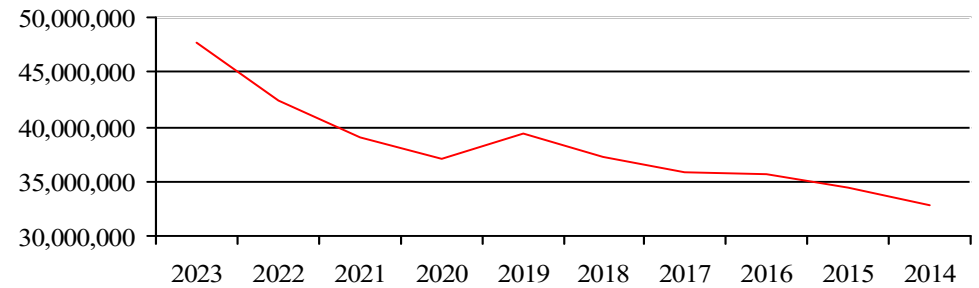
### Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Other financing sources (uses):										
Issuance of notes	-	-	-	9,730,000	4,835,000	1,720,000	-	1,605,000	5,095,000	2,425,000
Inception of financed purchases	731,134	-	154,517	-	-	-	-	-	60,299	176,472
Proceeds from issuances of bonds	-	-	9,795,000	-	-	-	8,371,000	-	8,380,000	-
Premium on issuance of bonds	-	-	1,826,105	83,191	73,102	13,632	464,139	7,383	518,568	11,510
Payment to bond escrow agent	-	-	-	-	-	-	(3,689,134)	-	(3,593,275)	-
Sale of capital assets	17,828	460,900	35,006	5,793	20,713	500	11,641	20,176	16,033	3,400
Transfers - in	9,542,568	2,168,681	3,121,632	1,605,331	1,924,563	1,970,156	1,615,615	1,697,609	1,603,124	1,595,893
Transfers - out	(8,531,368)	(2,059,881)	(3,070,992)	(1,574,691)	(1,903,773)	(1,917,516)	(1,562,972)	(1,644,969)	(1,645,811)	(1,555,670)
Total other financing sources (uses)	1,760,162	569,700	11,861,268	9,849,624	4,949,605	1,786,772	5,210,289	1,685,199	10,433,938	2,656,605
Net change in fund balance	\$ (4,072,038)	\$ 2,482,608	\$ 5,728,202	\$ (882,441)	\$ 3,663,633	\$ 2,678,520	\$ 2,219,020	\$ 2,014,431	\$ 1,569,997	\$ 886,526
Debt service as a percentage of noncapital expenditures	8.77%	11.31%	28.74%	21.92%	14.89%	10.99%	15.16%	15.43%	30.43%	15.31%

**Net Change in Fund Balance, Governmental Funds**



**Governmental Funds Revenues**



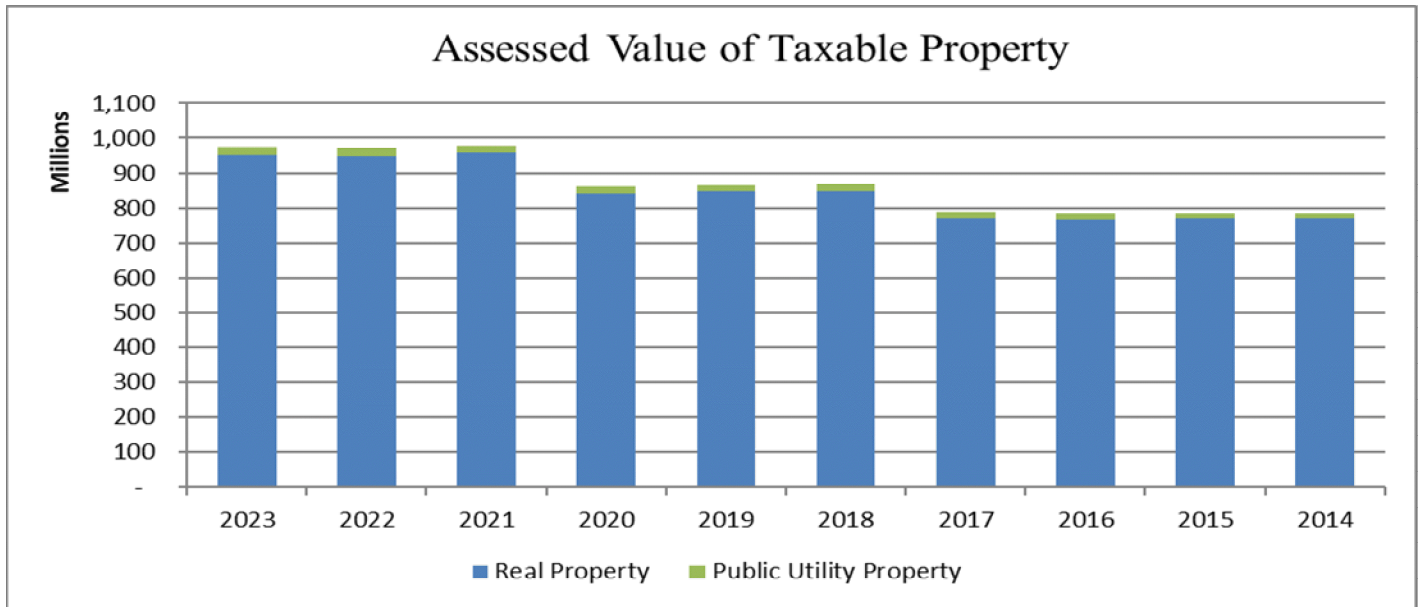
# City of North Olmsted, Ohio

## Assessed Valuations and Estimated Actual Value of Taxable Property

Last Ten Years

Tax Year	Real Property	Public Utility Property	Total	Estimated True Value of Taxable Property	Total Direct Tax Rate	Ratio
2023	\$ 948,432,120	\$ 26,601,060	\$ 975,033,180	\$ 2,762,133,654	11.80	35.3 %
2022	945,965,830	24,824,870	970,790,700	2,750,115,297	11.80	35.3
2021	956,677,970	21,839,250	978,517,220	2,772,003,456	12.20	35.3
2020	840,755,550	20,844,690	861,600,240	2,440,793,881	12.20	35.3
2019	845,194,970	19,820,540	865,015,510	2,450,468,867	12.20	35.3
2018	847,494,050	18,642,170	866,136,220	2,453,643,683	13.30	35.3
2017	770,457,560	18,534,760	788,992,320	2,235,105,722	13.30	35.3
2016	768,531,780	16,756,670	785,288,450	2,224,613,173	13.30	35.3
2015	770,231,040	15,858,070	786,089,110	2,226,881,331	13.30	35.3
2014	769,849,650	15,583,140	785,432,790	2,225,022,068	13.30	35.3

Source: Cuyahoga County Fiscal Officer ; based upon tax year valuations



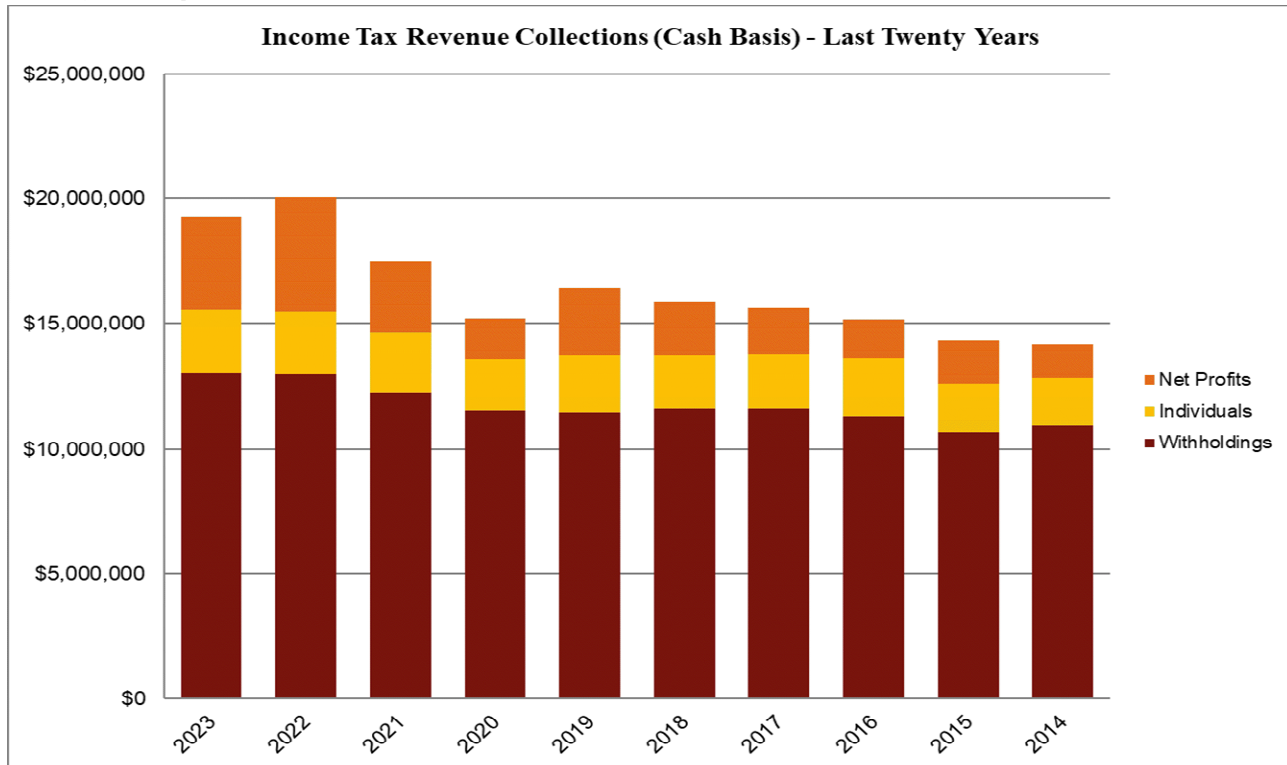
# City of North Olmsted, Ohio

## Income Tax Revenue Collections (Cash Basis)

Last Ten Years

Collection Year	Tax Rate	Total Tax Collected	Taxes from Withholding	Percentage of Taxes from Withholding	Taxes from Individuals	Percentage of Taxes from Individuals	Taxes from Net Profits	Percentage of Taxes from Net Profits
2023	2.00 %	\$ 19,273,484	\$ 13,019,909	67.60 %	2,521,333	13.00 %	\$ 3,732,242	19.40 %
2022	2.00	20,050,247	13,000,893	64.80	2,452,342	12.20	4,597,012	23.00
2021	2.00	17,459,054	12,285,454	70.37	2,338,887	13.40	2,834,713	16.23
2020	2.00	15,210,872	11,544,801	75.90	2,005,563	13.20	1,660,508	10.90
2019	2.00	16,421,072	11,459,249	69.80	2,268,061	13.80	2,693,762	16.40
2018	2.00	15,864,176	11,608,492	73.20	2,090,585	13.20	2,165,099	13.60
2017	2.00	15,608,623	11,613,989	74.40	2,119,234	13.60	1,875,400	12.00
2016	2.00	15,160,112	11,334,047	74.80	2,263,281	14.90	1,562,784	10.30
2015	2.00	14,326,364	10,691,137	74.60	1,934,541	13.50	1,700,686	11.90
2014	2.00	14,170,871	10,955,677	77.30	1,890,416	13.30	1,324,778	9.40

Source: City Finance Department



## City of North Olmsted, Ohio

### Property Tax Rates - Direct and Overlapping Governments (Per \$1,000 of Assessed Valuation)

Last Ten Years

Tax Year	City of North Olmsted					Total	School District	Cuyahoga County (a)	Polaris Vocational School	Total
	General Operating	Debt Retirement	Recreation	Police and Fire Pension						
2023	\$ 8.30	\$ 1.70	\$ 1.20	\$ 0.60	\$ 11.80	\$ 103.80	\$ 26.53	\$ 3.09	145.22	
2022	8.30	1.70	1.20	0.60	11.80	103.80	26.13	3.09	144.82	
2021	8.30	2.10	1.20	0.60	12.20	96.50	26.13	3.09	137.92	
2020	8.30	2.10	1.20	0.60	12.20	96.50	26.13	3.09	137.92	
2019	8.30	2.10	1.20	0.60	12.20	96.50	24.33	3.09	136.12	
2018	8.30	3.20	1.20	0.60	13.30	97.10	23.93	3.09	137.42	
2017	8.30	3.20	1.20	0.60	13.30	97.10	23.93	3.09	137.42	
2016	8.30	3.20	1.20	0.60	13.30	96.90	23.43	3.09	136.72	
2015	6.70	4.80	1.20	0.60	13.30	96.90	23.43	2.40	136.03	
2014	6.70	4.80	1.20	0.60	13.30	96.90	23.43	2.40	136.03	

(a) Includes Metroparks and Library Millage

Source: Cuyahoga County Fiscal Officer

## City North Olmsted, Ohio

### Real Property Tax Levies, and Collections

#### Last Ten Years

Collection Year	Total Tax Levy	Current Collections	Percentage of Current Collections to Tax Levy	Delinquent Collections	Total Collections(1)	Percentage of Total Collections to Tax Levy	Accumulated Outstanding Delinquent Taxes	Delinquent Taxes to Total Tax Levy
2023	\$ 11,110,693	\$ 10,885,018	97.97 %	\$ 279,264	\$ 11,164,282	100.48 %	\$ 294,406	2.6 %
2022	12,634,804	11,898,779	94.17	297,307	12,196,086	96.53	423,763	3.4
2021	11,053,373	10,557,465	95.51	189,655	10,747,120	97.23	528,109	4.8
2020	11,082,653	10,738,044	96.89	228,983	10,967,027	98.96	490,127	4.4
2019	11,916,153	11,643,254	97.71	230,727	11,873,981	99.65	517,909	4.3
2018	10,820,864	10,900,583	100.74	175,489	11,076,072	102.36	369,913	3.4
2017	10,683,508	10,372,826	97.09	198,269	10,571,095	98.95	319,003	3.0
2016	11,309,566	10,725,891	94.84	154,123	10,880,014	96.20	321,523	2.8
2015	10,464,045	10,699,097	102.25	114,885	10,813,982	103.34	264,461	2.5
2014	10,500,027	9,984,480	95.09	209,589	10,194,069	97.09	360,332	3.4

Sources: Cuyahoga County Fiscal Officer

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

Note: the County does not identify delinquent collections by the year for which the tax was levied.

# City of North Olmsted, Ohio

## Principal Taxpayers – Real Estate Tax

2023 and 2014

Name of Taxpayer	December 31, 2023	
	Assessed Value (1)	Percent of Total Assessed Value
B22 Great Northern II LLC	\$ 17,906,650	1.84 %
Cleveland Electric Illuminating Company	16,339,650	1.68
Star-West Great Northern Mall LLC	14,616,700	1.50
PWA Great Northern Corporate Center	8,780,320	0.90
B-Nut LLC	7,298,940	0.75
B & G Properties LTD Partnership	6,021,500	0.62
Westbury Holdings LLC	5,715,510	0.59
GGF1 North Olmsted 2016 LLC	5,547,550	0.57
KG Real Estate Investments	5,326,170	0.54
American Transmission System	5,325,080	0.54
Total	\$ <u>92,878,070</u>	<u>9.53 %</u>
Total assessed valuation	\$ <u>975,033,180</u>	

Name of Taxpayer	December 31, 2014	
	Assessed Value (1)	Percent of Total Assessed Value
Star-West Great Northern Mall LLC	\$ 37,163,520	4.73 %
BRE DDR Great Northern LLC	17,375,980	2.21
Cleveland Electric Illuminating Company	13,336,840	1.7
PWA Great Northern Corporate Center	9,327,500	1.19
B&G Properties Ltd Partnership	6,286,230	0.8
JVM Butternut Apartments, LLC	5,425,000	0.69
Moen, Inc.	5,206,390	0.66
DDR MDT Great Northern LLC	4,707,190	0.6
May Stores 74 Corp.	4,285,060	0.55
Water Tower Square Ltd	4,146,530	0.53
Total	\$ <u>107,260,240</u>	<u>13.66 %</u>
Total assessed valuation	\$ <u>785,432,790</u>	

Source: Cuyahoga County Fiscal Officer

(1) The amounts presented represent the assessed values upon which 2023 and 2014 assessed taxes were based.

# City of North Olmsted, Ohio

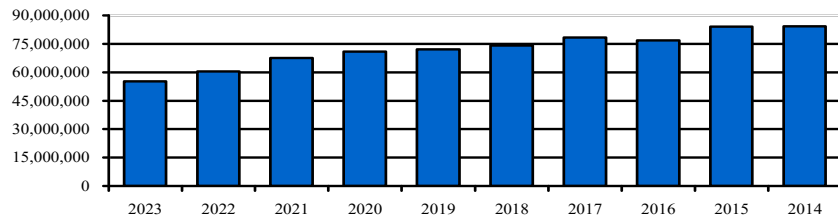
## Ratio of Outstanding Debt to Total Personal Income and Debt per Capita

Last Ten Years

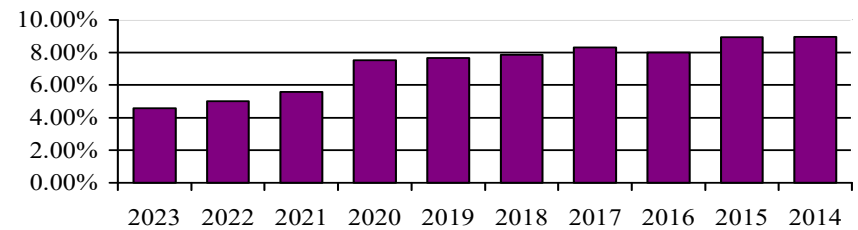
Year	Governmental Activities				Business-Type Activities					Total Debt	Percentage of Personal Income	Per Capita
	General Obligation Bonds	OPWC Loans	Long Term Notes	Financed Purchase	General Obligation Bonds	Long Term Notes	Financed Purchase	OWDA Loans	OWDA Loans			
2023	\$ 13,196,606	\$ -	\$ -	\$ 594,101	\$ 4,442,843	\$ -	\$ -	\$ 37,132,049	-	\$ 55,365,599	4.57%	\$ 1,707
2022	15,893,011	-	-	66,322	4,851,856	-	1,784	39,823,843	-	60,636,816	5.01	1,869
2021	19,723,951	-	-	109,418	5,250,869	-	3,569	42,449,511	-	67,537,318	5.58	2,082
2020	10,314,016	-	9,730,000	-	4,359,815	1,480,000	-	45,010,676	-	70,894,507	7.53	2,167
2019	13,505,410	-	4,835,000	11,648	5,072,064	1,260,000	892	47,508,930	-	72,193,944	7.67	2,207
2018	16,646,808	-	1,720,000	23,783	5,769,317	-	1,813	49,945,823	-	74,107,544	7.88	2,265
2017	19,838,209	-	-	35,328	6,446,570	-	2,675	52,065,290	-	78,388,072	8.33	2,726
2016	17,790,965	-	1,605,000	94,676	2,943,063	-	12,890	54,453,420	-	76,900,014	8.17	2,350
2015	22,169,951	-	-	167,644	4,862,340	-	23,374	56,857,463	65,167	84,145,939	8.94	2,572
2014	20,750,420	-	2,425,000	163,862	6,463,388	-	28,325	54,244,535	195,500	84,271,030	8.96	2,576

Note: Population and Personal Income are presented on page S21.

**Total Outstanding Debt, Last Ten Years**



**City Debt as a Percentage of Personal Income**





## City of North Olmsted, Ohio

### Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita

Last Ten Years

Tax Year	Population (1)		Assessed (2) Value		Gross (3) Bonded Debt		Debt Service Monies Available
2023	32,442 (a)	\$	975,033,180	\$	17,639,449	\$	10,704,311
2022	32,442 (a)		970,790,700		20,744,867		11,613,179
2021	32,442 (a)		978,517,220		24,974,820		10,113,717
2020	32,178 (b)		861,600,240		14,673,831		10,654,661
2019	32,178 (b)		865,015,510		18,577,475		10,485,105
2018	32,178 (b)		866,136,220		22,416,125		9,694,135
2017	32,178 (b)		788,992,320		26,284,779		9,079,502
2016	32,178 (b)		785,288,450		20,734,028		8,093,533
2015	32,178 (b)		786,089,110		27,037,059		7,582,319
2014	32,178 (b)		785,432,790		27,213,808		7,035,079

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

(a) 2020 Federal Census

(b) 2010 Federal Census

(2) Source: Cuyahoga County Fiscal Officer, valuations based upon the tax year

(3) Includes all general obligation bonded debt

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	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation		Net Bonded Debt Per Capita
\$	6,935,138	0.71 %	\$	214
	9,131,688	0.94		286
	14,861,103	1.52		411
	4,019,170	0.47		128
	8,092,370	0.94		247
	12,721,990	1.47		389
	17,205,277	2.18		526
	12,640,495	1.61		386
	19,454,740	2.47		595
	20,178,729	2.57		617

# City of North Olmsted, Ohio

## Computation of Direct and Overlapping Debt

December 31, 2023

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to City</u>	<u>Amount Applicable to City of North Olmsted</u>
Direct:			
City of North Olmsted			
General obligation bonds	\$ 13,196,606	100.00 %	\$ 13,196,606
General obligation bond anticipation notes	4,000,000	100.00 %	4,000,000
Financed purchase	<u>594,101</u>	100.00 %	<u>594,101</u>
Total direct debt	<u>17,790,707</u>		<u>17,790,707</u>
Overlapping			
North Olmsted School District	121,253,081	100.00 %	121,253,081
North Olmsted/Olmsted Falls School District	28,235,847	1.46 %	412,243
Cuyahoga County	228,740,000	2.76 %	6,313,224
Cuyahoga Community College	<u>183,840,000</u>	2.76 %	<u>5,073,984</u>
Total overlapping	<u>562,068,928</u>		<u>133,052,532</u>
Total	<u>\$ 579,859,635</u>		<u>\$ 150,843,239</u>

Source: Cuyahoga County Fiscal Officer

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

# City of North Olmsted, Ohio

## Legal Debt Margin

### Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Assessed valuation	\$ 975,033,180	970,790,700	978,517,220	861,600,240	865,015,510	866,136,220	788,992,320	785,288,450	786,089,110	785,432,790
Debt limit - 10% of assessed valuation	\$ 102,378,484	101,933,024	102,744,308	90,468,025	90,826,629	90,944,303	82,844,194	82,455,287	82,539,357	82,470,443
Outstanding debt:										
General obligation debt	17,639,449	20,744,866	24,984,820	14,673,831	18,577,475	22,416,125	26,284,779	20,734,028	27,038,015	27,213,808
General obligation bond anticipation notes	4,000,000	4,005,000	-	11,210,000	6,095,000	1,720,000	-	1,605,000	-	2,575,000
Less Amount available restricted for debt service	(10,704,311)	(11,613,179)	(10,113,717)	(10,654,661)	(10,485,105)	(9,694,135)	(9,079,502)	(8,093,533)	(7,582,319)	(7,035,079)
Total outstanding debt	10,935,138	13,136,687	14,871,103	15,229,170	14,187,370	14,441,990	17,205,277	14,245,495	19,455,696	22,753,729
Less exemptions:										
General obligation bonds and notes that are considered self supporting	-	-	-	-	-	-	-	261,000	1,660,000	3,051,000
Securities to extent authorizing legislation contains covenants to appropriate levy and collect municipal income taxes	-	-	-	-	-	-	-	-	627,000	1,217,000
Total exemptions	-	-	-	-	-	-	-	261,000	2,287,000	4,268,000
Net debt within 10 1/2% Limitation	10,935,138	13,136,687	14,871,103	15,229,170	14,187,370	14,441,990	17,205,277	14,506,495	21,742,696	27,021,729
Overall debt margin	\$ 91,443,346	\$ 88,796,337	\$ 87,873,205	\$ 75,238,855	\$ 76,639,259	\$ 76,502,313	\$ 65,638,917	\$ 67,948,792	\$ 60,796,661	\$ 55,448,714
Unvoted debt limitation 5 1/2 of assessed value	\$ 53,626,825	\$ 53,393,489	\$ 53,818,447	\$ 47,388,013	\$ 47,575,853	\$ 47,637,492	\$ 43,394,578	\$ 43,190,865	\$ 43,234,901	\$ 43,198,803
Amount of principal of unvoted bonds and notes subject to 5 1/2	10,935,138	13,269,333	12,267,782	14,059,549	8,872,369	9,126,990	11,890,277	8,669,495	10,963,696	11,435,729
Unvoted debt margin	\$ 42,691,687	\$ 40,124,156	\$ 41,550,665	\$ 33,328,464	\$ 38,703,484	\$ 38,510,502	\$ 31,504,301	\$ 34,521,370	\$ 32,271,205	\$ 31,763,074

Source: Cuyahoga County Fiscal Officer and City Financial Records

Note: Assessed valuations based upon the tax year.

## City of North Olmsted, Ohio

### Principal Employers

#### Last Ten Years

2023		2022		2021	
Employer	Percent of Total Income Taxes	Employer	Percent of Total Income Taxes	Employer	Percent of Total Income Taxes
North Olmsted School District	3.59 %	North Olmsted School District	3.81 %	FB Global Plumbing Group LLC	7.10 %
Fortune Brands Water Innovations LLC	2.46	Fortune Brands Water Innovations LLC	3.65	Moen Incorporated	4.04
The City of North Olmsted	2.03	Moen Incorporated	1.91	North Olmsted School District	3.79
The Cleveland Clinic Foundation	1.80	The City of North Olmsted	1.79	The City of North Olmsted	2.02
Moen Incorporated	1.65	The Cleveland Clinic Foundation	1.62	Ganley Westside Imports	1.53
Ganley Westside Imports	1.47	Champlain Enterprises LLC	1.15	Factory Mutual Insurance Company	1.44
Champlain Enterprises LLC	1.26	Wal Mart Associates, Inc.	1.12	Champlain Enterprises LLC	1.34
Wal Mart Associates, Inc.	1.21	R1 Motors Inc.	1.06	The Cleveland Clinic Foundation	1.31
R1 Motors Inc.	1.05	Affordable Cars & Finance Inc.	0.94	Wal Mart Associates, Inc.	1.04
PNC Bank	1.02	Ganley Westside Imports	0.86	Palmer Holland, Inc.	1.03
<b>Total</b>	<b>17.54 %</b>	<b>Total</b>	<b>17.91 %</b>	<b>Total</b>	<b>24.64 %</b>
2020		2019		2018	
FB Global Plumbing Group LLC		FB Global Plumbing Group LLC		Moen Incorporated	
North Olmsted School District		North Olmsted School District		North Olmsted School District	
Moen Incorporated		Moen Incorporated		The City of North Olmsted	
The City of North Olmsted		The City of North Olmsted		Bernie Moreno Companies	
Factory Mutual Insurance Company		Champlain Enterprises LLC		Champlain Enterprises LLC	
Ganley Westside Imports		Factory Mutual Insurance Company		Factory Mutual Insurance Company	
Champlain Enterprises LLC		Ganley Westside Imports		Palmer Holland, Inc.	
Palmer Holland, Inc.		Palmer Holland, Inc.,		Wal Mart Associates, Inc.	
The Cleveland Clinic Foundation		Wal Mart Associates, Inc.		Ganley Westside Imports	
Wal Mart Associates, Inc.		Riser Foods Company		The Cleveland Clinic Foundation	
2017		2016		2015	
Moen Incorporated		Moen Incorporated		Moen Incorporated	
North Olmsted School District		North Olmsted School District		North Olmsted School District	
The City of North Olmsted		The City of North Olmsted		The City of North Olmsted	
Bernie Moreno Companies		Bernie Moreno Companies		Bernie Moreno Companies	
Factory Mutual Insurance Company		Factory Mutual Insurance Company		Factory Mutual Insurance Company	
Wal Mart Associates, Inc.		Ganley Westside Imports		Ganley Westside Imports	
Ganley Westside Imports		Wal Mart Associates, Inc.		Palmer Holland, Inc.	
Associates, Inc.		Palmer Holland, Inc.		Wal Mart Associates	
Champlain Enterprises LLC		Riser Foods Company		Rise Foods Company	
Palmer Holland, Inc.		Cargill, Inc.		Cargill, Inc.	
2014					
Moen Incorporated				Moen Incorporated	
North Olmsted School District				North Olmsted School District	
The City of North Olmsted				The City of North Olmsted	
Factory Mutual Insurance Company				Factory Mutual Insurance Company	
Bernie Moreno Company				Bernie Moreno Company	
Wal Mart Associates, Inc.				Wal Mart Associates, Inc.	
Ganley Westside Imports				Ganley Westside Imports	
Palmer Holland, Inc.				Palmer Holland, Inc.	
Riser Foods Company				Riser Foods Company	
Advanstar Communications				Advanstar Communications	

Source: Regional Income Tax Agency based on payroll withholding.

# City of North Olmsted, Ohio

## Demographic and Economic Statistics

### Last Ten Years

Year	Population (1)	Employed in County (2)	Unemployment Rate (2)			School (3) Enrollment	Number of Residential Property Sales (4)	Averages Sales Price of Residential Property (4)	Total Personal Income (5)	Personal Income Per Capita
			County	State	US					
2023	32,442 (a)	576,723	3.8 %	3.5 %	3.6 %	3,562	493 \$	219,600 \$	1,210,832,766 \$	37,323 (a)
2022	32,442 (a)	570,341	4.9	4.0	3.6	3,606	545	214,700	1,210,832,766	37,323 (a)
2021	32,442 (a)	556,610	6.5	5.2	5.4	3,685	697	188,900	1,210,832,766	37,323 (a)
2020	32,718 (b)	531,193	10.4	8.2	8.1	3,595	665	164,400	940,773,372	28,754 (b)
2019	32,718 (b)	588,925	4.2	4.1	3.7	3,748	612	151,100	940,773,372	28,754 (b)
2018	32,718 (b)	612,200	5.2	4.6	3.9	3,789	597	143,000	940,773,372	28,754 (b)
2017	32,718 (b)	575,100	5.9	5.0	4.4	3,794	571	142,273	940,773,372	28,754 (b)
2016	32,718 (b)	577,200	5.4	4.9	4.9	3,814	540	127,441	940,773,372	28,754 (b)
2015	32,718 (b)	579,500	5.0	4.9	5.3	3,856	499	126,838	940,773,372	28,754 (b)
2014	32,718 (b)	584,400	6.4	6.2	5.7	3,876	452	119,802	940,773,372	28,754 (b)

Sources:

- (1) Source: U.S. Census, Census of population
  - (a) 2020 Federal Census
  - (b) 2010 Federal Census
- (2) Ohio Department of Jobs and Family Services, U.S. Department of Labor and Bureau of Labor Statistics
- (3) Source: North Olmsted Board of Education
- (4) Source: Cuyahoga County Fiscal Office
- (5) Computation of per capital personal income multiplied by population

# City of North Olmsted, Ohio

## Full Time City Employees by Function or Program

### Last Ten Years

Function/program:	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General government:										
Council	1	1	1	1	1	1	1	1	1	1
Mayor	3	3	2	2	2	2.5	2	2	2	2
Mayor's court	2	2	2	2	2	1.5	1	1	2	2
General clerical	-	-	1	1	1	1	1	1	1	1
Boards and commissions	-	-	-	-	-	-	-	-	1	1
Finance	5	5	5	5	5	5	5	5	5	5
Law	1	1	1	1	1	1	1	1	1	1
Information systems	2	2	2	2	2	2	1	-	-	1
Human resources	3	3	4	4	4	4	4	4	4	4
Building	11	10	11	10	11	11	11	10	9	8
Engineering	1	1	2	1	1	1	1	1	-	-
Total	<u>29</u>	<u>28</u>	<u>31</u>	<u>29</u>	<u>30</u>	<u>30</u>	<u>28</u>	<u>26</u>	<u>26</u>	<u>26</u>
Security of persons and property:										
Safety director	2	1.5	1	1	2	2	2	2	2	2
Fire	45	41	39	42	42	41	41	42	41	40
Dispatch	12	10	10	9	8	8	8	8	8	8
Corrections	1	1	1	1	1	1	1	1	1	1
Police	45	45	45	47	48	48	45	45	44	45
Youth Services (see Public health and welfare)	-	-	1	1	1	1	1	1	1	1
Fire clerk	1	1.5	1.5	1.5	1.5	1	1	1	1	1
Police clerk	5	5.5	5.5	4.5	5.5	5	5	5	5	4
Total	<u>111</u>	<u>106</u>	<u>104</u>	<u>107</u>	<u>109</u>	<u>107</u>	<u>104</u>	<u>105</u>	<u>103</u>	<u>102</u>
Leisure time activities:										
Recreation and Public Engagement Director	1.5	1.5	-	-	-	-	-	-	-	-
Senior center	4	4	4	4	4	4	4	4	4	3
Recreation	13	13	11	11	11	11	11	11	11	11
Springvale	4	4	4	4	3	4	3	4	3	4
Total	<u>22.5</u>	<u>22.5</u>	<u>19</u>	<u>19</u>	<u>18</u>	<u>19</u>	<u>18</u>	<u>19</u>	<u>18</u>	<u>18</u>
Transportation										
Service director	1.5	1.5	1	1	1	1	1	1	1	1
Building maintenance	2	-	1	1	1	1	1	1	1	1
Road	8	10	9	7	10	9	9	9	10	9
Forestry	8	7	7	7	7	8	7	7	6	6
Storm	10	10	9.5	8.5	8	9	9	9	7	6
Fleet	7	7	7	7	5	6	6	6	6	6
Total	<u>36.5</u>	<u>35.5</u>	<u>34</u>	<u>31</u>	<u>31</u>	<u>34</u>	<u>33</u>	<u>33</u>	<u>31</u>	<u>29</u>
Economic development										
Planning	4	2.5	2	2	3	3	3	3	2	2
Basic utility services:										
Wastewater treatment plant	27	26	26	27	25	26	26	26	25	25
Total	<u>230</u>	<u>220</u>	<u>216</u>	<u>215</u>	<u>216</u>	<u>219</u>	<u>212</u>	<u>212</u>	<u>205</u>	<u>202</u>

Source: City payroll records

# City of North Olmsted, Ohio

## Operating Indicators by Function/Program

### Last Ten Years

	2023	2022	2021	2020 (f)	2019	2018	2017	2016	2015	2014
Governmental activities:										
General government:										
<b>Council and clerk</b>										
Number of ordinances and resolutions submitted	154	125	92	158	122	142	92	142	111	100
Number of ordinances and resolutions passed	148	125	89	150	119	140	91	140	108	97
<b>Mayor's Court</b>										
Number of traffic cases	4,361	5,975	5,520	5,598	10,522	9,961	6,842	7,705	9,927	7,602
Number of OVI cases	38	39	36	43	50	42	40	45	54	62
Number of criminal cases	155	111	148	178	352	315	307	258	260	260
Number of parking cases	148	201	209	226	290	290	190	246	225	225
Number of cases transferred	150	135	114	127	225	212	159	172	105	105
Number of cases waived, total	3,596	4,986	4,866	5,047	9,155	8,471	5,859	6,952	6,513	6,513
Number of cases waived, online	2,842	3,979	3,714	3,870	6,065	5,467	3,581	3,924	3,396	3,396
<b>Finance</b>										
Agency ratings										
Fitch IBCA	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-	AA-
Moody's Financial Services-- General Limited Tax	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2
Moody's Financial Services-- General Unlimited Tax	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2	Aa2
<b>Law</b>										
Real property complaints filed	43	28	17	37	175	151	168	81	34	45
Real property fines collected	\$ 4,775	\$ 3,224	\$ 7,775	\$ 8,805	\$ 5,445	\$ 7,759	\$ 4,877	\$ 7,445	\$ 6,282	\$ 4,050
Criminal cases prosecuted	716	714	793	784	1,009	895	808	1,048	959	1049.00
Traffic cases prosecuted	849	833	779	781	1,080	610	614	615	559	388.00
<b>Building</b>										
Estimated valuation of permits issued	\$ 29,218,447	\$ 38,182,987	\$ 29,521,238	\$ 26,013,878	\$ 46,362,390	\$ 30,452,071	\$ 35,115,507	\$ 98,619,912	\$ 29,338,654	\$ 22,923,368
Number of permits issued	1,546	1,489	1,754	1,663	1,831	1,831	1,539	98,629,101	29,346,488	22,928,900

(Continued)



# City of North Olmsted, Ohio

## Operating Indicators by Function/Program (Continued)

### Last Ten Years

	2023	2022	2021	2020 (f)	2019	2018	2017	2016	2015	2014
Security of persons and property:										
<b>Police</b>										
Number of criminal arrests	1,572	1,542	1,239	1,179	1,805	1,773	1,345	1,534	1,710	1,739
Number of DUI arrests	95	87	91	115	116	81	82	91	115	103
Number of motor vehicle accidents	1,024	1,026	1,022	582	786	835	849	827	915	857
Number of prisoners confined	1,046	1,101	848	863	1,299	1,267	1,062	122	1,335	1,329
Number of traffic citations issued	5,352	6,541	6,026	6,118	11,443	10,836	7,527	81,175	9,875	8,090
Number of parking citations issued	752	975	1,234	1,407	1,674	1,961	1,314	1,669	1,588	1,849
<b>Fire</b>										
Number of fire responses	805	757	798	719	678	711	681	642	686	689
Number of squad responses	3,913	3,932	3,979	3,717	3,764	3,780	3,730	3,626	3,655	3,297
Total number of emergency responses	4,718	4,689	4,777	4,436	4,442	4,491	4,411	4,268	4,341	3,986
Number of runs per day	13.0	13.0	13.0	12.0	12.0	12.0	12.1	12.0	11.9	10.9
Public health and welfare:										
<b>Youth and family services</b>										
Food cupboard distributions	1,370	1,276	1,320	1,703	1,745	1,808	1,800	1,735	1,787	1,833
Holiday adopt-a-family	40	36	40	36	39	43	48	48	47	54
<b>Senior center (d)</b>										
Hot lunch program - meals served	8,403	5,964	- (g)	1,155	6,405	5,082	5,242	5,806	6,021	5,998
Meals on wheels clients served	64	69	59	53	46	53	40	30	38	62
Senior transportation connection medical trips	845	477	474	284	977	895	960	912	1,002	1,893
Senior transportation connection other trips	2,596	1,966	2,345	644	2,460	2,641	1,904	2,662	2,988	3,172
Leisure time activities:										
<b>Senior center</b>										
Cabin rentals	76	91	94	77	117	137	125 (e)	137	172	185
Activity participants except hot lunch program	16,092	9,903	4,897	3,880	12,991	14,764	20,776	21,520	23,665	23,665
<b>Springvale Golf Course and Ballroom</b>										
Number of golf rounds	43,671	43,979	38,248	39,767	32,472	22,148	25,013	25,274	26,542	22,715
Number of golf outings	12	12	21	1	40	36	33	42	42	37
Number of ballroom rentals	45	40	33	9	62	58	47	50	45	53
<b>Recreation</b>										
Skate programs and event participants	972	687	335	380	5,417	5,381	5,008	5,572	5,423	4,567(a)
Pool programs	368	328	158	357	1,326	1,355	1,394	1,366	1,229	928(a)
Summer camp participants	206	206	256	-	222	217	228	265	220	200(a)
Fitness pass visits	80,303	82,226	68,223	67,693	121,618	115,321	101,036	87,511	55,919( b)	N/A
Prime and Silver Sneak Pass Visits	20,067	17,108	21,798	12,017	26,710	25,012	23,429	21,053	11,645( b)	N/A

(Continued)

# City of North Olmsted, Ohio

## Operating Indicators by Function/Program (Continued)

### Last Ten Years

	2023	2022	2021	2020 (f)	2019	2018	2017	2016	2015	2014
<b>Transportation:</b>										
Snowfall in inches	23.0	52.0	32.0	52.0	33.0	42.0	45.0	42.0	32.8	65.9
Street salting and plowing — number of hours	1,312	2,672	2,268	2,059	2,548	2,430	2,472	3,270	1,261	2,660
Street asphalt and concrete repair — number of hours	6,927	7,863	5,976	5,699	11,550	10,500	10,713	10,401	6,622	5,089
Tree planting and maintenance — number of hours	3,233	2,664	4,096	2,623	2,905	2,820	2,693	2,155	2,906	2,768
Vehicle maintenance and repair — number of hours	5,458	5,234	6,758	6,733	5,143	6,664	6,579	6,961	6,572	6,673
Street improvements - asphalt overlay/recycling - square feet	282,348	391,842	789,155	530,114	602,064	420,786	413,721	440,730	443,394	146,146
Cost of road salt purchased	\$191,050	\$387,874	\$354,627	\$191,865	\$311,231	\$166,706	\$248,932	\$168,175	\$447,634	\$405,950
Cost of unleaded and diesel fuel used	\$498,450	\$618,640	\$430,036	\$278,090	\$406,038	\$414,601	\$315,092	\$353,216	\$341,499	\$567,864
<b>Wastewater</b>										
Sanitary sewer rate per 1,000 cubic ft.	\$89.54	\$87.78	\$86.06	\$86.06	\$86.06	\$83.56	\$94.10	\$81.46	\$74.07	\$67.98
Total 1,000 cubic feet billed	110,022	109,271	112,106	114,999	112,604	118,132	117,881	118,592	121,268	121,268
Total flow of wastewater treatment plant (billions of gallons)	2,507	2,277	2,256	2,557	2,288	2,660	2,106	1,958	2,033	2,467
Average daily flow (millions of gallons per day)	6.849	6.220	6.181	6.985	6.474	7.287	5.782	5.364	5.570	6.759
Tons of wet sludge removed	5,233	4,975	5,128	5,113	4,981	5,465	5,857	5,201	6,106	4,793
<b>Solid waste (e):</b>										
Tons recycled	2,171	2,177	2,325	2,571	2,682	2,939	3,360	3,226	2,971	2,960
Tons composted	3,573	3,426	4,280	4,182	5,131	6,092	4,912	5,756	N/A	N/A
Tons landfilled	12,605	11,230	12,658	13,234	10,746	7,869	7,964	8,282	5,412	6,812

N/A: Not available

Source: Various City Divisions

(a) The Recreation Center was under construction during 2014 and some of the programs were limited.

(b) The Recreation Center fitness area began operation in 2015.

(c) The Community Cabin was closed for three months due to renovation in 2017.

(d) The Senior Transportation Connection along with the City has changed the policies for dialysis and medical trips, which are combined on this report.

(e) Statistics are provided by Cuyahoga County Solid Waste District.

(f) Some statistics may not be typical due to the effects of the COVID-19 pandemic and its impact on the City operations.

(g) Congregate meals discontinued due to COVID-19

# City of North Olmsted, Ohio

## Capital Assets Statistics by Function/Program

### Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities:										
Number of administrative vehicles	10	11	12	12	12	10	10	9	7	8
Security of persons and property:										
Fire:										
Number of stations	2	2	2	2	2	2	2	2	2	2
Number of vehicles	19	19	18	18	17	17	16	16	15	14
Police:										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of vehicles	38	38	34	36	33	32	31	29	28	26
Leisure time activities:										
Recreation:										
Number of parks	4	4	4	4	4	4	4	4	4	4
Number of pools	2	2	2	2	2	2	2	2	2	2
Recreation center facility	1	1	1	1	1	1	1	1	1	1
Number of vehicles	8	8	8	8	8	8	7	7	7	7
Springvale Golf Course and Ballroom:										
Number of acres										
(18 hole golf course)	132	132	132	132	132	132	132	132	132	132
Square footage of ballroom	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Number of vehicles	1	1	1	1	2	1	1	1	1	1
Senior center:										
Senior center facility	1	1	1	1	1	1	1	1	1	1
Number of vehicles	2	2	2	2	2	1	1	1	1	1
Transportation:										
Streets:										
Miles of streets	146	146	146	146	146	146	146	146	146	146
Number of street lights	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633	2,633
Number of service vehicles	54	55	54	54	53	54	50	52	49	50
Wastewater:										
Miles of sanitary sewers	176	176	176	176	176	176	176	176	176	176
Miles of storm sewers	152	152	152	152	152	152	152	152	152	152
Number of vehicles	27	27	27	25	25	24	24	26	23	23

# City of North Olmsted, Ohio

## Capital Assets by Function

### Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities:										
General government:										
Non-depreciable										
Land and art	\$ 8,365,125	\$ 4,348,482	\$ 4,348,482	\$ 4,338,482	\$ 4,338,482	\$ 4,284,592	\$ 4,284,592	\$ 4,119,592	\$ 4,119,592	\$ 4,119,592
CIP	3,958,192	848,021	756,811	1,673,019	709,545	24,075	345,587	-	60,299	-
Other capital assets										
Cost	18,100,111	17,164,923	17,053,708	16,124,249	15,699,251	15,544,553	15,244,608	14,960,300	14,880,955	14,903,823
Net book value	7,156,293	6,758,648	7,151,429	6,607,860	6,661,026	6,968,052	7,120,198	7,227,249	7,568,209	7,987,500
Security of persons and property:										
Fire:										
Non-depreciable										
Land	349,400	349,400	349,400	349,400	349,400	349,400	349,400	349,400	349,400	349,400
CIP	-	82,137	-	-	-	-	-	-	-	-
Other capital assets										
Cost	12,080,365	12,260,920	11,934,654	11,878,319	10,613,167	10,545,253	10,011,153	9,931,593	9,813,853	10,131,597
Net book value	5,293,740	5,398,711	5,426,117	5,846,070	4,970,993	5,135,225	4,922,582	5,104,932	5,315,192	5,617,704
Police:										
Non-depreciable										
CIP	731,134	-	9,085	-	997,949	-	-	333,718	15,000	-
Other capital assets										
Cost	5,949,152	5,959,223	5,684,983	5,848,002	4,659,318	4,552,145	4,370,310	3,866,321	3,927,420	3,455,139
Net book value	2,472,742	2,606,264	2,546,505	2,660,973	1,647,954	1,644,132	1,555,410	1,198,839	1,213,570	1,205,287
Public health and welfare:										
Youth and family:										
Non-depreciable										
CIP	34,274	15,600	-	-	-	-	-	-	-	-
Other capital assets										
Cost	227,268	227,268	227,268	227,268	200,253	200,253	200,253	200,253	200,253	165,706
Net book value	109,871	121,505	133,139	144,773	128,492	138,325	148,158	157,991	167,824	142,507
Leisure time activities:										
Recreation:										
Non-depreciable										
CIP	173,953	12,500	-	2,242,023	3,815	-	-	-	1,653,610	1,211,618
Other capital assets										
Cost	16,507,205	16,069,034	15,960,265	13,846,884	12,298,521	12,267,589	12,260,724	11,865,850	10,204,381	10,182,522
Net book value	5,788,593	5,641,954	5,811,734	3,740,895	3,033,719	3,173,833	3,358,448	3,067,390	1,566,174	1,682,392

(Continued)

# City of North Olmsted, Ohio

## Capital Assets by Function (Continued)

### Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Senior center:										
Non-depreciable										
CIP	-	-	-	-	-	-	-	-	-	110,970
Other capital assets										
Cost	-	-	-	-	1,427,029	1,394,526	1,023,118	1,006,092	974,238	855,852
Net book value	-	-	-	-	836,407	887,834	558,568	573,679	573,878	484,586
Transportation:										
Non-depreciable										
CIP	1,449,968	19,463	2,938,367	3,745,917	3,070,411	3,442,835	2,837,499	522,532	751,070	267,707
Other capital assets										
Cost	6,489,959	6,274,801	5,854,797	5,887,440	5,501,749	5,490,031	5,179,007	4,921,255	4,695,385	4,740,585
Net book value	2,754,561	2,767,330	2,256,031	2,129,548	1,972,204	1,853,868	1,642,389	1,473,524	1,279,369	1,309,219
Infrastructure										
Cost	160,901,243	159,949,079	155,729,377	154,017,359	151,058,739	148,141,857	147,134,364	146,269,502	144,433,404	143,179,372
Net book value	22,533,677	23,183,577	20,644,666	20,562,969	19,188,814	18,659,624	20,847,006	23,606,741	25,071,185	28,005,185
Economic development:										
Non-depreciable										
CIP	724,651	-	-	-	-	-	-	-	-	-
Other capital assets										
Cost	106,491	106,491	106,491	106,491	106,490	106,490	106,491	106,491	122,673	122,673
Net book value	61,765	66,024	70,284	74,544	78,804	83,064	87,323	91,582	99,309	105,881
Totals:										
Non-depreciable										
Land and art	8,714,525	4,697,882	4,697,882	4,687,882	4,687,882	4,633,992	4,633,992	4,468,992	4,468,992	4,468,992
CIP	7,072,172	977,721	3,704,263	7,660,959	4,781,720	3,466,910	3,183,086	856,250	2,479,979	1,590,295
Other capital assets										
Cost	59,460,551	58,062,660	56,822,166	53,918,653	50,505,778	50,100,840	48,395,664	46,858,155	44,819,158	44,557,897
Net book value	23,637,565	23,360,436	23,395,239	21,204,663	19,329,599	19,884,333	19,393,076	18,895,186	17,783,525	18,535,076
Infrastructure										
Cost	160,901,243	159,949,079	155,729,377	154,017,359	151,058,739	148,141,857	147,134,364	146,269,502	144,433,404	143,179,372
Net book value	22,533,677	23,183,577	20,644,666	20,562,969	19,188,814	18,659,624	20,847,006	23,606,741	25,071,185	28,005,185
Total governmental activities cost	\$ 236,148,491	\$ 223,687,342	\$ 220,953,688	\$ 220,284,853	\$ 211,034,119	\$ 206,343,599	\$ 203,347,106	\$ 198,452,899	\$ 196,201,533	\$ 193,796,556
Total governmental activities net book value	\$ 61,957,939	\$ 52,219,616	\$ 52,442,050	\$ 54,116,473	\$ 47,988,015	\$ 46,644,859	\$ 48,057,160	\$ 47,827,169	\$ 49,803,681	\$ 52,599,548

(Continued)

# City of North Olmsted, Ohio

## Capital Assets by Function (Continued)

### Last Ten Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Business-type activities::										
Springvale Golf Course and Ballroom:										
Cost	\$ 14,042,917	\$ 13,339,934	\$ 13,273,613	\$ 13,274,870	\$ 13,061,728	\$ 11,163,275	\$ 9,492,696	\$ 7,978,527	\$ 7,823,515	\$ 7,589,715
Net book value	8,860,292	8,598,547	8,953,125	9,321,212	9,391,110	7,735,689	6,295,678	4,992,251	5,065,202	4,951,925
Sewer revenue:										
Cost	101,264,387	100,844,763	99,914,256	99,116,049	98,870,645	97,801,719	97,247,792	96,167,396	123,128,118	122,092,107
Net book value	53,343,045	55,703,748	57,610,613	59,457,142	61,761,859	63,413,790	65,544,822	66,716,782	71,686,671	72,363,287
NOMBL:										
Cost	-	-	-	-	-	-	-	-	-	-
Net book value	-	-	-	-	-	-	-	-	-	-
Total business-type activities cost	<u>\$ 115,307,304</u>	<u>\$ 114,184,697</u>	<u>\$ 113,187,869</u>	<u>\$ 112,390,919</u>	<u>\$ 111,932,373</u>	<u>\$ 108,964,994</u>	<u>\$ 106,740,488</u>	<u>\$ 104,145,923</u>	<u>\$ 130,951,633</u>	<u>\$ 129,681,822</u>
Total business-type activities net book value	<u>\$ 62,203,337</u>	<u>\$ 64,302,295</u>	<u>\$ 66,563,738</u>	<u>\$ 68,778,354</u>	<u>\$ 71,152,969</u>	<u>\$ 71,149,479</u>	<u>\$ 71,840,500</u>	<u>\$ 71,709,033</u>	<u>\$ 76,751,873</u>	<u>\$ 77,315,212</u>

Source: City Finance Department -- capital assets inventory.

# OHIO AUDITOR OF STATE KEITH FABER



**CITY OF NORTH OLMSTED**

**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 9/3/2024**

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

This report is a matter of public record and is available online at  
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